

GRASSROOTS

First Nation Business in Alberta

Alberta Business Awards of Distinction Special Issue

Winter 2005

Recognizing Aboriginal business in Alberta

The Government of Canada is committed to working with Aboriginal people to improve their quality of life and to build a better future for all Canadians.

Indian and Northern Affairs Canada (INAC) recognizes the importance of economic self-reliance and is working to increase the participation of Aboriginal people in the Canadian economy.

To develop sustainable, prosperous futures, INAC provides investment support to Aboriginal communities to build the foundations for economic development. The department does this, in part, through direct support of economic opportunities which require financial support to get off the ground but which become viable economic successes in their own right.

INAC invested \$69.3 million in fiscal year 2003/2004 in 425 First Nation and Inuit opportunity-driven economic development projects across the country. These investments leveraged over \$335 million and created almost 4,500 jobs.

In Alberta, during this same fiscal year, INAC invested over \$7.5 million into First Nation economic development projects. This government investment was able to generate over \$23 million in economic activity within the province, creating or maintaining almost 3,500 full and part-time jobs.

To honour this First Nation contribution to Alberta's economy, INAC in Alberta and the Alberta Chambers of Commerce created, four years ago, two new Business Awards of Distinction. One of the categories, the Eagle Feather Business Award of Distinction, recognizes a successful First Nation-owned business. The nominees in this category are Bigstone Ventures Ltd., Kainaiwa Resources Inc. and Little Red River Cree Nation Group of Companies.

The other award, the INAC/AWPI (Aboriginal Workforce Participation Initiative) Aboriginal Relations Best Practice Award of Distinction, recognizes "mainstream" businesses in Alberta that demonstrate outstanding achievement in Aboriginal business, employment and training. The nominees in this category are Western Lakota Energy Services Inc., Little Red



River Forestry Ltd. Woodlands Division and Bigstone Store Ltd.

The Alberta Business Awards of Distinction are the most prestigious business awards presented in Alberta each year. Recognizing excellence in Alberta's business community, the awards are presented at a gala banquet featuring all of the glamour and glitz of the Academy Awards.

This year's awards took place February 23, 2005 at the Shaw Conference Centre in Edmonton.

The Alberta Chambers of Commerce is a federation of 127 Chambers of Commerce which, in turn, represent over 22,000 businesses in the province. A description of each of the finalists for these two INAC-sponsored awards are profiled in this special INAC Alberta issue of Grassroots.

Aboriginal business has an important role to play in the lifeblood of Alberta's economy. We honour those businesses with this special edition.

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Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

Canada

Bigstone ventures into oil and gas industry

Economic development is alive and well at Bigstone Cree Nation.

Located in the heart of one of Alberta's oil-rich regions, Bigstone has been itching to participate in the oil and gas industry. In 1997, when an opportunity to form a partnership with Petrocare Services Ltd. came along, Bigstone Cree Nation jumped.

The partnership with Petrocare Services Ltd., an oil company out of Edson, Alberta, was named Bigstone Ventures Ltd.

Initially, the company manufactured and fabricated storage tanks and piping for lease sites. It has since grown into the largest supplier of oil and gas operators, maintenance and construction crews in the Wabasca area. It also has a fleet of trucks, including one-ton or three-ton pickers and, thanks to its partnership with Petrocare, access to a large variety of tools and equipment.

"We have worked for all the major players in the oil and gas industry," said David Zobot, manager.

"Our aim is to provide the best possible service at the best possible price to our customers."



Construction crews working in the Wabasca area.

In 2001, Bigstone Ventures Ltd. set out a plan to achieve growth, sustainability and profitability. Its main focus was to develop a full-time and long-term workforce that would be a first call for companies that needed quality labour quickly. By 2003, the company was right on track.

Bigstone Ventures Ltd. currently has over 80 full-time employees and a total workforce of over 130.

"We are the largest employer in both Bigstone and Wabasca," said Zobot.

"And I am proud to say over 80 per cent of our employees are Bigstone members."

The company is also very community oriented.

It is a member of steering committees for the youth apprenticeship

program and the registered apprenticeship program. It helped with the creation of the oil and gas operating program for the local Mistassiniy High School, the petroleum industry training program at Northern Lakes College and the Bigstone Cree Nation pre-trades training program. In addition, it provides sponsorship to a number of schools and organizations in the area.

"We also take great pride in our involvement with Alberta's Promise," said Zobot.

Alberta's Promise, established in April 2003, builds partnerships with communities, businesses, service clubs, foundations and agencies to work together in directing more resources to benefit children and youth. It operates under five promises, including providing a healthy start, and leadership and innovation.

"We love being a part of our community," said Zobot.

"We strive to be good corporate citizens."

Oil and gas flows through the veins of the **Blood Tribe**

Geographically the largest First Nation in the country, the Blood reserve in southern Alberta holds almost 142,000 hectares of vast natural resources potential.

To manage this potential, the Blood Tribe-owned Kainaiwa Resources Inc. began operation in 1997.

In seven short years, the company has overseen the opening of over 90 new oil and gas wells and has increased revenue to the Blood Tribe to more than \$7 million annually. From 100 employees in 2001, the company now employs almost 400 Blood Tribe members.

In addition to its management of on-reserve oil and gas wells, the company has a 50 per cent interest in a 3,000-metre drilling rig that has drilled wells on the Blood reserve and is active in northern Alberta and British Columbia. The rig is booked for the next four years.

Throughout its operational year, Kainaiwa Resources Inc. manages to

generate funds from various services provided to oil and gas companies working on the Blood reserve. These dollars are invested back into the community, mainly in the area of youth and education.

Last year the company donated more than \$22,000 to various causes, focussing on youth and elder activities. It also awarded a high-school graduate incentive contribution of \$250 to the top five graduating students at Kainai High School and to the top Blood Tribe students in the surrounding communities. For tribal post-secondary students, the company also provided four \$500 scholarships.

Along with oil and gas resources, the Blood reserve also offers coal and lumber and the reserve also contains one of North America's few deposits of ammolite.



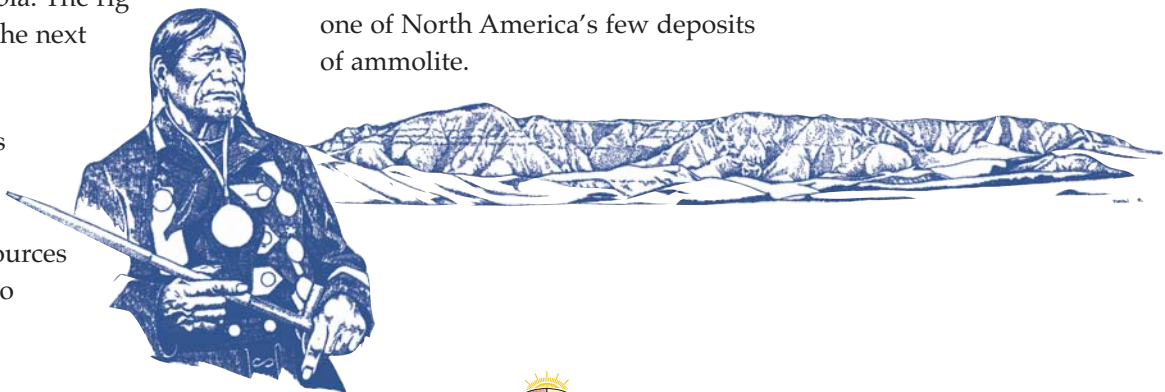
Oilfield equipment used by Kainaiwa Resources Inc.

PHOTO BY: KAINAIWA RESOURCES INC.

The rare gemstone was discovered by Blackfoot Indians in the Rocky Mountains, who called it buffalo stone. Since every single gemstone is a fossil, it is regarded as the rarest gem on earth.

"We provide the only major source of revenue for the Tribe," said David Shade, general manager of Kainaiwa Resources Inc.

"One of our greatest achievements is that our company awarded nearly 400 jobs to our tribal members last year."





Big list of companies for Little Red River Cree Nation

Despite its geographic isolation, Little Red River Cree Nation in northwestern Alberta is a First Nation full of promise and entrepreneurial spirit. With a registered population of just over 3,800, the First Nation has developed a parcel of successful businesses.

Engaging in profit-generating businesses that create wealth for the community, that create jobs for members, that develop self-employment opportunities, and that ensure businesses are culturally appropriate and operated with long-term sustainability, is the base on which this First Nation has built its business philosophy.

“Building on the natural resources abundant around our communities of John D’Or Prairie, Fox Lake and Garden River, the Little Red River Cree Nation has found a niche in the marketplace of northern Alberta,” said Chief Floyd Noskiye.

There are nine companies operated by the Little Red River Cree Nation. Companies ranging from consulting to fire fighting demonstrate the diversity of the entrepreneurial spirit of this First Nation:

- *Little Red River Forestry Ltd.* provides forestry planning, harvesting and silviculture services in the woodland operations.
- *Little Red River Wildland Firefighters Inc.* provides firefighting services to the



Little Red River Wildland Firefighters Inc.

province of Alberta. The company has over 75 trained firefighters to draw upon.

- *Little Red Air Service Ltd.* specializes in air charter passenger flights, freight hauling, air ambulance services and specialized medical patient transfers.
- *Fifth Meridian Market Ltd.* comprises one of the retail components of the Little Red River Cree Nation’s group of companies. Groceries, convenience products and gasoline are some of the products available.
- *Caribou Mountain Wilderness* provides fly-in, trophy-level sport fishing and guided adventure tours.
- *High Level True Value Hardware* is owned and operated by the First Nation. Sales have increased to the point where this store is one of the top-10 revenue

producers in Canada for True Value Hardware stores.

- *SIS Business Alliance* is a joint venture between the Little Red River Cree Nation and SIS Strategic Information Systems. This partnership is focused on activity in the information technology sector.
- *Kewetin Business Development Corporation* is a business incubation service for all First Nation people in the High Level region. Services offered though the corporation include assistance with business plan development, financing, accounting and administration services.
- *Askee Development Corporation* provides strategic direction to all the Little Red River Cree Nation companies and initiates the operation of new ventures for the First Nation based on the results of ongoing feasibility studies.



One of the aircraft in the Little Red Air Services Ltd. fleet.

Aboriginal partnerships – key to Western Lakota success



First Nation members work on one of Western Lakota Energy Services Inc.'s many drilling rigs.

Formed in 2001, Western Lakota Energy Services Inc. constructs and operates a fleet of high-performance oil and gas drilling rigs in western Canada. The company has 15 rigs in operation with an additional three presently under construction and due to be completed in the first quarter of 2005. Plans for further expansion include the construction of an additional six drilling rigs bringing the total to 24 before the end of 2005. Their innovative and proactive approaches are examples of best practices that have truly enhanced their growth.

Western Lakota's Aboriginal partnerships have been beneficial to all involved. Over the past few years their partnerships have expanded to First Nations throughout

Alberta and the Métis Nation of Alberta. The year 2004 was an especially busy one for expansion and forming partnerships. Dene Tha' First Nation added two rigs to its fleet, bringing its total to five, Samson Cree Nation added another rig bringing its total to three, and new partnerships were formed with Duncan's First Nation and the Blood Tribe.

Saddle Lake First Nation is a 50 per cent owner in Lakota Rig #4 and has been very pleased with the performance of the partnership.

"This project is very important to our community and members," said Saddle Lake Chief Eddy Makokis.

"We are determined to work with industry and government to maximize economic benefits from resource development, while ensuring the protection of our Treaty rights and the enhancement of our traditional ways."

Another excellent example of a very successful partnership is with the Dene Tha' First Nation. The partnership was formed in 2002 starting with two rigs, and using the proceeds of the partnership, the First Nation now owns 50 per cent of five drilling rigs, which truly reflects the growth potential of these partnerships.

Western Lakota is fortunate since it can access the rich and abundant workforce made available through its Aboriginal partners. Through Western Lakota's corporate mandate to use its "best efforts" in maximizing Aboriginal labour, over 20 per cent of the company's employees are Aboriginal. Western Lakota appreciates the cultural diversity and needs of its partners and their respective communities. Their innovative approaches to community

relations also lies in their corporate flexibility, which has a more Aboriginal holistic view.

"Our Aboriginal employees have been a great complement to our already strong crews," said Western Lakota President and CEO Elson McDougald.

"Aboriginal people represent one of the largest untapped and capable labour pools in the country."

With the goal to recruit and retain Aboriginal employees, a training program was developed in consultation with government, industry and Aboriginal representatives. This program is currently achieving excellent results and retention rates have improved significantly. This proactive approach allows for increased growth because there is direct involvement in decision making and an increased sense of ownership.

In addition, the company has also created an auxiliary services manager position, whose responsibility is to arrange work for its customers, using Aboriginal suppliers and contractors.

"By offering this service we are taking proactive steps to help Aboriginal communities and individual suppliers or contractors develop their business and exposure within the industry," said McDougald.

Indian and Northern Affairs Canada has been very supportive of these projects by providing federal funding over the past few years to help local First Nations become involved in the oil and gas industry.

The little company that grew to be a major player



Little Red River Forestry Ltd Woodlands Division

In remote northwestern Alberta three communities on the banks of the Peace River comprise the Little Red River Cree Nation. This entrepreneurial group of communities has come together to form Little Red River Forestry Ltd. Woodlands Division. It is a small but growing company that has evolved into a specialized service provider for larger national and international players in the forestry industry.

“We have developed training programs for our people in harvesting, tree planting, block layout, geographic information systems, stand tending and forest management for larger forestry companies,” said Dave Cole, manager of Little Red River Forestry Ltd.

“Our ability to focus in on the niche markets has proven to be the key to our success in this industry.”

Little Red River Forestry Ltd. has become more than a simple commercial enterprise. The company has also made an impact in economic, cultural, social and political community development for the First Nation.

In economic development, job opportunities for members of the First Nation are the highest priority. In the last four years over 150 new full, part-time and seasonal positions have been created.

Stakeholder consultation is also an important prerequisite to the development of annual forestry operating plans. Little Red River Forestry Ltd. continually works with communities and settlements to identify “no-cut” areas that respect traditional trap lines, burial sites, medicinal plants and religious sites that might infringe on the cultural identity and development of the Little Red River Cree Nation.

Youth participation in the forestry industry is also strongly encouraged by the company. Presentations at on-reserve schools highlighting potential career fields and employment opportunities are done on a yearly basis. The company has



Little Red River Cree Nation member working with a de-limber machine.

worked to integrate forestry technology and practice into the curriculum of area schools. Elder pilgrimages to the historic site at Lac Ste. Anne are sponsored each year by the company, completing the circle of social development within the community.

“We are teaching our young to respect what the elders have managed and protected for us so that we may be able to do the same for future generations,” said Little Red River Cree Nation Chief Floyd Noskiye.

Fostering beneficial working relationships with other levels of government, influencing policy development and industry practice is also a strength of Little Red River Forestry Ltd.

“By nurturing these relationships, members of the board of directors from Little Red River Forestry Ltd. have secured influential positions on a number of provincial and national forestry development and management committees and organizations,” said Chief Noskiye.



Quality control workers inspect raw timber waiting to be sent to local mills.

Bigstone Store Ltd. is big business



PHOTO BY: DEANE E. GLADUE

Bigstone Store Ltd.



Bigstone Store Ltd., owned by Bigstone Cree Nation in north central Alberta, has earned bragging rights by being one of the Nation's most thriving businesses.

Just four years ago, Bigstone Store Ltd. was a convenience store/gas bar, in danger of going out of business. It was then that Bigstone Cree Nation chief and council decided a change was needed.

That change was the hiring of new general manager Harvey Gladue, a man with plenty of experience in store management but more importantly, a great vision for the store.

"The first thing I noticed when I took over was that the building next door was just being used for storage," said Gladue.

"I started envisioning how we could use the building."

After some research, Gladue discovered that Bigstone members, as well as residents of the neighbouring town of Wabasca, had no healthy alternative for eating out. He proposed to chief and council that the building should be used for a bakery/deli.

After some convincing they agreed and, some months later, Bigstone Store Ltd. was serving up everything from fresh baked goods to soup and sandwiches. The store also serves a specialty dish called "darn chicken," named after Gladue, whose nickname is "darn."



PHOTO BY: DEANE E. GLADUE

Bigstone Bakery & Deli

"We're very proud of our chicken," said Gladue.

"It is cooked in a combination oven using steam and elements. There is no grease used at all."

In the summer of 2004, Gladue's vision once again brought a whole new twist to the store.

He noticed that business was slow for a Husky restaurant owned by another Nation-owned company called Truckstop Ltd. He convinced chief and council that he could make it into a viable business and started leasing the restaurant.

Located six kilometres away from the other businesses on Highway 813, the restaurant serves up breakfast and daily specials to travelers, as well as nearby residents.

"Things have really picked up over the past couple of months," said Gladue.

"It's great to see regular customers coming in. Some sit and relax in our dining area while others take out food if they are in a hurry."

The Bigstone Store Ltd. proudly employs around 40 people and approximately 95 per cent are Bigstone members.

"Although we did not intentionally go out and hire Bigstone members, I am very pleased that we can provide jobs for our own people," said Gladue.

Factoids

What is the Aboriginal Workforce Participation Initiative (AWPI)?

A partnership initiative of the federal government designed to increase the participation of Aboriginal peoples in the labour market. The federal government is committed to help Aboriginal peoples build stronger, healthier and more self-reliant communities. AWPI's goal is to educate and inform employers about the proven advantages of hiring Aboriginal peoples.

Why is AWPI important?

Aboriginal peoples make up one of the fastest-growing segments of the population in Canada, increasing at almost twice the national average. They represent an increasingly educated, readily available workforce, eager to assume an active role in the country's economy.

Despite this, their participation in the labour force is lower and their unemployment rate higher than that of non-Aboriginal Canadians.

What kinds of activities does AWPI do?

- assisting employers to build capacity in recruiting and retaining Aboriginal workers
- developing and distributing skill-building tools and resources for employers

- producing and distributing awareness-building materials and participating in awareness activities
- organizing and participating in conferences, seminars and workshops
- creating, promoting and participating in stakeholder networks
- communicating events related to Aboriginal employment issues
- identifying and promoting best practices and role models
- facilitating pilot projects

AWPI Partnership Strategy

AWPI is committed to working with all sectors of the economy in promoting Aboriginal employment. AWPI's partnership strategy brings together employers, the Aboriginal community and other stakeholders, through partnership agreements that assist employers in the recruitment and retention of Aboriginal workers.

For further information on this initiative, please contact:

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Graphic Design: Capital Colour Press

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French Translation: Reuven Erenberg, Translatech

Published under the authority of the Minister of Indian Affairs and Northern Development

Ottawa 2005
www.ainc-inac.gc.ca
1-800-567-9604
TTY only 1-866-553-0554

QS-A023-040-BB-A1
ISSN: 1493-857X

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