Aboriginal Economic Development in New Brunswick
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About the Monograph

Aboriginal economic development has become a top priority for both senior levels of government. Ottawa declared this as its policy in its Gathering Strength initiative, and the New Brunswick government has been expressing a desire in recent years to do much more to strengthen the economies of its Aboriginal communities. Recent court cases have also raised public awareness of Aboriginal economic development issues in New Brunswick and elsewhere and are forcing governments to introduce new measures to address these issues.

This monograph looks at current socio-economic conditions in New Brunswick’s Aboriginal communities. It also examines the lessons learned in the economic development field in New Brunswick generally, notably in the province’s Acadian communities, and in Aboriginal communities in other provinces.

The purpose of this monograph is to advance practical suggestions for promoting economic development in Aboriginal communities. It identifies possible initiatives for the private sector, both levels of government, and Aboriginal communities themselves. The monograph states the obvious, that the challenge confronting Aboriginal communities is great, and argues that governance issues in particular should be attended to and that the private sector and individual New Brunswickers, not just their governments, have important roles to play if Aboriginals and Aboriginal communities are to become full participants in the province’s economy.
About the Author

Donald J. Savoie holds the Clément-Cormier Chair in Economic Development at the Université de Moncton. He has extensive experience in academia and government and has served as an advisor to a number of federal, provincial, and territorial government departments; the private sector; OECD; the World Bank; and the United Nations. He has also served on various decision-making, advisory, and editorial committees. He was appointed to the Advisory Committee of the Order of Canada (1995–2000), the National Task Force on Incomes and Adjustment in the Atlantic Fishery (1992–94), the Steering Committee of Canada’s Prosperity and Competitiveness planning exercise (1991–92), Canada’s International Trade Advisory Committee (1991–93), the Economic Council of Canada (1990–92), and the editorial boards of Governance (1995–98), Canadian Public Administration (1985–94), and Optimum (1991–99). He also chaired the national panel Partnering in the Fishery (1998).

Dr. Savoie has published thirty books and over 150 articles on economic development and public administration. Some of his best-known books include Regional Economic Development: Canada’s Search for Solutions; La lutte pour le développement; Governing from the Centre: The Concentration of Power in Canadian Politics; The Politics of Public Spending in Canada; and Thatcher, Reagan, Mulroney: In Search of a New Bureaucracy. The Politics of Public Spending in Canada was the inaugural recipient of the Smiley Prize (1992), which is awarded biennially by the Canadian Political Science Association for the best book on government and politics in Canada. In 1994 he was awarded the Mosher Prize for the best article published in public administration in the United States.

Dr. Savoie was made an Officer of the Order of Canada (1993), awarded honorary doctorates by l’Université Ste-Anne (1993) and Mount Allison University (1997) and a Doctor of Letters by Oxford University (2000), elected a Fellow of the Royal Society of Canada (Canada’s National Academy) (1992), and selected alumnus of the
year by l'Université de Moncton (1991). He was also presented with the distinguished Canadian Award by the Public Policy Forum (1999) and the Vanier Medal (1999) by the Institute of Public Administration of Canada, the latter for “having left an indelible mark on the calibre of public policy and public management in Canada.”
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This was one of the most stimulating and at the same time challenging studies I have ever undertaken. While I have been a student of economic development for some time, I had never before done much work on Aboriginal communities. Early on in this study, I discovered that socio-economic and cultural conditions in Aboriginal communities are vastly different from those in other communities. Still, economic development does not happen in a vacuum. The challenge then was to take the lessons learned in economic development elsewhere and see how they apply to Aboriginal communities in New Brunswick. That is the purpose of this study. For example, I used as a guide the economic development efforts in Acadian communities in New Brunswick over the past forty years, taking into account the very different history, politics, and cultural development of Acadian and Aboriginal communities. The lessons learned in Acadian communities can be of assistance to Aboriginal communities, and this study seeks to show how. In doing so, however, I kept in mind that the Aboriginal peoples do not have the economists, chartered accountants, and financial advisors to provide ongoing advice on how to prepare and submit proposals. I also looked at lessons learned in community economic development in Aboriginal communities elsewhere in Canada to see how they apply to New Brunswick Aboriginal communities.

This study took me back to my youth. I grew up in Saint-Maurice, some forty kilometres from the Micmac community of Big Cove. I remember vividly that Big Cove was off limits to me and my friends; we were told we would not be welcome there. I also remember seeing “les indiens de Big Cove” going door to door in Saint-Maurice selling their hand-woven baskets. They were bought by many in Saint-Maurice, perhaps out of fear because they were told that “les indiens” had the power to cast an evil spell on anyone they disliked. Better to buy the baskets, they thought, than run the risk of living under an evil spell.
When I was growing up, my community’s ignorance of Aborigi-
nals and its prejudice towards them ran deep; I suspect the same
could be said of many other non-Aboriginal communities in New
Brunswick in the 1950s and 1960s. The situation may have improved
somewhat in the intervening years, but I believe that Aboriginal peo-

dles in New Brunswick are still the victims of prejudice. Recent events
relating to the Donald Marshall decision and the fishery lead me to
think that racism is alive and well in certain parts of the province.

During the course of my research for this study, I met a young
Micmac who impressed me deeply and whom I grew to respect. I
found in him a hope for the future of Aboriginal communities. He
was highly intelligent, articulate, and passionate — a fine writer blessed
with a creative mind. It is rare to find in one person the combination
of a talented poet, a community leader, and an articulate spokesper-
son for his people, and yet they were all present in this man. I de-
scribe some of his activities in this report. One evening while watch-
ing the news, I was astonished to learn that he had been arrested in
Florida on a second-degree murder charge. I was and remain deeply
troubled by this incident. The man, of course, is Noah Augustine.
This was a severe blow to Aboriginal communities in New Brunswick,
who are in dire need of hope, not disillusionment, success stories,
not failures. And there have been successes, as this study makes clear,
but more are needed if Aboriginals in New Brunswick are to realize
their full potential.

Another event that grabbed the national headlines recently is the
Marshall decision — a decision with repercussions that I am sure will
be felt for years to come. More is said about this in the introdutory
chapter.

It is my fervent hope that this work will make a significant contribu-
tion to economic development in Aboriginal communities in New
Brunswick. It will give me great satisfaction if it does, because I am
convinced that New Brunswick can never become a “have” province
in the true sense of the word until our Aboriginal communities be-
come full partners in the economy.

I am indebted to a number of people who assisted me in my re-
search, in particular to the Aboriginals and non-Aboriginals who
agreed to be interviewed. It is no exaggeration to say that without
their assistance and their willingness to share their knowledge and
information, this work would not have been possible.
I also owe a special thank you to Ginette Benoit for typing and retyping the manuscript. Bryan Baker made numerous editorial suggestions, and the book has been greatly improved as a result. Nadine Thériault, research assistant, help me greatly on this and other research projects during the academic year 1999–2000.

Finally, I want to express my sincere thanks to Judge Graydon Nicholas; Dan Horsman, Executive Director of the New Brunswick Aboriginal Affairs Secretariat; and Cynthia Williams, a former senior official with the Department of Indian Affairs and Northern Development, for reading the manuscript. Given the nature of the book, I felt it important to have the manuscript read by people with an intimate knowledge of the challenges confronting Aboriginal communities. No author could have been better served. Responsibility for any errors in the following pages is mine.

Donald J. Savoie
Résumé
(In French/en français)

Introduction

Les gouvernements fédéral et provincial ont récemment exprimé leur intention de promouvoir le développement économique des Autochtones du Nouveau-Brunswick. Ils ont également pris des dispositions pour joindre leurs efforts en ce sens et, déjà, ils ont adopté des mesures concrètes, sous la forme de projets-pilotes, destinées à encourager la coopération et à stimuler le développement économique des Autochtones. Ainsi, l’Initiative jointe de développement économique (ICDE) réunit les personnes qui s’intéressent à la promotion du développement économique des Autochtones. Le gouvernement fédéral, par l’intermédiaire du ministère des Affaires indiennes et du Nord canadien (MAINC), a également lancé une initiative aux objectifs ambitieux, Rassembler nos forces, en réponse aux résultats des travaux de la Commission royale sur les peuples autochtones. L’initiative Rassembler nos forces ne se contente pas de définir de grands objectifs; elle met aussi de l’avant un plan d’action global dans le but de favoriser l’essor économique des communautés autochtones et d’encourager les activités de développement économique en tant que composantes essentielles de ce plan d’action.

La présente étude a pour défi de contribuer au développement économique des Autochtones du Nouveau-Brunswick en formulant des suggestions pratiques quant aux moyens à adopter à cet effet. Elle est constituée de quatre parties. En premier lieu, nous procédons à une évaluation socioéconomique des collectivités autochtones du Nouveau-Brunswick. Par la suite, nous examinons des expériences fructueuses qui ont été réalisées en matière de développement économique afin d’en tirer des leçons. La troisième partie est consacrée aux résultats d’entrevues qui ont été menées auprès des ministères concernés, de fonctionnaires, d’Autochtones et de non-Autochtones. Ces entrevues cherchaient à la fois à évaluer ce qui a déjà été accompli au Nouveau-Brunswick en matière de développement économique des Autochtones et à fournir des recommandations pour de futurs
projets. Enfin, l’étude présente un ensemble de suggestions et d’ob-
servations à prendre en considération au moment de planifier les
futurs projets de développement économique des Autochtones du
Nouveau-Brunswick. Cette dernière section vise avant tout à alimen-
ter la discussion sur ce qui peut être réalisé, plutôt qu’à présenter un
exposé complet sur ce qui devrait être fait.

I. Les communautés autochtones
du Nouveau-Brunswick

Afin de mieux comprendre le contexte dans lequel les mesures de
développement économique à l’intention des Autochtones sont con-
çues, il importe de souligner l’évolution historique de la situation des
Autochtones du Nouveau-Brunswick. Les Autochtones habitaient le
territoire de la province bien avant l’épanouissement de la civilisa-
tion grecque. La Nation micmaque vivait de la chasse, de la pêche et
de la cueillette sur un territoire de 50 000 milles carrés, situé à l’est de
la rivière Saint-Jean, dans la péninsule Gaspésienne et les autres pro-
vinces Maritimes. Pour leur part, les Malécites vivaient à l’ouest de la
rivière Saint-Jean, sauf en amont où ils occupaient les deux rives, et
formaient un peuple distinct parlant sa propre langue. L’expérience
de la colonisation fut certainement traumatisante pour les Premières
Nations. D’abord, les contacts avec les Européens déclenchèrent des
épidémies qui décimèrent les populations autochtones. De plus,
celles-ci furent mêlées aux nombreuses guerres qui, entre 1675 et 1783,
opposèrent la France et l’Angleterre. Les pressions sur les Autochtones
de la région s’accrurent à compter de 1784, lorsque le Nouveau-
Brunswick devint une colonie distincte sous l’effet d’une forte immi-
gration de nouveaux colons, des Loyalistes venus des États-Unis.
Marginalisés sur le plan culturel, les Autochtones furent aussi de plus
en plus confinés à des territoires restreints en raison de la forte
demande de nouvelles terres de la part des colons sans cesse plus
nombreux. Ainsi, une quarantaine de traités auraient été conclus avec
les Malécites et 32 avec les Micmacs, en vertu desquels ceux-ci renon-
çaient à une grande partie de leurs territoires traditionnels en échange
d’avantages plus symboliques que réels.

Après la Confédération et l’adoption de la Loi sur les Indiens en
1868, la loi du Nouveau-Brunswick concernant les Indiens et les
terres réservées au peuple indien a été abrogée, et toutes les sommes
d’argent et les terres administrées par les commissions provinciales
sur les Indiens furent transférées à Ottawa. Jusqu’après la Seconde
Guerre mondiale, le gouvernement provincial fut écarté de la relation qui se développait entre le ministère des Affaires indiennes et les Premières Nations du Nouveau-Brunswick, ne pouvant l’observer que de l’extérieur. Depuis la guerre, le gouvernement fédéral a favorisé la participation du gouvernement provincial aux affaires autochtones au moyen d’ententes intergouvernementales en matière d’éducation, d’aide sociale et d’autres services. Par exemple, en 1967, le ministère de l’Éducation du Nouveau-Brunswick a signé une « entente-cadre » avec le ministère des Affaires indiennes, permettant aux enfants autochtones de n’importe quelle bande de fréquenter les écoles publiques. Avant cette date, la plupart des enfants fréquentaient l’école de leur réserve jusqu’à la huitième année et devaient ensuite poursuivre leur éducation à un pensionnat à Shubenacadie, en Nouvelle-Écosse.

Le gouvernement provincial a également instauré de nouvelles mesures dans les domaines du logement, de la formation et de la jeunesse autochtone. Toutefois, le gouvernement du Nouveau-Brunswick a toujours considéré le développement économique des communautés autochtones comme une question relevant du gouvernement fédéral et, surtout, du MAINC. La documentation sur le développement économique régional appuyé par le fédéral fait très peu allusion aux Autochtones et à leur développement économique, même si le fédéral a toujours démontré un appui envers divers projets de développement économique. Les ententes-cadres de développement (ECD), les ententes de développement économique et régional (EDER) et les accords de coopération n’ont généralement pas été centrés sur les Autochtones et les communautés autochtones.

À la fin des années 80, le gouvernement du Nouveau-Brunswick a émis un énoncé de politique qui manifestait sa volonté de jouer un rôle beaucoup plus proactif dans le développement économique des Autochtones que par le passé. De même, au niveau fédéral, le ministère de l’Industrie, le ministère des Pêches et des Océans et l’Agence de promotion économique du Canada atlantique (APECA) ont mis en application des mesures spécifiques de promotion du développement économique des Autochtones et ils ont exprimé leur intention de renforcer leurs engagements. Il est donc clair qu’un nombre croissant de ministères et d’agences, tant du gouvernement fédéral que du gouvernement provincial, souhaitent contribuer au développement économique des Autochtones au Nouveau-Brunswick.
II. Une analyse socioéconomique sélective

La population autochtone du Nouveau-Brunswick est relativement peu nombreuse. Bien que leur nombre exact demeure imprécis, nous savons qu’il y a entre 10 000 et 18 000 Autochtones résidant dans les réserves et hors des réserves dans la province, ce qui représente 2 % de la population du Nouveau-Brunswick. Selon Statistique Canada, entre 1881 et 1981, la population autochtone du Canada a augmenté de 306 %, tandis que l’ensemble de la population du Canada a augmenté de 457 %. Au Nouveau-Brunswick, en raison d’une immigration limitée, l’ensemble de la population provinciale a augmenté de 108 % au cours de ces années, comparativement à une hausse de 228 % pour la population autochtone. Selon le recensement de 1991, il y a environ 6 300 personnes ayant le statut d’Indien qui résident dans les 15 communautés des Premières Nations de la province, 3 000 personnes ayant le statut d’Indien qui résident hors des réserves et 3 500 autres personnes d’ascendance autochtone.

La grande majorité des indicateurs économiques clés appuient l’opinion des leaders autochtones, selon qui leurs communautés sont aux prises avec une dure réalité. Dans l’ensemble, les taux de participation de la population autochtone hors réserves et dans les réserves sont respectivement de 51 et de 44 %. Une enquête spéciale démontre que le taux de chômage dans les communautés autochtones est quatre fois plus élevé que le taux national moyen. Ainsi, le taux de chômage chez les Autochtones du Nouveau-Brunswick s’élève à environ 32 %, soit environ trois fois le taux provincial moyen. Dans la province, 4 920 Autochtones ont un revenu d’emploi comme principale source de revenu, tandis que les autres formes de paiements de transferts constituent la principale source de revenu de 2 450 Autochtones. Il est également révélateur de constater que, dans le cas des Autochtones dans les réserves, 1 020 personnes ont déclaré les paiements de transferts comme principale source de revenu, comparativement à 585 qui ont déclaré un revenu d’emploi.

Une enquête exhaustive menée pour le compte de l’ICDE auprès de 13 réserves des Premières Nations a conduit à diverses constatations. Cette étude indique entre autres que 42 % des répondants habitant dans une réserve occupent un emploi. C’est la catégorie des 25-45 ans qui présente le plus gros pourcentage de personnes occupées. En ce qui a trait à la scolarisation, l’étude a révélé que 25 % des répondants des réserves avaient complété leurs études secondaires, cette proportion étant supérieure chez les femmes âgées entre 16 et
24 ans. Toutefois, seulement 6 % des Autochtones possèdent un diplôme universitaire et 13 % ont un certificat ou un diplôme de compétence professionnelle. Selon la même étude, approximative-ment 45 % des personnes interrogées ont indiqué qu’elles seraient prêtes à quitter leur réserve pour obtenir de la formation ou pour trouver un emploi. Inversement, 54 % ne voudraient pas s’établir à l’extérieur de la réserve. D’après les répondants, le manque de formation et la conjoncture économique difficile sont souvent des obsta-cles à la recherche d’un emploi. Les responsabilités familiales ont également été soulignées comme un problème pour la recherche d’emploi, cette question préoccupant davantage les femmes que les hommes.

Pour planifier les efforts portant sur le développement économi-que, il peut être révélateur et instructif de comparer la situation économique des Autochtones dans les réserves et celle des Autochtones hors réserves. L’enquête de l’ICDE révèle que 48 % des personnes recensées qui résident hors réserves occupent un emploi, tandis que 44 % d’entre elles déclarent être sans emploi. Comme dans le cas des Autochtones des réserves, le manque de formation représen-tait l’obstacle le plus fréquent à la recherche d’emploi. En résumé, les données semblent indiquer que les Autochtones vivant hors réserves jouissent d’une situation économique plus avantageuse que ceux qui vivent dans les réserves.

Même si l’information à ce sujet est loin d’être complète, nous savons que le milieu des affaires autochtone est de petite taille, tant du point de vue du nombre d’entreprises que de leurs dimensions, et que ses activités sont centrées sur la collectivité locale. Les commu-nautés autochtones restent en grande partie tributaires des paiements de transferts des gouvernements, et leurs économies locales reposent sur les services du secteur public, les services commerciaux et les services aux consommateurs. À part quelques exceptions, les commu-nautés autochtones du Nouveau-Brunswick ne possèdent pas de culture entrepreneuriale très solide, et le contexte commercial y est souvent lié à la politique. Un examen détaillé des entreprises autoch-tones du Nouveau-Brunswick montre non seulement que la grande majorité des entreprises privées est de faible envergure, mais aussi que leurs activités commerciales se limitent au secteur des services locaux, au secteur de la construction et à certaines activités liées au tourisme.
Par ces observations, nous ne voulons pas sous-entendre que ces entreprises ne sont pas importantes. Bien au contraire, elles le sont, et pour plusieurs raisons. D’abord, elles témoignent d’une culture d’entreprise, et la plupart des entreprises commencent modestement, au bas de l’échelle. De plus, elles représentent un moyen important de juguler la fuite des capitaux à l’extérieur de la communauté. Il n’en demeure pas moins que ces entreprises desservent la population locale et n’ont pas tendance à prendre de l’expansion et à créer de nouveaux emplois, à moins qu’elles n’ail lent chercher d’autres marchés. Au Nouveau-Brunswick et ailleurs, on attache beaucoup d’importance depuis les dernières années aux entreprises basées sur les connaissances ou sur la haute technologie pour l’avenir économique de la région ou de la communauté. Nous savons que, au sujet de professions spécifiques, les Autochtones du Nouveau-Brunswick sont surreprésentés dans la catégorie d’emplois « administration publique et défense », mais sous-représentés dans des catégories clés telles que la gestion, le commerce, les finances et l’administration.

Des enquêtes, des études et des données de recensement laissent entrevoir un avenir difficile mais néanmoins prometteur sur le plan économique pour les communautés autochtones. Cette conjoncture ne devrait surprendre personne. Historiquement, les communautés autochtones du Nouveau-Brunswick ont eu à vaincre bien des obstacles, notamment secouer le joug de la pauvreté et s’attaquer aux autres difficultés économiques, un véritable tour de force dans des conditions défavorables. C’est en tenant compte de l’ensemble de cet environnement économique que les communautés autochtones doivent définir des mesures pour assurer leur développement économique.

III. Les leçons tirées de l’expérience en matière de développement économique et appliquées aux communautés autochtones au Nouveau-Brunswick

Depuis une quarantaine d’années, les gouvernements fédéral et provincial ont adopté un train de mesures afin de promouvoir le développement économique et régional. Diverses leçons peuvent être tirées de ces efforts, et le MAINC et les autres ministères fédéraux, notamment celui de l’Industrie, peuvent également dégager un enseignement profitable de leurs propres efforts.
Une solution facile pourrait consister à réduire les disparités dans la prestation des services publics et à accroître le pouvoir d’achat des particuliers. Toutefois, les paiements de transferts ne pourront jamais remédier à la cause profonde des problèmes de développement économique. Les investissements importants de fonds publics dans les communautés autochtones ont permis d’améliorer la qualité de vie et la qualité des services publics ou d’intérêt collectif sans toutefois réussir à générer une activité économique durable. La leçon la plus importante que l’on peut dégager des efforts consacrés au développement régional au cours des 40 dernières années est l’apport fondamental du facteur humain. Le facteur humain englobe les processus historiques, les attitudes, l’éducation et tous les autres éléments influant sur la capacité d’une personne à contribuer au développement économique de sa communauté et à son propre bien-être économique. L’apport des ressources humaines dépend des compétences, de l’énergie, de la confiance en soi dont les personnes ont besoin pour concevoir, lancer et gérer de nouvelles activités économiques. La contribution du facteur humain permet également d’expliquer pour quelle raison des pays déficitaires en ressources naturelles obtiennent de très bon résultats sur le plan économique.

Pour illustrer l’importance que revêt le facteur humain dans le développement d’une communauté, il convient d’examiner les progrès économiques réalisés par les Acadiens du Nouveau-Brunswick. Il y a 40 ans, les Acadiens avaient surtout recours à des moyens traditionnels pour trouver des emplois, ils possédaient un degré d’instruction inférieur et ils étaient à peine représentés dans les deux ordres de gouvernement. C’est la mise en place d’une série de mesures et d’initiatives par Louis-J. Robichaud dans les années 1960 qui transforma la société acadienne du Nouveau-Brunswick. À cette époque, on ne s’attendait pas qu’un Acadien soit élu premier ministre de la province parce que la société acadienne était trop faible. En outre, de nombreux Acadiens étaient convaincus que la majorité anglophone ne permettrait tout simplement pas qu’un Acadien dirige le gouvernement. Depuis ce temps, les Acadiens sont devenus d’important chefs d’entreprise dans de nombreux secteurs économiques, exportant leurs produits partout dans le monde. Diverses institutions, telle l’Université de Moncton, sont venues appuyer les efforts d’émancipation de la communauté acadienne. Bref, les Acadiens du Nouveau-Brunswick ont fait des progrès remarquables depuis 40 ans grâce à leur contribution aux affaires publiques et à leur participation au développement social.
Les réflexions et les observations exprimées ci-dessus ne visent pas à essayer d’établir un parallèle entre la communauté acadienne des années 50 et la communauté autochtone d’aujourd’hui, les deux groupes étant très différents pour des raisons historiques et culturelles. Toutefois, elles soulèvent un certain nombre de points importants. En premier lieu, le développement économique est réalisable, même dans les communautés qui au cours de leur histoire ont dû relever des défis difficiles et s’attaquer à des conditions socioéconomiques défavorables. Ensuite, le facteur humain ou le rôle exercé par les personnes est d’une importance capitale pour qu’il y ait un engagement à long terme et un développement économique durable. Enfin, il apparaît évident que les gouvernements ont un rôle précis et tout à fait justifié à exercer dans le développement économique des communautés autochtones.

Une autre leçon importante que l’on peut retirer des efforts visant le développement économique, c’est que la réussite génère d’autres réussites et que les échecs entraînent d’autres résultats négatifs. Dans cet esprit, la dépendance prolongée à l’égard de l’aide sociale bloque la transition vers l’autodéveloppement et l’émancipation économiques. Ces observations se rapportent directement au facteur humain et aux défis économiques à relever dans les communautés autochtones. Les 40 dernières années d’efforts de développement économique régional nous ont également enseigné que puiser à même le Trésor public ne représente pas toujours la meilleure solution et que, par moments, cette pratique peut être contre-productive. Il ne faut pas croire qu’on puisse remédier au phénomène de la dépendance en dépensant encore plus de fonds publics, particulièrement par le biais de programmes passifs de paiements de transferts. La façon dont les gouvernements s’organisent pour favoriser le développement économique est aussi cruciale pour le succès de leurs efforts que les politiques et les programmes eux-mêmes. La question clé, c’est de savoir comment les gouvernements peuvent mettre en application ces mesures pour que de nombreux ministères et organismes puissent y apporter leur contribution.

Les efforts du gouvernement consacrés à la promotion de l’entrepreneuriat en tant que moyen de faire progresser une région ou même une communauté vers l’autosuffisance économique nous ont également permis de tirer un certain nombre de leçons. Qu’on mette l’accent sur la personne ou la collectivité pour stimuler le développement économique, on sait qu’en général l’éducation et la formation jouent un rôle clé. La confiance en soi et l’assurance de la
réussite constituent également un aspect déterminant vu que, pour être en mesure de prendre la décision de lancer une nouvelle activité économique, de relever tous les défis et d’en faire son gagne-pain, il faut être convaincu de posséder toutes les compétences nécessaires. La seule question importante qui reste sans réponse, c’est de savoir si les Autochtones du Nouveau-Brunswick sont disposés à embrasser le modèle entrepreneurial.

Le renforcement des institutions s’avère également un facteur de promotion nécessaire au développement économique d’une communauté. L’expérience du Programme d’aide au développement local (ADEL) dans le comté de Kent constitue l’une des initiatives de développement économique les plus réussies et elle permet également de dégager d’importantes leçons sur la création ou le renforcement des institutions. L’agence mise sur pied dans le cadre de ce programme fait des placements par emprunts et des placements en actions dans de nombreux petits projets et elle dispense des conseils et de l’aide technique aux entrepreneurs locaux. L’organisation est dirigée par un groupe de gens d’affaires de la région et elle investit, en moyenne, dans 12 nouvelles entreprises ou entreprises en expansion par année. Dans bien des cas, ADEL-Kent représente le prêteur de dernier recours, de telle sorte que ces entreprises n’auraient pu voir le jour ou progresser sans ce financement. Ce qui est particulièrement impressionnant, c’est qu’ADEL-Kent est actuellement très près de l’autosuffisance. Ce projet ne nécessite qu’un financement minime du gouvernement pour fonctionner. Le succès de l’agence s’explique par différents facteurs. Selon son premier directeur, un facteur déterminant consiste en « la capacité du conseil d’administration de ne pas mêler la politique aux affaires de l’agence ». ADEL-Kent s’inscrit également dans une conception collective du développement économique. En fait, à bien des égards, les Acadiens ont appris à marcher en tant que collectivité avant de pouvoir commencer à courir comme entrepreneurs.

Nous pouvons également nous inspirer de deux communautés autochtones à l’extérieur du Nouveau-Brunswick. Le Grand Conseil de Prince Albert, en Saskatchewan, a mis sur pied une société de développement autochtone en 1985. Cette société appartient maintenant en parts égales à 12 Premières Nations et elle effectue des placements dans toute une gamme d’activités économiques, allant des services de nettoyage et d’entretien, aux hôtels et aux industries de services. La société a un conseil d’administration qui a pleine autorité légale quant à la supervision des activités, et un conseil de
gestion qui s’occupe du fonctionnement des affaires courantes. Un directeur général administre les activités de la société et il répond de sa gestion devant le conseil d’administration et le conseil de gestion. Cette société a obtenu beaucoup de succès; ses ventes totalisent plus de 10 millions de dollars annuellement et elle emploie plus de 200 employés. Cette expérience démontre qu’au fur et à mesure que les personnes apprennent et se développent au cours de la mise en œuvre d’un projet couronné de succès ou qu’elles réussissent à exploiter un commerce, elles acquièrent de l’assurance pour entreprendre d’autres initiatives.

Les Artisans indiens du Québec (AIQ) sont une société établie depuis plus de 20 ans pour répondre aux besoins des artisans autochtones en matériel artisanal. Cette société est située dans la communauté de la nation des Hurons-Wendat, à environ huit kilomètres de la ville de Québec. Elle est parvenue à prospérer même pendant des périodes financièrement difficiles en mettant de l’avant deux stratégies : d’une part, prendre de l’expansion géographiquement et, d’autre part, commercialiser des produits finis pour le compte des artisans autochtones. Cette société joue également un rôle important dans le maintien et la revalorisation de la culture autochtone grâce au soutien qu’elle procure à l’ensemble des artisans et des artistes. En 1992, les AIQ ont commencé à fournir du matériel d’artisanat dans tout le pays. L’expansion à l’échelle nationale des AIQ et leurs efforts pour améliorer la mise en marché des produits ont été couronnés de succès. L’expansion géographique a permis à la société d’offrir un service de qualité à tous les artisans et artistes autochtones du Canada. Le service à la clientèle étant essentiel à leur réussite, les AIQ ont personnalisé leur service de sorte que les clients des communautés isolées se sentent plus près des gens avec qui ils font affaire.

L’examen minutieux des efforts en ce sens et des résultats positifs qu’ils ont obtenus nous permet de découvrir que tout organisme de développement économique local doit avoir un mandat clair et que chacun de ses membres doit savoir ce qu’on attend de lui. De plus, les personnes appelées à gérer un projet de développement économique local ou régional devraient avoir accès à des connaissances dans le domaine et pouvoir acquérir les compétences nécessaires pour assurer le succès de l’entreprise. Comme le démontre une recherche approfondie de Harvard auprès de 67 communautés autochtones américaines, la création d’institutions est un facteur d’une extrême importance qui souvent fait la différence entre la réussite et l’échec.
IV. Les programmes et les consultations

Il existe maintenant toute une gamme de programmes gouvernementaux dont les Autochtones du Nouveau-Brunswick peuvent bénéficier, ainsi que leurs communautés. Bon nombre de ces programmes sont de portée nationale ou provinciale et sont offerts à tous les Canadiens. D’autres sont conçus spécifiquement pour les Autochtones et ils s’étendent maintenant à presque tous les secteurs d’activités économiques et sociales : l’habitation, l’éducation, les petites entreprises, la pêche commerciale, etc. Afin de connaître la perception que les principaux intéressés ont des programmes de développement économique, nous avons effectué des entrevues auprès de divers intervenants. Cette démarche nous a permis d’en arriver aux constatations suivantes.

En premier lieu, les personnes interrogées ont exprimé le besoin de renforcer la capacité des gouvernements et des programmes gouvernementaux à assurer la coordination des efforts consacrés à la promotion du développement économique. Ensuite, les intervenants recommandent que l’on adopte une approche globale pour promouvoir le développement économique des Autochtones et que l’on accorde une plus grande importance au facteur humain. Enfin, les répondants soulignent que les efforts futurs doivent émerger des communautés autochtones locales ou régionales et qu’une perspective à long terme doit être adoptée dans la promotion du développement économique des Autochtones.

L’industrie de la pêche

En ce qui concerne l’industrie de la pêche, on constate que le transfert de permis est une initiative prometteuse pour l’avenir. En effet, cette mesure a permis aux bandes d’acquérir sur place de l’expérience dans la pratique des affaires et de posséder un intérêt commercial dans la conservation. Grâce à cette mesure, les Autochtones sont devenus des partenaires dans le secteur de la pêche commerciale et peuvent envisager cette activité économique comme un moyen de parvenir à l’autosuffisance. On a aussi constaté que l’élément clé permettant à une stratégie de porter fruit réside dans la coordination des efforts gouvernementaux de développement économique.
Le secteur forestier

Le secteur forestier a toujours joué un rôle important dans le développement économique du Nouveau-Brunswick. C’est pourquoi le gouvernement fédéral a fait du secteur forestier une priorité en ce qui concerne la promotion du développement économique des Autochtones. En avril 1996, le ministère fédéral des Ressources naturelles et le ministère des Affaires indiennes et du Nord canadien ont lancé un nouveau programme, le Programme de foresterie à l’intention des Premières Nations (PFPN). Le PFPN est conçu pour favoriser la gestion forestière et les pratiques administratives chez les communautés autochtones. Il encourage les Premières Nations à travailler en collaboration et à constituer des partenariats avec d’autres acteurs/agents des affaires. Les communautés autochtones du Nouveau-Brunswick font des progrès solides et remarquables dans le secteur forestier, notamment la collectivité d’Eel Ground. Actuellement, la bande est propriétaire d’une scierie mobile, d’une raboteuse, d’un séchoir à bois et d’un camion. L’entreprise a produit du bois d’échantillon, des planches et des madriers embouvetés et des carreaux pour l’aménagement paysager. Suivant la décision du juge Turnbull, en octobre 1997, les Autochtones de la province ont obtenu l’autorisation de faire la récolte ou la coupe du bois sur les terres de la Couronne. Le premier ministre Frenette a alors demandé à Gérard La Forest et à Graydon Nicholas d’agir en tant que facilitateurs entre les communautés autochtones de la province et le gouvernement provincial. L’équipe La Forest-Nicholas a formulé une série de recommandations générales et a émis bon nombre de mises en garde. Son rapport soutient que l’accès à l’industrie ne constitue pas un remède universel et qu’il existe d’autres moyens de favoriser le développement économique et le plein emploi. Enfin, le rapport souligne que les communautés autochtones nourrissent l’espoir que la population néo-brunswickoise devienne « une société plus tolérante et plus compréhensive ».

Les minéraux

En ce qui concerne le secteur des minéraux, on constate qu’il existe peu de possibilités d’exploitation pour les communautés autochtones du Nouveau-Brunswick. En effet, aucune des réserves ne semble avoir acquis de l’expérience dans une forme quelconque d’exploitation des ressources minières. Cependant, certaines réserves peuvent avoir exploité des gisements miniers sans que la Direction de l’exploitation des ressources du MAINC en ait été informée. Certaines
personnes ont indiqué que l’exploitation de mousse tourbe et de dépôts de grès semblait prometteuse. Enfin, on devrait évaluer le potentiel minier dans la réserve de Pabineau, près de Bathurst, puisqu’on y trouve des dépôts importants de minéraux.

Le tourisme

Le tourisme constitue un secteur prioritaire pour les deux ordres de gouvernement dans les provinces de l’Atlantique. Toutefois, on commence à peine à s’intéresser au potentiel touristique des communautés autochtones et à chercher à en tirer profit. Il y a quelques années, le ministère provincial du Développement économique et du Tourisme a embauché Noah Augustine, un Micmac, en qualité de chargé de projet au sein du Groupe de développement des produits de ce ministère. À son arrivée au Ministère, un seul produit autochtone faisait partie des campagnes publicitaires touristiques. Aujourd’hui, la promotion touristique provinciale compte 10 produits autochtones, soit cinq excursions d’une journée, une excursion d’aventure de pêche et de chasse, trois excursions hivernales et une excursion de plusieurs jours. La communauté d’Eel River Bar est également en train de mettre de l’avant d’importants projets touristiques et d’autres initiatives de développement économique d’envergure. Cette communauté a décidé d’affecter des sommes considérables au développement d’un jardin patrimonial autochtone, qui inclura un centre d’interprétation et plus de 250 plantes ayant de nombreuses vertus thérapeutiques. La communauté a aussi décidé d’investir dans le Parc Ospecy, un parc de création d’entreprises. Enfin, la Eel River Bar Shoe Company produit et vend des chaussures de marque dans un magasin adjacent à sa fabrique. La réussite de cette communauté s’explique par le fait que ses membres ont été impliqués dans la prise des décisions importantes et que l’on a écarté la politique de l’administration courante.

Le Ministère du Développement des Ressources humaines

Le ministère fédéral du Développement des Ressources humaines (DRH) s’est intéressé très activement aux communautés autochtones depuis sa création. Un de ses programmes, Les chemins de la réussite, a accordé entre trois et quatre millions de dollars annuellement au développement des ressources humaines dans les communautés autochtones du Nouveau-Brunswick. Toutefois, les Autochtones ne considèrent pas que ce programme ait beaucoup contribué à l’avancement et au développement des organismes et des établissements.
de formation autochtones. Aussi le Ministère a-t-il décidé, après seulement quelques années, de revoir sa stratégie en matière de développement des ressources humaines dans les communautés autochtones. Les mesures postérieures aux Chemins de la réussite sont destinées à prendre forme et à se concrétiser au moyen d’ententes bilatérales avec les communautés autochtones plutôt que de grandes structures de gestion régionales. Ce nouveau programme vise comme objectif principal à donner aux communautés autochtones plus de flexibilité mais aussi plus de responsabilités dans l’organisation des activités de développement des ressources humaines. On indique toutefois que le processus de planification devrait être renforcé et que le processus décisionnel devrait être davantage transparent. Il serait également important d’évaluer l’impact des projets de formation avant de les mettre en œuvre, et d’adapter les cours de formation à l’économie locale et à la population locale.

Entreprise autochtone Canada

Le programme Entreprise autochtone Canada a été établi en 1989 par le ministère fédéral de l’Industrie, des Sciences et de la Technologie. Ce programme fournit des services aux entreprises autochtones et s’adresse aux Indiens inscrits et aux Indiens non inscrits du Canada, aux Inuits et aux Métis, qu’il s’agisse de particuliers, d’associations ou de partenariats. Le Ministère a ouvert un centre à Halifax qui dessert tout le Canada atlantique, y compris le Nouveau-Brunswick. La documentation portant sur le programme indique que ses efforts visent premièrement les petites entreprises et qu’il accorde plus d’importance au développement du tourisme, à l’adoption de la technologie et à l’entrepreneuriat chez les jeunes. Elle explique également que l’aide financière peut être obtenue sous forme de contributions remboursables ou de contributions non remboursables. Toutefois, même si ce programme a aidé certaines entreprises autochtones de la province, on estime qu’il pourrait être davantage efficace s’il était financé adéquatement.

Les marchés publics – achats gouvernementaux

En 1996, le gouvernement canadien a instauré de nouvelles mesures concernant l’accès aux marchés d’approvisionnement des ministères et destinées aux entreprises autochtones. Ces nouvelles mesures sont fondées sur la stratégie d’approvisionnement continu que le MAINC a mis de l’avant. Elles permettent plus particulièrement de conscientiser les entreprises autochtones au sujet des possibilités d’affaires qu’offrent les marchés publics des contrats
Résumé

Des Autochtones ont indiqué qu’ils avaient pu profiter de nouvelles possibilités de développement économique en raison des politiques d’approvisionnement du gouvernement fédéral. Ce programme a également permis à bon nombre d’entreprises nationales et régionales d’établir des relations avec les Autochtones du Nouveau-Brunswick pour former des coentreprises afin d’obtenir des contrats gouvernementaux. L’établissement de ces nouveaux partenariats est d’un intérêt majeur pour diverses raisons. Ils constituent une forme de développement des ressources humaines, ils favorisent le transfert de connaissances aux communautés autochtones et ils ouvrent des avenues de développement économique viables pour les entreprises. Un rapport publié en 1995 signale que la majorité des contrats avec des entreprises autochtones portent sur les marchés de services, représentant environ 75 % de toutes les entreprises. Il révèle de plus qu’il y a des possibilités d’affaires pour les Autochtones dans les secteurs des travaux de construction, des transports et de l’entreposage, des services commerciaux, du commerce de gros et du commerce de détail. Il faut toutefois noter que la plupart des possibilités d’affaires sont offertes à l’extérieur du Canada atlantique.

Initiative conjointe de développement économique (ICDE)

L’ICDE est une mesure que l’ensemble des intervenants du milieu d’affaires autochtones ont largement applaudi. En effet, l’ICDE a comblé un vide et elle a fourni une tribune aux personnes intéressées pour se rencontrer, échanger des idées, coordonner leurs efforts et s’assurer que le développement économique des Autochtones fait partie des stratégies et des programmes des deux principaux ordres de gouvernement. En plus de servir de tribune, l’ICDE accomplit un certain nombre de fonctions, en particulier en agissant comme une forme de lobbyisme pour favoriser les projets autochtones à l’intérieur des gouvernements. Enfin, le groupe de travail La Forest-Nicholas a souligné ses résultats positifs et il a déclaré que l’ICDE « devrait avoir plus de visibilité et plus de ressources à sa disposition pour lui permettre de s’adapter davantage aux besoins des communautés autochtones, particulièrement en matière de formation et de soutien aux projets de développement économique ». Bref, l’ICDE est l’histoire d’une réussite et il faut miser sur ce succès et sur les leçons tirées de l’expérience des efforts précédents pour promouvoir le développement économique des Autochtones du Nouveau-Brunswick.
V. Et maintenant, que peut-on faire?

La tâche à accomplir est à la fois simple et exigeante : il s’agit de déterminer des moyens pratiques pour mieux encadrer les efforts futurs en matière de développement économique des Autochtones du Nouveau-Brunswick. À cet égard, il faut mettre l’accent sur le facteur humain, qui constitue un ingrédient essentiel dans la promotion du développement économique. Il est également important que les agents économiques, les décideurs et les responsables de l’élaboration des politiques de la province contribuent à ce développement. Pour ce faire, il sera nécessaire d’examiner les problèmes fondamentaux de la gestion des affaires et de la création ou du renforcement d’institutions. De plus, on devra créer des possibilités particulières à l’intention des Autochtones afin qu’ils participent davantage à l’économie du Nouveau-Brunswick.

Les disparités entre la répartition géographique des nouveaux emplois créés et le lieu de résidence des Autochtones constituent un obstacle qui persistera vraisemblablement et qui pourrait même s’accentuer dans l’avenir. De nombreuses réserves au Nouveau-Brunswick sont éloignées des centres urbains de Moncton, de Saint John et de Fredericton. Enfin, la majorité des Autochtones n’a pas effectué d’études de niveau supérieur ni acquis d’habiletés spécialisées, alors que la qualité de la main-d’oeuvre constitue le principal moteur de la création d’emplois. Il apparaît donc important que l’on investisse dans la formation technique et l’éducation post-secondaire.

Les fonctionnaires élaborent actuellement de nouvelles mesures pour ce qu’ils considèrent comme trois économies distinctes : l’économie dans les réserves, l’économie axée sur les ressources et l’économie urbaine. De plus, ils prennent des initiatives aux multiples facettes ou à portée générale qui seraient conçues à titre de soutien au développement de ces trois économies. Vous trouverez ci-après bon nombre de suggestions et d’observations qui vont dans ce sens et qui portent sur le facteur humain, ainsi que sur divers secteurs économiques. Nous recommandons fortement que tous les organes de décision, y compris les entreprises privées, contribuent au développement économique des Autochtones.

Le facteur humain

Il est primordial d’adopter une perspective à plus long terme quand on prend en considération le facteur humain. Il ne fait aucun doute que la situation actuelle représente une nette amélioration par rapport
à celle d’il y a 50 ans. Ainsi, le système d’éducation est davantage adapté aux communautés autochtones qu’il ne l’était par le passé. Toutefois, les non-Autochtones doivent être davantage informés sur la riche culture et l’histoire des Autochtones et être conscientisés au sujet de l’importante contribution économique qu’ils peuvent apporter.

**Se tourner vers les chefs d’entreprise et les leaders d’opinion**

Afin de renseigner la population néo-brunswickoise sur les réalisations importantes des Autochtones dans leur province, les dirigeants du monde des affaires du Nouveau-Brunswick devraient organiser et parrainer une campagne d’information sur la culture et le potentiel économique des communautés autochtones. L’entreprise privée joue un rôle déterminant dans la promotion du développement économique des communautés autochtones ailleurs au Canada. Toutes les entreprises privées sont conscientes de leurs responsabilités sociales et elles veulent se comporter en « bon citoyen moral ». Toutefois, il apparaît évident que les firmes importantes (telles que Irving et McCain) sont mieux placées pour donner le coup d’envoi à de nouvelles mesures de soutien au développement des communautés autochtones.

**Se tourner vers les universités**

On devrait faire davantage d’efforts pour favoriser la poursuite d’études universitaires chez les Autochtones. Dans cette optique, une université néo-brunswickoise devrait créer un collège ou un établissement d’enseignement supérieur pour les Autochtones, où l’on effectuerait aussi des études et des recherches au sujet des Autochtones. Les Autochtones de la province profiteraient grandement d’un établissement ou d’un centre auquel ils pourraient s’identifier. La priorité de cet établissement d’enseignement serait de concevoir et d’administrer un programme de recherche et de formation en gestion publique, un instrument qui pourrait ouvrir la voie à l’autodétermination des Premières Nations de la région.

**Se tourner vers la documentation**

Le système scolaire doit se doter de documentation portant sur les Autochtones. En effet, la culture autochtone est extrêmement riche en contes et en légendes qui ne font actuellement pas partie de notre littérature. Ils devraient pourtant être intégrés au système scolaire provincial et diffusés dans trois langues.
Se tourner vers les modèles de réussite

Pour une collectivité, il est important de pouvoir compter sur des exemples de personnes à imiter ou des modèles de comportement, en ce sens qu’ils démontrent que le développement et la croissance sont réalisables. Les Autochtones pourraient identifier les personnes qui peuvent inspirer leurs communautés et faire connaître leurs réalisations.

Se tourner vers le développement des ressources humaines

Le développement des ressources humaines constitue un élément clé dans le processus de développement économique des communautés autochtones. On devrait donc intervenir davantage sur ce plan et y consacrer encore plus d’efforts. Bien que le transfert direct de la responsabilité des programmes aux communautés autochtones soit une bonne approche, les ministères et les agences des gouvernements ne devraient pas hésiter à dispenser des conseils sur les conditions actuelles du marché du travail et sur les types d’initiatives que les Autochtones devraient favoriser.

La conduite des affaires publiques

Les économistes et les élaborateurs de politiques s’entendent sur deux choses : le développement économique a plus de chances de réussir si l’environnement politique est stable; et l’absence d’ingérence politique dans l’administration courante d’un projet accroît les possibilités que cette administration soit efficace. Ainsi, divers intervenants affirment que la capacité de ne pas laisser la politique s’immiscer dans un projet explique en grande partie son succès. Toutefois, la politique exerce une influence puissante et dévastatrice dans les réserves autochtones. Les questions politiques et les incidents accaparent toute l’attention des résidants, à tel point qu’il devient difficile de voir clair à travers les brumes de la politique et d’atteindre les objectifs fixés. Dans la plupart des cas, c’est par le truchement de l’administration de la bande que proviennent tous les emplois dans une communauté autochtone. En fait, le chef et le conseil sont devenus plus que les administrateurs de la bande; ils contrôlent toutes les ressources mises à la disposition de la communauté, devenant les principaux pourvoyeurs. Rien ne justifie qu’une communauté, même petite, ne puisse établir des descriptions d’emploi pour des postes administratifs, ou qu’il y a un licenciement systématique du personnel chaque fois qu’un nouveau chef est élu. Le défi à relever consiste
donc à se détacher de la politique qui désorganise et à séparer la gestion opérationnelle de la politique. De plus, il faudrait préconiser une approche de réflexion proactive et dynamique, plutôt que de réagir impulsionnellement aux situations, et ce, dans le but de stimuler une planification réfléchie relativement à la société autochtone du Nouveau-Brunswick.

Les rapports entre les deux ordres de gouvernement et les Autochtones sont de plus en plus complexes. L’augmentation de la réglementation fédérale et provinciale, l’intérêt croissant du gouvernement du Nouveau-Brunswick pour le développement économique des Autochtones ainsi que les différents programmes permanents du fédéral ont contribué à la multiplication des relations entre les intervenants. La formule du guichet unique pourrait remédier à ce problème, mais bon nombre d’Autochtones craignent cette approche. En effet, ils estiment qu’avec le temps les ministères ayant une autre vocation prêteraient de moins en moins d’attention aux questions de développement économique des Autochtones. Cependant, ils reconnaissent la nécessité d’une meilleure coordination des programmes. Assurément, tout effort visant à placer la communauté ou l’entreprise autochtone au centre des programmes gouvernementaux permettrait de renforcer la capacité des gouvernements de stimuler le développement économique des Autochtones. C’est pourquoi les programmes et les mesures des gouvernements devraient être centrés sur les clients et sur leurs besoins, plutôt que de créer un mouvement vertical et d’agir isolément les uns des autres, comme c’est trop souvent le cas aujourd’hui.

### Les efforts du gouvernement fédéral

Dans son discours du Trône, le gouvernement fédéral a renouvelé son engagement à l’égard du développement économique des Autochtones. Il semble toutefois très peu probable qu’il puisse continuer à soutenir le niveau actuel des paiements de transferts aux Autochtones du Nouveau-Brunswick. Par conséquent, il aura besoin d’un bon nombre de partenaires tels que les entreprises autochtones, les dirigeants des communautés, le gouvernement provincial et le secteur privé pour promouvoir le développement économique des Autochtones. Par ailleurs, il est important de voir au développement d’un esprit d’entreprise et au renforcement des capacités des ressources humaines dans les communautés autochtones. De plus, il est nécessaire que les communautés autochtones soient plus solidaires les unes des autres, qu’elles s’unissent davantage et que la structure de
l’autorité soit renforcée. Ainsi, le MAINC devrait appuyer de nouvelles initiatives pour consolider la structure de l’autorité et les processus de gestion publique dans les communautés autochtones. Il devrait également encourager la séparation de la politique et de l’administration des projets de développement économique, de l’élaboration des descriptions d’emploi et de la création ou du renforcement d’institutions pour les Autochtones. Enfin, des études démontrent que certaines communautés auraient de bien meilleures chances de réussir économiquement si elles développaient une attitude positive envers le changement, si elles démontraient le désir de remettre en question l’état actuel des choses, si elles manifestaient la volonté de collaborer à l’intérieur et à l’extérieur de la réserve, et si elles s’employaient à faciliter le renforcement des institutions. Enfin, le gouvernement fédéral devra modifier les programmes économiques existants ou mettre sur pied un nouveau programme et une nouvelle structure afin de stimuler le développement économique des Autochtones et de leur permettre de réunir des fonds.

Les efforts du gouvernement provincial


Le secteur privé

Tout le monde devrait avoir accès à l’économie de marché, mais pourtant on n’a pas besoin de regarder bien loin pour s’apercevoir que ce n’est pas le cas. Ainsi, les Autochtones ont besoin de soutien de la part des gens qui ont réussi dans le domaine des affaires, afin d’en venir à participer à part entière à l’économie de marché. Les dirigeants des entreprises devraient également se regrouper dans le but de faciliter le développement de nouvelles entreprises dans leur
communauté. Outre le fait qu’ils donneraient des conseils aux entrepreneurs autochtones, ils contribueraient de façon encore plus importante à créer de nouvelles entreprises et de nouvelles possibilités d’emploi pour les Autochtones.
Aboriginal
Economic Development
in New Brunswick
Introduction

The federal and provincial governments in New Brunswick have recently stated their intention to promote Aboriginal economic development. To this end, they have taken steps to join forces and have already introduced specific measures to promote cooperation. We know, for example, that in 1995, at the suggestion of the Department of Indian and Northern Development (DIAND), governments and Native leaders in New Brunswick agreed to launch a new cooperative effort to promote Aboriginal economic development on a trial basis. They labelled the new approach JEDI (Joint Economic Development Initiative). JEDI brings together those with an interest in promoting Aboriginal economic development and is directed by a steering committee made up of three chairs: an Aboriginal co-chair, a federal co-chair (Atlantic Canada Opportunities Agency [ACOA], vice president in the province), and a provincial co-chair (the deputy minister of the Regional Economic Development Corporation). The federal government, through DIAND, has also launched an ambitious initiative (Gathering Strength) in response to the findings of the Royal Commission on Aboriginal Peoples. The Gathering Strength initiative is not only ambitious, but it also seeks to promote a comprehensive agenda for change; economic development issues constitute key parts of the agenda.1

The purpose of this study is to contribute to Aboriginal economic development in New Brunswick, and it does this by reviewing what has worked in economic development generally, what has not, and what might work in Aboriginal communities. Based on this review, it seeks to identify practical ways to promote Aboriginal economic development in New Brunswick.

New Brunswick is an excellent setting in which to review Aboriginal economic development. It is small both in total population and in Aboriginal population, and the government of New Brunswick,

which is also relatively small, provides easy access to information and decision-makers. The provincial government has already demonstrated a capacity to move quickly and make decisions, it has expressed a sense of frustration with its efforts to promote Aboriginal economic development and a strong desire to do more in this area, and it identified the promotion of economic self-sufficiency as one of its most important priorities throughout the 1990s. Accordingly, we would be safe in assuming that the provincial government would applaud and support all efforts to promote greater Aboriginal economic self-sufficiency within its own borders.

The province’s decision to promote the JEDI process bodes well for the future. In addition to JEDI, there have been other signs of late suggesting that the government of New Brunswick would like to play a stronger role in Aboriginal economic development. For example, in February 1995, the provincial government co-sponsored with the government of Canada a conference to find ways to provide greater access to capital for Aboriginal economic development.2

How does one draw up a menu of practical suggestions for promoting Aboriginal economic development? It is no small task. In the past forty years or so, there have been a number of very practical people who have taken on the challenge. Among them have been Aboriginal leaders, who are deeply committed to the economic health of their people. As well, officials in DIAND, in other federal departments and agencies, and in provincial government departments have been busy developing practical measures to promote Aboriginal economic development. Sometimes, though, it is useful to stand back from a problem, take stock, learn from experience, and see if there is a need to chart a new course. Such an exercise is the central purpose of this study.

This monograph consists of four parts. First, we provide a socio-economic assessment of Aboriginal communities in New Brunswick. The reason for this is straightforward: designing measures to promote economic development is simply not possible without first gaining a clear understanding of the relevant communities, i.e., their weaknesses and strengths.

Second, we review lessons learned in economic development. There is now a whole body of literature on past federal and provincial government efforts at promoting economic development. Moreover,

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DIAND has numerous internal or consultants’ reports taking stock of these efforts. We have drawn on this literature to identify lessons learned in economic development and later to assist in identifying practical suggestions for future efforts. Given the limited financial resources now available to governments and the urgency of the problem, this is no time to ignore the lessons of the past.

Third, a cross section of interested parties were interviewed for this monograph. The majority of the interviews were conducted between August and October 1997; others were done in January and February 1998. They were unstructured, and each was personally tailored to the respondents, some of whom we interviewed more than once. In a number of instances, telephone interviews were carried out because it was the only way certain individuals could be reached. No attempt was made to draw a representative sample, which, given the scope of the work, would have been impractical. I met with federal government officials in Ottawa and the region who represented several departments (DIAND, Human Resources Development, Industry, ACOA, Fisheries and Oceans, Natural Resources, Treasury Board Secretariat, and the Privy Council Office), and I also met with provincial government officials from several departments (Economic Development and Tourism, Regional Development Cooperation, Forestry, and the Premier’s Office). I met with a number of Aboriginals, including chiefs, entrepreneurs, and several involved in one way or another with promoting economic development. I also met with a number of non-Aboriginals engaged in promoting economic development in non-Aboriginal communities in New Brunswick. The interviews had two main goals: to assess what was currently being done in Aboriginal economic development in New Brunswick and to offer practical suggestions for future efforts.

I had little difficulty in setting up telephone interviews or meeting with key people in Aboriginal communities in New Brunswick and with government officials in either the federal or provincial governments who were directly involved in promoting Aboriginal economic development. At the outset of my research, I intended to list the individuals I interviewed in an appendix to this report. After several interviews, however, I decided that that would be inappropriate. There are only a relatively small number of individuals involved in Aboriginal economic development in New Brunswick. And because the New Brunswick Aboriginal community is also quite small, I quickly discovered that most of the people know each other well, a characteristic of New Brunswick society as a whole. In any event, some of
the comments made in the interviews were to the point and, in a few cases, fairly provocative. While there are those who would have found it entertaining to know who said what, it would have served no useful purpose, and so I decided to keep the identity of the respondents confidential. In only three cases did I specifically ask the respondents if I could quote them directly (Chief Second Peter Barlow, Noah Augustine, and Steve Gignish), and in all three cases they agreed. That said, several respondents specifically asked that I not attribute their comments to them. I do want to note here that several individuals were extremely helpful to me in the preparation of this report, especially Brian Wilson and Darrell Buffalo of DIAND, both of whom were always willing to respond to my requests for information.

Fourth, we present a menu of suggestions and issues to consider when planning future Aboriginal economic development in New Brunswick. That section outlines several specific areas and possible initiatives which hold promise for promoting Aboriginal economic development. It is not, however, meant to be an exhaustive list. Indeed, as the report argues and as many respondents insisted, future economic development initiatives in Aboriginal communities in New Brunswick should, by and large, come from the communities and the Aboriginals themselves. Accordingly, this last section is intended as a start, as a way to launch the discussions about what could be done rather than a comprehensive description of what should be done. My hope is that this monograph will stimulate discussions about Aboriginal economic development not just in Aboriginal communities but also in government circles, in universities, in the private sector, and among the non-Aboriginal population.

While working on this monograph in the spring of 1998, I decided to put things temporarily on hold for two reasons. First, I decided that it was important to have access to the most recent data on Aboriginal communities, and so I waited for the results from the 1996 census, some of which only became available in late 1999. Second, Justice John Turnbull’s decision in the Thomas Peter native-harvesting case sent shock waves through the province’s forestry sector. The decision set in motion a series of events ranging from the provincial government’s decision to appeal the decision to the establishment of a task force on Aboriginal issues. The New Brunswick government, it will be recalled, asked Provincial Court Judge Graydon Nicholas and retired Supreme Court Judge Gérard La Forest to produce a report on Aboriginal issues.
Given these developments, I decided to wait, let the dust settle, and see how the conflict played itself out and what specific solutions would be advanced. In hindsight, that may not have been a wise decision. Even to the most casual observer, it is clear that the dust has still not settled. Indeed, we have had more than a few dustups since Justice Turnbull tabled his decision. The Supreme Court decision in the Marshall case, for example, has been controversial, and the national media have been reporting extensively on developments linked to the case.

I believe that we have entered a new era in the relationship between Aboriginal and non-Aboriginal peoples in New Brunswick. Aboriginals are confronting important economic challenges as well as having to deal with complex public policy issues. These issues are not being addressed or are not being dealt with adequately, and there are signs that Aboriginals are fast losing patience with and confidence in our system of governance. The wheels of change and progress have moved much too slowly for them, and many are giving up on Canada’s national policy and administrative institutions. This explains, in part, why they are turning to the courts to resolve conflicts or to clarify rights and even public policy issues. In addition, we have seen in recent years in Canada a shift towards an American-style right-oriented society. It is important to remember that those who put forward claims before a court do so under the “most powerful of all moral considerations” and are in no mood to compromise.3

The courts, by definition, have a vastly different approach to resolving issues than governments have. Courts will interpret the law and treaties according to their own lights, and in so doing they will not hesitate to settle an issue one way or the other and, in the process, declare clear winners and losers. Governments, on the other hand, and in particular public services, are reluctant to introduce “special measures” for certain groups or to resolve an issue clearly by stating in bold terms who won and who lost.4 We are often told that “politics is the art of the possible” and that public servants have a well-honed capacity to define the public good and to pursue the public interest. Most public servants also hold certain basic values which they are unwilling to compromise. These include transparency, fairness, equity, and nonpartisanship. Such values have come to inform

their work and to guide their relations with citizens, and they are also the values that Canadians expect their career public servants to embrace.

When La Forest and Nicholas tabled their findings, some Aboriginal leaders were quick to dismiss the report. The Globe and Mail, for example, reported that “Mr. Paul [Tim Paul of St. Mary's Reserve] and other native leaders said the hard decisions about their future and their right to participate in the forest industry will have to be made in court.” Canadians, however, have had very little experience with having their courts set the broad parameters of public policy. We inherited the British form of government, and, as is made clear in all introductory courses in political science, in such a system “Parliament is supreme.” We are now coming to terms with the fact that Parliament is no longer supreme and, in fact, that it is losing relevance as a national political institution. Important decisions of a public policy nature are now being made by the courts based on agreements or treaties struck years ago before Canada was even born.

It only takes a moment’s reflection to appreciate what all this means to our Aboriginal and non-Aboriginal communities and the province’s political and economic elites. One thing is certain: New Brunswick’s future will be very different from its present. For Aboriginal communities, however, the future cannot come too soon. They have been knocking on the door of the modern economy for some time, and it has remained closed. My basic purpose in this monograph is to gain a better understanding of New Brunswick’s Aboriginal communities and to offer some advice on where we go from here in addressing their concerns.

It is against this backdrop that I wrote this monograph. The reader should keep in mind, however, that the research and the interviews were carried out before the Paul and Marshall court decisions. As already noted, the publication was also put on hold pending the arrival of new data from the 1996 census.

I

Aboriginal Communities in New Brunswick

There is no need here to go into detail about the historical development of Aboriginal communities in New Brunswick. Highlighting some of the important historical developments should be sufficient to enable us to understand the environment in which economic development measures are designed and to appreciate the challenges confronting Aboriginal communities. Still, the reader and the program specialist may well become impatient at having to read background material on Aboriginals in New Brunswick. Understandably, they will want to get on with the work of finding solutions to the problems. It is hardly possible, however, to overstate the importance of gaining a proper understanding of the socio-economic forces shaping Aboriginal communities before offering a package of possible solutions. Measures to promote economic development can hardly be defined without first putting the subject into its historical context. History, after all, is as important to an understanding of economic development as it is to every other area of human activity, a fact that is often overlooked.

We know that there were Aboriginal people living in New Brunswick long before the flowering of ancient Greek civilization. The Micmac nation survived as hunters, fishermen, and gatherers over a fifty-thousand-square-mile territory east of the Saint John River, which is now part of New Brunswick, the Gaspé Peninsula, and the other Maritime provinces. Archaeological excavations at the Red Bank reserve on the Little South West Miramichi River show layer upon layer of ancient campsites, an almost continuous chain of living going back nearly three thousand years. The Maliseets have also lived west of the Saint John River Valley for thousands of years, speaking their own ancient language.6

There is no denying that the experience of colonization was traumatic for the First Nations. One can hardly begin to imagine the impact the arrival of the Europeans must have had on small, self-reliant Aboriginal communities in New Brunswick. But we do know that there were numerous wars between 1675 and 1783 and that the desire to secure a more stable political environment led to a number of peace-and-friendship treaties between the British Crown and the two First Nations (by one count there were some forty direct treaties with the Maliseets and thirty-two with the Micmacs). There were also other declarations and treaties which applied to both the Micmac and Maliseet peoples. Treaties and special declarations, however, did not stop the continual incursions into Indian lands, and they did not mitigate the fact that the colonial forces had the upper hand in virtually every area of their lives.

W. S. MacNutt’s *New Brunswick: A History, 1784–1867* pays little attention to the province’s Aboriginal communities. When it does, however, it is revealing and insightful. MacNutt writes: “The experiment [i.e., education] dragged on for many years at Sussex, where the savages were bribed to release their children to the instruction of the school. Mixed motives prevailed. Neighbouring farmers were eager to purchase the services of Indian boys as apprentices. The women were debauched.... The school at Sussex was finally closed in 1826, after being roundly condemned by the company which had financed the experiments.” On the issue of land, he reports that “of the total of 62,000 acres reserved, white men had acquired dubious titles to 15,000 by purchase, generally offering a lug or two of rum, or a few pounds of gunpowder. Some of these lands, illegally acquired, had been sold and resold, so that there was a large vested interest in denying the Indian title.”

When New Brunswick became a separate colony in 1784, it was largely preoccupied with the new settlers, the Loyalists, moving up from the United States. We know that the Aboriginals did not give their consent nor were they compensated when these new settlers occupied traditional land. We also know that reserves established by New Brunswick represented only a very small part of traditional Aboriginal territory (the claims process now under way in New Brunswick will try to address compensation issues). After Confederation—

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7. Based on information provided by senior officials with the Department of Indian Affairs and Northern Development, Ottawa, November 1999.
9. Ibid., 300.
tion and the passing of the Indian Act in 1868, the New Brunswick law respecting “Indians and Indian lands” was repealed, and all monies and lands held by provincial Indian commissions were transferred to Ottawa.

Confederation, therefore, transferred the “Indian problem,” as it was then described, to Ottawa. The provincial government was largely left on the outside looking in as a special relationship developed between the Department of Indian Affairs and the New Brunswick First Nations. This state of affairs lasted until after the Second World War, although some observers would argue that for the most part, it still survives today.

Since the war, however, the federal government has sought to involve the provincial government more deeply in Aboriginal affairs through intergovernmental agreements in education, welfare, and other services. Though the motives may well have been sincere, the province of New Brunswick, like all of the other provinces, feared federal “off-loading” and, by and large, have resisted federal efforts to involve provincial government departments more deeply in Aboriginal affairs.

We now know, however, that provincial governments, and New Brunswick has been no exception, slowly but surely got more involved in Aboriginal affairs. The increasingly organized voice of Aboriginal leaders and their communities, the advent of the Indian right to vote in the province in 1963, the fact that the provincial government has far more experience in program delivery in such areas as education and social services, and the provision of federal dollars all served to push the New Brunswick government into playing a much greater role in Aboriginal affairs. So in 1967 the New Brunswick minister of education signed a master agreement with the minister of Indian affairs that enabled Aboriginal children from all bands to attend public schools. Prior to that time, very few Aboriginal children living on reserves had access to public schools, despite the federal policy of the early 1950s designed to integrate Indian students into the provincial schools. Most children went to reserve schools until grade eight and then to the residential school outside the province, at Shubenacadie, Nova Scotia. It is important to note here that some Aboriginal leaders complained time and again about the high dropout rate of Indian children, the lack of Native teachers as role models, the negative portrayal of Indian people in the educational curriculum, and the total lack of instruction in the Native
language and culture. There was also no preparation of Aboriginal students, parents, and teachers to provide for their smooth integration into the provincial schools.

In the 1960s and 1970s the provincial government also introduced new measures for off-reserve Aboriginals in the areas of housing, training, and youth. Economic development, however, was another matter. The New Brunswick government still regarded that as a matter for the federal government, more particularly for DIAND.

Even within the federal government, Aboriginal economic development was viewed essentially as a matter for DIAND. The literature on federal-regional economic development, for example, makes few references to Aboriginals and Aboriginal economic development.10 And yet over the years, federal-regional development efforts in New Brunswick have supported virtually every other conceivable economic development measure, ranging from golf courses to the construction of office buildings and everything in between. Indeed, a cursory look at federal-provincial subsidiary agreements for regional development signed in New Brunswick since the introduction of the General Development Agreement (GDA) in 1972 reveals that they have touched every economic sector, however loosely defined, and probably every non-Aboriginal community in New Brunswick.

Few of the GDAs, Economic and Regional Development Agreements (ERDAs), and cooperation agreements have, until recently, paid much attention to Aboriginals and Aboriginal communities. This is not to suggest that all subsidiary agreements have lacked a specific geographical focus. In New Brunswick, for example, we have seen a number of regional subsidiary agreements dealing with a specific area of the province (Northeast New Brunswick) and with selected urban centres. We have not, however, seen any subsidiary agreement specifically designed for one or even several Aboriginal communities. That said, several measures sponsored under forestry subsidiary agreements, notably the development of forest management plans, have played an extremely important role in some Aboriginal communities. But that is about the extent to which federal-provincial regional development agreements have contributed to Aboriginal economic development in New Brunswick.

10. See, for example, Donald J. Savoie, Regional Economic Development: Canada’s Search for Solutions, 2d ed. (Toronto: University of Toronto Press, 1992).
All of this underlines the importance of JEDI and other recent developments in the government of New Brunswick and in federal government departments and agencies like the Department of Industry and the Atlantic Canada Opportunities Agency. Clearly, there is a new desire on the part of federal and provincial government departments to contribute to Aboriginal economic development. The government of New Brunswick, for example, issued a policy statement on Aboriginal economic development in the late 1980s which outlined its new thinking on the matter. The statement was important not only because of what it said but also because it sent out a strong message that the government of New Brunswick was no longer content to stand on the sidelines in the Aboriginal economic development field and argue, as it often did in the past, that it was Ottawa’s responsibility. The statement said:

- In Aboriginal affairs, economic development is a priority for the provincial government. The province’s involvement in this area will focus on making provincial programs more accessible to Aboriginal people.

- The province’s economic development strategy encompasses all New Brunswickers, including Aboriginal people, whether they are living on or off Indian reserves.

- The provincial government is committed both to the development of Aboriginal businesses and to a greater participation of the Aboriginal labour force in the provincial labour force.

- New Brunswick is prepared to work in cooperation with Aboriginal organizations and the federal government in pursuit of economic development initiatives for Aboriginal people.

- New Brunswick’s involvement in Aboriginal economic development will take into account the special federal role in this area, in particular federal economic development programs for Aboriginal people. In general, joint federal-provincial-Aboriginal collaboration will be the preferred approach to provincial involvement in Aboriginal economic development.

The policy statement met with mixed reviews from Aboriginal communities. Aboriginals objected strongly to the process that gave rise to the new policy statement. They had not been consulted in its development and, for that reason alone, felt that the provincial government should go back to the drawing board and start again, this time by consulting them. For Aboriginal leaders, it was yet another
case of governments deciding in isolation what Aboriginal communities needed to promote economic development.

Still, the policy statement did make the point that the government of New Brunswick was willing to play a much more proactive role in Aboriginal economic development than at any time in the past. Similarly, the federal departments of Industry, Fisheries and Oceans, and ACOA have established specific measures to promote Aboriginal economic development and have expressed a willingness to strengthen their commitments even more.

The message for Aboriginal communities and DIAND in New Brunswick is clear: strike while the iron is hot. In other words, there are a growing number of departments and agencies in both the federal and provincial governments that are now willing to make a contribution to Aboriginal economic development in New Brunswick. The challenge then is to identify the measures with the most promise. But before this is possible, and at the risk of sounding repetitive, we need a clear understanding of the socio-economic circumstances of New Brunswick Aboriginals and the economic strengths and weaknesses of Aboriginal communities.
A Socio-Economic Snapshot

New Brunswick’s Aboriginal population is relatively small, though the exact numbers of those living on- and off-reserve are unclear. The nonparticipation of some First Nation communities in the 1991 census and Aboriginal postcensus surveys conducted by Statistics Canada prohibits any firm and comprehensive statistical assessment of Aboriginal people in the province. Three Aboriginal communities — Buctouche, Fort Folly, and Indian Island — declined to participate in the survey. The reason why Aboriginals do not participate in surveys or the census is because they see no benefit in it for them. They argue that DIAND has all the statistical information it needs at its fingertips. There is also the view that a fiduciary relationship exists between the federal government and Aboriginals, and many Aboriginals do not consider themselves citizens of Canada. The Supreme Court confirmed this fiduciary relationship in the Guerin case in 1984.

Still, we do know this much: there are anywhere between 10,000 and 18,000 Aboriginals in New Brunswick, which amounts to about 2 percent of the province’s population (see tables in the text and at the end of this section, which provide a detailed picture of socio-economic conditions in Aboriginal communities in New Brunswick). This ratio is in marked contrast to the higher percentages of Aboriginal people in the populations of provinces like Manitoba and Saskatchewan. And even though the number of Aboriginal people has increased sharply in New Brunswick since Confederation — almost double the rate of growth of the provincial population — they are still a small minority. According to Statistics Canada, between 1881 and 1981 Canada’s Aboriginal population rose by 306 percent (from 108,500 to 440,700), while the total population of Canada grew by 457 percent (from 4.3 to 24.1 million). In New Brunswick, however, as a result of limited immigration, the Aboriginal population during these years grew much faster than did the total population. Between 1881 and 1991, the Aboriginal population grew by 228 percent, the provincial population by 108 percent.
According to the 1991 census, there are approximately 6,300 status Indians on the fifteen First Nation communities, 3,000 status Indians living off-reserve, and an additional 3,500 people who have some Aboriginal ancestry. The 1996 census reports that there are now 8,080 registered Indians and about 18,000 who have some Aboriginal ancestry. (See map 1, which locates the fifteen First Nation reserves, and table 1, which provides a population breakdown.)

Although we lack firm and comprehensive information on key economic indicators for New Brunswick’s Aboriginal population, we do have sufficient information to draw broad conclusions about current economic conditions in the province’s Aboriginal communities. In any event, one only has to drive through Aboriginal communities to see that they are struggling with serious economic challenges. Aboriginal leaders readily comment on the difficult economic circumstances in their communities and are quick to point out that their communities trail provincial averages on virtually every economic front.

Table 1
Populations of New Brunswick’s Aboriginal Communities

<table>
<thead>
<tr>
<th>Community</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big Cove</td>
<td>2,207</td>
</tr>
<tr>
<td>Buctouche</td>
<td>82</td>
</tr>
<tr>
<td>Burnt Church</td>
<td>1,206</td>
</tr>
<tr>
<td>Eel Ground</td>
<td>747</td>
</tr>
<tr>
<td>Eel River Bar</td>
<td>507</td>
</tr>
<tr>
<td>Fort Folly</td>
<td>84</td>
</tr>
<tr>
<td>Indian Island</td>
<td>140</td>
</tr>
<tr>
<td>Kingsclear</td>
<td>687</td>
</tr>
<tr>
<td>Madawaska</td>
<td>204</td>
</tr>
<tr>
<td>Oromocto</td>
<td>409</td>
</tr>
<tr>
<td>Pabineau</td>
<td>189</td>
</tr>
<tr>
<td>Red Bank</td>
<td>450</td>
</tr>
<tr>
<td>St. Mary’s</td>
<td>1,062</td>
</tr>
<tr>
<td>Tobique</td>
<td>1,621</td>
</tr>
<tr>
<td>Woodstock</td>
<td>676</td>
</tr>
<tr>
<td><strong>New Brunswick total</strong></td>
<td><strong>10,271</strong></td>
</tr>
</tbody>
</table>

On-reserve 69 %  Off-reserve 31 %

*Source: 1996 Census of Canada; compiled by the author.*
Map 1
First Nation Communities of New Brunswick
<table>
<thead>
<tr>
<th>Age</th>
<th>Total Population</th>
<th>%</th>
<th>Non-Aboriginal Population</th>
<th>%</th>
<th>Total Aboriginal Population</th>
<th>%</th>
<th>Total Registered Indians</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>729,630</td>
<td></td>
<td>711,375</td>
<td></td>
<td>18,255</td>
<td></td>
<td>8,080</td>
<td></td>
</tr>
<tr>
<td>0–14 years</td>
<td>144,600</td>
<td>20</td>
<td>138,840</td>
<td>19</td>
<td>5,760</td>
<td>31</td>
<td>2,730</td>
<td>34</td>
</tr>
<tr>
<td>15–19 years</td>
<td>53,135</td>
<td>7</td>
<td>51,415</td>
<td>7</td>
<td>1,715</td>
<td>9</td>
<td>720</td>
<td>9</td>
</tr>
<tr>
<td>20–24 years</td>
<td>52,440</td>
<td>7</td>
<td>50,665</td>
<td>7</td>
<td>1,770</td>
<td>10</td>
<td>805</td>
<td>10</td>
</tr>
<tr>
<td>25–34 years</td>
<td>51,045</td>
<td>7</td>
<td>49,370</td>
<td>7</td>
<td>1,675</td>
<td>9</td>
<td>735</td>
<td>9</td>
</tr>
<tr>
<td>35–44 years</td>
<td>122,030</td>
<td>17</td>
<td>119,130</td>
<td>17</td>
<td>2,895</td>
<td>16</td>
<td>1,145</td>
<td>14</td>
</tr>
<tr>
<td>45–54 years</td>
<td>95,905</td>
<td>13</td>
<td>94,455</td>
<td>13</td>
<td>1,455</td>
<td>8</td>
<td>645</td>
<td>8</td>
</tr>
<tr>
<td>55–64 years</td>
<td>62,200</td>
<td>8</td>
<td>61,430</td>
<td>8</td>
<td>765</td>
<td>4</td>
<td>360</td>
<td>4</td>
</tr>
<tr>
<td>65 years and over</td>
<td>87,125</td>
<td>12</td>
<td>86,645</td>
<td>12</td>
<td>580</td>
<td>3</td>
<td>235</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: 1996 Census of Canada; compiled by the author.
The great majority of key economic indicators and hard economic data certainly verify the reports of Aboriginal leaders of their straitened economic circumstances. Indeed, the data paint a grim picture. To be sure, there is the odd exception, but even the successes are often ambiguous. Recent data from the 1996 census report that Canada’s labour force participation rate stands at 66 percent, while New Brunswick’s is 62 percent (see figure 1). It is important to bear in mind that demographic data would favour a strong participation rate in Aboriginal communities. Figure 2 reveals that the 0–14 age group makes up an important part of the total Aboriginal population. In addition, a number of Aboriginals consulted for this study point out that make-work projects and government initiatives of one kind or another render the participation rate somewhat meaningless. They may well be right. According to a recent special survey, the participation rate in selected Aboriginal communities in New Brunswick varies from a low of 32 percent (less than half the provincial average) to a high of 57 percent. In total, the participation rate of the off-reserve and on-reserve populations is reported to be 51 and 44 percent respectively.

**Figure 1**

New Brunswick Labour Force

Source: 1996 Census of Canada; compiled by the author.
Figure 2
Demography of New Brunswick

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Non-Aboriginal Population</th>
<th>Total – Aboriginal Population</th>
<th>Total – Registered Indians</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–14 years</td>
<td>31</td>
<td>34</td>
<td>31</td>
</tr>
<tr>
<td>15–24 years</td>
<td>7</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>25–34 years</td>
<td>7</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>35–44 years</td>
<td>14</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>45–54 years</td>
<td>13</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>55–64 years</td>
<td>8</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>65 years and over</td>
<td>12</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: 1996 Census of Canada; compiled by the author.
There is very little to cheer about as one checks off the remaining economic indicators. Government transfer payments as a percentage of total income are nearly five times higher in some Aboriginal communities in New Brunswick than the Canadian average. Moreover, both the New Brunswick ($38,850) and Canadian average ($46,137) household incomes are about twice the average for selected Aboriginal communities in New Brunswick (e.g., $19,691 in the case of the Eel River Bar First Nation). Meanwhile, the special survey reports that the unemployment rate in some Aboriginal communities (e.g., Red Bank at 41.2 percent) is over four times higher than the national average. The 1996 census data puts the unemployment at Red Bank higher still — 54 percent. The total unemployment rate of New Brunswick Aboriginals is about 32 percent, or nearly three times that of the provincial average. But even here the numbers may well be substantially understated. Government officials in the field and Aboriginal leaders tell me that the real unemployment rate for Natives living on-reserve is over 80 percent (by “real” they mean discounting all make-work-type projects, reducing the presence of government to the level of non-Aboriginal communities, and factoring in a much higher participation rate).

Table 3 provides a breakdown of sources of income for New Brunswick Aboriginals based on the 1996 census data. The reader will note that of the total Aboriginal population of 8,735 aged fifteen years and over who were surveyed, 7,560 reported a source of income. Employment income is a source of income for 4,920 New Brunswick Aboriginals as compared with government transfer payments for 2,450. It is also revealing to note that in the case of on-reserve Aboriginals, some 1,020 reported government transfer payments as their source of income, while 585 reported employment income. Again, however, we should note that three reserves did not participate in the Statistics Canada survey that generated these numbers.

Figure 3 sums up the economic challenge confronting Aboriginals and Aboriginal communities in New Brunswick. It compares employment by sector for Aboriginals and on-reserve Indians with New Brunswick averages. The category for public administration and national defence dominates employment in Aboriginal communities. If there is a consensus emerging among economists and key government departments in Ottawa, it is that governments can no longer create jobs — they can only establish the conditions for job creation. If this is true, the need to establish the conditions for job creation in Aboriginal communities takes on a sense of urgency. What figure 3
### Table 3

**Sources of Income for Aboriginals**

<table>
<thead>
<tr>
<th>Ethnic Designation, NB</th>
<th>Total Aboriginals</th>
<th>%</th>
<th>Registered Indians</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total major source of income</strong></td>
<td>12,490</td>
<td></td>
<td>5,350</td>
<td></td>
</tr>
<tr>
<td>• Without income</td>
<td>1,270</td>
<td>10</td>
<td>515</td>
<td>10</td>
</tr>
<tr>
<td>• With income</td>
<td>11,225</td>
<td>90</td>
<td>4,835</td>
<td>90</td>
</tr>
<tr>
<td>• Employment income</td>
<td>8,080 (estim.)</td>
<td>72</td>
<td>3,340 (estim.)</td>
<td>69</td>
</tr>
<tr>
<td>• Government transfer payments</td>
<td>2,690 (estim.)</td>
<td>24</td>
<td>1,400 (estim.)</td>
<td>29</td>
</tr>
<tr>
<td>• Other income</td>
<td>450 (estim.)</td>
<td>4</td>
<td>100 (estim.)</td>
<td>2</td>
</tr>
<tr>
<td><strong>Average individual total income</strong></td>
<td>$17,809</td>
<td></td>
<td>$14,283</td>
<td></td>
</tr>
</tbody>
</table>

### Calculated Area, NB, Off-Reserve

| Total major source of income | 8,745 |  |
| • Without income | 940 | 11 |
| • With income | 7,810 | 89 |
| • Employment income | 5,965 (estim.) | 76 |
| • Government transfer payments | 1,460 (estim.) | 19 |
| • Other income | 350 (estim.) | 4 |
| **Mean individual total income** | NA |  |

### Calculated Area, NB, On-Reserve

| Total major source of income | 3,745 |  |
| • Without income | 330 | 9 |
| • With income | 3,415 | 91 |
| • Employment income | 2,115 (estim.) | 62 |
| • Government transfer payments | 1,230 (estim.) | 36 |
| • Other income | 100 (estim.) | 3 |
| **Mean individual total income** | $12,045 |  |

*Source: 1996 Census of Canada; compiled by the author.*

*a. Total Aboriginals fifteen years of age and older.*
Figure 3
Employment by Sector for Aboriginals, On-Reserve Indians, and New Brunswick

Source: 1996 Census of Canada; compiled by the author.
reveals is that Aboriginal communities in New Brunswick are extremely dependent on direct public sector employment for their current employment levels. Take the jobs in the public administration and defence category out of these communities, and there is very little left in the way of an economy.

A comprehensive survey was recently completed by a private consultant firm for JEDI on thirteen First Nation reserves (the Eel River Bar and St. Mary’s reserves were not included as both had already been surveyed when Progressive Planning launched its study in the late summer of 1996). The survey, based on 3,400 interviews conducted on-reserve and 417 interviews conducted off-reserve, is an important start in gaining a better understanding of current economic conditions on First Nation reserves. I should note here that the survey results were challenged in a number of the interviews I conducted for this monograph. Still, I decided to report the survey results if only because we have very little detailed socio-economic information on Aboriginal communities. It is hoped that those who are unhappy with the survey results and would like to challenge their reliability will come forward with their own research or, failing that, support new research efforts in Aboriginal communities.

In brief, the survey reports that 42 percent of those surveyed living on-reserve are employed (39 percent employed and 2.5 percent self-employed), while 43 percent are unemployed. The 25–45-year-old category contained the highest percentage of employed persons, with 57 percent of males and 45 percent of females currently working or self-employed. The first category (16–24 years of age) contains the highest number of unemployed for both males and females (53 and 50 percent respectively), no doubt because many are still in school.

Some reserves report stronger employment statistics than others. Eel Ground, Tobique, and Woodstock have, relatively speaking, strong employment records, while Big Cove and Burnt Church do not. It is interesting to note, however, that the data suggest that Big Cove and Burnt Church have a greater number who are self-employed (twenty-five and nineteen respectively) than Eel Ground (nine), Tobique (three), and Woodstock (one).

Twenty-five percent of the respondents reported working full-time, 23 percent seasonally. A further 11 percent reported some casual employment, and almost 5 percent described their job status as part-time. It should be noted, however, that nearly 36 percent of respondents did not answer this question.

The survey does reveal some solid progress on the education front. Aboriginals over the age of sixty-six are less likely, by a wide margin, to have their grade twelve than those in other age groups. Over 82 percent of females and nearly 63 percent of males in this age category indicated having less than a grade nine education. Comparatively, those in the 16–24-year-old category had the highest percentage of respondents with at least grade nine. Females with less than a grade nine education constituted only approximately 6 percent of that age category, while the corresponding figure for male respondents was about 11 percent.

Those respondents having a high school education numbered almost 25 percent. The female category of 16–24-year-olds had the highest percentage of high school graduates (31 percent), followed by females aged 25–45 (28 percent). In comparison, the lowest rate of high school completion is in the age 66+ category of females, which stands at 3 percent.

Three percent of respondents reported that they have a university degree. The highest rates were amongst females in the 25–45 and 46–65-year-old categories, where the figures were 5 and 6 percent respectively. Community college levels were highest amongst females in the 25–45-year-old category (8 percent) and males in the 46–65-year-old category (8 percent).

The 1996 census data do not report much improvement in the area of education. As table 4 reveals, 24 percent of Aboriginals in New Brunswick do not have a secondary school certificate. In addition, only 6 percent have a university degree, and 13 percent have a trade certificate or diploma.

Almost 45 percent of those interviewed in the JEDI-sponsored survey indicated that they were willing to relocate to take training or to gain employment. Conversely, almost 54 percent were unwilling to relocate. Those most likely to relocate were males and females in the 16–24-year-old category. Those least willing to relocate were in the age 66+ category, with 94 percent of both males and females being opposed to relocation. It should be recognized that Aboriginals have particularly strong cultural ties to their communities. It is
## Table 4
### Education

<table>
<thead>
<tr>
<th>Education</th>
<th>Total</th>
<th>%</th>
<th>Total Aboriginals</th>
<th>%</th>
<th>On-Reserve</th>
<th>%</th>
<th>Off-Reserve</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total — highest level of schooling</td>
<td>585,020</td>
<td></td>
<td>12,490</td>
<td>7</td>
<td>3,745</td>
<td>1</td>
<td>8,745</td>
<td>1</td>
</tr>
<tr>
<td>Subtotal — less than grade 9</td>
<td>96,240</td>
<td>16</td>
<td>1,660</td>
<td>14</td>
<td>620</td>
<td>16</td>
<td>1,040</td>
<td>12</td>
</tr>
<tr>
<td>• No schooling</td>
<td>3,380</td>
<td>1</td>
<td>75</td>
<td>1</td>
<td>15</td>
<td>0</td>
<td>55</td>
<td>1</td>
</tr>
<tr>
<td>• Grades 1–4</td>
<td>12,930</td>
<td>2</td>
<td>205</td>
<td>2</td>
<td>70</td>
<td>2</td>
<td>135</td>
<td>1</td>
</tr>
<tr>
<td>• Grades 5–8</td>
<td>79,480</td>
<td>14</td>
<td>1,385</td>
<td>11</td>
<td>530</td>
<td>14</td>
<td>855</td>
<td>10</td>
</tr>
<tr>
<td>Subtotal — grades 9–13</td>
<td>225,715</td>
<td>39</td>
<td>4,605</td>
<td>37</td>
<td>1,150</td>
<td>31</td>
<td>3,455</td>
<td>40</td>
</tr>
<tr>
<td>• Without SS graduation certificate</td>
<td>139,920</td>
<td>24</td>
<td>3,060</td>
<td>24</td>
<td>845</td>
<td>23</td>
<td>2,215</td>
<td>25</td>
</tr>
<tr>
<td>• With SS graduation certificate</td>
<td>85,800</td>
<td>15</td>
<td>1,545</td>
<td>12</td>
<td>300</td>
<td>8</td>
<td>1,245</td>
<td>14</td>
</tr>
<tr>
<td>Subtotal — Trades and/or other non-university only</td>
<td>145,565</td>
<td>25</td>
<td>3,865</td>
<td>31</td>
<td>1,315</td>
<td>35</td>
<td>2,550</td>
<td>29</td>
</tr>
<tr>
<td>• Without other non-university or trades certificate or diploma</td>
<td>24,900</td>
<td>4</td>
<td>905</td>
<td>7</td>
<td>360</td>
<td>10</td>
<td>545</td>
<td>6</td>
</tr>
<tr>
<td>• With trades certificate or diploma only</td>
<td>59,500</td>
<td>10</td>
<td>1,610</td>
<td>13</td>
<td>560</td>
<td>15</td>
<td>1,050</td>
<td>12</td>
</tr>
<tr>
<td>• With other non-university certificate</td>
<td>61,160</td>
<td>11</td>
<td>1,345</td>
<td>11</td>
<td>400</td>
<td>11</td>
<td>945</td>
<td>11</td>
</tr>
<tr>
<td>Subtotal — university</td>
<td>117,500</td>
<td>20</td>
<td>2,355</td>
<td>19</td>
<td>665</td>
<td>18</td>
<td>1,690</td>
<td>19</td>
</tr>
<tr>
<td>• With university degree</td>
<td>59,635</td>
<td>10</td>
<td>790</td>
<td>6</td>
<td>165</td>
<td>4</td>
<td>625</td>
<td>7</td>
</tr>
<tr>
<td>• Undergraduate degree</td>
<td>48,750</td>
<td>8</td>
<td>660</td>
<td>5</td>
<td>155</td>
<td>4</td>
<td>505</td>
<td>6</td>
</tr>
<tr>
<td>• Graduate degree</td>
<td>9,110</td>
<td>2</td>
<td>125</td>
<td>1</td>
<td>15</td>
<td>.4</td>
<td>105</td>
<td>1</td>
</tr>
<tr>
<td>Postgraduate degree</td>
<td>1,775</td>
<td>.3</td>
<td>15</td>
<td>.1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Without university degree</td>
<td>57,860</td>
<td>10</td>
<td>1,555</td>
<td>12</td>
<td>495</td>
<td>13</td>
<td>1,060</td>
<td>12</td>
</tr>
</tbody>
</table>

Source: 1996 Census of Canada.
there that they can practice their spirituality, language, and customs without ridicule and where they can escape from the pressures to conform to the values and community standards of non-Aboriginals.

Another survey prepared in 1995 for the Royal Commission on Aboriginal Peoples and the Canada Mortgage and Housing Corporation reports that mobility among the Aboriginal population residing in the Atlantic region is substantially lower than for Aboriginal populations of other Canadian provinces or regions, notably Ontario and the Western provinces. Migrants tended to be most numerous among the Aboriginal populations residing in the provinces of British Columbia, Alberta, Ontario, and Saskatchewan, where they formed in excess of one-fifth of the total Aboriginal population. Meanwhile, migrants accounted for substantially smaller shares of the Aboriginal populations residing in the Atlantic region (13.5 percent).

Thirty-nine percent of respondents in the New Brunswick survey reported an interest in entrepreneurial training. Males between the ages of sixteen and forty-five were the most interested in such training (48 percent), while females of the same age were also quite interested (38 percent). For obvious reasons, both males and females in the age 66+ category were the least interested.

The JEDI-sponsored study reveals that 36 percent of respondents reported social assistance as their primary source of income (see table 5), with the largest number aged sixteen to forty-five (41 percent female and 36 percent male). The primary source of income for 30 percent of the respondents is a salary, with the largest percentage coming from females and males 25–65 years of age. Pension income was reported by only approximately 2.5 percent of respondents, mostly in the age 66+ category.

The most common barrier to employment, according to 20 percent of the respondents, was lack of training. Fourteen percent stated that poor economic conditions were the problem, while 10 percent — more females than males — complained that their search for employment was hampered by family responsibilities.

Contrasting the economic circumstances of Aboriginals on-reserve with those off-reserve can also be quite revealing and informative when planning for future economic development. The survey reveals that 48 percent of respondents living off-reserve were employed (44 percent employed and 3.5 percent self-employed), while, again, an almost equal number, 44 percent, said they were unemployed. The 25–45-year-old category contained the highest percentage of employed females: 53 percent of that group are currently employed or self-employed. The 45–65-year-old category contained the highest percentage of employed males, with 69 percent currently employed or self-employed. The first category (16–24 years of age) contains the highest number of unemployed, both males and females: 60 and 72 percent respectively.

Thirty-six percent of respondents reported working full-time; 11 percent said they were seasonally employed. A further 9 percent stated they had casual employment, and almost 8 percent described their job status as part-time. It should be noted that over 36 percent of respondents did not answer this question.

The categories that contained the highest percentage of full-time workers were in the 25–45 and 46–65 age groups, both male and females. For females aged 25–45, 43 percent of respondents worked full-time; of those aged 46–65, 32 percent worked full-time. For males aged 25–45, 49 percent of respondents had full-time jobs; of those aged 46–65, 55 percent worked full-time.

### Table 5

<table>
<thead>
<tr>
<th>Source: JEDI study, 1996.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>New Brunswick</th>
<th>Total Aboriginal Population (%)</th>
<th>Aboriginals Off-Reserve (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social assistance</td>
<td>36.0</td>
<td>27.0</td>
</tr>
<tr>
<td>Salary</td>
<td>30.0</td>
<td>41.0</td>
</tr>
<tr>
<td>Pension income</td>
<td>2.5</td>
<td>3.0</td>
</tr>
</tbody>
</table>

### Barriers to Employment

| Lack of training | 20.0 | 22.0 |
| Poor economic conditions | 14.0 | 12.0 |
| Family responsibilities | 10.0 | 10.0 |
As stated above, seasonal work accounted for nearly 11 percent of those who responded to this question. In the first age category (16–24), approximately 4 percent more females than males worked at seasonal jobs. In the remaining age categories, however, it was males who had a higher percentage of seasonal employment.

Twenty-two and a half percent of respondents reported working on-reserve, while over 43 percent worked off-reserve. The survey reports that 29 percent of Aboriginals living off-reserve who responded have a high school education. The male category of those aged 16–24 had the highest percentage of high school graduates at 33 percent, followed by males aged 25–45 (31 percent). In comparison, the lowest rates of high school completion were found in the 66+ category of females.

Over 9 percent of all respondents indicated they have a university degree. The highest rates were amongst males in the age 46–65 and 66+ categories, where the figures were 33 and 22 percent respectively. The number of community college diplomas was highest amongst males in the 25–45-year-old category (13 percent) and amongst females in the 46–65-year-old category (11 percent).

Forty-eight percent of those interviewed were willing to relocate for training or employment; 49 percent said they were unwilling to relocate. Those most likely to relocate were males in the 25–45-year-old category (63.5 percent) and females in the 16–24-year-old category (50 percent). It should come as no surprise that the group least willing to relocate were those in the age 66+ category, with 86 percent of males and 80 percent of females opposed to relocation.

Over 39 percent of respondents stated an interest in taking entrepreneurial training. Males aged 25–65 were the most interested in training; females aged 16–45 were also quite interested. Both males and females in the age 66+ category were the least interested.

Twenty-seven percent of respondents reported social assistance as their primary source of income, with the largest number, both male and female, falling into the categories between sixteen and forty-five years of age. The primary source of income for 41 percent of respondents is salary, with the largest percentage coming from females and males 25–65 years of age. Pension income accounted for only approximately 3 percent of respondents, mostly in the age 66+ category.
Table 6
Employment, Types of Employment, and Education

<table>
<thead>
<tr>
<th>Employment</th>
<th>Aboriginals On-Reserve</th>
<th>Aboriginals Off-Reserve</th>
</tr>
</thead>
<tbody>
<tr>
<td>48% of those surveyed living off-reserve are employed.(^a)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>42% of those surveyed living on-reserve are employed.(^b)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>44% of those surveyed living off-reserve are unemployed.(^a)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>43% of those surveyed living on-reserve are unemployed.(^b)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Types of Employment</th>
<th>Aboriginals On-Reserve</th>
<th>Aboriginals Off-Reserve</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Brunswick</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working full-time</td>
<td>25</td>
<td>36</td>
</tr>
<tr>
<td>Working seasonally</td>
<td>23</td>
<td>11</td>
</tr>
<tr>
<td>Casual employment</td>
<td>11</td>
<td>9</td>
</tr>
<tr>
<td>Part-time</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Did not answer the question</td>
<td>36</td>
<td>36</td>
</tr>
</tbody>
</table>

| Education                       |                         |                         |
| 29% of Aboriginals living off-reserve have a high school education.\(^a\) | | |
| 9% of Aboriginals living off-reserve have a university degree.\(^a\) | | |
| 3% of respondents living on-reserve have a university degree.\(^b\) | | |

Source: JEDI study, 1996.
\(^a\) 1995 survey prepared for the RCAP and CHMC.
\(^b\) 1996 study prepared for JEDI study: 3,400 interviews on-reserve, 417 off-reserve.

Like on-reserve Aboriginals, those living off-reserve reported that lack of training was the principal barrier to employment (22 percent). Another 12 percent said that poor economic conditions were the problem, while 10 percent (more females than males) listed family responsibilities as the reason they were unable to find work.

To sum up, the above material suggests that Aboriginals living off-reserve are doing better economically than those living on-reserve. For example, 42 percent of on-reserve Aboriginals are employed as compared with 48 percent off-reserve, more Aboriginals living off-reserve are self-employed (3.5 percent) than their counterparts on-reserve (2.5 percent), fewer Aboriginals living off-reserve rely on social assistance as their primary source of income (27 percent) than those living on-reserve (36 percent), and Aboriginals living off-reserve
have higher education levels (9 percent have a university degree and 29 percent have a high school education) than Aboriginals living on-reserve (only 3 percent have a university education and 25 percent a high school education). That said, it is important to recognize that off-reserve Aboriginals are, in turn, considerably less well off than the general population.

Through the efforts of JEDI and DIAND, we are also now able to secure more reliable information on the state of the private sector in Aboriginal communities in New Brunswick. Though the information is still far from complete or comprehensive, this much we know: the Aboriginal business community is small not only in the number and size of firms but also in its focus, which is limited to the local community. We also know that economically, Aboriginal communities remain largely dependent on government transfer payments, on local economies providing public sector services, and on some local business and consumer services.

With some important exceptions, New Brunswick’s Aboriginal communities are lacking a strong business culture and a business environment that separates business from politics. It is also clear that Aboriginal communities in the province have a way to go before they all grasp the fact that their economic future is directly tied to a market-oriented economy capable of producing goods and services not only for local markets but also for the larger markets, whether they be provincial, regional, national, or even international.

A detailed review of Aboriginal businesses in New Brunswick reveals that the great majority of private firms are not only small, but they also operate in the local service sector (yet they are hardly present in the professions), the construction sector, and in some tourism-related activities. There are, for example, a large number of small convenience stores and take-out services — by my count 23 such businesses out of a total of 106 identified as Aboriginal businesses in New Brunswick. There are also a large number of businesses or part-time businesses that are essentially one-person firms providing trucking or landscaping services.

This is not to suggest that these businesses are unimportant. They are important and for a host of reasons. First, they are part of a business culture, and though small, that is the way most businesses in New Brunswick begin. Second, they constitute an important step in arresting the economic leakages out of the community. But the fact remains that these businesses cater to the local population, which
means that their potential for growth and the creation of new jobs is limited unless they make the transition to other markets.

Of the 106 New Brunswick Aboriginal firms that participated in the recent survey, 86 agreed to report the number of their employees. Of those 86 firms, 62 reported that they had three or fewer employees. This statistic is borne out by previous data that indicate that the percentage of self-employed Aboriginals in New Brunswick is lower than the provincial average.

Much has been said in recent years, in New Brunswick and elsewhere, about knowledge-based or high-tech firms and their vital importance to a region’s or a community’s economic future. Among Aboriginal businesses in New Brunswick, there are few signs of such firms or even related economic activities (by my count only two such firms exist, and both are in Burnt Church — one is a four-person firm in learning technologies and the other is a one-person firm in computer services).

The problem of unreliable data arises again with regard to occupation and employment by category for New Brunswick Aboriginals (as already noted, some Aboriginal communities in New Brunswick chose not to participate in a Statistics Canada survey). As a consequence we have to be careful about drawing specific conclusions. Still, it is possible to make some observations based on the Statistics Canada data.13

For one thing, we know that New Brunswick Aboriginals are underrepresented in the public sector workforce, at least in government departments in Fredericton and Ottawa where policies are devised and key program decisions are made. We also know that in terms of specific occupations, New Brunswick Aboriginals are (relatively speaking, of course) overrepresented in the public administration and defence category, but underrepresented in key categories such as management, business, finance, and administration. The series of tables below provides a comparison of key socio-economic sectors in Aboriginal and non-Aboriginal populations in New Brunswick. The tables are revealing in virtually every area and point to the large gap that exists between the two communities.

New Brunswick Aboriginals have a dual challenge. Not only must they confront difficult economic circumstances in their own communities in relation to their neighbours, but they also live in a prov-

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13. Based on information provided in a memorandum prepared by Darrell Buffalo, DIAND, dated 14 August 1997.
ince with limited economic opportunities. Indeed, New Brunswick and the Maritimes as a whole are well known to be a less-advantaged region of the country. It is in this broader context that Aboriginal communities need to identify measures that will help promote their economic development.

All in all, the surveys and census data point to a challenging future for the economies of the Aboriginal communities. But challenge and hardship have been a way of life for the Aboriginal people. History has not been kind to them, and breaking free from the cycle of poverty and despair that have blighted too many lives will be the greatest challenge of all.
### Employment by Sector, Aboriginals, and New Brunswick

<table>
<thead>
<tr>
<th>Sector</th>
<th>Aboriginals on-Reserve (%)</th>
<th>New Brunswick (%)</th>
<th>Aboriginals (% Representation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>8,610</td>
<td>2,450</td>
<td>388,280</td>
</tr>
<tr>
<td>Agriculture</td>
<td>170 (2.0)</td>
<td>0.35</td>
<td>9,980 (3.0)</td>
</tr>
<tr>
<td>Fishing and trapping</td>
<td>280 (3.0)</td>
<td>7.0</td>
<td>8,640 (2.0)</td>
</tr>
<tr>
<td>Forestry and logging</td>
<td>170 (2.0)</td>
<td>7.0</td>
<td>8,640 (2.0)</td>
</tr>
<tr>
<td>Mining</td>
<td>35 (0.4)</td>
<td>0.7</td>
<td>4,480 (1.0)</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>70 (0.8)</td>
<td>0.3</td>
<td>50,120 (13.0)</td>
</tr>
<tr>
<td>Construction</td>
<td>655 (8.0)</td>
<td>8.0</td>
<td>26,365 (7.0)</td>
</tr>
<tr>
<td>Transportation/Communication</td>
<td>535 (6.0)</td>
<td>8.0</td>
<td>31,780 (8.0)</td>
</tr>
<tr>
<td>Trade (wholesale and retail)</td>
<td>1,050 (12.0)</td>
<td>12.0</td>
<td>64,140 (16.0)</td>
</tr>
<tr>
<td>Finance, insurance, real estate</td>
<td>225 (3.0)</td>
<td>3.0</td>
<td>13,610 (3.0)</td>
</tr>
<tr>
<td>Community, business, and personal services</td>
<td>1,080 (12.0)</td>
<td>12.0</td>
<td>64,140 (16.0)</td>
</tr>
<tr>
<td>Public administration and defence</td>
<td>765 (9.0)</td>
<td>9.0</td>
<td>585,025 (158.0)</td>
</tr>
<tr>
<td>Total income</td>
<td>12,490 (14.9)</td>
<td>14.9</td>
<td>538,540 (151.0)</td>
</tr>
<tr>
<td>Average individual income</td>
<td>$17,809</td>
<td>$12,045</td>
<td>$20,755</td>
</tr>
</tbody>
</table>

**Source:** 1996 Census of Canada.

a. Profile of Canada’s Aboriginal population.
b. Industry and class of worker.
### Table 8

Employment by Sector, Aboriginals, and Canada

<table>
<thead>
<tr>
<th>Sector</th>
<th>Aboriginals&lt;sup&gt;a&lt;/sup&gt;</th>
<th>(%)</th>
<th>Canada&lt;sup&gt;b&lt;/sup&gt;</th>
<th>(%)</th>
<th>Aboriginal Representation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>39,655</td>
<td>7.7</td>
<td>884,220</td>
<td>5.7</td>
<td>4.5</td>
</tr>
<tr>
<td>• Agriculture</td>
<td>11,310</td>
<td>2.2</td>
<td>536,960</td>
<td>3.4</td>
<td>2.1</td>
</tr>
<tr>
<td>• Fishing and trapping</td>
<td>6,430</td>
<td>1.2</td>
<td>54,255</td>
<td>0.3</td>
<td>11.8</td>
</tr>
<tr>
<td>• Forestry and logging</td>
<td>12,605</td>
<td>2.4</td>
<td>115,740</td>
<td>0.7</td>
<td>10.9</td>
</tr>
<tr>
<td>• Mining, quarries, oil wells</td>
<td>9,305</td>
<td>1.8</td>
<td>177,265</td>
<td>1.1</td>
<td>5.2</td>
</tr>
<tr>
<td>Secondary manufacturing</td>
<td>48,500</td>
<td>9.0</td>
<td>2,185,220</td>
<td>14.0</td>
<td>2.2</td>
</tr>
<tr>
<td>Tertiary</td>
<td>425,655</td>
<td>82.8</td>
<td>12,477,680</td>
<td>80.0</td>
<td>3.4</td>
</tr>
<tr>
<td>• Construction</td>
<td>38,280</td>
<td>7.4</td>
<td>888,770</td>
<td>5.7</td>
<td>4.3</td>
</tr>
<tr>
<td>• Transportation, communication, and other utilities</td>
<td>36,190</td>
<td>7.0</td>
<td>1,109,515</td>
<td>7.1</td>
<td>3.3</td>
</tr>
<tr>
<td>• Trade (wholesale and retail)</td>
<td>72,585</td>
<td>14.0</td>
<td>2,708,280</td>
<td>17.4</td>
<td>2.7</td>
</tr>
<tr>
<td>• Finance, insurance, and real estate</td>
<td>15,670</td>
<td>3.0</td>
<td>836,695</td>
<td>5.4</td>
<td>1.9</td>
</tr>
<tr>
<td>• Accommodation, food, and beverage services</td>
<td>45,640</td>
<td>8.9</td>
<td>1,124,920</td>
<td>7.2</td>
<td>4.0</td>
</tr>
<tr>
<td>• Community, business, and personal services</td>
<td>66,285</td>
<td>12.9</td>
<td>2,248,915</td>
<td>14.5</td>
<td>2.9</td>
</tr>
<tr>
<td>• Public administration and defence</td>
<td>151,010</td>
<td>29.4</td>
<td>3,560,585</td>
<td>22.9</td>
<td>4.2</td>
</tr>
<tr>
<td>Total</td>
<td>513,815</td>
<td></td>
<td>15,457,115</td>
<td></td>
<td>3.3</td>
</tr>
</tbody>
</table>

Source: 1996 Census of Canada.

<sup>a</sup> Profile of Canada’s Aboriginal population.

<sup>b</sup> Industry and class of worker.
## Table 9

**Aboriginal Labour Force**

<table>
<thead>
<tr>
<th>Labour Force</th>
<th>Total</th>
<th>Non-Aboriginal Population</th>
<th>Total Aboriginal Population</th>
<th>Total Registered Indians</th>
<th>Nonregistered under the Indian Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total — labour force activity</td>
<td>585,020</td>
<td>572,530</td>
<td>12,490</td>
<td>5,350</td>
<td>7,140</td>
</tr>
<tr>
<td>Total labour force</td>
<td>364,100</td>
<td>355,865</td>
<td>8,235</td>
<td>3,350</td>
<td>4,880</td>
</tr>
<tr>
<td>Employed</td>
<td>307,835</td>
<td>301,715</td>
<td>6,115</td>
<td>2,235</td>
<td>3,880</td>
</tr>
<tr>
<td>Unemployed</td>
<td>56,265</td>
<td>54,150</td>
<td>2,120</td>
<td>1,115</td>
<td>1,005</td>
</tr>
<tr>
<td>Unemployed inexperienced</td>
<td>11,845</td>
<td>11,220</td>
<td>625</td>
<td>365</td>
<td>260</td>
</tr>
<tr>
<td>Unemployed experienced</td>
<td>44,425</td>
<td>42,925</td>
<td>1,495</td>
<td>750</td>
<td>745</td>
</tr>
<tr>
<td>Not in labour force</td>
<td>220,925</td>
<td>216,665</td>
<td>4,260</td>
<td>2,000</td>
<td>2,260</td>
</tr>
<tr>
<td>Participation rate (%)</td>
<td>62.0</td>
<td>62.0</td>
<td>66.0</td>
<td>63.0</td>
<td>68.0</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>16.0</td>
<td>15.0</td>
<td>26.0</td>
<td>33.0</td>
<td>21.0</td>
</tr>
<tr>
<td>Employment/population ratio (%)</td>
<td>53.0</td>
<td>53.0</td>
<td>49.0</td>
<td>42.0</td>
<td>54.0</td>
</tr>
</tbody>
</table>

*Source: 1996 Census of Canada.*
## Table 10
### Aboriginal Employment

<table>
<thead>
<tr>
<th>New Brunswick</th>
<th>Total Population 15 +</th>
<th>(%)</th>
<th>Total Aboriginal Population</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total all occupations 15 +</td>
<td>347,710</td>
<td></td>
<td>5,300</td>
<td></td>
</tr>
<tr>
<td>Management occupations</td>
<td>27,665</td>
<td>8.0</td>
<td>345</td>
<td>6.0</td>
</tr>
<tr>
<td>Business, finance, and administration</td>
<td>55,865</td>
<td>16.0</td>
<td>770</td>
<td>14.0</td>
</tr>
<tr>
<td>Natural and applied sciences</td>
<td>13,475</td>
<td>4.0</td>
<td>160</td>
<td>3.0</td>
</tr>
<tr>
<td>Social sciences, education, government services</td>
<td>22,765</td>
<td>6.0</td>
<td>405</td>
<td>8.0</td>
</tr>
<tr>
<td>Health occupations</td>
<td>18,320</td>
<td>5.0</td>
<td>200</td>
<td>4.0</td>
</tr>
<tr>
<td>Art, culture, recreation, sport</td>
<td>5,880</td>
<td>2.0</td>
<td>95</td>
<td>2.0</td>
</tr>
<tr>
<td>Sales and services</td>
<td>90,620</td>
<td>26.0</td>
<td>1,045</td>
<td>20.0</td>
</tr>
<tr>
<td>Trade, transportation, and equipment operators</td>
<td>64,825</td>
<td>19.0</td>
<td>885</td>
<td>17.0</td>
</tr>
<tr>
<td>Occupation unique to primary industries</td>
<td>21,925</td>
<td>6.0</td>
<td>305</td>
<td>6.0</td>
</tr>
<tr>
<td>Occupation unique to processing, manufacturing, and utilities</td>
<td>26,735</td>
<td>8.0</td>
<td>285</td>
<td>5.0</td>
</tr>
</tbody>
</table>

*Source: Data made available by D. Buffalo (August 1997) and Statistics Canada.*
Table 11
New Brunswick Community Comparisons: Labour Force at the Community Level

<table>
<thead>
<tr>
<th>Aboriginal Community</th>
<th>Participation Rate (%)</th>
<th>Employment Rate (%)</th>
<th>Unemployment Rate (%)</th>
<th>Employment/Population Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burnt Church 14</td>
<td>66.0</td>
<td>64.0</td>
<td>36.0</td>
<td>43.0</td>
</tr>
<tr>
<td>Alnwick</td>
<td>50.0</td>
<td>63.0</td>
<td>37.0</td>
<td>32.0</td>
</tr>
<tr>
<td>Indian Island 28</td>
<td>80.0</td>
<td>50.0</td>
<td>50.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Rexton</td>
<td>60.0</td>
<td>79.0</td>
<td>21.0</td>
<td>47.0</td>
</tr>
<tr>
<td>Kingsclear 6</td>
<td>59.0</td>
<td>82.0</td>
<td>18.0</td>
<td>45.0</td>
</tr>
<tr>
<td>Kingsclear</td>
<td>79.0</td>
<td>93.0</td>
<td>7.0</td>
<td>74.0</td>
</tr>
<tr>
<td>Oromocto 26</td>
<td>66.0</td>
<td>61.0</td>
<td>39.0</td>
<td>37.0</td>
</tr>
<tr>
<td>Oromocto</td>
<td>75.0</td>
<td>92.0</td>
<td>8.0</td>
<td>69.0</td>
</tr>
<tr>
<td>Pabineau 11</td>
<td>78.0</td>
<td>43.0</td>
<td>57.0</td>
<td>33.0</td>
</tr>
<tr>
<td>Bathurst</td>
<td>58.0</td>
<td>75.0</td>
<td>15.0</td>
<td>49.0</td>
</tr>
<tr>
<td>Red Bank 4</td>
<td>76.0</td>
<td>46.0</td>
<td>54.0</td>
<td>35.0</td>
</tr>
<tr>
<td>Newcastle</td>
<td>57.0</td>
<td>71.0</td>
<td>29.0</td>
<td>41.0</td>
</tr>
<tr>
<td>Richibucto 15</td>
<td>52.0</td>
<td>54.0</td>
<td>46.0</td>
<td>28.0</td>
</tr>
<tr>
<td>Richibucto</td>
<td>60.0</td>
<td>81.0</td>
<td>19.0</td>
<td>49.0</td>
</tr>
<tr>
<td>St. Basile 10</td>
<td>63.0</td>
<td>80.0</td>
<td>20.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Madawaska</td>
<td>58.0</td>
<td>86.0</td>
<td>14.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Woodstock 23</td>
<td>75.0</td>
<td>67.0</td>
<td>33.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Woodstock</td>
<td>63.0</td>
<td>90.0</td>
<td>10.0</td>
<td>57.0</td>
</tr>
</tbody>
</table>

Source: 1996 Census Data.
For the past forty years the federal and provincial governments have introduced one measure after another to promote regional economic development. Although few of these measures were designed for Aboriginal communities, both levels of government in New Brunswick can draw on their experience as they look for new ways to promote Aboriginal economic development. In addition, DIAND and other federal departments, notably Industry, can also draw some lessons from their own efforts in this area.

Reducing disparities in public services and increasing the purchasing power of individuals are the easy part of the problem to solve — they can be done through transfer payments of one kind or another to individuals. However, transfer payments do not address the root cause of economic development problems. They very rarely provide solid long-term employment opportunities, promote greater earned income per capita, or lead to self-sustaining economic growth. In short, large investments of public funds in Aboriginal communities over the past twenty years or so have improved the quality of life and the quality of public service, but they have failed to generate sustainable economic activity.

In any event, transfer payments are not the attractive policy option for governments that they were thirty years ago. Except in the case of Aboriginal communities, they have lost their lustre in many policy areas because governments now have to deal with demanding fiscal challenges and because there is a growing realization that transfer payments can create economic dependency and, over the long term, actually hurt a community or a region. In addition, demographics would also suggest that the federal government cannot sustain its current approach and continue to maintain the same level of transfer payments to Aboriginals.
How then can government promote self-sustaining economic development? Perhaps the biggest lesson learned from forty years of federal regional development efforts is the crucial importance of the people factor. It encompasses historical processes, attitudes, education, and all the other influences that affect the capacity of a people to contribute to their community’s economic development and their own well-being. The people factor speaks to the skills, energy, and self-confidence that are essential before a people and individuals can conceive, launch, and manage new economic activities. The people factor explains in large measure why countries lacking in natural resources have been able to achieve economic prosperity. One only has to look to Japan and Austria to appreciate this point.

But there is no need to look abroad to find examples. The economic progress of New Brunswick Acadians is worth noting here. MacNutt’s *New Brunswick: A History, 1784–1867* is hardly more forthcoming about the presence and contributions of Acadians in the province than it is about Aboriginals. MacNutt reports that Acadians saw their land confiscated and that they “were prepared, without resentment, to endure another uprooting.”

It is well known that forty years ago, New Brunswick Acadians were an economically backward people. They were hardly present in government at the provincial or federal levels, and they were severely underrepresented in the workforce. Very few Acadians owned businesses, and when they did, the businesses were, by and large, geared to the local market and included convenience stores and small one-, two-, or three-person firms in the construction sector. Men and women worked in primary resource extraction or processing industries. They fished and farmed to supplement their income or to provide food for the household. In brief, they relied on traditional means to find work and on transfer payments for economic sufficiency. Entrepreneurship was not part of the Acadian culture, and they had very few role models to emulate in the business world. In addition, their educational standards were very poor, and few went on to university. At the risk of overgeneralization, those who did studied medicine, law, or theology. Acadian political and administrative institutions were extremely weak. Indeed, a few local county councils in Acadian areas actually went bankrupt in the late 1950s and early 1960s. School boards in Acadian regions simply did not have the resources or the expertise to maintain first-rate teaching programs or, in many instances, even to hire qualified teachers.

Louis J. Robichaud became premier of New Brunswick in 1960 and set in motion a series of events and measures that would transform the New Brunswick Acadian society. It is perhaps ironic that when reflecting on his accomplishments some thirty years after being elected to office, he observed, “It was like a Native being elected Premier of New Brunswick today.” What he meant, of course, was that in 1960 an Acadian was not expected to be elected premier of the province: Acadian society was too weak and lacking in confidence, and it had only limited influence in key political and economic circles in New Brunswick society. In addition, many Acadians were convinced that the English-speaking majority would simply not permit one of their own to occupy the province’s highest office.

But things are vastly different today. Entrepreneurship has taken root in Acadian regions. For example, the level of new business start-ups in one Acadian region a few years ago was, in per capita terms, one of the highest in Canada. There are now about fifteen hundred members in the French language Le Conseil économique du Nouveau-Brunswick, and a good number of them are entrepreneurs. Acadians have become important business leaders in several economic sectors, exporting their products all over the world. Institutions have been born and now enjoy the full support of the Acadian community — Université de Moncton is one example — and few, if any, are at risk of going bankrupt. An Acadian was Canada’s previous governor general, and Acadians occupy key elected and permanent positions in government. The list also extends to literature (Antonine Maillet) and the arts (Roch Voisine). To sum up, Acadians have come a long way in thirty-five or forty years and are now making an important contribution to Canadian society.

All of this is not by way of drawing a parallel between the Acadian community of the 1950s and Native communities today. The two groups are very different, and for many reasons — some involving history and culture — it is inappropriate to compare them. For example, because the Acadian community constitutes a sizeable minority in the province, it has more political clout than Aboriginal communities. In addition, Acadians have never been pushed onto small tracts of land or excluded from commercial activities like the fishery. Moreover, Acadians were able to establish their own university, which became a focal point for their cultural and economic development, and that led many of them to embrace entrepreneurship as the way to promote the economic development of their communities. It takes a
breathtaking jump in logic, however, to assume that Aboriginal communities would also find a remedy for their problems in entrepreneurial activity, especially given their history and their reliance on a collective approach to dealing with social and economic challenges. Indeed, it may well be that community-based entrepreneurship rather than an individual approach offers the most promise for Aboriginal economic development. Whatever course is chosen, it will in the end be a matter for Aboriginals and Aboriginal communities to decide for themselves.

Still, the Acadian example makes a number of important points. First, economic development is possible even in communities with a difficult history and facing extremely demanding socio-economic challenges. There are, in fact, some common features between the socio-economic conditions in Acadian communities in the 1950s and those that exist today in New Brunswick’s Aboriginal communities. Second, the people factor is important. Third, economic development in economically depressed communities requires a long-term commitment. There is no quick fix, no magic switch that can be thrown to bring about an instant change. And yet one could argue that by turning things around in one or two generations, the Acadian community really did achieve quick results. Then again, thirty or forty years to promote economic development might seem an inordinate length of time to some in government and the media, especially when public funds are involved. Fourth, governments need to intervene. Market forces alone would not have given rise to the kind of economic successes New Brunswick Acadians have been able to generate during the past thirty-five years. The same applies today to New Brunswick Aboriginals. Indeed, while one can debate the proper role of governments in promoting economic development in developed communities and regions, it is clear that they should be involved in the economic development of Aboriginal communities. And to be effective, they must have a number of policy and program options available to them.

Another important lesson learned from forty years of direct economic development efforts is that success breeds success and failure breeds failure. Indeed, nothing breeds unemployment faster than unemployment, and the longer unemployment lasts, the greater the likelihood of future unemployment. Put differently, long-term welfare dependence inhibits a transition to self-reliance and economic self-sufficiency.
This too directly concerns the people factor and the economic challenges in Aboriginal communities. The former chief of Big Cove, Albert Levi, observed as recently as 1993 that his people were “still a broken people.” Levi could have been referring to Canada’s failed efforts at constitutional renewal, to the suicides of seven young men and fifty-five known suicide attempts at Big Cove from June 1992 to March 1993, to persistent economic problems, to serious confrontations with the provincial government over tax issues, or to the expression of some openly hostile views in New Brunswick about Aboriginals. Chief Levi could also have been referring to the lack of Aboriginals in key government positions. There is no Aboriginal, for example, in the provincial Legislative Assembly and no Aboriginal deputy minister. If the number of Aboriginal people in the provincial public service were to reflect their proportion of the provincial population of working age, they would occupy about seventy positions. That they do not is testament to the failure of a special provincial government program to promote the hiring of “disabled and Native persons.” Chief Levi could also have been referring to the continuing struggle of New Brunswick Aboriginals to improve their access to sound educational programs and to make those programs more relevant to their needs.

One thing is certain: Aboriginal economic development will not succeed in isolation from the people factor. What is needed is a comprehensive package of programs. This is borne out by the Acadian experience, which would have developed very differently had the Robichaud government in the 1960s introduced a single program to promote, say, entrepreneurship in Acadian communities and then sat back and hoped for the best. We now know that much needed to be done about the people factor before such a program could take root and have any kind of impact.

This is not to suggest that what is required to promote Aboriginal economic development is lavish spending from the public purse and the launching of many public programs, trusting that all will turn out well in the end. The experience of the past forty years in regional economic development has taught us that the free spending of public funds is not always the best answer and can, at times, be counterproductive. The dependency phenomenon can hardly be broken by throwing money at the problem, particularly through passive transfer payment programs. In addition, priming the local economy through a variety of economic development programs can create an overcapacity, stimulate intercommunity rivalry rather than cooperation,
and waste public money. We also now know that some of the most successful regional development programs were the least costly (e.g., some of the Local Economic Development Agency (LEDA) initiatives).

Past economic development efforts also tell us that how governments organize themselves to promote economic development is as crucial to the success of their efforts as the policies and the programs themselves. The key question is, how can governments organize their efforts so as to involve many departments and agencies and not just the designated one? For example, we know that one of the reasons the former Department of Regional Economic Expansion (DREE) was disbanded was because there was a tendency for other federal departments not to think about regional economic development because they felt that DREE would take care of it. DIAND has had and continues to have the same problem: too many policy analysts at both levels of government have simply left the problem of Aboriginal economic development for DIAND to solve.

There are also other important government organization issues, and nowhere are those issues more relevant than in Aboriginal communities. How can governments best promote bottom-up economic development, how can they tap into local energy without at the same time stifling it, how can they promote creative thinking and the capacity to adjust quickly to changing circumstances and emerging opportunities, how can a local community challenge the status quo and deliver initiatives with a minimum of red tape, and, finally, how can we ensure that several government departments from two or three levels of government will coordinate their efforts?

These same issues have been present in virtually all past efforts to promote regional economic development, and, as noted above, they continue to be present today in current efforts to promote Aboriginal economic development. Within the federal government we know that Human Resources Development Canada (HRDC) has the responsibility for skills development, Industry Canada for business support, the Atlantic Canada Opportunities Agency for various economic development measures, line sectoral departments (e.g., Fisheries and Oceans) for specific sectoral issues and activities, and DIAND for community development. The risk, of course, is that the departments will go off in different directions and operate in relative isolation from one another. Departments and agencies will attempt to reach

15. See Savoie, Regional Economic Development.
different groups (e.g., entrepreneurs vs. community leaders) and often consult separately using different approaches with Aboriginal peoples. While this may well make sense from a departmental or agency perspective — pursuing different objectives and being held accountable for results — it makes little sense from the citizen’s point of view. Aboriginal entrepreneurs and community leaders, for that matter all Canadians, would like access to government information and programs without having to pick their way through a maze of government offices.  

Past government efforts at promoting entrepreneurship as the means to economic self-sufficiency for a region or even a community have also taught us a number of lessons. For one thing, we know that entrepreneurship can indeed be an important engine of economic growth. This is particularly true in a region like Atlantic Canada. Small business, for example, created 90 percent of the increase in employment in Atlantic Canada between 1980 and 1989.

Some regions and communities are more successful than others in promoting entrepreneurship and small business. Communities located near relatively large towns or cities tend to enjoy more entrepreneurial success than those in remote areas, the reason being that new businesses are rarely created in an economic vacuum. We also know that new business opportunities are more often identified in the service sector. For example, a December 1994 report published by Industry Canada (Small Business in Canada: A Statistical Overview) states that the most rapid growth in new firms took place in the finance, insurance, real estate, services, and construction sectors, while the slowest was in manufacturing, primary industries, transport, and communications.

What are the other ingredients of successful entrepreneurship? Put differently, how does one create an entrepreneurial society? One might assume, for example, that the reason New England has a more entrepreneurial society than Atlantic Canada is because of its better productivity, higher incomes, and greater degree of innovation. The reason, one suspects, is that New England has a higher standard of education than Atlantic Canada, not because of any specific efforts to inculcate an entrepreneurial culture in its population. The same could be said about the Aboriginal and non-Aboriginal populations in New Brunswick.

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There can be little doubt that a society with a high standard of education will demonstrate a strong capacity for entrepreneurship. This is not to suggest that entrepreneurship is something that can be taught in our public schools. It probably cannot. For one thing, most teachers have no experience with business or entrepreneurship. For another, promoting entrepreneurship does not mean sending students to business schools. One can teach engineering, economics, medicine, and so on, but entrepreneurship is something else entirely. So education is important but in a general sense, not because our schools can be expected to turn out young Aboriginals or young Acadians or, for that matter, young English-speaking New Brunswickers skilled in the ways of successful entrepreneurs.

In any event, as already noted, entrepreneurship may not represent a viable approach to economic development for New Brunswick Aboriginals. Although I noted in my interviews some evidence of entrepreneurship and a number of aspiring entrepreneurs in several Aboriginal communities, that is not to suggest that there is a consensus among New Brunswick Aboriginals as a society to embrace entrepreneurship to the same extent that Acadians have.

Regardless of whether the emphasis is on the individual or society to promote economic development, we know that education is important. It is important because it can provide the confidence and some of the skills required to conceive and pursue new economic activities. Confidence that an individual or a community can succeed in business is vitally important and may well explain why the parents of entrepreneurs are often self-employed. Confidence is also important because we are told that it is essential to the ability to cope with adversity, and that often spells the difference between entrepreneurial success and failure. And finally, new entrepreneurs would never set out on their careers unless they were confident of being able to launch a new economic activity, meet the challenges it presents, and earn a living from it. It is precisely because of this that former New Brunswick premier Louis J. Robichaud once observed that the single most important factor in the new economic success of New Brunswick Acadians was the establishment of the Université de Moncton.

It may be helpful at this point to review once again the Acadian experience in New Brunswick. As noted earlier, there are tangible signs that New Brunswick Acadians are becoming increasingly visible in the economic arena and more specifically as entrepreneurs. In a 1995 article in *Atlantic Progress*, Jill Vardy wrote that the 250,000
Acadians of New Brunswick have become a powerhouse of entrepreneurial and business growth in recent years.\textsuperscript{18} Data from Statistics Canada and studies prepared by Le Conseil économique du Nouveau-Brunswick point to steady increases in business start-ups and employment growth in some Acadian communities in New Brunswick, even during the economically lean years of the late 1980s and early 1990s.

Some observers argue that it was the depletion of the groundfish stocks and the dwindling number of other kinds of seafood as well as a more regulated forest industry that forced Acadians to look beyond their traditional occupations to new entrepreneurial activities. While the Acadian entrepreneurial phenomenon, which is particularly evident in New Brunswick, can be partly traced to the failure and limitations of traditional economic activities, its origins can also be traced to an upgraded education system for the French-speaking population. Indeed, several observers now claim that education has been the main reason for the increase in the number of entrepreneurs in Acadian regions (see, for example, the \textit{Globe and Mail}, 10 February 1990; the \textit{Atlantic Progress}, November/December 1995), since it began not long after the political and administrative reforms introduced by the New Brunswick government in the 1960s. These reforms, observers agree, have permanently altered the status and living conditions of Acadians in the province.

The Acadian experience provides an important model for economic development by illustrating the vital role of education in producing healthy economic growth. It did so in this case through the creation of an entrepreneurial culture. When the former premier Robichaud introduced his radical reform of the province’s education system, his purpose was not to produce a generation of doctors, lawyers, or even entrepreneurs. Education for him, we can be sure, was valued for itself and not simply as the means to some end. It promised a world of opportunity for all New Brunswickers and fulfilled that promise to the Acadian community by giving it the means to transform itself. Acadians seized that opportunity by pursuing a variety of entrepreneurial roles, thereby creating for themselves a dynamic business environment that has changed the face of their society. It remains to be seen if New Brunswick’s Aboriginals are also interested in embracing the entrepreneurial model.

\textsuperscript{18} Quoted in Benjamin Higgins, “Entrepreneurship in Atlantic Canada,” (Moncton: Canadian Institute for Research on Regional Development, 1996, Mimeographed).
Setting aside the entrepreneurial issue for a moment, we do know that institution building is important to the promotion of economic development. We also know that the Kent/LEDA experiment has been described as one of the most successful economic development initiatives of its kind and that it holds important lessons for institution building.

The Kent region of New Brunswick was awarded a LEDA project by the federal government in the early 1980s, carrying with it a total annual funding of $350,000 over several years. ACOA has also made contributions to Kent/LEDA. The agency made debt and equity investments in numerous small projects and has provided counselling and technical assistance to local entrepreneurs. The organization is directed by a group of local Kent-area business people and invests, on average, in twelve new or expanding businesses a year. Thus far, its success rate compares favourably with other government programs; 90 percent of the firms in which it invested were still operating several years after they were established. It has created approximately fifty new jobs a year, a statistic that there is reason to believe is more accurate than the job creation claims of other government programs. In many instances, LEDA represents the lender of last resort, which means that the new businesses it supported would not have gone ahead without its financing.

Decisions on proposed projects have been removed from government departments and turned over to an independent board of directors. Frequently, business people sitting on the board will approve a project not because of the applicant’s sound financial statement but because he or she is well known in the community and has established a reputation as a solid citizen. This approach might appear unsound to those living in larger centres, but in small rural Acadian communities it is working. Equally important is the contribution the organization has made to the business climate in the area. It regularly organizes workshops for the local business community, business-week activities, special breakfast or luncheon meetings, and the like. The total number of jobs created through Kent/LEDA may seem insignificant by national or even provincial standards, but for the Kent region the new jobs are vitally important and are recognized as such. Kent County has a small population base (32,000) and, until recently, had little to boast about in the way of job creation. The same could be said about the New Brunswick Aboriginal community. In any event, it is success that breeds success in economic development.
But what is particularly impressive here is that Kent/LEDA is now on the road to economic self-sufficiency. It has, at the moment, about $4 million in equity investment or in its bank account, and the bulk of its loans have been repaid and continue to be repaid with interest. It also has a strong visible presence in the business community, and some of its successful clients are now role models for their communities and for aspiring entrepreneurs.\textsuperscript{19}

How can the success of Kent/LEDA be explained? Community leaders report that in the early 1980s, the region was ripe for this kind of initiative. The effects of the education reform of the 1960s were being felt, and there was a growing sense of confidence in the region. The first head of the agency was carefully selected, and he proved to be a strong leader. Because the agency in its early years had a very small permanent staff (two people), the members of the board of directors were obliged to get directly involved in the work, and observers agree that this made an important difference.

The agency’s first director also reports that the ability of the board to keep politics out of the agency was the crucial factor. Board members made a deliberate decision early on to review all proposals strictly on their merits or on the merits of the individual making the proposal. They decided that the moment they looked at a proposal on the basis of where it came from (i.e., which village) or the applicant’s political background, any hope of success for the agency would be destroyed. Accordingly, Kent/LEDA was built on a foundation of sound business and economic values. Local business and community leaders report that they finally felt empowered to do something about the economic future of their region, and they decided to take full advantage of the opportunity. No board members wanted to be seen to ignore this objective.

Kent/LEDA is as much, and perhaps more, about a collective approach to economic development as it is about entrepreneurship. But that should come as no surprise given the economic history of Acadians, since the cooperative movement was at the core of economic development in Acadian regions.

The first financial cooperative in the Acadian regions was established in 1936. The founders of the Acadian cooperative movement now report that it arose from the fact that Acadian communities had virtually no economic strength and its residents were living in abject poverty. Something had to be done, and the only solution at hand

\textsuperscript{19} Based on information provided by Rhéal Savoie, former director of Kent/LEDA.
was to pool the limited resources available. To be sure there was little talk in the late 1930s, 1940s, and 1950s about entrepreneurship being the way ahead for Acadians. In many ways, Acadians had to learn to walk as a collectivity before they could run as individual entrepreneurs. It is revealing to note that the early cooperative movement in Acadian society was largely preoccupied with residential loans (i.e., mortgages) and with investments in educational facilities.20

Turning to Aboriginal communities outside New Brunswick, can we learn anything from them? The answer is yes, and there are two cases in particular that are worth examining.21

The first is the stand-alone Prince Albert Development Corporation (PADC), in Saskatchewan, which was established in 1985 by the Prince Albert Grand Council (PAGC). The corporation is now owned equally by twelve First Nations and has invested in a variety of economic activities ranging from janitorial services to hotel and service industries. The corporation has a board of directors with full legal authority to oversee its work and a management board that directs day-to-day business operations. A general manager directs the work of the corporation and is accountable to the board of directors and the management board.

The grand council assumed administrative responsibilities for DIAND in a number of areas in the early and mid-1980s. As the council was hiring new staff, council members saw a business opportunity in the real estate market. The First Nations agreed to combine some of their financial resources to produce the equity needed to establish the new corporation and to finance the construction of an office building to house new staff resulting from the transfer of DIAND activities. The corporation subsequently signed other long-term leases and expanded its real estate holdings. Later still, the corporation decided to invest in other sectors. It now provides security and janitorial services and owns and operates a 108-room hotel and restaurant, an employment referral agency, and a construction firm (joint venture).

When we asked officials in DIAND to identify successful local or community economic development initiatives, PADC was high on its list. To explain why, a former manager of the corporation and also member of the board of directors, Wesley Daniels, said that “a good

21. The two cases are based on information provided by DIAND officials in the summer of 1998.
“business philosophy” goes a long way in accounting for the corporation’s success. Trevor Ives, the current manager and head of finance, reports that the corporation invested wisely and that the community has been very supportive.

There is no denying that the corporation has been successful. It has sales of more than $10 million a year and has over two hundred employees. In addition, the corporation was one of the finalists in four categories for the Prince Albert's business community awards.

A DIAND official maintains that one of the reasons why the corporation is a success story is that it learned to walk before it tried to run. It invested in a relatively risk-free project that enabled the corporation to gain valuable business experience on its own terms. The community could then turn to its own members to promote the growth of the corporation and to produce local role models. Once the corporation proved it could master one investment project, it had the confidence to take on new ones.

This points to two important lessons learned in local economic development. The local development literature says that the notion that “success breeds success” and “the people factor” are often fundamental to successful community economic development projects. Put differently, as people learn and grow from implementing a successful project or running a successful business operation, they gain the confidence to take on new initiatives.

The second Aboriginal community outside New Brunswick we shall look at is the Indian Craftsmen and Artists of Quebec (ICAQC), a corporation established more than twenty-five years ago to meet the needs of Aboriginal craftspeople for handicraft materials. The corporation is located in the Hurons Wendat community, approximately eight kilometres north of Quebec City. It has remained successful in spite of challenging financial times by implementing two strategies: expanding geographically and marketing finished products for Aboriginal craftspeople. A variety of customer service practices have been the key to making these strategies work. By establishing these effective practices, ICAQC has become not only one of Canada's largest suppliers and distributors of basic handicraft materials to First Nations communities across the country but also an important marketer of Aboriginal arts and crafts. ICAQC supports Aboriginal craftspeople and artists in the work they love to do and helps them profit from their talents. In so doing, ICAQC plays an important role in maintaining and promoting Aboriginal culture.
First Nations people of Quebec created ICAQC in 1972 to supply the province’s Aboriginal craftspeople with a range of first-class handicraft materials. ICAQC provides top-quality materials at competitive prices, including leather, fur, dolls, beads, masks, etc. Today, an all-Aboriginal staff is still meeting this goal. ICAQC was completely funded by DIAND until 1993; since then, funding has been gradually reduced.

A time came when ICAQC realized that change was necessary if the corporation was to survive financially and still meet its goals. Jean Picard, who joined the corporation as general manager in 1980, undertook to make these changes. It was under his direction that ICAQC introduced two strategies: market expansion and a new marketing service created to enable more Aboriginal craftspeople to sell their finished products. Before then, few craftspeople had much success selling their products — they had no access to the tourist industry or any other means of effective marketing. Customer service was ICAQC’s key to making these strategies work.

In 1992 ICAQC began to supply handicraft materials nationwide. A toll-free number was introduced to support this expansion so that now, with a simple phone call, customers across Canada can receive the basic materials they need. This nationwide expansion brought new customers, most of whom were English-speaking (in 1990, 90 percent of ICAQC’s customers were francophone; today, 90 percent are anglophone), with the result that it became necessary for employees who had previously worked mostly in French to become fluent in both languages. ICAQC introduced English courses and daily telephone conversation classes for employees. These telephone classes mark an innovative approach to learning a second language. During the classes each employee benefits from one-on-one contact with the teacher. The sessions change daily as students and teachers discuss current events and daily activities.

The new general manager realized from the start that Aboriginal craftspeople and artists needed a market for their finished products. Picard researched the marketplace and identified tourist areas as the primary market. He visited several tourist areas in Quebec, where he met and negotiated with local retailers. As a result, in 1991 ICAQC implemented a second strategy to enhance profitability: to wholesale the finished products of Quebec’s Aboriginal craftspeople and artists to new markets.
After establishing contact with retailers and businesspeople involved in the tourism industry, ICAQC and the Aboriginal artists and craftspeople began to work closely with them; they learned how to meet customer needs for product size and fragility and so demonstrated their commitment to customer service.

ICAQC launched a certification program to further improve customer service. Artists must fill out a special form to have a number stamped on the bottom of their carvings to guarantee their authenticity. This procedure not only protects customers from buying fraudulent works but also protects the artists' copyright.

Another aspect of customer service is the personalized treatment of customers. For example, at the end of each day employees call back the customers who placed an order that day; they confirm the orders and advise them that they have been sent. Also, employees draft personalized letters to customers, which the general manager then signs. The computerization of basic operations has enabled ICAQC to maintain this personal contact with its customers. The corporation's database stores the names, addresses, and telephone numbers of all seven thousand customers across the country.

ICAQC's geographical expansion and new marketing efforts have been successful. ICAQC's expansion has enabled the corporation to provide quality service to Aboriginal craftspeople and artists across Canada. The new distribution system has helped Aboriginal craftspeople and artists to market their products and has also created employment in many communities by introducing Quebec's Aboriginal craftspeople and artists to the tourism market and by encouraging them to continue doing what they do best. The corporation has benefited financially from these new practices, increasing its revenues by more than $1 million and its staff from four employees to six.

As customer service is essential to ICAQC's success, the personal approach taken by the corporation has made clients in isolated communities feel more in touch with the people with whom they are doing business. By keeping customers informed on a same-day basis, the corporation keeps them happy and eliminates the need to field further calls regarding shipment dates.

All of this suggests that if one looks carefully at successful local economic development efforts, one discovers that the successful organization had a clear mandate, and the people in the organization knew what was expected of them. Look, for example, at Kent/LEDA and the Prince Albert Development Corporation. Both have
met with considerable success in spite of difficult economic circumstances — one of the poorest regions in Canada in the case of Kent/LEDA and Aboriginal communities in the case of the Prince Albert Development Corporation.

Kent/LEDA has a mandate to invest through loans in local businesses and to promote a region’s business interests. It does not concern itself with other issues. It has in the past expressed concerns over the number of government-sponsored organizations and programs designed to promote local economic development and has reported a lack of coordination among them. But it has not tried to take on the coordination mandate, deciding to concentrate instead on its own relatively restricted mandate.

The board and senior management at Kent/LEDA have also decided to implement a business culture in the organization. Early on, board members agreed to leave politics, however defined, out of Kent/LEDA. Its decisions have all had a clear business orientation.

In addition, Kent/LEDA is deeply rooted in the local community. Board members and management are all from the community — they are widely respected among their peers — and are seen to work on behalf of the community. Though Kent/LEDA is the product of a government program, it has made every effort to keep its distance from government departments. It has succeeded in doing this, and now it is on the road to becoming self-sufficient. When it reaches that point, it will be completely independent of government.

Another important factor explaining Kent/LEDA’s success is the people factor. In the case of board members and management, they had the skills and competence to develop and manage Kent/LEDA. As for staff members, some training and development funds have been made available to them, although much of their learning has come through examples set by role models. When local successful entrepreneurs agreed to serve on the board with no remuneration, they sent a message to the community that Kent/LEDA was important to the region’s economic future. No less important is that it represented a transfer of knowledge and skills to Kent/LEDA staff, to aspiring entrepreneurs in the region, and to other local business people. The point here is that one way or another, the people managing local economic development need access to knowledge and skills. Ideally, they will find them in the community and by consulting business leaders; if not, they will have to seek out the services of experts.
The one criticism directed at Kent/LEDA is that it has not been able to broaden its focus and coordinate its efforts with other agencies in order to promote economic development in the Kent region. Some observers argue that the challenge of economic development in the Kent region has evolved significantly since Kent/LEDA was established: the local economy is more sophisticated and local entrepreneurs have different needs in order to compete in the new economy. The new challenge requires closer cooperation among local development agencies — a message, critics say, that Kent/LEDA has not yet received.²²

Still, the ability to articulate a clear mandate is important and helps explain the success of the Prince Albert Development Corporation. The corporation has a strong and well-established mandate, operates from a clear business culture, and learned to walk before it ran so that key board and staff members were able to acquire the knowledge and skills they needed to operate the organization. The corporation has never tried to operate beyond its mandate — to acquire and run businesses at a profit.

The success of ICAQC can be attributed to some of the same reasons. It has a clear, somewhat narrow mandate, the organization is directly accountable for its activities, which everyone understands, and it stresses the importance of developing the necessary knowledge and skills to ensure the organization’s success (see, for example, the emphasis on training to provide customer service).

The point has already been made that institution building, or capacity building, is crucial to economic development. It is important to stress that the above case is not an isolated example. The results of an extensive Harvard research project on sixty-seven American Aboriginal communities reveal that institution building was an extremely important, if not the most important, factor in distinguishing “successful tribes [in economic and social development] from unsuccessful ones.”²³

Past government-sponsored efforts in economic development have also taught us that policies and programs can hardly be operated in

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²² See, for example, Donald J. Savoie, *Community Economic Development in Atlantic Canada: False Hope or Panacea?* (Moncton: Canadian Institute for Research on Regional Development, Forthcoming).

isolation from one another or that one policy is sufficient even when pursuing a single objective. Examples will make these points clearer.

The federal government has had a regional development policy in place for the past forty years or so. And for the past thirty years, it has stated time and again that it would employ its procurement policy as a regional development tool. Indeed, each announcement claimed that the new effort would be better and more successful than the last. In 1978 the federal government went so far as to state that it would direct a 5 percent annual increase in federal procurements to “have-less” regions. Nearly ten years later, the federal government pledged to direct $600 million of its new purchases over a four-year period to Atlantic Canada firms.24

We soon discovered, however, that it was one thing to make the announcement and quite another to make good on it. Few, if any, of the attempts to employ federal procurements to support regional policy have lived up to expectations. One can easily speculate on the reasons why. In the end, making procurement a successful economic development tool requires both a lot of preliminary work and the coordination of relevant policies and programs.

For one thing, in a number of instances, the capacity to produce the goods or services needs to be created or expanded in the designated communities to take advantage of this new procurement policy. For example, we know that the federal government annually purchases automobiles, trucks, and ammunition. We also know that these products are produced in Central Canada and that there is little or no capacity in Atlantic Canada, for example, to produce them. The same can be said about a number of other manufactured goods purchased by the federal government. Officials now report that to meet the stated objectives, automobiles and large new oil shipments were purchased from businesses or retailers in Atlantic Canada even though they were actually produced in another region.

In addition, a procurement policy designed, in part, to promote economic development in selected regions or communities can be in direct conflict with long-standing practices in managing government purchases. Officials responsible for government procurement have long had as their overriding objective the need to purchase the best possible goods and services at the most competitive price, and to do so using a transparent administrative system. Anything that potentially deviates from this approach is suspect.

24. See, among others, Savoie, Regional Economic Development.
Much of how the government procurement policy is applied is also driven by administrative routine and precedent. There are obvious reasons for this — officials daily process a large number of purchases and must rely on a set of procedures to guide their actions and to monitor all the transactions. Entrepreneurs and aspiring entrepreneurs, meanwhile, have difficulty understanding the process and, consequently, making use of the system. One business person in Atlantic Canada summed up the situation well when he was asked why he was not selling his products to the federal government. He explained: “I have come to accept that the second-most difficult thing in the world to do is to get your name on the federal procurement registry. I have also come to accept that the most difficult thing in the world to do is to get your name off the registry once it has been added.”

This is not to suggest that the federal government should stop looking for ways to promote Aboriginal economic development through its procurement policy. On the contrary, as we will see, it should continue to do so as the prospects for its use are promising. As already noted, governments will have to use all of their policy options to help promote Aboriginal economic development in New Brunswick, and procurement is one such centralist policy that has been shown to be effective. Ottawa’s procurement policy to promote Aboriginal economic development has met with a great deal of success in a relatively short period of time. This is all the more impressive given the inherent difficulties using government procurement for such a purpose. It also suggests that the provincial government should build on this success and introduce new procurement measures to promote Aboriginal economic development.

All of this points as well to the need for a proactive approach at the community level. It is clear at the moment that it will not be enough to set a percentage or a dollar amount on the purchases to be made from Aboriginal businesses, not, at least, in the case of New Brunswick. Someone or some group will have to identify what it is that existing Aboriginal businesses or aspiring Aboriginal entrepreneurs can produce that the federal government or others are now purchasing or will want to purchase over the next several years. We wrote earlier about the private sector in Aboriginal communities in New Brunswick. The underlying message there was that at the moment, it has a very limited capacity to produce goods and services

other than the ones consumed locally. The reality now is that Aboriginal communities and Aboriginal firms in New Brunswick will not be able to take full advantage of opportunities offered by federal and provincial procurements without the public sector playing a proactive role in several areas.

This discussion on the use of government procurement to promote economic development highlights once again the need for a comprehensive approach to the problem. The federal government cannot solve it alone — that should be acknowledged at the outset. It has neither the resources nor the policy options to do the job. Creating the level of economic activity to generate new wealth and employment will require the cooperation of all the parties involved: the Aboriginal communities, the federal and provincial governments, and the private sector. The provincial government is now the key economic player in New Brunswick, in many ways possessing the more important policy options to promote self-sustaining economic activity (from tourism to forestry and the important regulatory tools as well). It also buys goods and services and can direct some of its procurement requirements to Aboriginal communities. In so doing, it can set an important example for the province’s private sector, which is also a significant employer and a major buyer of goods and services. As such, it too can turn to Aboriginal communities for some of its purchases and to hire new staff.
The Programs and the Interviews

Currently in New Brunswick, there are a host of government programs that benefit Aboriginals and their communities. Many of these are national or provincial in scope and available to all Canadians, but others are designed for Aboriginals only and cover virtually every economic and social sector — housing, education, small business, fishing, and so on.

Our purpose here is not to provide a complete inventory of these programs as they apply to Aboriginals in New Brunswick, but rather to focus on economic development measures as seen from the perspectives both of the people charged with the responsibility of making them work and of some New Brunswick Aboriginals. Our understanding of these two perspectives was gained through a number of interviews conducted in New Brunswick and in Ottawa. As well, these interviews enabled us to gather information about the most important measures being implemented, obtain an understanding of the challenges and opportunities involved in promoting Aboriginal economic development in New Brunswick, and determine if changes are required to current efforts in this area.

I was struck by several things during the interviews. First, nearly all the government officials I consulted stressed the need for governments and government programs to coordinate their efforts in promoting Aboriginal economic development in order to advance it in the future. One senior federal government official with the Department of Fisheries and Oceans (DFO) put it succinctly when he observed: “We simply have to be much better at building on synergies, by somehow putting programs together.”

Second, most of the people I consulted spoke about the need for a comprehensive approach to promoting Aboriginal economic development. A single program or even a series of initiatives designed to promote a single objective stands little chance of success. Promoting Aboriginal economic development, it seems, requires a different approach, one which deals with all facets of economic activities.
Third, the people factor has to be addressed if Aboriginal economic development in New Brunswick is to be a success — and by people factor I do not mean only Aboriginals. I held this view after doing the background research for this monograph, and it was reinforced by the interviews.

Fourth, one has only to meet with a handful of people directly involved in Aboriginal economic development to realize that a long-term perspective on the problem is essential. People with years of experience in dealing with this issue are all quick to point out that there is no quick fix, no easy solution. If there had been, it would have been applied a long time ago.

Fifth, and perhaps most importantly, future efforts in this area need to emerge from the local Aboriginal communities themselves. It is no good arriving in their midst with a package of preconceived solutions — they will not work. In fairness to both senior levels of government, permanent officials are well aware of this. In fact, most of them were quick to make this very point early on in the interviews.

Fisheries

The interviews were also able to shed new light on the workings of key economic development programs and measures. One such program is DFO’s initiative to transfer commercial fishing licences to the New Brunswick Aboriginal communities. The program arose from a court decision (Sparrow’s decision) that Aboriginals have a right to fish for commercial purposes. In response to the decision, DFO initiated a new program in British Columbia in 1992 whereby it “retired” commercial licences by purchasing and later transferring them to Native bands. The program was introduced to the East Coast in 1994.

Though still in its early years, the view in Ottawa is that the program is already having a positive impact in New Brunswick. In brief, the program is part of a broad Aboriginal fishing strategy, a strategy that is costing the federal treasury about $25 million a year. The cost of the licence-transfer component of the program amounts to $2.6 million a year, of which about $2 million is now spent on the East Coast. In turn, New Brunswick’s share of the program is about $600,000. Besides the licence component, the Aboriginal fishing strategy includes funding for enforcement, cleaning up fish habitats, and other related activities; it also deals with such issues as resource allocation and conservation.
There are lessons to be learned from the licence transfer initiative that can be applied to future efforts to promote economic development in Aboriginal communities in New Brunswick. Under the initiative, DFO in New Brunswick has purchased seven licences and turned them over to several bands. The licences include one eel licence, two herring licences, and five lobster licences, and they have been transferred to the Buctouche, Eel River Bar, Indian Island, Oromocto, Kingsclear, and Tobique bands.

An independent observer may well conclude that the initiative has only met with modest success. During the course of the interviews, I heard the expression “not catching a lot, not making a lot of money” on more than one occasion. Anyone expecting a quick result from an economic development policy would take a comment like this at face value and consider the initiative a failure. But while I have no doubt that there is more than a grain of truth in such remarks, they do not tell the whole story. In fact, there is evidence that the future of the licence transfer initiative is likely to be very promising, particularly when it is compared with other possible measures.

Here is what the measure has accomplished. First, it has provided Native bands with first-hand business experience. To be sure, managing commercial fishing licences is not the first business experience for Aboriginal communities in New Brunswick. But it is a new business activity, and communities are bound to learn from it.

Second, Aboriginal communities now have a commercial stake in conservation. Officials from DFO have noted that some Aboriginals are now identifying as much with the commercial interests of the fishing industry as they are with other issues. In brief, they are becoming commercial fishermen. This should come as no surprise to anyone. If they become a player in the market economy, Aboriginals will very likely act like any other player.

Third, they are becoming full partners in the commercial fishery and are viewing it in the light of a self-sustaining activity. Indeed, some bands are now turning their attention to other fishery-related development opportunities ranging from value-added products to aquaculture.

But what about the comment “not catching a lot, not making a lot of money”? There is no denying that there is something to it. Indeed, in some instances, Native bands have actually lost money, something they readily admit. One has to appreciate that Aboriginal communities had very little experience with fishing lobster. The
Kingsclear First Nation, for example, is located about a hundred miles from the sea. A commercial lobster-fishing licence was transferred to the band, but no effort was made to teach band members how to catch lobster, let alone how to turn the licence into a viable commercial enterprise. The Kingsclear band had little choice but to turn to an experienced hired hand, an outsider, to fish lobster on its behalf; they also had to make decisions (e.g., the purchase of a fishing boat) without having all the necessary background knowledge.

This brings up an issue that arose time and again earlier in this report. We noted that coordinating various government efforts to promote economic development is a key ingredient in mounting a successful strategy, and that departments and agencies have a tendency to promote different objectives when reaching out to a target population. In the case of the Kingsclear band, every effort should have been made to provide training and skills development to its members — and not only to the Kingsclear band but also to the other bands that received a commercial fishing licence.

This is not to suggest that we should give up, or even that Aboriginals in New Brunswick are prepared to give up, on the commercial fishery. We also saw earlier that an important factor in long-term business success is how a firm or individuals react to adversity and what they learn from it. I believe that Aboriginal communities are learning valuable business lessons from the experience, and there is no doubt that over time their economies will be the better for it. Lastly, there are only a limited number of economic opportunities for Aboriginal communities in New Brunswick (a point I will return to in the next section), and the fishing industry is an important one.

The Marshall decision will obviously have important implications for Aboriginals and the fishery for years to come. It has put the issue on fast-forward, and New Brunswick is now bound to see significant changes in the industry. We can only hope that those changes will take shape in an atmosphere of dialogue, trust, and a genuine desire to accommodate different points of view. With this in mind, it will become increasingly important to have in place institutions or institutional arrangements to encourage dialogue and to enable the province’s key government and economic players to gain an understanding of the economic circumstances and challenges confronting Aboriginal communities. We shall return to this point in the concluding chapter. Suffice it to say here that over the past several years, we have seen Ottawa introduce a carefully planned process to enable
some Aboriginals to enter the commercial fishery. There are important lessons to be learned from this process — lessons that will provide an important backdrop for the planning of future initiatives.

### Forestry

Historically, the forestry sector has played a key role in New Brunswick’s economic development. We all know this, and we also know of the close bond between the province’s Aboriginal peoples and the forests — throughout their long history, they have turned to nature for most of their needs, including medicine, fuel, food, water, transportation, and shelter. One would naturally conclude from this that New Brunswick Aboriginals must be successfully pursuing many economic opportunities in forestry, and yet in recent years this has not been the case.

Still, there are signs that things are changing. For one thing, the federal government has made the forestry sector a priority in its attempts to promote Aboriginal economic development. We know, for example, that in April 1996 the ministers of Natural Resources Canada and Indian Affairs and Northern Development launched the new First Nation Forestry Program (FNFP). The FNFP is a national program designed to promote forest-based economic development in First Nation communities. As already noted, it had its origins in joint federal-provincial economic development agreements.

The current program is designed to promote forest management planning and administration practices and to ensure that First Nations are provided with the tools and skills they need to operate and participate in forest-based businesses. The activities being supported include silviculture, business planning, business management and related workshops, seminars, and training initiatives. The program also encourages First Nations to work cooperatively and form partnerships with other policy and business players and provides assistance to investigate the feasibility of various funding mechanisms to support forestry development.

Our interviews also reveal that some Aboriginal communities in New Brunswick are making solid, and in one instance remarkable, progress in the forestry sector. The big success story is worth reporting here because it contains some important lessons. It concerns the Eel Ground community, which has made impressive gains in the forestry sector and is now ready to pursue new opportunities.
Eel Ground is a small Aboriginal community (population about 747, with 438 members on-reserve and 309 off-reserve) located near Newcastle. Although it occupies a small tract of land, it was, as one federal government official reports, “blessed with two unexplored parcels of land which held promise for forestry development.” One of its most valuable assets, however, is Steve Gignish, who worked in forestry before deciding to commit himself to the welfare of his community. Mr. Gignish studied forestry at the University of New Brunswick and later became a forestry development officer at Eel Ground. His is a classic case of one individual making a big difference to his community.

Mr. Gignish began his work in 1989, starting at the bottom and building his community success story step by step. First, he secured a firm commitment from the chief and band to promote forestry development. He made it clear that his direct involvement in developing and implementing a forestry management plan for his community was conditional on keeping politics out of the decision-making process. He insisted on a written commitment that he and his colleagues be allowed to manage the project as they saw fit, using modern forest management techniques. The chief not only gave his commitment to forestry but stood by the project throughout and fully supported its development. Indeed, the chief at the time, Roger Augustine, not only saw the potential of the forestry sector for his community but also gave his full backing to Mr. Gignish, who now points to Chief Augustine’s strong support both with government and in the community as an important reason for the success of his work. Second, Mr. Gignish secured funding to train and develop his workers. Third, he promoted the development of a comprehensive forest management development plan for his community and introduced modern techniques ranging from new silviculture practices to building access roads to reach the resource. Fourth, he never lost sight of his central purpose — creating a self-sustaining commercial activity capable of creating new jobs.

The results? — Eel Ground now has a modern forestry management plan in place, and it is hardly possible to overstate the importance of the forestry sector to the community’s economic future. As one resident explained: “Eel Ground has about seven hundred people and about seven thousand acres of land. Simply to survive on ten acres per person is a task in itself. We are now achieving it.”
The band now owns a mobile dimension sawmill, a planer, a dry kiln, and a truck. The enterprise produces dimension lumber, tongue-and-groove boards, and landscape tile. The enterprise also ensures that nothing is wasted, supplying residents with leftovers from the mill for use as firewood.

Before the forestry management plan was introduced, a log brought in about $2 in total revenue to the community. Now, through various value-added processes, a log brings in about $150. There are currently six full-time workers in the mill and another thirty-five to forty employees working year round in forest-related activities. In addition, there are Native crews professionally trained in silviculture techniques who are able to bid for off-reserve contracts or get jobs with other contractors.

A video of the Eel Ground forestry initiative has recently been produced to make a permanent record of the experiment, the role of the key players, and the progress being made. I was struck by two things in the video. First, the importance that everyone in the initiative attaches to training and skills development. Steve Gignish put it succinctly when he observed, “Training is where it all began.” There are now three Native certified scalers from Eel Ground alone; 150 New Brunswick Aboriginals have completed at least one training program in forestry at the community college level, and about one-third of them have returned for upgrading. There are also tangible signs that solid progress is now being made in implementing forestry management plans in Big Cove, Red Bank, Burnt Church, and Tobique. Second, there is an obvious sense of pride and accomplishment at Eel Ground, in part because of the forestry initiative. If the people factor is the key to promoting economic development, as we argued earlier in this paper, then there is no doubt that the Eel Ground forestry initiative is a big step in the right direction.

As already noted, Justice Turnbull’s decision shook the New Brunswick forestry sector. The decision of 28 October 1997 granted Aboriginals the right to harvest wood on Crown land. Some five months later, the New Brunswick Court of Appeal allowed the province’s appeal and reversed Justice Turnbull’s judgement. By this time, however, the issue had grown beyond a simple legal matter. It had become a politically charged issue, with Premier Frenette and later Premier Thériault calling for calm and pledging to work closely with Aboriginal communities to find a solution acceptable to all parties. Premier Frenette asked Gérard La Forest and Graydon Nicholas to act
as “facilitators in a process to try to improve the relationship between the province’s Aboriginal communities and the provincial government.”26 The La Forest–Nicholas task force held over sixty meetings with Aboriginals and non-Aboriginals.

The task force did more than act as facilitators. It produced a series of sweeping recommendations and issued a number of warnings. It argued that “clearly, access to the forest industry is not a panacea.” It added that “other opportunities for further economic development and increased employment must also be considered,”27 and concluded by suggesting that we need to bring a sense of hope for the creation of a more “tolerant and understanding society.”28

The task force’s twenty-five recommendations were not confined to the forestry sector: about half dealt with a variety of matters in the economic development and social development fields.29 Though the task force presented an ambitious agenda, some New Brunswick Aboriginal leaders complained that its report did not go far enough. As already noted, they also argued that “the hard decisions about their future and their right to participate in the forestry sector will have to be made in court.”30 The task force concluded that notwithstanding the province’s successful appeal of the Turnbull decision, things would never be the same in the province’s forestry sector.

We can only repeat here what we said above in the case of the fishery: we now need to move quickly to establish institutional arrangements to promote dialogue and trust between key economic players in the province and between Aboriginals and non-Aboriginals. This is in everybody’s interest. Forestry expert Gordon Baskerville raised deep concerns when he predicted a “severe shortage of wood in the years 2010–2025 that might result in the collapse of the industry that is of primary importance to the province.”31

Minerals

By all accounts, there are limited opportunities for mineral development in New Brunswick’s Aboriginal communities. In 1989 DIAND produced an exhaustive survey of the mineral potential on Indian

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27. Ibid., 46.
28. Ibid., 48.
29. Ibid., 50–54.
reserve lands in Canada. The report offered little promise of mineral development in Aboriginal communities in New Brunswick or, for that matter, in the rest of Atlantic Canada.

The report points out that the area of a reserve is a significant factor in evaluating its overall potential — the smaller the reserve, the lower its potential. Since the average area of Indian reserves in the region is 434 hectares, substantially lower than the national average of 1,176 hectares, it is reasonable to conclude that the mineral potential of Indian reserves in New Brunswick is limited.

The report also points out that in the Atlantic region, no known development of mineral resources has taken place on any reserve. Although some reserves may have had work done unknown to the department's Resource Development Directorate, there is still no evidence that any important mineral deposits were ever found.

In my discussions with Aboriginals and government officials, there was some talk of peat moss development and the possibility of developing sandstone deposits. There was also a suggestion that a deposit of minerals located off-reserve could be promising if only because it might extend onto the reserve itself. In this context, I heard suggestions that we should once again survey the mineral potential on the Pabineau reserve (near Bathurst in the province's northeast). The reserve is in an area near important mineral deposits. But the discussions and the results of the exhaustive survey of the mineral potential of Indian reserve lands in Canada lead one to conclude that there is little hope of new economic activity in the mineral sector for any of New Brunswick's Aboriginal communities.

### Tourism

It is well known that both senior levels of government in the Maritime provinces have made tourism a priority sector, and both have decided to invest heavily in its development. Though one might assume that the unique history and culture of Aboriginal communities would make them attractive to the tourism industry, it has so far had a limited impact on Aboriginal economic development.

Indeed, we are just now starting to focus on the tourism potential of Aboriginal communities. In fact, it is only recently that work began on developing the necessary infrastructure to attract tourists to Aboriginal communities. Educating non-Aboriginals about Natives and Native culture is also urgently needed.
I was told during the interviews that some non-Aboriginals are hesitant about visiting Aboriginal communities, believing somehow that they are not welcome and, in some cases, that they are not even allowed on the reserves. Others think that it would be inappropriate for them to attend Aboriginal ceremonies or celebrations. This is rarely the case, but it is one instance where perception is the reality for non-Aboriginal communities and where perception stands in the way of economic development.

There is also a reality which inhibits tourism development in Aboriginal communities, but that is being addressed with the introduction of important changes. We know, of course, that the provincial government plays a lead role in tourism development. It is closer to communities and to tourist attractions, and the industry relies heavily on its various promotional campaigns. Aboriginal communities or attractions have, by and large, not figured in these campaigns until quite recently.

A few years ago, the provincial Department of Economic Development and Tourism hired Noah Augustine, a Micmac, as a project executive for its Product Development Group. It is important to note here that Mr. Augustine was the first Aboriginal to be hired by the department. From the outset, his goal was to include Aboriginal communities and attractions in future promotional campaigns, and by all accounts, he has succeeded. When he began work in the department, there was only one Aboriginal tourism project included in the various promotional campaigns; now there are several, including five one-day adventures, one fish-and-hunt adventure, three winter adventures, and one multiday product. This, if nothing else, demonstrates the importance of having Aboriginals working in economic departments and agencies. There are now a number of projects either completed or on the drawing board: the Mi’kmaq experience initiative in Bouctouche, an archaeological site at the Augustine Mound in Red Bank, and a cabin development project at Pabineau.

The Eel River Bar community is also developing important tourism projects and other significant economic development initiatives. For example, the community has decided to commit its resources to the development of the Aboriginal Heritage Garden. The garden has already attracted the interest of the Smithsonian Institution, and once completed, there is every reason to believe that it will attract tourists from around the world. The garden will house an interpretation centre and over 250 plants, many having medicinal applications.
The community has also decided to invest in an economic development park — Osprey Park. The park is strategically located between two provincial highways and has already attracted the interest of potential investors. Indeed, the Eel River Bar First Nation has a few important economic development success stories. The Eel River Bar Shoe Company produces, and sells in a store adjacent to the factory, brand-name shoes. The company employs thirty-five Native and non-Native employees.

I soon discovered through my interviews that the Eel River Bar First Nation has a solid reputation in the economic development field. Government officials and others often pointed to the community as a success story in Aboriginal economic development. Why has it been so successful? I put the question to Gilles Soucy, the community’s economic development officer. Mr. Soucy offered two reasons. First, he insists that “human resources development is more important than economic development.” What he means is that if you develop human resources, economic development will follow, not the other way around. Second, he stresses that the community must be fully involved in making important decisions, in articulating an economic development vision, but that politics must be kept out of the day-to-day management operations.

The Eel River Bar First Nation uses community-wide referendums to decide important investment projects (e.g., the Aboriginal Heritage Garden), and community meetings are called from time to time to review the progress being made. The community is adamant on one point, that political interference in the day-to-day management of economic development projects will not be tolerated. As an illustration of this, the Aboriginal Heritage Garden project recently needed to hire between thirty and forty people. A decision was made that all the hiring would be done on the basis of objective criteria, and a hiring committee was formed to oversee the application of the criteria and the hiring process. Everything went according to plan, and at no point did the hiring committee feel any pressure to hire anyone in particular — “the chief’s nephew,” as one person put it.

Human Resources Development

If there is a consensus on the most effective way to promote economic development, it is that you can hardly go wrong by investing in human resources development. Economists on the right and left of the political and economic spectrum rarely agree on anything, but
they do agree on the need to invest in human resources development as a way to promote economic development. One hardly needs to turn to economists to hear this view being expressed. I heard it time and again in the interviews I conducted, and we have already seen its importance to the economic renewal of Acadian regions in New Brunswick.

Governments have long been aware of the importance of human development measures to the promotion of economic development, and they have invested substantial resources in this area. The same principle applies to Aboriginal communities.

The federal Department of Human Resources Development (HRD) has been active in Aboriginal communities since its establishment. One of its programs, Pathways, invested somewhere between $3 and $4 million a year in human resources development in Aboriginal communities in New Brunswick. The Pathways program, it will be recalled, was designed to enable local Aboriginal communities to plan for and make decisions about human resources development.32

In the case of New Brunswick, four Aboriginal management boards were established to manage the various initiatives under Pathways. The boards were established along geographical lines: one each for Northeast New Brunswick, Northwest New Brunswick, Southwest New Brunswick, and Southeast New Brunswick. The boards had the authority to approve specific projects, and HRD administered the contracts once they were approved.

There is a fairly widely held view in New Brunswick among both government officials and Aboriginals that Pathways was not a success. For one thing, Aboriginals believe that Pathways contributed little to the development of Aboriginal training institutions. For another, it is argued that Pathways had hardly any impact on HRD policies and that the initiative was somehow left unconnected to the HRD policy process. HRD officials, meanwhile, acknowledge that accountability requirements were not as exact or as demanding as they should have been.33

In any event, after only a few years, HRD decided to overhaul its approach to human resources development in Aboriginal communities, embarking on an ambitious devolution initiative in provincial

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human resources development. The department decided to do the same for Aboriginals and launched a series of post-Pathways initiatives designed to devolve human resources development programs on Aboriginal communities. The post-Pathways initiatives were introduced on 1 April 1997 and are expected to remain until at least 31 March 1999.

Post-Pathways measures rely on bilateral agreements with Aboriginal communities rather than on regional management broad structures to shape and deliver new measures. They are also designed to transfer all administrative responsibilities to Aboriginal communities. The central purpose of the post-Pathways program is to give Aboriginal communities more flexibility and responsibility in the management of their human resources development activities.

HRD has already signed an agreement with the MAWIW Council, which represents the largest Aboriginal communities in New Brunswick, and an access arrangement with the New Brunswick Aboriginal Peoples Council. The department is still in negotiations with the Union of New Brunswick Indians (UNBI). Negotiations have stalled, largely because UNBI is requesting that a transfer of person years be included in the transfer of resources and responsibilities from HRD. It argues that some provincial governments were given person years when they assumed responsibilities for HRD from the federal government and that it too should be given person years to administer the program.

At the moment, HRD measures for Aboriginal communities are planned and delivered by Aboriginals, but through different delivery models. MAWIW communities have full authority to plan and deliver HRD projects. Communities in UNBI, meanwhile, still operate essentially according to the same process first established under the Pathways initiative. The Aboriginal Peoples Council (off-reserve Aboriginals) has an access agreement with HRD which enables it to identify and pursue human development projects, but HRD retains administrative responsibilities.

Funding for human resources development in Aboriginal communities is determined by a national formula. The formula is based on unemployment rate, remoteness of a community, and the like. On a per capita basis, the New Brunswick Aboriginal communities appear to be doing well under the formula ($382 per capita in New Brunswick compared with $298 in Ontario).
But what about the substance of what is being done in human resources development in Aboriginal communities? I put the question to a number of the people I interviewed, and the message was anything but clear. To be sure, there is support for turning over to Aboriginals the responsibility for designing and delivering human resources. In addition, several pointed to some success stories in human resources development, notably several training initiatives in support of development in the forestry sector.

But I also heard that the planning process needs to be strengthened. I was told that all too often, plans are prepared and decisions made on the basis of incomplete information. In addition, some argued that decisions should be more transparent. Several respondents complained that there are times when sponsored initiatives seem to be self-serving.

Training measures, I was told, are also introduced and implemented without any attempt being made to assess their impact. I was informed, for example, that a successful entrepreneurship course was introduced in one Aboriginal community. The measure of success — most who registered for the course stayed on to complete it. More important questions, however, were ignored, including, was entrepreneurial training the most appropriate training initiative given the community’s level of development? And what became of the individuals taking entrepreneurial training (e.g., did they start their own firm, or did they secure employment after the training)?

Some also argue that the planning and decision-making process for human resources development in Aboriginal communities is not sufficiently rooted in local circumstances and requirements. They report that some Aboriginals register for computer courses simply because that is what everybody else is doing. Perhaps, they argue, limited public funds should be invested in other training courses better suited to the local economy and the local population.

With hindsight, we now know that given the transfer of commercial lobster licences to several Native bands, training programs in the fishery would have been more appropriate than computer science programs. We also know that in some cases, what is required is basic training in communication skills and self-improvement. One government official reported in an interview that after working with a young Aboriginal for several months, he suggested that she submit a job application to a local Tim Horton’s. She agreed, but months passed without the application being delivered. And whenever the official
asked for an explanation, she was always ready with an excuse. Though not a typical case, the official said that it was still not uncommon. It is clear that computer skills or special entrepreneurial courses are unlikely to help such individuals find employment. What is needed is more creative thinking on developing ways to address the special needs of individuals.

It should be said that not all Aboriginals appreciate the value of human resources development. For many, jobs and new economic activity are the burning issue, not some government initiative that may not deliver on its promises. Current economic conditions are extremely difficult in Aboriginal communities throughout New Brunswick, and one can appreciate the strong desire for immediate solutions. Tim Paul’s reaction following the La Forest–Nicholas report was typical: “That’s all we hear is training, training, training. I mean training for what? There are only so many jobs in the forests. The judges should have been figuring out how we could fit in, not recommending more training.”34 Perhaps some effort should be made to explain to Aboriginals why human resources development is so important to economic development rather than just assuming that the latest initiative will be understood and embraced with enthusiasm.

There are also complaints that in some cases, those directly involved in making decisions on human resources development have an economic interest in some of the courses being offered. Without pointing fingers, some respondents insisted that the process regulating human resources development in Aboriginal communities is not as transparent as it should be. Measures are promoted and decisions made, I was informed, because key political figures have an economic interest in the initiatives and not necessarily because they are best for the Aboriginal communities concerned. The comments were made as general observations, and no individuals were identified. Nor did I try to identify them, so I have no idea whether the observations are accurate. I felt that any investigation into the matter would go well beyond the scope of this work. Nevertheless, I decided to report these allegations because they were made more than once and because the people who made them were very credible.

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34. Quoted in “N.B. natives dismiss report as inadequate,” A6.
Aboriginal Business Canada

The program Aboriginal Business Canada was established in 1989 by Industry Canada. It provides business services and support to Canadian status and nonstatus Indians, Inuit and Metis, associations and partnerships. The program is administered by an office in Halifax, which is responsible for all of Atlantic Canada.

The program literature states that it is primarily concerned with small business and that it is increasing its emphasis on supporting development in tourism, technology adoption, and youth entrepreneurship. It also says that financial assistance in the form of repayable or nonrepayable contributions is available towards the cost of the following:

1. Developing business plans and undertaking feasibility studies
2. Establishing new businesses or joint ventures
3. Increasing technology use in a business, through the acquisition of equipment, as a way to improve competitiveness
4. Marketing activities designed to expand sales inside Canada and internationally
5. Business support, such as management and technical training or hiring accounting or other professional advisors after starting a business
6. Advocacy activities that can benefit more than one firm and improve the overall climate or knowledge base for Aboriginal businesses

Interviews in New Brunswick reveal that Aboriginal Business Canada is not a force to be reckoned with in the province's Aboriginal communities. Few people had anything good to say about it, and several Aboriginals told me that the program has virtually no presence in the province. They pointed out that only two officials work out of Halifax, and they are rarely seen in New Brunswick Aboriginal communities. More than one Aboriginal said that because of its lack of relevance to Aboriginal economic development in New Brunswick, they would have no objections if the program were eliminated. I should state, however, that this is a New Brunswick perspective only, and it may well be that the program has met with more success in other regions.

It should also be noted that the program has at least one supporter in a New Brunswick Aboriginal entrepreneur. He claimed that its only flaw is a lack of funding. Roger Augustine, a former chief and
a highly respected community and business leader in New Brunswick, echoed this view. He said that the program has assisted some Aboriginal businesses in the province and that it could accomplish a great deal more if it were properly funded.

Government Procurement

We saw earlier that governments have turned to their own procurement policies to promote economic development in selected regions. We know that the government of Canada introduced new procurement measures for Aboriginal businesses on 29 March 1996.35 The new measures were based on DIAND’s continuing procurement measures, which were first introduced to increase the number of Aboriginal firms being considered for contracts. Under the new measures, “All federal government departments are being encouraged to set aside some procurements for competition by Aboriginal suppliers provided operational requirements are fully met.”36 In addition, there are provisions for Aboriginal firms to be given first opportunity to supply goods and construction contracts for projects servicing Aboriginal communities and populations.

More specifically, the measures are designed to increase the awareness both of Aboriginal businesses about federal contracting opportunities and of federal procurement officers about Aboriginal firms. In addition, all procurements over $5,000 for which Aboriginal populations are the primary recipients are restricted exclusively to qualified Aboriginal firms, as long as operational requirements, best value, prudence, probity (integrity), and sound contracting management can be assured. Lastly, in the qualification and awarding of prime contracts, all departments and agencies are encouraged to request Aboriginal business subcontracting plans.

Earlier in this report, we examined past government procurement policies to promote regional economic development and commented that they have not always lived up to expectations. In many instances, the impact of special procurement policies on economic development in designated regions or communities has been modest.

Though the program is still in its infancy and we lack the necessary data to quantify the impact it is having on Aboriginal communities, there are early indications that it is meeting with some success. All the Aboriginals I consulted in New Brunswick spoke positively of

36. Ibid.
the program, and many look forward to benefiting from it in the future. Some Aboriginals reported that they were able to access new economic opportunities because of federal procurement policies.

The program is promising for other reasons too. A number of national and regional firms are reaching out to New Brunswick Aboriginals with a view to establishing joint ventures to pursue government contracts. Aboriginals insist that without the new federal government procurement measures, it would be highly unlikely that national or regional firms would be in New Brunswick pursuing partnerships with them. Partnerships are being formed, say Aboriginals, and they are providing a good learning experience. The partnerships suggest that unlike other attempts to use procurement as a tool for economic development, the authors of this policy recognized that the problem must be approached on several fronts to have any chance of success.

The new partnerships are important for a variety of reasons. They constitute an example of human resources development, they transfer knowledge to Aboriginal communities, and they represent viable economic opportunities. All of the above suggest that the new procurement measures are having a positive effect on New Brunswick Aboriginal communities, and early indications suggest that it should continue. The hope is that we can build on these successes and that provincial government and private sector procurement measures will be a strong impetus for future economic development in Aboriginal communities.

A Benefit Analysis of Implementing an Aboriginal Procurement Strategy, a report prepared in June 1995 by Informetrica on the implementation of the Aboriginal procurement strategy, outlines the economic opportunities in government procurement for Aboriginals. According to the report, the majority of contracts with Aboriginal firms are service contracts, and they account for about 75 percent of all businesses. The report also indicates that five federal government departments are responsible for about 95 percent of all federal procurement intended for Aboriginals. Health Canada alone accounts for more than half the value of all contracts, and most of them are for services. The other important federal departments include Public Works and Government Services, DIAND, National Defence, and Natural Resources. The report also points to opportunities for Aboriginals in the construction sector, transportation and storage, business services, and wholesale and retail trade. The bad news, however, is that the bulk of the opportunities are outside Atlantic Canada.
JEDI

We already reported on the JEDI initiative, so there is no need to do so again here. The interviews were unanimous in their assessment of JEDI: everyone praised it. No one I consulted had anything but good to say about JEDI and the JEDI process. This is quite exceptional in that it is very rare for a government process or institution to be so favourably reviewed by everyone from government officials to client groups.

When I first started work on this project, I was somewhat sceptical about JEDI. It is, after all, just a process, and I saw only limited evidence of substance, of actual economic development projects. But, clearly, JEDI has found favour with everyone concerned with Aboriginal economic development in New Brunswick. It has filled a vacuum and provided a forum for people to meet, to exchange views, to coordinate efforts, and to ensure that Aboriginal economic development is on the agenda of both senior levels of government. People I met spoke about the highly democratic and accessible nature of JEDI and about its capacity to bring people together to focus on possible initiatives. Aboriginals applaud JEDI because it is a place where they can voice their opinions and because it brings many government officials from many departments to the same table.

When JEDI was established in September 1994, DIAND was the major player promoting its development. It is now clear that the government of New Brunswick and ACOA have also become active forces in its development and promotion. JEDI has promoted numerous activities and new approaches. During a JEDI-sponsored workshop in June 1998, for example, a new committee focusing on community economic development was established. The committee’s mandate is to promote a holistic community approach to Aboriginal economic development through communications, networking, entrepreneurial development, and capacity building. The committee reports to JEDI on a regular basis.37

JEDI serves a number of functions beyond providing a forum for people to meet and exchange views. It acts as a kind of lobbying force inside governments to promote Aboriginal projects. JEDI can claim credit or part of the credit for the following:

Through a JEDI intervention, Industry Canada has agreed to make ACOA’s policy on the repayment of contributions to bands

and nonprofit organizations consistent with the policy at Aboriginal Business Canada that exempts these groups from repaying business contributions.

- An agreement has been reached with the Canadian Bankers Association to train twenty Aboriginal people in New Brunswick for jobs in the chartered banks. The training initiative has been funded by the provincial Department of Advanced Labour and Education and is being carried out by an Aboriginal consulting company.

- A JEDI-sponsored ASI will train Aboriginals to work in a correctional facility being established at Miramichi City, New Brunswick. The training is being carried out by the Eel Ground First Nation Community Development Centre.

- The Bank of Nova Scotia has agreed to donate its business plan software package, and CP has agreed to provide free transportation to participants anywhere in the country to do their internship.

- A Native Youth Entrepreneurship loan program has been established with a $150,000 fund cost-shared by the province of New Brunswick, ACOA, and the Royal Bank. It is administered by the Ulnooweg Development Group Inc., an Aboriginal capital corporation, and is available to on-reserve Aboriginals aged eighteen to thirty-four.

- JEDI coordinators are facilitating thirty-four business development projects through the federal and provincial systems. See Appendix for a complete list of these projects.

JEDI should never be regarded as an end in itself. It is a process and, by all accounts, a highly successful one. The La Forest–Nicholas task force noted this and urged that JEDI “be given a higher profile and that more resources be made available to it so that it can become more responsive to the needs of Aboriginal communities, especially in the area of training and support for economic development projects.”38 In spite of this recommendation, JEDI is a success story, and we need to build on it and profit from the lessons learned from past efforts in order to promote Aboriginal economic development in New Brunswick. The next section is an attempt to do just that.

38. La Forest and Nicholas, Report of the Task Force, 54.
What Now?

The task at hand is as straightforward as it is challenging: defining practical suggestions for future efforts to promote Aboriginal economic development in New Brunswick. In my view, the place to start in preparing a menu of things to do is with the people factor and governance issues. Steve Gignish was speaking of the people factor when he said: “The image of Aboriginals in New Brunswick is that we are just a bunch of lazy and drunken Indians living off the government.” That image does not reflect the reality, and every New Brunswicker has a role to play in changing it. But Mr. Gignish made another important observation: “At the first sign of adversity Aboriginals will all too often give up.” As this report makes clear, Mr. Gignish is not alone in pointing to the people factor as the key ingredient in promoting economic development. It is a theme which came up time and again in the consultations.

I believe that the people factor is fundamental to the promotion of Aboriginal economic development, and all public policy and economic players in the province should be asked to contribute to it. But future efforts must extend beyond the people factor. There are, for example, basic issues of governance and institution building which need to be addressed. We will also need to create special opportunities for Aboriginals to participate in the New Brunswick economy. There will be a problem, though, in providing for all of these opportunities — market forces alone will not be able to do it.

Indeed, market forces can never address properly all the economic circumstances of Aboriginals and their communities in New Brunswick. They would be hard to address even if the economic engines of New Brunswick and the nation were operating at full steam. The melancholy history of the Aboriginal peoples is one factor, but it is not the only one.

Jobs in the new economy tend to concentrate in the urban centres of Moncton, Saint John, and Fredericton, some distance from Aboriginal reserves and a population badly in need of employment
in knowledge-based industries, which are now the main engine of job creation.\(^39\) Besides this growing problem of the distance between Aboriginals and the new jobs, there are the increased demands of these jobs for employees with a better education and skills level as compared with jobs in traditional sectors. As the Conference Board pointed out recently, this is creating a gap in Canada’s population between the “knows and know-nots.” While the first group is finding employment, the second group is chasing a class of jobs that is declining rapidly.\(^40\) The majority of Aboriginals in New Brunswick belong to the second group, which points once again to the need to invest in technical and postsecondary training and education.

But training and education, however necessary, will not be enough. We have prepared below a set of measures to assist Aboriginals and their communities. The “we,” it should be explained, does not mean just government. Indeed, the challenge is much too great for governments alone. It needs everyone’s support — and equally important is a new mindset on the part of government officials, Aboriginals, educators, private firms, and ultimately New Brunswickers.

Having governments design a new economic strategy for Aboriginals and their communities is the easy part. As this study makes clear, there is a willingness on the part of both senior levels of government to promote Aboriginal economic development. DIAND, ACOA, and New Brunswick government officials have taken important steps in recent years to define new measures for Aboriginal communities in New Brunswick. JEDI is a case in point.

But that is not all. Government officials are in the process of designing new measures for what they regard as three distinct economies: the on-reserve economy (e.g., small business development), the resource-based economy (e.g., partnering agreements), and the urban economy (e.g., skills development and training for knowledge-based industries). In addition, they are considering cross-cutting initiatives, which would be designed to support development in all three economies (e.g., access to capital and markets through special procurement policies). We heartily endorse these efforts.

But more will be needed and not just from government. In the following sections, we have put together a number of suggestions and observations concerning the people factor and various economic

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40. Ibid., 6.
sectors. We can hardly overemphasize how important it is for everyone, including the private firms, to make a contribution to Aboriginal economic development.

### The People Factor

Former Big Cove chief Albert Levi, it will be recalled, observed that his people were still a broken people. How does one go about fixing a broken people? How does one go about dealing with the image problem described above by Steve Gignish?

It is important to take a long-term perspective on the people factor. There is no doubt that the situation today is much improved over what it was fifty or even twenty years ago. The education system, for example, is much more relevant to the Aboriginal communities than it was twenty years ago. In time, this will generate important dividends for everyone. In the course of working on this study, I met a number of university-educated Aboriginals who left no doubt about the pride they felt in their roots and culture or how ready and willing they were to make important contributions to their communities.

Although it is clear that Aboriginals must make an effort to solve their own problems, it is equally clear that an effort from non-Aboriginal New Brunswickers would go far towards solving some of those same problems. And a good place to begin would be to learn something of the rich history and culture of the Aboriginal peoples and of the important economic contribution they can make. History tells us that the Micmacs and Maliseets have always lived in harmony with the environment, and in so doing they have left an important legacy to generations of New Brunswickers, who have exploited it to their economic advantage. All those who have fished, farmed, and worked in the forestry sector in New Brunswick are in their debt.

### Business and Opinion Leaders

I urge leaders of the New Brunswick business community to organize and sponsor a campaign to educate New Brunswickers on the important contribution Aboriginals have made to our province — on their rich culture and history and on the economic potential of our Aboriginal communities. Both levels of government can also play an important role here, but the message will be more compelling if it comes from the province's business and opinion leaders — people
and organizations such as Harrison McCain, Jim Irving, former lieutenant governors and premiers, the Assumption Society, NBTel (now part of Aliant), NBEPC, and the like. Certainly, the message would be strongly felt and appreciated by Aboriginal communities. The education campaign should be carried out in both the print and electronic media, in public speeches, and in special publications. The New Brunswick media should also be asked to make a contribution. Indeed, I note with deep disappointment the small number of Aboriginal journalists in New Brunswick in either the electronic or print media.

The private sector is playing an important role in promoting economic development in Aboriginal communities elsewhere in Canada. We know, for example, that large corporations such as the Canadian Imperial Bank of Commerce, Falconbridge, the Bank of Montreal, and Comeco Corporation have implemented a series of measures involving special training and employment initiatives, cultural awareness training for non-Aboriginal employees, an Aboriginal student internship program, and so on. They have introduced these measures because it “makes business sense” and because of a desire to be good corporate citizens.41

It is clear that larger firms are in a better position than small ones to support the development of Aboriginal communities. They have the resources (including the necessary human resources) and expertise to implement new initiatives in this area, and they serve as important role models for small and medium businesses. If Harrison McCain and Jim Irving were to take the lead in promoting an education campaign on behalf of Aboriginal communities, the message would have a far greater impact on the business community than if, for example, DIAND were to do it. More is said about the private sector later.

**Universities**

The Micmac and Maliseet population is too small to establish a new university for Aboriginals in New Brunswick or, for that matter, in Atlantic Canada. Nevertheless, much more could be done to promote university education for Aboriginals than is currently being done.

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41. Ibid.
One university in New Brunswick (the University of New Brunswick, St. Thomas University, Mount Allison University, Université de Moncton, or another Maritime university) should establish a formal college or institute for Aboriginal peoples and Aboriginal studies. I note that St. Thomas University has, over the years, demonstrated a strong interest in Aboriginal studies. The centre or institute should be a formal, visible structure located on a university campus that offers both teaching and research programs for Aboriginals. For inspiration we could look to Saskatchewan, which has made important contributions in this area.

Aboriginals attending university would benefit greatly from an institute or a centre they could call their own. A lot of work would have to be done to set it up, but it could draw on the resources of the university where it was located. One of the institute’s first priorities would be to design a research and training program in public management — it would serve as an important instrument in paving the way to self-government for the region’s First Nations.42

**Literature**

The province’s school system has made important progress in thirty years in providing services to our Aboriginal communities. We can all applaud the work in this area, especially as it was done at a time of fiscal restraint.

But ways must be found to do more. More specifically, we need new literature about Aboriginals for our school system. I was recently informed by a well-known literary scholar (Professor Marguerite Maillet) that the Micmac culture is extremely rich in “stories and legends,” some of them as compelling as any in the world. Since it is an oral tradition, these stories and legends are not part of our literature. They should be, and they should be made available in three languages to the province’s school system. A project to bring these stories and legends to life in our literature need not be expensive, and it has the potential to make a huge contribution not only to a greater understanding of the Micmacs and their culture but also to instilling in young Micmacs a sense of pride in their history, culture, and ancestors. I also suggest that Native studies be made a compulsory course in the provincial school program.

Role Models

The value of role models to a community lies in their capacity to demonstrate the possibility of growth and development. During the course of my interviews, I met with a number of very successful Aboriginals who are making a strong and unselfish contribution to their communities. Steve Gignish jumps to mind as an example, but there are others.

Individual Aboriginals would identify with such role models, draw on their strengths, and so enhance the contribution to their communities. The important point here is that if an individual like Steve Gignish can make a big difference to the life of his community, others can do the same for theirs.

Human Resources Development

We know that substantial amounts of public funds are committed every year by HRD (about $3 million) to human resources development in Aboriginal communities in New Brunswick. I am not in a position to report if these funds are spent as wisely as they might be or if they are spent in the most appropriate areas, given the current stage in the development of Aboriginal communities. For that matter, I doubt that anyone is in a position to produce such a report. We have witnessed far-reaching changes in the approaches and funding of HRD in recent years so that a proper evaluation of past efforts is probably not possible.

That said, I heard two general observations being made time and again during the interviews that I need to review once again. First, human resources development is essential to economic development in Aboriginal communities. Second, it can be done better.

How it can be done better was not made clear. My own view is that while transferring funding, program authority, and program responsibility directly to Aboriginal communities is the right approach, government departments and agencies should not hesitate to offer advice on current labour market conditions and on what they regard as the kind of initiatives Aboriginal communities should promote. It would, of course, be up to Aboriginals to accept or reject the advice, but they should have access to the available data and economic analyses to arrive at the best possible decisions. My sense is that in their desire to implement a new approach to human resources development and to ensure that Aboriginals have full authority to make decisions, government officials are reluctant to offer advice and
opinions on what should or should not be done. I do not believe that capacity building in Aboriginal communities is sufficiently advanced for government departments to abdicate completely by transferring to them the funds for human resources. I hasten to add that this is true not only for Aboriginal communities. I have strong doubts that even large non-Aboriginal communities would have the capacity to plan human resources development initiatives in isolation or without the benefit of sophisticated data and advice.

### Governance

There are probably only two things that economists and public policy specialists can say with certainty. One is that economic development has a much greater chance of success in a stable political environment. The other is that an administration will be more efficient and effective if there is no political interference in its day-to-day operations.

These truths apply everywhere and at all times and transcend cultural barriers. As the old saying goes, “Nothing is more insecure than a million dollars.” Investors — whether local or from away, individuals or a group — will not risk their money unless the political environment in a community is sufficiently stable to ensure the likelihood of a fair return on investment. Effective administration also requires stability as well as skilled administrators to hire a competent staff and to organize affairs to ensure a fair degree of predictability.

To see the above in practice, we need only recall the two success stories in Aboriginal economic development related earlier in this report — forestry in Eel Ground and projects in Eel River Bar. It is no coincidence that Mr. Gignish and Mr. Soucy both agree that the success of their projects is largely due to the absence of political interference. Mr. Gignish, it will be recalled, demanded written assurance that he and his colleagues be given a free hand in managing forestry projects before he agreed to head up the forestry development initiatives in his community. The first director of the Kent/LEDA initiative also credits the ability to keep politics out of day-to-day administration as a major reason for its success.

Few will deny that politics permeates the administration of Aboriginal communities. It is worth quoting at length Noah Augustine, a young Micmac and a former provincial government official, on this subject. He writes about a force he calls Indian politics,
a “powerful and deadly force” that has “broken families apart, divided communities, destroyed lives and raped many individuals of their personal integrity, honesty and good spirit.” He goes on to say: “On most reserves, elections are held every two years. With a population under 500 people, our community is under constant political division. Everybody knows everyone, causing emotions to run high. When an individual commits an action that offends another individual (verbal or physical), that action offends not just that individual, but a whole family or group of individuals. And for every action, there’s a reaction. During the peak of election season, the community becomes a time bomb ready to explode. When one lives or works on a reserve, it becomes very difficult to detach yourself from the politics during an election. Everyone becomes involved, willingly or unwillingly. Political issues and incidents absorb every ounce of attention from the community residents to such a degree that it becomes very difficult for one to see through the cloud of politics, unable to reach any goals of achievement. In most cases, the only source of employment on a Native community is through the band administration. Projects to develop the community are hindered through the Indian Act legislation. Our reserve land is considered Crown land. Mortgages and leasing of lands for business development are foreign concepts to people on reserve. Therefore, in order to live a sustainable life in a Native community, chances are high that employment will be with the band administration. And in order to get a job on reserve, you must be on the right side of the political fence. Much the same if you are looking for housing on reserve. In essence, the Chief and council have become much more than band administrators and leaders. They control all resources available to the people, becoming the main providers. Because a system like this exists in Native communities, so does oppression within oppression.”

I asked two chiefs — one Maliseet, one Micmac — whether they were part of the problem or part of the solution when it came to promoting Aboriginal economic development. I had been warned by a young Aboriginal that if I were to ask a chief such a question, I would be kicked out of his office. I was not kicked out of this or any other office. In fact, the chiefs reacted quite well to my question, and it became clear to me that both had been reflecting on this very issue for some time.

Both chiefs denied they were part of the problem, and one went on to make some interesting comments. He said that chiefs function as the virtual administrators of government programs whether they want to or not. This is because federal government programs are constantly changing, and all new information, new measures, and program changes are channelled through the chiefs. The result is that most of their time and energy is taken up with matters requiring their immediate attention, while broad political and policy issues are largely ignored. The attitude of government officials is that if you change the process, the chiefs will adjust.

Others I consulted made the point that because most of these communities are quite small, it is unrealistic to think that politics and administration can be kept separate. I disagree. There are a number of very small municipalities in New Brunswick that have done just that. The size of a community is not the issue here, people are. Two cases in point—Eel River Bar and Eel Ground have made solid progress separating politics from administration, and both are smaller Aboriginal communities.

There is no reason why a community, however small, could not prepare job descriptions for its administrative positions or decide that there will be no wholesale changes in personnel whenever a new chief is elected. I was informed that only one Aboriginal community in New Brunswick has job descriptions for band employees. More needs to be done in this area.

I also recommend that special courses in governance be prepared and given to band employees throughout Atlantic Canada. The purpose would be to develop a core group of competent public servants, a professional community, to serve Aboriginal communities. These courses should be made available to band administrators or managers, community economic development officers, and other permanent or aspiring staff members.

All of this is by way of saying that one can hardly overstate the importance of governance in economic development matters. The task at hand is one of community building in the broadest sense, and the challenges are to move away from the politics of spoils, to separate politics from business management, to promote proactive thinking rather than reactive thinking (not what can be funded but what can be created), to foster long-term thinking about Aboriginal society in New Brunswick (what kind of society do Aboriginals envision in twenty-five years), and to answer some fundamental questions
such as, what do Aboriginals want to preserve, and what do they want to change? An ambitious agenda, to be sure, but Aboriginals and non-Aboriginals can only begin to realize it by first addressing some issues of governance.

It will be recalled that one issue that kept coming up in my interviews with government officials was the need for better coordination of government programs. One official with DFO who was mentioned before called for a much stronger capacity to build “on synergies, by somehow putting programs together.”

JEDI, as we noted on several occasions, has been a success story and has paved the way for greater coordination in promoting Aboriginal economic development. But JEDI does not operate at the point of delivery — that is to say, where government programs touch the lives of Aboriginals.

The relationship between both levels of government and Aboriginals is becoming increasingly complex. The increase in regulatory intervention by all governments, the growing interest on the part of the government of New Brunswick in Aboriginal economic development, and the various ongoing federal government programs designed for Aboriginals, or more generally to promote economic development, have all served to touch their lives in many ways. In addition, with devolution, Aboriginals themselves are devising new ways for governments to reach out to them in their own communities. Added to all of this is the fact that DIAND’s main office serving New Brunswick Aboriginals is located in Amherst, Nova Scotia. The question then is, how in such a complex environment does one go about building on synergies?

I asked most of the government officials I met whether an attempt should be made to establish a “single-window” service to promote Aboriginal economic development. The suggestion is perhaps more appropriate in New Brunswick than elsewhere, given the province’s decision several years ago to establish a “service New Brunswick model.” The model is a government office that provides face-to-face delivery of most provincial services.

The suggestion was not well received. Many expressed the fear that if such an approach were adopted, services for Aboriginals would be relegated to one site or one group. In time, other government departments would inevitably pay less and less attention to issues of Aboriginal economic development.
I take seriously the views of government officials charged with the responsibility of making programs work, and when they express concern about an approach, I pay attention. Still, many government officials also made the case that better program coordination is needed. Certainly, any effort to place the Aboriginal community, enterprise, or entrepreneur at the centre of government programs would strengthen the ability of governments to promote Aboriginal economic development. Put differently, government programs and measures should focus on the clients and their needs rather than operate in self-contained isolation from one another, as is all too often the case now. How then can a government ensure that one program will complement another, or how can DFO ensure that other departments and their programs will support its commercial licence transfer programs for Aboriginal communities?

It is an issue that JEDI should regularly review. JEDI is an ideal forum to examine coordination at the point of service, since it brings together all relevant departments and clients. JEDI may wish to consider clustering certain services or establishing other continuing program coordination mechanisms. One area where a clustering of services may make sense is in government assistance and services to Aboriginal entrepreneurs or to community enterprises.

**Federal Government Efforts**

The federal government renewed its commitment to Aboriginal economic development in a recent Speech from the Throne. In New Brunswick, the challenge of the federal government is probably different than in other provinces. First, there is evidence that the provincial government wants to be a partner in promoting Aboriginal economic development. And, second, in the case of New Brunswick Aboriginal communities, we are dealing with microeconomies, the majority of which have a limited number of nongovernment, self-sustaining economic activities. The private sector, as we have seen, consists of very small firms, typically employing one to three people in the service sector. At the risk of being repetitive, federal government transfer payments provide most of the support for these microeconomies, and as we have noted time and again, new fiscal realities in Ottawa combined with the demographics of Aboriginal communities make it unlikely that the federal government would be able to sustain its present level of transfer payments to Aboriginals and their communities. In any event, few believe that transfer
payments are the way to promote Aboriginal economic development in New Brunswick.

Accordingly, the federal government needs to plan how it can best promote economic development in microeconomies. This is not something it can do alone. It needs a number of partners: Aboriginal businesses and community leaders, the provincial government, and the private sector. Hundreds of new jobs will have to be created if Aboriginals in New Brunswick are to be employed at the same level as non-Aboriginals, and everyone will need to do his or her part.

Aboriginal communities will have to overcome weaknesses in the areas of entrepreneurship, business skills, and business culture to enable their businesses to prosper and challenge successfully the competition from outside. They will also have to develop their human resources, strengthen ties among the communities, and improve government structures. In addition, there is a problem of inadequate investment capital available to Aboriginals that will have to be addressed.

As one of its top priorities, the federal government should assist Aboriginal communities in creating an environment which promotes economic and business development. It can continue to invest in human resources development, but as already noted, it also needs to provide timely information and analyses to enable Aboriginal leaders and communities to invest in the most promising initiatives for self-sustaining economic growth. It also needs to encourage Aboriginals to examine their system of governance and find ways to strengthen it. Although it is not a system of their own making, it must be left to them to improve it.

DIAND should consult with Aboriginal communities in this exercise of finding ways to promote new initiatives to strengthen the governance structure and processes in Aboriginal communities. In my view, it should also promote the idea that politics and administration do not mix, encourage the preparation of job descriptions for band employees, and support training and development courses in governance for band employees and aspiring band employees. Institution building, as the New Brunswick Acadian experience so clearly demonstrates, is vital to creating the right environment to promote economic development.

Given its scarce public funds, DIAND should stress economic viability when deciding what to support and pursue. Some communities have demonstrated new strengths, launched new attempts at
institution building, and implemented promising projects. Two examples are Eel River Bar (a development park, specific projects, and new tourism opportunities) and Eel Ground (forestry). These communities are ready for other projects or for an expansion of existing ones.

We know from other research that communities stand a much greater chance of economic success if they demonstrate several characteristics: a positive attitude towards change, a desire to challenge the status quo, a strong willingness to cooperate both within the community and without (i.e., neighbouring communities), and an interest in promoting institution building.

More is needed, however. Tools such as the following are also required to promote economic development:

- A capacity for strong local leadership, both political and economic
- An entrepreneurial culture (either individual or having a community basis)
- A capacity to raise capital or gain access to it
- An infrastructure of support services, both public and private (including business advice)
- Institutions to support development — including schools, universities, and health care facilities — and a capacity to provide training and development opportunities

We have already reviewed economic development issues in some detail in this document, so there is no need to repeat the exercise here. There is one exception, however — the capacity to raise capital or gain access to it. A number of the people interviewed said that this was a problem in all Aboriginal communities. A report prepared in November 1996 by representatives of DIAND, ACOA, and New Brunswick’s Regional Development Corporation stated that Aboriginal communities not only lacked access to traditional sources of financing, but they had “insufficient equity to meet [government] program standards.” To its credit, ACOA has modified its business development program; it now permits contributions to most band-owned projects that meet basic assessment criteria of viability and exempts them from repayment. At the same time, however, Industry Canada’s Aboriginal Business Program added more restrictions to its proposed projects. This was done because of new constraints placed on the department’s budget. These constraints coupled with the fact that
program officials are located in Halifax, Nova Scotia, may well explain why I detected very little support for the program in New Brunswick.

The federal government can deal with this problem in either of two ways — modify existing economic development programs or set up a new program and structure to promote Aboriginal economic development. It is also important to note that we were told that the federal government should make every effort to place more of the responsibility for promoting Aboriginal economic development directly in the hands of Aboriginals. Accordingly, the federal government should consider funding a Kent/LEDA–type initiative for New Brunswick Aboriginals, one for the Micmac communities and another for the Maliseet communities. Such an initiative would have the added advantage of promoting intercommunity cooperation among New Brunswick Aboriginals.

Access to capital is not the only tool Aboriginals will need to participate more fully in the market economy. They will also need access to markets. To this end, the federal government procurement policy for Aboriginals has been a success story, certainly according to the people I consulted in New Brunswick. This is an important economic development tool, and it should be expanded to include the provincial government and the private sector (more is said on this issue in the following section). DIAND should also play a leadership role in promoting a new approach to postsecondary teaching for Aboriginals in Atlantic Canada by creating a formal structure for Aboriginal studies and research on a university campus.

**Provincial Government Efforts**

One thing became very clear during the course of my interviews and research for this paper — Aboriginal economic development will not take flight unless the provincial government plays a more aggressive role in its promotion. This is not in any way meant to detract from the important contributions the government of New Brunswick has made in recent years to Aboriginal economic development. But the Aboriginal community has a lot of catching up to do, and the provincial government has a key role to play in supporting its efforts. With the exception of the past few years, the provincial government’s record in promoting economic development in Aboriginal communities has been extremely weak. Indeed, its basic strategy has been to “leave it to the feds; it is their responsibility and they have the
resources.” The La Forest and Nicholas task force report stated that “for more than 20 years, the responsibility for anything deemed Aboriginal (within the provincial government) has been designated to one single person.” The report then argued that New Brunswick was not in a position to devolve responsibilities and activities in Aboriginal affairs on a central agency because “it has nothing to devolve .... The cupboard is bare.”

The provincial government should consider a number of possible initiatives. For example, its procurement policies should be used to provide economic opportunities for Aboriginal businesses. It should introduce new literature into the public schools that calls attention to the important contribution of our Aboriginal communities to the province and the region. It should work hand in hand with the federal government to have Aboriginal interests and concerns represented in university teaching and research. And it should modify its own economic development departments, programs, and responsibilities so as to promote Aboriginal economic development.

Some Aboriginal communities, as the report has demonstrated, have clearly shown that in the forestry sector they can compete successfully in the market economy. In short, they have demonstrated that they can walk with the best of them; now they need an opportunity to show that they can also run with the best of them. Eel Ground, I believe, is an example of a community with the capacity to do just that.

But it will only get that chance if it has access to the resource. In New Brunswick, we know that private woodlots account for 45 percent of forests, while 47 percent is reserved as private Crown land. The rest is federal government land (e.g., Parks Canada and Camp Gagetown), and .01 percent, or 40,000 acres, is Native holdings. The leases of private Crown land come up for renewal every five years, and it is time for the provincial government to review the process by which it is allocated, to make it more open and transparent, and to find ways to accommodate Aboriginal communities. The La Forest and Nicholas task force report makes a number of important recommendations in the forestry sector (there is no need to review them in detail here), and Aboriginals are presently negotiating with New Brunswick government officials to develop new initiatives in the forestry for their communities. This is a worthy exercise, and one we warmly encourage.

44. La Forest and Nicholas, Report of the Task Force, 30, 33.
Provincial government departments should also make new efforts to hire Aboriginals, particularly in departments concerned with economic development and economic sectors. We have already seen in this report what one Aboriginal did in a short period of time to promote tourism in Aboriginal communities. The hiring practice would be a good thing for all concerned — for Aboriginals and for all New Brunswickers and Canadians. Having Aboriginals employed in sectoral departments would also help to identify more economic development opportunities in Aboriginal communities.

The provincial government should go one step further: in cooperation with the federal government, it should establish an employment referral system for New Brunswick Aboriginals. How it should be organized is a decision for all the parties involved to make, notably the Aboriginals, but it should be able to promote the hiring of qualified Aboriginals by government departments, large and small businesses, and nonprofit organizations.

**The Private Sector**

Noah Augustine concluded our interview this way: “The important question is whether Aboriginals can also have access to the economy, not transfer payments. The question then is whether Native peoples have a right to the economy.”

The market economy should be accessible to everyone, but one has only to look around to see how many are excluded. Those who have negotiated their way around and over the many obstacles that stand in the way of commercial success can testify to the challenges, hard work, and sometimes the luck that characterize such a journey. These are the people who can offer a helping hand to Aboriginal business people. Indeed, I would go further and suggest that their support is critical if Aboriginals are to become full participants in the market economy.

I recommended earlier that New Brunswick business leaders come together to create a new program to educate New Brunswickers about the rich cultural heritage of the Aboriginal peoples and the important contributions they have made to the province and the country. Now I urge those same business leaders to establish an advisory group to promote new business development in Aboriginal communities. They can offer advice to existing or aspiring Aboriginal entrepreneurs or community businesses, and, more importantly, they can use their influence and expertise to create new business and employment opportunities for Aboriginals.
For all too long, the province’s economic elite have gone about their business while turning a blind eye to the economic challenges confronting Aboriginal communities. As far as they were concerned, it was someone else’s problem, notably federal politicians in Ottawa and government officials at DIAND in Amherst, Nova Scotia. That attitude is now changing. It only takes a moment’s reflection to appreciate that governments, no matter how generous they are in their spending, cannot on their own make Aboriginals full participants in the market economy.

To bring that about will require the active involvement of the province’s business community. In fact, it has little choice but to cooperate now that the Marshall decision and other recent events have placed the Aboriginal economic challenge squarely at its feet. By lending the Aboriginal communities a helping hand, the business community is in effect pursuing its own interests. This is especially evident when one considers that there are several economic sectors, in particular forestry and the fishery, where Aboriginals will have an important say in future developments. In light of this, it strikes me that establishing new partnership arrangements with key economic players is the only reasonable course open to New Brunswickers as they plan the province’s economic future.
Appendix
### Some Current and Former JEDI Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>New Brunswick Lead</th>
<th>Federal Lead</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eel River Bar</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Aboriginal Heritage Garden</td>
<td>Being developed in cooperation with the Smithsonian Institution</td>
<td>ED&amp;T</td>
<td>ACOA</td>
<td>Business plan completed; JEDI meeting 18/12/96 to review</td>
</tr>
<tr>
<td>2. Osprey Park</td>
<td>Industrial/commercial park and truck stop</td>
<td>ED&amp;T</td>
<td>ACOA</td>
<td>Description plan completed; contract to be signed with Ultramar</td>
</tr>
<tr>
<td>3. Eel River Bar Shoe Company</td>
<td>Training package for employees</td>
<td>AE&amp;L</td>
<td>HRDC</td>
<td>Completed; business operational</td>
</tr>
<tr>
<td>4. Bed and breakfast</td>
<td>Construction costs and furniture</td>
<td></td>
<td>ACOA</td>
<td>Active</td>
</tr>
<tr>
<td>5. Simonson Body Shop</td>
<td></td>
<td>AE&amp;L</td>
<td>ABC</td>
<td>Completed</td>
</tr>
<tr>
<td>6. Darlington Mall</td>
<td></td>
<td></td>
<td>DIAND</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Pabineau</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Pabineau Lodge &amp; Trail</td>
<td></td>
<td>DNRE</td>
<td></td>
<td>Trails completed</td>
</tr>
<tr>
<td>2. PNB Woodworking Shop</td>
<td></td>
<td></td>
<td>ABC</td>
<td>Client wants to delay project until spring</td>
</tr>
<tr>
<td><strong>Eel Ground</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Digital Edge</td>
<td>Multi-media services</td>
<td>AE&amp;L</td>
<td>DIAND</td>
<td>JEDI partners met to finalize funding</td>
</tr>
<tr>
<td>Red Bank</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Micmac National Historic Park</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Archaeological service working with Parks Canada to develop the first National Historic Park in the Maritimes with Aboriginal themes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MCH</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACOA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Active; meeting with ACOA and Parks Canada 11/12/96</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burnt Church</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ron Sommerville</td>
</tr>
<tr>
<td>Redemption Centre</td>
</tr>
<tr>
<td>ACOA</td>
</tr>
<tr>
<td>Business plan being developed</td>
</tr>
</tbody>
</table>

| 2. Glucose Monitor                           |
| Manufacturing Facility                      |
| ACOA                                          |
| Project registered in the USA 26/11/96        |

<table>
<thead>
<tr>
<th>Big Cove</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. MigMaw Ready Mix</td>
</tr>
<tr>
<td>Consultant services to address companies’ options</td>
</tr>
<tr>
<td>ACOA</td>
</tr>
<tr>
<td>Business sold to other interests</td>
</tr>
</tbody>
</table>

| 2. Eagle Feather — Brian Francis              |
| Marketing project                             |
| RDC                                           |
| Completed                                     |

| 3. Silviculture Training                     |
| DNRE                                         |
| HRDC                                          |
| Completed                                     |

| 4. Big Cove Mall                             |
| Establishment of a new facility              |
| ABC                                           |
| DIAND                                         |
| Cost estimate completed                       |

| 5. B.C. Woodworking                          |
| Marketing study                              |
| ABC                                           |
| Active                                        |

<table>
<thead>
<tr>
<th>Buctouche</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Tourism Initiative</td>
</tr>
<tr>
<td>Charter boat and interpretive centre</td>
</tr>
<tr>
<td>ACOA</td>
</tr>
<tr>
<td>DIAND</td>
</tr>
<tr>
<td>Funding package near completion</td>
</tr>
<tr>
<td>Project</td>
</tr>
<tr>
<td>------------------------------</td>
</tr>
<tr>
<td><strong>Tobique</strong></td>
</tr>
<tr>
<td>1. Lodge</td>
</tr>
<tr>
<td>2. Maliseet Tobique Farms</td>
</tr>
<tr>
<td>3. Tobique Step-In</td>
</tr>
<tr>
<td>4. Maliseet First Nation IAS</td>
</tr>
<tr>
<td>IAS</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Woodstock</strong></td>
</tr>
<tr>
<td>1. Peat Operation Development Plan</td>
</tr>
<tr>
<td>2. Maple Sugary</td>
</tr>
<tr>
<td>3. Sea Urchin Development Study</td>
</tr>
<tr>
<td><strong>Miscellaneous and Off-Reserve</strong></td>
</tr>
<tr>
<td>1. Progressive Planning (Banking)</td>
</tr>
<tr>
<td>2. Maliseet/MicMac Heritage Sampler &amp; Web</td>
</tr>
<tr>
<td>------------------------------------------</td>
</tr>
<tr>
<td>3. Small Business Counselling</td>
</tr>
</tbody>
</table>

**Indian Island**

| 1. Lobster Holding Facility | ACOA | Proposal developed by consultant and being reviewed by the community |

**Madawaska Maliseet**

| 1. Robert Bernard Craftshop | ACOA | Completed |

*Source: Federal and provincial government officials, February 1999.*


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