



Portrait of indigenous forest companies in Quebec

Around the world, Aboriginal peoples play an important role in the economy, and Quebec is no exception. The launching and development of indigenous businesses are important vectors in the economic and social development of these communities. Over the past several years, numerous policies and programs have been developed to promote entrepreneurship and the creation of indigenous companies.

Forest resources: a development tool for First Nations

A large proportion of the economic activities in many Quebec communities is directly linked to the forest and the vast resources it contains. The forest industry sector generates approximately 60,000 jobs directly, as well as many others indirectly. Quebec's newly-implemented sustainable forest management strategy as well as different certification standards advocate actions that empower Aboriginal communities to reap their share of the benefits derived from forest management. However, it is difficult to measure how these benefits will materialize for First Nations; the same is true for indigenous companies, many of whom, outfitters for instance, are dependent on the forest for their business.



Photo: NRCan



Photo: NRCan

An exploratory survey

To address this concern, researchers from Université Laval, the University of Moncton and Natural Resources Canada conducted a survey in 2015 among indigenous forest companies in Quebec. The process began with researchers identifying indigenous

companies whose operations are dependent on forest resources or that supply products and services to the forestry sector, and they were sent a questionnaire. The response rate was rather weak, but it nevertheless made it possible to establish some interesting facts.

Branching Out

from the Canadian Forest Service - Laurentian Forestry Centre

Some findings

Of the 28 businesses selected for the study, 11 were Inuit, 7 were Cree, 6 were Attikamekw, and the last 4 were of the Waban-Aki, Huron-Wendat, Algonquin and Mi'gmaq nations.

Indigenous forest companies in Quebec are small. Most of them fall into one of two categories: microenterprise (less than five employees) and very small enterprise (5 to 49 employees). They have been established for at least 5 years and are involved in a varied range of sectors, including silviculture and wood processing. Most operate year round. They serve a small number of clients and are generally active in local markets. Over the last 3 years, their average incomes were between \$200,000 and \$1,000,000. Therefore, they play an important role in the development of their regions and communities. The survey also revealed that a very small number of indigenous forest companies in Quebec have allocations or licences to harvest forest resources in public forests.



Photo: NRCan



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Indigenous forest companies in Quebec have multiple goals that aim to strike a balance between economic growth, environmental protection, and community development. The majority of them look forward to growing their businesses in size and diversifying their operations in the years to come. Greater efforts put into marketing activities and tax strategies would contribute to achieving these goals. They are not very active in research and development, but are interested in training activities.

Major investors in most of the companies are members of the community (61%). In the other cases, the company is generally owned by a band council (39%). For these companies, management is generally not influenced by political authorities.

In 2014, these companies created almost 700 jobs, i.e. 200 full-time jobs and 475 seasonal ones. Sixty-three percent (i.e. 438) of these jobs are held by indigenous people (110 full-time employees, 11 part-time employees, and 317 seasonal employees). The jobs created by indigenous forest companies are important for these communities.

Going forward

This study helped put together a good picture of indigenous forest companies in Quebec, which will be validated in the future by including a larger number of companies. The data will also contribute to improving the various programs intended for these companies, there by stimulating their development. The knowledge gathered here may also help promote business relations between these companies and other non-indigenous companies.

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