

A Cross-jurisdictional Survey to Identify Smart Practices for an Aboriginal Business Directory

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Artist: Simone McLeod
Name of Piece: Strength Together
Medium: Acrylic on Canvas
Source: Aboriginal Art Canada Gallery

The author of this report has chosen this particular portrait to signify the importance of stakeholders coming and working together. Strength is the necessary by-product of such a union.

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EXECUTIVE SUMMARY

Aboriginal entrepreneurs in British Columbia are a diverse group, functioning within a wide range of industry sectors. They operate within a complex and changing environment, both in the marketplace and in their own communities, and face many challenges as they strive to develop their business enterprises. Despite the rapid growth of British Columbia's Aboriginal peoples, Aboriginal enterprises have been underrepresented in their response to government procurement contract opportunities. In addition, to ensure the effective delivery of government sponsored programs designed for Aboriginal peoples, it is becoming increasingly necessary to consider Aboriginal business enterprises to design and deliver the goods and services.

This report's objective is to provide a summary of smart practices to the BC government regarding an Aboriginal Businesses Directory (ABD). This will be accomplished by surveying current initiatives regarding Aboriginal procurement in Canadian government and non-government organizations. Work that has been completed or is currently underway in other organizations regarding Aboriginal procurement and ABD's may inform the development of an ABD for British Columbia, depending on the relevance to the situation here. In this regard, the following key research question was identified to guide the discussion and propose recommendations for the design of an ABD for the province of BC: *What are the smart practices for the development of an Aboriginal Business Directory for the province of British Columbia?*

This research's scope is limited to government and non-government organizations in Canada, specifically regarding the administration and management of Aboriginal business directories. The report will provide insight into the planning that has been done by these organizations. This report will inform the Office of the Comptroller General within the British Columbia Ministry of Finance regarding the administration and management of an Aboriginal Business Directory for British Columbia.

Methodology

The research approach comprised two elements. First, representatives from various Canadian government and non-government organizations were interviewed by telephone and email. Second, a review of public documents and websites, and academic literature was conducted to determine current approaches, initiatives and practices regarding the administration and management of Aboriginal Business Directories in a variety of organizations. The following governments participated in the survey: Federal government of Canada, and the governments of Saskatchewan and Manitoba. The following non-

government organizations participated in the survey: the Toronto Aboriginal Business Association, Aboriginal Youth Mean Business and the Tale'awtxw Aboriginal Capital Corporation.

Results and Recommendations

There is a general consensus among Aboriginal peoples that economic self-sufficiency must come from the development of business enterprises by Aboriginal peoples themselves. Further, Canada's Aboriginal peoples represent an untapped source of labour and partnerships. It is evident from both the review of the literature and the survey that was undertaken for this report that there appears to be considerable work underway with respect to Aboriginal economic development. However, with respect to Aboriginal procurement initiatives such as Aboriginal Business Directories (ABDs) specifically, few organizations have instituted ABDs. In addition, buy-in by Aboriginal enterprises into existing Aboriginal procurement initiatives has not reached its potential levels. The initiatives and planning that are currently present appear to have taken into consideration the importance of expanding the Aboriginal supplier base; however, this varies in level of sophistication across the organizations reviewed.

This research highlighted the various ways different government and non-government organizations engage Aboriginal vendors in procurement initiatives, and the issues and constraints regarding Aboriginal procurement initiatives. For example, the federal government's Procurement Strategy for Aboriginal Businesses (PSAB) appears to be the benchmark for Aboriginal procurement initiatives throughout Canada. In addition, Industry Canada's ABD is the most comprehensive national database of Aboriginal businesses, with a considerable amount of thought given to ensure the success of PSAB and the ABD.

The review of the literature and the cross-jurisdictional survey serve to inform the following recommendations for British Columbia:

- *Aboriginal Business Directory Size*
 - i) The BC government should highlight the benefits of listing businesses on the BC ABD to existing and new Aboriginal enterprises to increase the Aboriginal supplier base for government procurement tendering opportunities.
 - ii) The BC government should emphasize the advantages of collaborating with Aboriginal enterprises to non-Aboriginal enterprises via the BC ABD to ensure increase the Aboriginal supplier base for government procurement tendering opportunities.

- *Aboriginal Business Directory Platform and Distribution*
 - i) The BC government should make the BC ABD in an online format.

- ii) The BC ABD should include a past service testimonials section, which contains feedback from previous clients of the Aboriginal enterprise.
 - iii) The BC ABD should also include searchable functions which will allow clients to seek Aboriginal enterprises based on the type of goods or services offered industrial sector, and geographic area.
- *Definition of Eligible Businesses*
 - i) The definition of what constitutes an Aboriginal enterprise for the benefit of the BC ABD should be consistent with the BC API Aboriginal enterprise definition.
 - *Updating Aboriginal Business Directory Information*
 - i) The BC government should allocate adequate resources to ensure an instantaneous turn-around time for updating information on the BC ABD.
 - *Aboriginal Business Directory Resources*
 - i) The Purchasing Services Branch (PSB) in the Ministry of Citizens' Services should be tasked with the administration and management of the ABD. The BC government should allocate adequate resources to the PSB to ensure the successful administration and management of the BC ABD.

This report provides relevant information that will guide the development of an ABD for the province of British Columbia.

1.0 Introduction

1.1 Introduction

Procurement represents “millions of dollars of opportunities” for Aboriginal enterprises, but for a multitude of reasons, Aboriginal enterprises may find it difficult to respond to the procurement needs of both the government and non-government sectors (Aboriginal Human Resource Council, 2009). This may be attributed to capacity issues in the Aboriginal business community to respond to Requests for Proposals (RFPs) and other solicitations, and a lack of adequate Aboriginal vendor expertise in areas of government business (*ibid.*). These and other challenges facing Aboriginal enterprises are becoming increasingly complex, and the changing social and economic conditions of Aboriginal peoples have placed greater demands on both the government and non-government sectors across Canada.

In response to these challenging social and economic conditions, the British Columbia (BC) government is currently developing an Aboriginal Procurement Initiative (API) for review and approval by Treasury Board. It is anticipated that the approval for the API will occur before the end of this year (2010) (British Columbia Ministry of Finance (a), 2009). A key element in the BC government’s API is the creation of an Aboriginal Business Directory (ABD) for the province of BC. Therefore, a survey of similar initiatives in other organizations across Canada has been undertaken to inform the development of an ABD for BC.

1.2 Research Question and Objective

To inform the development of an ABD for the province of BC, the following key research question was identified to guide the discussion and propose recommendations for the design of an ABD for the province of BC: *What are the smart practices for the development of an Aboriginal Business Directory for the province of British Columbia?* An ABD would provide a source-list of Aboriginal vendors for procurement officers to use in the government procurement process. It would also provide a networking opportunity for both Aboriginal enterprises to non-Aboriginal enterprises to do business with one another.

The provincial government wishes to increase the Aboriginal supplier base for government procurement tendering opportunities by providing significant exposure to an Aboriginal business' products and services. The objective of this report is to provide a summary of smart practices to the BC government regarding an ABD. This objective is important because the ABD is a key element in BC’s Aboriginal Procurement Initiative. This will be accomplished by surveying current initiatives regarding Aboriginal procurement in Canadian government and non-government organizations. Work that has been completed or is currently underway

in other organizations regarding Aboriginal procurement and ABD's may inform the development of an Aboriginal Business Directory (ABD) for British Columbia (BC), depending on the relevance to the situation here. This may include, but not limited to the following:

1. *The successes attained*, such as increased number of contracts for Aboriginal vendors, increased number of Aboriginal vendors competing for government contracts;
2. *Challenges faced*, such as ensuring adequate resources and buy-in into the initiative; and
3. *The day-to-day administration and management of an ABD*, such as ABD structure and maintenance

The scope of this research was limited to government and non-government organizations in Canada, specifically regarding the administration and management of ABDs. Similar ABD initiatives in other jurisdictions will be reviewed as they are best positioned to comment on the administration and management of initiatives already present, and provide recommendations for further development.

1.3 The Client

The Office of the Comptroller General in the BC Ministry of Finance is tasked with developing an Aboriginal procurement policy to increase the Aboriginal supplier base for government procurement tendering opportunities (British Columbia Ministry of Finance (a), 2009). Instituting a British Columbia ABD will fulfil a key element of the policy.

Participation in this undertaking by the BC Ministry of Finance would be beneficial as it would provide a deliverable that falls within two major service goals of the ministry:

1. Goal 2: *'A strong, competitive, and vibrant economy'* (British Columbia Ministry of Finance (b), 2009); and
2. Goal 3: *'Provide governance frameworks that support government in effectively achieving its objectives and providing the public with value for money'* (ibid.).

1.4 Outline of Report

This report is comprised of six key sections, including this introduction. Section two provides the background and context into the Aboriginal business directory. Section three presents the research methods used in the study. Section four reviews comparable programs in both government and non-government organizations within Canada. An analysis and discussion of the findings based on the research question is presented in section five, while section six offers recommendations for the development of a British Columbia Aboriginal business directory. Section seven concludes.

2.0 Background and Context

This section will provide background on Aboriginal peoples in Canada and the importance of Aboriginal economic development. The context of Aboriginal procurement in British Columbia (BC) will also be outlined, along with the relevance of this study to the development of an Aboriginal Business Directory (ABD) for BC. An overview of the procurement process in the BC government will also be summarized.

2.1 Aboriginal Peoples in Canada

Statistics Canada (2008, para. 8) defines Aboriginal identity in Canada as follows:

those who identify with at least one Aboriginal group that includes First Nations, Métis or Inuit, and/or those who reported being a Treaty Indian or a Registered Indian¹, and/or those who reported they were members of an Indian band or First Nation.

According to the 2006 Canadian Census, there are 1,172,790 Aboriginal people in Canada, accounting for 3.8 percent of the country's total population. This total comprises 698,025 people of First Nations descent, 389,785 Métis, and 50,485 Inuit (Statistics Canada, 2008).

In British Columbia, 4.8 percent of the population reported an Aboriginal identity in the 2006 Census (BC Stats, 2006b). The BC Aboriginal population is much younger than the non-Aboriginal population, where 47 percent of the First Nations and 44 percent of Métis population are less than 25 years old, compared to 29 per cent of the non-Aboriginal population (*ibid.*). The highest proportion of Canadian Aboriginal peoples live in the northern regions of Nunavut (85 percent), the Northwest Territories (50.3 percent), and the Yukon Territory (25.1 percent) (BC Stats, 2006a). The lowest proportion of Aboriginal peoples reside in the provinces of Prince Edward Island (1.3 percent) and Quebec (1.5 percent) (*ibid.*).

Aboriginal peoples in Canada face a number of social problems to greater degree than non-Aboriginal people overall. They have higher rates of unemployment (Statistics Canada, 2008), crime and incarceration (Perreault, 2009), poverty (Anderson, 2003), and substance abuse and health problems (Health Canada website, a). Aboriginal peoples also tend to have lower levels of education (Anderson, 2003). According to a special report on Aboriginal people in Canada commissioned by the TD Bank Financial Group, in spite of the considerable barriers that remain in ensuring significant socio-economic progress within the Canadian Aboriginal population, there is increasing optimism that things are changing for the better. This could be attributed to the “growing alignment of economic interests between Aboriginal peoples and the nation’s non-Aboriginal business community” (TD Bank Financial

¹ as defined by the *Indian Act* of Canada (Statistics Canada, 2008)

Group, 2009, p.1). This alignment of economic interests can be achieved through business partnerships such as joint ventures between Aboriginal and non-Aboriginal enterprises (TD Bank Financial Group, 2009). Aboriginal enterprises stand to benefit from the experience, talent, and capital of established non-Aboriginal enterprises, while non-Aboriginal enterprises recognize the value in strengthening ties with Aboriginal peoples as partners and customers (*ibid.*).

2.2 Aboriginal Economic Development

This section will define Aboriginal economic development and the importance of establishing business enterprises to achieve economic self-sufficiency. It will also look at Aboriginal enterprises across Canada and in British Columbia.

2.2.1 Aboriginal Economic Development

The main characteristics of Aboriginal economic development include attaining economic self-sufficiency and improving the socio-economic standards of Aboriginal peoples while preserving and strengthening traditional culture and values (Anderson, 2002). Aboriginal peoples in Canada have been “largely excluded from sharing in this nation’s economic success” and consequently, many have “fallen behind the Canadian population in nearly all areas of socio-economic well-being” (Standing Senate Committee on Aboriginal Peoples, 2007, p.23). Some of the main barriers to Aboriginal economic development include the legal and regulatory environment², lack of skilled labour, limited access to capital, and deficits in capacity³ (Indian and Northern Affairs, 2009a).

According to the Royal Commission on Aboriginal People, the total cost to the Canadian economy caused by the “socio-economic circumstances of Aboriginal peoples” in 1996 was estimated at \$7.5 billion. This cost to the Canadian economy would rise to \$11 billion by 2016 if the status quo was maintained (Indian and Northern Affairs, 1996). However, Aboriginal peoples believe that they can improve their socio-economic condition through economic development initiatives such as entrepreneurship and business development (Anderson, Kayseas, Dana, and Hindle, 2004).

2.2.2 The Need for Aboriginal Business Enterprises

Aboriginal peoples share a consensus that economic self-sufficiency must come from the development of business enterprises (National Aboriginal Financing Task Force, 1996; Anderson, 1999; Wien, 1999; Anderson, 2002; Auditor General’s Report, 2003; First Ministers

² This includes the barriers in the Indian Act and other regulations that impede economic development and investment, especially on reserves (Indian and Northern Affairs, 2009a).

³ Aboriginal businesses, political leaders and institutions need to build capacity to identify and pursue economic opportunities (Indian and Northern Affairs, 2009a).

& National Aboriginal Leaders, 2005; Conference Board of Canada, 2006). Aboriginal peoples want to become self-sufficient, while preserving their traditional values in the process. Consequently, Aboriginal communities in Canada have “a desire to balance their traditional communal ownership of land and resources with the capitalist tradition of private property ownership” (Conference Board of Canada, 2005, p.8)

According to Orrin Benn, the president of the Canadian Aboriginal and Minority Supplier Council, there is a growing recognition among corporate Canada regarding the value of working with Aboriginal and minority-owned enterprises (Canadian Aboriginal and Minority Supplier Council, 2007a). Benn illustrates this by highlighting the increase in corporate Canada’s procurement with Aboriginal and minority companies: from \$16 million in 2005 to over \$27 million in 2006 (*ibid.*). Corporate Canada also recognizes that Aboriginal workers and business owners represent an untapped source of labour and partnerships (Working Group on Aboriginal Participation in the Economy, 2001; Mendelson, 2004; Luffman and Sussman, 2007). As Canada’s labour market tightens, employers are exploring many sources in their search for skilled workers and partners to respond to procurement contract opportunities. With anticipated shortages in many areas of the labour force, this growing population of skilled Aboriginal workers may constitute an important pool of labour (Luffman and Sussman, 2007).

2.2.3 *Aboriginal Business Enterprises in Canada*

There has been an exponential growth in the number of Canadian Aboriginal enterprises over the past decades. In particular, there has been an increase in small-scale, for-profit enterprises (Canadian Aboriginal and Minority Supplier Council, 2007b). This is illustrated by the fact that in the 1990’s, an estimated 6,000 Aboriginal enterprises existed (Arrowfax, 1990). Currently, the number now stands at close to 30,000 Aboriginal enterprises (Statistics Canada, 2004). Out of the estimated 6,000 Aboriginal enterprises in the early 1990’s, approximately 50 percent were small-scale, for-profit businesses, compared to the current value of approximately 90 percent (*ibid.*).

Approximately half of the Aboriginal business enterprises in Canada have been in operation for ten years or more in three sectors: primary industries, construction, and the manufacturing, transportation and warehousing sector (Statistics Canada, 2004). The youngest businesses were in professional, technical and social services, where only 30 percent had been in business for ten years or more (*ibid.*). Two-thirds of the businesses operate under a sole proprietorship structure, and over half stated that they operated in a highly competitive industry. In addition, most Aboriginal businesses focused on local markets to sell their goods and services, while 13 percent sold goods and services outside of Canada (*ibid.*).

Successful Aboriginal enterprises can help close the gap that exists between the socio-economic conditions of Aboriginal and non-Aboriginal peoples in Canada (Conference Board of Canada, 2008). In its report released in May 2008, the Conference Board of Canada highlighted the following businesses as successful Aboriginal businesses⁴ (*ibid.*):

1. *Goodfish Lake Development Corporation*- an Aboriginal corporation that provides dry cleaning, clothing manufacturing and repair, protective clothing rentals, and bakery services to the oil and gas industry in Fort McMurray.
1. *Piruaqsaijit Limited*- an Inuit central management company owned by six Inuit development corporations.
2. *Atuqtuarvik Corporation*- an Inuit lending institution that assists Inuit firms in establishing and expanding their businesses.
3. *Donna Cona Inc.*- an Aboriginal business that specializes in information technology and consulting services.
4. *Caisse Populaire Kahnawake*- an Aboriginal-operated savings and credit union institution that has implemented a unique trustee agreement to collateralize land.

These businesses were considered successful because they were able to build transparent board governance and create successful partnerships with non-Aboriginal businesses (Conference Board of Canada, 2008). In addition, they were also able to harness aspects of Aboriginal culture that are conducive to business success, including cultural networking and corporate–community responsibility (*ibid.*).

2.2.3.1 Aboriginal Business Enterprises in British Columbia

British Columbia (BC), along with other Canadian provinces, is experiencing “a rapid rate” of growth in Aboriginal entrepreneurship (Vodden, Miller and McBride, 2001; Statistics Canada, 2004). This is illustrated by the fact that in the last decade, the number of self-employed Aboriginal people increased by 30.7 percent, a rate that is nine times higher for self-employed Canadians overall (Premier of Manitoba Economic Advisory Council, 2005). BC’s Aboriginal entrepreneurs are a diverse group, operating within a wide range of industry sectors, both traditional and non-traditional (Vodden, Miller and McBride, 2001; Statistics Canada, 2004). Key sectors include fishing, forestry, arts and crafts, retail, construction, tourism and hospitality, and other services such as consulting and professional services

⁴ The Conference Board of Canada defines an Aboriginal business according to the following criteria (Conference Board of Canada, 2008, p.11):

1. The business must be Aboriginal-owned and operated;
2. The business has demonstrated growth of profits over a substantial period of time;
3. The business has created jobs within the communities in which they are based or the Aboriginal community at large;
4. The business has created wealth within the communities in which they are based or the Aboriginal community at large;
5. The business has improved the social conditions within the communities in which they are based and/or the Aboriginal community at large.

entrepreneurship (*ibid.*). Many of British Columbia's (BC's) entrepreneurs are under the age of 30, motivated by "a desire for financial independence, seeking new markets, and operating out of their homes" (Vodden, Miller and McBride, 2001; Statistics Canada, 2004, p.30). The following sub-section outlines the procurement process in BC and the importance of a BC specific Aboriginal procurement policy.

2.3 Overview of Procurement in British Columbia

This section will highlight the issues faced by Aboriginal enterprises in BC and describe the procurement process in the BC government. It will also briefly describe the proposed BC Aboriginal procurement policy that aims at increasing the Aboriginal supplier base to the BC government.

2.3.1 Issues facing BC's Aboriginal Enterprises.

According to Vodden, Miller and McBride (2001), BC's Aboriginal entrepreneurs "operate within a complex and changing environment in the economy and in their own communities" (p. 39). These changes of significance include a growing Aboriginal population and movement from rural to urban areas. Changes in the legal and political environment that have taken place have increased access to natural resources, purchasing power and employment opportunities in Aboriginal communities (Vodden, Miller and McBride, 2001).

Vodden, Miller and McBride (2001) also noted that there is "an urgent need" for economic development within Aboriginal communities (p.38). While this emphasizes the importance of the provision of services to assist Aboriginal communities in becoming economically self-reliant, the current socio-economic conditions in Aboriginal communities are linked with "a host of other issues that Aboriginal businesses must be aware of and propose measures to address them" (Vodden, Miller and McBride, 2001, p.41). These issues include basic education needs, health and family issues (Vodden, Miller and McBride, 2001).

Vodden, Miller and McBride (2001) further noted that Aboriginal entrepreneurs face many challenges as they attempt to create and build their enterprises. These challenges include difficulty in accessing capital, geographic and social isolation in rural and on-reserve locations, economic leakage from Aboriginal communities, and the lack of acceptance, respect and support in both Aboriginal and non-Aboriginal communities.

This complex and changing environment in which BC's Aboriginal enterprises operate has meant that they have not been able to adequately respond to government procurement tender opportunities (Indian and Northern Affairs, 2006; British Columbia Ministry of Finance, 2009). In addition, according to the draft BC Aboriginal procurement policy, the

Aboriginal supplier-base for government contracts is limited due to the following factors (British Columbia Ministry of Finance, 2009):

- Capacity issues in the Aboriginal vendor community regarding response to Requests for Proposals (RFPs) and other government solicitations;
- A lack of adequate Aboriginal vendor expertise in areas of government business; and
- A lack of a proper business advertising tool, such as an Aboriginal business directory, to showcase the various types of Aboriginal Businesses.

The following sub-sections will describe the overall procurement process that the BC government has instituted, and the rationale for instituting an Aboriginal procurement policy for BC.

2.3.2 The Procurement Process in the BC Government

Direct government programs and services within the BC government account for over \$4 billion in procurement⁵ each year (British Columbia Ministry of Finance, n.d). An additional \$12 billion in procurement activity is undertaken by the broader public sector⁶ in BC on an annual basis, with over 6,300 significant public sector procurement opportunities posted annually on the government's electronic bidding website, BC Bid (*ibid.*). The BC government procurement activity for goods, services and construction is based on the principles of "fair and open public sector procurement" such as competition, demand aggregation, value for money, transparency and accountability (*ibid.*). Procurement governance for the BC government is overseen by the Procurement Governance Office (PGO) under a delegation from Treasury Board under the Financial Administration Act (*ibid.*).

In the BC government, the general process for the procurement of goods and services from a supplier starts when an individual ministry, the user, identifies the need for goods or services (British Columbia Ministry of Citizens' Services, n.d). The user prepares a description of the requirement and provides it as a requisition to the Common Business Services (CBS) division of the BC Ministry of Citizens' Services. CBS then determines the type of bid document to use based on the nature and complexity of the purchase. Once supplier proposals are received by the ministry, they are evaluated by the evaluation committee. Both successful and unsuccessful suppliers are informed of the outcome. Once the contract is negotiated and signed by the successful supplier, the service is performed or the goods are delivered to the ministry. Figure 1 below describes the common path taken for procurement in the BC government.

⁵ According to the BC Ministry of Finance website, procurement is defined as 'the full range of activities related to purchasing of goods, services, and construction' (British Columbia Ministry of Finance, n.d).

⁶ According to the BC Ministry of Finance website, the broader public sector is comprised of more than 150 organizations that are funded primarily by government. These include Crown corporations, public agencies and non-profit organizations (British Columbia Ministry of Finance, n.d).

Figure 1 – The Common BC Government Procurement Process



Source: Adapted from *Responding to Government RFPs: A Proponent Guide to the Request for Proposals Process in the Government of British Columbia*.

2.3.3 British Columbia's Aboriginal Procurement Policy

In response to the issues facing Aboriginal enterprises in BC, and to increase the Aboriginal supplier-base to the BC government procurement tender opportunities, the BC government is currently developing an Aboriginal procurement policy (British Columbia Ministry of Finance, 2009). In addition, if Aboriginal goods and service providers design and deliver the services to Aboriginal peoples, the efficiency of government sponsored programs to that target population would increase (British Columbia Ministry of Finance, 2009). In light of this, the BC government, through the Office of the Comptroller General (OCG), is developing procurement policy that meets the needs of ministries to “increase the participation of Aboriginal enterprises in the provision of goods and services to the BC government” (British Columbia Ministry of Finance, 2009).

The development of an Aboriginal procurement policy would provide “a common approach that would be used by ministries to support their diverse needs for Aboriginal contractors” (*ibid.*). These needs include, for example, Aboriginal contractors to provide social services by the British Columbia Ministry of Children and Family Development, and to build roads through Aboriginal lands by the British Columbia Ministry of Forests and Range and the British Columbia Ministry of Transportation and Infrastructure (*ibid.*).

An essential tool for the success of the Aboriginal procurement policy is a BC Aboriginal Business Directory (ABD). The ABD would assist procurement officials in the BC government in identifying suitable Aboriginal vendors as potential suppliers and provide procurement networking opportunities for both Aboriginal and non-Aboriginal suppliers (*ibid.*).

An ABD is defined as “a marketing tool designed to promote Aboriginal businesses to potential clients, while providing significant exposure to an Aboriginal business' products and services” (Enterprise Saskatchewan, n.d). Ideally, each business in the ABD is categorized according to the type of goods or services it provides, the location of the business, and comprises a wide variety of business sectors such as accommodations, construction, information technology, consulting services. In addition, the ABD is ideally updated on a regular basis to ensure information is relevant and up-to-date.

The following section will describe the methodology that was adopted for surveying organizations that have instituted ABD's.

3.0 Methodology

This study set out to determine the work done by other organizations in Canada regarding the administration and management of Aboriginal Business Directories (ABDs). This section will describe the research methodology that was adopted. It will also describe the research design and outline some of the limitations with respect to this study.

3.1 Research Design

The primary purpose of this study is to provide recommendations to the British Columbia (BC) government regarding the development of an Aboriginal Business Directory for BC. To accomplish this, two research tasks were undertaken: Interviews with personnel in other organizations responsible for managing ABD's; and a program review of other organizations. The following subsections present the methodology used for each of the tasks.

3.2 Interviews

The primary research of this project consisted of telephone interviews with personnel in various Canadian government and non-government organizations in charge of the administration and management of ABDs. Email interviews were also conducted with these organizations to supplement or clarify publicly available information, and in cases where officials were not able to partake in telephone interviews due to time and other constraints.

3.2.1 Interview Questions

The survey questions used to conduct the telephone and email interviews were developed in consultation with the client, and are attached in Appendix B. The survey consisted of ten questions and was designed to elicit information about the administration and management of ABDs. Table 1 shows the rationale behind the questions posed to the participants.

3.2.1 Participant Selection

The criteria that were used to select the organizations for this report included:

1. Similar Aboriginal procurement initiatives in other organizations in Canada; and
2. Availability of public information in English, including information from websites, government and non-government documents, academic literature, and interviews.

As a result of applying the above criteria, and in light of information that was publicly available, the organizations that were ultimately contacted were the federal government of Canada, and the governments of Saskatchewan, Manitoba and Nunavut. The non-government organizations contacted were the Toronto Aboriginal Business Association, Aboriginal Youth Mean Business, Tale'awtxw Aboriginal Capital Corporation, Apeetogosan (Métis) Development Inc., and the Northeast Aboriginal Business & Wellness Centre.

Table 1 – Rationale behind Choice of Questions in the Questionnaire

| Question | Rationale for Question |
|---|---|
| Please identify your department/organization name and physical location address (Indicate what level of government if applicable). | ➤ To classify/categorize the participants of the study. |
| What is the current platform of Aboriginal Business Directory i.e. print, online, etc. | ➤ To ascertain how other jurisdictions have set up their existing ABDs and the reasoning behind the chosen platform. |
| How is information updated on the Aboriginal Business Directory <ul style="list-style-type: none"> • Who did it • How often is it updated • What was involved • Who was consulted | ➤ To examine the processes behind updating the ABD (e.g. number of people, resources, processes involved), in order to create a template for the BC ABD to potentially follow. |
| How is the Aboriginal Business Directory structured e.g. sorted by business, geographical area, etc? | ➤ To determine how the ABD is classified (e.g. types of goods, geographical location of business, business type, etc.). ➤ To know if existing ABDs have a classification system, and what methodology has been used. |
| How many employee positions are needed to maintain the Aboriginal Business Directory on a yearly basis? | ➤ To determine human resource requirements and the minimum number of personnel required to efficiently manage and ABD. |
| What are the costs associated with the Aboriginal Business Directory e.g. employees, webhosting, software, etc? | ➤ To determine the financial implications of managing an ABD, specifically: <ul style="list-style-type: none"> • Number of employee positions required • Employee wages • Overhead costs This information is necessary when planning the budget for the ABD. |
| Which department/agency was responsible for setting up the Aboriginal Business Directory? How long has the directory been in existence? | ➤ To appreciate and learn from other organizations the rationale, methodology, and issues faced in instituting the ABD. |

| Question | Rationale for Question |
|--|---|
| How does your department/agency define an 'Aboriginal' business? How was the definition derived? | <ul style="list-style-type: none"> ➤ To determine: <ul style="list-style-type: none"> • The framework adopted for defining an ABD. • What exactly constitutes and Aboriginal Business • The rigour behind ensuring that Aboriginal status is maintained <p>This information can be used as a guideline for developing BC's definition of an Aboriginal Business.</p> |
| What are the challenges associated with the administration and management of the Aboriginal Business Directory? How are they being overcome? | <ul style="list-style-type: none"> ➤ To anticipate future challenges and potential solutions. |
| How successful has the Aboriginal Business Directory been? (this may include, but not limited to, the following: increased number of contracts for Aboriginal vendors, increased number of Aboriginal vendors competing for government contracts, etc) | <ul style="list-style-type: none"> ➤ To strive for the same successes and to build off of them. |

3.2.1 Data Collection

Beginning the week of June 15, 2009, email requests were sent out to organizations that met the participant selection criteria (see Appendix C for the text of the email). In some cases, recipients forwarded the request to a more appropriate individual, or referred the interviewer as necessary. Once an individual agreed to participate in the survey, the survey questions were forwarded to the participant to preview prior to the telephone survey.

The interviews took place from June 15 to August 30, 2009 (see Appendix E for the list of participants). In some organizations, it was necessary to speak to or obtain information from more than one individual as responsibilities were shared. Follow-up calls or emails were required to clarify information provided in the initial interview. Some participants provided the researcher with written information to supplement information provided in the verbal interview. Officials who were not available for a telephone interview due to time or other constraints were forwarded the interview questions to elicit detailed information regarding Aboriginal Business Directory (ABD) management in their organization. To complement the

data collected via the interviews, data was also collected through a review of publicly available resources including reports and publications on the websites of the organizations.

3.3 Program Review

Taking an inventory of comparable ABD initiatives contributes to this research for several reasons. First, an understanding of comparable initiatives is important from a management and collaborative approach. In order to understand the successes and challenges regarding the management of ABDs, the proposed ABD for BC must be able to build on the successes and appreciate the challenges associated with other ABDs. To do this, BC government ABD developers must examine the design and delivery mechanisms offered by other organizations. Second, understanding similar initiatives in other organizations is also beneficial in terms of collaboration and network creation. A cooperative approach with such organizations has the opportunity to benefit both the BC government, as well as partnering institutions.

This review of programs was conducted to supplement the information attained from the interviews. It involved reviewing publicly available material regarding ABD management such as reports, publications, and program descriptions on the various websites of the organizations surveyed.

3.4 Research Limitations

Some limitations exist with this research. With respect to the secondary research on initiatives and planning in other organizations, there was a lack of publicly available information, particularly relating to non-government organization documents and publications. The researcher was able to find limited literature online on the topic of the administration and management of Aboriginal Business Directories.

In regards to the primary research undertaken with officials in the government and non-government sectors, there are two key limitations. First, in general, there may be a reluctance to share information, hence it is possible that respondents did not feel comfortable in sharing detailed information about planning in their organizations. Therefore the researcher may not have received as full or complete a picture of the situation as would be ideal for this research.

Second, this research was conducted in the summer months, and it was sometimes difficult to speak to the most appropriate individual within the timeframe that had been established for the research. This resulted in the participation of officials, who, in some cases, may not have had the most complete information or knowledge about the subject matter. The

principal limitations with respect to the primary research undertaken included the inability to conduct lengthy telephone interviews due to participant time constraints, and the non-response of potential participants within the time frame established for this research. Nevertheless, with the knowledge gained from the review of programs, and the emailed responses, it was determined that this was adequate for this study.

The sections that follow will illustrate the findings from the cross-jurisdictional survey and program review regarding the administration and management of ABDs, discuss and propose recommendations for an ABD for BC.

4.0 Findings

The purpose of this section is to present the findings from the survey of various Canadian government and non-government organization's ABD administration and management. Section 4.1 looks at existing ABDs in the government sector, including the federal government, Saskatchewan, and Manitoba. Section 4.2 looks at comparable initiatives in the non-government sector, including the Toronto Aboriginal Business Association (TABA), Aboriginal Youth Mean Business (AYMB), and the Tale'awtxw Aboriginal Capital Corporation (TACC)⁷.

4.1 Government Jurisdictions

This section will highlight the findings from the government organizations reviewed. These organizations include the federal government of Canada, and the governments of Saskatchewan and Manitoba.

4.1.1 Federal Government of Canada

The federal government spends about \$20 billion a year on goods and services (Business Access Canada, 2008). 90 percent of all government contracts are worth less than \$100,000, and many are awarded locally across the country (*ibid.*). The department of Public Works and Government Services Canada (PWGSC) is the main purchasing arm of the federal government, and assists federal government departments in the procurement of goods and services (Business Access Canada, 2008). The federal government advertises procurement opportunities to solicit bids from potential suppliers. Once bids have been received, PWGSC and the government department involved work together to evaluate the bids based on predetermined criteria. The supplier that offers the best value wins the contract (*ibid.*).

Federal contracting is “an important market for small and medium-sized businesses” (Indian and Northern Affairs, 2009b). The federal government recognizes that Aboriginal business is “under-represented when it comes to bidding for and winning government contracts” (*ibid.*). A key aim of the federal government in this regard is to make it easier for the government and Aboriginal enterprises to do business with each other while “still meeting the principles of fairness, openness, and best value for the Canadian public” (*ibid.*).

4.1.1.1 Context and Rationale of the Procurement Strategy for Aboriginal Business (PSAB)

Consultant reports commissioned by the Department of Indian Affairs and Northern Development (DIAND) in the early 1990s found that federal procurement with Aboriginal businesses was “less than the potential capacity in certain sectors” (Indian and Northern

⁷ Repeated efforts were made to recruit participants from Apeetogosan (Métis) Development Inc., and the Northeast Aboriginal Business & Wellness Centre, but no participant was made available to the researcher; and although the officials in the government of Nunavut agreed to participate in the survey, completed surveys were not returned.

Affairs, 2002). In addition, the Report of the Royal Commission on Aboriginal Peoples also supported changes to procurement practices as “an avenue for increasing Aboriginal representation in the economic sector” (Indian and Northern Affairs, 2002, p.9). In light of these developments, in April 1996, the Canadian federal government launched the Procurement Strategy for Aboriginal Business (PSAB) (Indian and Northern Affairs, 2002).

According to the PSAB website, the PSAB is designed to increase the participation of Aboriginal business in government procurement “through a program of mandatory and selective set-asides, as well as supplier development activities” (Indian and Northern Affairs, 2009c). The main objectives of PSAB are to stimulate Aboriginal business development and increase the number of firms competing for and winning federal contracts (*ibid.*). The federal government reserves⁸, or sets-aside, some contracts exclusively for competition among Aboriginal businesses (Indian and Northern Affairs, 2008). There are two kinds of PSAB set-asides: mandatory and voluntary set-asides. Mandatory set-asides occur when the contract is worth more than \$5,000 and if it primarily serves an Aboriginal population (at least 80 percent), whereas voluntary set-asides are used by federal procurement officers whenever it may be practical to do so (*ibid.*).

When a business enterprise bids for a contract under the PSAB, it must complete and sign the form entitled ‘Certification Requirements for the Set-Aside Program for Aboriginal Business’ (*ibid.*). An Aboriginal bidder must provide proof of eligibility when Indian and Northern Affairs Canada (INAC) audits Aboriginal supplier certifications on a regular basis (*ibid.*).

According to the evaluation report conducted by Department of Indian Affairs and Northern Development (DIAND) and Prairie Research Associates in 2002, an essential tool for PSAB is the Aboriginal Business Directory (Indian and Northern Affairs, 2002). It also underscored the importance of “strengthening and maintaining” this directory of Aboriginal⁹ businesses (Indian and Northern Affairs, 2002, p.5).

4.1.1.2 Aboriginal Business Directory Characteristics

Federal government procurement officers seeking Aboriginal capacity for various goods or services contracts refer to two main databases: Business Access Canada’s Supplier Registration Information (SRI) database (Business Access Canada, 2008b), and Industry

⁸ According to the Indian and Northern Affairs website, when a procurement contract is reserved for Aboriginal bidders only, the federal department must indicate this in the procurement solicitation document. Consequently, the bids submitted by Aboriginal businesses are evaluated under the following principles of the federal government contracting: fairness, openness, and best value for the Canadian public (Indian and Northern Affairs, 2008).

⁹ According to the Procurement Strategy for Aboriginal Business (PSAB) website, the term ‘Aboriginal’ means a “Status or Non-Status Indian, Métis or Inuit person who is a Canadian citizen and resident in Canada” (Indian and Northern Affairs, 2008).

Canada's Aboriginal Business Directory (ABD), Strategis (Indian and Northern Affairs, 2009e). However, Indian and Northern Affairs Canada (INAC) officials only refer to the Strategis ABD to determine Aboriginal business capacity when asked by the procurement community, or when they “intervene on procurement strategies on behalf of the Aboriginal business community” (Indian and Northern Affairs, 2009d).

The federal government’s Strategis ABD is an online database of Aboriginal enterprises with a search capacity to find businesses. Industry Canada coordinates the ABD, which is pulled from the more general Canadian Company Capabilities (CCC) database¹⁰ (Industry Canada, 2008). The ABD is a directory of 210 businesses, organized by goods and services (25 categories), and by location throughout Canada (13 provinces and territories of Canada) (Indian and Northern Affairs, 2009e). Each Aboriginal business is categorized according to the information on goods and services provided in the registration profile (Indian and Northern Affairs, 2008). The ABD is comprised of a wide variety of business sectors, including agriculture, defence, construction, information technology, and tourism (*ibid.*).

In order to register their business on the Strategis ABD, Aboriginal firms can use the online application tool or contact the toll-free number listed on the Industry Canada website (Indian and Northern Affairs, 2009e). To be included in the ABD, companies must meet the following PSAB eligibility criteria (Indian and Northern Affairs, 2008):

1. Aboriginal people must own and control at least 51 percent of the business;
2. If the business has six or more full-time staff, one third must be composed of Aboriginal employees; and
3. An Aboriginal business must own and control at least 51 percent of the joint venture or consortium (if applicable).

4.1.1.3 Associated Costs

Interview statements of industry Canada officials maintained that the marginal costs of maintaining the Strategis ABD are minimal, with approximately “a few thousand dollars of employee time per year”.

4.1.1.4 Updating Information

According to Industry Canada officials, Aboriginal businesses in the Strategis ABD have the ability to update their own information online at any time. In addition, yearly reminders are sent by the ABD administrators to all of the listed businesses via an email, with telephone calls made if the businesses do not respond in due time. Industry Canada officials further noted that 95 percent of Aboriginal businesses have had their information reviewed in the

¹⁰ According to the Industry Canada website, the Canadian Company Capabilities (CCC) database has specialized manufacturing, service, and product specific business directories that contain around 60,000 Canadian businesses (Industry Canada, 2008).

last 18 months. In addition, inclusion of a business in the Aboriginal Business Directory (ABD) signifies an endorsement by the federal government as to the businesses' Aboriginal status, as all Aboriginal businesses are required to meet the Procurement Strategy for Aboriginal Business (PSAB) eligibility requirements before being placed in the Strategis ABD.

4.1.1.5 Challenges

Industry Canada officials noted that one of the main challenges of the ABD is enticing the Aboriginal businesses to register on the ABD. This is a challenge because ABD awareness and incentives are often unknown to the Aboriginal enterprises. According to the PSAB evaluation report published in 2002, one way to deal with this challenge could be to address the fact that the PSAB and the ABD are not actively promoted by federal purchasing personnel (Indian and Northern Affairs, 2002). The 2002 PSAB evaluation report advocates for the following ways of addressing this challenge (*ibid.*):

1. Ensure that information is distributed to federal purchasing personnel by the performance objective coordinators;
2. Ensure that federal purchasing personnel are able to refer Aboriginal businesses to business development tools; and
3. Ensure greater communication between PSAB program staff and Aboriginal economic development agencies.

According to both the PSAB team and Industry Canada officials, another challenge regarding the ABD is to make sure that all businesses in this directory are 'Aboriginal' as defined by the PSAB definition of an Aboriginal business¹¹. To address this, the PSAB team, in collaboration with Industry Canada, pre-qualifies Aboriginal businesses to ensure their Aboriginal status according to the PSAB definition before registering them on the ABD.

4.1.1.6 Successes

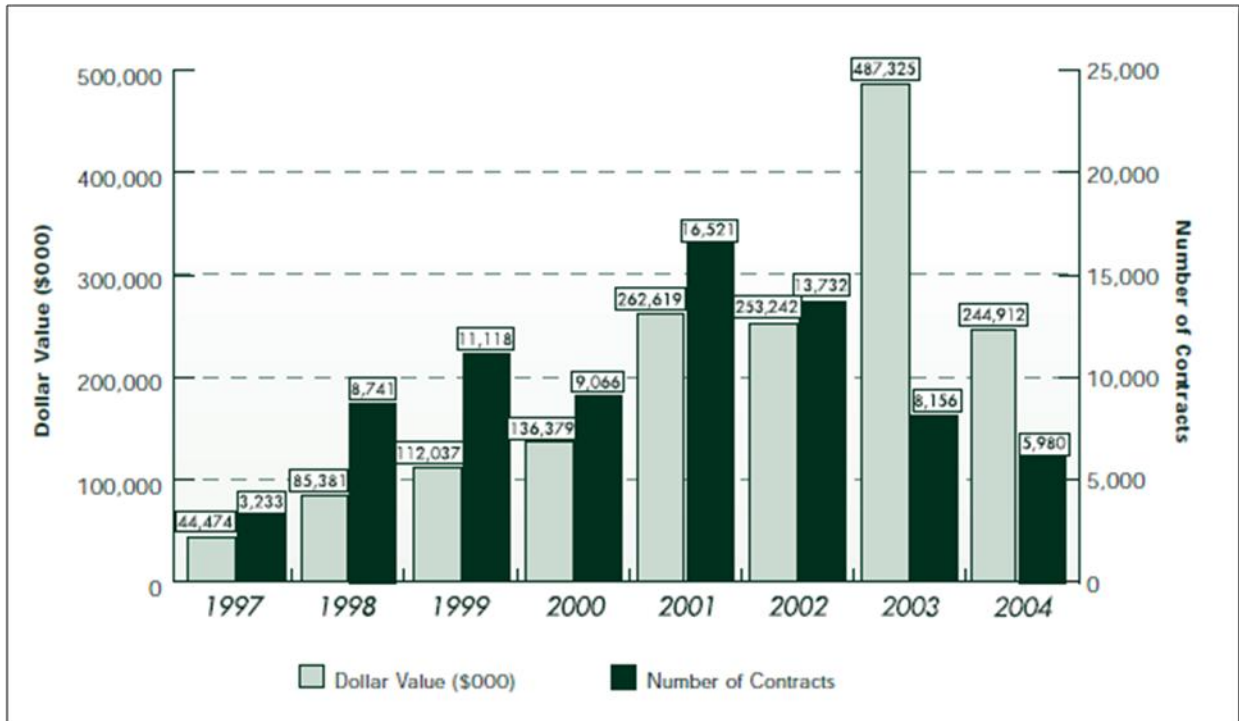
Officials at Indian and Northern Affairs Canada (INAC) and Industry Canada reported that while they are unable to track transactions as a result of a company being listed on the ABD, they are able to track visits to the directory itself. For instance, INAC officials noted that in the month of June, 2009, over 300,000 visitors browsed the ABD. In addition, as Figure 3 below shows, the number and value of contracts awarded to Aboriginal-owned firms by the federal government shows an increasing trend since the inception of the PSAB¹².

¹¹ According to the PSAB definition, in order to be classified as Aboriginal, the business must meet the following criteria (Indian and Northern Affairs, 2008):

1. Aboriginal people must own and control at least 51 percent of the business;
2. If the business has six or more full-time staff, one third must be composed of Aboriginal employees; and
3. An Aboriginal business must own and control at least 51 percent of the joint venture or consortium (if applicable).

¹² The PSAB performance report of 2004 highlights a drop in number and value of successful bids by Aboriginal businesses from 2003 onwards. This is attributed to the fact that the increasingly prevalent credit card purchases were not captured

Figure 2 – Number of Contracts and Dollar Values awarded to Aboriginal-owned firms between 1997 and 2004



Source: Procurement Strategy for Aboriginal Businesses Performance Report 2004 (Indian and Northern Affairs (2006).

The following sub-section will explore the administration and management of an ABD in the province of Saskatchewan.

4.1.2 Saskatchewan

The Saskatchewan government spends over \$100 million each year on goods and services (Saskatchewan Ministry of Government Services, n.d). According to the Crown Investments Corporation of Saskatchewan (CIC), Saskatchewan Crown corporations purchase almost \$2 billion worth of goods and services from Saskatchewan-based suppliers on an annual basis, with less than one percent of goods and services purchased from Saskatchewan Aboriginal-based suppliers (Enterprise Saskatchewan, n.d). The Purchasing Branch of the Saskatchewan Ministry of Government Services coordinates the purchase of goods and services for all government ministries, agencies, boards, commissions, and some Crown corporations (Saskatchewan Ministry of Government Services, n.d). This “centralized purchasing service” supports program delivery by the procurement of goods and services

and the inflation of total value of contracts by the presence of prior multi-billion dollar contracts (Indian and Northern Affairs, 2006).

that represent the “best overall value” for government (Saskatchewan Ministry of Government Services, n.d).

4.1.2.1 Context and Rationale for the Development of an Aboriginal Business Directory

According to the interview statements of Enterprise Saskatchewan (ES) officials, in 2004, a proposal was submitted by the Federation of Saskatchewan Indian Nations (FSIN) to the Crown Investments Corporation of Saskatchewan (CIC) for the creation of an Aboriginal Business Directory (ABD). In response, the CIC commissioned a study to determine the state of Aboriginal businesses in Saskatchewan¹³. The study found that there were between 750 - 1200 Aboriginal businesses operating in the province, with almost 70 percent of Aboriginal businesses located in northern Saskatchewan (including Prince Albert, Meadow Lake, and Melfort). In light of these and other findings regarding Aboriginal businesses¹⁴, the CIC formed the Crown Aboriginal procurement advisory committee in 2006. ES officials noted that this committee helped to develop a common definition of what constituted an Aboriginal business, guided the development phase of an ABD, and discussed a system for assessing the progress of the ABD.

Enterprise Saskatchewan officials noted that a change in CIC’s strategic direction regarding program delivery prompted the analysis for an alternative department for the ABD. ES proved to be the best host for the Aboriginal Business Directory (ABD) based on its “strategic role” in business development, and the promotion of Aboriginal procurement and employment practices in Saskatchewan. Enterprise Saskatchewan officials further noted during the interviews that the organization “willingly accepted the transfer of the management of the ABD as it was a strategic fit within its mandate”. ES officials noted that their organization currently maintains a relationship with CIC’s Aboriginal procurement advisory committee to advance the ABD at no cost to the Crown corporations. In addition, ES is also committed to further consultations with the Crown corporations, mainstream businesses, and Aboriginal businesses to determine how the ABD will best meet their business needs.

CIC launched the Aboriginal Business Directory in May 2007¹⁵ under the domain names of: www.aboriginalbusinessdirectory.com and www.aboriginalbusinessdirectory.ca. Enterprise Saskatchewan officials noted that their organization is committed to developing an internal

¹³ According to the interview statements of Enterprise Saskatchewan (ES) officials, the study was completed by Derek Murray consulting associates in association with Points West Management Consultants and the School of Business and Public Administration, First Nations University of Canada.

¹⁴ According to the interview statements of Enterprise Saskatchewan (ES) officials, according to the CIC study, in order to be classified as Aboriginal, the businesses must be Aboriginal-owned (First Nation, Métis and Inuit), based on a minimum of 51 percent ownership, with operations based in Saskatchewan.

¹⁵ According to the interview statements of Enterprise Saskatchewan officials, the Aboriginal business relations unit of the Labour and Aboriginal initiatives division launched the directory.

system to keep the Aboriginal businesses listings up-to-date. They further noted that on June 18, 2009, the ABD was officially transferred from CIC to ES.

4.1.2.2 Aboriginal Business Directory Characteristics

According to the Enterprise Saskatchewan website, the ABD is a “marketing initiative that is designed to promote Aboriginal businesses to the Crown sector and other markets throughout the province” (Enterprise Saskatchewan, n.d). The directory also aims to “provide significant exposure to an Aboriginal business' products and services” (*ibid.*).

The Saskatchewan ABD is an online database of Aboriginal enterprises with a search capacity to find businesses. It is a directory of 229 businesses, organized by goods and services (7 categories), and by location in Saskatchewan (23 regions in Saskatchewan) (Enterprise Saskatchewan, n.d). Each Aboriginal business is categorized according to the information on goods and services provided in the registration profile (*ibid.*). The ABD is comprised of a wide variety of business sectors, including agriculture, construction, manufacturing, and services. To register their business on the ABD, Aboriginal firms can register online. To be included in the ABD, enterprises must be Aboriginal owned with a minimum of 51 percent Aboriginal ownership, and be based in Saskatchewan (Enterprise Saskatchewan, n.d).

4.1.2.3 Associated Costs

Officials at Enterprise Saskatchewan explained that the cost of operating the Saskatchewan ABD was approximately \$50,000 annually for administration and technical support. However, ES officials noted that services regarding the ABD are provided free of charge to Aboriginal businesses and subsidiary Crown corporations.

4.1.2.4 Updating Information

ES officials noted that the ABD coordinator updates information when requested by the registrants¹⁶. In addition, the ABD is updated on an annual basis to ensure that the businesses that are listed on the ABD still meet all ABD criteria. The ‘News’ section on the ABD website is updated on a regular basis as it pertains to the Saskatchewan business environment, Aboriginal success stories in the province, and new funding or grant program information.

4.1.2.5 Challenges

Enterprise Saskatchewan officials noted that the main challenges facing Saskatchewan’s ABD include keeping the business information up-to-date, confirming that the business still exists, and still is at least 51 percent Aboriginal-owned. To address this challenge, businesses

¹⁶ Includes businesses and Crown Corporations.

are contacted on an annual basis by ES to ensure that they still meet all ABD criteria using the following steps:

1. Businesses are notified by e-mail in January of each year;
2. Businesses that do not respond to the e-mail will be contacted via mail/fax in February;
3. Businesses that do not respond to the mail-out will be contacted by phone in early March; and
4. Any business that is still in the directory that, by April 1, has not responded will be removed from the ABD.

4.1.2.6 Successes

According to Enterprise Saskatchewan officials, the Crown Investments Corporation of Saskatchewan (CIC) has successfully delivered presentations to provide information and updates on various Crown corporation Aboriginal business relations initiatives, including the ABD. These presentations have been delivered to the following organizations actively promoting Aboriginal business development:

- Federation of Saskatchewan Indian Nations (FSIN);
- Tribal Councils;
- First Nations;
- Métis organizations;
- Treaty Four, Regina REDA/Treaty Four Task Force;
- Public and private corporations; and
- Aboriginal and non-Aboriginal organizations.

Enterprise Saskatchewan officials also noted that from May 2007 to March 2009, the ABD accumulated a total of 138,744 visits, with an average page visit of 26,280 per month, indicating a high level of interest in the ABD. In addition, while ES officials would not disclose specific Crown corporation contractual information, they communicated that Crown corporations have developed mechanisms of tracking Aboriginal procurement and spending. ES officials further noted that these Crown corporations have increased their presence in the Aboriginal business community by focusing on the ‘Saskatchewan-First’ focus, which includes Aboriginal enterprises.

The following sub-section will explore the administration and management of an ABD in the province of Manitoba.

4.1.3 Manitoba

The Procurement Services Branch (PSB) of the Ministry of Infrastructure and Transportation is one of the largest purchasing agencies within the Manitoba Government (Manitoba

Infrastructure and Transportation, n.d). The PSB facilitates the acquisition of a wide range of products and services valued in excess of \$100 million annually (*ibid.*). The PSB purchases a wide variety of goods and services on behalf of client departments by providing “centralized procurement related services” to provincial government departments and agencies¹⁷ (Manitoba Infrastructure and Transportation, n.d).

4.1.3.1 Context and Rationale of the Aboriginal Procurement Initiative (API)

According to the Procurement Services Branch (PSB) website, the Manitoba government, through its PSB, developed the API in order to “increase the participation of Aboriginal businesses”¹⁸ in providing goods and services to government (Manitoba Infrastructure and Transportation, n.d). Aboriginal procurement is also one of the sustainable development procurement goals, in which the government of Manitoba is using its purchasing power to support community economic development and environmental sustainability (*ibid.*). According to officials at the PSB, the API has been phased-in over the past four years and full implementation occurred on April 1, 2009¹⁹. The Aboriginal Business Directory (ABD) has been a key component of the API since its inception.

The provincial focus of Manitoba’s API differs from the nation-wide focus of the federal government’s Procurement Strategy for Aboriginal Business (PSAB), as priority is given to Aboriginal enterprises native to Manitoba by setting-aside²⁰ contracts up to certain dollar thresholds²¹ (Manitoba Infrastructure and Transportation, n.d). This provincial focus ensures that Manitoba-specific community economic development²² occurs (*ibid.*). In addition, Aboriginal procurement tender options, such as mandatory Aboriginal business participation, enable Aboriginal firms located in Manitoba to potentially qualify for additional points when proposal tenders are evaluated²³.

¹⁷ According to the PSB website, goods up to \$2,500 are purchased directly by departments, while goods over \$2,500 are purchased by PSB and individual departments across government (Manitoba Infrastructure and Transportation, n.d).

¹⁸ According to the definition on the PSB website, in order to be classified as Aboriginal, the business must meet the following criteria (Manitoba Infrastructure and Transportation, n.d):

1. Aboriginal people must own and control at least 51 percent of the business;
2. If the business has six or more full-time staff, one third must be composed of Aboriginal employees; and
3. An Aboriginal business must own and control at least 51 percent of the joint venture or consortium (if applicable).

¹⁹ According to interview statements of PSB officials, current knowledge of the capacity levels of Aboriginal businesses is still limited, hence, departmental targets for Aboriginal purchases are yet to be established.

²⁰ The PSB website defines a set-aside as “a procurement for goods and services that has been reserved for competition only among Aboriginal businesses” (Manitoba Infrastructure and Transportation, n.d).

²¹ Set-Asides above the thresholds are open to all Canadian Aboriginal firms (Manitoba Infrastructure and Transportation, n.d).

²² A key component of Manitoba's economic strategy (Manitoba Infrastructure and Transportation, n.d).

²³ However, competitive bidding is applied to all purchases, which means quality, cost, performance, environmental considerations, and timelines in the delivery of the goods or services still serve as the primary criteria in making purchasing decisions (Manitoba Infrastructure and Transportation, n.d).

4.1.3.2 Aboriginal Business Directory Characteristics

The Procurement Services Branch (PSB) drafted an Aboriginal Business Directory (ABD) as “a corporate tool to identify Aboriginal businesses and to serve as a resource for all government buyers” (Manitoba Infrastructure and Transportation, n.d). The Aboriginal Business Directory (ABD) contains an inventory of businesses that have formally registered under Manitoba’s API²⁴. According to the PSB website, the main purposes of the ABD include (Manitoba Infrastructure and Transportation, n.d):

1. Helping Manitoba government buyers identify Aboriginal businesses as bidders and potential suppliers of goods and services required by departments;
2. Providing a networking opportunity for suppliers, both Aboriginal and non-Aboriginal, to do business with one another; and
3. Promoting procurement from Aboriginal business in other ways such as joint ventures and sub-contracting.

The online and print ABD is a database of existing Aboriginal-owned businesses in Manitoba. It is a directory of 350 businesses, organized by goods and services (17 categories), and by location in Manitoba (51 locations) (Manitoba Infrastructure and Transportation, n.d). Each business is categorized according to the information on goods and services provided in the registration profile. The ABD is comprised of a wide variety of business sectors including accommodations, construction, information technology, consulting services, as well as non-profit organizations and economic development corporations (*ibid.*). To register their business on the ABD, Aboriginal enterprises can register online. To be included in the ABD, businesses must meet the following ABD eligibility criteria as outlined on the PSB website (*ibid.*):

1. Aboriginal people must own and control at least 51 percent of the business;
2. If the business has six or more full-time staff, one third must be composed of Aboriginal employees; and
3. An Aboriginal business must own and control at least 51 percent of the joint venture or consortium (if applicable).

4.1.3.3 Associated Costs

According to the interview statements of PSB officials, ABD management is one of the roles and responsibilities of the PSB team, and as such, the associated costs of the various management functions of the ABD include allocating staff time.

²⁴ According to the PSB website, an Aboriginal Procurement Work Group, with representation from across government, canvassed jurisdictions in Canada and the United States to review strategies for best practices pertaining to Aboriginal procurement. The federal government of Canada’s Procurement Strategy for Aboriginal Business (PSAB) and Manitoba Hydro’s Northern Procurement Policy have helped shape Manitoba’s API framework (Manitoba Infrastructure and Transportation, n.d).

4.1.3.4 Updating Information

According to Procurement Services Branch (PSB) officials, The ABD is updated on a regular basis as registrations by Aboriginal business are received²⁵. As business profiles and corporate information (address, fax number, etc.) may change over time, PSB conducts an overall review of the ABD with changes updated periodically.

4.1.3.5 Challenges

According to PSB officials, a major challenge has been keeping the ABD current and updated. The ABD team has overcome this challenge by adding new registrants as needed, and that verification of business profile is completed once a year by the ABD team at Manitoba's PSB.

4.1.3.6 Successes

According to PSB officials, when procurement tender opportunities mandate Aboriginal involvement, non-Aboriginal vendors use the ABD to seek out partnerships with Aboriginal vendors. In addition, when tenders are quite large and capacity levels of Aboriginal vendors are insufficient to solely fulfill the requirement, non-Aboriginal enterprises use the ABD to find Aboriginal enterprises to sub-contract out some of the work.

PSB officials further noted that another success of the ABD is that fact that Aboriginal purchases have increased from \$18million in 2004/5 to \$25million in 2007/08²⁶. In addition, PSB officials noted that the number of transactions for Aboriginal purchases increased from 2,352 in 2007/08 to 2,678 in 2008/09. According to PSB officials, these statistics indicate a level of success that can be attributed to the ABD.

The following sub-section will explore the administration and management respective ABDs in the non-governmental jurisdictions of Toronto Aboriginal Business Association (TABA), Aboriginal Youth Mean Business (AYMB), and the Tale'awtxw Aboriginal Capital Corporation (TACC).

4.2 Non-Government Jurisdictions

This section will highlight the findings from the non-government organizations reviewed. This includes the Toronto Aboriginal Business Association (TABA), Aboriginal Youth Mean Business (AYMB), and the Tale'awtxw Aboriginal Capital Corporation (TACC).

²⁵ According to the interview statements of PSB officials, ABD registrations are verified by the Vendor Relations Coordinator, and the ABD is updated by the Material Identification Technician. In addition, an Aboriginal summer student is hired to contact and verify coordinates of businesses listed in Directory (one of several duties).

²⁶ As one of the largest purchasing agencies in Manitoba, the PSB facilitates the acquisition of an extensive and wide range of products and related services valued at approximately \$71.3 million annually (5 year average). (Manitoba Infrastructure and Transportation, 2008).

4.2.1 Toronto Aboriginal Business Association (Ontario)

4.2.1.1 Background of the Toronto Aboriginal Business Association (TABA)

The Toronto Aboriginal Business Association (TABA) is an initiative of Miziwe Biik organization (formerly known as the Greater Toronto Aboriginal Management Board)²⁷. TABA falls under Miziwe Biik's Aboriginal Resource Business Centre (ABRC) (Miziwe Biik Aboriginal Employment and Training, n.d). According to the TABA website, one of the main objectives of TABA is to create a database of Aboriginal businesses in the Greater Toronto area (GTA)²⁸ (*ibid.*).

4.2.1.2 Aboriginal Business Directory Characteristics

TABA's online Aboriginal Business Directory (ABD) is a database of existing Aboriginal-owned businesses in the GTA area (Miziwe Biik Aboriginal Employment and Training, n.d). It is a directory of over 130 businesses, organized by industry sector (20 categories).

4.2.1.3 Associated Costs

According to TABA officials, all the associated costs with managing the ABD are “tucked into the operating costs” of the Miziwe Biik organization²⁹.

4.2.1.4 Updating Information

According to TABA officials, Aboriginal business information is handled by the ABRC manager who maintains the ABD infrequently. In order to update and verify the Aboriginal status of the business, businesses receive a phone call or personal visits to verify that they hold Aboriginal status. Proof such as a status card is requested for inclusion in TABA's ABD, as well as with other initiatives of Miziwe Biik. TABA officials noted that the current version of TABA's ABD was updated “a few years ago”.

4.2.1.5 Challenges

TABA officials noted that there was a lack of an adequate feedback mechanism involving Aboriginal vendors and TABA regarding procurement. TABA officials attributed this to the fact that little or no resources have been allocated to date to build on initial successes of the Aboriginal Business Directory (ABD).

²⁷ Miziwe Biik Aboriginal Employment and Training was created in 1991 “to meet the unique training and employment needs of Aboriginal peoples”. The organization provides the Greater Toronto Area's Aboriginal community with training initiatives and employment services. (Miziwe Biik Aboriginal Employment and Training, n.d).

²⁸ The Greater Toronto Area (GTA) refers to the City of Toronto, and the surrounding regions of Durham, York, Peel and Halton (City of Toronto, 2009)

²⁹ According to the interview statements of TABA officials, the website was set-up by an Aboriginal contractor, who is paid \$5,000 per year to maintain it.

4.2.1.6 Successes

TABA officials observed that there has been little success regarding procurement as a result of Aboriginal businesses being listed on the ABD. This may be attributed to the fact that little or no resources have been allocated to measure and improve the performance of the ABD. The following sub-section explores the administration and management of an ABD in the Aboriginal Youth Mean Business (AYMB) organization.

4.2.2 Aboriginal Youth Mean Business (Manitoba)

4.2.2.1 Background to Aboriginal Youth Mean Business (AYMB)

According to the AYMB website, Aboriginal Youth Mean Business (AYMB) is “an alliance of service providers in Manitoba working together to encourage Aboriginal youth launch new business activities and support the growth of existing businesses in Manitoba”. AYMB also provides “a platform to increase exposure of the products and services of existing Aboriginal businesses”, and where Aboriginal youth can interact with Aboriginal role models. (Aboriginal Youth Mean Business, 2007a). AYMB officials noted that AYMB is an initiative of the Manitoba for Youth Branch of the Manitoba Ministry of Education. The AYMB website and ABD is hosted by the Partners for Careers department and is funded by Manitoba government.

4.2.2.2 Aboriginal Business Directory Characteristics

The AYMB’s online ABD is a database of existing Aboriginal-owned businesses in Manitoba. It is a directory of 350 businesses, organized by industry sector (59 categories³⁰), and by region in Manitoba (8 regions) (Aboriginal Youth Mean Business, 2007b). According to AYMB officials, the main purpose of the ABD is to provide direction to Aboriginal youth in Manitoba who wish to establish or expand their business. AYMB officials further noted that the key benefits to having an ABD include the following:

1. To show that Aboriginal business is alive and well in Manitoba;
2. Companies can use the ABD to look for a supplier for their business needs;
3. Companies can do market research for their business i.e. find out who else is in the same kind of business; and
4. Aboriginal youth can learn lessons from experienced Aboriginal entrepreneurs by calling an existing entrepreneur listed on the ABD and asking them for advice.

³⁰ According to the interview statements of AYMB officials, the AYMB web-technologist devised the ABD categories.

4.2.2.3 Associated Costs

According to AYMB officials, the costs associated with AYMB's ABD include webhosting³¹ for around \$30 per year, and the web-technologist salary of \$6,000 per year to maintain the website³².

4.2.2.4 Updating Information

AYMB officials noted that there are two individuals responsible for updating the ABD, namely the executive director and the Aboriginal web-technologist. The executive director feeds website content to the Aboriginal web-technologist and stays abreast of matters relating to Aboriginal business. The Aboriginal web-technologist is a self-employed Aboriginal business owner, who updates the 'News' section of the AYMB website with up-to-date information regarding Aboriginal news and events. To update ABD information, businesses are individually called to verify information after a new business has entered data on the AYMB website. Information of existing businesses is updated when requested by the business³³.

According to AYMB officials, an Aboriginal business does not have to supply proof to AYMB that it is an Aboriginal business. Instead, an Aboriginal business claim is held in good faith when the business declares that it meets AYMB's ABD requirement of at least 51 percent owned by Aboriginal people.

4.2.2.5 Challenges

AYMB officials noted that the main challenges facing AYMB regarding the administration and management of their ABD include the following:

1. Buy-in by Aboriginal businesses into the various Aboriginal procurement initiatives of the federal and Manitoban government's, as well as AYMB's ABD.
2. Aboriginal Businesses may find it difficult to understand and navigate the ABDs of AYMB, the province of Manitoba, and the federal government ABD.
3. AYMB does not get substantial feedback from Aboriginal Businesses regarding successful contracts competed for and won.

4.2.2.6 Successes

A success that was identified by AYMB officials regarding the ABD was that the AYMB website and ABD met the executive director's expectation of website hits (the ABD had averaged over 12,000 hits per month, with quite a few unique visitors to the website). AYMB officials also felt that the ABD was a "feel good thing to have".

³¹ According to the interview statements of AYMB officials, it is hosted by www.youcandothat.com, including website name.

³² According to the interview statements of AYMB officials, he was paid \$12,000 in the first year to build the website.

³³ AYMB officials noted that for the other initiative, the AYMB Newsletter, Aboriginal businesses are called a couple of times a month.

The following sub-section explores the administration and management of an ABD in the Tale'awtxw Aboriginal Capital Corporation (TACC) organization.

4.2.3 Tale'awtxw Aboriginal Capital Corporation (British Columbia)

4.2.3.1 Background to the Tale'awtxw Aboriginal Capital Corporation (TACC)

According to the TACC website, the TACC is “an Aboriginal financial institution committed to supporting the success of Aboriginal Businesses³⁴ within the Coast Salish Traditional Territories with business financing and support services”. TACC hopes to provide Aboriginal entrepreneurs with “inspiration, tools, resources and information to use towards building, conceptualizing or expanding their business” (Tale'awtxw Aboriginal Capital Corporation, n.d).

According to TACC officials, the whole TACC team was involved in the conceptual phase of the ABD, with TACC's marketing person tasked with creating the ABD in 2005. The ABD initially contained Aboriginal entrepreneurs that were existing clients of TACC; however, the ABD was expanded to allow other Aboriginal businesses who were not TACC clients. TACC officials noted that currently, the organization is looking at the idea of attaching ‘side directory’ of non-Aboriginal enterprises to help bridge the networking gap between Aboriginal and non-Aboriginal businesses³⁵. This ‘side directory’ will provide a platform where non-Aboriginal enterprises can network with Aboriginal enterprises to incorporate Aboriginal participation in procurement contracts.

4.2.3.2 Aboriginal Business Directory Characteristics

According to TACC officials, the online³⁶ ABD is sorted alphabetically and by category (25 industries), and has close to 160 listings. TACC officials also noted that the organization is currently working on adding ‘geographic area’ as another ABD component, given that TACC initiatives cover the Vancouver, Vancouver Island, and the Fraser Valley regions.

4.2.3.3 Associated Costs

TACC officials noted that all the TACC's ABD costs are incorporated into the general costs of hosting TACC's website and that there are no software costs. In addition, there is no specific employee hired for the sole purpose of managing the ABD as this role is incorporated into the marketing position of TACC.

³⁴ According to the interview statements of TACC officials, an Aboriginal Business is a business that is at least 51 percent owned by a person of Aboriginal descent.

³⁵ According to the interview statements of TACC officials, TACC is yet to incorporate non-Aboriginal businesses in its ABD.

³⁶ According to the interview statements of TACC officials, TACC is hoping to reformat the ABD and hopes to make it available in print form once the redesign is complete.

4.2.3.4 Updating Information

According to TACC officials, two employees are responsible for updating the ABD, namely the TACC communication coordinator, who acts as the ABD administrator, and a summer intern every year. The ABD administrator regularly works on the directory, while the intern is trained to update and suggest recommendations for further development of the ABD. TACC officials noted that the ABD is updated frequently using the following methodology:

1. A potential Aboriginal business submits a request to be added to the ABD. This request is forwarded to the ABD administrator by any TACC employee, and may be in the form of an email or online submission;
2. TACC asks the new client to fill out a client profile;
3. The ABD administrator updates the ABD information.

4.2.3.5 Challenges

According to TACC officials, some of the challenges faced by TACC in the administration and management of their ABD include:

1. Checking the validity of online submissions, including client profiles and consent forms – The new ABD (with the new ‘side directory’) will include an email feature that would ensure that an email will be sent to the ABD administrator when a potential Aboriginal enterprise submits a request to be listed on TACC’s ABD. The ABD administrator would then take steps to validate the Aboriginal status of the business.
2. Ensuring that the ABD listings are up to date- TACC officials expressed the view that they thought it was unlikely that an Aboriginal business that was no longer in operation would inform the TACC to remove their listing from the ABD. TACC officials hoped to pay more attention to this problem by ensuring the ABD is frequently updated to ensure that the ABD contains Aboriginal enterprises that were ready to bid for procurement contracts.

4.2.3.6 Successes

To date, TACC officials have noticed the following successes regarding their ABD:

1. Based on the ABD activity, there have been some procurement opportunities for a group of businesses from the directory. However, according to the ABD administrator, no concrete measurement has been undertaken to confirm this final outcome.
2. Judging by the ABD website visits, potential clients have been able to go on to TACC’s ABD to get information and build relationships with other Aboriginal businesses.

The following table (Table 1) summarizes the information that was attained from the interviews and reviews of the governmental and non-governmental organizations respectively.

Table 2 – Summary of Survey Elements

| Organization | Aboriginal Business Directory Element | | | | | | |
|-------------------------------------|---|--|---|--|---|--|---|
| Government | Number of Businesses | Number of Industrial Sectors | Geographical Elements | Costs | Updating Information | Challenges | Successes |
| <i>Federal government of Canada</i> | <ul style="list-style-type: none"> • 210 | <ul style="list-style-type: none"> • 25 | <ul style="list-style-type: none"> • 13 Canadian Provinces & Territories | <ul style="list-style-type: none"> • A few thousand dollars of employee time per year | <ul style="list-style-type: none"> • Aboriginal businesses can update the information online at anytime, with a yearly email reminder sent to update their information | <ul style="list-style-type: none"> • Getting the Aboriginal businesses to register on this directory • Making sure that all businesses in this directory are Aboriginal as defined by the PSAB | <ul style="list-style-type: none"> • Over 300,000 visitors browsed the ABD in June 2009 |
| <i>Saskatchewan</i> | <ul style="list-style-type: none"> • 229 | <ul style="list-style-type: none"> • 7 | <ul style="list-style-type: none"> • 23 regions of Saskatchewan | <ul style="list-style-type: none"> • \$50,000 annually for administration and technical support | <ul style="list-style-type: none"> • ABD Coordinator updates information when requested by the registrants | <ul style="list-style-type: none"> • Keeping the business information up-to-date • Confirmation that the businesses still exist and are at least 51% Aboriginal-owned | <ul style="list-style-type: none"> • ABD has and is currently a resource link/tool from external Aboriginal websites • An average page visit of 26,280 per month |
| <i>Manitoba</i> | <ul style="list-style-type: none"> • 350 | <ul style="list-style-type: none"> • 17 | <ul style="list-style-type: none"> • 51 regions in Manitoba | <ul style="list-style-type: none"> • N/A | <ul style="list-style-type: none"> • ABD Coordinator updates ABD on a regular basis as registrations by Aboriginal business are received • Conduct an overall review of the ABD | <ul style="list-style-type: none"> • Keeping the ABD current | <ul style="list-style-type: none"> • Aboriginal purchases have increased from \$18M in 2004/5 to \$25M in 2007/08 • Number of transactions for Aboriginal purchases increased from 2,352 in 2007/08 to 2,678 in 2008/09 |

| Organization | Aboriginal Business Directory Element | | | | | | |
|--|---|--|--|--|--|---|--|
| Non-Government | Number of Businesses | Number of Industrial Sectors | Geographical Elements | Costs | Updating Information | Challenges | Successes |
| Toronto Aboriginal Business Association | <ul style="list-style-type: none"> • 130 | <ul style="list-style-type: none"> • 20 | <ul style="list-style-type: none"> • Existing Aboriginal-owned businesses in the GTA area | <ul style="list-style-type: none"> • Tucked into Miziwe Biik organization operating costs | <ul style="list-style-type: none"> • Infrequently maintained: businesses receive a phone call or personal visits to verify that they are Aboriginal | <ul style="list-style-type: none"> • Not a lot of action noticed regarding business activities | <ul style="list-style-type: none"> • N/A |
| Aboriginal Youth Mean Business | <ul style="list-style-type: none"> • 350 | <ul style="list-style-type: none"> • 59 | <ul style="list-style-type: none"> • 8 regions in Manitoba | <ul style="list-style-type: none"> • \$30 per year (webhosting) • \$6,000 per year to maintain website | <ul style="list-style-type: none"> • Businesses are individually called to verify information. Aboriginal businesses' claims held in good faith | <ul style="list-style-type: none"> • Buy-in by Aboriginal Businesses • Aboriginal Businesses may find it difficult to understand and navigate the ABD | <ul style="list-style-type: none"> • Site met the Executive Director's expectation – 12,000 hits per month, with quite a few unique visitors to the website • A good 'window dressing', that is, a 'feel good' thing to have |
| Tale'awtxw Aboriginal Capital Corporation | <ul style="list-style-type: none"> • 160 | <ul style="list-style-type: none"> • 25 | <ul style="list-style-type: none"> • Working on adding 'Geographic area' as another ABD component | <ul style="list-style-type: none"> • ABD costs are incorporated in the general costs of hosting TACC's website • No software costs and no direct employee just for that position | <ul style="list-style-type: none"> • ABD administrator receives request and asks the new client to fill out a client profile | <ul style="list-style-type: none"> • Checking the validity of online submissions, including client profiles and consent forms • Ensuring that the ABD listings are up to date | <ul style="list-style-type: none"> • Some procurement opportunities for a group of businesses from the ABD • Ability to get information and build relationships with other Aboriginal businesses from ABD |

5.0 Analysis and Discussion

This section will explore the issues facing Canadian organizations regarding the administration and management of Aboriginal Business Directories (ABDs) in order to aid the development of an ABD for British Columbia (BC). The development of an ABD is important because it is a key element in BC's Aboriginal Procurement Initiative.

Results from the interview and program reviews highlight the various ways different organizations engage Aboriginal vendors in procurement initiatives, and the issues and constraints regarding the administration and management of ABDs. The following key themes emerged from the research: the characteristics of each ABD including size, platform, and distribution; and how each jurisdiction defines what an Aboriginal business is, updates each respective ABD, and the resources used to make the required ABD updates.

5.1 Aboriginal Business Directory Size

The information provided by Statistics Canada indicates that approximately 30,000 Aboriginal enterprises exist in Canada in the all sectors of the economy (Statistics Canada website, a). In spite of the significant number of existing Aboriginal enterprises in Canada, only a small number of these enterprises are represented within all of the ABDs of the organizations that were consulted in this report. Table 2 below summarizes the information attained from the organizations consulted regarding the number of Aboriginal businesses registered with their respective ABDs. It also highlights the number of categories the Aboriginal enterprises are classified into on their respective ABDs.

This lack of representation suggests that at present, buy-in by Aboriginal enterprises into registering their businesses with their respective Aboriginal Business Directories (ABDs) has not reached potential levels. This reality demonstrates that one of the main challenges associated with the administration and management of an ABD is enticing more Aboriginal businesses to register with their respective ABDs. Nevertheless, all of the organizations consulted (with the exception of the Toronto Aboriginal Business Association-TABA) felt that there were many visitors to the respective ABD websites. This was deemed a success as the respective ABD websites served as a site where potential clients could get information on Aboriginal businesses and build better business relationships with them. In addition, officials from Manitoba indicated that there was a marked increase in Aboriginal purchases and number of procurement transactions involving Aboriginal businesses as a result of instituting an ABD.

Table 3 – Size and Number of Aboriginal Business Directory Sectors

| Organization | Number of ABD Businesses Registered | Number of ABD Industry Sectors |
|--|--|---------------------------------------|
| Federal Government of Canada ³⁷ | 210 | 25 |
| Province of Saskatchewan ³⁸ | 229 | 7 |
| Province of Manitoba ³⁹ | 350 | 17 |
| Toronto Aboriginal Business Association (TABA) ⁴⁰ | 130 | 20 |
| Aboriginal Youth Mean Business ⁴¹ (AYMB) | 350 | 59 |
| Tale’awtxw Aboriginal Capital Corporation ⁴² (TACC) | 160 | 25 |

5.2 Aboriginal Business Directory Platform and Distribution

All off the six organizations consulted during phone and email interviews (see Appendix B) maintained their respective ABDs in an online format. These organizations indicated that their ABDs are updated as frequently as possible to ensure information is relevant, accurate, and up-to-date. In addition, the organizations reported that they found the online format to be an extremely effective medium for showcasing Aboriginal businesses to potential clients. Some of the successes that can be associated with the institution an ABD in an online format include the following (Dawes, 2008):

- Increased advertising scope and visibility of a business using a medium that is widely accessible to the public regardless of time or location;
- Ability to regularly contact clients with updated and important information relevant to their business, in addition to new products, hours of operation and special offers;
- Ability to upload list of goods and services provided by the business as well as a direct URL to the business website;
- Ability to showcase past service-testimonials as proof to potential clients of the quality of work of a business.

³⁷ Indian and Northern Affairs website: <http://www.ainc-inac.gc.ca/ecd/ab/psa/faq-eng.asp#100130>

³⁸ Enterprise Saskatchewan website: http://www.aboriginalbusinessdirectory.ca/about_directory/faq/

³⁹ Aboriginal Procurement Initiative, Manitoba website: http://www.gov.mb.ca/mit/psb/api/api_faq.html#FAQ_1

⁴⁰ Toronto Aboriginal Business Association website: http://www.miziwebiik.com/tababusiness_directory.cfm

⁴¹ Aboriginal Youth Mean Business website: <http://www.aymb.ca/directory.php>

⁴² Tale’awtxw Aboriginal Capital Corporation website: <http://www.tacc.ca/directory/>

Table 4 – ABD Platform and Geographical Location of ABD Businesses

| Organization | ABD Platform | Geographical Location of ABD businesses |
|--|----------------------|---|
| Federal Government of Canada ⁴³ | Online database. | 13 Provinces and Territories. |
| Province of Saskatchewan ⁴⁴ | Online database. | 23 Regions in Saskatchewan. |
| Province of Manitoba ⁴⁵ | Online and hardcopy. | 51 regions in Manitoba. |
| Toronto Aboriginal Business Association (TABA) ⁴⁶ | Online database. | Greater Toronto Area region. |
| Aboriginal Youth Mean Business (AYMB) ⁴⁷ | Online database. | 8 regions in Manitoba. |
| Tale'awtxw Aboriginal Capital Corporation ⁴⁸ (TACC) | Online database. | <i>In process.</i> |

Another successful strategy used by all six organizations to further publicize their ABDs is to categorize the businesses listed on the respective ABD's based on geographical location (see Table 3). The goal of this approach is to assist potential clients locate Aboriginal businesses based on where the latter are located. Consequently, this narrows the time it takes to search for Aboriginal businesses to fulfil the goods or service requirements of the potential clients.

5.3 Definition of Eligible Businesses

In order to confirm the Aboriginal status of an enterprise, each Aboriginal enterprise is required to provide proof of status to its respective organization's ABD team. This guideline is followed by all of the organizations reviewed except one (namely the Aboriginal Youth Mean Business), which instead employs an honour system. In addition to this, each of the organizations reviewed had a specific definition of what constitutes an Aboriginal enterprise (see table 4). As table 4 shows, the definition of ABD-eligible businesses ranged from the basic Aboriginal Youth Mean Business (AYMB) definition of "minimum 51 percent owned by Aboriginal people", to a more complex Procurement Strategy for Aboriginal Businesses (PSAB) definition⁴⁹.

⁴³ Indian and Northern Affairs website: <http://www.ainc-inac.gc.ca/ecd/ab/psa/faq-eng.asp#100130>

⁴⁴ Enterprise Saskatchewan website: http://www.aboriginalbusinessdirectory.ca/about_directory/faq/

⁴⁵ Aboriginal Procurement Initiative, Manitoba website: http://www.gov.mb.ca/mit/psb/api/api_faq.html#FAQ_1

⁴⁶ Toronto Aboriginal Business Association website: http://www.miziwebiik.com/taba/business_directory.cfm

⁴⁷ Aboriginal Youth Mean Business website: <http://www.aymb.ca/directory.php>

⁴⁸ Tale'awtxw Aboriginal Capital Corporation website: <http://www.tacc.ca/directory/>

⁴⁹ To be included in the ABD, companies must meet the following PSAB eligibility criteria (Indian and Northern Affairs website, e):

As the table 4 shows, the definition of ABD eligible businesses in the federal government and in Manitoba is based on the respective Aboriginal Procurement Initiative that their organizations have instituted (PSAB for the federal government; API for the Province of Manitoba). The remaining other definitions of eligible businesses were derived from discussions within the organization.

Under the federal government's PSAB and Manitoba's API, setting-aside of procurement contracts for Aboriginal businesses is a common procurement practice. Therefore, potential clients use the respective ABDs of the federal government and Manitoba to seek out Aboriginal businesses to fulfil their goods or service requirements. In addition, potential clients in Saskatchewan also have the ability to use Saskatchewan's ABD as a source list to search for Aboriginal businesses.

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1. Aboriginal people must own and control at least 51 percent of the business;
 2. If the business has six or more full-time staff, one third must be composed of Aboriginal employees; and
 3. An Aboriginal business must own and control at least 51 percent of the joint venture or consortium (if applicable).

Table 5 – Definition of Eligible Businesses

| Organization | Definition of Eligible Businesses | Verification of Aboriginal Status |
|--|--|--|
| Federal Government of Canada ⁵⁰ | <ul style="list-style-type: none"> • At least 51 % of the firm is owned and controlled by Aboriginal people; and • At least one third of the firm's employees, if it has six or more full-time staff, are Aboriginal; and • If a joint venture or consortium, at least 51 % must be controlled and owned by an Aboriginal business(es). | <ul style="list-style-type: none"> • Aboriginal enterprise must provide proof of eligibility upon request. • Indian and Northern Affairs Canada (INAC) audits Aboriginal supplier certifications on a regular basis. |
| Province of Saskatchewan ⁵¹ | <ul style="list-style-type: none"> • Aboriginal owned (minimum 51% ownership); and • Based in Saskatchewan. | <ul style="list-style-type: none"> • Upon initial registration, ABD team contacts business to verify Aboriginal status. |
| Province of Manitoba ⁵² | <ul style="list-style-type: none"> • At least 51% Aboriginal owned and controlled; and • If the business or organization has six or more full-time employees, at least one third of them are Aboriginal people; and • If a joint venture or consortium, at least 51% must be owned and controlled by Aboriginal business(es). | <ul style="list-style-type: none"> • During the tendering process, a business may be required to certify that it is currently an Aboriginal business and will remain so for the duration of that particular contract. |
| Toronto Aboriginal Business Association ⁵³ (TABA) | <ul style="list-style-type: none"> • Self-identify as Aboriginal-owned (minimum 51%). | <ul style="list-style-type: none"> • Verified by phone call and/or personal visit. |
| Aboriginal Youth Mean Business ⁵⁴ (AYMB) | <ul style="list-style-type: none"> • Minimum 51 % owned by Aboriginal people. | <ul style="list-style-type: none"> • No verification- Aboriginal businesses' claims held in good faith. |
| Tale'awtxw Aboriginal Capital Corporation ⁵⁵ (TACC) | <ul style="list-style-type: none"> • At least 51% owned by person(s) of Aboriginal decent. | <ul style="list-style-type: none"> • Upon initial registration, ABD team contacts business to verify Aboriginal status. |

⁵⁰ Indian and Northern Affairs website: <http://www.ainc-inac.gc.ca/ecd/ab/psa/faq-eng.asp#100130>

⁵¹ Enterprise Saskatchewan website: http://www.aboriginalbusinessdirectory.ca/about_directory/faq/

⁵² Aboriginal Procurement Initiative, Manitoba website: http://www.gov.mb.ca/mit/psb/api/api_faq.html#FAQ_1

⁵³ Toronto Aboriginal Business Association website: http://www.miziwebiik.com/taba/business_directory.cfm

⁵⁴ Aboriginal Youth Mean Business website: <http://www.aymb.ca/directory.php>

⁵⁵ Tale'awtxw Aboriginal Capital Corporation website: <http://www.tacc.ca/directory/>

5.4 Updating Aboriginal Business Directory Information

While having an online ABD presents numerous advantages for both Aboriginal businesses and potential clients, the federal government, Saskatchewan, Manitoba, and Tale'awtxw Aboriginal Capital Corporation (TACC) highlighted one particular challenge in the administration and management of their Aboriginal Business Directories (ABDs): the process of updating ABD information. This was reported to be an arduous task with specific challenges including: ensuring Aboriginal status of enterprises prior to and during the contract tendering process, accuracy of business coordinates, and actual existence of the business.

While all of the organizations reported that their online ABDs possess an online registration capacity, they differed in the process employed to address the tedious and sometimes difficult task of updating ABD information (see Table 5). The federal government ABD allows business to update their information online anytime, while Saskatchewan, Manitoba, Aboriginal Youth Mean Business (AYMB) and TACC all employ an ABD administrator to respond to requests for changes and process updates. The Toronto Aboriginal Business Association (TABA), however, is reported to only update their ABD intermittently. For all of the organizations, updates made are subject to verification by the respective staff in charge of the ABD administration. Ideally, the turn-around time for updating ABD information should be instantaneous, however, this is dependant on the resources available to an organization, and the willingness and speed of businesses to actually respond to requests for information updates by ABD administrators.

Table 6 – Updating Aboriginal Business Directory Information

| Organization | ABD Registration | ABD Updates |
|--|--|---|
| Federal Government of Canada ⁵⁶ | <ul style="list-style-type: none"> On-line registration; or Contacting the 1-800 numbers listed on the PSAB website. | <ul style="list-style-type: none"> Companies can update the information online at anytime. Companies are sent a yearly email reminder to update their information. If the company does not respond they are contacted by phone. |
| Province of Saskatchewan ⁵⁷ | <ul style="list-style-type: none"> On-line registration. | <ul style="list-style-type: none"> ABD Coordinator updates information when requested by the registrants. Businesses are contacted annually to ensure that they still meet all ABD criteria. |
| Province of Manitoba ⁵⁸ | <ul style="list-style-type: none"> On-line registration. | <ul style="list-style-type: none"> ABD registrations updated by Material Identification Technician. Procurement Services Branch will also conduct an overall review of the Directory with changes updated periodically. |
| Toronto Aboriginal Business Association ⁵⁹ (TABA) | <ul style="list-style-type: none"> On-line registration. | <ul style="list-style-type: none"> Infrequently updated. |
| Aboriginal Youth Mean Business ⁶⁰ (AYMB) | <ul style="list-style-type: none"> On-line registration. | <ul style="list-style-type: none"> Businesses are individually called. |
| Tale'awtxw Aboriginal Capital Corporation ⁶¹ (TACC) | <ul style="list-style-type: none"> On-line registration. | <ul style="list-style-type: none"> ABD administrator receives request and processes updates. |

⁵⁶ Indian and Northern Affairs website: <http://www.ainc-inac.gc.ca/ecd/ab/psa/faq-eng.asp>

⁵⁷ Enterprise Saskatchewan website: http://www.aboriginalbusinessdirectory.ca/about_directory/faq/

⁵⁸ Aboriginal Procurement Initiative, Manitoba website: http://www.gov.mb.ca/mit/psb/api/api_bd.html

⁵⁹ Toronto Aboriginal Business Association website: http://www.miziwebiik.com/taba/business_directory.cfm

⁶⁰ Aboriginal Youth Mean Business website: <http://www.aymb.ca/directory.php>

⁶¹ Tale'awtxw Aboriginal Capital Corporation website: <http://www.tacc.ca/directory/>

5.5 Aboriginal Business Directory Resources

The main resources required to successfully implement an Aboriginal Business Directory (ABD) include the cost factors such as wages, and human resource factors such as employees and staff time. In the organizations reviewed, the costs associated with the administration and management of ABDs ranged from costs resulting from of specific ABD management position, to ABD-specific costs absorbed under the general activities of the organization. For instance, in the Province of Saskatchewan, ABD operating costs are about \$50,000 annually for administration and technical support, while in the Toronto Aboriginal Business Association (TABA), the associated costs of managing the ABD are tucked into the operating costs of the Miziwe Biik organization (see table 6).

The HR component of the ABD also varied in the organizations reviewed: the federal government has the Procurement Strategy for Aboriginal Businesses (PSAB) team in charge of prequalifying Aboriginal enterprises, while the Province of Manitoba has specific personnel in the Procurement Services Branch manage the ABD. TABA, on the other hand, has just one person, the manager, who is in charge of all matters relating to the ABD management (see table 6).

As table 6 shows, depending on the resources available to the organization, and the roles and responsibilities of the personnel in charge of ABD maintenance, various models of ABD administration and management can be pursued. In an ideal situation, a specific position would be allocated for each major task associated with the ABD, thus ensuring efficient management of the directory and preventing overworking of existing employees. Examples of this include specific positions for verifying and updating information, maintaining the ABD online, and marketing the ABD to both Aboriginal and non-Aboriginal enterprises.

The section that follows table 6 provides recommendations for the development of an ABD for BC.

Table 7 – Aboriginal Business Directory Resources

| Organization | Type of Resource | |
|--|---|---|
| | Cost Factor | Human Resources |
| Federal Government of Canada ⁶² | <ul style="list-style-type: none"> The marginal costs of maintaining the ABD are minimal- A few thousand dollars of employee time per year. | <ul style="list-style-type: none"> PSAB team: Pre-qualify all legitimate Aboriginal businesses and having them register on this directory. |
| Province of Saskatchewan ⁶³ | <ul style="list-style-type: none"> ABD operating costs are about \$50,000 annually for administration and technical support. | <ul style="list-style-type: none"> ABD Coordinator: Updates information. |
| Province of Manitoba ⁶⁴ | <ul style="list-style-type: none"> Staff time | <ul style="list-style-type: none"> PSB team: ABD maintenance. Aboriginal summer student: Contact and verify coordinates of businesses (One of several duties outside of ABD). |
| Toronto Aboriginal Business Association (TABA) ⁶⁵ | <ul style="list-style-type: none"> The associated costs with managing the ABD are tucked into the operating costs of Miziwe Biik. | <ul style="list-style-type: none"> ABRC manager: Updates and verifies information. |
| Aboriginal Youth Mean Business (AYMB) ⁶⁶ | <ul style="list-style-type: none"> Webhosting: \$30 per year. Web-technologist salary: \$6,000 per year. | <ul style="list-style-type: none"> Two employees are tasked with keeping the ABD updated: Executive Director and Aboriginal Web-technologist. |
| Tale'awtxw Aboriginal Capital Corporation (TACC) ⁶⁷ | <ul style="list-style-type: none"> ABD is incorporated into TACC's marketing position. ABD costs are incorporated in the general costs of hosting TACC's website. | <ul style="list-style-type: none"> Two employees are tasked with keeping the ABD updated: the ABD administrator and TACC's communication coordinator. |

⁶² Information derived from interview statements of PSAB and Industry Canada officials.

⁶³ Information derived from interview statements of Enterprise Saskatchewan officials.

⁶⁴ Information derived from interview statements of PSB officials.

⁶⁵ Information derived from interview statements of TABA officials.

⁶⁶ Information derived from interview statements of AYMB officials.

⁶⁷ Information derived from interview statements of TACC officials.

6.0 Recommendations

This section highlights five key recommendations that will guide the development of an Aboriginal Business Directory for British Columbia. The objective of this report is to provide a survey of the current initiatives regarding Aboriginal procurement in Canadian government and non-government organizations - specifically to explore the issues facing these organizations regarding the administration and management of an Aboriginal Business Directory (ABD). Work that has been completed or is currently underway in other organizations may inform the development of an ABD for British Columbia.

This survey and program review underscored the need to engage both Aboriginal and non-Aboriginal stakeholders to increase the supplier base to both government and non-government organizations. This will go a long way in ensuring increased effectiveness in the provision of services to British Columbia's Aboriginal peoples, an important long term outcome of the British Columbia Aboriginal Procurement Initiative (BC API).

The program review and the cross-jurisdictional survey serve to inform the recommendations below for British Columbia. The BC government hopes to roll out the BC Aboriginal Procurement Initiative (API) by the end of this year (2010), and to ensure a streamlined roll-out of the BC API, the timeline for implementing these ABD smart practices must also coincide with the roll out of the BC API.

6.1 Aboriginal Business Directory Size

An ABD serves as a marketing tool designed to promote and provide significant exposure to an Aboriginal business' products and services. In order to increase the Aboriginal supplier base for government procurement tendering opportunities, it is therefore important for the BC government to work with existing and new Aboriginal business enterprises to ensure that they are made aware of the benefits of listing their business on the BC ABD. Some examples of these benefits include potential for increased sales and contracts, as well as direct marketing to procurement personnel in government.

The reports published by the Conference Board of Canada (2006), Canadian Aboriginal and Minority Supplier Council (2007a) and TD Bank Financial Group (2009) indicate that in the recent past, there has been an increase in collaborations between non-Aboriginal and Aboriginal enterprises. The reports suggest that non-Aboriginal enterprises are recognizing the value in strengthening ties with Aboriginal peoples as partners and customers. At the same time, these publications have reported that Aboriginal enterprises are not only seeking investment in training and infrastructure, but direct equity stakes in these partnerships.

Based on this information, it is imperative that the BC government also work specifically with non-Aboriginal enterprises to highlight the benefits of partnerships with Aboriginal enterprises. Under the BC Aboriginal Procurement Initiative (API), an ABD would allow non-Aboriginal enterprises to network with potential Aboriginal enterprises to include them in joint proposals to a government tendering opportunity and also increase the likelihood of potentially favourable responses to their procurement solicitation proposals.

The BC government, through the Office of the Comptroller General (OCG) personnel in charge of procurement, should work with the Purchasing Services Branch personnel in the Ministry of Citizens' Services to send out vendor notices to both Aboriginal and non-Aboriginal businesses to highlight the benefits of registering their businesses on the ABD and using the BC ABD respectively. This will ensure that the size of the BC ABD is robust and contains Aboriginal businesses that have already provided goods and services to the government in the past, and new Aboriginal businesses that will provide goods and services through the BC API set-aside program. Consequently, the number of business transactions and number of visits to the BC ABD website will increase to reflect the importance of the BC ABD.

6.2 Aboriginal Business Directory Platform and Distribution

According to the information attained from the organizations consulted and Dawes (2008), the online format is an extremely effective medium for showcasing Aboriginal businesses to potential clients. Some of the successes that are associated with the institution of an ABD in an online format include increased advertising scope and visibility of a business, the ability to provide clients with updated and important information, and the ability to showcase past service-testimonials as proof to potential clients of the quality of work. The proposed BC ABD should therefore be in an online format to maximise the advantages associated with this medium.

The BC ABD should include a past service-testimonials section as proof to potential clients of the quality of work of an Aboriginal business. This will assist new and upcoming businesses in securing contracts with potential clients who would not have concrete proof of past work performed by the former.

The BC ABD should also include searchable functions which will allow potential clients to seek Aboriginal businesses based on the type of goods or services offered, industrial sector, and geographic location of the business. This user-friendly and systematic classification of Aboriginal enterprises will improve the online experience for all those concerned in the

procurement process. The proposed BC ABD should therefore be based on the current system of classifying goods and services (by type and city) that is used by the Purchasing Services Branch in the Ministry of Citizens' Services.

6.3 Definition of Eligible Businesses

The BC government is hoping to institute its own Aboriginal Procurement Initiative (API) by the end of this year (2010). The BC ABD is an essential component of the overall BC API and to ensure harmonization with the BC API, the definition of what constitutes an Aboriginal business for the benefit of the BC ABD should be consistent with the BC API Aboriginal business definition⁶⁸.

6.4 Updating Aboriginal Business Directory Information

An important challenge in the administration and management of ABDs was the process of updating ABD information. This was reported to be an arduous task with specific challenges including: ensuring Aboriginal status of enterprises prior to and during the contract tendering process, accuracy of business coordinates, and actual existence of the business. This challenge must be strongly considered by the province of BC as it is likely to be an issue faced in the administration and management of the proposed ABD. One particular strategy utilized by the Province of Manitoba to address this challenge is the employment of an Aboriginal summer student to contact and verify coordinates of businesses listed in the ABD. This could be a practical option for the Province of BC, which already has an established system of hiring Co-op students.

6.5 Aboriginal Business Directory Resources

According to the organizations consulted, the main resources required to successfully implement an ABD include the cost factors such as wages, and human resource factors such as employees and staff time. The Province of BC hopes to roll out the BC API by the end of this year (2010) and as such, resources should be allocated to ensure the successful implementation of the BC ABD as it is a key element of the API.

The appropriate ministry and department⁶⁹ within the BC government should be tasked with the administration and management of the BC ABD. To ensure the ideal management of the ABD, a specific position should be allocated for each major task associated with the ABD. Examples of this include specific positions for verifying and updating information, maintaining the ABD online, and marketing the ABD to both Aboriginal and non-Aboriginal

⁶⁸ The definition of what constitutes an Aboriginal business under the BC API is still under review.

⁶⁹ Purchasing Services Branch in the Ministry of Citizens' Services

enterprises. At minimum, the BC government should allocate resources for a Co-op student, who would ensure that the ABD is updated, and a supervisor who would manage all the other duties relating to the management of the ABD.

Given the new direction of inter-jurisdictional economic cooperation through the New West Partnership, there are opportunities for collaboration between the BC government, the federal government of Canada, and the provincial governments of Saskatchewan and Alberta (British Columbia Legislative Assembly, 2009). This could potentially streamline various Aboriginal procurement initiatives, including the administration and management of Aboriginal Business Directories (ABDs).

The recommendations identified above are based on the findings from the interviews and program review undertaken in this study. Exploring these recommendations will likely have a positive impact on ensuring that the proposed BC ABD will be robust and managed efficiently. Table 8 summarizes the linkages between the findings and the recommendations proposed. The following section concludes this report.

Table 8 – Linking the Findings and Recommendations

| Theme | Finding | Explanation | Recommendation |
|--|---|--|---|
| ABD Size | <ul style="list-style-type: none"> There is an important role played by the ABD in procurement contracts There is a need to engage both Aboriginal and non-Aboriginal businesses to register and use the ABD respectively for procurement contracts | <ul style="list-style-type: none"> In order to increase the Aboriginal supplier base for government procurement tendering opportunities: <ol style="list-style-type: none"> The BC government should work with Aboriginal businesses to ensure that they are made aware of the benefits of listing their business on the BC ABD, including potential for increased sales and contracts, as well as direct marketing to procurement personnel in government. The BC government should work with non-Aboriginal enterprises to highlight the benefits of partnerships with Aboriginal enterprises. | <ul style="list-style-type: none"> The BC government should work with existing and new Aboriginal businesses to ensure they are made aware of the various advantages of listing their business on the BC ABD. The BC government should emphasize the advantages of collaborating with Aboriginal enterprises to non-Aboriginal enterprises via the BC ABD. |
| ABD Platform & Distribution | <ul style="list-style-type: none"> There are advantages with instituting an ABD in an online format. It is advantageous to have a past service testimonial section in the ABD It is advantageous to have searchable functions in the ABD | <ul style="list-style-type: none"> Some advantages of instituting the ABD in an online format include increased advertising scope and visibility of a business, as well as the ability to provide clients with updated and important information. These advantages make the online format the preferred format for instituting the ABD. As the testimonial section serves to validate the quality of work of an Aboriginal business, it provides a level of security and a form of accountability to potential clients. Searchable functions allow for an improved online experience for those involved in the procurement process by making the format more user friendly and providing faster search results. | <ul style="list-style-type: none"> The BC government should make the BC ABD in an online format. The BC ABD should include a past service testimonials section, which contains feedback from previous clients of the Aboriginal enterprise. The BC ABD should also include searchable functions which will allow clients to seek Aboriginal enterprises based on the type of goods or services offered industrial sector, and geographic area. |

| Theme | Finding | Explanation | Recommendation |
|--|---|---|--|
| ABD Definition of Eligible Businesses | <ul style="list-style-type: none"> It is important to define exactly what constitutes an Aboriginal business. This definition should be consistent with the overall Aboriginal procurement initiative of the organization. | <ul style="list-style-type: none"> The BC ABD definition of an Aboriginal business must be the same as the BC API definition in order to ensure harmonization between the two. | <ul style="list-style-type: none"> ➤ The definition of what constitutes an Aboriginal enterprise for the benefit of the BC ABD should be consistent with the BC API Aboriginal enterprise definition. |
| ABD Information Updating | <ul style="list-style-type: none"> It is important to update the ABD as frequently as possible | <ul style="list-style-type: none"> Updating the ABD is particularly important to ensure that involved businesses maintain their Aboriginal status prior to and during the contract tendering process. In addition, these updates ensure the accuracy of business coordinates, as well as the actual existence of the business. | <ul style="list-style-type: none"> ➤ The BC government should allocate adequate resources to ensure an instantaneous turn-around time for updating information on the BC ABD. |
| ABD Resources | <ul style="list-style-type: none"> It is important to dedicate enough resources (cost, human resources) to manage the ABD effectively. | <ul style="list-style-type: none"> In order to maintain a well-running, effective and accurate ABD, special consideration should be given to ensuring that sufficient resources are allocated to those managing the ABD. | <ul style="list-style-type: none"> ➤ The BC government should allocate adequate resources to the Purchasing Services Branch to ensure the successful administration and management of the BC ABD. The BC Government, under the terms of the New West Partnership, should also seek opportunities for collaboration with the federal government, and the provincial government's of Alberta and Saskatchewan regarding Aboriginal procurement. |

7.0 Conclusions

This report highlights the various ways Canadian government and non-government organizations engage Aboriginal vendors in procurement initiatives. It also explores the issues facing these organizations regarding the administration and management of an Aboriginal Business Directory (ABD). The objective for the report was to provide a summary of smart practices for the development of an ABD for British Columbia (BC) by examining current initiatives regarding Aboriginal procurement in Canadian government and non-government organizations. Various aspects of ABD administration and management were discussed in the report, including ABD platform, structure, and maintenance, definition of ABD-eligible businesses, and the successes and challenges faced in the management of an ABD.

The five key recommendations generated from this report highlighted the need for a British Columbia ABD, the need to attain buy-in for the ABD, and also suggested specific ABD elements that the BC government should consider in the development of an ABD for British Columbia.

While appreciating the current mode of fiscal restraint given the recent economical downturn, it is important that BC's Aboriginal Procurement Initiative (API), and specifically the British Columbia ABD, get the full attention it requires. The British Columbia API, and the British Columbia ABD, aim to ensure that both Aboriginal and non-Aboriginal business enterprises, as well as the British Columbia government, benefit from this fantastic and progressive initiative. Businesses in the British Columbia ABD could also showcase their capabilities internationally, given the potential exposure to international government, non-government, and private sector business enterprises who wish to do business with British Columbia Aboriginal businesses. It is therefore incumbent on the BC government to institute an ABD in order to give BC's Aboriginal enterprises a fair chance in participating in not only BC's economy, but the rest of the world.

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APPENDICES

Appendix A – Aboriginal Population and Percentage by Self-Identified Groupings

| Aboriginal Population by Self-Identified Groupings* | | | | | | |
|--|------------------------|--------------|--------------|----------------------------|----------------------------|--------|
| | North | | | Multiple | Other | |
| | American Indian | Métis | Inuit | Aboriginal Identity | Aboriginal Identity | |
| Canada | 698,025 | 389,785 | 50,480 | 7,740 | | 26,760 |
| Newfoundland & Labrador | 7,765 | 6,470 | 4,715 | 290 | | 4,205 |
| Prince Edward Island | 1,225 | 385 | 30 | 10 | | 75 |
| Nova Scotia | 15,240 | 7,680 | 325 | 100 | | 830 |
| New Brunswick | 12,380 | 4,270 | 185 | 105 | | 710 |
| Quebec | 65,090 | 27,985 | 10,950 | 960 | | 3,450 |
| Ontario | 158,395 | 73,605 | 2,035 | 1,905 | | 6,540 |
| Manitoba | 100,645 | 71,805 | 565 | 685 | | 1,695 |
| Saskatchewan | 91,400 | 48,115 | 215 | 620 | | 1,530 |
| Alberta | 97,275 | 85,500 | 1,610 | 1,220 | | 2,765 |
| British Columbia | 129,575 | 59,445 | 795 | 1,655 | | 4,605 |
| Yukon Territory | 6,280 | 800 | 255 | 50 | | 190 |
| Northwest Territories | 12,640 | 3,580 | 4,160 | 105 | | 145 |
| Nunavut | 100 | 125 | 24,635 | 30 | | 15 |

* Numbers may not add due to rounding.

| Percentage of Aboriginal Populations by Self-Identified Groupings* | | | | | | |
|---|------------------------|--------------|--------------|----------------------------|----------------------------|------|
| | North | | | Multiple | Other | |
| | American Indian | Métis | Inuit | Aboriginal Identity | Aboriginal Identity | |
| Canada | 59.5 | 33.2 | 4.3 | 0.7 | | 2.3 |
| Newfoundland & Labrador | 33.1 | 27.6 | 20.1 | 1.2 | | 17.9 |
| Prince Edward Island | 70.8 | 22.3 | 1.7 | 0.6 | | 4.3 |
| Nova Scotia | 63.0 | 31.8 | 1.3 | 0.4 | | 3.4 |
| New Brunswick | 70.1 | 24.2 | 1.0 | 0.6 | | 4.0 |
| Quebec | 60.0 | 25.8 | 10.1 | 0.9 | | 3.2 |
| Ontario | 65.3 | 30.4 | 0.8 | 0.8 | | 2.7 |
| Manitoba | 57.4 | 40.9 | 0.3 | 0.4 | | 1.0 |
| Saskatchewan | 64.4 | 33.9 | 0.2 | 0.4 | | 1.1 |
| Alberta | 51.6 | 45.4 | 0.9 | 0.6 | | 1.5 |
| British Columbia | 66.1 | 30.3 | 0.4 | 0.8 | | 2.3 |
| Yukon Territory | 82.8 | 10.6 | 3.4 | 0.7 | | 2.5 |
| Northwest Territories | 61.2 | 17.3 | 20.2 | 0.5 | | 0.7 |
| Nunavut | 0.4 | 0.5 | 98.9 | 0.1 | | 0.1 |

* Numbers may not add due to rounding.

Source: BC Stats website (a). 2006 Census Fast Facts - Aboriginals in BC's Regions: 2006 Census.

Appendix B – Survey Questions sent to Participants

1. Please identify your department/organization name and physical location address (Indicate what level of government if applicable).
2. What is the current platform of Aboriginal Business Directory i.e. print, online, etc. Please provide a copy of your Aboriginal Business Directory:
Email- alnashir@uvic.ca or Send copy to: 2292 Edgelow Street, Victoria, BC V8N1R5.
3. How is information updated on the Aboriginal Business Directory
 - Who did it
 - How often is it updated
 - What was involved
 - Who was consulted
4. How is the Aboriginal Business Directory structured e.g. sorted by business, geographical area, etc?
5. How many employee positions are needed to maintain the Aboriginal Business Directory on a yearly basis?
6. What are the costs associated with the Aboriginal Business Directory e.g. employees, webhosting, software, etc?
7. Which department/agency was responsible for setting up the Aboriginal Business Directory? How long has the directory been in existence?
8. How does your department/agency define an ‘Aboriginal’ business? How was the definition derived?
9. What are the challenges associated with the administration and management of the Aboriginal Business Directory? How are they being overcome?
10. How successful has the Aboriginal Business Directory been? (this may include, but not limited to, the following: increased number of contracts for Aboriginal vendors, increased number of Aboriginal vendors competing for government contracts, etc)

Appendix C – Text of Invitation to participate in Survey

You do not know me, but I am writing to enquire if you would be interested in talking with me about your organization's experiences with an Aboriginal Business Directory.

My name is Al-Nashir Charania and I am a Master of Public Administration (MPA) at the University of Victoria (UVic) in British Columbia (BC), Canada. As part of my program requirements, I am completing a review of other jurisdictions with regard to their administration and management of Aboriginal Business Directories for the purposes of government procurement. This project is being done for the Office of the Comptroller General in the Ministry of Finance, and the Partnership & Community Renewal Division in the Ministry of Aboriginal Relations and Reconciliation in the BC government. These ministries would like to determine ways to increase the participation of Aboriginal businesses in government procurement.

You are being invited to participate in my research project because you have experience with Aboriginal Business Directories. I am hoping that you would be willing to answer a few questions concerning the administration and management of Aboriginal Business Directories in your jurisdiction. The interview would take approximately 1-2 hours and be conducted over the phone.

If you are not the most appropriate individual, could you please suggest the best person to whom I should speak.

Thank you in advance for your consideration in participating in this research.

I look forward to hearing from you.

Sincerely,

Al-Nashir Charania
MPA Candidate, University of Victoria
2292 Edgelow Street
Victoria, B. C. V8N 1R5
Telephone: 250-508-1201
Email: alnashir@uvic.ca

Appendix D – Participant Consent form

You are invited to participate in a study entitled *A Cross-jurisdictional Survey to Identify Smart Practices for An Aboriginal Business Directory* that I am conducting as part of the requirements of the Master of Public Administration (MPA) at the University of Victoria (UVic) in British Columbia (BC), Canada. I am an MPA student at UVic tasked with reviewing benchmarks that may exist in other jurisdictions regarding the administration and management of Aboriginal Business Directories for the purposes of government procurement.

I am completing this project for the Office of the Comptroller General in the BC Ministry of Finance, and the Partnership & Community Renewal Division in the BC Ministry of Aboriginal Relations and Reconciliation in the BC government. My academic supervisor at UVic is Dr Lynne Siemens, and she can be contacted at (250)721-8069, or by email at siemensl@uvic.ca, if you have any questions regarding my research.

If you agree to voluntarily participate in this research, your participation will involve answering the questions over the phone. The time commitment is between 1 – 2 hours. The phone conversation(s) will be scheduled at your convenience. As a final outcome, a written report will be submitted to fulfil the requirements of the MPA program at the University of Victoria.

The BC Ministry of Finance and the BC Ministry of Aboriginal Relations and Reconciliation hopes to use the information you provide, along with a survey of Canadian jurisdictions and a review of the academic and applied literature, to inform our own development of appropriate benchmarks for the administration and management of an Aboriginal Business Directory.

Given that the administration and management of Aboriginal Business Directories is limited to few organizations in Canada, there is a slight risk that you may be identified by your comments. However, you will not be identified by name, but your organization will be. Any specific identifying information will be removed in final publications or changed to protect your personal identity. In addition, you have the right not to answer certain questions in part or full.

The potential benefits of your participation in this research include assisting in the creation of a source-list of Aboriginal vendors for procurement personnel in the BC government to use in the government procurement process, and assisting in the creation of an appropriate

procurement interface between the Aboriginal vendor community and the BC government. It also hopes to advance the knowledgebase of the administration and management of Aboriginal Business directories.

Your participation in this research must be completely voluntary. If you do decide to participate, you may withdraw at any time without any consequences or explanation. If you do withdraw from the study, your data will not be used in the analysis and will be destroyed.

You may contact me at

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In addition, you may verify the ethical approval of this study, or raise any concerns you might have, by contacting the Human research Ethics Office at the University of Victoria (250-472-4545 or ethics@uvic.ca)

Your signature below indicates that you understand the above conditions of participation in this study and that you have had the opportunity to have your questions answered by the researchers.

Thank you in advance for your participation in this research. Please contact me if you have any further questions regarding this review.

Sincerely,

Al-Nashir Charania
MPA Candidate, University of Victoria

Name of Participant

Signature

Date

Please retain a copy of this consent for your records, and forward a copy to the researcher at the coordinates listed above.

Appendix E – List of Survey Participants

| Organization | Participant |
|---|---|
| Federal Government of Canada | Indian & Northern Affairs Canada Industry Canada |
| Saskatchewan | Crown Investments Corporation of Saskatchewan |
| Manitoba | Manitoba Infrastructure & Transportation |
| Toronto Aboriginal Business Association (TABA) | Toronto Aboriginal Business Association |
| Aboriginal Youth Mean Business (AYMB) | Aboriginal Youth Mean Business |
| Tale'awtxw Aboriginal Capital Corporation (TACC) | Tale'awtxw Aboriginal Capital Corporation |