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# Indigenizing the Co-operative Model

By James Thunder and Mark Intertas

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## Indigenizing the Co-operative Model

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Mark Intertas immigrated to Canada in 2007 from the Philippines, where he learned about the importance of community and the challenges poverty brings. His research interest is focused on co-operatives, Community Economic Development, and legal issues concerning First Nations. In 2017, he completed a Master's degree in City Planning focused on the role of co-operatives in Winnipeg's North End urban revitalization. He is currently attending the Faculty of Law at the University of Manitoba and is expected to graduate in 2020.

## Summary

This paper explores how Indigenous cultures and the co-operative can be molded together to create a model that is reflective of the values, principles, and aspirations of Indigenous peoples. This research project aims at encouraging urban Indigenous communities to consider the co-operative model as a Community Economic Development tool that may create opportunities for income generation while maintaining independence through self-determination.

## Acknowledgements

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These people composed the research committee, and we greatly appreciate their patience and understanding. We want to thank them for their support and guidance in conducting this research. This research would not have been possible if not for their interest in understanding how Indigenous cultures may be better reflected in the co-operative model.

We would also like to extend our gratitude to all the people who participated in the interviews and the design workshop. Without them sharing their time and knowledge, this project would not have been possible.

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# Introduction

Co-operatives have formally existed in England since the early 1800s. The early co-operatives were formed by people who experienced economic inequality and were searching for an alternative to the ideals of capitalism, including capitalist property rights and production, by proposing a more collectivist structure. The co-operative movement allowed the local community provide a product or service and create employment in an institution that was democratically controlled by its members.

It can be argued that the co-operative, in principle, may have existed long before it was formalized in England in the 1800s. While the co-operative is a relatively new construct in the context of European history, Indigenous peoples exhibited the characteristics and principles of co-operatives long before colonization and up to the present day. Relationship building, democratic organization, the Seven Teachings, the importance of education, concerns for the community, were examples of the values that resonate in both Indigenous communities and the co-operative model.

The Arctic Co-operative Limited is one of the largest and most successful Inuit co-operatives in Canada. Founded in 1972, the co-operative

serves thirty-two community-based co-op businesses in Nunavut, the Northwest Territories, and Yukon. The co-op states that the “co-operatives in Canada’s North share a vision of people working together to improve their social-economic well-being” (Arctic Co-op, 2012). The governance style also fits people’s expectation and is controlled by the community members. Unfortunately, the success of Inuit co-operatives in Northern Canada has not yet been shared by the rest of the country. There are only a few Indigenous co-operative businesses functioning in Canadian urban centres.

Manitoba Co-operative Community Strategy working groups, as it existed then, had a small number of Indigenous leaders who were involved with helping to develop a community strategy. A discussion about why Indigenous people have not been involved extensively with co-ops led them to think that there might be ways in which the co-op model does not fit as tightly into Indigenous cultures and values as one might initially think. It was suggested that a research project might shed light on this inquiry, and therefore the questions were asked: is this truly the case and, if so, how do we indigenize the Western co-operative model to better reflect the future

economic needs of Indigenous peoples who live in urban areas like Winnipeg?

This research aims to assess the compatibility of the mainstream co-op model with Indigenous cultures and values with a view to developing a model that might better fit the values and organizational systems of Indigenous peoples.

### Research Objectives

The researchers, the advisory committee, the key informants, and the literature all reflect a balance of Indigenous and non-Indigenous voices because we are blending Indigenous and non-Indigenous concepts and ways of knowing. This research explored the following key areas:

- **Governance:** Traditional Indigenous societies placed high importance on the roles of Elders, women, and youth, as well as using traditional learning circles, and traditional decision-making processes. We wished to understand the compatibility between the co-op legislation and bylaws with traditional Indigenous types of governance.
- **Spirituality:** Indigenous societies valued spirituality, and the relationship between mental, physical, emotional, and spiritual well-being as well as the relationship to the land and all non-human relatives. We wished to understand how Indigenous values aligned with the co-operative principles, which had European origins.
- **Indigenous community:** Winnipeg has the highest urban Indigenous population in Canada with approximately 93,000 people. After World War II, Indigenous peoples started to emigrate from their First Nations in rural areas to the city in order to join their relatives who were living in the city, and to find work, education, and affordable housing. Acknowledging the role of colonial policies in this shift, we aimed

to understand how the aspirations of the Indigenous families could be supported by the co-operative enterprise without concern that it would function as another vehicle for assimilation. We avoid using the term 'rural community' to refer to the 63 First Nations in Manitoba. When using the term Indigenous community, we are referring to urban Indigenous communities.

- **History of Colonization and Oppression and its effects on Indigenous peoples:**

We wanted to understand the impact that colonialism had on all Indigenous peoples. Recently, the Idle No More movement and the Truth and Reconciliation Commission of Canada were some of the reactions to the current reality shaped by the centuries of our colonial history.

Based on the listed key areas we explored, we set out to answer the following five general research questions:

1. How might an indigenized co-operative model influence the Indigenous communities in Winnipeg?
2. How does the co-operative model fit with Indigenous cultures?
3. How many and what types of co-operatives are currently organized in Indigenous communities?
4. Why are there not more Indigenous co-operatives in Winnipeg?
5. What might an indigenized co-operative model look like?

### Methods

#### Literature Review (Secondary Data)

Multiple research methods were used in the research to gather primary and secondary information. The study began by scanning and learning the available literature and other forms of secondary information on the subjects of Indigenous

peoples and culture, analyzing co-operative history including its strengths and areas of future and further development, as well as colonization and reconciliation. We also acquired statistical information from the federal government and non-government organizations. The data included Indigenous populations in different provinces, as well as the number of co-operatives and formally registered Indigenous co-operatives.

### **Interviews and the Collaborative Co-operative Design Workshop (Primary Data)**

We interviewed eight key informants. The informants included members of some of the Indigenous communities in Winnipeg, and a few non-Indigenous people who actively worked with Indigenous peoples and the co-operative movement. Some of the Indigenous people we interviewed were also active members of the co-operative movement and have been instrumental in establishing co-ops. One Indigenous informant was a community activist and did not have any great involvement in co-operatives. Finally, we interviewed one Elder active with co-operatives.

We used an open-ended interview style so that we could explore related themes within the general topic which we thought the interviewee might have been well versed. For example, when interviewing non-Indigenous informants, we focused on their related insights on the co-operative model. When we interviewed the Elder, we then focused on aspects related to Indigenous cultures. The questionnaire consisted of eleven open-ended questions and took approximately forty-five minutes to one and a half hours.

The third method we used to collect data was a modified design workshop. The design workshop technique is commonly used as a design and planning tool, our modification of this tool allowed our participants' insights, ideas, knowledge, and even emotions to be captured for use in this research. We invited nine members of Winnipeg's Indigenous communities to participate in a two-hour-long design workshop wherein

we asked them to create an enterprise. The enterprise would include their desires, aspirations, personal values, and a reflection of their culture. The workshop involved mapping and modelling their idealized business venture. There were a slightly higher number of female participants than male. The participants had a wide range of ages, ranging from early twenties to older adults. One participant was an Elder who was also very active in Indigenous co-operative development.

At the beginning of the design workshop, we introduced a scenario to the participants, which required them to think about the strengths and areas of future and further development of their community. We then gave them a hypothetical situation wherein they acquired some finances and were asked to think of ways they could use those finances. The participants were then challenged to develop their own enterprise and inject into its operation their values, principles, and aspects of Indigenous cultures. At the end of the workshop, the groups presented their designed co-operative and we asked them to emphasize what they considered to be the most important attributes of the organization.

### **General Analysis**

Patterns, themes, and data groupings were analyzed through data reduction and then content analysis. The method used inferences through the systematic identification of classes and categories in the data (Gray, 2004). Common theoretical classes were identified then summarized to reduce the volume of data. A three-step approach was performed to summarize, explicate and structure the analysis to arrive at a conclusion (Flick, 1998; Mayring, 1983).

### **Significance of the Research Study**

Community Economic Development and co-operative development were seen as one of the most politically acceptable and economically significant methods of improving living conditions at the local level (Loxley, 2010; Nembhard,



2014; Simms, 2010; Zeuli, Freshwater, Markley, & Barkley, 2004). In Winnipeg, urban Indigenous peoples were one of the most marginalized groups who often lived in impoverished living conditions (Carter, 2010; Silver, 2010). The co-operative movement promised to be an opportunity for marginalized people to band together and create an enterprise that can both generate a source of income and products or services the community may need. However, the co-operative model has not completely caught on in the Indigenous communities of Winnipeg. It is hoped that through this research, barriers to the formation of urban Indigenous co-operatives can be identified and mitigated, either through policy or otherwise, such that more Indigenous peoples may be encouraged to form their co-operative and that living conditions may improve as a result.

### **Ethics**

This research followed all corresponding ethics protocol requirements from the University of Manitoba as well other institutions if deemed necessary by the committee or funding agencies for the safety and respect of all participants. Before conducting an interview, focus group, or other participatory methods of research, individuals, who may or may not be Indigenous, were formally invited to participate in the research. Prospective participants were asked through a formal letter as well as through traditional ways such as the presentation of tobacco.

We briefed participants regarding the purpose of the research. None of the research methods used any form of deceit. Participants were informed of the possible negative impacts of the research on them and were allowed to withhold their names to protect their identity. Alternatively, participants were given the opportunity to be recognized in the succeeding report and other methods of dissemination, if they wished to be credited for the information they shared. The participants were asked to sign a consent form stating that they understand the nature of

the research and the possible negative impacts on them. Permission from the participants to record the audio and video of the conversation and other proceedings, as a form of documentation, was also acquired.

The raw records will be kept for approximately ten years in a safe and secret location under lock and key to protect personal information for the participants. After ten years, all personal identifiers in the raw data will be destroyed or deleted, but the data may be kept indefinitely to allow the research findings to be analyzed.

Interviewees and participants in the design workshop were given small cash amounts as a token of appreciation for their participation in the research. Elders who participated as an interviewee or in the design workshop were given honoraria in recognition of their wisdom and their status in the community.

Dissemination of information will be done through presentations in urban Winnipeg areas and in organizations that participated or contributed to the research, organized by the Manitoba Research Alliance. Individuals who contributed to the research but are not part of any organization may be invited to attend one of the presentations. Contributing organizations may be given a printed copy of the research; contributing individuals may be sent a digital copy of the published research. Publication of the results will be through the Canadian Centre for Policy Alternative (CCPA), academic outlets and, possibly, other visual outlets.

### **The Interviewees and Design Workshop Participants**

#### **Interviewees**

This research has immensely benefited from the people who shared their valuable time and experience both as Indigenous knowledge holders and as experts in the co-operative model. This section acknowledges these people as well as describes their general contribution to the community. Al-



though the information they shared was neutral, there may be a possibility that it may be interpreted contrary to the intention of the speaker. To prevent possible recourse due to the misinterpretation of the information, we anonymized the informants such that it may be difficult to identify the source of information. As such, we would like to take this opportunity to recognize the people who contributed without divulging the specific opinion and knowledge they shared.

- Elder Norman Meade: Norman is one of the Elders who works at the University of Manitoba. He has also been active in the community and in the co-operative movement. He used to belong to a worker co-operative in his hometown of Manigotagan, a Métis settlement.
- Kathy Mallett: Kathy works with an NGO that provides education opportunities to Indigenous peoples. She is also an active member of an Indigenous housing co-operative, as well as other organizations that provide social assistance or tries to influence policy change.
- Michael Redhead Champagne: Michael is a community organizer in Winnipeg's North End. His family is from Shamattawa First Nation in Manitoba. He is a mentor to Indigenous youth and is active in many community organizations that provide connection, safety and support to inner city residents.
- Kristen Wittman: Kristen is a lawyer who works in business development. As part of her practice, she helps people through the legal process of establishing a co-operative. She has worked with Indigenous peoples from all over Manitoba on various legal matters.

- Louise Champagne: Louise is a key figure in the establishment and operation of Neechi Commons. She and her colleagues' hard work and dedication built Neechi Commons. Although this co-operative is not currently in operation at the moment, we know that she and her team are very resilient and are continuing to explore ways to overcome challenges.
- Jamie Wilson: Mr. Wilson was the Deputy Minister of Growth, Enterprise and Trade at the time of our interview. He is the former commissioner of the Treaty Relations Commission of Manitoba and is originally from Opaskwayak Cree Nation in Manitoba. His office was involved in finding and creating innovative ways to bring employment opportunities to Indigenous peoples in Manitoba.
- Cheryl Krostewitz: At the time of the interview, Cheryl was working as a Co-operative Development Advisor and Fund Administrator with the Manitoba Co-operative Association. In this role, she has assisted Manitoba's First Nations in promoting and establishing rural co-operatives.
- Duane Wilson: Duane is the Vice-President, Stakeholder Relations of the Arctic Co-operative and is a strong advocate of the co-operative movement.

### **Design Workshop Participants**

We would also like to extend our gratitude to the people who participated in the Design Workshop. These people are: Ivy Chaske, Mitchell Richard, Janell Henry, Victoria Kattenat, Hanwakan Whitecloud, Aaron Brant, Carter Wilson, Karen Smith and Rachel Seenie.

# Literature Review

## Introduction

Today, Indigenous peoples in Canada, and all over the world, are fighting to regain their cultures and recognition of their inherent rights including the right to self-determination and self-governance. Traumatic events, such as the Oka Crisis, garnered international attention on the plight of Indigenous peoples in Canada. This led to the Royal Commission on Aboriginal Peoples (RCAP), one of the largest royal commissions in Canada's history, to study the origins and solutions of the historical conflicts between Canada and Indigenous Peoples.

The RCAP provided a short but helpful overview of the last 500 years by describing this period in four stages: Stage 1: Separate Worlds, Stage 2: Nation-to-Nation Relations, Stage 3: Respect Gives Way to Domination, and Stage 4: Renewal and Renegotiation.

Stage 1 recognizes that the first inhabitants of the land that we now call Canada have been living on this space since time immemorial. They considered themselves stewards of this land, not owners, with sacred laws and ceremonies given by the Great Spirit to honor the land from which they originate. The nations that lived on Turtle Island, an Indigenous name for North Ameri-

ca, were many and diverse. Just as the nations of Europe were many and diverse (Assembly of Manitoba Chiefs [AMC], 2013).

The RCAP describes the second stage of contact as an initially peaceful stage marked with treaties and trade agreements during the fur trade era. The RCAP argues that the peaceful stage ended and the third stage, marked by colonization, began when the fur trade died off and the new nation of Canada needed resources, rather than cooperation with Indigenous nations, to build their economy. However, it can be argued that these stages overlapped in different places for different reasons, and as early as the pre-confederation provinces established their goal of westward expansion to take advantage of cheap and “unused” lands (Friesen, 2019). The European colonizers believed in the “manifest destiny,” which called for the “inculturation” of the so-called “savages” resulting in loss of life, cultures, and rights to the land.

Stage four can best be described as the pursuit of truth and reconciliation following decades of atrocities. More recently, the survivors of residential schools won one of the largest class action lawsuits in Canadian history, a victory which led to an apology from the Prime Minis-

ter in 2008 and the formation of the Truth and Reconciliation Commission of Canada. Canada continues to explore ways to reconcile with the Indigenous peoples of this land. The four stages described in the RCAP will be elaborated on in greater detail later in this paper to provide more in depth historical context.

The co-operative ideology started in Europe, as the underprivileged class created the movement in response to the unjust domination of the ruling class. Adverse conditions were the glue that bound men and women who were experiencing similar difficulties. These people worked towards a common goal in response to the societal ills brought by a highly stratified society. Our exploration of co-operatives will start with a brief definition and history of the movement including its underlying principles. We then explore its strengths, areas for improvement, and the essential elements needed for the formation of a co-operative. The CED and co-operative principles are then laid out for a preliminary comparison and more substantial analysis in the following chapters. Finally, we create a link between co-operatives and Indigenous people with a study of Indigenous co-operatives and their current status.

The literature review begins with a separate exploration of both Indigenous cultures and the co-operative movement as we try to uncover their synergies and tangential themes. It presents a summary of the history of Indigenous people in Canada. It starts with the complex and diverse Indigenous cultures including the spirituality and traditional governance. In the Analysis section, we will further develop and scrutinize the similarities between Indigenous cultures and co-operatives, which will then culminate in a co-op model more reflective of Indigenous cultures.

### **Traditional Indigenous Societies: A Complex Cultural Paradigm**

What is culture? Culture, in an anthropological sense, is a construct used to differentiate between different groups of people based on social

customs, traditions and values. The *materialist* and *ideational* sociological perspectives further define culture allowing greater construct analysis. The *materialist* perspective differentiates groups of people based on their behavior, customs, and way of life (Fetterman, 1998). Alternately, the *ideational* perspective views culture based on the group's ideas, belief systems, and knowledge (Fetterman, 1998). The following review of related literature tackles different Canadian Indigenous cultures based on both perspectives and will also be the basis when Indigenous cultures are compared and contrasted with co-op principles.

What is Indigenous? The word Indigenous is a collective term used to describe all the various types of Indigenous nations that live in Canada. Other collective terms are Aboriginal and Native, both perceived as outdated and declining in usage but still figuring in Canadian law. The term Indigenous includes Métis, Inuit, and First Nations. The term First Nations is itself a collective term used in reference to all Indigenous nations that are not Métis or Inuit, it has replaced the term Indian because of the pejorative and colonial roots of its usage. The changing of the name reflects a use of language as a social tool to decolonize our thinking by using a collective endonym rather than a collective exonym.

Indigenous cultures, then, must be appreciated for their complexities contributing to their diversity. Each Indigenous nation has been shaped by their deep connection to the land; their ways of life and traditions are as unique as the different lands on which they live. The following is a brief description of a few Indigenous cultures in Manitoba, attesting to the need to appreciate cultural complexity. This cultural complexity will become more apparent in succeeding chapters and will impose challenges in the creation of an a theoretical, pan-Indigenous Co-op model. It is important to keep in mind that in practical application, the co-op will reflect the cultures of those specific Indigenous peoples who establish it.

It is necessary that the discussion of what an Indigenous co-operative might look like in Winnipeg, Manitoba should begin with an acknowledgement that Indigenous communities in Winnipeg are a collection of people originally from various First Nations, Métis settlements, or Inuit lands. They come from traditional territories located within and around the present provincial boundaries of Manitoba, including territories stretching into Ontario, Saskatchewan, Nunavut, and the United States.

### **The Métis**

The Métis are a distinct people group descending from parents of Indigenous and European ancestry. They form a relatively young Nation formed through the blending of languages and cultures into something unique (Malinowski, Sheets, & Schmittroth, 1999). They have distinct collective identity, customs, and way of life. They have historically been dispossessed from their homelands through section 31 of *The Manitoba Act 1870* and *Dominion Lands Act 1879*. These pieces of legislation used a scrip process from 1885 to 1921 to enable Métis people to establish their rights to their land, but the process was intentionally complicated, and many were cheated out of fair payment or proper possession of their scrips. Although the rights of the Métis were ignored for decades, they have made great constitutional and legal strides in recent years. In the 2003 case of *R. v. Powley*, the Supreme Court of Canada held that the Métis peoples have the same rights as status “Indians” under section 35 of the 1982 *Constitution*. Lastly, the *R. v. Daniels* decision ruled that Métis are “Indians” under section 91 of the *Constitution Act* of 1867 (Chartier & Isaac, 2016).

### **Inuit**

The Inuit are an Indigenous people from what is now called Nunavut, the Northwest Territories, and parts of Alaska and Greenland. Their culture including food and clothing are shaped

from the cold and northern conditions of the north. Their language is Inuktitut.

### **First Nations**

The Assembly of Manitoba Chiefs is a provincial territorial organization that represents 62 of the 63 First Nations in Manitoba. These 63 First Nations identify themselves as Nehetho (Cree), Anishinaabe (Ojibwe), Anishininwak (Oji-Cree), Oyate (Dakota), and Denesuline (Dene). (AMC, 2018)

### **The Nehetho (Cree)**

Manitoba mostly housed the Woodland Cree. However, since the Cree moved with the herds according to the seasons, there were also Plains Cree from the west and some Swampy Cree from the east that would live and hunt in this land.

The Cree used a system of governance in which the voices of each woman, Elder, and youth were heard before the chief made decisions. The position of chief was hereditary in some communities while in others the office of chief was obtained through the coup system during the war. Four coups on an armed enemy earned one the role of chief. Today chiefs continue to lead their communities, some are elected, and some are hereditary. The Grand Council of the Cree was established in 1974 in which the affairs of the Cree people of the James Bay area are discussed annually in a general assembly.

The Plains Cree believed in the Great Manito (Great Spirit) who was the creator of all things and was much too powerful to be approached directly. The Cree believed other spirits were needed to contact the Great Manito with their requests. The spirit beings could also visit them during vision quests and dreams and either be benevolent, such as spirit guides, or malevolent (Evil Manito) from which all unpleasantness, disease and wickedness in life originated.

The Woodland Cree were hunters and fishers but saw fishing as less desirable and preferred to do so only when hunting was difficult. They typically trapped in winter, hunted goose in spring

and fished during the summer. The bison were critical to their way of life. It was believed that every animal had a spirit and an ability to move about and make its decisions as a person would. It was believed that all animals would allow themselves to be hunted and captured as if they were offering their body to the hunter and his family. For that reason, a prayer of gratitude was said to the spirit of the animal.

Because of their location around the shores of Hudson's Bay, an entry point for fur traders, and their understanding of the land, the Cree became one of the leading groups that interacted and assisted fur traders with navigation and fur trading exploits. This new agreement caused constant changes to the economy of the Cree.

When the population of the bison dropped to near nonexistence, the Cree took on farming (Malinowski, Sheets, & Schmittroth, 1999). As will be discussed later, neither the Cree nor any Indigenous nation were ever able to succeed in farming because of the inefficiency and discriminatory practices of the government at that time. Peasant farming and other policies of the Indian Act limited the access to markets and equipment available to Indigenous people. They were not permitted to use the most current farming equipment because the government reasoned that hunter-gatherers should progress slowly to a civilized state. Although the immense amount of effort Indigenous people put into their farming efforts, their success was ultimately undermined by government restriction on their mobility, equipment, and access to markets (Carter, 1989).

### **The Anishinaabe (Ojibwe)**

The Ojibwe are part of a larger group known as the Anishinaabe. As is the case with Ojibwe, the name *Saulteaux* also is used to describe the groups of people living near the present Sault St. Marie area in Ontario. Today *Saulteaux* is a term used to describe the Ojibwe people living in northwest Ontario and southeast Manitoba.

Before contact with Europeans, the Ojibwe lived in small self-sustaining politically independent bands. Each band had its hunting grounds, and hunting groups were divided into families to hunt within those lands.

Regarding spirituality, the character of Nanabozo is seen as both the arranger of the earth and a trickster. Stories about Nanabozo serve both entertainment and moral purposes. Like the Cree, the Ojibwe youth practiced vision quests. Unique to the Ojibwe is the Grand Medicine Society or the Midewewin, which served as a type of organized priesthood.

The Ojibwe were hunters, fishers, and gatherers. Preparation of foods like maple sugar and wild rice was a communal activity because it was very labour intensive. Everyone worked together to prepare the meals, which were equitably distributed to those who needed them.

### **The Anishininwak (Oji-Cree)**

The Oji-cree were formed from an ancient merging of the Ojibwe and the Cree nations. Today they are found in northwestern Ontario and northeastern Manitoba.

### **The Oyate (Dakota)**

The Dakota nation is a sub-grouping of the larger Sioux people. They are found in northern America and south western Manitoba.

### **The Denesuline (Dene)**

Dene is a word meaning "the people" which they have used to refer to themselves. The Dene are hunters, fishers, and gatherers and are spread over a wide area in northern Canada but do find representation in Manitoba.

### **Spirituality and Culture**

Given this vast diversity, the urban Indigenous communities in Winnipeg have a mixture of spiritual cultures and themes. In Winnipeg, as in the rest of Canada, some Indigenous peoples also hold to Christian teachings to varying de-



grees (Marley, 2016). In discussing what an Indigenous Co-operative model might look like regarding the influence of spirituality, it will be useful to examine spiritual themes and elements rather than assume that all Indigenous people express their spirituality the same way.

Western societies might perceive spirituality as an aspect of culture but many Indigenous communities would not see it that way. Newhouse (2006), generally speaking of the different forms of spirituality among the variety of Indigenous nations explains:

“As Indigenous peoples, we do not have a tradition of separating the spiritual from the secular. Our history does not include the Christian religious wars that ravaged Europe for a few hundred years. For traditional people, the spiritual and secular are intertwined, forming a seamless reality.”

Although not from Winnipeg, Blair Stonechild can speak as a Cree-Saulteaux and perhaps help us understand the spiritual sentiments of the Cree from Manitoba. Stonechild highlights the significance of individual experience and individual truth. The Christian search for truth takes, as a presupposition, that there exists one path to absolute truth and the nature of this path requires a search of religious text and interpretation from spiritual church leaders. Stonechild prefers not to call Indigenous spirituality a ‘religion’ to distinguish this approach. Instead, Indigenous spirituality is an interaction with nature, people, and Elders and an exploration of traditional life and teachings.

Stonechild began his journey into traditional spirituality with a series of questions. What is the purpose of life? How does one foster a healthy lifestyle? What are the ways to the development of spirituality? He has taken these questions to the Elders whom he esteems as some of the last receptacles of traditional knowledge. (Stonechild, 2016). The path to answering these questions for oneself is more heuristic in Indigenous Spirituality than theological.

Unlike that of those who would later migrate to this land, the spiritual experience of the original inhabitants of Manitoba was less of an intellectual or theological attempt at understanding the divine and more of a day-to-day lived interaction with people and nature. For example, the practice of saying a prayer to an animal who gave up its spirit during a hunt is a display of reciprocity. There was an established understanding that when a person takes something, then something must be given back.

### **Teachings of the Elders**

Virtually all Indigenous groups view and respect Elders as repositories of knowledge. They are the ones who tell the myths and legends that convey Indigenous values to the next generation. Beyond the myths and legends, there are teachings unique to each group. Among the most well-known are the seven teachings of the Ojibwe.

The grandfathers passed down the seven teachings to the Ojibwe: respect, love, courage, honesty, wisdom, humility, truth and are each represented by the buffalo, the eagle, the bear, the tall human-like creature known as the kitchi-sabe, the beaver, the wolf, and the turtle respectively. As these teachings have been passed along in written and oral form through generations and among language groups, they are taught with slight regional variations. It is the spirit of these teachings and the essence of each value that is interpreted by each person. The path of an Indigenous person’s spirituality is often heuristic, experiential learning guided by the wisdom of the Elders (Stonechild, 2016).

### **Myth and Legend**

Myth can be commonly understood as a tool for moral and cultural teaching, whereas legend is generally found to have actually happened in recent history. When the two become conflated and myths are believed to be historically accurate, there exists a danger in granting historical significance to myths.

Stonechild (2016) tells the Saulteaux creation story as having begun with spiritual beings asking the Great Creator what it would be like to be physical beings. The Creator, being both male and female, created the earth with the female aspect of its being and sent the spirits into the wombs of women with their memory cleared so they could be children and learn what it is to be physical before they return to their home in the stars.

This teaching that Stonechild has received from the Elders teaches two lessons. First, the Saulteaux believe that the earth is literally the female aspect of the Creator and must be protected, respected, and not exploited for her resources. Many Indigenous people share this value with the Saulteaux. Aboriginal resource management practices focus on production, not exchange. Those who take more than they need are met with social sanctions (Loxley, 2010).

Secondly, the earth is not the true home of the Saulteaux. Their home is in the stars, and this means that the spiritual world and learning is much more important than what is gained in the physical world. Zimmerman and Molyneaux (1996) would add that knowledge is a form of power and the person who knows something is one who should be respected. This belief is why respect for Elders is such a common value in Indigenous nations throughout North America.

Both myth and legend shape the way Indigenous people interact with the land and the world around them.

### **Ceremony**

Dance is an essential aspect of spirituality. A quote from a Kwakwaka'wakw chief, uncredited by Franz Boaz, states "It is a strict law that bids us dance." Though this is a quote from a nation from the west coast, it helps us understand the spiritual force that compels Indigenous peoples to dance. The potlatch, for instance, is a ceremony very integral to the economy of the Indige-

nous nations along the Pacific Northwest Coast of Canada that includes feasting, dancing, and the sharing of possessions. It was seen as such an intrinsic part of culture and spirituality that early colonizers sought to make the ceremony illegal. For many years this policy severely disrupted their economic systems.

In Manitoba, the Sun Dance paralleled the Potlatch regarding its spiritual and cultural significance. The 1884 amendment to the Indian act that became known as the Potlatch law was also meant to prohibit the Sun Dance as well. The Sun Dance was performed in honour of the sun and was a display of the performers' ability to withstand pain. It was an opportunity to renew kinship ties, arrange marriages, and exchange property. This also disrupted the economic structures of which these dances were a significant part.

### **Time**

European concepts of time are linear rather than circular. A linear concept of time might refer to a grandparent or an ancestor as having lived and died in a certain century. Understanding time as cyclical, like the shape and path of the sun and moon and the returning seasons, would believe both the grandparent and the ancestor to be present and living among them (Zimmerman & Molyneaux, 1996).

When taking into consideration how spirituality affects an Indigenous co-operative model, one should consider the themes mentioned above. Salway Black's elements of success model, which we will describe in more detail in another section, is a means of empowering Indigenous communities by proposing an Indigenous perspective of what successful economic development looks like. This model is useful because it is relevant for a wide variety of Indigenous spiritual backgrounds (Kayseas, Foley & Wuttunee, 2014). In the same way, an indigenized co-operative model must respect spiritual diversity as well.



## Modern Indigenous Governance Structures and Organizations

### Modern First Nation Governance

Indigenous self-determination is essential to community empowerment and is one of the core rights Indigenous people have been advocating for. First Nation leaders have been fighting to establish a system of governance, which is rooted in culture and not merely an extension or reflection of the settlers' model (Crookshanks, 2012). It is essential to reflect the Indigenous cultures in the governing structure of a community, rather than imposing a pre-existing model, as this enhances the probability of success (Craig & Hamilton, 2014) through familiarity inducing social cohesion (Silver, 2006). Examples of this advocacy in Manitoba include the landmark position paper known as *Wahbung: Our Tommorrow*s published by the predecessor of the Assembly of Manitoba Chiefs, the Manitoba Indian Brotherhood.

The current "band system," to use colonial nomenclature, is an example of an extension of a settler model of governance. The First Nation elects a council and a chief to chair the council. Some communities retained the hereditary role of the chief in keeping with their traditional form of governance. However, all decisions each community leader makes regarding the future of his or her First Nation continue to be constrained by the Indian Act and Aboriginal Affairs, the Department of Indigenous Services Canada. The chief and councilors usually hold office for two or four years, after which the First Nation must decide to elect a new government or re-elect the existing one (Indian Act, Revised Statutes of Canada, 1985, c. I-5).

### Tribal Councils

In the earlier days of the Indian Act, there were Indian agents that were put in a paternalistic position as liaison between the First Nations and the department of Indian Affairs. First Nation citizens needed an Indian agent's approval to buy, sell, or leave their communities. Today there

are no longer any Indian agents and, in many cases, tribal councils have been incorporated to use collective effort to provide services. This is a step toward First Nations self-determination but there is still a long way to go. Within tribal councils, First Nations can consolidate related departments into larger departments that provide better service to their member First Nations.

### Provincial Territorial Organizations and AFN

Larger political organizations in Manitoba include Manitoba Keewatinowi Okimakanak (MKO), the Southern Chiefs Organization (SCO), and the Assembly of Manitoba Chiefs (AMC). The Assembly of First Nations (AFN) has members from across Canada.

MKO was incorporated in 1981 as a non-profit political advocacy organization that represents 30 of the sovereign First Nations in Northern Manitoba that are signatories of treaty 4, 5, 6, and 10. (Manitoba Keewatinowi Okimakanak, 2018).

SCO was incorporated in 1999 to represent the 34 sovereign First Nations of Southern Manitoba (Southern Chiefs Organization, 2018).

The AMC was incorporated in 1987 as a non-profit political advocacy organization that represents 62 of the 63 Sovereign First Nations all across Manitoba. (AMC, 2018).

The AFN is national advocacy organization for 634 First Nation Communities in Canada representing more than 900,000 First Nation Citizens. The AFN includes a position for a Regional Chief from Manitoba (Assembly of First Nations, 2018).

### Four Stages of Our Shared History

Whatever initiatives might be proposed for developing co-operatives, it is essential that they recognize the impact that colonialism and its associated institutions have had on Indigenous people, wherever they might live. We will begin by elaborating on the four stages of contact as outlined in RCAP which was alluded to in our

introduction. For the purposes of this discussion these four stages will be renamed: separate worlds, Nation-to-nation relations, assimilation, and reconciliation.

### **Separate Worlds**

As mentioned above, The Cree, the Ojibwe, the Ojicree, the Dene, the Dakota and all other nations living on this continent lived for thousands of years as fully developed nations with their own economies and governance systems prior to contact with European nations.

### **Nation-to-Nation Relationship**

After contact, the economies of the European nations and the nations of Turtle Island began to merge through the formation of peaceful trade agreements such as the treaty between the Haudenosaunee and the Dutch. This was commemorated by the Haudenosaunee using a wampum belt with two rows of blue colors. The two rows represent two rivers on which two boats would sail side by side, never harming the other, for as long as the sun shines, the grass grows, and the rivers flow. This was a symbol for a mutual agreement to share the land in peace (Onondaga Nation, 2018). This treaty has become an example of what treaties meant to the Indigenous nations who were making them. They were sacred agreements to enter into a peaceful co-existing relationship.

Following the Seven Years War, King George III issues the Royal Proclamation of 1763 to officially claim British territory in North America. This Proclamation recognized Indigenous title to lands and that Indigenous nations were sovereign nations. It gave specific guidelines for treaty making with Indigenous nations and forbade any purchase of land from these nations except those lands purchased by the Crown.

### **Assimilation**

The British North America Act (BNA Act) of 1867 was the end result of an intensive process

in which four provinces discussed how to unify into a federation. Notably absent from these discussions was any member of any of the hundreds of Indigenous nations. To the Indigenous nations of these lands, the BNA Act of 1867 marked an addition of a single new nation onto the continent surrounded by many others, but that is not how Canada saw itself. From the beginning, the vision for Canada was to be a single nation that stretched from sea to sea. Canada had an opportunity to partner with Indigenous nations and have them join them in confederation. But, the growth of the Canadian economy no longer required the type of partnership that brought the returns found in the fur trade. Instead, the economy required lands and resources. Rather than choosing to partner with Indigenous nations, respect their sovereignty as nations, and respect their title to their land, Canada chose to try to assimilate them into their new nation. A decision that was nothing less than cultural genocide.

Canada began its approach by acquiring the Hudson's Bay drainage basin, known at the time as Rupert's Land, from the Hudson's Bay Company in 1870, ignoring the First Nation and Métis nations that lived in this vast area. The Hudson's Bay Company itself had never purchased the land from the First Nations, the land was granted to them from a monarch that had never set foot on the continent. This was an attempt to circumvent the directives of the Royal Proclamation and understandably the Métis nation took up arms against this injustice and infringement upon their rights. Louis Riel arose as a leader of the Métis plight and after a military loss, Riel was hanged by the government of Canada. Even after the recent landmark Supreme Court rulings, the Métis people of Manitoba continue the fight for recognition of their rights to this day (Chartier & Isaac, 2016).

Next, Canada engaged in a series of numbered treaties between 1871 and 1912. These were nothing like the treaty symbolized by the two-row

wampum. The intent of the treaties was never to remain as two nations sharing the land and resources. The intent of these numbered treaties was to purport to follow the directives of the Royal Proclamation as a means of obtaining full title of the land. The hasty process of signing one treaty a year did not lend itself to full and clear translations of the treaty texts. The First Nations never understood the treaties to mean a full surrender of the land. It is incumbent on the courts today to interpret the treaty agreements according to the spirit and intent of these agreements rather than the written word.

While the treaties were being signed, Canada further disregarded the nationhood and sovereignty of each Indigenous nation through the draconian Indian Act. The act placed all Indigenous nations into a new collective category called “status Indian” and retained the right to determine who had status and who did not.

Indigenous peoples lived for many years under the restrictive legislation of the act and the treaties, and such law led to a forced dependency on the government. The Indian Act isolated Indigenous peoples by placing them into small ‘reserves’ of land and prevented them from leaving without a pass from an Indian agent who was an officer from the department of Indian affairs. The reservation system was meant to divide Indigenous people into tiny communities to weaken their political voice and prevent the type of organizing that led to the Northwest and Red River Rebellion (1869–1870).

Prior to the restricting policies of the Indian Act, many First Nations, in reality, began to do very well participating in the Canadian economy through agriculture. However, Canada did not want to strengthen Indigenous economies and began to pass peasant farming policies. Only more modern literature indicates the extent to which these policies hampered Indigenous agricultural development been made known. Peasant farming regulations restricted on-reserve farming to just a few acres and the authorities never

taught the on reserve residents how to use the tools and implements to efficiently farm.

### **Self-Government**

One of the Indigenous values that has pushed forward in this particular period is the fight for self-government. The First Nations were never invited to be part of the process that led to confederation. Great care was taken to balance the interests of the first four provinces with the interests of the federal government. The division of powers were thoughtfully laid out. No thought was taken to consider the interests of the Indigenous peoples of the land. In the decades since confederation Indigenous people have been fighting for the same freedom and autonomy that other members of Canadian society enjoy, especially with regards to the social and economic well-being of their First Nations. Such agreements would address the structure of Indigenous governments, the lawmaking powers, and the ability to provide community programs and services such as education.

Understanding why Indigenous people organize is key to understanding how a co-operative might form. Co-operatives can allow community members to take control of their housing, employment, goods, or services that would meet needs at a local level. On a national level, Indigenous people have been fighting politically for the right to be self-sufficient. “Political self-sufficiency means, at its most basic level, the ability to set goals and to act on them without seeking permission from others” something that “Canada has consistently denied... to aboriginal nations” (Newhouse, 2001). It is worth exploring how the need for self-determination has shaped the methods and degree to which Indigenous people have cooperated and organized themselves over the past few decades.

Before the 1960s there wasn’t much thought given to Indigenous self-government among the Canadian political elite, and Indigenous issues were all but invisible. After Prime Minister Die-

fenbaker's government granted Indigenous people the right to vote, the public began to take notice of the living conditions of the people living in the northern communities and accused the government of neglecting them. Mainly to quell public displeasure, the government commissioned a team of researchers in 1963. The result was some recommendations including what was referred to as "citizen plus" which meant that each status Indigenous person was considered "a common citizen as well as the reinforcement of difference" (Newhouse, 2001).

The government of Trudeau rejected the concept of citizen plus and sought to correct all the problems recommended in previous reports by issuing the *Statement of the Government of Canada on Indian Policy* which came to be known as the 1969 White Paper. This policy sought to dismantle the Indian Act and bring all Indigenous people under the care of the provincial or federal departments that serviced all Canadians.

This paper would be the catalyst of a plethora of Indigenous activity for the following decades as Indigenous activists organized demonstrations, Indigenous leaders developed policy positions papers, and Indigenous academics wrote papers, all of whom viewed the white paper as an attack on Indigenous sovereignty and nationhood. The Indian Association of Alberta wrote an article that refuted the White Paper and called for increased decision-making powers. *Citizens Plus* became known as the 1970 Red Paper, and many Indigenous community leaders adopted it as their official position. Among other things, it demanded that all future legislation be developed according to "The intent and spirit of the treaties, not the letter of a foreign language" (The Indian Association of Alberta, 1970). Indigenous people at this time really felt that the education their children were receiving needed to reflect Indigenous values. They held that "education is a core area for the exercise of Aboriginal self-government" (The Indian Association of Alberta, 1970).

Here in Manitoba the First Nations all across the province organized themselves into the Manitoba Indian Brotherhood establishing David Courchene as their first leader. They gathered together to publish "Wahbung: Our Tomorrows" in 1971. This publication has become a kind of First Nations manifesto and is still quoted and referred to in Chiefs assemblies to this day.

Other publications from First Nations leaders included *Together Today For Our Children Tomorrow* from The Council of Yukon Indians in 1973 and the *Indian Treaty Rights: The Spirit and Intent of the Treaty* from The Federation of Saskatchewan Indians in 1979. This publication was the first to articulate the principles of self-government systematically. Then there was the "Indian Nations: Self-Determination or Termination" by the Union of British Columbia Indian Chiefs." This publication held that Canada's repatriation of the constitution from Britain was a means of terminating Indigenous rights and argued that the source of Indigenous rights was in international law rather than the Canadian law. Finally, there was the "Public Government for the People of the North." Here, the Dene Nation and Métis Association of the Northwest Territories argued for traditional Dene form of government and that exclusive use of their lands would reduce their dependence on Canada.

Self-government became entrenched in the constitution act of 1982. But following this, the government took control of how self-government would be defined. The Parliamentary Task Force on Indian Self-Government, which released the Penner Report of 1983 was "mandated to review all legal and related institution factors affecting status, development, and responsibilities of band councils on Indian reserves, and to make recommendations in respect to establishing, empowering and funding Indian self-government" (Special Committee of the House of Commons on Indian Self-Government, 1983). The recommendations from this report were: the constitutional provision of Indian self-government, resolution

of land claims consistent with the protection of treaty rights in the constitution, and the phasing out of the department of Indian Affairs. The recommendations from the Penner Report would have allowed Indigenous communities to either continue with the band governance system or find another form of government that they prefer. Most of these were not accepted, and so the fight for self-determination continued.

### Reconciliation

The final stage as defined by RCAP is called “renewal and renegotiation” but to use the language of today we will call this stage “reconciliation”. These four stages are meant to provide a general big picture overview of our history rather than arguing the exact date this stage started. It does argue that one stimulus for the growing movement toward reconciliation traced back to the 1969 White Paper. In any case, the reconciliation stage is the stage in which Canadians are becoming aware of our colonial past and the need to acknowledge the damage done, redefine our relationship, and discuss how to move forward together.

### Idle No More

The Idle No More movement began in 2012 as a response to Bill C-45, the *Jobs and Growth Act*, by Stephen Harper’s federal government in October, which was an attempt to implement provisions set out in the budget of March of that year. The modifications to the bill would allow the majority of the representatives at a meeting, rather than the majority of the community, to approve the leasing of reserve lands. The changes would also allow projects to proceed quickly over waterways with less assessment over their impact on waterways or the environment (“Nine Questions about Idle No More,” 2013). Because the changes happened without the consultation of First Nations people, four women organized a teach-in which became a movement that continues today with three main objectives. First, building sovereignty

and resurgence of Indigenous nationhood. Second, advocating for the protection of the environment. And third, they wished to form alliances with non-native people to reframe the nation-to-nation relationship (Idle No More, 2013). Unfortunately, despite the fact that the movement grew into a nationwide call for action just one month after it began, Bill C-45 passed in December 2012.

The Idle No More movement was utterly grassroots in origin although it was given support from virtually every First Nation organization, including the AFN. After the bill was passed the First Nations people vowed not to respect it. The passing of the bill had the effect of bringing many communities together even after the fact; thus, for instance, the Chiefs of Ontario released their statement of unity in response to the passing of the bill.

### Truth and Reconciliation Commission

The terms of the Indian Residential Schools Settlement Agreement in 2008 established The Truth and Reconciliation Commission (TRC), which was commissioned to research and to make public all the details of the residential school experience. The TRC began the process of gathering and collecting all data related to the residential school experience over a period of six years with the most significant events happening between June 2010 and March 2014 which took place all over Canada from Coast to Coast. The final TRC report was made available in 2015 and describes the legacy of residential schools in great detail. All the data was planned to be made publicly available at the University of Manitoba in the National Center for Truth and Reconciliation. It will be housed here forever so that no one will ever be able to doubt or question the fact that residential schools happened or try to erase this chapter from Canadian history (Truth and Reconciliation Commission of Canada, 2015).

### Urban Winnipeg Today

In 1901 the city of Winnipeg held around 42,340 people, of whom there were not more than a



dozen First Nations and close to 700 Métis residents forming 1.7% Indigenous representation. This percentage only grew slightly in the 1950s (Loxley, 2010, p.151). Afterward, movement into the city increased at a more rapid rate.

By 2011 the population of Winnipeg had grown to over 663,617 with 11.7% Indigenous representation. Winnipeg now has the largest urban Indigenous population in Canada and the percentage continues to grow (World Population Review, 2018).

As mentioned above, the Indigenous peoples of Canada have made significant strides in creating change in the social and political landscape of Canada, and the types of changes fought for lend insight into the heart of the Indigenous nations. An 'Indigenous' co-operative will be one that is reflective of this fight for reconciliation, self-expression, self-government, and for economic self-determination. Before describing what an Indigenous co-operative might look like we will begin by explaining what co-operatives are in general.

### What is a Co-operative?

A co-operative is a voluntary organization composed of people who unite to form an enterprise that meets their economic, social, and cultural needs. The co-operative operates by values of self-help, self-responsibility, democracy, equality, equity, and solidarity (The Ontario Co-operative Association, 2017). A vital characteristic of a co-operative is that the organization is owned and democratically controlled by members each of whom has only one vote. Co-operatives do not operate on the basis of a member's investments or stake in the organization (Government of Canada, 2001; House of Commons, 2012). Depending on the co-op structure, the co-op may choose to redistribute profits to its members based on the member's utilization of the co-op services (House of Commons, 2012). A co-operative may function for-profit like a traditional commercial

establishment, which aims to acquire profit by selling products or rendering services. Non-profit co-operatives may also exist and often work on a break-even basis, or with the financial support of other institutions, or a combination of both. Co-operatives work within the goals of the triple bottom line, which aims to benefit the people, planet, and earn a profit (The Ontario Co-operative Association, 2017).

Co-operatives fall under the broader category of Community Economic Development (CED). The CED movement is a grassroots initiative that is typically composed of and managed by members of the community working towards social and economic goals. These goals are often solved via social enterprises. Social enterprises are for-profit or not-for-profit organizations that solve social problems using business solutions. The co-operative is a type of social enterprise that can be used for community economic development. Co-operatives generally must generate profit and become financially and operationally independent from other agencies and funding sources, which may have helped them during their infancy stage.

### The Seven and Eleven Co-op Principles

Co-operatives are bound by principles, which guide the enterprise's activities, to help ensure that its triple bottom line goals are achieved. There are seven internationally accepted basic principles co-operatives abide by. These principles date back to one of the first co-operatives, if not the first, in history — *The Rochdale Society of Equitable Pioneers*. Founded in 1844, in England, the *Rochdale Society* practiced and popularized the principles of democratic control of members, payment of limited interest on capital, and distribution to members of net margins according to the members' amount of use of co-op services (Oleson, 1999). There were ten original principles, which were later summarized into six. Finally, in 1996, the International Co-operative Alliance added the seventh principle governing

the co-operative's concern for the community to form today's Co-op Principles (Campus Co-operative Residence, 2016). It is the set of principles the co-op operates by that distinguishes it from conventional businesses and guides the co-op in enacting positive social change.

The Seven "Rochdale" Co-operative Principles (Agriculture and Agri-foods Canada, 2012; Gazzard, n.d.; Loxley, n.d.):

- *Voluntary and open membership* — Every person is welcome to join the co-operative without discrimination based on his or her free will.
- *Democratic member control* — Each member has the opportunity to influence the activities and governance of the co-operative regardless of his or her contribution to the organization. Co-operatives abide by a one-person-one-vote principle that downplays investment shares in changing co-operative direction.
- *Financial or economic participation by members* — Each member can financially contribute to the co-operative, benefit from the organization's profits, and provide input on how the co-op invests its earnings.
- *Autonomy and independence* — Co-operative activities cannot be dictated or influenced by external institutions. Its members must decide all decisions concerning co-operative management.
- *Education, training, information for members* — Co-operative members are entitled to training and educational opportunities, whether formal or informal, to enhance their skills and abilities. By creating a more knowledgeable and skilled workforce, the co-operative can increase competency, the quality of products and service, as well as general competitiveness.
- *Co-operation with other co-operatives* — Support and collaboration with other local,

national, and international co-operatives are essential to creating solidarity and institutional strength.

- *Concern for the community* — Co-operatives practice social and environmental responsibility in their operation and follow the triple bottom line approach. Represented in this approach are a concern for people, the planet, and profitability.

In Manitoba, some co-operatives and other Community Economic Development (CED) organizations follow an expanded set of principles known as the Neechi Principles. Eleven points in total comprise the Neechi Principles, which have also been colloquially referred to as the CED Principles in some academic literature and websites. The eleven principles elaborate on facets of the seven "Rochdale" co-op principles while adding an emphasis on the local community. The Neechi Principles elaborate on the need to create products and services with and for the local community to create self-reliance (Skelton, Selig and Deane, 2000).

The Eleven "Neechi" CED Principles (Canadian CED Network, 2016; Skelton, Selig and Deane, 2000):

- *Use of locally produced goods and services* — CED organizations utilize and patronize local services and products whenever possible.
- *Production of goods and services for local use* — In addition to favouring locally produced products and services, CED organizations also aim to service the immediate community.
- *Local reinvestment of profits* — To further enhance economic linkages within the community, CED organizations reinvest profits within the community.
- *Long-term employment of residents* — CED organizations provide employment



opportunities, especially in areas experiencing chronic unemployment. People gain the ability to generate income and better self-esteem.

- *Local skills development* — Workers in a CED organization are entitled to training opportunities, which may theoretically increase the local labour pool's productivity by creating more skilled and knowledgeable workers.
- *Local decision-making* — Based on the values of self-determination and community involvement, the CED organization's decisions are made by the people who comprise it.
- *Public health* — CED organization promote the enhancement of the physical and mental health of the community as well as the families and individuals who comprise it.
- *Physical environment* — CED organizations are sensitive to the ecological impacts of their activities and aim to enhance the physical aspects of the neighbourhood they belong to.
- *Neighborhood stability* — Focuses on providing proper housing that encourages long-term residency, which can become the basis of community development.
- *Human dignity* — CED organizations maintain self-respect and community spirit by promoting equality among people regardless of one's age, gender, ethnic background, spiritual beliefs, and mental as well as psychological capacity.
- *Support for other CED initiatives* — CED organizations give mutual support to other organizations working within the same principles and objectives to enhance camaraderie and multiply the impact of their work.

For this research, the seven Rochdale Principles, along with other aspects of the co-operative, will

be compared with Indigenous Cultures, Values, Traditions and Knowledge. The elements that may be compared may include but are not limited to, the lessons learned in Potlatches, Sweatlodges, Sundances, Pow-Wows, and traditional teachings.

### Why Form a Co-operative? Strengths and Advantages of Co-ops

Co-operatives have been in existence since at least 1844 with *The Rochdale Society of Equitable Pioneers* in Great Britain (Oleson, 1999). Since then, the co-operative movement grew in popularity and influence, and its ideology spread across oceans and continents. The co-operative's reputation may be attributed to its tried and tested business model, which helps it withstand the test of time and overcome numerous obstacles. However, co-operatives, like conventional businesses, can falter and go bankrupt. Some, while continuing their business operations fail in their social objectives. The cases of success or failure are incredibly varied and differ as a result of the country of origin, the types of co-operative, and progression through the years (Simmons & Birchall, 2008). In this section we explore literature narrating the triumphant successes, strengths, reasons for failures, and limitations of the co-operative.

Many authors describe the economic contributions of the co-operative to the local, province or state, and country to which it belongs (House of Commons, 2012; Loxley, 2010; Nembhard, 2014). In the United States, using input-output models, the co-operatives have contributed approximately \$2 trillion in assets. There are an estimated 30,000 co-operatives in 73,000 locations with a total income contribution of \$154 billion and 2.1 million created jobs (Deller Hoyt, Hueth, & Sundaram-Stukel, 2009). The United States has the highest number of co-operatives in North America, likely because of its massive population and economic dominance (Kangyani, 2008).

In Canada, there are approximately 8,500 co-operatives and credit unions with an estimated 17 million members. Among the co-operative membership, housing co-operatives are the most popular with 42 percent, followed by agricultural co-operatives with 21 percent, credit unions with 14 percent, and retail co-operatives with 10 percent. Co-operatives offering child and elderly care, worker co-operatives, and health care co-operatives have a 2 to 6 percent membership share, respectively (House of Commons, 2012).

Using data from Industry Canada's annual co-operative survey, Duguid, Karaphillis, & Lake (2014) evaluated the economic impact of co-operatives. Data from 5,094 non-financial co-operatives were analyzed in 2014, and they found that the co-operative industry generated \$33 billion of income for Canadians in 614,000 full-time equivalent jobs or 3.4 percent of all jobs in Canada. Co-operatives made \$54.6 billion in value-added GDP created in the economy and \$12 billion contributions to taxes. The co-operative industry also had a higher job growth at 8.6% when compared to the Canadian job growth at 1.8% (Duguid, Karaphillis, & Lake, 2014).

Business longevity is also better with co-operatives when compared to conventional businesses (Dworkin & Young, 2013; House of Commons, 2012; Nembhard, 2014). For example, worker co-operatives can better withstand poor business and reduced profits, partly because of the workers' commitment to the organization. Workers from the People's Co-op (Mochuruk, 2000), Urban Eatin' Landscapes (Intertas, 2016), and Italian Pasteur communities (Vargas-Cetina, 2011) have been observed to accept salary reductions or use sweat-equity when the co-operative is experiencing low-profits. Pollock's Hardware Co-op, on the other hand, is known to have the community's support and can keep afloat through membership and investment shares, during less profitable times due to weak sales (Intertas, 2016). Support from the community may, perhaps, be partially attributed to the

co-operative investment tax credits available in Manitoba (Intertas, 2016).

The co-operative as an enterprise is prevalent in many parts of the world. By definition, co-operatives are autonomously operated enterprises that are democratically controlled by their members (International Co-operative Alliance, 2016). As such, co-operatives commonly form in adverse situations whereby the community is in need of services, products, or employment. Forming a co-op is one of the ways a community can empower themselves, mobilize, and work towards a common goal to improve their living conditions (Loxley, 2010; Majee & Hoyt, 2011). CED creates alternative employment opportunities that may sometimes be contradictory to the mainstream globalized economy (Nembhard, 2014; Wong and Lee, 2001). By creating opportunities through the co-op, marginalized and underserved members of the community can generate employment and provide products and services for the general population (Nembhard, 2014). The co-op's provision of services is essential in places where the private sector is uninterested in investing because of poor prospects of profitability, or unable to finance because the initial capital cost is overburdening (Yadoo & Cruickshank, 2010). Most co-ops that are created because of people's need, or because the private sector is absent, may be found in inner cities experiencing an urban decline, and in rural and Arctic communities. In the co-operative housing sector, Craig and Hamilton (2014) observed the delegation of social housing responsibilities from the province to municipalities in 1993 without satisfactorily increasing the capacity of the latter to satisfy the need fully. As a result of the gap between the demand for social housing and the declining supply, housing co-operatives became a means of providing decent and affordable accommodations for urban Indigenous people (Craig & Hamilton, 2014).

Co-operatives can improve the economy by creating sources of employment and entrepreneurs. The ownership structure of co-operatives

increases productivity and product quality as the producers are also the consumers. As traditional capitalist firms strive to improve themselves to become more competitive and eventually gain a monopoly by out-competing others, the co-operative co-operates to compete (Erdal, 2011). Creating a more harmonious relationship between the co-operatives is mutually beneficial as it encourages skills and knowledge sharing. This “co-operative-entrepreneurial” environment is embedded in the co-op principles.

Sometimes called an “*enfant terrible*,” the co-operative has a dualistic personality as it both seeks to gain profit and enact social change (Levi & Davis, 2008). Because the co-operative works to create a source of livelihood for its workers, it must, in essence, be able to generate returns on their investment to pay wages and continue the cycle of capital accumulation and reinvestment. However, while trying to make the proverbial ‘buck,’ the co-operative also tries to positively impact the community and society, as a whole (Ruccio, 2011; Shragge 1997 in Chan, 2015). The Seventh Co-op Principle, *Concern for the Community*, guides the co-op to include a triple-bottom-line approach to their activities. Co-operatives practise these principles in various ways. Some co-ops collaborate with other institutions offering social services; others provide direct financial contributions to activities that aim to help people, while some embed the practice of helping society as part of their organization’s mission emanated through the provided service.

For co-operatives, profits are more of a means that may be used to benefit their members and the community rather than a goal that must be attained at all times (Fillion 1998 in Chan, 2015). Unlike traditional not-for-profits, some co-op types are not limited by the “surplus non-distribution constraint,” which prevents not-for-profits from distributing their surplus amongst members of the organization. Co-operatives are not bound by this restraint and can freely redistribute their profits amongst their members in the

form of patronage dividends if the co-op wishes to do so (Levi & Davis, 2008). Alternately, housing and community service co-ops may operate in such a way that emanates the “surplus distribution constraint.” They do this by automatically reinvesting profits back into housing or the community. Because of the dualistic nature of the co-op, whereby profitability is not essential but is sought, both right and left-leaning factions of the government often favour co-ops because of their inherently self-sustaining nature (Simms, 2010).

The economist Arthur Okun first popularized the concept of the leaky bucket. In this metaphor, Okun describes the economy as a water bucket with many holes in it causing water to “leak-out.” Commonly referred to as economic “leakages,” wealth in the local economy is siphoned out of the local circulation through the purchase of imported commodities. On the other side of the coin, linkages aim to strengthen the economic activity within the local economy through the preference, and sometimes patronization, of purchasing commodities from local suppliers. As a result, the purchasing of locally produced products, which helps generate income for businesses and pay for employee wages, causes a multiplier effect (Loxley, 2010). Co-operatives, as well as other CED organizations, help reduce leakages and create linkages through their collaborative work with each other, social enterprises, and other private businesses. Co-operatives often work with other groups to increase their revenue through the provision of products and services, and to achieve a common societal goal. Inscribed in the Rochdale Co-op Principles, and embellished in the Neechi CED Principles, co-operation among co-operatives and preference for locally produced commodities is ideologically inscribed in the operation of a co-op (Nembhard, 2014; Zeuli, Freshwater, Markley, & Barkley, 2004).

Education and dissemination of information, especially to subaltern groups of people, is another positive effect of the co-operative, which is embedded in their principles. Because the co-

op is often composed of people from less fortunate communities, some of its members may not have been accorded their right to full formal and complete education. Some co-operatives form in depressed areas of a country, usually in rural regions to help mitigate poverty. As such, these people are sometimes unaware of the developments in technology, governance, and finance that may assist in undertaking their work or improving their living conditions. In more prosperous economies, usually in developed countries, the co-operative may have the same effect of educating its members. The education usually happens due to the communicative impact, wherein members share information with other members to enhance the quality of their work (Abebaw & Haile, 2013).

Co-operatives have contributed to the physical infrastructure development in Indigenous communities through the building of communication systems and transportation of goods in remote places (Ketilson & MacPherson, 2001, p. 6). Indigenous co-operatives also enhance the social capital of the community by providing education and skills training, including business management skills. The co-operative also increases people's awareness and understanding of other societies and cultures, as well as "fostering community action" (Ketilson & MacPherson, 2001, p. 6). Specific to cultural development and rediscovery, a co-operative can also provide goods and services that reflect and reconnect traditional Indigenous economy with today's Indigenous people. According to Condon, Collings, and Wenzel (1995), creating a connection between the conventional economy can have an 'integrating role' as it creates social continuity, an opportunity to rediscover oneself, and self-worth.

#### **Areas of Future and Further Development in the Co-operative Model**

Alternatively, the co-op is not a magic bullet to cure all social, economic, and environmental woes by itself. Some of the limitations are inher-

ent in the co-operative structure, particularly in its finance mechanism. The co-op is limited by factors that impede its ability to generate change and grow as an enterprise. Such factors can even threaten its existence. Co-operatives may be composed of people from marginalized groups who, albeit skilled in other applications, may not have had the same educational and training opportunities to perform managerial duties. As a result, "soft" support mechanisms, such as training co-op members on leadership, market analysis, and accessing financing are essential in starting and operating a co-op (Nolan, Massebiaux, & Gorman, 2013). In certain types of co-operatives, workers are not just labourers, they are also business owners and managers, which requires skills and knowledge in operating a business that the workers may not readily possess. A co-operative is argued to be more dependent on the institutional support and may find it challenging to launch its operations without programs that help incubate its development.

A philosophical debate exists between the theory of "cultural assimilation" and the seemingly losing nature of "cultural preservation" in a globalizing world. As a result of the pervasive spread of technology and the deconstruction of political and economic barriers, information and new ideas reach more people from different cultures. With new information comes innovation, changes to the way people live their lives, and cultural evolution.

Loxley (2010, p. 66) argued that development and cultural preservation might have an ironic relationship. Culture is not created nor does it evolve by itself and is influenced by the material base present in a society. Therefore, changes to the material base as a result of development, influence cultural change. As such, any economic growth which causes changes to the material base will cause cultural change. Smith (2000, p. 13) also contends that for some bands, development is a purveyor of cultural change as the economy is the "engine that drives society to



higher culture levels.” While some Indigenous communities welcome the prospects of development, others opt-out, citing that negative repercussions on the environment and traditional way of life outweigh the benefits (Smith, 2000). However, Searles (2006) suggested that cultural change, in the perspective of contemporary anthropology, is not necessarily undesirable. Considering improved personal mobility in a highly globalized world, “culture” will always exist in a hybrid form (Searles, 2006).

Some contentions also occur on the ethics of Community Economic Development (CED), when imposed on Indigenous communities. As a philosophical discussion, Newhouse (2006) questioned if CED, and its offspring, may be another attempt to rid the world of the “Indian Problem” by forcing a system used by non-Indigenous people. In the past, “whites” saw the need to “civilize” Indigenous people through education, which will bring them up to par with the “whites.” Today, governments see Indigenous people as needing “development,” which nevertheless reflects ethnocentric ideologies. Newhouse’s question assumes that Indigenous cultures are associated with inferior economic development, and require educating to assimilate them into the “global market economy” (Hernandez, 2013, p. 9). The question then becomes — “should culture be preserved or should development be harnessed?” There is no straight answer to this question or one that is agreed upon by everybody. However we, the authors, believe that Indigenous people should be empowered to take matters into their own hands and start development at the grassroots level. Growth that is driven by the Indigenous community should theoretically reduce the instances of ethnocentrism, by ensuring that it is the community which initiates, manages, and benefits from the development.

Conventional businesses, sometimes known as Investor Oriented Firms, may be publicly traded on the stock exchange, which allows the enterprise to attract investors and build the capital

necessary for large-scale investments. Publicly traded enterprises often grow exponentially and can compete, and sometimes gain market dominance, as a result of public trading. Alternatively, the co-operative cannot be publicly traded (Nolan, Massebiaux, & Gorman, 2013) because its principles do not allow it to do so. As a result of the co-op’s democratic control principle, decision-making in the co-op is intended to lie in the hands of its members regardless of their financial contribution or share in the co-op. Although a co-operative can amass capital through other means, such as government tax break programs and direct investments, the growth of the collected capital cannot be based on stock market investments. Some have interpreted this condition as a possible limitation to the expansion of a co-op (Nolan, Massebiaux, & Gorman, 2013). A more significant constraint on growth and size, except a few co-operatives like the Red River Co-op and Mountain Equipment Co-op, maybe the localized nature of its operation, where most people are willing to invest on the co-operative are those living in the same locale and sharing similar ideologies (Lei, 2011). However, it is arguable that the “inability” of the co-operative to amass capital and expand unhindered is less of a limitation and more of an inherent characteristic or even a “choice” within the model. As mentioned earlier, the co-operative principles dictate that the enterprise serve the local community and forego some of the conventional drivers of capitalism. The co-operative remains local because it chooses to do so, and because it refuses to become overly competitive to gain a monopoly in a capitalist economy. In other words, the co-operative ensures that the locality is well-served as it refuses to expand uncontrollably.

The localized nature of co-op investors contributes to the limitations of the co-operative and generates risks. In a study of Agricultural Co-operatives, Lei (2011) found that declining membership shares, coupled with poor financial

performance, were contributing factors to its decline and eventual bankruptcy. The community's participation and patronization of a co-operative, amidst competition from conventional businesses, are essential for a co-operative to thrive (Fulton & Gibbings, 2000; Hakelius, 1996). People's familiarity and knowledge about co-operatives is a deciding factor on whether a co-op will be patronized, and if its products and services will be bought. In this regard, educating people on the benefits of a co-op, its mission, and ideologies is necessary for the co-op to thrive.

In comparing the economic benefits of co-operatives against general private business with selected case studies, Rose (2014) found that private business operated by Indigenous communities generated more profit and provided a better income for its Indigenous workers. However, the benefits of higher income came with the price of "cultural loss" as the Indigenous population gained the ability to purchase new commodities they did not have before and subscribe to a lifestyle different from their traditional norm. Alternatively, the study found that co-operatives delivered a more moderate income that did not accord many opportunities for conspicuous consumption and lifestyle change (Rose, 2014). Whether this cultural trade-off is an "undesirable" aspect of development or should be construed as an acceptable "side effect" is still open to debate. The author concluded that the co-operative presented a closer model of production to that of traditional Indigenous economies that facilitate and reproduce "traditionalist forms of sociality and cultural production" (Rose, 2014, p. 377). Another study involving Indigenous Americans found that the Indigenous traditional culture is similar to the capitalist economic model in regards to its exploitation of resources, commodity exchange and accumulation of capital (Rata, 2000). However, some fundamental differences include the absence of privatized ownership whereby the band owns legal rights to the land, water, and knowledge. And secondly,

the class relation of production are communal social relations within a neotraditional ideology (Rata, 2000). In other words, elite members of the band can use tribally owned resources to generate wealth for themselves as well as the band.

In some jurisdictions, co-operatives enjoy a wide array of support from the government, which helps develop the organization as an independent enterprise. However, the reliance on government support may also be detrimental to the existence of the co-op as result of changing government priorities. McCabe and Hang (2006), in their analysis of South Korean and UK social enterprises including co-operatives, found that these organizations often rely on 'soft loans' from the government. The social enterprises they analyzed did not fully transition into independent enterprises, placing their longevity at risk if government priorities were to change (McCabe & Hang, 2006). Porter (1996) furthers the argument by investigating the effects of government intervention on economic development. To create a truly sustainable local economy, at a certain point, government aided enterprises must become fully independent. If the transition to independence does not happen, then the dependent enterprises may be adversely affected, often resulting in the organization's financial demise and closure (Porter, 1996). Contrary to the experiences of some organizations independent of government support, enterprises that were able to evolve, and become independent as well as competitive, were able to overcome the challenges of a hostile economy. In fact, Northern Co-ops in Canada attribute their longevity and success to their ability to adapt to changing political priorities and economic conditions (Alsop, 2009).

### The Magic Recipe: Essentials in Creating a Co-operative

For a co-operative to be conceptualized, launched, operated, and survive, certain elements must first be present. Some of these elements must be pre-

sent in the people trying to start and run the co-operative, while some of them must be present in the neighbourhood, community, and government. However, it is important to note that there is not an exact recipe, nor does having these elements or conditions guarantee the successful creation of a co-operative all the time. Minute variables in the economy, government, society and elsewhere may influence unintended and undesired outcomes. Nevertheless, most experts will agree that the following conditions have been observed in successfully started co-operatives. The following are some of the characteristics or preconditions whose existence in Indigenous communities needs to be assessed and, if they do, we need to ask how they may be enhanced.

#### *Excellent business plan*

A capitalist economy is not a friendly one. The strength of capitalism is that it encourages “players” to be as competitive as much as they can so that they can achieve profitability and growth. Unfortunately, there is no such thing as “perfect competition” as some “players” will always have the upper hand as a result of experience, investment capacity, business strategy, and political ties. Because of this, it is important for an upcoming co-operative to have a sound business plan that will ensure profitability while still achieving their social goals (Nolan, Massebiaux, & Gorman, 2013).

#### *Sufficient start-up capital*

Before gaining any profit, one must first invest. Co-operatives, like conventional businesses, require capital that must be strategically invested to start operation before any profit may be made. Community activists wishing to start a co-operative may have secured funding from different sources such as credit unions, community organizations, government programs, and conventional lending institutions. For Indigenous co-operatives, funding sources are plentiful, but government financial support could still be improved (Ketilson & MacPherson, 2001, p. 5).

#### *Tenacious leaders*

Ketilson and MacPherson (2001, p. 6) found that Indigenous leadership has been essential in the creation of co-operatives. In turn, the co-operative also harnesses and creates leaders that serve the community (Ketilson & MacPherson, 2001). In most cases of starting co-operatives, there is one person or a few people who will take the collective’s needs and aspirations and turn them into a vision and mission for the co-operative to work towards. Without a person in the group possessing the character and charisma of a leader, it will be difficult to corral people to arouse and empower them towards change (Ketilson & MacPherson, 2002, p. 51).

#### *Aroused community with a desire to work together to fulfill a collective need*

The co-operative, as the name suggests, is composed of people who are working together to achieve common goals. The co-operative is not operable by one person and one person alone, it requires the collective’s effort to achieve its goals and become successful. This requirement to co-operate may perhaps be the essential condition needed before a co-operative can start. The community must first feel empowered to take control of their social and economic predicaments (Loxley, 2010). According to Williams and Scott (1981), in Community Economic Development, and by extension to co-operatives, dire circumstances and externally induced conflicts act as catalysts that may bind people together to form a community that works together.

#### *Organizational support either from the government or other organizations*

For many people, starting a business is a complicated ordeal, and creating a co-operative is an even trickier endeavour. Some co-operatives are initiated by people who are skilled and well educated at various things, especially the service they wish to provide, but may not have the propensity or knowledge to run a business. Pieces of legis-



lation meant to regulate co-operative ventures help to protect interests, maintain fairness while creating barriers to entry. The ease with which a co-op can get lost in the maze of the bureaucratic system is a typical comment from co-op leaders (Intertax, 2016). As a result, there have been many not-for-profit and government institutions that offer guidance and incubator support for starting co-operatives and other Community Economic Development (CED) programs. Some of these institutions can also provide administrative services such as payroll and accounting to multiple CED organizations.

## Co-operatives and Indigenous Cultural Values

### **Economic Development and Culture**

It is essential first to understand how cultural values shape the process of economic development in Indigenous communities before considering the role of co-operatives. Many misconceptions as to why economic development has failed in the North are generations old. Examples of such misguided theories are given by Loxley (2010, p. 97–98) who describes dualism, the subtraction approach and vicious circles. The problem has been that the governments have for so long thought of the North in two categories, the developed non-Indigenous communities and the “underdeveloped” Indigenous communities. The belief is that the Indigenous people of the North have inherent qualities in and of themselves that preclude them from development, leadership and advancement. Most would consider the subtraction approach racist because it only explains the pre-industrialist North as having not yet been industrialized by capitalism; therefore, cause and effect are unclear.

To move away from these frameworks of development it is important to remember that all development in Indigenous lands needs to be undertaken with their consent. In 2007 the United Nations Declaration on the Rights of Indigenous

People (UNDRIP) was adopted by the United Nations General Assembly. This declaration calls for, among other things, ‘free prior and informed consent’ (UN General Assembly, 2007) of Indigenous peoples before any project is completed that affects their livelihood in any way.

Canada has been slow to adopt legislation recognizing and affirming UNDRIP, although it is referenced repeatedly in the Truth and Reconciliation Commission’s 94 calls to action. Call to action 92 specifically calls for businesses that engage in economic development to provide fair and sustainable benefits to the Indigenous communities affected, and also calls for education of employees to understand the history of the Indigenous people they are working with, including the history of residential schools, UNDRIP, and skills-based training in anti-racism and intercultural competencies (Truth and Reconciliation Commission of Canada, 2015).

A framework that respects the need for consultation prior to economic development is the Felt-Needs Approach. A felt-need can be understood as a communally shared aspiration or desire for something that is considered essential or vitally crucial for the future of the community. Felt-needs draw community members together and motivate them to initiate and maintain projects that are geared toward meeting those needs. The strengths of the felt-need approach are that cooperation can be quickly garnered in response to a demand that is already collectively understood and felt. The felt-need approach, however, is limited to the perspectives and knowledge areas of the members of the community. The aspect of development highlighted by the felt-needs approach is that any person leading an initiative should have a process of understanding and consider what are the current collectively understood and motivating needs of the community. Felt-needs, however, can be very limited in a situation of poverty which is why Loxley (2007, p. 12–14) argues for educated and persuaded needs, a process by which community needs are taken into consideration through

a process of community education and guidance from those with relevant knowledge and expertise.

*Do Indigenous cultures prevent participation in a capitalist economy?*

European-Canadian society is arguably based on the tradition that humankind was meant to rule over creation, while in Ojibwe tradition, as in many other Indigenous traditions, humanity is a part of creation and dependent upon it (Newhouse, 2000). The Indigenous values of stewardship and reciprocity stand in stark contrast to the western capitalist agenda of profiting from land and resources. Loxley, (2010) argues that any form of economic development within the context of an Indigenous community must take into account the culture and the traditions of the people. It must support and strengthen those traditions rather than undermine them. The Wahbung position paper expresses a belief that tradition is so intrinsically a part of being Indigenous that it could be comparable to the shape of a pine tree's needles and the formation of its branches being inherently a part of the nature of the pine tree (Manitoba Indian Brotherhood, 1971). Tradition will not be willingly sacrificed for any political or economic gain — it is a non-negotiable facet of Indigenous development.

If an increasing sense of income security allowed community members to spend more time practicing and preserving their cultural traditions, it would stand to reason that economic development would be a prerequisite for the practicing and preserving of culture (Smith, 2000). However, the type of economic development that a community engages in does affect the culture of that community. This effect is because the material base of society is part of what determines culture (Smith, 2000). While northern communities, who have retained their traditional means of hunting, fishing, trapping etc., are less affected by this problem, it would seem that economic development and the preservation of culture are mutually exclusive.

Newhouse (2000) would argue that the two are not mutually exclusive and that there is no issue with Indigenous participation in a capitalist society. As an academic his viewpoints may differ from those of other Indigenous experts in his field. He explains that capitalism is first a way of life, second a worldview, and lastly a political-economic system. Most people assume that this last aspect of capitalism is the entirety of what capitalism is. Capitalism as a way of life, worldview, and the political-economic system is quite adaptable, and as the dominant economic system in the world, it has been adapted to function in nations with vastly different cultures. Within Indigenous communities, there is a movement underway to ensure values and traditions are understood and made the centre of life again, a process he calls 'retraditionalization.' This movement is a rethinking of how traditional values can find expression in modern society. Newhouse believes that Indigenous peoples are already adapting capitalism to reflect their worldviews and is calling this resultant adaptation "capitalism with a red face" (Newhouse, 2000).

*What does Indigenous participation in a capitalist economy look like?*

Red Capitalism is an expression of capitalism wherein the concept of development is much broader. It can include the four dimensions of the Cree Medicine Wheel: the physical, mental, emotional, and spiritual (Newhouse, 2000). The Elements of Development Model (Salway Black, 1994) is a framework, developed from the Cree Medicine Wheel that measures the success of economic development using 16 elements. The model uses four primary elements, the Control of Assets, Spirituality, Kinship, and Personal Efficacy. The first element, Control of Assets, is the ability to use assets and property to create wealth. Spirituality is the element that answers all of the relevant life questions such as "Who am I in relation to my community?" and "Who am I in relation to the creator and all creation?"

**TABLE 1 Indigenous Determinants of Success as Compared to the Rochdale and Neechi Principles**

Elements of Development Model			Principles Commonly Used by Co-ops	
	Elements of Development	Key Performance Indicators	Rochdale Principles	Neechi Principles
SPIRITUALITY	• The Indigenous vision of oneself • Understanding of place in the community • Understanding of place in creation	• Instilling traditions in children • Language learning • Expression of balance in life	• 4th: Autonomy and Independence • 5th: Education, training, information for members • 6th: Co-operation with other co-operatives • 7th: Concern for community	• Local decision making • Physical environment • Neighbourhood stability • Human dignity
	• Cultural Integrity	• Passing down traditional language and culture	• 5th: Education, training, information for members	• Local skill development
	• Social Respect	• Public involvement for better policies and improved media coverage for Indigenous peoples	• c.	• Neighbourhood stability • Human dignity
	• Political & Civic	• Involvement in community activities	• 6th: Co-operation with other co-operatives • 7th: Concern for community	• Physical environment • Neighbourhood stability • Support for other CED initiatives
KINSHIP	• Acknowledgement of a system of giving, sharing, and reciprocity that exists within Indigenous communities	• Meeting local needs with local resources • Increase in trading activities between and within communities	• 3rd: Financial or economic participation by members • 6th: Co-operation with other co-operatives • 7th: Concern for community	• Use of locally produced goods and services • Production of goods and services for local use • Local reinvestment of profits • Support for other CED initiatives
	• Health & Safety	• Reflecting local priorities	• 7th: Concern for community	• Public Health • Physical environment • Neighbourhood stability
	• Responsibilities & Consequences	• measures of responsibility and accountability with increased ownership and control	• 2nd: Democratic member control • 7th: Concern for community	• Long-term employment of local residents • Local decision making • Human dignity
	• Vibrant Initiative	• Entrepreneurship, self-confidence, self-esteem	• 2nd: Democratic member control • 3rd: Financial or economic participation by members • 4th: Autonomy and independence	• Long-term employment of local residents • Local decision making
PERSONAL EFFICACY	• Personal growth and development for the purpose of benefiting others	• Personal: increased knowledge, skills, self-confidence • Community: Improved leadership, community cooperation, follow-up	• 2nd: Democratic member control • 5th: Education, training, information for members • 7th: Concern for community	• Long-term employment of local residents • Local skill development • Human dignity • Support for other CED initiatives
	• Productivity Skills	• Skill levels in formal and informal community activities	• 5th: Education, training, information for members	• Local skill development
	• Income	• Sources of income for community members	• 4th: Financial or economic participation by members • 7th: Concern for community	• Use of locally produced goods and services • Local reinvestment of profits • Long-term employment of local residents

TABLE 1 Indigenous Determinants of Success as Compared to the Rochdale and Neechi Principles (con't)

Elements of Development Model			Principles Commonly Used by Co-ops	
	Elements of Development	Key Performance Indicators	Rochdale Principles	Neechi Principles
<b>PERSONAL EFFICACY (con't)</b>	• Trade & Exchange	• Percentage of capital re-circulating in the community vs. those leaving	• <i>6th</i> : Co-operation with other co-operatives • <i>7th</i> : Concern for community	• Use of locally produced goods and services • Production of goods and services for local use • Local reinvestment of profits • Long-term employment of local residents
	• Empowerment through use of assets in wealth creation	• Increased personal assets: house, savings account, education • Increased community assets: programs, land, trust funds, institutions	• <i>3rd</i> : Financial or economic participation by members • <i>4th</i> : Autonomy and independence	• Local reinvestment of profits
	• Environmental Balance	• Improved waste management systems • Water, air, and soil quality	• <i>7th</i> : Concern for community	• Public Health • Physical environment
	• Hope & Future Orientation	• Mission statements that reflect the result of today's actions on the future	• <i>7th</i> : Concern for community	• Long-term employment of local residents • Support for other CED initiatives
	• Choices/Vision	• The amount of choices that people feel that they have	• <i>1st</i> : Voluntary & open membership • <i>2nd</i> : Democratic member control • <i>3rd</i> : Financial or economic participation by members • <i>4th</i> : Autonomy and independence	• Local reinvestment of profits • Local decision making • Support for other CED initiatives

Kinship is the acknowledgement of giving and sharing that exists within and between communities. Personal Efficacy is personal growth and development for the benefit of helping others. Between the Control of Assets element and the Spirituality element is the first quadrant. In this quadrant, three more details are found: Environmental Balance, Hope & Future Orientation, and Choices/Vision. These three are a blending of the two main elements that border that quadrant.

In the same way, Spirituality and Kinship form a quadrant that holds three more elements. Kinship and Personal Efficacy from another quadrant and Personal Efficacy and Control of Assets form yet another quadrant, each with three parts. For development in a capitalist economy to indeed be an Indigenous enterprise the measures of success must be decided upon by Indigenous

people. These 16 elements used to measure the success of an economic development initiative reflect the red face of capitalism. Each part is listed along with suggested Key Performance Indicators in Table 1.

Another way that Red Capitalism is unique is that because of the Indigenous view that life is a journey, development will be seen as a process, not a product. The process will be more collaborative than competitive because development will be seen as a joint effort between the individual, the community, and the government. The Elders, as receptacles of traditional wisdom, may be given a formal place for decision making. The value of sharing and reciprocity will affect wealth distribution. The economic institutions might be primarily western but will have adaptations to fit the communities they are meant to serve. Institutions

can include but are not limited to individual proprietorships, partnerships, corporations, joint ventures, and co-operatives Newhouse (2000).

*How likely are Indigenous peoples to use the co-operative model as participation in a capitalist economy?*

Newhouse (2000) explains that a society's values are reflected in its institutions and, in fact, institutions assume a significant role in the preservation and transmission of culture and values. An Indigenous co-operative could be a type of institution that reflects Indigenous values and worldviews and could be one of many institutions working within red capitalism.

Table 1 lists the 16 elements of development described by Salway Black (1994), including some key performance indicators for each component. If Salway Black's model can be used as a means of understanding how Indigenous peoples view their participation in a capitalist economy and how they define success it is possible to compare these elements of success with co-operative principles that may be likely to support each outcome. In the table, each principle is juxtaposed to each relevant element. As can be seen, the Neechi Principles, which are an adaptation of the Rochdale principles designed to serve the Indigenous community better, relate very well with the measures of success that were also developed to help the Indigenous community. This table shows the potential for the co-operative model to be compatible with Indigenous development initiatives.

**What is an Indigenous Co-operative?**

One of the challenges of this research is defining what an "Indigenous co-operative" is. In Canada, the term "Indigenous" is ascribed to the people whose ancestors were the first occupants of Canada. These people are composed of First Nation, Inuit, and Métis. Therefore, an "Indigenous Co-operative" should, at least, have significant Indigenous representation, or work towards servicing Indig-

enous peoples. Ketilson and MacPherson (2001) define "Indigenous Co-operatives" as having one or more of the following three characteristics:

- The co-operative is located in a predominantly Indigenous community such as a First Nation Reserve
- Indigenous people mostly control or own the co-op
- The members or customer base are predominantly Indigenous people

The Canadian Government uses a more systematic definition of "Indigenous Co-operative." It defines a co-operative as "Indigenous" if 50 percent plus 1 of its owners are Indigenous people (Government of Canada, 2001, p. 2). Some Indigenous organizations and businesses, intentionally and unintentionally, operate like a co-operative and follow co-operative principles. However, these Indigenous businesses do not identify and are not formally registered as co-operatives with the federal or Provincial governments (Sengupta, 2015). The ambivalence in defining an Indigenous co-operative and the lack of information on these organizations contribute to the difficulty of analyzing their status, impact on development, and challenges they encounter.

To gain a better understanding of Indigenous Co-ops, we must first understand the situation of co-ops in general in Canada. One limitation of this research is the availability of data. The Co-operatives Secretariat kept records on all registered co-operatives, including Indigenous and non-Indigenous co-operatives. The statistical data was sourced from the Government of Canada website (2018). In some provinces, the number of co-ops increased, while others decreased. Graph A shows the change in the number of reporting co-ops from the three Western Canadian Provinces — Manitoba, Saskatchewan, and Alberta. For comparison, the Canadian total is also included. According to the graph from 2001 to 2013, Manitoba experienced an average of 2.83 percent decrease in the number of co-operative operat-



ing in the province, while other provinces have experienced an average of approximately 4 and 5 percent decline. Canada, as a whole, experienced an average of 1.14 percent decrease in the number of co-operatives. 2010 seems to be an outlier with the most significant decrease at 9.71 percent, which may be the result of the global economic recession from around 2008 to 2010. Figure 1 shows a decreasing trend in the number of co-ops in Western Canada. This study does not attempt to analyze the causes of such declines, but we suspect that amalgamations, especially of credit unions, may have contributed to the declining number.

Figure 2 represents the total number of Western Canadian co-operatives from 2001 to 2013. This graph illustrates the same information in a different format to show how Manitoba compares with the rest of Western Canadian provinces. Of the three provinces, Manitoba has the least number of co-operatives, while Saskatchewan has the most significant figure.

Interestingly, Saskatchewan also appears to be the co-operative leader in Canada when the provincial population is taken into account. Figure 3 shows the People Employed by Co-operatives per Capita from 2001 to 2013. For comparison, Quebec, which has the highest count of co-ops in Canada, is included in the analysis. Saskatchewan bests Quebec in this category, while Manitoba is almost at par with Alberta and the Canadian average.

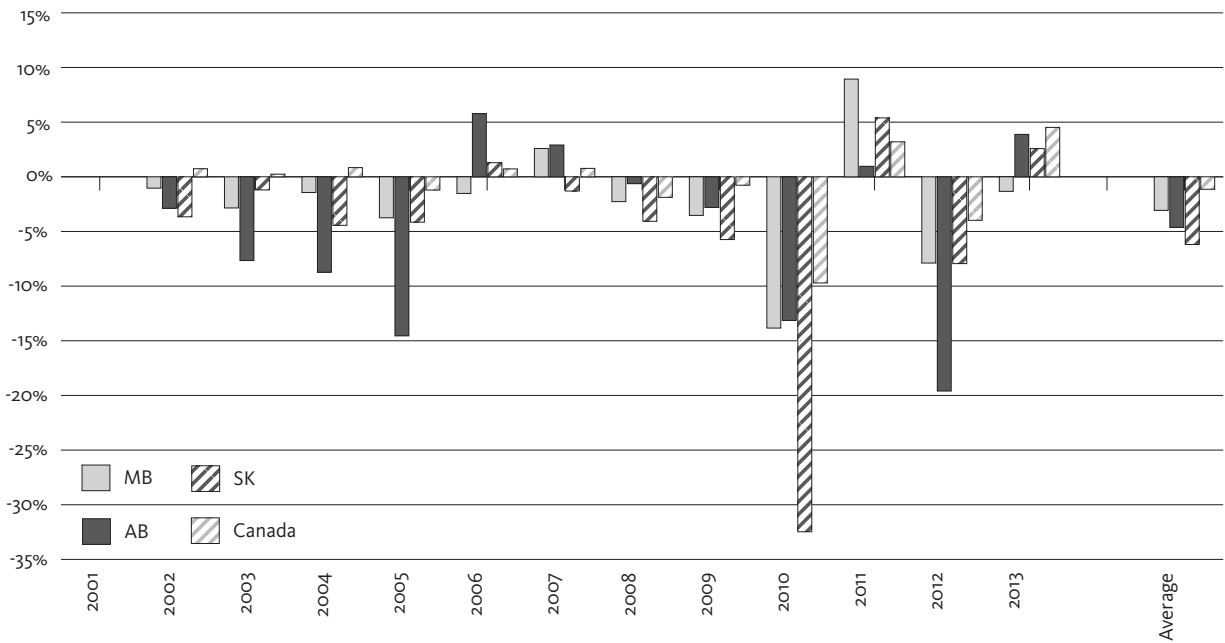
As a result of the lack of information on co-operatives, as well as Indigenous co-operatives, it is challenging to assess the current condition. A 2012 database built by the Canadian Co-operative Association identified approximately 123 Indigenous and Indigenous-serving co-operatives and credit unions in Canada (Co-operatives in Aboriginal Communities in Canada, 2012). Of these Indigenous co-operatives, only 15 are located in Manitoba, and 6 of the 15 are located in the Winnipeg urban area. One report suggests that the total number of co-operatives experienced a 15 percent decrease from a total of 133 total in 1969.

As a result of the difficulty of defining the term “Indigenous Co-operative,” the latest 2012 tally expanded the definition to include co-operatives that are under development in First Nation reserves, Métis communities, urban neighbourhoods with a high Indigenous population, and rural areas with high Indigenous population (Co-operative Innovation Project, 2016). Given the broad span of the years used to compare the two total numbers of co-operatives, from 1969 to 2012, it is difficult to justify that 15 percent is an alarming rate of decrease. Moreover, one may logically assume that the total number of co-operatives is subject to the economic health of a region or country, and as such experiences, cyclical rise and fall, as some co-ops close while others open.

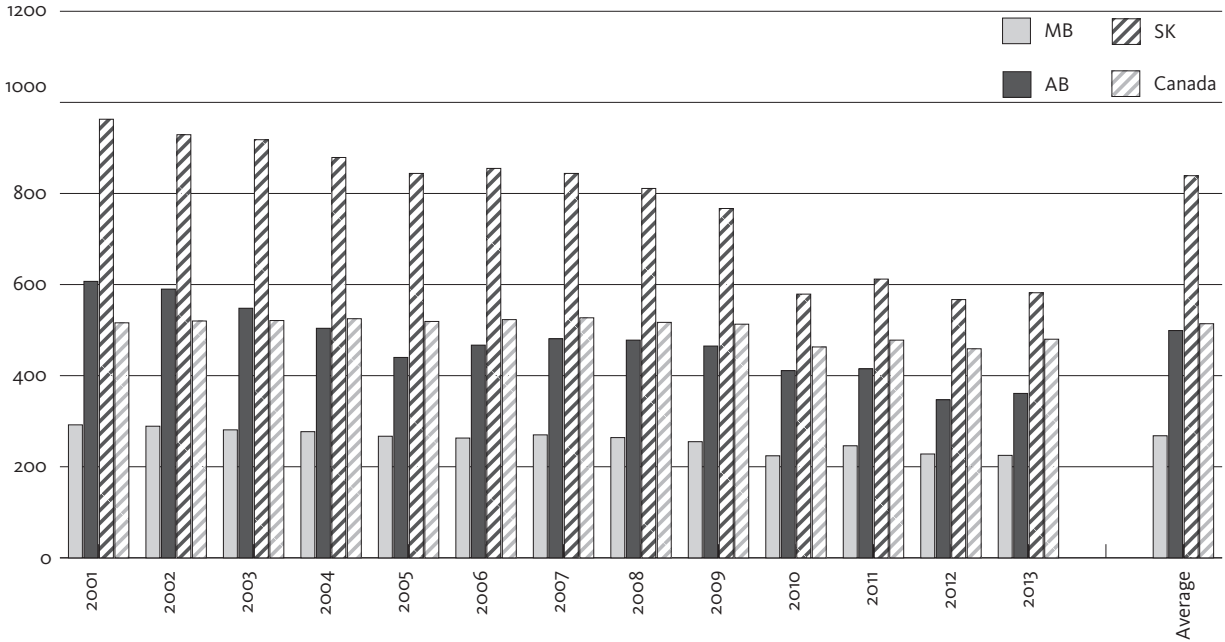
The oldest Indigenous co-ops still in operation are the Alberni District Co-op Association, founded in 1928, and Pineland Co-op Association Ltd., which was founded in 1929. Both are retail co-operatives offering gas sales and serve diverse Indigenous communities in British Columbia and Saskatchewan respectively. In Manitoba, Grand Rapids Fisherman Co-op Ltd, Matheson Island Marketing Co-op Ltd, Norway House Fisherman’s Co-op Ltd., were all founded in 1962. The co-operatives offer commercial fishing and marketing. The co-operatives service Métis & Cree First Nations. In urban Winnipeg, the oldest running co-operative is the housing co-op Payuk Inter-Tribal Co-op Ltd. founded in 1985 which has 42 dwelling units (Co-operatives in Aboriginal Communities in Canada, 2012).

Salway Black (1994) described Indigenous communities as being similar to developing countries. Indigenous communities typically experience four main problems that developing countries experience. The following are observations of Indigenous communities relating to development and are not meant to be criticisms. Instead it paints a picture of the areas that require future and further development. The first similarity is that there may be inadequate infrastructure present in the community to encour-

**FIGURE 1 Percent Change in the Number of Co-operative in Western Canada**

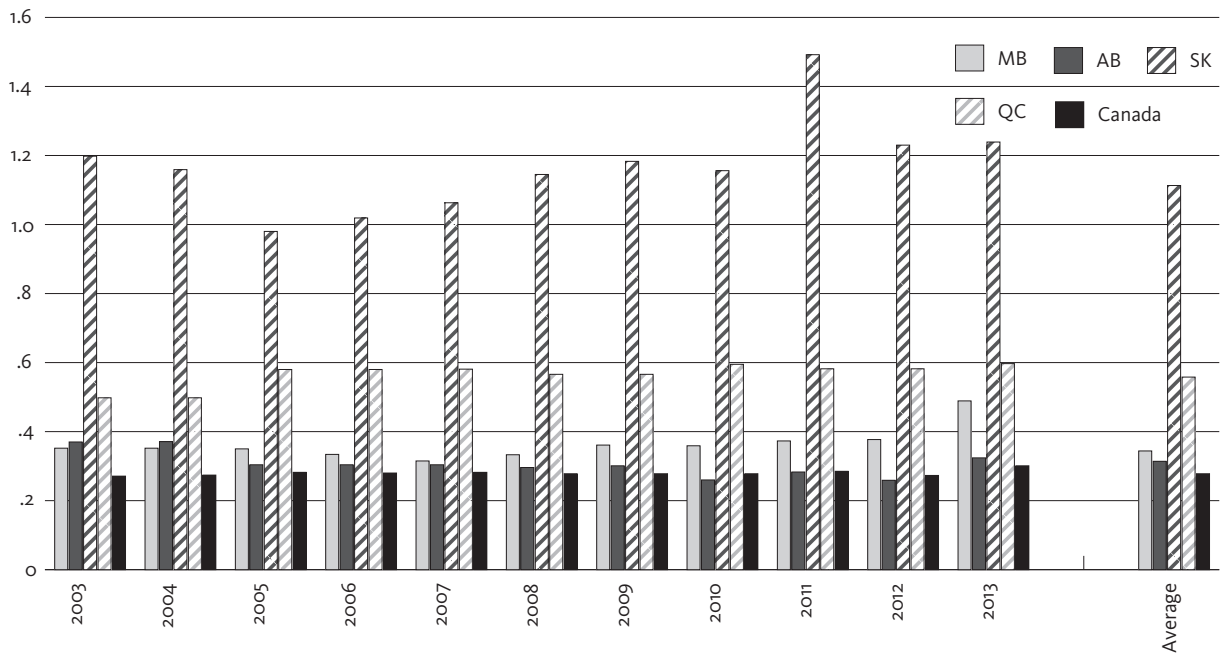


**FIGURE 2 Total Reporting Co-ops in Western Canada**

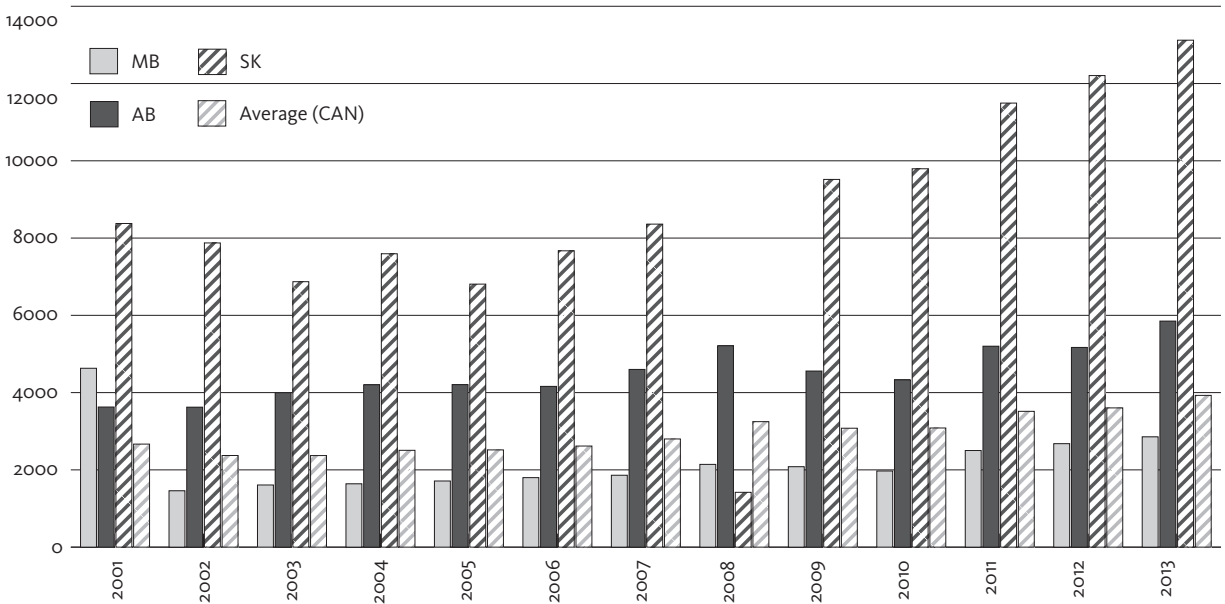




**FIGURE 3 People Employed by Co-ops as a Percentage of Population**



**FIGURE 4 Volume of Business (In Millions of Dollars)**



**TABLE 2 Percent Change in the Number of Reporting Co-operatives From 2001 to 2013**

	<b>MB</b>	<b>AB</b>	<b>SK</b>	<b>Canada</b>
2001	NA	NA	NA	NA
2002	-1.04%	-2.88%	-3.66%	0.74%
2003	-2.85%	-7.66%	-1.20%	0.24%
2004	-1.44%	-8.73%	-4.44%	0.84%
2005	-3.75%	-14.55%	-4.15%	-1.21%
2006	-1.52%	5.78%	1.29%	0.72%
2007	2.59%	2.91%	-1.30%	0.77%
2008	-2.27%	-0.63%	-4.07%	-1.88%
2009	-3.53%	-2.80%	-5.74%	-0.77%
2010	-13.84%	-13.14%	-32.47%	-9.71%
2011	8.94%	0.96%	5.39%	3.20%
2012	-7.89%	-19.60%	-7.94%	-3.98%
2013	-1.33%	3.88%	2.58%	4.52%
Average	-3.07%	-4.63%	-6.19%	-1.14%

**TABLE 3 Total Reporting Co-ops in Western Canada**

	<b>MB</b>	<b>AB</b>	<b>SK</b>	<b>Canadian Average</b>
2001	292	607	963	516
2002	289	590	929	520
2003	281	548	918	521
2004	277	504	879	525
2005	267	440	844	519
2006	263	467	855	523
2007	270	481	844	527
2008	264	478	811	517
2009	255	465	767	513
2010	224	411	579	463
2011	246	415	612	478
2012	228	347	567	459
2013	225	361	582	480
Average	268	499	839	514

age or attract investments. Second, the labour force may be unskilled. Third, there is a lack of capital. Salway Black (1994) notes that, in the US, the situation is exacerbated or compounded by jurisdictional concerns creating confusion on which level of government has the authority

and responsibility to invest development capital. Additionally, there is a lack of credit available to Indigenous communities. Fourth, there is political instability, which results to quickly changing administrations and the programmes the local government focuses on (Salway Black, 1994, p.8).

As a result of the difference between Indigenous cultures, the popularity of co-operatives seems to differ as well from one Indigenous Community to another. Ketilson and MacPherson (2002) found that Northern Indigenous People tend to favor co-operatives more than those living in southern communities, including non-Indigenous people. They attribute this observed trend to the environment Northern people live in. The harsh climate and sparse landscape mean that people are more likely to band together to survive, which is one of the central tenets of a co-operative (Ketilson and MacPherson, 2002). This condition is also the explanation they used to shed light on the popularity and business strength of the Arctic Co-op. The co-operative is one of the enterprises which allows people to consolidate scant resources, and optimize their use, to benefit the entire community. In addition to the creation of livelihood, services, products, and other economic benefits to Indigenous communities, the co-operative forges stronger social infrastructure in the community as an intrinsic benefit (Ketilson & MacPherson, 2002).

As people band together and work to solve problems collaboratively, the social ties in the community are tested and ratified by the social and economic challenges they are trying to overcome. The co-operative also serves as a venue where Indigenous people can exercise liberty and the freedom to decide their faith (Anderson, 1999). Anderson (1999) argues the attraction of co-ops is a response to the years of colonization, exploitation, and slavery experienced by Indigenous people. It is through development that Indigenous communities can work towards self-determination and independence from government support and political dictatorship (Smith, 2000). The co-op allows Indigenous people to reach global economies through business development (Smith, 2000). There is also greater alignment between Indigenous Cultures and co-operative ideals because of the inclusive

and bottom-up approach found in co-ops (Rose, 2014, p. 379).

Indigenous-run enterprises serve as a venue for the emanation of Indigenous beliefs, values and traditional governance, allowing for self-determination (Craig & Hamilton, 2014). However, when compared to conventional business, co-operatives were also found to be more attuned to reflect Indigenous cultures. The worldview of traditional capitalism collides with Indigenous cultures as observed in two Indigenous American communities and casino development (Rose, 2014, p. 387). Some community members in the American Indigenous community opined that the casinos, including their economic benefits, were creating adverse changes in the Indigenous social structure (Rose, 2014).

In some cases, the businesses create a rift in the social fabric by creating tribal elites within the strata of the community. The people who serve as middlemen between the government institutions and the Indigenous business, which are mostly casinos in the US, use their position to amass profits for their benefit (Schröder, 2003). Some of the community members criticized people who profited from the Indigenous business venture because of their conspicuous display of wealth, which was uncharacteristic of their culture (Cattelino, 2008).

Private business development in Indigenous communities has led to incompatibilities in the traditional Indigenous cultures, governance, and practices as it becomes more bureaucratized and institutionalized. One reason for this incompatibility is the characterization of conventional Indigenous governance as less hierarchical and less authoritative than traditional governance found in private businesses (Dowling, 2005).

In cases where Indigenous communities can strike non-compromising deals with private corporate partners, Indigenous communities can maximize the benefits of the partnership and use profits to reinvest and support the community programs.

In a case study of the Saskatchewan White Bear First Nation, the First Nation was able to influence the management of the partnership for oil extraction and processing in their community (Rose, 2014, p. 383). As part of the agreement, and in keeping with the Seven Generations Tradition, the White Bear First Nation demanded that conservation and restoration of affected areas due to oil extraction and processing must be carried out. However, they understand the environment may never be returned to its former state, which is why they use some of their profits to support social programs for the community, so that they may at least compensate for the environmental impact.

On the other hand, co-operatives seem to blend better with Indigenous cultures, mostly due to fewer social stratifications in a co-operative enterprise. The co-operative also allows Indigenous communities to design the enterprise according to the group's needs and intended goals. In a co-operative, Indigenous people have the power to dictate the management structure and directions they would like to follow instead of conforming to a pre-existing business model and its bureaucracies.

As a result, co-operatives allow better cultural preservation while improving living conditions. Although co-operatives were found to produce less revenue than conventional businesses, it is also because of this that behavioural and lifestyle changes for members of the Indigenous community are less drastic (Rose, 2014). The limited

profit gained from co-operative ventures is more reminiscent of the pre-colonial socioeconomic system, which mostly comprised of subsistence living (Rose, 2014).

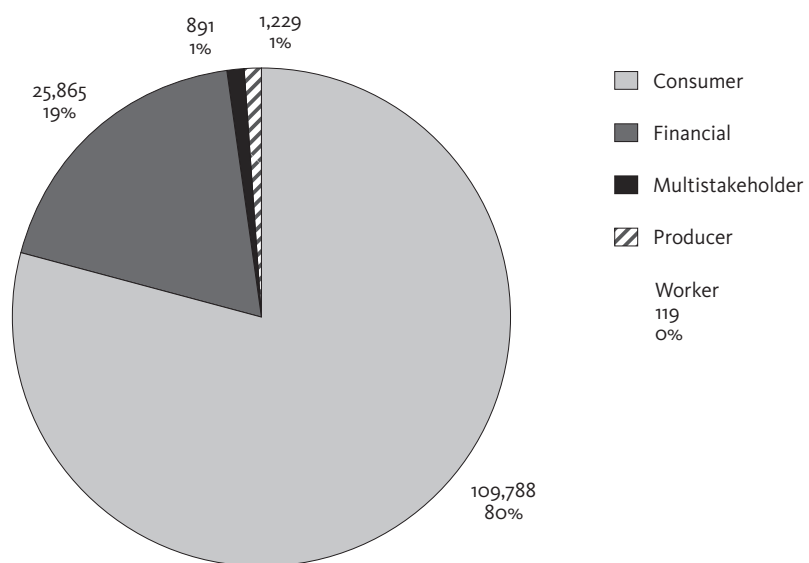
### The Status of Indigenous Co-operatives

According to a list compiled by the Canadian Co-operative Association in 2012, there are approximately 103 co-operatives and credit unions serving or predominantly managed by Indigenous people in Canada, with a total membership of 137,892 people (Co-operatives in Aboriginal Communities in Canada, 2012). Consumer co-operatives are the most popular type with 69 in total across Canada and 109,788 members strong, accounting for 67% of co-ops and almost 80% of members.

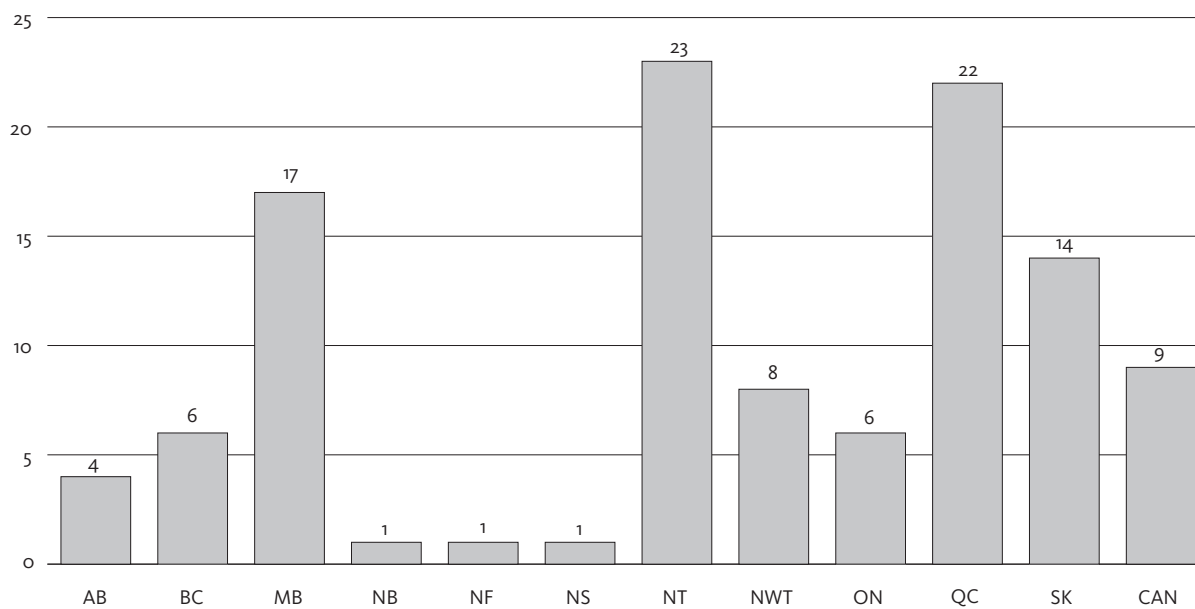
Without considering the population in each province, Saskatchewan, Quebec, and Manitoba have the highest count of Indigenous Co-operatives. The Northwest Territories, Quebec, and Manitoba have the highest total number of Indigenous people who are members of co-operatives.

However, not all provinces are created equal: some have more prosperous economies and a more significant population than others. The graph shows that the Northwest Territories has the most significant number of Indigenous co-op members per capita when we consider Indigenous population. The Northwest Territories has 329.6 members for every 1000 Indigenous persons, while Saskatchewan has the second highest at 300.7.

**FIGURE 5 Types of Indigenous Co-ops and their Membership**

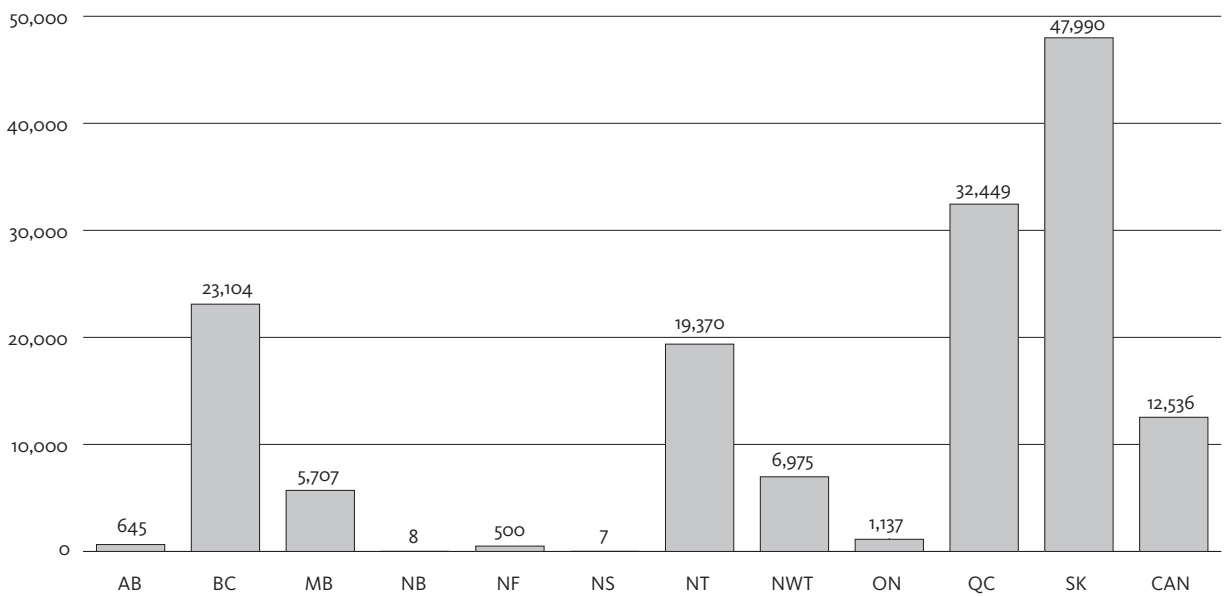


**FIGURE 6 Count of Indigenous Co-ops per Province**

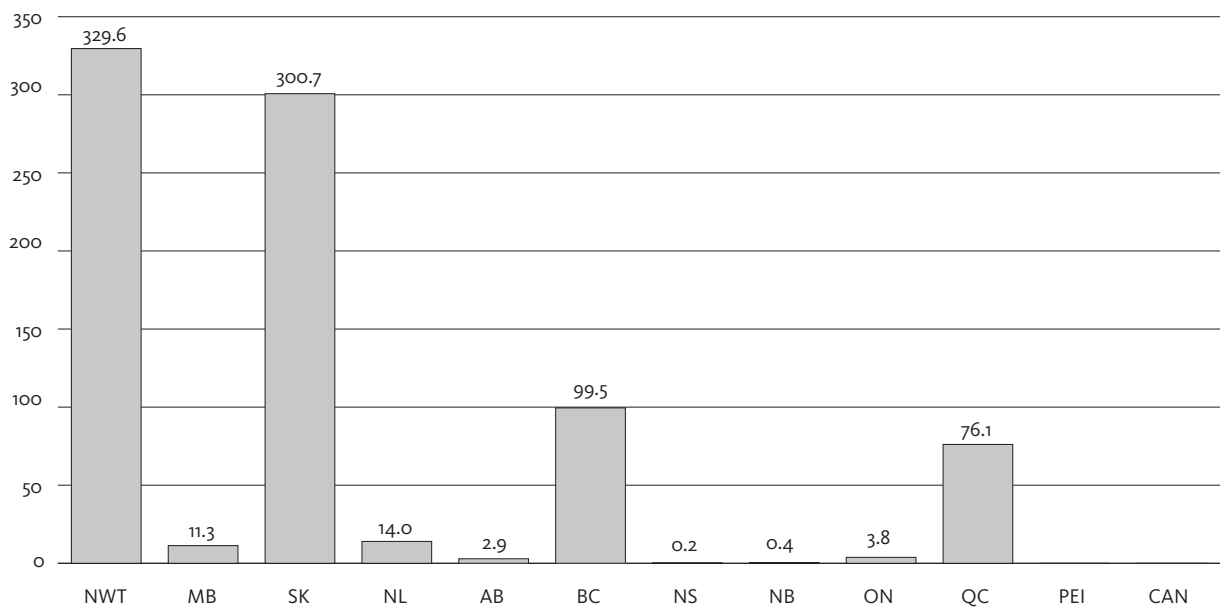




**FIGURE 7 Total Indigenous Co-op Membership per Province**



**FIGURE 8 Count of Indigenous Co-ops per Province**



## Learnings From the Interviews

### Is the Co-operative Model a Valuable Option for Urban Indigenous Communities?

This research explored some of the opinions of key informants who worked or are active in co-operative development, business and economic development, and Indigenous communities in Winnipeg. These informants included Norman Mead, an Indigenous Elder; Michael Champagne, a North End community activist; Jamie Wilson, Deputy Minister of Education and Training and Assistant Deputy Minister of Indigenous and Northern Relations; Duane Wilson, vice president of Arctic Co-ops, Kathy Mallett, an Indigenous Elder; Louise Champagne, former president of Neechi Foods Co-op; Kirsten Wittman, a practicing lawyer and partner at Taylor McCaffrey LLP with extensive knowledge of co-operative law; and Cheryl Krostewitz, a former co-operative development advisor and fund administrator with the Manitoba Co-op Association.

The related questions looked into not just the perceived benefits but also some of the possible areas of future and further development of co-operatives when utilized by Indigenous people. The goal of this set of questions is to understand how people, especially Indigenous peoples, see co-operatives, or how familiar they are with the

movement. Although we explored the areas of future and further development of co-operatives, our intention is not to cast a negative shadow upon co-ops or dissuade any person interested in forming a co-operative. It is important to understand that any business model has its areas of future and further development and the co-operative is not exempted. Nevertheless, our interviewees show that there is a significantly positive outlook towards co-operatives, as well as CED, which may indicate the likelihood that Indigenous people may want to join or form a co-operative.

### Some Saw Risks and Mitigation Strategies for Co-operative Development

A few interviewees identified some potential risks associate with choosing the co-op model when used by Indigenous peoples. Some risks are equally present in alternative business structures and, while being risks, actually highlight the benefit of choosing a co-operative over an alternative business structure. It is important to note that the expert opinions noted below do not argue that the Indigenous Co-operative Model is detrimental to Indigenous peoples.

Instead, it identifies aspects of the co-operative model that should be considered when brought into an Indigenous context in order to mitigate possible adverse effects.

### **Siloing Effect**

One potential area of caution the Indigenous Co-operative Model may possess is its possible siloing effect. Kathy Mallett explained that racism is one of the most serious problems Indigenous communities are experiencing in Winnipeg, and creating alliances with non-Indigenous people is one of the possible solutions to this problem. Alliances can create familiarity between different groups of people and change misconceptions about each other. In an Indigenous co-operative, membership may be slightly compartmentalized and may lessen the possibility of building alliances with non-Indigenous peoples. Kathy remembered the '60s and '70s when Indigenous people were very isolated and did their own thing in Winnipeg. She noted that it was necessary for the urban Indigenous community of that generation to establish their identity and build their collective strength as they coalesced into their own groups. She concluded that the current generation of Indigenous youth should have the mindset towards building allies and working with non-Indigenous peoples.

### **Threat to Individual Entrepreneurship**

Jamie Wilson noted that a possible threat to individual entrepreneurship exists when a single large co-operative operates in a community. There are two possible negative effects of having a single dominant employer in a community. However, it is important to note that the threat is not just limited to co-operatives and may also be exerted by any conventional businesses that act as an anchor and single major employer in a community. The existence of one major employer may cause false security in the people and prevent them from pursuing entrepreneurial opportunities. People may not take the risk in cre-

ating start-ups because they are confident with the current employment they have. The risk may also be prevalent in rural First Nations. If the single dominant employer goes out of business or leaves the community to pursue other economic opportunities, then the community may be left without a substantial source of employment.

### **Nepotism in the Community**

Several of the interviewees directly or indirectly alluded to the concept of nepotism, the practice of hiring or promoting friends or relatives not necessarily based on qualifications. The interviews revealed that there may be competing opinions on the matter. In two such interviews, one interviewee noted nepotism in Indigenous communities as a detrimental aspect of development because nepotism is inherently unfair. On the other hand, another interviewee noted the occurrence of nepotism as an inevitable result of the size of the community. One of the Elders noted instances when opportunities are available in the community, but no one or only a limited number of people are able to fulfill the need. The people responsible for the creation of such opportunities are sometimes forced to look into their closest network, their families and friends, to satisfy their business needs. This being said, it should be noted that nepotism is a common problem in small communities in general and not exclusively in small Indigenous communities. This Elder and another interviewee noted that in some instances, nepotism may serve to benefit a business organization as it creates an internal network of investors, workers, suppliers, and consumers.

### **Investment Failures and Risk to investors**

Like any other business models, the co-operative bears a risk of failure, which was identified by Louise Champagne. In a starting co-operative, investors are typically composed of people from the community who believe in the social mission of the co-operative. Other co-operative experi-

ences from immigrant communities show that most of the community investors are not from wealthy families and may have contributed a portion of or their entire life savings (Mochuruk, 2000). The people contributing finances to the co-operative may have also contributed because of ideology. These people often desire to help their community, which they believe could be done by supporting the co-operative. As a result, the risk of failure is not just shared by the people who operate the co-operative but also all its community investors. To put it simply, if the co-operative fails, then the community investors run the risk of losing their money.

### **Inefficiencies Caused by a Lack of Centralized Decision Making**

Cheryl Krostewitz cited her opinion regarding the debate between consensus and majority vote and gave the example of a Winnipeg co-op. She noted that one of the possible reasons for the co-op's difficulties was the governance structure, which required everything to be done through consensus. She would argue that the requirement for consensus created division and compromised the things that individual members might otherwise feel strongly about.

She noted the co-op's making decisions on which plastic bag to purchase as an example of mundane issues that were decided through consensus. She argued that the consensus leadership could lead to division. However, she may have referred to the efficiency constraint of the consensus management, and not the division constraint. Needing to decide mundane issues through consensus may lead to inefficient management that may be slow to react to other difficult issues.

### **Interviewees Saw the Immediate Value in Co-ops**

Indigenous and non-Indigenous key informants noted that benefits from co-operatives and other

CED initiatives might contribute to the Indigenous community. Co-operatives were instrumental in trying to organize the community and uplift the local economy. One of the most basic contributions of co-operatives to Indigenous communities is the creation of meaningful employment according to Jamie Wilson. There is a positive general perception towards CED and co-operatives as expressed by the Indigenous people we interviewed. They see the co-operative as a means of creating meaningful employment while providing a needed service to the community. The co-operative is also seen as a means of engaging the untapped Indigenous labour force.

One of the key informants, Louise Champagne, shared her experiences growing up in the North End of Winnipeg, and her early exposure to co-operatives. She alluded to the fact that need was one of the driving forces that led to the community's subscription to CED and creation of co-operatives. The "60's Scoop," as it is now known, was a phase of child welfare agencies' overreach into Indigenous communities; Indigenous children were removed from their families, often without consent, and placed in non-Indigenous adoptive homes. The government used poverty and the inability to care for children as one of the reasons for removing children from their families. Many Indigenous community members knew that the problem was poverty and that CED was one of the ways to solve it, as many mothers experienced tremendous difficulties trying to find jobs while caring for their children. Louise first learned about co-operatives by availing of their services. To react to some of the problems her community was experiencing they decided to form a co-operative, which eventually became Neechi. Other co-operatives were instrumental in the formation of Neechi. They borrowed seed capital and space from Bonvital Co-operative, and sourced many of their products from Federated Co-operatives. With the help of these co-operatives, they were able to start Neechi under the worker co-operative platform.

Indigenous co-operatives can serve as a model for the community and inspire other Indigenous peoples to work towards success. For example, the creation of pride was what Neechi experienced when they grew from the store on Dufferin Avenue to a newly renovated building on Main Street. Neechi served as a landmark and a destination for Indigenous and non-Indigenous people. Other social enterprises have been known to regularly patronize the space at Neechi for their work because of convenience and the quality of service, as well as to show their support. For Neechi, the newly renovated building was a source of pride, which they hope can inspire Indigenous community members.

Another interviewee, an Indigenous person active in the community and the co-operative movement, saw that the co-operative was opposite to how the world dealt in economics. At the moment co-operatives do not have a great impact on urban Indigenous peoples but there is great potential for that to change. One way of changing that is through raising the next generation the way she was raised.

Some of the Indigenous key informants also reflected changing perceptions regarding co-operatives as they learn more about the movement. These people did not think much about co-operatives in the past but that has since changed positively. For Jamie Wilson, his work with the government in creating jobs and economic opportunities allowed him to learn more about business and employment including co-operatives. The co-operative and CED are great ways to involve disengaged members of the community. Michael Champagne, another key informant and community activist, appreciated any type of movement or economic development model that helps bring employment and opportunities to Indigenous people.

We interviewed Kirstin Wittman, a lawyer who worked in business development and has extensive experience in helping develop co-operatives in Indigenous communities. She noted benefits

of the co-op to the continuity of the business. In the co-operative model, the enterprise does not become reliant on one person as each member is entitled to one vote regardless of their share. Because of the equal voting power of each co-op member, no single person can manipulate the votes to direct outcomes according to his or her desires. For that reason, the co-operative is great for succession planning or the transfer of leadership from one person to another. It paves the way for member development and continuous capacity building.

In terms of size, some co-operatives, especially those that are just starting, may be compared to a small family-run business. However, unlike the conventional family-run business, the co-operative does not rely on a single person to make decisions, which is usually the head of the household. If the head of the household retires or is unable to perform his or her duties in the business, then the business may be adversely affected because the remaining staff may not have the necessary skills. In a co-operative, the dominant leadership may be delegated to one person. However, decision-making does not solely lie on one member but is democratically shared among all members. As a result, the co-operative is actively engaging all its members to think about the co-operative and how decisions may benefit or adversely affect it. As a result, there is more likelihood that a co-op can elect another leader from their ranks in the event their current leader leaves. This characteristic and set-up lends to the co-op's ability to better implement succession planning.

Perhaps what is astounding is the natural similarity between the co-operative model and how Indigenous peoples operate businesses as well as their band governance. One interviewee shared her experiences working with Indigenous people in Thompson, Manitoba and other places in the province. The Indigenous communities that they worked with were surprised to find that they already acted co-operatively, albeit informally. One



such activity was the community gardens. The gardens brought people and resources together. The Indigenous community members showed high interest in learning about the process of formalizing their organization to become a co-operative. One incentive for the people to do so was so that their community could get government funding, though these types of supports change with the will of the provincial government in power.

Another interviewee mentioned the way co-operatives work and that there are a few similarities to a band, which operates its own business. Namely, a band can hold property that is collectively owned by each member of the band. He gave the Opaskwayak Cree Nation as an example, which operated a gas station and hotel. The business venture generates around thirty to forty million dollars of annual income. While the band members are not shareholders, they are typically considered the owners of the businesses. At a certain generalization, every First Nation that operates a business may bear some or a number of similarities to a co-operative. However, a co-operative remains to have other distinctive features that separate it from a band business that operates as a corporation.

Duane Wilson adds that the co-operative was essential in the development of the North because of the difficulty of living in a sparse environment and “remote market context.” Survival may be difficult if people did not work together. He stated that one of the ways the community can do something is on a collective basis. In addition to the environment northerners live in, he also recognized the fact that the government encouraged northern people to settle in communities to make it easier to provide necessary services. Another impetus for the creation of the co-operative in the north, as well as in other places, was the feeling that people are being monopolized, given no other option, and taken advantage of. They felt that they were not in control of their economy.

Duane shared the mission of the Arctic Co-op “to be the vehicle for service to, and co-operation among the multi-purpose Co-operative businesses in Canada’s north.” It aimed to provide “leadership and expertise to develop and safeguard the ownership participation of our member-owners in the business and commerce of their country.” Most notably, and perhaps the most relevant to the Indigenous desire for self-determination is their mission “to ensure control over their own destiny.” He elaborated that “service to” means being a provider of services that are best done centrally, and “cooperation among” means to provide a platform by which they work together as co-operatives.

One interviewee, in discussing the Northern Store, alluded to the fact that co-operatives, as well as CED in general, help the community by keeping money in that community. She argued that when people shop at multinational corporation’s stores, such as WalMart, that they are putting money into the pockets of shareholders who do not live in the community.

In the city, the problem is that people see the value of their dollar and where they can maximize it. Most of the times, the maximization of that dollar is at the multinational corporation’s store. Conditions of poverty in the city and elsewhere may favor shopping at multinational corporation’s stores. These people forget that they need to recycle the dollar as well. However, some people and communities know the value of the co-operative and what it does. Hence, they are willing to support it more because if you do not, then that option disappears.

People create co-ops because the community needs them. The shareholders and big banks cannot make a profit in the community so they refuse to invest there. However, the co-op is different and may intentionally select poorer neighbourhoods to establish their operation because it is generally the people who need that good or service who establish it.

An interviewee explained, the term in business parlance is “profit.” The term in co-operative

environment is “net savings”. This is because the basic premise of a co-operative is to sell at market value and the savings is what was saved as a result of the choice to operate as a co-operative. As opposed to other business models, the net savings of business are not funneled outside of a community, but in a co-operative are kept inside the community by being reinvested in the co-operative, used for sponsoring community events, or being paid out to members as patronage dividends. These are locally driven decisions whereby money left in community and how it is employed is decided through a process of community involvement. The community decides what to do with the net savings on a collective basis. Many co-ops return hundreds of thousands of dollars to their membership in annual patronage dividends and cash back.

Arctic Co-ops is also not a consumer co-op but a second-tier co-op; that means they are a co-op owned by co-ops. The net savings of Arctic Co-op can be distributed to the thirty-two member co-ops. Each member co-op’s net savings goes back to their community in whatever form the co-op chooses. Sometimes retirement of debt might be a co-op’s objective, or they might rely on patronage dividends from Arctic Co-op if they had a tough year and need to bolster their operations. Each co-op is autonomous and independent.

Co-operatives balance the need for prices high enough to sustain a business with the demands for lower prices, longer hours, and good service. The beauty of the co-op model is at the end of the day it is still a business. There is a need to have a viable business, and consumer desires to have the longest hours, best service and cheapest prices, may be the polar opposite of viability. In a co-operative, the owners and consumers are the same people and they strike a balance in a way that doesn’t funnel funds out of the community.

Duane Wilson argued that in Northern First Nations where there are two choices for retail, i.e. where there is a co-operative and another al-

ternative, it is easier for the community to come together and exercise their power collectively. This differs from the city where disposable income can be shown going thousands of different ways. In the North, they are spending far more of whatever income they have on sustenance, and their income is not going as many different ways (rent, food, and other consumables). He did not want to generalize and say everybody, but a larger percentage of the population are far more restricted in where they can do their spending. He argued that, collectively, consumers actually have more power in those communities, because they need to have a smaller number of people, in a smaller geographical area to make one single different choice. Namely, they could say “all 1000 of us are going to support the store that we own.”

This interviewee also made the destructive competition argument in favor of co-operatives. Economists would state that competition could be healthy when there is a large enough consumer base. However, in some situations competition (the addition of a new competitor) would be destructive. For example, retail in remote fly-in communities would be one of those situations that would be considered destructive competition. This is because having two options will double your costs for utilities, fire inspection, and other expenses with the same small number of consumers. So, often the community is best served with one store and it does not matter which one, as one single option is most efficient in situations with a smaller consumer base. If the best method is a single retailer, this interviewee rhetorically asks what business model one would trust to safeguard the interests of consumers, the model in which the investors are living inside or outside the First Nation.

Considering urban communities in Winnipeg, Duane Wilson says the question becomes: “Do community members want a measure of influence in their community or do they just want the lowest price now?” If it is the latter, then they should go to Wal-Mart because in the short-term

large corporations have this advantage. In theory, in pure capitalism someone wins, although there may never be 'a' winner; there is room for niche products and markets for viable business. If people truly want a measure of autonomy in matters controlled by retail they need a co-op. For example, food security, and by extension the ability to continue cultural practices by selling snowshoes, traps, and snare lines, are things that conventional businesses would not go into. The Arctic Co-op spends a disproportionate amount on snowmobile and ATV parts, not because of the strong business case for it, but because being democratically controlled organizations, it does things that matter to members.

While explaining the reasons she thinks that lead to the success of the Arctic Co-op, another interviewee alluded to some of the other causes of success of other co-operatives. Regarding the Arctic Co-op she suspects that the management is probably doing a great job in running the co-operative as a business. She then mentioned Mountain Equipment Co-op, which offers affordable quality outdoor merchandise for specific clientele. The promotion of sustainability and environmental responsibility ties in very well with the products they sell. As a result, the co-op is able to tap in a market of people who are already socially conscious and desire good quality products.

#### How Does the Co-operative Model Align with the Manner in Which Indigenous Peoples Solve Problems?

It should not be thought that Indigenous peoples have not been actively working to solve social problems in their communities. They have done this expertly before the colonial period and have continued to solve problems using new methods as the problems caused by colonialism are relatively new. The cultural values that have been guiding them in the past continue to guide them today.

In urban Indigenous communities, Indigenous peoples are gathering into groups and organizations to tackle issues that face them. Michael Champagne shared what he called a beautiful example of this happening in Winnipeg's North End. This group affectionately refers to each member as a relative and to their collective of members as "The Village." The nomenclature and openness to everyone creates a feeling of equality and acceptance. The term relative is also often used to refer to all those living in the North End regardless of their socioeconomic status.

Michael described a practice that he called a "Privileged Potlach," so termed after the traditional ceremonial practice of exchanging gifts between community members, in which members would gather together and discuss ideas related to how they could use their gifts, abilities, and education among others to serve other members of the village. This community has organized programs such as the Ikwe Safe Rides in which people can call if they need transportation, the Bear Clan patrol in which volunteers monitor the community to keep it safe, 'Meet Me at the Bell Tower' in which members gather to raise awareness about violence in the community and other initiatives.

#### Where Leaders Come From?

When asked how hard it is to formalize an Indigenous enterprise following co-op principles so that it becomes a recognized co-op, Cheryl Krostewitz alluded to the fact that formalization requires a leader. She stated that there are resources out there, but formalization takes a leader. The leader starts the process and also knows how to pass on the knowledge. The community needs people who have the vision and commitment as it may take years for that vision to be realized.

Although Cheryl thinks that certain conditions may drive leaders away from the community, she also thinks that there is good leadership being created. She is impressed by some of the

Indigenous leadership she has seen. She observed that much of the leadership is coming from the youth as well as the Elders. She mentioned that there are many Elders who are leading in this regard, and named Norman Meade as an example.

One Elder explained that leaders are those who simply become involved in developing their community by responding to the needs that they see. Several interviewees said that the community creates leaders. In line with the exposure of individuals to the social difficulties in their neighbourhood, there needs to be a stable neighbourhood wherein people like to stay. These people would put down roots and take ownership of the neighbourhood.

An interviewee added that leaders are created with the help of a little bit of confidence. They are trained, mentored, and then given responsibilities. There must be a regal sense without leading to hubris or overconfidence. Success breeds success. He gave the example of Opaskwayak Cree Nation, which has created many educated and talented individuals. There are about thirty people with PhDs and some are politicians. Education and confidence was the key to the success of new leaders.

An interviewee commented that it is difficult for leaders to arise to create solutions to problems in their communities when people are in a daily struggle for survival themselves. Often time and energy that would otherwise be spent tackling a community problem is invested in meeting immediate needs. Many First Nations are struggling in a big way to get themselves out of the poverty line.

In pre-colonial Indigenous societies women were seen in much higher levels of leadership than they are seen in today. One interviewee explained that men were usually at the top tier of leadership during the early stages of colonialism until today, but you would almost always find women working at the grassroots level with the people. During the colonial period women were disenfranchised and a patriarchal society was forced

onto Indigenous people. Commercial trade was introduced, and men were declared as the captains while women were the transporters. Today, while many men work and gain income for the family, women are reclaiming leadership roles in the community and corporate sector and find representation in higher levels of Indigenous political organizations. Women typically get lower wages and employment opportunities because they are women. Because of this discriminatory practice, women have greater opportunities to be closer to their families and the community than their male counterparts. Kathy Mallett stated that many leaders are women, both historically and today, possibly because of their nurturing nature. In recent times she has seen many women rise up as passionate advocates of change because of their experiences with the child welfare system.

How Have Co-ops Been Used by Leaders to Solve Problems?

### **What is the Interest and Ability of Indigenous Communities in Building Co-ops?**

Indigenous people who are active in the community are aware of the issues and try to improve the situation often default to social enterprises as a means of mending societal ills according to Kathy Mallett. Kathy Mallett is a respected member in her community and is involved with co-operatives and other social enterprises. The social enterprise operates to provide assistance to people who are experiencing crises or social challenges in their lives. The businesses operating as a social enterprise run like conventional businesses and abide by all regulations including tax obligations. However, the profits generated are used to support projects that benefit people and the community. A social enterprise can be incorporated as a co-operative, but the more intuitive and easier to establish option is to incorporate as a simple for-profit corporation. Some establish their social enterprise on an ad

hoc basis without any legal formalities. Involved and concerned community members find a handful of other people who share the same concern. They then identify ways to solve their problems, and work to achieve them.

Considering 'the interest and ability' to form a co-operative, the interest would lie in what the co-operative was able to do for the community. There are a number of needs that the community has identified so far. Community members have organized a number of initiatives to meet those needs. According to Michael Champagne, some examples help increase safety in the community such as a free taxi service wherein volunteers drive women in the community to their destinations. Another such example is the Bear Clan Patrol, which patrols the neighbourhood. Then there are people who simply take the initiative to help feed people in need, such as the Bannock Lady who feeds people on the streets. The Aboriginal Youth Opportunities (AYO) is another great example. The group is mostly composed of youth members helping other youth to find opportunities and stay out of trouble. Such activities require a sufficient interest and ability to organize but it appears that while the same needs could be met with a co-operative model it would seem a co-operative model has not yet been thought of.

Unlike the co-operative, the not-for-profit social enterprise does not usually generate income for their members, which seems to also serve as another reason why it is preferred. One interviewee expressed their not-for-profit organization's desire to not be motivated by money. The interviewee stated that they did not want to find someone who was "waiting for a paycheque before they expressed their love." Of course, profit was a consideration, but it was not the sole driving force. An interviewee expressed concerns about having too much emphasis on profitability at the expense of the community. Neechi, for example, understood that a majority of the people in the community they served were struggling finan-

cially. As a result, they opted to not operate as a consumer co-op and impose a five-dollar lifetime membership fee from their members. The five-dollar membership could have brought in additional income for the Indigenous co-operative, but they felt that community members who were already struggling financially would benefit from that money. Instead, they operated as a worker's co-operative in which the workers paid a membership fee.

Cheryl Krostewitz commented on ways that Indigenous co-operatives can be proactive in causing social change in their community by refusing certain products that may be profitable but can harm the community. She gave the example of Neechi Foods Co-op, which refused to sell tobacco and gambling in the form of lottery tickets. Neechi chose not to sell non-cultural tobacco products because they did not want to encourage bad habits in the community. They also threw out the porn magazines and war toys that were in the Dufferin Street store before they took over. The neighbourhood had the highest rate of cigarette use and they wanted to take a stand for public health. Tobacco products are a product anchor, which may bring people to the store and not selling it resulted in reduced customer traffic. However, people supported the decision and understood the reasons behind it.

Cheryl mentioned another example of Indigenous people solving problems facing the urban Indigenous community in Winnipeg, Payuk Inter-Tribal Housing Co-op. Payuk is a co-operative that has similar roots as Neechi Foods Co-op. Community leaders came together and identified that families who relocated to Winnipeg needed a place to stay. They identified that they wanted to create a safe space that was free of drugs, alcohol and violence. This is a great example of Indigenous leaders, organizations and community members coming together to solve problems.

Elder Norman Meade mentioned how problems were solved in Manigotagan, a Métis settlement northeast of Winnipeg. He mentions



that community members are very involved in addressing social problems. In Manigotgan nearly every community member was also a member of a forestry co-op when it was in operation. They worked together but also competitively. For example, workers would be paid according to how much wood was cut and so it created a bit of friendly competition that was good for the co-op. Respect for nature was shown in the care taken in selecting the area to cut and more recently the trees being planted in areas that had been cut down. The co-op also engaged in reforestation. While the co-op was in operation, this Elder was the manager and bookkeeper for the co-op. While this forestry co-op has closed, their fishing co-op recently celebrated its 45th year and paid millions in salaries.

This Elder also discussed how the people of Matheson Island used the co-operative model when they wanted to build new homes for people on the island. They already had experience using the co-op model to help them with bringing their fish to market and decided to use that model to solve the housing problem as well. They gathered together the funds and skills that were necessary and began building houses one at a time until each person had a new house. It was very successful.

One of the reasons it was successful was because of the tight community that lived close enough to each other that they could not go far without bumping into someone who was a housing co-op member. The trees were there. The sawmill was there. The geography was good. Only sweat equity was required to get started so they proceeded and continued to work until the last house; even after those whose houses were already built, they continued to help until everyone had a new house. Not everyone wanted a new house and so not everyone participated and that decision was respected.

Differences were resolved through many meetings, and a high amount of discussion. Where differences could not be resolved then

social sanctions were the result. If people could not follow consensus decisions they did not get their house.

A separate interviewee shared the story of Old Crow, Yukon. Old Crow had a Northern store. The community did not feel that what they were being offered was meeting their wants or needs. It was a bit of a chicken and egg scenario. As more members began shopping elsewhere, less was invested in maintenance, which further decreased customer traffic. It was a spiraling of lack of upkeep for the store. Some of the leaders in the community saw that the solution to this would be to build a co-op. They applied for co-op membership and built a store. In their first year, they had a net savings of \$300,000. With this amount they were able to offer more services for members, provide cash repayment, etc. With this type of revenues were able to pay off their debt incurred when sourcing their startup capital. Once that goal was reached in a few years they could then do things like lower the prices or return money to membership. The board wanted to have a social impact policy that increased prices of things like tobacco pop and chips, and use this to offset lower margins on bread, milk, eggs, and other products. In this way, they are creating economic incentives to eat better, which they view as being healthier for the community.

## How Can Culture be Infused into the Co-operative Model?

### **What is Culture?**

One of the primary research questions in this project was that of exploring how Indigenous cultures could be incorporated into the co-operative model. To start it is important to hear from an Elder about what we are talking about when we speak about cultures.

Elder Norman Meade began his talk with us by defining culture. He made it clear that when we are speaking of Indigenous cultures we need to acknowledge the land, the water, and the air

we breathe as the source of culture. Culture in that sense is how we interact with all creation. As an Elder, he finds it difficult to connect with his culture in the urban concrete jungle of Winnipeg and finds it necessary to head up to his home community Manigotagan regularly to set his feet on the ground to feel that connection to his culture. However, some elements of culture can be expressed no matter where you are. The essence of our culture is considering how we relate to each other and how we related to the land and resources that we have. Cultural values like sharing and working together can be practiced anywhere. Sharing doesn't just mean sharing resources, it also means sharing ideas, views, and skills with each other. We can bring these together in a useful way, a good way.

"Our ancestors were very communal people," said another Elder, Kathy Mallett. She described these ancestors as living in small communities that looked after each other. She describes her personal values related to her Indigenous heritage; values of sharing and caring for each other; sharing resources. Values that cause people to share what little you have with others in need. She grew up that way, even though she grew up in an urban area. Her house functioned like a "mini friendship center." Her family would often help cousins and relatives by putting them up until they were able to find work or finish school. Most of them were young women. Once they found work, they were then able to move out on their own. She also lived with her mother's father-in-law who, in his eighties had a different set of challenges. These cultural values instilled in her through the way she grew up provide a very different view of economics that is often completely opposite to the general understanding of economic participation. To her, business is a means of giving Indigenous people stability and a chance to participate in life with an equal voice.

Kathy Mallett believes that this will continue in the next generation. Through her work with Indspire, a nationally registered charitable or-

ganization dedicated to raising funds to deliver programs that help Indigenous youth to achieve their full potential, she has talked with quite a number of bright young people and has gained confidence in what the future looks like for Indigenous peoples. She has seen young people in their 20s and 30s who have their education and are ready to take off. She has no worries about the future and is excited to see the next generation take this concern for their community to the next level.

As Duane Wilson from Arctic Co-op explains, when you've seen one co-op, you've seen one co-op. The co-op is the unique creation of those who own it. What makes Indigenous owned co-ops different than non-Indigenous owned co-ops is that all the decisions related to how it functions and operates are reflections of the Indigenous people who own it.

### **Democratic Governance**

Community consultation is an essential practice in Indigenous community to ensure collective self-determination. The Elder Norman Meade shared his memories of his father leading in this way during his years as chief of Manigotagan. His father lived out values that have been passed down for generations. His leadership included walking from house to house and talking with every community member, even children at times. This process of ensuring that each community member was informed and given an equal say in determining the future of their community was a very time intensive process, but it was one that secured the confidence of his community and consecutive re-election for over forty years. Generational values like these could have been part of where the 'local decision making' Neechi Principle came from.

### **Autonomy and Self-determination**

One interviewee said there are some things that can be learned from the band-operated businesses, which may be transposed into an In-

Indigenous co-operative. One is that the business and politics must be separated. The First Nation can get very political and aligning the two too closely together can lead to problems. The likelihood of business success is greater if business and politics are separated. Politics emanates itself in the urban context through reliance and competition for government funding. Relationships become skewed as people become more dependent on government funding and the cycle becomes vicious. Power, he says, lies in not needing government.

### **Artwork**

Indigenous imagery is an important element of inspiring people and reviving culture. There is such a variety of types and styles of artwork in Canada's various Indigenous nations each type of artwork is a rich component of that nation's culture. One interviewee mentioned the problem of cultural loss due to the potential lack of exposure of the younger generation with traditional Indigenous life. She gave the example of an Indigenous lady she worked with who talked about the intricacy of Indigenous beadwork of the moccasins. She noted that some Indigenous arts are being lost, in part because youth may not have opportunities to learn the skills and about the significance of arts to their cultures. A co-operative could respond to this problem in two ways.

First, co-operatives can provide a place where artwork is celebrated and artists are supported for their work. Cheryl Krostewitz mentioned a co-operative created by the students of R.B. Russell High School in Winnipeg in which students were given the opportunity to sell the artwork they had created over the school year. The co-operative model gave the students ownership of the enterprise and they made decisions as to how the co-operative would operate. Cheryl mentioned The Children of the Earth, which may be a good example of how co-ops work to develop the artistry and entrepreneurial skills for inner city

children. The children in this school have more challenges than we do, which added a whole layer of complexity. Through the co-op, the children are able to develop money management skills, as well as build confidence in speaking. The co-operative created the feeling of empowerment. Louise Champagne mentioned that in some cases, community members needed to purchase groceries from Neechi commons but did not have the funds. Neechi could not remain in operation by providing groceries on credit and so the solution was to sell groceries in exchange for a commodity like community-produced artwork. The artwork was later sold in Neechi Commons.

Secondly, co-operative values such as education and cooperation among co-operatives make the co-operative enterprise a place where artists can share knowledge and learn how to make their artwork better or to increase their ability to sell their work. An interviewee mentioned that this is the case with the Arctic Co-op wherein Inuit artwork is produced and distributed widely. Arctic Co-op, which is a second-tier co-op, can share expertise in either production quality, marketing, or artistic insight that can help the Inuit artist increase his or her ability to design and create quality Inuit art pieces.

An interviewee in describing the Aboriginal Designers Marketing Co-operative, alluded to the impact of co-operatives on the community. She stated the benefit that co-operatives have in pooling people's limited resources to make an investment or reduce operation cost. She stated that the women involved in that co-operative collectively rented space and staff their storefront, and that they promoted each other's work. This practice makes their operation more cost effective and easier as compared to doing it on their own. The co-operative also has an ameliorating effect by actively seeking people with Indigenous ancestry to join their co-operative. Finally, the co-operative can tackle issues such as the expropriation of Indigenous cultures in the creation of knock-off Indigenous merchandise. The

co-operative is exploring the idea of creating an Indigenous product certification to tackle the issue of cultural property.

### **The Prominence of Women**

Several of our interviews revealed that women feature prominently in Indigenous cultures, perhaps more so in an urban context. If the assumption that Indigenous women feature more prominently in an urban context is correct, then we suspect that the reason for this is the lack of the conventional governance systems in bands imposed by the *Indian Act*. In an urban context the conventional band governance is missing because it is beyond their jurisdiction.

One interviewee noted that men are typically expected to focus on labour employment. Women, as a result, take-up other responsibilities including caring for their family and the community. Women do all these while also needing to find income. This observation illustrates the significance of women as very important members of society who are at the forefront of tackling issues in the community.

### **Education**

Education has been a common theme in the interviews, as many identified the lack of it while some find it as an opportunity to enhance the next generation as well as create opportunities for all Indigenous people. One interviewee said that Learning Circles and storytelling is huge part of Indigenous cultures, which can be infused with economic development.

### **Why Are There Not More Urban Co-operatives?**

There are many reasons for the varying usage of co-operatives among Indigenous communities. As we have explored in Chapter 2, some provinces enjoy a higher degree of Indigenous participation in co-operatives. The graphs from the previous chapter show a seemingly pattern-

less trend suggesting that there may be factors affecting membership other than population of Indigenous peoples. The community's social predisposition to cooperate as a means of survival in a difficult landscape may predispose them to form a co-operative. For example, Ketilson and MacPherson (2002) observed that Northern Indigenous people favour co-ops more than Southern Indigenous people. In other cases, the traction and compounding success that the co-operative movement has gained through the years helps in encouraging more co-operatives to develop. In this respect, Saskatchewan shows very promising Indigenous co-operative participation. However, what are the factors that may be present in these communities that increase the likelihood of people's participation in co-operatives? What are the factors that contribute to the seemingly low number of Indigenous co-operatives? Our engagement with the key informants and workshop participants leads us to believe that it is not the lack of cooperation within the community that inhibits the development of Indigenous co-operatives. In fact, the interviews and the workshop we conducted unequivocally reflected Indigenous people's desire to cooperate with each other as well as with non-Indigenous people. The following is a synthesis of the things we learned from the interviews with community activists, Indigenous and non-Indigenous people working in co-operatives, and Elders.

### **Awareness of the Co-operative Model**

Many interviewees highlighted the fact that there may be a limited understanding in the community of what exactly a co-operative is. The lack of understanding is one of the key contributors, if not the most significant contributor, to explaining why there are not many of Indigenous co-operatives (Ketilson & MacPherson, 2001). At the beginning of one of our interviews, there was some confusion between the identity of the Arctic Co-op and the Northern Store. The interviewee thought that the Arctic Co-op is the

Northern Store and had critical opinions regarding the Arctic. The Northern Store, which is the main supplier of goods to the North, has been criticized for its monopolization of commodities in Northern communities resulting in exorbitant prices. We explained the difference between the two enterprises, which enlightened him and he mentioned that he did not have much information on the subject. Louise Champagne adds that there is not a great deal of promotion of co-operatives as an alternative. People may be aware of co-operatives like the Arctic co-ops but there may be a limited number of drivers in urban Indigenous communities.

One interviewee was a community activist who deeply cares for his people and supports Indigenous enterprises in the North End such as Neechi Co-op. However, the slight misunderstanding of a fact led to opinions that did not favour co-operatives. This interviewee later noted that the misunderstanding may create a hindrance on increasing the popularity of the co-operative.

Three interviewees commented on the lack of co-operative and business education. Co-operatives in general are not thought of as a business model. Typically, kids are taught, or they work for someone wherein they acquire knowledge, then they start their own corporation or enterprise. The important thing is that someone needs to be there to share that information.

Kirsten Wittman also alluded to the different programmes and technical information available to the public. There used to be programmes that gave financial support to First Nation people called the Proposal Development Funding. Then there is the Co-operatives Act, and the database of information on co-op development, which is 300 pages long and not very user friendly.

Another big barrier is the lack of promotion. The department does not have enough funding to redevelop curriculums. Much of the funding, such as that of the Co-op Chair at the University of Manitoba, is provided primarily by co-operative community stakeholders.

Cheryl Krostewitz also mentioned the great work that a local Winnipeg co-op does for increasing its patrons by giving you a cheque at the end of the year. However, they are not so great in educating their member-customers what the co-operative is about or the principles behind the cheque they are getting. The opportunity to educate the public about the co-operative is not just limited to the co-op but other co-ops as well.

The limited education not only affects the people who may want to establish a co-operative, but also the professionals who can help these people. Co-operative development is not regularly taught in law school. The profitability for a lawyer who helps establish co-operatives is less than that for one advising on other conventional types of business. The most popular business model is the “partnership model,” which is what most lawyers are accustomed to. As a result, she estimates that there may only be five lawyers in Winnipeg who have the experience and knowledge of co-operative development.

Getting professional help may be very expensive for the person wanting to develop a co-operative. At the same time, she also mentioned that, a lawyer, working in co-operative development does receive much financial return. Hence, there is not much incentive for lawyers to specialize or work in co-operative development. Most lawyers are familiar with the conventional business model, as such, when they advise clients they often default to what they know. The client needs to be initially aware of the existence of the co-operative and must request it. For lawyers who practice in conventional business development, learning about co-operatives is an additional task that requires them to exert some effort.

Three things to consider when setting up a business are taxes, liability and governance. The tendency is to lean towards the partnership model due to significant tax advantage. There are also tax and liability constraints when Indigenous people try to develop co-operatives in



their communities. The more popular option is to create a limited liability corporation, which three or five bands with an interest can form the limited partnership, which allows the flow of income. The income may be tax-exempt if the bands can show that the profits the partnership generates are being used for band development. In a co-operative, that potential earning may still be shared with the community in the form of dividend payment to each member. However, the payments may be taxable in the hands of the members.

The high-level premise is that Indigenous people can earn non-taxable income on reserves. It is possible to extend the non-taxable benefit to Urban Indigenous Reserves if they are recognized as such by the Government of Canada. There have also been some cases wherein First Nation people were caught fishing out of their reserve, but the activity was for the benefit of the band. Nevertheless, the court found that the activity was taxable. The issue on Indigenous taxation is complicated and the rules or laws that apply may vary depending on the context.

### **Education and Training**

The lack of human resource capacity related to starting, operating, and keeping a business competitive, coupled with other factors such as the lack of capital, and information on how to secure funding may be other factors. Keeping a business afloat is not easy amidst a competitive market. Although co-operatives have been noted as being more secure than their conventional business counterpart, they may still be outcompeted. The educational system available to most Indigenous people has limitations. Michael Champagne stated that the younger generation is limited by the deficiencies in the educational system, which fails to inform them of the intricacies of the Western world. Michael mentioned economics as an example. He noted his experiences in high school learning about the concepts, which for him, because of his abilities

with language, made it easier, but he can imagine the difficulties the other students may have faced.

Michael Champagne's opinion was reiterated by another interviewee, Louise Champagne, who also recognized that there is a lack of business and management skills. As a result, the Indigenous community often relies on outside consultants, or may need to delegate specialized tasks to others. The lack of skills is a problem as business development is a history of failure.

Jamie Wilson also touched on the requirement for creating awareness and training people. The Indigenous population is a large labour market and a majority of it is untapped. Education of the general population and networking for Indigenous entrepreneurs, which is not too prevalent, is needed in the community. There is a need to train people for jobs through school, as well as train them to leave with an entrepreneurial mind set.

### **Perception**

One interviewee opined that the problem is that people associate co-operatives with communism and that there is no profit motive behind it. They believe that people tend to frown upon anything that may be linked to communism regardless if that activity is borne out of, or directly related to, that ideology. Other disadvantages may come in the form of incompatibility with the intention of the people establishing the business. In a technical sense, there are many advantages and disadvantages to a co-operative when compared to a conventional business. The important factor to consider is what the people establishing the enterprise wish to achieve. Their goals will determine if the co-operative model is right for them.

### **The Appropriate Business Model**

According to an interviewee, using the multi-stakeholder legislation, people can manage or run their organization with certain limitations. Through multi-stakeholder co-operatives, the co-op can establish different classes of member-



ship with different abilities to control its affairs. The different classes of membership can also be made to represent the different interests.

### **Access to Start-up Capital**

Another interviewee began to answer this question by talking about the barriers to entry problem. Back in 1959 the barriers to entry for Northern Co-ops were lower. There was no regular air service. The assortment of items offered was fairly low, namely items like lard, sugar, and tobacco. Many co-ops had a really modest start. During the cold war, the Distant Early Warning (DEW) line had been set up to detect incoming soviet bombers. These composed a number of stations running east to west along Canada's northernmost areas. Many co-ops began operating out of these stations after they were abandoned. One hundred people could buy in with five dollars to provide a five hundred dollar to start the co-operative. Today five hundred dollars doesn't go very far. As an example, one square foot of refrigeration space costs two thousand dollars. Starting a retail co-operative today in both urban and rural communities requires a significant amount of start-up capital.

Cost is prohibitive when working with both Northern and urban communities. An interviewee stated that it costs \$900 to fly experts up there through Perimeter Aviation. Additionally, she also recognizes the fact that the cost of professional legal advice is a hindrance. Although her job was to assist people to establish their co-operatives, sometimes these people may need a lawyer.

### **Leadership**

We previously noted that leaders are not in short supply and that the unfavourable conditions, such as food insecurity and perceived retail price gouging may lead to the creation of leaders in the community who will take the initiative to create social change. On the other hand, an interviewee alluded to the fact that these unfavourable conditions coupled with the community's

attitude or disposition regarding the challenges may cause some potential leaders to leave rather than stay. She stated that sometimes the conditions lead to the community becoming complacent and apathetic, which causes dynamic leaders to simply leave rather than stay in the apathetic community. The root of the problem may be is that there is a sense of hopelessness.

One of the interviewees explained that this problem also exists in urban areas. Sometimes, "people do not have the time to think about the world." When a person is beaten down and tired, they do not usually have the free mental space to think about the community. These people are working to survive and may only have the opportunity to think about their own basic survival. The Indigenous community faces more social ills and problems that distract and divert their attention towards building a co-operative. Of course, apathy is not the case all the time, or even most of the time. This interviewee's experience is different. She experienced the same difficulties with poverty but did not know they were poor. Nevertheless, they were aware of the social crisis that is going on with the people. They knew there were problems with drug abuse, and illegal market of prescription drugs.

One interviewee commented on the duration of terms of office in Northern communities. The problem she noted is that there is a challenge for continuity in the initiatives and projects due to the quickly changing leadership. It can be argued that this was the intention of those who drafted this aspect of Indian Act policy. Band and council election and potential change in leadership generally happens every two or four years. The change in leadership often results in a change in impetus and priorities as well. Although most First Nations are situated in rural areas there have been increasing numbers of urban Indigenous economic development zones, colloquially referred to as urban reserves. For these reasons, the challenge of continuity of leadership affects both urban and rural Indigenous economies.

One interviewee's comment also aligned with another's comments regarding the shortness of term of elected officials. She adds that the changing of elected personnel, as well as the turnover of economic development workers from the government can change the community's hope for the creation of co-operative. The economic development worker does not change that often, but their departure from their position can still affect the community's motivation in reaching their vision.

### **Type of Co-operative**

Elder Norman Meade mentioned the question of why there are not more co-operatives depends on the type of co-operative we are considering. There are different types of co-ops in the city, including housing and day care co-operatives. He has worked with a variety of co-ops and he finds the most difficult type of co-op to operate is the retail co-operative. This is what we are seeing with Neechi Commons. Housing co-ops and fishing co-ops are examples of easier ones to work with.

## Learnings from the Workshop

In this section, we summarized the results of the Indigenous Design Workshop wherein nine Indigenous participants envisioned an enterprise that reflected their values and principles. The tasks and questions we asked the participants to perform alluded to the critical elements of a co-operative. We informed the participants that the purpose of the workshop is to identify aspects of Indigenous cultures, which may be applied to the creation of an Indigenous co-operative for ethical reasons. However, after that introduction, the participants were simply requested to design an “enterprise” that reflected their values and principles regardless of whether it is a co-op, business, or any other forms of organization.

The types of questions and tasks we requested the participants to perform can be classified under the following. 1) The familiarity of the Indigenous participants with their community; 2) Inclination of Indigenous participants to engage in entrepreneurial ventures, 3) application of Indigenous cultures to the enterprise, 4) application of co-operative principles, and 5) possible challenges. The nine participants were grouped into three groups with three people in each group. They were given printed materials, which contained instructions, questions and

tasks, which they used to write their answers on. We explained each question or task as the workshop proceeded. Participants deliberated amongst themselves to answer the questions, and in the end, the chosen leader from each group presented the enterprise they devised.

### How Familiar are Indigenous People With Their Community and Its Issues?

#### **Assets in the Neighbourhood**

A few of the tasks in the workshop required the participants to look into the North End of Winnipeg or the community they lived in, to determine its assets and limitations. The intention of the question is to determine the familiarity of the participants with the place they live in and the people that live around it. It also allowed us to analyze the kinds of issues and strengths that the participants notice.

There are a number of strengths or assets the participants found that pertain to the physical features of the neighbourhood. One possible reason why observations regarding the physical characteristics easily stand out is that people experience them more readily. Among these features are the parks and other public spaces

where people congregate: St. John's Park, Margaret Scott Skate Park, and the North Centennial Pool are some of the places that the participants mentioned. Other stand-out features include businesses and services such as the numerous locally owned burger joints, corner stores that are opened late in the area, and the medical clinics. The group also showed an appreciation of the aesthetics of the neighbourhood — namely the buildings on Selkirk Avenue and the murals.

However, and perhaps more importantly, the observations of the participants do not just stop at the physical features but extend to the non-physical attributes. Some of these include the numerous social services such as Ma Mawi Chi Itata, Bedside Studios, Addiction Foundation, and other Indigenous organizations. There were also intrinsic qualities that the group identified such as the availability of public transportation, the distance to schools, and the prevalence of community development organizations. Notably, Neechi Commons was mentioned by one workshop group.

Most importantly, the group noted positive aspects that pertain to the identity of the community. These were community familiarity and a likelihood that people will run into someone they know. Workshop participants commented that there were lots of laughter and that there was a significant population of Anishinabe people.

### **Issues and Limitations**

At the opposite end of the spectrum, we also asked the participants to identify the issues and limitations that were present in the neighbourhood. This question or task allowed us to gain an insight on the level of awareness and the kinds of issues Indigenous people are knowledgeable of regarding the neighbourhood. The issues the participants identified were also reflective of their concerns.

The issues identified by the group can also be categorized into physical or non-physical. On the physical aspect, the group identified a number of seemingly family-oriented needs. There was

a lack of flower gardens that beautify the neighbourhood as well as newer playgrounds. Gym facilities that were operated by a co-operative, and an indoor kid recreation centre and other family activities were also identified as inadequate in the neighbourhood. Lastly, daycares were in short supply and are a much-needed service to allow parents to participate in the labour force.

The group was able to identify a more significant number of fundamental issues and the lack of services to help address these issues. Safety was a primary concern for the participants that actions need to be taken to increase the perception of safety in their neighbourhood. They noted that there were “negative activities” in the streets. Interestingly, the concern for safety was not just for themselves or their families but also extended to the sex workers in the area. The group found that there was a need for walking patrols, a civic centre for sex workers, and generally safer parks for the children. The stereotypical image of the neighbourhood, especially to those not living in the area, also contributed to the stigma attached to the North End. The neighbourhood also had deficiencies in housing and employment. Notably, the groups identified the need for a 24/7 safe space or emergency shelter for people under crisis or trying to escape an unsafe conditions. In line with this, the prevalence of slum landlords in the area contribute to the neighbourhood blight as they allowed rental properties to deteriorate. Finally, a lack of jobs and opportunities were a significant concern as employment contributed to personal independence.

### **Solutions to the Problems**

The participants also identified some of the possible solutions to the issues plaguing neighbourhoods. This portion of the workshop allowed us to understand how Indigenous people may react to issues affecting them. The participants identified some solutions that may be categorized under volunteerism, government action, and co-operative enterprise.

The volunteerism category encompassed social service like activities that require an individual's active involvement regardless of whether there was compensation or not. A single person may perform the specific actions or coordinate with other people. Some examples given were community clean-ups for the cleanliness and garbage problems. Police cadets and the Bear Clan Patrol were also identified as possible organizations that people can join to improve safety and security, as well as mentorship and creating more opportunities for youth through the establishment of community centres, not-for-profit, and social and artists centres. The need for involvement in the community by creating and attending community meetings was also noted. Community meeting events helped bring people together so that they can share their problems and concerns and identify viable solutions.

Regarding government action, the participants noted that the government could be more involved or that they can be part of the government. One group emphasized the need for more government support through funding. Another group mentioned the need for the government to invest more in public infrastructure such as street lighting to increase the feeling of security. Creating equal or ameliorating opportunity by actively seeking Indigenous employees can also be practiced by the government as well as conventional businesses. One group mentioned the need to participate in the political affairs of the government. This participation may be done by volunteering, becoming an activist, or by directly running for office.

They also mentioned starting a "mutually beneficial business" that caters to a "niche market" or is a business that is "meant to benefit the people." The group that stated the need to start a business did not specifically mention a co-operative, but the description and goals of the company they suggested align with the principles of a co-operative. One of the groups had a participant who was a key figure in a co-oper-

ative. That specific group indicated the need to develop more housing co-ops and specialized or particular program services that catered to the needs of the community. The creation of employment opportunities as a viable solution to the problems was a general theme that resounded among the groups.

### The Inclination of the Indigenous Participants in Exploring Business-Related Enterprises if Given the Means and Opportunity

In the second part of the workshop, we asked the participants to answer questions or perform tasks that alluded to the creation of the enterprise. The enterprise must respond to an issue or limitation they identified that might be turned into an opportunity. This portion also explored the likelihood of the participants investing money into a business if they had the financial means.

### Likelihood of Investing in an Enterprise

We asked the participants to imagine that they each of them had a sizeable amount of money. The amount was not enough so that they could live comfortably for the rest of their lives, but enough so that they could attend to some of their personal needs. The amount was also insufficient to start an enterprise on their own, but when pooled together could provide sufficient capital.

The responses from the participants regarding how they would spend the amount ranged from attending to basic needs, to donating to charity, to starting a business. Most participants noted their desire to use a portion of the amount to pay mortgage or rent. Participants also used some of the amounts to purchase foods, clothing, furniture, travel, and Winnipeg Jets season tickets. Other participants opted to save some of the money, pay outstanding debts, or pay utilities in advance.

The need to share the amount with charitable organizations or with other people was a

resonating theme among the participants. Some of the organizations that the participants mentioned they would like to contribute were Finding Freedom, Hunger for Hope, and general youth positive social events.

In one group, two members mentioned using the amount to start a business. One of the members mentioned her interest in opening a 24-hour community centre or clothing store, while another participant in the same group said she would host an artist workshop. None of the participants mentioned an interest in pooling their funds together so that they would have a more significant capital to invest. Nevertheless, we thought that there was some inclination in the Indigenous community to venture towards entrepreneurship given the right circumstances and encouragement.

Another question asked which aspects of Indigenous cultures may be applied to the governance of the enterprise also showed how there might be some expertise available within the Indigenous community. The second group, which had a person involved in a co-operative, knew the nuances of the law when that person suggested the requirement to abide by the legal conditions of electing a board and other elected officials of the co-op. These responses indicated that the Indigenous community has the propensity to develop their enterprise and also have some of the knowledge necessary to initiate the process.

### **The Low Hanging Fruit and Skills Within the Group**

Participants were then requested to identify the low-hanging fruit or the limitation that may be quickly turned into an opportunity. They were then asked to identify the skills that the enterprise would need to function. Participants were also asked to identify the qualities and abilities each of them had, which they may contribute to the enterprise. Our general finding are that two of the groups created an enterprise that can potentially generate income while serving the com-

munity. The other group utilized a not-for-profit type of organization. The group members complemented each other's skills, knowledge and aptitude in creating and managing the enterprise.

Concerning the selection of limitations that may become opportunities, the first group opted to create an art touring workshop, which would feature Indigenous artists' works. The second group, which had a co-op leader as a member, wanted to create a housing co-op. The housing co-op would feature rooming houses that are affordable for single parents and extended families. The profits from the rent would be reinvested into the housing co-op. Finally, the third group opted to respond to the housing need, like the second group, by creating a 24/7 safe place for youth. They envisioned that their enterprise would allow youth to stay for the night in exchange for labour.

The placement of the participants into groups was done through personal selection. None of the participants knew each other, and they were given the opportunity to select their seats. The skills of the participants ranged from learning how to conduct business, to fundraising and marketing, to administrative work. We also asked the participants to select a leader among themselves, but we suspected that one would have surfaced nevertheless. There is a substantial likelihood that one person would have taken the initiative to lead the group in completing the tasks we set out.

### **How Did the Participants Feel About Setting Up an Enterprise?**

This question is one of the last we asked the participants as a qualitative measure on their perceptions towards creating and owning an enterprise. The question gave us more information to help assess the interest of Indigenous people in becoming owners of a business, co-op or not-for-profit. The overall finding was that the participants were delighted and hopeful to have the opportunity to start their income generat-



ing enterprise. They felt empowered to become self-supporting. The participants also noted feelings of excitement for the prospects of helping the community and having the ability for self-determination. In other words, there was considerable potential in the Indigenous population, as reflected by the participants to take charge and create solutions to the problems.

### The Making of an Indigenous Co-op Model: Application of Indigenous Cultures to the Enterprise

The next series of questions and tasks attempted to encourage the participants to reflect on Indigenous cultures. The participants were asked to identify aspects of Indigenous cultures that may be applied to the governance of the enterprise, decision-making process, and the way they work with each other. The information from the participants, along with the analysis from the key informants in the interview, and the literature review would help inform what an Indigenous Co-operative movement may look like.

#### **Governance of the Enterprise**

The participants, when asked to reflect on Indigenous cultures and determine what aspects may be applied to the enterprise, responded with answers that seemingly reflect the co-operative principles. This finding was evident even with the groups, which were not joined by an existing co-operative advocate. On the one hand, the responses of the participants reflected the “values” that they would like to be instilled in the governance. On the other hand, the participants also made suggestions of the kind of structure that the enterprise governance may take.

The participants reiterated the need to welcome everybody and to become diverse, which one group noted should be reflected in the board of directors. There were comments regarding how the board of directors should reflect the principles the owners or directors would like

to portray. The groups also wanted the governance to reflect inclusivity. The connection with the land was mentioned as a reflection of Indigenous worldview on caring and respecting the planet. There was also mention of people having the right to vote reflecting a democratic process similar to that of a co-operative.

The participants also mentioned the type of governance structure that the enterprise may take. It was suggested that the governance structure could be established like a Band and Council as governed by the statutes and cases on Indigenous Law. Here, the council has a duty, which requires them to act in good faith and hold meaningful consultation with members. However, the band and council model may be somewhat controversial when the model is used for the purpose of indigenizing the co-operative model. The band and council model was imposed on to Indigenous peoples through the Indian Act and is a remnant of the colonial past. Nevertheless, the fact that the suggestion was made by participants in the design workshop, and one Indigenous interviewee, may be a reflection of the deeper problem of enculturation. It is possible that the people who made the recommendation are still trying to rediscover their Indigenous cultures and may have not been aware of the colonial history of the band and council.

The participants suggested that in cases where the population of the members is composed of entire families, a custom council may be comprised of a representative from each family. The group, which made this suggestion, planned to build the “special” program housing co-op. Thus, the idea of having representation from each family was appropriate. In other types of co-operatives, such representation may not work.

#### **Aspects of Indigenous Cultures that May be Applied to the Decision-Making Process**

We then asked the participants to identify ways in which Indigenous values and principles may be incorporated in the decision-making process.

Here, the participants discussed the methods by which communication between members may be accomplished and what may be done when there are disagreements. Like the question on governance, the answers from the participants also attempted to reflect Indigenous cultures on both the “structure” and “values” to be applied in decision making.

On the “structure” side, it was suggested that a Band and Council process may be adopted. However, as we mentioned, it may not be appropriate to follow a band and council model. However, a democratic style of government that considers the opinions of all members was highlighted in the research. In other words, the majority of the members must agree before a decision is made that may affect the organization. In the perspective of an Indigenous enterprise or co-operative, and depending on its size, custom committees may also be established to deal with specific issues or aspects of the operation.

In this same group, wherein there was a co-operative advocate, the legal requirements of forming a board or elected persons was also mentioned. The legal requirements regarding voting and decision making are contained in pieces of legislation, which may vary from province to province. In the previous question, a group suggested the possibility of symbolic representation based on the family.

Regarding the “values,” there were different suggestions on which decision should be followed. One group favoured the majority rule whereby the option being voted upon which garners 50% +1 of the votes shall be followed. Another group favoured the concept of consensus or “talking until they agree,” while another suggested the inclusion of Elders-in-Residence to act as mediators.

The participants also recommended to have the bylaws reflect the Seven Sacred Teachings written in context, which the board may also apply when making decisions. It was also essential to enfranchise women and include them in the decision-making process. Finally, the inclusive-

ness of decision making should be conveyed in the language.

### **Influence of Indigenous Cultures on the Way They Work With Each Other and Other Organizations**

Essential aspects of the co-operative principles were the relationships built between members and other organizations. The fifth principle called for allowing for growth through training and education. Similarly, the tenth Neechi Principle called for the equal treatment of all persons, which was free of discrimination and prejudice. Inclusivity was also an essential factor in the co-operative as reflected by the first principles. This concept of open and voluntary membership was already alluded to in the participant’s responses to the previous questions. Another important aspect of the co-operative was working with other co-operatives or other similarly minded organizations.

On the one hand, one group responded to this question by stating the Seven Sacred Teachings with a focus on respect and honesty. They noted that the members of the enterprise must respect consensus and learn to forgo personal opinions when the enterprise has made a decision. It was also crucial for the members to act honestly in declaring their needs and capacity especially when the co-operative tries to confer a benefit based on those factors.

The other groups, on the other hand, did not mention the Seven Sacred Teachings but alluded to other positive social traits they would like the members to emanate. The concept of camaraderie through consultation and inclusivity was alluded to by two of the groups. They emphasized the need to gain the opinions of all stakeholders, and welcome everybody to the enterprise as long as they maintain their membership. One of the groups also advocated expressions of gratitude between members. They stated that the recognition, when shown by creating time and space for

each other, may decrease stress and also identify the group's strengths.

Another group emanated the positive social traits expressed by the other group by suggesting the need for compassion, empathy, tolerance, and flexibility. They emphasized the need to be cognizant of the personal lives of the members, which may involve child-rearing responsibilities. They advocated teamwork and the need to consider other peoples' schedules.

### **Other Values and Principles that the Participants Would Like the Enterprise to Follow**

We asked the participants a very open-ended question to identify the values and principles that they would like to inject in the operation of the Indigenous enterprise. One of the groups reflected upon the Seven Sacred Teachings to answer this question, while another group focused on principles of socialism. The other group seemingly reflected on aspects of both the Seven Sacred Teachings and principles of socialism.

Regarding reflecting on Indigenous cultures, there were suggestions that values and principles need to be "spiritually grounded" and abide by the Seven Sacred Teachings. The group that had a co-operative advocate emphasized once again the importance of the Sacred Teachings especially Honesty. This response was probably due to past experiences where members tried to conceal their actual needs to avail of more benefits from the co-operative.

The Sacred Teachings, although not outwardly mentioned, were evident in the recommendations from another group. The teaching of Love and Respect was evident with the group's suggestion that everybody must be treated with value, and that higher emphasis must be placed upon equity over equality. Love and Respect may also be extended to nature as the enterprise commits to sustainable practices. Respect may also be shown by giving people an opportunity to speak and by limiting one's talking time. At the same

time, expressing your thought and ideas may be seen as a display of the teaching of Courage and Wisdom. The group also alluded to showing Respect, and potentially the reverence for a woman's Wisdom, when they suggested that women should be empowered and given the option to speak first. Finally, the Sacred Teaching of Wisdom may be practiced through the exercise of patience and avoiding rushed decisions.

The other group did not mention much about the sacred teachings. However, their responses were more akin to principles of socialism. Their suggestions seem to align very well with the co-operative principles. They noted the "people before profit" statement that places the ideals of capitalism as a secondary interest. They emphasized the need to improve the lives of the people in the community, by improving their skills and capacity to earn money. They believed that "better people" will result in a "better community" and a "better world." These responses remarkably align with the fifth and seventh co-operative principles, which calls for "Education and Training" of members and "Concern for the Community."

### **The Making of an Indigenous Co-op Model: Application of Co-operative Principles in the Enterprise**

The next set of questions we asked challenged the participants to think of the membership, possible contributions of the enterprise to the community, and outside influence. These are some of the principles that are found in the co-operative. The test allows us to see if the participants would allude to some of the co-operative principles or something that is very close to them while incorporating Indigenous cultures.

### **Membership**

We asked the participants to identify who would be welcomed to join the enterprise, and what may be the requirements for entering. The first co-operative principle was open and voluntary

membership, which allows any person to participate regardless of any inherent personal characteristics. However, co-operatives were also free to target specific groups of people to confer a benefit. In other words, a co-operative can specify which underserved group of people it would like to have as its members in response to a specific set of social problems they would like to alleviate.

When asked this question, the groups' responses alluded to accepting people who adhered to the group's principles or are people from a specific group or sub-group. Indigenous peoples were the noted group of people who would be targeted for membership. Other membership criteria were specific to the Indigenous enterprise or co-operative that was being created such as the need to have interest in the arts. The willingness to follow the Seven Sacred Teachings, have passion for the community, and general adherence to values and principles were also noted as important criteria for membership.

### **Contributing to the Community**

The seventh co-operative principle indicated that the organization must also extend the benefits to the community. In this question or task, we asked the participants to think of how their enterprise could follow this co-operative principle. Here, the responses reflected Indigenous cultures along with some practical suggestions that were relevant to the type of enterprise they were building.

Among the responses that reflected Indigenous cultures were suggestions to incorporate the Seven Generation Planning whereby the enterprise would work to "equip the next generation with the necessary skills and support to improve themselves and the community." Another group alluded to this idea when they suggested that they would build capacity in the community. The idea of "sharing" was another important Indigenous value that was introduced by one of the groups. Two groups emphasized the teach-

ing that they should not take more than what they give, or that "when you take, you give back."

On the practical side, the participants noted specific actions that the enterprise may commit to helping the community. These actions were related to the type of service they wanted to provide. Examples included the provision of affordable, decent housing for families in the case of the group that envisioned creating a housing co-op. Similarly, the group that wished to develop a 24/7 safe space would automatically benefit the community by merely providing the service.

### **Influence from Other Organizations**

A co-operative can limit, and to a certain extent can prohibit, the influence of other organizations on the co-operative. The co-operative's fourth principle promoted the autonomy and independence of the organization so that its owner-members can maintain control. However, co-operatives often needed to rely on other institutions, such as the government, for some funding and administrative support. Here, we asked the participants how they would maintain organizational independence given that their enterprise may be reliant upon external support.

Although the participants were not informed of the co-operative principle being tested, their responses alluded to the maintenance of independence regardless of external funding. In addition to the support of independence, the participants also mentioned the importance of "acting with integrity," and that the desires of the funders should not influence them. They indicated that there would be little or no influence, especially if the external financiers contradicted their values. Otherwise, the participants' Indigenous enterprise would acknowledge their funders as sponsors and report back to them regarding their finances.

### **Challenges to Establishing a Co-op**

The establishment of a co-operative was not an easy task. The fact that Indigenous people have

been historically discriminated against does not make this endeavour easier. In this question, we again explored some of the possible challenges the enterprise could experience. However, this time it is from the perspective of the participants as they reflected on their experiences.

One of the most notable challenges was funding or the capital that was required in establishing the Indigenous co-operative or enterprise. All groups unanimously mentioned the difficulty of accessing capital due to debt and bad credit. Additionally, one group suggested the problem of stereotyping and racism, which causes people to not believe in the potential of Indigenous people. This lack of faith due to prejudice impacted the amount of capital they could accumulate. Although co-operative members may pool their resources together to amass enough money, the individual financial circumstances of Indigenous people could be a hindrance. Indigenous people who may be interested in forming their co-operative may have to consider other living expenses, especially if they have dependents, before contributing money to the co-operative.

The existence of “other belief systems” was also mentioned by one group. This comment may refer to the possible differences in cultural backgrounds although each prospective mem-

ber self-identified as Indigenous. Similarly, there may also be differences in religions. These differences could result in different ways of thinking and varying opinions resulting in the lack of consensus.

Perhaps linked to the “other belief systems” was another group’s comment on the lack of “commitment from the people.” The group may have found that the interest in a particular enterprise or social movement may tend to wane given the various circumstances each person is in. Some may need to consider personal matters such as childcare, bills, and debts that impede their ability to become fully involved in the enterprise.

The lack of commitment may have also been extended to other “partnering organizations” as another group mentioned. Starting the enterprise was more feasible if help may be adduced from other similarly minded organizations. However, it may be a challenge for a start-up to gain the initial contact with other organizations, which may help during the enterprise’s establishment. Linked to the problem of racism, one of the groups also mentioned the challenge of establishing public relations and advertising. The lack of public relations and promotion may limit organizational support, membership and clientele.



# Summary and Conclusion

## The Co-operative as a Valuable Option

Co-operatives have long been recognized as having benefits in terms of an enterprise's longevity (Dworkin & Young, 2013; House of Commons, 2012; Nembhard, 2014) because of their ability to diffuse economic difficulty among their members (Intertas, 2016; Mochuruk, 2000; Vargas-Cetina, 2011) and how they can mobilize the community to lend support (Intertas, 2016). Also, the co-operative has been credited for "plugging the leaky bucket" or preventing capital flight as well as creating economic linkages (Loxley, 2010). The co-operative can be seen as a viable alternative to the conventional capitalist economic and business models. One interviewee noted how a co-operative could have better succession planning as the democratic process can train and generate new leaders among the ranks of the members.

When applied to an Indigenous paradigm, the co-operatives also have a positive general perception among Indigenous peoples and non-Indigenous people who work with Indigenous people and co-operatives. People saw co-operatives as instrumental in uplifting the morale of the community. The growth and development of an Indigenous co-operative was a source of pride for Indigenous people. It generated meaningful

employment and engaged an underutilized labour force. Based on the experience of one of the interviewees, the co-operative helped in combating the 60s Scoop, which was initiated due to poverty but had more adverse consequences on Indigenous children.

There were also some fundamental similarities between the co-operative and Indigenous cultures as noted by the interviewees. Indigenous community members who attended presentations from government departments promoting the co-operative model were astounded by how close co-operative principles were to the traditional way they operated. The First Nation governance, for example, was very similar to the member-owner system in a co-operative. In a business operated by the band, the community members were considered its owners. The only thing that was missing was the formalization through registration.

In the North, the operation of the co-operative was more significant because of scarcity, the challenging landscape, and the remoteness of the area. It was a matter of survival for people to work together and cooperate. The community also banded together to create competition against and prevent the monopolization



of the economy as well as manipulation of the people. The “net savings” strategy of the co-operative also benefited people in the North and those who used co-operatives. The “net savings” strategy purported to reduce cost and sell products at a fair market value.

However, the co-operative did have some areas of “future and further development.” One such potential problem was the possibility of secluding Indigenous people into “silos.” The problem resulted from the effect of segregating Indigenous people as they blended into exclusive groups. The segregation limited the creation of “alliances” with non-Indigenous peoples.

The risk of too much reliance on co-ops resulting in the lack of individual entrepreneurship was also mentioned by one Indigenous interviewee. This risk happened when the community became too comfortable with serving as a worker or member and fails to see other opportunities to create their enterprise. In these situations, not much business diversity and opportunities for employment were created. Other people from outside the community also came in and seized the business opportunity.

Nepotism was noted as another potential problem, which resulted when pioneering members of co-operatives preferred to hire their close family members and friends regardless of their qualifications. This speaks further to the fact that, as noted above, nepotism is a problem common to all small communities not just Indigenous ones. The interviewees revealed that Indigenous opinion on nepotism varied and that the problem could be only a symptom of the bigger issue of the lack of interest, education, and qualified people to take the opportunity.

Any business model has an associated risk of failure, and the co-operative is not immune to this as an enterprise operating in a capitalist system. Failure of the co-operative may have a more significant impact on the people since investments come from the community and may include life savings and other personal assets.

Moreover, the people who typically invest in co-operatives are those who have modest wealth and income. Many of the successful co-ops are in remote areas which is likely due to the fact that the harsh living conditions encourage a higher number of community members to work together to share the risk equally between them to conquer the challenges unique to Northern communities.

### Co-operative Alignment with Indigenous Ways of Finding Solutions

The co-operative and its governance style allowed it to include goals that Indigenous people may have for their community. These goals could respond to a social ill, or it may aim to improve a particular condition. One such example was the Neechi Co-op’s refusal to sell non-cultural tobacco and lottery tickets in response to health concerns and societal gambling problems. Magazines containing explicit sexual contents and toys promoting violence were also banned from the store. Similarly, alcohol and drugs were banned in an Indigenous housing co-op.

In Winnipeg’s North End, the residents came up with the “Village Concept,” which reflected a community that was unified. In the “Village,” everybody was welcomed, accepted and treated equally among others. The idea of welcoming everybody was also a theme that surfaced in the Design Workshop.

Then, there was the concept of the “Privilege Potlatch,” which reflected how the community shared their knowledge, gifts, abilities, and education to serve members of the community. The Design Workshop further illustrated the level of familiarity Indigenous people had with their neighbourhood. They knew fundamental issues that were plaguing the community and potential solutions. Some Design Participants, if they had the financial resources, said that they would donate part of it to charity, and start a business.

Leadership was essential in mobilizing the community towards change as well as in the cre-

ation of a co-operative. There may be resources and opportunities, but good leadership was required to corral the people towards a common goal. The training could come from the community informally through exposure to various challenges, or it may be done formally through mentorship and by giving responsibilities. In this respect, the challenge of trying to survive in adverse conditions made it more difficult for potential leaders to rise. Women were also recognized as potential leaders because of their resilience and abilities.

The Design Workshop illustrated the participants' desires to influence government and policy making or to become part of it. We discussed the need for an Indigenous Co-operative Model to go beyond the locale in the next subsection. Nevertheless, the participants' response showed their interest in taking leadership roles with larger jurisdictions.

### Infusing Indigenous Cultures into the Co-operative Model

One of the challenges of creating an Indigenous co-operative model that fused Indigenous cultures with the mainstream co-op was defining or identifying Indigenous cultures. A multitude of Indigenous cultures existed, and people may have been offended if we overgeneralized. In fact, the existence of "other belief systems," which alluded to cultural differences within an Indigenous context, was mentioned as a possible hindrance to achieving consensus in the Design Workshop. Nevertheless, with the help of the interviewees and the Design Workshop, there were some areas wherein Indigenous cultures can be blended with the co-operative model. We did not purport to create an exhaustive list of the synergies but instead create a guideline on how an Indigenous co-operative may look like based on our observations.

As we have expressed in Chapter 3 and 4, interviewees and the Indigenous community iden-

tified similarities between Indigenous cultures and ways of doing things with the co-operative model. The Elder we interviewed expressed the essence of culture as being the way that people relate with each other, the land, and the resources. There are cultural values as well, such as sharing and caring, that can be practiced regardless of the place or context. Indigenous cultures reflects a very communal society.

First, imagine how the Rochdale principles would look if they were created through a new paradigm. The most striking way that Indigenous cultures can be incorporated into the co-operative model is through concern for the community. This synergy was seen even when comparing the Neechi Principles. Both sets of principles are fundamentally a statement of the same goals in a new paradigm. Instead of viewing the co-operative as a means of helping those that are direct owners and users of the coop, the Neechi principles considered all the means through which the co-op can be a transforming agent that supported the entire community.

This theory was confirmed in our study by an interviewee who mentioned that the co-operative model was a means of investing in social benefits for the community and not just a vehicle for financial returns. It was built on the financial contributions of the community for this purpose. The Design Workshop also indicated participants' desires to create "niche markets" and "mutually beneficial businesses."

Democratic governance is an essential component of the co-operative model, which was also given much respect in First Nation Communities. The capitalist and corporate model wherein power were tied with money were not widely acclaimed with Indigenous people. Indigenous property rights also differ from the Euro-Canadian system and were better reflected by the co-operative model of communally shared resources. One of the Elders who participated in the research identified how the chiefs in their community performed active community

consultation. Understanding people's opinions, desires and need in a democratic capacity was crucial in ensuring collective self-determination. Although the band council was recommended by the Design Workshop participants, a group of Indigenous people fully informed of the history of this model of government may opt to follow other democratic structures. Regardless of the structure, the participants stress that its bylaws should reflect the Seven Sacred Teachings.

The Design Workshop participants expressed a variety of decision-making styles. The consensus versus majority vote are the two dominant style options. However, they also recognized the possibility of having Elders-in-Residence to act as mediators and advisors.

The autonomy and self-determination that was desired by Indigenous peoples may also be extended to an Indigenous co-operative according to an interviewee. Design Workshop participants noted feeling empowered and self-supporting when they were able to conceptually create their enterprise. Further empowerment may happen by reducing the co-operative's reliance on the government for, as participants argued, "power lies in not needing the government." Similarly, there should also be separation between band or organizational politics and the operation of the co-operative.

The educational component was another essential characteristic of Indigenous cultures, which was reflected in the co-operative model. Sharing information, knowledge, and wisdom was traditionally done through storytelling, sharing circles, and other events. Likewise, the co-operative tried to enhance its members' knowledge and skills through training. As we already mentioned, this characteristic helped in creating new leadership.

Indigenous imagery through artwork, landscaping, and buildings were important in inspiring people and promoting the rediscovery of Indigenous cultures. Indigenous co-operatives played an essential role in reviving Indigenous

cultures. Participants in the design workshop and the interviews both alluded to the need to create enterprises that produced and marketed Indigenous artwork. The co-operative could again become a place where knowledge was shared and enhanced.

The importance of women in Indigenous cultures was a recurring theme in the interviews and design workshop. Historically, women had a prominent role in Indigenous cultures and they continue to be significant in critical issues (Idle No More, 2013). The caring nature, as well as sexism that plague society leading to fewer economic opportunities, made women active and enlightened members of the community.

The traditional co-operative model generally cared for the community and avoided taking advantage of people through large profit margins. However, an Indigenous co-operative may potentially do significantly more. One Indigenous co-operative, for example, refused to use a consumer co-operative model and require a five-dollar membership fee because it believed that people could have used that fee on other necessities. Similarly, people in the design workshop came-up with a hypothetical co-op that exchanged lodging for labour instead of money.

Another critical thing goal an Indigenous Co-operative Model may try to accomplish was to go beyond meeting the economic needs of the community and try to influence the bigger society. Sherry Salway Black (1994) created a list of indicators she entitled "Aboriginal Determinants of Success," the table and chart of which is reproduced in Chapter 2. Most of the indicators listed by Salway Black matched the Rochdale Principles. However, one aspect that could not be matched was the need for "social respect" by encouraging "public involvement for better policies and improved media coverage for Aboriginal peoples." This element of development required the co-operative to become proactive with the affairs of the government and policy making. However, the conventional co-operative did not

typically explore matters that are beyond its locale. Nevertheless, a local co-operative can become a member of a federation of co-operatives, which takes on a more active role of influencing government policy. An Indigenous co-operative may also seek to be part of a federation of co-operatives so that it can forward its interests and concerns to higher platform and have more public involvement.

An Indigenous co-operative model could also be an agent of reconciliation. Reconciliation was a matter that the conventional co-operative model did not intend to anticipate when it was conceived in Europe. Nevertheless, reconciliation was an important need that Indigenous people have to mend the wounds of the past and foster new relationships. In the last subsection, we noted the “siloeffect” as a concern expressed by an Indigenous interviewee. In this regard, an Indigenous Co-operative may try to reconcile relationships to diminish the animosity between Indigenous and non-Indigenous people.

### Why Are There Not More Indigenous Co-operatives?

As we expressed in Chapter 2, there was a relatively small number of Indigenous co-operative operating at the moment in Canada. Our research found several reasons for this phenomenon, which were summarized below. However, the reasons we observed may not be exhaustive.

One of the reasons why there were not more Indigenous co-operatives was because of limited entrepreneurship education. Interviewees noted the need to develop business and management skills in the community, which led to the need to seek outside help and expertise. Additionally, there may be a limited understanding of what a co-operative may be and how Indigenous people can be involved or start their own. We previously discussed how some Indigenous communities were surprised by the similarities of the way they operate their business with the

co-operative principles. One interviewee noted how co-operatives are great in marketing themselves and attracting more people by providing quality and inexpensive products, services, and a potential dividend. However, their attempt to educate people about co-ops could include informing people about their mission and principles.

There was also an instance when an interview mistook the identity of the Arctic Co-op for the Northern Store. Some people may also have also associated co-operatives with communism and that there is no profit motive behind it. Indigenous communities may opt for other business models such as a corporation or limited liability partnerships to benefit from tax incentives.

The lack of education may also extend to the professionals who can help Indigenous peoples in developing their co-operatives. Regulations passed by governments were meant to protect the consumer. However, these regulations have the unintended consequence of complicating things. One interviewee noted that there are few lawyers in Winnipeg who are knowledgeable of the processes involved in establishing a co-operative. Co-operative development is rarely taught in law school and helping develop one is not very lucrative for the lawyers.

The lack of education regarding co-operatives and business development often resulted in Indigenous people defaulting into the not-for-profit social enterprise model. Our interviews and the design workshop indicated the propensity of Indigenous people to default to the not-for-profit social enterprise model when they are trying to respond to a social need in their community. This type of social enterprise was generally less complex to set-up, easier to manage, and may even be operated informally without needing to register the organization. The community also seemed to dislike the prospect of too much profitability, or making a profit out of their own, or having money as the main driving force for their work. It may also be noted that making too much profit was usually not a problem with co-operatives. If an

Indigenous co-operative became very successful and profitable, then the members may decide to share the excess profit with its members as dividends or invest in the community.

The people we interviewed were very active in advocating social change in the community and were leaders. However, some of them also expressed that there could be apathy in the community, which was the result of the challenges impoverished people face. It would have been difficult for a hungry person working hard to make ends meet to think about other things such as the needs of other people. Similarly, some Design Workshop participants responded to an activity wherein they chose what to do if they had some money by satisfying some immediate personal needs.

In an urban context, the competition was also more vicious and conventional businesses, especially small local ones, often found it difficult to survive. Co-operatives faced this same competition as well. Retail co-operatives, for example, were often challenged by larger chain department stores.

Research participants also noted access to capital as another main problem. Although the co-operative model was one that can be set-up through the pooling of capital from pioneering members, it was much more difficult to accumulate funds if people lived paycheque-to-paycheque. The unavailability of credit aggravated the situation as conventional banks became reluctant to provide start-up loans. The problem with capital was further exacerbated by increased costs when people established co-ops in remote places such as the North.

In line with the separation of politics from the operation of businesses expressed by one interviewee, another interviewee noted the difficulty of continuing initiatives in bands. Leadership was important in establishing a co-operative. If the band leadership changed every two years then programmes and businesses, such as a developing a co-operative, that the past leaders initi-

ed may be scrapped by the next elected leader. Another problem related to leadership was the “brain drain” that Indigenous communities experienced when well-educated and highly motivated members of the community leave.

There were divided opinions among the interviewees on the effects of consensus and majority vote. Indigenous interviewees and Design Workshop participants, as we noted in the previous sub-section, noted their desire for consensus decision-making. However, some people expressed the opinion that consensus decision-making may over complicate management and delay a co-operative’s ability to react on grave matters. Either methods of reaching a decision may have pros and cons depending on the issue of decision that is being voted on. For example, an issue that requires a more rapid response may benefit from a majority vote. Alternatively, a complicated issue that requires stringent analysis and careful consideration may benefit from the debate that arises from reaching a consensus

## Conclusion

In the end, the co-operative can confer benefits to Indigenous people, who have been a historically disadvantaged group in society. The principles embedded in the co-operative model align very well with the existing values and traditions of Indigenous peoples. Because of this, it was not difficult for proponents of the co-operative model to convince Indigenous people to consider creating or converting their existing operation into a co-operative. However, other challenges inhibit Indigenous peoples from doing so. Namely, the lack of capital, experience in operating a business, and lack of outside expertise may hinder the development of Indigenous co-operatives. Alternatively, the Indigenous community, as reflected by the people we spoke with, possesses a strong desire to improve the living conditions in their respective communities. There was no shortage of leadership, and they are willing to



create alliances with non-Indigenous people to promote change. These are strong indications that strategic support from the government, the community, and the private sector may help improve the adverse situation.

We also recognize that the co-operative model needs to be re-modified to satisfy the needs of Indigenous peoples today. Indigenous peoples are in a unique situation with additional requirements, which requires the modification of the traditional co-operative model. In addition to satisfying the socio-economic, cultural, and self-sustaining needs of Indigenous peoples, an Indigenous co-operative model may also work as a reconciliatory tool that could

build alliances between Indigenous and non-Indigenous peoples. It may also be used to help the immediate community as well as extend influence on the government and the creation of laws and policies.

We also recognize that it may be impossible to create a singular model that will fit all Indigenous peoples' needs. As we observed in the Design Workshop, each group identified different problems they would like to solve and different ways of governing their activities. Nevertheless, the lessons we learned from the interview and the observations we made in the Design Workshop may serve as guidelines in the creation of an Indigenous Co-operative Model.



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