

Straight Talk



OCTOBER 2020

Canadians are just waking up to a new Indigenous reality

With JP Gladu

Indigenous communities have greatly expanded their role in the oil and gas sector over the past 20 years. It's been one of the most remarkable transitions we've ever seen. To discuss the future of Indigenous business development, this Straight Talk features JP Gladu, one of Canada's leading Indigenous entrepreneurs. This publication is based on a transcript of a recent discussion between MLI Munk Senior Fellow Ken Coates and JP Gladu.



Jean Paul (JP) Gladu is currently the President of A2A Rail and previously served as the President and CEO of the Canadian Council for Aboriginal Business (CCAB) from September 2012 until April 2020. Anishinaabe from Thunder Bay, JP is a member of Bingwi Neyaashi Anishinaabek located on the eastern shores of Lake Nipigon, Ontario. JP has over 25 years of experience in the natural resource sector. Currently, JP is the Chair of Mikisew Group of Companies and also serves on the board of Noront Resources.

MLI: We are very fortunate to have JP Gladu with us today. JP is the former president of the Canadian Council for Aboriginal Business (CCAB) and one of Canada's leading entrepreneurs. He has shown enormous dedication to First Nation issues across the country, starting with his own community, and has a particular passion for Indigenous business development. He has been the face of Indigenous business in Canada and has done an amazing job of shocking everybody with one of the great economic success stories in recent Canadian history – and that's the rise and success of Indigenous business.

He also spends an enormous amount of time speaking to First Nation communities and working with them on business development strategies. He's also become far more actively involved in the oil and gas industry in Western Canada.

Please tell us about your new commitments. You're in this really interesting new leadership situation, and I think it's going to accelerate your contributions to Indigenous business development.

JP Gladu:

Thank you so much for the warm introduction. Yes, it was an interesting shift. I was ready to take on the role of the CEO of Bouchier Group up in Fort McMurray after I left CCAB, then the price of oil dropped and COVID hit. I found myself unemployed and without an address and living out of a suitcase. It was an interesting time, and I was thinking to myself, what the heck am I going to do now.

I was thinking at the time, I've got this experience with an amazing organization, the Canadian Council for Aboriginal Business, and I should continue along that vein in the sense of getting in the grass wherever I can to actually exercise some of the things that I was so fortunate to build with an exceptional team at CCAB.

I also started thinking about what Canada has as far as Indigenous entrepreneurs in a space of creating the relationships as you've described – government relations, Indigenous relations, etc. There's some really great firms out there. But I don't think there's enough of us Indigenous leaders doing this type of work for our own people at that level.

I started Mokwateh. Mokwateh is my Anishinaabe name, meaning bear heart. So I started a consulting company and quickly found myself in positions and roles with other organizations. Soon, two exceptional roles came along. One is the president of A2A, which

is the rail corridor from Alaska to Alberta. The most recent one actually was recently announced – as the chief development and relations officer for the Steel River Group based out of Calgary, and as well as taking on the role of the infrastructure organization that we're just creating, called Steel River Infrastructure.

That's an opportunity to talk about a new model that's being proposed – namely, a P4. Listeners might already be very familiar with P3 (private-public partnership). Well, the P4 is really focused on the people aspect of it and it entails creating opportunities for new models in Indigenous ownership and active participation in the development and ownership of infrastructure in this country. I've been very fortunate to have this opportunity.

Just going back to Mokwateh as well, I'm engaging in forestry activities, negotiations, building business case studies of Indigenous entrepreneurs, and doing some really great work with the Federal Resiliency Task Force (e.g., exploring what a resilient recovery would look like for his country). I'm also volunteering some time with Canada Action in the Indigenous Resource Network, which I'm very proud to be a part of, as well as leading a group of leaders from all sectors around a boreal leadership campaign on responsible development and conservation. I'm in all sorts of areas, and quickly finding myself with very little time to do any fishing!

MLI: We know that fishing is the most important part of life, so make sure you carve out enough time for. Can you also tell us a little bit about A2A?

JP Gladu:

A2A is the Alberta railway and the corridor project. Most Canadians are still pretty vague about what this is all about. It's a project led by the chairman and founder, Sean McCoshen, and he's brought together a group of leaders around him. There's myself, Rob (who's helping with the financing), and John Coshen (who's in the United States helping with the Alaskan portion of the project). The project got its feet going about four years ago, and it's really starting to – forgive the puns – pick up steam and become on track in identifying a corridor between Alaska and to get to ports and then into Alberta, just northwest of Fort McKay.

The real fun part about this project and how it ties in really great with the Steel River Group is the fact that there's a lot of opportunity for Indigenous communities to own a portion of the railway. As we know, many of our Canadian resources, particularly oil and gas, have limited capacity to get to tide water, so this is an opportunity to increase Canada's competitiveness by ensuring that

we can get our natural resources to market in a timely and economic fashion with the meaningful involvement and engagement of Canada's First Nations as well as the Indigenous people from Alaska. It's an exciting project. It's going across the Yukon, and a little bit in the Northwest Territories, and Alberta as far as the Canadian connections go.

MLI: Try to address this puzzle for me. Indigenous folks have been involved with the oil and gas industry for quite a while, for a very long time without much control. They were sort of imposed on them. Some people found jobs. A few people got some companies going, but not very many.

If you look over the last 20 years, it's been one of the most remarkable transitions we've ever seen. You now have hundreds of Indigenous companies. You have thousands of employees. You have communities that are actively involved in ownership, opportunities around infrastructure. You have a very active engagement with natural gas and bitumen pipelines.

Yet most Canadians think Indigenous folks are opposed to oil and gas development, and my view basically is that they're not opposed. They're opposed to bad oil and gas development. They're opposed to incautious oil and gas development, but they want to see development that is respectful and beneficial to their communities.

What's going on? Is my description of active engagement in the sector an accurate one?

JP Gladu:

Well, I mean, he who controls the past, controls the present. For I believe you've got it on the head. There's been a number of legal cases that have set up Indigenous communities in a place where they are being put in the forefront and being asked to participate with natural resource companies.

Natural resource companies understand that if they're going to get their projects built, that they've got to build these meaningful relationships with communities. They are the longest standing organizations that are intersected with our people on the land. Long gone are the days where natural resources are going to be extracted from our territories and we have no say. This includes even growing up in Northern Ontario and watching logging trucks go by my community. Long gone are those days.

Communities see the opportunity. Living in poverty is no fun, managing poverty when you talk to communities and chiefs, that's no way to be. We were once a very prosperous people, and due

to colonials and many of the practices that came along with it, we were put in a corner, which prohibited us from being active participants in the economy. We're Canada's first entrepreneurs. We know business, and there are thousands of entrepreneurs in this country, many of them participating in the oil and gas sector.

We have strong communities in Alberta, Saskatchewan, BC, and the Territories, and they have significant reliance on natural resource development, whether mining, oil and gas, or forestry.

They understand the economic impact that such activities have in the communities, but they're not going to just throw all caution into the wind and not do responsible development. We have to live there. We've lived there for thousands of years, and we're going to be there for thousands more. We need to be able to sustainably and responsibly develop our resources whenever possible, using the best technology, using our workforce, and using our business.

Now it's a really interesting time, which you've already eluded to. We did get some employment jobs in the beginning, then we started to develop businesses to compete in the supply chain, and now we're becoming the primary producers and infrastructure owners, which is going to support our resource development. It's an incredibly exciting time, and I'd say the last 10 years have been particularly explosive. It's really exciting to be in this arena.

MLI: Why do Canadians in general not seem to understand this? I find it so puzzling. Part of it is the protest that happened. Many have good and legitimate questions and concerns about oil and gas development. Part of it is the environmental movement, which is very heavily involved.

More generally, what are you doing to sort of change the attitude of Canadians? Canadians are very resistant to understanding that Indigenous people are entrepreneurial, successful, business-oriented, and particularly anxious to destroy the poverty model.

JP Gladu:

You've hit the two big ones, and they're really around education. I think the media has a really big part to play in this. The media needs to understand, and it's just the way media is, that it is sensationalizing the conflict, which there is some. And to your point, for good reason, we do have concerns about oil and gas development.

Responsible development and sustainable development in partnerships with environmental organizations are possible, as an

example. I don't believe oil and gas companies get up in the morning, and the first thing in their mind is how they going to destroy the environment. And for the more moderate environmental organizations, I think the last thing on their mind is how they are going to destroy jobs and the economy. It's about finding that balance.

Canada's just really waking up to this Indigenous reality – this idea that there's Indigenous people still thriving in this country, that we have rights and are still here. We haven't gone away. The Truth and Reconciliation Commission added a lot light to the conversation. I think it's going to be really important to continually educate Canadians about our aspirations, which are as diverse as our people. We're not homogenous, and we do have opportunities across sectors.

We've just got to keep at it. We've got to continue to have these forums. We need to invite Canadians into these conversations. We need to ensure that our ideas are reflected in policy, and that we're supported to be able to participate effectively in the economy through things like supply chains.

MLI: I want to pick up on one of your points about infrastructure. You're now involved with two organizations. You've described A2A – the Alberta to Alaska corridor. You're also involved with the Steel River Group. I want you to tell us a bit about that organization and perhaps in that context, explain why Indigenous interest in infrastructure is so strong.

I'll use the one example that's been discussed widely. Coastal Gas Link is going to take natural gas from northeast British Columbia to the LNG plant in Kitimat, British Columbia. They have signed 20 agreements with every First Nation along the route and have very widespread support for that project. I always find it kind of intriguing because some people ask why Aboriginal people are so focused on infrastructure? Give me your thoughts on why infrastructure is so important to Indigenous communities?

JP Gladu:

Well, being on the front end of developing infrastructure and the railroad corridor or pipelines or gas lines, and having a say in where that infrastructure gets placed on the ground, is really important. We do have a longstanding relationship with the land and building infrastructure in the most appropriate and most cost effective way is really important.

Then, once you're the owner of infrastructure, that's long-term revenue for your community or your communities. With the prod-

ucts that go through there, you are an integral part of the supply chain. You're the vehicle to make sure that the products get to market.

Then, from there, you start to build revenue. You start to build business capacity, all the way down the supply chain to ensure that our businesses are proliferating in everything that is associated with that said vehicle and, in this instance, the gas line.

Then, if I can relate to another really great example here in Ontario, let's talk about road infrastructure – specifically, putting Indigenous communities in the driver's seat of designing the road to go to a Ring of Fire Mining development. What does that do? It empowers the communities to be the ultimate decision-makers for how and what comes down that road. That's a far cry from 20 to 30 years ago when we had no say. The bottom line is that it's a major revenue generator for our communities, so we can start managing the wealth rather than the poverty we've been managing for way too long.

MLI:

I want to pick up on that point again. I know you've had conversations over time with Crystal Smith, who was the chief councillor for the Haisla First Nation in northwest British Columbia. In that conversation, you sort of say, why are you getting involved in LNG Canada? Why are you making such big commitments as a community to training your people, getting involved with business, supporting the idea of the project? It's interesting that her first comment is about wanting to cut all financial ties with Ottawa – that basically as the Haisla people, they want to be completely financially independent. They don't want to have to go to Ottawa to ask for some money for school, for a senior's complex or to run our own government.

It seems to me that one of the passionate powerful things about Indigenous entrepreneurship is that it has that community and nation-building element to it – something we don't see among the non-Indigenous population. Indigenous business is about profit. It's about employment. It's about setting up good and successful companies. But it's also about building nations. You care to comment on that?

JP Gladu:

Crystal is an amazing leader. And I agree one hundred percent. I (and many other community leaders) want to get out from under the purse strings of the federal government because it restricts our ability for decision-making and self-governance. Being told what you need and what you have to spend your money on is demoralizing. How can you be a proud nation when you're having

to rely on somebody else, and they direct you in a paternalistic way on how to spend your resources?

We've got to get outside of that government framework, and one way to do that is to build our own economy so that we can empower ourselves and spend the resources – not only financial but human capacity that we're developing as well – on where we feel it should be applied.

They have an extraordinary opportunity. I think I saw a recent post about allocating \$300,000 or \$400,000 to building a school on their own without any federal support. That's incredible.

Then lastly, sort of going back to infrastructure and nation-building, when you come to visit me at my community when I take you fishing. Let say I pick you up in a rental car, we're going down the road, and we hit a bump. Yes, we're both going to cringe, but we'll also say, thank goodness it's a rental. If you pick me up in your car, however, and we're going down that same road, you're going to be sure to miss that bump – and that's because you're invested in that vehicle. Having investment from our people in these types of vehicles – infrastructure vehicles, for instance – only serves to extend the life of them and allows us to be sharply aware of all the components of that vehicle and how it runs. Educating ourselves, it offers an opportunity to also make mistakes and learn from those mistakes. But if you're not invested, your learning of things is greatly diminished.

MLI: Let me finish with some final questions. What should Canadians as a whole think about the business empowerment of Indigenous people, particularly in oil and gas? Is Indigenous empowerment coming at the expense of other people? Is Indigenous empowerment wrecking opportunities for non-Indigenous business?

JP Gladu:

You know, I just always see it as a ladder. When you've got knowledge and a way of being for thousands of years in a country like Canada and you're not capitalizing on that knowledge system or its people, I think we're missing out on an important segment – and this important value is not being integrated into our Canadian economy or ways of being.

One of my favourite things to do when I was younger was sitting with elders and learning about their stories and bringing those knowledge systems to the table and finding a new way to build things. I think Canadians need to think about is a new model of doing business together, because it only serves to strengthen the bottom line. Sometimes it might take a little bit longer, but some

things just need that time to mature so that we have the stronger outcomes, especially when we think about the northern parts of our country where a big part of the population are Indigenous. It makes no economic sense, no matter who you are, to be importing labour and services and equipment if you've got it local. From an economics perspective, using the local capacity just makes more sense, and building that Northern capacity in the economy just makes sense.

When we look at the balance sheet of Canada and its Indigenous peoples, we still are following in what can be called the liability category, with regards to lower education rates, high unemployment rates, high incarceration rates. That gets the Canadian taxpayers. I pay tax. We all pay for that. We need to be empowering the Indigenous population so that we are at par and better with regards to employment and education. That only serves to add to our country.

Internationally, it's also an embarrassment. Canada should be embarrassed about how it's treated its Indigenous people. We live in a global community, and we can't be seen as laggards when it comes to human rights and its Indigenous people. Canadians are waking up to the Indigenous population. I feel very proud to be an Indigenous Canadian and to be able to talk to strangers about being Indigenous and to break those stereotypes, and to walk away having them think a little bit deeper on who they just met. I think that'll stick with them the next time they meet an Indigenous person or the next time they have a dinner conversation with other Canadians that aren't exposed to these wonderful issues.

Canadians just need to be a little bit more open and engaged and learn and work with us and have conversations. I think then their lives will be enriched.

MLI: That was a brilliant answer to a very tough question. You never shy away from tackling the big ones or doing the hard work that has to be done. I want to thank you very much for taking the time to speak to us as part of MLI's project about the Frontlines of Reconciliation, which is the study of the impact of the Indigenous involvement in the oil and gas industry. We see this as being the place where Canada is working the best in finding real models to collaborate with Indigenous communities and share prosperity for the first time in modern history.



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323 Chapel Street, Suite 300,
Ottawa, Ontario K1N 7Z2
613-482-8327 • info@macdonaldlaurier.ca



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