

SUCCESSFUL INDIGENOUS BUSINESS

# What it Takes

Case Study /  
Springbank Offstream Reservoir (SR1)









**We know what it takes  
for our businesses  
to succeed”**

– Tracy Day Chief,  
Owner, Chief’s Construction

# A FOUNDATION FOR **INDIGENOUS BUSINESS SUCCESS**

## It Takes / **VISION AND COMMITMENT**

We know that entrepreneurship drives economic prosperity for First Nations communities across Canada. And yet, these same business owners face high barriers accessing financing and business support from mainstream lenders.

Tackling these disparities on behalf of a growing and vibrant Indigenous workforce is the focus of the National Aboriginal Capital Corporations Association (NACCA) and its network of 50-plus Indigenous Financial Institutions (IFI).

At Indian Business Corporation (IBC), an IFI based in Calgary, we've seen consistent growth in demand for our developmental lending services, which combine small business financing (loans and grants) with a range of supports to see that our clients' businesses succeed.

And when they do, we know we're having positive social and economic impacts on the business owner, their family and also on their community.

When you multiply the experience of IBC by the more than 50 IFIs across Canada you begin to appreciate the full impact of NACCA's national network of developmental lenders.

We've prepared this report with examples from IBC clients to illustrate how developmental lending programs delivered by NACCA are levelling the playing field for talented Indigenous entrepreneurs across Canada.

### **Truth and Reconciliation**

In 2015, the Truth and Reconciliation Commission (TRC) of Canada tabled its Calls to Action with an appeal to corporations and governments to build respectful relationships, to consult with Indigenous people and to obtain consent before proceeding with development projects on traditional native land. The TRC asked that Indigenous people gain equitable access to jobs, training and education opportunities and that their communities gain long-term sustainable benefits from such projects.

When I first read these Calls to Action nine years ago, I must admit I was skeptical. Today, large infrastructure projects like Calgary's Springbank Off-Stream Reservoir (SR1) provide important examples to observe the role of government, of proponents like engineering and construction giant VINCI, of social finance intermediaries like IBC and, ultimately, the impact of our combined efforts on Indigenous people seeking jobs, skills training and economic opportunities.

### **Jack Royal**

President, Indian Business Corporation

Director, National Aboriginal Capital Corporations Association





**Major projects like Calgary's SR1 are special opportunities for governments, contractors and Indigenous Finance Institutions"**

– Jack Royal,  
President of IBC, Director of NACCA



CASE STUDY /  
**SPRINGBANK  
OFF-STREAM  
RESERVOIR (SR1)**



## It Takes / **SEIZING OPPORTUNITIES**

A devastating 2013 flood caused widespread damage in several communities along the Bow River, Elbow River and the Oldman River basins. In Calgary, flooding involved the evacuation of over 75,000 people with total damage of over \$5 billion. After the flood, Alberta made a plan to build the Springbank Off-stream Reservoir (SR1) — a major project to store water during the next big flood and mitigate the risk of another significant natural disaster.

The SR1 project, scheduled for completion in 2025, involves moving approximately five million cubic metres of dirt to construct an earthen dam four kilometres long and 30 metres high, and a four kilometre diversion channel.

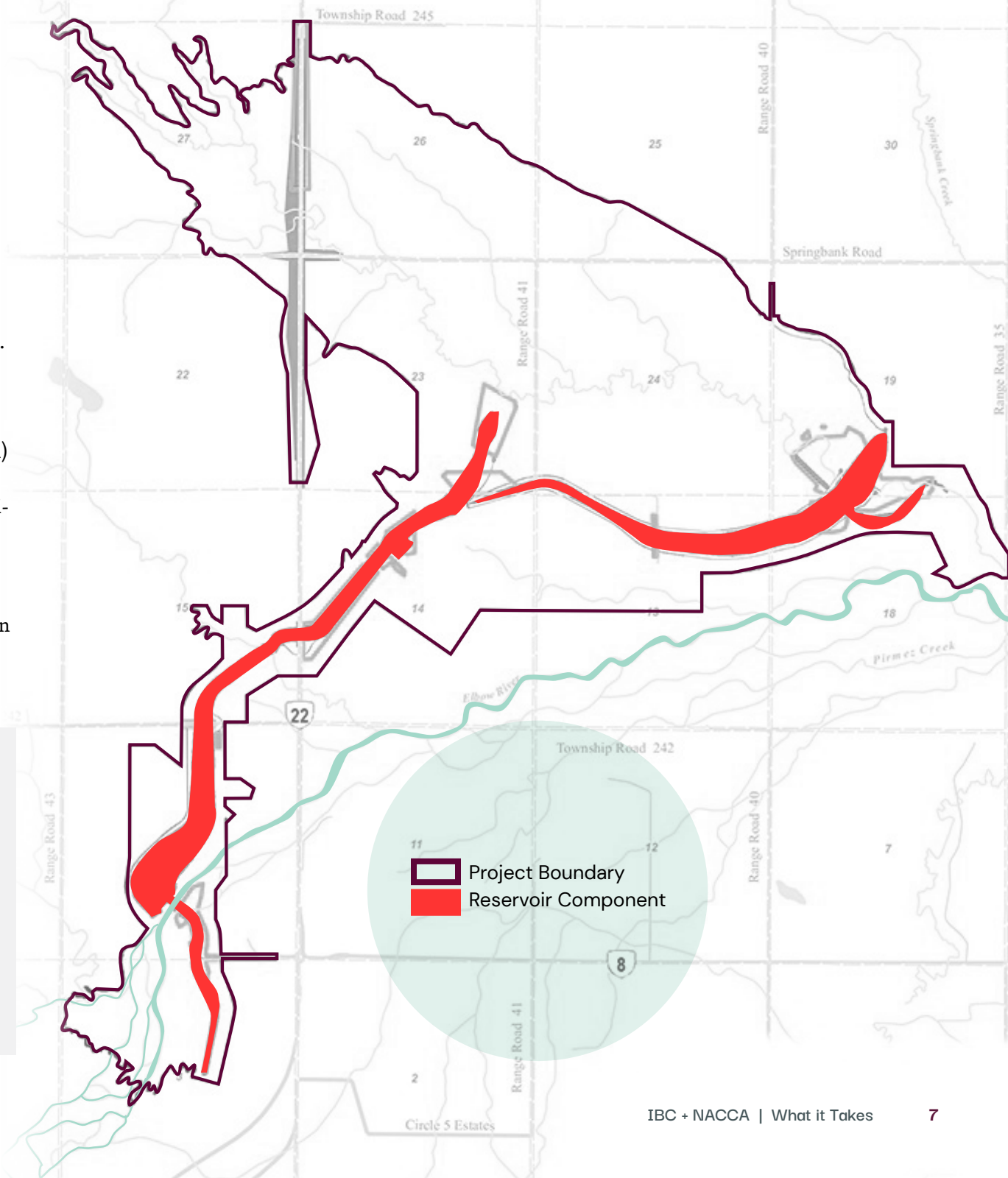
### **SPRINGBANK OFF-STREAM RESERVOIR (SR1)**

**Cost:** Set to cost a total of \$744 million, SR1 is one of the largest provincially funded infrastructure projects in Alberta history.

**Size:** 3,700 acres

**Duration:** 2022 – 2025

**Jobs Created:** 300





**We know the  
business advantage of  
a diverse workforce”**

– Trev Ruberry,  
Indigenous Liaison, VINCI Geolnfrastructure





KIEMSTĪN XWEXWĒYT BE STSMĒMĒLT  
EVERY  
CHILD  
MATTERS

# A THREE-PART ECOSYSTEM

It Takes /

## GOVERNMENT COMMITMENT TO INDIGENOUS INCLUSION

The planning for SR1 was set against a backdrop of major Indigenous milestones. In 2015, the Truth and Reconciliation Commission of Canada tabled its report and Calls to Action. On June 21, 2021, Canada signed into law the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) recognizing the inherent rights and sovereignty of Indigenous nations.

The government of Alberta recognized the scope and nature of SR1 required significant consultation. In the project's planning stages, the Alberta Ministry of Transportation met with First Nations communities within Treaty 6 and Treaty 7, and the Métis Nation of Alberta-Region 3 to encourage the participation of Indigenous subcontractors.

It Takes /

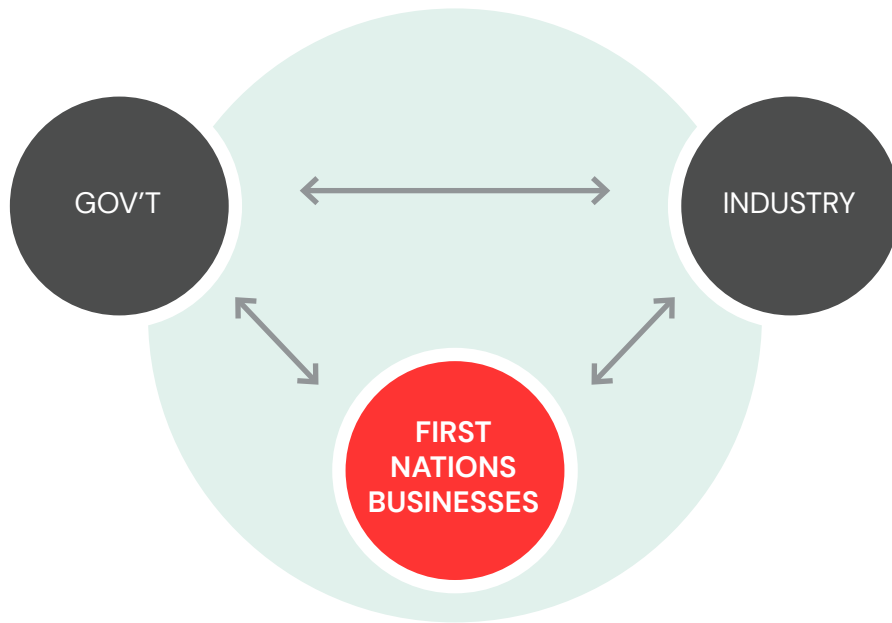
## BUSINESS LEADERS WHO EMBRACE RECONCILIATION

In 2022, VINCI GeoInfrastructure was selected as the prime contractor for the SR1 project. The VINCI Group from France is one of the largest construction companies in the world. Although relatively new to Canada, VINCI employs more than 5,000 Canadians.

From the outset, the government of Alberta made Indigenous hiring at SR1 a priority and obliged VINCI as prime contractor to engage meaningfully with Indigenous subcontractors. VINCI committed to building capacity and equity with a significant Indigenous workforce while respecting the land and consulting Indigenous knowledge from their own employees and from the community around SR1.

“VINCI, I have to say, are the guys that really gave the native contractors a fair shot at getting to work on such a big project,” says Tracy Day Chief from Chief's Construction, the lead Indigenous subcontractor on the SR1 project. “The Indigenous subcontractors are the first guys to get called. There is a big difference in how VINCI operates compared to other prime contractors we've worked with. It isn't necessarily about racism, it's just that it's really hard to work with the other companies.





They don't seem to want you around. If it's a joint venture, they just want your contract and they'll give you a hell of a rough time so you get frustrated and you walk away. VINCI, on the other hand, they help you. They want this job done and they let you do your work."

The SR1 site is located near the Tsuut'ina Nation reserve, on Tsuut'ina Nation ancestral territory. "They told us, 'You guys are actually disturbing the rivers and the river spirit, and the river must be respected. It's part of our land, and there is a spirit in the river that you need to consult if you are going to disturb it,'" explains Hubert Le Miere, SR1 Project Director from VINCI. "We were invited to participate in a ceremony where we prayed for the river to be quiet for the length of the project to avoid another flood before the SR1 project is complete."

## It Takes / **A SKILLED & AMBITIOUS INDIGENOUS WORKFORCE**

As the prime contractor VINCI, was given the opportunity to work directly with each of the First Nations that were granted access to the SR1 project during its planning phase — with no intermediary.

The success of this relationship relied on the nation having experienced Indigenous contractors within their community. In the case of the Blood Tribe, they had local contractor Chief's Construction ready to mobilize equipment and skilled workers. In other cases where nations did not have an experienced subcontractor from their community they would typically establish a joint venture with non-Indigenous trades to fulfil their part of the contract. "We have noted this approach does not work as well in terms of building equity, diversity and inclusion", says Hubert Le Miere.

"We were very fortunate to have highly skilled Indigenous subcontractors like Tracy and Beth Day Chief from Chief's Construction to fulfil a significant part of the project and to serve as role models to aspiring subcontractors," says Le Miere. "Chief's Construction has played an essential role in helping VINCI build an Indigenous workforce."

# INDIGENOUS DEVELOPMENTAL LENDING

## It Takes / ACCESS TO CAPITAL

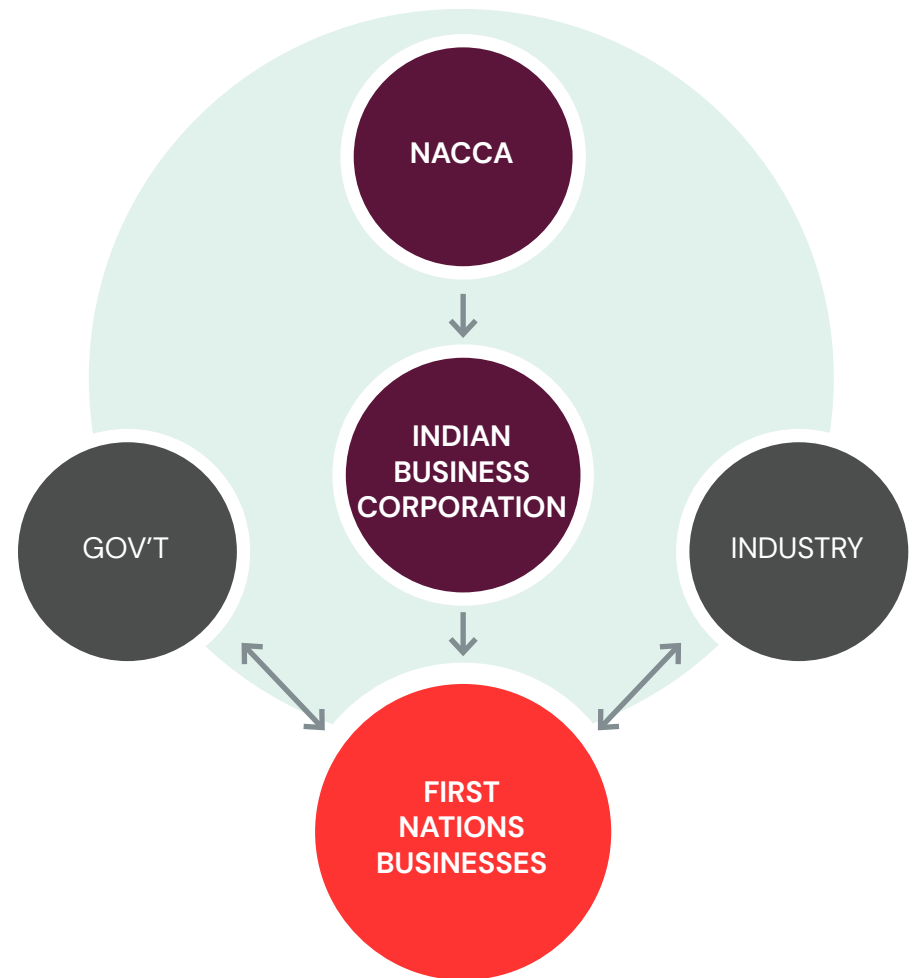
IBC is on a mission to see that every viable First Nations business in the territories of Treaties 6, 7 and 8 has the capital they need to grow and the support they need to thrive.

We are successful at developmental lending precisely because of the local knowledge we bring to every loan decision we make.

After nearly 40 years financing First Nations entrepreneurs in Western Canada, we've witnessed the many positive outcomes that occur when our clients, the majority of whom live on reserve, gain fair access to financing and other supports.

### Building Social Value Chains

For 10 years, IBC has tracked and reported on the social and economic inputs and the outcomes related to our small business loans. For this report IBC has partnered with the National Aboriginal Capital Corporations Association (NACCA) to tell the broader story of how developmental lending supports individual business owners and helps build social value chains to bring more Indigenous entrepreneurs into the economy. Calgary's Springbank Off-stream Reservoir (SR1), a mega infrastructure project, provides the opportunity to tell this bigger story.



### Indigenous Developmental Lending

Indigenous developmental lending starts with offering fair access to capital, access to business, technical and social support, and assistance navigating industry and government regulatory and administrative hurdles. In the case of SR1, IBC jumped into negotiating a more realistic bonding requirement which made it possible for Indigenous contractors to get to work. Taken together, these tools create a social value chain that levels the playing field for First Nations businesses.



Tracy  
Day Chief



## It takes / **WRAPAROUND SUPPORT**

“Since the early 2000s, IBC has helped us with financing for heavy equipment when other lenders wouldn’t talk to u,” says Tracy Day Chief. “And we have been successful at paying off our loans. This time the loan was a performance bond, not a piece of equipment, and therefore was a higher risk, but they went for it and we’ve been successful to the point that IBC has been able to take back their security deposit.”

“Chief Construction is Indigenous-owned and operated,” says Rob Rollingson, former IBC general manager. “Chief Construction’s employees are largely Indigenous (85 per cent). Employee income earned at SR1 and other projects makes a direct line back to their home communities and families. When we consider the jobs Tracy and Beth have created for their own kids and for other community members, it’s easy to see how IBC’s ‘whatever it takes’ support reaches way beyond the individual loan customer. In developmental lending, the question we often ask is: what’s the risk if we don’t make this loan or provide this support.”

### **CHIEF’S CONSTRUCTION**

Business: Heavy equipment, site preparation, road construction

Owners: Beth and Tracy Day Chief

Location: Stand Off, Blood Reserve, Alta

Founded: 1991

Equipment: 30 pieces: excavators, water and rock trucks, dozers, etc.

# POSITIVE SOCIAL AND ECONOMIC OUTCOMES

It Takes /

## INDIGENOUS FINANCIAL INSTITUTIONS LIKE IBC

### IBC loan customers are long-standing and satisfied

**61%** of survey respondents have been IBC customers for five to 20+ years

**99%** of customers are satisfied that IBC is serving their business needs

**89%** rated the IBC customer experience as excellent, very good or good

**98%** of customers would recommend IBC to their family, friends or other community members

“I have done business with them since I started, basically, and I know that they will back me up and help me to move forward with the things that I do next. I don’t have to wonder if I can get help.”

### IBC provides the right services and supports

**87%** assistance with completing grant applications

**49%** developing business plans

**36%** help understanding financial statements and information

**18%** assistance preparing financial statements

**13%** help understanding legal information

“IBC’s intention is to actually make the business loan a reality and to help you get started and advise you.”

### IBC provides what mainstream banks will not

**48%** of customers were not successful in securing business or personal financing from mainstream lending institutions in the past

“The relationship is with a person. IBC cares about our well-being and success. To a bank you are a nobody.”

**93%** of customers find twice annual visits and regular contact with IBC loan managers a valuable part of IBC service

“I have a personal relationship with IBC. They come to events in Siksika like powwows — I never see the banks do stuff like that.”





Our small business employs people from the reserve, offering employment opportunities, and we try to utilize suppliers on reserve to help create an economy.”

### IBC customers experience positive social and economic impacts from access to capital and being supported to start or grow their business

**86%** of survey respondents reported that IBC had an impact on their family, children

“My children have been able to watch me set goals and hit them through being able to start my own firm. My children have seen that all goals are attainable.”

**68%** of survey respondents felt that IBC helped create a positive change in their communities

“100% — I can team up with other family members who own businesses. We can teach each other about business and we have grown closer together.”

**56%** of survey respondents reported an increase in their household income since becoming an IBC customer

**\$56,868** was the average increase in household income reported by 25 of these respondents

“The standard of living has increased for those who are succeeding with the assistance of IBC.”



Since 1988, IBC has provided business loans and support services to 1,400 customers, lending over \$105 million in the past 35 years. IBC’s current loan capital stands at \$15M.

In the summer of 2023, IBC contacted 105 of its current 181 loan customers through a telephone survey. This is what we heard about the difference IBC makes.

# WHERE **OPPORTUNITY** MEETS **AMBITION**

## It takes / **INDIGENOUS LEADERSHIP**

On a bright, sunny day at the Grey Eagle Resort and Casino in Calgary, trades people from across Western Canada gather at a job fair hosted by Treaty 7 Community Futures Development Corporation. At a booth hosted by Chief's Construction, Beth Day Chief speaks to a large group seeking work on the SR1 project.

Beth starts by sharing some company history: “We began in the late 1980s with one tandem truck and quickly learned we couldn’t survive with just one gravel truck. We had to offer a wider range of services to keep operating year round. In 1991, there was a project on our reserve — The Blood Tribe Agricultural Project involving irrigation infrastructure and building construction — that provided opportunities to expand our business. So we began to expand as new opportunities came to our reserve. Today, we have over 30 pieces of heavy equipment including rock trucks, dozers, excavators, water trucks, etc.”

In her speech, Beth explains: “We really want to put our people to work. Keep in mind, the process of getting here today for our company has been a long process. We were contacted by our tribal government a couple of years ago about SR1 and were asked to submit our company profile to Alberta Transportation. We’d done this many times before and nothing ever came of it. That’s where it ended. So with that being said, I want to thank the Alberta Ministry of Transportation for finally real-

izing the significance of First Nations companies, and subcontractors like all of you, being given the opportunity to work on a project like SR1. In a time of reconciliation, we thank you. We are paving the way for future generations of First Nations business owners, and we are very proud of the fact we are 100 per cent native-owned and -operated. So remember, you might start operating a piece of equipment for someone else, but always look at the bigger picture. It could lead to purchasing a new piece of equipment and down the road you might own your own company and be a subcontractor to a big company like VINCI.”

Beth has some final words of advice for the job seekers: “When you work, try to strive for perfection. Remember that you are representing a company and behind that company are owners who take great pride in their reputation. Remember, your reputation precedes you.”



**We know  
what it takes  
to create a culture  
of Indigenous  
business success”**

– Beth Day Chief, Chief’s Construction



# BETTER LIVES FOR PEOPLE, FAMILIES & COMMUNITIES

It takes /

## COURAGE TO PUT YOURSELF OUT THERE



### Buddy Day Chief

Chief's Construction

"I was 14 when I started working with my dad on heavy equipment. My parents were strict. I played hockey, worked hard at school. Being around strict people put me in that lifestyle where I would arrive early and stay late. My parents taught me about hard work!

Now I have people asking me for advice on how to get into the trades, or heavy equipment. My best advice is to start small, like a bobcat or a skid steer, and work your way up to a small backhoe or excavator and try to find small gigs like coal or bailing. And when you start feeling more comfortable that's when you start progressing to bigger machines and bigger jobs.

Learning this business is definitely a big step. For us, as Aboriginal people, we're quiet and solitary people. And there's been a lot of us, reluctant to venture off the reserve because of the stories of residential schools and racism and everything that comes with it. They are brave to get out here on a job like SR1 and prove to themselves and others that they can succeed."

Buddy Day Chief

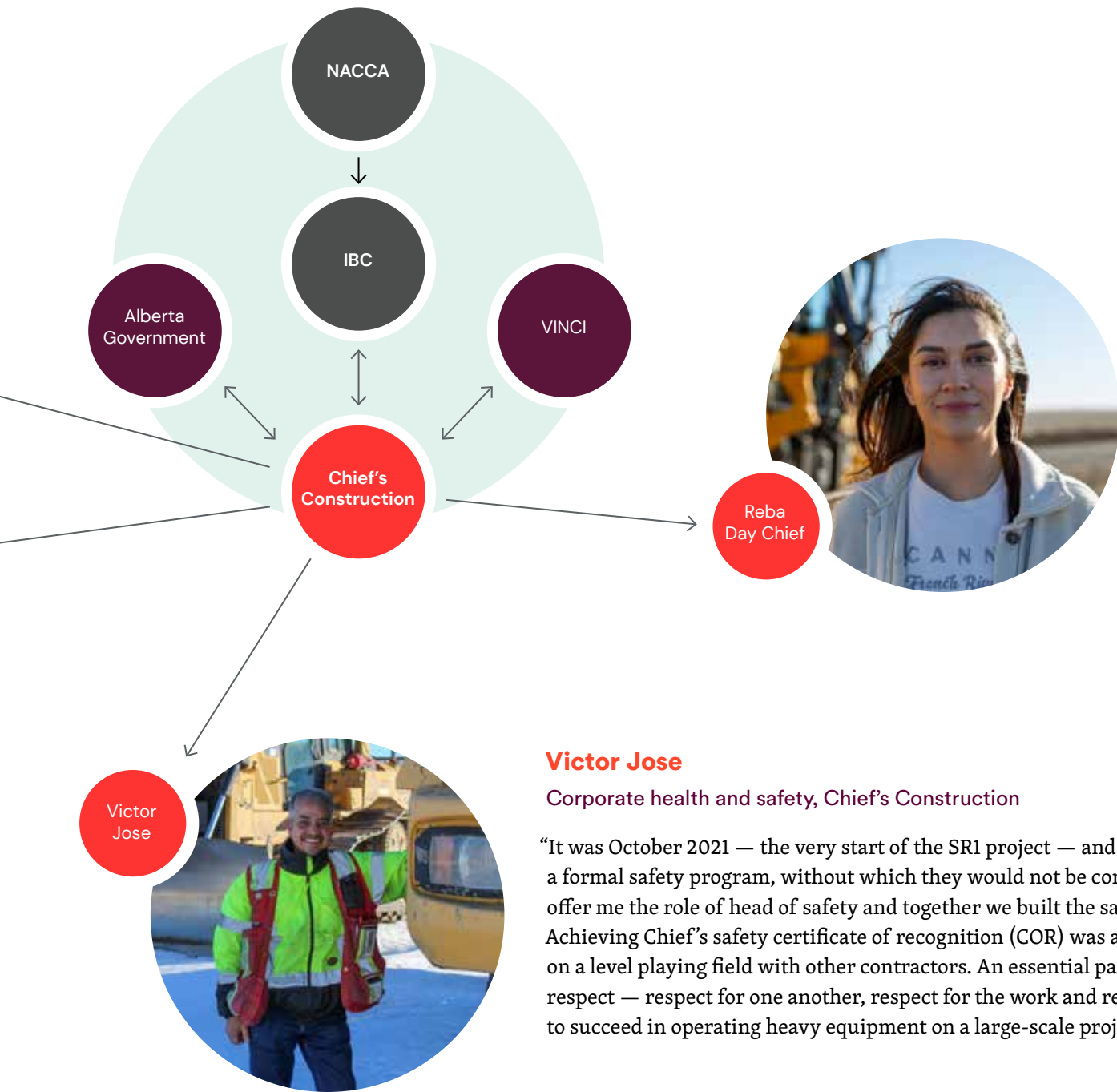


Mike Kregel

### Mike Kregel

Certified heavy-equipment mechanic, Baskel Mechanical

Originally from The Netherlands, Mike serves as lead mechanic, responsible for keeping Chief's 30-plus pieces of heavy equipment in good working order. He's an essential part of the team and Chief's success at SR1. "I've been with Tracy for nearly five years now," says Mike. "There's a lot of trust in our relationship, which allows us to move quickly and get down to work. I like working with Tracy. Our companies are doing well together."



**Reba Day Chief**  
 Chief's Construction

“It seems like every time I tried a different career direction I’d always end up back in the family business. I started off by helping my mom with paperwork for Chief’s Construction and eventually I got certified to operate a rock truck and began working with my dad at the SR1 project. My fiance is also a certified operator with a rock truck up at SR1. Before I went to preschool my dad would take me to work and I would ride in the machines with him. You could say I was born to do this work.”

**Victor Jose**  
 Corporate health and safety, Chief's Construction

“It was October 2021 — the very start of the SR1 project — and Chief’s Construction did not yet have a formal safety program, without which they would not be considered for the job. Tracy called to offer me the role of head of safety and together we built the safety program from the ground up. Achieving Chief’s safety certificate of recognition (COR) was a significant achievement, putting us on a level playing field with other contractors. An essential part of building a culture of safety is respect — respect for one another, respect for the work and respect for safety itself. It’s the only way to succeed in operating heavy equipment on a large-scale project like SR1.”

# A MORE **SUCCESSFUL CANADA**

## It takes / **INDIGENOUS PROSPERITY**

The National Aboriginal Capital Corporations Association (NACCA), represents a national ecosystem of more than 50 Indigenous Financial Institutions (IFIs) stimulating economic prosperity for Indigenous people across Canada.

NACCA's fundamental role is to advocate on behalf of its IFI members, seeking additional sources of loan capital and program funding and supporting best-practice developmental lending across our network.

Lending is one important part of what we do. Over our 38-year history, our network has combined to deliver more than 52,700 loans totaling \$3.3 billion to businesses owned by First Nations, Métis, and Inuit people. In Alberta, there are five IFIs providing small business loans and grants to Indigenous entrepreneurs, many of whom live on reserve.

A second, equally important part of our work, is the support our network provides to individual business owners. IFIs level the playing field so Indigenous businesses can compete fairly. In the case of Chief's Construction at SR1, they almost didn't get the work until the local IFI (Indian Business Corporation) stepped in to negotiate a performance bond, which involved putting up a large cash security deposit, as the bonding process is difficult for many Indigenous businesses.

A third priority for NACCA is to maximize the social impact that IFIs have within their communities. We know what it takes! Developmental lending delivered by the IFI network connects people to the economy, increases household incomes and improves the lives of individual entrepreneurs, their families and their communities. This SR1 case study illustrates the positive ripple effect that occurs when a prime contractor hires an Indigenous subcontractor who is then able to hire other subcontractors. The social and economic impact is felt deep in the local community.

Publicly funded major projects like Alberta's SR1 can be hugely successful — when they are met with approval from local Indigenous communities and when they effectively engage small- and medium-sized businesses to supply skilled labour. Across the IFI network, we have witnessed the impact of these projects at the level of the individual business owner. We believe these major projects represent special opportunities to achieve meaningful economic reconciliation with Indigenous people, addressing the TRC Calls to Action #92.





**When we invest  
in the Indigenous  
community,  
all of Canada  
prosper<sup>s</sup>**

– Shannin Metatawabin, CEO  
National Aboriginal Capital Corporations  
Association (NACCA)



# COMING TO TERMS WITH **THE PAST**

## It takes / **RECONCILIATION**

We call upon the corporate sector in Canada to adopt the UN Declaration on the Rights of Indigenous Peoples as a reconciliation framework and to apply its principles, norms and standards to corporate policy and core operational activities involving Indigenous peoples and their lands and resources including, but not limited to, the following:

1. Commit to meaningful consultation, building respectful relationships and obtaining the free, prior and informed consent of Indigenous peoples before proceeding with economic development projects.
2. Ensure that Aboriginal peoples have equitable access to jobs, training and education opportunities in the corporate sector, and that Aboriginal communities gain long-term sustainable benefits from economic development projects.
3. Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, treaties and Aboriginal rights, Indigenous law and Aboriginal-Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights and anti-racism.

#92 — We call upon the corporate sector in Canada to adopt the UN Declaration on the Rights of Indigenous Peoples as a reconciliation framework and to apply its principles, norms and standards to corporate policy and core operational activities

(Truth and Reconciliation Commission of Canada: Calls to Action, 2015)





**We've experienced the positive social impact of good policy. It begins in Ottawa and makes its way to our community"**

– Tracy Day Chief, Owner, Chief's Construction







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IBC is a First Nations owned developmental lender serving Western Canada (Treaties 6, 7 & 8). We provide solutions for long-term and sustainable economic development.

Our previous outcome reports:

- Social and Economic Outcomes Report 2015
- Social and Economic Outcomes Report 2018
- Indigenous Business Women 2019
- Dignity Report 2021



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NACCA, the National Aboriginal Capital Corporations Association, is a network of over 50 Indigenous Financial Institutions (IFIs) dedicated to stimulating economic growth for all Indigenous people in Canada.

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