

Canadian Council for
**ABORIGINAL
BUSINESS**



Indigenous Economic Recovery



About CCAB



Growing a diverse and prosperous
Aboriginal business community

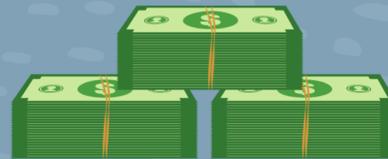
Our mission is to promote, strengthen and enhance a prosperous Indigenous economy through the fostering of business relationships, opportunities and awareness for all of our members.



Indigenous Economy = Opportunity



According to the 2016 Census,
there are nearly 63,000 self-
employed First Nations peoples,
Inuit and Métis across Canada.



The Indigenous population
annually contributes

\$31 Billion

to Canada's GDP



The Indigenous population is
young and growing:
44% of the Indigenous
population is under 25.



What We Do





Progressive Aboriginal Relations (PAR)

Progressive Aboriginal RELATIONS

- A certification program that **confirms corporate performance** in Aboriginal relations.
- PAR verification recognizes corporate performance in Aboriginal relations in the areas of **Leadership, Employment, Business Development, and Community Relationships.**
- PAR committed and certified companies integrate these criteria into their **strategic planning and operations.**
- PAR certification provides a **high level of assurance to communities** as the designation is supported by an independent, third-party verification process.
- Certified companies promote their level with a PAR logo signaling to communities that **they are good business partners, great places to work, and committed to prosperity in Aboriginal communities.**



**Average per-capita income for Fort McKay
First Nation significantly higher than for
Alberta and Canada**

\$73,571

Fort McKay
First Nation



\$50,683

Alberta



\$38,977

Canada





Supply Change

An Aboriginal Procurement Strategy focused on highlighting the opportunities and value of Aboriginal procurement relationships.

With a focus on connecting Aboriginal and non-Aboriginal businesses, the multi-year strategy includes five key pillars;

- Recruiting leaders from the business community to serve as Aboriginal Procurement Champions.
- Aboriginal Procurement Campaign – national media campaign.
- Creating Canada's largest directory of Certified Aboriginal Businesses (CAB), which are independently certified as at least 51% Aboriginal owned and controlled.
- The Aboriginal Procurement Marketplace is an on-line portal that acts as a two-way directory between CAB companies and procurement representatives from the Aboriginal Procurement Champions group.
- Aboriginal Procurement Best Practices – peer to peer sharing of how to make a difference.

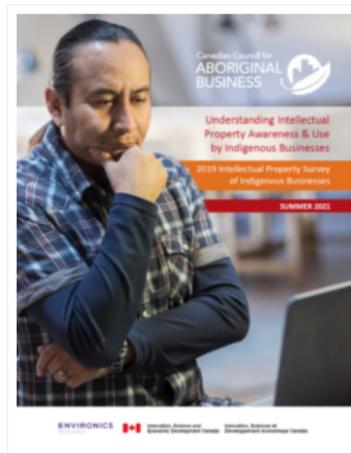


Aboriginal Procurement MARKETPLACE

- An online portal that acts as a two-way directory between CAB's and procurement representatives from the Aboriginal Procurement Champions.
- All CCAB Certified Aboriginal Business (CAB) companies will have a marketing profile that can be searched by our Aboriginal Procurement Champion companies when they are looking to go out to market on bids.
- Each Aboriginal Procurement Champion will provide an internal procurement representative that will be identified in the Marketplace for CAB companies to reach out to.
- The portal will allow Aboriginal Procurement Champions to post mid-level procurement opportunities to connect Aboriginal businesses to opportunities they are seeking that aren't available on conventional procurement platform.



CCAB Research has expertise in translating information – to insights – to action. Providing data insights and policy recommendations for all levels of government, Indigenous and non-Indigenous business, and academic leaders.



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COVID-19 Indigenous Business Survey



**COVID-19 Indigenous Business Survey:
Phase II**

Canadian Council for
**ABORIGINAL
BUSINESS**



The National Indigenous
Economic Development Board

Supported By



Indigenous Services
Canada

Services aux
Autochtones Canada

Services aux
Autochtones Canada

The COVID-19 Indigenous Business Survey provides crucial insight into the changing impacts to Indigenous businesses amidst second and third waves of the pandemic and ongoing public health restrictions in Canada.

This is the second of two surveys:

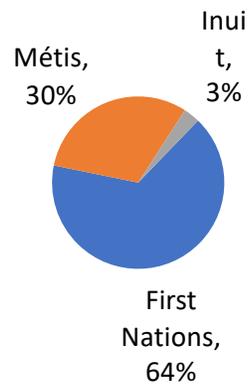
- Phase I: May 2020
- Phase II: December 2020 – February 2021

The self-selected online survey was conducted with 825 Indigenous business owners and professionals between December 16, 2020 and February 1, 2021 in both French and English.

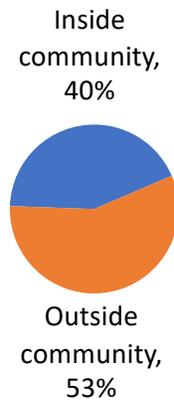


Respondents

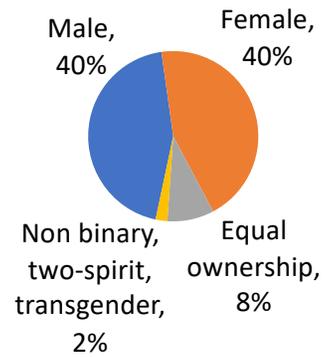
Indigenous
Ownership



Location



Gender of Owner



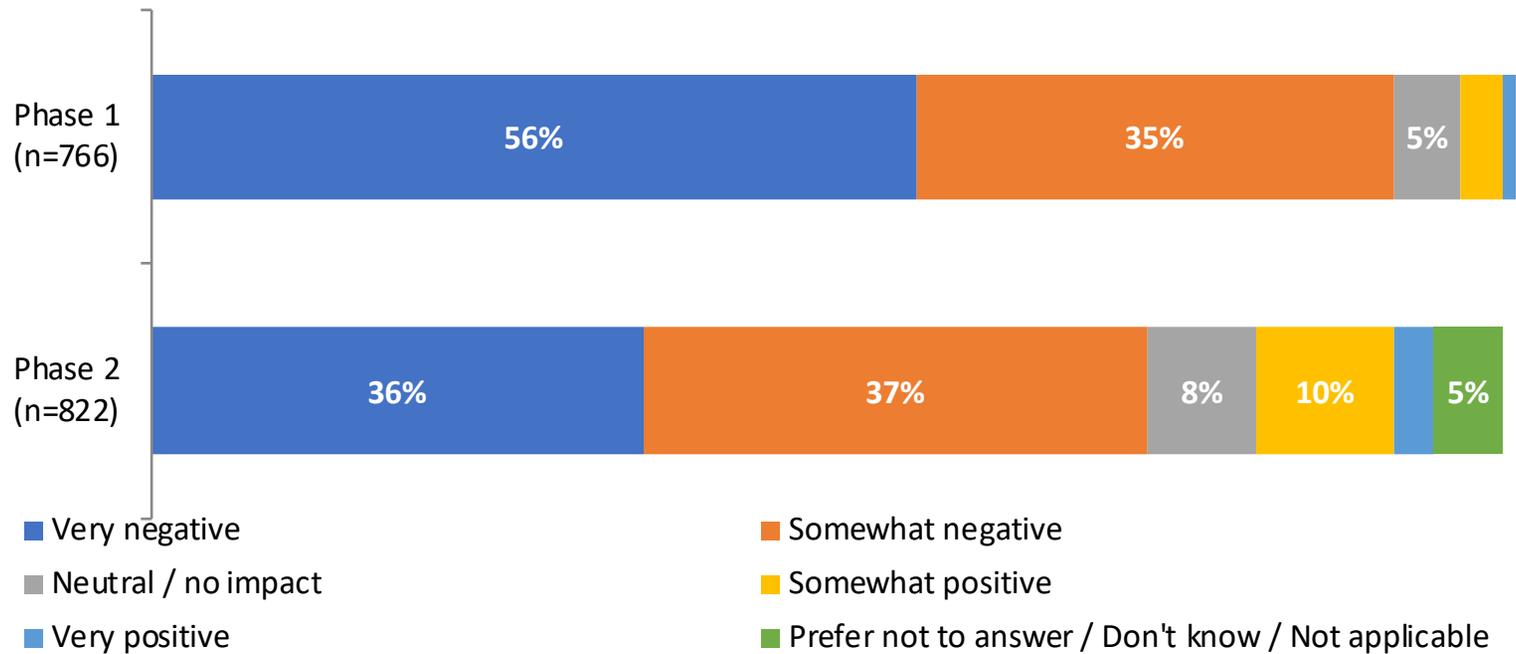
Regional Distribution

NB: 24
NS: 8
PEI: 1
NL: 18



Impacts

Overall Impacts on Business





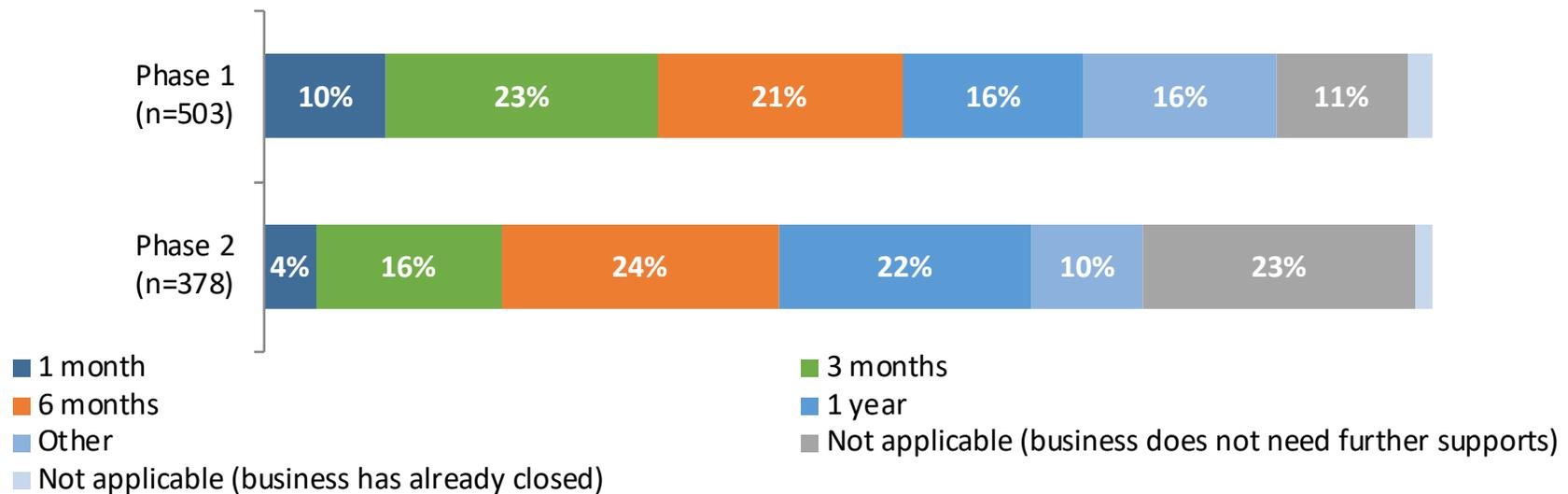
Impacts

Top 5 impacts of COVID-19 on business	Phase 1 n=766	Phase 2 n=822
Decrease in revenues	77%	61%
Cancellation of meetings, gatherings, or events	60%	51%
Decrease in demand for products or services	66%	43%
Higher anxiety from staff	41%	41%
Pressure to find new ways of providing services or goods	NA	40%



Business Survival and Needs

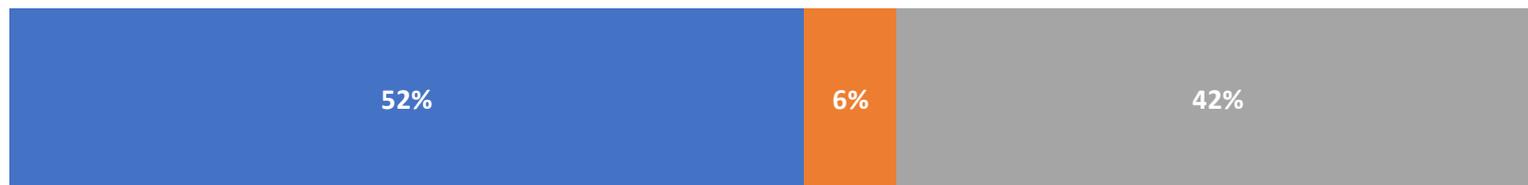
How long can this business operate without further support?





Government Support

Businesses requiring financial assistance

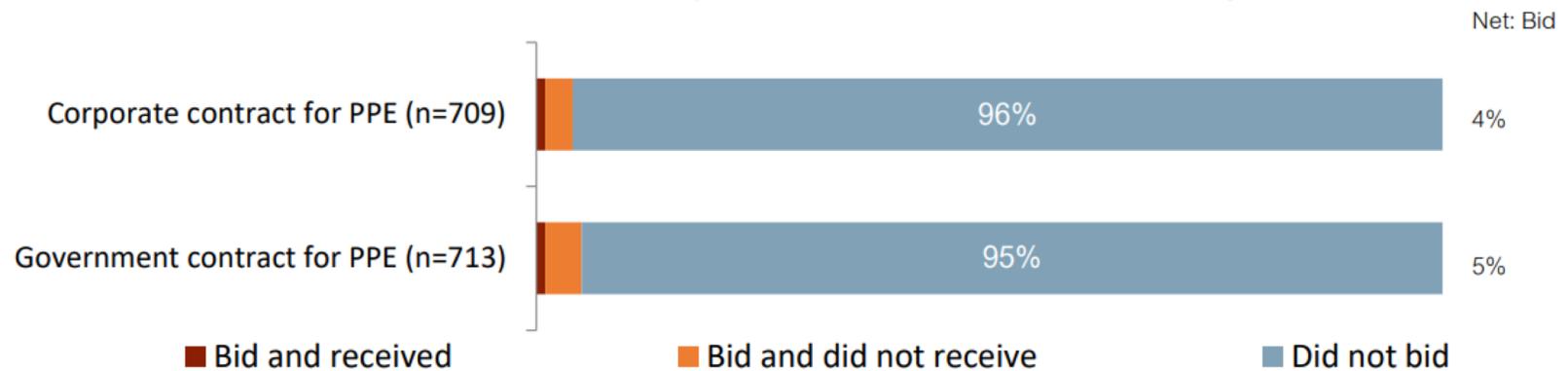


■ Received funding ■ Did not receive funding ■ Did not apply



PPE Contracts

Government and Corporate Contracts for Providing PPE





Most Pressing Business Need

Most pressing business needs	Phase 1 <i>n=674</i>	Phase 2 <i>n=750</i>
Economy / business / community back to normal in terms of ability to return to work and resume events and meetings, access to contracts, projects and clients, and the ability to generate revenue and increase sales, removal of COVID-19 restrictions on businesses, COVID-19 to be controlled, and expand services / products	53%	49%
Financial support , including support for maintaining business operations, and access to grants, loans and capital	39%	28%
Support with management / planning / staff , including advertising / building awareness of their business, hire new staff, planning for resuming business in the future after the pandemic is over, and support for employee health / mental health	12%	16%
Additional resources and training , including access to FN communities to network / develop opportunities, building / construction projects, access to bigger office / manufacturing office, new equipment to grow / handle challenging times	11%	13%
Adaptation and innovation , including adding new production lines, building their online presence or accelerating digital transformation	5%	6%



Recommendations

1. Federal Indigenous Entrepreneurship Strategy:

Supporting Indigenous entrepreneurs is the responsibility of every Federal organization. As such, each organization must consider if their policies and business-support programs fit the needs of Indigenous entrepreneurs, and if they do not, they must adapt each at the outset.

2. Government procurement:

Policies need to be introduced to ensure that every Federal Department and Agency meet their 5% procurement requirements and publicly report their Indigenous spend in line with Minister Anand and Parliamentary Secretary Damoff's announcement of August 6, 2021.

3. Indigenous Impact analysis:

Implementing a distinct Indigenous Impact Analysis, in line with Gender Based Plus Analysis, will help to foster improved Government-wide relations with Indigenous peoples.

4. Hard set asides of 5% of all Federal business program dollars:

A dedicated 5% set-aside for Federal business program dollars is required to catalyze Indigenous economic recovery, contribute to economic reconciliation, and promote Indigenous self-determination.

5. Incentives for Indigenous community and business participation in all new Infrastructure projects



Further Commitments

- Capacity Building – free tools and services for Indigenous Entrepreneurs
- Corporate Procurement
- Corporate Indigenous Inclusion Strategies
- Research on the Indigenous economy
 1. Social impact of Procurement
 2. Export Capability
 3. Future Skills
 4. Intellectual Property and Traditional Knowledge
- Networking Opportunities



Chí-
Múígwetch





Appendix





Barriers to Government Support

Barrier to accessing COVID-19 Economic Response Plan	Wave 1 <i>n=689</i>	Wave 2 <i>n=715</i>
FINANCIAL REQUIREMENTS	NA	46%
Payroll is currently less than \$20,000	18%	19%
Insufficient short-term cash-flow to repay tax deferrals or loans at a later date	23%	15%
Lack of assets that can serve as security	13%	13%
Low credit ratings, limited equity/cash savings that serve as a barrier to Federal programs administered by mainstream financial institutions	13%	11%
Inability to meet eligibility requirements of proving payroll due to employees being tax exempt	12%	11%
Current business debt is too high to service more debt, even if interest-free	14%	10%
The business losses were less than the programs required	NA	9%
The business is not registered with the Canada Revenue Agency	NA	6%
APPLICATION REQUIREMENTS	NA	26%
Lack of relevant information, complicated application process	7%	10%
Requirements for financial statements and other financial records	11%	9%
Mainstream financial institutions require a higher level of due diligence/guarantees for Indigenous businesses, on-going concerns with Indigenous business risk/security (Section 89, Indian Act)	NA	7%
Legal structure of business (unincorporated, sole proprietor, or partnership not being supported)	12%	5%
Interest rates are too high	6%	1%
Language barriers	<1%	11%
OTHER	10%	9%
DID NOT FACE ANY BARRIERS	12%	15%



Key findings:

- One area of continued disparity is that First Nations entrepreneurs appear to face greater barriers to accessing financial support than do Métis-owned businesses. They remain less likely than Métis-owned businesses to have current lending relationships with any financial institutions.
- The top source of government financial assistance is CEBA (32% received among those needing financial assistance), followed by CEWS (18% received). However, notably, Métis-owned businesses are twice as likely as First Nations-owned businesses to report having applied for CEWS (30% vs. 17%) and having received it (28% vs. 14%).



Key findings:

- Nearly half (46%) of Indigenous businesses that applied or considered applying to the COVID-19 Economic Response Plan say the financial requirements were a barrier to access; one quarter (26%) say they had difficulty meeting the application requirements. First Nations-owned businesses are slightly more likely than Métis-owned businesses to say the application requirements are a barrier.
- Indigenous businesses see value in continuing to build their skill sets. First Nations businesses express somewhat greater interest than Metis-owned businesses in improving their digital skills, such as by learning how to engage with clients remotely, to operate virtual platforms (e.g., Zoom) and incorporate e-commerce platforms to generate online sales.