



True North in
Canadian public policy

Commentary

April 2019

Charting a Path to Economic Reconciliation with Indigenous Peoples

This commentary is based on a speech given by Blaine Favel to the Macdonald-Laurier Institute's Annual Dinner on February 20, 2019.

Blaine Favel

To the elder who said tonight's invocation, thank you. I also acknowledge that we are on the traditional territory of the Algonquin Nation and I pay their people homage and respect.

I would like to thank the organizers for the invitation to speak tonight. The purpose of my speech is two-fold - on how colonialist policies forced poverty upon my people, and to declare the path to economic reconciliation begins by recognizing our ancient relationship and stewardship over the land.

There may be many paths to reconciliation but at its bare bones, to me, **"reconciliation means that Indigenous people should not be the poorest people in lands that belong to us."**

I am from the Poundmaker Cree Nation and was raised on the reserve with my father and grandfather, both chiefs until they passed - with my grandfather being our nation's last "life-time" chief.

My great-grandfather Basile was Chief Poundmaker Headman at the signing of treaty and fought in the Battle of Cut Knife in 1885. Following the successful defence of our nation against the Canadian militia, our chief was imprisoned, as was my grandfather and we were deprived of a chief until 1919, and were administered by the war office.

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Being raised in a family of chiefs, our teaching was always that we were self sufficient and had sovereignty on our lands. These values have animated my beliefs my entire life. By contrast, colonial Canadian policies regarding the economy and natural resources have been designed to keep First Nations separate, poor and out of sight. Why?

I believe there are two reasons that have driven and ensured our poverty; first is the cultural superiority that diminishes the poetry and beauty of our ancient cultures, and second, is simple human greed. The greed of the early colonialists animated all of the policies that contributed to restraint of trade practices by Canada.

I read a book recently on “The St Patrick’s Battalion” of the Mexican Army, a highly decorated infantry unit that left the American Army to join the Mexicans. Scholars and historians debated why they joined the Mexicans. Perhaps it was mutual Catholicism. However, it was ultimately about the land and financial prospects afforded these first-generation immigrants.

The immigrants to the Americas were for the most part destitute and landless. The overriding objective for governments was to clear the land of Indigenous people in order for asset accumulation and wealth to be generated by the settlers. The poverty inflicted upon my people was collateral damage it seemed.

This sentiment found its way into statute via the *Indian Act* as this legislation was designed to keep us separate and poor. Our people needed permits to leave the reserve and conduct trade, and were disallowed from modern farm implements by dictate of deputy minister Hayter Reed. Our people were to be peasant farmers.

When a reserve was successful, as documented in Sarah Carter’s excellent book titled *Lost Harvests*, Indian Affairs would break it up as they did with the File Hills Agency in Saskatchewan. It didn’t fit the concept of manifest destiny to have settlers working for the Indians.

The notion of keeping Indigenous people from prospering on our lands was reinforced by many Supreme Court of Canada (SCC) decisions which respected Indigenous rights to “gather” but not to harvest and prosper, be it in fishing, hunting, forestry or other aspects of the economy. “The mentality” of keeping Indians from prosperity was most offensive in fields of agriculture where as noted, our people were hamstrung by lack of access to agriculture technology despite a positive duty under treaty to facilitate access to agriculture.

In the last number of decades, Canada introduced a “supply management system” which simply put requires a licence to make milk or poultry products, and guarantees profit.

Guaranteed profit is a great gig, however the rub is that in the issuance of tens of thousands of these licences, Indigenous people received none despite federal fiduciary duties, and despite having the largest agriculture land base in Western Canada. Thousands of these licences to the richest piece of agriculture exist, half of them are in Quebec.

I grew up on a farm raising cattle, so agriculture has always been dear to me. These restrictions from the past were vividly bought to life for me when we founded One Earth Farms which encouraged First Nations to farm our lands.

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Our corporate goal was to treat First Nations lands with the respect, and more importantly the economics, that existed off reserve for leased agriculture lands. I received an angry phone call from the Minister of Agriculture in Brad Wall's government who called complaining that by paying fair market value for these great lands, we were driving her campaign manager out of business. The local farmers were paying \$6-9 per acre versus the market rate of \$60. Needless to say, I wasn't a sympathetic ear.

The legacy of colonialism in law and policy has blinded government officials to overstate their position and I suggest resulted in them providing poor advice to current elected officials.

I have been involved in two major pipeline projects involving Indigenous peoples - the Mackenzie Valley pipeline owned one-third by the Aboriginal Pipeline Group and more recently, and in breach of my NDA, a group of First Nations with a one-third interest in the Trans Mountain pipeline.

In both cases, with different governments, the answer was the same when the First Nations proponents came to Ottawa for financial help: "no," "the current regulatory regime is acceptable to see this project to completion," and "why would Indians want to own a pipeline." These answers are imbued with arrogance and obliviousness.

These answers were wrong then, are wrong now and this colonial mentality needs to change if Canada hopes to build national infrastructure and an economy without running a perpetual losing battle for Indigenous people.

In short, the advice bureaucrats give officials is based upon colonial case law and policy. Poverty has been the consequence. The thinking needs to evolve to the place the Canadian experience began with Indigenous people, with mutual sharing and peaceful co-existence.

We are not going anywhere and the position we hold is the same as our people have forever maintained: "this land is our mother which we share with Canada. If wealth is to be created, indeed this sharing is not done from some heightened sense of morality of Canadians, but based on common sense that there be shared wealth, or none."

Ask the truckers up the road who drove from the west what they think about Indigenous ownership of pipelines? I bet to a woman and man they would give a hooray. I repeat, "reconciliation means that Indigenous people should not be the poorest people in lands that belong to us."

So where do we go? How can we move forward as a nation to build an economy which lifts our people out of poverty?

The first take-away is the Indigenous economy is getting more sophisticated and complex in a cross section of industries. In many locales in Canada, Indigenous business drives the local economy and is getting stronger. This is a success despite the barriers placed in front of us, with Indigenous businesses heavily concentrated in the local resource sector, be it mining, energy or forestry.

Be it the success of the James Bay Cree in Quebec, Osoyoos Indian Band in BC and the thousands of entrepreneurs across Canada, this wave is just starting, and having people move from poverty to success is in everyone's interest. Let me be clear - our spirit is strong.

“Reconciliation means that Indigenous people should not be the poorest people in lands that belong to us.”

The second takeaway is that how development occurs must be rooted in the Indigenous connection to the land and jurisdiction over our territories. We are not a special interest, we have sovereignty over our traditional lands and the licences issued by provincial governments should be co-issued with an “Indigenous licence” concurrently or not issued at all. The Indigenous licence is true to history and is in fact necessary. If this isn’t true today, why does Canada own the Trans Mountain pipeline?

An Indigenous licence would outline under what terms Indigenous people would approve of and participate in major projects in their territories. This licence power would be based upon the inherent right of self government, and be consistent with our position under treaties.

An Indigenous licence would result in more balanced development with environmental stewardship of paramount value, and a more equitable distribution of monies to local communities. Canadians don’t need to send billions of dollars to billionaires like Richard Kinder of Houston, like we did with Trans Mountain.

My third takeaway is that governments of Canada embrace the need for there to be “economic space” created for Indigenous Canadians. This space should permeate the economy, in particular the granting of new licences and jurisdictions over parts of the economy.

In Saskatchewan and many provinces, Indigenous peoples were involved in the gaming space, “by the creation of economic space.” This is occurring in certain other provinces on a piecemeal basis in forestry and other developments.

The strongest model for Indigenous licences and jurisdiction is northern Quebec where the James Bay Cree are positioned as asserting authority over new projects in the north.

My fourth takeaway is that the levers of government which are positioned to help the economy need to be shared with First Nations. Had Canada extended help to Indigenous peoples as they have to provincial governments by way of loan guarantee, we would have two pipelines owned by Indigenous people operating today.

None of Agriculture Canada, Export Development Bank, Farm Credit Corporation, the Regional Development Banks have an Indigenous strategy. Why is that? As an Indigenous person it’s hard to read about the billions of dollars Canadian companies get in grants and loans and yet our people are left in the cold.

These levers of government need to address what they are doing to help First Nations. Please do not leave us with only Indian Affairs, which is where they typically pass the buck to.

My fifth takeaway is that people should take a deeper look at the manipulation by the environmental movement of the Indigenous agenda. I recall from my time as grand chief travelling through the north hearing about how devastating the leg hold trap was to the northern economy.

The environmental movement has only its agenda in mind, not the protection of Indian people, the education of our people and development of jobs. When I was advocating for the Kinder Morgan pipeline, the wives of key communities were rumoured to work for the environmental lobby.

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Recently, researcher Vivian Krause has scrutinized the tax returns of leading environmental groups and found that millions per year were being poured into Canada by American foundations to prevent pipelines from being built.

I find the tactics of the environmental movement repulsive and the “eco-colonialism” they advocate for only results in poverty for our people. I predict that once Indigenous people begin to assert interest on owning pipelines, they will be subject to what Krause calls “a foreign funded campaign to discredit them.” The last time our people encountered visitors who were so morally convinced of their superiority, it was the churches, and we all know how that ended.

If a First Nation opposes development based upon their history, their sacred places, they know better than folks who come from Vancouver, Toronto or the United States to tell them how to protect their land. And when a First Nation makes this decision, it will be a balanced one weighing the risks versus the opportunity. They can calibrate best and do not need to be bribed by environmentalists.

My sixth and last comment is that it is a national imperative that we resolve how to reconcile Indigenous people to the economy, or the nation itself will suffer. Canada suffers the shame of having its founding people dying of poverty and despite its efforts, has an economy limping along in the resource sector partially due to the disillusionment of Indigenous peoples.

I believe the national imperative needs to consider contemplating a new relationship based upon how to lift Indigenous people from poverty. I speak only of business as, although education is critical, it is in business that the legal architecture of colonialism strangles Indigenous opportunity.

Although I am no fan of studies and commissions, I believe a focussed group of business people, economists and Indigenous leaders needs to study and report on how the structures, policies, funding, and regulatory processes associated with industry can be redesigned to align with rights and ambitions of Indigenous people.

Our national prosperity and international reputation for human rights and being an economy governed by the rule of law is directly tied to this question of reconciliation with Indigenous peoples.

My own people will say, we don't need another study. Which is true. However, in the case of the economy, circumstances are evolving rapidly and to align our interests with the economy, supported by government policy as opposed to being hindered, will bring great success.

Finally, in closing, I remain confident as a Canadian that we are practical and open hearted enough to realize when things are broken and out of date, and move on.

My confidence in Canada and pride as a Canadian took quite a boost last year. In January, after about 25 years of effort we received news that we would receive an exoneration of our beloved chief, Chief Poundmaker, with reparations for the harms and indignities our people endured.

I thought then, and recommit this evening that it is a mature, confident nation which can acknowledge its shortcomings and try to make it right. I infuse my comments tonight with this same hope, and leave you with the sentiment of one of our national treasures and iconic elder Douglas Cardinal, with whom I lunched today: “tell them that we go forward with the strength of our grandmothers, that we will correct things in a good way with kindness and sharing, as we have always done so from times past.”

Thank you.

About the Author



Blaine Favel is the founder and CEO of Kanata Earth; an Indigenous-owned cannabis company focused on genetics, nursery growing and organic cultivation. Blaine hails from the Poundmaker Cree Nation, where he served as Chief and Grand Chief of the Federation of Saskatchewan Indian Nations. Blaine is credited with starting the Saskatchewan Indian Gaming Authority and the First Nations Bank, two national firsts of Indigenous People entering new industries. He was more recently CEO and founder of One Earth Farms and One Earth Oil and Gas, and served as Chancellor of the University of Saskatchewan until 2016. Blaine has a law degree from Queens and a MBA from Harvard Business School and has over 25 years experience in leadership in politics, business and academia.



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