

“Walk with me,” says Clarence Louie, chief—and CEO—of the Osoyoos Indian band in British Columbia’s South Okanagan, as he abruptly takes his leave from a meeting to walk out into the desert air.

“Get in,” he says to this visitor from Vancouver, pointing to a black Ford Mustang with a film of dust on the hood. “Buckle up.”

“There’s a few things you need to know,” he says, as the car powers north through the sage and cactus toward Okanagan Falls, past the golf course, past the trailer park and past the vineyard, growing up the bench, all the way to the basalt cliffs of the McIntyre Bluffs, a dramatic V-shape in the distance.

“All these are ours,” he explains, pointing to the vineyard. “We have nine businesses in all, and we’re only just getting started.”

The 52-year-old with the tousled black hair was a young man when he took a band that had been declared bankrupt and taken over by Indian Affairs and turned it into an inspiration. Canada’s most successful aboriginal reserve. In fact, the land of the Osoyoos band in the Okanagan Valley straddles this country’s only true desert—hardly an auspicious starting point for an aboriginal economic revolution.

Yet that is exactly what has taken place in the B.C. Interior this decade, driven by Chief Louie, the vanguard of a new generation of aboriginal leaders far more interested in creating jobs for their members than in endless litigation or lobbying. Here in the desert, Chief Louie has built a thriving economy, one based not on what he calls “rocking chair money” from natural resources, but on a series of businesses that have provided permanent jobs, a sense of dignity—and profits for the band. His oft-repeated mantra—“economic development is the horse that pulls the social cart”—is made real here. The chief and his band have built up the successful Nk’Mip Cellars, the first aboriginal-owned winery in North America; a par-72 golf course; a 4.5-star resort and spa and a number of other vibrant businesses.

The area attracts about 400,000 visitors per year, and at peak tourist season, there is essentially full employment among the more than 470 members of the Osoyoos reserve. Louis’s next project will also offer jobs, albeit in a far less luxurious setting. His band’s industrial park will be home to a maximum security jail, a project that demonstrates both Louie’s financial acumen and unconventional thinking.

Never one to suffer fools, Chief Louie dismisses out of hand the academics who warn that economic development will lead to the assimilation that some aboriginal leaders claim they fear. Gunning the Mustang around a



Clarence Louie, chief of the Osoyoos Indian band (Photo: Grant Harder)



corner, Chief Louie will have none of it. “You’re going to lose your language and culture faster in poverty than you will in economic development.

“People can’t protect their culture when they’re on welfare. A culture of dependency leads to death.”

Chief Louie calls his approach “community capitalism,” in which everyone works hard to make the biggest profits possible, but for the common good of the band, not individual enrichment. That means taking some pragmatic steps that might not sit well on other reserves, such as hiring outsiders when needed as senior managers for band enterprises.

For too long and on too many reserves, unemployment has eaten away at the economic and social foundations of aboriginal society. And the future promises to be worse, with a rapidly growing number of young aboriginals vying for a limited number of jobs. But the path Chief Louie has cut through the desert shows that there is a way to combine aboriginal traditions with mainstream economic prosperity.

Louie sits at one end of a round table in a room festooned with carvings, and stuffed animals—wolves and coyotes—that live and hunt in the sage and taupe of the desert outside. This morning, he entertains—in every sense of the word—a group of aboriginal leaders from northern B.C. They have come, as increasing numbers do, to glean what they can from the man who has become an incandescent symbol of aboriginal success and derring-do.



He doesn’t disappoint. For the next 50 minutes, he shares some tricks of the trade in a “no-BS style” that surprises and astonishes. Never straying too far from his topic—economic development, good; welfare and idleness, evil—he employs a number of rhetorical asides and deadpan irony to keep his audience alert. He doesn’t mince words either and shares blunt opinions of the Church, residential schools (and the black-robed brothers who ran them), Indian Affairs and “white people.” With the exception of the first two, his words do not appear to cut cruel; indeed, one has a sense these are well-used lines he might employ in his other career: as a successful, in-demand motivational speaker, giving at least 30 speeches every year, here in Canada and around the world.

The band’s industrial park. (Grant Harder)

Born in 1960, in Oliver, and raised on the Osoyoos reserve by his mother and father, Louie attended the local elementary school and later graduated from South Okanagan Secondary School in Oliver. He then enrolled in First Nations University in Regina, studying the history of North American Indian reservations and the effects of colonialism. After two years of university life, he returned to the reserve to enter band politics. He ran for chief in the December 1984 election and won. He has lost only one election since then, in 1989, and has just won his 10th straight race this year. Just 40 years ago, the Osoyoos (Nk’Mip) Indian band was bankrupt and living off the crumbs of government social assistance. Now the band has become a flourishing corporation that employs hundreds of people and has an annual budget of more than \$17 million.

Under its official name, the Osoyoos Indian Band Development Corp. (OIBDC), the company is ISO 9001 certified and reported total revenue for its most recent fiscal year of \$26 million, with a profit of \$2.4 million. As both band chief and CEO, Clarence Louie leads an executive team of eight, including four band councillors.

Aside from its own businesses, OIBDC has sought out other varied investment opportunities. The corporation holds shares in Huakan International Mining Co., the Vancouver-based mining firm acquired by Huakan from China in 2010 that is extracting gold from a mine located within the band's traditional territory. OIBDC also partners with Mount Baldy Ski Corp., a popular ski and snowboarding destination some 35 kilometres from Oliver.

Yet the band remains best known for its signature Nk'Mip Cellars, which this past December won two awards from Wine Access magazine, naming the winery the best in B.C. and second best in Canada. The 18,000-square-foot building displays native art and artifacts, and the patio, which serves aboriginal-inspired cuisine, offers a breathtaking view of Osoyoos Lake and the vineyards and sage desert below. Nk'Mip Cellars, which opened in 2002, was the second phase of a \$25-million Nk'Mip project that includes a seasonal outdoor restaurant located in the winery, a campground and RV park, an interpretive centre, an 18-hole championship golf course and a high-end resort and spa.

When the project started, Jackson-Triggs Okanagan Estate Winery, owned by Vincor International, was already established in Oliver at the north end of the reservation. Chief Louie admits there was some opposition to a second winery being built on Indian land. "Some people ask why we wanted to get involved in the wine business," said Chief Louie. "Your location dictates what you're going to do. If we weren't in a grape-growing region, we wouldn't have a winery. Vineyards produce the best return on an acre out of any agricultural crop."

Today, the Osoyoos band holds 51% of Nk'Mip Cellars, while 49% is owned by Vincor and its parent company Constellation, one of the world's largest wine and spirit producers. Vincor has invested more than \$40 million in vineyards, equipment and plant operations on the band's land.

Still, the winery is just a small part of the band's operations. Tourism is big business for the OIBDC, and its holdings include the \$65-million Spirit Ridge Vineyard Resort & Spa, which overlooks the Osoyoos Lake and Valley, featuring 226 rooms, a swimming pool, spa, restaurant and conference facilities. The band also operates the Nk'Mip Desert Cultural Centre, a \$9-million project opened in 2006 to showcase the Okanagan people and desert landscape, and the Nk'Mip Campground & RV Resort, a 326-site operation open year round. There's more to come. Site preparation is underway for the Canyon Desert Resort, a \$120-million residential resort community in Oliver, 21 kilometres north of Osoyoos, a joint venture with Bellstar Hotels and Resorts. Located adjacent to the 18-hole Nk'Mip Canyon Desert Golf Course, the new Tuscan-style resort will offer more than 350 units when complete.

Not all of the revenue comes from tourism. The OIBDC also owns Oliver Read-Mix, a concrete and aggregate producer, as well as Nk'Mip Construction, which builds residential and commercial projects both on and off reserve. Among OIBDC's newest ventures is a joint partnership with South Okanagan Insurance Agency, offering both commercial and residential insurance.

Chief Louie says another multimillion-dollar band project, a business park, is now open and expected to create from 500 to 1,000 new jobs. "I don't care if you're white or native, the most important thing is jobs," he said. "If you have a job, it doesn't mean your life is totally straightened out, but if you don't have a job, you'll never have a



chance to straighten your life out.”

Chief Louie points to the example of band member Justin Hall, whom he calls the world’s first First Nations assistant winemaker.

“If we didn’t have our own winery, he wouldn’t have gone into the winemaking. We’ve had two or three guys go to Arizona to get their golf-pro management degree. If we didn’t have our own golf course, we wouldn’t have done that.”

There are many stories suggesting Chief Louie can be tough on people, especially the white consultants who played a pivotal role in helping set up his desert empire. Chris Scott, a successful non-aboriginal financial adviser worked with Chief Louie for 15 years, first signing on with the band in November 1996. Chief Louie had hired Scott to help transform the band’s various ventures into successful businesses.

The first step (aside from removing the billboards that read “Keep Out—No Trespassing—Osoyoos Indian Reserve” and replacing them with “Join a Band on the Move” signs) was to create cash flow through vineyard leases. The initial leases grew from \$500 per acre to over \$1,100 per acre with more than 1,200 acres being leased out to companies like Vincor, and Mission Hills and Burrowing Owl wineries.

Restructuring the businesses for reporting and accountability purposes created tensions with his council, but Chief Louie would always back up the tough decisions with skilled political statesmanship.

Not everything would turn to gold, however. The band misfired when it invested in a Canadian company that built a zip line for the San Diego Zoo. The initiative failed, the band lost money, and litigation is still underway. “It was a dumb and stupid mistake,” Chief Louie explained later. “We didn’t do our due diligence; we got bad advice from our adviser.” Soon after, Scott’s consultancy ended.

But not for long. Scott returned to work in 2012 on the negotiations of a \$300-million 360-cell correction facility to be built on the Senkulmen Business Park—another success story endorsed by the chief.

“Working with Clarence was the toughest challenge in my career,” says Scott, “as the more you gave of yourself, the more was expected of you—seven days per week and always driven by a man whose own anger and frustration with what had happened to his people by ‘white guys’ made him determined and impatient to advance his own nation’s well-being.”

Surely his plain talk wouldn’t please everyone in such a small community?

“Far from it,” Chief Louie says. “I am actively disliked by some. That goes with the territory. They can vote me out, any time.”

The members of the band are hardly likely to vote out Chief Louie if he continues to have successes such as Nk’Mip Cellars. But his latest big plan may prove his most controversial yet.

Chief Louie slams the Mustang to a stop in front of a busy construction site. “Look,” he says, “there’s not enough aboriginal workers out here.”

By “here” he means OIB’s (Osoyoos Indian Band) Senkulmen Enterprise Park, seven kilometres north of Oliver and 28 kilometres south of Penticton, on Highway 97. Big plans for the site were announced in February 2012: the band’s industrial park will be the site of a new 360-cell, maximum-security provincial prison. The prison will bring 240 full-time permanent jobs for families in the Okanagan. Construction will start in the spring of 2014.

Chief Louie and his team had been pitching the deal for more than a year. Representatives of the Osoyoos Indian Band Development Corp. met with B.C. Solicitor-General Shirley Bond to offer part of their reserve land for the province's next prison in April 2011, touting the "shovel-ready" location at the new multimillion-dollar industrial park. Chief Louie touted his corporation's proven track record of managing major projects—\$220-million worth of capital spending over the past decade—as well as its ISO 9001 certification, a seal of quality management.

The band had earmarked the land for an industrial park 40 years ago. But First Nations communities have always been hampered by the need to raise capital—reserve land can't be mortgaged. The Osoyoos band, through the national First Nations Finance Authority, recently found a way around that. With revenues from the band's winery, golf course, luxury hotel and other ventures as collateral, it can now issue bonds just like municipal, provincial or federal governments—a first in Canada for a native band. It meant the corporation could offer not only a location, but the option of financing to build the prison as a private-public partnership.

Building a prison is a politically volatile endeavour. Fifteen communities were approached to bid on the project, but only five did. One, Penticton, later withdrew after a public outcry.

"Mr. Louie's demonstration of support—he was also armed with referendum results showing his people backed the bid—would be especially attractive," reported The Globe and Mail's Justine Hunter.

The prison means jobs not just for the Indian band, but the surrounding non-aboriginal community.

"This is a huge story for us," said Oliver mayor Ron Hovanes. Other communities reacted to the prison proposal with alarm. In his town, six kilometers from the prison site, fears were largely superseded by the attraction of jobs.

Chief Louie expects to see aboriginals hired as guards. He sees a chance to offer better programming and to hire prison staff more reflective of the population they serve.

"Just consider," he explains, "these are full-time positions, hard to come by in the southern Okanagan, with good pay, good benefits and indexed pensions. I'd like to see at least 36 of our people working there." But there's more: Chief Louie would like to see the OIBC's cement company gain some work from the prison's construction. "The construction jobs and spinoff benefits are going to be huge," he says.

Chief Clarence Louie pauses on a bluff with a sweeping view of the vineyards and orchards that line Osoyoos Lake and beyond to the desert. He needs a minute to himself. Dropping his voice to a near whisper, he riffs on his patented one-liner: "It's so very hard to protect a culture if you don't have a job."

"People pay attention to you when you're a businessman. We never had so many knocks on our door until we became part of the economy."