



Case Study of an Inuit Economy:

Pangnirtung, Northwest Territories

**Final Report Submitted to
The Royal Commission on Aboriginal Peoples
[RCAP Contract # 263-2R12]**

April 1995

**Gwen D. Reimer, Ph.D.
PRAXIS Research Associates
465 Richmond Road, Suite 1507
Ottawa ON K2A 1Z1
Tel/Fax (613) 798-1412**

Contents

List of Tables	iii
List of Figures	iv
Executive Summary	v
Preface	viii
1. The Structure: A Profile of Pangnirtung's Economy	
1.1 INFRASTRUCTURE	1
1.2 THE MIXED ECONOMY	2
1.2.1 Formal Economy	2
1.2.2 Informal Economy	5
1.2.3 Domestic Economy	6
1.2.4 A <i>Bricolage</i>	7
1.3 SECTORS OF THE LOCAL ECONOMY	10
1.3.1 Public Sector	10
1.3.2 Small Business Sector	12
1.3.3 Arts and Crafts	14
1.3.4 Tourism	17
1.3.5 Renewable Resources	18
1.3.6 Construction/Transportation/Communication	23
1.3.7 Welfare Economy	24
1.4 HOUSEHOLD PROFILES AND LABOUR FORCE DATA	25
1.4.1 Household Profiles	25
1.4.2 Labour Force	26
2. The Context: History, Politics and Culture	
2.1 ECONOMIC HISTORY OF CUMBERLAND SOUND	30
2.1.1 Pre-Contact	30
2.1.2 The Whaling Period	32
2.1.3 The Fur Trade Period	33
2.1.4 The Settlement Period	35
2.2 POLITICAL CONTEXT: ECONOMIC POLICY IN THE ARCTIC	37
2.2.1 Government Economic Policy and Programs	38
2.2.2 Local Political Development	42
2.3 CULTURAL CONTEXT	44
2.3.1 Division of Labour: Men, Women, Youth	45
2.3.2 Cooperation versus Competition	47
2.3.3 Defining Economy from a Local Perspective	48

3.	The Experience: Issues, Obstacles and Aspirations	
3.1	ENTREPRENEURSHIP AND EMPLOYMENT: Attempts to Enter the Formal Economy	52
3.1.1	Employment	53
3.1.2	Access to Business Capital	54
3.1.3	Small and Distant Markets	56
3.1.4	Business Training	57
3.1.5	Home-based Business Opportunities	58
3.1.6	Child-Care Services	59
3.2	LOCAL MARKETING SYSTEMS: Attempts to Promote the Domestic Economy	61
3.3	NUNAVUT HUNTER SUPPORT PROGRAM: Attempts to Develop the Informal Economy	63
3.4	UNDERLYING ISSUES	65
3.4.1	Education	66
3.4.2	Government Intervention	67
3.4.3	Community Decision-Making	70
4.	The Prospects: Strategies and Recommendations for the Future	
4.1	THE FORMAL ECONOMY: Strategies Aimed at Commercial Activity	75
4.1.1	Existing Models of Development Agency	76
4.1.2	Financial Services	80
4.1.3	Home-Based Business	80
4.1.4	Child-Care Services	81
4.2	THE DOMESTIC ECONOMY: Locally Controlled Marketing Systems	82
4.3	THE INFORMAL ECONOMY: Support for Resource-Based Activity	85
4.4	THE <i>BRICOLAGE</i> : Human Resources as Key to Local Control	87
	The Final Word: Development "the Inuit Way"	89
Appendix A:	Nunavut Hunter Support Program - Brochure	90
Appendix B:	Presentation by Rose Okpik, President Uqqurmiut Inuit Artists Association	91
References		95

List of Tables

1.1	<i>Number of Persons Employed Full- and Part-time, by Sector: Pangnirtung, 1993</i>	3
1.2	<i>Domestic Craft Sales by One Woman: Pangnirtung 1988-1991</i>	7
1.3	<i>Participation in Types of Arts and Crafts by Sex: Pangnirtung 1993</i>	15
1.4	<i>Arts and Crafts Participants and Income: Pangnirtung 1986 & 1993</i>	17
1.5	<i>Estimated Household Hunting Activity, Frequency and Cost: Pangnirtung 1991</i>	20
2.1	<i>Number of Sealskins Traded/Year: Pangnirtung, 1962-1983</i>	37
2.2	<i>Use of Contribution/Loan Programs: Pangnirtung 1992/1993</i>	39
2.3	<i>Number of Applications and Success Rates by Source of Funding: Pangnirtung 1992/1993</i>	40
2.4	<i>Government Investment in Arts and Crafts: Pangnirtung 1982-87 / 1988-93</i>	40
2.5	<i>Labour Force, Male/Female by Highest Level of Schooling: Pangnirtung 1989</i>	47

List of Figures

1.1	<i>Formal Employment by Person Years (PY), Inuit and Non-Inuit: Pangnirtung, 1993</i>	4
1.2	<i>Comparative Time-Input to the Mixed Economy (Estimated PY): Pangnirtung 1993</i>	9
1.3	<i>Wage Positions, Public and Private: Pangnirtung, 1956-1993</i>	12
1.4	<i>Population by Age and Sex: Pangnirtung 1991</i>	27
1.5	<i>Labour Force and Working Adults by Sex, Total and Inuit: Pangnirtung 1989 & 1993</i>	28

Executive Summary

The purpose of the case study research projects sponsored by the Royal Commission on Aboriginal Peoples is to better understand the modern economy in aboriginal communities. This case study focuses on issues as they relate to the Inuit residents of Pangnirtung, a community on Baffin Island, Northwest Territories (Nunavut).

The first chapter provides a profile of the economy in Pangnirtung. It describes the different sectors of the economy: arts and crafts, tourism, commercial fishing, government employment, construction, hunting, etc. Compared to other Baffin communities, Pangnirtung has a fairly well-diversified economy. The primary point is that the Inuit economy is a *bricolage*. It is a mix of wage employment, domestic cash activities and informal harvesting and distribution activities. Each type of economic activity is important to the overall economic well-being of the community: they do not conflict with each other, but rather support one another.

Chapter 2 presents the history, politics and culture in which the economy has developed. Inuit in the Cumberland Sound region had a viable economy before contact with non-Inuit who introduced changes first through commercial whaling, then fox fur trading, followed by commercial sealing. Each of these commercial activities depended on a single resource, organized toward southern demands. Each collapsed and left Inuit without a source of income. Since the late 1970s, the economy has diversified somewhat but the main-stay of the formal economy in Pangnirtung, as throughout the Eastern Arctic, is government services and subsidies.

Politically, the local economy has developed in a context of Federal and Territorial policies aimed at extracting resources and creating employment. Governments have invested heavily in infrastructure, but without equal investment in appropriate forms of education and training for local people to manage these developments. There is heavy involvement by bureaucrats in local economic affairs and it is only recently that local leaders have been directly involved in economic development planning. Local Inuit are optimistic that they will gain more power over economic development decision-making under a Nunavut self-government.

There has been dramatic cultural change due in part to economic policies and programs which originally assumed that hunting would be replaced with wage employment, and in which traditional activities have not been supported as a viable part of the economy. Although Nunavut Tunngavik Incorporated is working to rectify this neglect by introducing a Hunter Support Program, many of the cultural effects cannot be reversed. For example, there exists a

tension between cooperative and competitive values, and shifts have occurred in the traditional Inuit division of labour that affect men and women, as well as youth.

A unique aspect of Inuit culture which has not changed is the way in which people define the concept of 'economy.' Most Inuit agree that economy means both money and hunting: both are vital to 'survival' -- the term most often used by Inuit to define economy. 'Success' is measured not in terms of a person's material possessions, but rather by what they do with the skills they possess to support their family and their community.

How Inuit define the concepts of economy and success is important because it lends meaning to what local people believe is their **right**, to benefit from all available economic opportunities in and around the community. This *bricolage* strategy highlights the shortcoming of current policies that do not support all components of the mixed economy, including informal and domestic activities. Local Inuit knowledge is needed to inform new and more flexible policies.

Chapter 3 presents a variety of local experiences in which Inuit residents try to make economic ends meet. It discusses issues, obstacles, and aspirations as raised during interviews. Local Inuit identify the following obstacles in their attempt to enter the formal economy:

- Difficult access to capital and absence of banking services
- Small and distant markets
- Low level of business and management skills
- Legislation restricting home-based business development
- Lack of child care facilities

Attempts to promote the domestic economy are hampered by weak and indirect marketing links at local, regional and national levels. There is also a need to forge marketing links between the domestic and formal economic structures. In the informal economy, attempts to continue and strengthen harvesting activities are limited by the expense of hunting equipment and supplies. To date, the community wage earners have supported this component of the economy. However, Nunavut's new Hunter Support Program will now lend additional capital support to this important sector of local Inuit economies.

Also addressed in chapter 3 is what local Inuit consider at the root of problems identified earlier in the report. These underlying issues include:

- Low levels and low standards of education and training
- High degree of government intervention
- Comparatively weak community decision-making capacity

This report concludes that flexibility is crucial to the success of

both Federal and Territorial programming directed at the development of Inuit economies. To this end, seven recommendations are offered in chapter 4 that may be used as a guide to future prospects and strategies:

- Evaluate existing models of development agency in the Arctic
- Establish banking services in the community and simplify funding application processes
- Lower restrictions on the development of home-based business
- Provide support for child care facilities
- Develop strategies for locally-controlled marketing systems targeted at the domestic economy
- Provide support, perhaps in the form of subsidies, for resource-based activity in the informal economy
- Provide support for human resource development -- training and education -- directed at all components of the mixed economy

Preface

The report that follows is a case study of the economy in Pangnirtung, Northwest Territories commissioned by the Royal Commission on Aboriginal Peoples (Land and Economy). Because the purpose of this and other case studies like it is to better understand the modern economy in an aboriginal community, I focus upon issues as they relate to local Inuit.

I have organized the case study around four main themes as outlined by the Commission's objectives. The first chapter describes the profile of what is a 'mixed economy' in Pangnirtung. This is followed in chapter 2 by a discussion of the historical, political and cultural context in which the economy has developed. Having established the structure and context of Pangnirtung's economy, chapter 3 portrays a subjective account of the problems Inuit experience in their attempts to succeed economically. In this chapter I include many quotations taken from interviews, my aim being to allow local people to express -- in their own words -- the concerns about which they feel the Commissioners should be aware. The final chapter presents prospects and strategies that from both a local and a policy point of view, are recommended in the effort to further goals of economic development in this Inuit community.

I draw upon several sources of primary and secondary data to construct this case study. Field research during the summer of 1993 produced rich interview material; this is supported by interviews conducted during previous research in 1991 by myself and a local Inuk co-researcher, Andrew Dialla.¹ Employment, occupation and household surveys were conducted during both the 1991 and 1993 field-research periods. Incorporated into the main text of this report is Ed McKenna's submission on arts and crafts activity in Pangnirtung, a study based on field research and secondary data sources (McKenna 1993). Previous studies on the tourism industry (Reimer & Dialla 1992) and on the fishing industry (Weihs 1990; Ashley 1993) also provide relatively current information on these sectors of Pangnirtung's economy. Where possible, the data has been updated during the revision phase in April 1995, particularly in light of the Nunavut Land Claim Agreement which is in its first phase of implementation. Finally, government documents and ethnographic and archival material complete the data source-list.

There are numerous people and organizations that deserve my thanks in the completion of this study. First, my gratitude goes to the many people in Pangnirtung who patiently and willingly gave their

¹ Total of 131 interviews: 38 in 1993; 93 in 1991-1992.

time and knowledge to yet another research project. In particular I thank Jonah Kilabuk who expertly organized the interview schedule and provided Inuktitut/English translation. Jonah also offered valuable advice concerning the research process, and provided insightful information about the local economy. I acknowledge Andrew Dialla's contribution to the initial coordination of this study, and Ed McKenna's valuable contribution on the arts and crafts in Pangnirtung. Front-line workers employed by GNWT Economic Development and Tourism and by Kakivak Association offered both information and insight, including comments on earlier drafts. This report has also benefitted from useful comments by peer reviewers.

Final credit goes to the Royal Commission on Aboriginal Peoples who funded this project and who gave me the opportunity to conduct the research.

I accept full responsibility for the content, conclusions and recommendations as written in this report.

Gwen Reimer, Ph.D.
Ottawa, April 19/1995

1. The Structure:

A Profile of Pangnirtung's Economy

The Baffin Island community of Pangnirtung lies 40 km south of the Arctic Circle, situated along the shores of Pangnirtung fiord and framed by scenic mountains. Settled around 1962, and incorporated as a Hamlet ten years later, the community has a population of approximately 1,200 people, 95% of whom are Inuit.

Pangnirtung has a relatively well-diversified economic base compared to other Baffin communities. The Government of the Northwest Territories (GNWT) Department of Economic Development and Tourism (ED&T) categorizes Pangnirtung as a "Group 2 -- Emerging Market Community" (GNWT 1990). As such, it is defined as a community that is demographically and economically situated somewhere between larger, mature market centres (eg., Yellowknife) and smaller communities with economies linked primarily to renewable resource harvesting (eg., Broughton Island).

In addition to public service, retail and construction -- sectors common to all local economies in the Eastern Arctic -- people in Pangnirtung benefit from economic opportunities generated by tourism, arts and crafts, commercial fishing and, potentially, commercial sealing. Like Inuit in neighbouring communities, aboriginal residents in Pangnirtung continue their tradition of hunting for subsistence purposes.

This chapter of the report presents a profile of the local economy. The purpose is descriptive, to provide a picture of the external and internal structure that both promotes and restricts economic activity in the community. I begin by briefly outlining the community's infrastructure. Second, I define what is meant by a mixed economy as it is manifested in Pangnirtung. The third section provides a more detailed description of the various sectors of the local economy, with an emphasis on how they interact within this mix of economic activity. The fourth and final section presents income and labour force data.

1.1 INFRASTRUCTURE

Pangnirtung has a well-developed infrastructure compared to other Baffin communities (excluding Iqaluit which is the regional government centre for the Eastern Arctic). In the past five years, the community has been the focus of several new and impressive construction projects in the region. The tourism pilot-project has been a major impetus in the construction of new buildings such as the Angmarlik Visitor Centre and Museum (1989) and the Canadian

Parks Service offices and visitor centre (1992). Tourism development has also been a factor in the renovation of older structures such as Auyuittuq Lodge (1988), and partly in supporting applications for capital to build the new Uqqurmiut Arts and Crafts Centre (1990). Commercial fishing development has led to the recent construction of two fish-processing plants: the first is privately-owned (1992); the second is under the aegis of the NWT Development Corporation (1994). Other more recent construction projects include the new Co-operative store and the Arctic College Community Learning Centre, both of which opened their doors in 1993. From an economic point of view, the most obvious lack in the community's infrastructure is a bank or any other formal type of financial institution.

The community is fairly well linked to the regional air transportation system. Pangnirtung is only an hour or so flying time away from Iqaluit, and there is a reasonably high domestic and commercial demand for travel and cargo services. In 1992, Baffin Air added inter-community services to the already existing First Air flights to and from Iqaluit on an almost daily basis. There is ready access to points outside the Baffin region: for example, same-day connections to Ottawa (via Iqaluit) are available several times a week. This is in contrast to communities such as Igloolik where there exist no same-day flights to points outside the Baffin region, and where flights to Iqaluit are scheduled only twice a week. Hence, Pangnirtung has an advantage over such communities which when combined with the unpredictable weather patterns in the Arctic, have severely limited travel and export/import access.

1.2 THE MIXED ECONOMY

The economy in Pangnirtung, as in other Baffin communities, is structured according to three main types of activity: wages (the formal economy), subsistence activities (the informal economy) and domestic cash activities. These components of the economy are discussed separately below.

1.2.1 Formal Economy

Formal economic activity is wage oriented, employing people to, for example, provide services in the public sector (Municipal, Territorial, Federal) as well as in the private sector (retail, etc.). Small businesses that are registered and that declare their earnings annually are also included in the formal economy (a snowmobile repair shop, for example).

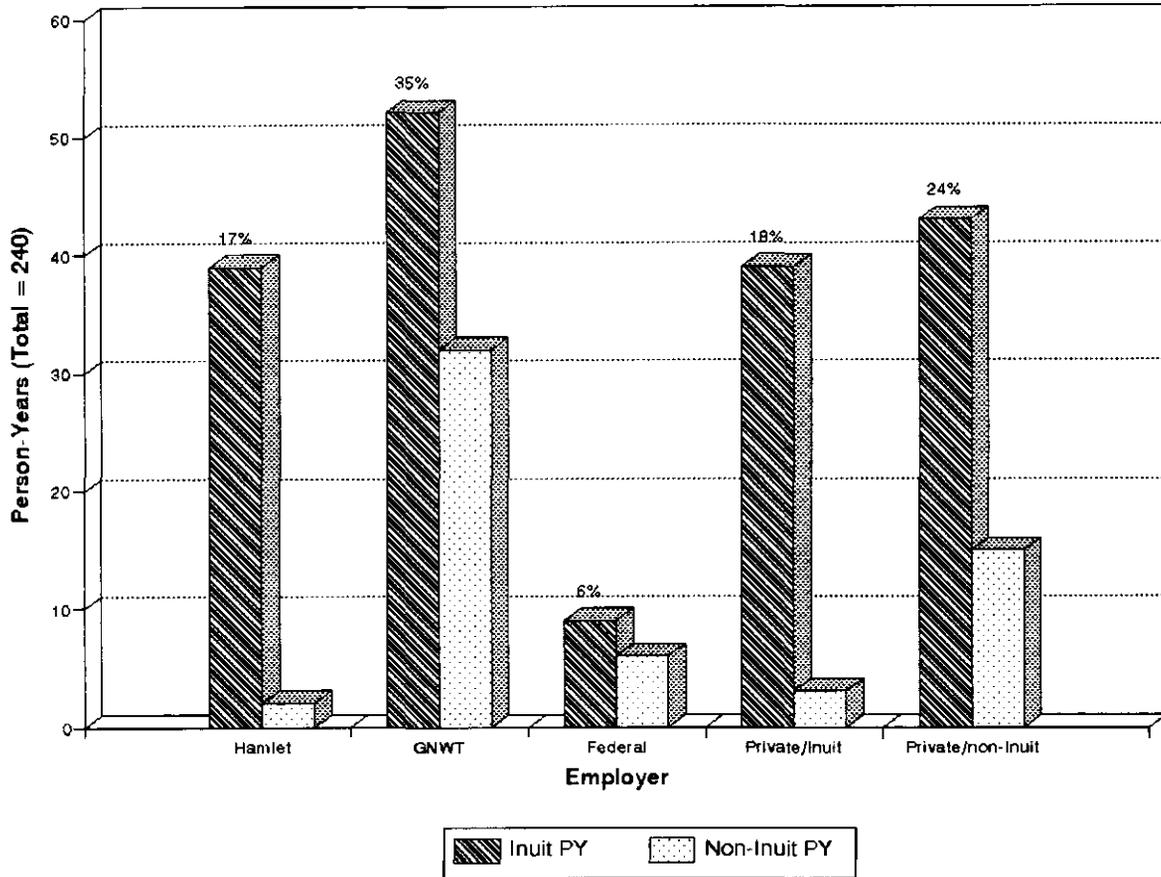
The local wage economy is composed of approximately 200 full-time jobs, most (58%) of which are provided by government (see Table 1.1). There are another 100 part-time jobs, making for a total equivalent of 240 full person-year wage positions in Pangnirtung (see Figure 1.1). These are distributed among almost 700 persons of

Table 1.1 *Number of Persons Employed Full- and Part-time, by Sector: Pangnirtung, 1993*

<u>Employer</u>	<u>Full-Time</u>	<u>Part-Time</u>		<u>% of Total</u> <u>Wage Positions</u>
		<u>1/2-time</u> <u>(or more)</u>	<u>1/3-time</u> <u>(or less)</u>	
Public Sector				58%
Municipal	35		16	
GNWT				
Renewable Resources	2		1	
Social Services	2			
Economic Development & Tourism	2	1	4	
Government Liaison	1			
Department of Public Works	3		4	
Medical Services	10	1		
Housing Corporation	15		1	
NWT Power Company	2			
Education	41	3		
Federal				
RCM Police	3		1	
Canadian Parks Service	9	2	2	
Contracts			2	
Private Sector				42%
Retail and Production:				
Northern Store (HBC)	20	6	3	
Pangnirtung Inuit Co-op	4	6	2	
High Arctic Store	3	6	2	
Uqqurmiut	21		3	
JR Peyton Enterprises	6			
Services:				
Auyuittuq Lodge	9		3	
Bell /Northwest Tel	1			
First Air	1	1	1	
Cable TV	1			
Evic Taxi	2		2	
Sanavik Skidoo (Seasonal)	1	1		
Alivaktuk Outfitting (Seasonal)	1		2	
AL's Carpentry (Seasonal)	1	2	10	
Renewable Resources (Seasonal)				
Pangnirtung Fisheries Ltd.	2		6	
P & L Fishery	1		6	
Non-Profit: Anglican Diocese	2			
TOTAL:	201	31	69	100%

Source: Field data, Reimer 1993

Figure 1.1 *Formal Employment by Person Years (PY), Inuit and Non-Inuit: Pangnirtung, 1993*



NOTES: 1. A Person-Year (PY) is the term used to measure employment equal to one permanent full-time position. In this equation, two persons working half-time would be calculated as one PY.
 2. Percentage figures represent PY contribution of each sector to the formal economy.

Source: Field data, Reimer 1993

working age. Statistically, this means there are employment opportunities for about one-third of Pangnirtung's working-age population. Also, although almost 80% of all jobs are filled by Inuit, a majority (60%) of high-level management and professional positions are filled by non-Inuit (*Qallunaat*). The private sector contributes approximately 40% each of jobs and person-years. Inuit-owned small businesses provide almost half of private sector jobs comprised mostly of part-time and seasonal work.

Based on money, the formal economy is structured according to legal

and institutional means of acquisition and distribution, that dictates appropriate behaviour and imposes sanctions for inappropriate behaviour.

1.2.2 Informal Economy

Alongside the formal structure of the economy, there exists a variety of informal economic activities carried out by family units. The informal economy is defined as one "organized in small economic units in which the objective of maximizing either profits or utilities does not and cannot exist apart from the goal of maintaining the mutual social bonds and obligations of the 'local society'" (Ross & Usher in GNWT 1986b:46). Also referred to as an economy of "sharing," discussions about the informal economy focus on, and are sometimes synonymous with harvesting or subsistence activities (Wenzel 1991).

Although described as 'informal,' the Inuit economy of reciprocity is a "highly organized system of resource distribution" (*Ibid.*:99). Informal economic activity implies the distribution of 'income-in-kind' (eg., country food) according to a social obligations based on relationships that are both biological and sociological. Traditionally, Inuit material transactions were structured through rules of kinship, co-residence, and cultural solidarity.² The extended family (*ilagiit*) remains the core of this economic system, from which radiates extra-familial sharing. Community feasts also remain an important form of communal food sharing. Living "on the land," harvesting and country food sharing remain central to what local people term "the Inuit way."

Sharing harvested resources is important for at least two material reasons. First, hunting is a risky business and all hunters are not successful all of the time. Second, Inuit communities are responsible for non-hunting dependants such as the elderly and the sick. Increasingly, this responsibility has been extended to supplying country-food to full-time wage workers who no longer have the time to hunt.

Today, local Inuit know that hunting is a material and social whole fundamental to Pangnirtung's economic system. Also among non-Inuit scholars and bureaucrats, it is now commonly accepted that hunting remains one of the most important components of the overall Inuit economy. Although difficult to quantify, the importance of country foods -- caribou, seal, char -- to Inuit economic well-being has been established in several studies (Usher 1976; Smith & Wright 1989; Wenzel 1991). Imputed values of country foods are high relative to the cost and nutrition value of imported foods. So, for instance, an elder's "income" is greater than that which she is

² For an excellent and detailed discussion on the organization of informal economic transactions, see Wenzel 1991, Chapter 5.

able to measure through receipts (i.e. from Old Age Pension cheques), due to the fact that she is receiving a sizeable proportion of her food resources from a grandson, son, or other relation.

There also exists the informal production and trade of skin clothing for hunting and travelling on the land. Skin clothing -- seal skin boots and caribou parkas, for example -- is traditionally made by a female member of the household where it is to be used. However, there are an increasing number of cases where the wife or mother no longer has the time to sew clothes because of wage-work commitments. In this case, another woman within the extended family may take on the task, sometimes in exchange for other home-made goods or services. However, cash is increasingly involved in such transactions. One woman with full-time employment explains:

Many of us don't have time to make traditional arts and crafts such as caribou parkas or polar bear pants. We will pay another woman to make the clothing for us, because with the cash, this is the best way she can help her family. (in McKenna 1993:18)

At the Kittaq traditional sewing centre in Pangnirtung, a group of women meet regularly in winter to sew traditional clothing. With the exception of the clothing needs of immediate family, everything is bartered or sold. This leads directly into a discussion of the domestic economy.

1.2.3 Domestic Economy

The domestic cash economy falls between that which is formal and informal. It represents cash income that is non-wage, and that is generally not reported for taxation or transfer payment purposes. This type of economic activity is sometimes referred to as 'underground' or 'black-market,' but these labels have a negative connotation that is generally unwarranted in an isolated Arctic community such as Pangnirtung.³

The domestic economy consists of such practices as selling carvings or crafts to tourists 'on the street,' sales for which no receipts are given, and from which no income is declared. Because almost no-one keeps written records of such sales, it is impossible to measure the contribution of domestic activities to the overall economy. However, interviews and observations in 1991-1992 show that these activities are important to the well-being of a significant number of families in Pangnirtung (Reimer & Dialla

³ However, cash exchanged in illegal drug trade would certainly be characterized as "underground." According to local retailers, the flow of cash in the community is severely limited when a "load" of drugs arrives in town. Drug-users withdraw whatever disposable cash is available in local credit accounts to pay for the product. Some might argue that cash exchanged at bingo and in other forms of gambling would also fit into the "underground" category of economic activity.

1992). For example, seasonal economic activities -- fishing and outfitting, for example -- generate an equivalent of 21 to 23 person-years of employment largely exercised at the domestic level. As will be seen later, arts and crafts production makes up a major part of the domestic economy.

The amount earned domestically varies greatly from individual to individual, and production and sales are usually dictated by an immediate need for cash. The direct relation of, for example, carving to consumption has also been established by studies of other Inuit communities (Brody 1975; Myers 1982). One woman in Pangnirtung, for instance, completes an embroidered wall-hanging and immediately goes door-to-door to potential customers (eg., non-Inuk teachers or nurses) until a sale is made. At that point, she takes her cash in hand to a store to buy whatever it is she needs. This woman is rare in that she has kept careful records of her sales since mid-1988. Table 1.2 illustrates the importance of this type of activity for her family over a four-year period.

Table 1.2 Domestic Craft Sales by One Woman: Pangnirtung 1988-1991

	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
Total Sales	\$138	\$2,355	\$2,365	\$3,950

Source: Field data, Reimer 1991/92

The domestic economy is a significant supplement to the cash resources available to families through formal means. It is especially important as a supplement to families who depend on some variety of social assistance, but who cannot afford to threaten the level of payments they receive (by having to declare increased cash income).

From a policy point of view, it is significant to note that government departments such as GNWT Economic Development and Tourism have, to date, turned a blind eye to much domestic cash-earning activity. This is because such activities tend not to amount to large sums of money, but nevertheless contribute another means of cash income needed by families with limited economic options. On the other hand, although domestic activities are 'tolerated' by government, a lack of official recognition of this component of Pangnirtung's economy means that it receives no form of direct development support.

1.2.4 A Bricolage

The three types of economic activity described above are not

exclusive of one another, but rather are components of a *bricolage*⁴ strategy: each interacts as a 'mix' of activities that are evident at both the community level and the individual level. The very limited opportunities for full-time wage employment means that the majority of adults in the community are engaged in several distinct types of economic activity throughout the year. Furthermore, their participation in two or more types of activity may sometimes overlap, or alternatively, result in complete inactivity for some part of the year. For example, a man involved in fishing on a full-time basis during the winter months, will usually take part in subsistence seal hunting as well. He then might live off that income or rely on social assistance in the summer months when wage employment cannot be found.

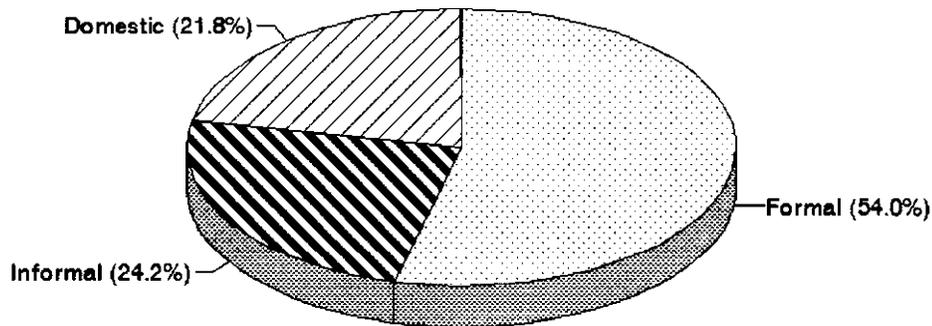
Figure 1.2 shows the relative contribution of each component of the economy in terms of Inuit participation measured in person-years. As this figure demonstrates, the formal economy consumes the highest level of working time among Inuit in Pangnirtung. This may be interpreted as a 'trade-off' that occurs in terms of time taken away from informal and domestic activities: an increase in wage-work results in a decrease of work-time in other components of the local economy. On the other hand, the informal and domestic economies appear to be more equally co-existent in terms of time management: there is considerable overlap between the two participant populations, in which for example, hunters are also artisans.

A well-known carver in the community provides a good example of this "jack-of-all-trades" *bricoleur* type of economic activity. In addition to carving, he is very active in outfitting during the summer tourist season, commercial fishing during the winter, and subsistence hunting year round. In his experience: "It is better to be involved in many activities, and not to depend on a single type of work." In fact, a sharp decline of carving income (discussed below) has been ameliorated by carvers' participation in other areas of the economy. Only 27 of the 130 carvers in Pangnirtung depend solely on carving for earned income (McKenna 1993).

People in Pangnirtung have created self-employment in a variety of ways, and for many Inuit households, these types of domestic activity are the primary source of income. Many of the different types of work are seasonal and increasingly, there is a pattern developing of local people using their resources to re-create a unique 'seasonal cycle' of economic activity: tourism, construction, interpreting and potentially commercial sealing in the summer and fall; commercial fishing in the winter and spring.

⁴ Term used by Wenzel (1993:113) to describe the Inuit mixed economy.

**Figure 1.2 Comparative Time-Input to the Mixed Economy
(Estimated PY): Pangnirtung 1993**



NOTES: 1. Informal economy estimates derived in part from NWT Labour Force Survey (number of persons who hunted, fished and trapped in 1988). Full-time hunting estimates are based on a 1993 community survey in which 10 persons were identified as hunters by occupation: these are measured as equal to one PY each. This leaves 416 persons as part-time hunters (weekend and annual camping trips); these are calculated as equal to 1/6 (.166) of a PY each. Considering the data in Table 1.5, this appears to be a conservative estimate.

2. Domestic economy estimates: Commercial fishing = 65 persons x 1/3 (.3) PY = 19.5 PY
 Outfitting = 15 persons x 1/6 (.166) PY = 2.5 PY
 Arts & Crafts = 16 x 1 PY + 199 x 1/6 (.166) PY = 49.0 PY

Sources: GNWT 1989a; Field data, Reimer 1993 & McKenna 1993

In fact, commercial turbot fishery has acted as an important contribution in support of the hunting economy. The income earned from the fishery provides the cash means to hunt more frequently, especially just after the fishing season ends. During the fishing season, contributions in terms of training are also evident, as younger helpers learn both traditional land-skills and modern fishing techniques. As well, the fishery supports the hunting economy in that it allows many men (and their helpers) to engage in subsistence hunting at grounds that are closer to the fishing sites than to Pangnirtung (Ashley 1993).

Subsistence hunting occurs throughout the year, depending on ice and weather conditions. Hunting also depends upon one's ability to afford the fuel, ammunition, and other expensive supplies. Since

the collapse of sealskin prices in the late 1970's and early 1980's, hunting has decreased significantly as the industry is no longer self-sufficient.⁵ Most hunting is now carried out on a part-time, often on a 'weekend' basis by individuals who are full- or at least part-time wage earners or who earn income from other sources. In the 1993 occupation survey, only ten men were identified as full-time hunters.

Hence, cash generated in the formal and domestic economies continues to be circulated in ways that directly or indirectly support the hunting economy. Many women who hold full-time wage employment provide the cash resources necessary to allow husbands, sons, brothers and fathers to provide meat resources for the immediate and extended family. Interviews with women reveal a continuation of the traditional Inuit cultural division of labour, a gender pattern that places the Inuk woman at the centre of settlement life and the Inuk man at the centre of life on the land (*cf.* Pauktuutit 1991:12; Nuttall 1992:140). Women describe this as a cooperative, complementary arrangement, particularly since the collapse of the seal-fur industry. One woman said that "the fact" of Inuit life today is that "now women have to be working in order for the man to go out [hunting]."

At the same time, Inuit men choose the extent to which they involve themselves in seasonal activities such as commercial fishing in the winter, or tourism in the summer. This type of income activity allows part- or full-time hunters to earn the cash and to reserve the time they need to pursue subsistence activities. It is in these ways that "cash and subsistence are not juxtaposed but co-exist" (Nuttall 1992:173; *cf.* Berger 1985:58).

1.3 SECTORS OF THE LOCAL ECONOMY

Of the five main resources with potential for development in the Baffin region -- mining, tourism, fishing, arts and crafts, and small business -- Pangnirtung is active in all but mining. A more detailed description of each sector is provided below.

1.3.1 Public Sector

Within the first thirty years of settlement, the public sector has grown dramatically and now constitutes almost 60% of all wage positions in Pangnirtung (see Figure 1.3). The marked increase in jobs from 1982 to 1993 is due almost entirely to a sharp rise in the availability of part-time work (38 public and 62 private half- and third-time positions). In terms of cash earnings, government

⁵ All persons interviewed in 1993 agree that hunting is no longer a self-sustaining economic activity. Eleven persons pointed out that participation in hunting necessitates large withdrawals from personal or family cash resources. Figures to support this assertion can be found in Table 1.5.

employment provides almost 71% of total wage income (GNWT 1989a). As well, much of the private sector directly relies on continued government growth (GNWT 1986b). In other words, the industry of government dominates the local economy.

The Government of the Northwest Territories employs the largest number (34%) of people in Pangnirtung. Of the full-time positions, 28 are held by non-Inuit teachers, nurses, and other professionals. However, in the past decade the proportion of Inuit/non-Inuit GNWT positions has moved in favour of local Inuit employees, from 57% in 1981, to almost 65% in 1993.

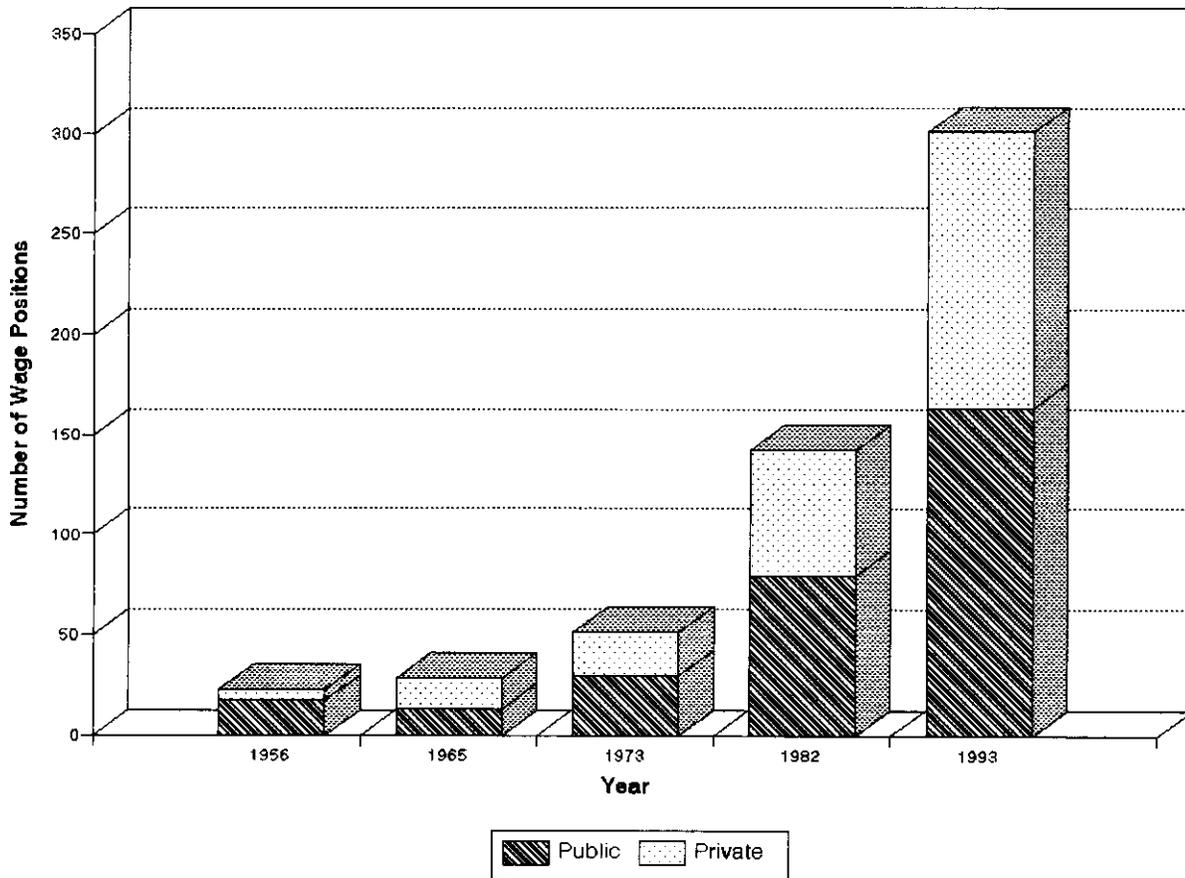
Federal agencies -- the RCMP and Canadian Parks Service -- provide 12 full-time plus up to 7 part-time positions, equal to 8% of people employed in Pangnirtung. These jobs are held equally by Inuit and non-Inuit, Parks Canada having been relatively successful in working toward their goal of achieving an all-Inuk staff in the Pangnirtung office.

The Municipal government has the greatest number of local people on its payroll, employing up to 51 workers (35 full-time) in 1993. Of these, 94% of positions were held by local Inuit -- water and sewage truck drivers, maintenance people, and secretaries. However, the highest paying positions of Secretary Manager and Accountant are held by non-Inuit.

Historically, most high-paying Federal and Territorial positions have been held by non-Inuit, many of whom were transient and stayed in the North for anywhere from three months to two years (Brody 1975). While this trend continues to be evident today, what has changed is the length of stay; several professionals have chosen Pangnirtung as their home for periods of three to five years or more, and some consider themselves permanent residents. Nevertheless, the transient nature of high-level government employees in an Arctic community like Pangnirtung, encourages a general trend in which cash flows are typically from north to south, while capital flows are greater from south to north.⁶

⁶ For example, 1982 figures show that Pangnirtung's exports (excluding tourism) estimated at \$480,000, while the community's estimated imports totalled to almost ten times that amount, at \$4,556,389 (GNWT 1984). If tourism exports are estimated at \$650,000*, this would increase the export total significantly to about 25% of the import total. [A generous estimate would allow Pangnirtung 20% of Baffin's \$13 million tourism revenues; approximately 25% of revenues stay within the community (GNWT 1984).]

Figure 1.3 *Wage Positions, Public and Private:
Pangnirtung, 1956-1993*



Sources: Mayes 1978; GNWT 1981; GNWT 1984

1.3.2 Small Business Sector

The north/south trend mentioned above also holds true for private sector businesses: most are externally owned, and all import the majority of their goods (and management labour) from the south. In contrast, only a small portion of their earnings is returned to community members. Nevertheless, small businesses have played an important role in the regional and local economies, generally employing more permanent Baffin residents than the large industrial or government concerns (GNWT 1984:120). Today, Pangnirtung supports about fifteen small businesses of various types ranging from accommodation and amusement shops, to retail and taxi services.

The retail sector dominates each Baffin community as the largest small business employer. In Pangnirtung, retail business employs 52 people, 92% of whom are Inuit. The Northern Store (formerly Hudson Bay Company) and High Arctic Enterprises join the Inuit Co-operative in providing a relatively good selection of perishable and non-perishable retail goods to community members. Known locally as "The Northern" and "High Arctic," these stores are both managed by non-Inuit. The Northern has a much higher "transient rate" or turn-over of management. Because the Co-op has played a unique role in the history of Arctic communities, and in Pangnirtung in particular, separate treatment is given below.

The Pangnirtung Inuit Co-operative

The Pangnirtung Inuit Co-operative does not fit the pattern of north to south cash flows. Although current figures are not available, in 1972/73 the Co-op returned 92% of its estimated earnings to local members (Mayes 1978). Considering that the Co-op employed twelve local people in 1993, the percentage of return to the community is likely higher than twenty years ago.

Formally incorporated in 1968, the co-operative was the result of a Federal effort to improve Arctic economies. The major emphasis of government northern economic policy at the time was placed on handcrafts, especially as organized around the Co-op. The Pangnirtung Eskimo Co-operative was formed initially to market soapstone and whalebone carvings. A few years after it established, the Co-op also began to operate a print-making workshop.

The Co-op also provided the labour (seven employees) used in the provision of municipal services for almost five years of its initial operation. When in 1973 the Hamlet of Pangnirtung took over the operation of municipal services, Co-op sales consequently fell (by approximately 60%), although from a community perspective the same employees simply changed employer. The Co-op, then, was instrumental not only in economic development, but also in the political development of the community. Culturally, administrators considered the Co-op to be congruent with values of sharing and for the good of the community... "a chance to deal with northern business matters in a partly native style, using their own language" (Mayes 1978:193).

Following the formation of Arctic Co-operatives Limited (ACL) in 1972, all co-ops were encouraged to become more involved in retail sales as a means of recapturing dollars paid out to people producing arts and crafts. At the Pangnirtung Co-op, space once reserved for arts and crafts display has increasingly been taken over by retail space (McKenna 1993). The Co-op has evolved into a general-purpose store, expanding its activities into the retailing of dry good, groceries and other products, and service contracts.

Unfortunately, the Pangnirtung Inuit Co-operative has had a

"roller-coaster" financial history, moving back and forth between substantial profits and substantial losses within short periods of time (Weihs 1990:B2). According to both local and national representatives, the Co-op's problem years are directly traceable to poor management, an issue that will be elaborated later in this report (chapter 3).

1.3.3 Arts and Crafts⁷

In many respects, the arts and crafts industry in the Baffin is the region's "flagship" (GNWT 1989b:3). The products are distinctively eastern Arctic, the producers constitute 25% of the Inuit labour force, and the industry generates new wealth for the region by exporting most of the product.

Print-making and ceramics were also undertaken as experimental projects. By 1972-73, the basic structures on which Pangnirtung arts and crafts would develop were established, contributing 12.5% of the community income (Mayes 1978:292). Over half of this amount was earned through carving, the remainder through the production and sales of weavings, garments, and prints.

Today arts and crafts remain a major activity in the domestic economy. An occupation survey conducted by Ed McKenna in 1993 identifies 302 Inuit residents as members of the arts and crafts sector in Pangnirtung (see Table 1.3).⁸ 185 of these fall between the ages of 18-60 years, equal to 27% of the working-age population. 53% of households include individuals with some level of involvement in the arts and crafts. 75% of the people identified as "active" artists currently derive income from the arts and crafts. The survey also indicates that almost a third of those involved in the arts and crafts in Pangnirtung participate in more than one type of production. While further quantitative research is necessary to determine precise levels of participation, these figures are strong indication that the arts and crafts in Pangnirtung represent "the single largest category of activities in which people participate for purposes of producing income, in terms of the number of people involved" (McKenna 1993:19).

⁷ This section is based primarily on the draft report contributed by Ed McKenna, 1993.

⁸ Participation in the arts and crafts was recorded in a survey in which all individuals in the community were listed by housing and family units. This list was then reviewed by community members who identified an individual as having some recognized status in the community as a carver, weaver, sewer, printmaker, drawer, or cottage-industry craft-worker (McKenna 1993:18). These figures are generally consistent with GNWT's Labour Force Survey in 1989.

**Table 1.3 Participation in Types of Arts and Crafts by Sex:
Pangnirtung 1993**

Type of Art/Craft	MALE		FEMALE		M/F	TOTAL
	Active	Not Active	Active	Not Active	Active	
Carving	111	1	0	18	111	130
Home Crafts	0	0	52	20	52	72
Drawers	12	7	11	2	23	32
Sewers	0	0	13	17	13	30
Print Makers	11	1	0	2	11	14
Weavers	0	0	21	3	21	24
TOTALS	134	9	97	62	231	302
Total Male/Female	143		159			

Source: Field data, McKenna 1993

In 1969, a small Montreal company made a proposal that was to change the fundamental character of Pangnirtung's handcraft economy. Their interest in organizing a weaving project was supported by DIAND and in early 1970 this project was implemented under the supervision of a company representative. Known locally as the "weave shop," this initiative represented a long-term arts and crafts project separate from Co-operative organization. As will be seen, this event has had important ramification for the subsequent economic and political development of the arts and crafts industry in Pangnirtung.

Misuvig Sewing Centre was established in 1979, employing six to ten women who made parkas, parka covers, and duffle socks. By 1982 management of the Sewing Centre was taken over by a local woman, but in 1985 high operating costs and cuts in Federal grants brought on financial failure. Since then, several local women have made efforts to revive the commercial sewing industry in Pangnirtung, resulting in some part-time cottage industry and small business ventures.

Carving has suffered a continual decline since the recession in the early 1980s (GNWT 1989b). At one point in 1987, carving purchases at the Co-op actually ceased, the first such interruption ever. Carvers have seen little improvement in their circumstances in the 1990s. Although the carvers committee at the Co-op has remained active, its abilities to improve carvers' lot is limited by problems in the Winnipeg-based marketing system over which they have no control (see chapter 3, section 3.2).

Print-making in Pangnirtung began in 1976 as an Arctic Cooperative

(ACL) initiative. Printmakers were hired and trained as employees of the Co-op, as opposed to carvers who were recruited as member producers. The print-shop enjoyed some modest success, with annual collections produced through to 1988. However, when the Co-op experienced financial difficulties in the late 1980s, printmakers were laid-off and the print-shop closed. While this event initially had a negative effect on the local arts and crafts sector in Pangnirtung, in the long-term it served as an impetus to local action on behalf the community's artistic tradition.

The crises in the arts and crafts in Pangnirtung prompted a significant "tundra-roots"⁹ effort among local artists to revive the print-shop. It was determined that in order to access funding for a new print-shop, an independent community-based non-profit society was needed that would be "based on the cultural and artistic preservation of the fine art created here in Pangnirtung" (in McKenna 1993:8). Uqqurmiut Inuit Artists Association was established in 1988 with the strong support of the regional office of GNWT Economic Development and Tourism. On the condition that the weave-shop would provide a first base of operation for Uqqurmiut, an "Open Studio" concept was approved for funding through the Federal Native Economic Development Programme (NEDP). Uqqurmiut is now an important institution in Pangnirtung for other than economic reasons. The Association's successes represent a local initiative that has political significance as well, particularly with regard to issues of local control over economic affairs.

In 1990, the NWT Development Corporation supported Uqqurmiut as its first project (Dickerson 1992:151). Through the corporation's program, Uqqurmiut has been able to access the capital to build a unique new tapestry studio and sales office. Subsequently, Uqqurmiut has become the umbrella organization for the weaving industry, much of the cottage craft industry, and print-making. Uqqurmiut's retail outlet sells a wide range of local crafts which supports the development of crocheted and knitted crafts, the production of ivory and antler jewellery, and embroidered wall-hangings. These are also sold through the Arctic's first mail-order catalogue for crafts, published and distributed by the Uqqurmiut Centre.

In 1991, Uqqurmiut Inuit Artists Association purchased approximately \$45,000 worth of hand-made articles produced by about twenty women who knit, crotchet, and sew piece work for souvenir items sold in the gift shop in 1991 (GNWT 1992). In addition, Uqqurmiut employs up to twenty local individuals to produce prints and tapestries for sale in their studios and for commissioned work by southern clients.

⁹ I acknowledge Pat Arnakak, General Manager of Kakivak Association who coined this most appropriate phrase.

**Table 1.4 Arts and Crafts Participants and Income:
Pangnirtung 1986 & 1993**

<u>Income Source</u>	<u>1986</u>	<u>(%)</u>	<u>1992</u>	<u>(%)</u>
Carving	\$298,049	(56)	\$132,066	(29)
Tapestries/Prints	\$191,603	(36)	\$274,392	(61)
Other (Cottage Craft)	\$ 42,579	(8)	\$ 45,032	(10)
Average Annual Income	\$ 3,326		\$ 2,100	
Participants	160		215	

Source: Field data, McKenna 1993

In 1992, Uqqurmiut re-opened the print-shop in the former weavers' building and published its first series of Pangnirtung prints. Unfortunately, the Pangnirtung Print Shop was destroyed by fire in March 1994. Within the week, local artists were devising a "recovery plan" (*Nunatsiaq News*, April 8 1994:1). At the time of writing, the Federal Business Development Bank is evaluating plans for funding a re-structured print shop in Pangnirtung. Uqqurmiut also has long-term plans to expand their facilities for other ventures such as a training studio for young carvers.

However, the importance of arts and crafts as a source of domestic cash income in Pangnirtung has declined in recent years. Table 1.4 reveals not only an overall reduction in average annual income derived from arts and crafts production, but also a shift in income generated from carvings in contrast to that from tapestries and prints (McKenna 1993:19). These figures reflect the depressed market for Inuit sculpture on the one hand, and the considerable government investment in the Uqqurmiut Centre on the other.

1.3.4 Tourism

In 1972, the Federal government's announcement to set aside crown land for three new national Parks in the Arctic gave a major boost to the potential tourism economy in communities such as Pangnirtung (Duffy 1988:185).¹⁰ Auyuittuq National Park Reserve was established at the head of Pangnirtung Fiord. In addition to full- and part-time employment and seasonal contract work for local Inuit through Parks Canada, the Park provided the impetus for a new community-based tourism development strategy to be tested in Pangnirtung.

¹⁰ Before this, the Federal government established a small tourist fishing camp at Clearwater fiord in the 1960s in the Cumberland Sound area. In 1970, Ross Peyton and a partner leased and then later bought the camp, and also opened a hotel in Pangnirtung itself.

Under the care of GNWT Economic Development and Tourism, tourism has represented a major economic investment in the community. The tourism pilot project in Pangnirtung received a substantial share of GNWT regional tourism investments in the decade of 1981 to 1991. During this time, Pangnirtung received anywhere from \$50,000 to over \$700,000 per year for capital development alone. Less has been spent on human resource development to operate the local tourist industry. Nevertheless, students and other local people received a total of at least \$200,000 in wages from Federal or Territorial employment programs (not including full-time positions such as the Angmarlik Visitor Centre General Manager, or part-time or seasonal positions such as the Assistant Manager). Furthermore, the community-based pilot project has had significant political implications for both the community of Pangnirtung, as well as government development policy (see chapter 3).

Today, 3.5% of the local Inuit work force is directly involved in the industry year-round or during the tourist season. This percentage represents approximately nineteen to twenty-four individuals working annually to accumulate almost 6 person-years of employment (GNWT 1992). However, this figure underestimates the actual importance of tourism to the local economy.

A survey in 1991 (70% of the community) indicates that it is in the domestic economy that tourism contributes its greatest benefits to family income (Reimer & Dialla 1992). The majority of outfitting, for example, occurs domestically; it contributes at least \$100,000 per season to the overall economy, distributed among fifteen to twenty households. Likewise, arts and crafts sales direct to tourists range anywhere from \$30,000 to \$100,000 per season, in which 25 households earn an average of \$800 to \$3,200 each through this type of domestic involvement.

However, Arctic tourism has proven to be a volatile industry, an expensive commodity that has suffered the negative consequences of nation-wide recessions. Furthermore, the high cost of air travel to and from Baffin Island results in only a small percentage of tourist expenditures which end up in local hands. Nevertheless, the tourists visiting Pangnirtung create what is to local people an important additional source of seasonal cash income for outfitters, carvers, handcraft makers, hotel workers, and camp-operators.

1.3.5 Renewable Resources

Renewable resource development is included under the mandate of GNWT Economic Development and Tourism through the local Hunters and Trappers Association (HTA). Incorporated as a non-profit society, the HTA represents all hunters in Pangnirtung. The Association is also involved with the management of wildlife resources and harvesting in the area. Together with the GNWT Department of Renewable Resources and the Federal Department of Fisheries and Oceans, they determine and allocate harvesting quotas, administer

hunting regulations, and advise local groups such as the tourism committee on appropriate land use. The HTA also buys and sells country food harvested by Pangnirtung hunters, supervises a small processing and freezing facility, and operates a small store to provide equipment to the hunters. More recently, the HTA has been given the responsibility to advise and recommend applicants for approval under the Nunavut Hunter Support Program.

At the present time, the renewable resource sector of the local economy is comprised of two types of activity: subsistence hunting and fishing, and commercial fishing for turbot and char. These will be dealt with separately.

Harvesting

One of the most economically and culturally important sectors of the local economy is country food harvesting. Seals are the main food resource: Pangnirtung Inuit harvest more seals than any other community in the Northwest Territories (Weihs 1990:1.3)

In 1972-73, Mayes (1978) conducted a seven-month survey of five Inuit families, and imputed value of "game" (income-in-kind) to account for up to 30% of family income. Based on similar calculations, a study conducted by the Department of Economic Development and Tourism in 1981 estimates that hunting provided 42% of family income (meat alone, excluding the value of by-products such as skins for clothing or walrus ivory for carvings). In the Baffin region as a whole, game value income accounted for an estimated 24% of total community income, an amount more than seven times what was paid out in welfare in the region (GNWT 1986b:27). In 1984, an estimated 20% of the total regional population actively hunted, and the number of outpost camps doubled in the decade between 1976 and 1986 (*Ibid.*:i).

In Pangnirtung, close to 70% of working-age Inuit adults continue to hunt, fish and/or trap. Of those Inuit who worked in 1988, 75% continued to participate in subsistence activities on a part-time basis. In that same year, 66% of Inuit adults who "did not work," spent at least part of their time hunting. In total, 440 individuals in Pangnirtung hunted and fished, and 51 trapped (GNWT 1989a).

Information in the *1986 Economic Review of the Baffin Region* (GNWT 1986b) indicates that people supported by social assistance rely heavily on country food harvesting, as well as sharing networks where wage income is distributed through families. The 1986 study suggests that without access to country food, welfare recipients would rely entirely on welfare for store bought food at a cost much higher to themselves and to the government.

Table 1.5 *Estimated Household Hunting Activity, Frequency and Cost: Pangnirtung 1991*

<u>ACTIVITY</u>	<u>FREQUENCY (trips)</u>	<u>COST/TRIP</u>	<u>ANNUAL COST</u>
Weekend hunting (≈ 1 day/trip)	35	\$ 390	\$ 13,650
Camping trips (≈ 5 days/trip)	6	\$ 1,300	\$ 7,800
Fishing trips (≈ 1 day/trip)	17	\$ 20	\$ 340
Total Annual Hunting Cost			\$ 21,790

Source: Field data, Reimer 1991/92

In evidence of this added variable, the significance of the wage economy is somewhat modified. Nevertheless, a decrease in hunting and an increase in wage labour has had both social and health effects. Socially, Inuit within the community have become less interdependent, as they have had less country food to share. A diet traditionally high in protein and fat has been replaced to a significant extent by store-bought food that is much less efficient in providing the energy required by the Arctic environment (Mayes 1978:326-329).

However, hunting is a costly activity, one considered by some Inuit today as a "luxury." A household survey conducted in 1991 demonstrates the high cost both in terms of time and cash, to maintain regular harvesting activities (Reimer & Dialla 1992). Table 1.5 shows the frequency and monetary cost of subsistence activities for an average Inuit household of 4-6 persons, in which one adult (female) provides full-time wages to the household, while another (male) engages actively in producing country-food. Monthly, these hunting costs translate into about \$1,800, excluding capital expenses such as snowmobiles and rifles.

In recognition of the high cost to hunt weighed against the economic and social contribution harvesting makes in Inuit communities, Nunavut Tunngavik Inc. (NTI) and GNWT have agreed to a cost shared Hunter Support Program (HSP). The HSP is a five-year program which, at the time of writing, is in its infant stages of implementation. Essentially, the Nunavut HSP is a capital and operating cost contribution program (see Appendix A).

Of the 180 families per year to receive support, an estimated 6-10

families in Pangnirtung will be approved for HSP funds each year.¹¹ The program is aimed at Nunavut Inuit beneficiaries who are "principally engaged" (full-time) hunters and who provide country food for their family and others in the community. A full-time hunter is one who is identified by community members (as represented by the local HTA) to engage in hunting more than six months of the year, and who does not have wage employment that affords the purchase of equipment.

Commercial Fishing

Turbot, Arctic char and scallops are of the few major renewable resources in the Cumberland Sound area with marketable potential. In the 1980s, the ED&T together with the local HTA undertook a resource assessment program of maritime fishery resources in Cumberland Sound (GNWT 1986b:28). Although char has been sold by local hunters for years, a more formal resource management system was instituted in the early 1980s, including lake testing and setting quotas. Since that time, there has been a considerable increase in the amount of char sold commercially, from 9,700 pounds sold in 1981-82, to 36,400 sold in 1988-89 (Weihs 1990:2.3).

There are about ten lakes in the Pangnirtung area that are regularly fished for char, half of which have commercial quotas (~50,000 pounds in 1989). While this has led to some conflict of use in lakes closer to the community -- between harvesting for domestic versus commercial purposes -- the HTA has initiated changes to resolve the problem, directing commercial fishermen to lakes further afield (*Ibid.*) This potential of the commercial char industry is reinforced by reputation of Pangnirtung char as among the best in the Northwest Territories.

A potential for scallop fishing has also been identified in the waters of Pangnirtung fiord. After some preliminary testing, several viable scallop beds were discovered and, in 1987, the HTA was granted a commercial scallop fishing license. The HTA allocated part of its quota to P&L Services, a local family partnership. However, high capital costs, processing difficulties, and marketing and management obstacles have made scallop fishing in Pangnirtung fiord a risky business. For example, in 1991 the Peterhead boat retrofitted for scallop dragging was in need of serious repairs before it could undertake a new season of fishing. In the absence of capital or skills to undertake the needed repairs, the boat has been shore-bound for several seasons.

Turbot is now seen as the resource with the greatest potential for commercial development. A test fishery for turbot funded by ED&T and administered by the HTA, included bringing Greenlandic fishermen to Pangnirtung for demonstration projects in long-line

¹¹ Personal communication, Bert Dean, Manager - Hunter Support Program, NTI: April 9, 1995.

harvesting of turbot through the ice, in the development of turbot fishing as a winter industry.

Recommendations by government hired consultants and ED&T officials prompted the community to assume responsibility for the commercial aspect of the turbot fishery through a private limited company. In 1988, Cumberland Sound Fisheries Limited (CSFL) was established, a community-based share-hold corporation. In 1991, P&L Services announced their intention to enter the turbot market, believing that resources were sufficient to warrant competition. P&L built their own processing plant, established their own air-cargo links with Air Baffin and operated in conjunction with the Co-operative. P&L later sold their assets to new owners who have re-named the company "Eastern Arctic Fisheries Limited."

More recent developments in the commercial fishing sector include a NWT Development Corporation (DevCorp) joint-venture company called the Pangnirtung Fishery Limited (PFL). In 1990, Cumberland Sound Fisheries experienced severe financial shortfalls stemming in part from poor management, as well as conflicting views between the Board and the manager regarding the goals of the company. The CSFL Board subsequently investigated a variety of outsider investment strategies, and decided upon DevCorp as the most secure means of not only keeping the company alive, but also to ultimately maintain local control over the fishery. DevCorp agreed to a deal and now has temporary control of CSFL. As part of the deal, CSFL was able to negotiate a new fish processing plant which started operations in 1994.

The operation of two fish operations in Pangnirtung has resulted in conflicts between the small private company and the larger public venture, raising issues of unfair competition and market disruption. The issue of private versus public development is addressed in greater detail in chapter 4 (section 4.1.1).

Fishery income has grown to almost \$700,000 in only four years of commercial operation. Compared to the gross annual income in Pangnirtung -- \$9.2 million in 1990 (GNWT 1992) -- direct income from the fishery represents a significant percentage of the local economy. The fishery also generates a multiplier effect, whereby other businesses in town experience increased sales. Also, a comparison of social assistance paid out in the months of March and April before and after 1989, shows a consistent decrease in payments since the turbot fishery began. Whereas in previous years, March and April were months of relatively high social assistance, since 1989 payments have been 11-22% less than the monthly average (Ashley 1993:72). In social terms, Pangnirtung RCMP and some community leaders note a reduction in crime during the months the turbot fishery is in operation (*Ibid.*:85).

Bruce Ashley conducted a cost and earning study in 1991-92, based on personal interviews with 18 fishermen plus landings records. In

1991, the average net income to fishermen was \$1,241 on average landed value of \$6,156. For the 1992 season, average net income was \$4,316 on an average landed value of \$15,030. While this may not seem a large profit, the earnings significantly supplement household expenses, as well as the cost of hunting equipment and supplies. The latter is made more significant in terms of increased opportunity costs, whereby fishermen can harvest country-food for subsistence purposes at the same time as they are out fishing. On the other hand, fishermen state that generally, they hunt less during the actual fishing season than they would otherwise (*Ibid.*:67). The turbot fishery also provides an important source of in-town income for employees in the processing plant, especially for people without high levels of formal education.

There has been a large increase in the number of licensed fishermen, from nine in 1988 to ninety-three in 1992 (excluding helpers). In the 1993 occupation survey, 65 Inuit men were identified as "fishermen." Fishing provides a domestic cash-earning opportunity to a traditionally skilled group of men who have not always had the skills or desire to enter the wage economy. Subsequently, the fishery is drawing participants from Iqaluit and Broughton Island who travel to Pangnirtung to take advantage of an opportunity not available in their own communities (*Ibid.*:74). This growing interest indicates potential for the fishery in the region.

At present, there are no limitations to the number of fishing licenses: anyone can obtain an unrestricted license at no cost. While DFO has allocated quotas for exploratory fishing, no quota has yet been set for commercial turbot fishing. Ashley points to a danger where each additional year that the public has unrestricted access to the turbot stock, a precedent of "de facto" right of open access is set (*Ibid.*:93). This may have implications for resources management in the future.

1.3.6 Construction/Transportation/Communication

Regionally, 11% of construction needs are provided by Baffin businesses which employ 18% of the regional labour force (GNWT 1989c). The GNWT, through the Department of Public Works, and the NWT Housing Corporation have the largest and most constant construction budget followed by Municipalities (*Ibid.*).

New houses and other structures have generally been built by southern construction crews who spend the summer in Pangnirtung and then leave once their work is complete. However, a shift in GNWT policy in the mid-1980s that favoured contract bids with some amount of northern ownership and northern labour created an opportunity for construction firms to establish in the Baffin region (GNWT 1989c). A few local construction contractors have started business in Pangnirtung in recent years. While these continue to depend on more experienced and licensed seasonal labour imported from the South, they also provide employment to local

carpenters and construction workers.

Transportation and communication in the Baffin Region employs 14% of the labour force (*Ibid.*). First Air and Air Baffin compete as both commercial cargo and domestic passenger carriers to and from Pangnirtung, creating more than once-daily flights between the community, Iqaluit and Broughton Island.

In the area of communications, Pangnirtung received television and radio by satellite in 1975, and by 1977 the community opened its own local radio broadcasting station. This station continues to play a crucial role in the formation and exchange of local opinion, in conveying locally important information, and in the daily communication between community members and groups. Satellite technology also brought local and long-distance telephone service into the community, and since 1964, people living in Pangnirtung have had an immediate link to points outside their Hamlet and the Arctic. As well, today Pangnirtung is connected to about twenty cable television stations via satellite (at a monthly cost of around \$70 per household).

1.3.7 Welfare Economy

In the Baffin Region, transfer payments constitute 9.4% of the regional income (*Ibid.*). For the year 1990, the Department of Social Services (Minister's Report) recorded an average of 90 individuals in 48 households (17%) per month in Pangnirtung receiving Social Assistance (GNWT 1992). These were categorized either as households that were not earning enough income to support its members, and/or as households whose members were "Unemployed But Able" (i.e. ineligible for Federal Unemployment Insurance). As most, if not all, households receiving Social Assistance occupy Housing Corporation units, almost a quarter of Inuit households can be said to participate in the welfare economy in the 1990s. January is the peak month for the greatest number of people receiving assistance and statistics demonstrate a general trend of higher economic assistance in the winter months.

In Pangnirtung, of the households surveyed in 1991, 37% reported that they depended to various degrees on some type of transfer payment. The pervasiveness of social assistance in an Inuit community such as Pangnirtung prompted a local wage-earner to describe what he termed a "culture of dependency." By this he refers to what he views as the historical development of unrealistic expectations of government to give out money to anyone with a business idea or need for capital. People then feel frustrated or "cheated" when their loan or grant application is turned down.

The EDO agreed that a "false economy" has developed in Pangnirtung whereby the government assists in creating small business, but then finds itself in a position of supporting the venture on a continual

basis. Hence, what are in reality publicly supported economic activities, are "falsely" presented as private, Inuit-owned businesses. While several reasons are cited for this false economy, it is encouraged by the ever-present "government safety-net" -- the welfare economy. (This is discussed further in chapter 3.)

1.4 HOUSEHOLD PROFILES AND LABOUR FORCE DATA

1.4.1 Household Profiles

A household economic survey conducted in 1991 demonstrates qualitative patterns of household resources and economic activities as these differ between types of households in Pangnirtung (Reimer & Dialla 1992).¹² Of a total of 280 residences, 73% belong to the NWT Housing Corporation, 16% are privately owned or rented, and 11% are GNWT and Federal staff housing.

GNWT Housing Corporation Households

The local Housing Association administers approximately 205 residential units in Pangnirtung. Rent, including heating costs, is set according to income levels, the minimum being around \$40/month. It is important to distinguish this category of housing because Housing Corporation (HC) units are reserved for Inuit families only, and at least 90% of the Inuit population reside in HC units.

One and two person households composed of, for example, a single mother and her child tend to depend on an equal percentage of wages and social assistance, with added income from Family Allowance and perhaps a few domestic sales. These households are generally not directly involved in hunting activities, but do receive country-food from a relative living in another household.

Three and four person households may depend primarily on the full-time wages of one adult -- often the mother -- and also on some domestic earnings. Family Allowance is important and social assistance is drawn upon when necessary. On average, the adult male in the household participates is an active hunter and may also participate in domestic activities such as fishing and outfitting.

The largest HC households are composed of over five persons, often including extended family members (eg., a grandparent). Also common is an elder as head of the household, and one or two of his/her adult children with one or two of their children. These households are essentially in the same situation as above, except that their cost of living is substantially increased because of more and often

¹² Survey work in Pangnirtung presents a number of difficulties which will not be elaborated on here. We intended to survey 100% of the community but were able to obtain data from only a small portion of households. Statistically a 22% sample is unreliable in a population of 1200 and the data is drawn upon here to speculate on trends as opposed to demonstrate accurate representations.

older dependents. These households depend primarily on the wages of one of the parents and/or of an adult son or daughter. They tend to rely more heavily on social assistance; Old Age Pension is an important source of cash for the entire household. There is also an increase in crafts sales within this group. The male head of the house is generally a very active hunter.

Privately Owned or Rented Premises

Approximately 45 Inuit families have been able to participate in the Home-owners Assistance Program (HAP), or live in other privately owned or rented premises. These families are generally in a different financial situation than those living in public housing. They tend to depend on both full-time and part-time wages of at least two adults (eg., parents) in the household, as well as some earnings from commercial fishing and/or arts and crafts. In general, adult males -- fathers, for instance -- maintain a relatively active hunting occupation. In-town living expenses are highest for this group because their mortgage/rent and heating are not subsidized.

GNWT and Federal Staff Housing

Inuit working as full-time permanent employees of the Territorial or Federal governments are provided with staff housing in the community. Up until 1993, their rent was subsidized and deducted from their monthly pay-cheques. Under new GNWT leasing laws, however, rents have been re-calculated at near-market prices.

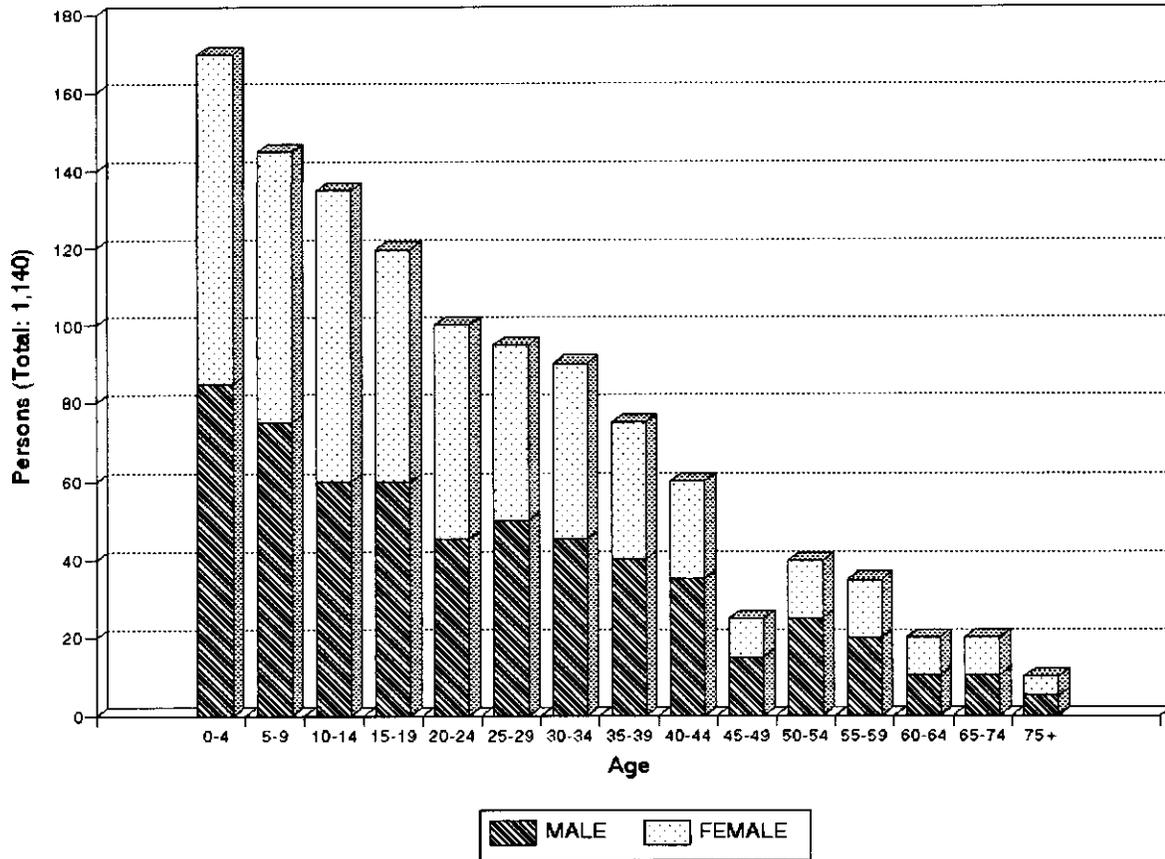
Generally these households depend primarily on the full-time wages of one adult. In the case where the mother is the public employee, her husband is able to actively pursue hunting activities equal to those of other Inuit households. In cases where the father is the wage-earner, hunting is relegated to a weekend activity and supplemented by one longer camping trip during vacation time.

Many GNWT teaching staff households are occupied by two full-time, non-Inuit teachers who together earn a sizeable amount more than single wage-earning households. Furthermore, their living expenses are considerably lower because they participate only minimally in subsistence activities (one or two fishing trips a year). As well, they generally bring in their yearly food supplies by large sea-lift orders, a method more cost efficient than buying daily or weekly supplies at the local stores.

1.4.2 Labour Force

Figure 1.4 shows the population structure of Pangnirtung in 1991. Significant to the discussion here is that close to 60% of the local population is within the working-age group, while most of the remaining 40% is under 15 years of age.

Figure 1.4 *Population by Age and Sex: Pangnirtung 1991*

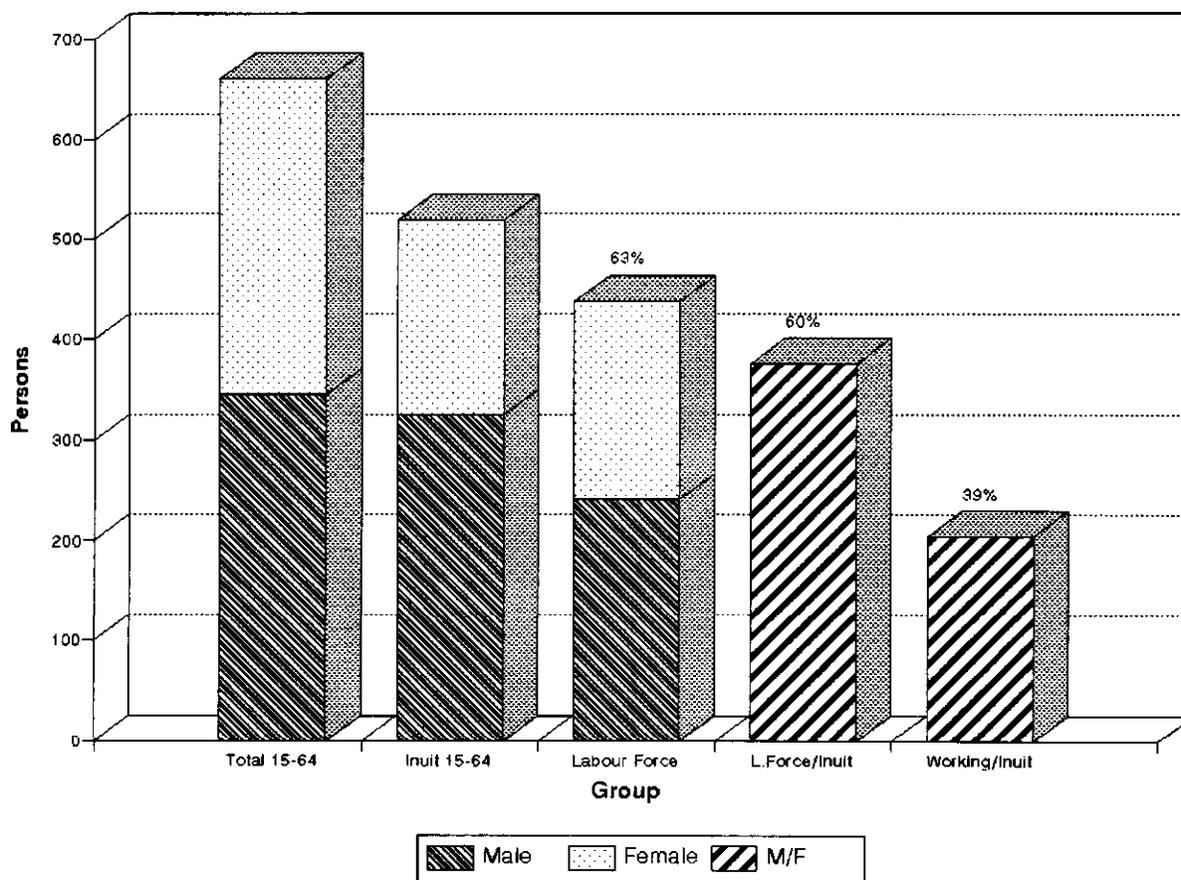


Source: Canada 1991

These kinds of figures are common to Arctic communities. The serious implications of such figures for urgently needed development solutions to provide work for the growing number of youth is widely acknowledged.

The transition from a traditional Inuit economy to a modern wage economy in a thirty year period has manifested dramatic effects in the labour force. In the Baffin Region high Inuit unemployment rates hover at 30% in all communities except Iqaluit and the mining community of Nanisivik. This is compared to a 3% unemployment rate for non-Inuit in the Baffin Region (GNWT 1989c). This stark contrast between Inuit and non-Inuit employment is related in part to differences in education and skill levels.

Figure 1.5 *Labour Force and Working Adults by Sex, Total and Inuit: Pangnirtung 1989 & 1993*



NOTE: Percentage figures represent the participation rates of: the total labour force (1989); of working-age Inuit in the labour force (1989), and; of working-age Inuit actually engaged in wage work (1993), respectively.

Sources: GNWT 1989a; Field data, Reimer 1993

Figure 1.5 shows labour force statistics and 'working' statistics in Pangnirtung. While 1989 figures represent participation rates -- measured in terms of the number people employed or officially unemployed (i.e. on UIC) -- this is somewhat skewed because the figures do not account for the significant number of individuals who are not working, and who also do not qualify for unemployment insurance benefits (i.e. do not fit the definition of "unemployed" and hence are not counted as members of the labour force).

In contrast, field data from 1993 shows employment figures measured

according to the number of people working in contrast to the number not working.

There is a significant difference in participation rates when labour force participation is redefined to fit the work/non-work situation in a community such as Pangnirtung. Measured according to official definitions, 63% of working-age adults (60% of working-age Inuit) are employed in Pangnirtung. In contrast, when measured according to whether persons are actually working or not, only 45% of working-age adults, or 39% of working-age Inuit are engaged in wage employment.

As indicated, the male/female ratio of working adults is almost 50/50. This has not always been the case. In 1969, female labour force participation rates in Pangnirtung were low (17%) compared to that of men (78%). This pattern did not last long; by 1973 the participation rate had doubled (36%). The reasons behind this shift are discussed in chapter 2.

2. The Context: History, Politics and Culture

The historical, political and cultural context in which the contemporary economy in Pangnirtung has emerged, continues to shape the way in which it operates today and to influence how it is experienced by the Inuit who participate in it.

This chapter begins by describing the history of commerce and economic relations in the Cumberland Sound area. This is followed by a discussion of northern policy and the bureaucratic environment in which the local economy has developed. Finally, any discussion of the historical and political context of an aboriginal economy must acknowledge the role of cultural values and traditions that shape the current economic structure. To this end, it is important to understand what economy means to local Inuit, as well as to identify social and cultural effects that economic development has had on Inuit residents.

2.1 ECONOMIC HISTORY OF CUMBERLAND SOUND

The history of economic activity in the Cumberland Sound area is characterized by a relatively long period of contact between Inuit and outsiders and prolonged exposure to commercial types of activity, including employment. Although Inuit have a short history of direct business experience -- a matter discussed in chapter 3 -- people in Pangnirtung descend from a long line of 'proto-entrepreneurs' who developed a strong set of expectations with respect to commercial activity and economic relations. However, before contact with European whalers and traders, Inuit practised their own system of production and distribution that has been incorporated into the structure of the mixed economy as described in the previous chapter.

A brief account of this pre-contact economy begins the historical section. Histories of the whaling era, the fur-trade period, and the time of settlement, commercial sealing, and diversification immediately follow.

2.1.1 Pre-Contact

The Inuit of Cumberland Sound or *Oqomiut*¹³ were divided into four

¹³ *Oqomiut* is translated as 'people of the lee side' (of Cumberland Peninsula) and is an alternate spelling of the Inuktitut word used to name the *Uqurmiut* Inuit Artists Association.

basic sub-groups who lived in distinct settlement areas (Boas 1888; Kemp 1984:465). As of 1880, the boundaries separating these four groups were blurred as a result of whaling activity, when the Inuit population declined due to disease and the groups consolidated around the whaling stations.

Cumberland Sound Inuit harvested according to a seasonal economic cycle based primarily on marine mammal behaviour, the ringed seal being the single most important resource. This cycle was characterized by breathing-hole and floe-edge hunting in winter, basking-seal and floe-edge whale hunting in spring, fishing and caribou hunting inland or along coastal locations in summer, and stone-weir fishing and whale hunting in fall (Kemp 1984:467). The traditional economy required that Inuit families lead a semi-nomadic life, living in small camps in igloos on the ice in winter, and in larger camps in tents during the summer months. Cooperation among camp members was essential for the survival of the group (Pauktuutit 1991:15). The primary expression of economic life was sharing. Networks of sharing and cooperation were within the nuclear and extended family, and to a lesser degree within the camp, although group meals were common.

As mentioned in chapter 1, Inuit economic and social relationships were defined according to kinship relations. The organization of the nuclear and extended family (*ilagiit*), the formation and segmentation of larger social groups, the sharing of food, the exchange of material resources, the flow of information, the expression of leadership, the education of children, and the regulation of activity in accordance with stages in the life cycle were all controlled through kinship (Kemp 1984:470). Kinship was complex, including not only biological and marriage ties, but also bonds of name-giving, name-sharing, adoption, midwifery, and spouse exchange.

Leadership was developed within the family or household, and did not extend outside these parameters. A particular individual was usually considered to be "a thinker" (*isumataq*), but this position was as much an expression of respect for their particular skill (eg., as a hunter) as it was a designation of leadership (Boas 1888; Kemp 1984; Wenzel 1991). As will be seen later, with the development of the commercial whaling and then fur-trapping economies, the *isumataq* was often singled out as the "camp boss."

Economic decision making was generally left to each individual although choices usually converged, making joint efforts a matter of practical course. Both men and women played a role in economic decision making -- the woman stated her preference or need for certain foods or skins, and the man directed activities to secure the resource. Basically, although not exclusively, labour was divided according to gender. Women were responsible for life in the camp -- cooking, sewing, etc. (processing) -- while men were responsible for life on the land -- hunting and fishing

(providing). Each partner in a marriage had their own sphere of influence: men had more authority on matters outside the home and women retained their authority within the home (Pauktuutit 1991:14).

2.1.2 The Whaling Period (c.1850-1900)

Although commercial whaling of the 19th century ended long before it could have a direct effect on what is today known as the Pangnirtung economy, at least two effects of that period are relevant to current issues. The first is that Inuit of Cumberland Sound experienced a prolonged and constant contact with Europeans and Americans for at least 50 years before most other Inuit in the Baffin region. From an economic point of view, Cumberland Sound Inuit juggled employment and subsistence long before the settlement of Pangnirtung was established. Administrators today attribute the political forthrightness and the persistence and innovative character of Pangnirtung Inuit to their previous experience in dealing with foreign agents of change.

The second significant legacy of the whaling era is the 'official history' it has bestowed upon the descendants of the Cumberland Sound Inuit. By recommendation and by choice, Inuit in Pangnirtung have revitalized their unique whaling heritage that is now used not only as a source of local Inuit identity, but also as a 'commodity' that can be 'exported' to tourists. With these two factors in mind, this section presents a brief overview of Inuit participation in commercial whaling.

Inuit hunted bowhead whales from the *kayak* and *umiak* (a large boat) long before commercial whalers entered the Sound. At the time of first contact, William Penny noted that a dependence on the bowhead was peculiar to the Cumberland Sound natives (Stevenson 1990:49). From the early to mid-1800s, bowhead whale oil and baleen were products in great demand by European markets. In 1820 whaling fleets made their first contact with Baffin Island Inuit, and by the 1830s, the whalers were visiting regularly enough that some Inuit migrated seasonally to regions of commercial whaling activity. During this early period Inuit were not employed, but rather engaged in trade. For example, elders in Pangnirtung recall stories about when ivory, bone and driftwood carvings as well as traditional skin clothing were traded with crews of whaling ships (McKenna 1993).

Inuit began to work for the Europeans in the 1840s, particularly when ships began to over-winter (Goldring 1986:153). From 1851 onward vessels were wintering successfully in the Cumberland Sound area, establishing stations at Blacklead and Kekerten Islands.¹⁴

¹⁴ The Kekerten Island whaling station has been archaeologically researched, and developed into a Territorial Historic Park and a popular tourist attraction (see Stevenson 1984).

During the height of station-whaling operations, all of the actual work was done by Inuit (Mayes 1978:94).¹⁵ Because hunting whales is an activity which requires the cooperation of many men, crews were hired as units and were usually kin related: an Inuk woman describes boat crews in terms of her "father and uncles" (Eber 1989:21). It is in this sense that Stevenson identifies whaling as influential in maintaining traditional patterns of cooperative labour and a lasting cohesion of the Inuit *ilagiit* (1990:14).

Inuit men and women were motivated to work for commercial whalers for two primary and interrelated reasons: first, to acquire manufactured goods and, second, to gain greater economic security (Boas 1888:60; Robinson 1973:57; Ross 1975:84; 1981:43; 1988:156; Mayes 1978:27; Goldring 1986:163). Employment and the acquisition of whaleboats created new leadership roles and new collaborative hunting activities. Goldring (1986:156) and Ross (1975:136) agree that native leadership was one enduring cultural factor from pre- to post-contact with whites during the whaling era. Whaling captains selected leaders [*isumataq*] from among the Inuit who appeared to be successful hunters, and who had sufficient influence with the Inuit community to recruit and manage a gang of hunters or a crew of whalers (*Ibid.*:80). These men also functioned as labour bosses ("head natives") by retaining authority over "their Eskimos" while at the same time carrying out captains' orders. Goldring considers these leaders as early prototypes of the "Eskimo boss" of the hunting and trapping era of the early 1900s (1986:157).

However, contact with Europeans through commercial whaling also had disastrous effects on the Inuit population. Within a forty year period, contagious disease for which Inuit had no immunity, resulted in deaths that reduced the native Cumberland Sound population from 1000 people in 1840, to approximately 250 people in 1883 (Stevenson 1990:10). Apparently nearly half of this remaining population participated in commercial whaling activity, either at Blacklead or at Kekerten Islands.

After 1880, bowhead whale stocks had seriously declined and by 1910, the baleen market crashed. These two factors effectively ended what is known as the whaling era in the Eastern Arctic.

2.1.3 The Fur Trade Period (c.1900-1960)

With a rising market demand for furs in the first decade of the 20th Century, the few existing whaling companies still stationed in the Eastern Arctic began to exploit new trading opportunities centred on the trapping of fox furs. During the decline of commercial whaling, the Hudson Bay Company (HBC) had been slowly

¹⁵ An elder from Pangnirtung who lived at Kekerten says, "I myself have never heard of a *Qallunaaq* (non-Inuit) going after a whale. Because the Inuit had learned how, they could manage everything in the operation" (In: Eber 1989:9).

advancing into the Eastern Arctic. When favourable markets for white fox pelts appeared, the HBC rushed in to exploit this demand (Duffy 1988:13). An intense competition ensued between the HBC and the independent traders, and in turn Inuit exploited this rivalry (Stevenson, in GNWT 1990:12). Soon, however, the HBC bought out the remaining whaling stations and the Company established seven fur-trade posts in the Cumberland Sound region alone. A post was built at Pangnirtung in 1921 and has operated continuously since that time.

Among the Inuit of Cumberland Sound, fox trapping was accepted quickly as an economic activity, although it was never adopted as thoroughly as were commercial marine activities such as whale or seal harvesting (*Ibid.*:50). Between 1911 and 1925, thousands of fox traps were purchased and used in this area (Mayes 1978:105). Although Inuit had previously been integrated into whaling and station life for part or all of the annual seasonal cycle, with the onset of the fur trading period Inuit families returned to a camp life on the land.

The HBC post was significant not only for the economic activity it generated, but also for the influence it wielded in prompting the Royal Canadian Mounted Police (RCMP) to establish a station in Pangnirtung in 1923, and the Anglican Mission to re-locate from Blacklead Island in 1930. As well, a few Inuit moved to live near the post in Pangnirtung, and in 1924, twenty Inuit men were reported by the RCMP to be living there (*Ibid.*). These men and their families benefitted from employment and trading opportunities offered by the HBC and the RCMP. They also benefitted from health and education services offered by the Anglicans who had completed construction of St. Luke's Hospital in Pangnirtung in 1931, and who operated the only Eastern Arctic day school before 1945.¹⁶

By the end of the 1920s, the fox-fur life cycle reached its end. Most Cumberland Sound Inuit returned to and were able to maintain a subsistence way of life much as they had during pre-contact days, but with an added dimension of trade for some western goods. Around 1925, the HBC organized a beluga (white whale) hunt and set up a blubber station in Pangnirtung that operated to varying degrees until 1962. The beluga industry provided some seasonal employment, as well as whale meat, to Inuit men and women.

Life remained fairly constant in the region through to the early 1960s. During this period, the Inuit of Cumberland Sound were regarded by westerners "as little acculturated compared to other Baffin regions" (*Ibid.*:115). In part, this was due to the fact that no DEW line system was built in the area, as had been done in other regions during the 1950s. Government activity was minimal during

¹⁶ Local Inuit such as Jim Kilabuk worked for the HBC for 44 years, and Etooangat Aksayook was hired by the hospital when he was a young man and worked there until it closed in 1972.

this time, limited primarily to RCMP patrols plus several scientific expeditions.

The land and waters in the Cumberland Sound area continued to provide the resources needed to supply Inuit families with country-food. This was despite a serious decline in caribou herds in the 1940s.¹⁷ Nevertheless, even as late as the mid-1960s, the Cumberland Sound Inuit provided an exception to the serious concern expressed by government, that most Inuit were unable to support themselves by hunting or trapping (*Ibid.*:116).

2.1.4 The Settlement Period (c.1962-present)

The Cumberland Sound Inuit urbanized later than most other regions of the Arctic. The shift from camp life to settlement life was prompted by a loss of dogs to an epidemic in 1962, aggravated by the RCMP policy to shoot dogs running loose in the settlement.¹⁸ Without the transportation needed to hunt, Inuit were unable to subsist independent of outside help, and Federal administrators decided to evacuate Inuit from their camps into the settlement of Pangnirtung.

This led to the posting of the first Area Administrator to Pangnirtung. The Administrator organized the evacuation of Inuit from their camps to the settlement, and helped to create "make-work" projects and carving programs to employ up to 90 Inuit men. Each man was paid a standard wage of \$20/week, and the men rotated off their Pangnirtung jobs to go hunting, an activity that was subsidized at the same rate of pay (*Ibid.*:128). While this was to be a temporary arrangement until Inuit families could return to their camps, it soon became evident that some of the displaced people preferred to stay in the settlement, even though their dogs had been replaced within the first year of evacuation.

It was also during this time that arts and crafts were introduced to Inuit in communities. In its early stages, arts and crafts -- carving especially -- "was expected to carry the whole burden of northern development for Inuit" and critics accused the government of putting "inordinate pressure on talent in the North to make up for [their] failure to develop alternative industry in the North" (Myers 1982:43). As indicated in chapter 1, the Co-operative movement played a crucial role in the development of the arts and crafts industry in Pangnirtung, as in other Baffin communities. In

¹⁷ During this time, an average of 100 hunters took approximately 300 caribou in the Cumberland Sound area. This yielded an average of only 0.5 caribou per person when at least 5 or 6 caribou were needed to provide the yearly clothing needs of each family member (Duffy 1988:133).

¹⁸ According to Paul Okalik, "(S)ome elders are still bitter about how the RCMP shot the entire dog teams of two hunters during this period. The RCMP shot any dogs... without warning to the owners, so that one of the hunters that was not aware of this new policy lost all of his dogs while in the community to collect supplies for his family" (Peer review: December 21, 1994).

1968 DIAND appointed an arts and crafts officer to work together with the Co-op in developing small industries such as carving and garment-making. From the late 1950s and through the 1960s, the Hudson Bay Company purchased carvings to ship south on its annual supply boat. In the mid-sixties, Ross Peyton -- a former Hudson Bay manager -- opened the Arctic Circle Trading Post in Pangnirtung, which bought and sold arts and crafts (McKenna 1993).

The lack of employment and other income-earning opportunities available in the new settlement were balanced by an international market for sealskins. This allowed many Inuit to return to an almost pre-epidemic subsistence economy based on year-round seal hunting. Dramatic increases in the price for seal skins meant that seals provided not only food, but also became the main source of cash income necessary to cover the high costs of modern harvesting equipment and supplies such as snowmobiles, rifles, gas and oil. Hudson Bay records show that between 1961-1966 a total of 44,435 sealskins were traded at the Pangnirtung post, an increase of five times over the amounts traded around the late 1940s and early 1950s (Mayes 1978:134). Table 2.1 shows the number and value of sealskins traded over a 23 year period.

However, the anti-sealing campaign initiated by animal rights groups, and the subsequent ban by the European market effectively eliminated the demand for sealskin products by the late 1970s. This traumatically reduced the major source of cash income relied upon by Inuit throughout the Canadian Arctic (*cf.* Table 2.1). Pangnirtung was one of the worst-hit communities. In 1980-81, close to 16,000 seal skins were sold by Pangnirtung hunters for a total income of approximately \$340,000. Within one year the number of skins sold and the income to the community had been cut in half. By 1987-88, only one seal skin was reported sold in Pangnirtung, giving a total income to the community from the sale of sealskins for that year of \$135 (Weihs 1990:1.3). As a result, social assistance payments in the community increased significantly, but could not make up the gap in income required for investment in harvesting.

This led the Federal and Territorial governments to redirect their economic policies toward diversification and community-based models of development. A fair number of experimental projects were implemented in Pangnirtung from 1967-1970. Furthermore, an increased bureaucratic presence precipitated unprecedented growth in the business of northern administration in all Arctic communities in the 1970s. Due in large part to the significant increase in wage positions provided by the Territorial administration, as well as those jobs provided by the Hamlet, transfer payments as a percent of overall community income decreased from 30% in 1965-66 to 20% in 1972-73 (Mayes 1978). Between 1965 and 1986, income from wage employment represented an increasingly greater percentage of total family and community earned income.

Table 2.1 *Number of Sealskins Traded/Year: Pangnirtung, 1962-1983*

	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1972/73</u>	<u>1978/79</u>
# of Skins	6,286	8,803	11,371	12,342	7,067	2,370
Value						\$34,769
Price/Skin						\$14.67
	<u>1979/80</u>	<u>1980/81</u>	<u>1981/82</u>	<u>1982/83</u>	<u>1983/84</u>	<u>1984/85</u>
# of Skins	2,630	16,000	8,000	1,187	577	375
Value	\$49,462	\$343,200	\$154,960	\$18,457	\$5,206	\$2,742
Price/Skin	\$18.81	\$21.54	\$19.37	\$15.54	\$9.02	\$7.31

NOTE: Number of sealskins for years 1978-1980, & 1982-1985 are based on figures for the Baffin Region; numbers for Pangnirtung are calculated as 10% (based on population percent) of Baffin sealskin trades, although these figures are almost assuredly low, as Pangnirtung and Broughton Island were the major sealskin producers in the region (as indicated for years 1980-1982 for which more accurate figures are available).

Sources: Mayes 1978; GNWT 1984; Weihs 1990; Wenzel 1989

In sum, from 1850 to 1960 the Inuit economy depended on external market demand for one commodity during each of the whaling, fur-trade and sealing periods. By the late 1970s, it had diversified slightly to include commodities such as tourism and handcrafts, as well as the provision of public services. The discussion now turns to the political context in which these events unfolded.

2.2 POLITICAL CONTEXT: ECONOMIC POLICY IN THE ARCTIC

The economy of the Eastern Arctic region since Inuit contact with Europeans has been characterized by 'boom and bust' cycles of single commodity extractive industries organized primarily around southern market demands. Western society introduced economic change to the Inuit via whaling, which was replaced by fox fur trading, followed by the sealing industry, and then by government.

What began as a *laissez faire* attitude on the part of the Federal government, shifted to policies of 'frontierism' followed by direct intervention in the social and economic development of Arctic communities. These were re-defined by the Territorial government into policies that resulted in a growing bureaucratic involvement in the economic affairs of Arctic regions.

What follows is first a discussion of Federal and Territorial economic policy in the North, and second, a description of local political development and a continuing bureaucratic control over local economic matters.

2.2.1 Government Economic Policy and Programs

Following World War II, the fundamental assumption that had previously directed the Federal policy process -- that Inuit should continue to live independently according to a traditional lifestyle -- gave way under heavy public criticism (Dickerson 1992:61). Accordingly, policy was re-directed to development of the North with an increasing sensitivity not only to the issues of sovereignty, but also to the socio-economic conditions of aboriginal peoples. By the mid-1950s to early 1960s, Northern Service Officers, later renamed Area Administrators were assigned to every major region of the Eastern Arctic to act on the behalf of the government in directly implementing the new policies (*Ibid.*:80).

The decision by many Cumberland Sound Inuit to stay in Pangnirtung prompted the regional administrative office to devise long-term solutions to life in a settlement. In 1966, an area economic survey attempted to evaluate resources and to institute adult education programs in the Cumberland Sound area (Anders 1967). The report concludes that the sale of "native products" could no longer cover current operating and depreciation expenses, and recommended that a modern hunting economy be subsidized.

However, this suggestion "fell on deaf ears" and government preferred to act on recommendations based on large-scale capital investments and community services (*Ibid.*). Consequently, economic activity alternative to hunting after settlement was what Mayes calls a "bi-directional process" (1978:132). In the long term, Federal policy expected that mining would be the basis of the local economy in Arctic communities, which the government indirectly supported through health and education programs for Inuit. In the short term, Area Administrators promoted handcrafts, tourism, fishing and other projects they believed suitable to the region. This was consistent with the policy of offering assistance to Inuit without spoon-feeding them. A small skiff-building project established by the Area Administrator in 1963 was the first government supported industrial project in Pangnirtung (*Ibid.*:123).

Federal economic policy as declared in 1972, was aimed at providing "for a higher standard of living, quality of life and equality of opportunity for northern residents by methods which are compatible with their own preferences and aspirations" (Canada 1972:3.30). These economic goals were matched with political goals of greater self-determination for Inuit peoples within their communities. Policy changes were prompted to a large extent by political action being taken by newly formed national Inuit organizations such as the Inuit Tapirisat of Canada (ITC) in 1971, and later the Tungavik Federation of Nunavut (TFN) in 1982.¹⁹

¹⁹ Now, Nunavut Tunngavik Incorporated (NTI).

The Territorial government practiced a top-down and regional development strategy. This served to create an industrial-type economy which in turn generated a standard of living that could only be maintained through large direct and indirect government subsidies. For example, when projects like the Misuviq Centre or the Day-Care Centre were unable to continue without government subsidy, they were judged to be failures and were closed down. The government had no means of auditing such ventures in terms other than those defined by an industrial economy and lacked devices to measure benefits to the domestic and informal economies, or to the society and culture of Inuit communities. Federal contribution and loan programs tend also to be rigorous about demonstrated business abilities and profit projections.

Table 2.2 shows the use and success rates of Territorial and Federal contribution and loan programs processed through the local ED&T office in Pangnirtung in the fiscal year 1992/1993. The number of applications and a comparison of success rates between Territorial, Federal, and private sources of financial help is shown in Table 2.3.

Table 2.2 Use of Contribution/Loan Programs: Pangnirtung 1992/1993

<u>Program</u>	<u>\$ Applied For</u>	<u>\$ Approved</u>	<u>Success Rate (%)</u>
Contributions/Grants			
GNWT Business Development Fund	\$ 34,010.00	\$ 30,008.00	88%
GNWT Training & Business Type Grants	\$ 87,724.99	\$ 62,095.19	80%
Federal Training & Business Type Grants	\$ 34,612.00	\$ 13,000.00	38%
GNWT/Federal Economic Development Agreement	\$298,974.82	\$199,223.00	66%
Total Contributions and Grants	\$455,321.81	\$304,326.19	67%
GNWT Capital/Contracts	\$ 50,758.00	\$ 50,758.00	100%
Business Loans	\$128,525.00	\$121,350.00	94%
<u>TOTAL</u>	<u>\$634,604.81</u>	<u>\$476,434.19</u>	

Note: Figures do not include applications made with assistance of ED&T or NWT DevCorp investments.

Source: GNWT Economic Development and Tourism Office, Pangnirtung 1993

Table 2.3 *Number of Applications and Success Rates by Source of Funding: Pangnirtung 1992/1993*

SOURCE	# of Applications	Success Rate
FEDERAL	20	52%
TERRITORIAL	33	84%
PRIVATE	3	97%
Total Applications	56	

Source: GNWT Economic Development and Tourism Office, Pangnirtung 1993

Arts and crafts is one area in which both the Federal and Territorial governments have focused large investments (see Table 2.4). From the first days of public financial support for the arts and crafts in the Arctic, there have been conflicting points of view about what the goal of that funding should be. The government's view held that the development of arts and crafts would be directed toward the creation of a self-sufficient industry. Private sector views focused on the development of a means of self-help to augment welfare when hunting was poor. In reality, arts and crafts viability has not been reached despite long-term government funding. Hence, arts and crafts continues to be treated as employment programs designed to provide some stability in communities such as Pangnirtung, and to provide an alternative to welfare. As late as 1988 when arguments were being prepared for the development of the Uqqurmiut Centre, "welfare replacement" ranked high among them (McKenna 1993:27).

Table 2.4 *Government Investment in Arts and Crafts: Pangnirtung 1982-87 / 1988-93*

<u>Recipient</u>	<u>1982-87</u>	<u>(%)</u>	<u>1988-93</u>	<u>(%)</u>
* Weave Shop / Uqqurmiut Centre	\$ 591,000	(54)	\$1,822,000	(92)
Print Shop	\$ 125,000	(11)	\$ 96,000	(5)
Carvers	\$ 75,000	(7)	\$ 45,000	(7)
Sewers	\$ 300,000	(28)	\$ 25,000	(1)
Total	\$1,090,000	(100)	\$1,988,000	(100)

*Note: Figures include capital expenditures of \$175,000 (1982-87) and \$1,100,000 (1988-93)

Source: Field data, McKenna 1993

However, by the late 1970s Territorial policy had begun to shift, and the department of Economic Development and Tourism (ED&T) in the Eastern Arctic region devised and began to implement "community-based" strategies of economic development. The tourism pilot-project in Pangnirtung was ED&T's first attempt at greater local involvement in economic affairs. The strategy called for local Inuit advice, participation, and support in all proposed tourism plans and projects. A major significance of this strategy is that the people of Pangnirtung were presented with optional paths to tourism -- from full-scale development to no development at all.

The primary objective of community-based tourism was, "to allow communities to use the tourism industry as a means to self determination, especially economically" (GNWT 1983). However, it is important to note that although the stated goal was one of "community control," this new approach did not necessarily mean a full transfer of power over tourism development to the people of Pangnirtung. Rather, it meant the community would be involved in making decisions about tourism development.

While community-based strategies were viewed as a step in the right direction, ED&T's strategy nevertheless continued to emphasize the creation and support of small business as the solution to weak local economies. Hence, their programming is built around a variety of loan and contribution programs aimed at providing support for local entrepreneurs. As will be seen in chapter 3, this approach has been criticized as being too narrow in focus. In response, non-government organizations such as Kakivak Association have been created (through the Federal Canadian Aboriginal Economic Development Strategy -- CAEDS) to support economic development projects that lie outside the small business purview.

By 1990, major shifts again occurred in the government's approach to "support programs" which have been described as "crutches in a distorted economy" (McKenna 1993:27). If economic activities were to receive public support, then it was to be on more rigorous terms which accepted the "realities" of the northern economy. This has meant a stricter adherence to the formal profit-oriented view of economic activity as industry, and a return to the self-sufficiency approach of the 1950s and 1960s. It is this policy that led directly to the creation of GNWT Development Corporations (DevCorp). This is discussed in detail in chapter 4.

Nevertheless, the new *Business Development Strategy* introduced by GNWT Economic Development and Tourism in 1990 does represent an improvement over the array (approximately 40-50) of previous programs that had developed as 'band-aid solutions' to a variety of specific problems. According to the EDO in Pangnirtung there was little co-ordination between these many programs. The 1990 Strategy provides a consolidated approach that offers five to six programs that cover a variety of basic needs, and in a simplified format

that is easier for both the public and GNWT staff to understand.

Unfortunately, this strategy remains more applicable to larger centres such as Iqaluit where a greater percentage of the population has a higher level of education and more experience in the business and finance world. More people possess the ability to read the guide-book, and then to return to their EDO with a firm idea of which program will be most appropriate for their needs. This is not the case in smaller communities such as Pangnirtung where most Inuit individuals continue to need external help with business management, and considerably more assistance to comprehend what loan and contribution programs imply and require.

More recently, GNWT's adoption of recommendations in the "Beatty Report" -- *Strength at Two Levels* (1991) -- to devolve powers to the communities, includes the goal "to create employment through small, community-based economic development projects involving small groups of people" (*Nunatsiaq News*, December 6, 1991:1). This leads directly to a discussion of local political development.

2.2.2 Local Political Development

It was not until the early 1960s that Inuit of Cumberland Sound were affected by Federal policy changes to any significant degree. After settlement in 1962, an "embryo council" was formed consisting of permanent Inuit residents, camp bosses, and white residents (Duffy 1988:225-226). The fact that local councils were comprised primarily of former camp leaders caused problems in that these men were unaccustomed to making decisions for such large groups of people. Furthermore, most 'leaders' felt minimal commitment to many community residents who were distant relatives or outside their kinship relations. Also, these leaders were presented with problems set in an urban and administrative context unfamiliar to camp life.

In practice, the processes established to reach goals of self-determination served rather to impede political development in a community such as Pangnirtung. The most obvious example is in the establishment of local councils who were supposedly given the authority to make decisions, but who ultimately acted only as advisors. All decisions made by the 'Provisional Eskimo Council' -- established in Pangnirtung in 1966 -- were subject to approval by the Area Administrator. A pattern emerged in which Inuit councils were commended for approving decisions already made by government, and were ignored or manipulated into compliance when they did not approve or when they suggested changes deemed unwarranted by the Administrator. Hence, Mayes concludes that local councils were an exercise in "tokenism" and an effort toward Inuit assimilation (Mayes 1978:209-210). Dacks reports that, during the 1970s, many northerners felt that participation in development advisory committees was "simply an exercise in co-opting that allows powerful outsiders to claim their plans meet the final approval of the native people" (1981:190).

The process by which Auyuittuq Park was established also demonstrates the lack of genuine consideration for Inuit political and economic development by government officials. The consultation process was limited to informing local Inuit as to the projected impact of the park, as already designed and interpreted by Parks Canada. There was a fear that a "participatory planning process" might lead to irreconcilable differences: Parks Canada correspondence indicates that officials decided not to compromise "national interest" by risking localized opposition (in Mayes 1978:201-202).²⁰

The first Settlement Council in Pangnirtung was established in 1970, replaced in 1972 by the Hamlet Council with increased municipal authority. Also in 1970, a new level of bureaucracy was instituted in the creation of the Government of the Northwest Territories (GNWT). As well, the idea of a regional council that was first discussed in the 1960s, began to be formalized at a workshop of settlement secretaries in the mid-1970s. An organizational meeting was held in Pangnirtung in April 1977, and the Baffin Regional Council (BRC) held its first meeting later that same year (Dickerson 1992:98).

Although the economic diversification that has occurred since the late 1960s is due primarily to Federal and Territorial initiatives, several fundamental contradictions in departmental mandates have shackled economic decision-making at the local level. One such contradiction was in sending officers to initiate and foster local economic projects and institutions, but then failing to follow through with adequate long-term support.

The Co-operative was an early example of this contradiction. When the municipal services contract was put up for bid after Hamlet status was achieved in Pangnirtung, the process by which the various bids were considered assured that the Hamlet would be awarded the contract (Mayes 1978:194). While this seems a logical outcome (for the Hamlet to be providing municipal services), as a government institution, the Hamlet was obliged to operate as a non-profit organization and to offer services at cost. The Co-op -- a Federally initiated institution -- meanwhile lost an important source of revenue and profit that could have been returned to members, distributing a potential source of income to a wider number of people within the community. The Co-operative was also excluded from operating and profiting from such development projects as the weave-shop (Mayes 1978:194). In sum, the overall effect of creating the Co-op, but not creating the environment in which it could flourish was to limit the contribution it could make to the community.

²⁰ Today, the local Parks Board holds advisory powers but no legal authority. So, for instance, the local Board was effective in promoting management of Parks land according to local Inuit values, but was unable to direct tendering of contracts for the new Parks Visitor Centre to local construction crews.

Examples of the contradiction between government's economic mandate and support for the local Co-operative did not end when the GNWT took responsibility for economic matters in Inuit communities. Differences in priorities between the co-op movement in the Eastern Arctic and ED&T have made it difficult for the two organizations to work together. The most recent example is found in the establishment of Cumberland Sound Fisheries Limited. Ashley reports that ED&T may have discounted the idea of a producers co-operative as a possible legal structure for the commercialization of the Pangnirtung winter turbot fishery, because, "co-operatives have not always been successful in the North" (1993:101).

With the recent ratification and legislation of the Nunavut Land Claims Agreement (1993), Inuit are attempting to overcome the effects of the political pervasiveness and financial necessity of Federal and Territorial intervention in local Arctic economies. Nunavut Tunngavik Inc. (NTI) is following a policy path leading toward greater local control by Inuit over community economic matters. While there is a recognized need for regional development planning and cooperation, there is at the same time a sense of urgency to change the structural relations of power between central, regional and local governments. That power structure has manifested itself in local bodies which tend to defer decision-making and responsibility to the next-highest authority. However, Municipal councils must increasingly exercise more authority over that which affects their communities: to initiate, plan, and implement local economic development. While it is premature to speculate on the results of such a policy, it seems NTI has decided to practice the "prudent courage" needed to allow the development "engine" to be community driven (Dickerson 1992:151).

2.3 CULTURAL CONTEXT

One of the most fundamental effects of national policy as it relates to Inuit economic life, is in the governments' determination to create wage employment as a replacement for hunting. This has been in exclusion of any attempt to make hunting itself a more viable occupation, whether as the basis or as simply one component of a community economy. Although in 1962, men were paid at the same rate when they were hunting as when they were carving, this practice did not continue. While this aspect of policy has had serious economic implications, Cumberland Sound Inuit suffered considerable social and cultural effects as a consequence.

The rapid changes in "the Inuit way" that began with settlement in Pangnirtung in the early 1960s, play an important role in the current economic structure in Pangnirtung. First, changes have occurred in the traditional division of labour and in the role of youth in Inuit society: both these changes affect the current labour force as described in chapter 1. Second, a social and

cultural tension has evolved between traditional values of cooperation and modern economic values of competition. Third, the way in which local Inuit define the concept of economy remains distinct from the western and bureaucratic definition. The local Inuit definition reflects a continuity of cultural values that affect how economic activity is experienced in everyday life. Following is an elaboration of these issues.

2.3.1 Division of Labour: Men, Women, Youth

In traditional society, the sexual division of labour was clearly defined, and more importantly, the work that Inuit men and women performed was valued equally. With settlement, however, men and women found themselves working at different types of jobs, valued in different ways -- by wages in cash or kind. Apparently men were more assertive in gaining employment, while women chose to remain in their traditional roles within the home and kinship group.

As the wage economy in Pangnirtung grew, the female labour force participation rate also showed rapid increases. Ann McElroy (1971, in Mayes 1978) attributes this shift to changing role aspirations among Inuit. Where high esteem continued to be accorded males who hunted and provided their families with country food, young settlement-raised females were esteemed, in part, for having a "pleasant, public visibility kind of job" (*Ibid.*). Recent data indicates that this trend has continued, and women in Pangnirtung now share an equivalent labour force participation rate with men (*cf.* Figure 1.5). Furthermore, women have tended to aspire toward higher levels of education than their male counterparts, and many of the higher-level management positions are now held by Inuit women.

In the domestic cash economy, there also exists a gender division of labour as demonstrated in the production of arts and crafts (*cf.* Table 1.4). Although an equal number of men and women are involved in arts and crafts, there is clear differentiation along gender lines according to the particular art of craft being produced. For example, participation in carving and print-making is almost exclusively a male preserve. On the other hand, home workers and sewers are exclusively women. This division signifies the ongoing cultural base of the arts and crafts. Women occupy those domains related to traditional sewing and work inside the home. Men are dominant in areas where work outside the home is required and where there is extensive use of tools. Only in drawing is there equal participation by gender in the arts and crafts.

Age is also a significant factor. The number of dependent youth has increased rapidly in Pangnirtung, creating what can be termed an 'economic burden' for the rest of the population (*cf.* Figure 1.4). In the last twenty-five years, for example, the population in Pangnirtung has doubled, and 40% of residents are under the age of

15 years.²¹ In 1982, the GNWT Bureau of Statistics predicted more than 1700 of the Baffin Region's youth would reach working age in the next ten years, a growth that would require the employment equivalent of one mine or approximately one-quarter of the GNWT annual payroll to employ them all (GNWT 1984:6; 1986a). Historically, the problem has been twofold: first, there were not enough wage positions to satisfy the growing need and desire for employment, and; second, Inuit youth were not acquiring the minimal basic knowledge and skills to participate in the working world.

As early as 1967, the Area Administrator in Pangnirtung believed that social tension existed as a result of limited wage employment opportunities, and that these tensions could expect to increase if the desired wage positions continued to be unavailable (in Mayes 1978:289). Mayes reports that in the early 1970s, 9-17 year-old children showed a shift toward southern values, attitudes, and job aspirations. At the same time, the education system was failing to prepare Inuit young people with the qualifications necessary to occupy most wage positions while influencing an increasing number of school-age Inuit to prefer an occupation outside the traditional and subsistence sector.²²

Schooling available to Inuit living in Pangnirtung has not always been synonymous with useful education. In 1982, ED&T reported that potential job opportunities would be of little benefit to Baffin Inuit if there was not a substantial increase in regional levels of education and training, levels which were "abnormally low by Canadian standards" (GNWT 1984:8). In 1986, only 13 Inuit graduated from Secondary school in the Baffin region (GNWT 1986b). Low academic credentials and skill levels effectively disqualify many residents for government positions. This has hampered advancement by those who are employed, or made it difficult if not impossible for many to fulfil the academic requirements of apprenticeship and other trades-training courses.

Table 2.5 demonstrates the relationship between education level and labour force activity. In 1989, only 6% of the total labour force in Pangnirtung had a high school diploma. Note that of the 41 individuals with diplomas, only 9 of these are female. This may in part be explained by the high percentage of teenage girls who leave school because of pregnancy and early motherhood (this will be discussed further in chapter 3). Less than half of those who have a diploma are actually employed. Certification levels are a little higher at 16.5% of the total labour force, almost 75% of whom are employed. Two-thirds of those with certification are male. Finally, it is significant to note that the labour force listed with a

²¹ Official population growth rates for Pangnirtung are measured at 2.6%, compared to 2.1% for the Northwest Territories, and 1.6% for the rest of Canada (GNWT 1992).

²² For example, in the 1993 community survey only 6% of carvers -- usually considered a "traditional" occupation -- were identified as "young" (under the age of 30).

university degree (n=24) is comprised in the majority, if not in total, by non-Inuit residents (eg., teachers).

Table 2.5 *Labour Force, Male/Female by Highest Level of Schooling: Pangnirtung 1989*

	15+	< Grade 9	Grade 9-11	Diploma	Certificate	Degree
Total	658	329	134	41	109	24
Labour Force	417	190	67	27	97	22
Employed	283	109	45	18	81	20
Unemployed	134	81	22	9	16	2
Males	346	148	67	32	73	7
Labour Force	241	95	34	23	68	7
Employed	163	55	21	16	55	7
Unemployed	78	40	13	7	13	-
Females	312	161	67	9	36	16
Labour Force	198	94	33	3	30	15
Employed	120	53	24	1	26	13
Unemployed	78	41	9	2	4	2

Source: GNWT 1989a

2.3.2 Cooperation versus Competition

The co-existence of cash and subsistence -- with different underlying value systems -- creates several types of social and cultural conflicts evident in Pangnirtung. First, people struggle over whether or not to act competitively. For instance, younger outfitters who are prepared to compete as individual entrepreneurs are well aware of senior outfitters' endeavors to strengthen the cooperative efforts of the Outfitters Association. To date, local outfitters have followed a roster system in which individuals take turns transporting tourists according to a list kept at the Angmarlik Visitor Centre. The forcefulness of the general attitude of cooperation is evident in some outfitters' attempts to outwardly abide by the Association's decision to 'share' clients on the roster system, while secretly they 'steal' tourists when it is not their turn. This practice is severely denounced by the Association as behaviour unfitting to 'the Inuit way' and to the good of the community and the local tourism industry. However, it appears that the Association prefers not to enforce any type of regulation in this regard, but rather to 'label' the wrong-doer as someone who is violating Inuit cultural values.

In essence, this type of tension can be interpreted as rooted in cultural values in constant negotiation between that which is 'modern' and that which is 'traditional.' Traditionally, cooperation was essential among camp members for the survival of the group. Competition was considered inappropriate behaviour as it

could cause tensions within the group (Pauktuutit 1991:15).

Second, this tension is evident in people's rather negative reaction to a new local business (Reimer & Dialla 1992). Rather than supporting a new initiative, people tend to respond with what they term "envy" or "jealousy." Individuals who have been successful in obtaining government loans and contributions to start a business may be suspected of 'favouritism' by those who for one reason or another failed to acquire such funds. The venture becomes the target of gossip and customers are slow to patronize the establishment. This tendency to maintain the status quo is evident in the establishment of a second commercial fishery to compete with Cumberland Sound Fishery Ltd. A community meeting called by the owners of P&L Services to announce their new fishery plans in 1992 was met with an initial response of objection, suspicion, and apprehension. This type of attitude can present a serious social barrier to business initiative and to ultimate success.

2.3.3 Defining Economy from a Local Perspective

In contemplation of upcoming discussions about how the economy is experienced by local Inuit, it is important to clarify what the concept of economy means from their point of view. During interviews in the summer of 1993, individuals were asked what they thought of when they heard the word 'economy.' Focused primarily upon what was seen to constitute their local economic base, responses were, overall, highly consistent across age groups and socio-economic backgrounds. However, individuals varied in their emphasis of a cash-based as opposed to harvesting-based economy.²³

Elders unanimously point out that the nature of the local economy has undergone fundamental changes over the course of their lifetime. Essentially this change involves a shift from a non-cash, informal economic system geared towards group survival, to a consumer oriented cash system. Elders frequently commented that the subsistence economy involved hardships, while the cash economy makes for an easier, or more stable lifestyle (i.e. government welfare as a safety net).

Two elders stated that, in a sense, cash plays the same role in the contemporary economy that meat played in the subsistence economy of the past: both represent key resources that ensure the physical survival and well-being of people in the community:

To me, it is different now than the way I used to live. I've never really thought about money as the main source of the economy. It is a matter of survival... As long as I and my family survives, that is what I think about.

²³ Only three respondents, all youth, answered that they could not define the nature of the economy, or that they had not thought about it sufficiently to provide an answer.

The only income that I get is the Old Age Pension. The way I look at it, it is exactly the same as in the old days: then we were able to survive when we got a seal. Now, the pension cheque is almost like getting a seal or another animal, because we can get our food with it.

Another elder pointed out that the local economy is completely regulated and controlled by the government:

It is very hard financially. I have no control over the money and I do not know where the money is coming from... Also, because I do not have any control, I cannot control who gets what, to those who need it.

Adults and youth restricted their comments almost exclusively to the formal economy and, with only one exception, agree that cash constitutes the base of every economic activity in the community. The majority of persons making a living primarily as wage-earners and those involved full-time in seasonal commercial fishing tend to emphasize the cash/consumer aspect of the economy and down-play the continued subsistence practices. Two men, each in their forties, stated:

The economy is two different things: hunting and cash... These are combined together. In order to hunt, you have to have the cash first to get going. When I sell carvings, I have to buy food and clothes and pay for other expenses.

When I was growing up, it was different in some ways, and probably things cost money, but I was not aware of it. We were living in an outpost camp. Today, everything is cash -- it is a cash economy, and that is what we really have to worry about now. Everything costs money.

These men added that traditionally, subsistence-oriented activities such as hunting and fishing are now inextricably dependent upon the wider cash-based system. One individual interpreted the word economy as a southern 'white' (Qallunaat) concept strictly defined in cash terms. Because cash is required for hunting, he categorized subsistence activities as an expense ("a luxury") and not a resource. From his point of view, hunting is an "Inuit way of life" that now requires an "economy" to support it. This is because the means of production (the equipment, for example) can only be acquired with cash. Furthermore, equipment and supplies are very expensive. Persons without sufficient cash resources to purchase hunting and fishing equipment simply cannot take part in subsistence activities, unless they are invited to assist a hunter or fisherman -- often a relative -- who has his own equipment.

It is clear that the extended family -- *ilagiit* -- is the basic economic unit. One young man pointed out that although in southern terms, Pangnirtung is below the poverty line, "yet no-one is

starving and no one is homeless. It is this that cannot be measured. This is the economic foundation of Inuit life." Interviews with women in 1991 also demonstrate that Inuit do not distinguish between what is 'social' and what is 'economic' according to strict academic categories (Reimer & Dialla 1992). That is, an Inuit definition of economy is a social as well as a material concept (Nuttall 1992; Wenzel 1991; cf. Berger 1985; Butz, et al. 1991). The firm association between Inuit social relations and economy has been well established in early ethnographies (Boas 1888; Damas 1963) and has been re-affirmed in current ethnographic literature of the Canadian Eastern Arctic (Wenzel 1991) and of Greenland (Nuttall 1992).

The blurring of social and economic categories in Inuit thinking is demonstrated also in the development of Inuit arts and crafts. Although introduced and programmed by outsiders as an economic activity, Inuit have resisted the distinction imposed on their products as mere commodities and have taken ownership of the "industry" as an important form of cultural expression. Local Inuit insist upon the essential connection between arts and crafts and their cultural tradition of making things by hand:

The Inuit see the arts and crafts as the expression of their own unique responses to the world around them. The act of carving in soft stone, of stitching a seam for a kamik, of precisely cutting a stencil for a print, is an act weighted with cultural meaning, despite its apparent simplicity and the limited monetary value it may have. The arts and crafts are not part of an attempt to preserve Inuit things, but are valued because they incorporate and maintain unique cultural processes. (McKenna 1993:4)

This link to cultural identity in part explains the consistent participation by Pangnirtung Inuit in the arts and crafts, which cannot be related only to its role in the wage and cash economies.

The majority of persons interviewed agree that their local economy is a combination of both money and hunting. These two parts of the economy interact with each other and depend upon each other. For example, one needs money to hunt. On the other hand, even if someone is poor in cash, no-one ever goes hungry: hunting provides enough country-food for everyone. **From a cultural point of view, this 'mix' of hunting and cash is a matter of survival: this, ultimately, is the meaning of economy from an Inuit point of view.**

The interpretation of the local Inuit definition of economy as a matter of social and economic survival, is reinforced by their definition of success. Asked what constitutes 'a successful young person,' responses were nearly identical regardless of age, socio-economic background or orientation. Essentially, a young person is considered successful when that individual has acquired the skills, knowledge and maturity to act independently and responsibly to

support him/herself and others:

A successful young man or woman is someone who is able to finish what they set out to do. For example, when they finish their schooling, then I consider them successful. When they are able to take on their own responsibilities, then they will be able to turn around and help other people.

Degree of success is independent of the financial position in which the person finds him/herself. Several elders and hunters contextualized this definition within traditional parameters -- the degree to which young persons can perform traditional tasks such as hunting on their own:

I am proud of a young person when they can go out seal hunting or caribou hunting or fishing on their own. When they are able to do everything for themselves... people who are dedicated to work in this community, to hold a steady job. This is the same as being proud of someone who goes out hunting on their own.

A few wage-earners, on the other hand, spoke of success as defined more within modern parameters -- the degree to which young persons can further their education and get jobs. Two youths defined success in terms of completing their studies. Finally, a few elders pointed out that success is relative and must be measured differently for each individual by taking the person's life circumstances into account.

In sum, success is not so much something that one has in any material sense; rather it is what one does with the life skills they possess.

3. The Experience: Issues, Obstacles and Aspirations

Despite a relative abundance of natural and human resources at Pangnirtung's disposal, there are some serious obstacles to development in the local economy. Inuit in Pangnirtung cling to their own set of employment, business and career aspirations, but often feel at a loss about how to fulfil their hopes. These issues relate directly to the structure and the context of the local economy, as outlined in previous chapters.

This chapter aims to convey local people's everyday experience, and to present what they identify as the sources that obstruct economic development in their community. What is presented is a subjective account of the economy as interpreted in the words of Inuit in Pangnirtung. Local Inuit address issues concerning all components of the economy, and the discussion below is divided into concerns about the formal, domestic and informal economies. Finally, local Inuit perceptions of issues which surround, and are at the root of their specific concerns are highlighted: education, government intervention, and community decision-making powers.

3.1 ENTREPRENEURSHIP AND EMPLOYMENT: Attempts to Enter the Formal Economy

The high rate of underemployment and unemployment is a serious problem for Inuit living in Arctic communities. On the other hand, while the idea of starting up a small business represents a high profile strategy as an income source, few Inuit individuals attempt to follow up their business ideas with concrete action.²⁴ However, organizations such as Uqqurmiut are instrumental in accessing grants which then support both men and women engaged in, for example, the arts and crafts. Nevertheless, while the level of entrepreneurship is higher in Pangnirtung than other Baffin communities, local entrepreneurs remain few in number. Persons interviewed spoke of several factors which hinder employment and which discourage entrepreneurship. These are discussed separately below.

²⁴ This is particularly true among women in Pangnirtung. For example, only two of a total of fifty-six applications for government funding processed through the local ED&T office in 1992/93 were submitted by women.

3.1.1 Employment

While the official rate of unemployment sits at 32% in Pangnirtung, measured as a percentage of Inuit aged 15 years and over who are not working but who "want a job," the rate rises to 43% (GNWT 1989a). Working-age Inuit are concerned that local jobs are often not advertised. They say that local employers quietly offer seasonal or part-time jobs to the same persons year after year, thereby excluding others from acquiring work experience. One young man explained:

A lot of the people building houses here did not advertise the jobs, carpenters, for example. They just went to the individuals who worked last year and asked them to work again. So you have to go and ask the foreman (directly).

One of the major employers of local residents is the municipal government ("the Hamlet") but it too came under some serious criticism:

The Hamlet should be more involved in creating jobs for people... What they should do is to advertise the jobs that become open. It seems the same people are being hired, as if no one else can do the job.

Younger persons also point out that major employers such as the school and the nursing station fail to advertise open positions in the community. Local people know that positions have just been filled (and had therefore been open) when a non-Inuk teacher or nurse arrives in town, or when construction contracts are awarded to outsiders who have the certified qualifications and educational requirements. Consequently, many local people feel excluded from the process of even trying to attain one of a variety of jobs:

There seem to be many jobs in town that Qallunaat are doing, but that can be handled by Inuit. It seems that Inuit and Qallunaat are not working together to produce more employment in this community... It seems that contracts are given to outsiders and that is why local people are not employed as often. These contracts could be awarded to local people. Also, jobs require certificates and that is another reason why local people do not get jobs.

In part, people blame the CEIC Outreach Worker (Canadian Employment and Immigration) for this situation, stating that this job is "not being done well enough." They feel that many, if not most jobs in the community can be filled by local people instead of southerners if Inuit are only given a chance to receive on-the-job training. This would enable them to teach and train other local Inuit as job opportunities arise. As will be discussed at greater length below, a lack of formal education is a particularly serious issue. Some argue that the classroom is not the only place where valuable

education can take place. The value of experience should also be recognized:

It is harder (to get a job) these days. If I had applied now for my job, I would not get it. But 13 years ago, Grade 7 was enough. Today it would not be. The qualifications have risen. Probably, people also find it hard to go to Iqaluit or to the South to continue their education. It is hard for Inuit to leave their families... I think people with only a low level education can do these jobs. Even myself, I only had Grade 7, and I have learned. But now they say jobs are available only if you have Grade 10 or 12. I do not agree with this. There are other ways of learning other than in the school. Many people are good at things, but they are not trying (to get that job) because they do not have a good Grade. For myself, I know that by doing it, they can learn too... it takes time.

3.1.2 Access to Business Capital

Most local Inuit believe that the major reason behind the low level of entrepreneurship is the inaccessibility of business capital. Among those who have tried to acquire capital, the failure to do so either prevents them from starting a business or eventually led to the demise of an existing business.

The absence of any financial institution in the community means that people must travel to and from Iqaluit where the only bank in the eastern Arctic is located. Alternatively, they rely on the economic development office -- the "bank of last resort" -- to secure a loan or apply for a contribution program.

However, local Inuit perceive loan applications to be fraught with complex rules and regulations, followed by a long waiting period for processing and approval by government agencies. This perception is confirmed by the Economic Development Officer (EDO) who states that loan applications have become "much more complicated," requiring many forms which are often impossible for most Inuit to comprehend. Hence, to some extent loan and contribution programming has "developed itself into irrelevancy." For example, one loan application required up to 200 pieces of paper, followed by a long delay period for processing. Meanwhile, the applicant decided to present his idea and business plan to the Royal Bank in Iqaluit where he successfully negotiated a loan in a much shorter period of time. Furthermore, some Inuit individuals state a preference to private bank loans in order to stay 'free' from the 'government tie' that a public loan implies (Reimer & Dialla 1992:29). Unfortunately, few Inuit can meet the criteria -- collateral, etc. -- to gain approval for a bank loan.

Without bank services in the community, local Inuit have no kind of institutional or systematic encouragement to save money as equity for a business venture. Likewise, persons who otherwise qualify for

a government loan, are ultimately rejected when they fail to come up with the required equity payment (anywhere from 10% to 50%, depending on the type of assistance needed). Thus, one mid-age individual said:

Economic development policy is to help people who (already) have money. Perhaps I do not try hard enough to find out what types of programs are available. I would support the idea of the Hamlet Council together with Economic Development and perhaps a third organization, working together to improve our economy. That could bring more benefit to the community.

Those most frustrated by these types of experiences are wage-earners and fishermen: they earn an income and **theoretically** have the means to obtain start-up capital for a business. In practice, however, a potential business person's success is strongly linked to social and cultural obligations to one's extended family. If an Inuk's family is relatively secure financially, less pressure is placed on the individual to make continual cash contributions to other family members (to hunt, for instance). Thus, that individual is in a better position of -- i.e. feels less social sanction against -- saving the money needed for their equity contribution towards a loan. However, they also add that without a bank, the means, and hence the motivation to do so is less immediate.

Part of the problem stems from language barriers between local Inuit and the EDO who is not an Inuk and who is not bilingual.²⁵ Inuit know that the quality of interpreting is an important factor in obtaining loans and grants. On a broader cultural level, applicants feel that the EDO sometimes misinterprets their intentions and motivation. Conversely, applicants do not "feel welcome" (comfortable or confident) to present business ideas to the EDO. Several people said they would feel less intimidated if the EDO was a fellow Inuk who they could talk to in their own language, and who understands their life situation.

The language barrier extends to the formal aspects of business initiative and management, as indicated by a local carpenter and a fish-camp owner, both of whom are unilingual:

I have thought about starting my own business, but there are requirements such as writing a proposal, for example. Everything has to be in English, and that is a barrier for me. I cannot communicate, to write up a plan, because it has to be in English.

Management skills are very important and it is also important

²⁵ Kakivak Association's executive director confirmed that the issue of language presents a major barrier to business development in Inuit communities. To this end, Kakivak has successfully implemented a policy to fill all of their community development positions with bilingual Inuktitut-English individuals.

to speak English. At the fish camp for example, it is difficult to always have someone who is bi-lingual.

The EDO admits that depending on the type of business, the ability to speak English may be an important requirement to success. This is particularly true when one must order supplies directly from southern suppliers. He added that his own inability to speak Inuktitut is a limitation to effectively implementing funding programs. He suggested that an Inuktitut-speaking, on-the-job 'trainee' is necessary to take over the job of Economic Development Officer. In his mind, this is a "missed opportunity," especially given the past 15-year history of EDOs in Pangnirtung each of whom demonstrated a relatively long-term (five years or more) commitment to the community.

3.1.3 Small and Distant Markets

The geographical distance between Pangnirtung and larger business centres also limits entrepreneurship. Both Kakivak Association and Economic Development and Tourism (ED&T) point to physical isolation as one of the major obstacles to small business development in the Eastern Arctic. Local people have trouble contacting suppliers and potential export markets.

One woman, for example, has an idea to open a small "summer tent" restaurant during the tourist season. Aside from being unsure of health regulations and standards with regard to commercial food service, she said she does not know where to find wholesalers to supply her with the necessary equipment and supplies. She has thought about purchasing these goods at retail price from the Northern Store or the Co-op, but is afraid that this would result in unacceptably high menu prices which will turn away potential customers and tourists.

The reality of small and distant markets has led the Territorial government to develop funding policies based on the notion of "market disruption." In effect, this policy states that the Business Development Fund cannot support overlapping types of service or production, because small local and export markets cannot support duplication of services or production. For instance, if ten outfitters are already operating in the community, the Development Fund will not support another individual who wants money to start outfitting, because the tourist market is not large enough to support an eleventh operator. An applicant must demonstrate that a new and/or different product or service will be provided. However, in the EDO's experience, most local Inuit whose applications have been rejected for this reason do not understand this policy. Their response is that, "if the government is willing to give money to one person for an idea, then why not to another?"

Similar reasoning applies to loans. If the potential outfitter decides to apply for a loan (to pay for licensing or to buy

equipment, for example), he must first demonstrate his potential to repay the loan. Given the number of existing outfitters in relation to the number of tourists, he will likely be unable to do so. The EDO stated that most Inuit outfitters who have requested a loan or contribution were "unable to follow such an argument" when asking for an explanation behind the rejected application.

3.1.4 Business Training

One of the most pervasive issues concerning entrepreneurship and employment is a lack of adequate training and education. Compared to southern non-Inuit entrepreneurs, Inuit know they have a very short history of business experience or training. Most adults who now make up Boards that oversee economic institutions such as the Co-operative and Uqqurmiut, belong to the generation that moved into Pangnirtung from outpost camps. Although quite a few individuals state a preference for self-employment, few claim to firmly grasp the practical meaning or the risks involved in independent business ownership (Reimer & Dialla 1992:28).

One of the biggest hurdles is a lack of financial and management training or skills. For example, Ashley (1993) explains why the success of turbot fishing in a single season is gauged according to gross revenue figures. Inuit fishermen are aware of expenses incurred in harvesting turbot, but "because many of them have little if any formal education, and all come from a culture with oral rather than written traditions, record keeping is uncommon and the actual costs and net income of turbot fishing is unknown" (*Ibid.*:7). While this obviously affects the ability of a researcher to assess the benefit of an economic activity to local individuals, it also illustrates a weakness within the community to manage business or domestic (self-employment) types of activity. Hiring managers from outside the community (usually non-Inuit) is the common solution to this problem.

Kakivak Association recognizes the issue of management and training as crucial to economic success at the local level, and has instituted workshops toward improving the situation. In Pangnirtung, for example, they have conducted a Board Training workshop with the Uqqurmiut Inuit Artists Association executive. Currently, Nunavut Tunngavik Inc. is taking a closer look at this type of programming.

ED&T also sponsors a wide variety of training courses and workshops. However, the EDO in Pangnirtung stated that local peoples' approach to training programs is shaped culturally by their 'immediate' approach to economic survival itself. Accordingly, a local individual enrolled in a training course -- fully funded by government -- considers the course as a short-term income opportunity, rather than as an educational resource toward long-term employment and business benefits. On the other hand, one local individual who had attended several such courses stated that

the problem is a lack of follow-up after training programs are completed. Having taken part in a silver-jewellery production workshop, he was not taught how or where to contact suppliers of silver so that he could continue making the jewellery once he returned to Pangnirtung. Unable to make use of what he learned at the workshop, he now considers the program a waste of both his time and the government's money.

Educational institutions continue to be plagued by a high drop-out rate, although since Pangnirtung established Grade 12 in the local high-school, this situation appears to be improving. Nevertheless, individuals without formal education but with years of practical experience, argue that their learned skills need to be acknowledged:

Everything can be done by Inuit here in our community. All of the business can be run by the Inuit. But probably a big reason why we are not running them, is because we are new in the business world. But we are starting to now, and Inuit should be given more opportunities to run our own affairs.

3.1.5 Home-based Business Opportunities

Small business development is also restricted due to a lack of retail space in the community. A woman who was attempting to open her own crafts supply shop said:

One problem in starting a business is in getting a building to lease... Another problem is finding suppliers. I have only tried a few so far, but I hope to get everything organized before winter.

Complicating this problem is a piece of Territorial legislation that does not allow local people to conduct business activity in homes leased by the NWT Housing Corporation. In legal terms, these units are 'public' property. They have highly subsidized rent structures, and government policy is based on the notion that residents would have an unfair advantage should they want to run a home-based business.

A high majority of Inuit families have no choice but to live in a house owned by the Corporation, for two reasons: first, most families are unable to pay high, non-subsidized rent at northern rates, and; second, because the Corporation is landlord over 90% of houses that exist in the community, there are few alternatives as to where to live. This presents a specific legal barrier to small business initiative. For example, in conversation about running a home day-care, one woman said:

The fact that the government says we cannot start a business in a Housing Association house would definitely create problems. Probably the only way it could work is with those

people who own houses through the HAP (Home-owners Assistance Plan).

As of summer 1993, twenty residences in Pangnirtung were "HAP houses" with another three under construction. However, even homes owned through the Home-owners Assistance Plan are subject to the same Territorial legislation prohibiting business activity for the first five-year period of "ownership." Nine of the existing HAP houses are beyond the five-year probation period, and these are all owned by individuals occupied with full-time wage employment who have the income to qualify for the loan-based program. Because they are already in a relatively secure financial position, these people either do not need, do not have the time, or do not have the desire to pursue a private business venture.

The issue of Territorial legislation prohibiting home-based business in public housing is most evident in Pangnirtung's accommodation sector. Currently Auyittuq Lodge is a share-holding company in which the president owns a majority of shares, and approximately 40% of shares are held locally. Because the Lodge is the first and only incorporated establishment in the accommodation sector, "market disruption" legislation has effectively granted a monopoly over the provision of room and board for visitors and seasonal construction workers. Furthermore, the Lodge owners have been effective in lobbying against local Inuit who billet visitors "illegally" in Corporation homes. Nevertheless, several Inuit women resist what they view as legislation created to favour *Qallunaat*, and continue to exercise what they view as their right to offer bed and breakfast type services to visitors upon request.²⁶ This under-the-table activity pitted against the Lodge's legally supported fight to end it, has resulted a long-standing source of tension and debate in the community.

3.1.6 Child-Care Services²⁷

While lack of education is a barrier to employment and entrepreneurship, the lack of child care facilities in Pangnirtung limits peoples' opportunities for both education and work. The need for child care is increasing as quickly as the birthrate in Pangnirtung. In 1992, 42 babies were born to a local population of under 1200, equal to a birthrate of 35/1000, or 3.5%.

Women in particular are affected by this issue. Many women become mothers while they are in their teens, and before they have completed secondary school. One young woman stated:

²⁶ This situation demonstrates the sometimes resistant character associated with the domestic economy.

²⁷ This section is based on a study conducted by the author in 1993, and sponsored by the Royal Commission on Aboriginal Peoples. For greater detail on the issues involved in the need and provision of child care in Pangnirtung, refer to Reimer 1993.

I think that many girls my age have a difficulty reaching their goals because they start to have children as a young age. [...] Girls have trouble finishing high-school when they have a baby.

One female high-school student recommended that child care and schooling be combined in some way:

I think the education system should be revised. Even if the students have kids, I think there should be a day-care that the school or the CEC (Community Education Council) could run without charge. Because if they have to work and go to school, they will eventually become loaded down with homework, and they have to take care of their kids. So I think: Revise the education system here. At least offer more programs, and daycare for the students' kids.

Today many young mothers and fathers share babysitting responsibilities, but the difficulty in finding reliable and consistent child-care is a problem, especially for women. From a total of twenty-seven interviews, twenty-five were emphatic that Pagnirtung requires some sort of day-care facility(s). Certainly, the wage economy is affected by the lack of child care facilities, although the extent of these effects is not known. Several women reported instances where a parent is either late or absent from work because they are unable to find a baby-sitter:

I have always thought that a daycare is needed in this community. Some of the women I worked with in the fish-plant would not come to work because they could not find a baby-sitter. This created some problems for some of the women...

One might conclude that high under-employment and unemployment rates would mean that many parents would be at home during the day to care for their children. However, official statistics mask the variety of domestic and informal types of economic activity -- hunting being the most important -- that often result in the absence of both parents from the home, possibly for days at a time. Also, many types of employment and economic activity are seasonal -- turbot fishing in the winter, outfitting or construction work in the summer, for example. A common situation presents a mother who holds a full-time wage position, and a father who will work as a fisherman, outfitter or construction worker for several months out of the year. It is during these concentrated periods of work outside the home that neither parent is able to take care of their children during the day. A mother of seven children said:

Usually my husband takes care of the children. But in the summer he works as a carpenter, and then it is very difficult.

However, the primary problem as expressed by women in Pagnirtung is not so much a lack of available baby-sitters in the community,

but rather a lack of **quality** care for children on a long-term basis.

A day-care facility that was opened in 1990 in Pangnirtung closed after only its first year of operation. The inability of many women to pay for day-care meant that the centre could not be self-supporting and outside support was necessary. However, problems in meeting the criteria for long-term operating funds from government sources finally led to the withdrawal of public funding, spelling the final demise of the Pangnirtung Day-Care Centre.

Management problems, limited access to long-term funding, and policy and legislative obstacles limit the potential for increasing and improving the quality of child care in the community. This is most obvious in the area of home day-care, the alternative suggested by the majority of local women in answer to the failure of the day-care centre. Many women suggest that running several small day-care centres in homes throughout the community would decrease the financial risk and increase the quality of formal child care. As well, this type of day-care would be a culturally familiar extension of the current system of baby-sitting within and between Inuit families.

3.2 LOCAL MARKETING SYSTEMS:

Attempts to Promote the Domestic Economy

The issue of small and distant markets (see above) is relevant also to Inuit involved in the domestic economy. For example, carvers find that a lack of linkages between suppliers, producers and consumers constitutes a major impediment to their industry. Distance from their main market means that carvers must rely on a middle-man agency to sell their art. This reliance, in turn, means that local carvers have next to no control over the marketing of their product, and most carvers have little understanding of marketing concepts or practices.

During the recession of the early 1980s, Arctic Co-operatives Limited (ACL) began to abandon its developmental role and corresponding policy of buying all locally produced carvings regardless of quality or marketability. In 1993, for example, only \$2,000 worth of carvings were purchased due to a new and stricter buying policy instituted by ACL. For a few, this has led to the creative use of domestic markets to maintain an active carving occupation, as expressed in the words of one such carver:

I have to keep going around town to find the buyers among white people who work here for the government and tourists at the hotel. Not many carvers are willing to do this.

Another carver remarked that,

I used to make as much on the sale one carving as I do now in one month.

ACL's most recent decision to cease all carving purchases is believed locally to be due to a lack of marketing effort on the part of ACL, as indicated by one carver's statement:

The Co-op stopped buying carvings this past winter. The reason is probably that the ACL cannot sell carvings to southern customers any longer. ACL is over-stocked and the market has dropped. Before, the Co-op acted as my sole agent, arranging for me to do commissioned work for galleries. Now that the Co-op has stopped being involved in carving sales, I have lost my southern market and I am able to only sell a few carvings to the Northern Store and to tourists.

Historically, the problem of carving sales and marketing stems from the wide-open buying policy that the Co-op instituted from its inception. As a way of encouraging the art of carving among Inuit and of distributing the profits as widely as possible, Co-operatives bought almost all carvings produced. Co-ops supported the Inuit attitude that anyone, regardless of talent, has the right to earn a living from carving if he or she so chooses. The market, on the other hand, places a premium on talent. Problems of over-production, compromised quality and inappropriate pricing were the predictable results of a non-selective buying policy. This has resulted in a conflict between, and a failure to link traditional Inuit values and the values of an external market that dictates its own terms (Myers 1982:49). In essence then, the poor communication between local producers and their market is exacerbated as much by ACL policy as it is by distance.

As the Co-op policy has changed, so have the marketing habits of some carvers who now sell to private dealers in Iqaluit, and to the slow-growing tourist market in Pangnirtung. Among tourists, Inuit carvers have found a less discriminating market. While private dealers and the Co-op increasingly demand higher quality, tourists are more interested in the memento value of the carving. As several carvers have quickly learned to exploit, it is the experience of buying a carving from a local Inuk that is of primary importance. The artistic quality of the carving is secondary. Individual carvers often hurriedly produce a carving in a day or two for this transitory market. Ironically, while much of the work sold to tourists is of inferior quality, prices paid directly to carvers is higher than those offered by the Co-op or private dealers (McKenna 1993).

Meanwhile, tourism to Pangnirtung has declined in recent years, related primarily to recession in the south. This has hit carvers doubly hard, as both direct and indirect sales to consumers have suffered a simultaneous and drastic decrease:

It seems that this July there are a lot less tourists in town than usual. This has really affected me, because I am able to sell fewer carvings.

Similar changes have occurred in the marketing of prints. Up until ACL closed the print shop in 1987, a rigorous marketing system was maintained by DIAND through the Canadian Eskimo Arts Council which acted as guardian over the quality of the prints released in annual collections. Sales were permitted only through ACL's agency, Canadian Arctic Producers (CAP). After 1987, print making in Pangnirtung was "free" to begin on a different marketing basis. Print makers now work as free-lance artists and all marketing originates from within the community, either through Uqqurmiut or personally from the print-maker. Direct market feedback is the chief instructor. Print-makers may sell prints as they choose, and again, the tourist market has been significant in this regard (*Ibid.*).

3.3 NUNAVUT HUNTER SUPPORT PROGRAM: Attempts to Develop the Informal Economy

Pangnirtung Inuit were well aware of the proposed Hunters Support Program (HSP) that was under negotiation between following Nunavut Tunngavik Inc. (NTI) and GNWT at the time of interviews in 1993. The HSP has received unanimous support from Inuit many of whom share the sentiment expressed by one elder in Pangnirtung:

I am aware of the hunters support program and I would really like to see it get going. It would benefit people who are not working, and they would be able to go out hunting... I would prefer for these hunters to supply food not only for themselves but for the needy people in the community as well... At least the hunters support program would provide another alternative for those young people who have dropped out of school... Maybe they quit school because they want to go out hunting.

It is significant to note that the criteria upon which families will qualify is consistent with wishes expressed by Inuit in Pangnirtung, and it appears obvious that NTI listened closely to community concerns in designing the program. An overwhelming majority of persons interviewed insisted that the HSP be focused on unemployed persons only. A smaller but significant number of people argued that HSP recipients should not be allowed to keep all of the meat they would obtain from hunting, but should be required to redistribute some to the community, so that people in need (but incapable of hunting) might benefit from the meat as well. Several older adults commented that the program should be closely monitored to ensure that people with wage-income not qualify for the HSP and thereby deprive others of its potential benefits.

Because many young men do not know how to hunt, are unaware of the dangers associated with varying ice and weather conditions, and are otherwise incapable of making a living from land-based economic activities, several older hunters recommend a training component to the program. A well-respected hunter and 'traditional teacher' in the community explained:

It will definitely benefit the hunters who need help... At least the hunters would be helped to purchase the necessary things for hunting. Not only them, but the future children will benefit also. This is why I supported Nunavut, so that the Inuit people can benefit... The greatest thing that could happen with the hunters support program is if I could be a hunting instructor. This is something that I have always wanted to do. Younger men who go out fishing will be out for days and get only a small box of fish. This is because they have not been taught how to fish effectively. A teaching program would really benefit the younger people... When I have taught the hunting during the spring camp from the school, I see that these young people are very eager to learn when they are out on the land. And now, a few of my former students are taking part more actively in hunting.

A fellow hunter and teacher agreed:

I am very supportive of this (hunters support) program. It should support those who need it, people without other jobs who need help to buy equipment and gas. I am also very supportive of an educational component attached to the program. I have worked as an instructor in the hunting program at the school, but this is only short term (2 months). There is potential for this to be long-term, to be a career oriented program. Some students were very eager to learn, and some did not want to return when the course was over.

There is a sense of urgency that some type of training and education program must be implemented very soon, since the current generation of older adults and elders is the last to possess this knowledge:

That kind of training is definitely needed, especially now while the teachers, the people who know about hunting, are still alive. Their knowledge should be passed on to the younger generation, while this knowledge still exists. This type of program would certainly benefit some young people, but not all of them.

Most young women, for their part, no longer know how to process seal and caribou skins, or sew them. Some of the adults pointed out that for the HSP to be successful, the educational component must include women as well as men, since women need to know how to clean skins and sew clothing. Several adults also commented that the

education program should not discriminate against women who would like to learn hunting skills instead of skin processing skills.

Inuit youth that were interviewed expressed nearly unanimous support to have a training/education program set up through the HSP. Several male youth indicate that one of the reasons why many male teenagers drop out of school, may be that they are more interested in learning how to hunt and fish than in getting an academic education that (in their eyes) does not lead to employment. They pointed out that, since the possibilities for wage employment are so limited, it is important to identify and implement as many alternatives to 'development' as possible. Several female youth said that they would like to learn traditional sewing and skin processing skills. Two teenagers recommend that the HSP training program should be offered as a career choice, on par with the regular academic program. This would strengthen hunting as a legitimate economic activity, and encourage a greater number of youth to participate (enrol) in hunting.

Adults perceive wider potential benefits from this educational component: they believe that it will encourage young people to (re)discover the importance of Inuit cultural values such as sharing meat and respect for the land and animals. Several are of the opinion the this program may provide a culturally constructive occupation opportunity for young people and help reduce their involvement in criminal activities, such as theft and drug/substance abuse.

Another local plan to revive the hunting industry involves setting up a local seal-meat processing plant and sealskin shipping business. Some skins are currently being sold to a recently opened tannery in Broughton Island, and there has also been serious negotiation to expanding sales of meat and skins to Japan.²⁸ These types of ideas have received unanimous support from Inuit involved in the informal economy who believe that this idea will help hunters regain some self-sufficiency (cash income) from their subsistence activities.

3.4 UNDERLYING ISSUES

Inuit in Pangnirtung identify at least three issues at the root of problems related to the development of their economy as a whole: low education levels; heavy reliance upon government, and; comparatively weak community decision-making power. While these factors have been alluded to preceding discussions, separate treatment of each is warranted in light of their overall effect on local economies throughout the Eastern Arctic.

²⁸ At the time of writing, information on the progress of these negotiations between businessmen in Pangnirtung and Japan is not available.

3.4.1 Education

As mentioned, a lack of education and training at the local level presents difficulties with regard to both entrepreneurship and employment. The problem of insufficient formal education is felt most strongly by the mid-age and older adult population who have the shortest history of access to educational opportunities.

This group suggests that economic development policies need to be changed to enable Inuit without formal education to qualify for loans, certificates and diplomas. Several recommendations were made in terms of 'relaxing' these rules enough to allow persons with extensive skills and experience (but lacking certificates or diplomas) to re-enter the labour force. Older unilingual Inuit were forced to quit their jobs, or were not re-hired seasonally when such rules were put into place in the 1980's.

Young people are also fearful and believe that the standards of education in Pangnirtung continue to be inadequate to prepare them for professional careers. A Grade 11 student said:

Some students are not taking school seriously, probably because they are afraid they will not pass, and they are not sure of their future... I know that it is a lot easier here than in Iqaluit; they have the same subjects, but they are a lot harder. The students say it is a lot harder down there, but it is a lot better. You can learn a lot more than here... It should be harder so that we can learn more.

Parents realize that their children need to be presented with better and more opportunities for the future. This was the primary motivation when the community at large agreed to tourism development in the early 1980s (Reimer & Dialla 1992). Most adults now believe that education is the key to future opportunities. Unfortunately, they see that formal education in the community has had little success in producing graduates that go on to professional or occupational training.

There exists a hope among people in Pangnirtung that the building of stronger human resources is but a matter of time:

It seems that (education) is improving in the present generations of students. They are hearing about Nunavut and a new government, and so it seems as if they are trying harder now. They have more goals now, to work in the Nunavut government... It also helps those of us who are parents, to encourage our children to keep attending school, now that there will be a Nunavut government.

There is overall agreement that a key strategy for increasing local economic development involves developing local human resources, through modifications and expansions to the quality and range of

education programs that are currently offered in the community.

Local Inuit see at least three avenues along which these goals can be achieved. First, the new adult education centre will help improve educational levels and skills among the youth population that still lacks a high school diploma. Among those with a diploma, the newly instituted teachers training program (EATEP) is considered a major boost to future employment by Inuit in local schools (where the majority of professionals are non-Inuit). Adults are encouraged by the construction of the new centre, believing that it will allow the delivery of a greater range of courses for them, including money management courses.

Second, youth and young adults believe that the curriculum offered at the local high school needs to be significantly expanded to include topics such as biology (pre-nursing) and accounting (pre-business). Older adults emphasize the need to include a traditional skills curriculum that will be on par with, and act as alternative to, the academic program. As mentioned above, this traditional skills curriculum could be funded and operated through the Hunter's Support Program.

Finally, a desire was also expressed to have the academic curriculum strengthened so as to be on par with standards in the south of Canada. Some adults and teenagers agree that the looser standards adopted by the high-school only serves to discourage graduates from pursuing higher education in the south. Hence, although the system is geared to produce graduates, in the long-term it serves to limit options available to them.

3.4.2 Government Intervention

The economic obstacles discussed in this report have helped to create a heavy dependence on government intervention in the form of capital contribution to development projects, but also in the form of social assistance (welfare). Both young and old are concerned that they no longer have control over the sources of their livelihood, and they experience a hard time in maintaining an adequate income. Young parents complain that high food bills and inflated costs of baby supplies makes it "really hard to try to make a living." Elders also feel the stress of dependency upon government assistance combined with a high cost of living:

The (Old Age) Pension does not cover everything that I need. I cannot even pay off what I owe to the Northern or the power and other expenses that I have. I just pay off a little bit at a time because I still have to buy food. It is not enough... The family shares. But when we get our pension, there are places where we must pay our bills to, and there is never enough.

It is never enough to cover my expenses, to pay for the things

I need in one month. Toward the end of the month I usually charge the things that I need at the Northern or the Co-op, and then when the pension cheque comes in, I pay off my charges... When I pay off my charge account at the Northern, I usually have only \$400 left. From that, I have to pay the house rent, power, telephone bills. Then I end up with about \$200.

Unemployment insurance (UIC) is increasingly becoming an optional form of direct government support. For instance, seasonal work in the turbot fishery qualifies fishermen and fish plant workers to collect UIC between seasons. Some women, for example, are attracted to the "fish plant / UIC cycle" feature of work in the fishing industry partly because it allows them to engage in traditional pursuits during the off-season (Ashley 1993:83). While, on the one hand this implies that the fishery supports cultural traditions to an extent, on the other hand it may discourage the search for summer employment. In this sense, UIC might be characterized as a "hidden" form of social assistance that further encourages government dependence (*Ibid.*:95).

At the individual level, social assistance, UIC, and, as will be seen below, 'spoon-fed' administrative support has discouraged the development of a strong capacity and willingness among potential entrepreneurs to take full responsibility and control over the ventures in which they become involved. 'Quitting' is always a viable option if the going gets tough. A lack of commitment is manifested in the ethos that if someone should "get bored" with work, the government or private employer can find a replacement, or can take care of completing the job themselves. Some also note a tendency to disregard the importance of quality work, believing that wages are "owed" them regardless of how well the job is completed. Ironically, it is this type of attitude that prompted the EDO to suggest that government programs need to be based more on risk-taking and competitive motivation.

In the current economic structure, local Inuit must look to the EDO and the local Employment Officer as the main agents of employment and income opportunities in the formal sector. But they are not seen to be initiating opportunities, and, as indicated earlier, there is poor communication between these offices and residents:

The Economic Development office is not working hard enough to develop things in our community. Also, the community employment centre -- Canada Manpower (CEIC) -- is not exposed to the community enough. They should be helping the people in the community more... They are not giving out enough information on how people can start a business, or on how people can gain employment. People here know that information is not being given out.

Development projects and small business ventures in Pangnirtung

have depended to a large degree on financial and administrative support from various levels of government. Tourism provides a good example of this type dependence. Outfitters, for instance, continue to rely on government agencies for administrative support beyond what would normally be expected in the south (Reimer & Dialla 1992:39). They receive tour-booking services free of charge through the (government-run) Visitor Centre. Private tour operators argue that this prevents them from entering existing and potential markets because local outfitters would refuse to pay the 10% commission fee as expected elsewhere in the industry. They also argue that this type of practice continues to promote the "false economy" in the north (see section 1.3.7).

In the community-based tourism development strategy, the public sector was to own the core of the tourism structure within the community -- the Angmarlik Visitors' Centre and Kekerten Historic Park, for example. The private sector was to own the necessary tourist products and services that surrounded that core -- package tour operations, transportation, and accommodation. In reality, however, the government walks a fine line between fulfilling their responsibilities as a public agency, and over-extending their protective arm over private developments in Pangnirtung.

Throughout the tourism pilot-project process, the ownership roles between the public and private sector have become blurred. A situation has developed, for example, where ED&T employees function as tour operators. This means that a government agency occupies a position that would ordinarily be held by the private sector. In this sense, the government has become a competitor to existing local and regional private tour operations. Also, they are competing against their own community-based goals to encourage growth in private sector activity at the local and regional levels.

Non-Inuit business people tend to view ED&T's policies and practices as promoting local dependency rather than self-sufficiency. ED&T officials argue that their investments provide a foundation for people in Pangnirtung to build upon in the future. In the meantime, however, this approach has translated into a situation in which the government holds much control over the local tourism industry, and the economy as a whole.

People in Pangnirtung continue to be concerned that decisions are made for them by governments far away in Iqaluit, Yellowknife and Ottawa. A former Territorial politician stated:

One of the big problems has been that the government administration in Yellowknife does not think that the small communities over here can take care of themselves. They think they have to look after us... In the old days, the main source of our economy was what we could get from the land. We did not need licences for our livelihood. Today, I strongly feel that our economy would work quite well even without licenses.

People should be able to earn money without a license. Many people are held back because they have to apply for a license in order to earn money... That is how the government controls us. They tell us that we can only do something if we have a license. The government is looking after us as if we were children, the way that I would look after my child... I am not talking about the big companies -- they should definitely have a license. But the micro-businesses, especially those that are seasonal, they should be able to go ahead by themselves without having to worry about licenses and laws.

Several local politicians and wage-earners indicate that the current structure of decision-making, including policy formulation and implementation is extremely unsatisfactory, as most of the power resides outside the community. They feel that officials in far-away departments and offices are too often out of touch with the needs and wants of the local community. Furthermore, they assert that further devolution of powers is necessary to improve employment, production and development at the local community level.

3.4.3 Community Decision-Making

The final root of economic problems is that community decision-making power is seen to be weak and/or mis-directed. Community planning and decision-making has conventionally taken place within the framework of local committees which have blossomed in number over the past twenty years in every Inuit community. Cultural factors affect participation, or the lack thereof, in all local committees: Inuktitut-speakers are not fully able to understand procedural or policy-related issues; family, subsistence and income concerns take precedence over committee work, and; there is little evidence that committees were based on customary modes of leadership and problem-solving (cf. Ittinuar 1981).²⁹

One topic that draws a high degree of consensus concerns the involvement of the Hamlet Council in job creation and training. The following comment by an elder was but one of many of its kind:

Our local government, the Hamlet Council, should be really concentrating in creating jobs in our community.

The overwhelming majority of respondents indicate that the Hamlet Council is not doing enough toward improving the economy. During the tourism evaluation project it became evident that ED&T officials agreed with this assessment, saying that the Municipal

²⁹ For example, elders indicated they had little input into the formal decision-making processes within the community, although some committee and council members claimed they consult with elders informally about issues, particularly land-related concerns. One elder suggested that the elders themselves should form a committee and hold meetings to discuss community issues and to agree on problem-solving decisions.

government had failed to create any long-term economic agenda (Reimer & Dialla 1992:31). For example, the Hamlet Council seems not to fully understand what the tourist dollar means to local economy, and hence, fails to recognize or to build upon the links between tourism activities and other economic sectors.

One individual suggested that the Hamlet Council formally establish some type of economic development strategy, perhaps in the guise of a community corporation:

I have thought that it would be good to set up some sort of company in our community that would create employment and that would run permanently. A company that is owned and controlled by the community, by the Inuit people. That would prepare employment for the future, for young people who are not really doing anything now.

A few persons suggest the Hamlet Council should "privatize" much of the service delivery it is currently responsible for, sewage pump-out and water delivery for example. This will relieve the Council from time-consuming, mundane duties and permit them to focus more attention onto broader and long-term social and economic issues and programs.

Whatever form local control takes, it must include the commercial development and management of wildlife as well:

On the commercial lakes, the quota for char is very small. For some it is only 2000 pounds, and two or three people can fill that quota... There is potential if the quota were increased, especially for commercial char fishing. Some of the lakes are quite small, but there may be many fish in that lake. These small lakes should have smaller quotas, but the larger lakes should have their quotas increased, where there are greater stocks of fish. This room to increase the quota... There is room to increase the commercial fishing for Arctic char. The fishermen from here (Pangnirtung) know when the lakes are getting low in fish stocks, and when they feel it is very low, that is the time they need to stop fishing from that lake. In summer, only one lake is used for commercial fishing. They should decrease the winter quota for that lake so that it can be increased in the summer.

There is considerable hope that the Nunavut Land Claims Agreement will increase the potential of communities in the Eastern Arctic to control renewable resources:

It is really sad that the quotas are set from outside the community, because Inuit are able to manage their own resources. Also, if Inuit were managing their own resources, they would be able to teach the young people how to handle their own resources. They must be prepared to manage their own

resources. The Nunavut government will improve this type of thing.

Wage earners and young adults are the most vocal critics of the Hamlet Council. As well, two local politicians stressed the need for increased Hamlet Council involvement in job creation, and indicate that this can only take place with further devolution of powers to local governments. They point out that one important step in this direction involves subsuming the Economic Development Officer under Hamlet responsibility, and ensuring that the office be held by a local Inuk by stipulating that the position be filled by a bilingual person.

In fact, under new GNWT policy adopted as a result of the *Strength at Two Levels* report (1991), the Pangnirtung Hamlet Council has begun to seriously explore the possibility of taking over the local GNWT economic development office. The mayor and his council members describe the process as one not only of increased responsibility, but also of an increased acknowledgement by outsiders that local leaders best understand what is needed in their community. One councillor explained:

I have been on the Council for the past two years. One of the things we have been discussing is the idea of turning Economic Development to the Hamlet Council. It seems the EDT office is not creating enough opportunities here in the community. So the Hamlet Council would like to take responsibility for economic development... Right now, we are studying the situation in Cape Dorset who is trying to run their own Economic Development. Also, we are exploring elsewhere, looking at other Baffin communities and even in Greenland to see how they do it over there... One of our goals would be to have a bi-lingual EDO. This seems to be required in all positions these days... I would like to see more recognition for our Hamlet government, recognition that we are capable of looking after our own affairs. We are capable of looking after economic development in our community.

The issue of language in the decision-making process includes a fair degree of controversy, reflecting conflicting views of leadership qualities. Several individuals point out that community leaders today need to be fluently bilingual, while others indicate that unilingual Inuit are increasingly being devalued and discriminated against in the job market and development programs.

The advocates of bilingual leaders justify their position by claiming that only a bilingual individual can fully understand the complex and confusing system of government rules and regulations pertaining to development programs. They are therefore intrinsically better suited to take advantage of these on behalf of the wider community. Advocates of unilingual leaders believe that under the latter's leadership, it is easier for local Inuit without

formal education to get jobs around the community. They point to the new generation of bilingual leadership as responsible for enforcing and promoting new requirements that effectively disqualify older Inuit from any type of employment.

The bilingual/unilingual debate is essentially split between wage-earners ('modernists') and tradition-oriented hunters and carvers. The latter also identify a lack of communication between the Hamlet Council and the rest of the community as constituting a significant barrier to effective local decision-making. Wage-earners tend not to identify this as a problem. Rather, they emphasize the fact that local committees, including the Hamlet Council, are restricted by law to act mainly as consultative bodies whose 'power' is more often than not limited to an advisory capacity. In their eyes, the source of the problem has not been so much within the Hamlet Council or other local bodies, but rather within GNWT which has limited their authority.³⁰ Some wage-earners also point out that part of the problem is due to a lack of initiative by residents to put pressure on local committees to act on issues of concern to the wider community, and to keep election promises.

Similar to that seen at the Municipal level, instances of weak decision-making capacities are also evident within specific organizations responsible for various aspects of the economy. For example, the Board of Directors for Cumberland Sound Fisheries Ltd. has relied heavily upon its non-Inuit, non-local manager for most of its decision-making. Ashley reports that one previous manager's approach was to "tell the... inexperienced directors what to decide rather than providing them with information to make their own informed decisions" (1993:38). The manager's working premise was that a fishery business requires quick decisions, and the board was too inexperienced to reasonably expect them to do so. However, this is an unfortunate expectation considering that local decision-making is critical for the company to develop as an Inuit-owned and controlled business, according to its original intent.

Decision-making in local organizations is restricted by what many local people have identified as boards and committees that are "too large" (cf. *Ibid.*:103). In an effort to represent the entire community, committees in the Eastern Arctic tend to be larger than necessary, a situation that slows and perhaps distorts decision-making. From his study of the Cumberland Sound Fishery Board, Ashley concluded that "more emphasis needs to be placed on the mandate of the organization and minimum representation of valid interests to achieve the mandate" (*Ibid.*:104).

Attendance and activity-levels among committee and board members

³⁰ Only two respondents mentioned that local decision-making is hindered by budgetary restrictions. Others seemed to indicate that financial considerations are in themselves completely distinct from whatever factors affect the quality of the decision-making process in local institutions.

differs according to their immediate goals and purpose, and relies to a large extent on the strength of their current leaders. For example, the Pangnirtung Tourism Committee (PTC) had difficulty achieving their goals because of membership and leadership turn-overs. Many concluded that the changeover in the PTC chairperson's position in 1989, was a direct cause of its breakdown. Government officials also emphasized the importance of strong local leadership for effective community decision-making and control in economic matters. It is necessary for local spokespersons to voice demands about the direction the community wants to take in tourism development. From 1982 to 1989, two active and outspoken local Inuit PTC chairpersons were successful in motivating committee members, gaining support from the rest of the community, and making demands on government agencies. This leadership has been lacking in recent years.

The woman who spearheaded the Uqqurmiut Inuit Artists Association is also a strong leader who has continued on as president of the board since its inception. Her direct efforts and demanding negotiations with Yellowknife officials, along with the support of her board, has resulted in what is considered a successful community-based business. The Uqqurmiut experience is but one demonstration that the human resources necessary to shoulder economic and political responsibilities do indeed exist in Pangnirtung.

The fact that the chairperson of the Uqqurmiut board is a woman deserves special mention here. Inuit women in general have become very active in organizations from the local to the national and international levels. Pauktuitit attributes this to "the traditional equality between the sexes that has helped give Inuit women the confidence and support necessary to be able to take such an active and productive role in these organizations" (1991:14).³¹

In sum, Pangnirtung Inuit are keenly aware that there is a strong need to improve local decision-making processes, and that the lack of effective decision-making is an important factor affecting the shape and extent of local economic development.

³¹ Interviews with women in Pangnirtung support this view. They contrast their commitment to committee work to that of men in the community, asserting that women are generally more reliable and consistent in attending meetings. They attribute their more outspoken and persistent involvement in committee discussions to their cultural upbringing: as daughters, mothers, and friends, Inuit women talk together more than do Inuit men, and hence believe themselves better able to negotiate decisions. Local women also believe that, as caretakers of the home (community), they focus more on long-term issues and goals, whereas men tend to dwell upon more immediate concerns.

4. The Prospects: Strategies and Recommendations for the Future

Self-determination and self-sufficiency are goals shared by Inuit at the local, as well as at regional and national levels. What is left is to devise and implement pragmatic models of development, models that reconcile the nature of the mixed economy, rather than attempt to eliminate or ignore domestic and informal types of activity because they are thought to conflict with development in the formal economy.

It is doubtful that dependence on government support will ever completely disappear. While this is true in the Canadian economy as a whole, it is more evident in a community such as Pangnirtung with its fragile economic base and its isolation from other economies with which it might interact. Thus, it would seem imperative that whatever resources are available need be utilized to their fullest potential to create an economic environment in which families can support themselves. This means that development efforts must be flexible enough to direct support to alternative types of economic activity, including those that are domestic and subsistence oriented.

Culturally appropriate and effective development requires economic policies and programmes that do not threaten sources of cash alternative to those available in the form of wages. This chapter looks at a variety of strategies targeted at not only the formal economy, but at the domestic and informal economies as well. Recommendations are offered for each component of the mixed economy, concluding with a comment directed at the holistic development of human resources as this relates to the *bricolage* that is Pangnirtung's economic foundation.

4.1 THE FORMAL ECONOMY: Strategies Aimed at Commercial Activity

The emphasis by government on building the formal economy and neglecting the domestic and informal economies has been not only lopsided, but culturally and economically inappropriate. It has also proven impractical. Despite expensive efforts by both Federal and Territorial departments, local Inuit continue to find it difficult to enter the formal economy because of structural barriers. These barriers include: poor access to capital; weak marketing links; legislation that prohibits home-based business; low standards of education and training, and; failure to recognize work experience as valid as certification, to name a few. Some of

these factors allow non-Inuit business persons with capital to take advantage of a legalized economic system with which they have long been familiar.

In addressing the issues related to the ongoing development of commercial activity in Pangnirtung, four recommendations are put forward for consideration. The first is broad-based, calling for a closer examination of existing models of development agency. The remaining three are more specific in character, addressing the local need for financial services, the potential for home-based business development, and the need for child-care facilities.

4.1.1 Existing Models of Development Agency

RECOMMENDATION: A comprehensive evaluation of existing development institutions in the Eastern Arctic is necessary, toward the design of workable and flexible models of distributing capital and operating funds and support, with the aim of increasing entrepreneurial activity.

DISCUSSION:

A single model of development -- for example the industrial model -- is incapable of reaching the full potential of small and large business needs in a community such as Pangnirtung. However, different strategies are being tested in the formal sector of Pangnirtung's economy, by both government and non-government agencies. The Northwest Territories Development Corporation -- colloquially known as "DevCorp" -- supports capital investments in and provides operating subsidies to relatively large ventures. Kakivak Association, on the other hand, is experimenting with a less industrialized model aimed at micro-enterprise. Each model contributes to different segments of entrepreneurial activity in Inuit communities and each is deserving of close attention in the future development of local business potential. These are discussed separately below.

NWT "DevCorp": Sharehold Model

When a lack of education or other social pressures prevent an individual from venturing out on their own, the sharehold system presents one alternative. In this arrangement, local people are able to participate as business owners knowing that much of the bookkeeping and legal matters will initially be taken care of by trained managers.

The concept of 'shareholding' was introduced to Inuit in the 1960s through the Co-operative system. Since that time, a few local individuals have also become involved as shareholders in Auyuittuq Development Inc. (ADI) which owns the Lodge. The Northwest Territories Development Corporation is the most recent source of

shareholder capital to influence local economic development in Pangnirtung. This crown corporation's mandate is to invest in job-creating opportunities considered too risky for the private sector. "DevCorp" partnerships are currently being tested in the arts and crafts sector (with Uqgurmiut Inuit Artists Association), and in the commercial fishing sector (with Cumberland Sound Fisheries Limited - CSFL).

Under the deal with CSFL, DevCorp holds the controlling share (51%) of Pangnirtung Fishery Limited (PFL) and the shareholders of the original company hold the remaining shares (49%). CSFL's local board members (all Inuit), together with a new manager, continue to run the everyday operations in Pangnirtung. DevCorp controls major decisions such as capital investments and equipment purchases. The ultimate objective of this strategy is that within five years, DevCorp support will result in financial viability (self-sufficiency) and control will be fully returned to local shareholders (CSFL).

Most of those who have first-hand knowledge about the nature and conditions regarding the take-over, see it as a potential long-term benefit to the community, especially in light of the near bankrupt condition CSFL found itself in 1990. Their attitude, confirmed by all fishermen and plant-workers interviewed, was that because the fishery is extremely important to the community, something had to be done to save it.

However, these same individuals express a concern that opportunities to train local persons in proper managerial skills should not be ignored during the DevCorp take-over period. This concern is well founded: during the 1993 season, the new PFL board -- consisting of three local representatives and four DevCorp representatives -- was weak in terms of community involvement. Should this continue, a forum for business education through practical board experience will have been lost. This creates the possibility that when DevCorp divests its interest, the local board may not be capable of assuming management, and continual government support may be the long-term result (Ashley 1993).

Not all shareholders agree on the benefits of this model of ownership. When major shares are held by non-local *Qallunaat*, there is a risk that most of the decisions are made without consulting the shareholders in the community.³² The take-over by DevCorp of the local fishery has been somewhat controversial among community members at large. Some people are both disappointed and concerned that a government agency is now in financial and managerial control of what was formerly a private locally-owned company. Several people questioned the motives behind the take-over, and are

³² Also, inexperienced Inuit shareholders tend to hesitate to exercise their decision-making authority over more experienced and better educated non-Inuit directors (Reimer & Diaila 1992).

sceptical about whether DevCorp will in fact try to improve the financial problems besetting CSFL. The issue is one of competing economic philosophies: the use of tax dollars to stimulate economic growth in communities such as Pangnirtung on the one hand, versus private sector driven development on the other.

DevCorp's take-over of Uqqurmiut Inuit Artists Association is also controversial. Here, DevCorp's insistence on 51% of control has been strongly resisted by the Uqqurmiut Board and management. The issue is local control and the Board fought to negotiate a more flexible deal, one that better suited the character and needs of their organization and the community. Although this aspiration is consistent with recommendations in the 1990 *SCONE* Report, DevCorp refused to make an exception to their rule apparently on the grounds of 'fairness to all.' According to one board member, it is through such strictly defined criteria that governments are able to use policy and programs to "exclude" intended beneficiaries.

Each side has based their argument on opposing definitions of success. The Uqqurmiut board argues for their continued control of operations on the basis of their long history of participation in the arts and crafts, their dedication to the goals of Uqqurmiut, and the success of the Centre under their direction. Uqqurmiut measures success by their record of a modest increase in jobs, income and sales, by re-opening the print shop, by an increase in educational workshops, and by positive responses from artists and visitors. GNWT measures success differently. Although sales at the Uqqurmiut Centre have increased, they have not met the projections of government officials who drew up the funding schedule in 1990. That the schedule of increasing sales and declining subsidies cannot be met, indicates to DevCorp officials that Uqqurmiut "has serious problems" (McKenna 1993:35).

In the end, Uqqurmiut was pressured to agree to the DevCorp deal as the only way to receive a consistent level of subsidization. However, in the Board president's view, local control should not have had to be the price for financial help from the government. An elaboration of her view on the matter can be found in her address to the RCAP Economic Round Table organized by the Inuit Tapirisat in July 1993 (Appendix B).

The DevCorp sharehold model of formal economic development may prove successful, but only if it provides the context for genuine community participation and local control -- through management training, for example -- once public control is divested. It seems it is the long-term financial support of a community-based business structure as originally devised when Uqqurmiut was founded, that is the model most consistent with GNWT's *Strength At Two Levels* policy: to allow communities to "arrive at their own culturally-based methods and models of being productive" (GNWT 1991).

Kakivak Association: Micro-Enterprise Model

Kakivak Association is a regional non-governmental organization whose mandate is to provide economic development services not provided by ED&T. Kakivak targets the micro-business potential at the community-level. Kakivak receives core-funding from CAEDS (Canadian Aboriginal Economic Development Strategy) for its first five years of operation, after which time it must demonstrate its ability to be self-supporting.³³ Kakivak employs several community workers and prides itself in being able to offer bilingual services in English and Inuktitut.

Although the Association has had little direct involvement in Pangnirtung, their model of development is worthy of discussion for two reasons. First, it illustrates social and cultural approaches that contrast with ED&T's industrial approach. Second, it can be considered a potential strategy for those people in Pangnirtung who have felt uncomfortable with the more formalized, small-business model of economic development.

Kakivak's approach to business development in the Baffin region has evolved into a model that addresses the Inuit cultural 'blur' between that which is social and that which is economic. Some critics say this is Kakivak's major weakness, because business based on a social organizational structure does not make good economic sense. However, Kakivak management argues that this is their greatest strength: rather than fighting the cultural and social barriers to economic development, they premise their work on turning "obstacles into opportunity" by building upon the existing cultural and social context in an Inuit community.

For example, when women in Arctic Bay proposed a production shop where they could sew items for sale, they insisted that they also be able to bring their children with them to work. Where, from a southern business point of view, children in the workplace would be counter-productive, Kakivak agreed with the local women that their idea presented an opportunity to establish a joint day-care/sewing centre in the community. Women in Igloolik are working on a similar project, but one in which abuse counselling is combined with sewing production. This type of development scheme has the advantage of being able to draw upon several sources of funding from both economic development and social service agencies.

While this type of development strategy is in its nascent stages, its degree of cultural appropriateness makes it a model that must be seriously considered, and a program that should be evaluated as it continues to develop. Kakivak's model of business development holds promise in applying culturally appropriate principles in the

³³ Kakivak Association's efforts to develop means by which to attain self-sufficiency has occupied much of its time in its first five years of operation. While this has initially taken time and energy away from community work, self-sufficiency remains a priority in order to maintain and increase community development efforts in the long-term, by decreasing the risk of public funding cutbacks and withdrawals.

creation of unconventional yet viable income-earning opportunities.

4.1.2 Financial Services

RECOMMENDATION: Plan for and institute some form of local banking service within the community and reformulate loan and contribution programs to make access to capital a less complicated and bureaucratic task.

DISCUSSION:

The absence of a local banking outlet has been identified as an obstacle to business ownership (Reimer & Dialla 1992). Currently, most local Inuit route their cash income through either the Co-op or the Northern Store where they keep credit accounts. However, neither institution pays interest on sums that individuals might be 'saving.' The current manager of the Northern Store stressed not only the need for banking facilities in the community, but also the need for adult education on banking procedure and money management.

While the cost of establishing and operating a full-time bank is not warranted, alternative models do exist in regions comprised of small and isolated communities. For example, in Newfoundland several communities have been conducting their banking business on a weekly basis through "fly-in banks" administered by established Canadian banking firms.

Access to capital is also hindered by what are perceived as complicated and bureaucratic application processes. There is a need to simplify and stream-line loan and contribution programs in order to eliminate unnecessary criteria which systematically limit eligibility. GNWT's 1990 *Business Development Strategy* is a step in the right direction, but ways need to be found to address the language, culture and education barriers that prevent certain Inuit from benefitting from programs aimed at aboriginal entrepreneurs.

4.1.3 Home-Based Business

RECOMMENDATION: Negotiate means by which individuals and families can legally establish home-based businesses in homes rented from the NWT Housing Corporation.

DISCUSSION:

Territorial legislation that does not allow local people to conduct business activity in homes leased by the NWT Housing Corporation precludes about 90% of the population from potential opportunities that might exist in home-based types of business. In the domestic economy, activities such as billeting tourists, small commodity production of arts and crafts, and baby-sitting services are

already operating throughout homes in Pangnirtung. Legislation that prohibits home-based business presents a risk of legal sanction and in effect guarantees that this domestic activity will not develop into formal economic activity.

This contradiction is highlighted when set against the fact that very little commercial space is available for rent, lease, or sale. Where space is available, its cost usually presents a risk of high overhead that novice entrepreneurs are unwilling or unwise to undertake.

4.1.4 Child-Care Services

RECOMMENDATION: Long-term financial and legislative support is required to provide reliable and quality child-care services in the community. It is recommended that provisions be made for the development of home-based day-cares and that child care instruction and services be provided in the high-school context and/or in the adult education centre.

DISCUSSION:

It is striking to note that alongside the presence of formal child care infrastructure and ready human resources, there remains an urgent need for child care services in Pangnirtung. The 'missing link' lies in a failure to bring together the **need** with the **provision** of services, primarily due to a lack of long-term government funding and support. This is true at every level: Municipal, Territorial, and Federal. There is a need for the different public and private factions that could make quality child care a reality, to share responsibility with local groups in developing a long-term plan of services appropriate to the resources and needs of the community.

The failure of the Pangnirtung Day-Care Centre in 1991 fostered a greater awareness of local child care issues among Inuit residents. At the very least, lessons have been learned from past mistakes -- lessons relating to child care management, training, funding, legislation, and policy. Women in the community now recommend that they be allowed to establish home-based day-care centres. Because of a general lack of management skills, many women feel uncomfortable with the idea of starting any type of business that requires large outlays of money for capital and operating expenses. (This is in addition to the issue of difficult access to capital.) Furthermore, the failure of the previous day-care centre demonstrates the vulnerability of such an enterprise dependent upon continual government funding.

The previous Day-Care Centre manager suggests that a "network" of home child care centres could depend upon and learn from each

other. This would result in a growing availability and increasing quality of child care in the community. However, as stated above, this type of system would require a radical change in Housing Corporation policy and GNWT legislation that would allow home-based businesses in public housing.

Presently, Pangnirtung has the human resources to provide professional child care. One woman is certified to operate a daycare and to teach child care assistants. Six other women have the training and experience to assist in the professional care of children. Because these skills are not being used, they represent a 'waste of human resources' and a 'missed opportunity' in the community. Optimistically, these existing human resources create a ready potential for formal child care to be re-established, if and when the facilitation and organization are provided.

Teenage and young adult women recommend that there be a day-care centre in the high-school, where students can leave their children and continue with their classes. This would address the problem experienced by teenage mothers who decide to drop-out of school, as expressed by one teenage woman:

I think the education system should be revised. Even if the students have kids, I think there should be a day-care that the school or the CEC [Community Education Council] could run without charge. Because if they have to work and go to school, they will eventually become loaded down with homework, and they have to take care of their kids. So I think: Revise the education system here. At least offer more programs, and daycare for the students' kids.

A facility in the school could also be used for educational purposes where students can be taught child care skills. Pangnirtung's new Community Learning Centre also has the potential to establish small-business management/child care training programs. These can be integrated with the existing day-care facility that is now standing empty in the Hamlet building, or with possible child care services provided in the high-school and in homes. Furthermore, by combining educational programming and child care services, local facilitators have access to a wider array of funding sources.

4.2 THE DOMESTIC ECONOMY: Locally Controlled Marketing Systems

RECOMMENDATION: Support is needed to develop long-term marketing strategies that will keep avenues open for domestic income earners to produce and sell their products. This should include strategies that will create local and regional

marketing systems that also have the potential to link with the formal economy.

DISCUSSION:

A high degree of commitment is evident among domestic income earners -- in the arts and crafts sector, for example -- that is currently being neglected in terms of its potential to create a more reliable source of economic security and household self-sufficiency.

Arts and crafts production provides an excellent illustration of this issue.³⁴ In general, arts and crafts production in Pangnirtung is primarily a domestic cash activity: except for the weavers employed in the Uqqurmiut Centre, all artisans are 'self-employed.' Carvers and sewers report that in the past few years as sales to the Co-op have declined and ceased, most of their income derives from domestic sales directly to tourists, government employees and dealers in Iqaluit. At the Uqqurmiut Centre where a majority of craft purchases take place, only the weavers' wages are reported to Revenue Canada. Until income levels from arts and crafts increase substantially, it is unlikely this condition will change.

Field data indicate that the domestic economy is characterized by irregular and often unreliable sources of income. The patterns of production and marketing have been inconsistent over the years. Operations have come and gone depending on the availability of government grants and the effectiveness of a marketing system over which artists have had no control. In sum, the arts and crafts have not proven to be a viable element of the formal, wage-based economy of Pangnirtung. These same factors contribute to what has been an unstable and unpredictable position for local people interested in starting a small business, or in transforming their domestic activity into a more formal cottage-industry.

Despite the apparent failure of the arts and crafts to provide dependable wage-based employment through the past thirty years, this has not adversely affected community participation as one might expect. It is here that one may identify possible solutions and alternatives for the future. Carvers who have reduced their productivity, or retired altogether were asked if they would like to return to the craft: the answer was unanimously in the affirmative. Moreover they wish to see a future for their children in carving and several carvers have expressed a desire to teach carving to young people within some institutional setting.

In other sectors of the arts and crafts, the same commitment is evident. The men involved in print-making during the 1970s and 1980s remained dedicated to the art form through the years of non-

³⁴ This section relies heavily upon the draft report submitted by Ed McKenna (1993).

production between 1988-1991. When the print shop re-opened its doors in 1991, the same group of highly-skilled artists were ready to operate the shop and to resume their work. This group included three artists who had turned to fishing to earn income, but returned to print-making despite the fact that no wages were being paid.

Despite interruptions and separations from the arts and crafts caused by the vagaries of the production and marketing systems and the low earnings, profound connections remain for the individuals involved. As one woman formerly involved in the Misuviq Sewing Centre and now working as a government employee explained:

I work here but my mind is with the crafts. this job keeps me going and my house needs heat and light. but I dream of some day trying to return to sewing on my own. (in McKenna 1993:24)

Other non-monetary factors play a part in sustaining arts and crafts in Pangnirtung. Social status is associated with artistic talent. Furthermore, individuals are able to control the conditions and processes of their work. Success to an Inuk artist is "doing your best at what you make," a cultural imperative of the survival ethos. In the arts and crafts, this philosophy and the patience for careful work by hand has produced great success. Arts and crafts that are entirely imported art forms such as print-making and weaving, have been mastered by Pangnirtung Inuit who have made them their own (cf. Appendix B).

It would be wrong to assume that the people of Pangnirtung spurn money for art! Indeed, the long-term popularity of the arts and crafts can be explained, in part, by its ability to provide a relatively easy and immediate way to secure cash. While the southern market has shrunk, the local and regional market has expanded. In this regard, linkages between arts and crafts and the growing tourism industry are especially important.

The high levels of participation in the arts and crafts in Pangnirtung reflects the fact that arts and crafts fit in within the spectrum of the mixed economy of the community. Artists can use the formal marketing systems of the large scale wholesalers, while continuing to sell directly for cash to visitors in the community. While this is somewhat disruptive to the market, it permits a flexibility which gives the arts and crafts greater economic importance than is apparent in any listing of the formal sales statistics or reports on community taxable income. With the positive cultural context and the independence and control one has in domestic activity, the linkages to the formal and informal economies explain the high number of people who take part in the arts and crafts in Pangnirtung. It is these connections that can be supported and strengthened to provide a more reliable source of income for individuals who have skilfully begun to forge the links.

Innovative marketing strategies that aim toward direct marketing and the elimination of middle-men dealers and agencies, provide promising solutions to the non-locally-controlled marketing practices of the past. In this regard, Uqqurmiut plays a prominent and important role. For example, Uqqurmiut has established direct links with individual art galleries in Canada and the United States for the sale of Pangnirtung tapestries. As the first retail outlet dedicated to the sale of arts and crafts in Pangnirtung, an important marketing avenue was added to the more private "door-to-door" sales practised by individual artists. The marketing of prints is an example of this trend, as is the direct marketing of cottage industry items such as mitts, headbands, parkas and sweaters.

In part, government policies and programmes have failed to achieve their goals in Pangnirtung because they have been directed at the wrong economic structures. While the arts and crafts are most vitally connected through culture to the domestic and the informal economies, government policy is limited by directing its efforts only at arts and crafts within the formal economy. As this represents the least successful component of the arts and crafts sector, this may explain why the economic position of artists and crafts-persons in Pangnirtung today has not improved, despite large public investments.

If consistent and regular patterns of development are the goal, then government efforts to develop the arts and crafts must be aimed not only at its place within the formal economy, but at the more important role it plays within the domestic economy.

4.3 THE INFORMAL ECONOMY: Support for Resource-Based Activity

RECOMMENDATION: Support, possibly in the form of subsidies similar to those received by farmers in the west and fishermen in the east, should also be given to the resource harvesters of the north. A long-term targeted approach is needed to actively support Inuit harvesters who make a vital contribution to the well-being of their communities.

DISCUSSION:

Nunavut's Hunter Support Program (HSP) has the potential to revive a viable and meaningful livelihood to many unilingual and unemployed people in Pangnirtung. It may also provide potential as a career alternative for the growing population of working-age Inuit. People in Pangnirtung agree that hunting can be a viable alternative to local development which has previously centred almost exclusively on wage-labour, and whose benefits have remained

quite limited. Local Inuit support any program or initiative that will allow the hunting industry to regain some of the self-sufficiency that it lost in the past decades.

Unlike agriculture in the west or fishing in the east, hunting in the north has received no Federal subsidy. This is despite the acknowledged contribution that subsistence activities make to aboriginal life in the Arctic. Economically, hunting produces high-nutrition country food that is distributed throughout the community. Socially and culturally, harvesting activities are important in the reproduction of social relations and of Inuit tradition and identity: continuity of "the Inuit way."

Harvesting of marine and land animals represents a renewable resource-base of mixed Arctic economies that cannot be ignored in light of what are considered by formal economists as "resource-poor" regions. It is in the best interest of those who aim to continue to develop the Arctic economy to target and strengthen the informal economy as an integral and necessary component of the unique *bricolage* of economic activities in Inuit communities.

There is also strong support to make the HSP 'career-oriented' including perhaps an apprenticeship program. Many adults, elders, as well as youth are keenly aware that traditional skills associated with a hunting way of life are not being passed on to the new generation of young adults. A majority of Inuit recommend that a training/education component could be implemented within the school curriculum, alongside - but separate from - the academic program. This will allow young people a greater variety of educational opportunities: students could, in principle, choose to specialize as a "career" hunter.³⁵ This would require a new format of learning outside the confines of a classroom, and out onto "the land."

At present, the Nunavut Hunter Support Program is a short-term (five-year) agreement with little financial leeway to develop into much more than a capital and operating fund for full-time hunters. Unlike the James Bay Cree Income Support Program which provides a secure income for full-time hunters, the Nunavut HSP is an annual lump-sum payment to help cover costs of equipment, fuel and supplies (*cf.* Appendix A). Furthermore, the Nunavut HSP does not have the long-term security of the Cree ISP which is part of the James Bay Northern Quebec Agreement (land claim). This also means that the Federal government has accepted no legal responsibility to

³⁵ There is no evidence that hunter support programs result in an increased number of youth motivated to choose hunting as a career. However, studies of the Cree Income Security Program (ISP) demonstrate a significant increase in the number of subsistence harvesters, including men and women between the ages of 18-24 who stay with the ISP for several years and then move on to wage employment. What is significant is that these young people have the opportunity to spend prolonged periods learning techniques and traditions of living on the land from elders. These young people then possess the skills to participate as part-time hunters valuable to the community (La Rusic 1993).

support the Nunavut Hunter Support Program or to subsidize the Nunavut harvesting economy.

If policies are to result in increased self-sufficiency, governments -- whether Federal, Territorial, or Nunavut -- must seriously consider the creation and support of income opportunities in Inuit communities which are complimentary to, and which buttress the informal economy. Policies must be flexible enough to suit the aspirations and lifestyles of these communities, in order to retain traditions and to successfully utilize existing skills and education levels.

4.4 THE BRICOLAGE: Human Resources as Key to Local Control

RECOMMENDATION: Funding and program resources aimed at training and education must be directed at all components of the mixed economy if strong local control over economic development is to occur.

DISCUSSION:

Local Inuit remain uncertain of government-controlled programs, and many would prefer to see economic development controlled more at the local level -- by the Hamlet, for example. Government policy has resulted in growing bureaucratic intervention and control of local economies. This has resulted in what some now call a false economy. This dependence on government is also evident in the welfare economy that exists in all small isolated Inuit communities.

Inuit in Pangnirtung attribute whatever measure of success they have gained to their perseverance and persistence in demanding what they believe they need. That is, Pangnirtung's success is in its people!:

Everybody works hard to make things become a reality here in Pangnirtung. I have put in a lot of hard work to push our interests in the Legislative Assembly. I was looking at the future, and what should be created in Pangnirtung. For example, I have been pushing to get training in construction so that we can build our own houses... Another thing about people in Pangnirtung is that they take their demands to the head person in government, not just their employees!

Now that Pangnirtung's capital infrastructure -- buildings and roads -- is in place, the emphasis needs to be on human resources. Youth in particular need to be targeted as the group with the most potential to develop and control the local economy. While recent forums have focused primarily on training needs, long-term

educational needs must be filled in order develop local capacities than can evaluate the past and provide new vision for the future. Access to post-secondary education (versus training only) is vital. It is an area that has received little if any attention and is deserving of serious research and development efforts.

The Final Word: Development "the Inuit Way"

People in Pangnirtung define real economic development as that carried out according to "the Inuit way:" *success is the ability to survive on our own*. Local Inuit believe that their aspirations can be reached only when they achieve a greater degree of initiative and control from within the community. That is, a return to being self-sufficient in "the Inuit way":

In the future, 50 years from now, I see that we are slowly turning back to the way we used to live. I am hoping that things will return to the they were before... I do not mean that we will move back to our camps, but that we will be living in "the Inuit way." For example, similar to the way they are living in Greenland... I know how my father used to live. The next generation will be learning to repeat this way of life; history will come back to the Inuit.



**NUNAVUT
Hunter Support
Program**



Nunavut Tunngavik Incorporated
P.O. Box 280, Rankin Inlet, NT X0C 0G0
Ph (819) 645-3199 Fax (819) 645-3451

NUNAVUT HUNTER SUPPORT PROGRAM

What?

The Nunavut Hunter Support Program is cost shared by Nunavut Tunngavik Inc. and the Government of the NWT. The agreement has both agencies contributing money for 5 years.

How?

Each year 180 families that are "principally engaged" in harvesting activities will receive support for:

Equipment	\$12,000.00
Supplies	\$ 1,500.00
Fuel	\$ 1,500.00
Total	\$15,000.00

Who?

Principally engaged (full time) hunters are eligible and funding will go to those that need it the most.

Priority will go to hunters that provide meat for many people, have large families, and are in need of new equipment.

How?

Fill out an application form available from your Hunters & Trappers Organization (HTO) or Renewable Resource Officer in your community. The application must be returned to your HTO for their recommendation by the application deadline. The HTO will forward the applications and recommendations to Nunavut Tunngavik for Final Approval.

Appendix A

Nunavut Hunter Support Program - Brochure

Questions?

If you have questions please contact your local HTO or Renewable Resource Officer. You can also call collect to the Manager, Hunter Support Program at Nunavut Tunngavik Inc. in Rankin Inlet at (819) 645-3199.

YOU QUALIFY TO APPLY IF:

- You are a hunter that provides country food for your family and others in the community (extended family, elders, widows, those in need, and community feasts.)
- You are an Inuk enrolled in the Nunavut Land Claim.
- You do not have a full time job that pays you enough to afford equipment (demonstrated need).
- You have not bought new equipment within the last two years.
- Maximum of one hunter per "household" every 4 years.



NUNAVUT HUNTER SUPPORT PROGRAM

What?

The Nunavut Hunter Support Program is cost shared by Nunavut Tunngavik Inc. and the Government of the NWT. The agreement has both agencies contributing money for 5 years.

How?

Each year 180 families that are "principally engaged" in harvesting activities will receive support for:

Equipment	\$12,000.00
Supplies	\$ 1,500.00
Fuel	\$ 1,500.00
Total	\$15,000.00

Who?

Principally engaged (full time) hunters are eligible and funding will go to those that need it the most.

Priority will go to hunters that provide meat for many people, have large families, and are in need of new equipment.

How?

Fill out an application form available from your Hunters & Trappers Organization (HTO) or Renewable Resource Officer in your community. The application must be returned to your HTO for their recommendation by the application deadline. The HTO will forward the applications and recommendations to Nunavut Tunngavik for Final Approval.

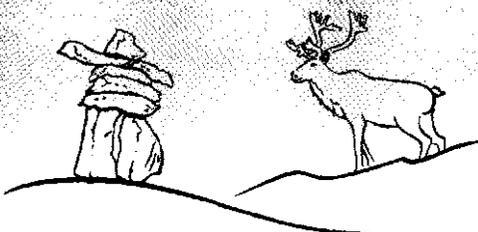
Questions?

If you have questions please contact your local HTO or Renewable Resource Officer. You can also call collect to the Manager, Hunter Support Program at Nunavut Tunngavik Inc. in Rankin Inlet at (819) 645-3199.

YOU QUALIFY TO APPLY IF:

- You are a hunter that provides country food for your family and others in the community (extended family, elders, widows, those in need, and community feasts.)
- You are an Inuk enrolled in the Nunavut Land Claim.
- You do not have a full time job that pays you enough to afford equipment (demonstrated need).
- You have not bought new equipment within the last two years.
- Maximum of one hunter per "household" every 4 years.

Nunavut Hunter Support Program



Nunavut Tunngavik Incorporated
 P.O. Box 280, Rankin Inlet, NT X0C 0G0
 Ph (819) 645-3199 Fax (819)645-3451



Appendix B

**Presentation by Rose Okpik, President
Uqqurmiut Inuit Artists Association
To the Royal Commission on Aboriginal Peoples
Inuit Tapirisat of Canada (ITC) Economic Round Table
Pangnirtung, July 27, 1993³⁶**

I want to welcome everyone here to our community. I also want to invite everyone to visit our Uqqurmiut Centre for Arts & Crafts. When we built the Centre three years ago one of our goals was to provide a place where visitors to our community would feel welcome and where they could meet with the artists. So I hope you will spend time with us in the Uqqurmiut Centre while you are here in Pangnirtung.

I would like to make a few comments about economic development from the point of view of someone working in the community and who is concerned with business and with culture.

We started the Uqqurmiut Inuit Artists Association in 1987 to help local artists. At the time the arts and crafts businesses in Pangnirtung were controlled by outsiders. although some artists were earning wages at the government-run Weave Shop and in the Print Shop at the Co-op, all the money from sales of our arts and crafts were going to Yellowknife or to Winnipeg. We rarely met the people who bought our arts and crafts and there was no proper place in Pangnirtung where could sell our art.

The worst thing about our situation then was that the outsiders who controlled the places where we made our arts and crafts wanted to close them. First the sewing and parka shop had been closed down. Then, in 1987, we were told that Arctic Co-ops was going to close the Print Shop. We had also heard that the GNWT was trying to sell or close the Weave Shop.

That is why we started the Uqqurmiut. Something had to be done by our own people to ensure that our arts and crafts stayed alive.

We were able to raise money from the GNWT and the federal government and through our own fundraising to build the first phase of the Uqqurmiut Centre in 1991. That saved 14 jobs at the Weave Shop, and we created three more for a total of 17. We were also able to acquire the old Weave Shop building, and last year we bought the Print Shop equipment and inventory from the Co-op. This provided work for six print makers. Last fall the Uqqurmiut

³⁶ Transcribed onto disk from a photo-copy of the original presentation.

published the 1992 Pangnirtung Community Print Collection, the first in four years. A 1993 Collection will be published in September.

The Uqqurmiut Centre also buys arts and crafts from local people for re-sale to southern dealers and shops and through our own direct mail catalogue. More than 30 people receive income through our purchase of arts and crafts. This year, the Uqqurmiut will provide the equivalent of 30 full-time jobs. We will sell nearly \$350,000 in arts and crafts, and all of this money stays in our community.

If we had left the arts and crafts in the hands of outsiders, there would not be a Print Shop or a Weave Shop in Pangnirtung today, and certainly there would be no Uqqurmiut Centre for Arts and Crafts. It was only after we took control through our own business that things began to improve here in Pangnirtung. This is what I want to say to you today -- as our experience has shown, economic development, if it is going to be successful, depends on community control. No one else can make a business successful -- you have to do it yourself.

The Uqqurmiut is not the only community organization on Baffin Island trying to improve the local economy through the arts and crafts. I am aware of new artists associations which have been formed in Lake Harbour, Cape Dorset, Broughton Island, Pond Inlet, and Clyde River. Like the Uqqurmiut, these new businesses will need financial assistance. but I hope that when they get the funding they need, that the control of their businesses will not be taken from them.

Since we started the uqqurmiut, we have had to fight to keep control of our business, especially from the government. Even though the government was not successful in the arts and crafts and has closed down many arts and crafts shops in the north, some people in the government still think they know more about the arts and crafts than the local artists themselves. I know that some say that this problem could be avoided if we dropped all public financial support programmes for the local economy. In the Uqqurmiut, we believe instead that the people should take control of these programmes themselves, that economic development should be designed for specific community purposes, and that it should be managed in the communities. We don't want to be told what to do with our own money by a bunch of bureaucrats. but don't get rid of the support programmes, just get rid of the bureaucrats! Let us run the programmes ourselves, in the communities.

We believe that Inuit can run the arts and crafts businesses in the north, that we are the best ones not only to make our arts and crafts, but to manage the finances, to own and operate the places where they are made, and market our arts and crafts directly.

I ask ITC to recommend that the new community arts and crafts businesses receive public support, and that they be allowed to operate according to their individual community's needs.

Another thing I want to mention is the role of culture in economic development, because Uqqurmiut is an arts and crafts business, we know how important our culture is to us. Last May I made a presentation to the Aboriginal Commission when they were here in Pangnirtung. I said that to be sustainable, economic development must support our culture, too. This is important to us in the arts and crafts, because the arts and crafts is our culture. Inuit have traditionally created with their hands everything they needed to survive and prosper -- our tools for hunting, our qamotiks and boats, our clothing and our houses. These traditional are preserved in our arts and crafts, but they should be present in all economic development. Our culture is formed by the way we Inuit have created solutions to adapt to the environment, both on the land, and when we have encountered other peoples and societies. This culture is our most important strength, and it should be at the centre of our economic development programmes.

To give one example of what I mean... We constructed the Uqqurmiut Centre buildings to look traditional Inuit summer tents. As you know, most buildings in our settlements today are built by white men to serve their economic purposes. They usually build boxes, because they are cheap, and outsiders don't want our buildings to remind people that they are Inuit. So our buildings are not boxes. Because they were designed locally, they were not expensive, either. All economic development should be like this, visibly reinforcing who we are as Inuit, and strengthening Inuit ways of living.

I want to mention one more thing that ITC should also bring to the attention of the Royal Commission. The Inuit way of life has been recognized all over the world, especially through our art. A lot of people have benefitted from images of our culture, and a lot of money has been made selling our art. But we Inuit are not just images and symbols -- we live our culture every day, and we should be the ones to benefit the most from it.

Our rights to our art and our images must be protected. Millions of dollars are made every year by people who market our art, who copy our images and reproduce them on T-shirts and cards and coffee-cups, and by people who produce fake soapstone carvings in the south. Almost none of this money is earned in the north, or is returned to the artists in our communities who first made these images. More action needs to be taken to protect our rights to our own culture, and to insure that Inuit benefit first and the most when our imagery is used for commercial purposes.

Part of the struggle to get self government and self-sufficiency has to be to regain control over our own culture, and to develop policies to prevent others from using our culture to benefit

themselves at our expense.

If we do this, then we must also show that we can use our own culture for the economic benefit of our people.

That is all I want to say for now.

I hope you enjoy your stay in Pangnirtung.

Thank you for listening.

References

Anders, G., Editor

1967 *Baffin Island-East Coast: An Area Economic Survey*. Department of Indian Affairs and Northern Development, Northern Administration Branch, Industrial Division. Ottawa: Queen's Printer.

Ashley, Bruce D.

1993 "Community Economic Impact of Commercial Fisheries Development in Canada's Eastern Arctic: The Pangnirtung Winter Turbot Fishery." Unpublished Masters Thesis. School of Resource and Environmental Management. Burnaby: Simon Fraser University.

Berger, Thomas R.

1985 *Village Journey: The Report of the Alaska Native Review Commission*. New York: Hill & Wang.

Boas, Franz

1888 *The Central Eskimo* (1964 edition). Lincoln: University of Nebraska Press.

Brody, Hugh

1975 *The Peoples' Land: Whites and the Eastern Arctic*. Harmondsworth: Penguin Books.

Dacks, Gurston

1981 *A Choice of Futures: Politics in the Canadian North*. Toronto: Methuen.

Damas, David

1963 *Iglulingmiut Kinship and Local Groupings: A Structural Approach*. Bulletin No.196. Ottawa: National Museum of Canada.

Dickerson, Mark O.

1992 *Whose North? Political Change, Political Development, and Self-Government in the Northwest Territories*. Vancouver: University of British Columbia Press.

Duffy, R.Quinn

1988 *The Road to Nunavut: The Progress of the Eastern Arctic Inuit Since the Second World War*. Kingston: McGill-Queen's University Press.

Eber, Dorothy H.

1989 *When the Whalers Were Up North: Inuit Memories from the Eastern Arctic*. Kingston: McGill-Queen's University Press.

Goldring, Philip

1986 *Inuit Economic Responses to Euro-American Contacts: Southeast Baffin Island, 1824-1940*. Historical Papers 1986 Communications Historiques.

Canada, Government of

1972 "Appendix B: Report by Honorable Jean Cretien, Minister of Indian Affairs and Northern Development to the Standing Committee on Indian Affairs and Northern Development on the Government's Northern Objectives, Priorities and Strategies for the 70s." In *Northern Canada in the 70s*. DIAND.

1991 *Census Publications*. Statistics Canada.

Government of the Northwest Territories (GNWT)

1983 *Community Based Tourism: A Strategy for the Northwest Territories Tourism Industry*. Yellowknife: Department of Economic Development & Tourism.

1984 *A Baffin Region Economic Baseline Study*. by Don Worrall. Department of Economic Development & Tourism.

1986a *Census Publications*. Bureau of Statistics.

1986b *An Economic Review of the Baffin Region for 1986*. Department of Economic Development & Tourism, Baffin Region.

1989a *NWT Labour Force Survey*.

1989b *The Scone Report: Building Our Economic Future*. Special Committee on the Northern Economy, Legislative Assembly of the Northwest Territories.

1989c *Baffin Region Economic Facts: July, 1989*. Department of Economic Development and Tourism.

1990 *Overall Guide to the Business Development Strategy*. Department of Economic Development and Tourism.

1991 *Strength At Two Levels*. Report of the Project to Review the Operations and Structure of Northern Government. Legislative Assembly of the Northwest Territories.

1992 *Statistics Quarterly*.

Ittinuar, Peter

1981 "Inuit Participation in Politics." In *A Century of Canada's Arctic Islands, 1880-1980*, Morris Zaslow, Ed., 23rd Symposium. Canada: The Royal Society of Canada.

- Kemp, William B.
1984 "Baffinland Eskimo." In *Handbook of North American Indians, Volume 5: Arctic*, David Damas, Ed., Washington: Smithsonian Institution, pp.463-475.
- La Rusic, Ignatius E.
1993 "Subsidies for Subsistence: The Place of Income Security Programs in Supporting Hunting and Trapping as a Way of Life in Subarctic Communities." Draft report submitted to the Royal Commission on Aboriginal Peoples.
- McKenna, Ed
1993 "The Arts and Crafts in Pangnirtung in the Context of Local Economic Development: A Preliminary Report on Research Findings to 24/9/93." Draft report submitted to the Royal Commission on Aboriginal Peoples.
- Mayes, Robert G.
1978 "The Creation of a Dependant People: The Inuit of Cumberland Sound, Northwest Territories." Unpublished Ph.D. Thesis. Department of Geography. Montreal: McGill University.
- Myers, Marybelle
1982 "Beyond the Fur Trade: The Rise and Fall of the Eskimo Cooperative." *Alternate Routes* 5:27-66.
- Nuttall, Mark
1992 *Arctic Homeland: Kinship, Community and Development in Northwest Greenland*. Toronto: University of Toronto Press.
- Pauktuutit (Inuit Women's Association)
1991 *The Inuit Way*. Edited by David Boulton. Ottawa: Pauktuutit.
- Reimer, Gwen
1993 "Child Care Issues: A Report from Pangnirtung, NWT." Draft report submitted to the Royal Commission on Aboriginal Peoples.
- Reimer, Gwen & Andrew Dialla
1992 *Community Based Tourism in Pangnirtung, N.W.T.: Looking Back and Looking Ahead*. Iqaluit: GNWT Department of Economic Development & Tourism and Hamlet of Pangnirtung.
- Robinson, Samuel
1973 "The Influence of the American Whaling Industry on the Aivilingmiut, 1860-1919." Unpublished M.A. Thesis. Department of Anthropology. Hamilton: McMaster University.

Ross, W. Gillies

1975 *Whaling and Eskimos: Hudson Bay, 1860-1915*. National Museum of Man Publications in Ethnology, No.10. Ottawa: National Museums of Canada.

1981 "Whaling, Inuit, and the Arctic Islands." In *A Century of Canada's Arctic Islands, 1880-1980*, edited by Morris Zaslow. Canada: The Royal Society of Canada, 23rd Symposium.

1988 *Arctic Whalers Icy Seas: Narratives of the Davis Strait Whale Fishery*. Toronto: Irwin Publishing.

Smith, Thomas G. & Harold Wright

1989 "Economic Status and Role of Hunters in a Modern Inuit Village." *Polar Record* 25(153):93-98.

Stevenson, Marc

1984 *Kekerten: Preliminary Archaeology of an Arctic Whaling Station*. Yellowknife: Prince of Wales Northern Heritage Centre.

1990 *A Heritage Development Plan of Pangnirtung, Baffin Island, N.W.T., Volume 1: Heritage Plan*. Iqaluit: GNWT Department of Economic Development & Tourism and Hamlet of Pangnirtung.

Usher, Peter J.

1976 "Evaluating Country Food in the Northern Native Economy." *Arctic* 29(2):105-120.

Weihs, Frederick H.

1990 "Cumberland Sound Fisheries Limited: Case Study Kit." Prepared for the Native Management and Economic Development Program. Peterborough: Trent University.

Wenzel, George W.

1989 "Sealing at Clyde River, N.W.T.: A Discussion of Inuit Economy." *Etudes/Inuit/Studies* 13(1):3-22.

1991 *Animal Rights, Human Rights: Ecology, Economy and Ideology in the Canadian Arctic*. Toronto: University of Toronto Press.