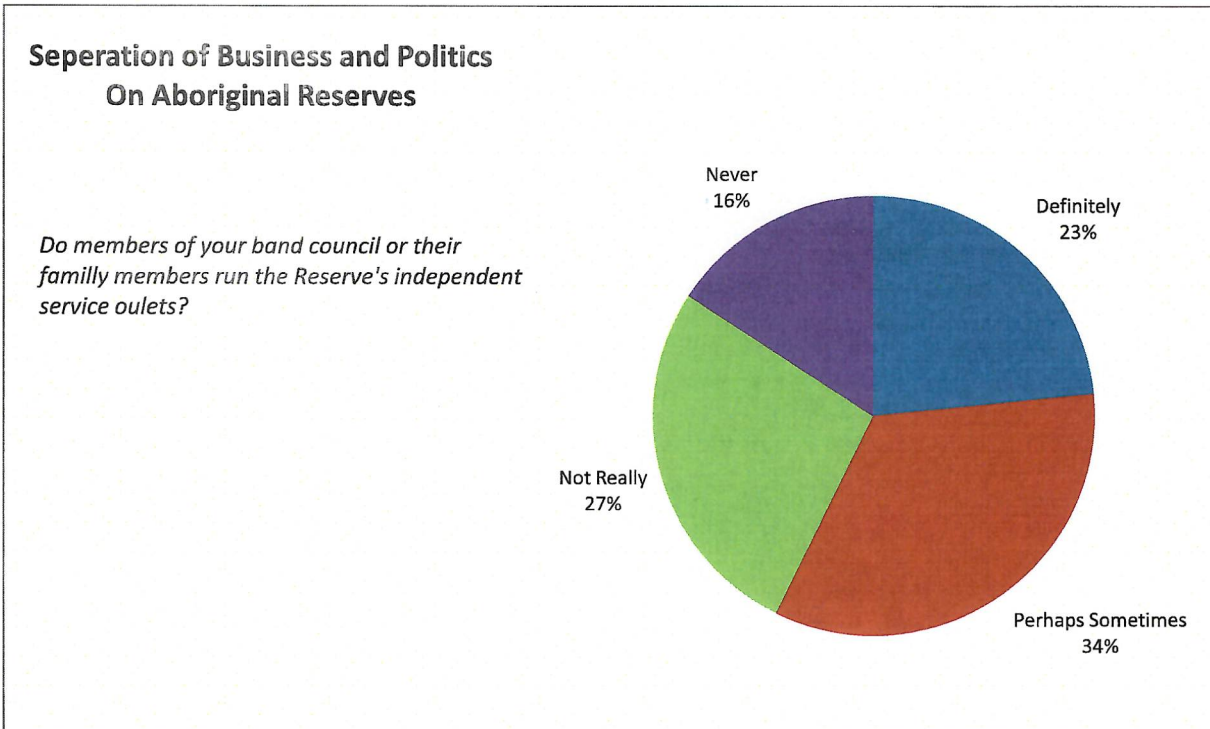


# Separation of Business and Politics on Aboriginal Reserves

An important dimension of good governance is the extent to which local businesses are run independently, without excessive control being held by the band council. Where band councils and their families dominate the economy, this creates a major barrier to beneficial competition and economic development. To gauge residents' perception of the relationship between local politics and local business, we asked our survey respondents to tell us whether "members of the band council or their family members run the Reserve's independent service outlets."



- A sizeable minority (23 per cent) of our respondents told us that band councils and their family members "definitely" run independent service outlets in their reserve.
- A clear majority, (57 per cent) told us that local service outlets are either "definitely" or "perhaps sometimes" controlled by the members of the band council.
- Just 16 per cent said that band council members and their families "never" run the reserve's independent service outlets.

Unfortunately, our survey results suggest that members of band councils and their families may hold inappropriately powerful positions within the local economies of several bands. It is clear that many communities need to act aggressively to address this situation, to work to create a healthy division between politics and business. In order for sustained development and growth to occur in Aboriginal communities, it is important to ensure that those who control local politics do not also dominate economic activity.

**Source: The Third Annual Aboriginal governance Index. Available at [www.fcpp.org](http://www.fcpp.org)**