

# ACR Aboriginal Programs Project Program Template

<b>Program Area:</b>	3.0	Business Development
<b>Sub Program:</b>	3.2	Strengthening Business Capabilities
<b>Template:</b>	3.2.12	Support for Independent Aboriginal Business Start-Ups
<b>Sponsor(s):</b>	<i>Gibson Energy, Japan Canada Oil Sands (JACOS)</i>	

## 1. Objective

To provide Japan Canada Oil Sands Limited (JACOS) and Gibson Energy Partnership with local owner-operators, and to provide local Aboriginal people with employment and small business opportunities.

## 2. Description

JACOS, working in conjunction with Gibson Energy Partnership (a trucking firm), encouraged an independent band member (tractor owner-operator) to truck bitumen production. Gibson Energy dispatches and owns the trailers and hires individual owner-operators to supply the tractor units. JACOS and Gibson Energy sponsor the training for local drivers. The trucking operation involves Gibson Energy picking up bitumen at JACOS and delivering it to the Athabasca pipeline terminal. The product is hot so proper safety equipment must be used, training must be in place and insulated trailers must be used. Because the product is produced 24 hours per day, it must also be trucked 24 hours per day.

## 3. Implementation

Some of the key elements for implementation and management of this program are:

- JACOS and Gibson Energy formed a working agreement. The resource developer made this selection based on the willingness of the service provider to hire Aboriginal tractor unit owner-operators.
- Encourage individual band member entrepreneurs, rather than band-owned owner-operators
- If band-owned, the band administration needs to have the skills and time to manage their operation as owner-operator.
- A relationship is formed with Gibson Energy and the independent Aboriginal owner-operator. JACOS becomes their client.
- The relationship will not be effective if the Aboriginal owner-operator and service provider demand work from JACOS. The most successful relationship is where a service of value is provided to the client, and local people participate in the business model.
- Program is most effective if Aboriginal owner-operators are also drivers, and they hire Aboriginal drivers to be trained as upcoming owner-operators.

#### **4. Timeframe for Results**

It takes one year to develop the capability of the Aboriginal owner-operator company in operating a business, hiring drivers and ensuring that drivers are trained.

#### **5. Measurable Criteria**

- Number of successful Aboriginal businesses (owner-operators) with good growth potential
- A sustainable and skilled Aboriginal employment base (drivers)
- Creation of sustainable income, economic and other benefits for the Aboriginal community
- The service alliance is "best value" for all involved

#### **6. Budget**

JACOS pays the driver training costs - \$3,500 per driver. Gibson Energy pays for the in-house instructor to certify the owner-operator or driver.

#### **7. Partners and Sponsors**

JACOS, Gibson Energy Partnership, the business owner-operators in Aboriginal community, Chipewyan Prairie First Nation

#### **8. Experience with the Program**

The program started in 1997 with two trucks; eight trucks are now owned by Aboriginal people. The lack of qualified drivers is currently limiting expansion.

#### **9. General Applicability**

This program may be a model which can be applied to support the development of independent Aboriginal businesses. This model may be most useful for less complex operations such as gravel or water hauling.

#### **10. Additional Information or Support**

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