

Annual Report

Fiscal Year 1972 - 1973

Issued under the authority of the

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Contents

Financial Summary

Conservation Program

National Parks

National Historic Sites

Canals

Indian and Eskimo Affairs

Education

Community Affairs

Economic Development

Policy Planning and Research

Northern Affairs

People

Oil and Gas

Mining

Northern Pipelines

Water, Lands, Forests and Environment

Federal Government Co-ordination

Administration Program

Regional Offices

Financial Summary

Comparative Summary of Expenditure and Revenue (in Millions of Dollars) for the Fiscal Years ended 31 March, 1972 and 1973

Budgetary	1971 - 72	1972 - 73	Increase or (Decrease)
Operating Expenditure Administration	9.3	11.3	2.1
Indian and Eskimo Affairs	199.1	216.9	17.8
Northern Development	87.2	107.1	19.9
Conservation	**36.6	47.8	11.2
...	332.2	383.1	51.0
Capital Expenditure	...	...	...
Indian and Eskimo Affairs	62.8	63.4	0.6
Northern Development	19.3	31.2	11.8
Conservation	**27.6	32.1	4.5
...	109.7	126.7	16.9
Total Budgetary Expenditure	441.9	509.8	67.9
Revenue*	...	...	...
Indian and Eskimo Affairs	0.3	0.3	...
Northern Development	0.1	0.0	(0.1)
Conservation	**5.8	6.5	0.7
Total Budgetary Revenue	6.2	6.8	0.6
Net Budgetary Expenditure	435.7	503.0	67.3
Non-Budgetary	...	...	...
Loans, Investments, Advances, etc.	...	...	...
Indian and Eskimo Affairs	1.8	5.1	3.3
Northern Development	29.7	32.0	2.3
Total Non-Budgetary Expenditure	31.5	37.1	5.6
Total Expenditure (Gross)	473.4	546.9	73.5

[*Note: Includes only receipts and revenue credited to votes] [**Figures adjusted to reflect canals which were transferred from Ministry of Transport in 1972 - 73]

Indian and Eskimo Affairs

Snowshoes, laced by hand, are an example of the high quality work produced by Indian craftsmen.



Indian and Eskimo Affairs

Objective

In consultation with Indian and Eskimo peoples to innovate, support and encourage coordinated activities whereby Indians and Eskimos may achieve their cultural, economic and social aspirations within Canadian society.

Introduction

The Indian people and the government share goals of settling past grievances and shaping a better future. Program activities reflect these aims in many ways: - Funds are provided for research so that claims based on past dealings can be properly presented. - Responsibilities are, to an increasing extent, discharged by band councils and Indian groups supported through grants and contributions from funds which were once administered entirely by departmental staff. - The significance accorded to native culture is reflected in new educational policies, in the fostering of cultural activities and in the extensive consultation and involvement of Indian people in administration.

The community development program of the 1960's finds its expression in the greatly enhanced activities of band councils in the 1970's. This strengthening of local government has led to an increasing self - Confidence and participation in planning budgets, programs and activities.

At the same time there have been initiatives to improve the physical amenities on reserves through improved housing, utilities and community facilities: the result has been improved health standards and better communities. The increase in appropriations has not affected the extremely low cost of administration. Services and direct payments to Indian people and communities still account for more than 90 per cent of expenditures with all other costs, including administration, being less than 10 percent.

Expenditures 1972 - 1973

Operating Expenditures	Millions of \$
Community Affairs	81.7
Education	102.6
Administration*	16.1
Research and Liaison (Indian Consultation and Negotiation)	4.2
Economic Development	11.7
Total Operating Expenditures	216.3
Capital	...
Community Affairs	41.7
Education	17.8
Administration	.7
Economic Development	2.8
Total Capital Expenditures	63.0
Totals by Program	...
Community Affairs	123.4
Education	120.4

The People Served

At 31 December 1972 there were 264,680 registered Indians, a net increase of 7,061 or 2.7 per cent during the year. The program also serves some 3,600 Inuit people who live in New Quebec.

Seven status Indians applied for and were granted removal from membership registration, and were paid a total of \$3,622.41.

During the year the question of the status of Indian women marrying non-Indians was reviewed by the Supreme Court of Canada. Pending a decision, no Indian women were enfranchised as a result of their marriage to non-Indians.

Of the 317 Indian children whose adoptions were registered during the year, 48 were adopted by Indian people and 269 by non-Indians.

Education

Sub-Objectives - To provide educational facilities and services designed to advance the cultural aspirations of Indians and Eskimos and to assist them in achieving, as individuals, equality of opportunity and self-fulfilment in relation to other Canadians.

To assist Indian and Eskimo peoples to preserve and develop their cultural heritage and to express their cultural identity.

During the year a milestone was reached in the progress of Indian education, when the Minister accepted proposals for increased parental responsibility and local band control of educational matters. These proposals were outlined in the policy paper, Indian Control of Indian Education, presented by the National Indian Brotherhood. The paper reflects the thinking and expectations about education of Indian leadership across Canada.

1 Ceremonial dress is still very important to Canadian Indians.

2 Education plays an important role in the life of young Indian children.

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To accomplish the changes outlined in this paper, the department has received authority from Treasury Board which will allow band councils to manage education programs in whole or in part, both in-school and post-school, and to receive training that they may require to operate the programs. There has been a significant increase of band council or education committee involvement in all phases of the education program.

During the past year, the education branch produced a bibliography of books by or about Indians, as well as many other teaching aids, including a set of language experience charts, multimedia instructional kits and numerous curriculum units. Native languages are now being taught in many schools and most of the language instructors are chosen and employed by the local band councils. In some regions Indian artists, dancers and musicians visited both provincial and federal schools attended by Indian students to demonstrate traditional skills and talents.

Federal and Non-Federal Schooling

School Attendance

In January 1973, 71,319 Indian children were enrolled in pre-school, elementary or secondary school classes in federal and provincial schools. The pre-school program for four- and five-year olds continued to receive special emphasis, and the number of Indians employed as classroom aides, social counsellors, counsellor technicians and home and school coordinators grew from 193 in 1971 - 72 to 293 in 1972 - 73. There was a 2.1 per cent increase in kindergarten enrolment and a four per cent increase in secondary-school enrolment.

School Construction

Twenty-two major capital projects were under construction or completed during the year, giving the federal school system a total of 112 new classrooms, 7 gymnasias and 42 staff units.

Additional major projects were carried out in Kashechewan, Ontario and Onion Lake, Saskatchewan, in both cases by Indian bands using local labour. This is a new development which will form a larger part of each year's construction program. The total cost of the federal schools construction program was in excess of \$11 million. A further five million dollars was paid for classroom space in provincial schools attended by Indian pupils.

Pupil Transportation and Student Residences

School buses, many of them operated by band councils or Indian contractors, are provided to transport children to provincial schools or centralized federal schools.

For those who must live away from home to continue their education, accommodation is provided in boarding homes, group homes or student residences; the majority of these students are provided with tuition fees, books, boarding costs and allowances for pocket money. The policy on admissions to student residences and boarding homes underlines the basic concern for enabling families to stay together whenever possible.

Eleven thousand Indian students were provided with accommodation and related counselling services. Emphasis was placed on the hiring of native people in student residences, particularly as child care workers. There were increased professional development and cultural orientation programs, and parents were involved in residence advisory groups and committees. In addition to the Blue Quills Residence in Alberta, the Qu'Appelle Residence in Saskatchewan is now operated by an Indian board of directors representing the twenty-four Indian bands in the area.

Post School Education

Several significant trends developed during the year. The number of persons enrolled in prevocational courses during 1972 - 73 increased from 3,962 in 1971 - 72 to 4,503. During the same period, there were similar increases in university enrolments: from 559 to 911, and in teacher training from 63 to 104. Professional training enrolments increased from 562 to 1,368. Indian bands, through their education committees, took a much more direct role in deciding the content and presentation of adult education courses for the residents of their reserves, with additional adult education courses being offered in Indian languages and crafts. More adult students participated in programs on a full day, all-week basis rather than in classes offered for only a few hours each week.

The summer employment program for high school students, introduced last year, was continued, with 1,281 students employed in a wide range of reserve-based community projects. This year's program was entirely administered by band councils using federal grants.

Several bands administered their own employment placement programs, in accordance with the policy of transferring more control and responsibility for programs to Indian people.

On-the-job training continued to provide an excellent means of enhancing employability. During the year, trainees were involved in a wide range of occupations, with greater emphasis being placed on opportunities in the federal, provincial and private non-profit agency areas. The department paid the full cost of wages during the training period. A human resource survey was completed in the Ontario region. The survey will provide useful information on training and employment needs, particularly for the current and potential labour force in the area.

Cultural Development

Assistance was provided to Indian groups and individuals in the form of advice, encouragement and grants totalling \$334,000, for projects in the creative and performing arts. The grant program was decentralized to regional offices during the year.

The Indian cultural magazine Tawow, published by the department, provided a national outlet for Indian contributors. Other writers were given technical assistance, editorial advice, background information, publicity and were introduced to publishers. Seven manuscripts were reviewed and edited; of these, two have been published.

Indian artists have been encouraged and assisted in exhibiting their work to the public and to their own people. The departmental collection is the vehicle through which shows are arranged, and a number of important acquisitions were made which will help to introduce Canadians to the richness of Canadian Indian Art.

Post School Program

Adult Education

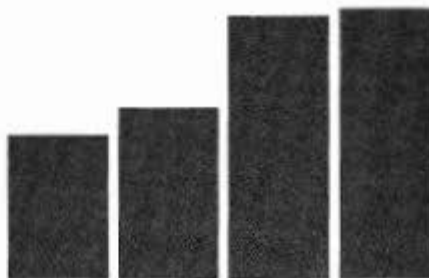
Year	1969 - 70	1970 - 71	1971 - 72	1972 - 73
Basic literacy	4,388	5,471	6,618	4,075
Other adult programs	11,964	14,638	24,745	28,480
Total	16,352	20,109	31,363	32,555

Vocational Training

(Based on Monthly Statistical Reports from the Regions)	...	...	...	...
Year	1969 - 70	1970 - 71	1971 - 72	1972 - 73
Pre-vocational	3,888	4,385	3,962	4,503
Normal vocational	2,114	1,778	2,118	2,097
Special vocational	2,007	2,248	3,437	2,781
University	321	459	559	911
Teacher training	49	48	63	104
Nursing	20	24	15	25
Other professional	414	529	562	1,368
Total	8,817	9,371	10,716	11,789

Employment Relocation

(Based on Monthly Statistical Reports from the Regions)	...	...	...	...
Year	1969 - 70	1970 - 71	1971 - 72	1972 - 73
Short-term	6,292	6,236	6,088	6,474
Regular	5,697	5,966	6,354	7,272
In-service training	218	218	170	
On-the-job training	269	530	709	832
Family relocations	502	416	387	460
Apprenticeship	73	125	165	105
Total	13,051	13,491	13,873	15,133

Adult Education
Éducation permanente


Year	Année	1969-70	1970-71	1971-72	1972-73
Basic literacy	Lecture et écriture	4,388	5,471	6,618	4,075
Other adult programs	Autres programmes destinés aux adultes	11,964	14,638	24,746	28,480
Total	Total	16,352	20,108	31,363	32,555

Vocational Training
 (Based on Monthly Statistical Reports from the Regions)

Formation professionnelle
 (selon les rapports statistiques mensuels régionaux)


Year	Année	1969-70	1970-71	1971-72	1972-73
Pre-vocational	Initiation générale	3,888	4,385	3,962	4,503
Formal vocational	Formation professionnelle théorique	2,114	1,778	2,118	2,097
Special vocational	Formation professionnelle spéciale	2,007	2,248	3,437	2,781
University	Études universitaires	331	459	559	911
Teacher training	Pédagogie	43	48	63	104
Nursing	Sciences infirmières	20	24	15	25
Other professional	Autres	414	529	562	1,368
Total	Total	8,617	9,371	10,716	11,769

Employment Relocation
 (Based on Monthly Statistical Reports from the Regions)

Réinstallation en emploi
 (selon les rapports statistiques mensuels régionaux)


Year	Année	1969-70	1970-71	1971-72	1972-73
Short-term	À titre temporaire	6,292	6,236	6,088	6,474
Regular	À titre régulier	6,697	5,965	6,354	7,272
In-service training	Formation pratique	218	218	170	*
On-the-job training	Formation en cours d'emploi	269	530	709	832
Family relocations	Relogement de la famille	502	416	387	460
Apprenticeship	Apprentissage	73	125	165	108
Total	Total	13,061	13,491	13,873	15,133

*Discontinued

*Abandonnée

Native language instruction programs were in operation in 160 schools. Local native people were employed, and training programs for native language instructors were established. A western and eastern Cree syllabic typewriter was developed co-operatively by the department and private industry.

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Educational Research

Twenty-three research projects in education were conducted during the year: the total expenditure was \$329,000. The research explored curriculum, psychological assessment, pre-school, manpower, native language instruction, general education surveys, university services and native family background. Native groups directed twelve of the projects and native people were employed in almost all of them.

A native education research resource centre is being established by the Education Branch in Ottawa to serve the educational research needs of Indian and Eskimo communities and associations. The centre will distribute information including bibliographic lists and newsletters on education research.

Many bands operate their own school buses on reserves.

Community Affairs

Sub-objectives - To foster the development of self-reliance in the administration of Indian and Eskimo communities through advice, financial support and other assistance.

To assist in the improvement of housing and related, physical amenities, and the provision of adequate social services in Indian and Eskimo communities.

Continued efforts have been made to strengthen band council management as well as the administrative staff in their various roles. More and more decisions with respect to the application of government programs are made by bands. Throughout Canada, band councils are experiencing a multitude of demands as a result of unprecedented activity on reserves.

Community Development

In the mid-sixties, the department started a Community Development Program on a number of reserves across Canada. The purpose was not so much to solve problems as to assist Indian people through individual contacts and group work, to equip themselves with the means of participating in the solution of their own problems. In the late sixties and early seventies the program was gradually taken over by the various provincial associations who entered into formal agreements with the federal government. Agreements exist in Manitoba, Saskatchewan, Nova Scotia, New Brunswick, the Yukon Territory, British Columbia, and Ontario.

Training

An important element in the assumption of local government by Indian people is adequate training so that they may efficiently discharge their new responsibilities. Courses are offered for band council members, for band staff and also for the band membership at large. Use is made not only of departmental resources but also of those offered by the Department of Manpower and Immigration, by community and co-operative colleges, by university extension departments,

by provincial agencies and, occasionally, by consulting and other private firms. Training is given in such areas as management, leadership, citizenship, social services, financial management, education, by-laws, housing, land management, and law enforcement.

The membership division in Ottawa continues to give intensive training in membership, statistics and records to those employees who will assume these important duties on the reserve. An additional 17 bands assumed this responsibility in 1972 - 73, to bring the total number of bands administering the membership function to 36 since the program began in 1970.

The Contributions to Bands Program continued to grow in 1972 - 73 to the extent that 465 Bands administered more than \$40.5 million, in Program funds. In addition, 520 Bands administered trust funds totalling approximately \$32 million. An evaluation of the Contributions to Bands Program was begun during the year to determine its effectiveness, and to recommend changes where necessary. Indian representatives were, and will continue to be involved in the review.

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Other Band Activities

The task force concerned with policing on reserves recommended a series of alternatives including a three-year experiment which would develop 150 band constables who would be members of provincial police forces. This enriched service would enable preventive policing to replace the present complaint-oriented policing found on many reserves.

Out of the 237 elections 198 were held under the election sections of the Indian Act, while 39 were held under the traditional band custom system. Several appeals were registered, centring mainly on the question of residency and eligibility to vote.

The Blackfoot Reserve in Alberta built more than 40 new homes in the last 18 months.

Two bands chose the elective system for the first time while five bands - Uchucklesat, Tanakteuk, Lac-des-Mille-Lacs, Wahnapitae and Red Rock - returned to the traditional custom methods. Eleven bands held referenda involving liquor privileges.

During the year under review, 30 bands passed 53 by-laws.

Housing

Three housing programs are available for on reserve construction; during the 1972 - 73 year, 2,204 houses were constructed and 1,347 were renovated. Another program provides for off reserve relocation; through this program a total of 203 people received assistance, raising to 993 the total number who received assistance since the introduction of the program in 1967 - 68. 1. Subsidy Housing Program

Administered by the department, this program provides a maximum subsidy of \$8,500 to the potential Indian home owner. Lesser amounts are available for applicants with larger incomes. To the subsidy, an applicant is normally required to add a minimum cash payment which may be as low as \$135. Program funds are available for each region and also for each district within a region.

Band councils are obliged, in the context of the amount available to them, to consider requests and assign priorities. 2. Indian On-Reserve Housing Program.

This program provides C.M.H.C. loans to individuals who do not obtain Subsidy Housing Program assistance; loans are also available to individuals who do receive such aid but require additional funds in order to build better quality houses. Loans granted under the program are guaranteed by the Minister. During the year 83 Indian people took advantage of this program, for which a guarantee to C.M. H.C. by the Minister regarding repayment is required. 3.

Band Administered Housing Program

This program was designed not only to permit bands to undertake housing projects but also to enable them to make their own provisions for labour and materials. The program, unlike the Subsidy Housing Program, is administered locally, not by the Department. Program funds may be

A row of new houses on a Blackfoot Reserve in Alberta.

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combined with C.M.H.C. loans to individuals as well as to bands. Before the services provided by this program may be utilized, a special band council resolution must be passed. A total of 132 bands availed themselves of this program. Of the total, 24 bands are administering long-term programs ranging between 5 to 8 years. 4. C.M.H.C. Housing Project Loans

Managed by band housing authorities, this program differs from the Indian On-Reserve Housing Program in that the loan required for the construction or development of a housing project is granted to the band rather than to individuals.

Indian band councils may combine C.M.H.C. loans, all guaranteed by the Minister, with departmental appropriations and also with Indian band and personal funds. During 1972 - 73, 15 bands added a total of \$3,466,080 in C.M.H.C. loans guaranteed by the Minister. 5. Indian Off-Reserve and Eskimo Re-Establishment Housing Program

An Indian or Eskimo who is regularly employed away from his reserve or settlement may be assisted in securing a C.M.H.C. first mortgage loan as well as a second mortgage loan from the Minister of this department. The second mortgage is interest-free and may be forgiven over a ten-year period where the applicant meets certain conditions. A personal contribution based on income is required.

Water and Sanitation

A total of 271 projects in excess of \$6.5 million provided water to 3,219 houses and sanitation facilities to 2,545 houses. Several existing systems were upgraded with new pumping stations and treatment plants. Where feasible, agreements were negotiated with adjacent communities to provide water and sanitation service to Indian reserves. In some reserves complete or partial water and sewage systems were constructed, or wells were drilled and septic tanks installed. Where no source of potable water was available, truck delivery of water was introduced or continued. Recipients are expected to pay a user's fee for these services while the department subsidizes the operation and maintenance.

1 Ceremonial dances are still important to the Indian people.

2 Many Indian people are being trained as mechanics.

3 More and more Indians are farming in Canada.

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Electrification

During the year additional agreements with power authorities were concluded, extending services to additional reserves and to a total of 607 houses. Another 2,181 houses were wired for electricity. Of all Indian homes in Canada, 83 per cent are electrically equipped. This compares favourably with non-Indian communities considering that many Indian communities are in isolated areas of Canada.

Roads

New road construction amounted to 99.8 miles and road reconstruction totalled 119.2 miles. On Indian reserve land a total of 4,500 miles of roads are maintained at either band council or departmental expense. This does not include 1,400 miles of roads maintained by the provinces.

Other Community Improvement Activities

Other activities included erosion control, the completion of 22 band administration buildings, the construction of fire halls, the purchasing of fire-fighting equipment, and the preparation of subdivision areas and building lots.

Court Worker Program

An earlier agreement with the Province of Alberta to share the costs of a court worker program operated by the Native Counselling Services continued in effect during the year. An agreement also was made with the Ontario Association of Indian Friendship Centres whereby the department would contribute towards the cost of the Association's court worker program. Both organizations provide counselling during post-arrest and pre-trial periods.

Work Opportunity Projects

The Department continued this program, which supplements social assistance funds with other money to make possible reserve-based employment projects for Indians normally on social assistance.

Total value of the 101 projects undertaken, which created nearly 1,500 jobs, was \$2,383,000. Of this amount, a Work Opportunity Fund accounted for \$500,000 with the balance made up of \$235,000 from band revenues, \$750,000 from social assistance, \$485,000 from other departmental appropriation programs, and \$413,000 from other sources, primarily the provinces.

Economic Development

Sub-Objectives - To foster the development of self-reliance in the administration of Indian and Eskimo communities through advice, financial support and other assistance.

To assist Indian and Eskimo communities to utilize, as determined by them, their collective resources for the creation of optimum employment and income for individual members.

Economic Development Branch programs are directed toward the improvement of the economic position of Indians, and to increase their involvement in the planning and implementation of specific projects.

The increasing number of Indians using the Indian Economic Development Fund to establish business enterprise in their communities, and the formation of additional Band Economic Development Committees, are positive indications of Indian interest in the economic future of their communities.

Development Services

This program promoted Indian enterprise in the following areas:

Arts and Crafts

The 1972 - 73 sales of Central Marketing Service amounted to \$427,145 of which \$32,768 were raw materials. This was a total increase of \$20,666 over the previous year's sales.

Purchases made by field buyers and paid for in cash direct to producers amounted to \$163,009. Purchases shipped by producers direct to C.M.S. Warehouse amounted to \$384,403 for a total of \$547,412 direct income to producers.

1 Indian bands have formed co-operatives to merchandise Indian crafts to the Canadian public.

2 Raymond Gabriel of Oka, Quebec, recognized internationally for his work with silver.

3 Many Indian children have a gift for painting and crafts.

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Work was pushed forward on the new prestige book, "Indian Arts in Canada" for printing and distribution early in 1973. The collection and preparation of biographical material on outstanding Indian artists and craftsmen and also the collection of general information on traditional Indian arts and crafts for retailers and producers continued.

A small working level group with representatives from Indian and Northern Affairs, Industry, Trade and Commerce, and Consumer and Corporate Affairs was formed to study the problem of non-authentic art and craft items and the unauthorized reproduction of authentic Indian work. A campaign was initiated in the fall of 1972 to publicize the departmental "beaver pelt" trade-mark tags that certify the authenticity of tagged articles. Radio and TV commercials, audio-visual programs and magazine advertisements were used just prior to the Christmas season. Such programs will be expanded in 1973 - 74.

Training courses were conducted through agreement and co-operation of local Manpower Centres and Regional Education Services. Operation of the Edmonton Arts and Crafts Training Centre has introduced over 200 trainees to new media of expression such as ceramics, silk screen reproduction and printing, as well as improving quality standards for traditional products and skills. This training is a basis for expanded development activities on reserves.

Commercial Recreation

Enterprises established on reserves, and owned and operated by Indians, now number 57. These employ about 380 individuals, most on a seasonal basis, and account for about \$500,000 in wages.

Commercial Fisheries Program

The five-year British Columbia Indian Fishermen's Assistance Program terminated 31 March 1973. The program has been successful in increasing fleet efficiency and improving the economic situation of Indian fishermen in British Columbia. During the five year period, more than \$4 million was provided to Indian fishermen to improve their vessels and equipment. However, the need for the program is even more important for the future because of the rationalization of the salmon fishery under the requirements of the Salmon Vessel Licence Control Program. At present, more than 1,800 Indian fishermen are employed in the industry.

Indian fishermen participating in the freshwater fishery areas continue to maintain their position within the industry and in 1972 - 73, net landed values increased marginally.

The oyster aquaculture project at Eskasoni Reserve continued and indications were that a quantity of cultured oysters would be marketed by the fall of 1973.

Wildlife

Furs constituted the main source of income derived by Indians from resources. The higher price trend noted last year continued through 1972 - 73 created new interest and activity and increased incomes from trapping substantially.

Tourist Outfitting and Guiding

A new national directory of Indian outfitting and outdoor recreation facilities and services was published and Indians participated in seven national sportsmen's shows to promote their enterprises. Three new establishments, one each in Ontario, Quebec and New Brunswick were opened in 1972 - 73, and several others were improved or enlarged. A number of additional enterprises were planned during the past year and are expected to begin operations in 1973 and 1974.

Band Economic Development Committees

Band Councils may receive financial contributions to fund Economic Development Committees which plan, promote and ultimately assume full responsibility for the band's economic program. In 1972 - 73, a total of 34 bands participated in the program and received some \$200,000 for this purpose. In addition, these bands contributed approximately \$50,000 from band funds to support their own work programs.

A major training program was being developed for committee members, Band Councils and band members.

Industrial and Commercial Development

This year there was expanded interest by Indian people in industrial and commercial development as well as a greater awareness by industry of the opportunities of locating on Indian reserves. Eighty enquiries were followed up and negotiations reached advance stages on the location of five plants each of which would provide 75 - 100 man years of employment. 198 industrial plants, located on reserves, provided employment to 2,380 Indian people and an income of over \$5,000,000. Over 700 commercial enterprises provided employment to approximately 1,100 Indian people, with over \$3,000,000 in income being realized.

Real Estate

Negotiations were conducted for land development at Sarnia, The Pas, Sarcee, Seven Islands, Enoch, and several reserves in British Columbia. At present, real estate development has taken place on over 90 reserves providing employment to approximately 400 Indian people and a financial return of over \$1,500,000.

Canadian Executive Services Overseas

Canadian Executive Services Overseas organization provided 40 executive volunteers to advise Indian Bands and individual Indian enterprises in over 100 diversified undertakings.

Forestry

An analysis showing the extent and type of forest land use on all Indian Reserves was completed as was an examination of Department-owned and -operated forest enterprises. A forest management plan was prepared for the Doncaster Indian Reserve.

Minerals

The Indian Minerals Program assists Indian bands to develop the mineral resources of their reserves. The program also assists in training and advising Indian people for employment in the mining and petroleum industries.

Oil and gas resources are explored and developed by industry under the Indian Oil and Gas Regulations. During the year, acreage held under permit and lease increased from 1.0 million acres to 1.3 million acres. The three types of revenue to bands all increased to the record total of \$7.4 million, exceeding the previous year by \$1.5 million. Oil and gas were produced from 183 wells on Indian reserves in Western Canada. Sixteen Alberta bands and two Saskatchewan bands received royalties from this production. Many other bands receive bonus and rental revenues from the oil and gas rights.

Exploration of oil and gas rights increased during the past year. A major oil production test program from oil sands on an Indian reserve in the Athabasca region in Alberta also has been reactivated.

Minerals other than oil and gas are administered under the Indian Mining Regulations and the Indian Act. Although band revenues amounted to only \$300,000 from mining, more opportunities were provided by the exploration and production of minerals than by petroleum activities.

The Indian Minerals Program has focussed on identifying the potential for metallic and industrial minerals on the Indian lands to encourage development and provide greater employment benefits. The literature research stage of identification for Indian lands neared completion. About 12 reserves also were evaluated by drilling and geotechnical surveys.

Business Services

Business services are structured around the Indian Economic Development Fund. Some years ago the government decided the old Indian Revolving Loan Fund was inadequate for stimulating development of new business ventures by Indians, both on and off the reserves. The program was under-capitalized and limited to the provision of direct loans. Beyond the lending of money, it did little to help the Indian businessman get started. It was obvious that a much more comprehensive facility was needed.

After consultation with Indian businessmen, the Indian Economic Development Fund was established on 1 April 1970. Its purpose was to stimulate and encourage the development of business opportunities for Indians on and off reserves. The fund can be utilized by Indians (or non-Indians whose enterprises will benefit the Indian community) when conventional lending requirements cannot be met. It functions four ways:

Guarantees of up to 100 per cent are provided to individuals or groups who cannot meet a lending agency's normal requirements. This means banks, trust companies, credit unions and caisses populaires can, on strength of the guarantee, finance fledgling business ventures on a minimum risk basis. Assistance to non-Indians is limited to a maximum of 90 per cent.

Loans are available for fixed assets and working capital on standard lending terms. Rates are reviewed every six months and adjusted to reflect current market trends.

1 Tourist camps and guiding are offered by bands in the north country.

2 Medical care is always available for Indian people.

3 Many Indian men are employed on construction projects on reserves.

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Grants and Contributions are also available to take care of some of the unique problems faced by Indian people in the development or expansion of business operations. Most often grants are provided for start-up costs, economic planning and setting up support services, and for working capital or "gap fillers."

Management Advisory Services consisting of qualified professional people from both inside and outside the government are available, providing such services as the evaluation of business proposals, pre-loan counselling, assistance in financial arrangements and managerial or technical assistance for on-going operations. A special advisory service is available for planned and existing co-operative operations. Many highly creative and resourceful Indian people have now used the fund to build businesses in their communities. Some recent examples of these are as follows: a karate school; a moccasin and slipper manufacturing plant; a high-rise window cleaning operation; a co-operative feedlot operation; the development of a scrap metal company specializing in dismantling obsolete railway cars and old automobiles; a co-operative community store; and a cordwood trucking operation.

Publications in connection with Indian business ownership, financing and management, designed to stimulate interest and to provide information to both Indian and non-Indians were widely circulated.

Indian Lands

Reserve lands are administered in a way to enable bands to assume more responsibility. In 1972 several successful plans were introduced to improve land administration and make it responsive to Indian needs.

Land Administration

Progress was made in identifying and registering Indian interest in land in the Indian Land Registry. This helped transfer increasing responsibility for management of land to bands and field offices and resulted in quicker response to requests about land titles or status from Indian bands, associations, the Indian Claims Commissioner and from the public.

A total of 7,805 documents and instruments was registered in the Indian Land Registry. An increasing number of individual band members acquired duly recorded property rights on the reserve, and a total of 2,146 titles were issued. The program to establish registers to record chains of title to individual parcels of land allotted or conveyed since 1876 was stepped up, and during the year eight reserves were researched.

The Land Titles Section has decentralized operational land registry records to the B.C. Region. Authority to approve leases pursuant to Section 53 and assignments under Section 54 of the Indian Act in regard to the Salish subdivision, Musqueam Indian Reserve in British Columbia was also decentralized to the Regional Director. This should facilitate the administration and management of Indian Reserve Lands in that province. Further decentralization of records continued through the year and the Ontario Region has now been included in this program.

The Land Titles Section helped 58 Indian bands and associations conduct research into Indian land claims. They also investigated 959 disputes, claims and other enquiries about Indian land title, status and other similar land matters, directed to them by Indian bands, associations and other parties. The decentralization of property surveys serviced by the joint efforts of the Land Division

and the Legal Surveys Division of the Department of Energy, Mines and Resources was commenced. There were approximately 225 survey items dealt with in the survey program, an increase of about 100 items over the previous year.

Three formal land administration training courses were conducted for members of the Departmental field staff, and on-the-job training was provided for representatives of the St. Regis, Wikwemikong, Saugeen, The Pas, Sheshegwaning, Whitefish Lake, Sheguiandah, and West Bay bands and for four officers of the Saskatchewan Regional Office.

Land Management

In the fiscal year 1972 - 73, a total of 1,652 leases and licences were approved and 328 assignments of interest in Indian lands were processed. These transactions netted an income for the Indian bands, including band members, in the amount of \$4,414,346. The leases and licences cover use of Indian lands for various purposes, such as cottage and residential, agricultural, commercial and industrial, developments, conservation and recreational activities.

Many bands are now proposing to establish band corporations so that they may manage their lands dependently. Band corporations were formed on Rankin Location Indian Reserve No. 15D in Ontario, White Bear Indian Reserve No. 70 in Manitoba, Chitek Lake Indian Reserve No. 191 and Last Mountain Lake Indian Reserve No. 80 in Saskatchewan, Sarcee Indian Reserve No. 145 and Sawridge Indian Reserve No. 150 in Alberta and Seabird Island Indian Reserve and Cowichan Indian Reserve No. 1 in British Columbia.

The Land Sales, Rights-of-Way and Acquisition Unit processed about 175 licences and agreements for roads, power, telephone and pipeline facilities on Indian reserves. These activities netted a revenue of approximately \$200,000.

Certain Crown lands newly acquired or surplus to departmental requirements were made available to Indians. The Oo-za-we-Kwun Centre at Rivers, Manitoba, is a good example of this. The centre provides technical training facilities to Indians so they may find better employment.

Policy, Planning and Research

Sub-Objectives - To ensure that lawful obligations under Treaties and other agreements are met.

To foster the development of self-reliance in the administration of Indian and Eskimo communities through advice, financial support and other assistance.

Indian Research Projects

During 1972 - 73, a new Policy, Planning and Research Branch was formed in recognition of the fact that the broad course of future Indian Policy will be shaped through consultation on legislation and negotiations about Indian claims. The Government has given assurance that it supports Indian research projects and has agreed to provide substantial funds (\$7.5 million to 1975 - 76) for research into Indian rights and treaties, and presentation of claims. Agreement was reached to begin negotiations with the Yukon Native Brotherhood. It is expected that other major comprehensive claims will be treated similarly.

The National Indian Brotherhood called for a revision of the Indian Act and it was agreed that this work will be coordinated by the Indian Association of Alberta.

Mrs. Oliver Smith of the Six Nations Reserve fashions an original piece of pottery.

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Capital Planning Participation

The Band Capital Planning Program is progressing through its second financial cycle and continues to be well received by the bands. The submissions for 1974 - 75 indicate that bands are gaining in their appreciation of capital planning and the establishment of priorities. A Band Operating and Maintenance Planning Program was initiated on a pilot basis in each Region. It appears to be receiving favourable reaction from bands and it is expected that bands generally will be participating in both O & M and Capital Planning for the 1975 - 76 program forecast.

Procedures and Research Facilities

At the end of January 1973 responsibility for outside researchers was transferred to the Treaties and Historical Research Section and priority has been given to improving departmental procedures and research facilities for those engaged in research on behalf of Indian associations and bands. Through the Task Force on Access to Files, screening panels and guidelines were established to facilitate this work, and considerable improvements were made over the year.

Special Information Project

A special project, the Mackenzie Valley Pipeline Information and Education Project, was developed during the year and supervised by the Indian and Eskimo Affairs Program. Its purpose is to inform the native people in the Northwest Territories of the nature, the problems and the possible advantages that might be associated with the proposed pipeline through the valley. It also may provide a model for public participation programs relative to large scale developments in northern areas, particularly where significant numbers of native people are affected.

Treaty Obligations

The government's policy is that lawful obligations under treaties and other agreements will be met. To this end, emphasis shifted from an analysis of individual treaties to an analysis of classes of provisions so as to develop policies upon which the bulk of claims and comprehensive settlements can be productively based. A Claim Registry was established to ensure that claims be properly recorded, researched and the necessary

action taken. Research was undertaken to analyze the ammunition and twine provisions of all treaties, and research into Treaty 6 was completed except for an analysis of the education requirement.

During the past year a number of claims were received and are being analyzed to determine the federal response. Negotiations were started with the Island Lake Band regarding its residual land entitlement, and with the Cree Band regarding reserve land. Research is continuing with respect to the others. Following a series of meetings with the claimant Indian people, an agreement was reached which settles Treaty 7 Ammunition Claim.

The Department is monitoring a number of major hydro developments which affect Indian interests. The James Bay Indians have been helped in their lawsuit against Hydro-Quebec over the development in their area.

Other Activities

Special Assignments and Review

A Special Assignments and Review Group, reporting to the Assistant Deputy Minister, was created during 1972 - 73. The Group was designed to provide an assessment capability of new programs as they are implemented, of experimental programs and certain on-going programs, especially with a view to ensuring that their objectives reflect the wishes of both the Indian people concerned and the Department.

This Group has had certain special development pilot programs, adopting the total community approach. Through this, efforts are made to draw funds from various Government sources to create total employment on these pilot reserves as part of the economic, social, and political development of them. This has only been done with the complete commitment of the reserves concerned.

Native Cultural - Education Centres

In 1968, the Department of Indian Affairs and Northern Development began exploring alternative uses of residential schools which were being phased out. Several adult-training schools in the United States were examined. Proposals from a number of private industrial concerns were received for the operation of a similar training school in Edmonton; however, they were rejected as being unacceptable to the Indian Association of Alberta which planned to submit its own proposal. The Alberta Indian Association completed its study and submitted a proposal to the Federal Government in 1970. An interdepartmental committee was appointed to study it and recommend an appropriate response. This led to a Cabinet decision in July 1971 to support the concept of Native Cultural-Education Centres in an amount of \$42 million during a five-year period.

The Native Cultural-Education Centre Program is sponsored by the Department of Indian Affairs and Northern Development and will be funded to a maximum of \$8 million per year. The Department of the Secretary of State has responsibility for development of a cultural program for Métis and non-status Indians.

To ensure that native people in all parts of Canada have access to available funds, it is expected that there will be an annual pre-allocation of funds by province or territory, based on population. In this way, funds will not be used on a first-come, first-served basis. Each proposal will be assessed on its own merit, and a degree of flexibility is foreseen in the smaller population areas to ensure the viability of centres under consideration.

In 1972 - 73, nine centres were approved for financial assistance of up to \$1,900,000 and several new proposals are now under review. Three of the approved centres are located in Ontario, two in Alberta, one in each of the provinces of New Brunswick, Quebec and Saskatchewan and one in the Yukon Territory.

Consultation Funds

The primary objective of consultation funding is to permit Indian representatives to hold meetings with departmental officials and other Indian leaders. This consultation often takes place through provincial or regional All Chiefs meetings. This year, like last, \$896,000 has been made available and the funds allocated on a regional basis with Regional Directors in control of their allotments.

Tripartite Committees

The Department also promotes the establishment of Tripartite Committees (Indian - Provincial - Federal) in the provinces. Nova Scotia is the most active in this field. The Indian Association of Alberta has asked that the Tripartite Committee for that province be reactivated.

Economic Development

Indian Economic Development Account	...
Total account available	\$27,050,000.00
Number of loans approved	379
Total of loans approved	5,575,412.49
Total amount advanced	5,403,965.13
Repayments during year	1,364,931.12
Amount outstanding - March 31, 1973	10,395,384.70
Loans guaranteed	...
Number	83
Total of guarantees	3,429,075.00
Grants plus contributions	...
Number approved	112
Total approved	1,463,438.000
Employment	...
Jobs created	1,114

Northern Affairs Program

Almost half a million people have viewed Eskimo carvings in the Departmental Masterworks Exhibition.

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Northern Affairs

Northern Affairs Program

Objective

To advance the social, economic and political development of the Yukon Territory and the Northwest Territories, to co-ordinate the activities of federal departments and agencies in the Territories.

Introduction

The Government's Policy on Northern Development in the 70's, announced in March, 1972, outlines a strategy for northern development for the entire federal government and aims at striking a balance between people, resource development and environmental concerns. The Northern Affairs Program has been structured to enable it to carry out properly the Department's responsibilities within the Northern Policy.

People

People, resources and environment are the vital elements in the Northern Program's overall objective outlined above, and the development of these the mainstay of Government policy for the North. First priority is given to the needs and aspirations of 53,000 people north of 60°. The creation of employment opportunities for native northerners, the provision of improved education and training and the involvement of northern people in shaping their own future are important elements of the Government's policy. Resource development should reflect national economic considerations but maximize benefits to the local population and minimize disruption of traditional northern activities. This should be done with careful regard for the protection of a particularly sensitive environment.

Sub-objective - To effect cultural and social development and foster equality of opportunity for northern residents by methods which are compatible with their own preferences and aspirations, to assist in providing suitable social services, including education, manpower retraining and appropriate enriched social services to disadvantaged northern residents; to realize potential contributions of the Territories to the social and cultural development of Canada.

Financial Assistance

Financial assistance to the governments of the Yukon Territory and the Northwest Territories was appropriated during 1972 - 1973 in the following amounts:

1972 - 1973	...	...
Financial Agreements	Yukon	N.W.T.
Operating deficit grant	\$10,441,000	\$56,575,000
Capital loans	6,869,000	19,660,000
Amortization grant	2,932,000	4,797,000
Sub-total	\$20,242,000	\$81,032,000
Additional Financial Assistance Outside the Agreements	Yukon	N.W.T.
Loans for re-lending to municipalities and other third parties	\$400,000	\$1,155,000
Territorial rental housing loans	...	895,000
Contribution - hospital care of Indians and Eskimos	110,000	822,000
Contribution - Medicare for Indians and Eskimos	108,000	368,000
R.C.M.P. - service contract	621,500	1,638,900
Contribution to Eskimos for acquisition of boats for commercial fishing	...	15,000
Contribution - first mortgage low-cost housing subsidies	...	10,000
Sub-total	\$1,239,500	\$4,903,900
Total	\$21,481,500	\$85,935,900
1973 - 1974	...	...
Comparable levels of financial assistance for 1973 - 1974 have been negotiated by the financial relations committee as follows:	...	...
Financial Agreements	Yukon	N.W.T.
Operating deficit grant	6,864,000	56,025,000
Grant in lieu of income tax	4,637,000	6,471,000
Capital loans	5,600,000	15,600,000
Amortization grant	3,583,000	7,734,000
Sub-total	20,684,000	85,830,000

Additional Financial Assistance Outside the Agreements	Yukon	N.W.T.
Loans for re-lending to municipalities and other third parties	...	2,555,000
Territorial rental housing loans	...	870,000
Loans for second mortgages to residents	120,000	...
Contribution - hospital care of Indians and Eskimos	173,000	1,352,000
Contribution - Medicare for Indians and Eskimos	120,000	213,000
Contribution - first mortgage low-cost housing subsidies	...	25,000
Contribution to Eskimos for acquisition of boats for commercial fishing	...	15,000
Contribution for low income rental-purchase housing	196,000	...
Subtotal	609,000	5,030,000
Total	\$21,293,000	\$90,860,000

Financial Assistance

To assist the Territorial governments in providing residents with government services of a suitable standard, the department makes available grants and loans for operating expenses and capital projects. Appropriate levels of financial assistance are negotiated by the Territories and the federal government, The following financial assistance was provided to the two Territories during 1972 - 73:

These funds allow the Territorial governments to provide a range of social and community services similar to those provided by the provinces. Further information on these services is in the annual reports of the two Territorial governments. *Sub-objective - To further the evolution of government in the Territories, including the development of administrative capabilities and financial resources, and to prepare northern residents for increased participation in local government, to provide or assist in providing services of a type normally provided by the provinces to all northern residents.*

Housing for Northerners

The Northern Rental Housing Program continued to serve the Indians and Eskimos in the Northwest Territories and added 110 houses to the existing stock in 1972. Capital expenditures in 1972 - 73 amounted to \$1,705,000, operation expenditures were \$2,706,000 and rental revenues totalled \$456,000. Program capital and operations funding is provided by the federal government while the Government of the Northwest Territories administers and operates the 2,100 housing units located in 46 communities.

In 1971 The Government of the Northwest Territories formed a Task Force on Housing. As a result of its recommendations in 1972, the Territorial Council passed legislation setting up a Housing Corporation to develop and administer new programs to encourage home ownership.

In the Yukon a new Rental-Purchase Housing Program was implemented by the Territorial government and 40 accommodation units were made available to low income families.

Small Business Encouragement

During the year, 23 small-business loans totalling \$432,000 were made in the Northwest Territories and 21 totalling \$368,000 in the Yukon Territory. These loans encourage the establishment and development of small businesses which are having difficulty in obtaining development capital.

During the year, the department constructed a \$725,000 fish processing plant at Hay River and leased the building to the Freshwater Fish Marketing Corporation. The aim is to stabilize the fishing industry on Great Slave Lake as a significant number of Indian and Métis people depend on it for their livelihood. The plant is now in operation.

Eskimo Loan Fund

The Eskimo Loan Fund, a revolving fund with an allotment of \$1,000,000, continued to provide low-cost commercial loans to Eskimos and their co-operatives and companies.

During 1972 - 73, the fund's administration was decentralized through the creation of two Eskimo Loan Fund Advisory Boards, the Northwest Territories Board being in Yellowknife, and the Federal Board in Quebec City. During the year these boards approved loans totalling \$129,039.

Employment

The government's Policy on Northern Development in the 70's placed a high priority on promoting the employment of the native people in the Territories. Employment liaison staff have been provided at Yellowknife, Whitehorse, Calgary and Ottawa to work in conjunction with Canada Manpower and Territorial officers to promote employment for native people and to arrange vocational training.

The resource and construction industries now employ approximately the following:

1971	...	...
...	Native	Total Work Force
Highway Construction	46	142
Oil and Gas Exploration	302	1,200
Mining	200	2,350
1972	...	...
...	Native	Total Work Force
Highway Construction	139	268
Oil and Gas Exploration	344	1,100
Mining	231	2,200

During peak activity in oil and gas exploration, native workers constituted approximately 40 per cent of a work force of approximately 11,1100.

At peak periods of clearing for the Mackenzie highway during 1972 as many as 100 Indians and Métis were employed under the Northwest Territories Government's Hire North program. In all, about 310 individual native workers were with Hire North.

A survey of all federal and Territorial positions in the North was conducted through the Advisory Committee on Northern Development. As a result, departments and government agencies are now endeavouring to increase significantly their native employment.

A Special Staff Group was established to identify, examine and recommend to the department programs that would provide greater employment opportunities for native northern people and methods whereby they could participate in a more direct and immediately beneficial manner in the economic development of the North.

Eskimo Art, Literature and Films

During 1972 - 73, the successful "Masterworks" exhibition of 404 Eskimo carvings continued its tour and was seen by approximately 450,000 people in Leningrad, Moscow, London, Philadelphia and Montreal. Cultural grants were made to Eskimo artists to attend the openings of these exhibitions.

To aid the development of new products, assistance was given to Canadian Arctic Producers Limited, the government-funded central marketing agency for Eskimo arts and crafts. During 1972 - 73 the company's sales were in excess of 1.5 million dollars, and the resulting profits were distributed to Eskimo art-producing co-operatives.

The Eskimo magazine Inuttituut, printed entirely in Eskimo syllabics, was revised to accommodate an English and French translation of major articles.

The department co-sponsored a number of successful films in conjunction with the National Film Board, one of which was produced with the help of the Eskimo people. In the Eskimo community of Cape Dorset a film workshop was established with a view to encouraging the production of films, film inserts and television spots about the North.

Education Services

During 1972 - 73 about 225 Eskimos were placed in educational and occupational preparation programs in southern Canada. Specialized training at military training schools was arranged for various Eskimo groups from northern Canada; graduates of occupational programs accepted in northern Canada. Several specialized Eskimo civilian graduates from Canadian Forces Bases are now employed in the air industry in the North.

The Churchill Vocational Centre, with a student residence at Fort Churchill, Manitoba, was in its last full year of operation and scheduled to close on June 30, 1973. In addition to the Churchill Vocational School, the Northern Affairs Program continued to operate the Duke of Edinburgh School at Fort Churchill, Manitoba. This school provides junior grade education for dependents of federal government employees and senior grade instruction for all students in the community.

Liaison with Eskimo Associations

A grant of \$100,000 was made to Inuit Tapirisat, the national Eskimo association, to assist it to put forward Eskimo land claims. In order to facilitate the grievance procedures of native peoples, the department provided a \$100,000 contribution towards the cost of preparing a brief to government. In addition, \$5,000 was provided for a preliminary study on land use and occupancy

The conditions under which the development of oil and mineral resources will be permitted to proceed - a primary concern of Inuit Tapirisat - was the subject of several meetings in Ottawa and the North during the year. As part of an on-going project, \$4,900 was allocated for the translation of Inuit and the Law into the eastern and western dialects of the Eskimo language. *Sub-objective - To encourage viable economic development within the regions of the Territories to improve opportunities for the productive employment of northern residents, to provide or assist in providing suitable infrastructure, including certain transportation facilities, in the Territories.*

Oil and Gas

Oil and gas expenditures in the Yukon and Northwest Territories exceeded \$238 million in 1972, (an increase of about \$63 million compared to the previous year), largely attributable to a 46 per cent increase in drilling expenditures.

Although the number of wells drilled decreased, the footage drilled increased by more than 22 per cent. The number of seismic and geological crew-months also increased over the previous year.

Drilling and seismic operations were concentrated in three geographic and geologic areas: Eagle Plain in the Yukon Territory, the Mackenzie Delta-Tuktoyaktuk areas and the Arctic Islands, specifically in the Sverdrup Basin.

Drilling activities were highlighted by large and extensive drilling programs in the Tuk-Delta areas. In June 1972, Imperial announced that its 10E Taglu C-42 and Mallik A-06 had encountered gas in significant volume on tests. Gulf-Mobil made a significant gas discovery in their Parsons F-09 well and in their Kilagmiotak F-48 well. The follow-up well to Parsons F-09 was announced as a successful gas well thus substantially increasing gas reserves in the area.

In the Arctic Islands, Panarctic Oils Ltd. (of which the Crown holds a 45 per cent equity interest) drilled successful gas wells on Ellef Ringnes Island, Panarctic et al Kristoffer Bay B-06; on the Sabine Peninsula, Hecla F-62 and extensions to the Drake Point Gas Field were made by successful completions in their Drake F-16 and B-44 wells. Panarctic also announced that oil flowed to surface from the 3,800 - foot level in its Thor P-38 well, located on a small island a few miles southwest of Ellef Ringnes.

By year end the Crown had invested more than \$34 million in Panarctic and had committed an additional \$11.25 million as its share of a new \$25 million financing. Panarctic and its partners have spent a total of approximately \$150 million for explorations in the Arctic Islands. In addition, Dolar Gas Project, of which Panarctic is a carried partner, continued to study the feasibility of building a gas pipeline from the Arctic Islands; this would cross Barrow Strait and run either on the east or west coast of Hudson Bay. (Further details of the oil and gas industry in the Yukon and Northwest Territories are published in the department's Oil and Gas Activities - 1972.)

1 Electric shovel removing waste material at the asbestos mine at Clinton Creek, Yukon Territory. 2 Atop a 2,000 foot mountain one of the world's most northerly wildcats, Panarctic Fosheim N-27 on Ellesmere Island, reached a total depth of 14,022 feet, the deepest well drilled in the Arctic Islands to date.

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Mining

In the Northwest Territories mineral production rose in value from \$114,228,949 in 1971 to \$124,149,000 in 1972, an increase of 8.7 per cent. In the Yukon Territory, the increase was from \$93,020,953 in 1971 to \$102,418,000 in 1972, an increase of 10.1 per cent. Two large open pit lead-zinc mining operations, one in the Northwest Territories and one in the Yukon, accounted for 80 per cent of the total value of production.

There were two open pit and four underground mines operating in the Northwest Territories in 1972: one lead-zinc, one tungsten, two silver and two gold mines. In the Yukon, there were also two open pit and four underground operations: one asbestos, two lead-zinc-silver, one coal, one nickel-copper and one copper mine. In early 1972, Hudson Yukon Mines Ltd. brought its nickel-copper deposit near Kluane Lake into production. Whitehorse Copper Mines Ltd.,

which suspended open pit operations in June 1971, continued with underground development and resumed production in December 1972.

Mineral exploration was extensive throughout Canada's North in 1972, especially for lead-zinc deposits, which account for most production in northern Canada. In addition, an underground program is planned for a very large tungsten deposit in the MacMillan Pass area in the Mackenzie Mountains and feasibility studies are under way on two Baffin Island properties, one containing lead-zinc ore and the other iron ore.

In the Northwest Territories, 5,500 claims were recorded and 19 prospecting permits issued to cover exploration work in 1972. The area on the west side of Hudson Bay, which contains a favourable greenstone belt extending from Nuelin Lake to the shore of Hudson Bay between Eskimo Point and Corbett Inlet, attracted exploration interest in 1972.

Although no ore bodies have been found, recent work by the Geological Survey of Canada has outlined a number of good exploration targets. Consequently, nine exploration programs centred on base metal and uranium targets were carried out in 1972, with an increase in activity expected in 1973.

Rising gold prices are creating renewed interest in the Yellowknife area as well as several properties in the Northwest Territories, all of which will be further explored for gold potential.

In the Yukon, 6,845 mineral claims were recorded in 1972. Placer gold creeks are attracting attention once again and the staking of placer claims has increased. (Further details of mining activity in the Yukon and Northwest Territories are published in the department's Mines and Minerals Activities - 1972).

Northern Roads

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The Dempster highway continued to be identified as the Northern Roads Program's major construction project during 1972.

Northwest Territories Mine Rescue Team going into operation.

By the end of November 1972, 166 miles of the Dempster had been completed, following the route north-northeast from Dawson. An additional 35-mile stretch was also completed linking Fort McPherson with Arctic Red River, the eventual terminal point of the 365-mile highway.

Mackenzie Highway

The Prime Minister in April 1972 announced the acceleration of the construction of the Mackenzie highway, the first major northern construction project explicitly to incorporate human and environmental elements with engineering factors. Under this, all plans must allow sufficient time for thorough environmental and social impact studies to be carried out, and construction will progress only at the rate at which the attendant problems are solved to the satisfaction of government.

This highway, more than 1,000 miles long, will be an all-weather link from the Alberta-NWT border to the Mackenzie Delta, connecting all the formerly isolated communities down the Mackenzie Valley.

Construction to Date

The original Mackenzie highway was built between the Alberta border and Fort Simpson, NWT. The project is advised by an Environmental Working Group. Within that group final decisions on highway alignment are made. Two contracts are under way at present: 1. PanCana Contract (M 297 - M 346, Fort Simpson to Camsell Bend). This 49 - mile section is scheduled for completion during 1974 - 75. 2. Catre Contract (Inuvik-M 931). This 33 - mile section is nearing completion, with trimming and cleaning operations scheduled for completion in September 1973.

People and Employment

In line with Federal and Territorial policies to enable local native people to share in and benefit from the highway project, the most tangible benefits so far have resulted from employment opportunities. Section A (Fort Simpson to Camsell Bend) was hand-cleared by Hire North.

During April of this year an 11.9 mile-long training section for training natives as heavy-equipment operators was established in the area of River Between Two Mountains (M 399 - 410.9).

The many aspects of this highway became part of the Pipeline-Highway Information and Education Project in January 1973 and its environmental and social implications were discussed at two workshops attended by native discussion leaders and representatives of native people's organizations

Highway Design

A team of landscape architects is preparing a plan for the landscaping and design of the Mackenzie highway route to include picnic sites, camping facilities, motels and restaurants, and interpretive sites of historic or natural beauty and importance. An eight-mile wide development control zone was established by the Territorial Government to allow local people adequate opportunities to establish and develop their own businesses in the tourism and service industries and to ensure orderly development of the area.

Application of New Technology

Experiments using an air-cushioned (hovercraft) transporter to cross such rivers as the Mackenzie and the Liard, were carried out on the Arctic coast during the winter of 1972. Further successful trials at Arctic Red River have resulted in a decision to build and operate a prototype air cushion vehicle (ACV) during the winter of 1973. While the feasibility of an air-cushioned ferry system is not conclusive, results to date are most encouraging, both in terms of efficiency and operating costs. Implementation would eliminate ice bridges and ferries and would be a year-round operation. A large part of the area over which northern roads have been constructed is situated in the permafrost zone. Permafrost is simply a ground condition where the temperature is always -0°C .

In many areas granular materials and clays are available and these form the major road building materials. However, in areas where granular materials are not available construction costs escalate because crushed rock or shale must be used. Recent experiments, using an insulating layer of polystyrene boards over the permafrost, provided a solid foundation for the highway. This procedure is being contemplated to conserve the available granular materials.

Northern Airports

The Northern Resource Airports Program assists, on a cost-shared basis, the construction of access airports in exploration and development projects. The scale of assistance is related to the various types of operation the airport is designed to serve. During 1972, assistance totalling \$61,000 was paid for the construction of six airstrips of which two were for oil and gas exploration, three for mining exploration and one for a tourist facility.

The Remote Airports Program provides for the construction of airports at isolated settlements, not served by scheduled airline, to facilitate uninterrupted medical, educational and judicial services. To date, two airports have been constructed in the NWT, one at Coppermine and one at Pangnirtung. One was built at Old Crow in the Yukon. Six additional airports will be built during the initial phase of the program.

Special Studies

The Economic Staff Group of the Northern Affairs Program is concerned with research related to the development of renewable and nonrenewable resources and to transportation systems in the North as well as the associated problems peculiar to regional economic and policy planning.

Studies completed during 1972 included Manpower Surveys of the Yukon and Northwest Territories, a study of income distribution in the Mackenzie District and a study comparing southern and northern Canadian trucking costs. (A full list of completed studies is given in Appendix A).

Manpower surveys indicated significant variations in the participation rates of various labour groups in the Territories. Analysis of data collected in the Mackenzie District income distribution studies showed that there were significant income disparities between communities in the District, and that incomes among native families were less equally distributed than among non-native families.

Analysis of revenues and expenditures in the North by the government sector indicated that in terms of wages to northern residents, government is the largest single employer, outranking mining, the largest industrial operation. A study of trucking costs in northern and southern Canada indicates the need to study more closely costs and benefits of providing northern roads capable of bearing heavier payloads. *Studies Undertaken or Directed by the Economic Staff Group, Northern Affairs Program in 1972*

Studies undertaken by Officers of the Group. 1. The Effect of Education on Earnings in the Mackenzie District of Northern Canada. 2. A Study of Income Distribution in the Mackenzie District of Northern Canada. 3. The Application of an Optimizing Model for Economic Development to Problems of Economic Planning in Northern Canada. 4. The Socio-Economic Implications of Gold Mine Closure in the Yellowknife Region. 5. Manpower Surveys of the Yukon and North-west Territories. 6. A Comparative Study of Trucking Costs in Northern and Southern Canada. 7. Benefit-Cost Analysis of Fort Liard Highway. 8. Survey of Northern Transportation Costs - an Intermodal Comparison. Projects by Contract Consultants 1. Social Accounts for the North: Interim Paper No. 2. The Government Sector: Revenues and Expenditures by Territories and Level of Government.

Table A

Transactions Completed 1972 - 1973 Sales Agreements and Leases

Sales Agreements	Yukon	N.W.T.
Residential	7	4
Commercial	7	12
Agricultural	4	...
Sports Fishing	...	...
Summer Residential	3	...
Total	21	16
Leases	...	...
Residential	13	16
Commercial	34	27
Sports Fishing	...	3
Recreational	...	8
Agricultural	15	2
Grazing	33	3
Religious and Cultural	1	2
Gardening	...	1
Summer Residential	91	11
Licence to Occupy	4	...
Combined Residential Agricultural	16	...
Combined Residential Commercial	2	...
Other	5	...
Total	214	73

Table B

Agreements in force to 31 March, 1973

Sales Agreements	Yukon	N.W.T.
Residential	75	39
Commercial	62	25
Agricultural	7	3
Gardening	...	1
Sports Fishing	...	3
Summer Residential	23	2
Other	8	1
Total	175	74
Leases	...	...
Residential	171	54
Commercial	135	154
Sports Fishing	...	49
Recreational	5	18
Agricultural	49	8
Grazing	116	5
Religious and Cultural	16	19
Gardening	...	...
Summer Residential	363	25
Licence to Occupy	14	4
Combined Residential Agricultural	79	...
Combined Residential Commercial	3	...
Other	7	37
Total	958	373

Land Administration Section

The responsibilities of the Land Administration Sections in the Territories involve the administration of the surface rights of all unalienated Crown lands* and include: general supervision of activities related to the lease, sale or other disposal of rights pursuant to the Territorial Lands Act and Regulations. There is also the allocation of lands to other federal departments and agencies for use in meeting their program commitments in the Territories; and the transfer of lands to the Governments of the Yukon and Northwest Territories in furtherance of the federal government's policies for northern development.

During the year, tracts of land encompassing the communities of Hay River, Enterprise and Norman Wells were transferred to the administration and control of the Government of the Northwest Territories. In this program land areas, surrounding all communities in the Yukon and Northwest Territories, designated as development control zones, are being transferred to the Territorial governments.

The development control zone transfers are made without prejudice to the entitlements of Indian people under Treaties 8 and 11 or to the land claims of Eskimos and other native groups.

In addition to the community transfers, 87 individual parcels were transferred to the respective Territorial governments for such purposes as highway maintenance sites, public campgrounds and public development projects. Records covering the administration of 150 active leases and sales agreements at Hay River, Enterprise and Norman Wells were transferred to the NWT Government simultaneously with the transfer of the Development Control Zones. About 3,000 separate recording actions resulted from these transfers. [*unalienated Crown lands constitute an area of more than 1,500,000 square miles - more than 40 per cent of Canada's land and water area.]

During 1972 - 73 more than 300 transactions were completed and more than 900 applications and enquiries processed. This interest can be attributed to the growth in mining activity, oil and gas exploration, new road construction and more and better tourist promotion.

Table A shows the number of land transactions, by type for each of the Territories. Table B shows the total number of leases and sales agreements, by type, in effect as of 31 March 1973.

The Land Administration Section at Ottawa has for many years held the responsibility for managing Ordnance, Admiralty and Dominion Lands located in all provinces except Newfoundland, and steps were taken during the year to transfer this role to other federal agencies.

Northern Pipelines

Sub-objective - To maintain and enhance the northern environment with due consideration to economic and social development.

In spring 1971 a four-year program was established to co-ordinate, manage and advise on research into the potential effects of Mackenzie Valley and Northern Yukon pipelines on the people and the environment of the Territories.

The program, under the direction of the Environmental-Social Committee of the Task Force on Northern Oil Development, involves research being carried out by the departments of Indian and Northern Affairs, Energy, Mines and Resources, and Environment, plus the two territorial governments and the National Energy Board. There is close liaison with other interested departments.

The primary purpose of the research is to provide the background information on social and environmental considerations to ensure that any pipeline construction and operation or application for such will provide maximum benefit to northern residents.

By year-end, 55 reports and papers relating to the program had been published and a further 66 were in various stages of preparation. These studies covered the social and economic impacts of pipelines, labour forces, social structures, ethnic relations, renewable resources, terrain disturbance, oil spills, waste disposal, archaeological salvage, terrain sensitivity mapping, permafrost, vegetation, wildlife and fish. *Details regarding these publications may be obtained from the Director, Environmental-Social Program, 151 Slater St., Ottawa.*

On 28 June, 1972, expanded social and environmental Guidelines for Northern Pipelines were tabled in the House of Commons and comments were invited from the public up to 31 March, 1973. Upon receipt these will be reviewed and considered before revision of the guidelines.

Water, Lands, Forests and Environment

The increasing concern of the department's Northern Program for the "above surface" resources of the North resulted in the formation of a new division with the mandate to develop policy and programs for the management and protection of the water, forests and land of the Yukon and Northwest Territories.

The chief concerns of the division are to recommend legislation and implement policies and programs designed to:

- a) encourage orderly development of water, forests and land resources of the Territories;
- b) minimize disturbance to the land surface; and,
- c) maintain the natural quality of inland waters.

The compilation of scientific and technical data on the Canadian North is the research function of Land Use Research (ALUR) program. Emphasis of this research is on management of the North's renewable resources and the impact of extensive land and water use in the North.

Water Management Activities

The water program functions in three distinctive areas: policy, planning and operations. During 1972 effort was concentrated in bringing previously enacted water legislation into force and developing supporting regulations.

The Northern Inland Waters Act, the regulations for which were promulgated on September 14, sets the stage for the planning, development, conservation and management of the water resources of the northern territories. The legislation created a Water Board in each Territory to assist the Department with water management and, with the approval of the Minister, to issue water-base licences.

The Arctic Waters Pollution Prevention Act and regulation came into force on August 2. Basically, this Act prohibits the deposit of waste directly or indirectly from any source into arctic waters, except as authorized by the Regulations.

Planning

The inventory of hydropower potential continued, with some preliminary investigations on major streams flowing into the Mackenzie River.

A major study on the water resources of the Mackenzie River Basin was launched at a seminar held in Inuvik in June and an Intergovernmental liaison committee was set up as a forum for information exchange and to co-ordinate joint studies within the basin.

Preliminary planning on water quality and hydrometric networks was carried out as an initial step towards the creation of adequate water data networks.

Studies have been conducted with regard to industrial uses of water in the northern territories, particularly by mining interests. Some preliminary reports are now available, the studies are ongoing and definitive results should be available within two years.

In feasibility planning for the Mackenzie highway and proposed gas pipeline, the water staff has examined the physical and hydrologic conditions in the vicinity of major stream crossings. The entire watershed was taken into account so that crossings could be designed and located to accommodate the natural physical features of the area as well as fish and wildlife.

A preliminary assessment of the environmental consequences of dredging and channel improvements on the Mackenzie River system was carried out in 1972. A report of the findings was produced but further studies of a more specific nature have been recommended.

Operation

Under the Northern Inland Waters Act, 33 applications to use water were submitted, 32 in the Northwest Territories and one in the Yukon. In the NWT, 12 applications resulted in authorizations to use water without a licence, and no licences were issued. The one application in the Yukon was from the Northern Canada Power Commission to construct a \$15 million, 30 megawatt hydro power installation on the Aishihik watershed. If a licence is granted, construction would begin in 1973.

The Arctic Waters Pollution Prevention Act and Regulations are being applied to oil and gas exploration activities in, or adjacent to, arctic waters.

Land Management

The use of unalienated Crown lands in the North falls within provisions of the Land Use Regulations which became law in November 1971. These regulations were authorized under the Territorial Lands Act and establish ground rules for the use of all Crown lands in the Yukon and Northwest Territories, they establish land management zones where, because of the sensitivity of the land to disturbance, operations are more carefully monitored, and a permit is required before a land use operation may proceed.

1 The Pangnirtung airstrip, built as part of the Remote Airports Program, with the community of Pangnirtung in the background.

2 A northern native at work at the Sans Sault test facility of Canadian Arctic Gas Study Limited where a training program is underway to instruct native northerners as operators in the oil and gas industry.

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All applications for land use operations to be conducted within a land management zone are assessed by an Interdepartmental Land Use Advisory Committee. The Regional Manager, Water, Forests and Land, situated at the Regional Headquarters, in each Territory acts as chairman of the committee.

To date, after two years of administration, approximately 820 permits have been issued with the majority, about 80 per cent, issued with respect to petroleum exploration activities, and the remainder for various other activities such as mining, road and airport construction and quarrying.

Forest Management

The Yukon Forest Service and the Mackenzie Forest Service were re-organized in 1972 to facilitate the administration of the Territorial Land Use Regulations. The Services are now known as the Yukon Lands and Forest Service and the Northwest Lands and Forest Service. Each service is under the direction of a regional superintendent and may conduct within any area, a wide range of resource management activities, including: Land Use Enforcement; Land Administration; Timber Management; Water Quality Control and Fire Management.

During 1972, the Northwest Lands and Forest Service and the Yukon Lands and Forest Service were successful in containing the forest fire area to 718,385 acres, compared to the 1971 high of 2,682,339 acres.

This reduction in acreage burned can be directly attributed to a combination of an improved presuppression program and less severe drought conditions. In the NWT initial attack crews, consisting of trained native fire fighters, were stationed at key locations along the Mackenzie Valley and around Great Slave Lake and were backed up by a small fleet of aircraft. Similar crews operated in the Yukon Territory.

During 1972, the local industry continued activities toward establishing itself as a dependable producer capable of substantial contribution toward Territorial economies. Production climbed sharply with greater emphasis on lumber. The 3.52 million cubic-foot (17.5 million board feet) harvest of 1972 consisted of 58 per cent saw-logs, 16 per cent roundwood and 26 per cent fuelwood.

Compared with 1971, lumber production increased by 67 per cent, production of roundwood by 60 per cent, and cutting of fuelwood by seven per cent.

In 1972, the department received results of three forest surveys indicating that the lumber industry could grow in importance in the Territories even as originally apparent.

Environmental Engineering

Granular-material resource inventories being taken in the Mackenzie District of the NWT will determine if there are adequate supplies to meet the demand of projects such as the Mackenzie highway, the proposed pipelines and their ancillary facilities.

During 1972, more than 20,000 square miles were surveyed in defined corridors between Fort Simpson and Fort Good Hope, and in the Delta and Tuktoyaktuk Peninsula. A separate inventory was made of granular material deposits adjacent to nine communities in the Mackenzie District to ascertain whether supplies were adequate to meet the communities' present and future requirements. These deposits will be reserved for community development purposes only. The inventory includes an environmental assessment of all located deposits, including their potential for restoration.

The Mackenzie Highway Environmental Requirements promulgated in July 1972, establish the environmental standards for this project.

Arctic Land Use Research

In 1972 - 73, the third full season of field studies under the Arctic Land Use Research Program, research projects were carried out under contract by scientists from nine Canadian universities.

The research was primarily directed at determining the effects on the northern environment of oil and gas exploration, road construction, the construction and operation of oil and gas pipeline, the disposal of mine wastes and forest harvesting. Data obtained were being used to develop improved methods of environmental protection and to provide information for the implementation of the Territorial Land Use Regulations. *Sub-objective - To provide for coordinating mechanisms for reviewing existing and planned federal activities in the Territories in relation to objectives in the North, and to advise the government of the possible impact of these activities.*

Federal Government Co-ordination

The growth in government activity coupled with the need to translate the government's policy for the North as contained in the Northern Policy for the 70's into the practical programs of the different departments and agencies, has made the task of the Advisory Committee on Northern Development more complex and has given rise to the need for a more flexible and varied approach to the many different problems faced by the Committee.

Within the structure of the ACND, many committees and working groups bring together specialists from the different departments and agencies concerned to deal with specific problems or areas of concern on a one-time or continuing basis, as required (Table I).

Co-ordinating Committee

The Co-ordinating Committee of ACND determines the requirements for committees and working groups and deals with the major questions of policy.

During 1972 - 73, the Committee created a working group to examine federal government expenditures on the North and their relationship to the policy objectives set out in the Northern Policy for the 70's. It was found that approximately \$300 million were spent in 1972/73 on different government programs in the North, including those of the two Territorial governments.

The Committee also has assumed some administrative functions pertaining to the northern operations of the different departments and agencies in order to avoid any over - Concentration of facilities at one location, to ensure that municipalities and communities are informed of federal plans, and to make certain that staff housing problems are adequately resolved. Arising in part from these considerations, a new regional Co-ordinating Committee for the Northwest Territories was established in Yellowknife under the chairmanship of the Commissioner of the NWT, allowing many of these problems to be dealt with locally.

Sub-Committee on Science and Technology

As a corollary to the guidelines and priorities set out in the Northern Policy for the 70's, the subcommittee on Science and Technology in 1972 - 73 devoted much of its attention to the development of scientific guidelines for northern research.

A Scientific Seminar held at Mont Gabriel, Quebec was attended by 100 scientists in equal numbers from the universities, industry and government. The resultant recommendations form the basis of guidelines shortly to be promulgated. The proceedings have been published as Science and the North and are available from Information Canada.

A second series of meetings dealing with scientific exchanges in Arctic Science, under a General Exchanges Agreement, took place in Ottawa in November 1972 between Canadian Scientists and their Soviet counterparts. The aim was to develop a joint research program, the first phase of which is expected to commence in 1974.

Further, a joint meeting with the Inter-agency Arctic Research Co-ordinating Committee, Washington, was held in Ottawa on 1 May 1972, to discuss reciprocal use of Arctic research facilities, information exchange on scientific matters and possible joint programs of mutual interest.

The Standing Committee on Research Projects, a working group, was established during the year to evaluate extra-governmental research proposals or requests for research funding.

The Sub-Committee met with the Arctic Institute of North America and the Arctic Petroleum Operators' Association to discuss possible government support for the programs of those organizations.

Other matters considered by the Sub-Committee included: - a Plan for an Analysis of World Ecosystems (PAWE); - a Norwegian government proposal for an international conference on the protection of the natural environment; - Research laboratories for the North; and - Canadian attendance at Arctic conferences.

Sub-Committee on Northern Communications

This committee met six times during 1972 - 73, their program being highlighted by the launching of the Anik communications satellite by Telesat Canada in November 1972, a milestone in upgrading northern communications.

With the increased attention being concentrated on northern communications, the sub-committee's policy and coordinating role was expanded. Preliminary consideration was given to a draft comprehensive Policy for Northern Communications within the over-all context of the Northern Policy for the 70's. Agreement was reached on the need to provide for a coordinated and expanded program of research into the social impact of improved communications in the North.

Considerable study was devoted to the ways and means of providing more and better radio broadcasting services, including both network and community programming throughout the Yukon and the Northwest Territories. Work was begun on a review of government policy for support to communications activities by the native peoples in Canada.

Sub-Committee on Transportation

This sub-committee was active in 1972 - 73 in further developing transportation policies in the light of the Northern Policy for the 70's and the substantial upsurge in industrial activity in the North, particularly in relation to oil and gas exploration.

One of its principal tasks was to develop a policy governing the provision of air transportation facilities in the North. Since the policy choices will determine to some extent the equipment use by scheduled and charter operators, extensive consultation with the operators, as well as with users, was under way at the end of the year.

In addition, the sub-committee began work on a number of studies related to the transportation of oil and gas from the North; these dealt specifically with the feasibility of transporting oil and gas by a railway along the Mackenzie Valley, alternate methods of transporting oil and gas from the Arctic Islands and the information required to consider possible sites for harbour facilities.

Sub-Committee on the Employment of Native Northerners

In response to the guidelines and priorities set out in the Northern Policy for the 70's, this subcommittee was established to encourage and coordinate federal government activities related to the employment of native northerners. One of the first activities of the sub-committee was to develop a system whereby more accurate and timely statistics on the employment of native northerners could be obtained. A working group of the sub-committee has been directly involved in establishing procedures promoting the employment of native northerners on the Mackenzie Highway Project.

Constraints on the employment of native northerners are being examined as are compensatory employment measures which will facilitate native employment.

The sub-committee meets alternately in Ottawa and the territorial capitals, Yellowknife and Whitehorse, and met four times during the year.

Table I

Advisory Committee on Northern Development Committee Structure



TABLE I - CONT'D



Other sub-committees and working groups of ACND carried out projects and studies as varied as the development of guidelines for archaeological salvage to concern for aesthetic pollution in the Arctic.

The ACND publication Government Activities in the North, available from Information Canada, reviews the operations of the different departments and agencies in the Territories during 1972 - 73 and outlines plans for 1973 - 74. It is published in both English and French and can also be obtained by writing to:

Office of the Public Information Adviser,

Department of Indian and Northern Affairs, 400 Laurier Avenue West,

Ottawa, Ontario.

K1A 0H4

Northern Science Research

During 1972 - 73 grants totalling \$330,000 were awarded to 13 institutes or committees for northern studies at universities across Canada.

Other grants totalling \$88,000 were made to universities for research into problems specified by the department. These were: - to assist in the publication of a monograph on the north for the International Geographical Congress; - to study the biological effects of the thermal effluents in waters of high latitudes; - to complete investigation of the distribution and quality of Northern studies in Canadian universities; - to support research on Arctic underwater operations; - to study municipal servicing and environmental control in Greenland, Northern Scandinavia and the U.S.S.R.; - to study sociological roots of violence at Churchill, Manitoba and Frobisher Bay, NWT respectively;

- to support three seminars to compare the social aspects of violence in Greenland and Arctic Canada; and - to support research to be undertaken on occupational aspirations in the Mackenzie Valley region.

Several in-house studies dealing with specific problems in the social, economic and educational fields in the North were under way. In support of the socioeconomic impact studies being undertaken by the Economic Staff Group, special attention was given to research associated with pipelines.

The research laboratory in Inuvik provided research facilities for scientists engaged in studies and investigation of Arctic problems. The main users of this facility included university researchers; Government of the Northwest Territories; Museum of Man; Departments of Industry, Trade and Commerce; Environment; National Health and Welfare; Imperial Oil Limited and Arctic Gas.

International Co-operation

Intergovernmental relations also extend into the international field. There were official contacts with organizations and ministries of several countries, including Britain, the United States, Denmark, Norway, Sweden, Finland and the Soviet Union.

The department has contributed actively to two treaty agreements with the U.S.S.R., one dealing with the establishment of co-operation in the area of Arctic research and development, and the other with the industrial application of science and technology.

The first falls under the General Exchange agreement and proposes that an exchange program should be initiated between both countries on the following themes: - Earth sciences. - Hydrological, meteorological and oceanographic studies. - Study of Arctic and sub-Arctic water and marine ecosystems. - Study of terrestrial fauna and ecosystems.

- Studies of medical and nutritional problems. - Ethnography and adaptation of indigenous people in the North to a new way of life resulting from the development of northern regions. - Experience in training specialists from among native people in the North.

The Canada-U.S.S.R. Mixed Commission on the Industrial Application of Science and Technology has eight working groups. In 1971, this department was made responsible for the Gas Working Group because of the active exploration for gas in Canada's Arctic regions, and the specialized technology required there for this exploration and the future production of gas.

In the course of the year, the working group formed three sub-groups dealing respectively with gas pipelining, with gas well completion, gas production, gathering and preparation and with transportation and logistics in permafrost and far northern regions. The membership of each sub-group is made up essentially of industry representatives, who can discuss problems of mutual interest with their Soviet Sub-Group counterparts.

The main purpose of the Gas Working and Sub-Working Groups is to identify areas for joint research and joint operations with the Soviets or specialized machinery, equipment and gas plants that may be sold or licensed to, or purchased from the Soviets.

During the past year, the Canadian Gas Working Group visited the U.S.S, R. on two occasions. Earlier in the year, a visit of several gas fields, plants and pipelines in Western Siberia and of some factories in western Soviet Union was followed by the yearly joint meeting with the Soviets. It was at this meeting that plans were made to form sub-groups and a clearer definition achieved for specific areas of mutual interest for co-operation. The second trip, late in the year, to Moscow and Kiev, was to initiate talks with Machinimport, Licensentorg and other Soviet trade agencies to obtain a clear picture of the mechanics and feasibility for the sale of Canadian gas-related equipment.

Activities in Canada in the course of the year included the organization of an Enhanced Recovery Symposium for the Soviets, to be held in Edmonton, and the preparation of additional Soviet visits to Canada.

In these activities, the department maintains close liaison with the Department of Energy, Mines and Resources, which directs the Oil Working Group; and with the Department of Industry, Trade and Commerce, which co-ordinates the trade aspects of all Working Groups and is also responsible for the Mixed Commission.

In areas where overlaps in responsibility exist between the Northern Program and other government agencies or Crown corporations, further information may be obtained from the respective annual reports or by writing directly to: Government of the Northwest Territories,

Laing Building,
Yellowknife, N.W.T.

Government of the Yukon Territory,

Federal Building,
Whitehorse, Y.T.

Northern Canada Power Commission,

P.O. Box 5700,

Station "L",

Edmonton, Alberta.

K1P 5H3

Northern Transportation Co. Ltd., 151 Slater Street,

Suite 800,

Ottawa, Ontario.

Panarctic Oils Limited, 703 - 6th Avenue S.W.,

Calgary, Alberta.

Grant and Contribution Expenditures 1972 - 1973

Grants	...
Territorial and Social Development	...
Indian and Eskimo Culture	\$22,452
Eskimo Language School - N.W.T.	87,900
R.C.M.P. Service Contract - N.W.T.	1,638,900
R.C.M.P. Service Contract - Y.T.	621,500
Northern Economic Development	...
Arctic Institute of North America	...
Arctic Bibliography	30,000
Northern Research and Scientific Expeditions	387,940
Assistance to Chambers of Mines	27,500
Mine Accident Prevention Association of the N.W.T. and the Yukon	3,000
Prospectors' Assistance	50,074
Northern Mineral Development Assistance	270,184
...	\$3,139,450
Contributions	...
Territorial and Social Development	...
Hospital Care of Indians and Eskimos - Y.T.	\$73,653
Hospital care of Indians and Eskimos - N.W.T.	1,414,600
Medicare of Indians and Eskimos - N.W.T.	192,064
Medicare of Indians and Eskimos - Y.T.	120,000
Special Winter Employment Plan - Yukon - 1971 - 1972	55,118
Inuit Tapirisat of Canada Study Eskimo Claims	75,000
Yellowknife, N.W.T. - Water System	2,161
Northern Economic Development	...
1972 International Geographical Congress	8,000
Arctic Institute of North America - Northern Study	19,920
Boreal Institute - Northern Study	20,000
Total	\$5,119,966

Revenue Produced by Activity 1972 - 1973

Territorial and Social Development	Percentage of total
Territorial Affairs	40.0
Social Development	0.4
Northern Housing Social Research	4.0
Northern Economic Development	...
Northern Policy, Planning and Co-ordination	...
Water, Forests and Land	6.0
Oil and Mineral	48.5
Program Administration	1.1
Total	100.0
Distribution of Revenue by Type 1972 - 1973	...
Type of Revenue	Percentage of total
Privileges, Licences and Permits	53.9
Proceeds from Sales Services and Service Fees	0.4
Return on Investment	37.4
Refund of Previous Year Expenditures	5.2
Miscellaneous	3.1
Total	100.0

Loans and Investments 1972 - 1973

Loans	Outstanding 1 April 1972	1972 - 1973 Disbursements	1972 - 1973 Repayments	Outstanding 31 March 1973
Government of the Northwest Territories	\$47,516,427	\$21,830,000	\$2,248,851	\$67,097,576
Government of the Yukon Territory	27,131,701	7,503,085	1,479,132	33,155,654
Small Business Loans - N.W.T.	398,362	595,380	56,257	937,485
Small Business Loans - Y.T.	513,852	368,800	116,982	765,670
Loans to the City of Whitehorse	1,682,431	...	427,191	1,255,240
Eskimo Loans	568,633	129,039	85,400	612,272
Anvil Mining Corporation Limited	112,276	...	36,270	76,006
Sub-total	\$77,923,682	\$30,426,304	\$4,450,083	\$103,899,903
Investments	...	...	...	...
Panarctic Oils Limited	\$28,256,250	\$6,000,000	...	\$34,256,250
Canadian Arctic Producers Limited	651,000	...	\$25,000	626,000
Sub-total	\$28,907,250	\$6,000,000	\$25,000	\$34,882,250
Total	\$106,830,932	\$36,426,304	\$4,475,083	\$138,782,153

Table, see page 102.

Revenue Produced by Activity and Type 1972 - 1973

Territorial and Social Development	Privileges, Licences and Permits	Proceeds from Sales	Services and Service Fees	Return on Investment	Refund of Previous Year Expenditures	Miscellaneous	Total
Territorial Affairs	\$1,103	...	...	\$5,400,000	\$385,917	\$919	\$5,788,139
Social Development	4,408	\$21,431	...	17,500	1,223	19,233	63,795
Northern Housing	450,279	...	...	...	133,765	...	584,044
Social Research	1,139	...	...	...	6	...	1,145
Total	456,929	\$21,431	...	\$5,417,500	\$520,911	\$20,152	\$6,437,123
Northern Economic Development	...	...	...	...	...	...	...
Northern Policy, Planning and Co-ordination	...	...	...	...	\$72	...	\$72
Water, Forests and Land	\$773,820	\$15,363	\$20	...	72,117	\$498	861,818
Oil and Mineral	6,570,434	18,141	181	\$3,974	2,899	423,614	7,019,243
Total	\$7,344,254	\$33,504	\$201	\$3,974	\$75,088	\$424,112	\$7,881,313
Program Administration	5,170	289	54	276	150,811	298	156,968
Total	\$7,806,353	\$55,224	\$255	\$5,421,750	\$746,810	\$444,562	\$14,475,154

Table, see page 104.

Capital Expenditures by Activity 1972 - 1973

Territorial and Social Development	Percentage of total	Distribution of Capital Expenditures
Territorial Affairs	2.6	\$800,085
Social Development	0.1	24,681
Northern Housing	6.2	1,929,993
Social Research	0.3	78,204
Sub-total	...	\$2,832,963
Northern Economic Development	...	...
Water, Forests and Land	5.5	\$1,716,576
Oil and Mineral	0.4	128,917
Northern Roads and Airstrips	84.5	26,406,180
Sub-total	...	\$28,251,673
Program Administration	0.4	118,945
Total	100.0	\$31,203,581
Operating Expenditures by Activity	...	...
Territorial and Social Development	Percentage of total	Distribution of Operating Expenditures
Territorial Affairs	1.7	\$459,847
Social Development	7.6	2,065,804
Northern Housing	9.7	2,654,495
Social Research	1.6	427,137
Sub-total	...	\$5,607,277
Northern Economic Development	...	...
Northern Policy, Planning and Co-ordination	1.7	\$468,019
Water, Forests and Lands	42.7	11,677,771
Northern Roads and Airstrips	16.0	4,384,275
Oil and Mineral	6.5	1,774,391
Environmental - Social	4.2	1,137,149
Sub-total	...	\$19,441,605
Program Administration	8.3	\$2,262,358
Total	100.0	\$27,311,240

Administration Program

Administration Program **Administration Program**

Introduction

The Department's Administration Program contains elements which provide policy direction and central advisory and administrative services to the three main programs outlined in this report - Conservation, Indian and Eskimo Affairs and Northern Affairs. The program budget provides for the offices of the Minister, the Deputy Minister, the Assistant Deputy Ministers and a Corporate Policy Group. The prime role of the central units of the program is to provide certain common services contributing to the achievement of objectives of the three main programs.

The Corporate Policy Group advises and assists the Deputy Minister on matters of broad policy and in particular those involving co-ordination among programs. The group also facilitates interdepartmental consultations on policy matters and maintains functional relationships with policy planning and research units within the department.

The Legal Adviser and his staff are employed by the Department of Justice.

They advise, prepare legal documents for, and represent the Department of Indian and Northern Affairs. The primary objective is to assist, on instruction, in ensuring that the administration of public affairs by the department is in accordance with law.

The Public Information Adviser provides public information and public relations services for all programs through specialists. These specialists are supported by an administrative and centralized editorial section, general information and communication research groups, and design, graphic-arts, print production and audio-visual facilities.

The general information unit stocks over 2,000 publications, and during the year processed more than 120,000 enquiries from the general public.

The Personnel Adviser provides services to the department in all matters of manpower planning, classification and compensation, staff relations, development and training, security and staffing.

Manpower Planning completed manpower plans for some 500 officers of the Indian and Eskimo Affairs Program. In addition, a special Manpower Planning Group was created to research all aspects of problems which may arise as a result of the transfer of programs to native organizations.

Classification and Compensation at headquarters and in the field made 4,231 classification decisions. In addition, the division assisted in the major reorganization of the department by providing advisory services to management.

Staff Relations seminars were introduced to improve grievance and disciplinary procedures. There was increased activity and emphasis on accident prevention and safety. Discussions were undertaken with other departments and agencies to improve the safety standards of chartered aircraft.

Development and Training sponsored 24 different courses to meet the training needs of staff. More than 1,400 employees attended courses. Several pre-retirement courses of benefit to many employees were conducted. Security measures for the department were developed and appropriate directives issued. A total of 1,700 persons were given security clearance and 2,760 departmental identification cards were issued. Physical security surveys of departmental property are under way.

Staffing actions totalling 4,668 were completed. Of these 2,581 involved appointments from the private sector, while 2,087 actions reflected transfers and promotions.

Administrative Services is responsible for coordinating all matters pertaining to manuals, records, accommodation, stenographic and typing services and the departmental library. During 1972 - 73 accommodation needs were met in the Headquarters area as well as Vancouver, Winnipeg Montreal and Quebec City. Two specialized typing units were created: one, a bilingual unit to provide efficient service in the second official language, the other, a training unit where new employees, before moving into regular units or assigned positions, learn about departmental organization and the procedures and format of correspondence. Over 27,000 files were transferred to the Public Archives and new guidelines for records management were prepared.

Departmental Financial Services Branch is responsible for departmental policy in matters of finance, including financial audits.

Program Analysis and Management Services Branch is responsible for program analysis, management consulting services, departmental statistics and computer information systems. A revised basis for management reporting was developed to provide more significant information about the on-going performance of the operating program, and over 40 studies were carried out by the Management Consulting Services.

Departmental Statistics published the fourth and fifth editions of the semi-annual Catalogue of Data, listing all material available in the Statistical Information Centre. In respect to the Indian and Eskimo Affairs Program, new material issued included the Economic Activities Survey, the Socio-Economic Band Profiles, and the Land Transactions Inventory, each of which will be compiled annually dating from 31 March 1972. The Indian Reserves Facts and Figures series was also issued. The Forest Fires Report was formalized as an annual series beginning with the 1961 forest fire season. A study designed to give some indication of bias in the techniques employed in surveys was carried out during the

summer of 1972 at Riding Mountain National Park. The results are being developed as a computerized model for future surveys. The Canadian Recreation Facility Inventory File was reviewed and work commenced on the integration of provincial data.

Computer Information Systems designed and implemented nine new systems this year while a number of systems were modified and improved. An information retrieval system was developed for use by restoration architects, and the Canadian Inventory of Historic Buildings Data Bank was adapted to visual terminal operations providing instant access to a file of over 80,000 buildings. An Oil and Gas Land Accounting System and Mineral Deposit Data Bank were designed and implemented. A computer program for the Departmental Secretariat, to control ministerial correspondence was also designed.

Parliamentary Relations co-ordinates departmental responsibilities with respect to Parliament. During the year, in addition to preparing debate material for the use of the Minister and his Parliamentary Secretary and tabling documents as required by statute, 165 questions and 25 motions for production of papers were processed.

The Departmental Secretariat co-ordinates and prepares replies to ministerial correspondence and related matters. During the year, the Secretariat prepared close to 10,000 replies to letters received by the Minister, his assistants and senior departmental officers.

Technical Services Branch provided engineering, architectural, landscape architectural, physical planning, materiel management and construction contract administration to all departmental programs. Among the services provided in 1972 - 73 were: restoration engineering and architectural projects for 33 National Historic Parks, construction services, logistics and materiel management for 18 isolated northern communities, environmental engineering and architectural projects for nine National Parks and the development of capital works on Indian reserves with local involvement from project conception to completion. Examples of the projects undertaken by the Branch include: - Construction of a number of Indian schools, including a major school at Kashechewan, Ontario, designed to provide increased work and training opportunities for Indian people in the area. - Accelerated planning and co-ordination of the design and construction of the Mackenzie highway. - Design of a laboratory building at Igloolik, NWT, to be constructed by day labour, in a combination of steel and fibre glass. - Design and construction of a number of buildings and facilities in new National Parks in Quebec. - Installation of the Infotheque system, a computer oriented system for the storage and retrieval of information used in the preservation and restoration of historic buildings. - Installation of an automated system for accounting of controllable items. - Despite adverse ice conditions, arranged for the shipment of 23,000 tons of dry cargo and 37,000 tons of bulk oil to various settlements in the North. - Set up a program for training at the "Master's Degree" level for engineers and architects engaged in the preservation of historic monuments. - Continued the exchange of information with the U.S.S.R. on matters of common interest.

Regional Offices

Parks Canada

Atlantic

The Royal Bank Bldg., 5161 George Street,

Halifax, Nova Scotia

Quebec 1141 Route de l'Église,

P.O. Box 9578,

Ste-Foy,

Quebec, P.Q.

G1V 4C2

Ontario 132 Second Street East,

P.O. Box 1359,

Cornwall, Ontario

Prairie 114 Garry Street,

Winnipeg, Manitoba.

R3C 1G1

Western 131 Customs Bldg., 134, 11 Avenue S.E.,

Calgary, Alberta.

T2J 0X5

Canals Offices

Ontario

Canals Headquarters,

Empire Building, 124 O'Connor Street,

Ottawa, Ontario,

K1A 0N7

Rideau Canal Office, 1404 Scott Street,

Ottawa, Ontario.

K1Y 4J4

Trent-Severn Canal

Office,

P.O. Box 567,

Peterborough, Ontario.

Quebec

Suite 900,

Place Delorimier, 2120 Sherbrooke

Street East

Montreal 133, Quebec.

Indian-Eskimo Economic Development

Prairie Provinces

Indian Minerals 112, 11th Avenue S.E.,

Calgary, Alberta

T2G 0X5

Regional Offices

Indian and Eskimo Affairs

Northwest Territories

P.O. Box 2760, 5124 - 52nd Avenue,

Yellowknife, N.W.T.

X0E 1H0

British Columbia

P.O. Box 10061,

Pacific Centre Ltd., 700 West Georgia St.,

Vancouver, B.C.

Alberta

C.N. Tower 10004 - 104 Avenue,

Edmonton, Alberta.

T5J 0K1

Manitoba

Midtown Bldg., 267 Edmonton St.,

Winnipeg, Manitoba.

R3C 1S3

Ontario

Sir Arthur Meighen

Building 55 St. Clair Ave. E.,

Toronto, Ontario.

M4T 2P8

Quebec 1141 Route de l'Eglise,

P.O. Box 8300,

Ste-Foy, P.Q.

G1V 4C7

Maritimes

P.O. Drawer 160,

Amherst, Nova Scotia.

Northern Affairs

Northwest Territories

P.O. Box 1500,

Yellowknife, N.W.T.

X0E 1H0

Yukon Territory

Room 211,

Federal Building,

Whitehorse, Y.T.

Technical Services

Prairie Provinces

Engineering Division 604 Federal Bldg., 101, 22nd Street,

Saskatoon, Sask.

S7K 0E1

Northwest Territories

P.O. Box 1583,

Yellowknife, N.W.T.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT LIBRARY