



CANADIAN COUNCIL FOR
**INDIGENOUS
BUSINESS**

Envisioning Indigenous Trade as the Cornerstone of Canada-US Relations: A Pathway to Economic Reconciliation and Mutual Prosperity



Executive Summary

This report envisions a transformative future where Indigenous trade networks serve as a foundational pillar for stabilizing and guaranteeing Canada-US trade relations. This vision positions Indigenous leadership, ownership, and influence at the core of cross-border economic activities. By leveraging historical treaties like the Jay Treaty of 1794, which grants Indigenous peoples rights to cross borders freely for trade and business—rights upheld in the US but not fully ratified in Canada—this future state fosters nation-to-nation partnerships that drive economic reconciliation, self-determination, and shared prosperity.

In this envisioned future, a North American Indigenous Trade Coalition (NAITC) would facilitate tariff-free corridors, integrated supply chains, and on-reserve manufacturing clusters, enabling Indigenous nations to lead in sectors such as natural resources, agribusiness, and renewable energy. Indigenous ownership models, exemplified by recent equity partnerships like the Enbridge-Westcoast pipeline deal with 36 First Nations in British Columbia, would expand continentally, projecting significant economic impacts: an estimated \$98 billion in Indigenous equity opportunities over the next decade, potentially mobilizing \$48 billion in investments and contributing to annual GDP growth of up to \$85 million per major initiative. This would create thousands of jobs, reduce Indigenous communities' reliance on government funding, and enhance Canada-US trade resilience against tariffs.

Key recommendations for the Canadian federal government include ratifying the Jay Treaty to align with US recognition, establishing NAITC with dedicated funding and legal frameworks, integrating Indigenous rights into trade agreements like the USMCA, and investing in infrastructure, education, and capital access. These actions align with the Truth and Reconciliation Commission's (TRC) Call to Action 92 and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

The anticipated benefits are multifaceted: for Indigenous nations, enhanced self-sufficiency and cultural preservation through circular economies; for Canada and the US, stabilized trade valued at over \$1 trillion annually, diversified supply chains, and reduced geopolitical tensions; and for broader society, a model of inclusive growth that addresses colonial legacies. Amid ongoing US tariffs and trade uncertainties, urgent implementation is essential. CCIB stands ready as a partner to guide this transition, ensuring Indigenous voices shape policy for the next seven generations.

Introduction

The current landscape of Canada-US trade is marked by volatility, exemplified by recent US tariffs that threaten economic stability and exacerbate disparities for marginalized communities. Against this backdrop, the revitalization of Indigenous trading networks is proposed as a strategic response, emphasizing their historical depth and potential to circumvent trade barriers. This report envisions Indigenous trade as a cornerstone of Canada-US bilateral relations, with Indigenous leadership driving innovation and equity.

The Canadian Council for Indigenous Business (CCIB) plays a pivotal role in fostering Indigenous entrepreneurship, advocating for policies that enhance economic participation and reconciliation. As an organization dedicated to advancing Indigenous business interests, CCIB supports initiatives that align with nation-to-nation relations, where Indigenous nations engage as sovereign partners with settler governments.

Key terms underpin this analysis:

- **Economic reconciliation:** Addressing colonial harms through equitable economic opportunities, wealth generation, and self-determination, moving beyond symbolic gestures to concrete actions like equity partnerships.
- **Indigenous trade networks:** Pre-colonial systems of exchange across Turtle Island (North America), involving goods, services, and knowledge, disrupted by colonialism but resilient through inherent rights.
- **Nation-to-nation relations:** Interactions between Indigenous nations and Canada/US governments based on mutual respect, sovereignty, and treaties.

Historical Context

Indigenous trade networks across Turtle Island predate European arrival by millennia, forming sophisticated systems of exchange that spanned continents. Nations exchanged fish from the Pacific for metals from the Canadian Shield, utilizing waterways like the Mississippi River as vital corridors connecting what are now Canada, the US, and Mexico. These networks were not merely economic but cultural, embedding principles of reciprocity and sustainability.

Colonialism profoundly disrupted these systems. The Indian Act of 1876 in Canada imposed restrictions on Indigenous mobility, land use, and commerce, fragmenting communities and prioritizing settler economies. In the US, policies displaced tribes from trade routes, leading to economic isolation. Borders imposed by settler states divided ancestral territories, impeding sovereignty and traditional practices.

Foundational treaties preserved enduring rights. The Jay Treaty of 1794, signed between the US and Britain, includes provisions guaranteeing Indigenous peoples' rights to cross the Canada-US border freely for trade, carrying goods without duties. This provision, rooted in the fur trade era, recognizes inherent Indigenous rights predating Confederation. The US upholds it, allowing those with at least 50% Indigenous blood to cross for work, study, or business. Canada, however, has not ratified it fully, hindering cross-border opportunities. Other treaties affirm Indigenous trade as a sovereign right, essential for reconciliation.

Current Challenges and Opportunities

Contemporary Canada-US trade tensions, including US tariffs on Canadian goods, disproportionately impact Indigenous communities, disrupting economies reliant on cross-border exchange. Tariffs exacerbate vulnerabilities in self-governance, land sovereignty, and cultural sustainability, interrupting supply chains in natural resources and agribusiness. For instance, high US import taxes on prefabricated houses from Indigenous enterprises render trade unfeasible.

Barriers include Canada's non-recognition of the Jay Treaty, limiting duty-free mobility and trade. Infrastructure gaps, limited capital access, and educational disparities further isolate Indigenous businesses. Recent legislation, such as the One Canadian Economy Act (Bill C-5), has drawn opposition from Indigenous leaders for prioritizing non-Indigenous interests without adequate consultation, violating constitutional duties.

Emerging opportunities counter these challenges. Cross-border partnerships, such as a recent US Indigenous agribusiness delegation to British Columbia, lay groundwork for market entry. Equity deals in natural resources, like the partnership between Enbridge and 36 First Nations for a stake in the Westcoast pipeline, demonstrate successful models yielding sustained benefits for housing, infrastructure, and cultural preservation. In Oklahoma, initiatives explore Indigenous-to-Indigenous trade, emphasizing circular economies. Proposals for tariff-free corridors leverage Jay Treaty rights for infrastructure investments, enabling tax-exempt goods movement.

Vision for the Future State

In the envisioned future, Indigenous trade is integral to Canada-US relations, with Indigenous nations leading a North American Indigenous Trade Coalition to facilitate seamless, tariff-free exchanges. This coalition would revive ancestral routes, enabling transport of goods like critical minerals and food via trucks, trains, and pipelines without duties, grounded in Indigenous sovereignty and the Jay Treaty.

Scenarios include Indigenous-led tariff-free corridors, incorporating renewable energy and smart networks for environmental oversight. Integrated supply chains would unite small-scale Indigenous businesses, enhancing bargaining power and competitiveness through bi-national collaborations in direct-to-consumer sales, talent recruitment, and product co-development. On-reserve manufacturing clusters would thrive, supported by circular economies that redistribute wealth sustainably, aligning with Indigenous values. Global exports to Europe and Asia would leverage efficient corridors, with Indigenous ownership in agribusiness and resources driving projects like clean energy initiatives.

Emphasis on Indigenous ownership is paramount: Equity models would expand from domestic deals to continental scales, ensuring projects incorporate Indigenous knowledge and respect rights. Leadership in policymaking would see Indigenous representatives at trade negotiation tables, influencing USMCA revisions. Influence in international forums would position Indigenous nations as key players in global trade.

Projected economic impacts are substantial. With major projects on Indigenous territories offering \$98 billion in equity over 10 years, mobilization of \$48 billion could generate significant output. Case studies project \$85 million annual GDP from major initiatives, creating jobs in thousands, and reducing government dependency by fostering self-sufficiency. Overall, Indigenous contributions could boost national GDP by 1-2% annually.

This vision ensures mutual prosperity, stabilizing trade amid uncertainties.

Aspect	Current Trade Model	Future Indigenous-Centered Model
Leadership & Ownership	Government and corporate-dominated, minimal Indigenous input	Indigenous-led coalitions with equity stakes (e.g., 12-50% in projects)
Border Mobility	Restricted by tariffs and non-ratified Jay Treaty in Canada	Free passage via ratified Jay Treaty, tariff-free corridors
Economic Impacts	Disproportionate harm to Indigenous economies (e.g., disrupted supply chains)	\$98B equity opportunities, \$48B investments, 1-2% GDP growth
Sustainability	Linear, resource-extractive	Circular economies integrating Indigenous knowledge
Global Reach	Vulnerable to bilateral tensions	Resilient networks exporting to Asia/Europe

Policy Recommendations

To realize this future, the Canadian federal government must prioritize actionable steps.

- **Ratification and Implementation of the Jay Treaty:** Formally ratify the treaty through legislation, aligning with US practices to enable duty-free border crossings. Amend immigration laws and establish bilateral agreements, with verification processes to prevent misuse while respecting Indigenous self-identification.
- **Establishment of a North American Indigenous Trade Coalition (NAITC):** Allocate sufficient seed funding for the creation of a coalition secretariat, legal frameworks, and pilot corridors, incorporating consultation and environmental protocols.
- **Integration of Indigenous Rights into Trade Agreements:** Negotiate a revised USMCA to include an Indigenous chapter, protecting traditional knowledge and prioritizing Indigenous rights. Ensure free, prior, and informed consent in negotiations.
- **Investments in Infrastructure, Education, and Capital Access:** Commit \$20 billion over 10 years for on-reserve infrastructure, bridging gaps. Expand loan guarantees and equity grants, partnering with Indigenous financial institutions.
- **Consultation Protocols:** Mandate meaningful engagement, including Indigenous seats in trade advisory bodies.
- **Metrics for Measuring Progress:** Develop indicators such as equity ownership percentages, job creation rates (targeting 10,000 annually), GDP contributions, and dependency reduction, tracked via annual reports with Indigenous oversight.

These recommendations are prioritized: Jay Treaty ratification would unlock short-term outcomes, followed by the establishment of coalitions and investments.

Conclusion

The win-win-win potential of Indigenous-led trade is clear: empowerment for Indigenous nations through self-determination and wealth redistribution; enhanced stability for Canada-US trade amid tariffs; and broader economic resurgence for both countries. Urgent action is imperative in this era of uncertainty, as delays perpetuate colonial inequities. CCIB is well positioned as a key partner, offering expertise to co-develop policies grounded in Indigenous perspectives, ensuring prosperity for the next seven generations.