

## **Aboriginal Economic Development Corporations Proudly Investing in the Future of their Communities and Peoples**

**Toronto, Ontario, May 18, 2011** –The Canadian Council for Aboriginal Business (CCAB) has conducted the first comprehensive national survey of CEOs of Aboriginal economic development corporations (EDCs).

EDCs are the economic and business development arm of a First Nations, Métis or Inuit government. They are vital to the Aboriginal business community because they invest in, own, and/or manage subsidiary businesses that benefit the Aboriginal communities they represent. These subsidiary businesses are typically involved in industries such as oil and gas extraction, manufacturing and construction. Many EDCs, such as Makivik Corporation, Whitecap Development Corporation, and Primco Dene LP, have become business success stories, but have not been included in data on Aboriginal business until now.

For its second instalment of the *Aboriginal Business Survey*, CCAB, in partnership with Environics Research Group, embarked upon the *Survey of Aboriginal Economic Development Corporations* to address this significant information gap.

This report provides insights into EDCs' successes, challenges and strategies. The research also examines EDCs' relationships with other organizations (including government and private sector), and their role in the community.

In releasing the report, titled ***Community and Commerce: A Survey of Aboriginal Economic Development Corporations***, Clint Davis, President & CEO of CCAB said, "Aboriginal businesses are viewed as important business partners. CEOs of Aboriginal EDCs confirm this fact with 80% reporting that they have at least one joint venture. Disseminating this positive story about Aboriginal community business success is vital to illustrating how we are becoming significant players in the Canadian economy. Many Aboriginal EDCs are growing their revenue, hiring and training Aboriginal people, and providing significant economic and social benefits to their communities."

### **KEY FINDINGS**

#### **1. Aboriginal economic development corporations are performing well financially.**

Many EDCs are growing. A slim majority (54%) of EDCs saw their sales revenues grow over the previous year; sales remained stable for another one in five (20%).

#### **2. The majority of EDCs include community benefits when evaluating their success.**

EDCs are a critical source of employment for community members. Nearly four in ten (38%) EDCs report that they are the major employer in their community. Aboriginal peoples comprise, on average, 72 percent of EDCs' employees.

EDCs also create opportunities for communities. These include drawing business investment interest by networking, engaging local industry, and actively seeking partners. As well as supporting small business

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owners in the community, with preferred supplier relationships, and by mentoring and providing financial assistance.

EDCs describe their success not only in terms of specific project accomplishments (e.g. construction of facilities) and financial growth, but also in terms of the economic and social benefits for the community.

### **3. 80% of EDCs say developing Aboriginal employees is a major priority.**

Employee-related issues are among the most common challenges facing EDCs. A large majority of EDCs intend to invest in their workforce by developing and training employees (80%) or by hiring new talent (70%), ahead of facility or equipment upgrades.

### **4. EDCs share the optimism of privately-owned Aboriginal small business owners and express similar confidence about the future of their organizations.**

Eight in ten (78%) EDCs predict revenue growth over the coming year, in most cases between 20 and 50 percent. Consistent with their expectations for growth, a majority (66%) of EDCs plan to increase their capital investments in 2011.

#### **METHODOLOGY**

*These results are based on interviews conducted either in person or by telephone with senior executives of 50 Aboriginal economic development corporations across Canada, between September 13, 2010 and January 18, 2011.*

*The research was conducted by Environics Research Group. Support was also provided by Acosys Consulting Services, a 100 percent Aboriginal owned and operated firm.*

*A questionnaire was developed specifically for this unique study population, separate from the main ABS questionnaire for small business owners.*

*The full report including an executive summary is available at [www.ccab.com](http://www.ccab.com).*

#### **ABOUT CCAB**

The Canadian Council for Aboriginal Business (CCAB) was founded in 1984 by a small group of visionary business and community leaders committed to the full participation of Aboriginal people and communities in Canada's economy. A national non-profit organization, CCAB offers knowledge, resources, and programs to both mainstream and Aboriginal-owned member companies to increase employment, foster business relations and create economic opportunities for Aboriginal people, businesses and communities across Canada.

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