

Indian and Northern Affairs Canada

Annual

Report

1990

1991

Canada

TO HIS EXCELLENCY

The Right Honourable Ramon Hnatyshyn

Governor General of Canada

May It Please Your Excellency:

I have the honour to submit to Your Excellency the annual report of the Department of Indian Affairs and Northern Development for the fiscal year beginning April 1, 1990, and ending March 31, 1991.

It was a difficult and tumultuous year. There were great successes in negotiating a new accommodation with the Aboriginal peoples of Canada. There were also regrettable occasions when confrontation replaced the process of negotiation. These incidents indicate the need to move ahead quickly and creatively to build a new relationship with Aboriginal peoples.

As I noted last year, northerners and Canada's First Nations want to assume ever more authority over their own affairs. My department's most basic responsibility is to assist in this ongoing transfer of control.

I am pleased to report that great strides were made in the devolution of power again this year, and in the other directions called for in the Native Agenda, announced by the Prime Minister in September, 1990 acceleration of the land claims process; negotiations to change the Indian Act; and the development of a new relationship between First Nations and government.

I would like to thank Canada's First Nations peoples, whose leadership commitment and expertise continue to grow. They, and the capable men and women of the department, have worked together to accomplish many successful initiatives over the past year.

Respectfully,

Thomas E. Siddon, P.C., M.P.

*Minister of Indian Affairs and
Northern Development*

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HIGHLIGHTS

NATIVE AGENDA

On September 25, 1990, the Prime Minister launched the Native Agenda, which aims to build a new relationship between First Nations and the Government of Canada. Major elements of the Native Agenda include speedy settlement of land claims, improving economic and social conditions on reserve, improving the relationship between Canada and Native peoples, and addressing the concerns of Native people in contemporary Canadian society.

- Progress on comprehensive and specific land claims accelerated significantly during the past year. A key development was the historic decision of the B.C. Government in October 1990 to participate in negotiations on comprehensive claims. This set the stage for the signing of the first B.C. framework agreement, the first step in comprehensive claims resolution, with the Nisga'a First Nation, on March 20, 1991. Overall, the number of comprehensive claims accepted for consideration rose to 26 from six.
- There was also good progress on specific claims. A special committee of First Nation chiefs examined specific land claims issues, and provided the government with concrete proposals to speed up the process, including the establishment of a Specific Claims Commission and other fast-tracking measures. Agreements were also reached this year on specific claims with the Teslin Band in British Columbia and the Stoney Band in Alberta.
- Negotiations were underway between DIAND, the Federation of Saskatchewan Indian Nations and the provincial government regarding treaty land entitlement, a key issue for native people on the Prairies.
- Improving on-reserve conditions is a central thrust of the Native Agenda. In March 1991, as part of the Green Plan, the government announced an increase of \$250 million over six years to accelerate the provision of safe water and sewage services on-reserve. This DIAND initiative was being complemented by a, \$25 million initiative announced by Health and Welfare Canada for enhanced water quality monitoring and training on reserves across Canada.
- In February 1991, a \$36 million plan to combat family violence on reserves over the next four years was announced and plans to improve on reserve policing services were being developed. Housing was also a key priority. A major DIAND discussion paper on Aboriginal housing issues was prepared in partnership with Indian groups and wider consultations were proceeding with the Indian leadership, on housing policy options.
- An essential building block of the new relationship between Aboriginal people and the government is the reform of the antiquated Indian Act. Following upon several years of work under the Lands, Revenues and Trusts Review, Indian-led working groups were making good progress

in developing proposals for the governments consideration on legislative alternatives in such areas as lands management, governance, Indian monies, taxation, forestry, elections, and law registry and gazette. The proposals are expected to come forward Over the course of the coming year.

ECONOMIC DEVELOPMENT

In the first full year of the Canadian Aboriginal Economic Development Strategy (CAEDS), considerable progress was made by DIAND and its partner departments, Employment and Immigration Canada, and Industry, Science and Technology Canada. Aboriginal financial, sectoral and local development institutions were strengthened. there was great Aboriginal participation and control in the delivery of federal economic development programs and services, increased decentralization in program delivery and federal programs for economic development were harmonized. For example, DIAND:

- supported the creation of about 350 Indian- and Inuit - Controlled community economic development organizations managed by, and accountable to, the Indian and Inuit communities they served;
- supported 70 resource development projects and programs, including 41 sectoral institutions with growing interests in areas such as forestry, agriculture and tourism; and
- funded 50 communities to support negotiations relating to participation in major off-reserve resource projects, attracting investment to on-reserve resource development and negotiating access to off-reserve resources.

Transfer of responsibility for management of their affairs to Indian communities continued. Agreements on self-government were reached with four communities and a total of some 54 proposals were under active consideration. Some 588 Alternative Funding Arrangements were reached during the year with native communities. The rules governing Flexible Transfer Payment Agreements were simplified for all other bands.

Management of 21 schools was transferred to native communities, including many in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.

DEVELOPMENTS AT OKA

Conflict between the Mohawk people of Kanesatake and the township of Oka, Quebec, over the use of land in the area was a major and disturbing development in 1990. The federal government purchased the land in dispute and opened negotiations to transfer it to the band. Band council elections in Kanesatake helped to stabilize the Mohawk community.

CONSTITUTIONAL DEVELOPMENTS

On November 1, 1990, the Prime Minister announced the formation of the Citizen's Forum on Canada's Future, chaired by Keith Spicer.

In making the announcement, Prime Minister Mulroney stated that "Aboriginal peoples must be full participants in the consultation process, speaking directly to their fellow Canadians about the changes they want to see. They must not, as has too often been the case in the past be excluded from the process of change."

The Forum's mandate respecting Aboriginal issues included: the nature of the relationship among Canada's Aboriginal and

non-Aboriginal citizens; institutions which will maintain and strengthen the identity and heritage of Canada's Aboriginal citizens; and, their links to the rest of Canadian society, in the context of a modern democracy.

The Forum submitted an interim report on March 20, 1991. It indicated that the majority of participants considered that the federal government must resolve such issues as land claims and self-government with Aboriginal leadership.

The government made it clear that the Forum was not meant to limit opportunities for Aboriginal people to express their concerns. If, as a result of the Forum's work, it became evident that a separate initiative was necessary to study one or more aspects of the relationship of Aboriginal people in Canadian society, that option was open.

TUNGAVIK FEDERATION OF NUNAVUT

An Agreement-in-Principle was signed in April 1990 by the Tungavik Federation of Nunavut and the governments of Canada and the Northwest Territories. The agreement provided for Inuit participation in land and resource management, \$580 million in cash and Inuit ownership of about 350,000 square kilometres, including 36,257 square kilometres with subsurface title. Progress was made in land selection and on the choice of items to be dealt with in a Final Agreement. The governments of Canada and Northwest Territories and the Inuit of the Eastern Arctic continued to work towards fulfilment of their commitment in principle to the creation of Nunavut.

ENVIRONMENTAL PROGRAMS

The department was an active participant this year in Canada's environmental Green Plan. In addition to launching the \$250 million Indian Health and Water initiative, the department provided bands and Indian organizations across the country with advisory and technical support to analyze environmental problems, participate in assessment and regulatory processes, and negotiate compensation for environmental damages.

The Arctic Environmental Strategy (AES), a \$100 million initiative under the Green Plan, was launched at Iqaluit. Four specific areas of action address Arctic contaminants, waste clean-up, water protection and the integration of environmental and economic objectives at the community level. The strategy is also closely linked to the Circumpolar Arctic Environmental Protection Strategy signed by the eight circumpolar countries, including Canada, this year.

HOUSING

The department provided \$130 million in capital subsidies for the construction of about 3,700 new houses and the renovation of 4,000 others on reserves this year. Ministerial guarantees were provided for 255 loans, worth almost \$100 million, for the construction of new houses; and 33 loans, worth almost \$500,000, for renovations.

NORTHERN SCIENCE AWARD

Taamusi Qumaq, a noted linguist and ethnologist, was this year's winner of the Northern Science Award, presented annually by the Minister to an individual who has contributed significantly to knowledge and an understanding of the Canadian North.

DEPARTMENTAL PROFILE

The Department of Indian Affairs and Northern Development was created in 1966. The Minister is responsible for Indian and Inuit affairs, and for coordinating federal policies and programming for the Yukon and Northwest Territories. The department's responsibilities are to:

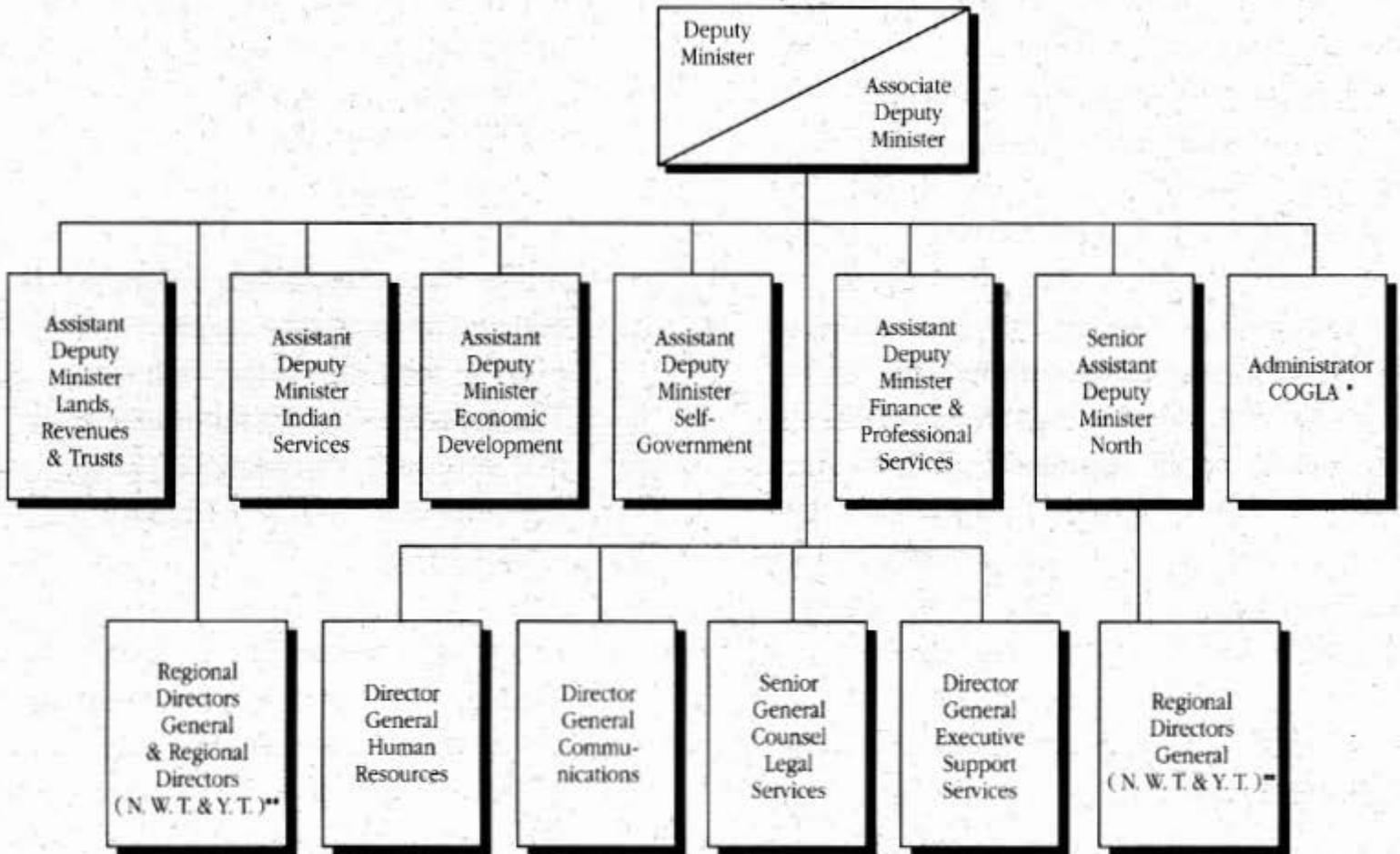
- fulfil the obligations of the federal government arising from treaties, the Indian Act and other legislation listed in Appendix II;
- provide for the delivery of basic services to status Indian and Inuit communities;
- support the economic development of Indian and Inuit communities, including the development of natural resources on their lands;
- negotiate community-based arrangements to enhance decision-making and authority for Indian communities;
- support constitutional discussions on Aboriginal issues;
- negotiate settlements of Aboriginal claims;
- provide transfer payments to the governments of the Yukon and Northwest Territories;
- support the economic development of the North and protect the northern environment, including Arctic seas;
- foster the political development of the northern territories and coordinate federal policies and programs in the North; and
- administer lands and resources in the North.

More than 70 per cent of federal expenditures on Aboriginal programs are made through the department. Most of this funding is administered at the community level where programs and services are delivered by band governments.

As the lead agency implementing the Northern Political and Economic Framework, the department coordinates all federal activities in the North, especially the transfer of provincial-type responsibilities to territorial governments, the promotion of sustainable economic development; the settlement of land claims in the North; the management and protection of Arctic lands and waters and international cooperation on circumpolar matters.

DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT ORGANIZATIONAL STRUCTURE

Deputy Minister / Associate Deputy Minister
 Assistant Deputy Minister Lands, Revenues & Trusts
 Assistant Deputy Minister Indian Services
 Assistant Deputy Minister Economic Development
 Assistant Deputy Minister Self-Government
 Assistant Deputy Minister Finance & Professional Services
 Senior Assistant Deputy Minister North
 Administrator COGLA *
 Regional Directors General & Regional Directors (N.W.T. & Y.T.)**
 Director General Human Resources
 Director General Communications
 Senior General Counsel Legal Services
 Director General Executive Support Services
 Regional Directors General (N.W.T. & Y.T.)**



DEPUTIES' COUNCIL FOR CHANGE

In December 1989, the Deputy Minister launched a comprehensive process of management improvement that included the formation of a Deputies' Council for Change, involving staff from all levels of the department, a series of ten task forces to examine and make recommendations for change on everything from internal communications to the department's mission and values, and a challenge to develop quality-of-service experiments in all organizational units. The objective was twofold: to find ways for the department to serve its public better and for employees to develop a commonly shared understanding of how the organization could and should adapt to change throughout the 1990s. Among the changes flowing from the initiative were:

- Financial, administrative and personnel decision-making were moved to regional offices.
- More than two dozen quality-of-service experiments resulted in the delivery of more cost-effective services and programs.
- A decision was taken whereby managers will be assessed annually on their management and leadership skills. Managers will also be reviewed and evaluated by their staff as part of annual performance assessments.
- A new employee orientation program was implemented with an allocation of \$250,000.
- A new cross-cultural awareness program was designed to improve employee understanding of our clients. Another \$250,000 was allocated for this program.
- A new incentive awards program was initiated to recognize employees who excel in their day-to-day activities. The awards recognize innovative work that improves the operations of the department as well as long-term achievements.
- A new internal communications policy was developed with an emphasis on the use of technological networks, more staff-management meetings and the encouragement of all staff to take part in leadership, team-building, and performance evaluation training programs.
- The department established a staff performance and evaluation review process that eliminated scale ratings, encouraged frequent dialogue on performance between managers and staff and demanded a narrative review of all employee performance.
- New strategies were adopted for the recruitment and retention of more Aboriginal employees within DIAND.

The initiative produced a departmental mission statement and values:

"Working together to make Canada a better place for First Nations and Northern Peoples, Serve with honour; strive for excellence."

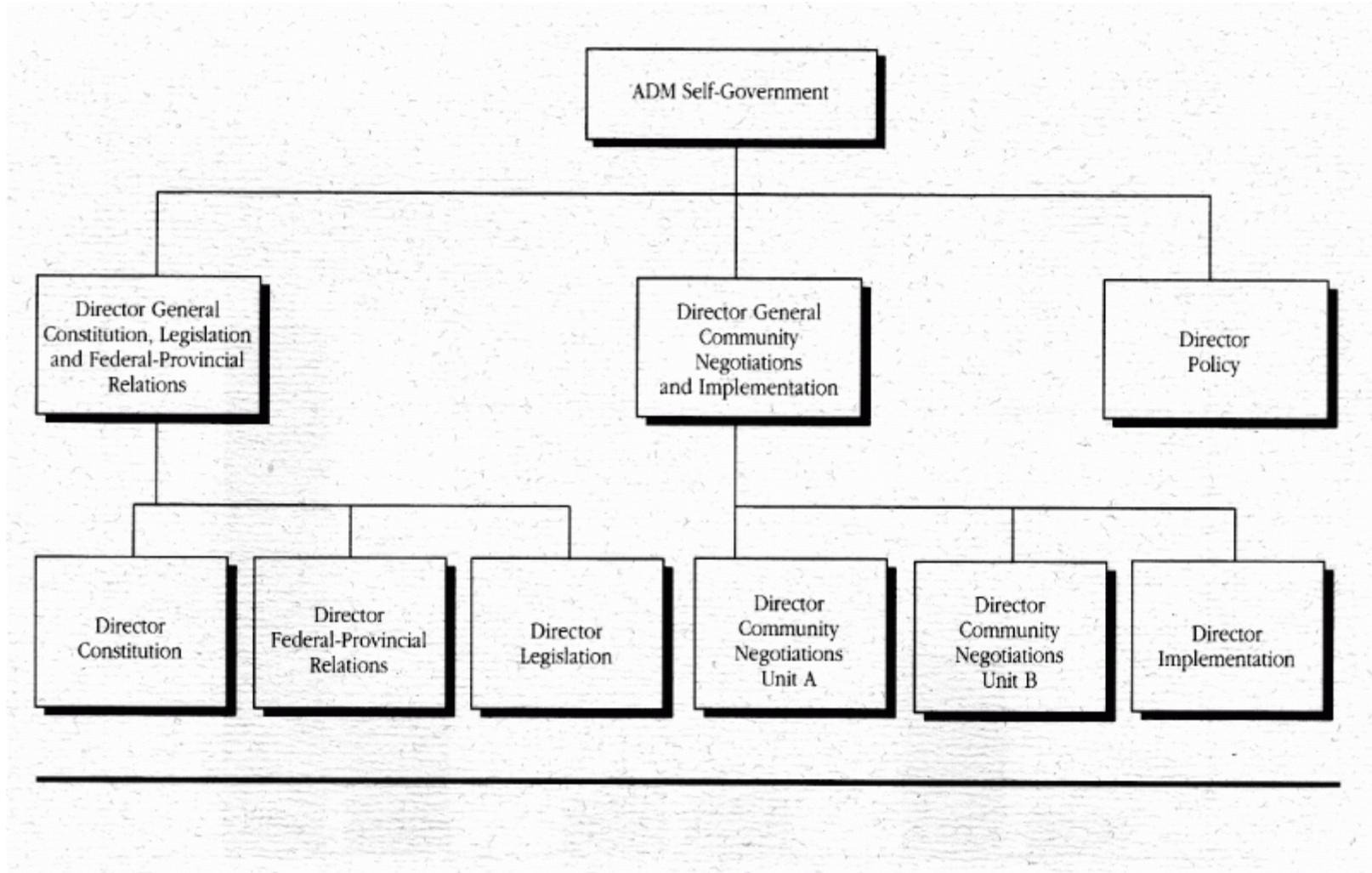
INDIAN AND INUIT PROGRAM

SELF-GOVERNMENT SECTOR POLICY DIRECTORATE

This directorate develops policy and provides advisory and technical assistance in support of community-based and sectoral self-government negotiations as well as research and related activities.

Policy development continued on renewable resources and the development of a fiscal arrangement policy. As well, the directorate coordinated the departments activities on Aboriginal justice issues. This work involved interdepartmental cooperation of the federal response to provincial inquiries, monitoring of ongoing tripartite activities and collaboration with other federal departments and agencies in developing federal policies on Aboriginal justice.

SELF-GOVERNMENT SECTOR



CONSTITUTION LEGISLATION AND FEDERAL-PROVINCIAL RELATIONS BRANCH CONSTITUTION DIRECTORATE

The Constitution Directorate participated in federal delegations to the United Nations Working Group on Indigenous Populations, which is drafting a universal declaration of indigenous rights. The directorate also represented the department on Canadian delegations to the U.N. Human Rights Committee and the Committee on the Elimination of Racial Discrimination.

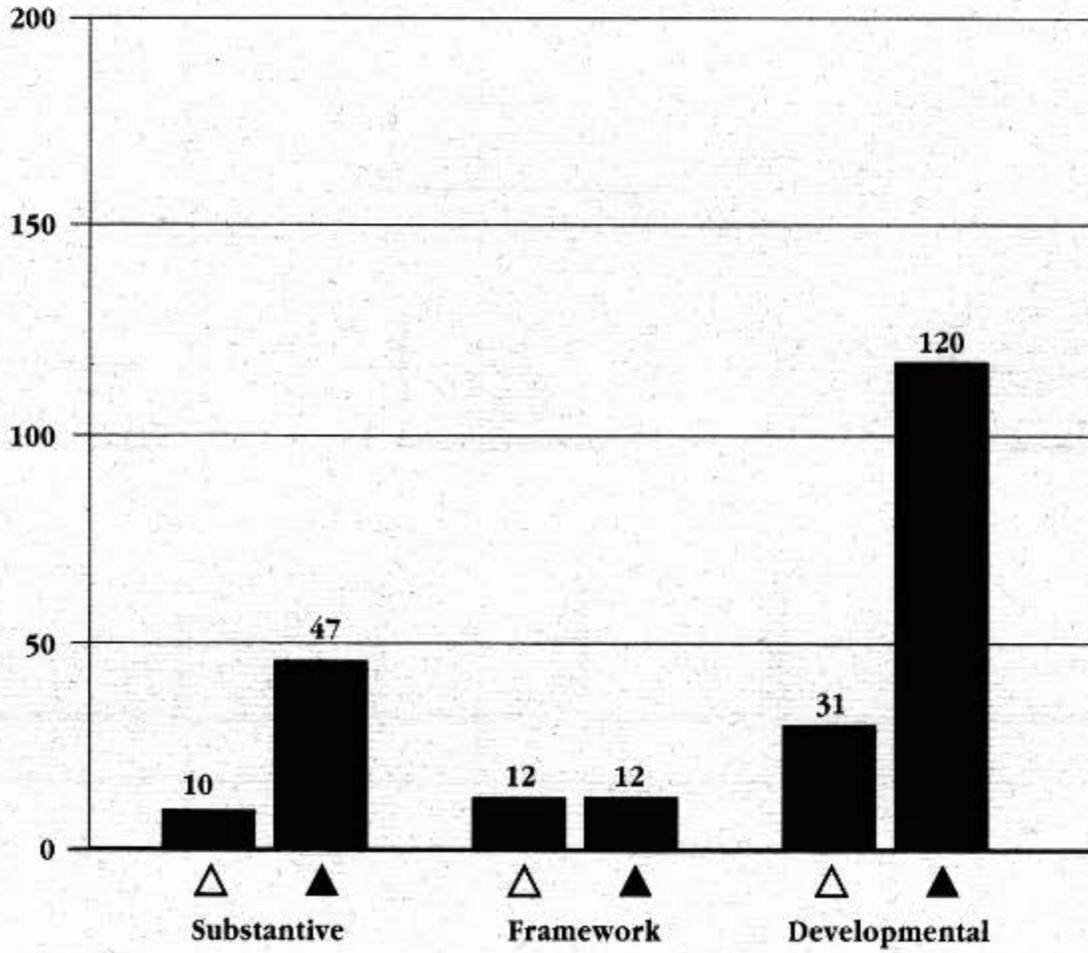
Aboriginal constitutional matters received attention throughout the year. Funding was provided to Aboriginal organizations relating to constitutional activities.

FEDERAL-PROVINCIAL RELATIONS DIRECTORATE

The Federal-Provincial Relations Directorate is a point of contact for regional offices and other federal departments, as well as provincial governments. It worked with provincial government offices responsible for Aboriginal affairs and coordinated information on the department's intergovernmental activities. It also assisted formal tripartite negotiations in Ontario and Nova Scotia. These negotiations provided greater autonomy for First Nations in areas of shared jurisdiction.

MARCH 31, 1991

MARCH 31, 1991



△ Projects

▲ Bands

COMMUNITY NEGOTIATIONS AND IMPLEMENTATION BRANCH COMMUNITY NEGOTIATIONS DIRECTORATE

An Agreement-in-Principle was reached with the Sawridge Band in Alberta this year on community self-government. Framework agreements were signed and substantive negotiations began with the United Indian Council of Chippewas and Mississaugas in Ontario, Siksika in Alberta and Westbank in B.C. Substantive negotiations continued with Whitefish Bay in Ontario, and with the Gitksan/Wet'suwet'en in British Columbia.

Negotiations also continued with Yukon First Nations on their land claim and the Umbrella Final Agreement and with the Nisga'a Tribal Council in B.C. The Alexander Band of Alberta withdrew from the process.

As of March 31, 1991, 54 proposals involving 180 bands were active.

IMPLEMENTATION DIRECTORATE

Final implementation agreements were signed in September 1990 with the Inuit and the Naskapi of Northern Quebec, worth \$22.8 million and \$1.7 million, respectively. These agreements settled the federal government's outstanding financial obligations in connection with the land claims settlements in the James Bay and Northern Quebec Agreement and in the Northeastern Quebec Agreement.

Negotiations continued with the James Bay Cree on the establishment of a new band and construction of a new village for the Oujé-Bougoumou Cree. An Agreement-in-Principle was signed, including an addendum for the creation of a \$12.3 million socioeconomic fund for the band.

An inquiry into the powers, duties and operations of the Cree-Naskapi Commission was conducted, as required under the Cree-Naskapi (of Quebec) Act. A five-year financial transfer funding agreement was renewed with the Sechelt Band in B.C.

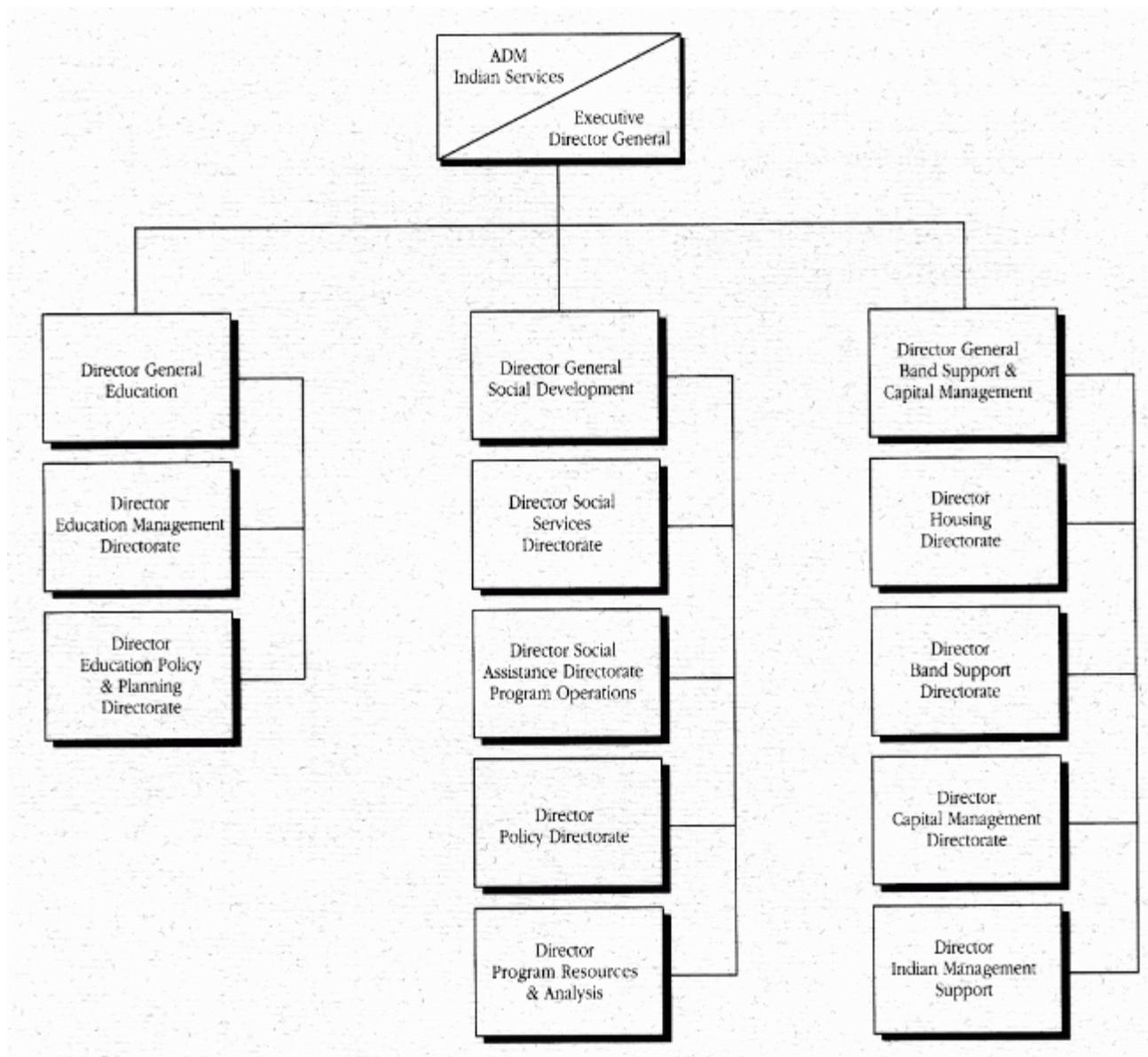
INDIAN SERVICES SECTOR

The Indian Services Sector provides funding and services for education, social development, housing, community infrastructure and band management for Indians across Canada, and the Inuit of northern Quebec and Labrador.

EDUCATION BRANCH

The Education Branch provided a full range of education services to more than 92,000 elementary and secondary students living on reserve. These services were provided by federal schools or by provincial schools through tuition agreements, or by bands funded through contribution agreements or Alternative Funding Arrangements (AFAs). The number of schools under band control increased to 311 out of a total of 366, with another 10 schools planned for transfer in September 1991.

INDIAN SERVICES SECTOR



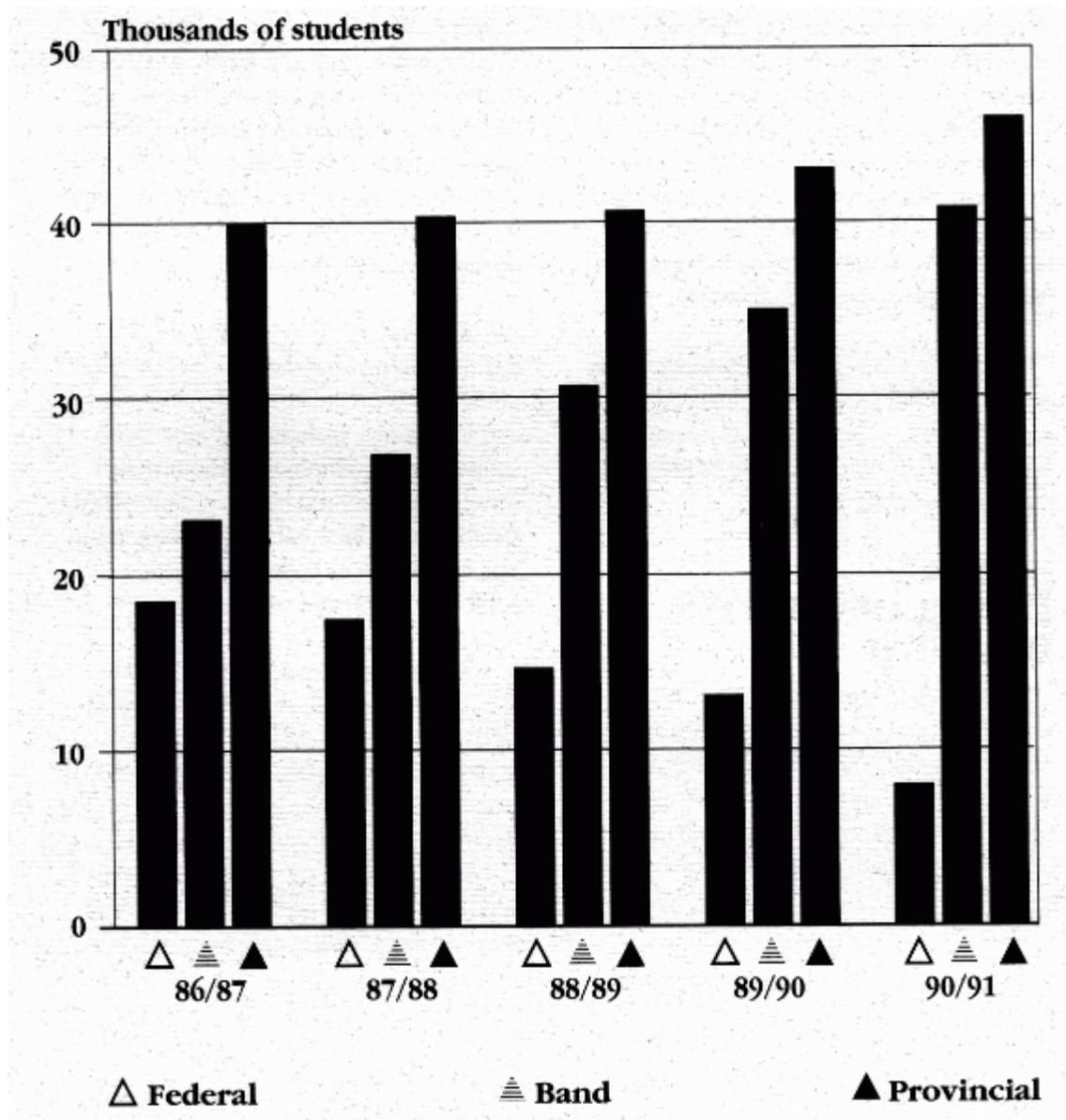
Financial assistance was provided to more than 21,000 Indian post-secondary students at a cost of about \$189 million. Included in this amount were expenditures of almost \$17.6 million for Indian - Controlled institutions and Indian studies, programs. Indian authorities managed more than 70 per cent of the program budget through contribution agreements.

The department provided \$8.6 million for cultural educational services for 42 band - Controlled centres, 27 Indian corporate centres and three Inuit organizations. These services included such areas as native languages, curriculum development and museology.

ENROLMENT TRENDS

By School Type

NATIONAL



The Inuit Culture and Linguistics Section provided 16 cultural grants totalling \$45,000 for Inuit cultural projects. The section also translated many official documents. The department continued to support research conducted by the Assembly of First Nations (AFN) on the transfer of education, as identified in the AFN's "National Review of First Nations Education".

The department participated with Indian administrative organizations in bilateral technical group meetings to gather data on unresolved post-secondary education policy issues. "An analysis of the First Nations Review of the DIAND Post-Secondary Student Program", was completed, focusing on child care, counselling, administration, disabled Students, scholarships and incentives and residency. The report was distributed to all bands and tribal councils to give chiefs and councils an opportunity to review the results and present their positions. The post-secondary bilateral process will continue in ways that will be identified by the Indian leadership.

With the growth of Indian management of education, the department initiated a regional consultation process to ensure that post-secondary education reflects Indian priorities and objectives.

SOCIAL DEVELOPMENT BRANCH

The Social Development Branch provides social assistance, child welfare and adult care services to Indian families and individuals residing on reserves or on Crown land. This year, the program administered \$623 million in benefits to band members.

Social assistance amounting to \$460 million was provided to some 151,000 beneficiaries. This included \$11.5 million for band-designed employment creation and training programs. Economic development and social development projects provided training in entrepreneurial skills.

Child welfare services were delivered through agreements with provincial or Indian-operated agencies. Thirty-seven child welfare agreements, covering 212 bands, were renewed. New groups were involved in developmental activities designed to create 16 organizations, serving an additional 115 bands, mainly in Saskatchewan and British Columbia. A revised program directive for Indian child and family services was distributed for comment to all bands, as well as to provincial and territorial governments. A total of \$1.5 million was allocated to First Nations, over a period of two years, for the development of Indian child and family services standards.

Adult care services costing about \$31 million were provided to elderly and disabled persons at home and in foster homes and institutions, including an increase to support the development of homemaker services delivered by bands. A joint DIAND/Health and Welfare Canada working group was established to collect information on adult care needs and services.

The government announced a new Family Violence Initiative on February 20, 1991, including funding of \$36 million (\$22 million to be administered by DIAND) over four years. The funds will be provided to Indian communities for services to families on-reserve and for training of health and social services personnel in the skills they require to deal with family violence.

In anticipation of the governments Family Violence and Child Sexual Abuse initiatives, DIAND met with Indian representatives of each region to seek ideas on the extent of the problem and to identify possible solutions. The need was expressed frequently for community-based, on-going services, administered by Indians themselves.

Within the Family Violence Initiative, DIAND and Health and Welfare Canada, with the help of an advisory committee composed of Indian and Inuit representatives, administered a \$1 million contribution fund for projects in Indian and Inuit communities.

Thirty-nine projects were funded, including conferences, workshops and training programs.

BAND SUPPORT AND CAPITAL MANAGEMENT BRANCH BAND SUPPORT DIRECTORATE

The Band Support Programs Directorate administered the transfer of about \$180 million in grants and contributions to Indian governments for the management and delivery of programs. This included funds allocated under a five-year devolution plan.

Following a major re-estimation of the costs of implementing the 1985 amendments to the Indian Act (Bill C-31), an additional \$859 million over five years was approved to help meet the costs of providing services to an expanded Indian population.

INDIAN MANAGEMENT SUPPORT

A new funding mechanism for flexible transfer payments was implemented this year. Regions negotiated these arrangements with bands, based on a model format developed at headquarters.

The Indian/Inuit Management Development Program helped bands increase their management capabilities. Band indebtedness and entry into Alternative Funding Arrangements were among the issues addressed through this program. The management capability of bands continued to improve. About three-quarters of all bands had unqualified audits during the year. Only 17 per cent of bands required financial management plans, compared to 22 per cent during the previous year.

The department continued to support the Canadian Executive Service Organization, through which volunteer consultants offer their expertise to Indian communities. In addition, 95 university students provided management and economic development advisory services to bands and tribal councils under the Indian Management Assistance Program.

CAPITAL MANAGEMENT DIRECTORATE

The Capital Management Directorate assists First Nations in establishing and maintaining facilities on reserves, including water, sanitation, electrical and fire protection systems, as well as school and community buildings. This year, 98 per cent of the capital budget of about \$383 million, and 86 per cent of the associated operation and maintenance budget of some \$160 million, were administered by First Nations councils or their representatives.

As of March 1990, water and sanitation services were available to 86 per cent and 79 per cent, respectively, of on-reserve housing units. As well, electricity was available to 91 per cent of communities.

Under the Green Plan, the Indian Health and Water initiative will see a \$250 million investment over the next six years to improve water and sewage services on reserves.

HOUSING DIRECTORATE

The department provided \$130 million in capital subsidies for the construction of about 3,700 new houses and the renovation of 41,000 others on reserve. Ministerial guarantees were provided for 255 loans, worth almost \$100 million, for the construction of new houses; and about 33 loans, worth almost \$500,000, for renovations.

A federal discussion paper, "Laying the Foundation of a New On-Reserve Housing Program," was released to communities and organizations, and consultations began. This paper was the result of discussions with the Assembly of First Nations, the Federation of Saskatchewan Indian Nations, the Dakota Ojibway Tribal Council and several federal departments. The paper and consultations are important steps in the evolution of a federal housing policy responsive to the needs of First Nations and reserve communities.

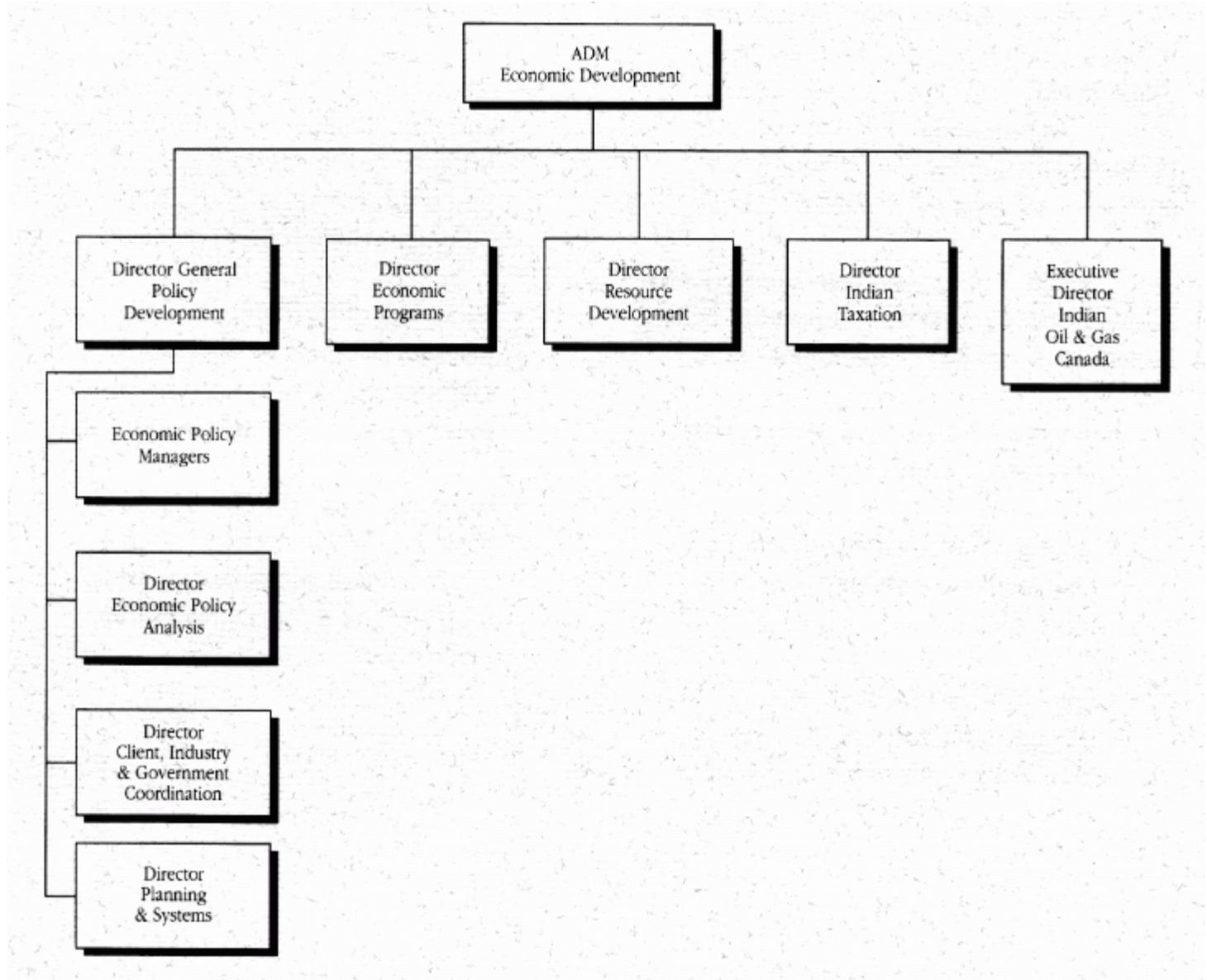
ECONOMIC DEVELOPMENT SECTOR

CANADIAN ABORIGINAL ECONOMIC DEVELOPMENT STRATEGY

The Canadian Aboriginal Economic Development Strategy (CAEDS) is the federal government's main means of supporting development of the economic self-reliance of Aboriginal people. Three departments are involved in the strategy:

- Industry, Science and Technology Canada is responsible for business financing and the development of Aboriginal capital corporations;
- Employment and Immigration Canada is accountable for skills development and urban employment; and
- Indian Affairs and Northern Development is concerned with community economic development and access to resources.

ECONOMIC DEVELOPMENT SECTOR



All departments are responsible for research and advocacy.

The Economic Development Sector coordinates the department's program responsibilities under CAEDS, including those relating to community economic development, regional opportunities, resource access negotiations and commercial development.

COMMUNITY ECONOMIC DEVELOPMENT

The Community Economic Development Program assists Indian, Inuit and Innu communities to establish their own capacity to manage business, employment and resource development programs and services. This program accounts for 85 per cent of DIAND's funds for CAEDS. It is divided into two components, Community Economic Development Organizations (CEDOs), which provide communities with resources to establish their own economic development programs and services; and the Regional Opportunities Program (ROP), which addresses region-wide sectoral development concerns and provides some ability to carry out research and advocacy projects of general benefit.

The Resource Access Negotiations (RAN) program provides financial support to help Indian, Inuit and Innu communities to:

- negotiate access to develop nearby (off-reserve) resources;
- attract commercial investment in developing community-owned resources; or,
- establish agreements with developers of large-scale projects that offer business and employment opportunities.

The Commercial Development program complements ISTC's Aboriginal Business Development program. It provides direct and guaranteed business loan facilities to Indian and Inuit businesses - the former when no Aboriginal Capital Corporation (ACC) is operating, the latter for on-reserve businesses.

In addition to these programs, DIAND advocates Indian and Inuit employment, business and resource development interests in the public and private sectors.

DIAND manages the investment of more than \$62 million a year to help build CEDOS. Progress during the year included the following:

- more than 60 per cent of CEDOs were providing a full range of economic development services to their communities, double the capacity two years ago;
- there was a large volume of Indian and Inuit training, business and resource development project proposals, noted by ISTC, EIC and other government departments;
- about half of CEDO funds were invested as equity or seed money in employment, business and resource projects (rather than in services); and
- with help from DIAND's Research Program, CEDOs were involved in advanced strategic planning, using tools such as automated workforce inventories.

In ROP, First Nations' leaders identified regional development priorities, and thus expanded the range and self-reliance of Sectoral Development Institutions (SDIs). There were 45 SDIs in operation during the year, providing development services in agriculture, fisheries, forestry, mining, financing, training and arts and crafts. An example of the effectiveness of these initiatives is regional forestry SDIs: 12 provincial tree farm and timber sale permits were negotiated and, were expected to yield 280,000 cubic metres of fibre per year.

Indian and Inuit community economic development workers formed the Council for the Advancement of Native Development officers during the year to share information, enhance professional development and advise DIAND on CEDOs.

RESOURCE DEVELOPMENT

Through its resource development activities, the sector helps Indian, Inuit and Innu communities manage their natural resources to obtain business and employment opportunities. These activities include technical support to Indian- and Inuit - Controlled development institutions, enabling them to manage on-reserve resources, obtain access to off-reserve resources and develop cooperative management arrangements with neighbouring jurisdictions. Aboriginal SDIs received \$6.5 million to provide resource management and development services to their membership this year.

RESOURCE ACCESS NEGOTIATIONS

The Resource Access Negotiations Program provided contribution assistance of \$1.6 million to 52 projects. These projects enabled communities to negotiate access to off-reserve natural resources, attract commercial investment to develop community-owned resources and establish agreements with private sector developers offering business and employment opportunities. This year:

- mineral developers were involved in 15 funded projects, three of which were expected to create 241 new jobs. in one of these projects, the negotiated package for a nearby mine included an equity position, a scholarship fund, direct employment and business contracts;
- six projects received assistance to negotiate broad agreements with provincial governments for access to, and co-management of, resources such as wildlife, forestry and fisheries.

A recently completed mineral inventory of Indian reserves was distributed to all Indian bands during the year. The inventory provides communities with information on the mineral potential of their lands. This year, Indian bands received revenues of about \$1 million from minerals permits and leases. A number of permits were issued for the sale of Indian reserve timber, providing bands with \$4.6 million.

COMMERCIAL DEVELOPMENT

The Commercial Development Program complements ISTC's Aboriginal Business Development Program. Program staff support Indian and Inuit business development projects by helping them gain access to debt financing programs. Program staff advocate, and provide advice to, Indian- and Inuit- controlled development institutions.

Forty-seven business loan guarantees, worth \$2.1 million, and 11 direct loans, worth about \$550,000, were approved during 1990 - 91. Aboriginal capital corporations (ACCs) replaced DIAND in the provision of direct lending services in many parts of the country. The entire Yukon direct loan portfolio, totalling \$1.1 million, was sold at fair market value to Dana Naye Ventures, and direct loan administration and collection was contracted out to three ACCs.

DIAND implemented a "one window" approach to business financing with ISTC during the year. This eliminated confusion about where to apply for business financing. As a partner with ISTC in supporting Aboriginal business, development, commercial development staff participated in 19 Aboriginal board meetings which approved \$55 million to 726 Aboriginal business projects under ISTC programs.

INDIAN TAXATION ADVISORY BOARD

In 1988, amendments to the Indian Act extended the taxing powers of Indian bands to interests in conditionally surrendered or "designated" lands. The Indian Taxation Advisory Board was established to implement these amendments and to facilitate the approval of Indian taxation bylaws. The 10-member board includes seven members of First Nations. The board now directs the review and analysis of all band tax bylaws, supported by the Indian Taxation Secretariat within the Economic Development Sector. In addition, the board provides general tax policy advice to the Minister.

In 1990 - 91, five Indian taxation bylaws were processed and approved. The board also undertook several research projects to determine the legislative feasibility of:

- establishing an Indian Gazette
- entrenching the Indian Taxation Advisory Board's mandate in statute; and
- ensuring an adequate range of taxation powers is available under the law.

The board advocated the adoption of provincial legislation to overcome the potential problem of double taxation of Indian lands in British Columbia. The resulting law, the Indian Self-Government Enabling Act of B.C., was passed in June 1990.

RESEARCH AND ADVOCACY

As part of its ongoing policy research and advocacy function, the sector concentrated this year on identifying solutions to the need for Indian adult education and Aboriginal workforce participation.

The sector, together with the Human Resources Branch and the Treasury Board Secretariat, developed the Aboriginal Workforce Participation initiative, designed to encourage greater Aboriginal representation in the Canadian work force. Starting with the federal public sector, DIAND's minister and his fellow CAEDS ministers agreed to encourage provincial governments, federally regulated and other private-sector employers, to adopt Aboriginal recruitment, retention and advancement measures.

INDIAN OIL AND GAS CANADA

Indian Oil and Gas Canada (IOGC), located in Calgary, is responsible for promoting oil and gas exploration, development and production on reserves, through its administration of the Indian Oil and Gas Act and the Indian Oil and Gas Regulations. Working with First Nations bands, IOGC provides such services as: determination of hydrocarbon potential; leasing and administration of oil and gas rights; ensuring fair, market-based prices and equitable production; revenue and production forecasting and revenue collection and verification.

In 1990 - 91, 21 wells were drilled on Indian reserve lands. Bonus money on the sale of oil and gas rights, along with surface compensation and rentals, amounted to \$4.4 million, as well as \$56 million in royalties collected on behalf of 35 First Nations. sales of oil and gas rights on 52,000 hectares brought the total area under disposition at March 31, 1991, to 241,000 hectares, Agreements for exploration on Indian lands increased by 30 per cent, resulting in 640 kilometres of seismic work being conducted on reserves in three western provinces.

POLICY DEVELOPMENT BRANCH

LABOUR FORCE DEVELOPMENT

The Policy Development Branch concentrated this year on identifying the needs for Indian adult literacy development and Aboriginal workforce participation in a continuing effort to achieve greater participation of Aboriginal people in the mainstream economy.

DIAND and the National Literacy Secretariat, Department of Multiculturalism and Citizenship, funded the Saskatchewan Indian Institute of Technologies (SIIT) to seek a consensus on how to address the problems of under-education of adults in Aboriginal communities. SIIT produced the Aboriginal Literacy Action Plan, a document that reflects the views of a broad cross-section of Aboriginal communities.

LANDS, REVENUES AND TRUSTS SECTOR

The Lands, Revenues and Trusts (LRT) Sector is responsible for the governments legal obligations in matters respecting Indians and lands reserved for Indians.

LRT REVIEW

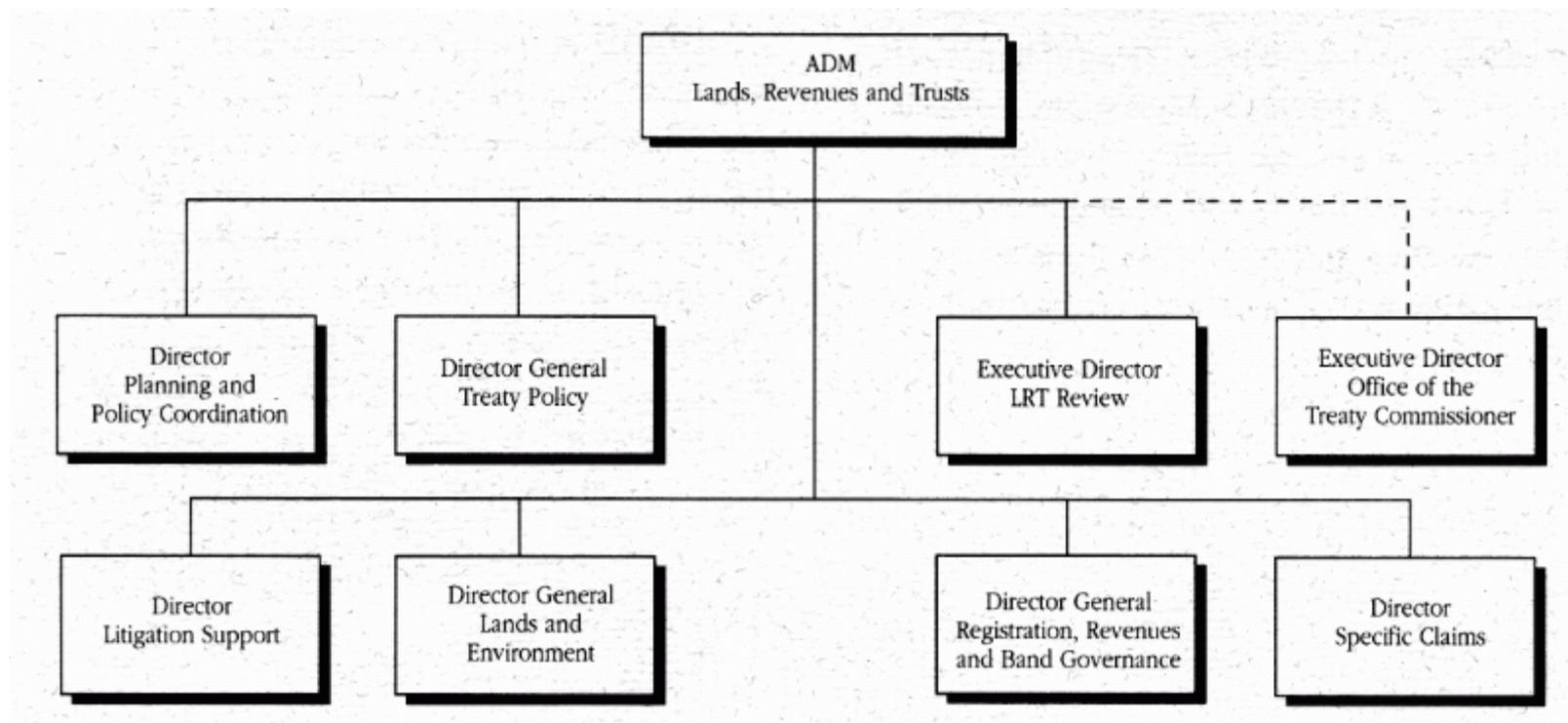
The final phase of the LRT Review culminated in a legislative alternatives initiative - a key element of the Native Agenda announced by the Prime Minister in September 1990. Under First Nations' leadership, work was well under way to develop alternatives to the outdated Indian Act in such areas as lands, monies, forestry and First Nations' government. This work resulted in a series of formal proposals from Indian leadership that provided the basis for legislative action.

LANDS AND ENVIRONMENT BRANCH

LANDS DIRECTORATE

A Specific Agreement was ratified by Ontario, five Manitoulin island bands and Canada under the Indian Lands Agreement (1986) Act. Under this agreement, the bands received compensation totalling more than \$9.2 million for some 34,000 hectares of unsold surrendered land that was retained by Ontario. Negotiations under the 1986 Indian Lands Agreement were on-going, or about to begin, with nine other Ontario bands.

LRT SECTOR



An improved computerized system was introduced in the Indian Land Registry. A total of 2,040 reserves had been converted to the system by the end of the fiscal year. Some 23,400 hectares of land were added to the reserve land base by federal orders-in-council during the year.

The Lands Directorate provided technical advice to the chiefs working on the "lands" component of the Indian Act alternatives initiative. Their aim is to produce legislative alternatives that would provide First Nations with independent powers to manage and grant interests in their land.

A Lands Management Training Program was designed to provide First Nations with courses in land management and related functions.

ENVIRONMENT DIRECTORATE

Contributions of \$175,000 and \$60,000 were provided to the Manitoba Northern Flood Committee and the Split Lake Cree First Nation for planning, implementation and negotiation activities under the Northern Flood Agreement (NFA). Negotiations continued with the Split Lake Cree First Nation. Other bands dropped out of negotiations to explore alternatives under the NFA, including arbitration, to resolve outstanding issues.

The department also provided bands and Indian organizations across the country with advisory, technical and other support to deal with environmental issues. About \$1.9 million was provided directly to Indian groups to analyze environmental problems, participate in assessment and regulatory processes, and to negotiate compensation for environmental damages. The department organized a federal response to the Northern Diseased Bison Panel Report.

REGISTRATION, REVENUES AND BAND GOVERNANCE BRANCH INDIAN REGISTRATION AND BAND LISTS DIRECTORATE

On March 31, 1990, there were 9,786 individuals awaiting the processing of their applications for Indian status. During 1990 - 91, 13,532 individuals applied for registration. Over this period, 13,632 applicants had their applications completed: 8,562 persons were registered and 3,405 persons were found to be ineligible because they were unable to prove that they met the entitlement provisions of the Indian Act. An additional 20,199 applicants were added to, or deleted from, the Indian Register through birth, death or/and marriages. The National Application and Tracking Registry System will provide a comprehensive tracking system for all registrations and assist in the devolution of this function to Indian bands and tribal councils.

BAND GOVERNANCE AND ESTATES DIRECTORATE

Band Governance promotes the development of band bylaws and provides training sessions to an representatives.

Meetings were held with the R.C.M.P. Aboriginal Policing Services, Attorneys General and local Crown attorneys during the year to improve understanding and cooperation in the enforcement and prosecution of bylaws.

The department continued to administer some 2,500 estates of deceased Indians. Some of the minister's statutory duties, such as authorizing the use of reserve lands for the general welfare of a band and executing documents authorized by the Governor-in-Council, were delegated to regional directors general.

Efforts to increase the involvement of family members in the administration of estates continued. Workshops by the Nova Scotia Native Women's Association were funded to offer information about estates and the Indian Act to interested residents.

INDIAN MONIES DIRECTORATE

The department continued to administer about \$1 billion of Indian moneys on behalf of 638 bands and 17,528 individuals. Extensive consultations were conducted with bands and Indian representatives to support the development of new legislative options for the management of Indian moneys.

TREATY POLICY BRANCH

The Treaty Policy Branch develops and coordinates policies on treaty issues in cooperation with other DIAND programs, federal departments, Indian groups and provincial governments. It also gives federal support to the activities of the office of the Treaty Commissioner, an independent body with a mandate to review the issues of treaty land entitlement and the provision of education in Saskatchewan. The branch contributed \$417,000 to Indian groups and organizations for treaty research projects and workshops.

INDIAN FISHING POLICY DIRECTORATE

In cooperation with the Department of Fisheries and Oceans, DIAND supported 21 fisheries co-management projects in British Columbia. These pilot projects demonstrate the practicability of local fisheries. DIAND contributed \$630,000 to this work in 1990 - 91 and provided \$115,000 to the British Columbia Aboriginal Peoples' Fisheries Commission.

SPECIFIC CLAIMS BRANCH

As well as dealing with the fulfilment of Indian treaties, specific claims relate to the administration of land and other assets under the Indian Act. The Specific Claims Branch helps to establish whether the federal government has breached a lawful obligation to an Indian band and provides compensation to the claimants where this has been proven.

Under the Native Agenda, the processing of specific claims was streamlined to reduce the time required to review them. Full and final settlements were reached with the Stagecoming, Teslin and Stoney First Nations, at a cost of nearly \$24 million, and with the Ministikwan and Gordon Benoit First Nations.

LITIGATION SUPPORT DIRECTORATE

In 1990 - 91 the Litigation Support Directorate administered test case funding to support nine cases under two separate programs. Under the regular program, eight test cases were funded, including one (Attorney General of Ontario v. Bear Island

Foundation) scheduled to be heard before the Supreme Court of Canada in 1991 - 92. Two other cases funded under the regular program, *Municipality of Oka v. Jean Roch Simon* and *R. v. Flett*, were heard by provincial courts of appeal. Under the C-31 Litigation Funding Program, intended to defray the cost of litigation arising from the 1985 amendments to the Indian Act, test case contributions were made to three Indian organizations that were granted intervenor status in the case of *Walter Twinn et al v. The Queen*. This was a challenge by four Alberta bands to the constitutionality of the legislation.

In addition, the directorate administered test case funding for two trials: *Pasco et al v. British Columbia and Canada*; and *Delgam Uukw (Gitksan) v; British Columbia and Canada*. On March 8, 1991, the British Columbia Supreme Court rendered judgement in the Gitksan case, dismissing the claim of the Gitksan and Wet'suwet'en to Aboriginal title over a large area of land in northwestern British Columbia.

POLICY AND LEGISLATION SECTOR

The Policy and Legislation Sector was created in 1990 to improve the development and coordination of departmental policies, legislation and strategic planning. It addresses cross-sector and inter-agency issues, undertakes policy research, manages special projects and ensures legislative consistency. The Assistant Deputy Minister chairs the Policy Committee, providing a strategic perspective on all major initiatives. A major responsibility in the year under review was coordination of departmental activities flowing from the Native Agenda.

POLICY BRANCH

The Policy Branch coordinates and ensures the implementation of the Native Agenda. This work includes the drafting of reports, briefings on the status of the agenda and providing advice on specific agenda items.

This year, the branch worked with other sectors on proposed reforms to the specific claims process; treaty land entitlements; fisheries; water and sewer projects; Aboriginal employment in the public sector; family services; education; policing and the administration of justice. Discussions were held with Aboriginal groups, other departments and levels of government.

The branch deals with strategic policy initiatives that cross program or agency responsibilities. This year, work included a study into the implications of recent legal decisions; the Green Plan; the proposed Canadian Environmental Assessment Act; and coordination of issues of concern to the Native Council of Canada.

SPECIAL PROJECTS DIRECTORATE

The Special Projects Directorate manages projects or issues that overlap one or more sectors. A major achievement was the \$50 million (14,250 hectares) settlement with the Woodland Cree Band in northern Alberta. This reflects the government's commitment in the Native Agenda to accelerate the settlement of claims.

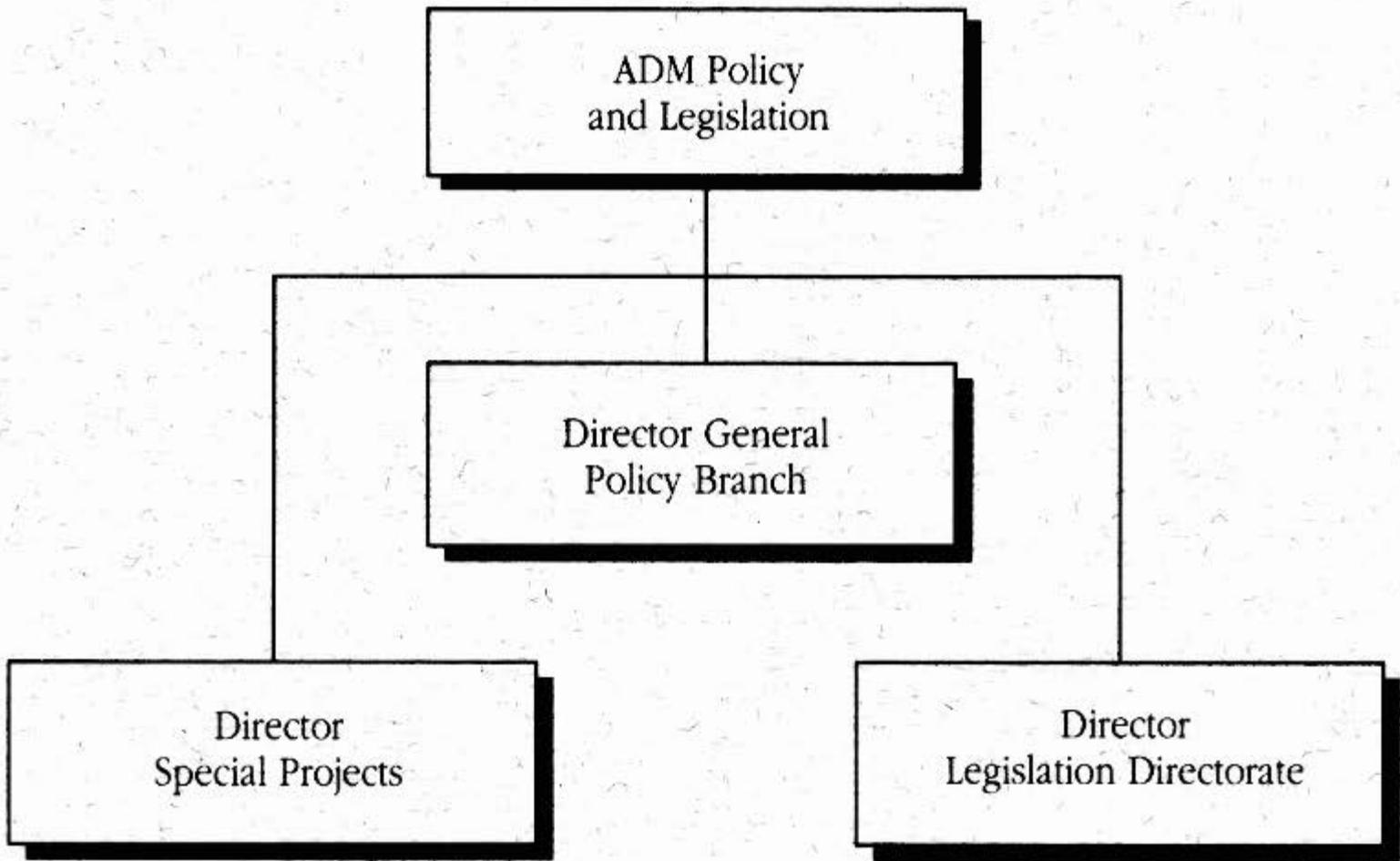
POLICY AND LEGISLATION SECTOR

ADM Policy
and Legislation

Director General
Policy Branch

Director
Special Projects

Director
Legislation Directorate



LEGISLATION DIRECTORATE

The Legislation Directorate coordinates the department's legislative program and monitors the legislative initiatives of other departments to ensure that consideration is given to Aboriginal and northern policies and priorities. Formerly part of the Self-Government Sector, it became part of the Policy and Legislation Sector this year.

There were 22 legislative initiatives under consideration at the end of the fiscal year. Most of these involved proposed changes to the Indian Act, self-government, comprehensive land claims, environmental protection and devolution in the North.

ADMINISTRATION PROGRAM

FINANCE AND PROFESSIONAL SERVICES

The Finance and Professional Services Sector provides financial, administrative and management services to the department.

FINANCE BRANCH

The Finance Branch conducted the regular review of corporate and regional resource requirements and use. Year-end lapses of resources decreased for the second year in a row.

The branch took part in the development of a new method of assessing the entry of First Nations into Alternative Funding Arrangements. As a result, First Nations can now identify their organization and management systems needs as they assume increased authority under AFA.

Responsibility for expenditures on hospitality, conferences and workshops was delegated to the regions this year in the spirit of the Council for Change philosophy of "down and out" management. Many improvements were made to departmental processes, including a more efficient direct loan management system, a more timely and informative management reporting system and the development of a departmental resource management system.

Another initiative was the preparation of a Memorandum of Understanding for Increased Ministerial Authority and Accountability. Through this, the Treasury Board provided departmental managers with greater authority and streamlined reporting requirements.

MANAGEMENT SERVICES BRANCH

Management Services Branch provides informatics services to the department.

The branch upgraded the software on 2,500 personal computers throughout DIAND. Electronic mail was expanded to 1,200 users and more than 700 employees were trained on various software packages.

Following a study to redesign the financial system last year, a new software package was selected and purchased. Work began to upgrade all departmental mini-computers and associated telecommunications equipment to support this new system.

The corporate data network was expanded by implementing switches in the regional offices. Pilot projects were undertaken on Local Area Networks (LANs) this year and work began on the development of a departmental standard.

A corporate strategic data model of the department was developed as a joint effort with the Quantitative Analysis and Socio-Demographic Research Group. This model facilitates information management throughout the department.

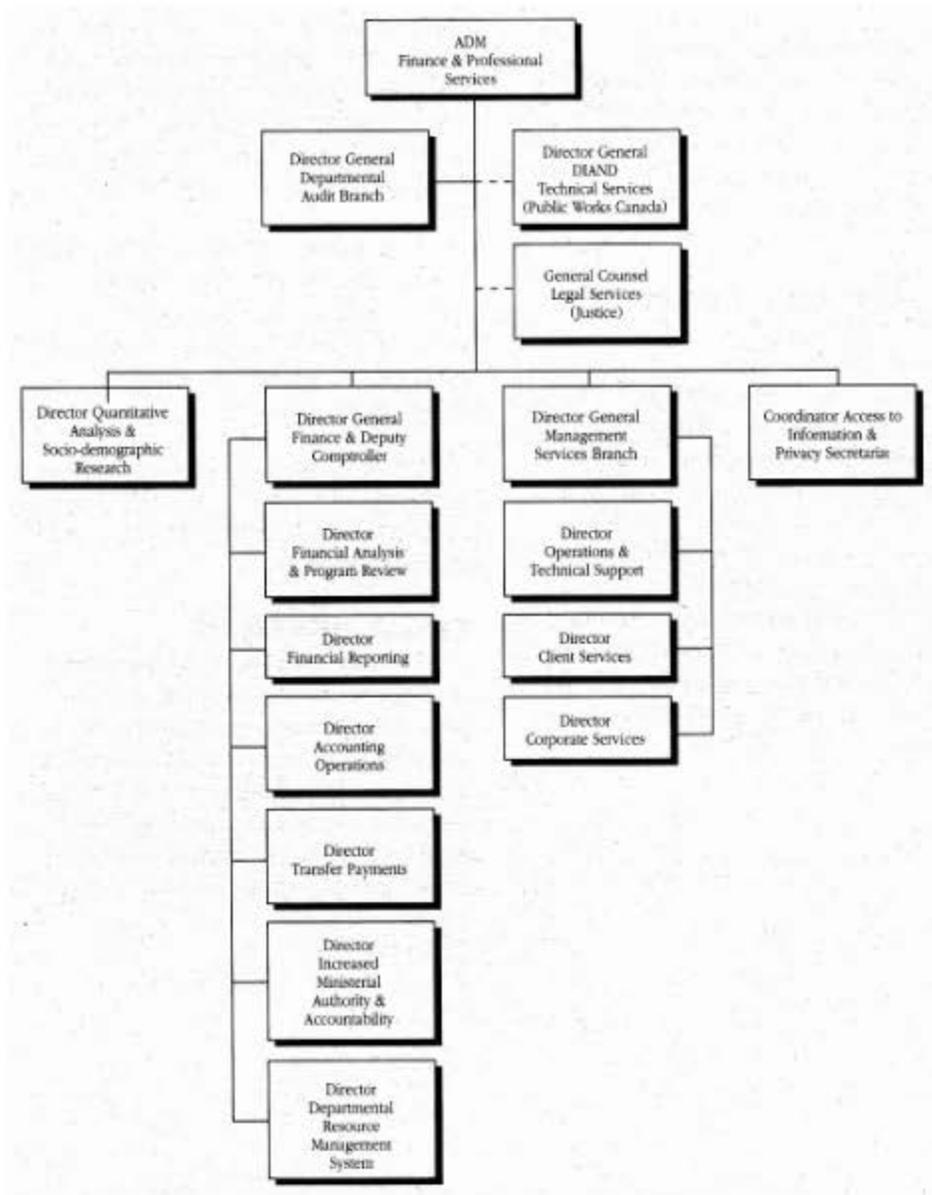
CORPORATE SERVICES DIRECTORATE

A Memorandum of Agreement with Supply and Services Canada was renegotiated for another five years, giving the department authority to transfer material assets to Aboriginal organizations.

A total of more than 1,240 contracts and change orders, valued at \$22.9 million, were processed for consulting and professional services and for non-professional services. These included 100 contracts, worth more than \$616,000, awarded to Aboriginal entrepreneurs. Nine administrative courses were provided to 168 Indian band staff, representing 107 bands or tribal councils.

The Indian Art Centre acquired 46 works of art through the first Indian Art Acquisitions jury in five years.

FINANCE AND PROFESSIONAL SERVICES



QUANTITATIVE ANALYSIS AND SOCIO-DEMOGRAPHIC RESEARCH

This group (QASR) maintains and analyses statistical information and coordinates activities related to the management of information. Work this year included the development of a departmental strategic data model, studies on the Indian public service and university education and the development of a long-term costing model for post-secondary education.

QASR responded to more than 800 requests for information and provided advice on the design of questionnaires and enrolment projections. Publications this year included "Basic Departmental Data - 1990," and "Indian Register Population by Sex and Residence, 1990."

ACCESS TO INFORMATION AND PRIVACY SECRETARIAT

The Access to Information and Privacy Secretariat oversees the administration and policy development of the Access to Information Act and the Privacy Act. It processes formal requests and advises senior management on the administration of the legislation and the disposition of cases. It also promotes awareness of the legislation within the department. This year, the secretariat processed 160 access requests, 19 privacy requests and 88 privacy disclosure requests.

AUDIT BRANCH

Fifteen audits and six special projects were completed during the year. The branch identified five audit themes that are important to the new management environment at DIAND. These will be part of the criteria for future audits.

TECHNICAL SERVICES

Technical Services is a sector of Public Works Canada which provides architectural and engineering services to the department. This year, the sector implemented the Asset Condition Reporting System to provide reliable data on the effectiveness and recapitalization requirements of DIAND's assets, including on-reserve buildings and grounds, municipal services, roads and bridges.

A national fire and safety program helps to reduce the loss of life and assets on reserves. Activities included a fire safety poster competition for school children and a national fire fighters' competition for Aboriginal fire fighters.

Technical Services played a key role in the Environmental Assessment and Review Process, providing advice to several DIAND sectors and branches.

LEGAL SERVICES

This unit, operated by the Department of Justice, provides legal advice and assistance at headquarters and in the regions. This year, Legal Services assisted several sectors, responding particularly to the legal aspects of comprehensive and specific claims, self-government negotiations, the administration of statutes and a growing volume of litigation.

HUMAN RESOURCES

The Human Resources Branch assists the department in all aspects of human resources management and provides services to enhance employee productivity and motivation.

A new employee's performance review process was implemented during the year. The process emphasizes employee/supervisor communication and the joint setting of goals objectives and performance expectations. Another new program was a review of senior managers' performance by subordinates.

Under a new training and development strategy, employee career aspirations were matched against the department's requirements over the next three to five years. This program will ensure competent staff to meet future needs as well as the better development of employee potential and the fulfilment of career aspirations.

A framework for implementing recommendations of the Deputies' Council for Change was prepared during the year. These covered: awards and recognition; Aboriginal recruitment and retention; employee orientation; cross-cultural awareness training and the Public Service 2000 program.

A rotational assignment program was implemented to help employees develop the skills and experience necessary to pursue career aspirations. A council for elders, the Kumik, was established at headquarters to raise cultural awareness and to offer Aboriginal employees counselling and guidance.

A new self-funded leave program allows employees to contribute a portion of their salaries to a fund to finance six months' to a year's leave for personal interests and goals. Employees have the option of contributing.

HUMAN RESOURCES BRANCH

Director General
Human Resources

Director
Classification, Employee Relations
and Compensation

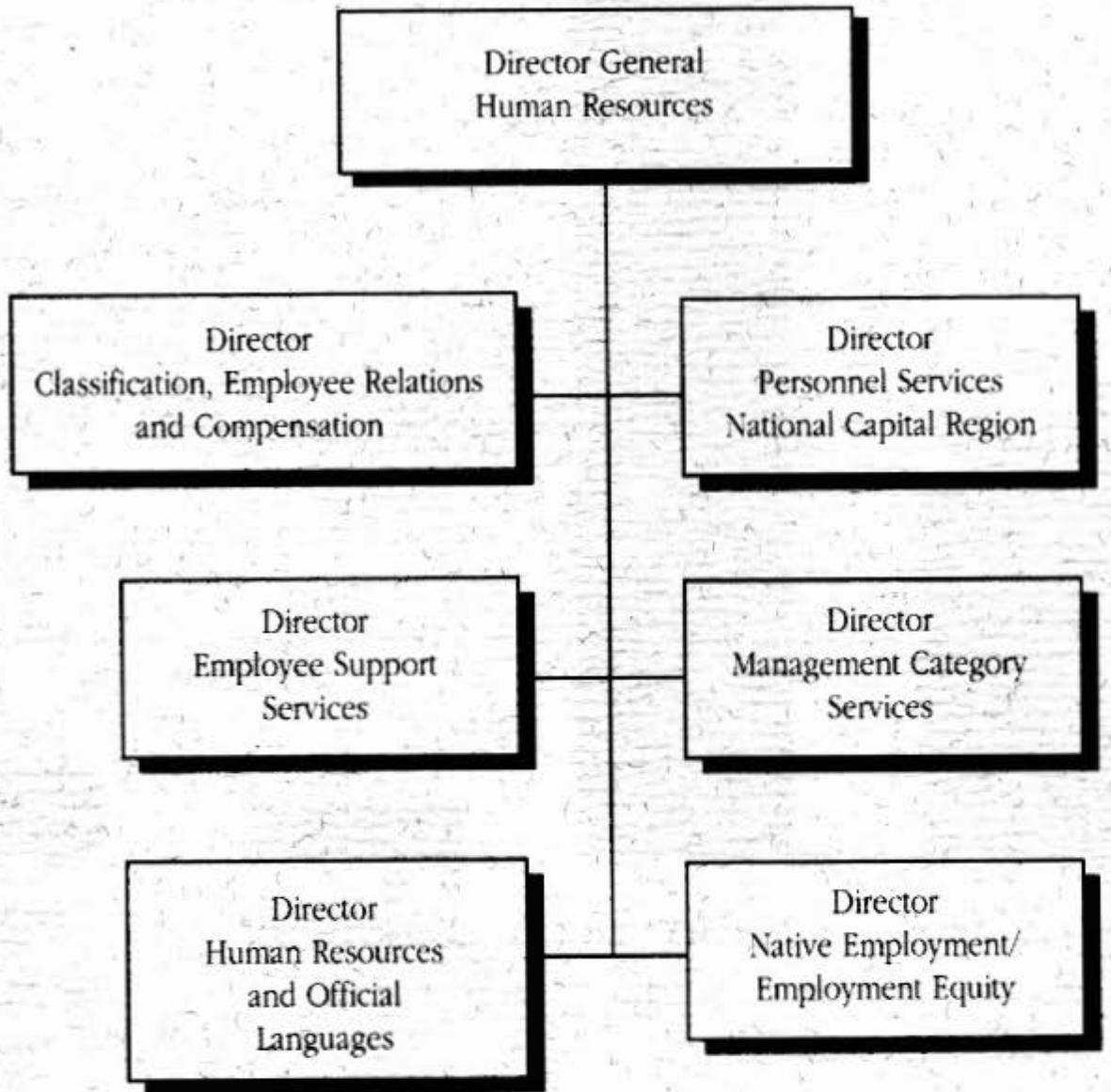
Director
Personnel Services
National Capital Region

Director
Employee Support
Services

Director
Management Category
Services

Director
Human Resources
and Official
Languages

Director
Native Employment/
Employment Equity

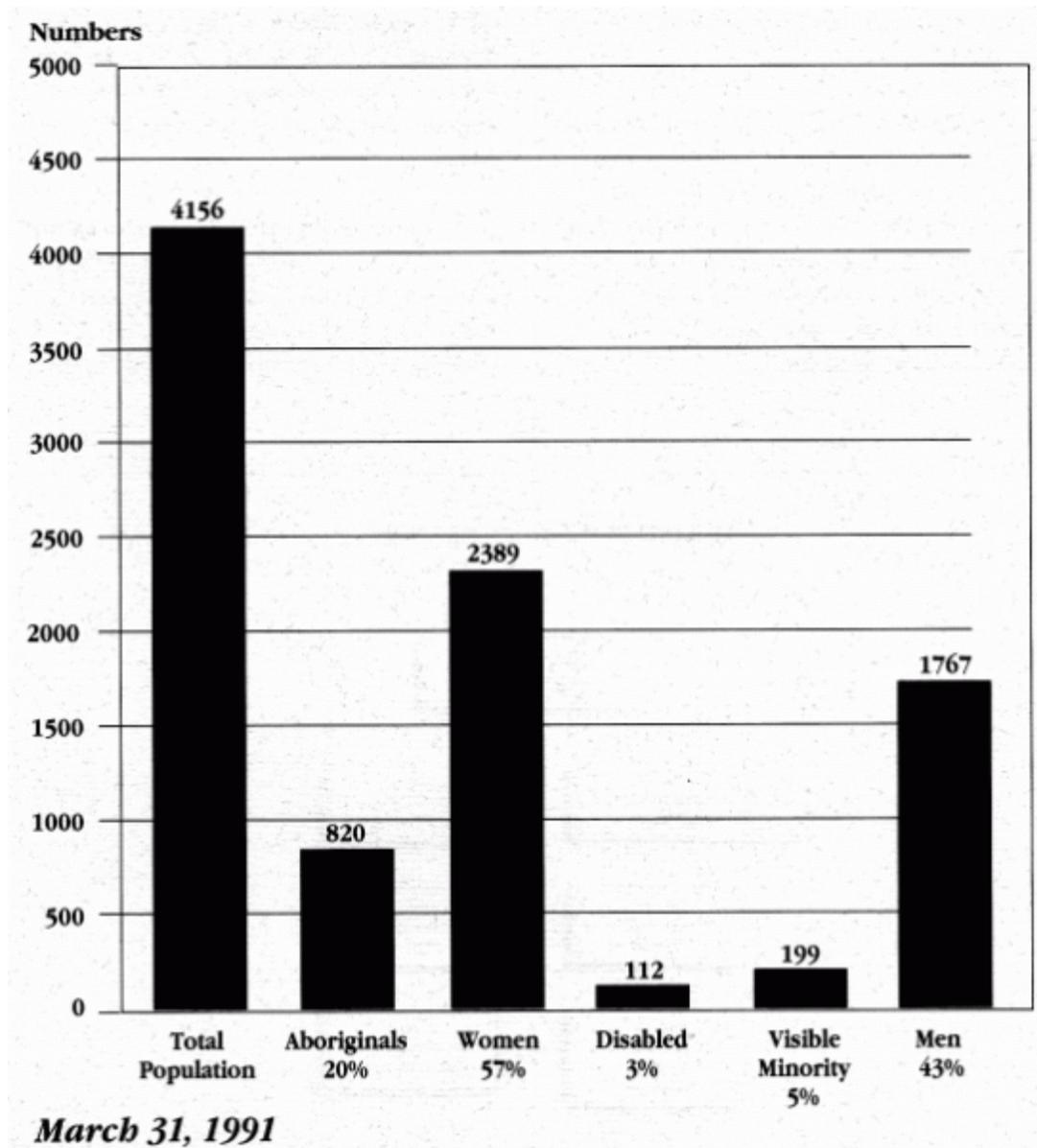


a portion of their salaries to a fund. A computerized leave-reporting module and on-line access to the pay system were also introduced.

Despite a four per cent decrease in the department's staff, the proportion of Aboriginal people, women and other target groups continued to grow. At year's end, Aboriginal people represented 20 per cent of total staff; women, 57 per cent; visible minorities, 5 per cent; and disabled persons 3 per cent.

In a related move, changes were made in the criteria for admission to the management skills development program to make it easier for women to participate. An Aboriginal post-secondary program recruited nine graduates for the department and four for other departments and the private sector.

EMPLOYEE DEMOGRAPHICS



A demographic model was developed to project the department's staff requirements to the year 2000. Downsizing and devolution affected a total of 565 employees this year. Workforce adjustment programs maintained the involuntary lay-off rate at 2.3 per cent.

EXECUTIVE SUPPORT SERVICES

The Executive Support Services Branch is the central link between the programs and ministers' offices on such matters as Cabinet submissions, regulatory reform, parliamentary, relations, briefings and ministerial correspondence. It also conducts program evaluations and undertakes special projects.

The Planning Directorate provides the ministers, deputy ministers and other senior management with advice and analysis. The Policy and Strategic Analysis Section coordinates the processing of Cabinet submissions and proposed regulations. The Parliamentary Relations Division coordinates and reviews responses to Oral and written questions in Parliament, arranges for the preparation of information for use in debates and liaises with standing committees and other parliamentary officials. The Briefing Unit coordinates the preparation of briefing notes for the ministers, their staff, the parliamentary secretaries, the deputy ministers and other members of Parliament, when requested. During 1990 - 91, the Briefing Unit processed 1,988 briefing notes and gave workshops on writing briefing notes.

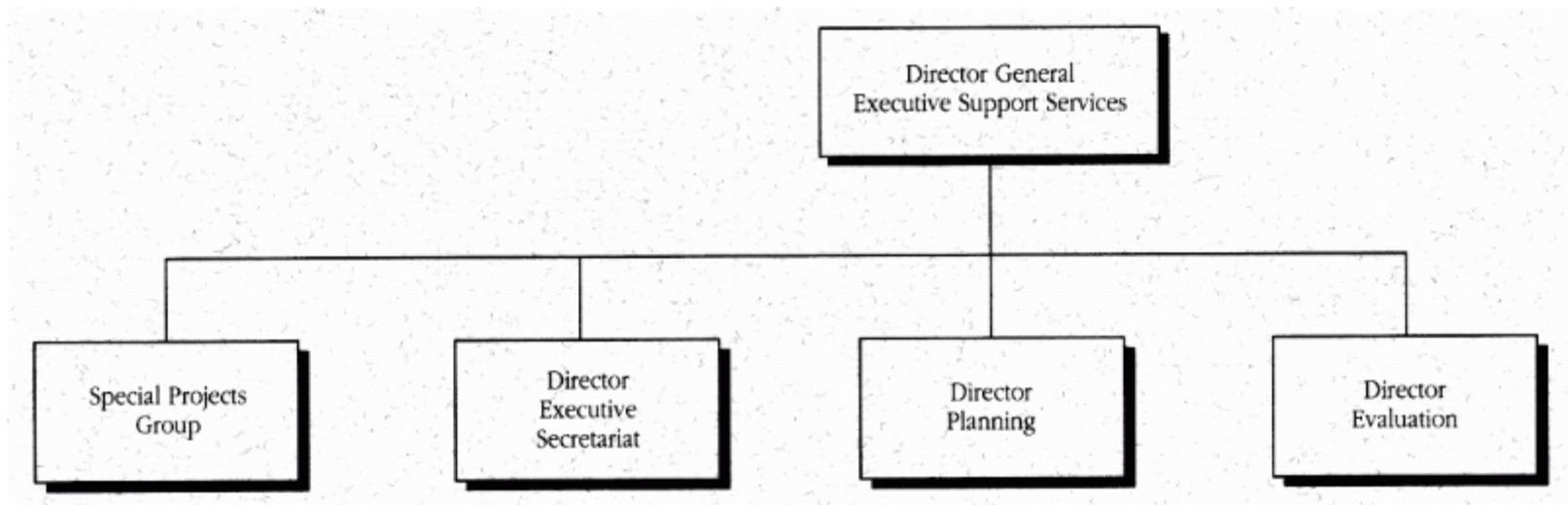
The Executive Secretariat prepares responses to correspondence received by the ministers and deputy ministers. More than 15,000 pieces of correspondence were handled during 1990 - 91. The secretariat also manages research, negotiations and claims settlement funds issued to Aboriginal claimants participating in the claims resolution process.

During 1990 - 91, the department administered the issuance of:

- \$4.5-million to 33 Indian bands and associations for the research, development and presentation of specific and comprehensive claims;
- \$23 million in loans to 13 comprehensive claimant groups; and \$940,000 to 18 specific claimant groups for negotiations.

The Evaluation Directorate, under the direction of the departmental Audit and Evaluation Committee, evaluates programs and policies following guidelines set by the Comptroller General. During the year,

EXECUTIVE SUPPORT SERVICES BRANCH



11 evaluations were completed, eight studies were in progress and six new study proposals were developed.

The five-volume Report to Parliament on the Impacts of the 1985 Amendments to the Indian Act (Bill C-31) was tabled in Parliament following consultations with national Aboriginal institutions. Completed studies included an evaluation of the capital program allocation mechanism, elementary and secondary school evaluation guidebooks, the Research and Funding Division, and management training for band leaders and managers.

COMMUNICATIONS

The Communications Branch has three objectives:

- to inform DIAND's client groups about the policies, programs and activities of the department;
- to inform all Canadians about DIAND and about Indians, Inuit and the North; and
- to provide the federal government and the department with feedback on the interests and concerns of Canadians with respect to DIAND's responsibilities.

This was a particularly busy year. The branch produced many speeches and communiques to support ministerial announcements on departmental initiatives. In the North, these included negotiations on the comprehensive land claims of the Council for Yukon Indians and of the Dene/Métis, and the creation of a Polar Commission. Elsewhere, announcements were made on land claims in British Columbia, the Oka land issue, a major Indian water and sewer initiative under the Green Plan, and the implementation and progress of the federal government's Native Agenda.

Among the 338 publications produced by the department during 1990 - 91 were: The Arctic Environmental Strategy An Action Plan; the First Annual Report of the Indian Taxation Advisory Board 1989 - 90; and a series of five reports dealing with The impacts of the 1985 Amendments to the Indian Act (Bill C-31). The department also produced You Wanted to Know, a guide to federal programs and services for Aboriginal people.

DIAND supported the production of several films during the year which dealt with areas of interest to the department and to Aboriginal people. These include To Heal the Spirit, a one-hour documentary examining the role of traditional spirituality for Aboriginal inmates at the Prison for Women in Kingston, Ontario. DIAND also helped fund Nunagpa, a documentary re-creating a day in the life of a 1930s Inuit family on a traditional summer caribou hunt. The department also produced an audio cassette of the Indian Act for the visually impaired.

The Public Enquiries Division provided departmental publications and other information in response to more than 22,000 enquiries from the public, other government departments, libraries and special interest groups and organizations.

The demand for media relations support increased during the year. The number of media requests increased significantly. Media monitoring services were improved through the implementation of daily and weekly analyses of media coverage. Several surveys of public attitudes on Aboriginal issues were conducted during the year.

NORTHERN PROGRAM

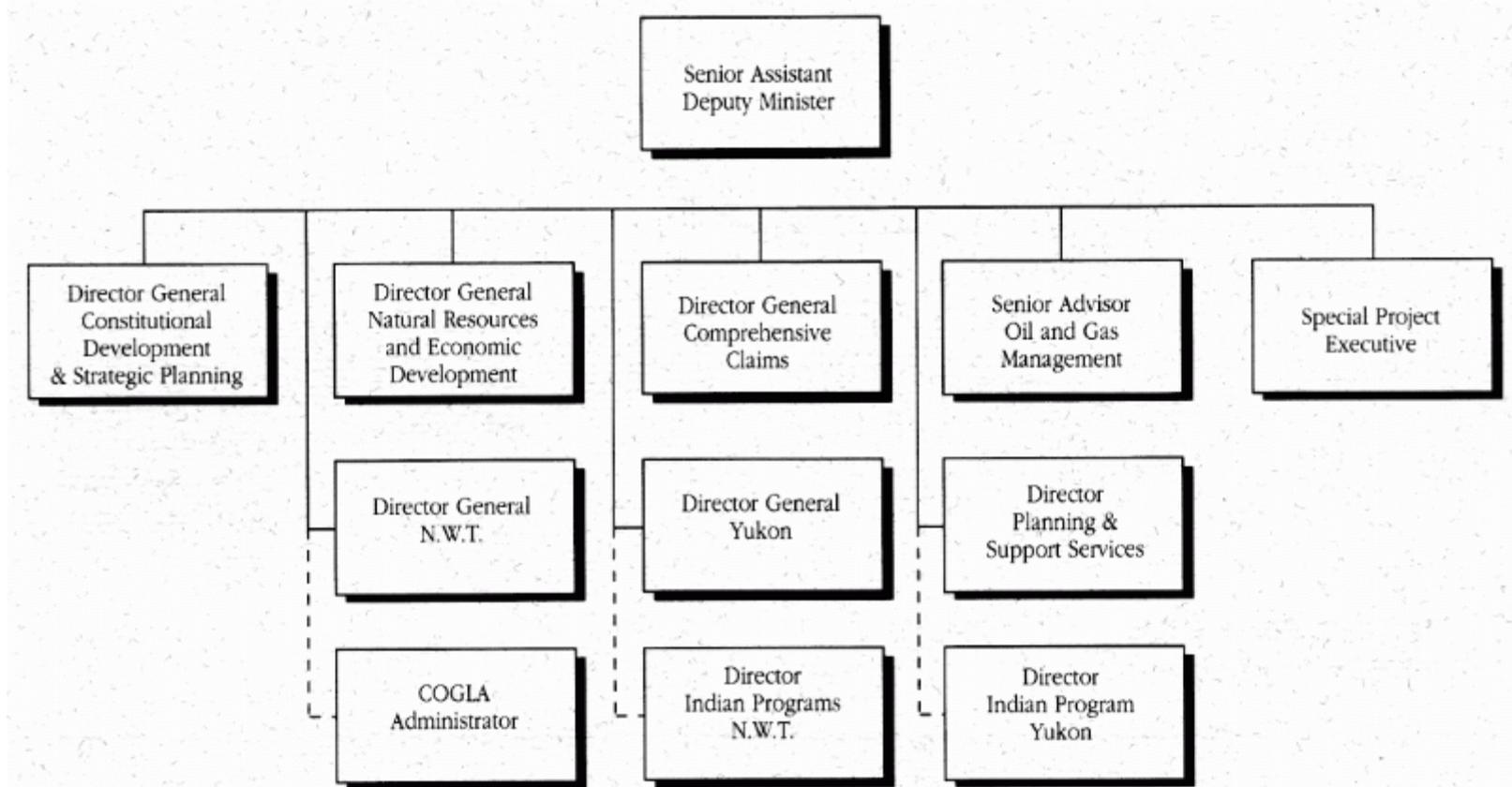
NATURAL RESOURCES AND ECONOMIC DEVELOPMENT BRANCH

The Natural Resources and Economic Development Branch focused especially on economic and environmental issues this year.

The branch negotiated new economic development agreements with the Yukon and N.W.T. The North American Air Defence Modernization Project continued to provide business and employment benefits in local communities.

The branch improved and formalized its environmental screening and review process in response to the Federal Court decisions in the Rafferty/Alameda and Oldman River cases. The Arctic Environmental Strategy was approved by Cabinet and announced in Iqaluit. Land and water management and environmental protection issues were examined with the newly formed Yukon Mining Advisory Committee.

NORTHERN AFFAIRS PROGRAM



OIL AND GAS MANAGEMENT

Oil and natural gas activities within the Northern Program are guided by an Agreement-in-Principle on a Northern Oil and Gas Accord, signed with each of the territorial governments in September 1988.

The Beaufort Sea Steering Committee, made up of representatives from the federal and territorial governments the Inuvialuit and the oil and gas industry, addressed public concerns expressed during the Environmental Impact Review Board hearings. The committee issued a final report with recommendations on the management of oil and gas exploration in the Beaufort Sea.

With the commitment to full consultation on major decisions on oil and gas matters, a call for nominations for lands in the western Beaufort Sea was announced in April 1990. Preparations were made for a call for nominations for the Beaufort Sea and Mackenzie Delta, scheduled for April 1991.

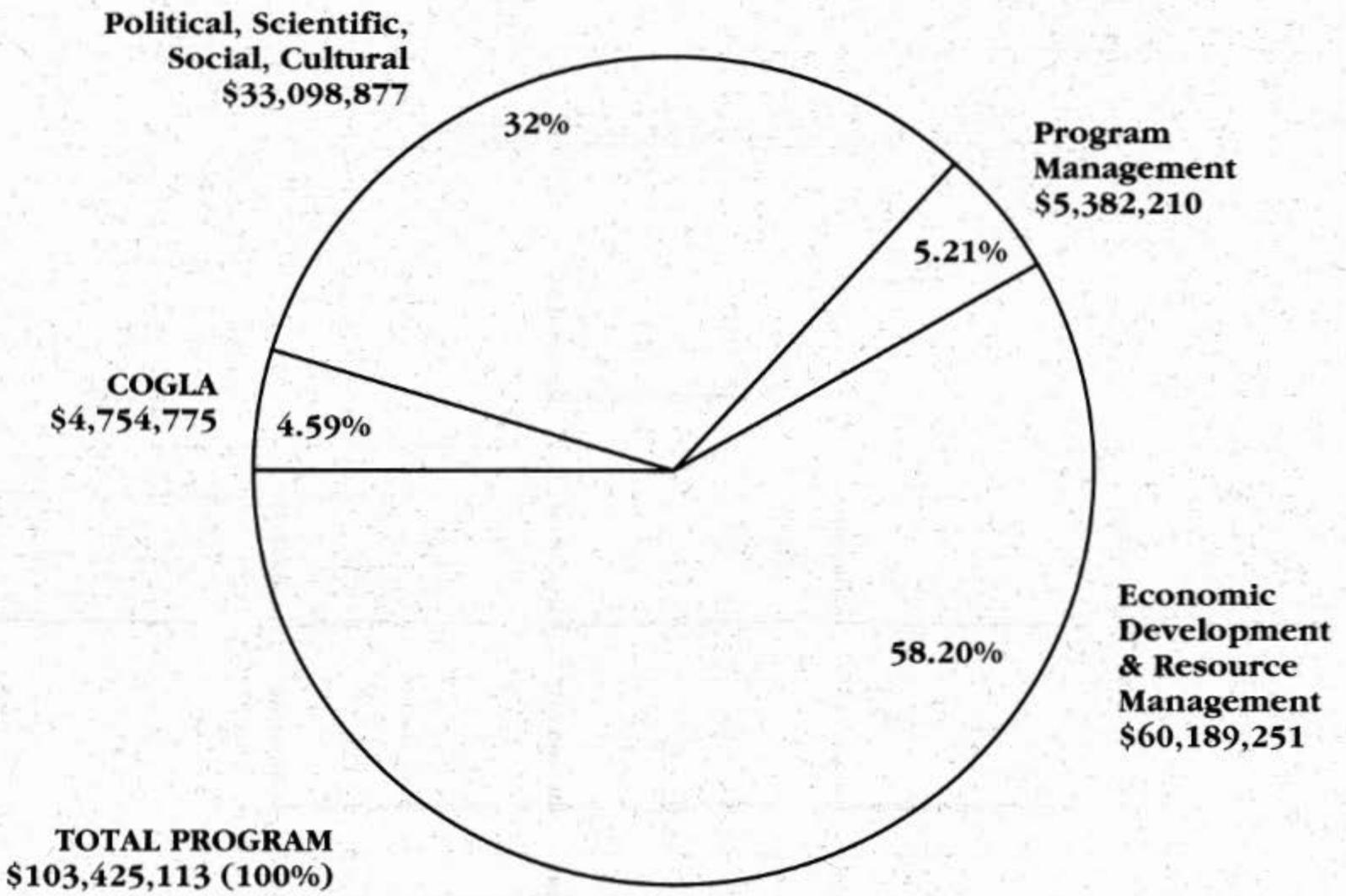
A call for nominations was announced, in cooperation with the Government of the Northwest Territories, for lands on Cameron island in the Arctic Archipelago.

Informal consultation continued with both governments in preparation for resolution of a Northern Accord in the coming year.

NORTHERN AFFAIRS PROGRAM 1990 - 1991

ACTUAL, EXPENDITURES BY ACTIVITY

(IN \$ AND %)



BIOLOGICAL RESOURCES DIVISION

The division continued to support the Nunavut Wildlife Management Advisory Board, which provides a forum for government and Inuit to cooperate in the management of wildlife in the eastern Arctic.

The division also provided administrative support for implementation of the environmental impact screening and review provisions of the Inuvialuit Final Agreement. The Environmental Impact Review Board recommended against approval of the Gulf Canada Resources Ltd. Kulluk drilling program.

The division took part in studies into the development of a community-based management regime for reindeer of the Belcher islands; the monitoring of potential effects of development, on the Porcupine caribou herd and an examination of radionuclides in the northern food chain.

Treasury Board approved a two-year extension to the Fur Development Program (1990 - 92). Core funding was provided to Indigenous Survival International. Agreements were signed with provincial and territorial governments to provide trapping instructions to Aboriginal people and northerners. Funding was also provided to assist Aboriginal organizations in the development of fur and sealing industries. A comprehensive evaluation of the federal government's Fur Industry Defence Program, (1987 - 92) was sponsored by DIAND, DOE and External Affairs. A major workshop to develop a fur industry strategy was conducted by DIAND, DOE and Agriculture Canada.

ENVIRONMENTAL SERVICES AND RESEARCH DIVISION

An investigation continued into the contamination of northern ecosystems and Aboriginal diets as a result of the long-range transportation of pollutants. A six-year contaminants action plan was prepared under the Arctic Environmental Strategy. It included research, monitoring, northern consultation, and international initiatives to control emissions of persistent pollutants. The department co-chaired, with Sweden, a Task Force on Persistent Organic Contaminants under the United Nations Economic Commission for Europe.

The division coordinated Canada's input into a ministerial declaration on the protection of the Arctic environment.

A work plan on cooperative research on persistent contaminants was negotiated by the division between Canada and the U.S.S.R.

In support of proposed new Environmental Assessment and Review Process (EARP) legislation, discussions took place between the regional offices responsible for most of EARP implementation in the two territories, and the Federal Environmental Review Office. Detailed procedures to clarify current practices under the present Guidelines Order were developed.

LAND USE PLANNING AND CONSERVATION

Cabinet approved the Lancaster Sound Regional Land Use Plan in October 1990. The Northern Land Use Planning Program in both territories ended, owing to government restraint measures. A commitment was made to complete the Greater Kluane, Keewatin and Mackenzie Delta/Beaufort Sea land use plans. A grant was provided to the Yukon Conservation Society to support its activities.

LAND MANAGEMENT DIVISION

The Land Management Division finalized negotiations on the transfer to the governments of the Yukon and N.W.T. of the Land Titles Act and participated in the transfer of Transport Canada's airports. Work proceeded on modernizing northern legislation, especially amendments to the Territorial Lands Regulations.

The division developed the DIAND clean-up program, one of the four components of AES Abandoned wastes on Crown Lands will be cleaned up over the next six years. Some clean-up and site evaluation took place during the year at a number of sites including Whitehorse, Rankin Inlet and Iqaluit.

Technical and resource management issues were considered in the negotiation of land and resource-related elements of the three northern comprehensive claims. Discussions continued on a proposed Surface Rights Act.

WATER RESOURCES DIVISION

The Water Resources Division, in collaboration with regional water resources offices, continued consultations on amendments to the Northern Inland Waters Act. A Yukon Mining Advisory Committee, was formed to advise the Minister.

Negotiations on transboundary water management agreements continued throughout the year, with significant progress on the Saskatchewan/N.W.T. agreement. Public consultations began on N.W.T. interests and needs in transboundary water management. The Yukon and Alsek River Basins Agreement was signed by Canada, B.C. and the Yukon.

A report was prepared for the Beaufort Sea Steering Committee respecting government management of potential oil spills.

Objectives were set out for new programs under the Arctic Environmental strategy to gather information on the quality and quantity of northern water resources. Also, the division assisted Environment Canada in the development of a Canada/Alberta study of the cumulative impacts of pulp mills and other industrial developments on the Peace-Athabasca-Slave river systems.

The Minister approved more than 100 water licences recommended by the N.W.T. and Yukon water boards, including licences for two new mines in Yukon.

MINING AND INFRASTRUCTURE DIRECTORATE

In 1990, seven mines operated in the Northwest Territories and two mines, along with 220 seasonal placer gold properties, operated in the Yukon Territory. The value of mineral production was estimated at \$906 million in the Northwest Territories and \$541 million in Yukon. Mineral exploration expenditures in the Northwest Territories were estimated at \$45 million and in the Yukon at \$11 million. Royalties collected in 1990 - 91 amounted to about \$8 million in the Northwest Territories and \$788,000 in the Yukon.

MINING LEGISLATION AND RESOURCE MANAGEMENT DIVISION

After a long period of stability, legislation was under review during the year. The Federal Court ruled on March 7, 1990, that withdrawal of land under the Territorial Lands Act does not withdraw the land from mining use, as authorized by the Yukon Quartz Mining Act. The Minister immediately announced his intention to introduce remedial legislation and on January 17, 1991 Bill C-68, was promulgated by Parliament.

The department supports and provides background material to the Yukon Mining Advisory Committee (YMAC) which the Minister created in November 1990 to advise on legislative matters affecting Yukon mining. The committee is drawn from mining groups, governments, Aboriginal interests and others. YMAC's tasks were to advise on amendments to the Northern Inland Water Act and the Environmental Assessment and Review Process Guidelines Order.

MINERAL ECONOMICS AND PROJECT ANALYSIS DIVISION

The federal-provincial committee examining the participation of Aboriginal people in the mining industry, co-chaired by DIAND representatives, issued an initial report in February 1991.

Substantial work was completed in preparing discussion papers on mine site reclamation. Financial security agreements for two mines in Yukon - Curragh Resources Inc. for its Vangorda Plateau mines and the Mt. Hundere joint venture for the Mt. Hundere property - were concluded.

TRANSPORTATION AND INFRASTRUCTURE DIVISION

Responsibility for all existing roads now rests with the territorial governments. The Government of the Northwest Territories released its Transportation Strategy for the future and a new coordinating committee was formed with membership drawn from the Government of the Northwest Territories, Transport Canada (co-chairs), Fisheries and Oceans and Indian Affairs and Northern Development.

In conjunction with Transport Canada, the responsibility for Arctic B and C Airports was transferred this year to the Government of the Northwest Territories.

ECONOMIC DEVELOPMENT SECTION

1990 - 1991 was the final year in which the Canada-N.W.T. Economic Development Agreement (EDA) provided project funding. DIAND's contribution of \$1.3 million represented 70 per cent of the total in the final year. A comprehensive evaluation of the EDA and its subsidiary agreement concluded that the EDA made a positive contribution to developing and diversifying the territorial economy. A new five-year (1991 - 96) Economic Development Framework Agreement was signed in February, 1991.

In the Yukon, a one-year Canada-Yukon Agreement on Economic Planning was signed and implemented to provide up to \$2.9 million for project funding in the areas of mineral development, renewable resources, economic planning and tourism. Discussions with the government of the Yukon led to the development of a framework agreement and three cooperation agreements.

NORTH AMERICAN AIR DEFENCE MODERNIZATION PROJECT

Construction contracts awarded by the Department of National Defence contained northern benefit commitments that were negotiated by the Natural Resources and Economic Development Branch. These benefits brought more than \$58 million and 300 jobs to the northern economy in 1990.

Short range radar sites to be built in the North led this year to training for 118 northerners, full-time employment for 108 others and direct northern expenditures of about \$41 million.

Work got under way at four northern airports to upgrade the facilities to allow for periodic deployments of NORAD interceptor aircraft. The work generated 125 jobs for northern residents and resulted in direct expenditures for goods and services of about \$30 million.

CONSTITUTIONAL DEVELOPMENT AND STRATEGIC PLANNING BRANCH

CONSTITUTIONAL DEVELOPMENT AND ABORIGINAL AFFAIRS DIRECTORATE

The proposal to divide the N.W.T. into two new territories, in accordance with the provisions of the Nunavut Settlement Area Agreement-in-Principle, was a major focus of effort. The directorate undertook research and analysis, in consultation with the government of the N.W.T., the Tungavik Federation of Nunavut and other federal departments.

Discussions were held with both northern territories on the devolution of province-like responsibilities from the federal government.

As a consequence of the third report of the Standing Committee on Aboriginal Affairs, dealing with the relocation of Inukjuak Inuit to the High Arctic, the federal government was required to develop a response for Parliament. A consultant's review found that the Inuit were not relocated to establish Canadian sovereignty, as charged. A formal apology and compensation were therefore not appropriate. The federal government agreed to relocate Inuit who wished to return from Grise Fiord and Resolute Bay to Inukjuak, before March 31, 1992.

The directorate assisted the Self-Government Sector in negotiations with the Dene/Métis.

Work Continued in the implementation of the Inuvialuit Final Agreement. A contribution of 99,000 was provided to northern Aboriginal associations. A further \$80,000 was made available for Inuit counselling in southern Canada.

CIRCUMPOLAR AND SCIENTIFIC AFFAIRS DIRECTORATE

The Circumpolar and Scientific Affairs Directorate continued to work toward the establishment of the Canadian Polar Commission. Enabling legislation, received Royal Assent on, February, 1, 1991. The commissions mandate is to promote and encourage the development and dissemination of polar knowledge and to foster international and domestic cooperation in circumpolar research. Work continued on the creation of a Canadian Polar information System.

Core funding was provided to the Association of Canadian Universities for Northern Studies, representing 33 Canadian Universities and two territorial colleges. Support was also provided under the Northern Scientific Training Program for research projects by about 300 students from more than 30 Canadian universities.

The directorate also managed the Northern Science Award, presented annually by the Minister to an individual who has contributed significantly to knowledge and an understanding of the Canadian North, This year, the award was presented to Taamusi Qumaq, a noted linguist and ethnologist.

Under the Canada/USSR Agreement on Cooperation in the Arctic and the North, signed in November 1989 the founding meeting of the Mixed Commission on cooperation in the Arctic and the North was held in Canada in November 1990. A bilateral work plan was established for the next two years.

The directorate continued to coordinate circumpolar cooperation with other Arctic countries, including Denmark, Norway and the United States. It promoted discussions on a proposed Arctic Council, an international forum for Arctic countries.

Core funding was provided to the Canadian Regional Office of the Inuit Circumpolar Conference in Ottawa. The directorate will address concerns about the increasing number of scientific expeditions taking place in Canada's North, along with an interdepartmental and intergovernmental committee.

An interdepartmental committee was established to exchange information about federal activities on circumpolar matters and to encourage greater cooperation among agencies in the North.

STRATEGIC PLANNING DIRECTORATE

The directorate continued to produce the Northern Affairs Program's central planning document - the Strategic Overview - providing guidance to program activities. The directorate also completed two publications, the 1989 - 1990 edition of the Annual Northern Expenditure Plan and the 1990 edition of Canada's North: The Reference Manual.

Renewed funding was secured for the Northern Oil and Gas Action Program and detailed formula financing agreements were concluded with both the Yukon and the N.W.T.

Proposals to amend the Municipal Grants Act and clarify the northern application of grants in lieu of taxes were also approved by an all-party Committee of Parliament and by the Senate Committee on Legal and Constitutional Affairs.

The directorate reviewed the northern air stage subsidy provided to Canada Post. Acting on the report, entitled Food for the North, the government decided to stabilize the subsidy, to transfer responsibility for its administration to DIAND and to apply the subsidy in a more efficient and equitable manner.

Work began on the establishment of a claims implementation secretariat in anticipation of northern comprehensive claim settlements.

COMPREHENSIVE CLAIMS BRANCH

Comprehensive claims negotiations are conducted with Aboriginal groups which continue to use and occupy traditional lands, in cases where Aboriginal title has not been dealt with by treaty or superseded by law.

B.C. TASK FORCE

The B.C. Claims Task Force, composed of representatives of the federal government, the B.C. government, and B.C. First Nations, was formed in December 1990 to recommend an approach to resolve the many Native claims in B.C. The Task Force considered the scope of negotiations, the process, timing and organization, as well as the need for public education, and reported July 3, 1991. Bilateral negotiations were held with the B.C. government on the respective roles and responsibilities of the two governments.

NISGA'A

In October 1990, the Government of B.C. became a participant in the Nisga'a claim negotiations. Subsequent negotiations led to the signing of the first tripartite comprehensive claim Framework Agreement in British Columbia on March 20, 1991.

CONSEIL DES ATIKAMEKW ET DES MONTAGNAIS

After a new president was elected to the 13-band Conseil des Atikamekw et des Montagnais (CAM) and a new negotiating team appointed, discussions resumed on the basis of a revised mandate to CAM. The negotiations proceeded toward the development of an Agreement-in-Principle.

TUNGAVIK FEDERATION OF NUNAVUT

An Agreement-in-Principle was signed in April 1990 by the Tungavik Federation of Nunavut (TFN), and by the governments of Canada and the Northwest Territories. The agreement provides for Inuit participation in land and resource management, \$580 million in cash and Inuit ownership of about 350,000 square kilometres including 36,257 square kilometres with subsurface title. Substantial progress was made in land selection and on the items to be dealt with in a Final Agreement.

DENE/MÉTIS

On April 9, 1990, negotiators for Canada, the Dene/Métis, and the Government of the Northwest Territories initialled a Final Agreement. In July 1990, the annual assembly of the Dene/Métis rejected the agreement as negotiated. The Gwich'in and Sahtu subsequently withdrew their negotiating mandates from the Dene Nation and Métis Association and asked Canada to conclude separate agreements with them on the basis of the April 9, 1990, agreement. Canada accepted the Gwich'in request in November 1990 and commenced negotiations. A Gwich'in Final Agreement was expected early in the next fiscal year.

If ratified by the Gwich'in and approved by Cabinet, settlement legislation would likely follow by the winter of 1991 - 92. The agreement would give the Gwich'in land, cash compensation, and a share of any future resource royalties the government collects in the settlement area. The agreement would also provide the Gwich'in with a role in the administration of land and water use in the management of wildlife and renewable resources. Other benefits include preferential hunting, fishing, and trapping rights in the region. Land selection negotiations between Canada and the Gwich'in were close to completion at the end of the fiscal year.

NORTHERN OIL AND GAS

On February 14, 1991, the Minister of Energy, Mines and Resources and the Minister of Indian Affairs and Northern Development announced that the Canada Oil and Gas Lands Administration (COGLA) would be dissolved, effective April 2, 1991, and its responsibilities and functions integrated into the National Energy Board, the Department of Energy, Mines and Resources and DIAND.

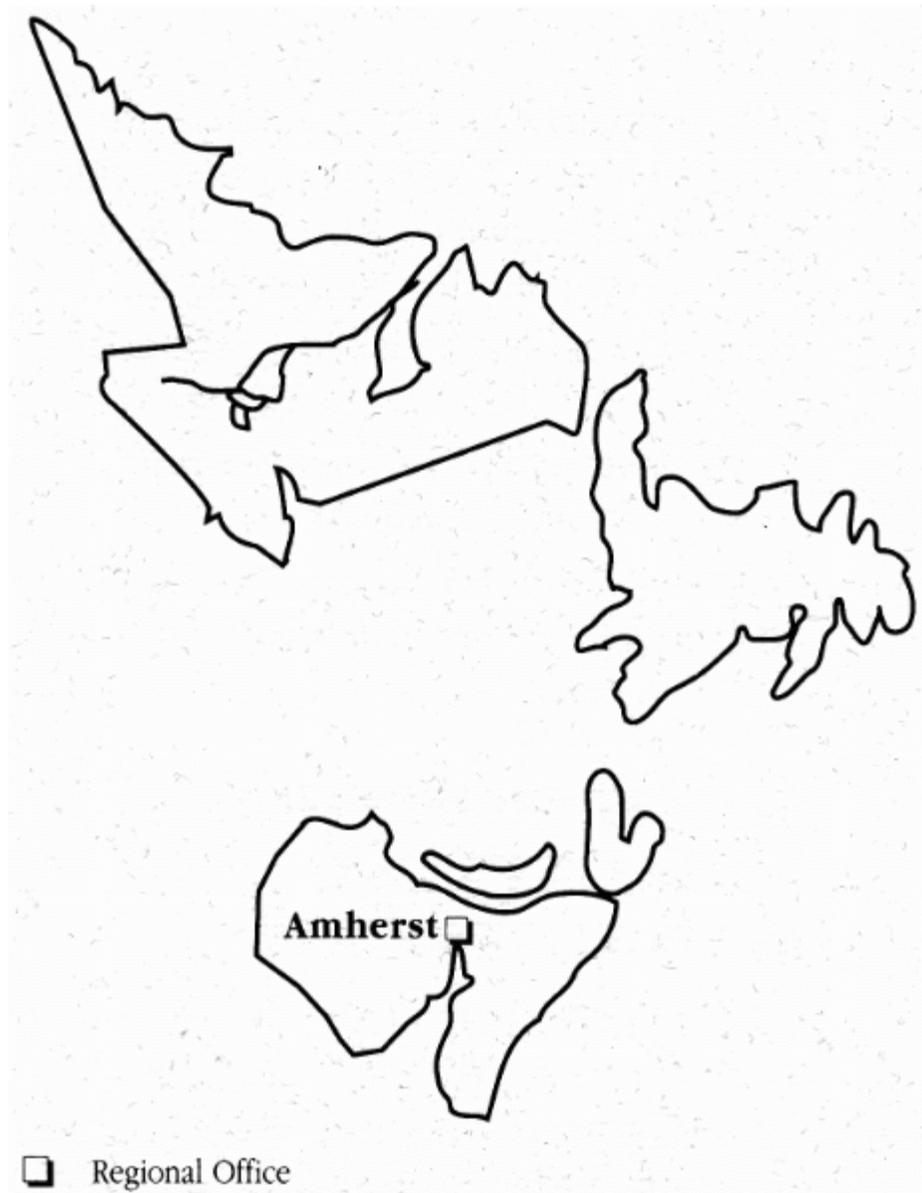
Under this reorganization, the Minister will retain those authorities which involve the granting of legal permission or exclusive rights to companies to explore for, develop and produce oil and gas on Canada frontier lands north of 60. These authorities are generally prescribed under the Canada Petroleum Resources Act (CPRA). The NEB will regulate oil and gas drilling and production operations which were previously performed by COGLA under the Oil and Gas Production and Conservation Act.

Until this new arrangement is formalized in legislation, the Minister will retain authority for the oil and gas activity on Canada Lands.

REGIONAL OFFICES



ATLANTIC REGION



The Atlantic Region funds the provision of services to 38 Indian and Inuit communities in the four Atlantic provinces. Twenty-five Micmac and six Maliseet communities have a registered on-reserve population of 12,968, an off-reserve population of 6,345 and six on Crown Land, for a total of 19,319. The Canada-Newfoundland/Labrador agreements arrange for services to five Inuit and two Innu communities in Labrador.

The regional office has a staff of 126 and administers a budget of more than \$135 million. It works with four tribal councils and five Aboriginal organizations.

ECONOMIC DEVELOPMENT

Under the Canadian Aboriginal Economic Development Strategy (CAEDS), \$2,362,000 was provided, to 19 Community Economic Development Organizations (CEDOs) for economic development planning and advisory services. A regional CAEDS advisory committee was set up to manage the strategy. Another CEDO committee was established to identify training needs and to develop a training package.

Funding was established under the Resource Access Negotiations project to help Indians negotiate for fishing licenses and to negotiate a joint venture for mineral development in Labrador.

The Indian Taxation Advisory Board helped one community to develop a band bylaw for taxation revenue. it was the first such bylaw to be drafted in Atlantic Canada.

An Indian studies support program was implemented to fund education initiatives sponsored by Aboriginal groups and post-secondary institutions. A regional advisory, committee of First Nations representatives was created to approve worthy projects.

Greater use was made this year of social assistance transfers to create jobs. Other initiatives included discussions with native social workers on the establishment of programs to prevent family violence and the renegotiation of tripartite agreements to improve child and family services to Aboriginal people. Social Development manual rates were established in New Brunswick and Nova Scotia providing provincial equivalent social assistance to on-reserve residents.

BAND SUPPORT AND CAPITAL MANAGEMENT

The North Shore District Tribal Council, the Saint John River Valley Tribal Council, the Confederacy of Mainland Micmacs, and the Union of Nova Scotia Indians provided advisory services to their member bands, representing about 80 per cent of all Aboriginal communities in the region. Master funding arrangements were negotiated for 31 bands, which included seven AFAs. A newly established transfer payments management system accounted for 98 per cent of all contributions to bands during the year. Financial management plans were implemented for nine bands.

All capital projects on reserves were administered by band councils. In housing, councils renovated 315 homes and 265 new housing units were constructed, including 95 for Bill C-31 returnees. Several large subdivision projects were begun by councils, largely as the result of supplementary funding under Bill C-31.

INDIAN GOVERNMENT SUPPORT

More than \$127,000 was provided to bands this year for self-government activities. Fourteen bands were assisted in research and development projects. Two others were assisted to develop framework agreements.

More than \$31 million was transferred to Indian bands under seven AFAs. Two new AFAs were signed with bands in New Brunswick and a third-generation agreement was signed in Prince Edward island. One band in Nova Scotia was declared eligible for an AFA while five others began working on documents required for the eligibility process.

LANDS, REVENUES AND TRUSTS

A land administration training program was launched for bands during the year. Most bands also undertook courses in estates, wills, elections and bylaws. A total of 1,600 land allotments were under administration by the regional office. Ninety-eight estates were opened, 70 closed and a new estate reporting system was implemented. There were 12 band elections. Indian registration functions were devolved to First Nations during the fiscal year.

HUMAN RESOURCES

Employees were involved throughout the year in efforts to redefine regional roles and responsibilities. The region took a lead role in responding to the issues of recruitment, retention and advancement of Aboriginal employees within the department. These issues were among those raised by the Deputies' Council for Change.

FINANCE, ADMINISTRATION AND INFORMATICS

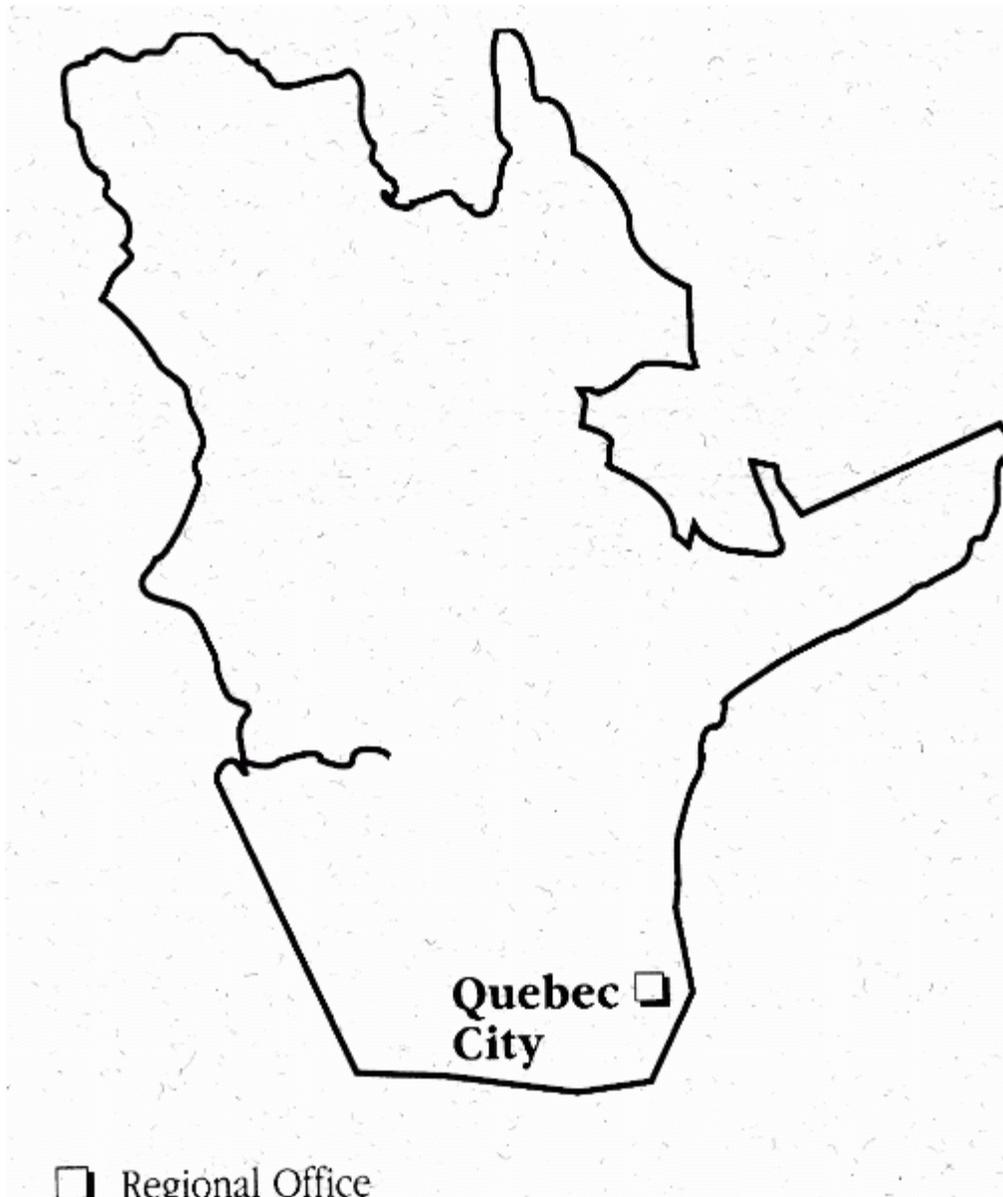
The use of the Transfer Payments Management System reduced the number of contribution cheques issued by 40 per cent, compared to the previous year. Emphasis was placed on improving the quality of the region's work environment. A multi-year plan to acquire ergonomically designed workstations was begun. Other improvements included modifications to the air distribution system and the accessibility of washrooms to the disabled.

REGIONAL SECRETARIAT

The Regional Secretariat coordinated executive correspondence and briefings as well as planning functions. The Communications Section responded to about 3,500 public and media enquiries.

The secretariat took part in the establishment of a Micmac tripartite forum in Nova Scotia. The forum brings together Aboriginal groups, the provincial and federal governments to discuss issues of common concern.

QUEBEC REGION



This was a difficult year in DIAND's Quebec Region. The Mohawk of Kanesatake and Kahnawake were involved in the armed confrontation with Quebec police and Canadian troops at Oka, Que. The election of an interim band council helped to return stability to the community of Kanesatake, and will help make it possible for the federal government to negotiate the transfer to the band of lands that were at the heart of the crisis.

Tripartite negotiations and agreements brought about changes on several issues, including policing services and Aboriginal economic development.

Supreme Court of Canada rulings on ancestral rights and treaties affected the regional office's activities in securing access to resources.

SELF-GOVERNMENT NEGOTIATIONS

The region created this new directorate to handle negotiations on self-government and claims, and to assist federal

negotiators on specific and comprehensive claims negotiations.

Work began on the negotiation of a framework agreement on self-government for the Huron-Wendat First Nation. A joint working document was created.

A tripartite working group, including the Mohawk Council of Kahnawake, was established to consider the issue of policing in Kahnawake. Another, including the Algonquins of Barrière Lake, worked on the development of renewable resources in La Verendrye Wildlife Reserve.

section was involved in many communications activities conducted by headquarters. The regional office issued the first edition of the "Guide to Indian Communities in Quebec".

ECONOMIC DEVELOPMENT AND EMPLOYMENT

Since the introduction of the Canadian Aboriginal Economic Development Strategy, 31 Community Economic Development Organizations (CEDOs) have been set up in Quebec. These include four Sectoral Development Institutions - three for crafts and one for trapping. These organizations shared, a budget of \$8.6 million. The Corporation de developpement des Premieres Nations Quebec et du Labrador was formed during the year. A budget of \$8.6 million was decentralized to these organizations. The priority was on developing an organizational structure for the CEDOs.

Owing to the establishment of Aboriginal finance companies in Quebec, the focus is shifting from direct loans to loan guarantees, Thirty-four applications for loan guarantees were received. The guaranteed loans portfolio totalled nearly \$1.4 million at the end of the fiscal year. Work was under way to sell the loans fund, worth nearly \$4 million.

Fourteen candidates began training under the Entrepreneurship Initiatives Program. This program has received a total of \$167,000 since it began in 1988 - 89. Eleven businesses have been launched as a result.

Two Resource Access Negotiations (RAN) projects received funding this year: co-ownership of a saw mill and a skills training project at an aluminum plant.

LANDS,REVENUES AND TRUSTS

The expansion of the Village-des-Hurons Wendake was completed with lands acquired in 1988. Agreements were reached to enlarge the Matimekosh and Odanak Reserves. A total of 106 acres of land in the municipality of Oka was bought for the use and benefit of the Kanasatake Band.

At the request of the River Desert Band Council, which wanted to purchase lands with funds derived from the settlement of a specific claim, the region successfully submitted a purchase offer to the owner of lands forming enclaves within the Maniwaki reserve.

Following a pilot project, the region became responsible this year for collecting data on the registered Indian population in Quebec.

The Montagnais Band of Lac Saint-Jean sought a ruling this year to return to its traditional electoral customs. A favourable ruling was being prepared as the fiscal year drew to a close.

The Environment Division coordinated an emergency environmental operation following the oil spill at Weymontachie. Soil analyses were also completed prior to the restoration of contaminated sites at Waskaganish, Eastmain, Wemindji and Kahnawake.

INDIAN SERVICES

Owing to work begun by the Deputies' Council for Change, Indian Services began an assessment of the quality of client services. This assessment, first conducted internally, was completed by a survey of representatives of Native agencies and communities.

At the same time, the region made improvements in its services, notably in visitor reception, telephone service and in the system for managing financial agreements.

ALTERNATIVE FUNDING ARRANGEMENTS

AFAs with the River Desert and Escoumins bands were renewed for five years. Three other bands - Kahnawake, Betsiamites and Uashat/Maliotenam - signed new AFAs. This brought the total number of AFAs to six, including an agreement signed by the Montagnais of Lac Saint-Jean in 1989 - 90.

A total of more than \$50 million, about 25 per cent of the region's budget, was transferred to communities through AFAs.

SOCIAL DEVELOPMENT

Seventy-three per cent of bands in Quebec (22 of 30) administered their own social assistance plans during the 1990 - 91 fiscal year. Six bands were working during the year to assume control.

A group home was set up in Uashat (Sept-Iles) and four emergency shelters for the victims of family violence were opened in Schefferville, Uashat, River Desert and Restigouche.

Consultations determined that both the Quebec government and, Indian bands and associations see the immediate need, for a management and financing system for Indian child and family social services.

EDUCATION

The Romaine, Lac Simon and Timiskaming bands, worked during the year to take over their schools. Negotiations for the transfer of control were under way with bands in Lac Rapide and Kanesatake. A study, was launched during the year to determine the need for computers in schools.

CAPITAL MANAGEMENT AND BAND SUPPORT

More than 261 housing units were built during the year. Of this number, 63 new dwellings were intended for persons whose rights were restored under Bill C-31 Two hundred and thirty-six housing units were renovated.

Many capital projects were undertaken in several communities. Three communities made major investments in capital facilities, including the drinking water supply in Restigouche and waste water disposal Systems in Pointe-Bleue and Mingan. Six communities invested in school facilities. Natashquan finished building a new school, Timiskaming began work on a primary school and the Montagnais of Schefferville and the Algonquins of River Desert began to improve their facilities.

The transfer of responsibilities for technical services was a priority. Three tribal councils received funding to study their need for technical services and to make proposals on the structure and operation of units which would offer engineering consulting services to member bands.

Except for residents, all on-reserve assets were inspected during the year. Work proceeded on a process to update the database of these assets.

Flexible payment transfers have had a large impact in Quebec. The region developed a global financing agreement under which the regional budgets of various programs are grouped together in a single agreement. This reduces the number of agreements and amendments during the year. Work proceeded on a new regional manual for financial audits for the use of First Nations and their auditing firms.

An assessment of the consultation services provided by the tribal councils was initiated during the year.

HUMAN RESOURCES MANAGEMENT

A Human Resources Management Board was set up to study personnel policies and to establish objectives and priorities within the region. The board will make recommendations to the regional committee.

A training project was launched to provide on-the-job training for about 20 employees, leading to diplomas in computerized financial management.

ONTARIO REGION



The Ontario Region continued to emphasize self-government and devolution initiatives. Work began on a third set of substantive self-government negotiations with Aboriginal communities represented by the North Shore Tribal Council. Work also continued on substantive negotiations with the Whitefish Bay First Nation and the United Indian Councils of the Mississaugas and Chippewas Nations. Twenty-two AFAs were negotiated and signed, for a total of 31. Progress was made in devolution and the transfer of services: tribal councils were funded and there was increased local control of education, land management and the initiation of social service assistance and delivery systems.

The region's Indian population increased by 4,719 to 114,228 over the course of the fiscal year.

The region, in cooperation with the province, produced a comprehensive map showing the locations of First Nations. The map also indicates linguistic groups, political affiliations and treaties.

BAND SUPPORT AND CAPITAL MANAGEMENT

Twelve tribal councils and three large First Nations were funded to provide advisory services. Four of the councils and the First Nations established technical service units and hired professional staff to provide advice and administer projects.

Nineteen capital planning studies were funded to identify needs for Indian communities. A \$74 million construction program included four projects for school and teacher facilities, five community electrification projects and 12 infrastructure projects.

EDUCATION

Nine community schools were transferred to local control. Seventy per cent of Indian students enrolled in on-reserve schools across the region received instruction in 50 First Nation schools. Sixteen special projects were initiated with provincial boards of education, universities and community colleges, to support the educational and cultural needs of Indian students. A total of 7,200 students received assistance to attend college and university programs. Two tripartite agreements covering second-level services were near completion.

LANDS, REVENUES AND TRUSTS

The Manitoulin land claim settlement included \$7.25 million in cash and more than 2,000 hectares of land. First Nations were involved in land management and in assuming authority for their lands, an important step in building the capacity for self-government. The Nipissing First Nation began to administer lands under the Indian Act. Five First Nation's completed land management training.

The department provided partial funding for Aboriginal participation in Ontario's timber class environmental assessment hearings, the Ontario Hydro 25-year plan hearings; and in the development of a plan to restore water quality at Akwesasne.

PROGRAM MANAGEMENT AND ADMINISTRATION

The region funded tuition and registration costs for 34 regional employees to attend Ryerson Polytechnical Institute's public administration courses, provided within the regional office. All program directors and district managers received full delegated staffing authority during the year. Funding and delivery procedures were streamlined to ensure accurate and timely payments to First Nations and other recipients.

SELF-GOVERNMENT

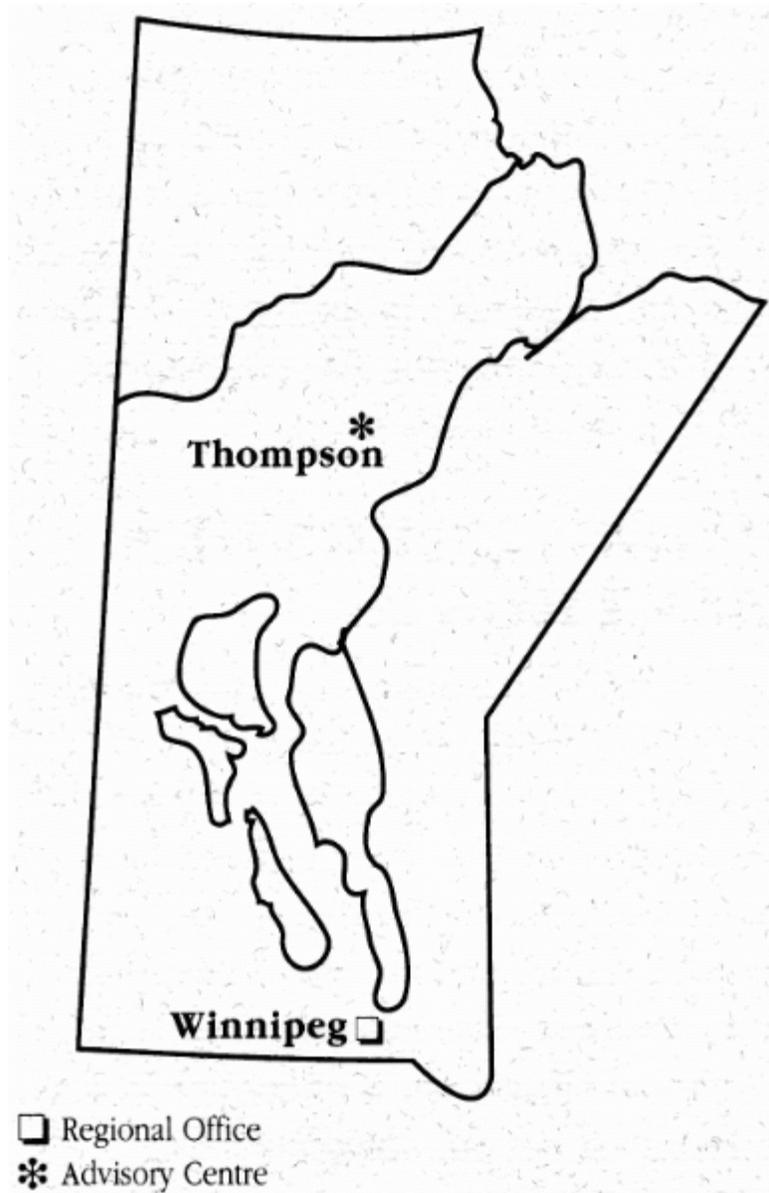
The North Shore Tribal Council signed a framework agreement, leading to substantive self-government negotiations. This brought to three the number of substantive self-government negotiations, representing 16 First Nations. Included in these negotiations were those with the Whitefish Bay Band as well as with the United Indian Council of Mississauga and Chippewas Nations, both of which earlier signed a framework agreement. Framework negotiations were begun with Grassy Narrows, Kasibonika and Big Trout First Nations.

Discussions began on the development of a unique concept for a Nishnawbe-Aski Federation that could provide First Nations across northern Ontario with increased governing powers. The Tripartite Process, a mechanism for discussions between First Nations, Ontario and Canada, successfully addressed a number of sectoral self-government negotiations, such as policing.

SOCIAL DEVELOPMENT

Progress continued on the transfer of social development responsibilities to First Nations and their organizations. The Nishnawbe-Aski Nation began developing its own social services board. Regional officials participated on two tripartite committees concerning social assistance systems and delivery mechanisms for Aboriginal communities.

MANITOBA REGION



First Nations administered more than 80 per cent of the Manitoba Region's annual budget this year. The transfer of control over education accelerated with the signing of Canada's first Education Framework Agreement. First Nations undertook the research required to assume full control by 1995.

The region created and supported an Aboriginal student summer employment program. A total of \$367,000 was provided for 42 projects in 41 communities.

Alternative Funding Arrangements were signed with Fort Alexander, Peguis and the Opasquiak Education Authority. Dakota Tipi signed their second AFA agreement. A total of 16 AFAs had been signed by the end of, the fiscal year. A regional workshop was held to consider improvements to the AFA process.

were completed during 1990 - 91, 285 of these under the Residential Rehabilitation Assistance Program.

Water and sewer systems were completed in The Pas (Carrot River), Ebb and Flow, and Sioux Valley. Design or construction was begun in three communities: The Pas (Big Eddy), Hollow Water, and Birdtail Sioux.

The design was completed on Waywayseecappo School and feasibility studies were conducted at Garden Hill and Northlands. Construction continued on The Pas and Split Lake schools.

EDUCATION

An Education Framework Agreement to undertake a five-year research and development project on Indian education in Manitoba was signed between the department and the Assembly of Manitoba Chiefs.

Three schools were transferred to band control this year. This brought to 36 the number of band - Controlled schools in the region. Of the 15,983 on-reserve students enrolled in elemental or secondary schools, 58 per cent attended band - Controlled schools. Discussions continued with the remaining eight bands for a takeover of the education program. Manitoba bands administered 90 per cent of the education budget.

A study was conducted into the funding for Indian education in Manitoba. Basic school-board training was provided for 99 school trustees from 26 bands. Training was also provided for 43 school committee members from nine federal schools.

SOCIAL DEVELOPMENT

Operational funding was approved for three emergency shelters for abused women this year, at Fisher River, Pukatawagan and Shamattawa.

Consultations were initiated with the boards of seven on-reserve personal care homes to develop regional standards and establish a mechanism for accreditation. Consultations also began with tribal councils to involve Indian authorities in changes to the regional policy manual.

ECONOMIC DEVELOPMENT

A number of organizations were established this year to manage economic development at the community level, bringing the regional total to 20. A total of \$7,886,000 was provided to these organizations. Discussions were held with the Assembly of Manitoba Chiefs on new arrangements for the administration of the department's Economic Development Program.

The department was also involved in establishing, through a five-year \$5.5 million federal-provincial agreement, the co-management of resources by the provincial government and bands. Support was provided for the development of renewable resources, especially agriculture and fisheries. A total of \$2,380,000 was provided to four SDIs operating in agriculture, tourism, fishing and wildlife. Indian communities in northeastern Manitoba were expected to participate in the construction of a land line proposed by Manitoba Hydro.

LANDS, REVENUES AND TRUSTS

Work continued on three specific claims and on 23 validated treaty land entitlements, as called for in the Native Agenda.

Approval was received for two entitlement selections, one land exchange and the establishment of a new band. The region handled 27 submissions concerning 23 selections of 63 different parcels of land.

The automated land transaction management system went into operation during the year. A survey was launched to define private interests in the Peguis reserve.

By year's end, the Indian Registry Program had been devolved to 38 bands and two tribal councils representing another 14 bands.

RESOURCE DEVELOPMENT IMPACT

This year, the Split Lake Band was negotiating a comprehensive settlement package - a combination of monetary and other compensations - to implement outstanding obligations of Canada, Manitoba Hydro and the Northern Flood Committee, as set out in the Northern Flood Agreement (NFA). Four other bands represented on the Northern Flood Committee continued to seek compensation through the mechanism provided within NFA.

The Northern Flood Capital Reconstruction Authority, an NFA corporation, completed \$13.8 million worth of sewer and water construction projects in the five NFA communities.

The regional office made a special effort to strengthen cooperation between the department and First Nations on environmental issues. In particular, the office shared information and developed joint strategies with the Manitoba Keewatinowi Okimakanak Natural Resources Secretariat. A total of \$259,000 was provided to help eight First Nations and an Indian organization represent their interests in this field.

Increased efforts were made to improve regional compliance with the federal Environmental Assessment and Review Process Guidelines Order. The regional office took part in Green Plan consultations and in the development of an environmental training course for First Nations.

FINANCE AND ADMINISTRATION

Finance and Administration took part in the creation of a Native Student Summer Employment Program. A total of 268 students were employed for up to eight weeks. A Financial Management committee was created to monitor the region's financial status and to control expenditures.

A report on the financial status of the region, "Dollars and Sense," was distributed to senior managers, bands and tribal councils.

PERSONNEL

Personnel Directorate took part in regional and national working groups established under PS2000 and the Deputies' Council for Change. Fourteen Aboriginal training positions were filled.

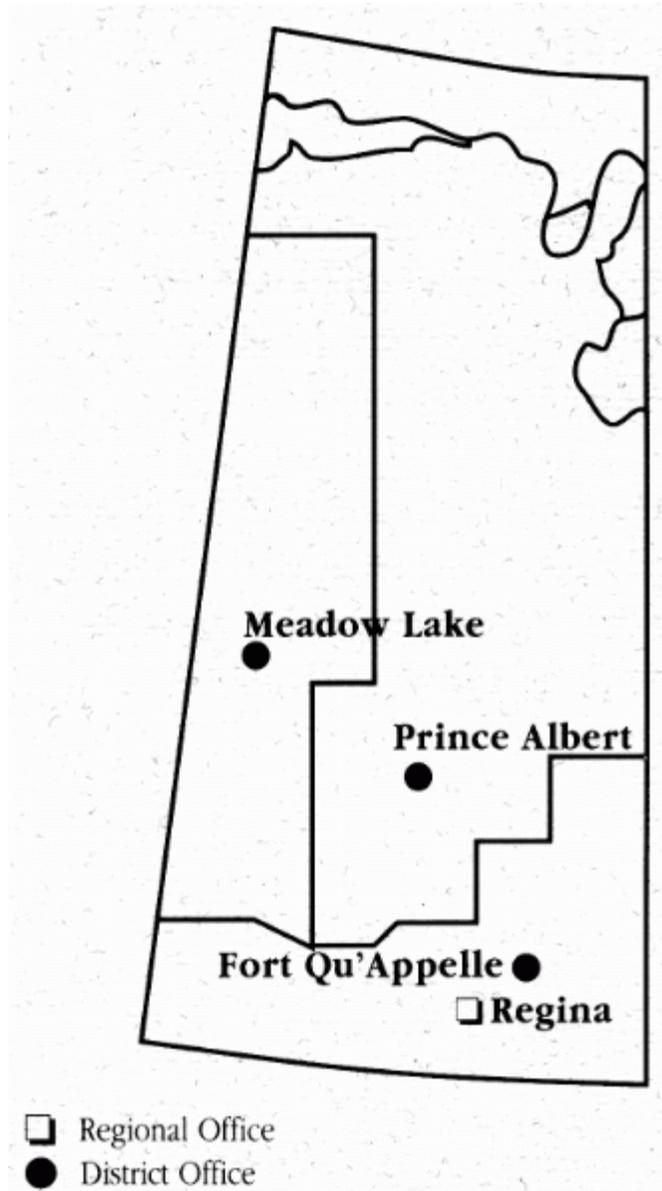
EXECUTIVE SUPPORT SERVICES/INDIAN SELF-GOVERNMENT

This Directorate, comprising Indian Self-Government, the Regional, Secretariat and Legal Services, was created this year.

Federal-provincial meetings were formalized to provide a forum for discussion and participation on capital projects. A review, was undertaken of the impact of Bill C-31 on three Indian communities.

Negotiations continued with the Sioux Valley Indian Band on what was expected to be the first self-government framework agreement to be signed in Manitoba.

SASKATCHEWAN REGION



The focus in Saskatchewan Region continued to be the transfer of control to First Nations. The Canadian Aboriginal Economic Development Strategy was successful in its first full year of operation. Participation in AFAs continued to grow. The first self-government framework agreement was signed in April. The region implemented a new method of allocating capital funds that gives bands increased authority. The department also entered into a bilateral agreement with the Federation of Saskatchewan Indian Nations (FSIN) to oversee a variety of social service activities.

BAND SUPPORT AND CAPITAL MANAGEMENT

In addition to capital expenditures of nearly \$46 million, the Band Support and Capital Management Program provided more than \$58 million in operational funds to bands and tribal councils.

Thirteen Alternative Funding Arrangements, representing nearly 20 per cent of all bands in the province, were in effect. These included four new AFAs and two second generation agreements that were signed this year. Total AFA funding was nearly \$44 million.

Support to bands for pension plans was increased by \$1 million. A total of 48 bands or organizations had pension plans

at the end of the fiscal year.

Increased support to multi-community bands was made possible through demonstrated need in three northern communities. The Lac La Ronge, Peter Ballantyne, and Montreal Lake bands were instrumental in amending the national criteria for sub-community funding.

ECONOMIC DEVELOPMENT

This was the first full year of the Canadian Aboriginal Economic Development Strategy. Implementation of the strategy resulted in Indian organizations managing 93 per cent of the regional economic development budget. This included \$4,897,000 provided to 15 CEDOs and \$3,288,000 to eight SDIs, including those for agriculture, arts and crafts, regional economic planning and for an Aboriginal capital corporation.

Training workshops were conducted for DIAND staff and Community Economic Development Organizations in environmental screening, resource action planning, board of director training, and negotiation skills.

FSIN and the province negotiated the establishment of a \$15 million Indian Heritage Trust Fund to be capitalized over the next five years. Support was also provided for the Wanuskewin Indian Heritage Park, scheduled to be opened during 1992.

Eight bands and two tribal councils received financial assistance to negotiate resource development benefits in forestry, oil and gas, diamond drilling explorations and renewable resource co-management. A draft agreement between the province and the Sipanok Management Area bands (Shoal Lake and Red Earth) was negotiated, covering a large area on provincial Crown land.

The Onion Lake Band negotiated tie-in of three gas wells into the TransGas Pipe Line. The band also received contract work with several drilling companies as a result of these negotiations.

A draft Memorandum of Agreement between Forestry Canada, DIAND and Indian communities was developed.

Technical support was provided to the James Smith Band and the Meadow Lake Tribal Council for joint ventures. Negotiations by the Meadow Lake Tribal Council will generate \$12 million in revenues and 135 person years of employment over the next three years.

EDUCATION

About two-thirds of on-reserve Indian students attended 60 band - Controlled schools this year. Most others attended provincial schools. About six per cent attend five remaining federal schools. In 1980 - 81 there were 11 secondary students per thousand children aged 14 to 17 years. By 1990 - 91 this had increased to 888 per thousand, which approximates the provincial rate.

Participation in post-secondary education programs has also increased, from less than 200 in 1980 - 81 to 2,467 in 1990 - 91. In addition, more than 150 students were supported by bands that administered post-secondary, support under AFAs. This year, Indian post-secondary participation had increased to 125 per thousand, compared to 83 per thousand for the non-Indian population.

LANDS, REVENUES AND TRUSTS

Negotiations began on the settlement of outstanding treaty land entitlements. Twenty-seven bands were involved in this process, which embodies a new, settlement formula established by the Office of the Treaty Commissioner.

An Environmental Protection Unit was established to address both departmental and client-group concerns.

Two new bands were established, a process that included the purchase and establishment of new reserve lands and the reconstruction of membership lists. Thirty-nine claims were at various stages of resolution within the region.

There was virtually no backlog in the administration of estates this year.

Nine bands were in training to manage their own land. Thirty bands already control their own registry function.

The Lands, Revenues and Trusts Review was jointly undertaken by the Federation of Saskatchewan Indian Nations and LRT staff. Fifteen tribal council and band level workshops were completed. More than 360 community leaders and individuals participated in the review.

During 1990 - 91, 24 elections were held in accordance with the Indian Act while 12 bands held elections according to traditional custom. Of the 24 Indian Act elections, 14 were conducted by trained band electoral officers. Six of these elections were appealed, mainly due to voting by non-reserve residents. Three of the appeals were disallowed.

SOCIAL DEVELOPMENT

Several social service projects were incorporated into a bilateral agreement signed by the Minister and the Chief of the Federation of Saskatchewan Indian Nations. The two-year renewable agreement provided a framework for the development of Indian standards for Indian child and family service agencies.

The Health and Social Development Commission of the FSIN coordinated a regional workshop on Indian child and family services as a method of facilitating the development of Indian - Controlled and managed agencies. Seven groups were involved in developmental activities.

FSIN, in cooperation with Health and Welfare Canada, the Senior's Independence Program and DIAND, developed a framework for setting up home care services. This initiative also involved provincial officials and the New Horizons Program.

A protocol on sexual abuse was developed and distributed to staff and Indian communities. The protocol will help front-line staff become more knowledgeable about abuse, the reporting of incidents, and the services available to address the problem.

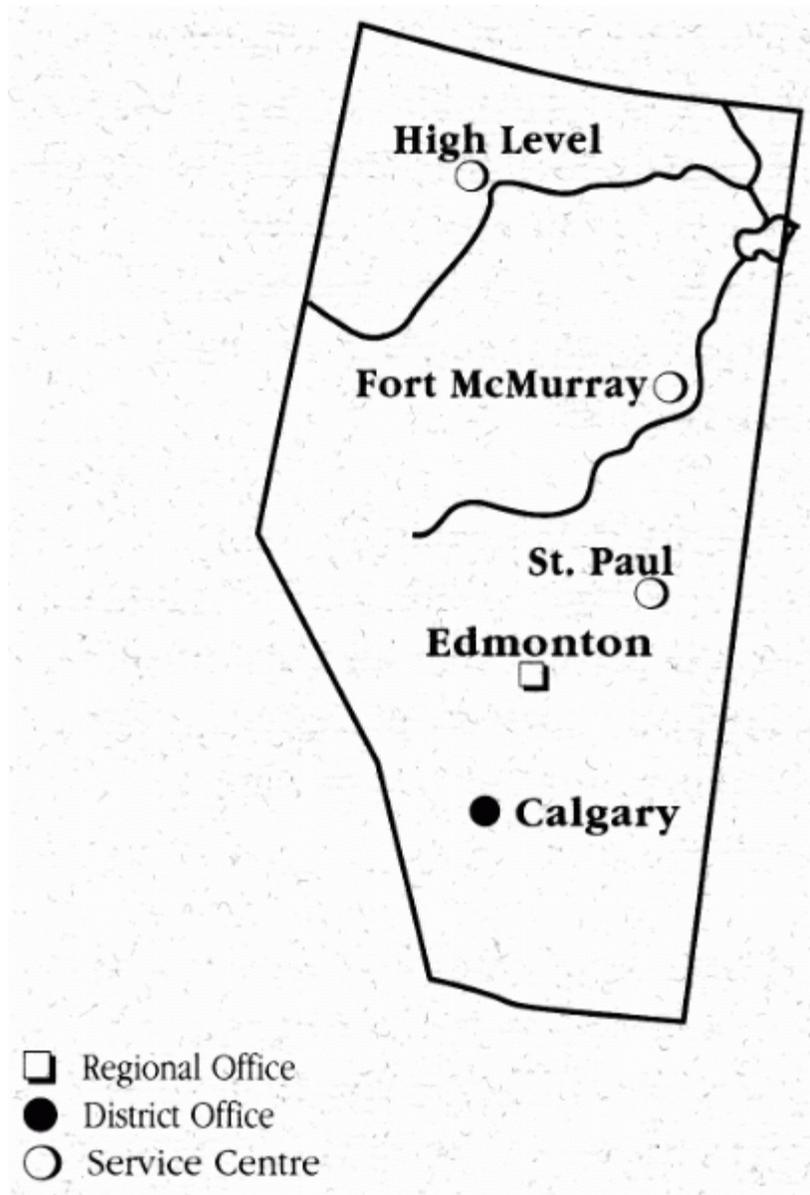
The social assistance program was devolved to all but two bands.

SELF-GOVERNMENT/EXECUTIVE SERVICES

During 1990 - 91, the Meadow Lake Tribal Council and a second community were engaged in self-government framework studies. They will start negotiations in 1991 - 92. A third community, submitted documentation to begin framework activity. A sectoral self-government negotiation concerning hunting, fishing, trapping and gathering, continued in 1990 - 91 with the Federation of Saskatchewan Indian Nations.

Several publications were produced's regional 1989 - 90 annual report, an initiatives book and pamphlet, an orientation package, a map of bands, band profiles and a bimonthly staff newsletter. An employee video for use in orientation was also produced.

ALBERTA REGION



Many management and staff changes occurred in the Alberta Region this year, affecting more than 90 per cent of the senior management group. Management practices were also reviewed. The Executive Secretariat and Self-Government Program were established and the Alternative Funding Arrangements unit was incorporated within Band Support and Capital Management.

A regional action plan was completed and discussed with staff and a number of initiatives were introduced to improve information sharing, team building, staff development and training.

EXECUTIVE SECRETARIAT

The Executive Secretariat developed a regional newsletter and arranged a number of staff information sessions.

Consultations were held with Indian leaders on a proposed Canada-Alberta Social Services Agreement. A Memorandum of Understanding to establish mechanisms for bilateral discussion on several issues between the Grand

Council of Treaty 8 First Nations and the department, was signed by the Minister and representatives of Treaty 8.

SELF-GOVERNMENT

The Siksika Nation concluded a framework agreement which set the agenda and process for beginning substantive negotiations toward an Agreement-in-Principle. As well, substantive negotiations were completed with the Sawridge Band, leading to an Agreement-in-Principle.

ECONOMIC DEVELOPMENT

A Chiefs' Round Table to advise the department on economic development was established during the year. A total of \$6,646,000 was budgeted for 35 CEDOs and \$1,857,000 for 11 SDIs, including those for agriculture, arts and crafts, energy and training. Among other things it helped to ensure that Indians would derive the greatest possible benefit from the devolution of Employment and Immigration Canada training programs.

Industry, Science and Technology Canada and Employment and Immigration Canada cooperated with the department in establishing a Canadian Aboriginal Economic Development Strategy coordinating committee.

A total of \$290,000 was made available under the Resource Access Negotiation Program to five Indian bands to increase their participation in forestry, oil and gas projects.

The Siksika shopping mall and the Paul Band multiplex were completed this year. Progress was made on an irrigation project by the Blood Band.

The Alberta Literacy Association was established during the fiscal year. The region supported the First Nations Resource Council to operate the Indian Management Assistance Program.

LANDS, REVENUES AND TRUSTS

A newly established environmental unit developed a regional management process, participated in a number of committees and began developing an environmental training course for bands.

The program consulted with groups such as Treaty 8, northern bands and resource-rich bands on a number of matters, including treaty review, Indian moneys and the Northern Buffalo Management Program.

EDUCATION

The Samson Band assumed control of the on-reserve Seventh Day Adventist private school this year. A federal school was transferred to the Alexis Band in September upon completion of a new school facility.

The Blood and Frog Lake bands began administering post-secondary education funding for their students. A computerized post-secondary education information system was implemented and training on the system was completed for all bands administering the program.

In elementary and secondary education, school and system evaluation reports were completed for band-operated schools at Bigstone, Little Red River and Siksika, for federal schools on the Ermineskin Reserve and for one private school - Elofson Academy in Calgary.

BAND SUPPORT AND CAPITAL MANAGEMENT

The Northern Alberta Institute of Technology (NAIT) delivered 22 workshops for Indian government staff, comprising 265 training days. The region also contracted NAIT to undertake a comprehensive needs assessment study to provide a profile of training needs and requirements for 35 of the region's Indian governments.

With more than 85 per cent of funds going to bands and tribal councils, about \$235 million was transferred through 164 funding arrangements during fiscal

1990 - 91. Eighty-four per cent of band-audited financial statements received "clear opinions" - indicating improvements in management practices.

The AFA unit was relocated to the Band Support and Capital Management Program this year. Seven AFA agreements were implemented with a total value of about \$38 million. Two bands were approved for entry.

CAPITAL FACILITIES AND COMMUNITY SERVICES

The approval process for capital projects was streamlined this year. A committee was established to assess and prioritize educational projects, an agreement was reached with Public Works Canada for technical services and an implementation plan was completed for the Green Plan.

Consultations on the Housing Policy Review Task Force were completed with Alberta bands and a regional strategy was developed for consulting with tribal councils and unaffiliated bands.

The overall capital program included the construction of six major centralized water and sewer projects and 7,335 square meters of school space on a number of reserves. Construction of an additional 11,000 square meters of school space was approved.

SOCIAL DEVELOPMENT

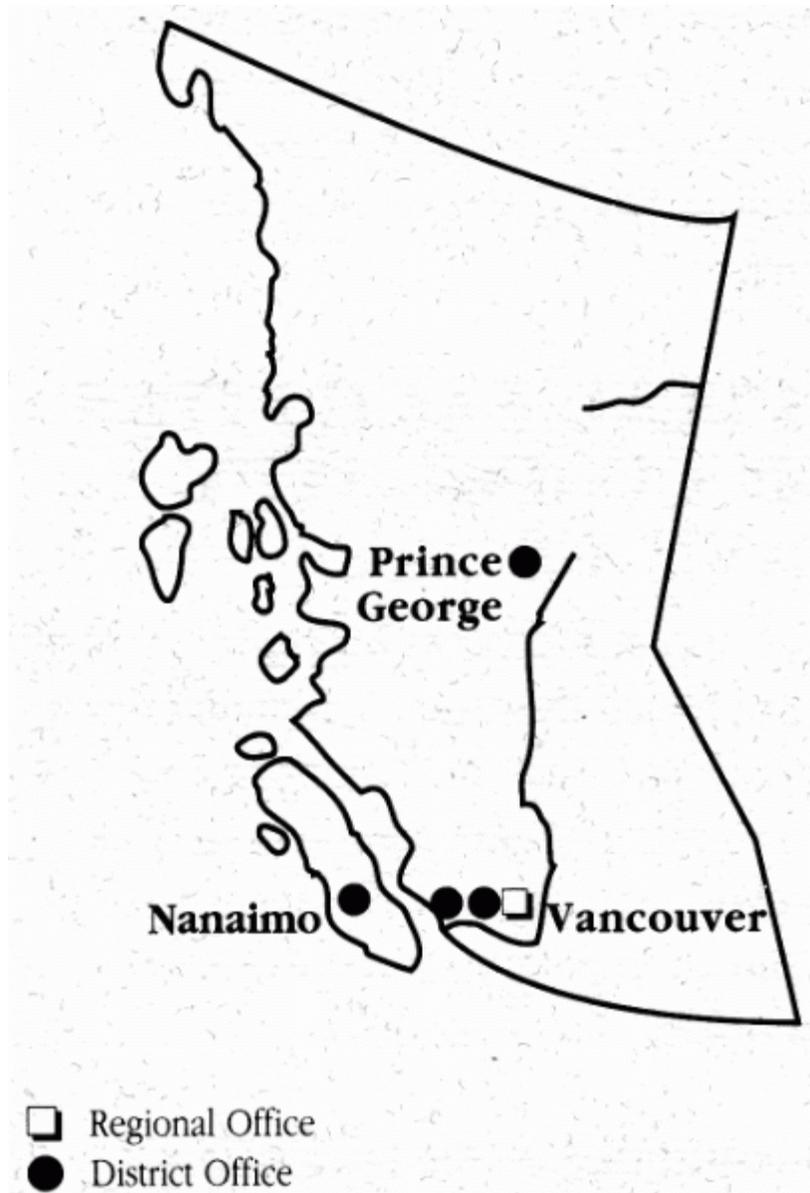
Discussions with the Province of Alberta and Indian First Nations continued on an administrative reform agreement on the delivery and funding for social services.

Funding for Project Haven, which provides emergency shelter for victims of family violence, was approved for the Bigstone, Stoney and Sucker Creek First Nations.

Adult care guidelines were developed and implemented. In-home care was devolved to all Alberta First Nations.

A multi-year child welfare arrangement was renegotiated with the Lesser Slave Lake Indian Regional Council. Funding was allocated to First Nations over a period of two years for the development of Indian child and family services standards.

BRITISH COLUMBIA REGION



This was a significant year for the department in British Columbia. After 119 years of opposition, the Government of B.C. reversed its position and agreed to take part in negotiating comprehensive claims. The Minister suggested a cost-sharing proposal for the process and all parties agreed to the establishment of a task force to organize the negotiations. Comprehensive claims thus became the number one priority for both First Nations and the regional office. Just before the end of the fiscal year, a Tripartite Framework Agreement was signed, containing a commitment by all parties to negotiate a claim put forward by the Nisga'a Tribal Council.

SELF-GOVERNMENT

The Sechelt Indian Band negotiated a new five-year funding arrangement, worth \$2.5 million in the first year. Substantive negotiations continued with the Gitksan/Wet'suwet'en. The Westbank Indian band completed a framework agreement, setting the stage for substantive negotiations. Negotiations on a framework agreement commenced with the Cape Mudge Band.

BAND SUPPORT AND TRANSFER PAYMENTS

The regional office administered the transfer of \$44.8 million in bank support funds to 23 tribal councils and 196 bands. Twenty-six pension plans were approved.

ECONOMIC DEVELOPMENT

Under the Canadian Aboriginal Economic Development Strategy, 90 per cent of the region's budget for this purpose (\$11 million) was put under the control of 54 CEDOs and five SDIs, including those for agriculture, arts and crafts, fisheries and forestry. The Resource Access Negotiations (RAN) program provided \$425,000 to 17 First Nations to assist in negotiating 162 jobs and seven new businesses. There were 19 fishery co-management projects during the year, worth a total of \$775,000.

EDUCATION

Elementary and secondary education was provided to a total of more than 14,400 Aboriginal students this year: 255 in five federal schools; 3,577 in 100 band-operated schools; 9,378 in provincial schools; 968 in independent schools and 303 in schools operated under agreements between bands and school boards. There were 652 students in grade 12 this year.

Two federal schools were transferred to band operation during 1990 - 91. The post-secondary education program sponsored a total of 3,388 students. Of these, 592 Aboriginal students attended community colleges while 2,796 were enrolled in universities.

LANDS, REVENUES AND TRUSTS

More than 7,500 individual land holdings were administered this year, along with more than 4,000 leases and permits which generated more than \$20 million in revenue for First Nations. About 1,300 new land transactions were submitted to the Indian Land Registry; 422 estate files were opened and 408 closed. Devolution of the Indian Registry Program continued. More than 120 bands now administer the Registry.

Fifty-three wills were received. A total of 258 minors' trust accounts were opened and monies were released to 112 minors who reached the age of majority during the year.

SOCIAL DEVELOPMENT

The department supported the first national First Nations child and family services conference ever held in B.C. More than 200 delegates attended. A video on the conference was distributed to all First Nations in attendance. Six groups were involved in developmental activities which will lead to the creation of as many organizations serving 46 bands. Funding was allocated, over a period of two years, for the development of First Nations child and family services standards.

A working group, which included representatives from First Nations and the Canadian Employment and Immigration Commission, met twice to consider the enhancement and availability of training programs for recipients of social assistance.

YUKON REGION



NORTHERN AFFAIRS PROGRAM

A regional screening process for placer mining projects that required water licenses was implemented this year in response to the Environmental Assessment Review Process (EARP) Guidelines Order.

The Mineral Resources Directorate fulfilled the role of a secretariat for the Yukon Mining Advisory Committee throughout the year. Technical assistance was provided to the committee during its discussions on EARP and on amendments to the Northern Inland Waters Act.

Total mineral production, including placer gold, in 1990 was valued at \$541 million, up from \$532 million in 1989. Placer gold production was valued at \$46.5 million, down from \$58 million in 1989 and \$69 million in 1988. Mineral exploration expenditures dropped to \$11 million from \$18 million the year before and \$45 million in 1988. A total of 47,201 meters of exploratory diamond drilling was recorded, compared to 48,944 meters in 1989 and 78,712 in 1988.

A total of 6,122 new quartz claims were staked, up from 4,641 in the 1989 calendar year. There were 47,508 quartz claims in good standing, down from 48,782 in 1989. Placer claim staking was 17,915, up 833 from the previous year.

There were 66,341 mining dispositions in good standing at the end of 1990.

The computerization of the Northern Cordilleran Mineral Inventory was launched under the Minerals Sub-agreement of a one-year Canada/Yukon Economic Development Agreement. Regional geochemical surveys were completed for two map sheets. The Whitehorse Geological Mapping Report on the Wheaton River area was printed. Under the research and development component of the Sub-agreement, the Klondike Placer Miners Association concluded its gold recovery project, the Yukon Chamber of Mines presented an acid rock drainage seminar and an engineering and economic study was undertaken into the costs of fish restoration and compensation at placer operations. This was required under the Yukon Fisheries Protection Authorization.

The Working Group on a Memorandum of Understanding for Protective Measures began negotiations. The group was made up of representatives from the Northern Affairs Program, the Government of the Yukon and the Council for Yukon Indians.

The Environment and Land Claims Directorate was created to respond to the increased requirements for project screening under the EARP Guidelines Order and to organize implementation of the Yukon Indian Comprehensive Land Claim. The directorate also coordinated regional input into development of the Canada Environmental Assessment Act.

The region completed environmental assessments of the Vangorda Plateau development and the Mt. Hundere lead-zinc mine. Environmental screenings were undertaken of projects such as the Whitehorse sewage treatment system, a sulphide ore expansion and the Mayo-Dawson hydro line.

Public consultations on development of the Arctic Environmental Strategy were carried out with Environment Canada as part of nationwide Green Plan consultations.

The Canada/Yukon Agreement on Economic Programming funded renewable resource, economic development planning, tourism and mineral resource projects. The federal government funded 70 per cent of the agreement.

The Economic Development Directorate also provided a review of the financial component of the mine abandonment plans required for two environmental assessments.

The Land Use Planning process was discontinued. As a result, the North Yukon Land Use Planning Commission wound up its operations. The Greater Kluane Land Use Planning Commission, however, continued to work toward completion of the Kluane Regional Land Use Plan.

For the second year in a row, there was an unusually large number of forest fires in the Yukon. A total of 154 fires consumed 169,000 hectares, substantially more than the five-year average of 111,332 hectares. Fire suppression costs were \$6 million.

INDIAN AND INUIT AFFAIRS PROGRAM

The department began discussing Alternative Funding Arrangements this year with four Yukon First Nations. AFAs were already in place with the Champagne/Aishihik and Na-cho Ny'a'k Dun First Nations.

BAND SUPPORT AND CAPITAL MANAGEMENT

First Nations continued to implement their five-year capital plans. In housing, 46 regular allocation houses were constructed, along with 46 Bill C-31 houses. As well, there were 37 renovations, eight land or subdivision developments, eight water and sewer projects and four fire-safety and protection projects.

All non-residential assets were inspected this year to help First Nations plan maintenance and upgrading activities. The operation and maintenance of Yukon Hall was devolved to the Council for Yukon Indians. The council moved its offices from the Yukon Indian Centre to this facility during the year.

The Kaska Tribal Council and the Northern Tutchone Tribal Council were formed during the year - the first such councils in the region. Funded on a formula basis; the councils will provide advice on financial and management matters, community planning, economic development, technical services and band government.

TRANSFER PAYMENTS

The Transfer Payments Unit provides financial advice to First Nations and coordinates the annual audit. The unit helps develop the management capacity of bands so they can better manage the expanded roles they will have in land claims and self-government negotiations.

EDUCATION

Negotiations began on the transfer of the balance of elementary, secondary and post-secondary programs now delivered directly by the department.

In consultation with First Nations and Yukon College, the Education Directorate supported two initiatives: a two-year program for career guidance counsellors at the Whitehorse campus of Yukon College and a First Nation self-government credit program at Pelly Crossing.

A total of 238 students were sponsored by the post-secondary Student Support Program this year, up from 137 the previous year. Funding increased by 47 per cent to \$1.5 million. Elementary and secondary program support was provided to 1,302 students, with funding of nearly \$1.6 million.

LANDS REVENUES AND TRUSTS

Under Bill C-31, 142 persons regained Indian status in the Yukon this year, bringing the total to 2,009. A total of 162 persons applied for status, for a total of 2,974 applications on hand at the end of the fiscal year.

The White River First Nation was officially constituted as an Indian band. This was the final step in the division of the Kluane Tribal Council into two bands, based upon differences in geography, language tradition and culture.

Land was acquired this year for the housing needs of five First Nations.

SOCIAL PROGRAMS

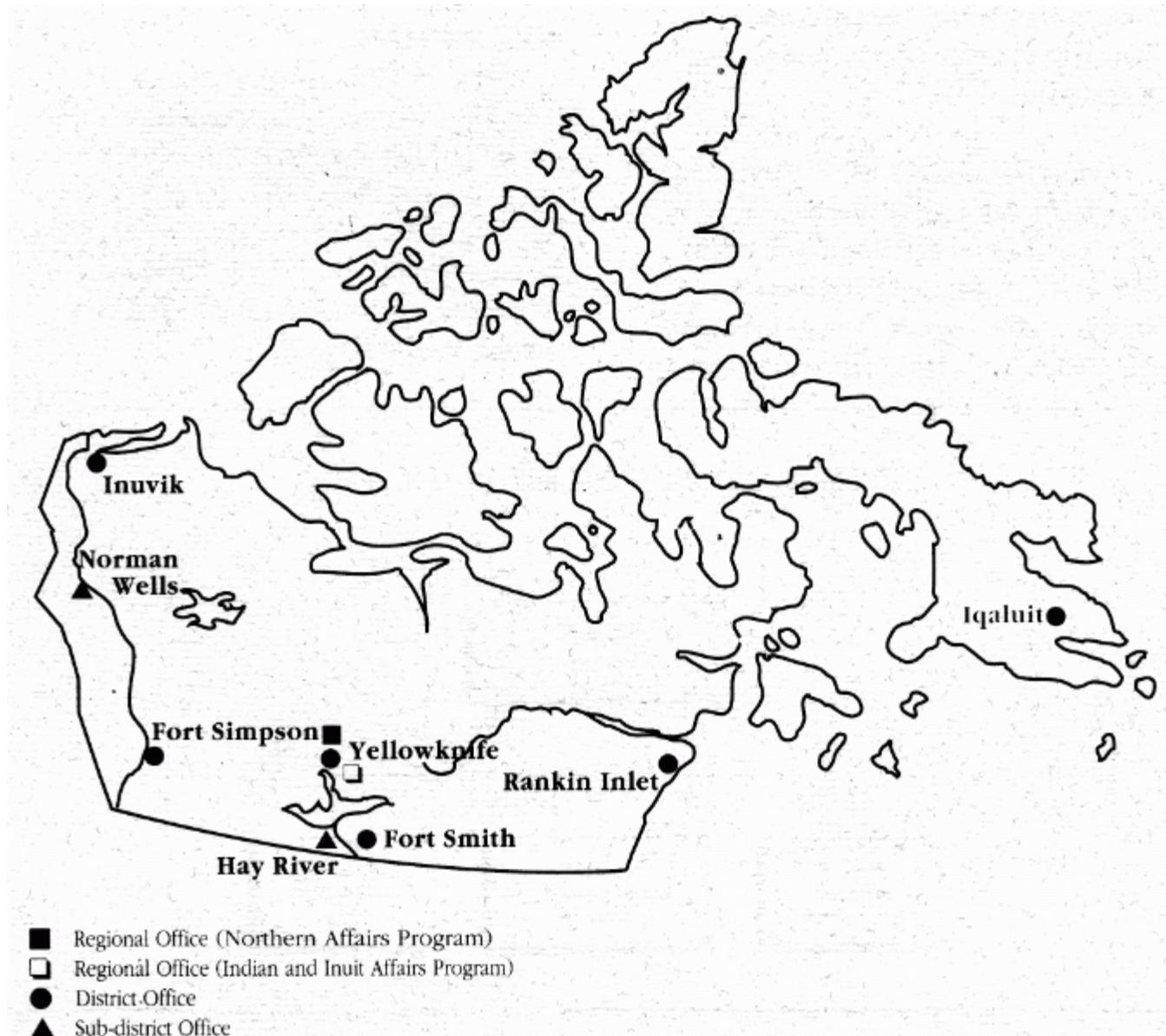
The Council for Yukon Indians used funding of \$25,000 to develop child welfare standards. Three First Nations launched programs to ameliorate the impact of sexual abuse that had taken place in residences. Social assistance costs increased this year to \$5.5 million, an increase of almost 19 per cent over last year. The increase was due to recession and severe weather, which reduced traditional employment opportunities.

ECONOMIC DEVELOPMENT

The Canadian Aboriginal Economic Development Strategy provided nearly \$1.4 million to help 17 community organizations deliver services to status Indians. These services included operational planning, business advisory activities, employment and training as well as resource development assistance.

The Regional Indian Economic Development Loan Fund was sold to Dana Nave Ventures, an Aboriginal capital corporation. This was the first general, region-wide loan portfolio sale in Canada.

NORTHWEST TERRITORIES REGION



NORTHERN AFFAIRS PROGRAM

The Northern Affairs Program takes part in the social, cultural, political and economic development of the Northwest Territories. Major activities this year included settlement of land claims, launching of the Arctic Environmental Strategy, supporting native communities participating in the creation of the Northern Buffalo Management Board and confirmation of the Economic Development Cooperation Agreement with the government of the Northwest Territories.

Negotiations continued with the Tungavik Federation of Nunavut of the eastern Arctic, based on an Agreement-in-Principle signed at the beginning of the fiscal year. The Gwich'in of the Mackenzie Delta were actively negotiating a regional claim, based on the Dene/Métis Final Agreement that was initialled in April 1990.

The program also was involved in a number of initiatives related to environmental issues. The Arctic Environmental Strategy (AES), which is part of the nationwide Green Plan, was launched in Iqaluit. Public consultations on AES were completed and

plans drafted for waste cleanup, water protection and community-based environmental projects.

The first year of the Slave River monitoring program, launched in response to concerns about upstream industrial developments, was completed. The final draft of the Beaufort Sea/Mackenzie Delta Land Use Plan was completed. Progress was recorded by the Nunavut Planning Commission in preparing the Lancaster Sound Land Use Plan.

Reports were completed for ministerial approval on maintaining bird sanctuaries and on establishing boundaries for the Thelon Game Sanctuary.

A federal environmental review of a proposed uranium development in the Keewatin District and an offshore drilling proposal in the Beaufort Sea were completed. Placer mining guidelines for the N.W.T. were drafted. The department was taking part in consultations to implement the guidelines.

A new five-year Economic Development Cooperation Agreement was developed in consultation with the Government of the Northwest Territories and Northerners. Funding will be provided under the agreement for arts and crafts, cultural industries, community developments, minerals, agriculture, wildlife harvesting and fisheries.

INDIAN AND INUIT AFFAIRS PROGRAM

The region was involved in a wide range of activities this year, including self-government negotiations with the Gwich'in, participation in the creation of two new bands, and handling a sharp increase in the participation of Indian and Inuit youth in the higher education entrance program.

The Canadian Aboriginal Economic Development Strategy was implemented this year. Responsibility for economic development support for N.W.T. Inuit was transferred from the Northern Affairs Program to Indian and Inuit Affairs Program. All 33 Inuit communities and 21 bands took part in the strategy.

INTERGOVERNMENTAL RELATIONS

Since 1989, the Intergovernmental Relations Directorate has lead responsibility for self government in the Northwest Territories. It is also responsible for policy and planning and for inter-agency coordination for the program. As well, the directorate coordinates operational support and handles special projects.

INDIAN AND INUIT AFFAIRS IN THE N.W.T.

Regional
Director



Director
Economic
Development

Director
Intergovernmental
Relations

Director
Community
Affairs

This year, the directorate administered Lands, Revenues and Trusts, which includes environmental advocacy issues. About 6,500 certificates of status were processed and issued. Reinstatements to Indian status under Bill C-31 brought the total to more than 1,400. Treaty payments were made in each community, as usual.

Negotiations began with the Gwich'in Tribal Council toward a self-government framework agreement to be attached to their land claims final agreement.

INDIAN SERVICES

Nearly \$3 million was provided to bands in support funding this year. Summer students were placed in two Dene communities to help band councils develop management skills. More than \$43,000 was provided for the participation of band officials in seminars or workshops on administration matters.

Two new bands were created by ministerial order: Lac La Martre, formerly a part of the Dogrib Rae Band, and Kakiska Lake, formerly part of the Fort Providence Dene Band. This increased the number of bands in the N.W.T. to 21. Financial assistance and advice were provided to the new bands for government support, training, consultation and planning.

Contributions for consultations totalled more than \$181,000. Another \$77 500 was provided for comprehensive community-based planning.

Assistance for the University/College Entrance Preparation Program (UCEP) increased from \$222,000 to \$366,000 this year. A total of 75 Inuit and Dene received UCEP assistance. The program is administered by the N.W.T. government under a Memorandum of Understanding with the federal government.

The Cultural/Educational Centres Program provided more than \$198,000 to the Dene Cultural Institute.

ECONOMIC AND EMPLOYMENT DEVELOPMENT

Communities welcomed the first full year of CAMS, designed to enable Indian and Inuit communities to manage their own economic development and job creation needs.

The department concentrated on helping Aboriginal people set up community and regional economic development organizations. About \$3 million was provided this year; \$2.36 million to seven regional CEDOs and \$737,000 to 15 community organizations. The funding was used for development, staffing, training and a variety of business ventures. Another \$1 million was provided to Arctic Cooperatives Ltd., for an area managers' training program, and to the N.W.T. Arts and Crafts Society to provide client services.

Two projects were funded through the Resource Access Negotiations Program. A Dene band received \$15,000 to negotiate a benefit agreement with a gold mining company, while Great Slave Ventures received \$45,000 to support its negotiations with the N.W.T. Power Corporation for economic and employment benefits.

APPENDIX I

...	1989 - 90	1990 - 91
OPERATING EXPENDITURES	...	...
Indian and Inuit Affairs	257,794,813	258,332,033
Northern Affairs	65,107,650	64,739,676
Administration	48,314,307	50,941,531
Capital Expenditures	...	...
Indian and Inuit Affairs	7,714,188	9,697,810
Northern Affairs	19,416,296	2,548,094
Grants, Contributions and; other Transfer Payments	...	...
Indian and Inuit Affairs	2,011,957,172	2,264,663,748
Northern Affairs	41,494,165	36,137,343
Territorial Government	921,073,869	964,670,137
TOTAL	3,372,872,460	3,651,730,372
REVENUES	...	...
Indian and Inuit Affairs	16,059,363	15,474,609
Northern Affairs	37,598,536	27,931,224
Administration	47,412	238,583
TOTAL	53,705,311	43,644,416
NON-BUDGETARY EXPENDITURES	...	...
Loans, Investments and Advances	5,177,931	23,686,310
Indian and Inuit Affairs	(516,010)	(182,240)
Northern Affairs	...	...
TOTAL	4,661,921	23,504,070

APPENDIX II

STATUTES ADMINISTERED

The department administers, in whole or in part, the following statutes:

- Alberta Natural Resources Act
- Arctic Waters Pollution Prevention Act
- British Columbia Indian Cut-Off Lands Settlement Act
- British Columbia Indian Reserves Mineral Resources Act
- Canada Lands Surveys Act
- Canada Petroleum Resources Act
- Caughnawaga Indian Reserve Act
- Condominium Ordinance Validation Act
- Cree-Naskapi (of Quebec) Act
- Department of Indian Affairs and Northern Development Act
- Dominion Water Power Act
- Fort Nelson Indian Reserve Minerals Revenue Sharing Act
- Grassy Narrows and Islington Indian Bland Mercury Pollution Claims Settlement Act
- Indian Act
- Indian Lands Agreement (1986)
- Indian Lands, Settlement of Differences Act
- Indian Oil and Gas Act
- Indian (Soldier Settlement) Act
- James Bay and Northern Quebec Native Claims Settlement Act
- Land Titles Act
- Manitoba Natural Resources Act
- Manitoba Supplementary Provisions Act
- Natural Resources Transfer (School Lands) Amendment Act
- New Brunswick Indian Reserves Agreement Act
- Northern Canada Power Commission (Share Issuance and Sale Authorization) Act
- Northern Canada Power Commission Yukon Assets Disposal Authorization Act
- Northern Inland Waters Act
- Northwest Territories Act
- Nova Scotia Indian Reserves Agreement Act
- Oil and Gas Production and Conservation Act
- Public Lands Grants Act
- Railway Belt Act
- Railway Belt and Peace River Block Act
- Railway Belt Water Act
- St. Peter's Indian Reserve Act
- St. Regis Indian Reservation Act
- Saskatchewan Natural Resources Act
- Sechelt Indian Band Self-Government Act
- Songhees Indian Reserve Act
- Territorial Lands Act
- Waterton Glacier International Peace Park Act
- Western Arctic (Inuvialuit) Claims Settlement Act
- Yukon Act
- Yukon Placer Mining Act
- Yukon Quartz Mining Act

