



RESEARCH MODULE 1

Aboriginal entrepreneurship in Canada.

Report prepared for:

The National Aboriginal Capital Corporations Association (NACCA) and
Business Development Bank of Canada (BDC)

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Table of Contents

Introduction	3
Scope.....	5
Profile of Aboriginal entrepreneurs and SMEs in Canada	5
What is an Aboriginal business?	5
Perspectives from the National Household Survey	7
2011 National Household Survey Data Quality.....	12
Perspectives from the Canada Business Patterns Dataset	13
Territorial Businesses.....	19
2015 Canada Business Patterns Data Quality	20
Perspectives from other Statistics Canada Surveys.....	21
Perspectives from the Canadian Council for Aboriginal Business	23
Perspectives from the Aboriginal Business Financing Program (ABFP) program	24
Perspectives from the Business Development Bank of Canada	26
Perspectives from other data sources	29
Triangulation of perspectives and discussion of key findings.....	29
Size and Scope of Key Financial Services for Aboriginal Entrepreneurs and SMEs	31
Perspectives from NACCA and the AFI Network.....	31
Perspectives from BDC.....	34
Perspectives from the Canadian Council for Aboriginal Business	36
Other Perspectives on Aboriginal Financial Services	38
Triangulation of perspectives and discussion of key findings.....	40
Conclusion.....	41
Appendix A - Geographic Codes Included in Our Analysis of the Canadian Business Patterns Database..	43
Bibliography	44

Introduction

As the first of a three-part research series, this report profiles the landscape of Aboriginal entrepreneurship along with the current financial services available to Aboriginal SMEs in Canada. This first module provides a necessary foundation for the investigations and policy recommendations to follow in the second and third modules.

Aboriginal entrepreneurs and small and medium-sized enterprises (SMEs) have an important role to play in the Canadian economy, and particularly among Canada's diverse and growing Aboriginal communities. Beyond providing necessary local goods and services, they create opportunities for local Aboriginal employment and wealth creation. A recent study suggests that nearly four-in-ten Aboriginal SMEs in Canada employ at least one individual.¹

Yet, the size and scope of their economic impact continues to be obscured by a lack of information. Five years ago the 2011 National Household Survey estimated that 37,685 Aboriginal individuals were self-employed across Canada, up from 34,045 in 2006; 27,210 in 2001; and 20,195 in 1996. (See Chart 1). With little to no longitudinal data available to track the growth and decline of Aboriginal businesses we're left to guess what the possible trends mean. The historical census and household survey data would suggest that Aboriginal business growth continues, albeit at a diminished rate compared to the previous decades. How reliable such an inference might be is up for debate.

Chart 1: Population of Aboriginal self-employed in Canada (census and NHS data)



Source: Statistics Canada

Despite the lack of reliable longitudinal data, a number of attempts have been made to assess the economic impact of Aboriginal business in Canada. Recent estimates suggest that Aboriginal SMEs (excluding Economic Development Corporations) could bring in, at minimum, \$927 million in earnings by the end of the year.² The economic impacts of these earnings and related spending could be considerably greater. For example, a 2016 study sponsored by the Atlantic Policy Congress concluded that the combined annual impact of Atlantic First Nations businesses, governments, and households, was on the order of \$1.14 billion. The study found that the combined economic impact of Band,

¹ Source: Canadian Council for Aboriginal Business. *Promise and Prosperity: The 2016 Aboriginal Business Survey*, P. 14

² Source: Gulati, S., and D. Burelton. *The Long and Winding Road Towards Aboriginal Economic Prosperity*. P. 4

community, organizational, and business spending, among Atlantic First Nations alone, created more than 16,700 full time equivalent employment positions and contributed \$184.5 million in overall tax revenues³. Taking such broader considerations of impact in mind, the Canadian Council for Aboriginal Business recently suggested that Aboriginal businesses contribute more than \$13 billion a year to Canadian GDP⁴. Clearly, there is a lot going on regionally that needs to be better understood.

The need to look more broadly also raises the question of what is an Aboriginal business – given that so much more is going on beyond the narrowly defined range of Aboriginal self-employment. As business entities, many Aboriginal communities now pursue a variety of ventures, such as stakes in major resource projects, funds, joint ventures, and the provision of goods and services. Indeed, a recent study, based on INAC data, concluded that the own source revenues of First Nations governments alone, amounted to over \$3.3 billion in 2013/2014⁵. Furthermore, according to TD Economics estimates, the value of yet-to-be-settled comprehensive and specific land claims could yield a total of \$9 to \$13 billion for Aboriginal communities⁶. With these various sources of revenue, Aboriginal communities are seeking to leverage their growing asset bases. As we will discuss further on in this series of reports, community-owned SMEs work with many of the same financial institutions that cater to individual Aboriginal entrepreneurs, including Aboriginal Capital Corporations, Community Futures Development Corporations, and the Business Development Bank of Canada. An adequate review of the Aboriginal business landscape must therefore account for these kinds of business activities.

As engines of economic development, Aboriginal SMEs in Canada occupy a fairly broad range of industries; but many are also concentrated in key sectors such as construction and primary industries (including agriculture, fishing, hunting, and forestry businesses). The industry sector concentrations of Aboriginal SMEs also vary by geography, just as Aboriginal communities themselves vary, by province, territory, and across urban, rural, and remote locations. For example, Aboriginal self-employed in rural and remote locations tend to be more highly concentrated in primary and construction sectors, compared to their peers in urban areas. Meanwhile, the urban self-employed tend to be more concentrated in professional, scientific, and technical services than their rural or remote peers. The size of Aboriginal SMEs and their employment patterns also vary by location. For instance, 2015 data from Statistics Canada's Business Register indicate that roughly six-in-ten businesses on-reserve in the Atlantic region provide employment compared to the National average cited earlier of nearly four-in-ten.

Despite the significant role of these diverse SMEs, our understanding of Aboriginal entrepreneurship in Canada continues to be limited. Most of the broadly comparative literature and research around their circumstances and impacts relies on dated or incomplete information. However, by combining the

³Source: Atlantic Policy Congress. *Indigenous Economy in Atlantic Canada Exceeds \$1 Billion in Annual Spending*. http://www.apcnc.ca/images/uploads/APCFNC_Economic_Impact_Media_Release_April_27_2016_1.pdf.

⁴Source: Gladu, J. *Northern Gateway Decision Confirms Modern Expectations for Aboriginal Development Projects*. <http://www.theglobeandmail.com/report-on-business/rob-commentary/gateway-decision-confirms-modern-expectations-for-aboriginal-development-projects/article30826455/>.

⁵Source: Bains, R., and K. Iskanian. *Government Spending and Own-Source Revenue for Canada's Aboriginals: A Comparative Analysis*. P. IV

⁶Source: Burleton, D., and S. Gulati. *Debunking Myths Surrounding Canada's Aboriginal Population*. TD Economics. P. 6

findings of relevant national surveys, and specific national and regional research initiatives, it is possible to compile a more reliable profile of the landscape of Aboriginal entrepreneurship in Canada.

Scope

In order to better understand the landscape of Aboriginal entrepreneurship in Canada, this module (Research Module 1) undertakes an analysis of business characteristics by size, geography, and industry sector. Whenever possible the profile distinguishes entrepreneurs and SMEs by location of business (e.g., on/off-reserve, urban/rural/remote, and so forth).

This module then seeks to understand the current availability of financial services to Aboriginal entrepreneurs and SMEs in Canada. Our research findings draw from an environmental scan of publicly available data, as well as custom data made available through the National Aboriginal Capital Corporations Association (NACCA), the Business Development Bank of Canada (BDC), Aboriginal Financial Institutions (AFIs), Indigenous and Northern Affairs Canada (INAC), and other research partners.

In summary, **Research Module 1** addresses three main questions:

- What is the profile of Aboriginal entrepreneurs and SMEs in Canada, in terms of business size, geographic clusters, and industry sector classification?
- How does the distribution of Aboriginal entrepreneurs and SMEs vary across the Canadian provinces and territories, by size, geography, and industry sector classification?
- What is the size and scope of key financial services currently targeting Aboriginal entrepreneurs and SMEs in Canada?

Profile of Aboriginal entrepreneurs and SMEs in Canada

What is an Aboriginal business?

Businesses in Canada are generally defined by the number of people they employ. A common definition promoted by Statistics Canada characterizes small businesses as having 1 to 99 employees; medium-sized businesses as having 100 to 499 employees, and large businesses as having 500 or more employees.⁷ For the purpose of this report, we will be focusing on businesses that are majority owned by First Nations, Métis and Inuit individuals and at the small to medium-sized end of the Statistics Canada definition.

There is no single complete dataset available to answer our three guiding research questions in Research Module 1. Our approach therefore compares and contrasts several different sources of primary data and secondary analysis. In terms of primary data, our profile of Aboriginal entrepreneurship integrates findings from the following key sources:

⁷ Source: Leung, D., L. Rispoli, and B. Gibson. *Small, Medium-sized and Large Businesses in the Canadian Economy: Measuring Their Contribution to Gross Domestic Product in 2005*. P. 7

- 2011 National Household Survey;
- December 2015 Canada Business Patterns;
- 2013-2015 Aboriginal Business Financing Program (ABFP)⁸ datasets provided by the National Aboriginal Capital Corporations Association (NACCA) and Indigenous and Northern Affairs Canada (INAC);
- 2012-2015 Aboriginal banking datasets provided by the Business Development Bank of Canada (BDC);
- Other Statistics Canada Surveys; and
- 2016 Aboriginal Business Survey from the Canadian Council for Aboriginal Business.

Because Module 1 integrates findings from multiple datasets, their underlying assumptions have to be carefully considered, particularly when it comes to making inferences about Aboriginal entrepreneurship and business structure. For instance, the 2011 National Household Survey (NHS) does not identify business structure as such; rather it asks about self-employment. While self-employment data in the NHS offer a proxy for entrepreneurship, and can be sorted by Aboriginal identity, we have no way to analyze other important business characteristics (e.g., such as business size, annual revenues, or whether or not a business is incorporated, and so forth). While revealing, the NHS' insights into self-employment data overlooks Aboriginal businesses that are not individually-owned, such as Band-owned enterprises, joint ventures, cooperatives, and so forth. By contrast, the 2015 Canada Business Patterns dataset includes a potentially greater range of Aboriginal businesses beyond the self-employed; but it introduces other limitations. For example, while the Business Patterns dataset identifies businesses by the North American Industry Classification System (NAICS), by size, and by location, it does not include any variables for Aboriginal identity. To make inferences about Aboriginal business ownership we therefore use available population data from Statistics Canada and Indigenous and Northern Affairs Canada (INAC), to identify locations that have majority Aboriginal populations, including reserves, remote Northern and Cree villages, and so forth. We then focus on the Business Patterns data associated with these locations, based on the reasonable assumption that an average business in these locations is Aboriginal-owned. The downside is that this method cannot account for Aboriginal owned businesses that may be operating in areas where Aboriginal populations are a minority. However, by triangulating our findings from the NHS, BP, and other datasets, we can find productive ways to overcome their respective limitations.

This research module also draws upon custom data that is not publicly available. The NACCA/INAC and BDC datasets provide additional perspectives on Aboriginal entrepreneurship based on their various loans and contributions to a diversity of Aboriginal businesses. The NACCA/INAC dataset reflects loans from several different Aboriginal Financial Institutions (AFIs) across the country in addition to INAC program contributions. The AFIs are diverse and have adopted a variety of definitions for what constitutes an Aboriginal entrepreneur with respect to their particular financing activities and client bases. For example, in Alberta, the Alberta Indian Investment Corporation caters to Status Indian entrepreneurs, or corporations/partnerships that are owned in majority by Status Indians (i.e., 51 per

⁸ This program has also been referred to as the *Aboriginal Business and Entrepreneurship (ABED)* program in the past.

cent or more).⁹ In contrast, Apeetogosan (Métis) Development Inc. caters to Métis and non-status Indian entrepreneurs.¹⁰ Whenever it may become a concern we reflect on the limitations such contrasting definitions may present for our findings.

For each of the datasets used in Module 1 we go into further detail on their specific strengths and limitations in our discussion of findings below. Lastly, in addition to the findings from our data analysis, our discussion of the profile also includes insights from the broader literature review and environmental scan we conducted for this report.

Perspectives from the National Household Survey

Our first look at Aboriginal businesses in Canada is based on data from the 2011 National Household Survey (NHS). In particular, we focus on the self-employment status of Aboriginal individuals to get a first look at the distribution of Aboriginal entrepreneurs across Canada's regions and industry sectors. The focus on self-employment is one that frames most of Statistics Canada's past research on entrepreneurship and Aboriginal business. It also informs, though not exclusively, the research findings of groups such as the Canadian Council for Aboriginal Business (CCAB) and TD Economics.

While the NHS provides insights into the location and industry classification of Aboriginal self-employed, it does omit more detailed information, such as the number of employees or the length of time that an Aboriginal business has been open for. For this kind of information, we will turn to other complementary data sources further on in the report.

In the 2011 NHS, approximately 38,000 Aboriginal individuals reported being self-employed. This group constitutes just over six per cent of Aboriginal people who were in Canada's Aboriginal labour force at the time. By contrast, the NHS found that just over ten per cent of the non-Aboriginal Canadian population was self-employed in 2011.¹¹

See Table 1 for a regional breakdown of related findings on the Aboriginal labour force and working age population (15 years and older).

Table 1 reveals important regional differences. Just over three-quarters of self-employed Aboriginal individuals were located in one of four provinces: Ontario (23.8 per cent), British Columbia (22.1 per cent), Alberta (18.1 per cent), and Quebec (11.8 per cent). This is not surprising given that nearly 70 per cent of the 2011 Aboriginal labour force belonged to these provinces.

Table 1: Total Aboriginal Self-employed in Canada by Location

	Number of Aboriginal People who are...			Self-employed Aboriginal people as a % of the....		
	In the labour force	Working	Self-employed (incorporated/unincorporated)	Labour force	Working population	Canadian Aboriginal self-employed population
British Columbia	107,040	101,875	8,335	7.8%	8.2%	22.1%
Alberta	100,090	95,795	6,815	6.8%	7.1%	18.1%

⁹ See: Alberta Indian Investment Corporation, *Financial Services*. <http://www.aiicbusiness.org/financial-services.htm>

¹⁰ See: Apeetogosan (Métis) Development Inc, *Start Here*. <http://apeetogosan.com/start/>.

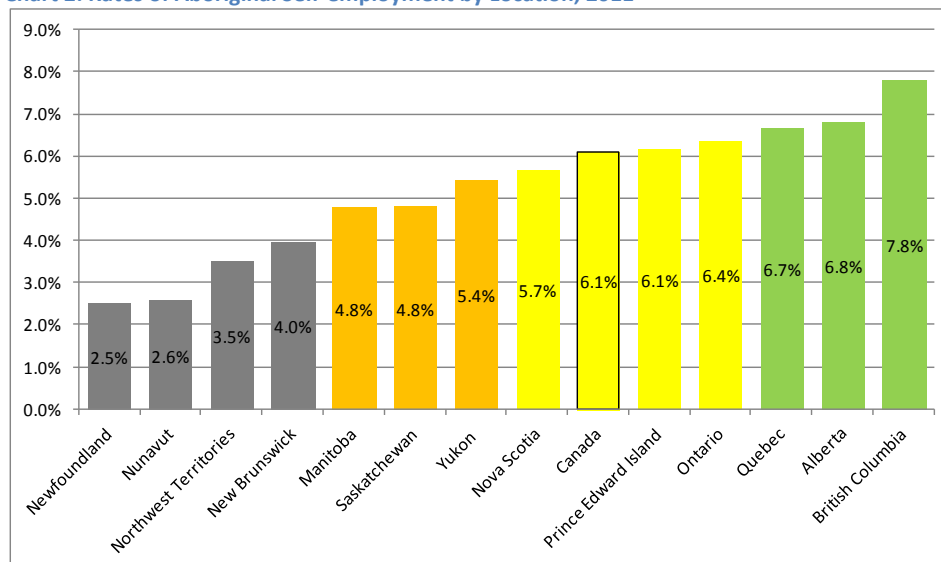
¹¹ Source: 2011 National Household Survey.

Quebec	66,745	64,075	4,450	6.7%	6.9%	11.8%
Ontario	140,685	133,940	8,960	6.4%	6.7%	23.8%
Prince Edward Island	1,060	1,020	65	6.1%	6.4%	0.2%
Canada	618,085	588,140	37,685	6.1%	6.4%	100.0%
Nova Scotia	15,950	15,215	905	5.7%	5.9%	2.4%
Yukon	4,055	3,820	220	5.4%	5.8%	0.6%
Saskatchewan	58,515	54,675	2,805	4.8%	5.1%	7.4%
Manitoba	77,350	73,320	3,705	4.8%	5.1%	9.8%
New Brunswick	10,340	9,920	410	4.0%	4.1%	1.1%
Northwest Territories	9,525	8,835	335	3.5%	3.8%	0.9%
Nunavut	9,910	9,225	255	2.6%	2.8%	0.7%
Newfoundland	16,815	16,405	420	2.5%	2.6%	1.1%

Source: 2011 National Household Survey

The four provinces also had the highest rates of Aboriginal self-employment in 2011. Compared to the roughly six per cent of Aboriginal individuals that were self-employed in Canada, the rate was highest in British Columbia (7.8 per cent), followed by Alberta (6.8 per cent), Quebec (6.7 per cent), and Ontario (6.4 per cent). By contrast, Newfoundland and Labrador featured the lowest rate of Aboriginal self-employment in Canada at 2.5 per cent of the 2011 Aboriginal labour force. (See Chart 2).

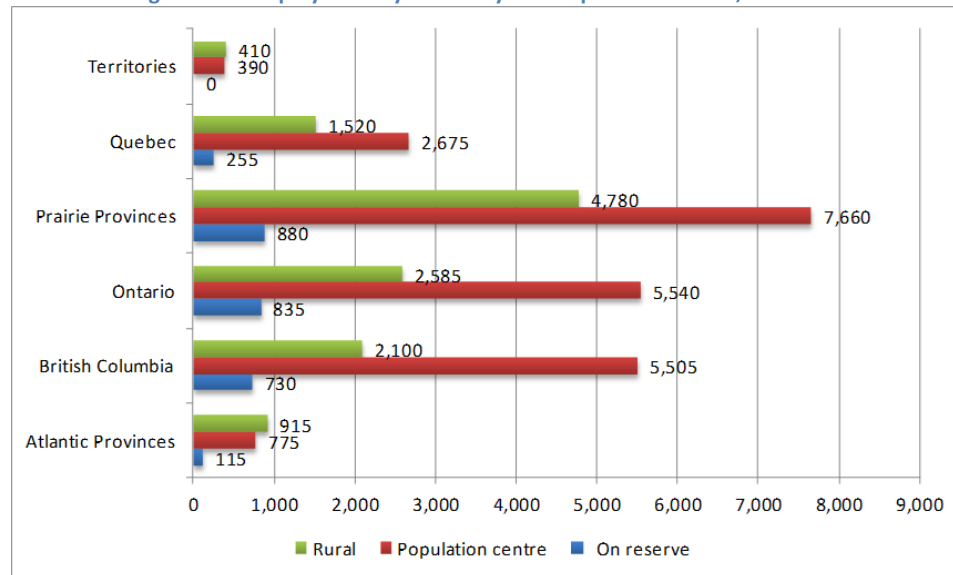
Chart 2: Rates of Aboriginal Self-employment by Location, 2011



Source: 2011 National Household Survey

A closer look at the geography of NHS respondents reveals that 40 per cent of Aboriginal self-employed individuals lived in census metropolitan areas (CMAs) of 100,000 or more people; while an additional 20 per cent lived in population centres of less than 100,000 but greater than 1,000 people. This concentration of self-employed in urban areas presents an important opportunity for financial service providers. By comparison, roughly a third of Aboriginal self-employed were located in rural locations off-reserve, while less than 1-in-10 were located on-reserve. (See Chart 3).

Chart 3: Aboriginal Self-employment by Proximity to a Population Centre, 2011

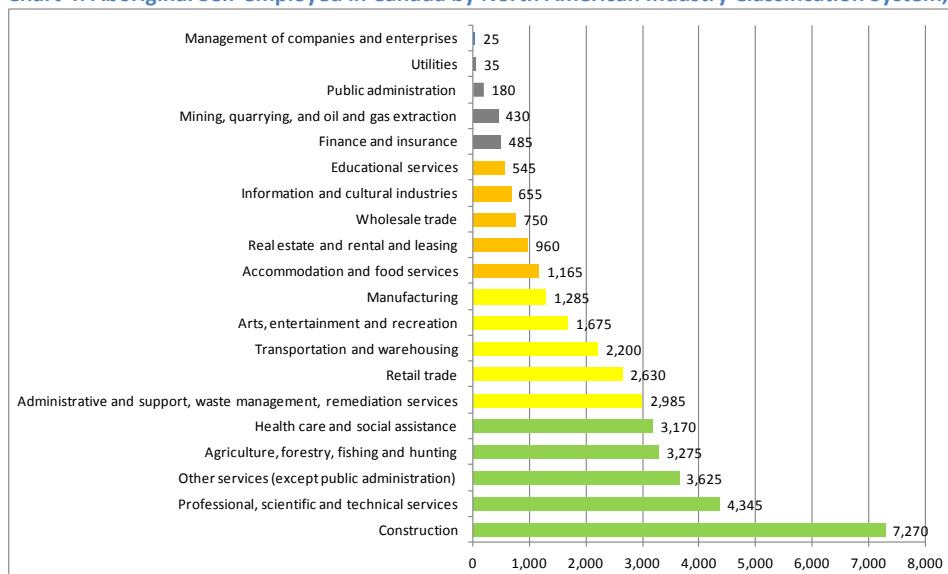


Source: 2011 National Household Survey

Although the Aboriginal self-employed can be found across a range of industry sectors, nearly half are concentrated in four industries. These are construction (19.3 per cent); professional, scientific and technical services (11.5 per cent); other services (except public administration) (9.6 per cent); and agriculture, forestry, fishing and hunting (8.7 per cent). (See Chart 4).

There are noticeable geographic differences in the patterns of industry classification. Notably, British Columbia and Ontario account for nearly half of Aboriginal self-employed involved in construction, while the prairies account for another 40 per cent. Type of location, whether urban, rural, or on-reserve, also appears to have an influence on industry sector concentration.

Chart 4: Aboriginal Self-employed in Canada by North American Industry Classification System, 2011

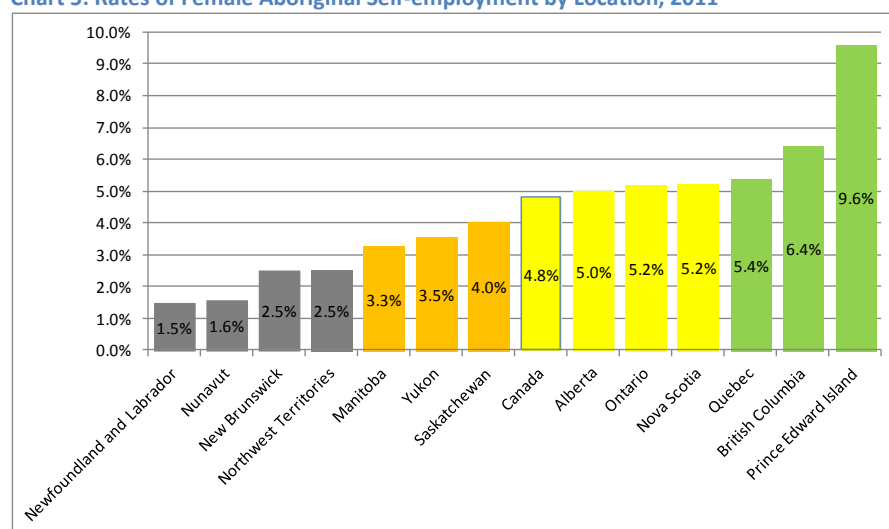


Source: 2011 National Household Survey

In particular, the most common on-reserve industries were construction (22 per cent of on-reserve self-employed) and agriculture, forestry, fishing and hunting (15.0 per cent). The top two industries for self-employed in rural areas are construction (19.5 per cent) and agriculture, forestry, fishing and hunting (19.0 per cent). And, the top two industries for self-employed in population centres are construction (19 per cent of entrepreneurship in population centres) and professional, scientific, and technical services (15 per cent).

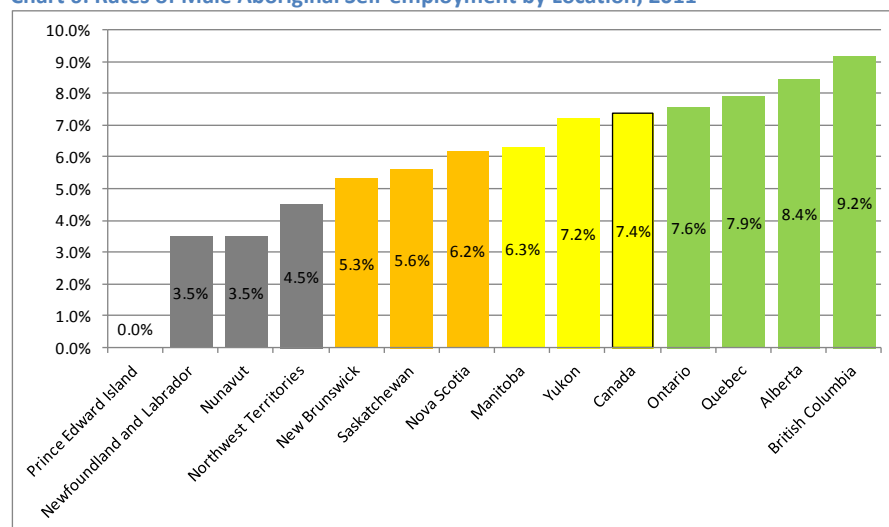
Gender is another important distinguishing factor to pay attention to. Rates of Aboriginal self-employment in Canada differ between males and females, and their differences also vary by location. Interestingly the NHS reports that there are no self-employed Aboriginal males in Prince Edward Island, whereas over nine per cent of Aboriginal females are self-employed in the province (the highest rate of female Aboriginal self-employment in Canada).

Chart 5: Rates of Female Aboriginal Self-employment by Location, 2011



Source: 2011 National Household Survey

Chart 6: Rates of Male Aboriginal Self-employment by Location, 2011



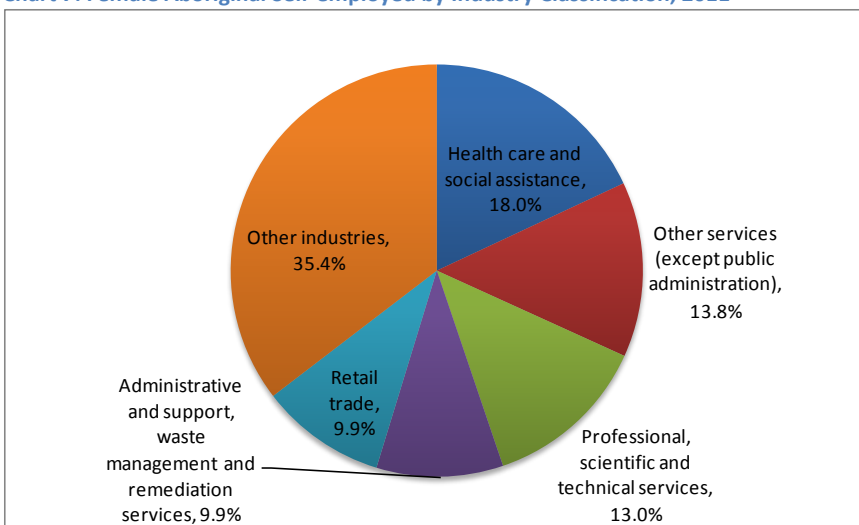
Source: 2011 National Household Survey

Yet, with the exception of Prince Edward Island, NHS data reveal that Aboriginal males have higher rates of self-employment than Aboriginal females. (See Charts 5 and 6).

The Aboriginal men and women who are self-employed also exhibit distinct patterns of industry concentration. For the nearly 15,000 Aboriginal women who were self-employed in 2011; but almost half operated in three industries; health care and social assistance (18.0 per cent), other services (except public administration) (13.8 per cent), and professional, scientific and technical services (13.0 per cent).

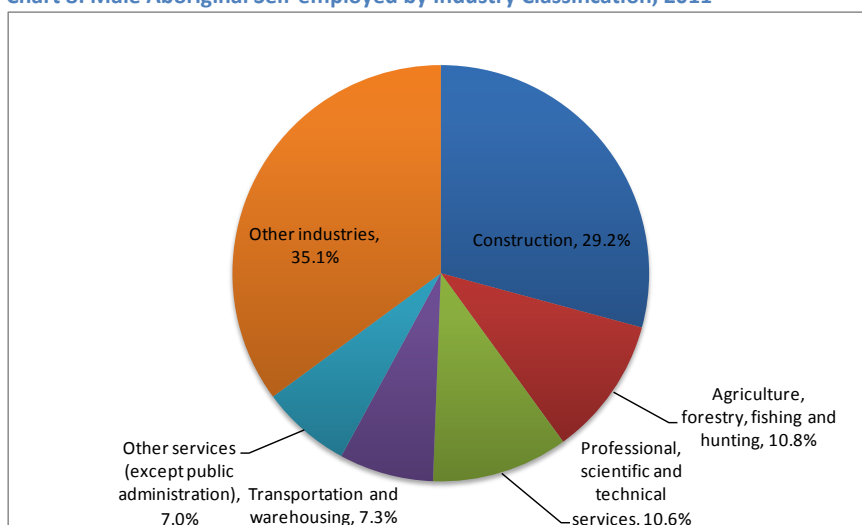
Meanwhile, for the nearly 23,000 Aboriginal men who were self-employed in 2011, just over half were concentrated in construction (29.2 per cent of total male Aboriginal self-employment), agriculture, forestry, fishing and hunting (10.8 per cent), and professional, scientific and technical services (10.6 per cent). (See Charts 7 and 8).

Chart 7: Female Aboriginal Self-employed by Industry Classification, 2011



Source: 2011 National Household Survey

Chart 8: Male Aboriginal Self-employed by Industry Classification, 2011



Source: 2011 National Household Survey

Age is another important factor to consider when examining the NHS data on Aboriginal self-employment. Compared to their Non-Aboriginal peers across Canada, the Aboriginal self-employed are relatively younger. This is especially true when comparing cohorts under the age of 25. Roughly one fifth of the Aboriginal self-employed population is under the age of 25 years; in contrast, roughly 15 per cent of the non-Aboriginal self-employed population is in the same age bracket. This is an important consideration for financial services professionals who will be dealing with a younger, more inexperienced group of entrepreneurs within the Aboriginal population.

Chart 9: Aboriginal and Non-Aboriginal Self-employment by Age, 2011



Source: 2011 National Household Survey

2011 National Household Survey Data Quality

In interpreting the 2011 NHS data, it should be noted that the survey was voluntary and encountered significantly higher non-response rates than the 2006 and 2001 long form censuses that it replaced and on which its questions were largely based. As a result of potential concerns, Statistics Canada adopted a measure of data quality for the NHS called the global non-response rate (GNR). There is a GNR for several levels of geographic classification (e.g., location, region, province/territory, etc.) which combines complete non-responses (households) and partial non-responses (questions) into a single rate. The GNR for Canada as a whole was 26.1 per cent. Table 2 below provides GNR rates for the provinces and territories.

Table 2: Global Non-Response Rate by Location, 2011

Global Non-Response Rate (%)		Global Non-Response Rate (%)	
Atlantic Provinces	29.4	Prairie Provinces	27.5
Newfoundland and Labrador	31.4	Manitoba	26.2
Prince Edward Island	33.4	Saskatchewan	29.3
Nova Scotia	28.2	Alberta	27.4
New Brunswick	28.6	Territories	23.2
Quebec	22.4	Yukon	29.9

Ontario	27.1	Northwest Territories	16.1
British Columbia	26.1	Nunavut	25.2

Source: 2011 National Household Survey

Statistics Canada will suppress survey results for several reasons, particularly under circumstances of small area estimation. Results from the NHS were suppressed, for example, when the population of an area was estimated to be less than 40 persons, the population count was equal to zero, or the GNR was equal to or greater than 50 per cent.¹²

These reasons can greatly impact the public availability of small area data for the locations, so-called “census subdivisions”, that typically represent remote and rural Aboriginal communities. All in all, the data for 413 census subdivisions classified as Indian Reserves were not released at that level of aggregation.¹³ Beyond Statistics Canada’s data management policies, 36 Indian Reserves and Indian Settlements were incompletely enumerated for a variety of other reasons. Initially, 13 First Nation communities were excluded due to delays caused by forest fires in Northern Ontario; however, these communities were later revisited to complete their enumeration. Of the remainder, 14 communities did not grant Statistics Canada permission¹⁴, while the rest were not enumerated for other varying reasons.¹⁵

On this basis, it is possible that to some degree the 2011 NHS undercounted Aboriginal self-employment in Canada, especially on-reserve, when looking at Census Sub-Division (CSD) level data. However, estimates at the provincial/territorial level, such as the data used for this report, include available data from CSDs with high GNRs since Statistics Canada uses the provincial level GNR as the benchmark.¹⁶ Similarly, available data from communities that would have been excluded at the CSD level due to low or no population counts are “rolled up” into the provincial/territorial level data.¹⁷ Only those communities that refused to participate in the NHS would not be included in these higher levels of aggregation.

Perspectives from the Canada Business Patterns Dataset

Our next perspective on Aboriginal entrepreneurship is based on Statistics Canada’s Business Register. The Canada Business Patterns (CBP) dataset provides a biannual portrait of Canadian businesses including information on the number of businesses, the size of businesses, and the business industry (via the North American Industry Classification System), all by location.

Unfortunately, the dataset does not provide a demographic breakdown of business owners. As such, in order to analyze Aboriginal businesses, we must link the CBP data with census and INAC data, to identify

¹² Source: Statistics Canada, *NHS Census Subdivisions (CSD) Not Released*. https://www12.statcan.gc.ca/nhs-enm/2011/ref/sup_CSD-SDR-eng.cfm

¹³ Of these, 203 were due to low population counts; 33 were due to high Global Non Response Rates, and 143 were counted as uninhabited. The remaining communities were incompletely enumerated for varying reasons.

¹⁴ Note: these communities are as follows: Akwesasne (Quebec), Akwesasne (Part) 59 (Ontario), Big Island Lake Cree Territory (Saskatchewan), Doncaster (Quebec), Esquimalt (British Columbia), Goulais Bay 15A (Ontario), Kahnawake (Quebec), Kanesatake (Quebec), Rankin Location 15D (Ontario), Saddle Lake 125 (Alberta), Wahta Mohawk Territory (Ontario), Walpole Island 46 (Ontario), Wendake (Quebec)

¹⁵ Source: Statistics Canada, *Appendix 1: Incompletely Enumerated Indian Reserves and Indian Settlements*. <http://www12.statcan.gc.ca/nhs-enm/2011/ref/aboriginal-autochtones-eng.cfm>

¹⁶ Source: Harold, K. *Consultant - Analyst, Collection and Regional Services Branch, Statistics Canada - Email Correspondence by Kala Pendakur*

¹⁷ Source: Harold, K. *Consultant - Analyst, Collection and Regional Services Branch, Statistics Canada - Email Correspondence by Kala Pendakur*

locations that have majority Aboriginal populations, such as those classified as “Indian Reserves”. For our main component of this analysis, we linked December 2015 CBP data to over 950 locations or census subdivisions, including 617 communities recognized by INAC and Statistics Canada have classified as being part of “Indian Reserves” in Canada.¹⁸ It should be noted that not all of these locations classified as “Indian Reserves” were populated in 2011, and several locations in the census or CBP may correspond to a single First Nation Band. Indigenous and Northern Affairs Canada for example, recognizes just over 600 First Nations communities in Canada. The locations should therefore be thought of as land parcels associated with First Nations Bands’ reserve lands.

A quick glance at the CBP data shows a different Aboriginal business landscape from that suggested by the 2011 NHS perspective on self-employment. Our analysis of the NHS data suggested that less than 1-10 self-employed Aboriginal individuals were located on-reserve, translating to less than 3,000 Aboriginal entrepreneurs (roughly seven per cent of all Aboriginal self-employment) across Canada. In contrast, the latest CBP data suggests that there are over 10,000 businesses located on-reserve; more than three times the number of businesses suggested by the NHS. While a portion of this difference may come from the change in time and possible presence of non-Aboriginal owned businesses located on-reserve, these factors are not sufficient to account for the vast difference in estimates.

Clearly there is more to Aboriginal entrepreneurship than what is recognized in terms of self-employment; and that point is supported by findings from complementary research on the growing diversity of First Nations-owned businesses, joint ventures, and various forms of social enterprise. Moreover, these are not simply public service operations¹⁹ conducting business in public administration, healthcare, or education sectors, but examples of First Nations creating and reinvesting their own source revenues across a range of industries.

In this broader context of economic development, an Aboriginal business can be organized around a community or ‘nation’, in pursuit of collective goals such as “ending dependency through economic self-sufficiency, controlling activities on traditional lands, improving socioeconomic circumstances, and strengthening traditional culture, values and languages”²⁰. According to Anderson, the urgent need to advance these collective goals is part of why First Nations collectively create and operate businesses. Research in this vein takes account of how First Nations have sought to form partnerships, “alliances and joint ventures among themselves and with non-Aboriginal partners to create businesses that can compete profitably [...]”²¹, while at the same time building “capacity for economic development through: education, training and institution building” and the “realization of treaty and Aboriginal rights to land and resources”²². We will explore these dimensions in greater depth in Module 3 of this research series.

¹⁸ Source: Indigenous and Northern Affairs Canada. *First Nations People in Canada*. <https://www.aadnc-aandc.gc.ca/eng/1303134042666/1303134337338>

¹⁹ Note: publically administered businesses on-reserve include those classified as public administration; educational services; and health care and social assistance.

²⁰ Source: Anderson et al., “Toward a Theory of Indigenous Entrepreneurship”. P. 15

²¹ Source: Anderson, Aboriginal Economic Development Anderson. “Economic Development among the Aboriginal Peoples of Canada: Hope for the Future”. P. 38

²² Source: Anderson, Aboriginal Economic Development Anderson. “Economic Development among the Aboriginal Peoples of Canada: Hope for the Future”. P. 38

In terms of the size of businesses on-reserve the CBP dataset suggests there is not a lot of variance across Canada. The vast majority of businesses on-reserve can be classified as small businesses with less than 99 employees (98 per cent). A small number have from 100 to 499 employees (1.6 per cent), and less than 0.1 per cent has over 500 employees. Nevertheless, on-reserve businesses appear to play an important employment role in their communities; roughly four-in-ten of the businesses have at least one employee. In contrast, about a third of businesses located across Canada have at least one employee.

Geography is an important factor in the CBP dataset. (See Table 3). Of some note, the Atlantic region and Quebec have a slightly higher proportion of on-reserve businesses with employees than other provinces in Canada. In particular, six-in-ten businesses in the Atlantic region have at least one employee. Much of this is driven by the high proportion of on-reserve businesses providing employment in Nova Scotia (roughly six-in-ten) and New Brunswick (roughly seven-in-ten). For its part, Ontario has the highest proportion of on-reserve businesses with more than twenty employees.

The majority of locations identified as Indian Reserves, nearly seven-hundred, had no countable businesses associated with them in 2015. Cross-referencing these locations with available census and NHS data indicates that their average population size was 174 in 2011 (with a max. of almost 4800, for Norway House 17). 45 per cent of the locations had 20 or fewer known residents in 2011. With the exception of places such as Norway House, there is therefore a strong likelihood of limited economic development in most of these locations; which reflects the fact that numerous land parcels associated with rural and remote First Nation reserves do not have year round occupancy and only limited supporting infrastructure. In any case, the absence of conclusive business data for these locations indicates that the inferences we draw from the CBP are partial and likely conservative.

Table 3: Distribution of Businesses by Locations identified as "Indian Reserve", 2015

	# of Locations Classified as "Indian Reserves"	# of Businesses by Number of Employees						
		Total	None	Less than 10	10 to 19	20 to 49	50 to 99	100 or More
British Columbia	419	4,427	2,750	1,106	270	187	73	41
Prairies	324	3,454	2,283	706	173	165	68	59
Ontario	139	1,182	676	283	68	77	44	34
Quebec	27	888	412	291	77	72	19	17
Atlantic region	50	537	213	224	40	36	3	21
North	2	0	0	0	0	0	0	0

Source: Statistics Canada. "Canadian Business Patterns, December 2015 Location Counts by CSD, NAICS-4 and Employment Size Ranges (9 Standard) in beyond 20/20 Format." Ottawa, May 17, 2016.

Of the remaining reserves, over a hundred have less than ten businesses located on them. In fact, twenty-five of the reserves account for nearly six-thousand of the businesses investigated through the 2015 CBP.²³

²³ These reserves are located as follows: 3 in Alberta (455 businesses); 13 in British Columbia (3,188 businesses); 2 in Ontario (615 businesses); 3 in Quebec (480 businesses); and four in Saskatchewan (1,173 businesses).

Beyond the locations classified as Indian Reserves, there are several other types that are affiliated with Aboriginal communities and majority Aboriginal populations. By including these extra locations, we can account for nearly a hundred more communities across Canada, and over 1,100 additional businesses. (See Table 4.)

A few of these communities stand out as having a high number of businesses. Notably, there are over fifty businesses located on Nisga'a Land in British Columbia. Over a quarter of these businesses are related to the agriculture, fishing, hunting, and forestry industries. Moreover, the eight locations that are classified as Terres Réservées aux Cris (all located in Quebec's James Bay region), and in particular Mistissini, also have a high number of businesses. Among the over 300 businesses counted by the 2015 CBP in these lands, roughly a third fall under construction, retail trade, and health care and social assistance industries.

Table 4: Distribution of Businesses by Location, 2015

Classification	# of Locations	# of Businesses by Number of Employees						
		Total	None	Less than 10	10 to 19	20 to 49	50 to 99	100 or More
Indian Government District	2	65	48	16	1	0	0	0
Northern Hamlet	11	44	28	11	1	3	1	0
Nisga'a Land	1	53	31	8	3	3	5	3
Northern Village	11	308	160	96	21	22	5	4
Indian Settlement	28	106	44	28	9	13	7	5
Terres Réservées aux Cris	8	302	154	67	17	35	10	19
Terre Inuite	12	0	0	0	0	0	0	0
Terres Réservées aux Naskapis	1	12	6	2	0	3	0	1
Teslin Land	1	0	0	0	0	0	0	0
Village Cri	8	0	0	0	0	0	0	0
Village Naskapi	1	0	0	0	0	0	0	0
Village Nordique	14	227	77	81	19	24	17	9

Source: Statistics Canada. "Canadian Business Patterns, December 2015 Location Counts by CSD, NAICS-4 and Employment Size Ranges (9 Standard) in beyond 20/20 Format." Ottawa, May 17, 2016.

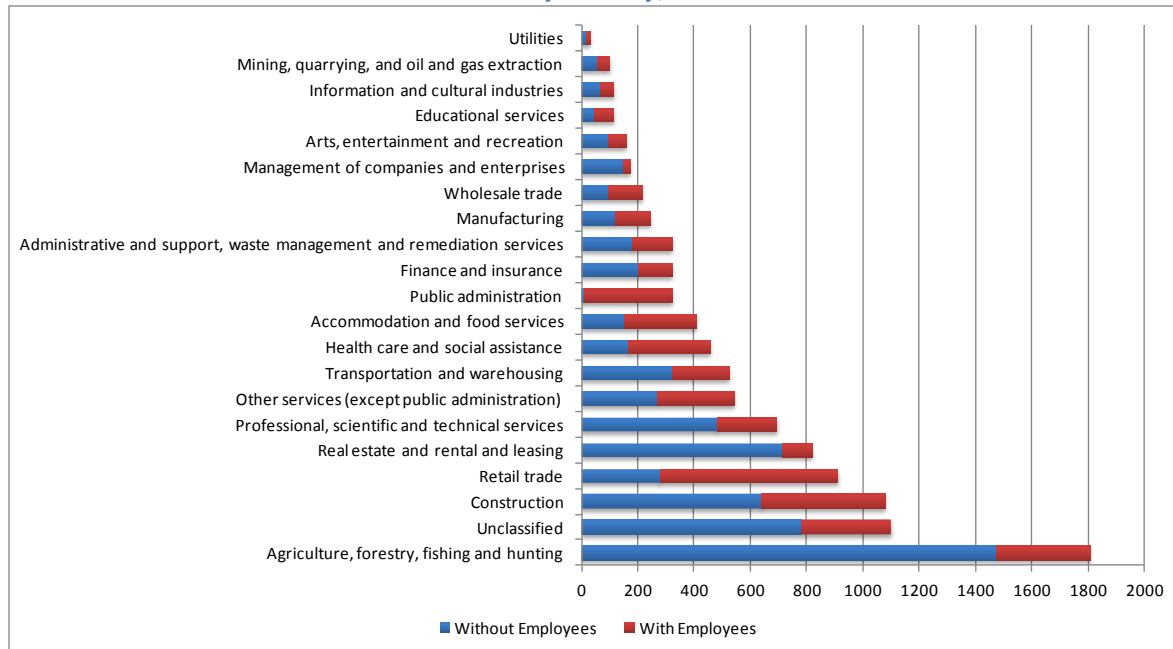
As was evident in the NHS data on self-employment, the CBP dataset exhibits noticeable industry sector concentrations for businesses on-reserve and in other majority Aboriginal population areas. Just under half of on-reserve businesses are concentrated in four industry sectors; agriculture, forestry, fishing and hunting (17.2 per cent); unclassified businesses (10.5 per cent); construction (10.3 per cent); and retail trade (8.7 per cent). (See Chart 10.)

Industry sector classification also varies with business size. Although public administration has the highest proportion of businesses with employees (roughly 97 per cent), it represents the activities of various levels of government, and may not provide an appropriate picture of Aboriginal entrepreneurship. Similar to public administration, other public service related businesses, including health care and education, have high proportions of businesses with employees (each over 60 per cent). This reflects the fact that public sector services are top employers on-reserve in most regions of Canada.

Once we exclude the various public service industries, the sectors with the highest proportion of businesses with employees are retail trade (69 per cent); accommodation and food services (63 per

cent); wholesale trade (55 per cent); and manufacturing (52 per cent). By contrast, despite representing the highest number of businesses on-reserve in the CBP dataset, less than 1-in-5 agriculture, forestry, fishing and hunting businesses has an employee.

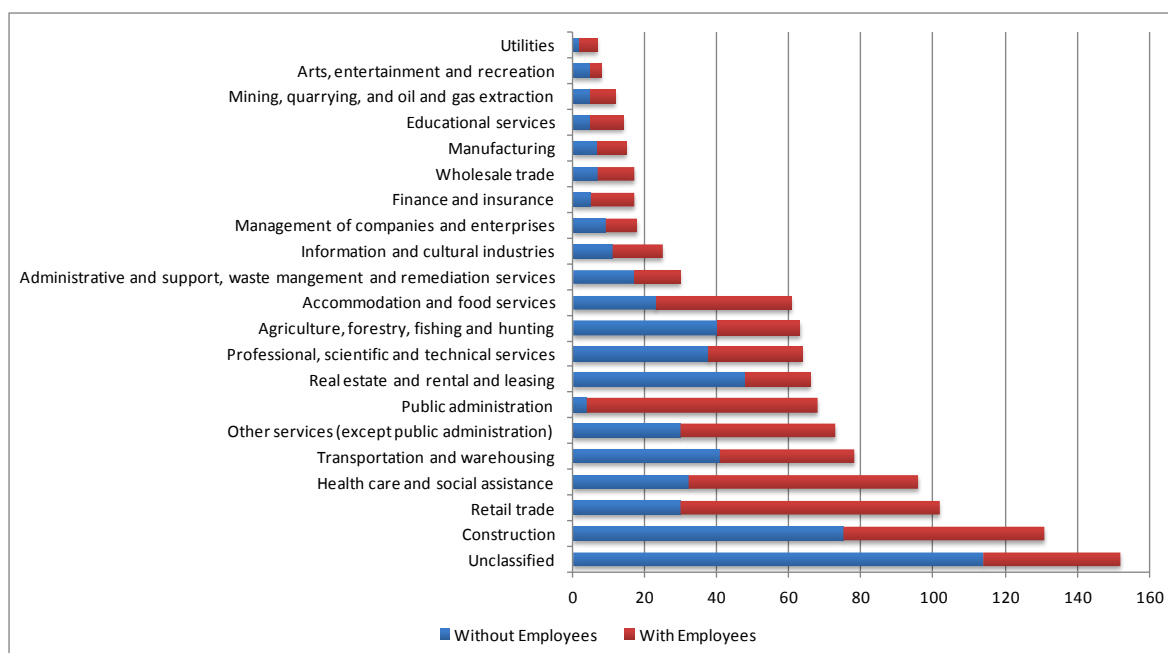
Chart 10: Distribution of On-Reserve Businesses by Industry, 2015



Source: Statistics Canada. "Canadian Business Patterns, December 2015 Location Counts by CSD, NAICS-4 and Employment Size Ranges (9 Standard) in beyond 20/20 Format." Ottawa, May 17, 2016.

Similar to on-reserve businesses, those affiliated with other majority Aboriginal population areas are highly concentrated in construction and retail sectors. However, beyond that, the distribution of businesses can be significantly different. (See Chart 11).

Chart 11: Distribution of Businesses by Industry by Location Affiliated with Other Aboriginal Communities, 2015



Source: Statistics Canada. "Canadian Business Patterns, December 2015 Location Counts by CSD, NAICS-4 and Employment Size Ranges (9 Standard) in beyond 20/20 Format."

In both cases (on-reserve and other Aboriginal communities), the CBP dataset includes a large number of businesses that are unclassified (over ten per cent). However, this percentage actually falls in line with the Canadian norm, where the category "unclassified" represents just over twelve per cent of all businesses.

A closer look at the types of businesses on-reserve suggests that they are highly concentrated within particular industry sectors. Nearly forty per cent of CBP businesses on-reserve fall under fifteen 4-digit NAICS categories.²⁴ (See Table 5). Such common businesses include grocery stores; lessors of real estate; residential building construction; and Aboriginal public administration; which for the most part, are all important contributors to community economic development. Moreover, nearly two-thirds of these businesses also appear in the list of Canada's top fifteen businesses.²⁵

Table 5: Most Popular Industry Sectors for Businesses On Reserve and in Other Aboriginal Communities, 2015

On-Reserve	N.	% of Total	Other Aboriginal Communities	N.	% of Total
5311 - Lessors of real estate	603	6%	5311 - Lessors of real estate	53	5%
1111 - Oilseed and grain farming	531	5%	4451 - Grocery stores	46	4%
1121 - Cattle ranching and farming	329	3%	9141 - Aboriginal public administration	44	4%
9141 - Aboriginal public administration	266	3%	2361 - Residential building construction	39	3%
2361 - Residential building construction	264	3%	6244 - Child day-care services	33	3%
5416 - Management, scientific and technical consulting services	256	2%	2389 - Other specialty trade contractors	30	3%

²⁴ Note: there are over 300 categories at the 4-digit NAICS level

²⁵ These businesses include: 1111 - oilseed and grain farming; 1121 - cattle ranching and farming; 2361 - residential building construction; 2383 - building finishing contractors; 4841 - general freight trucking; 5239 - other financial investment activities; 5311 - lessors of real estate; 5416 - management, scientific and technical consulting services; 5511 - management of companies and enterprises; 7225 - full service and limited service eating places.

1141 – Fishing	230	2%	5416 - Management, scientific and technical consulting services	29	3%
1119 - Other crop farming	210	2%	7211 - Traveller accommodation	26	2%
7225 - Full-service restaurants and limited-service eating places	186	2%	8134 - Civic and social organizations	23	2%
2389 - Other specialty trade contractors	175	2%	4471 - Gasoline stations	22	2%
5511 - Management of companies and enterprises	174	2%	1141 - Fishing	19	2%
5239 - Other financial investment activities	172	2%	9139 - Other local, municipal and regional public administration	19	2%
4451 - Grocery stores	170	2%	4811 - Scheduled air transportation	18	2%
2383 - Building finishing contractors	167	2%	5511 - Management of companies and enterprises	18	2%
4841 - General freight trucking	160	2%	6211 - Offices of physicians	17	2%

Note: excluding “unclassified” businesses.

Source: Statistics Canada. "Canadian Business Patterns, December 2015 Location Counts by CSD, NAICS-4 and Employment Size Ranges (9 Standard) in Beyond 20/20 Format." Ottawa, May 17, 2016.

Businesses operating in other Aboriginal communities are similarly highly concentrated. Of the over thousand businesses in these locations, nearly 40 per cent fall under fifteen 4-digit NAICS categories. There is considerable overlap between the two lists; over half of the business types are prevalent both on-reserve and in CSDs affiliated with Aboriginal communities.²⁶ (See Table 5).

Territorial Businesses

Given the high proportion of Aboriginal individuals in Yukon, the Northwest Territories, and Nunavut²⁷, this section briefly summarizes business activity in the Territorial North, as reported in the 2015 CBP. (See Table 6).

Excluding the capital cities²⁸, the three territories collectively feature nearly 3,000 businesses.²⁹ Interestingly, compared to their southern counterparts, a relatively high proportion of businesses in the North have employees. All-in-all, over half of businesses in the territories have at least one employee.³⁰

Table 6: Businesses in the Territories, 2015

Proportion of Businesses (%)	Northwest Territories	Nunavut	Yukon
Agriculture, forestry, fishing and hunting	2%	4%	2%
Mining, quarrying, and oil and gas extraction	1%	1%	9%
Utilities	1%	0%	0%
Construction	11%	9%	13%
Manufacturing	1%	1%	1%
Wholesale trade	2%	2%	1%
Retail trade	9%	12%	8%

²⁶ These businesses include: 1141 - fishing; 2361 - residential building construction; 2389 - other specialty trade contractors; 4451 - grocery stores; 5311 - lessors of real estate; 5416 - management, scientific and technical consulting services; 5511 - management of companies and enterprises; and 9141 - Aboriginal public administration.

²⁷ Note: Aboriginal individuals make up 19 per cent of the working age population (15 and over) in the Yukon, 40 per cent in the Northwest Territories, and 73 per cent in Nunavut. Source: 2011 National Household Survey.

²⁸ Note: The capital cities (Whitehorse, Yellowknife, and Iqaluit) have been excluded due to their lower proportion of Aboriginal individuals compared to the rest of the territory.

²⁹ Note: 1,416 in the Northwest Territories, 578 in Nunavut, and 835 in Yukon.

³⁰ Note: of businesses with employees in the North, 35 per cent have 1 to 4 employees, 23 per cent have 5 to 9 employees, 20 per cent have 10 to 19 employees, 15 have 20 to 49 employees, 5 per cent have 50 to 99 employees, and 2 per cent have more than 100 employees.

Transportation and warehousing	8%	7%	6%
Information and cultural industries	1%	2%	3%
Finance and insurance	4%	2%	2%
Real estate and rental and leasing	11%	10%	6%
Professional, scientific and technical services	8%	6%	5%
Management of companies and enterprises	2%	1%	2%
Administrative and support, waste management and remediation services	5%	4%	6%
Educational services	1%	4%	0%
Health care and social assistance	6%	9%	3%
Arts, entertainment and recreation	1%	1%	2%
Accommodation and food services	6%	6%	11%
Other services (except public administration)	8%	5%	6%
Public administration	5%	6%	4%
Unclassified	8%	8%	10%

Note: excludes capital cities and unclassified regions

Source: Statistics Canada. "Canadian Business Patterns, December 2015 Location Counts by CSD, NAICS-4 and Employment Size Ranges (9 Standard) in beyond 20/20 Format." Ottawa, May 17, 2016.

Businesses in the Territorial North tend to concentrate under the following industries: construction; retail trade; real estate and rental and leasing; professional, scientific and technical services; accommodation and food services; and other services (except publication).

2015 Canada Business Patterns Data Quality

To create the Canada Business Patterns product Statistics Canada pulls information from the more comprehensive Business Register, which in turn integrates regularly updated data from a variety of sources. For example, the Business Register draws information from the Canada Revenue Agency, in addition to profiling large and medium sized businesses, administering business surveys, and integrating a number of other sources, including business data from trade and business publications, newspaper clippings, and online sources.³¹

The Business Register contains a complete list of active businesses in Canada that have a corporate income tax (T2) account, are an employer, or have a GST account.³²

Given these factors, it is possible that the Business Register undercounts Aboriginal businesses in Canada. To understand this, we will look briefly at the three criteria that determine inclusion in the Business Register:

- Corporate Income Tax (T2) account: every year, corporations are required to file a T2 corporation income tax return; however, sole proprietorships (i.e., unincorporated businesses that are owned by one person) report business revenues on their T1 income tax and benefit return.³³ As we have seen through the 2015 Canada Business Patterns data, the majority of Aboriginal businesses have no employees, and, as will be highlighted in the next section, the majority of Aboriginal businesses in Canada are sole proprietorships. As separate legal entities,

³¹ Source: Statistics Canada, *Business Register (BR)*.

<http://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=1105&lang=en&db=imdb&adm=8&dis=2>

³² Source: Statistics Canada, *Business Register (BR)*.

<http://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=1105&lang=en&db=imdb&adm=8&dis=2>

³³ Source: Canada Revenue Agency. *Corporation*. <http://www.cra-arc.gc.ca/tx/bsnss/sm/sttng/crp-eng.html>; and Canada Revenue Agency. *Sole Proprietorship*. <http://www.cra-arc.gc.ca/tx/bsnss/sm/sttng/sl-eng.html>

corporations cannot rely on Section 87 of the Indian Act for tax exemption; though some specific types of non-profit organizations can claim exemptions.³⁴

- Employers: The majority of Aboriginal businesses are sole proprietorships and those without employees would not fall under this category (see next section for details on Aboriginal business size).
- GST Account: business owners are generally required to register for the GST when their revenues from the taxable supply of goods and services total more than \$30,000 annually.³⁵ However, business income is generally tax exempt if the income-earning activities take place entirely on reserve (as the business income is connected to the reserve and is therefore exempt under section 87 of the *Indian Act*).³⁶ The location of business activities (i.e., on-reserve or off-reserve) is associated with business income: for example, where a logging business cuts trees is material to the determination of that business's income.³⁷ Given these factors, it is quite possible that many businesses on reserve do not fall under this category, especially if they are focused on delivering goods and services to consumers on reserve.³⁸

It is not possible to determine how large of an issue these inclusion criteria present, or to what precise extent Aboriginal businesses on-reserve may be undercounted; but it is reasonable to assume that many Aboriginal businesses may not fall under these three criteria and therefore remain unaccounted for in the CBP dataset.

Perspectives from other Statistics Canada Surveys

Beyond the NHS/census products and the Statistics Canada Business Register, few data sources are available for profiling Aboriginal entrepreneurship in Canada. While Statistics Canada does conduct various periodic surveys that touch on dimensions of Aboriginal business, the sample sizes of included Aboriginal sub-populations are often too small to support statistical inference. For instance, only one per cent of SMEs identified in the “2014 Survey on Financing and Growth of Small and Medium Enterprises” were identified as being majority Aboriginal owned. Because the survey was not designed to investigate business attributes by Aboriginal identity, the quality of any associated inferences from this survey would likely be quite poor.³⁹

The most recent Statistics Canada survey to focus exclusively on Aboriginal businesses was completed in 2003. The “Aboriginal Entrepreneurs Survey”⁴⁰ was intended to gather more detailed information on the business characteristics and needs of self-employed Aboriginal people in Canada. At the time, there

³⁴ Source: BDO, *First Nations and the Canadian Tax Environment*. P. 9

³⁵ Source: Canada Revenue Agency. *GST/HST and Indigenous Peoples*. <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/gst-tps/frstntns/menu-eng.html>

³⁶ Source: Canada Revenue Agency, *Information for Indians*. <http://www.cra-arc.gc.ca/brgnls/stts-eng.html#hdng5>

³⁷ Source: BDO. *First Nations and the Canadian Tax Environment* P. 10.

³⁸ Note: for a detailed explanation of tax implications of on-reserve businesses, see: BDO, *First Nations and the Canadian Tax Environment*.

³⁹ Source: Gilles Leduc (Analyst, Statistics Canada), email communication by Kala Pendakur January 21, 2016.

⁴⁰ See: Statistics Canada. *Aboriginal Entrepreneurs Survey (AES)*. <http://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=5048>

were an estimated 27,195 self-employed Aboriginal individuals in Canada.⁴¹ Table 7 below provides a summary of key findings from this survey.

Table 7: Aboriginal Businesses in Canada: Quick Facts, 2002

%		%	
Ownership Structure		Sources of Start-Up Funds	
Sole Proprietorship	66.7	Personal Savings	82.9
Partnership	18.5	Loans or Lines of Credit	37.0
Incorporation	14.8	Full-Time Employees	
Age of Business		1+	34.8
0-5 Years	32.7	Sales to....	
6-9 Years	23.5	Local Market	79.8
10+ Years	43.8	Provincial Market	55.8
Business Training		National Market	17.8
College or University	26.1	International Market	13.2

Source: Industry Canada, Aboriginal Business Canada. "Aboriginal Entrepreneurs Survey, 2002."

Although the dataset is now almost 15 years old, it does provide some useful historical information. For instance, the 2003 data show that the distribution of Aboriginal businesses by location has not changed substantially since the early 2000s. In 2003 just over half of Aboriginal businesses were located in urban areas (compared to 59.8 per cent in population centres, 2011 NHS) and 86 per cent were located off-reserve (compared to 92.5 per cent, 2011 NHS).⁴² Similarly, construction businesses occupied a large proportion of total Aboriginal owned businesses (16.6 per cent) as did knowledge based industries (17.9 per cent).⁴³

Similar to the 2011 NHS findings, Statistics Canada's Aboriginal Business Survey also found that the majority of Aboriginal entrepreneurs were male (63 per cent).⁴⁴

Beyond these summary statistics, the Aboriginal Entrepreneurs Survey provides some insight into Aboriginal businesses that the NHS perspective does not include. For instance, just under a third of Aboriginal businesses in Canada in 2003 were under five years old; just under a quarter were between six to nine years old, and the remaining were ten years old or more.⁴⁵ Across Aboriginal businesses, just over a third employed at least one person full-time.⁴⁶

Finally, while the vast majority of Aboriginal entrepreneurs sold to a local market, over half sold to a provincial market, nearly two-in-ten had national sales, and 13.2 per cent had international sales.⁴⁷ These various historical findings from 2003 continue to be relevant, particularly when compared to more recent data profiled in the following section.

⁴¹ Source: Industry Canada. *Aboriginal Business Canada. Aboriginal Entrepreneurs Survey, 2002*. P. 1

⁴² Source: Industry Canada. *Aboriginal Business Canada. Aboriginal Entrepreneurs Survey, 2002*. P. 4

⁴³ Source: Industry Canada. *Aboriginal Business Canada. Aboriginal Entrepreneurs Survey, 2002*. P. 2

⁴⁴ Source: Industry Canada. *Aboriginal Business Canada. Aboriginal Entrepreneurs Survey, 2002*. P. 4

⁴⁵ Source: Industry Canada. *Aboriginal Business Canada. Aboriginal Entrepreneurs Survey, 2002*. P. 2

⁴⁶ Source: Source: Industry Canada. *Aboriginal Business Canada. Aboriginal Entrepreneurs Survey, 2002*. P.3

⁴⁷ Source: Source: Industry Canada. *Aboriginal Business Canada. Aboriginal Entrepreneurs Survey, 2002*. P.3

Perspectives from the Canadian Council for Aboriginal Business

In 2016, the Canadian Council for Aboriginal Business (CCAB) came out with “Promise and Prosperity: The 2016 Aboriginal Business Survey”, a comprehensive report on the state of Aboriginal business ownership in Canada that characterizes Aboriginal businesses by location, size, and industry sector among other dimensions.⁴⁸ CCAB’s survey, on which the report is based, was based on a previous survey they had conducted in 2011 of Aboriginal businesses. The survey reached over a thousand First Nations, Métis, and Inuit small business owners.

The largest challenge noted by CCAB in undertaking the Aboriginal Business Survey was defining and locating a representative national sample of Aboriginal small business owners. In the end, their effective response rate to the survey was 45 per cent.⁴⁹

Although Aboriginal business owners can be found across Canada, the survey was weighted to represent a similar population of Aboriginal entrepreneurs, by Aboriginal identity, business size, and type (e.g., those businesses with employees versus those without, and incorporated and unincorporated businesses) as that found by the 2011 Canadian census.

Unlike the NHS, CCAB’s survey allowed for an in-depth study of how Aboriginal businesses operate. For instance, the survey found that nearly three-quarters of Aboriginal businesses in Canada are unincorporated, acting as either a sole proprietorship (61 per cent) or a partnership (12 per cent).⁵⁰ (See Table 8).

Of note, CCAB found that more than a third of Aboriginal businesses created employment for others. Moreover, just over three-quarters of businesses that have employees have full-time employees, 64 per cent have part-time employees, and 41 per cent have casual or temporary employees.⁵¹ That being said, almost all businesses that had at least one employees, had an Aboriginal employee (83 per cent).⁵²

The survey also found that the majority of First Nations businesses in Canada were located on-reserve; however, this still leaves 43 per cent of First Nations businesses as being located off-reserve.⁵³

Table 8: Aboriginal Businesses in Canada: Quick Facts, 2016

%		%	
Ownership Structure		Likelihood of running business in five years	
Sole Proprietorship	61	Very likely	70
Partnership	12	Somewhat likely	18
Incorporation	27	Not very/not at all likely	11
Change in gross sales revenues 2014-2015		Sales to....	
Increased	41	Local Market	85
Stayed the same	40	Provincial Market	76
Decreased	18	National Market	50

⁴⁸ See: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey."

⁴⁹ See: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 52

⁵⁰ See: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 16

⁵¹ See: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 20

⁵² See: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 20

⁵³ See: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 17

Government Programs Use		In the United States	25
Aboriginal Business Canada	28	In Countries outside of Canada/US	17

Source: See Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey."

In terms of markets, CCAB found that half of Aboriginal business owners have clients outside their province/territory, with a quarter having clients in the United States, and almost two-in-ten having international clients (outside of the United States). Nevertheless, when asked about their market reach, 85 per cent of Aboriginal business owners noted that they have local clients whereas just less over three-quarters noted they had clients in their province/territory. (See Table 8).

Of particular use to this study, CCAB's survey found that access to equity and capital remains a large issue for Aboriginal entrepreneurs; in fact, half of businesses found that locating potential funding sources was difficult to some degree.⁵⁴ Due to the difficulty in finding funding programs, the "word-of-mouth" method is the primary way that business owners gain knowledge of these programs.⁵⁵

Perspectives from the Aboriginal Business Financing Program (ABFP)

The landscape of Aboriginal entrepreneurship in Canada is also populated by a variety of financial institutions and programs that cater to Aboriginal entrepreneurs and SMEs. Though not typically available to the public, the insights of these institutions and programs provide a valuable complement to the information presented in public research. In this and the following section, we examine custom datasets from two key sources, the Aboriginal Business Financing Program (ABFP), and the Business Development Bank of Canada (BDC).

ABFP data from 2014-2015 profile a range of Aboriginal businesses supported by Indigenous and Northern Affairs Canada (INAC), Aboriginal Financial Institutions (AFIs), and the National Aboriginal Capital Corporations Association (NACCA). ABFP has a long history, having begun as part of Aboriginal Business Canada, where it was first administered by Industry Canada, and later transferred to INAC in 2006 – when it was called Indian and Northern Affairs Canada. In 2013, INAC⁵⁶, decentralized program administration for ABFP; and it is now delivered by 14 AFIs that act as Program Delivery Partners, with national level support from NACCA. ABFP matches federal non-repayable contributions with client equity, which improves the client's eligibility for loans from AFIs and other commercial lenders. In Module 2 of this research series we will go into greater depth on the purpose and structure of the ABFP program and investigate its economic impacts.

Of the 628 cases of ABFP supported loans in fiscal year 2014-2015, 35 per cent were located on-reserve. This distribution of businesses is quite different from that suggested by the NHS where on-reserve self-employment represents only seven per cent of all Aboriginal self-employed. It also presents a greater diversity of Aboriginal businesses that the NHS overlooks. While 46 per cent of the ABFP businesses on reserve are sole proprietorships, 23 per cent are Band-operated, 20 per cent are corporations, and another 11 per cent consists of a variety of business structures including joint ventures, cooperatives,

⁵⁴ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 7

⁵⁵ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 7

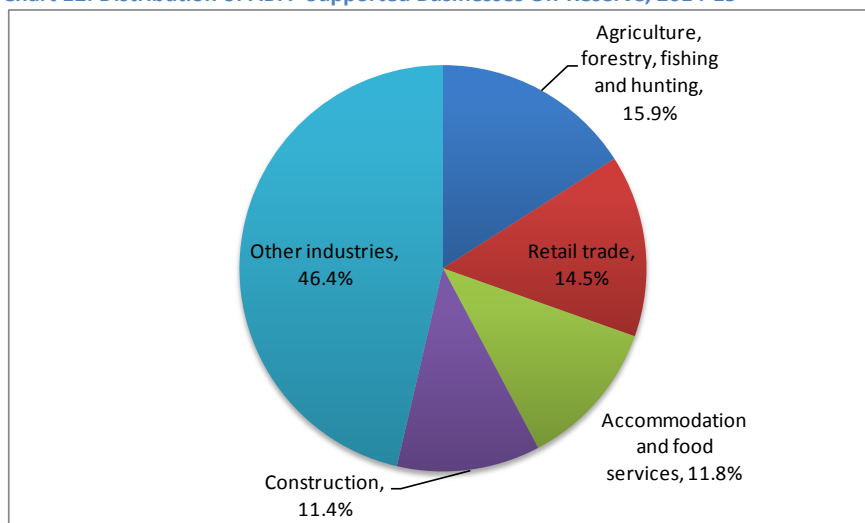
⁵⁶ Then known as Aboriginal Affairs and Northern Development Canada (AANDC)

partnerships, and not-for-profits. This distribution contrasts with the 2016 findings of the CCAB survey, which found that only 14 per cent of on-reserve businesses were incorporated⁵⁷.

The fact that the ABFP profile of Aboriginal entrepreneurs and SMEs reflects businesses seeking loans likely has an influence on the greater diversity of business structures presented. By contrast, the 2016 CCAB data indicate that most Aboriginal businesses (65 per cent), rely on personal savings as a main source of start-up and current financing⁵⁸. In contrast, only two-in-ten businesses reported using a business loan or line of credit, while 14 per cent relied on loans from Aboriginal lending agencies.⁵⁹ (Yet, as the ABFP data show, a healthy number of sole proprietors also use AFI and commercial loans to support their business development, on and off reserve).

The ABFP supported businesses on-reserve are highly concentrated in a few industries. Agriculture, forestry, fishing and hunting; accommodation and food services; retail trade; and construction businesses account for over half. (See Chart 12).

Chart 12: Distribution of ABFP Supported Businesses On-Reserve, 2014-15



Source: National Aboriginal Capital Corporations Association

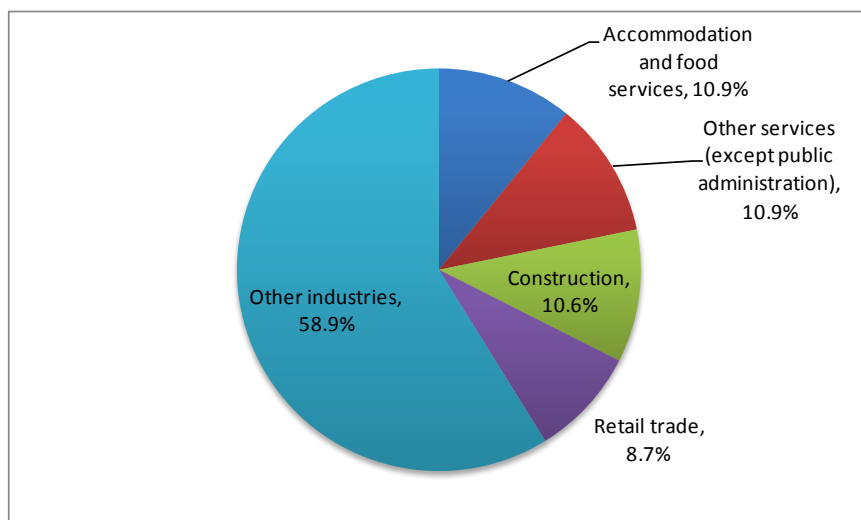
Off-reserve ABFP supported businesses are not quite as concentrated by industry; in contrast to on-reserve businesses, the top four business categories off-reserve account for just over 40 per cent of businesses. (See Chart 13).

Chart 13: Distribution of ABFP Supported Businesses Off-Reserve, 2014-15

⁵⁷ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 16

⁵⁸ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 33

⁵⁹ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 33



Source: National Aboriginal Capital Corporations Association

Compared to the distribution of Aboriginal businesses suggested by the NHS, the ABFP program has a greater proportion of clients in Western Canada. Interestingly, Ontario businesses only represent 11.3 per cent of the ABFP client base compared to the higher proportions in the NHS. (See Table 9). By contrast, Aboriginal businesses in Ontario represent close to a quarter of all self-employed Aboriginal individuals in Canada according to the NHS.

Table 9: Comparative Distribution of ABFP Clientele by Location

	NHS self-employment (%) (2011)	ABFP Clientele (%) (2014-2015)
Atlantic	4.8	7.0
Quebec	11.8	9.6
Ontario	23.8	11.3
Prairies	35.4	40.9
BC and North	24.3	31.2

Source; 2011 National Household Survey; and the National Aboriginal Capital Corporations Association.

Perspectives from the Business Development Bank of Canada

Data from the Business Development Bank of Canada (BDC) allow for two additional financial sector perspectives on Aboriginal entrepreneurship in Canada. The first perspective we'll examine focuses on BDC's active clients, spanning back to 2012 (including committed and new loans). The second perspective focuses on Aboriginal entrepreneurs that have received new BDC loans since 2013.

Over the past few years, BDC has grown its Aboriginal portfolio from 262 active clients (in March of 2012) to 380 (in October of 2015); accounting for a change from \$175.2 million to \$211.1 million committed.⁶⁰ Over half of BDC's active clients are concentrated in four industries: retail (19 per cent), construction (14 per cent), manufacturing (11 per cent), and recreation (10 per cent).⁶¹

⁶⁰ Source: Business Development Bank of Canada. *Aboriginal Portfolio and Authorizations Trend: 2012 to 2015 (October)*. P. 3

⁶¹ Source: Business Development Bank of Canada. *Aboriginal Portfolio and Authorizations Trend: 2012 to 2015 (October)*. P. 9

Of interest, the distribution of BDC's clientele is much higher in the Atlantic region than the distribution of businesses found by the NHS. (See Table 10.) Moreover, BDC's client distribution seems to underrepresent the distribution of businesses than the NHS found for Ontario.

Table 10: Comparative Distribution of BDC Clientele by Location

	NHS self-employment (%) (2011)	BDC Clientele (%) (2015)
Atlantic	4.8	13.9
Quebec	11.8	13.9
Ontario	23.8	12.1
Prairies	35.4	40.3
BC and North	24.3	18.9

Source: 2011 National Household Survey; and Business Development Bank of Canada. "Aboriginal Portfolio and Authorizations Trend: 2012 to 2015 (October)." November 2015.

The profile of Aboriginal businesses presented by BDC's clients is somewhat unique, certainly when compared to the NHS. In terms of business size (by employees), the 2016 CCAB dataset indicates that the majority of Aboriginal businesses in Canada (64 per cent) have no employees.⁶² By contrast, BDC's average Aboriginal client represents larger sized Aboriginal businesses.

Of BDC's 380 active clients in 2015, half had between 5 to 49 employees, while a further six per cent had from 50 to 499 employees. Moreover, compared to the 2011 NHS distribution of Aboriginal self-employed individuals in Canada, BDC's clients are more heavily concentrated in the Atlantic, Quebec and Western Canada. The prairie focus in particular resembles a pattern found in the ABFP dataset we reviewed in the previous section.

The majority of BDC's Aboriginal clients are located off-reserve, which resembles the distribution of Aboriginal businesses suggested by the NHS. (See Table 11.)

Table 11: Distribution of BDC Clientele by Reserve Status, 2015

Aboriginal Status	Active Clients		\$ Committed	
	Number	Percent	\$ (millions)	Percent
First Nation off-reserve	165	43%	93.7	44%
First Nation on-reserve	44	12%	39.5	19%
Inuit	21	6%	12.6	6%
Métis	105	28%	35.5	17%
Non-Aboriginal on-reserve	20	5%	20.9	10%
Non-status Aboriginal and Métis off-reserve	25	7%	8.8	4%

Source: Business Development Bank of Canada. "Aboriginal Portfolio and Authorizations Profile: As of October 2015." November 2015.

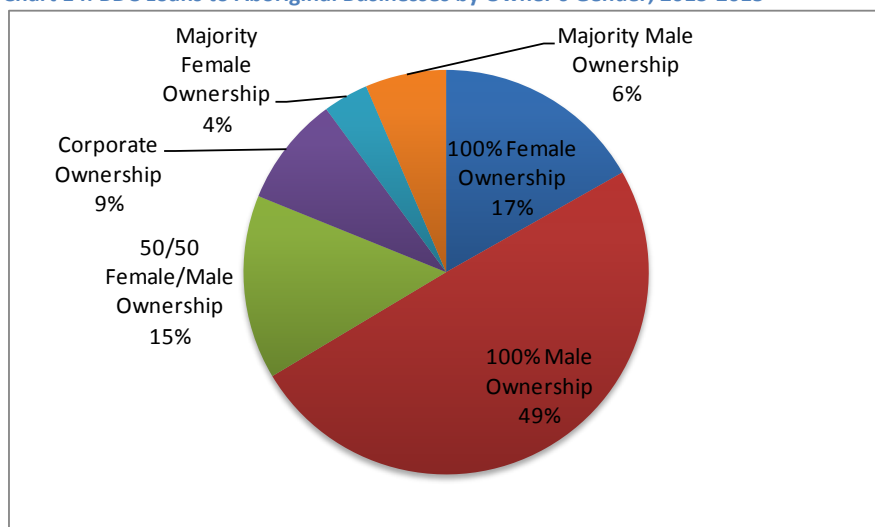
An analysis of the last three years of loans provided to Aboriginal entrepreneurs provides another perspective. As would be expected, the distribution of businesses by location and industry roughly match those provided by the active client information. What this information does allow for outside of the active client list is a more detailed analysis of ownership characteristics and business size.

Businesses that are solely owned or majority owned by male clients accounted for 56 per cent of all new loans to Aboriginal businesses since 2013. In contrast, female owned businesses (either solely or

⁶² Source: Canadian Council for Aboriginal Business. *Promise and Prosperity: The 2016 Aboriginal Business Survey*. P. 16

majority owned) accounted for less than a quarter of new loans. Fewer still, businesses owned equally by both men and women accounted for a further 15 per cent of the loans; while businesses with a corporate ownership structure accounted for less than 10 per cent of all new loans. (See Chart 14).

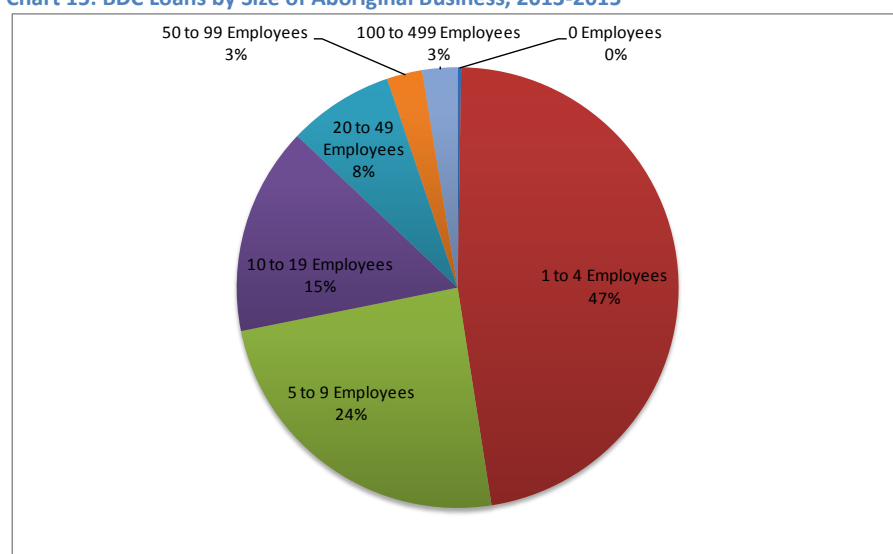
Chart 14: BDC Loans to Aboriginal Businesses by Owner's Gender, 2013-2015



Source: Business Development Bank of Canada

The loans provided since 2013 also reinforce the idea that BDC caters to larger Aboriginal businesses. (See Chart 15). Recall that in the CCAB dataset over 60 per cent of Aboriginal businesses had no employees.⁶³ In contrast, only one loan provided by BDC to an Aboriginal business in the last three years had no employees. Nearly three-quarters of the loans went to businesses with less than 10 employees, 15 per cent went to businesses with 10 to 19 employees, and the remaining 14 per cent went to businesses with more than 20 employees.

Chart 15: BDC Loans by Size of Aboriginal Business, 2013-2015



⁶³ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 16

Perspectives from other data sources

Few public profiles of Aboriginal entrepreneurship in Canada exist beyond the datasets provided by Statistics Canada and the Canadian Council for Aboriginal Business. Some additional research reports have appeared to analyze the sectoral distribution of Aboriginal businesses on a national scale, but these mostly rely on Statistics Canada data from the early 2000s.⁶⁴

Beyond the Statistics Canada and CCAB datasets, several Aboriginal Business Directories exist online, though their respective samples of businesses are largely based on self-identification. For example, Industry Canada's Aboriginal Business Directory provides public information about Aboriginal suppliers to industry and government.⁶⁵ Aboriginal businesses can also represent themselves through a number of regional initiatives such as the BC Aboriginal Business Association⁶⁶, the Aboriginal Business and Investment Council (also in BC), the Ontario Aboriginal Business Directory⁶⁷, or the Nunavik Regional and Private Business Directory⁶⁸. In the territories there are also several chambers of commerce whose composition reflects a greater proportion of Aboriginal business. Unfortunately, these databases often consist of incomplete records that are not readily accessible for the purposes of creating a profile for comparative analysis.

Triangulation of perspectives and discussion of key findings

Across all of our sources, we can see signs of Aboriginal entrepreneurship in most Canadian regions. The sources also point to the existence of large clusters of entrepreneurs and SMEs in British Columbia, Alberta, Ontario and Quebec. How the data sources differ can be largely attributed to the underlying assumptions they make about what defines an Aboriginal entrepreneur and SME.

Using self-employment as a measure of business ownership, the 2011 National Household Survey data suggest there are at least 38,000 Aboriginal entrepreneurs across Canada. However, this number appears to underestimate the number of entrepreneurs and SMEs located on-reserve, especially since it does not account for community and collectively-owned businesses.

The 2011 NHS, 2003 Statistics Canada Survey of Aboriginal Entrepreneurs, and data from BDC suggest that the vast majority of Aboriginal entrepreneurs are located off-reserve. The 2016 CCAB data and more recent ABFP program data both reflect this trend, but they also appear to pick up on some of the

⁶⁴ See for example: Heidrick, T., and S. Johnson. *Financing SMEs in Canada: Barriers Faced by Women, Youth, Aboriginal and Minority Entrepreneurs in Accessing Capital - Phase 2: Gap Analysis and Recommendations for Further Research*. Ottawa: Industry Canada, 2002.; Heidrick, T., and T. Nicol. *Financing SMEs in Canada: Barriers Faced by Women, Youth, Aboriginal and Minority Entrepreneurs in Accessing Capital - Phase 1: Literature Review*. Ottawa: Industry Canada, 2002.; or Weir, W. *First Nation Small Business and Entrepreneurship in Canada*. National Centre for First Nations Governance, 2007.

⁶⁵ See: Indigenous and Northern Affairs Canada. *Aboriginal Business Directory*, <https://www.aadnc-aandc.gc.ca/eng/1100100033057/1100100033058>.

⁶⁶ See: The BC Aboriginal Business Association (BCABA). *Linking Aboriginal Business with Industry Opportunities*, <http://bcaboriginalbusiness.com/>.

⁶⁷ See: Ontario Ministry of Aboriginal Affairs. *Ontario Aboriginal Business Directory*, <https://www.lrcsde.lrc.gov.on.ca/aboriginalbusinessdirectory/>.

⁶⁸ See: Kativik Regional Government. *Nunavik Regional and Private Business Directory*.

business activities that are not included in the other perspectives. In the 2016 CCAB data, over half of First Nations businesses were located on-reserve⁶⁹, and the ABFP datasets found over a third of Aboriginal businesses are located on-reserve. The CCAB data also suggest that on-reserve First Nations businesses are more likely than off-reserve businesses to access loans from Aboriginal Financial Institutions.⁷⁰ Moreover, the 2015 CBP data from the Statistics Canada Business Register indicate that there are close to 10,000 businesses located on-reserve (versus the less than 3,000 captured by the 2011 NHS). The CBP perspective in turn reinforces the idea that business activities on-reserve may be highly concentrated to a small number of key regions and leading communities.

Although Aboriginal entrepreneurs can be found across all industry sectors, there are some significant concentrations in construction, professional services, other services, and agricultural based industries. These concentrations are reflected, more or less, in all of the datasets we have investigated.

Nevertheless, geography matters, and there are important differences in industrial composition based on location – urban, rural, on-reserve, etc. The 2011 NHS, 2015 CBP, and ABFP program data support the idea that on-reserve businesses are concentrated in construction and primary sector industries. The findings are less unanimous for the types of businesses that are located off-reserve in the various datasets we have collected. While data from the NHS, CBP, and ABFP all reflect high concentrations of construction based industries off-reserve; there is less agreement on other industry categories.

In terms of business structure, there continues to be evidence to support the inference that Aboriginal business owners prefer simpler SME structures. The 2003 Statistics Canada dataset indicated that the majority of Aboriginal businesses involved sole proprietorships, and that less than 15 per cent were incorporated. Over a decade later, when CCAB surveyed Aboriginal businesses in Canada they found a high percentage of sole proprietorships alongside evidence of more complex business structures. Namely, CCAB found that over a quarter of Aboriginal businesses are incorporated, and just over 60 per cent of businesses involved a sole proprietorship.⁷¹ While some of this shift may have come from a move away from sole proprietorships, CCAB also found a decrease in Aboriginal businesses categorized as partnerships. The ABFP and BDC datasets suggest there may be considerably more going on in terms of business complexity; and this is particularly evident when we consider the business roles that First Nations and other Aboriginal community governments may play in creating and investing their own source revenues.

Finally, the 2003 Statistics Canada, 2016 CCAB, and BDC datasets support the inference that Aboriginal entrepreneurs generally focus on local and regional markets. However, these different sources also indicate that there is a significant portion of Aboriginal entrepreneurs and SMEs that export goods and services to markets beyond Canada.

⁶⁹ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 16

⁷⁰ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 33

⁷¹ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 16

Size and Scope of Key Financial Services for Aboriginal Entrepreneurs and SMEs

Perspectives from NACCA and the AFI Network

The National Aboriginal Capital Corporations Association's membership consists of 54 Aboriginal Financial Institutions, comprised of Aboriginal Capital Corporations, Aboriginal-controlled Community Futures Development Corporations, and Aboriginal Development Lenders. Although they all serve an Aboriginal clientele with the goal of furthering economic development, their perspectives, roles, and financial service capabilities differ. NACCA differentiates these three groups as follows⁷²:

- **Aboriginal Capital Corporations:** these organizations deliver business financing, support, and advisory services for Aboriginal business development. Although each ACC differs slightly, they generally offer loan guarantees, operation loans, and technical and advisory services, and are Aboriginal-owned and controlled business lending organizations (offering secured term loans from a revolving loan capital fund). Today they are mostly funded by the Federal Government through INAC.
- **Aboriginal Community Futures Development Corporations:** these organizations provide business development loans, technical support, training and information. They are funded by the Federal Government through Industry Canada's regional development agencies.
- **Aboriginal Developmental Lenders:** these organizations provide debt and equity capital as well as business support services (including Federal, Provincial, and Territorial programs). They are funded by the private sector or Provincial/Territorial Governments.

The Aboriginal Financial Institutions network provides various streams of funding. Fourteen AFIs also serve as Program Delivery Partners with Indigenous and Northern Affairs Canada deliver business development funding through the Aboriginal Business Financing Program (ABFP). Through ABFP, AFIs can approve funding up to \$99,999 for Aboriginal individuals and incorporated businesses and up to \$250,000 for community owned businesses.⁷³ This funding is then matched with client equity, which improves the client's eligibility for AFI and commercial loans.

NACCA classifies AFIs as being either "smaller region" (SR) or "larger region" (LR) based on the areas they serve⁷⁴. With a few exceptions, larger region AFIs tend to serve an entire province or territory, while smaller region AFIs focus on clusters of communities. Compared to LR, SR AFIs also tend to be more remote, with offices located in communities such as Rankin Inlet, NU or Meadow Lake, SK. By

⁷² Source: National Aboriginal Capitals Corporation Association. *Aboriginal Financial Institutions*. <http://www.nacca.ca/aboriginal-financial-institutions/types-of-afis>.

⁷³ Indigenous and Northern Affairs Canada. *Aboriginal Business and Entrepreneurship Development*. <https://www.aadnc-aandc.gc.ca/eng/1375201178602/1375202816581>

⁷⁴ The classification system originated with Aboriginal Business Canada.

contrast, LR AFIs tend to be headquartered in census metropolitan areas, such as Edmonton, AB or Winnipeg, MB.

Between both SR and LR AFIs, the AFI network has provided an average of 1,241 loans per year to Aboriginal businesses in Canada averaging roughly \$106 million in disbursements per year from 2010 to 2016.⁷⁵ Roughly 75 per cent of the value of the loans went to existing businesses per year, which represent roughly 60 per cent of the number of loans. For both SR and LR AFIs, loans provided to existing businesses tended to be of higher value than those provided to start-up businesses.

Table 12: National Aboriginal Capital Corporations Association of Canada Network

Alberta	Base of operations	NUNAVUT	Base of operations
Alberta Indian Investment Corporation	Enoch	Atuqtuarvik Corporation	Rankin Inlet
Apeetogosan (Métis) Development Inc.	Edmonton	Baffin Business Development Corporation	Iqaluit
Community Futures Treaty Seven	Calgary	Kakivak Association	Iqaluit
Indian Business Corporation	Calgary	Kitikmeot Community Futures Inc.	Cambridge Bay
Settlement Investment Corporation	Edmonton	Kivalliq Business Development Centre	Rankin Inlet
BRITISH COLUMBIA	Base of operations	ONTARIO	Base of operations
Aboriginal Business and Community Development Centre	Prince George	Indian Agricultural Program of Ontario	Stirling
Burns Lake Native Development Corporation	Burns Lake	Métis Voyageur Development Fund Inc.	Ottawa
CFDC of Central Interior First Nations	Kamloops	Nishnawbe Aski Development Fund	Fort William First Nation
Haida Gwaii Community Futures	Masset	Rainy Lake Tribal Area Business & Financial Services Corporation	Fort Frances
Native Fishing Association	West Vancouver	Tecumseh Community Development Corporation	Sarnia
Nuu-chah-nulth Economic Development Corporation	Port Alberni	Two Rivers Community Development Centre	Ohsweken
Tale'Awtxw Aboriginal Capital Corporation	West Vancouver	Wakenagun Community Futures Development Corporation	Moose Factory
Tribal Resources Investment Corporation (TRICORP)	Prince Rupert	Waubetek Business Development Corporation	Birch Island
MANITOBA	Base of operations	QUEBEC	Base of operations
Arctic Co-operative Development Fund	Winnipeg	Corporation de développement économique montagnaise	Uashat
Cedar Lake Community Futures Development Corporation	The Pas	Eeyou Economic Group / CFDC Inc.	Waswanipi
Community Futures North Central Development	Thompson	Nunavik Investment Corporation (1-819-964-0227)	Kuujuuaq
Dakota Ojibway Community Futures Development Corporation	Headingley	SOCCA (Native Commercial Credit Corporation)	Wendake
First Peoples Economic Growth Fund Inc.	Winnipeg	Tewatohnhi'saktha Business Loan Fund	Kahnawake
Kitayan Community Futures Development Corporation	Winnipeg	SASKATCHEWAN	Base of operations
Louis Riel Capital Corporation	Winnipeg	Beaver River Community Futures Development Corporation	Meadow Lake
Northwest Community Futures Development Corporation	Lynn Lake	Clarence Campeau Development Fund	Saskatoon
Southeast Community Futures Development Corporation	Winnipeg	Northern Enterprise Fund Inc.	Saskatchewan
Tribal Wi-Chi-Way-Win Capital Corporation	Winnipeg	Saskatchewan Indian Equity Foundation Inc.	Asimakaniseekan Askiy Reserve
NOVA SCOTIA	Base of operations	SaskMétis Economic Development Corporation	Saskatoon
Ulnuoweg Development Group Inc. (serving all Atlantic provinces)	Truro	Visions North CFDC	LaRonge

⁷⁵ Source: National Aboriginal Capital Corporations Association. *All AFIs Historical Trends Final*.

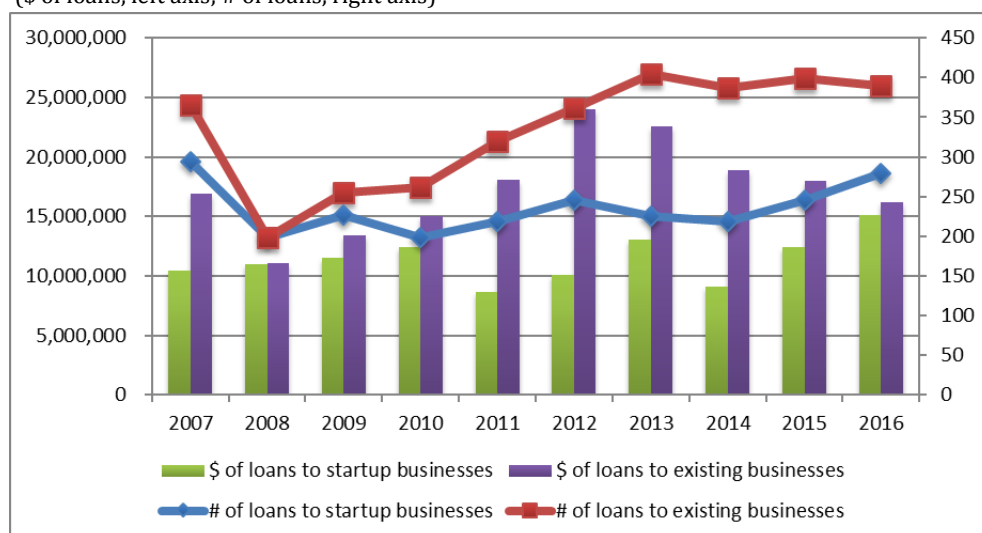
NORTHWEST TERRITORIES	Base of operations	YUKON	Base of operations
Akaitcho Business Development Corporation (1-800-464-2923)	Yellowknife	Däna Näye Ventures	Whitehorse
Deh Cho Business Development Centre	Fort Simpson		
NWT Métis Dene Development Fund	Yellowknife		
Sahtu Business Development Centre (1-877-211-7232)	Norman Wells		
Thebacha Business Development Services	Fort Smith		

Source: National Aboriginal Capital Corporations Association

In general, although the LR AFI's are fewer in number, their combined loan portfolio accounted for twice the value of loans provided by all SR AFI's. While some of this may be accounted for by the small difference in the number of loans provided (in the last five years LRs have provided an average of 649 loans per year, whereas SRs have provided 631 loans per year), the difference is also attributable to the value of loans provided. To this point, in the past five years, LR loans to existing businesses have been significantly higher than SR loans. (See Charts 16 and 17).

Chart 16: AFI Historical Loans in Smaller Regions

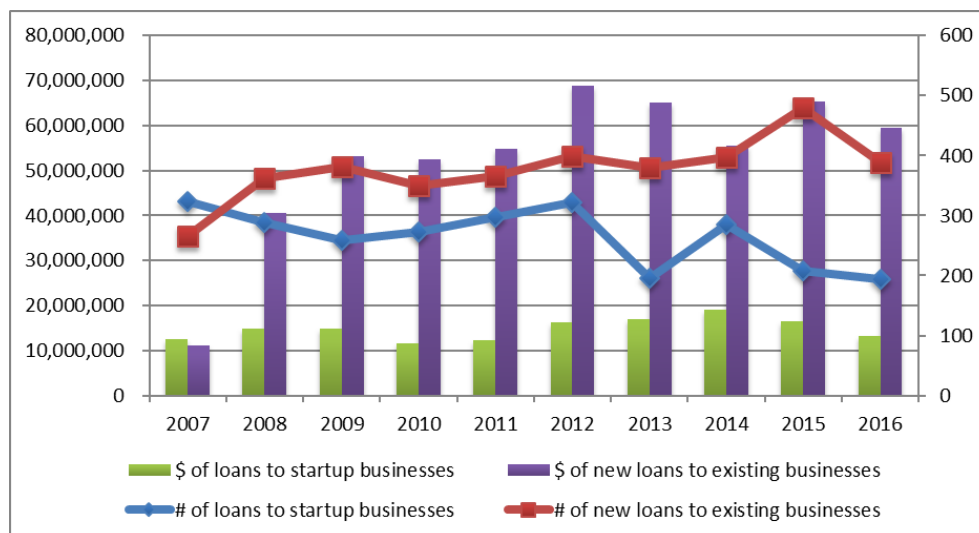
(\$ of loans, left axis; # of loans, right axis)



Source: National Aboriginal Capital Corporations Association, All AFI's Historical Trends Final

Chart 17: AFI Historical Loans in Large Regions

(\$ of loans, left axis; # of loans, right axis)



Source: National Aboriginal Capital Corporations Association, All AFIs Historical Trends Final

Although this module does not seek to define the economic or social value of AFI loans, a scan of the literature noted that AFIs help to bridge gaps in Aboriginal entrepreneurship financing. For instance, a report from 2007, entitled the “Evaluation of Aboriginal Business Canada’s Aboriginal Financial Institutions and Access to Capital Program” noted that AFIs positively impact Aboriginal entrepreneurs in Canada supporting business performance, the economy, entrepreneurship in general, and access to other sources of funding.⁷⁶ Moreover, the report noted that AFIs play a role in supporting entrepreneurs who would be unlikely to receive loans from other organizations.⁷⁷

Perspectives from BDC

The Business Development Bank of Canada (BDC) maintains several streams of funding services for Aboriginal entrepreneurs including the “Aboriginal Business Development Fund”, and “Growth Capital for Aboriginal Business”. The Aboriginal Business Development Fund involves amounts ranging from \$5,000 to \$20,000 to Aboriginal entrepreneurs who would not normally qualify for a loan.⁷⁸

In order for entrepreneurs to access the fund, they must first undertake management training and commit to ongoing mentorship. The funds themselves can be accessed by entrepreneurs through community-based organizations. The Growth Capital for Aboriginal Business provides seed capital for start-ups (up to \$25,000) as well as growth capital for existing businesses (up to \$100,000), with the added benefit of donating a percentage of the annual interest to a charitable organization of the client’s choice.⁷⁹

⁷⁶ Source: Industry Canada. *Evaluation of Aboriginal Business Canada's Aboriginal Financial Institutions and Access to Capital Program*. P. II

⁷⁷ Source: Industry Canada. *Evaluation of Aboriginal Business Canada's Aboriginal Financial Institutions and Access to Capital Program*. P. II

⁷⁸ See: Business Development Bank of Canada. *Aboriginal Business Development Fund*.

https://www.bdc.ca/en/i_am/aboriginal_entrepreneur/pages/aboriginal_fund.aspx.

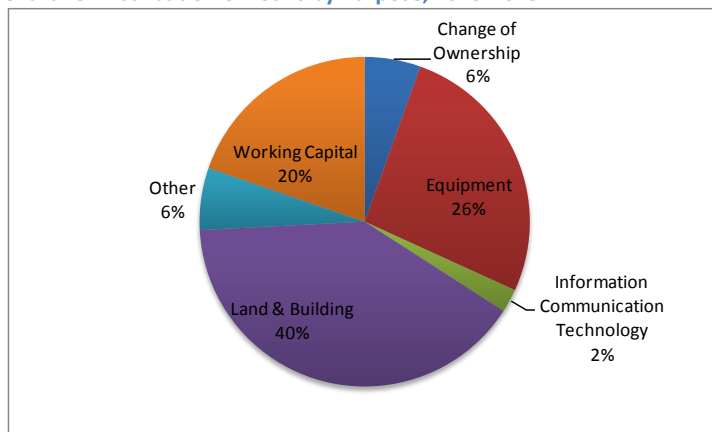
⁷⁹ See: Business Development Bank of Canada. *Growth Capital for Aboriginal Business*.

https://www.bdc.ca/en/i_am/aboriginal_entrepreneur/pages/growth_capital_financing.aspx.

Beyond the loans available through these two funding streams, Aboriginal entrepreneurs can access additional funds through BDC’s other financing options for businesses.

In the past three years, BDC has provided close to 400 loans worth nearly \$100 million to Aboriginal entrepreneurs.⁸⁰ The majority of the loans went towards either “land and building” or “equipment purposes” (together accounting for roughly \$66 million). That being said, a sizeable portion of the loans were acquired for “working capital” (roughly \$20 million). Of smaller note, just over \$5 million worth of loans were put towards a “change in ownership”. (See Chart 18).

Chart 18: Distribution of Loans by Purpose, 2013-2015

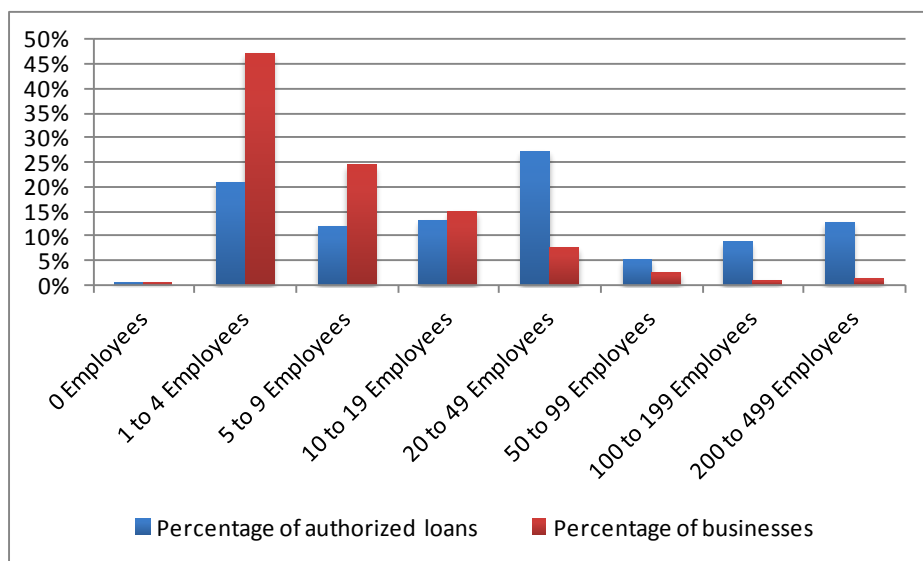


Source: Business Development Bank of Canada

As would be expected, larger Aboriginal businesses tended to seek higher valued loans from BDC. For example, while businesses with 200 to 499 employees only accounted for two per cent of the number of loans, they accounted for 13 per cent of the value of the loans. In contrast, smaller businesses, those with less than five employees, accounted for nearly half of the number of loans but only 21 per cent of the value of the loans. (See Chart 19).

Chart 19: Distribution of BDC Loans by Business Size, 2013-2015

⁸⁰ Source: Business Development Bank of Canada. *BDC Aboriginal Entrepreneurs Data: Loans And Challenges*.



Source: Business Development Bank of Canada

Perspectives from the Canadian Council for Aboriginal Business

CCAB's 2016 report on Aboriginal businesses, *Promise and Prosperity: The 2016 Aboriginal Business Survey*, noted that access to capital and financing continues to be a major barrier for Aboriginal entrepreneurs. When asked, Aboriginal business owners cited access to financing (29 per cent) and access to equity or capital (31 per cent) as obstacles to growing their businesses.⁸¹

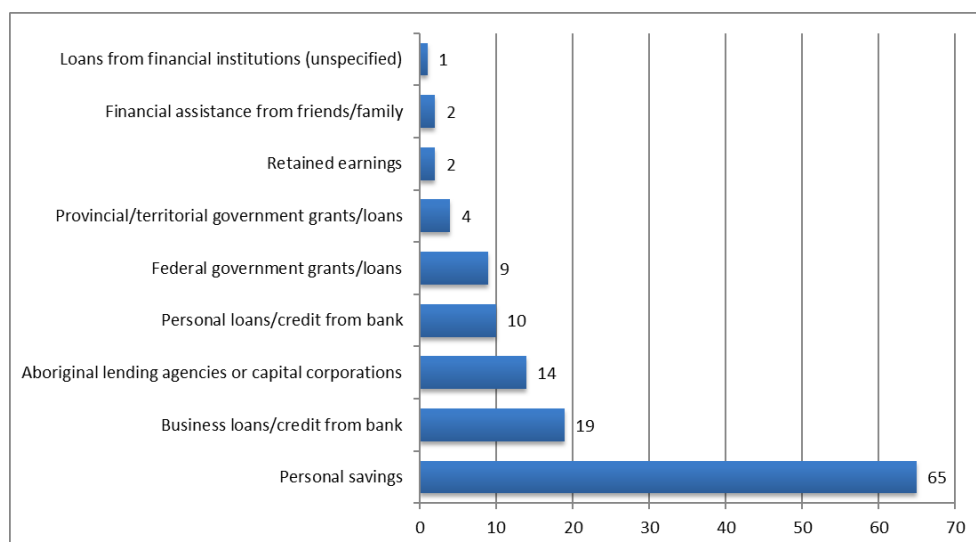
While previous rounds of the CCAB survey found that Aboriginal entrepreneurs generally viewed financial institutions positively⁸², the 2016 survey found that loans from Aboriginal business lending institutions accounted for just 14 per cent of financing used by Aboriginal start-ups.⁸³ More than half of Aboriginal entrepreneurs noted that they relied on personal savings for their business start-ups, while 19 per cent accessed either business loans/credit from a bank, or credit from other government programs. (See Chart 20).

Chart 20: Sources of Financing Used to Start Up Business, 2016

⁸¹ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 31

⁸² See: Canadian Council for Aboriginal Business. "Promise and Prosperity: The Aboriginal Business Survey.

⁸³ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 33



Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 33

Although personal financing is relied upon to a large degree by Aboriginal businesses, there are some slight variations between the degree to which these businesses depend on it. The CCAB survey found that smaller businesses (those that are unincorporated or those with no employees) rely on personal savings more frequently than larger businesses. Larger businesses tended to rely on business loans or personal loans from banks.

When it comes to selecting financing options, the CCAB survey found that location matters. The CCAB findings indicate that on-reserve businesses are more likely than off-reserve businesses to access loans from Aboriginal business lending institutions for start-up financing.

Moreover, CCAB asked businesses what their major barriers to growth were: top of the list consisted of finding employees with the necessary skills to fill positions, the general economic conditions they were facing, and access to capital and equity. (See Table 13.)

Table 13: Barriers for Business Growth, 2016

Barrier	Proportion of Aboriginal businesses that cited this barrier (%)
Attracting employees with right skills/qualifications	39
Overall economic conditions	35
Access to equity or capital	31
Government policy, rules and regulations	31
Retaining values employees	30
Access to financing	29

Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." P. 31

CCAB also asked businesses how important various sources of financing were to them and found three tiers of importance; by far retained earnings (77 per cent) and personal savings (74 per cent) formed the first tier of importance; personal (59 per cent) and business loans or lines of credit (58 per cent) formed

the second; and the third tier was formed by Aboriginal lending agencies and capital corporations (42 per cent), followed by federal (39 per cent) and provincial/territorial (38 per cent) grants and loans).⁸⁴

Other Perspectives on Aboriginal Financial Services

Several mainstream Canadian banks, including the Royal Bank of Canada, TD Bank, the Bank of Montreal, and Scotia Bank of Canada offer services that target Aboriginal individuals.⁸⁵ Outside of these banks, Aboriginal Financial Institutions, including Peace Hills Trust and the First Nations Bank of Canada are helping to develop Aboriginal businesses and entrepreneurship in Canada.⁸⁶ (See Table 14.)

Table 14: Aboriginal Banking Services in Canada

Institution	Aboriginal Banking Unit
Bank of Montreal (BMO)	Has an Aboriginal Banking Unit. BMO's small business information links to information for all clients.
Canadian Imperial Bank of Commerce (CIBC)	Has an Aboriginal Banking Unit. CIBC's small business information links to information for all clients.
Royal Bank of Canada (RBC)	Has an Aboriginal Banking Unit. RBC's small business information links to information for all clients.
Scotiabank	Has an Aboriginal Banking Unit. Scotiabank doesn't seem to have small business information specifically for Aboriginal individuals.
Toronto-Dominion Bank	Has an Aboriginal Banking Unit. Toronto-Dominion's small business information links to information for all clients.
Peace Hills Trust	Peace Hills Trust is owned by the Samson Cree Nation. It offers business banking services.
First Nations Bank of Canada	First Nations Bank is independently owned and operated by Aboriginal people. It offers small businesses banking solutions.
Desjardins	Desjardins does not appear to have an Aboriginal Banking Unit.
Laurentian Bank	Laurentian does not appear to have an Aboriginal Banking Unit.
National Bank of Canada	National Bank of Canada does not appear to have an Aboriginal Banking Unit.

Source: Bank of Montreal, *Aboriginal Banking*; CIBC, *Aboriginal Banking*; Royal Bank of Canada, *Aboriginal Banking*; Scotiabank of Canada, *Services for Aboriginal Peoples*; Toronto-Dominion Bank, *Our Dedication to Diversity*; Peace Hills Trust, *Business*; and First Nations Bank of Canada, *Business*.

While the major Canadian banks are reluctant to disclose the actual values of their Aboriginal business portfolios, the magnitude of transactions, complexity of agreements, and number of Aboriginal clients is thought to be growing.⁸⁷ Last year, estimates of the commercial banking opportunities in Aboriginal markets noted that they could total \$6 to \$7 billion annually for Aboriginal governments, economic development corporations, and medium-sized businesses.⁸⁸

⁸⁴ Source: Canadian Council for Aboriginal Business. "Promise and Prosperity: The 2016 Aboriginal Business Survey." 2016. P. 33

⁸⁵ See: Royal Bank of Canada. *Aboriginal Banking*, <http://www.rbcroyalbank.com/commercial/aboriginal/>; Scotiabank of Canada, *Services for Aboriginal Peoples*, <http://www.scotiabank.com/ca/en/0,,287,00.html>; and BMO Bank of Montreal, *Aboriginal Banking*, <https://www.bmo.com/aboriginal/en/>.

⁸⁶ Weir, W., *First Nation Small Business and Entrepreneurship in Canada*. P. 30

⁸⁷ Source: Shecter, B., *An 'Emerging Market' at Home: Canada's Banks Making a Big Push into Aboriginal Communities*. <http://business.financialpost.com/news/fp-street/an-emerging-market-at-home-how-canadian-banks-are-making-a-big-push-into-aboriginal-banking>

⁸⁸ Source: Shecter, B., *An 'Emerging Market' at Home: Canada's Banks Making a Big Push into Aboriginal Communities*. <http://business.financialpost.com/news/fp-street/an-emerging-market-at-home-how-canadian-banks-are-making-a-big-push-into-aboriginal-banking>

Despite the services available, there is a consensus in the literature that a number of barriers still exist for Aboriginal entrepreneurs seeking to access capital. We will investigate these barriers in Module 3 of this research series.

In 2007, the Standing Senate Committee on Aboriginal Peoples came out with a report on the involvement of Aboriginal communities and businesses in the Canadian economy.⁸⁹ The report stressed the fact that access to capital continues to be a major barrier for Aboriginal entrepreneurs who are looking to start, grow, or acquire a business.

Beyond legislative and regulatory barriers, such as the *Indian Act* which makes it difficult to use land and other assets as collateral, the report pointed to the small and remote nature of many Aboriginal communities as a contributor to the issue of capital barriers. The physical geographic location of many Aboriginal communities often limits the presence of financial institutions.

For instance, many communities in Nunavut have limited banking services, and a minority have a physical bank presence in the community. The sparse presence of the financial institutions can make basic financial services (like having a bank account) more challenging.

Several reserves in Southern Canada feature similar restrictions in their banking access. Notably, the four major banks in Canada (i.e., RBC, BMO, CIBC and Scotiabank) collectively have less than 50 Aboriginal branches⁹⁰, and not all of these are located on a reserve.

Table 15: Location of Aboriginal Banking Services

RBC - Branches in Aboriginal communities	BMO - Branches and Community Outlets in Aboriginal communities	Scotiabank Aboriginal Banking Centres
Norway House Branch (Norway House, MB)	Peace Tree Trade Centre Branch (Akwasasne Mohawk Territory, ON)	Oak Bay Ave and Hampshire Rd (Victoria, BC)
Hagwilget Branch (New Hazelton, BC)	Betsiamites Branch (Betsiamites, QC)	Port Alberni Branch (Port Alberni, BC)
Wikwemikong First Nation (Wikwemikong, ON)**	Nain Community Banking Outlet (Nain Labrador, QC)	Commercial Banking Centre and Main Branch (Calgary, AB)
Whitefish Lake Band #128 (Goodfish Lake (AB)**	Happy Valley Goose Bay (Goose Bay, NFL)	Franklin Avenue Branch (Fort McMurray, AB)
Ohsweken Branch (Ohsweken, ON)	Fort Smith Branch (Fort Smith, NWT)	Jasper Avenue Branch (Edmonton, AB)
Peguis Branch (Peguis, MB)	Eagle Landing Branch (Chilliwack, BC)	Lethbridge Main Branch (Stand Off, AB)
Vedder Crossing Plaza (Chilliwack, BC)	Ohsweken Branch (Ohsweken, ON)	Slave Lake Branch (Slave Lake, AB)
Cambridge Bay Branch (Cambridge Bay, NU)	Park Royal Branch (Squamish Nation, BC)	2 nd Avenue South Branch (Saskatoon, SK)
Cross Lake Branch (Cross Lake, MB)	Siksika Branch (Siksika, AB)	North District Branch (Prince Albert, SK)
Nation Huronne Wendat (Wendake, QC)	Tsahaheh Branch (Port Alberni, BC)	North Battleford (North Battleford, SK)
Yellowknife Branch (Yellowknife, NT)	Tsuu T'ina Nation Branch (Tsu T'ina, AB)	Spiritwood Branch (Spiritwood, SK)
Whitehorse Branch (Whitehorse, YT)	Waskaganish Branch (Waskaganish, QC)	The Pas Branch (Opaskwayak, MB)
Hay River Branch (Hay River, NT)	Wemindji Branch (Wemindji, QC)	Rama (Rama, ON)
Westbank Branch (Westbank, BC)	Westbank Branch (Kelowna, BC)	Elgin Place Mall Branch (Port Elgin, ON)
Rankin Inlet Branch (Rankin Inlet, NU)		Pine Street Branch (Timmins, ON)

⁸⁹ See: St. Germain, G., and N. Sibbeston. *Sharing Canada's Prosperity - A Hand Up, Not a Handout*. Ottawa: Standing Senate Committee on Aboriginal Peoples.

⁹⁰ Including branches, banking outlets, banking centres, and branches on-reserve.

Iqaluit Branch (Iqaluit, NU)		Bay Street Branch (Sault Ste. Marie, ON)
Webequie First Nation (Thunderbay, ON)**		Kenora Branch (Kenora, ON)
CIBC - Branches on or near reserves	First Nations Bank of Canada	Red Lake Branch (Red Lake, ON)
Westbank Banking Centre (Kelowna, BC)	Buffalo River (Dillon, SK)	Ste. Foy Branch (Quebec City, QC)
Park Royal (West Vancouver, BC)	Chisasibi (Chisasibi, QC)	Terrace Branch (Terrace, BC)
Waligla (Bella Bella, BC)	Iqaluit (Iqaluit, IQ)	Lytton Main Branch (Lytton, BC)
Chisasibi, QC	Cree Nation of Nemaska (Nemaska, QC)	Fort Nelson Branch (Fort Nelson, BC)
LaRonge (La Ronge, SK)	Kugluktuk (Kugluktuk, NU)	Happy Valley Branch (Happy Valley, NFL)
Hobbema (Hobbema, AB)	Meadow Lake (Meadow Lake, SK)	Park Royal South (West Vancouver, BC)
Kitchenuhmaykoosib Inninuwig First Nation (formerly Big Trout Lake, ON)	Pond Inlet (Pond Inlet, NU)	Williams Lake (Williams Lake, BC)
	Baker Lake (Baker Lake, NU)	Vancouver Main Branch & Commercial Banking Centre (Vancouver, BC)
		Portage la Prairie Branch (Portage la Prairie, MB)

** Communities with Agency Banking Outlets

Source: First Nations Bank of Canada, *Find Branch/ATM*; Bank of Montreal, *Aboriginal Branches*; Royal Bank of Canada, *Branches in Aboriginal Communities*; Scotiabank of Canada, *Aboriginal Banking Centres*; and Canadian Imperial Bank of Commerce; *CIBC Banking on or near Reserves*.

Outside of the major banks, there exist some credit unions that help to fill the financial services gaps. For instance, the Me-Dian Credit Union in Manitoba has a mandate to provide financial services for First Nations, Métis and Inuit peoples.⁹¹ In doing so, this credit union offers business services to its members. Notably, there are several Caisse Populaires Desjardins located in Aboriginal communities in Quebec.⁹²

And, on the west coast, Vancity Credit Union works in partnership with local First Nations, Métis community, and Aboriginal not-for-profits.⁹³ Moreover, Vancity offers the Aboriginal Business and Entrepreneurship Skills Training (BEST) microloan which supports entrepreneurs who have taken the BEST program.⁹⁴

Triangulation of perspectives and discussion of key findings

There are several available streams of financing options for Aboriginal entrepreneurs in Canada. Notably, the four major access points touched upon above are as follows:

- Indigenous and Northern Affairs Canada supports Aboriginal entrepreneurs through their “Aboriginal Business and Entrepreneurship Development” program – which at NACCA is referred to as the “Aboriginal Business Financing Program”. The program, which is streamed through 14 Aboriginal Financial Institutions, can support entrepreneurs up to \$99,999 and community-owned Aboriginal businesses up to \$250,000. It matches non-repayable federal contributions with client equity, which strengthens the client’s ability to access loans from AFIs and commercial lenders.

⁹¹ Source: Me-Dian Credit Union. *About*. <http://www.me-diancu.mb.ca/about>.

⁹² Including in the following communities: Mistassini Cree Nation; Mashteuiatsh First Nation; Waswanipi Cree First Nation; Wendake First Nation; and Kahnawake Mohawk Territory.

⁹³ Source: Vancity. *Personal Banking*. <https://www.vancity.com/>.

⁹⁴ Source: Vancity. *Personal Banking*. <https://www.vancity.com/>.

- The Aboriginal Financial Institutions network supports Aboriginal entrepreneurs through a variety of developmental and lending means. As shown, NACCA's network has provided over 1,300 loans, amounting to over \$110 million in disbursements per year to Aboriginal entrepreneurs in recent years.
- The Business Development Bank of Canada supports Aboriginal entrepreneurs specifically through the "Aboriginal Business Development Fund" and "Growth Capital for Aboriginal Business" initiatives, in addition to BDC's other financing solutions. It has provided close to 400 loans amounting to nearly \$100 million in commitments to Aboriginal businesses in the past three years.
- Several major banks in Canada have Aboriginal banking units which are dedicated to supporting Aboriginal individuals. Not all banks necessarily have specific programs for Aboriginal entrepreneurs.

Despite the available services, there is a consensus in the literature that Aboriginal individuals face significant barriers to accessing various forms of support (e.g., capital, equity, business training, business planning⁹⁵) for their start-ups. The majority of Aboriginal entrepreneurs rely to some degree on personal savings to start their businesses. And despite the financial services that are available, a minority of Aboriginal individuals access loans or credit from banks or government supported programs.

While Aboriginal entrepreneurs face several challenges in accessing capital, one of the most cited is locational, the lack of financial services being physically available to individuals. As shown, the major Canadian banks⁹⁶ have a limited presence in Aboriginal communities, with less than 50 Aboriginal branches across the country. This is particularly true for Northern locations which face challenges in accessing basic financial services like having a bank account.

Conclusion

Aboriginal entrepreneurs are young compared to the rest of the population, and have grown at a significant rate over the past two decades. In just over ten years (from 2003 to 2011) the estimated number of entrepreneurs grew by nearly 10,000 individuals. These entrepreneurs are creating businesses across a broad range of industries. Yet, geographic and locational differences play an important role in distinguishing trends. Smaller, more remote areas have high rates of construction, utilities, and agriculture, forestry, fishing and hunting businesses. In contrast, while urban locations have high rates of construction businesses, they also have high rates of businesses in professional, scientific, and technical services. Moreover, urban locations tend to have a smaller concentration of business types than rural and remote locations.

The majority of Aboriginal businesses are small in nature, acting as either sole proprietorships or partnerships. Yet despite their small nature, Aboriginal business owners are optimistic about their

⁹⁵ The variety of barriers faced by Aboriginal entrepreneurs will be explored in greater detail in Module 3

⁹⁶ Including BMO, CIBC, RBC, and Scotiabank.

futures; recent surveys indicate that 70 per cent of business owners felt that it was very likely they would still be running their business in five years.⁹⁷ Moreover, Aboriginal communities are finding ways to generate and invest their own source revenues through various kinds of collective business enterprise. Alongside the sole proprietors, they are seeking financing opportunities to grow their businesses and amplify their economic impact.

By looking at a variety of data sources, we have noted that there are some differences in the counts of Aboriginal businesses across the country. Most notably, the number of Aboriginal businesses may be underrepresented in national surveys, such as the 2011 NHS. As shown, the latest available data indicate that there are roughly 10,000 businesses located on-reserve. Even when factoring out public service related businesses, in public administration, or health and education sectors, there are still three times as many businesses located on-reserve than estimated self-employed individuals from the 2011 NHS.

Yet, while there is clear evidence of growth, and economic value among Aboriginal businesses, many face several challenges in accessing capital. Numerous studies have noted that access to capital for Aboriginal entrepreneurs continues to be a barrier, especially on-reserve. Beyond regulatory and legislative restrictions, in many cases, the resources required to support and educate Aboriginal entrepreneurs are simply not present. This helps to explain why only a minority of Aboriginal start-ups access loans or credit from Aboriginal business lending institutions, government programs, or banks. Moreover, beyond the initial start-up, Aboriginal business owners continue to cite access to financing, equity and capital as barriers to growing their businesses.

One of the pressing issues noted in this review is the simple lack of presence of financial institutions for Aboriginal entrepreneurs located in small and remote locations. As noted, the major banks in Canada have a limited “on-the-ground” presence in Aboriginal communities, and not all major banks have services specialized for Aboriginal individuals.

BDC and NACCA’s network of AFIs help to fill the financing gaps that Aboriginal entrepreneurs and SMEs face. To understand better how BDC and the AFI network impact Aboriginal businesses, the financing provided by these institutions will be explored in greater detail in Research Module 2. In particular, they all aim to support Aboriginal entrepreneurs who may not have access to financing otherwise. BDC’s Aboriginal Business Development Fund, Growth Capital for Aboriginal Business, as well as other financing solutions have helped to provide close to 400 loans valued at nearly \$100 million to Aboriginal entrepreneurs in the past three years. In turn, the AFI network has provided roughly 1,300 loans amounting to over \$110 million in disbursements per year to Aboriginal entrepreneurs in recent years (about a third of these loans were made to projects that were also supported by ABFP).

⁹⁷ Source: Canadian Council for Aboriginal Business. *Promise and Prosperity: The 2016 Aboriginal Business Survey*. P. 26.

Appendix A - Geographic Codes Included in Our Analysis of the Canadian Business Patterns Database

The following is a list of geographic codes included in our analysis of the Canadian Business Patterns Database. The codes chosen were included to best represent the reality of Aboriginal entrepreneurship across Canada.

Table 16: Census Sub-Divisions Affiliated with Aboriginal Communities

Census Sub-Division Name	Description
Indian Government District	Sechelt reserve lands in British Columbia.
Indian Reserve	A tract of federally owned land with specified boundaries that is set apart for the use and benefit an Indian band.
Northern Hamlet	One of 11 communities found in Saskatchewan.
Nisga'a Land	Part of the territory whose title has been transferred to the Nisga'a Nation by the Final Land Claims Agreement of 1998 between the Nisga'a Nation, the Government of Canada and the Government of British Columbia
Northern Village	One of 11 communities found in Saskatchewan.
Indian Settlement	A place where a self-contained group of at least 10 Indian (Aboriginal) persons resides more or less permanently. It is usually located on Crown lands under federal or provincial/territorial jurisdiction.
Terres Réservées aux Cris	Parcels of land in Quebec set aside for the permanent residence of Cree First Nations of Quebec.
Terre Inuite	One of 12 communities in Quebec.
Terres Réservées aux Naskapis	Parcels of land in Quebec set aside for the permanent residence of Naskapi First Nations of Quebec.
Teslin Land	A parcel of rural settlement land whose title has been transferred to the Teslin Tlingit Council by the Teslin Tlingit Council Land Claims Agreement of 1993 between the Teslin Tlingit Council, the Government of Canada and the Government of the Yukon
Village Cri	The area of a <i>village cri</i> is set aside for the use of Cree bands, but members of Cree bands are not permanently residing there.
Village Naskapi	The lone area of <i>village Naskapi</i> is set aside for the use of the Naskapi band, although its members do not reside there permanently.
Village Nordique	One of 14 communities in Quebec.

Source: Statistics Canada *Census Subdivision: Detailed Definition*. <http://www.statcan.gc.ca/pub/92-195-x/2011001/geo/csd-sdr/def-eng.htm>; and Statistics Canada *Table 5: Census Subdivision Types by Province and Territory, 2011 Census*. <http://www.statcan.gc.ca/pub/92-195-x/2011001/geo/csd-sdr/tbl/tbl5-eng.htm>

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