

Indigenous Leadership: Governance and Development Project

Case Study

Pasqua First Nation | PFN Group of Companies

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One of the key actions in Saskatchewan's Growth Plan 2020-2030 is to grow Indigenous participation in the economy. The success of this action depends on Indigenous nations in Saskatchewan building and maintaining their economic development activities. The Indigenous Leadership: Governance and Development project provides made-in-Saskatchewan tools for Indigenous communities to build the governance foundation that will support long-term economic development. An important part of the project involves capturing the experience of Saskatchewan Indigenous communities through case studies and toolkits based on this experience.

The case study in this document was developed by a team of researchers and their affiliates at the Johnson Shoyama Graduate School of Public Policy at the University of Saskatchewan. The project is funded by the Government of Saskatchewan's Ministry of Trade and Export Development.

The case studies are designed to be used first and foremost by Indigenous communities across Saskatchewan. The premise of the work is that economic development stories need to be shared among those involved in economic development, both in the community where the economic development activities take place and in other communities looking to undertake economic development. It is important to focus on what has and has not worked. One of the long-term goals is to develop a set of resources that is Indigenous-led and available to Indigenous communities across the province and the country. The cases may also be used as governance training components and/or strategic planning exercises, as well as in teaching.

The case studies combine material from websites and other publicly available sources with material gathered through interviews with leaders and representatives involved in economic development activities. The interviews last between two and four hours and involve a small group of economic development leaders in the community. The questions asked focus solely on the corporate entities and activities that have been developed, and those interviewed are asked questions in their role as a corporate leader.

When approaching community leaders and representatives, we begin with an informal discussion. If the leaders and representatives indicate an interest in participating, we proceed with sending them a formal letter of introduction, which they can use to obtain official permission to proceed. We know communities receive many requests for information, and they do not always see the results of the work that is undertaken. Our goal is to ensure that the case study is shared with the community in a way that is beneficial. To this end, a draft of the case study is shared with the community, and the case study is not finalized until the community gives its agreement. Once a set of case studies have been developed, leaders from the communities involved will be given the opportunity to discuss the findings.

We would like to thank the leaders and representatives for their time and effort. Their knowledge and insights are critical to understanding economic development in Indigenous communities.

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Pasqua First Nation | PFN Group of Companies

Building to Last

Overview and Key Learnings

- In its early years, the Pasqua First Nation Group of Companies (PFNGOC) was primarily a “joint venture” company designed to meet the demand for indigenous partners by non-Indigenous companies seeking to win competitive bids that required Indigenous participation.
- Many of these joint ventures provided minimal benefits, with no long-term development opportunities after the project was completed.
- While the demand for Indigenous partners to enhance bids on projects still exists, PFNGOC now negotiates elements in the partnership agreement that are more meaningful to the needs of the Nation and that provide for future business opportunities.
- A part of PFNGOC’s official mandate is to promote workforce development and jobs for Pasqua’s citizens. Further to that, PFN Group of Companies is expected to create wealth for the Nation and cash to support the Nation’s development agenda.
- PFNGOC has made significant investments in metal fabrication, property development, security services, renewable energy, and agriculture. It has also acquired the management capacity so it can self-perform.
- PFNGOC now serves both the internal community and external off-reserve markets.
- PFNGOC is committed to long-term sustainability and growth.

Background and History

Pasqua First Nation (PFN) is a Saulteaux and Cree First Nation situated 60 km northeast of Regina, Saskatchewan. PFN has approximately 2,700 members, with just over two-thirds living off-reserve, and is a member of the File Hills Qu'Appelle Tribal Council (FHQTC) in Treaty 4 Territory. Established in 1876, two years after the signing of Treaty 4 in 1874, the band's inaugural Chief, Chief Pasqua, played a significant role as a negotiator and signatory to Treaty 4.

PFN historically followed the hereditary leadership model. Following Chief Pasqua's death in 1889, PFN was without a chief for 22 years. Although PFN resisted the adoption of the Indian Act governance system for many years, they eventually relented. Chief Henry Johns was the first elected chief of PFN.

The current chief, Matthew T. Peigan, has held the position for two separate periods. He initially served from 1993 to 2001. After a 10-year hiatus, he was re-elected in 2011. Chief Peigan is a staunch supporter of economic development. He envisions the establishment of economic initiatives that are resilient to changes in leadership.

PFN Group of Companies (PFNGOC)

PFNGOC was established in 2012 and is the General Partner in PFNGOC Limited Partnership (PFNGOC-LP). As the parent company, PFNGOC is responsible for creating, managing, and overseeing the subsidiary companies and businesses owned by PFNGOC-LP.

PFNGOC’s CEO is Richard Missens, a band member and former business professor with the First Nations University of Canada. He began his role in 2019. As CEO, Missens is responsible for the strategic direction

and overall performance of the subsidiaries, ensuring that they meet their objectives and deliver value to the Nation and its citizens.

PFN's business involvement began with K+S Potash Canada (KSPC), a subsidiary of the K+S Group. KSPC operates the Bethune solution potash mine in Saskatchewan, extracting potash crude salt for processing into potassium chloride. In 2012, KSPC, recognizing the value of positive relationships with local Indigenous communities, began working with Indigenous-owned or partnered companies within their catchment area.

As part of the initiative, PFNGOC established joint ventures and memoranda of understanding with multiple suppliers within the K+S supply chain, securing contracts for services like scaffolding, security, and painting. However, these business collaborations ended once the contracts were completed and construction of the K+S Bethune mine was complete.

As the KSPC case indicates, PFNGOC initially was primarily a "joint venture" company designed to meet the demand for indigenous partners by non-Indigenous companies seeking to win competitive bids that required Indigenous participation. However, as Missens notes, many of these joint ventures provided minimal benefits, with no long-term development opportunities after the project was completed.

The demand for Indigenous partners to enhance bids on projects still exists and the PFN Group is still approached by industry seeking Indigenous partners. However, PFNGOC now negotiates elements in the partnership agreement that are more meaningful to the needs of the Nation. To create greater engagement and more opportunities to contribute to the partnership, PGNGOC negotiates participation in decision-making, an increased advocacy role, and the ability to bring JV partners together to discuss collaborative opportunities. PGNGOC designs the partnerships to be long-term and to extend beyond the life of the initiating project, thus creating opportunities for the partners to work together to identify other projects.

The PFN Group of Companies is now designing partnerships where they are the "prime" bidder on projects and have partnership agreements with the industry to get the job done. They are also building partnerships with other First Nation businesses to explore economic opportunities that have mutual benefits.

PFNGOC's core mission is to contribute to the well-being of the Nation and its citizens through the creation of wealth, profits, and employment and training opportunities. Key principles guiding PFNGOC's operations include unity, co-operation, partnership, communication, transparency, and accountability. PFNGOC is committed to upholding traditional values and treaties. PFNGOC's strategy is focused on leveraging land claims for economic development and generating wealth and employment through diverse investments, real estate holdings, and asset development projects, ultimately creating employment opportunities.

Governance

In February 2020, a seven-member independent board of directors for PFNGOC was appointed by PFN's Chief and Council to represent the interests of the shareholders – i.e., the Nation and its citizens. The board guides the CEO and management team on the business and its subsidiaries. They also approve the policies of the company and oversee its strategic direction.

Even when there is a turnover in leadership, we're committed to sustaining the success of our ventures. To safeguard our businesses, we established an independent board of directors.

Chief Todd Peigan

The PFNGOC's board includes a gender balance of both Indigenous and non-Indigenous members along with two elders from the Nation. The board members were selected based on the knowledge and experience required to oversee a successful company operating in a variety of Industries. Chief Peigan is the Chair of the board. There are also two elected council portfolio holders who typically attend meetings but do not participate in voting on decisions.

The formal mandate of PFNGOC is to:

- (1) Create profits that can flow back into the nation to assist the Council in advancing its community development agenda such as delivering programs, services, and projects that contribute to the well-being of citizens.
- (2) Create and build the wealth of the Nation through such things as financial investments, buildings and equipment, real property, and community infrastructure.
- (3) Create employment and training opportunities for the Nation's citizens.

Additionally, the PFN Group of Companies operates under internal and informal mandates aimed at fostering good corporate citizenship, providing financial support to community groups, building a sense of pride for Pasqua citizens, providing regular reports to the Nation's citizens, and establishing effective systems of good corporate governance.

I can't say enough about having qualified, experienced, trained management. You must pay for that kind of skill and experience. Don't be afraid to invest the money and see it as an investment and not an expense. Those qualified individuals are going to advance your economic development agenda.

Richard Missens, PFNGOC CEO

100 Percent Owned Businesses

Tire Business

The tire shop is operated out of PFN's public works facility. The public works' employees provide the labour, which is approximately 10-15 percent of their time, for the sale, service, and repair of tires for customers. The business operates by earning a modest margin on bulk tire purchases while providing affordable tires (and services) to the community. The plan is to develop the tire shop as a stand-alone

business independent of public works.

Pro Metal Industries

Based in Regina, Saskatchewan, Pro Metal Industries provides precision and custom manufacturing, assembly, and fabrication services in Western Canada. The business was purchased by PFN in 2015. The company has experienced significant growth in the past five years by increasing its sales and marketing effort in local markets and by introducing a successful market development campaign to identify new customers in industries such as mining, oil and gas, and military and defense. For instance, Pro Metal's first military contract was with General Dynamics Land Systems – an original equipment manufacturing (OEM) specializing in the manufacture of military vehicles.

When you look at World War I, World War II, the Vietnam War, and the Korean War, those weren't our wars, yet our Indigenous soldiers, our Indigenous men and women, stepped up to defend their families and their land. They didn't step up to defend the government of the day. They stepped up to defend their people. That sacredness of our homelands. When we get into the defense contracts, our mindset is to help in creating the tools for our soldiers, our Indigenous soldiers, when that time comes when they're called upon. Shouldn't we be involved with providing the best equipment possible so that they could come home and, and that's how we look at it and industries are that we're providing the necessary tools to help our membership help our Indigenous people when they're called to action.

Chief Todd Peigan

Pro Metal Industries now offers a full suite of products and services and caters to a diverse range of industries including oil and gas, mining, government, utilities, military and defense, agriculture, and clean technology. The recent establishment of a powder coat painting paint shop has markedly improved Pro Metal Industries' operational efficiency by addressing internal bottlenecks and lowering outsourcing costs. The company has also completed construction of a new 50,000-square-foot facility in Regina (for a documentary of Pro Metal Industries' journey, see Pro Metal 2024). According to Missens, the new facility is designed to be more responsive to customers, including increased capacity, improved precision and quality, better turnaround times on completed work, and improved price competitiveness.

Sage Pro Protect

Sage Pro Protect is a division of Pro Metal specializing in protective products. Born out of COVID-19, the division's first products included touchless hand sanitizer stands, portable hand washing stations, plexiglass barriers and shields, and classroom "Sugar Cubes" that were installed at student workstations in the classroom. Sage Pro Protect provides turnkey solutions to combat the spread of infectious diseases in schools, communities, and businesses.

PFN Land Acquisitions Inc.

Established in 2019, PFN Land Acquisition Ltd is a property management company that holds title to the

Nation's corporate real estate and buildings. Under the management of PFNGOC, PFN Land Acquisition Ltd oversees the purchase of land and buildings, maintenance of buildings, land & building leases/rents, and land improvements. Currently, the company manages approximately 1,340 acres of agricultural land and 40 acres of commercial land in Saskatchewan.

Paskwa Pit Stop

The Paskwa Pit Stop has been in operation for over two decades, serving PFN and neighboring First Nations with basic products and services such as fuel, tobacco, lottery, household products, and convenience goods. Managed by approximately nine full-time and part-time employees, the store consistently generates a profit.

The ownership of the Pit Stop was transferred from the Nation to the PFNGOC in 2019. The Paskwa Pit Stop GP Inc. was incorporated in 2021 along with the Limited Partnership. The Pit Stop will be undergoing an expansion and renovation focused on building upgrades, new fuel tanks and pumps, and greater product selection. The expansion and development initiative "C-store Plus" will introduce new product lines beyond convenience goods, including fresh fruits and vegetables, meats, and other grocery products targeted at the 250 households on reserve. It is expected the "C-Store Plus" strategy will increase sales by two and one-half times within five years.

Paskwa Farms

Recently incorporated, Paskwa Farms Ltd. is wholly owned by PFNGOC. Paskwa Farms marks the Nation's expansion into agriculture. The company, under the vision as a "food company", will begin with a grain and oilseed farming operation and eventually expand to other types of food production such as poultry, vegetables, beef, and bison.

Currently, the Pasqua First Nation possesses over 11,000 acres of arable farmland. Until this year (2024), all the land was leased out to non-band member farmers. Paskwa Farms Ltd will begin farming approximately 3,400 acres of this land, with a goal to eventually farm all of it. Further, under the Treaty Land Entitlement agreement with Canada, Pasqua has the potential to purchase another 37,000 acres of land that can be transferred to "reserve" status. It is anticipated that most of this land will be agricultural and will be farmed by Paskwa Farms Ltd.

PFNGOC and its agricultural management team are currently exploring other opportunities in food production and processing, including vegetable greenhouses. The operation will also include value-added food processing, food innovation, Indigenous branding, and sales.

Equity Investments

Atlantis Research Labs Inc.

PFNCOG holds shares in Atlantis Research Labs Inc, a Canadian research and development firm specializing in aerospace, defense, and energy. Atlantis has been actively growing its international patent portfolio, particularly in combustion-related technologies. It is currently developing the next generation of jet combustors for use in the treatment of waste gas in the energy sector.

Atlas Global Brands

PFNGOC holds shares in Atlas Global Brands Inc., a Canadian cannabis company that works with premium growers to offer a variety of top-quality cannabis products. With a focus on consolidation, integration, and international expansion, Atlas' sales span eight international markets.

Partnerships & Joint Ventures

TerraPro

TerraPro is a provider of environmental, access, and terrain protection services in Canada's energy and electrical transmission sectors. TerraPro's products and services include disposal and recycling, soil management, recycled and non-recycled aggregate, civil construction services (e.g., road construction, soil stabilization), and access matting. TerraPro has consistently been recognized as one of Canada's Best Managed Companies since 2014.

Academy Group

Academy is one of the largest pipe spool fabricators in Canada, boasting a facility spanning 110,000 square feet of shop space and 50 acres of laydown area. Academy specializes in all types of fabrication (pipeline, facilities, oilsands, pulp/paper, and pharmaceuticals) and offers a wide range of weld procedures to tackle all types of material grades and thicknesses.

Canadian Security Management

Canadian Security Management (CSM) is a national provider of specialized security services, mine security, labour dispute security, and investigative services. Chief Peigan's vision upon acquiring Pro Metal Industries in 2016 included an aspiration to venture into military defense, recognizing the limited involvement of First Nations in Canada's national defense compared to other sectors. CSM has extended its assistance to clients across various sectors, including national transportation, mining and energy, government, manufacturing, and international finance. Through strategic engagements, CSM has effectively marketed PFNGOC within the defense sector. Additionally, CSM has advocated for Indigenous participation in defense contracts, contributing to efforts to create a national space for First Nations in the industry.

Barrier Group

Barrier Group provides field coatings, tank coatings, welding, pipeline construction, scaffolding, and integrity work in the oil and gas industry in Western Canada. Working across regions, Barrier Group establishes lasting business relationships by exceeding customer expectations through responsiveness and reliability. The company invests in staff training and tools to ensure effective performance and added customer value.

Wrangler Locating Ltd

Established in 2003, Wrangler Locating Ltd. specializes in pipeline and utility locating, as well as third-party auditing, ground disturbance coordination, and 1 Call Management services. Wrangler Locating offers services such as environmental reclamation and remediation, field investigations, GPS surveys, and well-site and pipeline abandonment and decommissioning.

Alexander Valve & Supply

Alexander Valve & Supply is an Indigenous-owned valve management company in Canada dedicated to delivering life-cycle valve solutions to clients while fostering meaningful and sustainable employment opportunities for Indigenous communities across the country.

SITE

SITE is an integrated services contractor operating in Western Canada. The company specializes in providing remote access, environmental and infrastructure construction services, and maintenance. SITE utilizes innovative technologies to improve project performance and outcomes. The company offers a comprehensive range of construction services, focusing on continuous improvement, project planning, quality assurance, and safety.

Every Child Matters

In July 2021, Pro Metal Industries Ltd and PFNGOC launched the Feather Project, aimed at creating and selling artistically designed metal feathers to support Indigenous students in Saskatchewan educational institutions. A total of 2,000 feathers, adorned with Indigenous art and the message "Every Child Matters," were sold, raising \$125,000. The proceeds were donated to Indigenous educational institutions, including the First Nations University of Canada, Saskatchewan Indian Institute of Technologies (SIIT), University of Regina, University of Saskatchewan, and Saskatchewan Polytechnic, to provide bursaries for Indigenous students. Pro Metal Industries and PFNGOC intend to continue this initiative annually, creating new metal art pieces to show support for residential school survivors and assist Indigenous students. With the discovery of over 886 unmarked graves in Saskatchewan, PFNGOC and Pro Metal are urging partners and others to support First Nations and survivors of residential schools. Funds raised will be used to produce grave markers, with any remaining funds directed to the bursary fund in collaboration with partner institutions.

Future

Ensuring food security is a top priority for PFNGOC investment plans, which includes horticulture for year-round fruit and vegetable production, as well as ventures that will diversify the company's products and services within the military and defence industry.

I think about one day when I'm 80 years old and I walk into a band meeting, and I see the Chief and Council. Hopefully, the things I do today, they will see the benefits tomorrow.

Chief Todd Peigan

PFNGOC actively pursues new business opportunities and partnerships. With a focus on the natural resource sector, they are now looking to diversify into industries like tourism/hospitality, agriculture, and import/export where they can contribute to economic growth. PFNGOC welcomes discussions on

potential business ventures and partnerships to benefit their community, neighboring communities, and the people of Saskatchewan.

Since First Nations have the youngest and fastest-growing population in Canada, PFNGOC recognizes the opportunity to address workforce shortages by integrating First Nations people into the workforce. PFNGOC's goal is to enhance the workforce skills and knowledge of First Nations people, thereby benefiting both industry and the community. The PFNGOC Board of Directors is enthusiastic about current and future opportunities and invites industry collaboration in upcoming endeavors.

Leading an Indigenous economic development company comes with a unique set of challenges. We are inextricably linked to the economic well-being of the Nation and the expectations of its citizens and the Council. We are focused on building public wealth as opposed to the majority of other corporations in Canada who focus on private wealth.

Richard Missens, CEO

PFNGOC has established a strong focus on management and corporate structure, effectively balancing political considerations with business objectives. This foundation has been instrumental in launching their initiatives. Moving forward, they are dedicated to refining their product and service offerings to better align with customer demands and preferences.

Being a First Nation corporation involved in economic development has a distinct set of challenges. These include issues such as internal politics and small family politics, as well as external challenges like racism, funding limitations, financing obstacles, and navigating the complexities of the Indian Act. At the same time, there is a growing opportunity for Indigenous companies to participate in the economy. First Nations have long advocated for inclusion in economic activities, prompting governments and corporations to develop policies and create partnerships with Indigenous communities. This emerging trend extends beyond local markets to regional, national, and international opportunities. While local markets remain important, there is a desire to expand beyond them, leveraging local experiences to prepare for broader economic engagement.

A key aspect of the nation's growth strategy involves exploring additional investment opportunities. PFNGOC and Pro Metal Industries have created a Welding Apprenticeship Program sponsoring Pasqua First Nation members through the apprenticeship program while maintaining full time employment at Pro Metal. If this project is successful, we would like to consider this for other hard-to-recruit-for positions. The aim is to identify, train, develop and employ Pasqua members to join Pro Metal Industries and PFNGOC, especially considering the need for additional workforce once our new facility opens.

Treena Amyotte, Business Manager

PFNGOC envisions a future where the decisions made today yield benefits for future generations, emphasizing the importance of making sound decisions now to avoid challenges in the future.

I've always been willing to help my First Nation and I'm a view of I have to help my First Nation not because I'm chief. I must help my First Nation because of the kids, and that's always first and foremost in my mind is our children's future.

Chief Todd Peigan

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