

## ABORIGINAL AFFAIRS

# Natives, Bay Street form country's biggest farm

BY JOE FRIESEN

The image of the typical farmer handed down through our national mythology is not that of an investment banker in a suit, nor is it that of a native chief in traditional dress.

But in Saskatoon today, Bay Street investors and a group of chiefs from Saskatchewan and Alberta will formally announce the unlikely of marriages, one that will make them the most influential farmers in all of Canada, with a super-sized one-million-acre operation that could rival the largest corporate farms in the world.

Under the plan, 17 native bands will lease their land at market value to a new entity called One Earth Farms Corporation, which will focus on sustainable, environmentally responsible land use, hire and train aboriginal workers, and provide first nations an equity stake in the company.

The project is being funded with \$27.5-million from Toronto-based Sprott Resources Corp.

Its founder, investment guru Eric Sprott, will also donate \$1-million to the University of Saskatchewan to create a scholarship fund for aboriginal students to study agriculture.

The farm will be spread in pods of about 20,000 acres across a huge territory, and will

## BETTING ON AGRI-BOOM

A year ago, the farm sector was being touted as one of the hottest segments of the economy.

The ethanol boom, fuelled by the rising cost of oil, was pushing grain prices to levels previously thought unimaginable. Combined with the rise of a growing middle class in India and China that was consuming more protein in the form of grain-fed beef and chicken, the agriculture boom looked permanent.

But then the recession hit. Oil prices plummeted, the demand for ethanol crashed, meat consumption dipped and a bumper global wheat crop pushed grain prices down more than 50 per cent.

encompass both cattle ranching and grain and oilseed cultivation. The 17 bands involved have all signed letters of intent to work with One Earth Farms, but not all of the one-million acres will be signed over in the first year.

Still, with even the largest Canadian farms in the range of

So is there a future in agriculture? Sprott Resources CEO Kevin Bambrough is betting on it.

He believes emerging markets will lead the recovery from the recession, and when things improve in those countries, their appetite for meat will drive a jump in demand for feed grains.

He also believes climate change will place increasing pressure on water resources. Since agriculture requires a great deal of water, and it's cheaper for China to import grain than to divert water from industrial uses, grain prices could be driven up. » *Joe Friesen*

20,000 acres, One Earth will instantly be among the biggest players in the country's \$40-billion farm sector.

"There's tremendous opportunity in partnering with first nations," Sprott Resource CEO Kevin Bambrough said.

"I can't believe the situation has gone on as long as it has,

that no one has taken advantage of the opportunity."

With bands in Manitoba and British Columbia eager to sign on, the venture could double in size in the months ahead, the company said. It would not release the names of its 17 signatories, but they include the Little Black Bear, Muskowekan and Thunderchild bands.

Most of the land for the project is already being used for agriculture.

Blaine Favel, a Harvard MBA and former Saskatchewan grand chief, is a company director who grew up on a farm on the Poundmaker reserve.

"I view this on a continuum of first nations agricultural ambition," he said. "When they signed treaties, first nations people wanted to be on the land because they had to transition away from the buffalo. When some of them had success, obstacles were put in their way by government. But Indians have always tried to farm."

Agriculture was mentioned in all of the numbered treaties signed by the Crown on the Prairies, but as historian Sarah Carter has shown, federal Indian agents pursued a policy that restricted natives to peasant subsistence farming.

They weren't permitted to use labour-saving devices and were restricted from selling their grain on the open market,

forcing many out of farming.

Mr. Favel said the exclusion continues. Most bands lease land to non-native farmers who own property nearby, rather than work it themselves.

It's a policy that has contributed to catastrophically high unemployment on many reserves, as very few natives are employed in the farm sector, and hasn't generated much return for the bands, he said. Some bands have been paid criminally low rents - in one case \$9 an acre when the market price was \$60, he said.

Chief Dale Awasis of Saskatchewan's Thunderchild First Nation said his band will sign over 56,000 acres to One Earth. He has been renting the land out for years, but isn't happy with the way it has been treated.

Renters may not have the long-term interests of the soil at heart, he said, and can push it too hard to extract nutrients, leaving it ruined for future harvests.

"A lot of us are economically deprived, yet we have a lot of resources - land and human resources. Individually we've had a hard time starting projects in the past," Chief Awasis said.

"Some people are saying Indians can't do it, but I'm pretty well versed in proving people wrong."

The project is expected to provide 250 jobs for native people across the Prairies. But a backlash is expected from local farmers. Already, an editorial in western newspapers has lamented the rise of One Earth as a massive corporate farm.

"There is going to be backlash. In every one of these cases, someone is already farming that land and they're going to be concerned. They're not going to be able to farm that land," Mr. Bambrough said.

"But I look at it as what is the greater good here? The greater concern is why are first nations having these higher unemployment rates, in desperate need of assistance, not getting access to training or job opportunities on their own land? This is just long overdue."

Larry Ruud, president of One Earth, said the company will benefit from numerous economies of scale.

As the largest buyer in the Canadian market, it will be able to negotiate favourable prices for expensive inputs such as fertilizer, seed and chemicals. It will also be able to move labour and equipment across the prairies at seeding and harvest time, and will have crops in several growing areas, which provides some protection against bad weather.

"The potential is huge," Mr. Ruud said.