

ANNUAL REPORT

Fiscal Year 1967 - 68

Department of Indian Affairs

and Northern Development

Issued under the authority of the

HONOURABLE JEAN CHRÉTIEN, P.C., B.A., LL.L.,

Minister of Indian Affairs and Northern Development

(c)

ROGER DUHAMEL, F.R.S.C.

Queen's Printer and Controller of Stationery

Ottawa, 1968

Cat. No.: R1 - 1968

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NORTHERN ADMINISTRATION BRANCH

The Northern Administration Branch provides government services to the people of the Northwest Territories at the federal and territorial levels in respect of those functions for which the Branch has responsibility, and at the municipal level in settlements where no form of local government yet exists. The headquarters organization consists of a Directorate; five divisions - Education, Engineering, Industrial, Territorial, Welfare - a Financial and Management Adviser, and a Personnel Adviser. The field organization includes the administrators of the Arctic and Mackenzie districts and their local staffs. Approximately 250 are employed at headquarters and 1,450 in the field. The year marked a significant change in the history of the Branch: the transfer of territorial government functions to the Government of the Northwest Territories was begun. The transfer is in accordance with the recommendations of the Advisory Commission on the Development of Government in the Northwest Territories (Carrothers Commission) and will result in a considerable reduction in the size of the Branch during the next few years. Responsibility for the administration of lands and forests in the Yukon and Northwest Territories was transferred to the Resource and Economic Development Group.

Territorial Affairs

New financial agreements covering a two-year period from April 1, 1967 were entered into between Government of Canada and each of the governments of the Yukon and Northwest Territories. Under the terms of the agreement with the Government of the Yukon Territory, the Federal Government made available the following assistance:

Operating grants	- \$3,095,702
Capital loans	- \$5,868,126
Amortization subsidy	- \$779,627

Under the terms of its agreement with the Government of the Northwest Territories the Federal Government agreed to provide:

Operating grants	- \$4,740,280
Capital loans	- \$2,789,850
Amortization subsidy	- \$930,000

Special financial arrangements were made with the Government of the Northwest Territories which provided federal grants and loans of approximately \$4,000,000 to meet the cost of establishing the territorial government in Yellowknife.

Housing Programs

Approximately \$3,900,000 was spent for houses for Indians and Eskimos in the Northwest Territories and Arctic Quebec. Under the Eskimo Rental Housing Program, 340 houses, including basic furniture, heat, electricity, water delivery, sewage and garbage pick-ups, at rental rates scaled to family income, were purchased. In addition, 11 welfare houses were provided for Eskimos in the Mackenzie District and 20 for Eskimos in Arctic Quebec. Thirty houses pre-cut in the north and 43 built on-site were provided for Indians in the Mackenzie District.

Late in the year, the separate housing programs for Indians and Eskimos were combined into a Northern Rental Program and a Northern Purchase Housing Program. These new consolidated programs extend to Indians in the Northwest Territories housing programs which formerly were available only to Eskimos.

The Indian Off-Reserve and Eskimo Re-establishment Housing programs are now available in areas of economic opportunity anywhere in Canada, and provide forgivable second mortgage loans of up to \$6,000 to borrowers who obtain first mortgage loans at prevailing National Housing Act rates from approved lenders or the Central Mortgage and Housing Corporation.

The Territorial Low-Cost Housing Program, available to residents of the Yukon and Northwest Territories, provides for first mortgage loans of up to \$8,000 at N.H.A. prevailing rates of interest, and second mortgage loans of \$1,000 interest free and forgivable at the rate of \$100 per year, to persons who cannot qualify for a loan under the National Housing Act.

The Territorial Second Mortgage Program, also available to any resident of the Yukon or the Northwest Territories, for persons who have obtained a first mortgage under the National Housing Act, provides for a maximum loan of up to \$2,000 repayable over the same term as the first mortgage and with interest at a rate 1 per cent higher than the prevailing N.H.A. rate.

Under the latter, programs some 55 loans were approved, all to residents of the Yukon Territory.

Northern Supply

Approximately 15 ships were required for the annual supply which cost some \$2,100,000 for servicing settlements in the eastern Arctic and Arctic Quebec. Most of the ships were from the Canadian Coast Guard with the balance under charter from private companies.

Principal cargo consisted of fuel oil, gasoline, lubricating oils, prefabricated buildings, motor vehicles, lumber, rations, bottled gas and general stores. Approximately 17,300 tons were shipped from Montreal and over 9,000 tons from Churchill.

For the first time, a Hercules aircraft under charter was used in the supply operation. Cargo included a prefabricated seven-room school for Coppermine and 32 prefabricated houses for Eskimos delivered to Pelly Bay.

The Mackenzie and western Arctic is supplied by barges from Hay River with coastal traffic handled by terminal facilities at Tuktoyaktuk.

Welfare Services

The Welfare Division's field staff continued to supervise the administration of territorial and federal welfare programs in the Northwest Territories and Arctic Quebec. These programs seek, to provide social welfare benefits and services, which reflect the special needs of northern people, and are comparable in scope and quality to those available in southern Canada.

In keeping with the Branch's function of providing consultative services to the Government of the Northwest Territories, the Welfare Division, at the request of the territorial council, provided a draft Social Assistance Ordinance which, with minor changes, was enacted at the November 1967 session of the council. The ordinance provides a base, in legislation, to the Social Assistance Program which has been in effect for a number of years.

Advice and consultation was given to the territorial government on matters affecting such territorial programs as care for the aged, accommodation for young employed, and the Territorial Community Development Fund. The corrections program was administered by the Welfare Division until September 1967 when the Government of the Northwest Territories appointed its own Director of Corrections and moved to Yellowknife.

The Branch continued to provide social assistance payments to Eskimos and registered Indians, which in the year under review amounted to approximately \$998,000. Other

federal programs were medical social services, including the repatriation of 1,326 patients to their homes in the north; special care services, such as boarding home and homemaker care for the elderly and infirm; institutional care for the severely mentally deficient and child welfare services under the N.W.T. child welfare legislation.

Community Welfare Service

As part of a community development program, steps were taken to engage Indians and Eskimos in the planning and conduct of community programs in the north. This included a field research project to evaluate the potential for community development activity, followed by a community development training program for field and headquarters staff.

The Community Development Fund to encourage local leadership and the management of community affairs stood at \$216,000. Funds up to \$1,000 are expended by the local administrator for general community developments if the project is approved by the local community council.

The Canadian Eskimo Arts Council, composed of persons active in the artistic field and serving on a voluntary basis, was formed and held four meetings. The members of the council are: Mr. George Elliott (Chairman), Mr. M.F. Feheley, Miss Kathleen Fenwick, Mr. Jacques Folch-Ribas, Mrs. Alma Houston, Mr. James Houston, Mr. Jean-Noel Poliquin, Mrs. Doris Shadbolt, Mr. George Swinton and Mr. Alex Colville (resigned). The council continues the work of the former Eskimo Art Committee in maintaining a high standard of Eskimo art, acts as an advisory body to the Eskimo co-operatives and the Department and assists in the formulation of policy, plans and development of Eskimo arts and crafts.

Exhibitions of Eskimo art and artifacts were held at Expo 67 and in a number of Canadian and American cities. Public lectures by departmental officers were given at some of these exhibitions.

The Eskimo literature program was expanded and Eskimo employees were recruited as assistants on a permanent basis (through the first Public Service Commission poster in syllabics). The Eskimo language quarterly "Inuttituut" was published in syllabics and in a new format. It has a circulation of approximately 2,200. Assistance was given in the establishment of the first Eskimo language newspaper - published every two weeks by volunteers at Eskimo Point, N.W.T.

Departmental officers, through an interdepartmental committee, continued to investigate suitable ways to assist isolated communities to acquire adequate radio broadcasting service. The committee has submitted a proposal, presently under

consideration, which may make it possible for small settlements to establish their own privately-licensed, volunteer-operated stations for broadcasting programs in Eskimo and Indian dialects.

Regional Eskimo advisory councils met at Churchill Manitoba, and Yellowknife N.W.T. The first of a series, these sessions will take place twice each year in five northern regions. Their purpose is to bring together Eskimo leaders to discuss social and economic issues and to enable them to advise the Branch on appropriate action.

A reception and counselling service for Eskimo employees newly arrived in Ottawa was established under a social worker. This service provided assistance in adjustment to southern Canadian conditions.

Education in the Northwest Territories

The school system in the north is operated by the Branch (in part, on behalf of the Government of the Northwest Territories which shares in the costs) and consists of 56 schools in the Northwest Territories, 10 in Arctic Quebec and two in Manitoba. Capital expenditure for 1967 - 68 was approximately \$3,900,000. Approximately \$9,475,000 was spent for operation and maintenance.

In September 1967, there were 9,113 pupils enrolled, an increase of 9 per cent over the previous year and almost four times the number enrolled ten years ago. Of the total enrolment, 1,528 were Indians and 3,718 Eskimos.

Six years ago, approximately 56.6 per cent of school age Eskimo children were in school as compared to 87 per cent in 1967 - 68.

Many communities in the north are too small to justify the establishment of complete elementary and secondary school facilities; pupil residences are provided in larger centres where school facilities are available to accommodate pupils from the smaller communities. During the year a total of 1,595 were accommodated in such residences. (Inuvik, Yellowknife, Fort Simpson and Fort Smith are the main centres.)

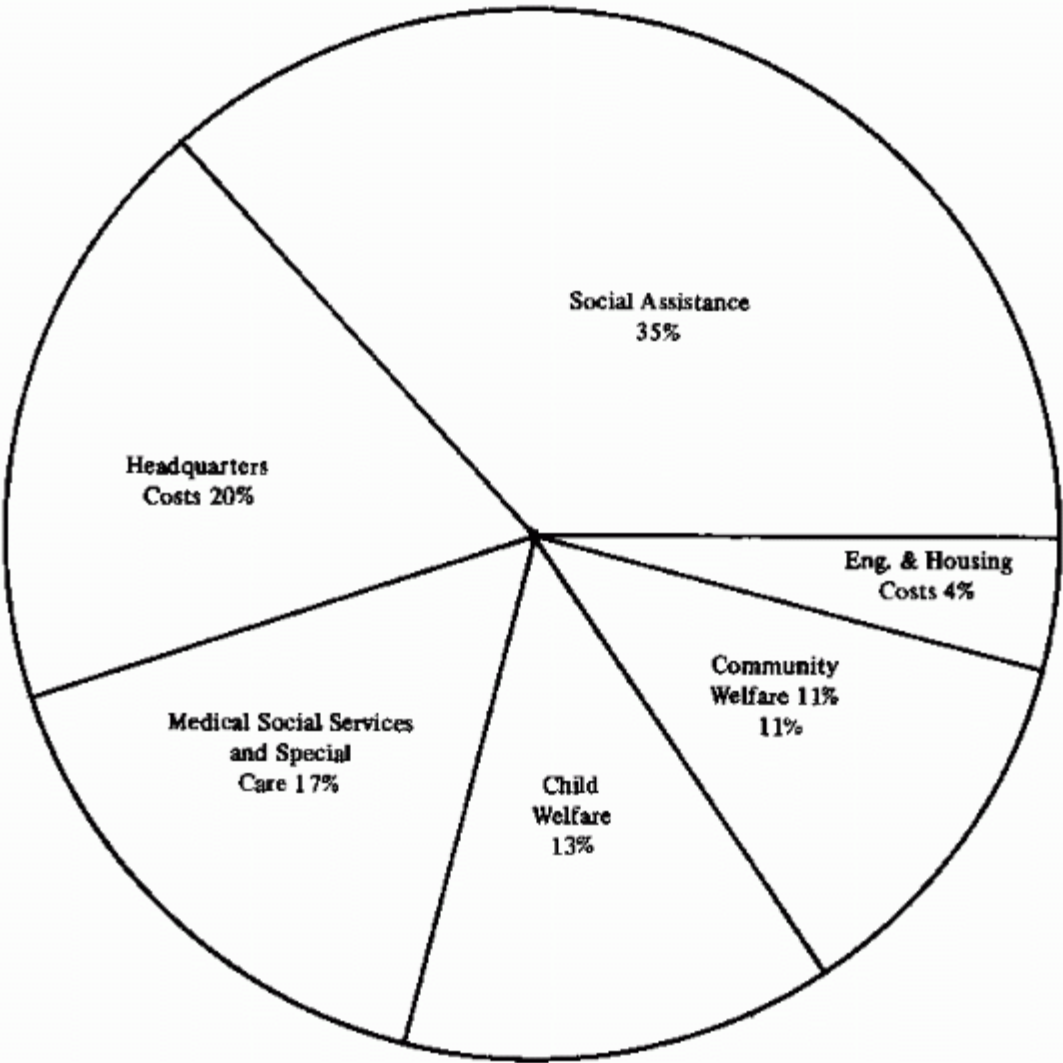
Seventy-six university students received financial assistance under the Northwest Territories Students Grants Program - administered on behalf of the territorial government - compared to 43 in the preceding year. Nine students received Canada Student Loans.

Pre-school classes, which began experimentally in 1966, were established in six additional settlements and plans were made for the development of a complete pre-school program.

Welfare Financial Estimates

Operation and Maintenance

Social Assistance	\$1,136,000 = 35%
Headquarters Costs	649,000 = 20%
Medical Social Services and Special Care	561,000 = 17%
Child Welfare	421,000 = 13%
Community Welfare	382,000 = 11%
Engineering and Housing Costs	121,000 = 4%
Total	\$3,270,000 = 100%



NORTHERN ADMINISTRATION BRANCH

ARCTIC DISTRICT

ENROLMENT AND CLASSIFICATION OF PUPILS - SEPTEMBER 30,1967

School	Type	No. teachers	No. of classrooms			Enrolment by status						Total Enrl't
...	...	...	Regular		Sp.	Eskimo		Indian		Other		...
...	...	...	Elem.	H.S.	...	M	F	M	F	M	F	...
Arctic Bay	FDS	2	1	...	...	23	23	...	...	...	...	46
Broughton Island	FDS	3	2	...	...	32	33	...	...	1	...	66
Cape Dorset	FDS	6	5	...	...	62	53	...	...	3	2	120
Clyde River	FDS	2	2	...	...	28	25	...	...	...	1	54
Frobisher Bay	FDS	26	21	1	3	162	165	...	...	33	41	401
Grise Fiord	FDS	1	1	...	...	16	12	...	...	...	...	28
Hall Beach	FDS	1	1	...	...	12	19	...	...	...	...	31
Igloolik	FDS	4	3	...	...	46	51	...	...	2	3	102
Lake Harbour	FDS	1	1	...	...	10	16	...	...	...	...	26
Padloping Island	FDS	1	1	...	...	7	9	...	...	...	...	16
Pangnirtung	FDS	6	5	...	...	68	67	...	...	7	3	145
Pond Inlet	FDS	5	4	...	...	48	48	...	...	2	2	100
Resolute Bay	FDS	2	2	...	...	25	17	...	...	2	2	46
Port Burwell	FDS	1	1	...	...	14	15	...	...	...	4	33
Belcher Islands	FDS	1	1	...	...	17	8	...	...	...	...	25
Baker Lake	FDS	7	6	...	...	76	75	...	...	5	6	162
Chesterfield	FDS	5	5	...	...	58	56	...	...	2	1	117
Churchill	FDS	14	...	6	8	93	87	7	2	...	...	189
Coral Harbour	FDS	3	3	...	...	30	35	...	...	2	...	67
Eskimo Point	FDS	5	5	...	...	56	67	...	...	4	4	131
Rankin Inlet	FDS	6	5	...	1	61	60	...	...	11	4	136
Whale Cove	FDS	3	2	...	...	22	18	...	...	1	1	42
Total: N.W.T.	22	105	77	7	12	966	959	7	2	75	74	2083

[illegible]

NORTHERN ADMINISTRATION BRANCH

MACKENZIE DISTRICT

ENROLMENT AND CLASSIFICATION OF PUPILS - SEPTEMBER 30, 1967

School	Type	No. teachers	No. of classrooms			Enrolment by status						Total Enrl't
...	...	...	Regular		Sp.	Eskimo		Indian		Other		...
...	...	...	Elem.	H.S.	...	M	F	M	F	M	F	...
Aklavik	FDS	8	6	1	...	44	37	13	21	27	22	164
Cambridge	FDS	4	4	...	...	38	28	...	...	3	5	84
Coppermine	FDS	6	6	...	...	53	68	...	...	3	6	130
Discovery	CDS	1	1	...	...	...	...	...	...	8	5	13
Fort Franklin	FDS	5	5	...	1	...	...	46	50	...	...	96
Fort Good Hope	FDS	2	2	...	...	...	...	10	17	5	6	38
Fort Liard	FDS	1	1	...	...	...	...	7	8	...	...	15
Fort McPherson	FDS	9	8	1	3	1	2	54	79	18	21	175
Fort Norman	FDS	2	2	...	...	...	...	12	14	15	9	50
Fort Resolution	FDS	8	6	1	...	...	...	31	25	53	50	159
Fort Simpson	FDS	19	13	3	5	17	11	101	129	72	55	385
Fort Smith	FDS	44	20	13	8	5	4	121	124	312	274	840
Gjoa Haven	FDS	3	3	...	...	23	26	...	...	...	...	49
Hay River H.S.	FDS	11	...	7	5	...	...	2	1	83	69	155
Hay River Elem.	FDS	8	7	...	3	1	4	...	7	94	95	201
Holman	FDS	2	2	...	...	26	27	...	...	4	1	58
Inuvik	FDS	59	29	15	7	196	198	75	95	223	237	1,024
Jean Marie	FDS	1	1	...	...	...	...	8	2	1	...	11
Lac la Martre	FDS	1	1	...	...	...	...	14	11	...	...	25
Nahanni Butte	FDS	1	1	...	...	...	...	9	6	1	...	16
Norman Wells	FDS	2	2	...	...	...	...	...	...	21	17	38
Pelly Bay	FDS	1	1	...	...	13	10	...	...	...	...	23
Pine Point	FDS	6	5	1	...	...	...	...	4	73	62	139

School	Type	No. teachers	No. of classrooms			Enrolment by status						Total Enrl't
...	...	...	Regular		Sp.	Eskimo		Indian		Other		...
...	...	...	Elem.	H.S.	...	M	F	M	F	M	F	...
Rae	FDS	6	6	...	...	...	...	66	54	10	6	136
Reindeer Station	FDS	1	1	11	9	...	...	...	...	...	...	20
Snowdrift	FDS	2	2	...	...	...	...	27	14	...	...	41
Spence Bay	FDS	3	3	...	...	23	27	...	...	1	...	51
Tuktoyaktuk	FDS	7	6	1	3	65	50	6	1	3	10	135
Tungsten	CDS	2	2	...	...	...	...	...	...	11	14	25
Wrigley	FDS	2	2	...	...	...	...	13	18	3	...	34
Yellowknife	FDS	26	...	10	11	10	13	27	29	111	93	283
Fort Providence	FDS	4	4	...	1	...	...	38	34	12	5	89
Total:	32	257	152	53	47	526	524	680	743	1,167	1,062	4,702
Hay River	SEP	10	6	3	4	...	...	10	17	100	87	214
Yellowknife	PUB	22	16	5	...	...	...	...	...	288	225	513
Yellowknife	SEP	16	9	6	...	...	...	23	13	143	129	308
Total: Municipal	3	48	31	14	4	...	...	33	30	531	441	1,035
Total: District Mackenzie	35	305	183	67	51	526	524	713	773	1,698	1,503	5,737
...	...	...	...	...	...	(1,050)		(1,486)		(3,201)		...

1966 - 67 SCHOOL ENROLMENT

Origin	Enrolment	Enrolment Compulsory School Age	Estimated School Age Population	Percentage of Compulsory School Age
Eskimo	3,343	2,978	3,602	83%
Indian	1,347	1,159	1,459	79%
Other	3,077	2,719	2,816	97%
Total	7,767	6,856	7,877	87%

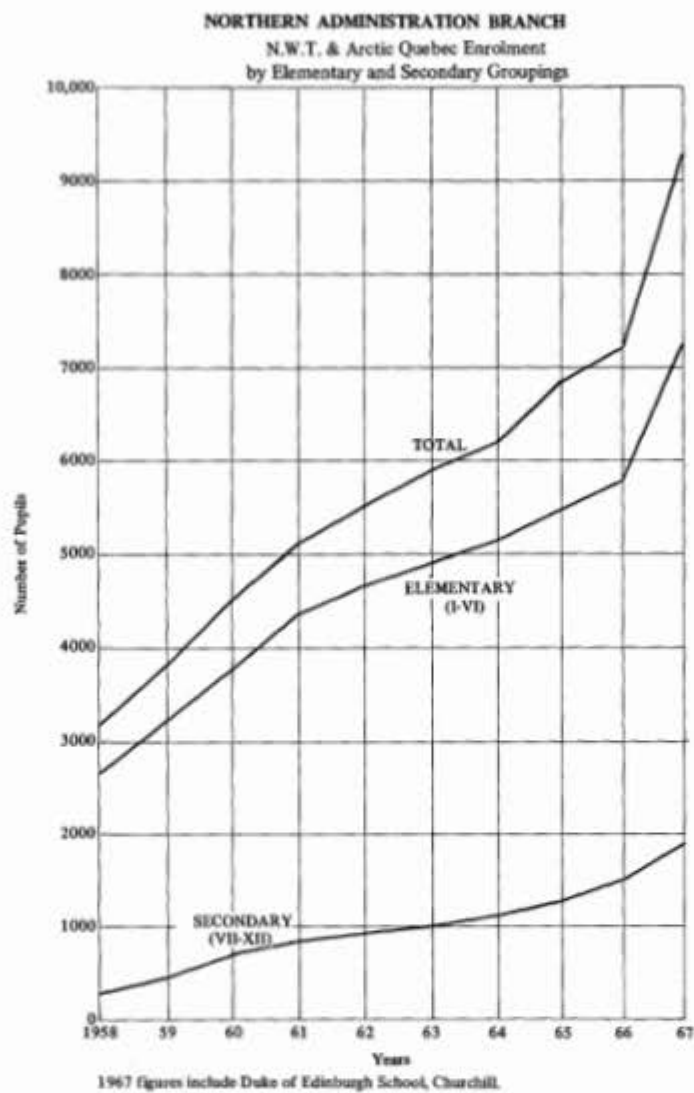
ENROLMENT IN PUPIL RESIDENCES**OPERATED UNDER CONTRACT**

Place	Indians	Eskimos	Others	Total	Roman Catholic Church	Anglican Church
Fort McPherson	48	3	16	67	...	Fleming Hall
Fort Simpson	18	29	13	60	...	Bompas Hall
Fort Simpson	148	...	43	191	Lapointe Hall	...
Fort Smith	162	...	26	188	Breynat Hall	...
Inuvik	95	84	66	245	Grollier Hall	...
Inuvik	57	206	34	297	...	Stringer Hall
Chesterfield Inlet	...	55	...	55	Turquetil Hall	...
Sub Total	528	377	198	1,103	...	...

Operated by Department

Yellowknife	23	52	97	173	...	Akaitcho Hall
Churchill, Manitoba	7	216	...	223	...	...
Baker Lake	...	15	...	15	...	...
Poste-de-la-Baleine	...	11	...	11	...	...
Igloolik	...	13	...	13	...	...
Pangnirtung	...	7	...	7	...	...
Pond Inlet	...	30	...	30	...	...
Inoucdjouac	...	21	...	21	...	...
Sub Total	30	365	97	492	...	...
Grand Total	558	742	295	1,595	...	...

NORTHERN ADMINISTRATION BRANCH
N.W.T. & Arctic Quebec Enrolment by Elementary and Secondary Groupings



VOCATIONAL EDUCATION - N.W.T.

...	Courses in the N.W.T.			Courses in the Provinces			
Fiscal Year	Eskimo	Indian	Other	Eskimo	Indian	Other	Totals
1959 - 1960	59	92	122	43	27	33	376
1960 - 1961	53	68	108	35	18	51	333
1961 - 1962	51	89	96	32	9	39	327
1962 - 1963	94	123	93	51	9	42	412
1963 - 1964	89	89	174	108	14	45	519
1964 - 1965	94	94	193	95	6	51	533
1965 - 1966	147	113	277	104	27	91	759
1966 - 1967	150	145	343	77	22	117	864
*1967 - 1968	160	154	361	120	30	100	925

[*Estimated]

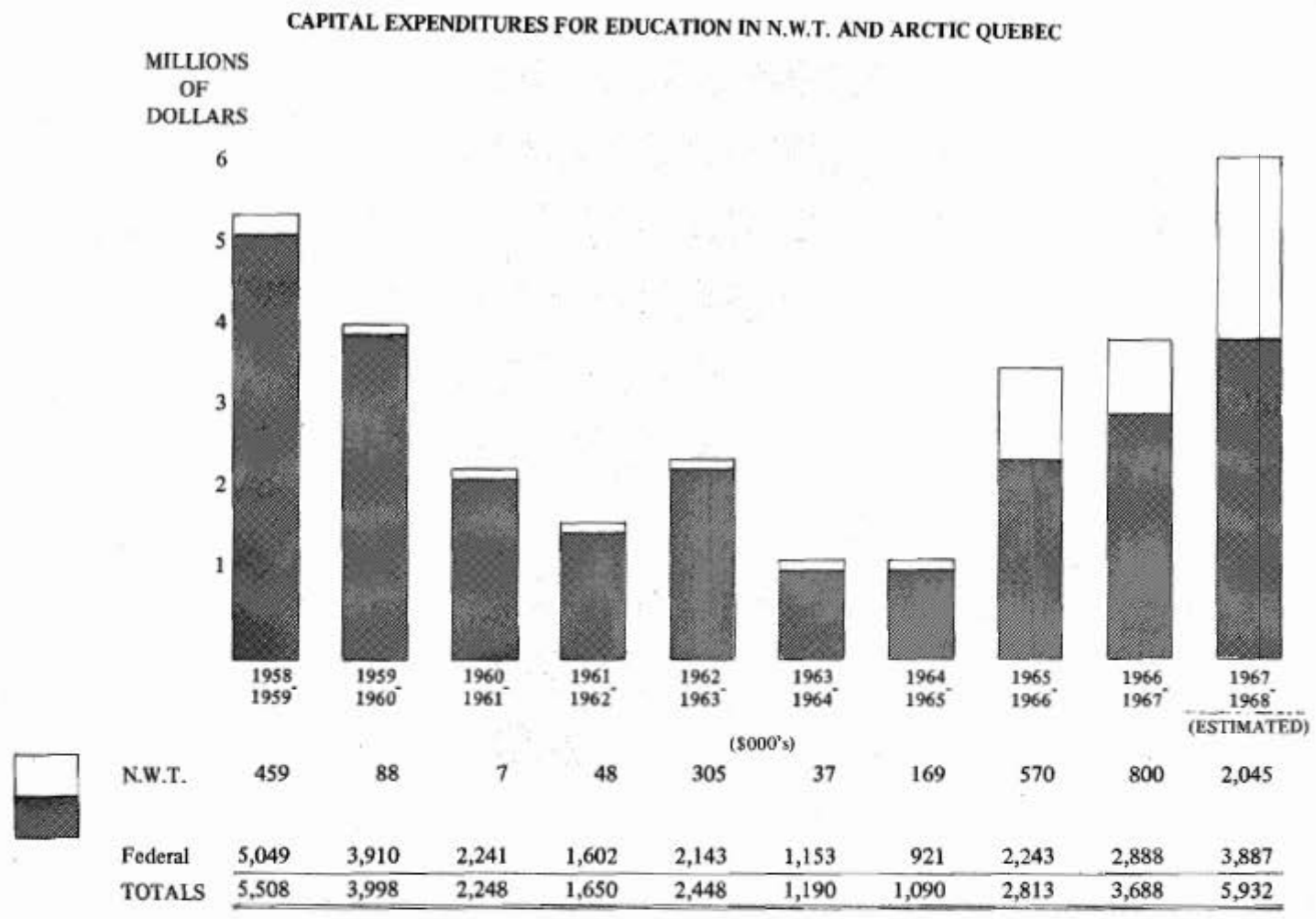
ADULT EDUCATION PROGRAM - ESKIMO RENTAL HOUSING

Settlement	Estimated Eskimo Population	Number of Eskimo Families	Adult Housing Education Program* Phases 1, 2, 3 and 4
ARCTIC DISTRICT			
Arctic Bay	100	28	2, 3
Baker Lake	545	99	1, 3, 4a
Broughton Island	200	45	2, 3, 4
Cape Dorset	420	67	2, 3, 4
Chesterfield Inlet	180	31	1, 2, 3
Clyde River	150	26	1, 3
Eskimo Point	452	102	1, 3
Frobisher Bay	1,200	190	2b, 3
Grise Fiord	100	14	4
Hall Beach	142	20	2, 3
Igloolik	220	53	2, 3
Lake Harbour	75	15	1, 2, 3
Pangnirtung	300	60	2, 3
Pond Inlet	150 - 200	31	2, 3
Rankin Inlet	400	73	1, 2, 3
Whale Cove	175	35	1, 3, 4
MACKENZIE DISTRICT			
Pelly Bay	150	34	1, 2, 3

[*This program is divided into four phases. Phase I is an introductory phase in which rental housing policies are explained to Eskimo families. Phase 2 is a broad program which teaches home management and associated skills. Phase 3 is an educational support program for local housing associations, while Phase 4 is a part-time ongoing program on care and management of the home, using local instructors. Phase 3 is concurrent with Phases 1 and 2.]

[(a)only 12 of the 99 families] [(b)only 68 of the 190 families]

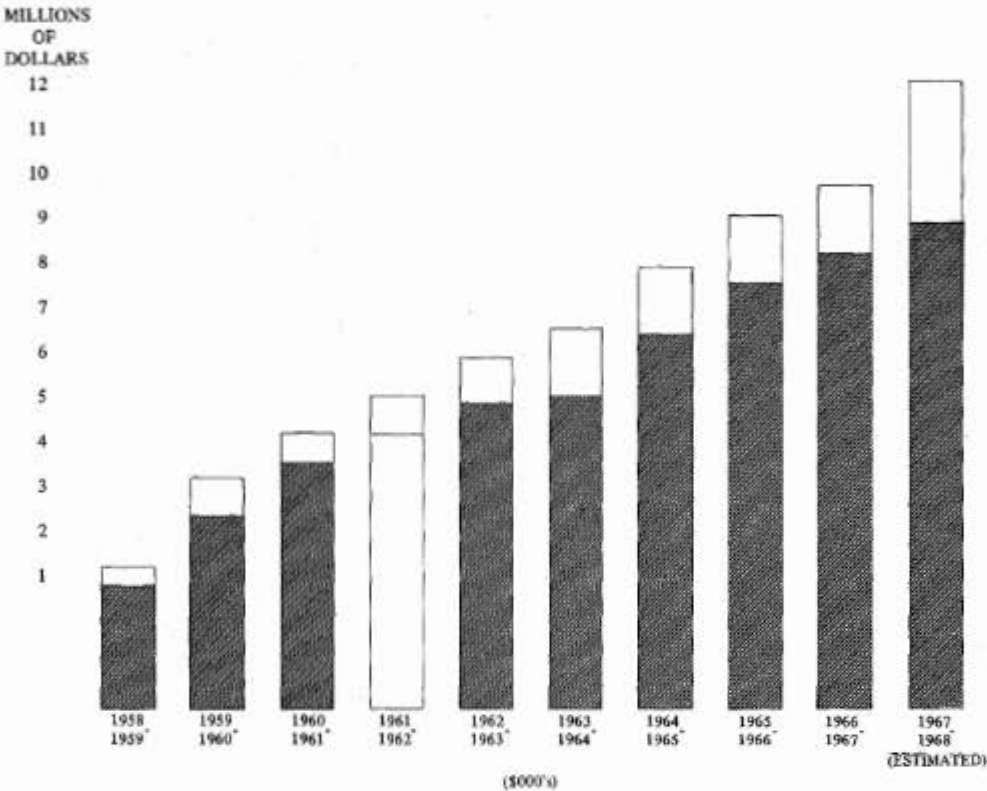
CAPITAL EXPENDITURES FOR EDUCATION IN N.W.T. AND ARCTIC QUEBEC



OPERATION AND MAINTENANCE EXPENDITURES FOR EDUCATION IN N.W.T. AND ARCTIC QUEBEC

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OPERATION AND MAINTENANCE EXPENDITURES FOR EDUCATION IN N.W.T. AND ARCTIC QUEBEC



	N.W.T.	294	444	642	710	1,140	1,202	1,420	1,440	1,520	2,513
	Federal	2,424	3,793	4,697	5,393	5,639	6,086	7,011	7,982	8,613	9,476
	TOTALS	2,718	4,237	5,339	6,103	6,779	7,288	8,431	9,422	10,133	11,989

In 1967 - 68 a new 12-classroom school at Hay River, a new 7-classroom school at Coppermine and a 5-classroom school in Cambridge Bay were opened; a 16-classroom secondary school is being built at Inuvik and a contract was let for a 10-classroom school at Aklavik.

The number of pupils taking vocational training increased by over 8 per cent to approximately 925.

There was an increase in the adult education staff in 1967 - 68 from three to 17; thirteen were employed in the field, extending adult education services to Indians, Eskimos and Metis. The major part of the program is devoted to the housing education component of the northern housing plan.

Economic Development

The aim of the branch is to assist with the development of an economic base for the growing population of the north. The Industrial Division is to develop the minor resources: fish, fur, arts and crafts, tourist attractions - development either by individuals or groups of people acting co-operatively.

Secondary Industry

Approximately \$357,000 was spent in the encouragement of small business development. At the Rankin Inlet cannery which produced trout, char and whale products valued at \$57,887, a market study was carried out; as a result, a technical development program was undertaken to re-design, package and recost the entire product range with a view to increasing sales.

A departmental officer, experienced in the garment field, was engaged to manage and reorganize the Tuktoyaktuk fur garment shop - employing 17 local women and producing fur garments for local and export sale - which provides a return of approximately \$50,000 per annum to the settlement. A sawmill, moved from Aklavik, was established near Arctic Red River and produced approximately 800,000 FBM of rough and dressed lumber. The boat building and repair shop at Inuvik continued in operation, providing repair services for departmental equipment and facilities for the training of local people. Canoes were built in the shop at Great Whale River and may be purchased by the local people under the Small Boat Assistance Plan.

The laundries at Inuvik and Frobisher Bay were continued. Studies were undertaken to consider the development of local industries, such as a knitting industry to produce ski sweaters, mitts, toques, and socks with an Eskimo motif, a tannery, an elec-

tronic component assembly plant, a woodworking industry to produce toys and furniture, a fibre-glass boat factory, and the manufacturing of blankets and duffel products. Several private companies were asked to co-operate in studies investigating the possibility of setting up plants for the partial assembly and repair of motors for boats and snowmobiles.

Co-operative Development

Five additional co-operatives were incorporated, two in the Northwest Territories and three in Arctic Quebec. Each co-operative and credit union operates independently under an elected local board of directors; departmental field officers provide assistance and advice. The first of three co-operative federations was formed; proposals to amend the Northwest Territories Co-operative Ordinance were prepared; weekly broadcasts, prepared by Branch officers, were made for CBC Northern Service and the first two editions of a quarterly magazine "We Co-operate", in English and Eskimo, was distributed through the Canadian Union of Co-operatives.

Estimates based on previous years' statistics indicate that approximately \$500,000 in wages was earned by members and in the sale of handicrafts and other goods to the co-operatives. A further \$150,000 was available for distribution after providing for statutory reserves and other expenses.

Arts and Crafts

The Department encourages the production and sale of Indian and Eskimo art and craft work by providing administrative and technical guidance to assist the development of arts and crafts programs. Specialists are sent to help local people organize a program, remaining until it is functioning effectively, usually with continuing assistance from the local Co-operative Association. The total value of arts and crafts produced was approximately \$1,250,000. An exhibition of ceramics produced at Rankin Inlet was held at Toronto City Hall. A ceramics student from Cape Dorset won an award at the International Exhibition for Ceramics in Italy. Financial and staff assistance is provided to Canadian Arctic Producers Limited, a company for the marketing of northern products formed under the auspices of the Co-operative Union of Canada.

Tourism

In co-operation with the Government of the Northwest Territories tourist development and promotion continued. Approximately \$86,000 was spent in tourist promotion, in part, through participation in sport and travel shows held at Dallas, San Francisco, and Edmonton. A major display was sponsored at Eaton's, Montreal.

To encourage tourism in the Keewatin, two additional camps were built, one at Baker Lake and the other at Whale Cove, which provide a minimum standard of accommodation in an area where no commercial accommodation is available. Production continued on a general tourist film on the Northwest Territories, commissioned by the Department and produced by the National Film Board.

Area Economic Surveys

Area economic surveys are carried out to assess local resources, report on the existing economy and make recommendations for improvements. Work continued on surveys conducted the previous year and four additional studies were undertaken - in the Central Mackenzie (Great Bear Lake), the south shore of Great Slave Lake, the south coast of Baffin Island and in the Lancaster Sound area. Reports, based on the surveys, will be published.

Reindeer Project

A survey of the reindeer herd in the Mackenzie Delta area indicated a serious reduction in size. A count was made by departmental officers, including some from the Canadian Wildlife Service, who reported that the herd now numbers approximately 2,700 animals. At the end of the year responsibility for the project was assumed by the Canadian Wildlife Service.

NORTHWEST TERRITORIES TOURIST STATISTICS

Season	Tourist Camps	No. of Visitors	Visitor Expenditure
1960	8	1,000	\$450,000
1961	10	1,300	600,000
1962	14	2,200	850,000
1963	10	3,500	1,000,000
1964	14	5,000	1,300,000
1965	16	6,000	1,500,000
1966	19	6,000	2,000,000
1967	25	6,000	2,100,000

[*First year of detailed visitor survey indicates previous years' estimates may have been high for number of visitors and low for visitor expenditure.] ["Tourist Camp" does not include outfitters, hotels and motels.] ["Number of Visitors" includes only persons travelling for pleasure during months June to September inclusive.] ["Visitor Expenditure" includes all spending by pleasure travellers while in the N.W.T.]

CO-OPERATIVES AND CREDIT UNIONS N.W.T. AND N.-QUÉBEC

...	Mackenzie District		Arctic District		Nouveau-Québec		Total	
Incorporated In	Co-ops	Credit Unions	Co-ops	Credit Unions	Co-ops	Credit Unions	Co-ops	Credit Unions
1959	...	...	1	...	1	...	2	...
1960	1	...	2	...	1	...	4	...
1961	2	...	2	...	2	...	6	...
1962	...	...	2	...	...	1	2	1
1963	3	1	1	...	1	...	5	1
1964	...	...	...	...	1	...	1	...
1965	1	...	...	...	...	...	1	...
1966	4	1	...	...	...	...	4	1
1967	1	...	1	...	3	...	5	...
Total	12	2	9	...	9	1	30	3

Engineering

The Engineering Division of the Branch provides in the Yukon and the Northwest Territories and in Nouveau-Québec, support to those parts of the Branch concerned with economic, social, and political development; develops and maintains a network of northern roads for communication and resource development; aids private enterprise and the private individual by providing fuel and electrical energy at moderate prices; constructs airstrips to facilitate development of the natural resources; devises community plans for settlements so that growth may be orderly; develops plans for houses and other buildings and for water, sewage, and other utility services designed to suit the particular requirements of northern climate and living conditions.

Under the long-range territorial roads policy, approximately \$9,850,000 was spent in the building of 129 miles of new and reconstructed roads - 82 miles in the Yukon Territory and 47 miles in the Northwest Territories.

In the Yukon Territory on the Ross River-Carmacks Road, the Lapie River Bridge was virtually completed; 50 miles of road were built at a cost of almost \$2,500,000; a two-year contract was let and work commenced on the construction of the 42 mile central section. On the Stewart Crossing-Dawson Road, five wooden bridges at various locations were replaced and some grade reconstruction and other drainage improvements were undertaken. On the Boundary Road, the first 37 miles out of Dawson neared completion after two years of construction and at a cost of over \$2,500,000. On the Whitehorse-Keno Road a contract was let and work commenced on the reconstruction of Mile 0 to 30.

A new ferry, the MV "George Black", was put into service in June providing a crossing over the Yukon River at Dawson. Surveys for future development roads included aerial photography and mapping of the proposed Dempster Highway extension to Arctic Red River, extension of the Ross River-Carmacks Road towards Snag and a location survey of the Boundary Road to the Alaska border.

On the Mackenzie Highway in the Northwest Territories 50 miles of road were built from Mile 117 to 167 at a cost of over \$2,000,000 following completion of a two-year contract. On the Hay River Highway, almost two miles of road were graded and gravel surfaced within the municipality of Hay River. On the Ingraham Trail, Mile 15 to 20 was reconstructed and Mile 20 to 40 was built at a combined cost of approximately \$1,700,000. On the Pine Point-Fort Resolution Road, 26 miles of right-of-way was cleared from Fort Resolution to Little Buffalo River and the pioneer-type road connection Fort Resolution to Pine Point completed. Surveys for future development roads included completion of air photography and mapping for the extension of the Ingraham Trail eastward for 100 miles and photography and mapping of the proposed Fort Smith Fort Reliance Road. Over 11,000 vehicles were ferried across the Mackenzie River near Fort Providence by the MV "Johnny Berens" an increase of more than 20 per cent over the previous year.

As a part of the program to reduce the cost of fuel oil bulk oil storage facilities were erected at Baker Lake, Eskimo Point, Coppermine, Arctic Red River, Fort Good Hope, Fort Norman and Fort Franklin and materials delivered to Arctic Bay, Grise Fiord and Broughton Island for construction in 1968 - 69. Plans were prepared for tanks of bolted or welded construction, to encourage competition and thereby obtain better prices. Approximately 6,500,000 gallons of fuel oil were purchased for departmental operations, Eskimo housing, and for sale to private consumers in remote locations where alternative local sources of supply are not available. To encourage private enterprise, information and assistance was provided to oil companies making studies of the market for heating oil in the eastern and western Arctic.

To cope with an increase in the electrical load requirement, diesel generators, each of 100 kilowatt capacity, were purchased and installed at a cost of over \$240,000 at Eskimo Point, Fort Franklin, Fort Norman, Lac la Martre, Pelly Bay, Tuktoyaktuk and Whale Cove. Five new powerlines and nine powerline extensions were built at a cost of over \$325,000.

Seventeen prefabricated metal buildings, comprised of five warehouses, five garage buildings, two craft shops and one addition and two powerhouses and two extensions were purchased, shipped and erected in fourteen different settlements at a cost of over \$400,000.

Contracts were let for the construction of sixteen three-bedroom prefabricated staff houses, twelve standard three-bedroom houses, six three-bedroom transportable houses and community freezers for Igloolik and Spence Bay.

Town Planning

The Community Planning Group, an Interdepartmental Committee, concerned with the development of northern settlements considered proposals relating to twenty-two settlements in the Northwest Territories. Consultants, engaged by the Branch, reported on Tuktoyaktuk, Fort McPherson, Aklavik, Pelly Bay, Repulse Bay, Chesterfield Inlet and Fort Resolution. At the request of the Territorial Government a consultant was engaged and report obtained on the development of Rae (New town).

Final development plans were prepared for Padloping, Lake Harbour, Baker Lake, Pangnirtung, Whale Cove, Eskimo Point, Grise Fiord, Sachs Harbour and Arctic Bay. Work was started on a major revision on Resolute Bay and further work on the development of Frobisher Bay. The Community Planning Group gave approval or approval in principle to plans relating to nine settlements and considered the development of formal planning procedures designed to co-ordinate town planning activities.

Architectural Services

Small schools were designed for Repulse Bay and Hall Beach and school addition for Broughton Island and Grise Fiord. They were purchased and shipped for construction during the summer of 1968. Two transportable classrooms were delivered to Igloolik and design work was started on permanent schools for Igloolik and Clyde River. In co-operation with the Department of Public Works, design work was started on schools for Rae (New town), Cape Dorset and Pangnirtung. A new standard 12-pupil hostel was designed for construction at various locations and a new design was approved for a standard staff house to be adapted for construction commencing in 1968 - 69.

For the first time in some years, responsibility for construction was centralized; construction crews were hired and directed from Headquarters.

On behalf of the Government of the Northwest Territories, tenders were called and construction supervised on housing required to provide accommodation for staff upon the establishment of the Government in Yellowknife. Design work for houses and offices also required for the Territorial Government were provided and liaison work with Central Mortgage and Housing Corporation in the lease-housing proposals for Yellowknife carried out.

Engineering Services

Utilidors to service co-operative housing in Inuvik were designed and prefabricated by local people for installation in the summer of 1968; an extension of the utilidor with water points was constructed at Rankin Inlet to service Eskimo housing and a water and sewer utilidor was installed at Frobisher Bay.

A new water supply system was designed for Spence Bay and plans prepared for the improvement of the existing water and sewer services at Churchill, Manitoba.

Designs were completed and tenders called for industrial-type warehouses, garages and powerhouses. Special designs were prepared for craft shops and on behalf of the Territorial Government municipal fire alarm systems were designed for five settlements.

Maintenance of Buildings and Works

In the Northwest Territories, maintenance was carried out on departmental buildings and works having a total capital value in excess of \$86,000,000. Approximately 135 tradesmen were employed on full-time maintenance work and paid wages and allowances amounting to \$920,000. Total expenditure amounted to approximately \$3,157,000 - 15.5% of the work being carried out by private contractors.

RESOURCE AND ECONOMIC DEVELOPMENT GROUP

The Resource and Economic Development Group, based in Ottawa with field staff in the Yukon and the Northwest Territories is responsible for the management of northern non-renewable resources and for improving the economic development of northern Canada. Its tasks are to seek out and identify all means whereby the economy of the north can be expanded at a more rapid pace, to develop a broad plan of economic progress and to recommend specific projects and policies for achieving the objective.

In addition to recommending specific projects, the Group will be expected in many instances to manage such projects when approved and has the direct managerial responsibility for all northern non-renewable resources and fresh water. The Group originates policy recommendations for the disposition, utilization, conservation, and production of these resources. It also performs a staff advisory function and undertakes studies in fields such as northern transportation, optimization of northern investment opportunities, assessment of the application of fiscal policies and their effect on the northern economy and regional aspects of northern economic developments.

Organization

The Resource and Economic Development Group has been organized into two closely related but separate divisions, Resource Management, Economic Staff Groups and Administrative Services Division.

Administrative Services Division

This division is responsible for financial, personnel, and material services and central office services such as drafting, stenographic and central registry services; management advisory services in relation to operations at headquarters and seven field offices; analysis of operations and revision and development of procedures; advising the Director on the administrative implications of resource and economic development policies and the implementation of such policies; provision of staff services to the Director such as co-ordination in areas which involve more than one division or section.

ESTABLISHMENT

Ottawa

...	1966 - 67	1967 - 68
Directorate	2	2
Administration Division	15	15
Resource Management Division	34	34
Economic staff Group	15	15
Total	66	66
Field		
Yukon	14	14
Mackenzie	9	13
Calgary	4	4
Edmonton	0	4
...	27	35
Total Staff	93	101

The Resource Management Division

The Division consists of five sections each specializing in one area of resource management: Oil and Gas Section; Mining Section; Public Lands Section; Water Resource Section and the Development Analysis Section. Main activities in the various non-

renewable resources development activities and the individual sections' involvement and responsibilities in the 1967 - 68 fiscal year were as follows:

Mining Section

The Mining Section is responsible for the disposition of mineral rights located on Crown lands in the Yukon and Northwest Territories. The provisions of the Yukon Quartz Mining Act and Placer Mining Act and the Canada Mining Regulations are the section's authority for administering the mineral rights.

The section maintains a system of files, books of records, and a claim map system. In order to carry out the duties of administration the Territories are divided up into seven mining districts, four in the Yukon and three in the Northwest Territories. All mineral claims staked in the Territories must be recorded in the Mining Recorder's office of the Mining District in which the claim has been staked. These offices recorded a total 36,037 mineral claims during 1967. For the Northwest Territories the Mining Section administers the granting of Prospecting Permits, which gives the holder of such a permit exclusive rights to prospect for minerals within the permit area for three years.

It is responsible for the administration of safety legislation in the Territories covering all aspects of mining and including the oil and gas industry, i.e., working conditions in mines and oil well drilling rigs, radiation hazards, air and water pollution, and the keeping of statistical records on accidents and accident prevention.

There are two field offices headed by mining engineers and staffed with technical personnel: one in the Yukon at Whitehorse and one in N.W.T. at Yellowknife. The section carries out mineral claim inspections, Mine Rescue Training and is responsible for the upkeep of mine rescue equipment and assay services in the Territories.

The Department in co-operation with Industry sponsored the attendance of mine rescue teams from the Yukon and Northwest Territories at the first Canadian Mine Rescue Championships held in Trail, B.C. in 1967.

Mining in the Yukon and Northwest Territories 1967 - 68

In the Yukon in 1967 two new mines started production and three companies announced future production plans. In the Coppermine River area of the Northwest Territories a claimstaking rush accounted for yet another significant increase of mineral claims recorded. Claims registered in the N.W.T. have climbed from 15,590 in 1965 (a then all-time high), to 22,843 in 1966 while the preliminary figure for 1967 stands at 28,622. In the N.W.T., two companies are carrying out expansion

of production facilities. Mining exploration and development during the year was active and preliminary 1967 figures indicate that the mining industry has spent more than \$11 million in both Territories.

Producing Mines

Yukon

New Imperial Mines officially opened its openpit copper mine in June 1967; capacity of the concentrating plant is 2,500 tons per day. Copper concentrates are presently being shipped from Whitehorse to Vancouver by the Whitepass Route for transshipment to Japan by ocean Vessels.

Cassiar Asbestos Corporation commenced production of asbestos fibre in October of 1967 from its Clinton Creek property 40 miles northwest of Dawson, Y.T. This mine will produce 60,000 tons of asbestos fibre per year and production can be stepped up to 80,000 tons if required.

United Keno Hill Corp. Ltd. consolidated its operations, resulting in a cut back of production from 525 tons to 200 tons in August of 1967. The bulk of the ore is now coming from the Hector-Calumet Mine. The mine was unable to sell concentrates to its smelter in the United States because of the current strike of U.S. smelter workers from July to the end of the year. The value of the sales from this period will not be recorded until 1968.

Placer Gold Mines. 30 to 35 small placer operators produced raw gold from the Yukon creeks in 1967. The Yukon's large dredging operation, Yukon Consolidated Gold Corp., shut down in 1966. The placer operators are mainly located in the Dawson and Mayo Mining Districts.

Yukon Coal Company ceased action production at its coal mine located near the village of Carmacks early in 1967.

Northwest Territories

Pine Point Mines continued the mining of high grade and low grade lead-zinc ore during the year. The present concentrator rated at 5000 tons per day is being increased to 8000 tons per day to handle the milling ore to be mined from the Pyramid ore bodies. The extra milling capacity will allow production to be maintained at present rate when reserves of high grade direct shipping ore are depleted.

The four producing gold mines around Yellowknife - Giant Yellowknife Mines, Con-Rycon, Discovery and Tundra Gold Mines - felt the adverse effect of increased costs and labour shortage with no increase in the price of gold, and production of gold decreased slightly. Tundra Gold Mines ceased production in January 1968.

Echo Bay Mines Ltd. continued to be the Territories' chief producer of silver and copper. This company plans extension of its underground workings by sinking an internal shaft and by lateral development.

Canada Tungsten Mining Corp. Ltd. did not produce from its Tungsten property at Tungsten, N.W.T. The company had a bad fire in December, 1966, which completely destroyed the mill. During 1967, the mill was completely re - Constructed and milling resumed in December of 1967.

Mineral Exploration

Yukon

Mining exploration was strong during 1967 but less speculative staking took place. There were 7,415 claims recorded in 1967, a reduction of 8,474 from claims recorded in 1966. Although mineral claim recording was down, the amount of mining exploration was greater. The following companies carried out exploration activity in 1967.

United Keno Hill Mines Ltd. carried out prospecting, geochemical surveys, overburden drilling, diamond drilling, trenching, and underground exploration in the Galena Hill, Keno Hill, Mount Hinton area of the Mayo Mining District. Results of this activity has led the company to carry out an underground re-habilitation program in the Old Sadie Ladue Mine on Keno Hill, and a newly discovered Huskey vein system will be investigated by an exploration shaft on Galena Hill. The new veins are located near the present Elsa Camp.

New Imperial Mines Ltd. carried out a deep diamond drilling program which indicated additional higher grade copper ore at depth. Deep drilling is to continue into 1968 to explore extensions of the orebody.

Venus Mine Ltd Venus Mines carried out underground drifting, raising and diamond drilling on its Windy Arm gold-silver property near Carcross, Y.T. Results from this work has led the company to plan further underground exploration at lower levels.

Pure Silver Mines Limited carried out underground exploration on its Log Jam Creek silver-lead property, north of mile 754 on the Alaska Highway.

Hudson Bay Exploration and Development Company Limited carried out a diamond drill program on its "TOM" claim group. These claims are located adjacent to the extension of the Old Canol Road 135 miles northeast of Ross River. This company plans to continue diamond drilling in 1968.

Anvil Mining Corporation Limited continued the exploration of their extensive mineral claims in the Anvil - Vangorda area. Other companies active in the area in 1967 included - Kerr Addison Mines Ltd., Cominco, Canex Aerial Exploration, Hecla Mining Company of Canada and others.

Atlas Exploration Ltd carried out extensive exploration in the area east of Ross River. It has been reported they have found zinc mineralization associated with large geochemical anomalies.

Other companies carrying out prospecting trenching, diamond drilling, geophysical and geochemical surveys in the Yukon in 1967 were:

Spartan Exploration Ltd., Canada Tungsten Mining Corp. Ltd., Casino Mines Limited, Conwest Explorations Limited, Glenlyon Mines Limited, Jason Explorers Limited, Discovery Mines Ltd., Bonnet Plume Mines Limited, Yukon Antimony, Silver City Mines Limited, Newmount Mining Corporation, North Lake Mines Limited, Canol Mines Ltd., Silver Key Mines Ltd., Stump Mines Limited, Cyprus Mines Limited, Boswell River Mines Limited, Falconbridge Nickel Mines Ltd., Pacific Giant Steel Ores Limited, General Enterprises, Peso Silver Mines Ltd., Silver Titan Mines Limited, Yukon Copper Ltd., Sphere Explorations Limited, Geo Photo Services Ltd., Homestake Explorations Ltd., Golden Gate, Duranex Limited and Selwyn Exploration.

Other companies and prospectors carried out basic prospecting and claim staking. Twenty-eight applicants were accepted as eligible to receive Prospecting Assistance grants.

Northwest Territories

There were 28,622 mineral claims recorded in the N.W.T. in 1967, an increase of 5,779 claims over 1966. 3/4 of the claims recorded came as a result of the staking rush in the Coppermine River area.

Coppermine River Limited carried out an extensive prospecting, geological mapping and diamond drilling program in the Coppermine River area in 1967. The results of this program has led the company to resume this drilling program early in 1968. The exploitation of the Copper mineralization found to date will depend largely on

developing an economic transportation system into this remote region of Canada. Other mining companies and individuals who have obtained ground in the area are listed as follows:

D'Aragon Mines Ltd.; Beauport Holdings Ltd.; Pickle Crow Gold Mines Ltd.; Highland-Bell Ltd.; Donalda Mines Ltd.; Goldale Mining Ltd.; Towagmac Exploration Co. Ltd.; Pinex Mines Ltd.; Northlake Mines Ltd.; Copperville Mining Corp.; Earcrest Resources Ltd.; Vametals Exploration Ltd.; New Glacier Explorers Ltd.; Gradore Mines Ltd.; DeLesseps Mining Corp. Ltd.; Africana Mining Co. Ltd.; Agassiz Mines Ltd.; General Resources Ltd.; Lake Beaverhouse Mining Ltd.; Precambrian Mining Services; James Bay Mining Corp.; Braemac Mines Ltd.; Croydon Mines; Madrona Explorations Co. Ltd.; Armore Mines Ltd.; Consolidated Bellekeno Mines Ltd.; P.C.E. Explorations; Continental Potash Corp. Ltd.; United Buffadison Mines Ltd.; Quardate Explorations Ltd.; New Cronin Babine Mines Ltd.; Mokta Explorations (Quebec) Inc.; Pyram id Mining Co. Ltd.; Canadore Mining & Development Corp.; Rose Pass Mines; Konio Explorations; Raejac Exploration Ltd.; North American Research & Development; E. Chase; A. Cote; J. McNeil; E.W. Provender; J. Monnier; S. Siglen; L. Smith; S. Tough; P. Lee; W.G. Murray; A. Claussen; D.O. Markle; Duggan, Sloan & Mapachie; Proprietary Mines Ltd.; G. Leliever; O. Lapointe; R. Onaban; D.E. Arden; A. Kakik; Murray Watts; C. Black; J. Millette; R. Sheardown; Bernier; McDonnell, A. Palmer; Hearne Coppermine Ltd.; G. Hornby.

Terra Mining and Exploration Co. Ltd. carried out prospecting and diamond drilling on a high grade silver property in the Camsell River area, N.W.T. Twelve diamond drill holes were completed for a total of 3,354 feet.

Mining companies carrying out prospecting, trenching, diamond drilling, geophysical, geochemical surveys and geological mapping in other parts of the Territories included the following:

Yellowknife Base Metals, Anglo United Development Corp., Braemac Mines Ltd., Hudson Bay Exploration and Development Ltd., Cominco Ltd., Conwest Exploration Co. Ltd., Radiore Mines Ltd., Giant Yellowknife Mines Ltd., Precambrian Mine Services, Spectroair, Indian Mountain, Iskut Explorers Ltd., Lake Beaverhouse Mines Limited, Mate Yellowknife Gold Mines Ltd., New Gateway Oil & Minerals, New Privateer Mines, Northern Empire Mines, Fundy Explorations, Agassiz Mines, Pyramid Mining Co. Ltd., San Doh Mines Ltd., United Buffadison Mines Ltd., Texas Gulf Sulphur, Hecla Mining Co. Ltd., Northwest Explorers Ltd., Selco Northern Ltd., Cadillac Mines Ltd., International Mines Services, Quatsino, Copper-Gold Mineral and Jason Explorers.

Forty-six prospectors were accepted as eligible to receive grants under the Prospectors' Assistance Program.

The Department in co-operation with industry sponsored the attendance of Mine Rescue Teams from the Yukon and Northwest Territories at the first Canadian Mine Rescue Championships. The competition was held in Trail, B.C. and was hosted by the British Columbia Department of Mines. There were 5 teams competing - three from the Provinces and two from the Territories. The Northwest Territories' team placed 2nd, and the Yukon team placed 4th.

New Mining Developments

Yukon

Anvil Mining Corporation Ltd. announced in August of 1967 that it plans to bring its lead-zinc orebody into production in 1969. This property is located 40 miles west of Ross River, Yukon. The mine will produce 370,000 tons of lead and zinc concentrates per year. Construction of mine and mill buildings has commenced. The coming into production of this property will necessitate major expansion of the present rail transportation system.

Arctic Mining & Exploration Limited have started construction of a mill and dwelling houses for employees near Carcross, Y.T. This company plans to bring its goldsilver property into production in 1968 at a rate of 100 - 200 tons per day.

Mount Nansen Mines Limited carried out underground drifting and raising on its Mount Nansen property 40 miles west of Carmacks, Yukon. The company has purchased a 300-ton concentrator and expects to start production late in 1968. Initial production is expected to be at a rate of 200 tons per day.

Northwest Territories

Except for producing mines which are carrying out expansion, no mining properties were in the development stage in 1967.

1967 MINERAL PRODUCTION IN BOTH TERRITORIES

The following tabulation shows the preliminary production figures for 1967 and comparative figures from 1966.

YUKON	...	...	...	...
...	1967	...	1966	...
Mineral	Quantity	Value	Quantity	Value
Gold	17,474 oz.	\$659,644	43,466 oz.	\$1,639,103
Silver	3,769,533 oz.	6,468,370	4,194,580 oz.	5,868,217
Lead	14,801,171 lbs.	2,092,164	15,975,125 lbs.	2,386,684
Copper	7,350,000 lbs.	3,496,395	...	...
Coal	3,000 tons	21,000	5,670 tons	46,390
Zinc	8,825,492 lbs.	1,299,214	11,450,510 lbs.	1,729,027
Cadmium	53,673 lbs.	150,284	118,735 lbs.	306,336
Asbestos	3,000 tons	513,000	...	...
Total Value	...	\$14,700,071	...	\$11,975,757
NORTHWEST TERRITORIES				
...	1967	...	1966	...
Mineral	Quantity	Value	Quantity	Value
Gold	362,675 oz.	\$13,690,981	424,029, oz.	\$15,990,133
Silver	1,439,124 oz.	2,495,441	1,662,192 oz.	2,325,407
Copper	452,000 lbs.	215,016	1,496,805 lbs.	672,065
Lead	265,000,000 lbs.	37,100,000	210,659,720 lbs.	31,472,562
Zinc	400,000,000 lbs.	57,960,000	378,333,400 lbs.	57,128,344
Cadmium	1,000,000 lbs.	2,800,000	1,073,400 lbs.	2,769,372
Tungsten	...	...	...	3,226,910
Total Value	...	\$114,261,438	...	\$113,584,793

Oil and Gas Section

The Oil and Gas Section is charged with the following duties and functions.

- The section originates, develops and implements policies, programs and procedures designed to stimulate and accelerate optimum exploitation of the oil and gas resources within the Yukon and Northwest Territories.
- Administers oil and gas rights in the two Territories; is responsible for regulating, managing, and encouraging the enhanced production and development of oil and gas activities on these lands; and at all times protects the public interest, both in the disposition of rights and in the introduction of adequate conservation measures.

The Section maintains information and files on wells, seismic programs and other exploratory programs and maintains a current knowledge of the "value" of the oil and gas potential of Canadian lands north of Lat. 60°. It is also charged with the responsibility of administering the disposition and maintenance of the lands.

The undertaking of studies into many technical aspects of the oil and gas industry is a continuing function of the section.

The section renders assistance to other groups and branches of the department in matters relating to oil and gas.

Projects Completed in 1967

Norman Wells Agreement

The Canadian Government entered into an agreement with Imperial Oil Ltd. on July 21, 1944. The initial term of 21 years of the original agreement ended on May 2, 1966. By virtue of Order-in-Council P.C. 1966 - 2025 of October 27, 1966, the Governor-in-Council agreed to an extension of two years to the initial term. A supplementary agreement providing for the two year extension has been executed. Negotiations on renewal of the extended agreement for a further 21 years have been completed, and the agreement will be signed in the near future.

Oil and Gas Production and Conservation Act

The need for an oil and gas act to provide statutory authority for control of oil and gas production, the prevention of waste, and safety of operations in the north, was first recognized within the Department early in 1960. By Cabinet Minutes of October 1, 1960, approval was given to commence the preparation of an Oil and Gas Act. This approval was further endorsed by Cabinet Minutes of December 27, 1963. The proposed Act is now on the agenda of the Cabinet Committee on Resources and Trade. It will then be referred to the Cabinet with their recommendations.

Panarctic Oils Ltd.

The efforts of the Department and private industry have been brought to fruition in the creation of Panarctic Oils Ltd. The agreements signed by the participating companies and the government will continue to pioneer mineral exploration in the Arctic Islands. Panarctic Oils initial financing involves \$20,050,000 of which the Canadian Government will provide \$9,022,500 for a 45 per cent equity and private capital will contribute \$11,027,500 for a 55 per cent equity. Panarctic Oils Ltd. has now

acquired 44,137,577 acres of Oil and Gas permits in the Arctic Islands from over 75 companies and individuals.

Reports Printed in 1967

(a) Schedule of Wells (1966)

The sixth "Schedule of Wells" (1966) compiled and annotated by officers of the Resource Management Division is a report of all wells drilled and completed in the Yukon and Northwest Territories from 1920 to the end of 1966. The schedule also contains geologic tops of all wells drilled in 1964 and information on the land survey system adopted for the Territories. Commencing with this schedule, all wells are given unique well identifier numbers. In addition, the locations of all wells are listed under the Yukon Territory and Northwest Territories grid system, by latitude and longitude co-ordinates and by the universal well location reference number.

(b) Oil and Gas in the Northwest and Yukon Territories - 1966

This report is prepared annually to summarize oil and gas activities on Canada's lands north of latitude 60°, which are administered by the Department of Indian Affairs and Northern Development, to compile and summarize all known sources of information, and list names of government agencies that have various interests in the north.

Studies Commenced in 1967

(a) Utilization of residue products from Norman Wells Refinery: the heavier ends from the refinery process are now being burned. Studies were undertaken into the feasibility of utilizing them for large heating units in the Territories.

(b) Communication and transportation requirements in the Arctic Islands: Within the advent of increased exploration activity in the Arctic Islands studies were undertaken into increasing the present capabilities of communication system, transportation and accommodation requirements.

Expenditures and Revenues

Expenditures by the oil and gas industry in 1967 (Figure 1) show an increase of approximately two million dollars or about 10 per cent over those of the preceding year. A greater increase is anticipated in 1968 due to one of the largest drilling programs underway in the Territories and to the commencement of the Panarctic Oils exploration programs. Revenue (Figure 2) is derived largely from cash bonus tendered at the two oil and gas sales held during the past fiscal year. Another source of revenue is from oil

royalties at Norman Wells. This item varies around \$250,000 per year depending on expenditures incurred on production. Figure No. 3 depicts monies received from work bonus sales for oil and gas permits.

Permits and Leases - December 31, 1967 - Y.T.

Figure No. 4 depicts the acreage held under permit on Canada Lands in Northern Canada

...	Number	Acreage
Oil and Gas Permits	304	14,107,280
Leases	17	75,359
TOTAL:	...	14,182,639

Permits in the Mackenzie Bay contiguous to the Yukon are included in water permits and listed in the Northwest Territories section.

Permits and Leases - December 31, 1967 - N.W.T.

...	Number	Acreage
N.W.T. - Mainland Permits	2,072	98,277,668
Arctic Island Permits	1,658	74,117,200
Arctic Coast Permits	223	10,466,863
N.W.T. Mainland Leases	159	953,510
Arctic Islands Leases	Nil	Nil
Arctic Coast Leases	Nil	Nil
TOTAL:	...	183,815,241

Drilling

Figure No. 5 illustrates the footage drilled in the Yukon and Northwest Territories during the past seven years. A new high in "footage drilled" was established in 1967 when 36 wells were drilled and completed.

Fig. 1

OIL & GAS EXPLORATORY EXPENDITURES

TOTAL ANNUAL EXPENDITURES WELL DRILLING COSTS ESTIMATED EXPENDITURES NOTE: Figures are for year expenditures were actually incurred. Total annual expenditures include well drilling costs.

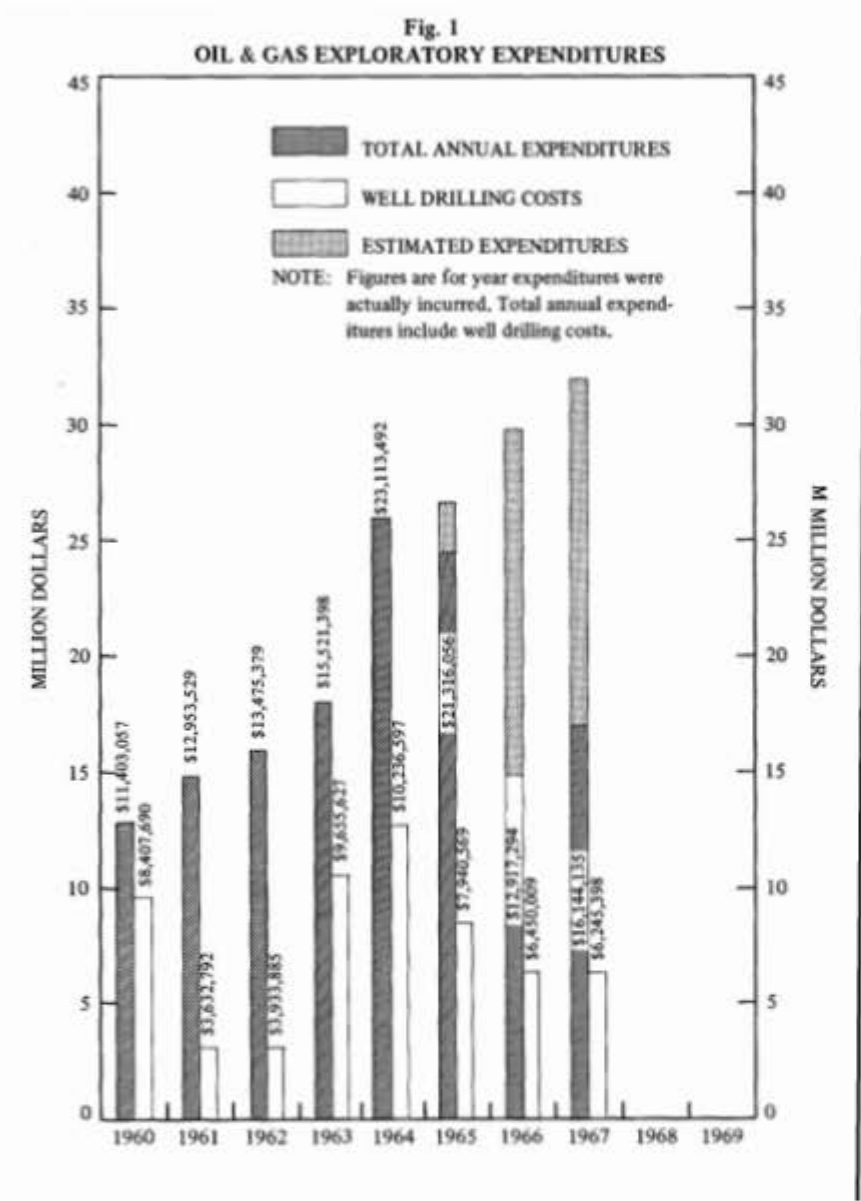


Fig. 2
GROSS REVENUE - OIL AND GAS

FROM BONUS BIDS, FEES, FORFEITURES,
ROYALTIES, RENTALS & SALE OF MAPS

YUKON TERRITORY AND NORTHWEST TERRITORIES

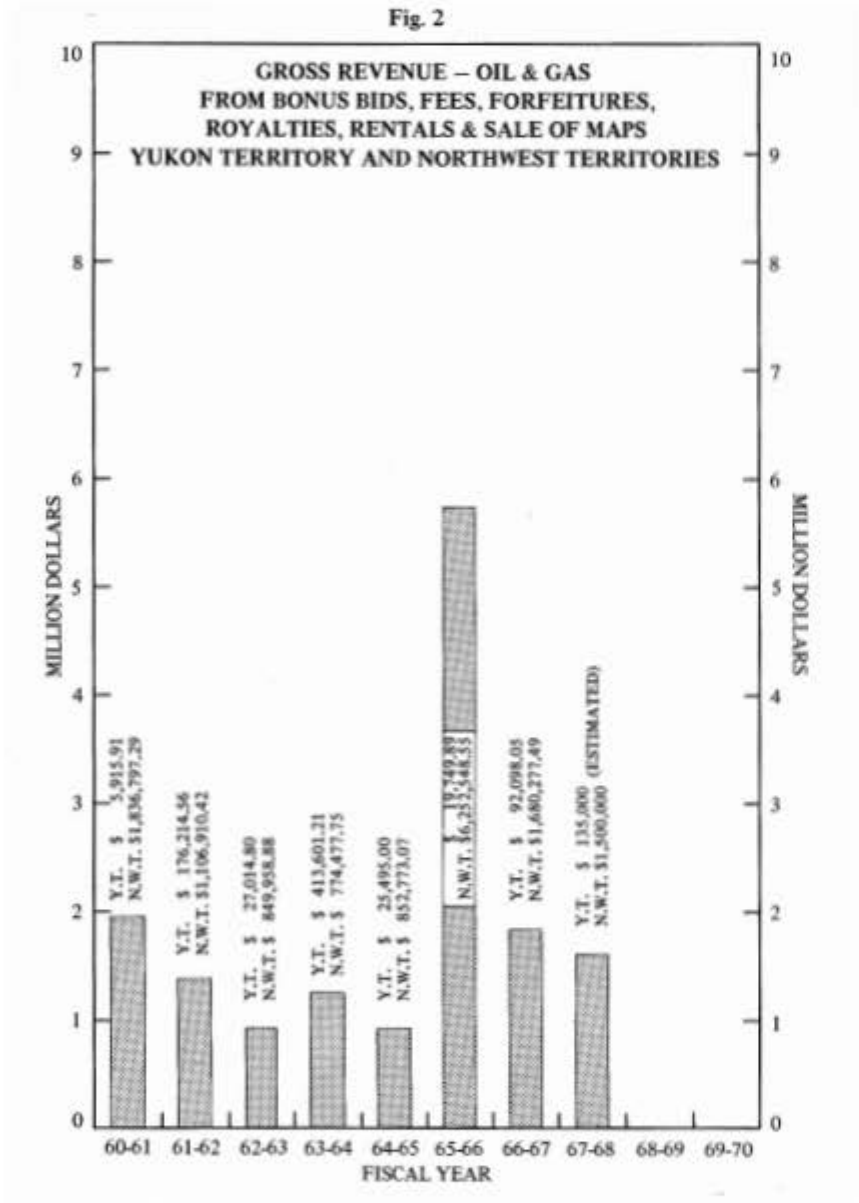


Fig. 3
VALUE OF WORK BONUS BIDS

YUKON TERRITORY AND NORTHWEST TERRITORIES

NOTE: Cumulative Value End of 1967, \$23,540,496.26 (Work bonus sales commenced in 1962)

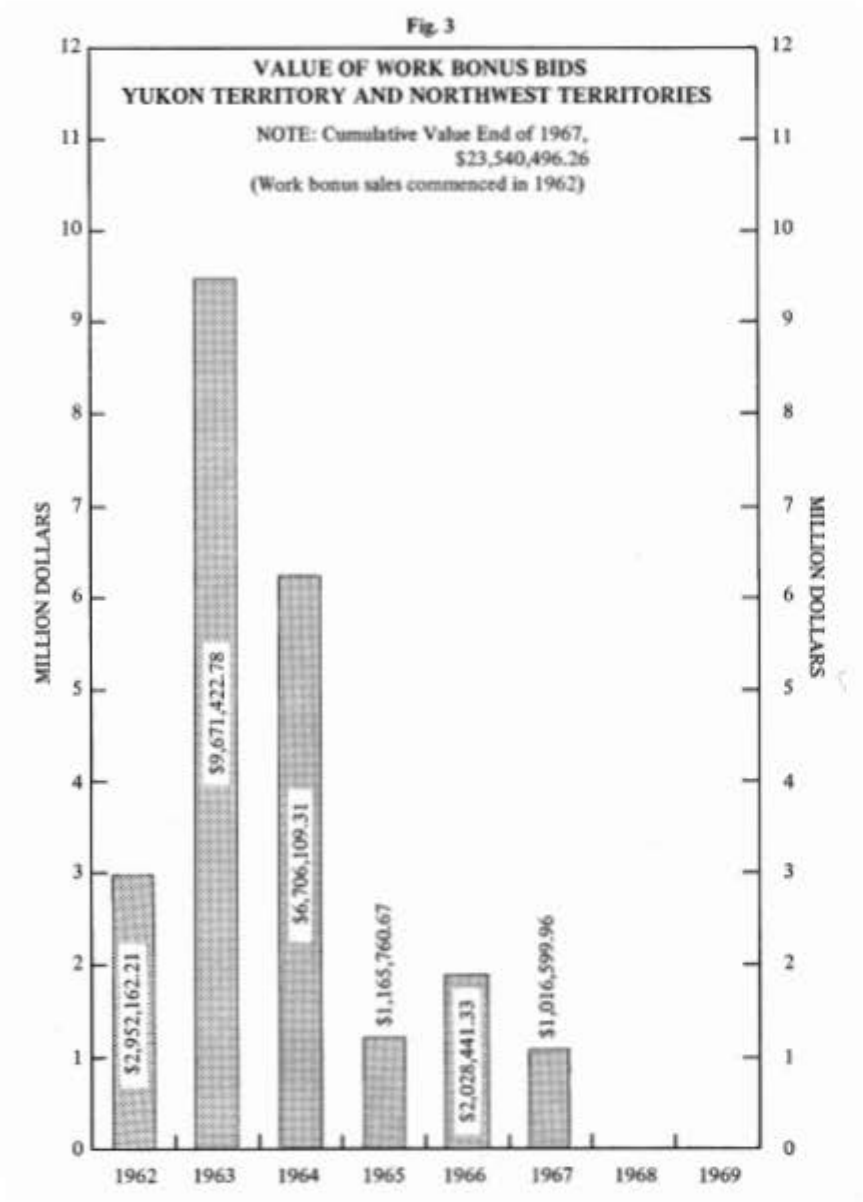


Fig. 4
ACREAGE HELD UNDER OIL & GAS PERMIT

YUKON TERRITORY AND NORTHWEST TERRITORIES

Northwest Territories Water Permits(Arctic Coast)
Arctic Islands Permits Yukon Territory Permits

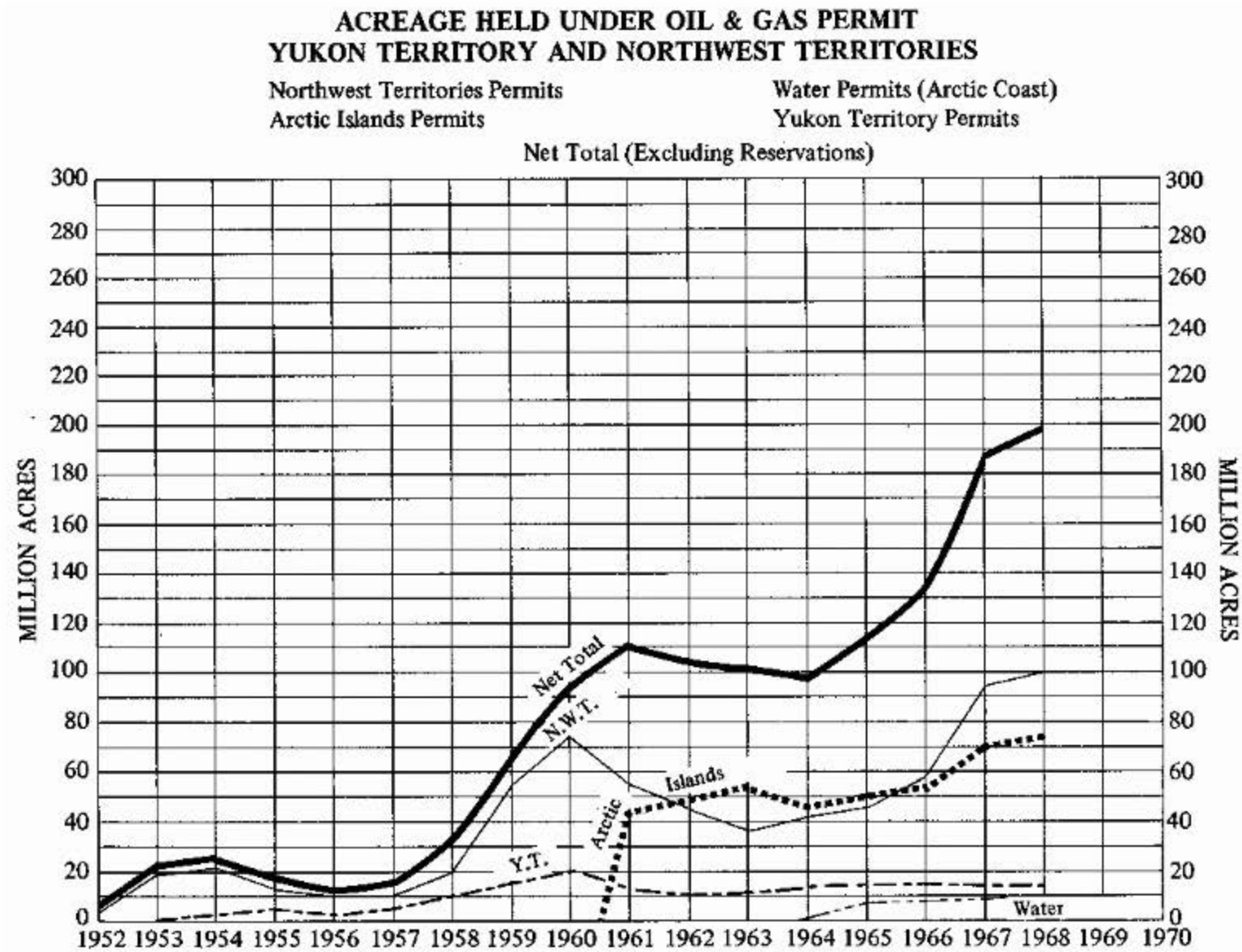
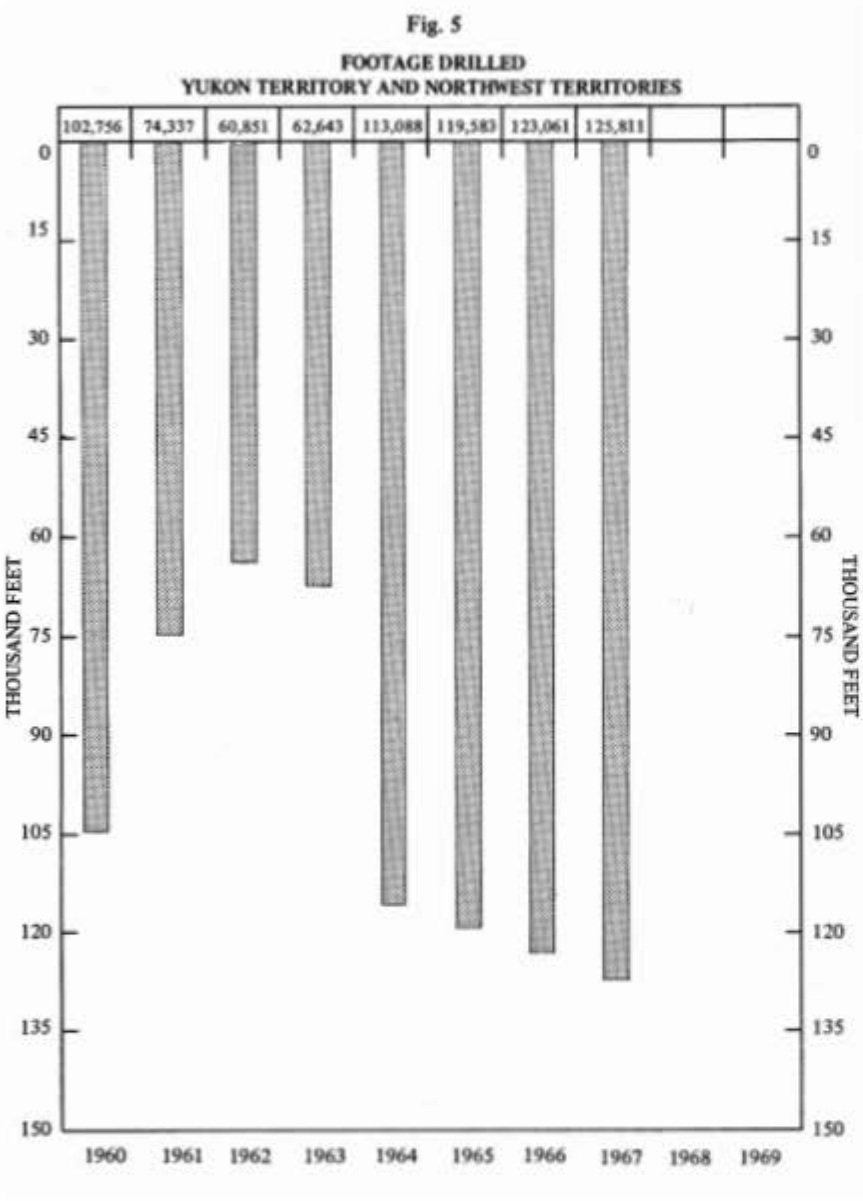


Fig. 5
FOOTAGE DRILLED
YUKON TERRITORY AND NORTHWEST TERRITORIES



Oil and Gas

Activities in the Yukon and Northwest Territories

Private industry's oil and gas exploration expenditures in the Yukon and Northwest Territories were estimated at \$30,000,000 in 1967. Most of the expenditures incurred were in the southern portion of the Territories.

A large gas discovery made in 1966 in the Pointed Mountain Area north of Fort Liard is now being followed up with a second well. The well is nearing its objective and should be completed by early spring of 1968. Pending approval of additional gas exports to the U.S.A. by Westcoast Transmission Pipeline, a gas transmission line will be built from its present terminus at Fort Nelson to the Beaver River area of B.C. and the Yukon. Since the Pointed Mountain Area is in close proximity to the Beaver River gas field, a gas pipeline may be extended the 30 or 40 miles to serve the former area. Revenues in the form of royalties will accrue to the government when gas deliveries commence.

Drilling activity has increased considerably over the past two years in the southern Northwest Territories. This in part can be contributed to the discovery of prolific oil and gas fields in northern Alberta, to the lack of suitable exploration areas in the provinces, and to the construction of year round roads in the Territories. Thus the price of exploration is considerably reduced when equipment and supplies can be moved by conventional methods during 12 months of the year.

Seismic activity has also increased over the past two years, especially in the southern Territories. The magnitude of activity in this phase of exploration is a good barometer on drilling in the near future, since it normally takes one to two seasons of seismic exploration to locate drillable sites.

Though interest is still high in the Peel Plateau area, the large drilling programs undertaken by Shell Canada and Imperial Oil have now been completed. No other drilling was undertaken during the winter of 1967 - 68. Plans are now underway by several other operators to move drilling equipment and supplies this summer to drill wells in the MacKenzie Delta and in the Fort Good Hope areas during the coming winter.

Canoe River Exploration Company conducted a small scale seismic program in the Eagle Plain of the Yukon. This was followed by the drilling of the third well, on the Chance structure. Early indications are that the well will be a potential gas well but will be suspended due to lack of markets at the present time.

Surface geological and photogeology surveys by the oil industry decreased over the previous year, since much of the sedimentary areas have already been mapped by the

major oil companies. Most of the current work which is being conducted is by consultants for clients holding small acreage blocks, or for non-exclusive type of reports which are sold to several small oil operators holding permits in the Territories.

A helicopter-assisted seismic party has undertaken a large geophysical program in the Anderson River - Liverpool Bay Area for Elf Exploration and Production Canada Limited (formerly Petropar Canada Limited). Current plans of the operator are to start drilling operation on the islands or the mainland by late 1969.

The creation of Panarctic Oils Ltd: the agreements signed by the participating companies and the government will continue to pioneer mineral exploration in the Arctic Islands. Panarctic Oils initial financing involves \$20,050,000 of which the Canadian Government will provide \$9,022,500 for a 45% equity and private capital will contribute \$11,027,500 for a 55% equity.

Panarctic Oils Ltd. has acquired 44,137,577 acres of oil and gas permits in the Arctic Islands from a host of companies and individuals exceeding 75 in number. The company has assumed all the work obligations and will carry out a systematic program of exploration. Field exploration commenced in March of this year when a seismograph survey party was flown to Melville Island. The survey will be carried out on the ground assisted by helicopters. The drilling phase of the program will commence in the fall when at least one well is to go down in the 1968 - 69 winter season. The initial \$20,000,000 is expected to be expended on exploration over a three year period. In addition to extensive geological and geophysical surveys, the three year program involves the drilling of 17 wells which includes nine deep tests, six medium depth tests and two shallow tests. Panarctic Oils Ltd. has also acquired extensive geological and other data built up by J.C. Sproule in the Arctic over recent years, thus has an extremely valuable base upon which to build its exploration program. Though the permits only cover petroleum and gas rights, exploration will also be directed towards other metallic minerals and sulphur.

Dome Petroleum Limited of Calgary has been appointed operator and will manage the exploration program on behalf of the company.

Operating in the Arctic Islands this summer will be Mobil Oil of Canada. The company will continue their structural and stratigraphic mapping between Resolute and Eureka. Gravimeter surveys readings will also be taken in conjunction with the surface surveys.

Two companies have indicated that they will conduct conventional seismic surveys on Banks Island. Equipment and supplies will be flown in by large transport planes; the logistic support will be maintained by air from Inuvik.

Development Analysis Section

The Development Analysis Section reports to the Chief, Resource Management Division, on matters concerning the technical evaluation of applications for assistance in road and airstrip construction and the setting of priorities and amounts of financial assistance to be granted to such applications. It also administers the Northern Mineral Exploration Program which provides financial incentives to stimulate the number, pace and intensity of mineral exploration activity in the Yukon and Northwest Territories.

Following are descriptions of the various incentive programs and the amounts of the financial assistance awarded under their regulations for the year 1967:

The Northern Roads Program is a ten-year \$100 million program designed to provide roads which connect centres of population, lateral roads through areas of favourable resource potential and roads to specific resource development projects. During the year approximately \$8.3 million was spent on roads in the Yukon and Northwest Territories.

Under the Tote Trail Program which is administered by the Territorial governments, approximately \$130,000 has been provided for assistance in the construction of low standard roads to resource projects.

The Northern Resource Airports Program provides financial assistance on a cost sharing basis for the construction of airports intended to provide access to resource exploration and development projects. Departmental expenditures for this purpose during the year were approximately \$51,500.

Applications for grants under the Northern Mineral Exploration Program have been received from 59 companies in respect of 69 individual programs of mineral and oil exploration. Financial assistance and commitments of assistance amount to \$1.256 million for the year to assist 21 approved programs. A further commitment has been made to provide up to \$2.0 million in the current year for a large oil and gas exploration program in the Arctic Islands. During the year, the Northern Mineral Exploration Assistance Regulations were amended to widen the scope of the program somewhat and also to correct certain administrative and technical deficiencies in the program.

Other Activities

A study to determine the feasibility of a lead-zinc smelter at Pine Point, N.W.T., which began early in 1966 was completed. The study proved that the building of the smelter now would be uneconomic.

Financial and engineering evaluations were carried out on several mining developments where assistance for the construction of access roads was requested by the companies concerned.

An agreement was negotiated with a large Yukon base metal mining operation which is scheduled for production at the end of 1969. The agreement provides for government assistance to the mine for access roads and bridges, electric power, communications and to townsite facilities. The mining company agreed to employ specified numbers of qualified local residents and, subject to certain conditions relating to profitability, to construct and put into operation a smelter within eight years of commencing production.

Studies continued during the year on the feasibility of bringing into production a large iron mining project on northern Baffin Island.

Public Lands Section

Land Management Service and Territorial Lands

The Land Management Service has administrative responsibility for approximately 3,000 parcels of Crown Land at various locations in Southern Canada. Such properties may be leased or purchased, pursuant to the provisions of the Public Lands Grants Act and Regulations.

The Wetlands Acquisition Unit negotiates the purchase of marshes for wildfowl breeding habitat, and secures the preservation of nesting grounds in the Prairie Provinces by making payments to farmers under Transfers of Easements to secure undertakings that they will not drain or otherwise destroy suitable wetlands.

With advance approval from Cabinet, 36,000 contracts should be executed over the next twenty years, at a cost of \$138 million to protect four million acres of wetlands from destruction, and guarantee that adequate breeding and nesting grounds are safeguarded along the major flyways for migratory birds.

A separate Dominion Lands Unit maintains records covering the disposal of more than one million properties in Western Canada between 1873 and 1930 by homestead, pre-emption, metis scrip, military bounty, railway subsidy, colonization, sale and notification.

Activities

In 1967 - 68, about \$102,000 in revenue was derived from the lease or sale of public lands.

Numerous properties of significant value were acquired by transfer from other federal departments free of charge and comparable parcels were made available to agencies at the various levels of government for public purposes without financial compensation.

Title searches were carried out to ratify the ownership status of 37 properties, and they may now be brought into more productive use. Over 300,000 documents and records covering grants of former Dominion Lands in Western Canada were microfilmed, and photocopies of all such documents as Letters Patent, Metis Scrip, Military Bounty Warrants, South African Veterans' Land Claims, Hudson's Bay Company Notifications and Royal Canadian Mounted Police Land Warrants may be obtained.

Sixty-two abstracts of title relating to land settlement were compiled in connection with historical research projects; 94 certified true copies of Letters Patent were provided for similar purposes, and thousands of general enquiries on property rights were answered.

Under the Wetlands Acquisition Program, approximately 7,000 landowners in selected target areas were canvassed and 1,100 executed Transfers of Easements whereby they undertook to preserve waterfowl habitat on their properties for which they received \$142,000 as a first annual payment.

Territorial Lands

With the passing by Parliament of amendments to the Territorial Lands Act and related statutes, the use of the traditional letters patent will be discontinued, and replaced by a single-sheet "notification" to the Registrars of Titles.

An estimated saving of six weeks will be achieved in passing title from the Crown to a purchaser.

A significant change in policy is involved in the transfer to the governments of the Yukon Territory and of the Northwest Territories of the administration and control of all vacant Crown-owned lots in the municipalities, townsites and settlements. This

will give the territories autonomy in the disposal of the most active portion of the lands surface. In the Yukon Territory development of the new townsites at Clinton Creek and Vangorda Creek has commenced. Forty-nine legal surveys were carried out in the Yukon Territory including large townsite subdivisions at Ross River and Whitehorse and seven campground and recreation areas. In the Northwest Territories 43 legal surveys were made including the townsites at Rankin Inlet and seven campgrounds and recreation areas. The coordinated point control survey at Yellowknife was also completed. Available building lots in Yellowknife are at a premium, but new subdivisions now being serviced are expected to ease the situation before too long. During the 1967 - 68 fiscal year 96 leases and 24 new agreements for sale were issued in the Yukon Territory, and 44 leases and 112 agreements for sale in the Northwest Territories. The total number of leases and agreements in force are:

...	Yukon Territory	Northwest Territories
Leases	507	468
Agreements for Sale	206	212

A breakdown of the existing leases shows types of land use as follows:

...	Yukon	Northwest Territories	Total
Agricultural	7	8	15
Commercial	123	241	364
Educational	...	3	3
Gardening	...	15	15
Grazing	54	3	57
Quarrying	9	9	18
Recreational	6	13	19
Religious	20	35	55
Residential	272	135	407
Residential & Agricultural	11	...	11
Subdivision	...	4	4
Water Transmission	1	...	1
Licence	4	2	6
...	507	468	975

Water Resources Section

Policy

To develop and maintain an optimum territorial "water" policy; to initiate research into all facets of water activities; to protect the public interest in the disposition and exploitation of territorial water rights; and to best utilize the territorial water resources for the benefit of the region and the expansion of the northern economy.

Program

The group assumed the functional responsibility for northern water resources in early 1967. Since then a Water Resource Section has been formed under the Group's Resource Management Division and a section head position created and filled. The section has assumed the responsibilities for the administration of the Dominion Water Power Act and Regulations, is presently engaged in developing an organizational and staffing framework for the Section, drafting proposed water rights and water pollution control policy and regulations for the territories, devising and initiating special studies into hydroelectric generating and demand potential in the territories and, in co-operation with other federal departments, expanding water resource investigations and data collecting networks in the territories, particularly in areas where increased water development activities are anticipated.

The Economic Staff Group of the Resource and Economic Development

Group

The Economic Staff Group, one of the two divisions which comprise the Resource and Economic Development Group, functions to provide advice to senior departmental management on the northern economy, and to undertake studies on matters relating to the economic development of the north.

Functionally, the group is divided into three sections. A Resources Section is concerned with the general field of northern mineral and other resource development. A Transportation Section undertakes studies in the transportation field, and an Economic Projects Section undertakes projects which do not fall directly under the other two specializations. A Statistical Section which acts in a support capacity to the Economic Staff Group as a whole, compiles and processes statistical data on all phases of northern economic activity.

The undertaking of major studies in various fields is a continuing function of the group. Some of these studies are conducted entirely within the group, while others, due to limitations in staff strength, are undertaken by outside consultants.

The Economic Staff Group also renders assistance to other branches of the Department in matters relating to economics and economic development.

Projects Completed in 1967

A major study on transportation routes between the Yukon interior and tidewater ports in the Alaska Panhandle was completed in November, 1967. This study was undertaken by Travacon Research Limited of Calgary at a total cost of \$65,000. It gave a comparative analysis of various (both present and potential) Yukon-to-tidewater routes such as the White Pass and Yukon Railway which operates between Whitehorse, Yukon, and Skagway, Alaska; a proposed road which would link Carcross in the Yukon with Skagway; and the Haines Road which links the port of Haines in Alaska with the Alaska Highway.

On another matter relating to Yukon transportation, members of the Economic Staff Group were active participants in an interdepartmental study concerned with the geographic and political aspects of access to tidewater through the Alaskan Panhandle. A report has been completed for consideration by the Interdepartmental Committee on Pacific Coast Transportation, a senior committee consisting of representatives of all government departments interested in the question of transportation and development in the northwest.

One major project in which the Economic Staff Group was involved during the course of 1967 was a Test Manpower Survey of the Northwest Territories. This was undertaken with the assistance of the Regional Statistics Section, of the Dominion Bureau of Statistics. The experimental survey was concerned with providing data on the educational levels, skills, and backgrounds of residents of a selected area of northern Canada. The area in which the survey was undertaken is located on the shore of Great Slave Lake and includes communities such as Hay River, Fort Providence, Fort Resolution and Pine Point. In addition, to test survey methods in the far north, the arctic coastal community of Coppermine was included. The survey involved the enumeration of some 5,000 persons and almost complete coverage was obtained.

In the resources field, two major projects have been completed during 1967. One was an investigation on the implications of the Recommendations of the Royal Commission on Taxation on mining ventures in the north, the other an analysis on the costs and benefits which would result from the establishment of a lead-zinc smelter in the Pine Point area. Work continues on the expanding of computer applications to regional development and project feasibility studies.

Current Projects

A major project currently underway is a study of the economy of the Yukon Territory by the economic consulting firm of D.W. Carr and Associates who for this particular project are working with a large consortium of widely located firms. The object of the study is to provide information on the structure and major trends of the Yukon economy as a basis for planning and decision making.

The Yukon territorial government has been active in all phases leading to its initiation such as: the drafting of the terms of reference; selection of consultant and in providing the general guidelines under which the study would be conducted. Cost of the study will be \$140,000 to be borne equally by the Yukon Territory and the Department of Indian Affairs and Northern Development. The final report is to be submitted by the consultants in November, 1968, to both the Department and the Yukon Territorial government.

A separate study of the fiscal position of the Yukon Territory is being undertaken for the Department by the chartered accountant firm of Touche, Ross, Baily and Smart. The Economic Staff Group participated in drafting the terms of reference for this study and is participating in supervising its progress.

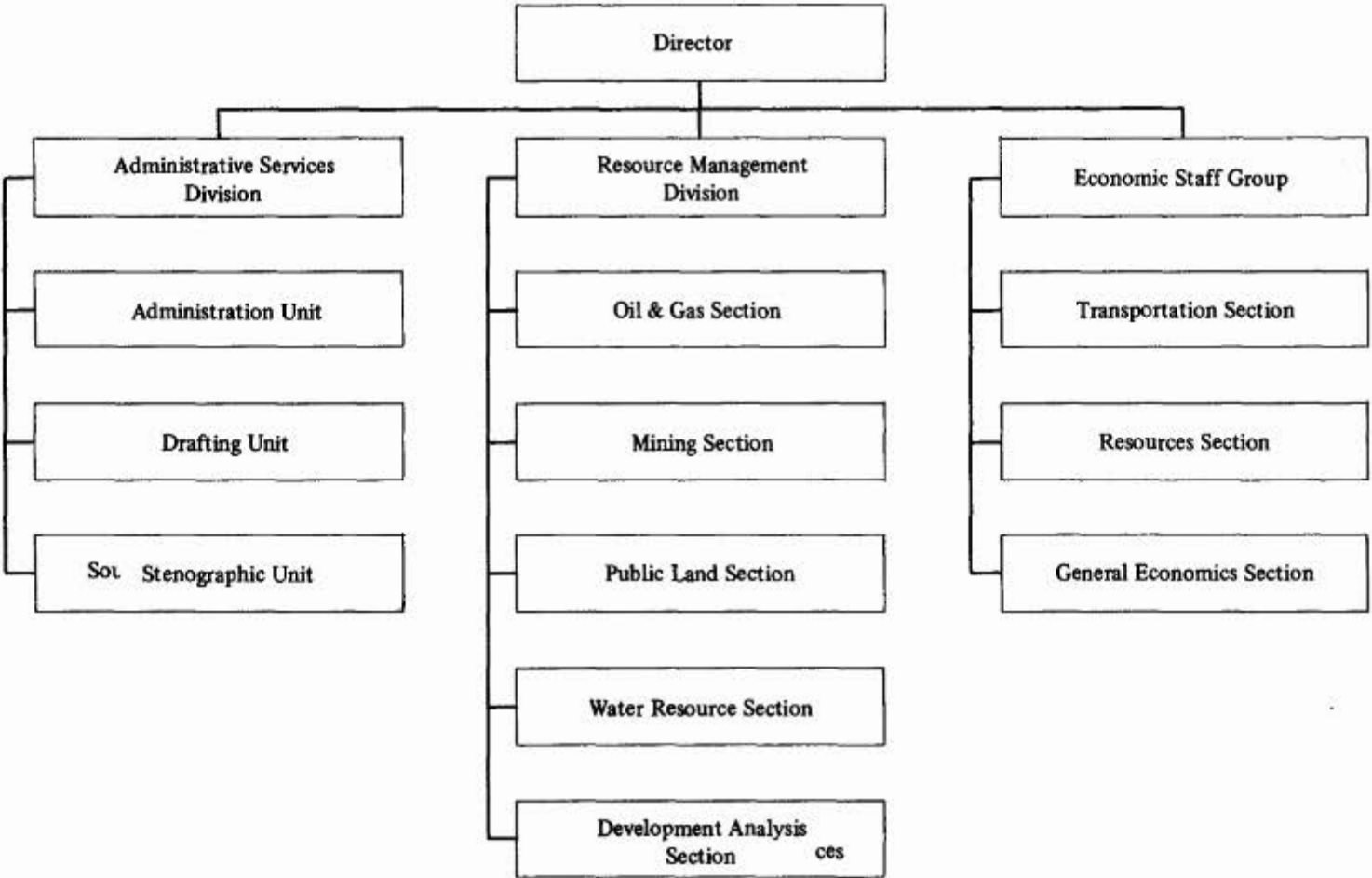
Other Activities

In addition to specific studies, work has continued on developing a strategy for the economic development of the north as a whole. Initially, effort has been placed on the present situation and on suggesting the correct approach for further studies. In formulating the framework for a general development strategy, consideration has been given to a number of proposals outside the general resource and transportation fields. These have included consideration of price support proposals for trappers and the possible organization of loan funds for small businesses.

RESOURCE AND ECONOMIC DEVELOPMENT GROUP

ORGANIZATION CHART 1967 - 1968

RESOURCE AND ECONOMIC DEVELOPMENT GROUP
ORGANIZATION CHART 1967-1968



ADVISORY COMMITTEE ON NORTHERN DEVELOPMENT

On January 1, 1968, the Northern Co-ordination Division took responsibility for the secretariat of the Advisory Committee on Northern Development.

Although only two meetings of the A.C.N.D. took place in 1967, a total of nineteen papers on a variety of subjects were distributed. In order to establish a procedure to co-ordinate federal activities in the north, the committee recommended the creation, under the chairmanship of the Commissioner of the Yukon, of an interdepartmental coordinating committee at Whitehorse, Y.T. At the request of the Commissioner, the committee approved recommendations for amending existing legislation on Crown Lands. The committee approved a request to continue the examination of ground effect machines for arctic use and further trials of the Hovercraft were made at Churchill, Manitoba. An examination of a wheeled ground effect machine (terraplane) is underway.

Because of the resource explorations now being carried out in the Arctic Islands and on the mainland, the Committee encouraged discussion on arctic transportation and experimentation with new devices to break ice. Papers were distributed on Soviet practices in the far north; the northern shipping lanes and employment practices including pay incentives were of particular interest.

Explorations into the polar basin were also discussed at length, and new sets of regulations emerged.

A second printing had to be ordered of the major publication of the Advisory Committee on Northern Development, the annual, "Government Activities in the North".

NORTHERN SCIENCE RESEARCH GROUP

The Northern Science Research Group sponsors and conducts research on northern subjects, encourages research by non-governmental agencies and administers the Scientific Research Laboratory at Inuvik. This laboratory, which includes an annex for cosmic-ray measurement, was opened in 1964, and provides general laboratory and other facilities to investigations and 80 scientific projects were supported by the laboratory staff during 1967. Seven of the abandoned intermediate DEW line stations have been reserved for use as required for scientific purposes.

The research conducted by the Northern Science Research Group is mainly in social anthropology and is directed towards the needs of the northern administrator. It carries out research in fields for which no other government agency has a clear responsibility. Much of it was undertaken by university scientists and graduate students working under contract or as seasonal employees.

The Mackenzie Delta Research Project, designed to isolate and analyse social and economic conditions which impede northern people from participating in northern development, continued in 1967. Analysis of data collected in the Delta was used to assess the extent to which native people are making effective adjustments to changes brought about by commercial and government expansion in the north, and to suggest possible solutions to the problems identified.

A number of other projects were initiated or continued: anthropology, sociology, physical science, geography, demography and community planning.

A grant of \$30,000 was made to the Arctic Institute of North America towards the cost of publishing the Arctic Bibliography.

Grants totalling \$250,000 were awarded in 1967 to 13 institutions and to three scientific expeditions working in the north. This represented an increase of \$50,000 over the previous year. The program of grants for northern studies began in 1962 when a total of \$60,000 was awarded to nine institutions; since then the annual awards have grown to the present \$250,000 and assist research in geography, glaciology, oceanography, geology, archaeology, anthropology, sociology, physics, etc. Grants are made on the recommendation of a committee of scientists from government and universities. The program is designed to encourage university research in the north and to assist in the training of northern scientists. A National Northern Research Conference was held at the University of Saskatchewan in

October to discuss northern research in general, and the work carried out under the grants program in particular, and in this way to assist in the coordination of the various northern research programs.

Note: On January 1, 1968, the northern co-ordination and research functions, were separated into the Northern Co-ordination Division and the Northern Scientific Adviser, supported by the Northern Science Research Group.

INDIAN AFFAIRS BRANCH

Federal-Provincial Relations and Indian Consultation

Discussions with Provincial Governments continued during the year regarding the extension of provincial services and programs to the Indian people. A major agreement with New Brunswick for the education of Indian children in that province was concluded. This brings the number of master agreements on education to a total of three, the others being with Manitoba and British Columbia.

The eight Regional Indian Advisory Councils which have been in operation since 1965 have met some fifty times. The councils have provided valuable advice to the Branch, particularly on proposed amendments to the Indian Act. They have improved communication between officials of the Department and Indian leaders throughout the country. Means of improving the functions of the Regional Councils are currently being considered by each council. The National Indian Advisory Board, which provides advice at the national level, met twice during the year.

Consultations to determine the views of the Indian community on revisions to the Indian Act will take place shortly.

Administration

Estates Section

Estates of deceased or mentally incompetent Indians are processed by the Administrator of Estates. During the year, the administration of 645 estates was concluded and 705 were opened. The Branch also managed the assets of 713 mentally incompetent Indians and 390 Indian infants.

A total of 2,483 vouchers were processed in receipt of \$488,669.46 for credit of estates and in disbursement of \$444,669.46 in payment of debts and distribution to heirs. A balance of \$716,131.84 in money and securities was held on behalf of infants, mentally incompetent adults, and in the estates of deceased Indians.

Police and other reports of fatal accidents were reviewed in 84 cases and appropriate action taken where third party liability was indicated.

Membership

The Indian population totalled 230,997 as of December 31, 1967 representing a net increase of 6,761 or 3.02% during the calendar year.

There were 616 persons enfranchised between April 1, 1967 and March 31, 1968. Of these, 90 applied for enfranchisement and 526 resulted from marriages of Indian women to non-Indians. A total of \$164,046.59 was paid out in enfranchisement funds during the fiscal year.

There were 152 adoptions registered during the same period. Of these, 54 children were adopted by Indians and 98 by non-Indians.

The addition of 22 persons to membership in Indian bands was protested during the fiscal year ending March 31, 1968. Decision were reached on 7 of these protests; 6 people were declared entitled and 1 not entitled to be registered as Indians. The remainder are under investigation.

TABLE NO. 1

INDIAN AFFAIRS BRANCH - INDIAN POPULATION

Province	1954	1959	1964	1965	1966*	1967*	1967* Increase over 1966	1967% Increase over 1966
Prince Edward Island	272	341	376	393	401	412	11	27
Nova Scotia	3,002	3,561	3,994	4,099	4,189	4,281	92	2.2
New Brunswick	2,629	3,183	3,717	3,824	3,905	4,035	130	3.3
Quebec	17,574	20,453	23,709	24,446	25,083	25,665	582	2.3
Ontario	37,255	42,668	48,465	49,556	50,608	51,801	1,193	2.4
Manitoba	19,684	23,658	28,833	29,996	31,009	32,221	1,212	3.9
Saskatchewan	18,750	23,280	28,914	30,086	31,297	32,448	1,151	3.7
Alberta	15,715	19,287	23,642	24,587	25,396	26,608	1,212	4.8
British Columbia	31,086	36,229	42,141	43,250	44,260	45,217	957	2.2
Yukon	1,568	1,868	2,215	2,292	2,350	2,434	84	3.6
Northwest Territories	4,023	4,598	5,383	5,569	5,738	5,875	137	2.4
TOTAL	151,558	179,126	211,389	218,098	224,236	230,997	6,761	3.0

[*Subject to revision.]

TABLE NO. 2

ENFRANCHISEMENTS - 1967 - 68

Province	Adult Indians enfranchised upon application together with their minor unmarried children		Indian Women enfranchised following marriage to non-Indians together with their minor unmarried children		Total number of Indians enfranchised
...	Adults	Children	Women	Children	...
Nova Scotia	1	...	3	...	4
Prince Edward Island	...	...	...	...	...
New Brunswick	6	7	4	...	17
Quebec	...	...	10	1	11
Ontario	28	6	143	13	190
Manitoba	10	8	65	10	93
Saskatchewan	2	1	60	9	72
Alberta	...	1	50	7	58
British Columbia	15	5	120	16	156
District of Mackenzie	...	...	9	...	9
Yukon Territory	...	...	6	...	6
TOTAL	62	28	470	56	616

ENFRANCHISEMENTS - 1958 - 68

1958 - 1959	138	52	612	...	802
1959 - 1960	221	248	433	221	1,123
1960 - 1961	125	70	592	167	954
1961 - 1962	94	47	435	140	716
1962 - 1963	90	50	404	109	653
1963 - 1964	46	38	287	102	473
1964 - 1965	46	34	480	176	736
1965 - 1966	38	18	435	147	638
1966 - 1967	31	22	457	148	658
1967 - 1968	62	28	470	56	616
TOTAL	891	607	4,605	1,266	7,369

TABLE NO. 3

ADOPTED INDIAN CHILDREN

Fiscal Year	Adopted by Indians	Adopted by Non-Indians	Total
1961 - 1962	63	58	121
1962 - 1963	35	66	101
1963 - 1964	74	94	168
1964 - 1965	43	93	136
1965 - 1966	43	122	165
1966 - 1967	86	93	179
1967 - 1968	54	98	152
Total	398	624	1,022

TABLE NO. 4

PROTESTS

Fiscal Year	Received	Decisions Made		Total*
...	...	Confirmed In Membership	Deleted From Membership	...
1961 - 1962	49	28	19	47
1962 - 1963	100	46	14	60
1963 - 1964	77	35	20	55
1964 - 1965	68	29	19	48
1965 - 1966	57	27	19	46
1966 - 1967	13	22	8	30
1967 - 1968	...	...	...	...
TOTAL	386	196	101	297

[*Unsettled protests are carried forward into succeeding years. Of the total 386 protests received during the seven-year period 89 are still outstanding.]

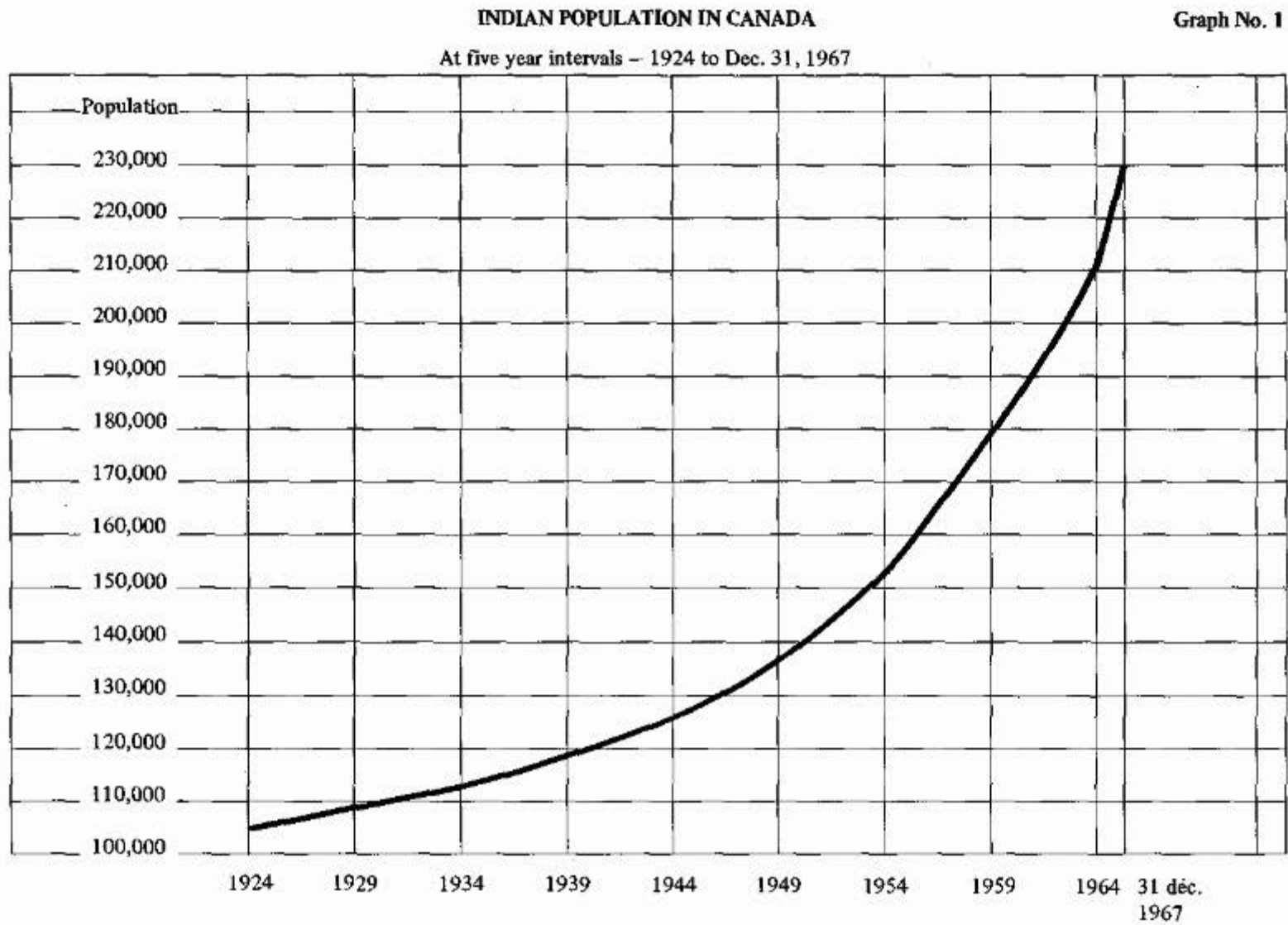
Land Administration

Leases, permits and renewals of leases authorizing the use and occupation of Indian reserve lands by non-Indians, were approved during the fiscal year. At the close of the same period, there were 9,985 leases and permits in effect on Indian reserves. Band members realized \$3,338,996.60 in revenue from leases on land held jointly by them. Individual Indian land owners receive additional revenue from their land which is paid to them by their Agency office. Applications were received and processed from provincial departments of highways and electric power authorities, for the construction of roads and power lines on reserves, and for resource development. During the year, the petrochemical industry applied for the right to extend many oil and gas pipe lines across Indian reserves.

INDIAN POPULATION IN CANADA

Graph No. 1

At five year intervals - 1924 to Dec. 31, 1967



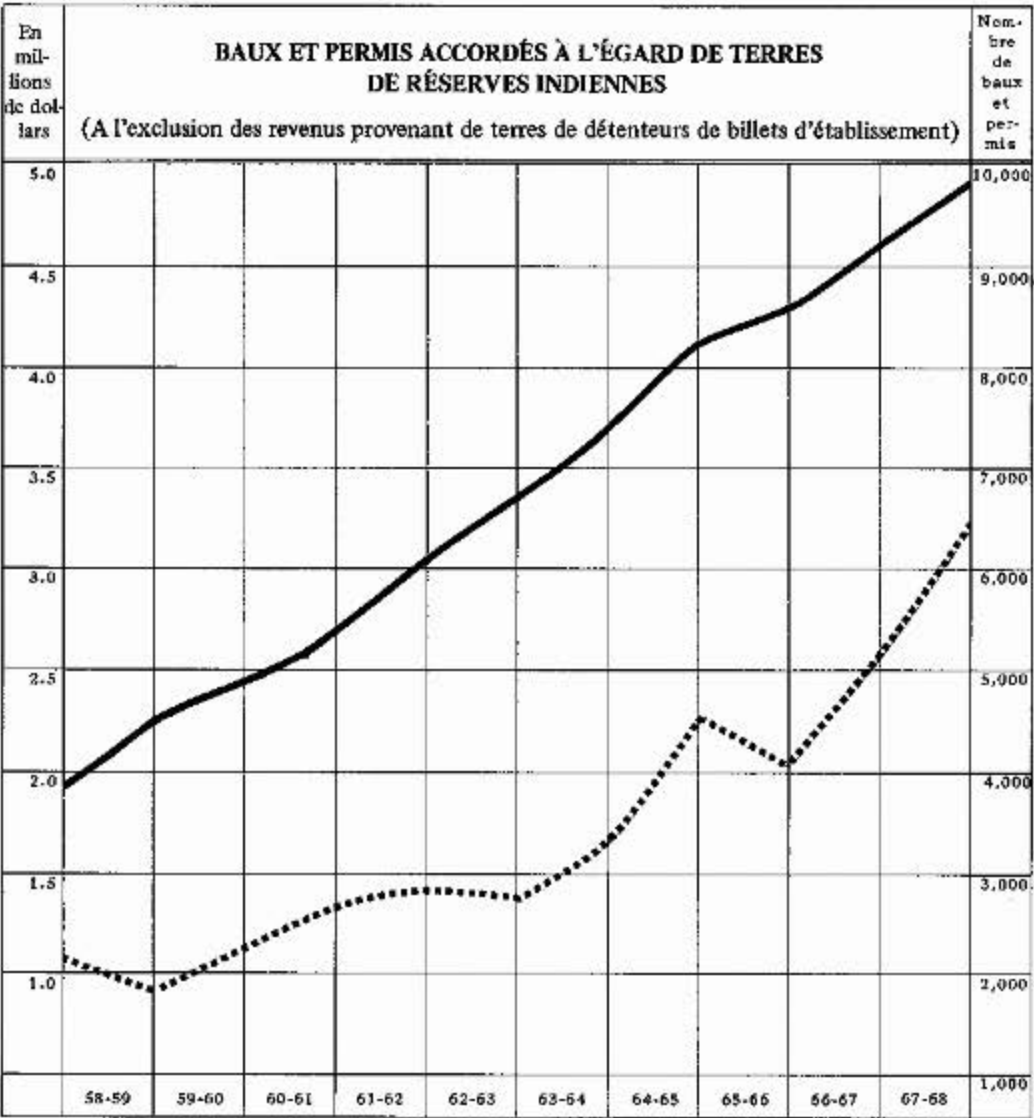
Land Surveys and Titles Section

The Land Surveys and Titles Section provided administrative and technical services to Indians to facilitate the operation of an effective system of land tenure.

Work was continued in the compilation and amending of Indian reserve schedules, inventories of unsold surrendered lands, and mineral rights, as well as the indexing of decisions and rulings relating to Indian lands.

ISSUE OF LEASES & PERMITS ON INDIAN LANDS

(Not including revenue from locatee land)



Nombre de baux et permis –
Valeur en millions de dollars -----

To obtain sufficient unoccupied Provincial Crown Land to fulfill its treaty obligations, the Government conducted a study of the entitlement of each Indian Band in the three Prairie Provinces, Ontario and the Northwest Territories. On January 1, 1968, the study had been completed for 39 Indians Bands in Alberta, one in Saskatchewan and 11 in Manitoba. As a result of negotiations with the Province of Saskatchewan, substantial acreage has been selected and the transfer of title awaits approval by the Province to fulfill the land entitlement of the following Indian Bands:

Band	Reserve	Acreage
Lac la Ronge	Morin Lake No. 217	32,640
Lac la Ronge	Bittern Lake No. 218	19,725
Lac la Ronge	Grandmother's Bay No. 219	11,092
Portage la Loche	La Loche No. 221	14,188
Portage la Loche	La Loche No. 222	7,055
Portage la Loche	La Loche No. 223	2,153
Stoney Rapids	Chicken No. 224	32,236
Stoney Rapids	Chicken No. 225	5,395
Stoney Rapids	Chicken No. 226	10,420

Negotiations with the Provinces of Alberta and Manitoba for the same purpose and for the benefit of Indian bands in the northern part of the Provinces are in progress. In addition, negotiations have also been undertaken with Ontario to revise the 1924 Land Agreement. This would enable the Indian bands in the Province to obtain increased benefits from their land resources.

In May 1967, an investigation of ownership of properties on the Caughnawaga Indian Reserve was commenced. At the same time, the Surveyor General of Canada Lands initiated a survey of all reserve properties.

During the year, a Land Register for the following reserves has been established:

Aass Indian Reserve No.3	- B.C.
Romaine Indian Reserve No. 2	- P.Q.
Natashquan Indian Reserve No. 1	- P.Q.
Coucouchache Indian Reserve No. 24	- P.Q.
Coucouchache Indian Reserve No. 24A	- P.Q.

The fiscal year saw the completion of negotiations with the Hydro-Electric Power Commission of Ontario, which returned a substantial area of reserve lands to the St. Regis Indian Band. These had been expropriated for the hydro project.

Some 1550 transactions involving the sale, gift or other disposal of individual land holdings were received during the period under review. A total of 1620 leases were referred for examination and status of land reports.

Secretariat Division

The Secretariat Division is responsible for securing information and preparing replies to parliamentary questions, correspondence from Members of Parliament and others, inquiries involving more than one Division and questions on Indians; the provision of regulatory and advisory services concerning band council elections, band by-laws and regulations, band council procedure, referenda, liquor provisions, law enforcement on reserves, Indian status and legal rights; and other matters of a quasi-legal nature.

ANNUAL SURVEY PROGRAM - INDIAN AFFAIRS BRANCH

(to March 31, 1968)

...	1963 - 1964	1964 - 1965	1965 - 1966	1966 - 1967	1967 - 1968
No. of Survey requests	117	136	82	92	112
Completed:	...	...	...	...	...
boundary surveys	30	20	22	31	35
subdivision surveys	27	22	28	19	24
other	9	14	5	6	3
TOTAL	66	56	55	56	62
Surveys completed by Region:	...	...	...	...	...
Maritimes	9	3	2	1	3
Quebec	3	3	4	5	5
Ontario	19	8	10	15	19
Manitoba	3	6	2	2	3
Saskatchewan	5	7	4	12	2
Alberta	3	3	8	3	3
District of Mackenzie	5	...	1	...	...
British Columbia and Yukon	19	26	24	18	27
TOTAL	66	56	55	56	62

LAND REGISTRY
 Number of Registrations
 Year Ending March 31, 1968.

REGISTRATIONS	INDIVIDUAL LAND HOLDINGS REGISTER					RESERVE SEVERAL REGISTER					Leases	Total Registration
...	Transfers by Administrator	Land Transfers	Band Council Resolutions	Quit Claims	Other	Band Council Resolutions	Permits	Orders in Council	Surrenders	Other	...	...
APR	47	41	20	5	3	6	4	5	...	...	...	131
MAY	57	51	24	4	11	10	4	3	...	...	...	164
JUNE	50	48	29	5	4	14	9	7	1	3	...	120
JULY	25	32	34	...	5	15	7	12	...	3	...	133
AUG	33	35	26	6	1	11	2	9	2	4	...	129
SEPT	52	47	15	10	1	7	5	6	...	4	...	147
OCT	20	62	18	9	6	12	4	10	...	7	...	148
NOV	18	28	67	6	13	6	...	8	...	108	...	254
DEC	57	30	11	4	6	6	2	6	...	1	...	123
JAN	38	37	41	2	7	...	10	14	...	...	55	204
FEB	51	37	20	6	20	...	25	10	...	...	77	246
MARCH	16	17	31	4	79	...	21	3	1	2	104	278
TOTALS	464	465	336	61	156	87	93	93	4	132	236	2,128

RESERVE LAND REGISTRY
 (as of March 1st, 1968)

Summary by Province	Number of Bands	Number of Reserves etc.	Approxmate Area in Acres	Number of Reserves with Completed Registers	Acreage Under Registration
PRINCE EDWARD ISLAND	1	4	2,741	...	...
NOVA SCOTIA	12	38	25,571	...	...
NEW BRUNSWICK	15	23	37,599	...	...
QUEBEC	39	39	188,193	12	117,216
ONTARIO	113	170	1,545,613	12	85,628
MANITOBA	51	102	541,699	35	42,075
SASKATCHEWAN	67	123	1,225,056	68	418,396
ALBERTA	41	98	1,602,625	98	1,607,625
BRITISH COLUMBIA	190	1,625	344,726	...	...
YUKON	16	28	6,599	28	6,549
NORTH WEST TERRITORIES	13	29	2,153	26	431
TOTAL	558	2,279	6,021,910	279	2,278,920

During the year there were 133 band elections held in accordance with the Indian Act. Four bands formally adopted the elective system for the first time. Forty-eight by-laws were passed by Indian band councils and 10 referenda were held involving liquor privileges. Approximately 5,000 pieces of correspondence and memoranda were processed.

NAMES AND LOCATIONS OF REGIONAL OFFICES, DISTRICT OFFICES AND INDIAN AGENCIES

NAME	LOCATION
MARITIMES	Amherst, N.S.
Eskasoni	Eskaschi, N.S.
Miramichi	Chatham, N.B.
P.E.I.	Lannox Island, P.E.I.
St. John River	Woodstock, B.
Shubenacadie	Micmac, N.S.
QUEBEC	Québec City
Abitibi	Val d'Or
Caughnawaga	Caughnawaga
Maniwaki	Maniwaki
Odanak-Lorette	Village Hurons
Pointe-Bleue	Pointe-Bleue
Restigouche	Restigouche
Sept-Îles	Sept-Îles
Timiskaming	Notre-Dame-du-Nord
ONTARIO	Toronto
Bruce	Southampton
Caradoc	London
Christian Island	Cedar Point P.O.
Fort Frances	Fort Frances
James Bay	Moose Factory
Kenora	Kenora
Lakehead	Fort William
Manitoulin Island	Manitowaning
Nakina	Geraldton
Parry Sound	Parry Sound
Peterborough	Peterborough
St. Clair	Sarnia

NAME	LOCATION
St. Regis	Cornwall
Sault Ste. Marie	Sault Ste. Marie
Simcoe	Sutton West
Sioux Lookout	Sioux Lookout
Six Nations	Brantford
Sudbury	Sudbury
Tyendinaga	Deseronto
MANITOBA	Winnipeg
Clandeboye	Winnipeg
Dauphin	Dauphin
Fisher River	Hodgson
Island Lake	Island Lake
Norway House	Norway House
Portage la Prairie	Portage la Prairie
The Pas	The Pas
SASKATCHEWAN	Regina
Battleford	Battleford
Carlton	Prince Albert
Crooked Lake	Broadview
Duck Lake	Duck Lake
File Hills-Qu'Appelle	Fort Qu'Appelle
Meadow Lake	Meadow Lake
Pelly	Kamsack
Shellbrook	Shellbrook
Touchwood	Wynyard
ALBERTA	Edmonton
Blackfoot	Gleichen
Blood/Peigan	Lethbridge
Edmonton/Hobbema	Edmonton
Fort Vermilion	High Level
Lessor Slave Lake	High Prairie
Saddle Lake/Athabaska	St. Paul
Stony-Sarcee	Calgary
DISTRICT OF MACKENZIE	Fort Smith, N.W.T.

NAME	LOCATION
BRITISH COLUMBIA	Vancouver
Babine	Hazelton
Bella Coola	Bella Coola
Burns Lake	Bums Lake
Cowichan	Duncan
Fort St. John	Fort St. John
Fraser	Vancouver
Kamloops	Kamloops
Kootenay-Okanagan	Vernon
Kwawkewlth	Alert Bay
Lytton	Lytton
Nicola	Merritt
North Coast	Prince Rupert
Stuart Lake	Prince George
Terrace	Terrace
West Coast	Port Alberni
Williams Lake	Williams Lake
YUKON	Whitehorse, Y.T.

Summary of Revenues and Expenditures 1967 - 68

INDIAN AFFAIRS BRANCH

...	Revenues	Expenditures
General Administration	183,639	5,887,040
Development and Maintenance of Indian Communities	734,323	57,107,438
Education	700,427	58,933,481
Grants to Provide Additional Services to Indians of British Columbia	...	100,000
Indian Annuities	...	522,143
Pension to Mrs. Doris Ryckman	...	420
...	1,618,389	122,550,522

Social Programs

Community Development

The Indian Affairs Branch's Community development work is carried out by 67 Community Development Worker 25 of whom are persons of Indian status and by 28 provincial Community Development Workers who work in Indian communities

under agreements with provinces. Five community development project contracts were entered into with Saskatchewan and 16 with Manitoba. Community development agreements have also been made with the provinces of Alberta and Ontario. The government has a three year contract with the extension department of Francis Xavier University at Antigonish. The university will carry out research on community development and provide community development services on seven reserves in Nova Scotia.

Over thirty percent of the 160 participants in a Human Resources Development Program at Smiths Falls, Ontario, were Indians. Another 21 participants attended a Community Development Workers Course. Leadership training courses were also provided by the Branch at the Regional level, where Indian leaders and band staff learned necessary skills in managing their community affairs such as finance, legal and technical matters. The Branch has made it possible for Indian leaders to meet with each other to discuss common problems, and to meet non-Indian people to develop mutual understanding and co-operation.

Band Grants

Under the grants to bands program, 115 grants amounting to \$490,367 were made available over an eleven month period. These grants enable Indian Band Councils to manage more of their own affairs and make it possible for them to recruit, employ, and pay band staff.

Homemakers Clubs

There are now 125 Homemaker's Clubs in operation. These assist Indian women to improve family and community living on reserves and enable many Indian women to take an active role in community life.

Cultural Affairs

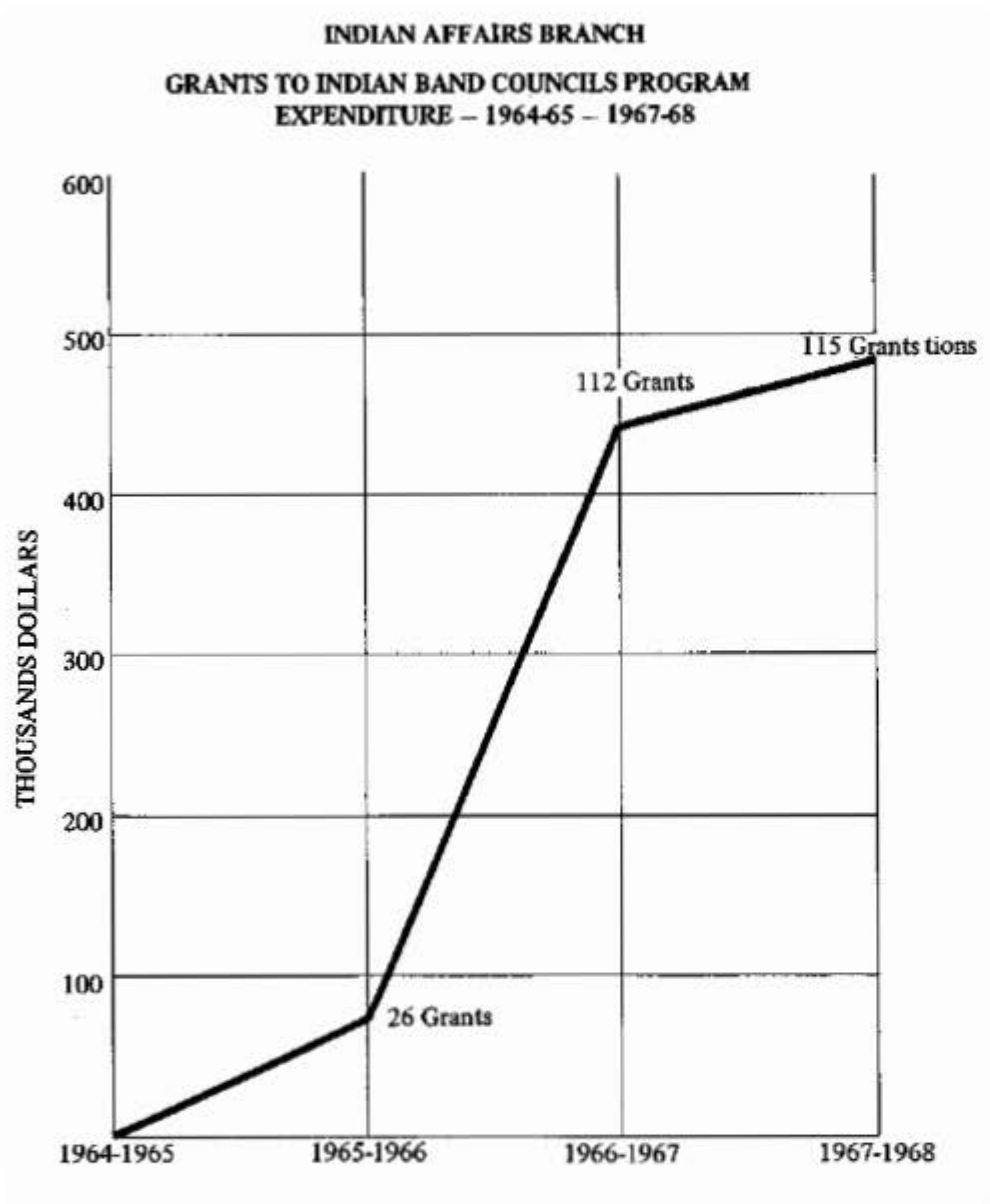
Eighteen grants totalling \$24,200, were made by the Branch to Indian individuals and organizations participating in and contributing to traditional and contemporary forms of Indian music, dancing, painting, and sculpture, and for the researching, writing, and illustrating of Indian legends for publication.

The Branch maintains a permanent collection of Indian paintings. Exhibitions were held at the Indian-Eskimo Association Conference, Toronto; the National Library, Ottawa; the University of Waterloo, Ontario; and the Hay River Centennial Library, Northwest Territories.

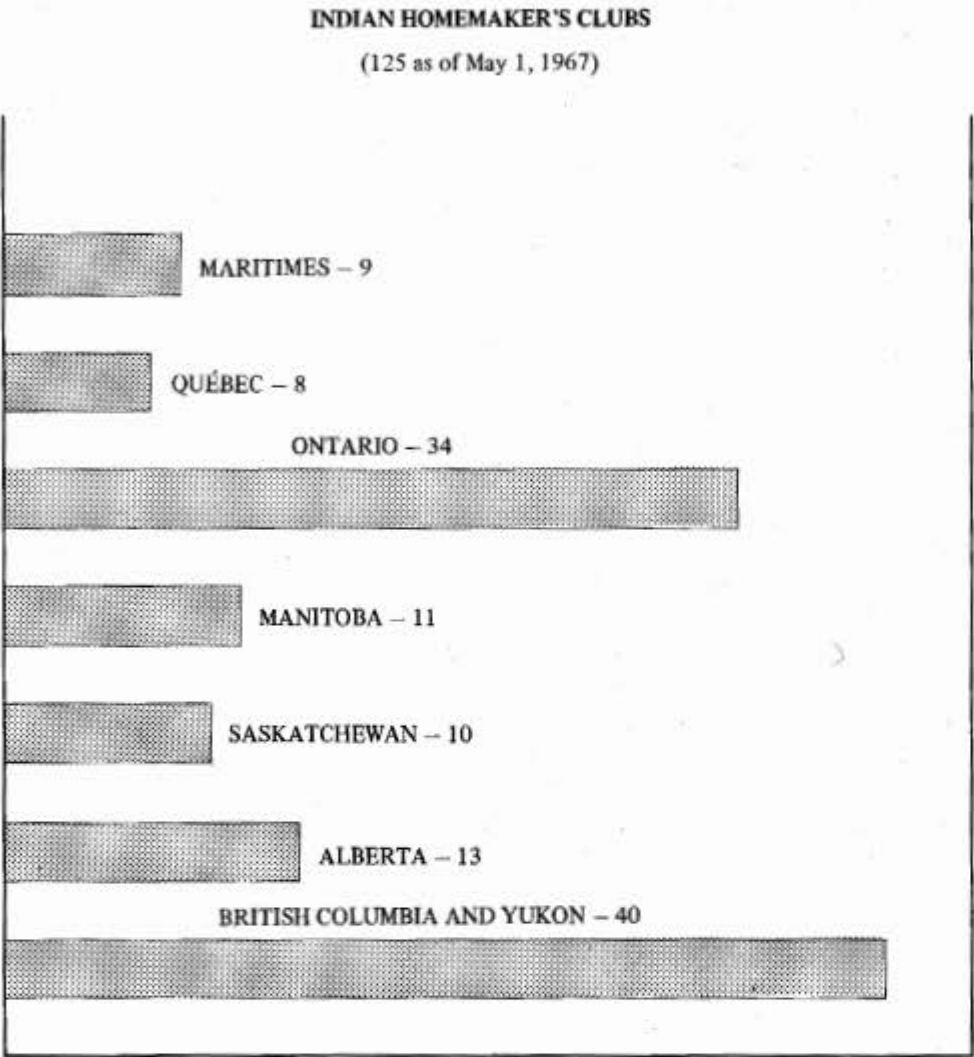
INDIAN AFFAIRS BRANCH

GRANTS TO INDIAN BAND COUNCILS PROGRAM

EXPENDITURE - 1964 - 65 - 1967 - 68



INDIAN HOMEMAKER'S CLUBS
(125 as of May 1, 1967)



The Branch contributed over \$1,200,000, for the design, construction, and operating costs of the Indians of Canada Pavilion at Expo '67. The project began in 1965 at the request of an Indian delegation. Its purpose was to "tell the Indian's story" and to do this a stylized teepee was designed by an architect in the Branch's Engineering Division. The details were worked out in consultation with Indian artists. The storyline was the creation of the Indian people. All the Pavilion staff were Indian people a Commissioner-General, two Deputy Commissioners, and thirteen hostesses. A security guard service was operated by Indians from the Caughnawaga Reserve. Close to 3,000,000 visitors saw the Pavilion. The City of Montreal has agreed to operate the pavilion over the next five years without change in the structural layout, design and none of the contents will be removed.

Welfare Services

Welfare programs for Indians administered by the Branch at provincial standards provide financial assistance to needy individuals and families, maintain neglected children and disabled persons in foster homes and institutions, and support socially and physically handicapped participants in rehabilitation programs.

Thirty-seven band councils in Ontario now administer assistance for needy band members under the provisions of the General Welfare Assistance Act.

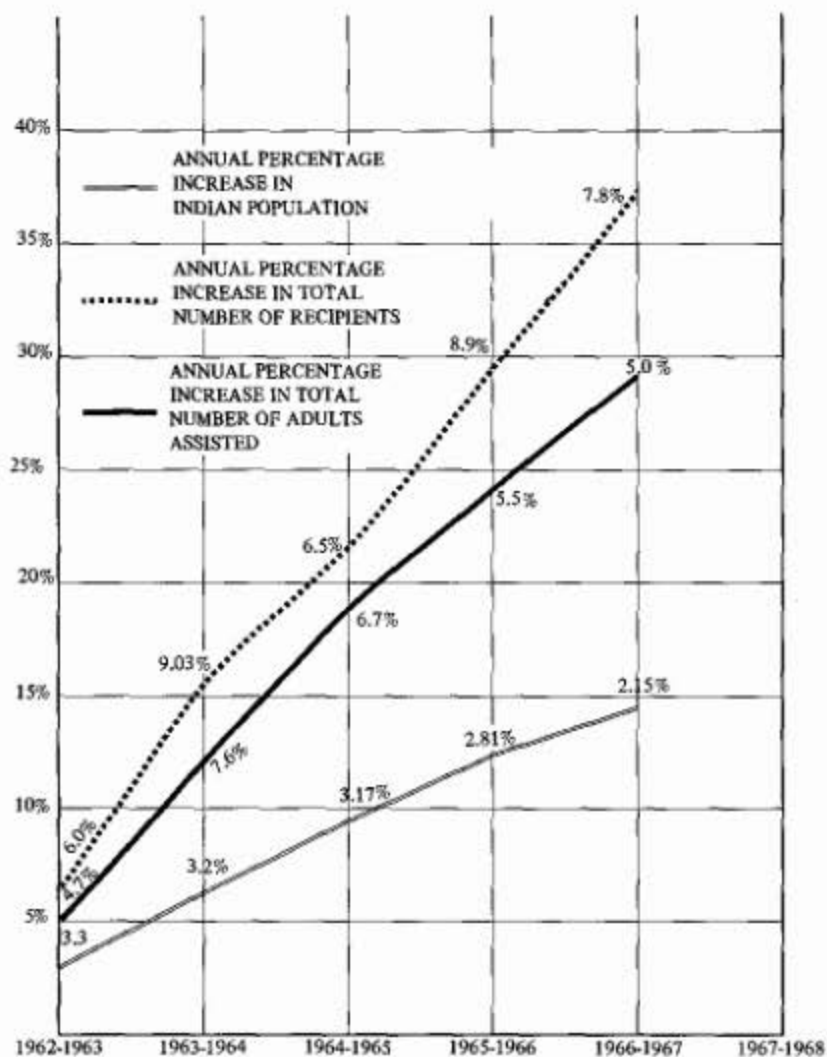
Child welfare services for the protection of neglected and dependent Indian children are available through agreements with the Provinces of Manitoba, Nova Scotia, Ontario and the Yukon Territory. Neglected Indian children are included in British Columbia's child welfare program while in other provinces limited services are provided on request of the Branch. The Branch, with the consent of parents or guardians, arranges foster home or institution placements for neglected children in areas where appropriate child welfare services are not available.

Cost-sharing agreements with the Alberta Tuberculosis Association, The Saskatchewan Society for Crippled Children and Adults, and the Manitoba Sanatorium Board, make available upgrading, social orientation and rehabilitation programs for physically and socially handicapped Indians.

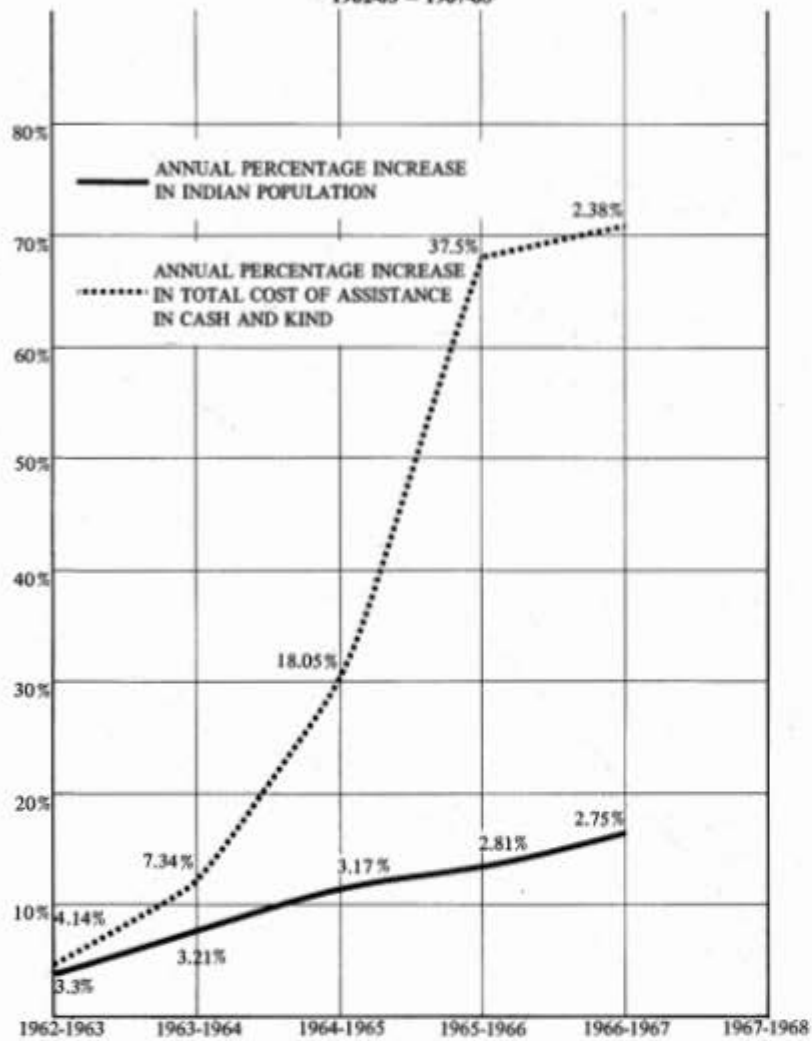
Family Allowances, Youth Allowances, Old Age Security, and Guaranteed Income Supplements are paid to Indians on the same basis as other Canadians.

A sharp rise in welfare expenditures over the past five years relates to developments designed to make welfare benefits and social services available to Indians comparable to those provided other residents in the provinces. Provincial standards, were adopted in 1964. This has higher rates of assistance and broader coverage of need and is a major

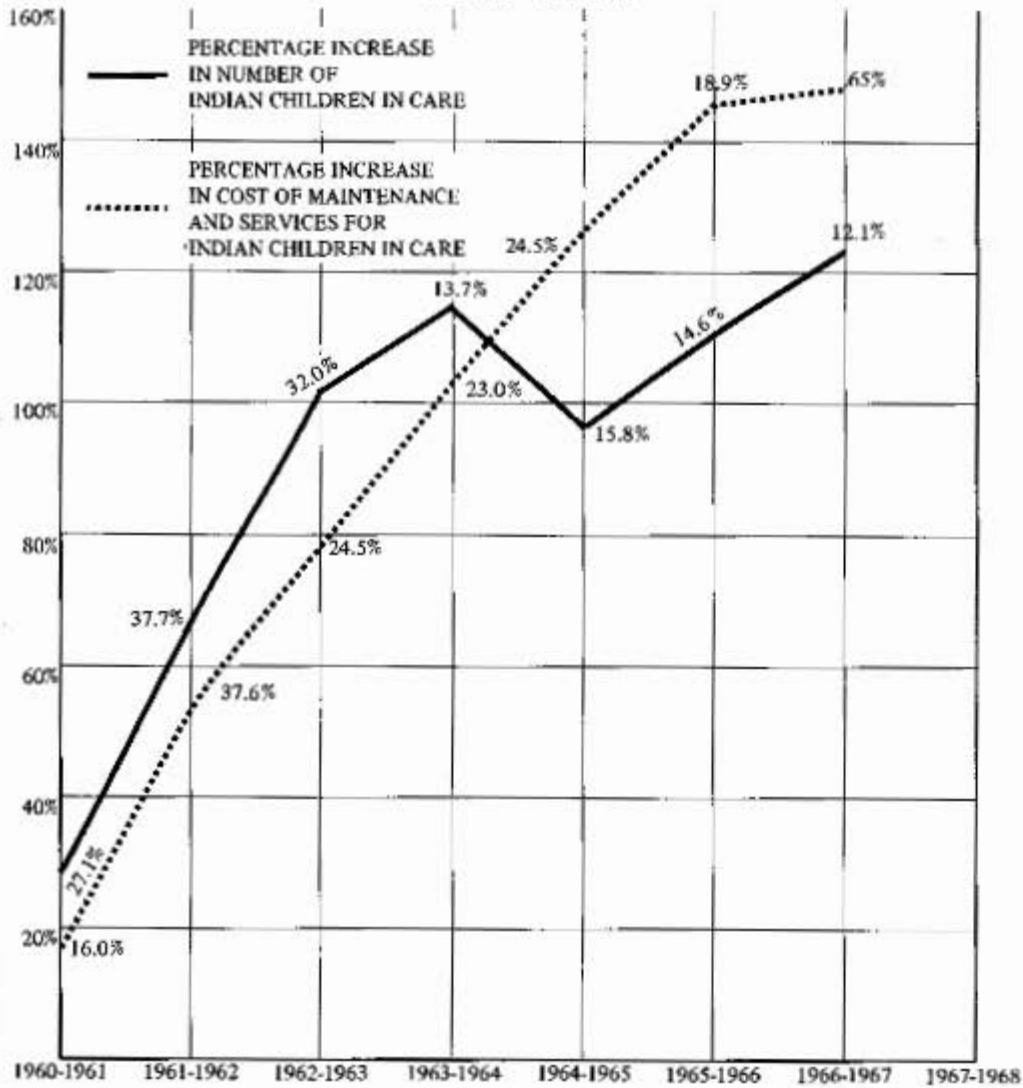
INDIAN AFFAIRS BRANCH
SOCIAL ASSISTANCE PROGRAM
1962-1963 - 1967-1968



INDIAN AFFAIRS BRANCH
SOCIAL ASSISTANCE PROGRAM
1962-63 - 1967-68



INDIAN AFFAIRS BRANCH
CHILD MAINTENANCE AND PROTECTION SERVICES
1960-1961 - 1967-1968



factor in the substantial increase in cost. Continuing growth and expansion of child welfare services, larger numbers of children being removed from unsatisfactory home situations, higher costs of foster home and institutional care, also affect the welfare budget.

It is the objective of the Department to have the full range of provincial welfare programs provided to Indians. Implementation of the Federal-Provincial cost-sharing welfare agreement is taking place in Ontario. Indian Affairs Branch and the Department of National Health and Welfare are pursuing agreements with other provinces to give effect to Part II of the Canada Assistance Plan.

Education

The role of the Education Division continues to change as Indian people take an increasingly active part in the education of their children and as provincial governments expand their school legislation to make it possible for Indian parents to vote for, or serve on, local boards of education.

In 1967, the government of the province of Ontario made it possible for registered Indians to be appointed to school boards and to act on such school boards with all the powers of members who have been elected.

A comprehensive agreement was signed with the province of New Brunswick covering the education of Indian pupils in schools operated by the province. All Indian pupils will now be able to attend provincially-operated schools and their parents will be able to vote for and hold office on local school boards.

Three provinces are now drafting legislation which will enable Indian parents to participate in local school boards.

Additional authority was also granted to school committees which operate under Indian Affairs Branch regulations.

During 1967, these committees were encouraged to introduce aspects of their culture into the school program. A thirty-minute period of instruction each week was authorized during which the school committee could conduct a cultural program.

To facilitate the integration of Indian pupils into provincial schools, changes were implemented in the programs in federal schools and in the employment of teachers.

Each federal school now uses the curriculum of the province in which the school is located. The school calendar in federal schools is the same as that of provincial schools in the same area. Salaries for federal school teachers are based on salaries being paid to provincial school teachers and teachers are required to meet the teacher certification standards of the provinces in which they work. In many provinces, both teachers and superintendents of Indian education participated in conferences and other professional meetings of provincial educators.

Enrolment

On January 1, 1968, the total enrolment of Indian pupils in the kindergarten and in Grades I to XII was 66,217. (Not including 2169 Indian pupils attending schools in the 2 territories and in Arctic Quebec). Of these pupils, 31,582 were enrolled in federal schools and 34,635 in non-federal schools. Of the students attending federal schools, 3,513 were in kindergarten classes, 24,524 in Grades I to VI, and 8,994 in Grades VII to IX. Only 51 students in Grades IX to XIII attended federal schools and the majority of students at this level attended non-federal schools.

There were 9,071 Indian pupils for whom residential care was provided in institutions operated by, or supported by, Indian Affairs Branch. There were 1,110 in Quebec, 1,191 in Ontario, 1,322 in Manitoba, 1,541 in Saskatchewan, 1,378 in Alberta and 2,529 in British Columbia and the Yukon.

The Branch operated 1,250 classrooms, 50 of which were in the Maritimes, 126 in Quebec, 276 in Ontario, 241 in Manitoba, 209 in Saskatchewan, 157 in Alberta, and 191 in British Columbia.

The trend toward fewer small schools continued. There are now 345 schools in operation. Ninety of these are in Ontario 68 in British Columbia, 63 in Saskatchewan, 57 in Manitoba, 30 in Alberta, 24 in Quebec, and 13 in the Maritimes.

Teacher Recruitment and Training

To aid in the recruitment of a body of well-qualified teachers for federal schools, programs of pre-service, in-service and out-service training were carried out during the year. Pre-service training was carried out for federal teachers employed in the Alberta region through special arrangements with the University of Alberta. This program provided training for potential teachers of Indian pupils and included practical application as well as theory. In-service training was carried out in each region mainly through teacher orientation courses, conventions, conferences and

seminars and through regular classroom visits by supervisory staff. Out-service training was provided through the educational leave program which not only allowed a teacher to be absent from duty to attend courses related to Branch needs but, for teachers in the following categories, provided financial assistance as well:

- (1) kindergarten
- (2) primary specialization
- (3) specialization in elementary mathematics
- (4) specialization in elementary language arts
- (5) school librarian training

To provide guidance for Indian students in both federal and non-federal schools, but particularly for those who must leave home in order to continue with higher education or training for employment, the Branch employed 150 counsellors, as opposed to 97 during the 1966 - 67 fiscal year.

School Libraries

An expanded program of library development was launched. The funds available for the purchase of school library books were increased, teachers were encouraged to take training in school library work, permission was given for the establishment of full-time and part-time librarian positions, and the list of library books was revised and expanded. Agreements were reached with provincial public library authorities in the Maritime provinces, Quebec, Ontario, and Saskatchewan for the extension of existing services through regional libraries. Library grants were made available to enable bands to support their own library and to purchase (provincial) regional library service. During the summer of 1967, five Indian students were supported on a share cost basis with the libraries concerned in in-service training programs in public libraries across Canada.

Pre-school Classes

The kindergarten program has been expanded at the request of Indian parents over the last five years. Facilities and staff have been made available and the enrolment in this program increased from 3,897 in 1964, to 4,531 in 1968. This program has created a need for special materials and course outlines which has been filled by a staff of language arts specialists, as well as kindergarten teachers. Of course, the policy of educating Indian children in association with other children is applied to kindergarten classes as well as to the regular school program and integrated kindergarten classes are encouraged wherever possible.

Federal School Construction and Pupil Transportation

In areas where geographic or other factors have so far made the arrangement of joint education impossible, the construction of federal schools for Indians is still necessary. During the year there were 79 federal school construction projects underway. These included 44 classrooms, 2 kindergartens, 3 gymnasias, 49 staff units and 30 other projects such as major renovations, installation of fire protection systems and improvements to water systems in existing Day and Residential Schools. The total budget for this program was approximately six and one-half million dollars. Where necessary Indian children were transported daily to attend provincial schools and centralized federal schools. There were 22,559 pupils transported daily at a cost of approximately \$2,650,000. The transportation was arranged through agreements with provincial school boards and through 478 contracts nearly half of which were with contractors of Indian status.

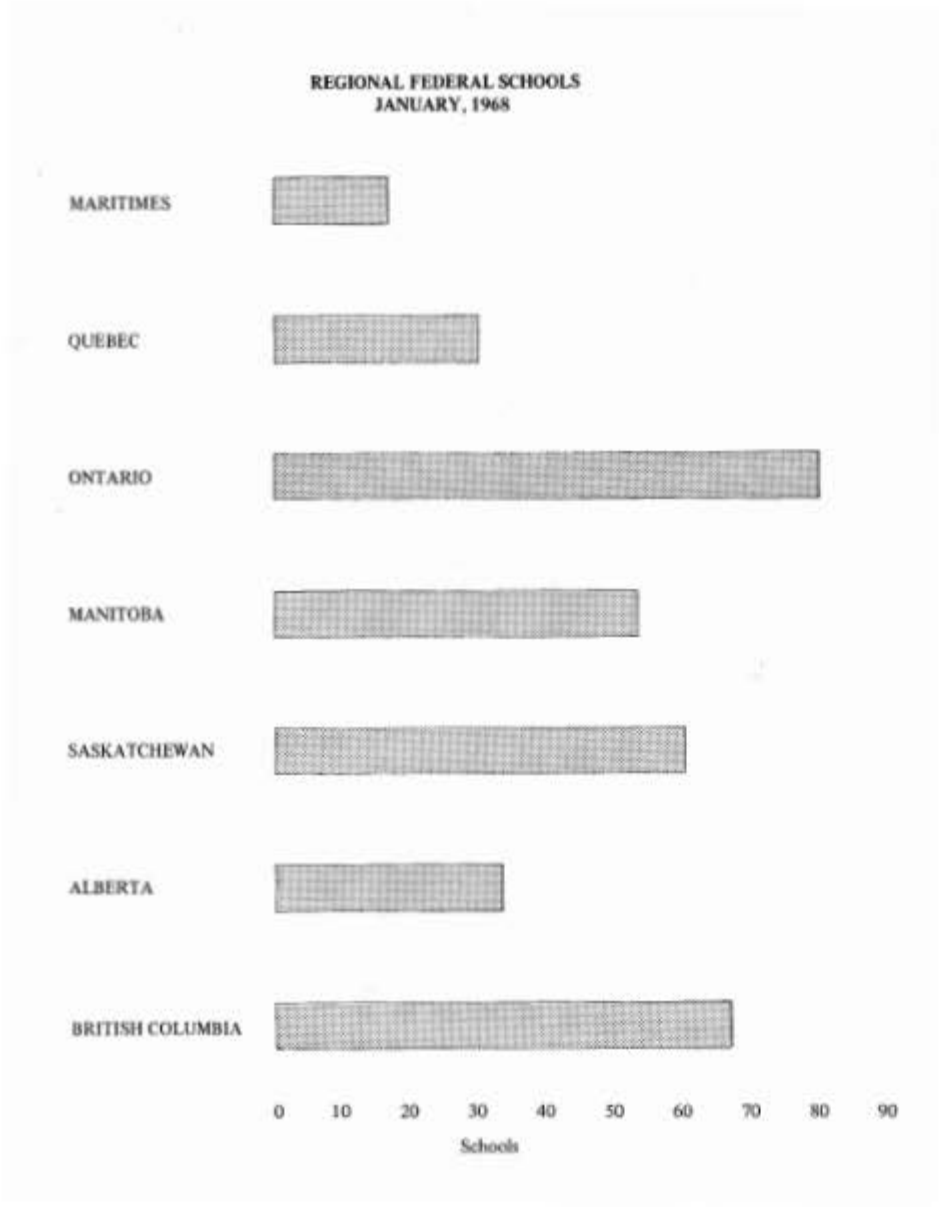
Vocational and Professional Training and Adult Education

During the year, close liaison was maintained with the Department of Manpower and Immigration as well as other Federal agencies involved in vocational training, ensuring that a maximum of training opportunities were available to Indians. In addition, special vocational programs were offered on reserves to enable Indians to successfully take advantage of occupational opportunities available in their immediate locality. Courses in guiding, outfitting, commercial fishing, carpentry and educational upgrading were offered on many reserves under Branch auspices. Several contracts were negotiated with Provincial agencies and private industry for training in such fields as logging operations, homemaking for women, etc.

Appointments were made of seven regional Superintendents of Vocational Training and Special Services whose responsibility will be directly in the areas of training, adult education, relocation and placement of Indian adults. During the year 2,081 Indian adults received training in vocational skills, 6,833 were enrolled in adult education courses, 225 in universities, teacher training and nurses' training and 2,224 were undertaking educational upgrading to establish prerequisites for entry into further vocational training or employment.

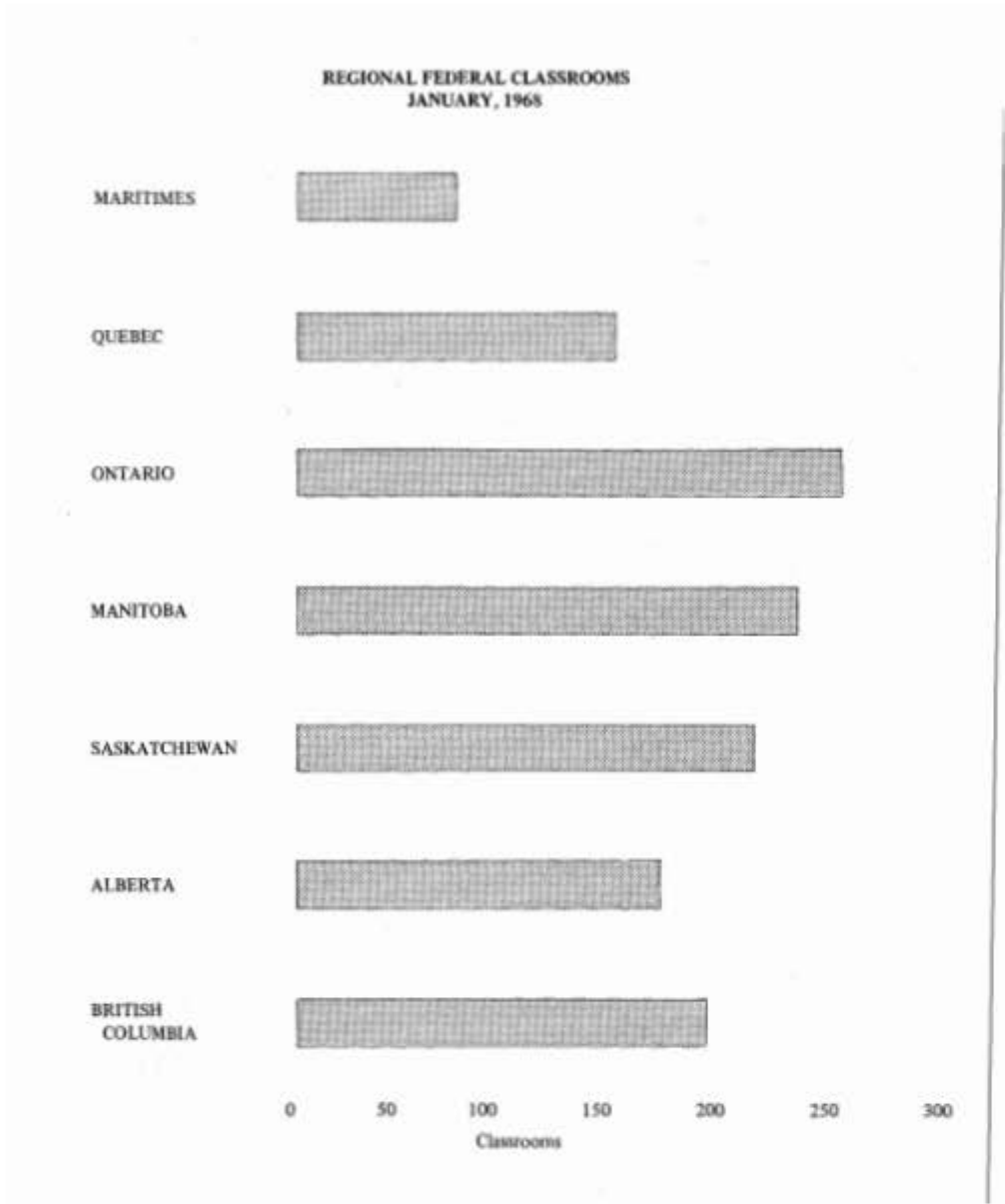
REGIONAL FEDERAL SCHOOLS

JANUARY, 1968

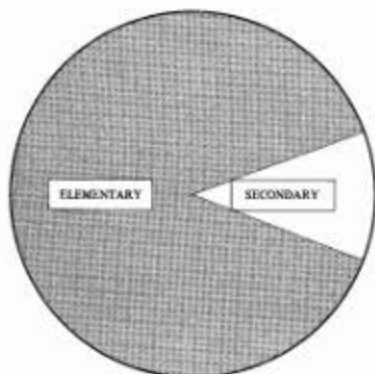


REGIONAL FEDERAL SCHOOLS

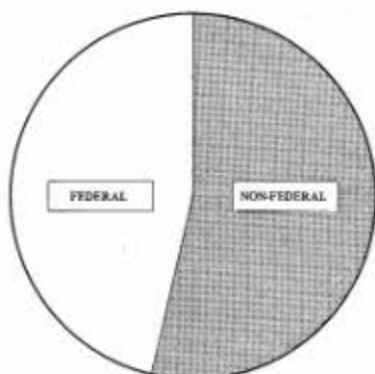
JANUARY, 1968



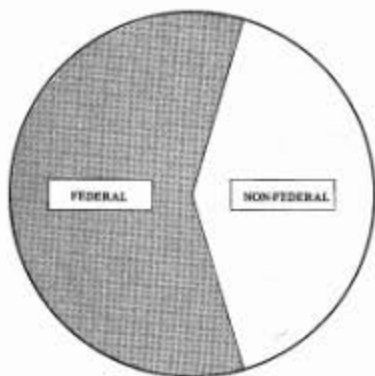
ENROLMENT COMPARISON
JANUARY, 1968



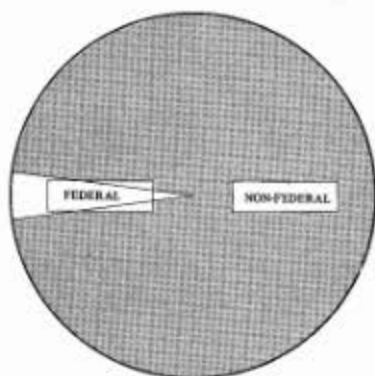
ELEMENTARY - SECONDARY



FEDERAL - NON-FEDERAL



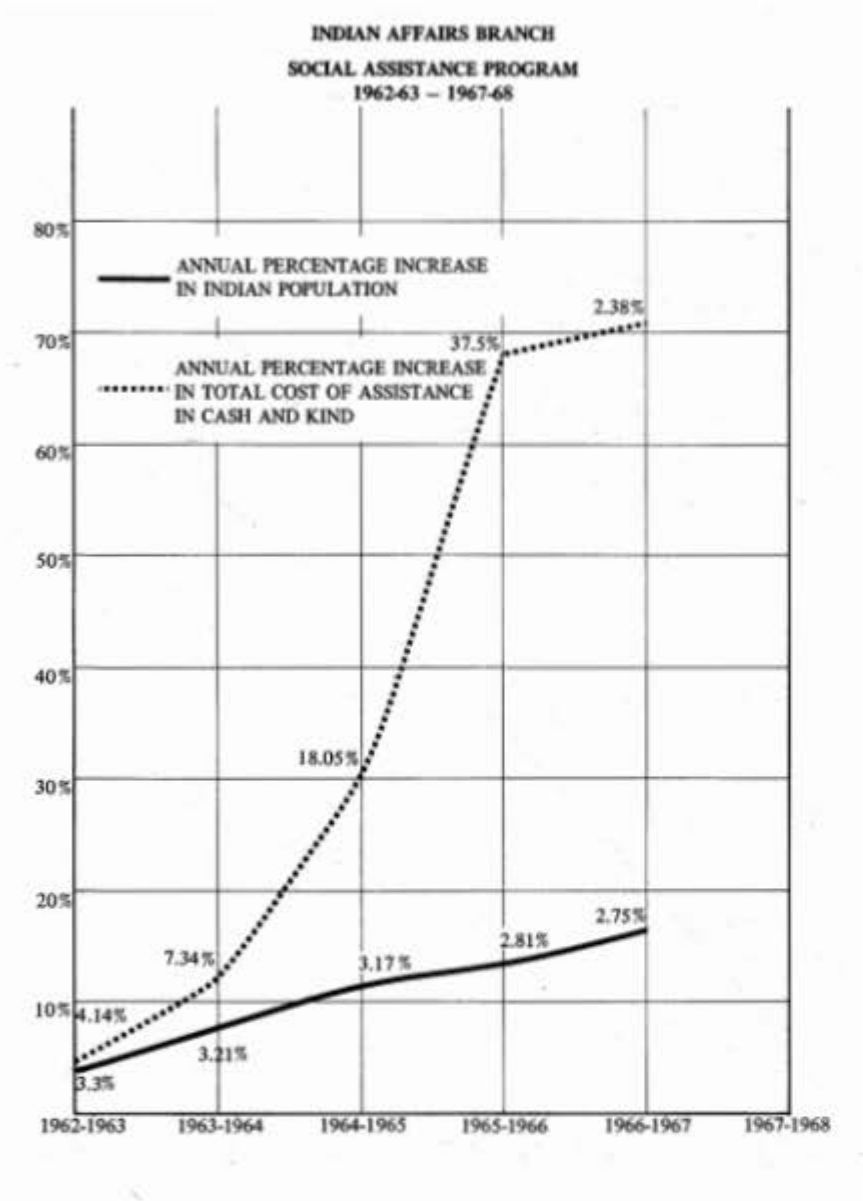
FEDERAL - NON-FEDERAL
ELEMENTARY



FEDERAL - NON-FEDERAL
SECONDARY

ELEMENTARY & SECONDARY REGIONAL SCHOOL ENROLMENT

JANUARY, 1968



Employment and Relocation Program

During the year close liaison was maintained with the Department of Manpower and with the full utilization of their resources continued emphasis was placed on the further development of employment and relocation opportunities for Indians. Continued assistance was given to that department in the planning and the joint implementation of seven evaluation projects for the relocation of 140 Indian families, which are now underway in several regions.

All the families in the pilot relocation project at Elliot Lake initiated by the Branch returned from a short return visit to their home reserve during the summer. Two families have since moved to the Lakehead to take vocational training courses, and a third family will be moving there shortly for the same reason.

During the year, 248 Indian families were assisted to relocate to training or employment; 200 Indians were placed in on-the-job training positions under the "two on-the-job" training program; and 2,760 Indians were placed in regular employment and 9,301 were placed in seasonal, short-term or part-time employment during the year.

Engineering and Construction

The Engineering and Construction Division provides community planning, architectural and engineering services for the Indian Affairs Branch.

Planned Communities

To provide for the orderly and economical development of Indian communities, Indian Band Councils were encouraged and assisted in planning for water and sewerage services, electrification, roads and housing accommodation. This involved the subdividing of reserve land, the hiring of planning consultants, and setting up their terms of reference. The review of these plans was made at the Agency, Regional and Headquarters levels.

Planning studies were undertaken on 84 reserves during the fiscal year.

Water and Sanitation Systems

The Branch has endeavoured to ensure that there was a source of potable water on all Indian reserves and encouraged as well as assisted the Indian people in improving their sanitation facilities. In many cases where existing supplies of water in Indian

communities were inadequate, domestic water systems were constructed. On reserves where houses were scattered, wells were dug or drilled at strategic locations.

...	1966 - 67	1967 - 68
Total number of houses receiving pressurized water for the first time	492	821
Total number of houses receiving sewer or septic tank for the first time	441	585
Total number of houses receiving indoor toilets for the first time	384	749
Total expenditure on utilities	\$1,483,000	\$2,475,000*

[*Provisional]

Electrification

A program to extend electrical power to all Indian reserves, where economically feasible, was pursued. The highest priority was given to the extension of service from existing public utility systems to Indian reserve communities. As an alternative, generating units were installed in isolated areas where the local inhabitants were able to operate and maintain their own generating units and distribution systems. The number of Indian homes serviced with electricity increased by 32% in the three years ending March 31, 1968.

...	1966 - 67	1967 - 68
Number of reserves receiving community electrification	75	73
Number of house receiving electricity	1,569	2,808
Capital expenditure on electrification	\$959,000	\$949,000*

[*Provisional]

Design and Construction of Houses

Indians are assisted with the construction of adequate housing accommodation on reserves. Wherever feasible they are complete with essential services such as water and sanitary services and electricity. Assistance was extended according to needs and

priorities established in co-operation with Indian Band Councils. A personal contribution, based on an applicant's income, was required. Indian Band Funds, when adequate, were employed solely or in combination with appropriated funds.

...	1966 - 67	1967 - 68
Number of houses constructed	1,769	2,005
Expenditure from appropriation	\$7,996,786	\$13,235,127*

[*Provisional]

Road Systems

\$3,217,000 was spent during the year for road construction and improvement of existing roads on reserves and under certain circumstances on reserve access roads. Provision of roads is an essential means of overcoming the isolation of many reserves; of facilitating the movement of people between Indian and non-Indian communities, of permitting Indian children to participate in Off-Reserve school programs, and Indian adults access to centres of employment and marketing. Where roads were of direct benefit to both the Indian and non-Indian communities, cost sharing agreements with municipalities or provinces were arranged.

...	1966 - 67	1967 - 68
Expenditures -	...	...
Maintenance	\$729,000	\$635,000
New Construction	\$1,722,000	\$2,582,000
TOTAL	\$2,451,000	\$3,217,000

Community Employment

This program involved the maintenance, repair and construction of Indian Band buildings such as community halls and recreation centres. Whenever possible, these projects were undertaken during periods of slack employment. Preference was given to heads of households and others unable to secure off-reserve employment because of insufficient education or lack of training.

...	1966 - 67	1967 - 68
Expenditures -	...	...
Maintenance and repair	\$567,000	\$442,000
New Construction	\$281,000	\$197,000
TOTAL	\$848,000	\$639,000

Personnel

The Branch Personnel Division provides advice and guidance to management in respect of employee relations. It informs, advises and administers personnel policy and procedure adopted by both central agencies and the Department. It also provides a full range of general personnel services.

In the Regional offices emphasis was placed on the consolidation and improvement of the personnel functions delegated to the Regions in the previous years. The Regional Personnel Administrators report directly to the Regional Directors and receive guidance and assistance when required from the Branch Personnel Division.

During the year eighty-four promotional competitions were concluded. It has been difficult to recruit sufficient numbers of specialists in areas where demand exceeds the supply, for example, social workers, engineers, and economists.

The introduction of collective bargaining and a formal grievance procedure has added new responsibilities in the staff relations field.

Training activities continued at a level consistent with available staff resources. A three week course for Agency Superintendents was developed and has been presented in five geographic locations. The Training Officer participated in the review aspects of the Employee Evaluation Programme as this is fundamental to an orderly determination of development and training needs. Closer liaison was established with the Departmental Training Section to maximize utilization of resources and reduce overlap.

Resources and Industrial**Land Use**

The Land Use program is designed to provide economic advice to Indians in regard to management of their lands. The demands from Indians for this assistance are greater than the staff specialists can meet. Efforts are being made to recruit and train staff to cope with current demands and to plan for future programs.

Rapid economic growth, particularly in urban areas, has created a scarcity for certain types of land and has resulted in increasing values. Many Indian lands have potential and Indians are becoming aware of it as a source of Band development.

In addition to increasing planning capability, the Branch is utilizing private consultants and enlisting the services of other Agencies such as Universities, Regional Planning Boards, ARDA and so forth.

During 1967 - 68, the economic aspects of more than 1,000 leases were reviewed and revised to achieve fairer returns to Indians from leased lands. When required, appraisals were completed to establish the basic values involved. Some 36 economic and land use studies were completed at a total cost of \$287,000 and 18 others are in progress.

Basic information on existing land uses is being compiled for the major Reserves in Canada. Concerted efforts are being made to acquire adequate staff to competently advise the Indians on the economic aspects of land management.

Agriculture

The policy of the Branch is to assist agricultural development on Indian Reserves by providing financial assistance and technical and managerial advice (much of which is obtained by enlisting the support of federal and provincial advisory services).

Indians are encouraged to take advantage of agricultural potential where economically feasible and to develop their interests in livestock production, dairy farming, grain and crop farming and in other horticulture industries.

In agricultural areas, the people are encouraged to use services and assistance available under all legislative programs pertaining to land use and resource development.

Indian farmers are also encouraged to take part in educational training, embracing modern farming techniques and farm management.

Assistance is given where required with breaking, cultivating, fencing, irrigation and draining reserve lands; in the provision of seed, fertilizer, insect and weed control chemicals, oil and gas; and in the purchase of farm machinery, repairs, construction of granaries and veterinary services.

Indians are eligible for assistance under various national programs such as the Prairie Farm Rehabilitation Act (PFRA) to share in the benefits on the same basis as non-Indians. In the case of Agricultural Rehabilitation and Development Act (ARDA), provision is made for the provinces to include Indian bands and lands in projects undertaken under this legislation, with the full costs met from Federal appropriation. The Branch operates a Rotating Herd Program for cattle as a means to introduce Indian farmers to the beef cattle industry. This program is particularly active in British Columbia, Alberta, Saskatchewan and Manitoba. Other financial assistance is given for agricultural activities by means of Revolving Fund Loans.

Summary of Land Use and Feasibility Studies 1967 - 68

Region	Number of Studies	COST			Total Cost	Complete	Incomplete
...	...	Branch	Band	Other	...	...	...
Maritime	Nil	...	...	...	...	...	...
Quebec	9	\$21,600	...	1 Study No Charge	\$21,600	6	3
Ontario	11	\$29,104	...	3 Studies No Charge	\$29,104	7	4
Manitoba	7	\$19,266	...	...	\$19,266	3	4
Saskatchewan	7	\$20,800	...	\$61,575	\$82,375	6	1
Alberta	11	\$89,000	...	*	\$89,000	9	2
B.C.	9	\$46,035	...	(25,000)	\$46,035	5	4
TOTALS	54	\$225,805	...	\$61,575	\$287,380	36	18

[*One additional study was arranged and financed by the Band - cost not known.]

Various irrigation projects are underway, notably at the Blood Reserve in Alberta where some 25,000 acres is being developed over a five-year period, now in its second year.

A number of major land improvement projects involving clearing, breaking and drainage are in progress and others are planned for later years. The services of ARDA have been particularly helpful in this program.

Tourist Development

Many Indian reserves occupy strategic locations or contain highly desirable sites that can be developed to meet the needs of the tourist industry in Canada. In general, these opportunities arise in areas where alternative land uses are restricted or marginal. Bands in these locations require assistance to initiate developments.

The Branch has introduced a program to assess the potential of promising sites and to assist the Indians in preparing and implementing development plans for tourist areas. In affecting developments of this kind, due consideration is given to possible complementary development of Indian Arts and Crafts.

Services of ARDA, ADA, ADB and other federal and provincial agencies are utilized to the fullest possible extent in the assessment of Indian land resources and capability. The Land Use Program will embrace all reserves in Canada where economic potential is foreseen, with studies being conducted as requested by the Band Councils.

A major requirement of the Land Use Program involves taking inventory of all Indian lands in their present use.

During 1967 - 68, 42 tourist enterprises were assisted by the Branch and provided 1,773 man days of employment to Indians. It should also be noted that 137 tourist enterprises are owned and operated by Indians across Canada.

Forestry

Forestry operations on Indian Reserves provided an important source of revenue to the Indians and the Band Funds. Timber dues to Band Funds amounted to \$694,446.62 in 1966 - 67.

There was a total production of 17,900 cunits and 13,023,000 f.b.m. produced by Indian logging and milling enterprises. 33 logging operations and 22 milling operations were assisted by the Branch.

Fire protection agreements continued in force in New Brunswick, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. Negotiations are underway with Quebec and Nova Scotia for forest fire protection and suppression agreements on reserve forested areas. Although there were no serious forest fires on Indian Reserve there were a total of 179 fires which burned a total area of 6,520 acres.

Reforestation on Indian Reserves was carried out in several provinces in co-operation with provincial resource personnel. 284,000 seedlings were planted in the provinces of Manitoba, Ontario, Quebec and the Maritimes. The bulk of this planting was in Ontario where, 6,000 acres of Indian land has been planted since the inception of reforestation program.

The Department of Forestry and Rural Development conducted field surveys on the Whitefish Lake Reserve in Ontario. Completed forest management reports were published covering Maniwaki, Stony, Heart Lake, Rabbit Lake, Tobique and Nipissing Indian Reserves.

This Department also published a Forest Survey Record indicating the reserves where former surveys have been carried out. In addition to the surveys carried out by the Department of Forestry and Rural Development in 1967 - 68, 5 surveys in Alberta and 3 in British Columbia were conducted by private consultants or Branch personnel.

Petroleum

Oil and gas resources, which are developed through leasing to non-Indians under the Indian Oil and Gas Regulations, have proved a major source of revenues for Indian Bands in Alberta.

During the year activity has increased also in Saskatchewan to the point where 640,000 of the 990,000 acres available are under contract. The total area under contract in all provinces amounts to about 1,750,000 acres involving about 600 oil and gas leases and permits.

Revenue from the five provinces from Ontario westward amounted to \$4,200,572, comprised of \$1,948,416 in royalties, \$1,147,290 in bonuses, and \$1,104,866 in rentals. This represented an over-all increase of \$1,086,357 over the previous year. Other Band revenues related to oil and gas developments included surface lease rentals, easement payments and geophysical exploration revenue for damage and labour, which would amount to several hundreds of thousands of dollars.

During the year a second multimillion dollar pilot test project for enhanced recovery of heavy crude was started on Indian lands in the Saddle Lake Agency. Markets are

not yet available as no company appears to have solved the technological difficulties in producing this type of oil. In addition to the possibility of providing extremely large revenues, this type of production offers more promise of employment and involvement of the Indian people than conventional crude production.

Drilling activity in Alberta remained approximately the same as in the previous year. The new heavy crude project involves 9 producing wells, 4 steam injection wells, 3 gas supply wells, one water disposal well and a number of shallow water supply wells. These wells which average approximately 1,500 feet in depth, have not been considered in the drilling activity. Geophysical activity doubled during the year to 45 surveys, with a large part of the increase being accounted for by reconnaissance gravity surveys in Saskatchewan.

Highlights of the year on Indian Reserves include the unitization and start of production at the Jumping Pound West Gas Pool in the Stony Reserve, commencement of residue gas production at the Blood Timber Reserve, and the drilling activity at the Hay Lake 209 Reserve, where two indicated oil wells have been drilled and two wells are presently being drilled. The Fort Vermilion Agency of northern Alberta, with twelve reserves in the prolific Rainbow and Zama Lake producing areas, continued to enjoy the highest degree of activity.

Continued emphasis was placed on involving the Indians in the administration of reserve community assets particularly with respect to right-of-entry for surface leases, easements, geophysical activity, etc. Talks were given at Regional Advisory Council, Band Council and Band meetings and workshops. The attendance of Band representatives at oil and gas rights sales gives an ideal opportunity to explain administrative procedures. Attempts were also made at every opportunity to give Agency, District and Regional staff a greater comprehension of Minerals Section and industry procedures and requirements. The book, "Petroleum from Indian Lands" has been published as a source of information on the oil and gas resources.

Mining

Mining resources on Indian lands are largely undeveloped. However, during the year progress was made in providing conditions favourable for future developments, including agreements with provinces more beneficial to the Indians, and changes in policy giving Indian Band Councils greater opportunity to take part in the management of their mineral resources.

The first underground mining development on Indian reserves in recent years started on the Six Nations Reserve where gypsum production provides royalty revenue to the Band and employment to the Indians. Another reserve in Lake Huron region is being

developed for a major limestone quarry. Limestone production continues at two quarries on Caughnawaga Reserve near Montreal. Sand and gravel is mined from many reserves across Canada. Revenues to Band funds from mining amounted to more than \$250,000 for the year.

The mining industry has shown active interest during the year in the mineral potential of Indian reserves in several localities: base metals north of Lake Huron; potash in central Saskatchewan; metallic minerals in new reserves of northern Saskatchewan; sulphur in northeastern Alberta and central western Saskatchewan; base metals in southern British Columbia. Reserves in other localities have potential for development which should become a reality in the near future.

Craft Industries

Many Indian people in all parts of Canada, individually and collectively, own and manage commercial businesses handling native crafts. These include enterprises where the goods are partly or fully manufactured and craft retail outlets located on Indian reserves. The estimated annual value of craft industries operated by the Indian people is close to \$1 1/2 million. By and large these industries are started by the Indian people themselves who carry out their own production and marketing programs. However, when requested, the Indian Affairs Branch lends assistance. Such assistance may be in the form of a loan or an advance in order to stimulate or create new businesses. The Branch also operates a craft centre where raw materials are purchased in quantity and sold at cost to the Indian people. In addition the centre serves as a national promotional outlet at buyers' gift shows held in Toronto and Montreal. Art and craft items are frequently loaned to outside interests for display purposes as well.

Field officers work closely with the Indian people in planning the best types of assistance required. More than forty craft centres and outlets managed by Indian people are in operation across Canada. Programs initiated during the past year include new craft centres and training projects at Hazelton, B.C. and at La Ronge, Saskatchewan. The major portion of financing these came from the ARDA program. The province-wide craft program in Alberta now serves Indian people in 75 communities. Craft sales from this program reached \$80,000 during the year.

As a means of promoting sales of their crafts, Indian people are particularly active at fairs and exhibitions. Examples are the Atlantic Winter Fair, the Canadian National Exhibition, the Red River Exhibition, the Calgary Stampede, Edmonton's Mukluk Mardis Gras, and The Pas Trappers' Festival.

Small Business and Co-operatives

The Branch has assisted Indian people to become established in business or as entrepreneurs in a great variety of endeavours. To stimulate this development the Branch has granted Indian people an increased number of loans at rates of 5% per annum. A larger scale of technical assistance has been extended to new Indian businesses on operational and financial matters. A number of feasibility studies were carried out leading to the establishment of Band as well as individual Indian businesses. Larger business projects such as a national marketing program are receiving continuous and close attention.

Co-operatives continue to play an increasing role in the socioeconomic development of the Indian people. Good results in co-operative development have been achieved in Alberta, Saskatchewan and Manitoba where there are now more than 100 co-operatives where Indian people are the majority of the members. Provincial administrations provide these co-operatives with technical assistance and supervision. The Branch has supported this development program by granting loans for capital expenditures and for working capital. The Branch has a contractual agreement with 'Le Conseil de la Coopération du Québec' and there are now 17 Indian co-operatives in the Province of Quebec.

Five co-operatives received assistance totalling \$131,000, through Branch appropriations. This was used primarily for reserve electrification. Three co-operatives, unable to obtain loans from commercial sources, received loans from the Branch in the amount of \$100,000. This was used mainly for ranching co-operatives in the foothills of Alberta. More than 70 families now derive their income as full time employees of co-operatives. Co-operatives have continued to become increasingly important in assisting Indians to help themselves, particularly in the production and marketing fields, and inland fisherman have continued to improved their products, and thereby their income. Pulpwood marketing is also giving gainful winter employment.

The Branch sees co-operatives playing an increased role in the development of the Indian economy. Areas lacking this form of development will continually receive close attention, with a view of initiating development programs if the Indian people express such a desire.

Fisheries

During 1967 - 68 there were 6,441 licenced Indian commercial fishermen, who took a total of over 56,000,000 pounds of fish, valued at over \$8,900,000.

The bulk of the catch was landed by west coast fishermen, over 39,000,000 pounds, valued at \$5,880,000. The balance of the production, 17,000,000 pounds, valued at over \$3,000,000 represents inland freshwater fish production. Both the volume and value of freshwater fish production was down in 1967 - 68, due to lower prices and consequently declining production from the more remote lakes, where transportation and handling costs are high. The Indian Affairs Branch assisted over 1,700 Indian fishermen during the past year, to obtain equipment and supplies required to engage in these fishing operations, to improve the quality of their shore facilities and to improve their technical capability. The Branch also co-operated in training programs for fishermen in co-operation with the Provinces of Ontario and Manitoba and conducted separate programs in Alberta, British Columbia and Quebec. The total Branch expenditure, during the year, on various fisheries programs was \$637,000, just over 7 cents for each one dollar of earned income.

Wildlife

The main element in this activity is the fur conservation program, which includes fur management programs and assistance rendered to trappers. The information provided here is for the 1966 - 67 trapping season as the figures for the current season are not yet available.

The 1966 - 67 trapping season was one of the worst in recent years and prices for wild furs declined from 5 to 35 per cent, well below the long-term average. Increased production of ranch mink is considered a major contributing factor as is competition from other furs. In excess of 9,300 Indians harvested over 90,000 pelts valued at close to \$3,000,000. This represents a decline of approximately 40 per cent in the over-all income from fur which cannot be attributed to price alone. Production tends to decline with prices, therefore, this major decrease in total income also represents decreased effort. Fortunately fur prices have recovered considerably from last season's low, with the exception of wild mink and otter, and the prospects for the 1967 - 68 season are greatly improved.

Total Branch expenditure for 1967 - 68 is expected to be just over \$500,000 which includes the maintenance of community freezers, assistance to Indians requiring game for food, marsh improvement projects, a pheasant farm, and co-operative programs in game management with provincial and other federal agencies. Approximately \$120,000 of this total was expended under Fur Conservation Agreements with the Provinces of Ontario, Manitoba and Saskatchewan.

Wild Crops

Indians have for many years harvested various wild crops such as wild rice, small fruits and berries and herbs for personal use and for sale to commercial outlets. This program is designed to assist Indians to improve their technical and managerial capabilities and to maximize the utilization of wild crops to secure the highest possible returns from the resources. However, because of the limited information available on markets, potential production and associated technology efforts in 1967 - 68 were centred on providing interim assistance to Indians and completing a Marketing Study. The report on this study is expected to be available for distribution to field offices by this spring. Total Branch expenditures for this program in 1967 - 68 did not exceed 15, and costs are expected to increase over the next five years as Indians begin to utilize the program to develop new sources of income.

Outfitting and Guiding

The purpose of this program is to assist Indian people to become established as tourist outfitters and guides, providing accommodations and services to sportsman in a wide variety of hunting and fishing activities. The program makes provision for technical and financial assistance for the establishment of camps and services and for training of Indians in catering, managerial and business activities associated with the tourist industry.

Considerable success has been achieved in this program over the past two or three years since it was established as a separate activity. During 1967 - 68 there were 22 Indian-owned tourist outfitting camps in operation, employing 139 Indians. These range from salmon fishing camps in the Maritimes, waterfowl hunting and sports fishing camps in central Canada to big game outfitting operations in British Columbia and Yukon.

In addition to these camps, several hundred Indians are employed as guides in the tourist industry at large, and many others, in various occupations associated with the industry. Branch expenditures for this program in 1967 - 68 were approximately \$36,000 and are expected to increase as Indians become more aware of the potential of tourist services as a new source of income.

Policy and Planning

This Directorate is responsible for establishing guidelines, for setting long-term objectives and goals, clarifying priorities, coordinating and recommending adjustments

to programs. This responsibility involves continuing consultation with Indian people and others to ensure that an opportunity is provided for their views to be expressed and considered. The Directorate also assists in assessing and planning requirements through research and surveys and analysis and evaluation of programs.

The Policy and Planning Directorate aims are to define objectives and goals, promote co-operation of all government departments as well as public and private agencies whose work relates to the Indian people; the development of legislation and to evaluate the effectiveness of policies and programs as they apply to Indians. It is also concerned with ensuring the active participation of Indians in determining their own future.

During 1967 - 68, a report on "Indians and the Law" was received and made available to the public. This report, prepared for the Indian Affairs Branch by the Canadian Corrections Association, was the result of a study carried out under a national committee chaired by Dr. Gilbert Monture. The study, which cost \$67,500, examines the difficulties faced by the Indian population in relation to the police, the courts, and the correction systems of Canada.

PERSONNEL

The fundamental concern of Personnel is the effective management of an organization's human resources. The Personnel Adviser's Office seeks this end by advising senior management on policy decisions which affect personnel matters, and by providing functional assistance to Branch Personnel Advisers. The various divisions which constitute the Personnel Adviser's Office offer specialized assistance in all aspects of personnel administration including staffing, manpower planning and research, development and training, the classification of jobs, and the maintenance of a harmonious working relationship between the employee and management.

Staff Development and Training

Training activities increased from 57.38 man years in 1966 - 67 to 107.30 in the current year.

The policy was developed and procedures were outlined to enable managers to identify and cost all educational leave and external training requirements on an annual program review basis in the year ahead.

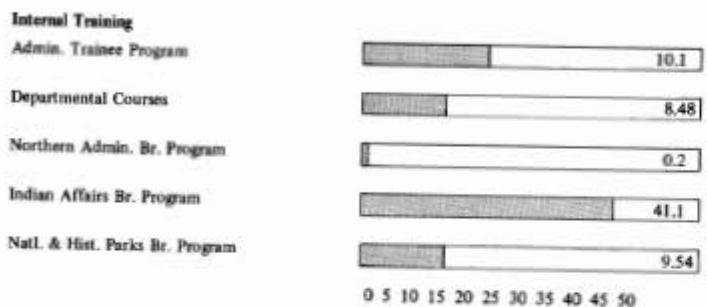
During the year, 34 employees were on educational leave for varying periods of time - from a few weeks to an academic year.

An analysis in bar-graph form on training activities has been set out on page 142.

Language Training

Departmental employees have continued to attend the Public Service Commission language training schools for instruction in English and French. Total attendance at the French language program was 108; this included one full year student, 14 immersion programs and 93 in part time study. Twenty two part time students attended English language programs.

MAN YEARS OF TRAINING



Man Years 107.30

Summary
 External Training -- 37.88
 Internal Training -- 69.42

Staff Relations

With the Public Service Staff Relations Act in force since March 13, 1967, preparations for contract negotiations have required the support services of Departmental Management. Employees of the Department will be operating under approximately 49 collective agreements, establishing terms and conditions of employment.

Managers, supervisors and confidential employees attended training seminars, conducted by the Staff Relations Section, across Canada, to familiarize them with principles of collective bargaining and union contract administration. A total of 800 officers participated.

The Department established a Grievance Procedure and Code of Discipline and improved the communication processes to keep management aware of Staff Relations developments.

The Department played a major role in the negotiations for the Education Group. Approximately 4000 primary and secondary school teachers are employed by Indian Affairs and Northern Development.

The Staff Relations Section completed plans to assist management and supervision in training for interpretation and application of collective agreements. This will be a continuing program as new agreements are negotiated and in force. Effective employee - management communications are established and will continue to grow.

The Incentive Award Plan, consisting of the following programs: Suggestion Award, Merit Award, Outstanding Achievement Award and Long Service Award, continues to function with renewed activity designed to stimulate interest and increase effectiveness. The plan's aim is to recognize employees whose achievements or ideas, resulting from exceptionally high level of performance or devotion to duty, have made a contribution to improve economy and operations in the Department or the Public Service as a whole.

Accident control

During the 1967 - 68 fiscal year, emphasis was again placed on the Department's accident control activities. Policy directives relating to safety inspections of property, equipment and operations were introduced and safety inspections conducted by the Safety Programmes Officer.

First line supervisory training in Accident Control was continued with seminars in Vancouver, Banff, Jasper, Fundy National Parks and at Louisbourg Fortress, N.S. Eight seminars were conducted for 180 first line supervisors. In addition, orientation seminars in the Department's Accident Control Programme were conducted at Frobisher Bay Baffin Island.

Provincial Accident Prevention Associations were utilized in a supporting role and a number of 1 day conferences were attended by supervisors from various Branches throughout Canada.

Winter ski and avalanche rescue schools were also conducted throughout the Western region.

Six Gold Cap Awards with certificates were presented to employees of the Department who, through wearing hard hats, saved themselves from serious or fatal head injuries.

Classification and Pay

In the fiscal year 1967 - 68, Classification and Pay continued the conversion of positions in the Operational Category and proceeded with the conversion of positions in the Technical and Scientific and Professional Categories.

Three Orientation Courses were held to familiarize managers in the use and application of Classification Standards. One hundred personnel participated in these Courses. A number of classification trainees were tutored and appraised by this Department.

Along with the Conversion Program, a total of 1308 new positions and reclassification actions were processed.

Manpower Planning and Staffing

This section, launched in April 1967, assesses the quantity and quality of the Department's available human resources and forecasts future human resource needs to complement the Department's future organizational structure and planned objectives.

To further this goal, a major change was made during the year in the automated Personnel Data System: the Master Establishment and Master Employee files were merged into one system, thus allowing more flexibility. From the Master Establishment file, eleven monthly reports are now produced concerning positions, staff and vacancies. The Master Employee file is the source of fifteen reports available to management containing information used for Manpower Planning and to aid line managers in decision-making. As the Department's Manpower Inventory Record is developed, it will be used progressively for the preliminary determination of the qualifications of employees to fill vacancies, thus speeding up the selection process.

The authorized establishment as of 31 st March 1968 was as follows:

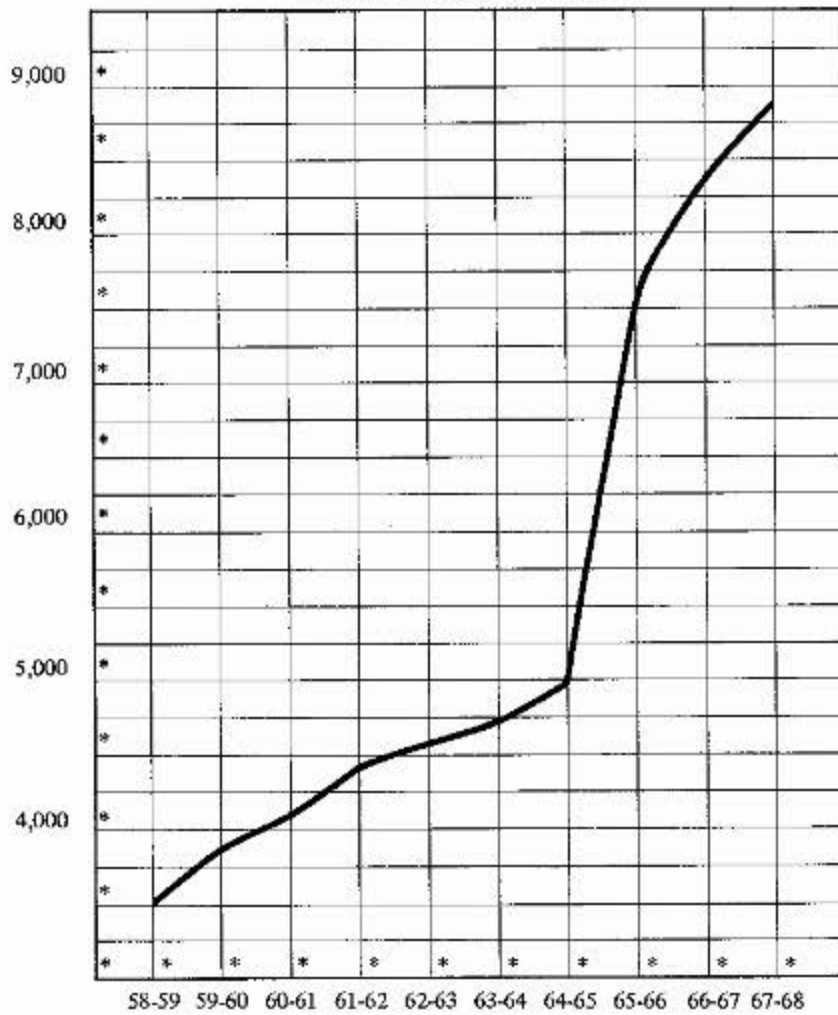
...	Classified Positions		Teachers Positions		Prevailing Rate Positions		Other (Seasonal Part Time, etc.)		...
...	Ottawa Field	...	Ottawa Field	...	Ottawa Field	...	Ottawa Field	...	Grand Total
Departmental Administration:	296	2	...	...	...	...	...	...	298
Resource & Economic Development Group:	75	72	...	...	...	10	...	39	196
Canadian Wildlife Service:	61	110	...	...	...	...	...	2	173
National & Historic Parks:	254	756	...	...	...	422	2	1,629	3,063
Indian Affairs:	375	1,324	2	1,597	...	37	2	17	3,354
Northern Administration:	368	481	17	440	1	478	6	17	1,808
TOTALS:	1,429	2,745	19	2,037	1	947	10	1,704	8,892

The grand total of 8,892 positions represents an increase of 543, due mainly to expansion of services to the Indian and Eskimo population. During the year there were 1,169 appointments to the classified staff and 591 separations. The Department conducted 72 promotional competitions and the Public Service Commission held 103 competitions on behalf of the Department. The Department has started making use of the Employee Evaluation Program as a basis for promotion, and of the Commission's continuous recruitment programs filling its vacancies. The graph on page 147 shows the growth of the Department from March 31 1967 to March 31 1968.

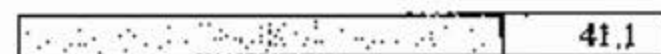
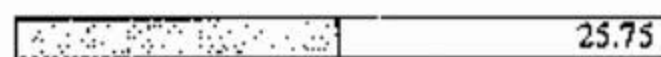
In the fall of 1967, the first contingent of Territorial Employees moved to Yellowknife, the new capital of the Northwest Territories. They were accompanied by nine federal public servants who had been granted leave of absence from the Department to serve the Territorial Government in its formative years. During the year, policies and procedures were developed to handle the placement of staff who would become surplus as the phased transfer of administration of programs and services from the Federal to the Territorial Government takes place.

Procedures involved in the maintenance of the Department's Employee Evaluation Program were kept under review and guidance, and a start made on integrating probationary procedures with this Program.

Growth of the Department of Indian Affairs and
Northern Development (1958-1968)



3,300 positions added by advent of Indian Affairs Branch in 1966.
The above figures represent authorized establishment as at March 31
of each fiscal year.



0 5 10 15 20 25 30 35 40 45 50

FINANCIAL MANAGEMENT

Office of the Financial and Management Adviser

Progress continued in applying improved management techniques. A statistical unit was formed and establishment of a cost analysis group was approved.

Program Analysis and Management Accounting

This group continued to analyse, evaluate and review departmental programs and to develop management accounting and financial control systems and procedures. It also provided accounting services for the central advisory group.

A complete financial management reporting system was instituted, providing monthly financial information to enable managers to assess their performance against approved plans.

Improvements in the presentation and analysis of the 5-year plan and the main estimates provided more meaningful information.

The group also provided an advisory service in financial planning and administration to functional managers.

Management Services

Management Services, in its role of providing a specialist advisory service, undertook some 18 management improvement studies. It also helped implement some of the recommendations from these and previous studies. The result was savings in 1967 - 68 of \$750,000 or about 20% of the \$3.8 million potential savings identified and planned for over the next four to five years, in addition to other benefits.

A manpower utilization study program was organized to cover all activities of the Department. The study began in January 1968 and will take two years to complete. When finished, it will have assessed the tasks of some 8,000 departmental employees. Recommendations will be implemented during the study and savings should be about \$4.5 million annually. The recommendations will provide criteria for determining manpower requirements and will develop appropriate control systems.

The forms management unit introduced many cost-saving improvements. This program of forms management will be accelerated. The development of effective paperwork management systems was also started. These will not only reduce the cost of handling paper but will improve the retention, retrieval, distribution and disposal of records.

Manpower Budgeting

Manpower Budgeting made further progress in its work on establishment management. The Treasury Board has delegated increasing authority for the management of manpower resources and this authority was passed to branch directors and responsibility centre managers with the approval of a new policy respecting establishment management. Establishment records are now being maintained on the same basis as financial expenditures and a manpower savings inventory was introduced to record manpower savings and increased productivity.

Work began on a departmental policy for casual employment.

Computer Information Systems

Formed in 1966, the group spent the first few months of the new fiscal year rounding out its programming capability by recruiting additional programmers. It is now up to strength and performing as a fully constituted computer unit. To handle the increased volume of work, the group organized a keypunching and keyverifying service with five units in full-time operation and a sixth expected in the near future.

The group has co-operated in feasibility studies and systems design resulting in the implementation of many applications. About 4,000 questionnaires for the Northwest Territories Manpower Survey were processed to provide 40 statistical reports. The migratory bird permit system was run again with an automatic distribution of game regulations to all previous hunters, and a computer sampling of 40,000 questionnaires was provided to produce the reports required for the Harvest Survey. A model to select the best transportation routes in the north was prepared and work on an econometric model for the Yukon was started. The personnel data system and the manpower utilization system were integrated to form one comprehensive personnel information system. The next step in this system is the computer scanning of staff to fill vacancies. Indian Affairs registry records were converted for computer processing.

Materiel and Supply

The decentralized supply offices developed into fully operating units. A commodity cost comparison reporting system was established to permit decisions as to whether a commodity should be procured centrally or locally. Major reductions in the administrative cost of purchasing were achieved by substituting a simpler purchase document for purchases of \$25 and less.

Guidelines were prepared on standard methods of stores recording for equipment, controllable and projects materiel. Guidance was also issued on the management of stock inventory, the handling of shipments and preparation of loss and damage claims, and the write-off and disposal of material.

A catalogue of departmental stationery and office supplies was issued and a departmental catalogue of all common-use stores was begun.

Research was done on the development of a materiel management reporting system. The aim of such a system is to determine procurement, warehousing and distribution costs; to establish stock turnover; to determine productivity and to provide performance indicators and statistics.

Internal Audit

The first stage of the internal audit program saw the survey of a number of responsibility centres to determine applicability of procedures. The analysis of results was completed and the second (implementation) stage is now in progress.

Central Statistics

A statistical unit was formed in March 1968 with the appointment of a chief. statistician. Initial work will be the identification of those departmental operations which will most benefit from statistical analysis.

LEGAL ADVISER

The Legal Adviser is the general counsel of the Department. He and his professional staff are called upon to advise on a wide variety of departmental activities. These relate, in the main, to Indian and Eskimo affairs, both northern territories, the national parks, the national battlefields, historic sites and monuments, and migratory birds and other wildlife. Some matters, such as those to which the Claims Regulations apply, are required by law to be referred to the Legal Adviser. Many other matters are the subject of consultation.

The Legal Adviser advised the Deputy Minister, Assistant Deputy Ministers and senior officers on the legal implications of departmental policy and legislation. In some cases he drafted legislation before it was discussed in detail with the Department of Justice. In matters which result in or which involve actions in the courts, the Legal Adviser is the liaison officer between this Department and the Department of Justice.

During the fiscal year 1967 - 68 questions relating to the liability of the Crown were a recurrent topic. Leases, contracts, permits, and licences were drafted almost daily in the Legal Adviser's office, as were submissions to the Governor in Council and the Treasury Board, orders in council, regulations and amendments to regulations. As in previous years the Legal Adviser's office was also engaged in the preparation of opinions on the interpretation of the statutes and regulations administered by this Department and the application of the common law to departmental activities.

As the commissioners of the Northwest Territories and the Yukon Territory administer the government of the territories under instructions given them by the Governor in Council or the Minister of this Department, the Legal Adviser, during the year, was called upon for advice by the Deputy Minister, Assistant Deputy Ministers and the Director of the Northern Administration Branch in connection with the government of the Northwest Territories and the Yukon Territory.

On behalf of both territories the Legal Adviser co-operates with the commissioners on the Uniformity of Legislation in Canada and, as in previous years, at the annual conference of the Canadian Bar Association the work of the commissioners was assessed. In 1967 this conference took place in the City of Quebec, and the Legal Adviser attended. A member of the Legal Adviser's staff took part in the Federal-Provincial Wildlife Conference.

