



Aboriginal partners work

New program builds on Vanoc's successful procurement strategy

by Kelly J Lendsay

WHILE THE OPPORTUNITY FOR ABORIGINAL entrepreneurs to provide goods and services to prepare for the Vancouver 2010 Olympic and Paralympic Winter Games last year was a major step forward for Aboriginal business in Canada, turning that initiative into a lasting legacy was the Vancouver Organizing Committee's ultimate goal.

That's now become a reality with the transfer from VANOC of resources and intellect to the Aboriginal Human Resource Council (AHRC) and the official launch of AHRC's new program, Introduction to Successful Aboriginal Procurement.

The program aims to cut through many of the past challenges faced by non-Aboriginal companies in integrating Aboriginal providers of goods and services into their supply chains.

We believe a good Aboriginal procurement program is a hallmark strategy designed to strengthen corporate social responsibility and enhance partnerships with the Aboriginal community for the benefit of both sides.

There are an estimated 34,000 Aboriginal companies in Canada and they are open for business and ready to provide the goods and services the economy needs to forge ahead. They have a role to play in building the economy and creating prosperity for their own communities and for the country as a whole.

Fortunately, we have several precedents to support the legacy passed to us by VANOC.

For example, when the North-eastern Alberta Aboriginal Business Association (NEAABA) was founded 16 years ago it had just nine members doing business worth about \$20 million annually. Today, it has 100 members with annual turnover approaching \$1 billion.

The association's success is due in part to the rapid development of the oil sands, which has resulted in strong demand for goods and services. But that's not the only reason. The emergence of NEAABA as a mainstream business organization is also the result of the foresight of many companies operating in the oil sands and elsewhere.

Syncrude, for example, has one of the highest percentages of Aboriginal employees in its workforce in Canada, but its long-

standing commitment to Aboriginal business partnerships has seen the awarding of contracts worth \$1.4 billion to Aboriginal companies since 1992.

Further north, Yellowknife-based Diavik Diamond Mine has spent more than \$1.5 billion with Aboriginal businesses since 2000, and to the east, Manitoba Hydro has purchased goods and services from Aboriginal businesses worth a total of \$300 million over the past 10 years.

Companies like Calgary-based oil and gas producer EnCana have recognised the need to develop capacity in Aboriginal business, and therefore, over a number of years, the company has encouraged Aboriginal involvement in drilling rigs and granted \$1.1 million to First Nations communities as seed money. To date, the company has engaged in joint ventures with 12 Aboriginal drilling companies and continues to work with Aboriginal suppliers to procure construction services, environmental services, pipelining, haulage, catering, waste disposal and camp maintenance as well as fuel, medical, courier and security services.

For these organizations, having partnerships with Aboriginal companies is far more than corporate social responsibility: it's good business. The Saskatchewan Indian Federated College found that 16 percent of businesses polled said they were supporting Aboriginal procurement because of good corporate citizenship, while 84 percent said it made good business sense.

A well-structured Aboriginal procurement program is a hallmark strategy designed to advance workplace inclusion, strengthen corporate social responsibility and enhance relationships with the Aboriginal community for the benefit of both sides. Engaging the Aboriginal market will help First Nation, Métis and Inuit communities become strong local economies. By extension, the Canadian economy as a whole benefits. 

Kelly Lendsay is President and CEO of the Aboriginal Human Resource Council. Formed in 1998, and ISO certified in 2010, the Aboriginal Human Resource Council is a national not-for-profit social enterprise that helps employers climb the inclusion continuum, the seven stage road map to becoming an employer of choice for aboriginal talent in Canada and abroad. Its focus is inclusion leadership in the workplace. Visit aboriginalhr.ca for more information.