LACRC Standing Committee on Finance and Economic Affairs August 4, 2020
Infrastructure

I am Lori Campbell. I am a Two-Spirit Cree Metis, an active community member in the Indigenous and broader communities of the Waterloo Region and I work in the post-secondary education sector as a researcher, educator, administrator and with Indigenous students. My concerns come to you today from this lived, experiential, community and professional lens.

I am concerned because Indigenous communities, rural and urban, throughout the province were already marginalized and struggling and had infrastructure gaps prior to Covid19. These gaps have only exponentially grown since Covid19 and this means Indigenous peoples, and indeed our province, will suffer even more.

Research, presented by Tabatha Bull, President and CEO of the Canadian Council for Aboriginal Business (CCAB) reflects that Indigenous businesses on reserve face unique barriers at this time because of the lack of broadband and infrastructure that enables e-commerce. 4 in 10 either have no internet connection or a connection with which they cannot fully rely on. This issue is more on-reserve than within the region which I live but this is very real even in a community like Six Nations, the largest FN in all of Canada and one that is only 50 km away from our region. CCAB documents Six Nations as facing these barriers prior to covid19.

As a post-secondary educator, I can also only imagine how this will affect Indigenous post-secondary students who will be required to take up on-line learning through post-secondary institutions this fall.

Additionally, Six Nations reallocated nearly 1.5M of their own to help support their COVID19 response, because they needed immediate action and could not wait for money to start flowing from the province. The band money went alongside the 2.2M contribution from federal government. They are still seeking community donations to try to get through this, while still waiting for infrastructure support and aid from the province.

Urban Indigenous population is on the rise, increasing by nearly 60% between 2006 and 2016.

Indigenous businesses in Canada, and Indigenous peoples are creating businesses at nine times the rate of non-Indigenous Canadians. We are in all sectors, but 99% are in small and medium-sized enterprise.

Indigenous businesses tend to focus primarily on local markets and within their own province, territory, and community. This means stronger recovery for Ontario as a whole. $207.6 M is leaked from Six Nations economy annually. I would also note that about 25% of Indigenous businesses have clients in the US and about 17% overseas.

The Canadian Federation of Independent Businesses found that 25% of small and medium-sized enterprises will not be able to sustain a closure of 30 days. If we look at the high number of small and medium enterprises in the Indigenous business sector, that is going to impact Indigenous peoples disproportionally negatively.

Corporate Ontario, and the Aboriginal Procurement Program, must ensure that Indigenous business remain part of their supply chains during the COVID19 crisis and after the crisis. These measures will help to close the economic gap between Indigenous and non-Indigenous businesses and communities during Covid19 and will assist with the provincial economic recovery.

I recognize that there is a lot of responsibility on the federal government to address these issues, because of on-reserve First Nation and Federal relations, but provincial, municipal and city governments have a role to play as well. Indigenous peoples and communities should not suffer because of interjurisdictional ambiguity.

Ontario has a responsibility to ensure the safety of their communities and all communities regardless of whether they are First Nation, Indigenous, rural, or urban. We are already having conversations here in my region – municipal government is aware, but they are already under the gun and need additional support.

Research shows that when Indigenous communities have self-determination about what development approaches to take, they consistently out-perform over when external decision makers have taken the lead.

Access to equity/capital and to financing is a constant issue and is particularly cited as a challenge by start-ups and growth-focused firms. A key bottleneck is locating potential sources with over 50% of Indigenous entrepreneurs finding it very difficult. The patchwork of funding was evident as shown through research conducted by CCAB.

The provincial government must ensure funding is made available for Indigenous specific business. Indigenous business owners face several barriers, including locating funding opportunities, meeting lending requirements (e.g. need capital in order to access matching funds – when Indigenous peoples on reserve cannot own their homes or the land their homes reside on) and knowing how to complete difficult and complex application forms.

The National Indigenous Economic Development Board 2019 progress report showed that Indigenous peoples are lagging in the skills development that allow us to move into higher paying occupational roles, youth-focused educational supports, and build infrastructure.

The provincial government must continue and even increase funding to Indigenous specific skills and training supports. This needs to be available for various levels, such as development of business plans, how to access financing, and develop leadership skills, but there is also a substantial need for investment in skills training for Indigenous peoples more broadly, to expand the pool of skilled labour that Indigenous businesses need to grow and succeed.

The Government of Canada's Youth Employment Panel recently recognized the barriers that Indigenous youth in particular face, including the intergenerational effects of colonization, a lack of education infrastructure, discrimination and barriers to accessing education, employment and training. The Panel recommended that Governments work together to create urban Indigenous healing and employment hubs, invest in infrastructure, develop distance education, enable mentorship, and invest in entrepreneurial Indigenous youth. A hub such as this is something that was already missing, but much needed, in our region, prior to the onset of COVID19.

Indigenous economic development offers potential to improve lives, fuel provincial economic growth, further reconciliation and provide a growing young workforce to fulfill the growing need for a labour population. Investing in Indigenous economic development is an investment in a socially and economically prosperous province of the future.

Indigenous businesses increasingly recognize the value of innovation with 63% having introduced either new products or services, or new processes into their business between 2013 and 2016, up from just under 50% in 2010 – and it continues to grow. This bodes well for future Indigenous businesses, since data indicates that innovation is linked to business success (defined by profitability, revenue growth and business income.) And this bodes particularly well for the Region of Waterloo – a region renowned for its start-ups.

Currently the Indigenous economy contributes $31 billion to Canada's GDP. Closing the significant opportunity gaps between Indigenous and non-Indigenous Canadians would boost the national economy by $27.7 billion annually. Given that we have the highest Indigenous population, representing over 21% of Canada's Indigenous population, and the highest number of self-employed Indigenous people, (24%), Ontario could be a champion for Indigenous business. Ontario has the largest overall provincial population. Ontario is the economic hub of Canada. And, Waterloo is the start-up, tech development, and innovation hub of Ontario.

I ask that the province considers the individual needs of both urban and rural Indigenous communities and goes further to assess region by region and centre by centre.

Thank you.