

## **2011 COMMUNITY ECONOMIC DEVELOPER OF THE YEAR AWARD WINNER MEMBERTOU FIRST NATION, NS**



The story of Membertou is nothing short of remarkable. It is a tale of transformation, innovation, and success - one that truly establishes the benchmark for excellence in Aboriginal Economic Development.

### **Transformation**

Like many First Nations in Canada, Membertou once struggled with financial shortfalls, debt, high unemployment rates and low morale. In 1995 the Membertou Band had just 37 employees, and was operating on a \$4 million dollar budget while dealing with a \$1 million dollar annual operating deficit. At that time Membertou did not have had the financial assets to bring about a change, but Chief Terrance Paul and his council recognized that Membertou had great wealth in human assets - the band members. Chief and Council went about recruiting band members back to the reserve who had previously left to pursue education and employment opportunities elsewhere throughout the country. Leadership also decided that an unprecedented approach for Membertou was needed and began putting Membertou's financial house in order while embracing transparency and accountability. While this task required sacrifice it also generated a renewed sense of accomplishment. With discipline, Membertou managed to eliminate its deficit, and quickly earned the respect of external parties in government and industry.

### **Innovation**

Big changes for the community began with the opening of the Membertou Corporate Division office at Halifax's Purdy's Wharf in 2000. The aim was to position the community to build credibility, partnerships and revenue. In January of 2002, Membertou received official notification of its ISO status, making Membertou the first aboriginal government in the world to have many of its departments ISO 9001 certified. Today, through strong leadership from Chief and Council, other senior members of management and adherence to ISO standards, Membertou continues to show the world that they have transparent and consistent management policies; and that they are positioned as a very credible player in the global market economy.

With sound policies in place, Membertou First Nation has become the first Aboriginal government to secure long term financing through the First Nation Finance Authority (FNFA). After completing the requirements in the Fiscal and Statistical Management Act, Membertou was approved for a 10 million dollar repayable loan to build new infrastructure within the community. FNFA funded Membertou's loan request through its Interim Long Term Financing program, and the interest rate to Membertou should remain around the 2.50% until such time as enough other First Nations also complete the FSMA processes to request FNFA loans. This further enables Membertou to conduct business operations in a similar format as other businesses, in both the public and private sectors, because of the long-term financing option.

### **Success**

Over the past ten years Membertou's budget has grown from 4 million dollars, to a current 65 million dollar operating budget. Federal contributions account for only 13 per cent of the Membertou's revenue, where before it was nearly 100 per cent. The number of employees has jumped from 37 to 531, making Membertou one of the largest employers on Cape Breton Island. Most years, Membertou boasts a 100 per cent high school graduation rate, and the opportunities and investment in young people is paramount. The land base of Membertou has doubled under the leadership of Chief Paul, and there are many new internal departments and businesses such as the Membertou Corporate Division, Membertou Market, Membertou Advanced Solutions, Membertou Entertainment Center, Membertou Business Park, Membertou Mapping Service, Membertou Quality Management Services, and most recently the prestigious Membertou Hampton Inn and Trade & Convention Centre.