



Indian and Northern
Affairs Canada
and
Canadian Polar Commission

1997-98
Estimates

A Report on Plans and Priorities
Pilot Document

The Estimates Documents

The Estimates of the Government of Canada are structured in three Parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve. The Part III documents provide additional detail on each department and its programs primarily in terms of the results expected for the money spent.

Instructions for obtaining each volume can be found on the order form enclosed with Part II.

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Approved



Minister of Indian and Northern Affairs Canada
and Canadian Polar Commission

Foreward

The Improved Reporting to Parliament Project (IRPP) was established within the Treasury Board Secretariat to improve the Expenditure Management information provided to Parliament, and to update the processes used to prepare this information. This is part of a broader initiative to increase the results orientation and increase the transparency of information provided to Parliament known as “Getting Government Right”.

During the period from August 1995 to December 1996, extensive consultations were held with members of Parliament and other key stakeholders to examine options to improve the information provided to Parliament. A clear requirement was identified to improve performance information and to provide planning information that is results oriented, longer term and more strategic in focus, and clearly communicated.

The IRPP has unfolded in three phases. In March, 1996, six departments tabled revised Part III of the Main Estimates documents. These documents responded to requirements to provide a better focus on planning and performance information.

In June 1996, the House of Commons gave its concurrence to expand the pilot project and to test the tabling of separate planning and performance documents. In October, 1996, sixteen departments tabled performance reports as phase two of the IRPP. These performance reports have been evaluated and found to provide relevant and timely information, with broad support for providing separate performance reports on an ongoing basis.

The Report on Plans and Priorities is being tabled by the same sixteen pilot departments as phase three of the IRPP. These documents, and the separation of planning and performance information will be assessed, and if Parliament agrees, all departments and agencies will move to a spring Report on Plans and Priorities, and a fall Performance Report, with the first complete package of separate performance reports beginning in the fall of 1997.

These documents are available electronically from the Treasury Board Secretariat Internet site:
<http://www.tbs-sct.gc.ca/tb/key.html>

Comments or questions about this document, or the Improved Reporting to Parliament Project, can be directed to the TBS Internet site, or to:

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Section I

Minister's Message

MINISTER'S MESSAGE

The period covered by this planning document, 1997-1998 through 1999-2000, is of particular and perhaps even historic significance. The priorities and commitments that First Nations and Northerners establish at this juncture will put the final stamp of achievement on the current century and will open the door to the new millennium, with exciting challenges and opportunities. By the year 2000 we will have a very different relationship with First Nations and Northerners. First Nations and Inuit will be exercising their inherent right of self-government through negotiated agreements that will create even stronger partnerships between First Nation and federal governments. First Nation communities will be stronger, healthier and more self-reliant. Canada's North will be governed by three territorial governments, with full control of the province-like responsibilities currently administered by DIAND.

Before we turn the final pages on the 1990s, however, there is a tremendous amount of work to be accomplished. We must continue to support First Nations' efforts to ensure that their communities have access to the same basic services that are available to other Canadians, such as elementary and secondary education and social services. We must assist First Nations to accelerate progress in key areas such as adequate water and sewer facilities, housing, and sustainable economic development. These basics are absolutely fundamental to achieving a quality of life on reserves that is comparable to conditions in neighbouring communities. We must also finalize many of the claims negotiations that are currently underway, to resolve outstanding grievances and clarify title to land and resources. Finally, we must make real progress in achieving negotiated self-government agreements and strengthening accountability between First Nation governments and their members, and between First Nation governments and Parliament. In moving forward on all these fronts we will draw on the work of the Royal Commission on Aboriginal Peoples.

In the North, we must work with our partners to ensure that the Nunavut Territory is established and operational by the year 2000. We must continue to protect the Arctic environment while supporting the responsible development and management of the North's land and natural resources and the creation of jobs and sustainable economic development.

This document outlines the department's plans for accomplishing these objectives. For each key program or activity, it identifies the strategic objectives, the context in which we are operating, and what we are doing to achieve our goals. It clearly identifies the results that we are committed to achieving in 1997-1998 and over the planning period, as well as the factors that could affect our plans and the projected cost of achieving our objectives.

Much remains to be done in an environment of shrinking fiscal resources. I believe, however, that we are on track and that in partnership with First Nations and Northerners we can achieve all of our objectives.

I look forward to working with my partners and colleagues in bringing this plan to fruition.

The Honourable Ronald A. Irwin, P.C., M.P.

Minister of Indian Affairs and Northern Development

Section II

Plans and Priorities

SUMMARY OF KEY PLANS, PRIORITIES AND STRATEGIES

Key Deliverables 1997-1998

Other Results Expected Throughout Planning Period 1997-2000

Self-Government

Self-Government

- ▶ Additional final self-government agreements in the Yukon under the inherent right of self-government policy.
 - ▶ Implementation of sectoral agreements in education.
 - ▶ Five comprehensive self-government agreements-in-principle.
 - ▶ Agreement-in-principle on education, policing, and land management with Kahnawake.
 - ▶ Framework agreement in Manitoba, restoring jurisdiction on education.
 - ▶ Renewal of the mandate of the Office of the Treaty Commissioner in Saskatchewan as an independent body to co-ordinate negotiations in Saskatchewan.
 - ▶ Establishment of an *Indian Act* dispute settlement tribunal in Saskatchewan (Saskatchewan Peacemaker Tribunal).
 - ▶ Passage of bills on First Nations land management and money management.
 - ▶ Creation of a First Nations governance institute.
- ▶ 12 self-government agreements by the end of the planning period.
 - ▶ Implementation of four existing Yukon self-government agreements.
 - ▶ Completion of or substantial progress towards final self-government agreements with remaining 10 Yukon First Nations.
 - ▶ Self-government agreements-in-principle with Westbank, Meadow Lake Tribal Council, Sioux Valley, United Anishnabeg Councils, Dogrib and, Inuvialuit/Gwich'in First Nations.
 - ▶ Final Agreements with Mi'kmaq, Fort Frances and Treaty 7 on education; agreements-in-principle with Kenora and Dryden on education.
 - ▶ Child Welfare Agreement with the Blood Tribe.
 - ▶ Manitoba Education and Capital Agreements.
 - ▶ Implementation of First Nation oil and gas regulations.
 - ▶ Cost-sharing agreements with British Columbia, Newfoundland, Quebec.

Self-Government (*continued*)*Lands and Trust Services*

- Increased devolution through: introduction of new legislation to delegate authority for the administration of land to 14 First Nations; implementation of the *First Nations Oil and Gas Regulations, 1997*, to enable up to five pilot First Nations to assume delegated authority for the management of oil and gas resources on reserve in 1997; and improvement of management capacity in five pilot oil-producing First Nations through co-management with Indian Oil and Gas Canada (IOGC) and generally in oil-producing First Nations through co-management with IOGC and the Indian Resource Council.
- Increased devolution of the Indian Registry Administration Program to interested First Nations (i.e. additional 18 First Nations administering the Indian Registry for a total of 538 bands).
- Increased devolution of band membership control to all First Nations that show an interest in assuming this responsibility and that meet the requirements.
- Increased First Nations access to computerized Indian Land Registry records.

Indian Government Support

- Continued First Nation management and delivery of community services.
- Increased management and governance capacity building in First Nations.
- Review of Tribal Council Policy aimed at improvements in effectiveness of Indian Government Support.

Improving Conditions on Reserve

Education

- ▶ Increase in the ongoing rigorous monitoring and compliance measures.
 - ▶ Increase in First Nation control over remaining federal schools.
 - ▶ Continue the focus on child development and the school-to-work transition.
 - ▶ Increase school completion rates of on-reserve Status Indians.
 - ▶ Establishment of a First Nation electronic education institute.
 - ▶ Review of post-secondary education with Assembly of First Nations.
 - ▶ Implementation of measures to verify student eligibility for post-secondary education.
- ▶ Increased pool of qualified workforce on reserve.
 - ▶ Continued improvement over 1997-1998 result levels.

Social Development

- ▶ Continued financial support for basic province-like social services and continued compliance activities.
 - ▶ Administration of programs by First Nations in accordance with minimum standards as demonstrated by compliance reviews.
 - ▶ Provision of social services by First Nations to all eligible citizens of First Nation communities in accordance with minimum standards established by the provinces.
 - ▶ Increase in percentage of social development budget devoted to employment and training opportunities for social assistance recipients.
 - ▶ Develop new framework to address adult care issues.
- ▶ Exploration of use of block funding for child and family services agencies.
 - ▶ Continued improvement over 1997-1998 result levels.

Key Deliverables 1997-1998

Other Results Expected Throughout
Planning Period 1997-2000

Improving Conditions on Reserve (*continued*)

Capital Facilities and Maintenance

- ▶ Increase in school space on reserve.
- ▶ Increased water and sewer services which meet departmental guidelines.
- ▶ Fire protection facilities (paid or volunteer) equivalent to those available in surrounding municipalities.
- ▶ Implementation of Davis Inlet relocation.
- ▶ Improved maintenance practices.

Housing

- ▶ Improvement in the quantity and quality of housing on reserve through a combination of new starts, renovations and extending the life span of existing homes.
- ▶ Reduction in overcrowding on reserve.
- ▶ Longer functional life of residential units as a result of improved maintenance.
- ▶ Increased employment and other economic opportunities in reserve communities.

- ▶ Continued improvement over 1997-1998 result levels.

- ▶ Continued improvement over 1997-1998 result levels.

Improving Conditions on Reserve (*continued*)*Economic Development*

- ▶ Full implementation of the Aboriginal Procurement Strategy.
 - ▶ Increased employment opportunities through the innovative use of social assistance funding.
 - ▶ Internet pilot project with Community Economic Development Organizations to share best practice.
 - ▶ Greater economic development of Aboriginal business through concentrated supplier development and increased access to federal procurement.
 - ▶ Implementation of youth programs including co-op education, internship, summer jobs, science and technology camp, labour market opportunities conference.
 - ▶ New federal/provincial/First Nations cooperative mechanism based on a successful pilot undertaken in New Brunswick (Joint Economic Development Initiative).
 - ▶ Forest-based economic development plan between DIAND, Canadian Forest Service, and First Nations.
 - ▶ Final report of the Task Force on Aboriginal Financing.
 - ▶ Discussion table for coordinated federal economic development strategy for Quebec.
- ▶ Increased territorial/provincial/First Nations cooperation on economic development.
 - ▶ Increased number of entrepreneurs and businesses on reserve.
 - ▶ Increased domestic and international business opportunities through improved market access.
 - ▶ Increased ability of Aboriginal business to compete for business, both nationally and internationally.
 - ▶ Improved access to capital for business development on reserve.

Improving Conditions on Reserve (*continued*)

Lands and Trust Services

- ▶ Improvement in solid waste management and fuel storage as measured by: regional management strategies; permits issued for waste disposal; and registrations of fuel storage tank systems.
 - ▶ Remediation of environmental problems through: completion of the environmental inventory; estimation of what further remediation is needed; assessment of the liabilities related to contaminated sites; and clean up of most of the abandoned, contaminated sites so “high risk” sites will no longer pose a threat to health and safety.
 - ▶ Meeting the legal obligations of the Crown for land, resource and environmental management as measured by: successful defence of litigation against the Crown; and negotiated settlements related to lands, natural resources and the environment.
 - ▶ Completion of a Sustainable Development Strategy.
- ▶ Continued improvement over 1997-1998 result levels.

Claims Settlements

Claims

- ▶ Final agreements with the Nisga'a and with the remaining Yukon First Nations.
 - ▶ Agreements-in-principle with three First Nations under the British Columbia Treaty Commission (BCTC) process and with eight more First Nations across the country.
 - ▶ Framework agreements with eight First Nations under the BCTC process (for a total of 39), with the Makivik Corporation for the Nunavik offshore claim, and final treaty land entitlement (TLE) framework agreements with 19 Manitoba First Nations.
 - ▶ Recommendations on a permanent independent claims commission and on certainty.
 - ▶ Settlement of 15 more specific claims.
 - ▶ Agreement on return of Camp Ipperwash.
 - ▶ Establishment of new claims co-management boards in the Western N.W.T. for land and resource management and environmental assessment.
- ▶ Up to 70 specific claim and treaty land entitlement settlements by the end of the planning period.
 - ▶ Implementation of 10 comprehensive land claim agreements.
 - ▶ Substantial progress towards, or completion of, framework, agreements-in-principle and final agreements in other provinces/territories.

Key Deliverables 1997-1998

Other Results Expected Throughout Planning Period 1997-2000

Political and Resource Development in the North

Northern Affairs Program

- ▶ Establishment of the office of the Interim Commissioner for Nunavut.
 - ▶ Completion of a devolution agreement with the Government of the Yukon during 1998.
 - ▶ Significant progress on a Yukon Sustainable Forestry Policy.
 - ▶ Amendment of the Canada Mining Regulations, including modernizing the royalty regimes in the N.W.T.
 - ▶ Implementation of the Mining Land Use Regulations in the Yukon.
 - ▶ Tabling of the Mackenzie Valley Surface Rights Board and the Nunavut Surface Rights Tribunal Bills in the House, to meet commitments on resource management under the Gwich'in, Sahtu and Nunavut land claims.
 - ▶ Implementation of the transfer of oil and gas jurisdiction to the Yukon government.
 - ▶ Release of the Canadian Arctic Contaminants Assessment Report.
- ▶ Implementation of Nunavut:
 - implementation, with Public Works and Government Services Canada, of a major partnering arrangement with Nunavut Tungavik Incorporated for the development of office facilities and staff housing for the Nunavut government;
 - delivery of a comprehensive training strategy to prepare Inuit for future employment in the Nunavut Public Service;
 - establishment of arrangements for the financing of the Nunavut government;
 - holding the first Nunavut and Western N.W.T. territorial elections.
 - ▶ Completion of devolution framework agreement in the N.W.T.
 - ▶ Agreement on viable constitutional development proposals for the western N.W.T.
 - ▶ Improvement to the structure of the Northern Air Stage Program.
 - ▶ Completion of DIAND's Sustainable Development Strategy.
 - ▶ Development of mine site reclamation regulations in the Yukon and a mine site reclamation policy for the N.W.T.
 - ▶ Effective management of resource development activities through the assessment, regulatory and operational phases.

Political and Resource Development in the North *(continued)**Northern Affairs Program (continued)*

- ▶ Tabling in the House, the Yukon Development Assessment Process and the Nunavut Resource Management Act, in order to complete the implementation of resource management legislation under the Nunavut and Yukon land claims.
- ▶ Issuance of new oil and gas exploration rights in the North.
- ▶ Implementation of a management program for northern waste sites.
- ▶ Implementation of specific environmental assessment regimes pursuant to land claims.
- ▶ Implementation of the *Canadian Environmental Assessment Act*.

Strengthened Accountability

First Nations Funding

- ▶ Process to assess management and accountability systems of First Nations.
- ▶ Increased training to strengthen financial management capacity.
- ▶ Increased number of Financial Transfer Arrangement (FTA) pilot projects with First Nations.
- ▶ Increased use, when appropriate, of remedial management plans.
- ▶ Establishment of a national library of First Nation best practices in the area of accountability and governance.
- ▶ Improved timeliness and quality of First Nation audits.
- ▶ Increased networking and learning opportunities for Aboriginal administrators, through expanding the activities of regional Aboriginal Financial Officers Association.
- ▶ Establishment of FTAs with the majority of First Nations.
- ▶ Increased codification of First Nations financial regulations and greater use of comprehensive First Nations financial administration by-laws.

Changing DIAND's Way of Doing Business / Supporting Change

Administration

- ▶ Increased focus on capacity building for First Nations.
 - ▶ Extension of DIAND's information infrastructure to First Nations to enable automated data collection and First Nations access to DIAND information.
 - ▶ Creation of an Aboriginal business data base.
 - ▶ Increased harmonization of federal funding and reporting requirements.
 - ▶ Implementation of *Resourcing Our Priorities* by shifting resources from overhead functions to new priorities and forging new partnerships.
 - ▶ Implementation of innovative ways of doing business (e.g. leadership initiatives, risk management philosophy and shared common services with other federal departments).
 - ▶ Control administrative overhead (approximately three percent of budgetary expenditures).
 - ▶ Implement a series of initiatives designed to improve management leadership style, employee morale and quality of life at work.
 - ▶ Increased emphasis on becoming a learning organization that supports training and management development internally and for First Nations.
 - ▶ Increased support for Aboriginal employment and development by filling 50 percent of DIAND vacancies with Aboriginal candidates and through the Aboriginal Workforce Participation Initiative, Aboriginal Management Executive Development, and the Aboriginal Masters Program.
 - ▶ Provision of a forum for all managers to meet and collectively address the challenges facing First Nations, DIAND, and its employees.
 - ▶ Increased emphasis on research to support policy development.
- ▶ Continued improvement over 1997-1998 result levels.

DEPARTMENTAL OVERVIEW

Roles and Responsibilities

DIAND's broad mandate is reflected in its mission statement, "Working together to make Canada a better place for First Nations and Northern Peoples." This mission must be accomplished in a highly complex environment. DIAND has primary responsibility for meeting the federal government's constitutional, political and legal responsibilities to First Nations and the North. The department must ensure that Status Indians living on reserve have access to the same basic services provided to other Canadian residents by provincial and municipal governments. Finally, it must carry out the Red Book commitments to govern with integrity, give Aboriginal issues high priority, renew the federal government's partnership with First Nations, and strengthen Aboriginal and northern communities, while creating jobs and economic growth.

DIAND's roles and responsibilities are set out in the *DIAND Act*, the *Indian Act*, about 30 pieces of legislation pertaining to the Yukon and Northwest Territories and other acts relating to Indian Affairs. The *Indian Act* assigns specific trust responsibilities to the Minister of Indian Affairs and Northern Development with respect to Indian monies, estates and reserve lands. The Act also assigns responsibilities for elementary and secondary education and band government.

Organization and Program Composition

The department ensures access to basic services for Status Indians living on reserves, increasingly by funding First Nations to provide the services themselves. These services include education, housing, community infrastructure (roads, water, sewage systems) and social support services. The department promotes economic development, negotiates and oversees the implementation of comprehensive and specific claim settlements, and implements practical forms of self-government. In Canada's North, the department assists in the development of political and economic institutions, manages the sustainable development of its natural resources (including mining, oil and gas, forestry and water) and protects the northern environment. It also manages ongoing federal interests, including the administration of Crown land in the territories.

To meet its responsibilities, the department is organized into four business lines: Claims, Indian and Inuit Programming, Northern Affairs, and Administration.

Objectives and Priorities

DIAND's objectives and priorities are clear: to achieve negotiated self-government agreements; to improve conditions on reserve; to achieve and implement claims settlements; and to promote political and sustainable development in the North, strengthening our partnerships with First Nations and Northerners and changing our way of doing business. These priorities, the department's strategies and approach for addressing these challenges, and the progress we have made are outlined in the department's Framework for Action as well as in our Business Plan and Performance Report. All of these documents are available to the public through the departmental kiosk at (819) 997-0380 or our website at www.inac.gc.ca.

Aboriginal and northern communities are diverse, with different needs and expectations, and Canada's political and economic environment is complex. For these reasons, implementing self-government will take considerable discussion. The new Inherent Right Policy, announced in August 1995, provides a framework to bring First Nations, provinces, territories and other Canadian institutions together to achieve practical and effective self-government arrangements.

Canadians recognize the need for substantial improvements in the social and economic conditions of Aboriginal peoples and Northerners. This poses major challenges both in terms of policy (What kind of economic initiatives are appropriate?) and economics (How much should we spend on each initiative?) (How do we balance development and protection of the fragile northern environment?) Housing pilot projects, accelerated investments in urgent water and sewer projects, increased funding for post-secondary education, and the environmental review of diamond mining in the Northwest Territories are just some examples of practical solutions to these challenges.

The department will support northern communities and territorial governments as they redefine their political and economic circumstances with the development of new constitutions for Nunavut and the western Northwest Territories. The department is committed to encouraging the development of stable public governments able to assume province-like powers that are compatible with the rights of Aboriginal people.

Under the recently amended *Auditor General's Act*, all departments are required to develop a Sustainable Development Strategy, to report annually on its implementation, and to update the strategy every three years. In the next year, DIAND will draft and finalize its strategy, submit it for approval, and begin its implementation.

Royal Commission on Aboriginal Peoples

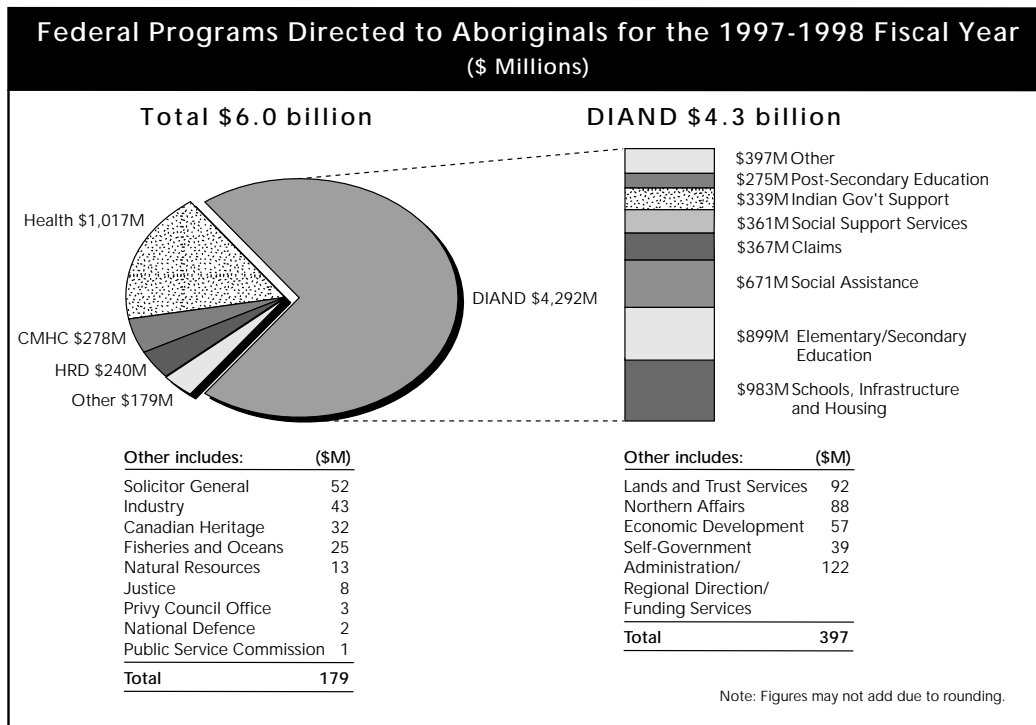
In November 1996, the Royal Commission on Aboriginal Peoples (RCAP) released its final report which makes recommendations on a wide range of Aboriginal issues. These recommendations may be used to inform public debate and guide policy-making.

The federal government recognizes the importance of the RCAP Report. Because of the complexity and profundity of the Report, the department must study its recommendations in depth. Since the Report was only issued on November 21, 1996, it would be premature to respond to it without further study. In fact, DIAND has already acted on a number of matters addressed by the Commission, such as the inherent right of self-government, a new housing policy for First Nations, and increased funding for water and sewer facilities. Work will continue with Aboriginal groups on priority issues.

Federal Expenditures for Aboriginal Peoples

In addition to DIAND, 12 other federal departments and agencies offer programs for Aboriginal peoples, for total federal expenditures in 1997-1998 of \$6 billion, as shown in Chart 1. This money ensures that Aboriginal people have access to the same basic services provided to other Canadians through provincial and municipal governments.

Chart 1



Financial Summary

Ministry Overview				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99 ²	1999-00
Department of Indian Affairs and Northern Development	4,279.9	4,429.3	4,378.6	4,390.3
Canadian Polar Commission	1.0	0.9	0.9	0.9
Total	4,280.9	4,430.2	4,379.5	4,391.3

Departmental Overview				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99 ²	1999-00
Gross Planned Expenditures	4,279.9	4,429.3	4,378.6	4,390.3
Less: Revenue to the Vote	–	–	–	–
Net Planned Expenditures	4,279.9	4,429.3	4,378.6	4,390.3
Less: Revenue Credited to the Consolidated Revenue Fund	(74.6)	(84.8)	(84.8)	(82.8)
Add: Estimated Cost of Services Provided by Other Departments	28.8	29.5	29.5	29.5
Net Cost of the Department	4,234.1	4,373.9	4,323.2	4,337.0

¹ Reflects changes included in the In-Year Update.

² Decrease from 1997-1998 to 1998-1999 relates primarily to reduced requirements as stipulated in various signed claims agreements (e.g. Inuvialuit, Yukon First Nations, Tungavik Federation of Nunavut).

Figures may not add due to rounding.

Gross Departmental Planned Expenditures by Business Line				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99	1999-00
Business Lines				
Claims ²	414.8	413.8	353.7	354.6
Indian and Inuit Programming ³	3,634.6	3,771.6	3,787.9	3,821.0
Northern Affairs ⁴	164.9	178.7	171.9	149.5
Administration	65.6	65.1	65.1	65.1
Gross Planned Expenditures	4,279.9	4,429.3	4,378.6	4,390.3

¹ Reflects changes included in the In-Year Update.

² Decrease from 1997-1998 to 1998-1999 relates primarily to reduced requirements as stipulated in various signed claims agreements (e.g. Inuvialuit, Yukon First Nations, Tungavik Federation of Nunavut).

³ Year-over-year growth includes the approved expenditure growth of 2% on the Indian and Inuit Programming portion of DIAND's budget (as announced in the 1996 federal budget), and other specific adjustments for items such as Davis Inlet, Youth Initiatives, etc.

⁴ Decrease from 1998-1999 to 1999-2000 relates primarily to reduced requirements for the establishment of Nunavut.

Figures may not add due to rounding.

Planned Expenditure Detail by Business Line for 1997-98								
(millions of dollars)	FTE	Budgetary			Gross Voted	Statutory Items ¹	Non-Budgetary Loans	Gross Planned Expenditures
		Operating	Capital	Grant and Contributions				
Business Lines								
Claims	230	43.5	–	171.9	215.4	151.9	46.5	413.8
Indian and Inuit Programming	1,525	167.5	5.0	3,595.7	3,768.2	3.4	–	3,771.6
Northern Affairs	539	97.0	–	80.3	177.3	1.4	–	178.7
Administration	685	64.7	–	0.5	65.1	–	–	65.1
Total Planned Expenditures	2,979	372.8	5.0	3,848.2	4,226.0	156.7	46.5	4,429.3

¹ Does not include contributions to employee benefit plans and Minister's allowances which are allocated in operating expenditures.

Figures may not add due to rounding.

1.0 INDIAN AND INUIT AFFAIRS PROGRAM

Overview

The Indian and Inuit Affairs Program consists of two major business lines: Indian and Inuit Programming, and Claims.

- ▶ *“Indian and Inuit Programming” includes First Nations Funding, Lands and Trust Services, and Regional Direction.*
- ▶ *“Claims” negotiates and settles accepted comprehensive claims; ensures that the government meets its legal obligations as set out in the Indian Act and treaties by settling specific claims and monitoring implementation agreements; provides research funding to Native claimants; and supports the Department of Justice in matters of litigation involving First Nations.*

How Much Will it Cost?				
(millions of dollars)	Planned Expenditures ¹			
	1996-97 ²	1997-98	1998-99	1999-00
Indian and Inuit Programming				
First Nations Funding	3,527.1	3,652.0	3,671.5	3,725.4
Lands and Trust Services	80.1	91.7	88.5	67.7
Regional Direction	27.4	27.9	27.9	27.9
Sub-Total	3,634.6	3,771.6	3,787.9	3,821.0
Claims	414.8	413.8	353.7	354.6
Total	4,049.4	4,185.4	4,141.5	4,175.6

¹ Year-over-year growth includes the approved expenditure growth of 2% on the Indian and Inuit Programming portion of DIAND's budget (as announced in the 1996 federal budget), and other specific adjustments for items such as Davis Inlet, Youth Initiatives, etc.

² Reflects changes included in the In-Year Update.

Figures may not add due to rounding.

A Changing Relationship

The relationship between First Nations and the federal government has changed significantly over the past 40 years. Through devolution, which began in 1956 with the first education transfers and increased through the 1970s and 1980s, DIAND has progressively reduced its involvement in the direct delivery of basic services on reserve. First Nations have taken greater responsibility for their communities' administration and for program and policy decisions, strengthening their ability to govern themselves and building skills and confidence within their communities. Devolution helps to break the cycle of dependency. It is critical in moving towards self-government and supports First Nations' participation in the Canadian economy.

DIAND's Indian and Inuit Affairs Program now operates primarily as a funding agency. Funding arrangements with First Nations have evolved dramatically over the past 10 years, supporting greater responsibility and accountability on the part of First Nations governments. This process will continue as First Nations and DIAND cooperate to ensure accountability at all levels.

For additional details, refer to the Historical Overview (Supplementary Information Section III) at the end of this document.

Accountability

First Nations Accountability

Chief and Councils have a dual accountability for funds. They must answer both to their membership for leadership, sound management of council affairs, and efficient and effective delivery of programs and services (local accountability); and to Parliament, through the Minister of DIAND, for the use of public funds to carry out the program objectives approved by Parliament (ministerial accountability).

First Nations have particular needs and are designing their own programs to respond to these needs. DIAND provides funding and monitors compliance with terms and conditions to ensure that funds are used appropriately in terms of government and community responsibility.

Local accountability is based on the principles of transparency, disclosure and redress that are common to other governments in Canada. **Transparency** means that the government's method of operation is known and seen by its citizens. An example would be the preparation of expenditure plans and criteria for community decisions. **Disclosure** means that citizens are informed of the government's plans and actions. Examples include the disclosure of community audits to the membership and answering for decisions made on behalf of the community. **Redress** means that citizens can appeal decisions affecting them individually (for example, through an appeal board that hears matters of individual entitlement) or collectively (through such means as elections and the courts).

Ministerial Accountability

The Minister's accountability for public funds begins with the assurance that sound local accountability frameworks are in place. DIAND helps First Nations to provide this assurance through management assessments and action plans, as part of funding arrangements.

DIAND's funding arrangements with First Nations are like performance contracts. First Nations are required to: meet minimum requirements for service delivery; maintain financial health; ensure that their internal controls are in accordance with generally accepted accounting principles; and prepare annual audits and performance reports for disclosure both to community members and to DIAND. The department ensures value-for-money by confirming that the terms and conditions of the funding agreements have been met. It tracks the achievement of program objectives through compliance, data quality and audit reviews, as well as program evaluations.



What Are We Doing to Achieve Results?

Key Initiatives

- ▶ **Assessments** — As a condition, First Nations will complete an assessment of their management and accountability systems of future funding agreements. This system should reveal any areas of governance and management that need strengthening in order to meet levels comparable to other governments in Canada.
- ▶ **Capacity building** — Partnership efforts are underway to provide financial management training to First Nation administrators. Further work will be undertaken with Aboriginal organizations and associations, community colleges, the Canadian Executive Services Organization and private sector institutions to design and deliver appropriate training courses.
- ▶ **Sharing best practices** — A number of First Nations have already developed first-rate governance and management tools. The department will help share these best practices amongst First Nations.
- ▶ **Financial Transfer Arrangements** — DIAND is committed to continuing to develop and introduce new Financial Transfer Arrangements (FTAs) to provide First Nations with greater flexibility and control over the use of funds to meet community priorities. FTAs will support strong local accountability of First Nation governments to their community members, as well as appropriate accountability for the use of funds voted by Parliament. To date, pilot FTA agreements have been tested and designed through partnerships involving 72 First Nations. Broadening the use of FTAs will continue through pilot projects in 1997-1998, with wider implementation planned for subsequent years.



What Factors May Affect Expected Results?

First Nations governments, like all governments, must manage within new fiscal realities. Strong financial management within First Nations is critical to ensure that scarce resources are used carefully and meet community priorities. The majority of First Nations are managing their finances effectively. In cases where First Nations are having problems in managing their financial commitments, the department will continue to work with them, requiring a remedial management plan to stabilize their financial situation.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Process to assess management and accountability systems of First Nations.
- ▶ Increased training to strengthen financial management capacity.
- ▶ Increased number of FTA pilot projects with First Nations.
- ▶ Increased use, when appropriate, of remedial management plans.
- ▶ Establishment of a national library of First Nation best practices in the area of accountability and governance.
- ▶ Improved timeliness and quality of First Nation audits.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Increased networking and learning opportunities for Aboriginal administrators, through expanding the activities of regional Aboriginal Financial Officers Association.
- ▶ Establishment of FTAs with the majority of First Nations.
- ▶ Increased codification of First Nations financial regulations and greater use of comprehensive First Nations financial administration by-laws.



How Do Results Contribute to Department's Objectives?

Strong financial management and governance capacity in First Nation communities is a key cornerstone to responsible and accountable self-governing communities.

1.1 FIRST NATIONS FUNDING



Why Are We in the Business? Strategic Objectives

DIAND provides funding to help First Nations build healthy, sustainable communities with access to the same basic services provided to other Canadian residents by provincial and municipal governments. First Nations are taking practical measures to improve conditions on reserve. The ways in which this is done will help further the devolution of program design and delivery to First Nations and the implementation of self-government. First Nation governments, like other governments, must accomplish their aims in a climate of fiscal restraint.

Funding is used to improve conditions on reserve by:

- Promoting self-government** — by investing in governance capacity, and promoting the implementation of inherent right of self-government. Aboriginal communities will take further control of their own futures and assume greater responsibility for their own governance.
- Investing in people** — by developing the development of human capital. Education, social development, youth programs and employment programs, including alternatives to social assistance, all fall in this area.
- Investment in community infrastructure** — by improving the physical and resource capital of communities. Key initiatives in this area include improvements in housing, capital facilities (e.g. water and sewer, schools), First Nation governments and child and family services agencies.
- Promoting economic development** — by furthering a range of activities that contribute to self-sufficiency and wealth creation. Key initiatives in this area include access to capital, access to markets, continued emphasis on overall community development and improved collaboration through partnership with other departments involved with economic development.

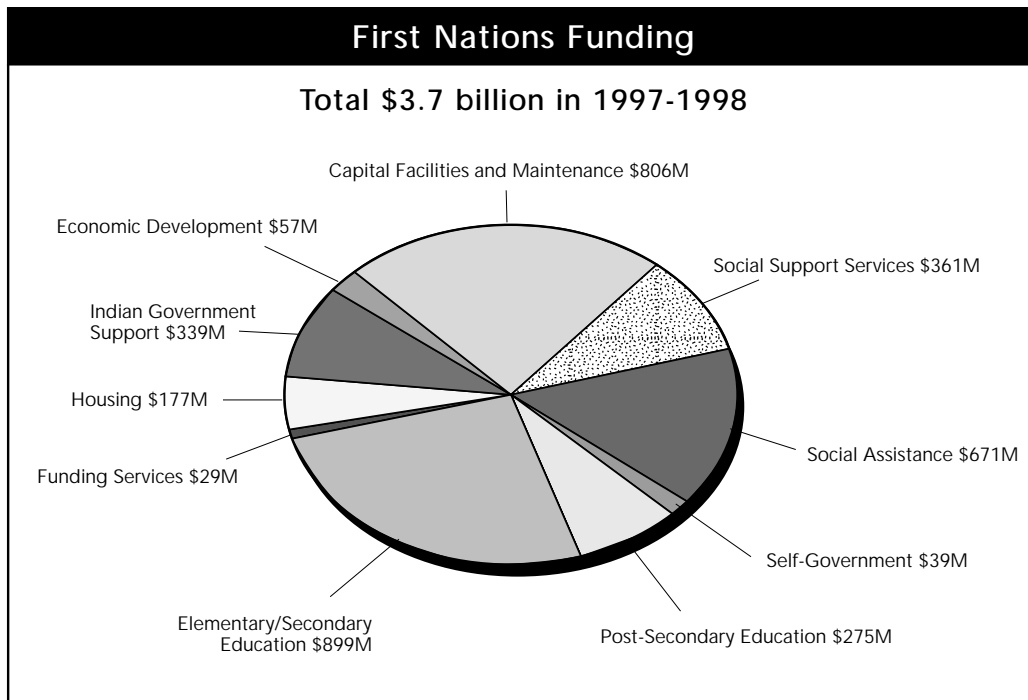


What Are We Doing to Achieve Results?

Operating Context

Today, DIAND operates primarily as a funding agency as about 83 percent of the Indian and Inuit funding goes directly to First Nations and their organizations through funding arrangements. A further 10 percent is transferred to the provinces for program services. The department directly administers only 7 percent of these funds, most of which relates to legal obligations.

Funding for First Nations communities is provided to the department which then allocates it to First Nations as shown in Chart 2. Most First Nations have the authority pursuant to federal/First Nation funding agreements to manage these funds to meet community priorities as long as minimum program standards are met. The department monitors these agreements to ensure compliance to program standards; it also requires audits of First Nation accounts on the final disposition of these funds.

Chart 2

Key Initiatives

- The following sections present a range of key initiatives which are underway in each of the activities identified in Chart 2 above.

1.1.1 SELF-GOVERNMENT



Why Are We in the Business? Strategic Objectives

The government of Canada recognizes Aboriginal peoples' inherent right of self-government as an existing right within Section 35 of the Constitution Act, 1982. DIAND's aim is to negotiate agreements with Aboriginal communities and provincial and territorial governments that permit Aboriginal communities to take control of their own futures. First Nations communities will decide how to bring the institutions of governance (education, social services, health care, housing, and the like) into line with their own needs, traditions and expectations.



What Are We Doing to Achieve Results?

Operating Context

Implementation of the new **Inherent Right of Self-Government Policy** will provide the framework for a renewed government-to-government relationship, with clear roles and responsibilities for all governments — First Nations, federal and provincial.

DIAND negotiates and implements **self-government agreements** with First Nations and provincial and territorial governments. The **Inherent Right Policy** recognizes the differing needs and circumstances of Indian (Status and non-Status), Métis and Inuit peoples. It ensures that these authorities are being exercised by accountable Aboriginal governments and institutions. The Minister of Indian Affairs and Northern Development has the mandate to negotiate with on reserve First Nations and with all Aboriginal peoples in the territories. The Federal Interlocutor for Métis and non-Status Indians is mandated to enter into negotiations with Métis south of the 60th parallel and with Indians living off reserve.

Key Initiatives

- ▶ Currently over 80 active negotiations are under way representing about one-half of all First Nation and Inuit communities.
- ▶ Policy development is proceeding on financial accountability; generic negotiating mandates in specific policy and service areas (e.g. child and family services, policing and correctional services, environmental management, ratification processes, health); questions of legal precedence (section 35 protection, Charter application); financial mechanisms; and cost-sharing.



What Factors May Affect Expected Results?

Fiscal restraint: Given limited resources, the sector must manage the costs of settling and implementing self-government agreements within available funding. The department will work with First Nations to develop responsible solutions to reach their short- and long-term objectives.

Other levels of government: The federal government is actively pursuing self-government agreements. But these activities could be affected by the willingness of provincial/territorial governments to participate in negotiations and agreements. Federal, provincial/territorial and Aboriginal governments have to come to agreement on cost-sharing measures and agreements. Finally, there are complex issues involving the federal and provincial Crowns and their jurisdictional and programming responsibilities.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Additional final self-government agreements in the Yukon under the inherent right of self-government policy.
- ▶ Implementation of sectoral agreements in education.
- ▶ Five comprehensive self-government agreements-in-principle.
- ▶ Agreement-in-principle on education, policing, and land management with Kahnawake.
- ▶ Framework agreement in Manitoba, restoring jurisdiction on education.
- ▶ Renewal of the mandate of the Office of the Treaty Commissioner in Saskatchewan as an independent body to co-ordinate negotiations in Saskatchewan.
- ▶ Establishment of an *Indian Act* dispute settlement tribunal in Saskatchewan (Saskatchewan Peacemaker Tribunal).
- ▶ Passage of bills on First Nations land management and money management.
- ▶ Creation of a First Nations governance institute.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Twelve self-government agreements by the end of the planning period.
- ▶ Implementation of four existing Yukon self-government agreements.
- ▶ Completion of or substantial progress towards final self-government agreements with remaining 10 Yukon First Nations.
- ▶ Self-government agreements-in-principle with Westbank, Meadow Lake Tribal Council, Sioux Valley, United Anishnabeg Councils, Dogrib and Inuvialuit/Gwich'in First Nations.
- ▶ Final Agreements with Mi'kmaq, Fort Frances and Treaty 7 on education; agreements-in-principle with Kenora and Dryden on education.
- ▶ Child Welfare Agreement with the Blood Tribe.
- ▶ Manitoba Education and Capital Agreements.
- ▶ Implementation of First Nation oil and gas regulations.
- ▶ Cost-sharing agreements with British Columbia, Newfoundland, Quebec.



How Do Results Contribute to Department's Objectives?

The implementation of agreements under the inherent right of self-government will bring about a new partnership with Aboriginal peoples based on trust, mutual respect and participation in the decision-making process.

1.1.2 EDUCATION



Why Are We in the Business? Strategic Objectives

The Indian Act gives DIAND the authority to ensure primary and secondary education for Indian and Inuit children living on reserves or Crown land. As a matter of government policy, DIAND also provides assistance to First Nations to support eligible Indian and Inuit students pursuing post-secondary studies. Encouraging students to stay in school and to reach higher educational levels is critical to helping First Nations achieve self-sufficiency and self-government, reducing welfare dependency, increasing job opportunities and improving conditions on reserve.



What Are We Doing to Achieve Results?

Operating Context

Great strides have been made in **primary/secondary education** in the past few years as First Nations communities have increasingly taken charge of their children's schooling. There were 429 band operated schools in 1995-1996, compared to 229 in 1985-1986. More First Nations students now complete high school and continue on with post-secondary education. Enrolment of First Nations students in post-secondary education has risen substantially, from 11,170 in 1985-1986 to an estimate of over 26,000 in 1995-1996.

Employment figures for on-reserve Status Indians are substantially higher for post-secondary graduates (79.2 percent) than for high school graduates (41.7 percent).

Key Initiatives

- ▶ **Elementary/Secondary Education** — DIAND provides funding to ensure access to elementary and secondary education for eligible Indian and Inuit children living on reserve or on Crown lands. Students attend band operated schools on reserve and provincial schools. The program's aim is to support programs and services that are comparable to those provided to other Canadian residents by the provinces and territories. Other key initiatives include establishing the First Nation electronic education institute.
- ▶ **Post-Secondary Education (PSE)**— Post-Secondary Student Support supports the participation of Status Indians and Inuit in recognized post-secondary education programs. The program involves financial support and counselling services for students in university/college entrance preparation and college and university programs, and provides funding to post-secondary institutions to support specialized programs for eligible students. More than 90 percent of the PSE program is directly administered by First Nations.
- ▶ DIAND, in partnership with the Assembly of First Nations, has agreed to a joint review of the PSE program. The review will be initiated in 1997-1998.



What Factors May Affect Expected Results?

Changes to provincial education programs may affect First Nation Programs.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Increase in the ongoing rigorous monitoring and compliance measures.
- ▶ Increase in First Nation control over remaining federal schools.
- ▶ Continue the focus on child development and the school-to-work transition.
- ▶ Increase school completion rates of on reserve Status Indians.
- ▶ Establishment of an First Nation electronic education institute.
- ▶ Review of post-secondary education with Assembly of First Nations.
- ▶ Implementation of measures to verify student eligibility for post-secondary education.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Increased pool of qualified workforce on reserve.
- ▶ Continued improvement over 1997-1998 result levels.



How Do Results Contribute to Department's Objectives?

Education provides the best opportunity for First Nation youth to improve their economic and social conditions. This will contribute to strengthened First Nation communities, self-government and economic self-reliance.

1.1.3 SOCIAL DEVELOPMENT



Why Are We in the Business? Strategic Objectives

As a matter of government policy, DIAND funds the cost of specific income security and social support services to on reserve families and individuals. The goal is to enable First Nations to protect persons in need by ensuring that their basic living requirements, including health and safety, are met.



What Are We Doing to Achieve Results?

Operating Context

Income security services ensures that people's basic needs for food, shelter, clothing and other essentials are met. In 1995-1996, 531 First Nations administered their own program. In 1995-1996, an average of 115,700 family members and 35,800 single individuals (total average of 151,500 beneficiaries) depended on social assistance each month for much of their income.

Social Support Services include First Nations Child and Family Services (FNCFS) and Adult Care Services. These services, which were previously delivered by federal or provincial agencies, are becoming, more and more, community based and community controlled.

In 1994 The Auditor General observed that the department was not collecting sufficient data from First Nations to provide assurance that funds voted for social programs were being spent by First Nations with due diligence. Some of his observations have been addressed through compliance reviews. The remainder will be dealt with through increased and more detailed reporting by First Nations, similar to the requirements in place for provincial agencies.

The 1995 Auditor General Reports suggest that the department improve its accountability for government expenditures, especially in the area of social development. The department and First Nations have taken measures to ensure that recipients are in fact eligible for benefits and that the benefits themselves are consistent with provincial programs. If provincial benefits are reduced, on reserve benefits will be reduced.

DIAND completed an Evaluation of First Nations Child and Family Services in 1996-1997, the recommendations from which led to many of the key initiatives described in the Social Development section of this report. A second phase of this evaluation, focussing on Ontario, is under way.

Key Initiatives

- ▶ **Compliance Reviews Social Assistance, Child and Family Services, Adult Care** — The operations of the three programs at the level of First Nations are receiving increased scrutiny to ensure that the programs are operating within established guidelines.

- ▶ **Block Funding Child and Family Services** — The department is reviewing the potential benefit of moving toward a “block funding” regime similar to the process used in most provinces.
- ▶ **Continuing Care Strategy** — The department is working in partnership with Health Canada and First Nations on the development of a First Nations Continuing Care Strategy. A major exercise is currently under way to collect data pertaining to both DIAND’s Adult Care Program and Health Canada’s Home Care Nursing Program.



What Factors May Affect Expected Results?

Changes to provincial programs — Since departmental authorities generally link social programs to provincial regulations, provincial decisions may have an impact on First Nation operations.

Growth of the on reserve population — The increasing number of young, unemployed adults and high rates of family formation are likely to place stress on the social services budget. At the same time, growth in the aging population has the potential to increase demand for institutional and home care.




What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Continued financial support for basic province-like social services and continued compliance activities.
- ▶ Administration of programs by First Nations in accordance with minimum standards as demonstrated by compliance reviews.
- ▶ Provision of social services by First Nations to all eligible citizens of First Nation communities in accordance with minimum standards established by the provinces.
- ▶ Increase in percentage of social development budget devoted to employment and training opportunities for social assistance recipients.
- ▶ Develop new framework to address adult care issues.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Exploration of use of block funding for child and family services agencies.
- ▶ Continued improvement over 1997-1998 result levels.



How Do Results Contribute to Department’s Objectives?

These results will enable First Nations to protect and support individuals in need, thereby supporting improved quality of life on reserve.

1.1.4 CAPITAL FACILITIES AND MAINTENANCE



Why Are We in the Business? Strategic Objectives

DIAND provides funding to assist First Nations to acquire, construct, operate and maintain basic community facilities such as water and sewage services, roads, electrification, schools, community buildings and fire protection. These facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.



What Are We Doing to Achieve Results?

Operating Context

Over 90 percent of the capital program budget is administered by First Nations. Communities are responsible for developing capital plans and for prioritizing their capital requirements according to need and availability of resources. First Nations manage capital projects, provide technical expertise, develop and implement maintenance management programs and ensure their capital assets are constructed and maintained in accordance with minimum federal or provincial standards.

First Nations are increasingly seeking alternate funding from the private sector or other levels of government to supplement the resources available from DIAND for capital construction. Accelerating the investment in capital assets on reserve creates job opportunities and generally improves the quality of community services in a shorter period of time. This trend is expected to continue as First Nations become more autonomous.

To ensure that on reserve assets are properly maintained and remain in good condition, the physical condition of all capital assets and equipment is inspected on a five-year cycle. Proper maintenance extends the life cycle of the asset and reduces the need to replace equipment or facilities.

In 1995-1996, approximately 96 percent of First Nations' housing units had water service and 90 percent had sewage disposal service. Emphasis continues to be placed on improving basic living conditions on reserve by accelerating the provision of water and sewage services. Similarly, school space continues to expand to accommodate growth in the student population. In 1995-1996, there were 741,008 square metres of on reserve school space.

Key Initiatives

- Within existing departmental resources, DIAND is accelerating funding to First Nations in order to enable them to install or correct deficiencies in sewer and water systems.
- First Nation staff are being trained in the proper maintenance and operation of community facilities.

- ▶ The physical condition of capital assets is being inspected, on a cyclical basis, by licensed professionals under contract to First Nations or their agents.
- ▶ First Nations are providing long-term capital plans that substantiate their need for funding to build or acquire major capital facilities or equipment.
- ▶ In response to observations made by The Auditor General in his November 1995 Report, DIAND has conducted an internal audit of the Capital Program. Following review of the audit findings, the department will assess what action is necessary or possible.



What Factors May Affect Expected Results?

Growth in the on reserve population will influence the requirement for additional infrastructure such as water and sewage extensions, additional classroom space, etc.

Effective maintenance of existing assets will prevent deterioration and replacement.

The ability of First Nations to access private funding sources will affect the rate of improvement.

The new federal infrastructure program will also support additional investments in community infrastructure.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Increase in school space on reserve.
- ▶ Increased water and sewer services which meet departmental guidelines.
- ▶ Fire protection facilities (paid or volunteer) equivalent to those available in surrounding municipalities.
- ▶ Implementation of Davis Inlet relocation.
- ▶ Improved maintenance practices.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Continued improvement over 1997-1998 result levels.



How Do Results Contribute to Department's Objectives?

Investments in community infrastructure and education facilities contributes towards the improved health and safety of First Nation communities and provides economic activity and jobs.

1.1.5 HOUSING



Why Are We in the Business? Strategic Objectives

The program's objective is to assist First Nations to improve living conditions on reserve by addressing the basic shelter needs of residents.



What Are We Doing to Achieve Results?

Operating Context

The federal government recognizes that poor housing is one of the critical problems facing Aboriginal communities today. Poor health, family violence, substance abuse, suicides and other social issues are frequently associated with poor housing conditions. Of the 78,187 houses on reserve, 50 percent or 39,167 houses required replacement or major or minor renovations in 1995-1996.

Key Initiatives

- ▶ The department has introduced a new housing policy intended to encourage First Nations to adopt innovative approaches to improving their housing conditions. The new approach is based on four key elements; First Nation control, development of local capacity, shared responsibility, and improved access to sources of private capital funding.
- ▶ Participating First Nations are developing comprehensive community housing development plans. First Nations that do not wish to participate in the new housing regime will continue to be funded under the existing subsidy program, capital subsidies and the loans guarantee program.
- ▶ An interim evaluation of the revised housing policy will be finalized in 1997-1998.



What Factors May Affect Expected Results?

The degree to which First Nations subscribe to the principles of the new housing policy will influence the outcome over the medium-to-long term.

The ability of First Nations to raise private-sector capital will be critical.

Population growth on reserve and the extent to which First Nations implement rent or other shelter charges will affect their ability to meet their housing needs.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Improvement in the quantity and quality of housing on reserve through a combination of new starts, renovations and extending the life span of existing homes.
- ▶ Reduction in overcrowding on reserve.
- ▶ Longer functional life of residential units as a result of improved maintenance.
- ▶ Increased employment and other economic opportunities in reserve communities.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Continued improvement over 1997-1998 result levels.



How Do Results Contribute to Department's Objectives?

Assisting First Nations to provide basic and affordable shelter to residents of reserves and, in some cases, recognized communities on Crown lands will contribute toward the overall goal of improving conditions.

1.1.6 INDIAN GOVERNMENT SUPPORT



Why Are We in the Business? Strategic Objectives

Indian Government Support helps First Nation governments to maintain the necessary administrative resources to govern their communities.



What Are We Doing to Achieve Results?

Operating Context

In 1995-1996, over 600 band councils provided services to various communities. As well, about 80 tribal councils provided advisory and other services to member First Nations. Nationally, approximately 498 pension plans were funded in 1995-1996.

Approximately 83 percent of Indian and Inuit Affairs Program funding was directly administered by First Nations in 1995-1996 (compared to 62 percent in 1985-1986). A further 10 percent was administered by the provinces, and only 7 percent was administered directly by DIAND.

Key Initiatives

- ▶ Indian Government Support subsidizes the overhead costs of municipal-type services to communities on reserve. These costs include salaries, benefits and administrative costs to First Nations administrative staff.
- ▶ Support is provided to Tribal Councils for the provision of advisory services to First Nations.
- ▶ Continued capacity development supports further program devolution and self-government (See sections on Lands and Trust Services and Self-Government).



What Factors May Affect Expected Results?

The number of new bands or tribal councils formed and the extent to which further devolution takes place.



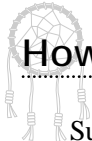
What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Continued First Nation management and delivery of community services.
- ▶ Increased management and governance capacity building in First Nations.
- ▶ Review of Tribal Council Policy aimed at improvements in effectiveness of Indian Government Support.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Continued improvement over 1997-1998 result levels.



How Do Results Contribute to Department's Objectives?

Supporting First Nations governments is a stepping stone to the eventual implementation of the inherent right of self-government. Effective administration at the band level is essential for strengthening First Nation communities and for building new partnerships with First Nations.

1.1.7 ECONOMIC DEVELOPMENT



Why Are We in the Business? Strategic Objectives

Economic Development helps Aboriginal people find and develop economic opportunities and markets. The results are increased business opportunities, jobs and skill development; these contribute, in turn, to a reduction in welfare dependency and to the building of sound and viable communities.



What Are We Doing to Achieve Results?

Operating Context

Improving economic conditions on reserve remains a serious challenge. While progress is being made in training and improving access to capital, the absence of economic infrastructure, entrepreneurship and access to market opportunities causes chronic unemployment and welfare dependency.

The department is striving to focus more on innovative ways of integrating and promoting economic development through all departmental activities and programs.

DIAND's funding supports the establishment and maintenance of Community Economic Development Organizations (CEDOs) that provide a range of services that includes: strategic economic planning; business, advisory and technical services; loan and equity funds; and job related training and employment programs.

Key Initiatives

- ▶ The new Aboriginal Procurement Strategy will foster the participation of Aboriginal business in federal procurement.
- ▶ DIAND is working with Aboriginal communities, associations and entrepreneurs to develop Aboriginal tourism products and to help develop and expand domestic and international markets.
- ▶ DIAND is helping First Nations secure private capital for developmental lending by Aboriginal Capital Corporations.
- ▶ The department is undertaking an evaluation of the Community Economic Service Officers Aboriginal Services Program, to be completed in 1997-1998, in order to allow senior management to make better use of this non-government agency.
- ▶ The Evaluation Framework for the Procurement Strategy for Aboriginal Business and for the DIAND Youth Strategy will be finalized early in 1997-1998; these two evaluation frameworks will identify what data should be collected to permit program management to strengthen and improve this economic development program initiative.
- ▶ An interim evaluation of the refocused Economic Development program is to be initiated in 1997-1998.



What Factors May Affect Expected Results?

The department has consulted with First Nations and Inuit and Innu representatives to find ways of making economic development more effective and accountable while remaining community-driven. Future economic development will focus on activities that lead to jobs and development at the community level.

Fostering partnerships among First Nations is essential to building sustainable economic activity.

Finding cost-effective means to improve First Nations' access to capital is critical to sustainable economic opportunities in First Nations communities and to their participation in the broader Canadian economy.

Results could be improved by a new economic development policy framework that will integrate federal activity, and a government action plan for wealth creation in Aboriginal communities.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Full implementation of the Aboriginal Procurement Strategy.
- ▶ Increased employment opportunities through the innovative use of social assistance funding.
- ▶ Internet pilot project with CEDOs to share best practices.
- ▶ Greater economic development of Aboriginal business through concentrated supplier development and increased access to federal procurement.
- ▶ Implementation of youth programs including co-op education, internship, summer jobs, science and technology camp, labour market opportunities conference.
- ▶ New federal/provincial/First Nations cooperative mechanism based on a successful pilot undertaken in New Brunswick (Joint Economic Development Initiative).
- ▶ Forest-based economic development plan between DIAND, Canadian Forest Service, and First Nations.
- ▶ Final report of the Task Force on Aboriginal Financing.
- ▶ Discussion table for coordinated federal economic development strategy for Quebec.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Increased territorial/provincial/First Nations cooperation on economic development.
- ▶ Increased number of entrepreneurs and businesses on reserve.
- ▶ Increased domestic and international business opportunities through improved market access.
- ▶ Increased ability of Aboriginal business to compete for business, both nationally and internationally.
- ▶ Improved access to capital for business development on reserve.



How Do Results Contribute to Department's Objectives?

Improving economic conditions on reserve is key to strengthening First Nation communities and a prerequisite to meaningful self-government.

1.2 LANDS AND TRUST SERVICES



Why Are We in the Business? Strategic Objectives

Lands and Trust Services (LTS) carries out many of the Crown's legal and fiduciary obligations toward First Nations. These responsibilities arise from the Constitution Acts, 1867 and 1982, the treaties, the Indian Act, the Indian Oil and Gas Act, and other federal statutes. LTS supports self-government through devolution and partnerships with First Nations. The aim is both to satisfy the government's obligations and duties and to provide First Nations with the tools they need to take control over decisions that affect them directly. The process requires legislative alternatives to the Indian Act. LTS also works with First Nations to apply principles of sustainable development to the management of First Nations lands, resources and revenues and to ensure that the environment is protected.



What Are We Doing to Achieve Results?

Operating Context

New lands legislation and the *Indian Act Optional Modification Act* will change the way that LTS operates and will require implementation work. These legislative changes, if approved, will lead to increased First Nation participation in LTS-related activities. In addition, LTS must support and implement other departmental initiatives such as the treaty process in British Columbia and negotiations under the Inherent Right Policy. It must find ways of carrying out its statutory functions under the *Indian Act* in the face of decreasing fiscal resources and increasing litigation.

LTS will continue to:

- assist First Nations to ensure that band by-laws meet legal and procedural criteria and develop key tools such as taxation powers,
- supervise elections and other governance processes for First Nations that have not reverted to traditional processes, while promoting reversion to custom processes,
- safeguard over \$1 billion in trust funds for First Nations and individuals and make annual individual treaty payments to over 300,000 treaty Indians in 300 treaty bands,
- manage over 2,000 reserves with more than 2.6 million hectares of land; maintain a register of all interests in reserve, designated, and surrendered lands; promote sustainable and economically viable First Nation management and control of resources such as oil and gas, timber, and minerals, and
- assist First Nations to address environmental issues affecting reserve lands.

Key Initiatives

LTS is working on a devolution strategy and will be examining training and capacity building at the First Nation level. As part of this process, the department is conducting a review of First Nations skills acquisition. The inventory provides a comprehensive inventory of service delivery and program administration training provided to First Nations' employees as part of their takeover of DIAND's functions. This inventory will include training provided by First Nations and other institutions, as well as DIAND.

LTS will provide technical support to both the devolution process as well as the claims process. It helps implement specific claim and treaty land entitlement settlements through such activities as its addition to reserves policy, environmental assessments and the national survey program. LTS will promote the transfer of the Indian Registry Administration Program to First Nations. It will also encourage administration of estates by the private sector. It will promote access by First Nations to the computerized Indian Land Registry records. LTS will continue to foster principles of sustainable development in the management of First Nations lands, resources, and revenues. In the areas of environmental protection, LTS will continue to work on remediation of environmental problems and to ensure that progress is made in solid waste management and fuel storage. Key initiatives will include:

- ▶
*The Indian Act Alternative Legislation:*** The *Indian Act Optional Modification Act* was introduced in Parliament in December 1996. Each First Nation will be able to choose whether to opt into the proposed Act or to remain under the *Indian Act*. The Minister will ask that this legislation be referred to the Standing Committee on Aboriginal Affairs and Northern Development. The Committee will hold public hearings across the country this winter in order to receive further input on the proposed amendments.
- ▶
*Development of the First Nations Land Management Framework Legislation:*** The legislation has received first reading in the House. This legislation delegates ministerial authority over land management to fourteen First Nations. Following approval of the legislation, the department will develop an evaluation framework, ensuring proper data collection both for ongoing operational reviews and for a formal independent evaluation.
- ▶
*Delegation of Indian Oil and Gas Canada Authorities:*** LTS continues to work with the five First Nations involved in this pilot project, leading to full First Nations management of oil and gas resources. The project is divided into three stages: co-management, delegation and full management.



What Factors May Affect Expected Results?

New legislation, if proclaimed into law, will necessitate new policies, procedures, training, and communication plans. The availability of funding and resources will determine the speed and extent to which priority initiatives can be completed; for example, it is unlikely that the department or First Nations will have funding to clean up all contaminated sites immediately. It will be necessary, therefore, to rank priorities, find cost-effective solutions and allocate funds efficiently and carefully.

A recent audit by the Office of the Auditor General states that the lack of information on the environmental problems and clean-up costs for contaminated sites under federal jurisdiction may cause problems in the transfer of land and government operations as part of devolution and land claim settlements.

Key Deliverables 1997-1998

LTS will continue working towards its priorities: improved its management practices; devolution and new partnerships with First Nations; economic opportunities through sustainable development of natural resources; and enhanced environmental protection.

- ▶ Increased devolution through: introduction of new legislation to delegate authority for the administration of land to 14 First Nations; implementation of the *First Nations Oil and Gas Regulations, 1997*, to enable up to five pilot First Nations to assume delegated authority for the management of oil and gas resources on reserve in 1997; and improvement of management capacity in five pilot oil-producing First Nations through co-management with Indian Oil and Gas Canada (IOGC) and generally in oil-producing First Nations through co-management with IOGC and the Indian Resource Council.
- ▶ Increased devolution of the Indian Registry Administration Program to interested First Nations (i.e. additional 18 First Nations administering the Indian Registry for a total of 538 bands).
- ▶ Increased devolution of band membership control to all First Nations that show an interest in assuming this responsibility and that meet the requirements.
- ▶ Increased First Nations access to computerized Indian Land Registry records.
- ▶ Improvement in solid waste management and fuel storage as measured by: regional management strategies; permits issued for waste disposal; and registrations of fuel storage tank systems.
- ▶ Remediation of environmental problems through: completion of the environmental inventory; estimation of what further remediation is needed; assessment of the liabilities related to contaminated sites; and clean up of most of the abandoned, contaminated sites so “high risk” sites will no longer pose a threat to health and safety.
- ▶ Meeting the legal obligations of the Crown for land, resource and environmental management as measured by: successful defence of litigation against the Crown; and negotiated settlements related to lands, natural resources and the environment.
- ▶ Completion of a Sustainable Development Strategy.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Continued improvement over 1997-1998 result levels.



How Do Results Contribute to Department's Objectives?

Devolution will support the department's and government's goal of strengthening Aboriginal communities and building new partnerships. Through its co-management of natural resources, the First Nation Forestry Program, and environmental assessment and remediation initiatives, the sector is working to improve conditions on reserve. LTS is also changing its relationship with First Nations through such initiatives as sustainable development, training and capacity building.

These objectives will also rely on the First Nations Land Management Agreement and the Oil and Gas Pilot Initiative and on co-management between Indian Oil and Gas Canada and the Indian Resource Council of Canada. As a consequence, the Aboriginal peoples will have more decision-making power and control over their resources.

1.3 CLAIMS



Why Are We in the Business? Strategic Objectives

The goal of the claims process is to settle Aboriginal land claims, to reach self-government agreements, to resolve outstanding grievances, to establish certainty about rights to lands and resources, and to create a climate that fosters economic development, while avoiding costly, time-consuming litigation.

The government is committed to upholding the honour of the Crown by settling claims through a fair and equitable negotiation process. The resolution of claims will allow the federal government to meet its obligations and guarantee a secure land and resource base.



What Are We Doing to Achieve Results?

Operating Context

The costs of settling and implementing land claims and self-government agreements must be accomplished within available resources. When appropriate, these costs should be shared equitably with provincial governments. Increasing litigation, development pressures and third-party concerns pose additional challenges to the claims process. Settlements must be tailored to the circumstances of individual First Nations; they must respect the inherent right of self-government recognized by Canada in 1995 and contribute to the new relationship that Canada is building with First Nations.

“Aboriginal peoples require certainty with respect to land rights if their communities are to have a productive future. Until claims and grievances are resolved, uncertainty over land rights will limit the possibilities of economic development in many parts of Canada”

Creating Opportunity — The Liberal Plan for Canada

Key Initiatives

Comprehensive Claims involve negotiating and implementing modern treaties. These agreements provide a clear, certain and constitutionally protected definition of Aboriginal rights and title to land. They may include: full ownership of certain lands; guaranteed harvesting rights; participation in the management of lands, water, wildlife, and environment; financial benefits; a share in revenues from natural resources; and a role in the management of heritage resources and parks. Self-government agreements are negotiated in tandem with comprehensive claims agreements. Key initiatives include:

- ▶ Negotiating agreements-in-principle on comprehensive land claims and self-government with the Innu Nation; the Labrador Inuit Association; the Atikamekw, Montagnais, Dogrib and Algonquins of Golden Lake First Nations; and with Makivik on their offshore claim.
- ▶ Concluding final comprehensive claim and self-government agreements with the Little Salmon/Carmacks, Selkirk, Dawson, Ta'an Kwach'an and Kluane First Nations.
- ▶ Continuing negotiations with the Carcross-Tagish, White River, Ross River, Liard and Kwanlin Dun First Nations.
- ▶ Concluding a treaty with the Nisga'a Tribal Council.
- ▶ Supporting British Columbia Treaty Commission process by proceeding with agreement-in-principle negotiations on treaties in British Columbia with the Gitanyow, Ditidaht, Teslin Tlinglit, Kaska Dena, Champagne and Aishihik, Sechelt, In-Shuck-Ch/N'Quatqua, Lheit-Lit'en, Homalco, Ts'kw'aylaxw, Nuu-Chah-Nulth, Yekoochete'en, Sliammon, Tsay-kehdene, Taku River and Nanaimo First Nations.
- ▶ Proceeding with framework agreement negotiations with the remaining eighteen British Columbia First Nation groups.
- ▶ Undertaking negotiations with N.W.T. Treaty 8 First Nations on treaty land entitlement.
- ▶ Working with the Grand Council of Crees to deal with Canada's obligations and other issues arising from the *James Bay and Northern Quebec Agreement*.
- ▶ Setting up the Nunavik Committee, the precursor to the Nunavik Assembly and Government. This committee, made up of representatives from the settlement and hybrid organizations, will distribute the bilateral funding envelopes.
- ▶ Continuing to review ways and means of achieving legal certainty with respect to land and resources in land claims agreements.

Specific Claims settles claims which reveal an outstanding lawful obligation arising from a breach of the *Indian Act* or other statutes and regulations pertaining to Indians, or a breach of an obligation relating to government administration of Indian funds, lands or other assets. Treaty land entitlement claims are a particular type of specific claim arising from the non-fulfilment of a treaty or agreement between Indians and the Crown. A review of the implementation experience of specific claims and other settlements is being conducted by the department and will be completed in 1997-1998. Key initiatives include:

- ▶ Settling approximately 15 to 20 specific claims, including treaty land entitlements.
- ▶ Settling other specific claims, depending on the number and complexity of the claims received and the resources available to assess, negotiate, and provide compensation for these claims.

Research and Assessment assesses comprehensive claims, manages grievances that do not fit within existing claims policies, initiates co-operative research projects with First Nations, and develops Cabinet mandates to address unique grievances. These functions allow the department to deal with unusual and highly sensitive claims without distorting existing policies, while ensuring that special claims are dealt with fairly. Key initiatives include:

- ▶ Continuing negotiations with the Mohawks of Kanasatake and other First Nations to settle outstanding issues that fall outside the comprehensive or specific claims policies and that have been accepted by the department.

Research Funding provides funding for First Nations and Aboriginal research organizations to research, develop, present and negotiate their land claims. Key initiatives include:

- ▶ Providing research funding to 87 Aboriginal associations and First Nations to carry out claims research.
- ▶ Providing loan funding to 45 First Nations to negotiate land claims.

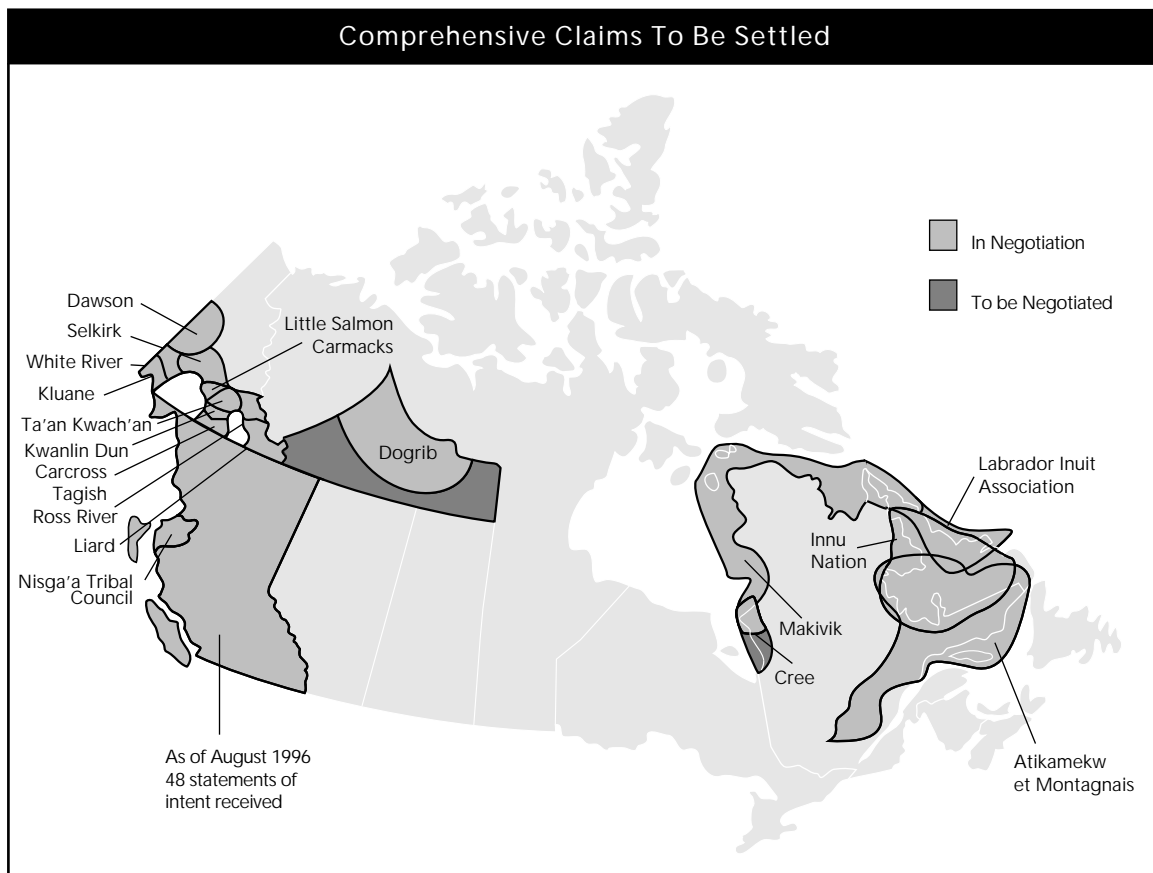
Litigation Support provides research and policy direction for court cases involving the department. Currently there are 260 active cases involving Native litigation and the Crown, and the number grows at the rate of approximately 11 new cases per month. The Test Case Funding Program provides funding for certain appeal-level cases that have the potential to create precedents. These cases may clarify Aboriginal and treaty rights and government obligations. An evaluation of the detection of potential litigation risks is being undertaken by the department with a report expected in 1997-1998. Key initiatives include:

- ▶ Continuing preparation for upcoming court cases.
- ▶ Improving the overall response to Aboriginal litigation in light of both an influx of new cases and the limited resources available to DIAND and the Department of Justice.
- ▶ Responding to requests for test case funding, with a view to obtaining judicial guidance on issues of importance to DIAND's policies and operations.

Claims Implementation plans and oversees the timely implementation of land claims settlements and related self-government agreements. This exercise involves a number of federal departments and agencies, as well as provincial and territorial governments, First Nation governments and citizens, and Aboriginal organizations. To allow all parties to be prepared to assume their new responsibilities following settlement, federal policy requires the preparation of an implementation plan which establishes what must be done, when activities will be completed, who will be responsible and what level of funding will be provided. Recent settlements provide for the creation of tripartite monitoring committees to review the progress of implementation, to resolve issues as they arise and to report to Parliament and to the public on how various requirements of the agreements are being met. Key initiatives include:

- ▶ Planning implementation of land claim settlement agreements and self-government provisions with Aboriginal organizations including the Labrador Inuit Association, the Nisga'a and Yukon First Nations and the Nunavik Inuit (Makivik).
- ▶ Completing the relocation of the James Bay Implementation Office from the Quebec Region to the National Capital Region.
- ▶ Monitoring the activities of all federal departments and agencies to ensure that the federal government fulfils its obligations under comprehensive land claim agreements and self-government agreements.

- ▶ Helping to establish and monitor the public government institutions created under the Northern agreements that are responsible for managing wildlife, land, and water and for environmental protection in the settlement areas.
- ▶ Supporting implementation of some 89 specific claim and treaty land entitlement settlements.
- ▶ Participating in tripartite panels and committees charged with overseeing the fulfilment of obligations under the eight Northern comprehensive land claim agreements.
- ▶ Coordinating the preparation of legislation to facilitate the implementation of the Manitoba Northern Flood First Nation agreements (Norway House and Cross Lake) and a treaty land entitlement agreement with 19 Manitoba First Nations.



What Factors May Affect Expected Results?

Fiscal Restraint: The sector will manage the costs of settling and implementing land claim agreements within available resources and ensure that agreements with provincial and territorial governments lead to a reasonable and fair sharing of the costs of claim settlement and implementation. In consultation with central agencies, the sector will continue to work in fiscally responsible ways to reach both short and long-term objectives.

Increasing Litigation: To address the increasing litigation case load, the sector is developing a more strategic approach to litigation in order to identify issues solvable through policy development, legislative amendment, or other mechanisms to resolve disputes.

Increasing Development and Third-Party Concerns: Development pressures and third-party concerns are increasing with respect to land claims in areas such as Voisey's Bay in Labrador, Lac de Gras in the Northwest Territories, all of British Columbia, southern Ontario and other parts of Canada.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Final agreements with the Nisga'a and with the remaining Yukon First Nations.
- ▶ Agreements-in-principle with three First Nations under the British Columbia Treaty Commission (BCTC) process and with eight more First Nations across the country.
- ▶ Framework agreements with eight First Nations under the BCTC process (for a total of 39), with the Makivik Corporation for the Nunavik offshore claim, and final treaty land entitlement (TLE) framework agreements with 19 Manitoba First Nations.
- ▶ Recommendations on a permanent independent claims commission and on certainty.
- ▶ Settlement of 15 more specific claims.
- ▶ Agreement on return of Camp Ipperwash.
- ▶ Establishment of new claims co-management boards in the Western N.W.T. for land and resource management and environmental assessment.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Up to 70 specific claim and treaty land entitlement settlements by the end of the planning period.
- ▶ Implementation of 10 comprehensive land claim agreements.
- ▶ Substantial progress towards, or completion of, framework, agreements-in-principle and final agreements in other provinces/territories.



How Do Results Contribute to Department's Objectives?

Settling claims is an important aspect in changing the relationship between government and First Nations. Settlements can also support economic development and the development of self-reliant communities.

2.0 NORTHERN AFFAIRS PROGRAM



Why Are We in the Business? Strategic Objectives

The Northern Affairs Program (NAP) helps Northerners, Aboriginal and non-Aboriginal, develop the political and economic institutions they need to take responsibility for decisions that affect them directly. Until responsibility is fully transferred to the territorial governments, the NAP's responsibilities are fourfold: to support northern political development; to protect and rehabilitate the northern environment; to resolve and implement land claims agreements; and to manage the sustainable development of the North's natural resources in a manner that will generate jobs and economic wealth.

In the North, the federal role is changing. Modernizing regulatory regimes for resource development will foster economic growth. The territorial governments will take over the province-like responsibilities currently administered by DIAND. Finally, government institutions will integrate Aboriginal principles of governance.



What Are We Doing to Achieve Results?

Operating Context

This is a time of profound change and political evolution in the Canadian North. As of April 1999, the North will be made up of three territories: the Yukon, the Northwest Territories (N.W.T.) and Nunavut. During 1998, DIAND expects to complete a devolution agreement with the Government of the Yukon for the transfer of all remaining provincial-type responsibilities, including management of forests, lands, waters and mineral resources.

An exploration and development boom is sweeping across the North. In the last few years, the N.W.T. has led Canada in mineral exploration, including the development of Canada's first diamond mine, scheduled to start operations in the next two years. This mine, with other planned mining and oil and gas developments, will provide jobs and economic growth, increase the self-reliance of Northerners and make a substantial contribution to the overall Canadian economy.

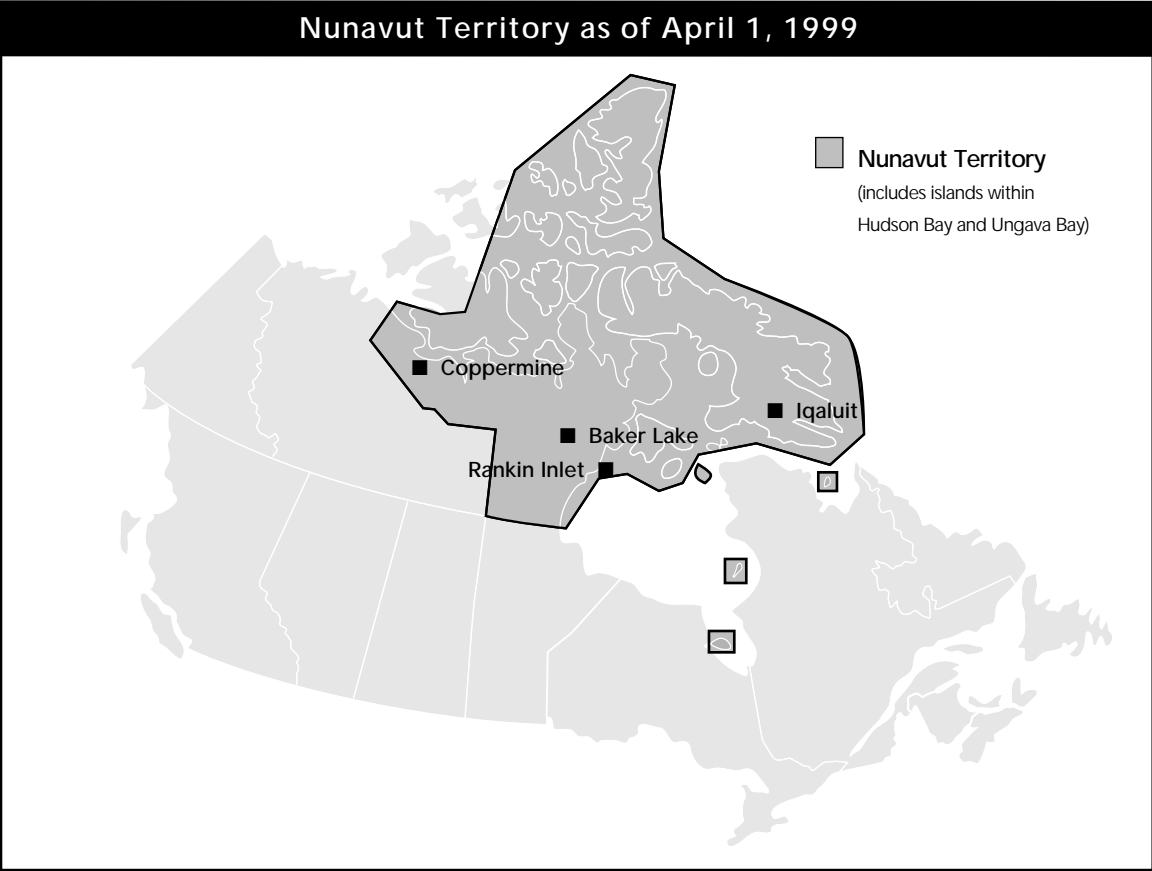
On the international front, the NAP has taken a leadership role. The program is working with United Nations organizations on contaminants and other environmental matters. Discussions are ongoing with other circumpolar countries and Arctic peoples on environmental issues, sustainable development and transboundary issues, in order to improve political, social and economic life in the Arctic.

DIAND's evolving role relies on continued progress on the settlement of land claims and the implementation of the Inherent Right policy. They will require continuing negotiations of Aboriginal self-government agreements and working in partnership with Northerners to build stable, affordable and effective public government structures. The North will need a regulatory and legislative regime that is modern, predictable and efficient and that promotes a balance between resource development and environmental protection.

Key Initiatives

The NAP **manages the federal interest** by supporting northern political development, implementing land claims and self-government agreements, supporting communities (for example, through the Northern Air Stage Program), promoting northern scientific research throughout Canada and building strong international relationships through initiatives like the Canada-Russian agreement on cooperation in the Arctic and the North. In addition, the initial phase of the Effectiveness Review of the Northern Air Stage Program will be completed in 1997-1998 and will provide recommendations and options for refining this program. Key initiatives include:

- ▶ Managing the creation of the Government of Nunavut, which will come into being on April 1, 1999.
- ▶ Supporting western constitutional development in the N.W.T.
- ▶ Devolving DIAND’s remaining provincial-type responsibilities to northern governments.
- ▶ Reducing the cost of nutritious perishable foods in isolated communities.
- ▶ Strengthening international relationships in such areas of common interest as the environment, socio-economic development and science and technology.



The NAP promotes **northern sustainable development** by managing and regulating the development of the North's natural resources and protecting the northern environment through land and water policies and regulation and the provision of research information. At the request of senior management, the Departmental Audit and Evaluation Branch undertook a Review of DIAND Forestry Decision-Making Process in the Yukon, and this report will contribute to a Yukon Sustainable Forestry Policy. Key initiatives include:

- ▶ Managing the current northern resource development boom.
- ▶ Creating jobs and growth by bringing new mining and oil and gas projects into the regulatory approval process.
- ▶ Meeting DIAND's responsibilities for health and safety and for environmental protection in the North through the implementation of the *Canadian Environmental Assessment Act*, the environmental provisions of land claims agreements, continuing action on Arctic contaminants and the cleanup of hazardous wastes.
- ▶ Completing resource management legislation under land claims agreements.
- ▶ Implementing a Yukon Sustainable Forestry Policy.



What Factors May Affect Expected Results?

Western constitutional development in the N.W.T. depends on building an integrated governing framework in the western N.W.T. Such a framework must be both acceptable to the people of the western territory and consistent with Canadian democratic values, the Constitution and the Charter of Rights and Freedoms. Difficulties with the finalization and implementation of land claim and self-government agreements in the Yukon and western N.W.T. could also affect progress on devolution and western constitutional development.

The timing and scheduling of **Nunavut implementation activities** will be critical to ensuring that the framework for the Government of Nunavut is in place for April 1, 1999. The Government of the Northwest Territories (GNWT) faces a heavy workload as a result of territorial division, land claims, self-government initiatives, and resource development activities. This large agenda is complicated by the GNWT's drastic downsizing measures and could affect the NAP's ability to achieve its planned results.

Managing resource development in the North and protecting the Arctic environment is complicated by the need to operate under tight fiscal constraints and within an increasingly complex regulatory and legislative environment. Ongoing federal funding is needed for the North to see increased economic activity. The potential returns on this investment are, however, substantial. The **BHP diamond mine** alone will employ 1500 people directly and indirectly each year over the 25-year life of the project.

On the other hand, long-term **closure of the mine at Faro, Yukon**, will affect the territorial economy and could increase the department's environmental liabilities. The NAP will need to secure continued funding to meet its environmental assessment and management obligations and for the hazardous waste cleanup and contaminants programs, as recommended in the 1996 evaluation of the Arctic Environmental Strategy.

Four remaining pieces of **legislation** are required before the end of 1998-1999 to meet resource management commitments in the Yukon, Nunavut, Gwich'in and Sahtu final land claims agreements. Progress on these acts will depend heavily on the ability of the federal system to handle these complex pieces of legislation.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Establishment of the office of the Interim Commissioner for Nunavut.
- ▶ Completion of a devolution agreement with the Government of the Yukon during 1998.
- ▶ Significant progress on a Yukon Sustainable Forestry Policy.
- ▶ Amendment of the Canada Mining Regulations, including modernizing the royalty regimes in the N.W.T.
- ▶ Implementation of the Mining Land Use Regulations in the Yukon.
- ▶ Tabling of the Mackenzie Valley Surface Rights Board and the Nunavut Surface Rights Tribunal Bills in the House, to meet commitments on resource management under the Gwich'in, Sahtu and Nunavut land claims.
- ▶ Implementation of the transfer of oil and gas jurisdiction to the Yukon government.
- ▶ Release of the Canadian Arctic Contaminants Assessment Report.

Other Results Expected Throughout Planning Period 1997-2000

*The NAP will contribute to **managing federal interests** by:*

- ▶ Implementation of Nunavut:
 - implementation, with Public Works and Government Services Canada, a major partnering arrangement with Nunavut Tungavik Incorporated for the development of office facilities and staff housing for the Nunavut government;
 - delivery of a comprehensive training strategy to prepare Inuit for future employment in the Nunavut Public Service;
 - establishment of arrangements for the financing of the Nunavut government;
 - holding the first Nunavut and Western N.W.T. territorial elections.
- ▶ Completion of a devolution framework agreement in the N.W.T.
- ▶ Agreement on a viable constitutional development proposal for the western N.W.T.
- ▶ Improvement to the structure of the Northern Air Stage Program.

The program will aid in northern sustainable development through:

- Completion of DIAND's Sustainable Development Strategy.
- Development of mine site reclamation regulations in the Yukon and a mine site reclamation policy for the N.W.T.
- Effective management of resource development activities through the assessment, regulatory and operational phases.
- Tabling in the House, the Yukon Development Assessment Process and the Nunavut Resource Management Act, in order to complete the implementation of resource management legislation under the Nunavut and Yukon land claims.
- Issuance of new oil and gas exploration rights in the North.
- Implementation of a management program for northern waste sites.
- Implementation of specific environmental assessment regimes pursuant to land claims.
- Implementation of the *Canadian Environmental Assessment Act*.



How Do Results Contribute to Department's Objectives?

The NAP's activities will help to improve conditions on reserve and in the North, achieve claims settlements, and support political and resource development in the North. The program's responsibilities are largely transitional, since the ultimate objective of the department is to devolve all remaining provincial-type programs to the territorial governments, and all ongoing federal responsibilities to other federal departments and agencies.

How Much Will it Cost?				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99	1999-00
Managing Federal Interests	99.7	121.7	119.9	97.5
Sustainable Development	53.4	44.7	39.7	39.7
Program Management	11.8	12.3	12.3	12.3
Total	164.9	178.7	171.9	149.5

¹ Reflects changes included in the In-Year Update.

3.0 ADMINISTRATION PROGRAM

Why Are We in the Business? Strategic Objectives

The Administration Program supports DIAND's operating programs, providing policy direction and coordination and central advisory services. It is responsible for administrative services and guidance in finance, human resource, and technical services. It provides liaison with Parliament, Cabinet policy committees, other federal departments and other levels of government. Its functions include strategic and financial planning, informatics, materiel management, and ministerial correspondence and briefings. The program also conducts evaluations and internal audits in accordance with Treasury Board policy. The expected result is to help the department reach the objectives outlined in the Framework for Action, the Department's Business Plan, and the Program Review exercise.

What Are We Doing to Achieve Results?

Operating Context

DIAND must create new relationships with First Nations and Northerners and facilitate the transition to self-government and the creation of a new territory. These changes require both strong leadership and a corporate climate that welcomes new opportunities and sees change as an important part of the future. Given the nature of our business and the great changes we are undertaking, we must set priorities and deploy our resources, both financial and human, carefully and in ways that best support DIAND's priorities: self-government, resolution of claims, improving conditions on reserve, and supporting development in the North. These priorities will continue to place heavy demands on DIAND, on the Cabinet and on the government's legislative agenda. Considerable effort and interagency cooperation are needed to guide key initiatives through the system.

Key Initiatives

- ▶ **Implementation of Innovative Ways of Doing Business:** will support leadership initiatives; improve communication, team building and facilitation; foster flexibility and innovation; create a climate that allows risk-taking, and promote a results-based management culture.
- ▶ **Corporate Policy** manages the department's long-term strategy and related policy agendas. It is also responsible for the department's legislative agenda, the communications program, and specific policy initiatives; its key initiative is to put greater emphasis on research to support policy development.

- ▶ **Corporate Services** is responsible for financial and information management, and review processes and for a variety of “housekeeping” services. Its aim is to make operations efficient, effective and accountable. Key initiatives include: continuing the implementation of Resourcing Our Priorities (ROP) and Program Review decisions; supporting Aboriginal employment and development; putting greater emphasis on training and management development, both internally and for First Nations taking on greater responsibilities, and improving information management and increasing information sharing with First Nations.



What Factors May Affect Expected Results?

Numerous new government initiatives require DIAND to reallocate resources to higher priority areas. Examples include: negotiation of the inherent right of self-government; negotiation of the Yukon land claims and related self-government agreements; introduction of modernized resource management regimes in Yukon; and an initiative to increase the participation of Aboriginal people in the workforce.

The department will conduct several internal audits contributing to improved efficiency and effectiveness, among which are a Control Self-Assessment of Funding Arrangements and an audit of Workforce Adjustment/Early Retirement Incentive Programs.



What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Increased focus on capacity building for First Nations.
- ▶ Extension of DIAND’s information infrastructure to First Nations to enable automated data collection and First Nations’ access to DIAND information.
- ▶ Creation of an Aboriginal business data base.
- ▶ Increased harmonization of federal funding and reporting requirements.
- ▶ Implementation of *Resourcing Our Priorities* by shifting resources from overhead functions to new priorities and forging new partnerships.
- ▶ Implementation of innovative ways of doing business (e.g. leadership initiatives, risk management philosophy and shared common services with other federal departments).
- ▶ Control administrative overhead (approximately three percent of budgetary expenditures).

- ▶ Implement a series of initiatives designed to improve management leadership style, employee morale and quality of life at work.
- ▶ Increased emphasis on becoming a learning organization that supports training and management development internally and for First Nations.
- ▶ Increased support for Aboriginal employment and development by filling 50 percent of DIAND vacancies with Aboriginal candidates and through the Aboriginal Workforce Participation Initiative, Aboriginal Management Executive Development, and the Aboriginal Masters Program.
- ▶ Provision of a forum for all managers to meet and collectively address the challenges facing First Nations, DIAND, and its employees.
- ▶ Increased emphasis on research to support policy development.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Continued improvement over 1997-1998 result levels.



How Do Results Contribute to Department's Objectives?

These results are key elements in changing DIAND's way of doing business. The management of the department and the allocation of staff and financial resources must be geared to the achievement of the department's policy and program objectives. The department's corporate culture fosters change and support. DIAND's shift to acting as a negotiator, mediator, and facilitator of change. Increasingly, like all federal departments, DIAND is expected to manage for results and to take a more risk/benefit approach to its activities. These skills and abilities are key to the success of DIAND's program and policy objectives.

How Much Will it Cost?				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99	1999-00
Executive Direction	5.7	5.7	5.7	5.7
Corporate Policy	15.7	15.1	15.1	15.1
Corporate Services	44.2	44.3	44.3	44.3
Total	65.6	65.1	65.1	65.1

¹ Reflects changes included in the In-Year Update.

4.0 CANADIAN POLAR COMMISSION

Why Are We in the Business? Strategic Objectives

The Canadian Polar Commission (CPC) was established by Parliament in 1991 as the lead federal agency in the area of polar science. It reports to Parliament through the Minister of Indian Affairs and Northern Development.

What Are We Doing to Achieve Results?

Operating Context

As the country's national advisory agency on polar affairs, the Commission monitors, promotes and disseminates knowledge of the polar regions.

Key Initiatives

- ▶ Following regional workshops and an international conference, the Commission recommended that the federal government establish a new national northern contaminants program to safeguard the environment of the North and the health of Northern peoples. Research and monitoring should be based on the need to maintain high standards of health in northern communities and should, through direct participation and communication, enable Northerners to exercise cultural and lifestyle choices in their own best interests.
- ▶ In consultation with Canada's polar research community, governments, industry and northern Aboriginal organizations, the Commission has published the directive *Toward a Policy for Canadian Polar Science and Technology* and has actively pressed to have a strategy put in place that will address the outlined issues.

What Factors May Affect Expected Results?

Government acceptance of the recommendations as put forward by the Commission.

Results of numerous research programs taking place in the Arctic Environmental Strategy and Arctic Monitoring and Assessment Programmes.

Extent that health risk is affected by transboundary pollution and industrial contaminants in the northern food chain.



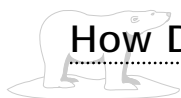
What Are the Expected Results?

Key Deliverables 1997-1998

- ▶ Production of data base on polar research.
- ▶ Develop support for Commission initiatives.
- ▶ Annotated bibliography on traditional knowledge.
- ▶ Enhancement of on-line communications.
- ▶ Creation of higher profile of polar science among general public.

Other Results Expected Throughout Planning Period 1997-2000

- ▶ Establishment of partnerships on conferences and workshops with Northern and Aboriginal organizations.
- ▶ Attainment of full membership of Canada within the Scientific Committee for Antarctic Research.
- ▶ Improved coordination of federal science and technology initiatives.
- ▶ Publication of Polaris Papers, Newsletters and conference proceedings.
- ▶ Creation of additional northern offices in the new Nunavut Territory and Yukon.



How Do Results Contribute to Department's Objectives?

Under the *DIAND Act*, the department is responsible for fostering science and technology in the North. The CPC is the lead agency in this area, and its policy recommendations will reinforce the department's objectives. Internationally, CPC strengthens Canada's profile as one of the circumpolar nations and increases public awareness of the importance of polar science.

How Much Will it Cost?				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99	1999-00
Canadian Polar Commission	1.0	0.9	0.9	0.9

¹ Reflects changes included in the In-Year Update.

Section III

Supplementary Information

1.0 SPENDING AUTHORITIES

Financial Summary by Vote Appropriation – Ministry Summary			
Vote (millions of dollars)	1997-98 Main Estimates	1996-97 Main Estimates	
Indian Affairs and Northern Development			
Department			
<i>Administration Program</i>			
1	Program expenditures	59.5	59.4
(S)	Minister of Indian Affairs and Northern Development Salary and motor car allowance	–	–
(S)	Contributions to employee benefit plans	5.6	4.7
	<i>Total Program</i>	65.1	64.2
<i>Indian and Inuit Affairs Program</i>			
5	Operating expenditures	195.7	167.5
10	Capital expenditures	5.0	3.5
15	Grants and contributions	3,696.9	3,661.8
(S)	Grassy Narrows and Islington Bands Mercury Disability Board	–	–
(S)	Liabilities in respect of loan guarantees made to Indians for Housing and Economic Development	2.0	2.0
(S)	Indian Annuities	1.4	1.4
(S)	Grant to Inuvialuit Regional Corporation under the <i>Western Arctic (Inuvialuit) Claims Settlement Act</i>	32.0	20.0
(S)	Grants to Aboriginal organizations designated to receive claim settlement payments pursuant to Comprehensive Land Claim Settlement Acts	119.9	117.9
(S)	Contributions to employee benefit plans	15.4	12.9
	Total budgetary	4,068.3	3,987.1
L20	Loans to native claimants	21.9	22.8
L25	Loans to Yukon Elders	0.5	0.8
L30	Loans to First Nations in British Columbia for the purpose of supporting their participation in the British Columbia Treaty Commission process	24.2	15.4
	Total non-budgetary	46.5	39.0
	<i>Total Program</i>	4,114.8	4,026.1

Financial Summary by Vote Appropriation (*continued*)

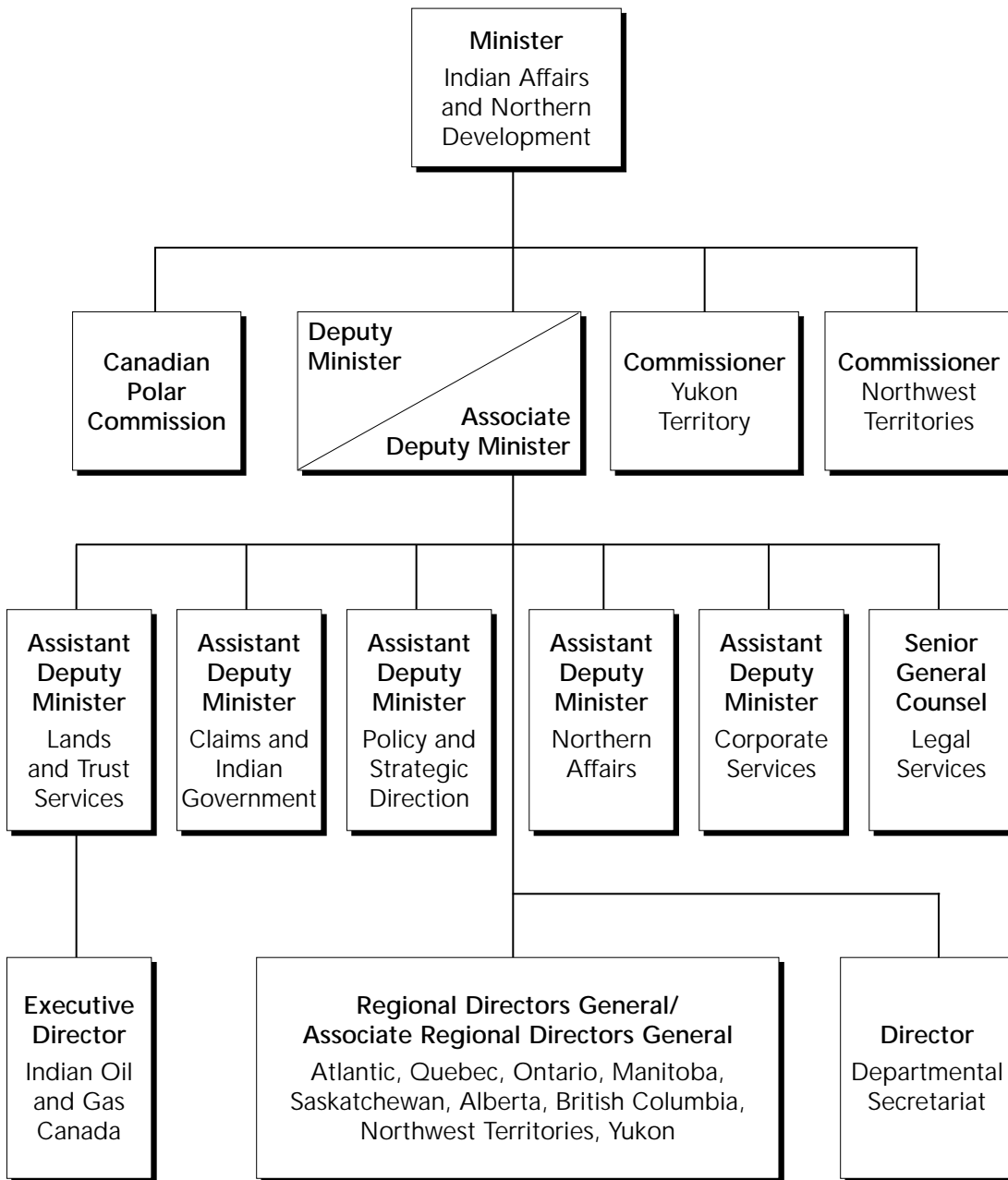
Vote (millions of dollars)	1997-98 Main Estimates	1996-97 Main Estimates
<i>Northern Affairs Program</i>		
35 Operating expenditures	71.0	67.3
40 Grants and contributions	80.3	51.2
45 Payments to Canada Post Corporation	15.6	13.1
(S) Payments to comprehensive claim beneficiaries in compensation for resource royalties	1.4	1.4
(S) Contributions to employee benefit plans	5.4	4.8
Total Program	<u>173.7</u>	<u>137.9</u>
Total Department	4,353.7	4,228.2
<i>Subsequent Adjustments</i>	<i>75.6</i>	<i>51.7¹</i>
Total Planned Spending	4,429.3	4,279.9
Canadian Polar Commission		
50 Program expenditures	0.9	0.9
(S) Contributions to employee benefit plans	0.1	0.1
Total Agency	0.9	1.0
<i>Subsequent Adjustments</i>	<i>–</i>	<i>–¹</i>
Total Planned Spending	0.9	1.0

¹ Reflects changes in the In-Year Update.

Figures may not add due to rounding.

2.0 ORGANIZATION

2.1 ORGANIZATION CHART



2.2 RESOURCE REQUIREMENTS BY SECTOR AND BUSINESS LINE

1997-98 Resource Requirements by Sector and Business Line					
(millions of dollars)	Business Lines				Total
	Claims	Indian and Inuit Programming	Northern Affairs	Administration	
Sectors					
Claims and Indian Government	413.8	38.9	9.4	–	462.1
Policy and Strategic Direction	–	3,613.1	1.4	15.1	3,629.6
Lands and Trust Services	–	91.7	–	–	91.7
Northern Affairs	–	–	167.5	–	167.5
Corporate Services	–	27.9	0.4	50.0	78.3
Total	413.8	3,771.6	178.7	65.1	4,429.3

Figures may not add due to rounding.

3.0 CAPITAL PROJECTS

3.1 CAPITAL EXPENDITURES BY BUSINESS LINE

Capital Expenditures by Business Line				
(millions of dollars)	Planned Expenditures			
	1996-97	1997-98	1998-99	1999-00
Business Lines				
Claims	–	–	–	–
Indian and Inuit Programming	529.0	543.2	528.3	516.3
Northern Affairs	1.0	1.0	1.0	1.0
Administration	0.2	0.2	0.2	0.2
Total	530.2	544.4	529.5	517.5

3.2 LIST OF MAJOR CAPITAL PROJECTS BY BUSINESS LINE

Major Project Funding Details				
(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Indian and Inuit Programming				
Infrastructure				
<i>Atlantic</i>				
Miawpukek Band On reserve Roads (S-DA)	3.0	1.5	1.5	0.0
Davis Inlet Relocation (I-PPA)	82.1	0.8	10.4	71.0
<i>Quebec</i>				
Wemotaci Construction of water treatment facilities (I-DA)	2.4	0.9	1.5	0.0
Kitigan Zibi Development and/or restoration of infrastructures (S-DA)	1.2	0.5	0.2	0.5
Wendake Development and/or restoration of infrastructures (S-DA)	1.2	0.9	0.3	0.0
Matimekosh Water and sewer network (S-DA)	2.9	1.7	1.0	0.2
Kahnawake Restoration of water/sewer and roads networks (S-DA)	3.6	2.8	0.7	0.0
Uashat-Maliotenam Development and/or restoration of infrastructures (S-DA)	1.7	0.7	0.3	0.7
Betsiamites Development and/or restoration of infrastructures (S-DA)	3.4	1.4	0.7	1.4
Kahnawake Development and/or restoration of infrastructures (S-DA)	6.2	5.0	1.3	0.0
Mashteuiatsh Development and/or restoration of infrastructures (S-DA)	3.0	1.8	0.6	0.6
<i>Ontario</i>				
Bearskin Lake Electrical Upgrade #4 (I-DA)	2.0	0.0	0.0	2.0
Big Trout Lake Servicing Phase 4 (I-DA)	4.0	0.3	1.0	2.8
Cat Lake Electrical Upgrade #3 (I-DA)	1.3	0.0	0.0	1.3
Deer Lake Core Servicing (I-DA)	6.3	0.0	0.8	5.5
Deer Lake Electrical Upgrade #3 (I-DA)	1.0	0.0	0.4	0.6

Major Project Funding Details (*continued*)

(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Infrastructure <i>continued</i>				
Fort Severn Electrical Upgrade #3 (S-DA)	1.1	0.4	0.7	0.0
Kasabonika Electrical Upgrade #4 (I-DA)	1.5	0.0	0.0	1.5
Kingfisher Lake Electrical Upgrade #2 (S-DA)	1.1	0.0	0.4	0.7
Lac Seul Frenchman's Head Water (I-DA)	4.2	0.2	1.0	3.0
Mishkeegogamang (Osnaburgh) Servicing (I-DA)	5.9	0.4	1.0	4.5
Muskrat Dam Servicing (S-DA)	5.7	5.3	0.4	0.0
North Caribou Servicing (I-DA)	8.0	0.4	1.0	6.6
North Caribou Electrical Upgrade #2 (I-DA)	1.7	0.0	0.7	1.0
North Spirit Lake Servicing (I-DA)	5.9	0.4	1.0	4.5
Pikangikum Electrical Upgrade #3 (I-DA)	1.5	0.0	1.5	0.0
Pikangikum Servicing Phase 2 (I-DA)	9.1	2.0	6.6	0.5
Poplar Hill Servicing (I-DA)	6.4	0.2	0.2	6.0
Poplar Hill Electrical Generation (I-DA)	1.7	1.0	0.7	0.0
Sachigo Lake Servicing Phase 1 (S-DA)	8.0	7.7	0.3	0.0
Sandy Lake Servicing Phase 3 (S-DA)	7.0	6.0	1.0	0.0
Wapekeka Lake Servicing Phase 1 (I-DA)	8.3	0.4	0.0	8.0
Akwesasne Major Roads No.1 (I-DA)	1.2	0.0	0.0	1.2
Akwesasne – St. Regis Water Treatment Plant (I-DA)	8.2	6.0	2.2	0.0
Beausoleil Infrastructure Servicing (I-DA)	4.2	0.2	1.5	2.5
Onyota'a:ka (Oneida) Servicing (I-DA)	1.5	0.0	0.1	1.4

Major Project Funding Details (*continued*)

(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Infrastructure <i>continued</i>				
Saugeen Servicing (I-DA)	3.0	0.2	2.8	0.0
Six Nations Road 232 and Others (I-DA)	1.2	0.1	0.0	1.2
Six Nations Roads 233, 234 and 235 (I-DA)	1.3	0.0	0.1	1.2
Tyendingaga Servicing (I-DA)	3.2	2.2	1.0	0.0
Wasauksing (Parry Island) Bridge (I-DA)	2.1	0.0	0.1	2.0
Attawapiskat Electrification Upgrade #3 (I-DA)	1.5	0.0	0.0	1.5
Attawapiskat Water and Sewer Phase 2 (I-DA)	6.3	0.3	0.0	6.0
Fort Albany Water and Sewer Phase 2 (S-DA)	8.5	7.9	0.6	0.0
Fort Albany Water Treatment Plant (I-DA)	3.1	0.9	2.1	0.0
Kashechewan Water and Sewage Servicing Phase 2 (S-DA)	5.7	2.6	3.1	0.0
Kashechewan Oil Spill Remediation (S-DA)	1.2	0.9	0.2	0.1
Magnetewan Subdivision Servicing (I-DA)	2.2	0.2	1.9	0.0
Moose Cree Servicing Phase 2 (I-DA)	4.0	0.2	0.0	3.8
Sagamok Infrastructure Phase 2 (I-DA)	2.0	0.0	0.0	2.0
Temagami Water and Sewage (I-DA)	3.4	0.2	3.2	0.0
Wiwemikong Servicing Phase 2 (I-DA)	4.2	0.0	0.3	3.9
Big Grassy Water Servicing (I-DA)	3.0	0.2	0.0	2.8
Constance Lake Servicing Phase 3 (I-DA)	2.1	0.1	0.0	2.0
Eagle Lake Servicing (I-DA)	3.7	0.2	0.0	3.5
Marten Falls Electrical Upgrade #3 (I-DA)	2.3	1.6	0.7	0.0

Major Project Funding Details (continued)				
(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Infrastructure <i>continued</i>				
Marten Falls Servicing (S-DA)	9.1	5.8	3.3	0.0
Nibinamik Servicing (S-DA)	9.1	5.4	3.7	0.0
Pays Plat Water Servicing (I-DA)	2.5	0.2	2.4	0.0
Seine River Servicing (S-DA)	7.2	7.2	0.1	0.0
Manitoba				
Berens River Water and Sewer (S-TB)	12.2	5.2	7.0	0.0
Garden Hill Water and Sewer (I-TB)	19.7	2.6	0.0	17.1
God's Lake Water and Sewer (I-TB)	16.1	0.0	3.0	13.1
God's River Water and Sewer (I-TB)	10.4	1.3	2.5	6.6
Little Black River Roads (S-DA)	1.2	0.6	0.6	0.0
North Central Electrification (EPA)	87.4	47.7	10.8	28.9
Northlands Water and Sewer (S-DA)	8.7	4.2	0.0	4.5
Oxford House Sewer Treatment Plant (I-DA)	3.7	2.7	1.0	0.0
Poplar River Water and Sewer (I-TB)	10.5	3.8	6.7	0.0
Red Sucker Lake Water and Sewer (I-TB)	16.3	2.6	2.0	11.7
Sandy Bay Water and Sewer (I-DA)	7.1	6.7	0.4	0.0
Sayisi Dene Water and Sewer (I-DA)	7.2	2.5	1.3	3.4
St. Theresa Point Water and Sewer (I-TB)	35.0	3.0	0.0	32.0
Wasagamack Airstrip (I-TB)	10.2	0.3	3.0	6.9
Wasagamack Sewer Treatment Plant (S-DA)	4.2	1.3	0.0	2.9

Major Project Funding Details (*continued*)

(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Infrastructure <i>continued</i>				
Mathias Colomb Water and Sewer (S-TB)	12.3	5.0	7.4	0.0
Shamattawa Sewage Treatment Plant (I-DA)	7.2	1.9	0.0	5.3
Wasagamack Water Treatment Plant (I-DA)	2.5	2.0	0.5	0.0
Saskatchewan				
Onion Lake River Water Supply (I-DA)	2.1	0.1	2.0	0.0
Poundmaker Core Area Development (I-DA)	1.6	0.1	0.8	0.7
Black Lake Subdivision (I-DA)	1.7	0.2	1.5	0.0
Fond du Lac Sewage Plant Upgrade (I-DA)	1.2	0.2	1.0	0.0
Fond du Lac Subdivision (I-DA)	1.7	0.0	0.2	1.5
Hatchet Lake Subdivision (I-DA)	1.6	0.1	1.5	0.0
James Smith Stage 3 Subdivision (I-DA)	1.5	0.0	0.7	0.8
Lac La Ronge Bell's Point Subdivision (S-DA)	6.6	2.6	0.0	4.0
Lac La Ronge Big Stone Subdivision (I-DA)	1.8	0.8	1.0	0.0
Lac La Ronge Stanley Mission Subdivision (I-DA)	3.5	1.6	0.0	1.9
Peter Ballantyne Deschambault Subdivision (I-DA)	3.6	0.0	3.6	0.0
Peter Ballantyne Pelican Narrows Sewage (I-DA)	3.5	0.5	3.0	0.0
Peter Ballantyne Southend Subdivision (I-DA)	3.0	0.1	1.3	1.6
Wahpeton Water and Sewer (I-DA)	1.7	0.2	0.0	1.4

Major Project Funding Details (continued)				
(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Infrastructure <i>continued</i>				
Beardy's Okemasis Subdivision (I-DA)	1.3	0.6	0.0	0.7
Gordon Cluster Servicing (I-DA)	1.1	0.1	0.0	1.1
Lac La Ronge Grandmother's Bay Water and Sewer II (I-DA)	3.3	2.5	0.9	0.0
Alberta				
Blood Irrigation (S-DA)	8.1	6.1	2.0	0.0
Montana Water and Sewer Phase 2 (S-DA)	1.2	0.7	0.5	0.0
Chipewyan Prairie Water (I-DA)	1.5	1.1	0.4	0.0
British Columbia				
Kamloops Water Treatment Plant (I-DA)	8.6	3.7	3.0	2.0
Gitsegukla Water Treatment Plant (I-DA)	4.1	0.2	2.7	1.2
Lax-Kw'alaams Water Treatment Plant (I-DA)	5.0	2.5	2.5	0.0
Sliammon Water Treatment Plant (I-DA)	2.2	0.7	1.6	0.0
Ahousaht Water Treatment Plant (I-DA)	3.5	0.5	1.4	1.6
Kitkatla Water Treatment Plant (I-DA)	3.1	1.7	1.4	0.0
Kyuquot Water Treatment Plant (I-DA)	1.7	0.3	1.4	0.0
Nimpkish Subdivision Development (I-DA)	1.5	0.1	1.4	0.0
Spallumcheen Canyon Ridge Subdivision Stage 1 (I-DA)	1.5	0.2	1.3	0.0
Tla-O-Qui-Aht Water Treatment Plant (I-DA)	1.6	0.4	1.2	0.0
Hesquiaht Water Treatment Plant (I-DA)	1.3	0.3	1.0	0.0
Skidegate Subdivision (I-DA)	2.1	0.4	0.9	0.9

Major Project Funding Details (*continued*)

(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Infrastructure <i>continued</i>				
Lax-Kw'alaams 21 Lot Subdivision Roads and Services (S-DA)	1.5	0.2	0.8	0.5
Glen Vowell Water Treatment (I-DA)	1.1	0.6	0.5	0.0
Tl'azt'en Water Treatment Plant (I-DA)	1.2	0.0	0.2	1.0
Gitanmaax Contribution to Hazelton Sewage Treatment Plant Replacement (S-DA)	1.2	0.1	0.0	1.1
Gitlakdamix Subdivision Development Area 2 – Indian Reserve No.1 (S-DA)	1.1	0.7	0.0	0.4
Sub-Total (Infrastructure)	675.1	208.2	154.4	312.4
Education Facilities				
<i>Atlantic</i>				
Chapel Island School (I-DA)	2.0	0.0	1.0	1.0
St. Mary's School (I-DA)	3.0	0.0	1.5	1.5
<i>Quebec</i>				
Wemotaci Construction of high school and expansion of elementary school (S-DA)	5.4	0.2	4.8	0.4
Betsiamites Restoration and expansion of school park (S-DA)	2.1	0.8	0.5	0.7
La Romaine Restoration and expansion of Olamen school (I-DA)	2.1	0.1	1.2	0.8
Pikogan Construction of gymnasium (I-DA)	1.0	0.1	0.9	0.0
Listuguj Construction of elementary school (S-DA)	4.4	2.9	1.5	0.0
<i>Ontario</i>				
Bearskin Lake School (I-DA)	6.9	0.4	0.0	6.6
Bearskin Lake Teacherages (I-DA)	1.0	0.0	0.0	1.0
Kingfisher Lake School (I-DA)	1.1	0.5	0.6	0.0

Major Project Funding Details (continued)				
(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Education Facilities <i>continued</i>				
Lac Seul School (I-DA)	3.2	0.2	0.1	2.9
Mishkeegogamang (Osnaburgh) School (I-DA)	6.5	0.4	0.0	6.1
Muskrat Dam School (I-DA)	3.1	0.8	2.3	0.0
Sachigo Lake School (I-DA)	7.0	0.0	0.0	7.0
Chippewas of the Thames School (I-DA)	5.2	3.0	2.2	0.0
Mississaugas of New Credit School (I-DA)	2.7	0.2	1.3	1.3
Attawapiskat School Remediation (I-DA)	1.3	1.2	0.0	0.0
Big Grassy School (I-DA)	4.5	0.0	0.4	4.1
Eagle Lake School (I-DA)	5.4	0.4	0.0	5.0
Lansdowne House School (I-DA)	5.0	0.3	1.5	3.2
Manitoba				
Garden Hill School Phase II (I-TB)	10.0	0.1	4.5	5.4
God's Lake School (I-DA)	3.0	0.0	0.0	3.0
God's River School (I-DA)	2.4	0.0	0.0	2.4
Lake St.Martin School (I-DA)	2.5	0.0	0.0	2.5
Pine Creek School (I-DA)	6.6	0.0	0.0	6.6
Chemawawin School (I-TB)	11.4	0.5	0.0	10.9
Cross Lake Middle School (EPA)	14.8	2.0	3.0	9.8
Dakota Tipi School (I-DA)	2.4	0.1	2.3	0.0
Mathias Colomb School (I-TB)	18.5	4.0	9.5	5.0
Oxford House School (S-TB)	13.7	10.4	3.3	0.0

Major Project Funding Details (continued)				
(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Education Facilities <i>continued</i>				
Peguis School Phase I (S-DA)	8.4	5.9	2.6	0.0
Peguis School Phase II (I-DA)	8.6	0.0	0.0	8.6
St. Theresa Point School (I-TB)	10.1	0.0	0.9	9.2
Saskatchewan				
Beardy's and Okemasis School (S-DA)	9.4	5.9	3.5	0.0
Big River School (I-DA)	5.0	2.6	2.4	0.0
Buffalo River School (I-DA)	6.1	0.7	5.4	0.0
Canoe Lake School (I-DA)	5.2	0.7	4.5	0.0
English River School (I-DA)	1.5	0.2	1.3	0.0
Fond du Lac School (I-DA)	4.8	0.3	0.0	4.5
Island Lake School (I-DA)	3.0	0.3	2.7	0.0
Peter Ballantyne Southend School (I-DA)	5.8	0.8	0.0	5.0
Clearwater School (S-DA)	8.5	5.5	3.0	0.0
Cote School (I-DA)	5.0	3.1	2.0	0.0
Gordon School (I-DA)	7.1	4.1	3.0	0.0
Lac La Ronge Stanley Mission High School (I-DA)	9.5	0.8	0.0	8.8
Cumberland House School (I-DA)	7.7	0.5	0.0	7.2
Joseph Bighead School (I-DA)	2.5	0.5	0.0	2.0
Kawacatoose School (I-DA)	5.0	0.0	0.0	5.0
Muskowekwan School (I-DA)	2.5	0.3	0.0	2.3

Major Project Funding Details (continued)				
(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Education Facilities <i>continued</i>				
One Arrow School (I-DA)	1.4	1.0	0.4	0.0
Peter Ballantyne Deschambault School (I-DA)	5.0	0.5	4.5	0.0
Piapot School (I-DA)	3.0	0.3	0.0	2.7
Red Earth School (I-DA)	6.5	0.6	0.0	5.9
Shoal Lake School (I-DA)	7.6	0.7	0.0	6.9
Red Pheasant School (I-DA)	1.1	0.1	0.0	1.0
Saulteaux School (I-DA)	1.4	0.4	0.0	1.0
Alberta				
Meander River School (S-DA)	4.3	2.3	1.9	0.0
Eden Valley School (S-DA)	4.3	0.3	2.0	2.0
Montana School (S-DA)	3.9	0.2	2.0	1.7
Bigstone School (S-DA)	5.1	0.4	3.1	1.6
Sunchild School (S-DA)	5.1	2.9	2.2	0.0
Samson School (10 - 12) (I-DA)	8.0	0.7	0.0	7.3
Pakan School (S-DA)	7.1	5.0	2.1	0.0
Siksika School (S-DA)	8.2	6.2	0.0	2.0
Kainai High School (I-DA)	7.0	0.6	2.5	3.9
British Columbia				
Kispiox School (I-DA)	6.6	0.5	3.6	2.6
Kitkatla Lach Klan Community School (I-DA)	5.2	2.4	2.8	0.0

Major Project Funding Details (continued)				
(millions of dollars)	Current Estimated Total Cost	Forecast Expenditures to March 31, 1997	Planned Expenditures 1997-98	Future Year Requirements
Education Facilities <i>continued</i>				
Kitasoo School Addition and Teacherages (I-DA)	4.1	1.7	2.4	0.0
Moricetown School Expansion (I-DA)	1.8	0.1	1.7	0.0
Takla Lake School (I-DA)	1.9	0.3	1.6	0.0
Ulkatcho School (I-DA)	1.7	0.2	1.5	0.0
Fort Ware School (I-DA)	2.7	0.3	1.5	0.9
Coldwater School (I-DA)	3.9	3.1	0.8	0.0
Sub-Total (Education Facilities)	380.5	91.0	110.4	179.1
Land Acquisition				
<i>Quebec</i>				
Kanesatake Land Unification (I-EPA)	18.9	10.6	8.3	0.0
Total Major Capital Projects	1,074.4	309.8	273.1	491.5
Other Capital Expenditures			270.1	
Total Capital Expenditures (Indian and Inuit Programming)			543.2	

Figures may not add due to rounding.

Definitions Applicable to Major Capital and Major Crown Projects

Government Projects – A departmental undertaking, which is not a regular program activity but involves the design and development of new programs, equipment, structures, or systems, and has above normal risk, is deemed to be a government project when:

- the estimated expenditure exceeds the project approval authority granted to the department by Treasury Board¹; or
- it is particularly high risk, regardless of estimated expenditure.

Substantive Estimate (S) – This estimate is one of sufficiently high quality and reliability so as to warrant Treasury Board approval as a Cost Objective for the project phase under consideration. It is based on detailed system and component design and taking into account all project objectives and deliverables.

Indicative Estimate (I) – This is a low quality, order of magnitude estimate that is not sufficiently accurate to warrant Treasury Board approval as a Cost Objective. It replaces the classes of estimates formerly referred to as Class C or D.

Preliminary Project Approval (PPA) – This is Treasury Board’s authority to initiate a project in terms of its intended operational requirement, including approval of the objectives of the project definition phase and any associated expenditures. Sponsoring departments submit for PPA when the project’s complete scope has been examined and costed, normally to the indicative level, and when the cost of the project definition phase has been estimated to the substantive level.

Effective Project Approval (EPA) – This is Treasury Board’s approval of the objectives (project baseline), including the Cost Objective, of the project implementation phase and provides the necessary authority to proceed with implementation. Sponsoring departments submit for EPA when the scope of the overall project has been defined and when the estimates have been refined to the substantive level.

Departmental Approval (DA) – Treasury Board approval is not required.

Treasury Board Approval (TB) – Treasury Board approval is required.

¹ When a high-risk government project exceeds \$100 million in estimated expenditure, it is deemed to be a Major Crown Project.

4.0 ADDITIONAL FINANCIAL DETAILS

4.1 GROSS AND NET DEPARTMENTAL EXPENDITURES BY BUSINESS LINE

Gross and Net Departmental Expenditures by Business Line				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99	1999-00
Gross Expenditures				
Claims	414.8	413.8	353.7	354.6
Indian and Inuit Programming	3,634.6	3,771.6	3,787.9	3,821.0
Northern Affairs	164.9	178.7	171.9	149.4
Administration	65.6	65.1	65.1	65.1
Total Gross Expenditures	4,279.9	4,429.3	4,378.6	4,390.3
Less: Revenue credited to the Consolidated Revenue Fund				
Claims	13.9	16.6	16.6	16.6
Indian and Inuit Programming	14.4	14.0	14.0	14.0
Northern Affairs	46.3	54.1	54.1	52.1
Administration	0.1	0.2	0.2	0.2
Total Revenue credited to the Consolidated Revenue Fund	74.6	84.8	84.8	82.8
Net Expenditures				
Claims	400.9	397.2	337.1	338.0
Indian and Inuit Programming	3,620.2	3,757.6	3,773.9	3,807.0
Northern Affairs	118.6	124.6	117.8	97.4
Administration	65.6	65.0	65.0	65.0
Total Net Expenditures	4,205.3	4,344.4	4,293.7	4,307.5
Cost of Services Provided by Other Departments	28.8	29.5	29.5	29.5
Total Net Cost	4,234.1	4,373.9	4,323.2	4,337.0

¹ Reflects changes included in the In-Year Update.

Figures may not add due to rounding

4.1.1 DETAILS OF REVENUES BY BUSINESS LINE

Details of Revenues by Business Line				
(millions of dollars)	Planned Expenditures			
	1996-97	1997-98	1998-99	1999-00
Claims				
Return on investments:				
▶ Native Claimants	4.9	7.1	7.1	7.1
Other non-tax revenue	8.9	9.5	9.5	9.5
Sub-total (Claims)	13.9	16.6	16.6	16.6
Indian and Inuit Programming				
Goods and services tax	0.3	0.3	0.3	0.3
Return on investments:				
▶ Indian economic development fund	1.2	0.9	0.9	0.9
Recovery from guaranteed loans	1.1	0.4	0.4	0.4
Refunds of previous years' expenditures	6.2	5.0	5.0	5.0
Adjustment of Prior Year's Payables at Year End	4.8	6.0	6.0	6.0
Privileges, licences and permits	0.3	0.2	0.2	0.2
Services and service fees	-	-	-	-
Proceeds from:				
▶ Sales	0.4	0.5	0.5	0.5
▶ Disposal of surplus Crown Assets	0.1	0.1	0.1	0.1
Other non-tax revenue	0.1	0.6	0.6	0.6
Sub-total (Indian and Inuit Programming)	14.4	14.0	14.0	14.0
Northern Affairs				
Goods and Services Tax	-	-	-	-
Return on investments:				
▶ Norman Wells Project profits	30.2	30.3	30.3	30.3
▶ Other	2.0	2.8	2.8	2.8
Refunds of previous years' expenditures	-	2.0	2.0	2.0
Adjustments of Prior Year's Payables at Year End	-	0.1	0.1	0.1
Canada mining	6.8	5.0	5.9	5.3
Yukon quartz mining	0.9	2.0	2.0	1.8
Placer mining fees	0.3	0.2	0.2	0.2
Quarrying royalties	0.2	0.6	0.6	0.2

Details of Revenues by Business Line <i>(continued)</i>				
(millions of dollars)	Planned Expenditures			
	1996-97	1997-98	1998-99	1999-00
Northern Affairs <i>(continued)</i>				
Coal leases	–	–	–	–
Metallic and non-metallic	–	–	–	–
Oil and gas royalties	4.6	6.8	5.8	5.3
Forestry	–	3.0	3.0	3.0
Land, building and machinery rentals	0.4	0.5	0.5	0.3
Land use fees	0.1	0.1	0.1	0.1
Other fees, rentals, licences	0.1	–	–	–
Living accommodation and services	0.5	0.4	0.4	0.4
Proceeds from:				
▶ Sales	0.2	0.2	0.2	0.2
▶ Disposal of surplus Crown Assets	–	–	–	–
Other non-tax revenues	–	–	–	–
Sub-total (Northern Affairs)	46.3	54.1	54.1	52.1
Administration				
Refunds of previous years' expenditures	0.1	0.1	0.1	0.1
Adjustments of Prior Year's Payables at Year End	–	0.1	0.1	0.1
Living accommodation and services	–	–	–	–
Service and service fees	–	–	–	–
Proceeds from disposal of surplus Crown assets	–	–	–	–
Other non-tax revenues	–	–	–	–
Sub-total (Administration)	0.1	0.2	0.2	0.2
Total Revenues	74.6	84.8	84.8	82.8

Figures may not add due to rounding

4.2 TRANSFER PAYMENTS BY BUSINESS LINE

Transfer Payments by Business Line				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98 ²	1998-99	1999-00
Grants				
Claims	280.7	277.4	232.4	231.8
Indian and Inuit Programming	178.2	234.2	234.5	235.2
Northern Affairs	0.8	0.7	0.7	0.7
Administration	–	–	–	–
Total Grants	459.6	512.3	467.7	467.7
Contributions				
Claims	48.9	46.3	33.9	33.3
Indian and Inuit Programming	3,301.9	3,362.9	3,378.8	3,411.2
Northern Affairs	68.0	79.5	85.0	62.7
Administration	0.5	0.5	0.5	0.5
Total Contributions	3,419.2	3,489.2	3,498.1	3,507.7
Total Grants and Contributions	3,878.9	4,001.5	3,965.8	3,975.4

¹ Reflects changes included in the In-Year Update.

² Reflects \$3,930.9 million in Main Estimates (additional details are available in Part II of the Estimates) plus \$70.6 million for initiatives not included in Main Estimates.

Figures may not add due to rounding.

4.3 PRESENTATION BY STANDARD OBJECT

Presentation by Standard Object				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99	1999-00
Personnel				
Salaries and Wages	155.2	155.2		
Contributions to Employee Benefit Plans	22.5	26.4		
	177.7	181.6	182.0	182.3
Goods and Services				
Transportation and Communication	45.0	48.6		
Information	2.9	9.3		
Professional and Special Services	75.4	81.4		
Rentals	10.3	10.8		
Repair and Upkeep	8.2	11.5		
Utilities, Materials and Supplies	11.7	13.3		
Other Subsidies and Payments	19.6	16.7		
	173.0	191.6	181.4	183.3
Capital	6.5	8.0	8.0	8.0
Transfer Payments				
Voted	3,739.5	3,848.2		
Statutory	139.3	153.3		
	3,878.9	4,001.5	3,965.8	3,975.4
Gross Budgetary Expenditures	4,236.1	4,382.7	4,337.2	4,349.0
Non-budgetary (loans, investments and advances)	43.8	46.5	41.3	41.3
Total	4,279.9	4,429.3	4,378.6	4,390.3

¹ Reflects changes included in the In-Year Update.

Figures may not add due to rounding.

4.4 SUMMARY OF LOANS

Summary of Loans				
(millions of dollars)	Planned Expenditures			
	1996-97 ¹	1997-98	1998-99	1999-00
Claims				
Loans to native claimants in accordance with terms and conditions approved by the Governor in Council for the purpose of defraying costs related to research, development and negotiation of claims	22.8	21.9	18.9	18.9
Loans to the Council of Yukon Indians for interim benefits to the Yukon Elders	0.8	0.5	–	–
Loans to First Nations in British Columbia for the purpose of supporting First Nations' participation in the British Columbia Treaty Commission process	20.2	24.2	22.4	22.4
Total	43.8	46.5	41.3	41.3

¹ Reflects changes included in the In-Year Update.

Figures may not add due to rounding.

4.5 CONTINGENT LIABILITIES

Contingent Liabilities	
List of Contingent Liabilities	Current Amount of Contingent Liability (millions of dollars)
Loans	
On reserve Housing	
▶ CMHC and other approved lenders	966.4
▶ Farm Credit Corporation	0.2
Indian Economic Development Guarantee Fund	2.1
Yukon Energy Corporation	0.3
Claims and Pending and Threatened Litigation	
Litigations	4,953.5
Non-litigations	645.7
Comprehensive Native Land Claims	622.8
Total	7,191.0
Sick Leave	
<p>Employees are permitted to accumulate unused sick leave. However, such leave entitlements do not vest and can be used only in the event of illness. The amount of accumulated sick leave entitlements which will become payable in future years cannot reasonably be determined and accordingly have not been recorded in the information provided. Payments of sick leave benefits are included in current operations as incurred.</p>	

5.0 STATUTES ADMINISTERED BY THE PORTFOLIO

1. *Alberta Natural Resources Act*
2. *Arctic Waters Pollution Prevention Act*
3. *British Columbia Indian Cut-Off Lands Settlement Act*
4. *British Columbia Indian Lands Settlement Act*
5. *British Columbia Indian Reserves Mineral Resources Act*
6. *British Columbia Treaty Commission Act*
7. *Canada Lands Surveys Act*
8. *Canada Oil and Gas Operations Act*
9. *Canada Petroleum Resources Act*
10. *Canadian Polar Commission Act*
11. *An Act respecting the Caughnawaga Indian Reserve and to amend the Indian Act*
12. *Condominium Ordinance Validation Act*
13. *Cree-Naskapi (of Quebec) Act*
14. *Department of Indian Affairs and Northern Development Act*
15. *Dominion Water Power Act*
16. *Fort Nelson Indian Reserve Minerals Revenue Sharing Act*
17. *Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement Act*
18. *Gwich'in Land Claim Settlement Act*
19. *Indian Act*
20. *Indian Lands Agreement (1986) Act*
21. *Indian Oil and Gas Act*
22. *Indian (Soldier Settlement) Act*
23. *James Bay and Northern Quebec Native Claims Settlement Act*
24. *Land Titles Repeal Act*
25. *Manitoba Natural Resources Act*
26. *Manitoba Supplementary Provisions Act*
27. *Natural Resources Transfer (School Lands) Amendment Act, 1961*
28. *An Act to confirm an Agreement between the Government of Canada and the Government of the Province of New Brunswick respecting Indian Reserves*
29. *An Act to amend the National Parks Act and to establish a National Park in the Province of Newfoundland*
30. *Northern Canada Power Commission (Share Issuance and Sale Authorization) Act*
31. *Northern Canada Power Commission Yukon Assets Disposal Authorization Act*
32. *Northwest Territories Act*
33. *Northwest Territories Waters Act*
34. *An Act to confirm an Agreement between the Government of Canada and the Government of the Province of Nova Scotia respecting Indian Reserves*
35. *Nunavut Act*
36. *Nunavut Land Claims Agreement Act*
37. *Pictou Landing Indian Band Agreement Act*
38. *Railway Belt Act*
39. *Railway Belt and Peace River Block Act*
40. *Railway Belt Water Act*
41. *St. Peters Reserve Act*
42. *St. Regis Islands Act*
43. *Sahtu Dene and Métis Land Claim Settlement Act*
44. *Saskatchewan Natural Resources Act*
45. *Saskatchewan Treaty Land Entitlement Act*
46. *Sechelt Indian Band Self-Government Act*
47. *An Act for the Settlement of certain questions between the Governments of Canada and Ontario respecting Indian Reserve Lands*
48. *An Act respecting the Songhees Indian Reserve*
49. *Split Lake Cree First Nation Flooded Land Act*
50. *Territorial Lands Act*
51. *Waterton Glacier International Peace Park*
52. *Western Arctic (Inuvialuit) Claims Settlement Act*
53. *Yukon Act*
54. *Yukon First Nations Land Claims Settlement Act*
55. *Yukon First Nations Self-Government Act*
56. *Yukon Placer Mining Act*
57. *Yukon Quartz Mining Act*
58. *An Act to amend the Yukon Quartz Mining Act and the Yukon Placer Mining Act*
59. *Yukon Surface Rights Board Act*
60. *Yukon Waters Act*

6.0 HISTORICAL OVERVIEW – INDIAN AND NORTHERN AFFAIRS

A Liberal government will be committed to building a new partnership with Aboriginal peoples that is based on trust, mutual respect, and participation in the decision-making process.

– *Creating Opportunity: The Liberal Plan for Canada (1993)*

Canada's Aboriginal Peoples

Aboriginal peoples have occupied the territory we now call Canada for the past 40,000 years. A wide variety of autonomous peoples ranged the land as hunters and gatherers until, in the eighteenth and nineteenth centuries, contact with Europeans changed their way of life forever.

In the mid-eighteenth century, European governments began to make formal recognition of their responsibilities toward Aboriginal peoples. The two sides signed a series of treaties by which Aboriginal groups ceded parts of their territories to the Crown in return for reserve lands and other benefits.

During the nineteenth and early twentieth centuries, governments also pursued a series of strategies intended to assimilate Aboriginal peoples into non-Aboriginal society. These policies often had the reverse effect and merely worsened the situation, contributing to political, economic, and cultural decline in Aboriginal society.

Canada has recognized that assimilation is neither just nor workable. The last few decades have seen a shift in position on the part of the Canadian government and Canadian society as a whole, recognizing that Aboriginal peoples have both the right and ability to determine their own future within Canada and that they should manage and deliver their own programs and services. This government's official recognition of the inherent right to self-government is a milestone in history.

The Colonial Heritage

In the early seventeenth century, France and Britain (international rivals), recruited Indian allies in their struggle for North America. In the *Royal Proclamation of 1763*, Britain laid down its basis for subsequent negotiations. The proclamation set the policy and procedure for the Crown's acquisition of First Nations' interest in the land and its resources.

The several Nations of Indians, with whom We are connected, and who live under Our protection, should not be molested or disturbed in the Possession of such Parts of Our Dominions and Territories as, not having been ceded to, or purchased by Us, are reserved to them, or any of them, as their Hunting Grounds. – *The Royal Proclamation of 1763*

By the late 1830s, this interest had been acquired by the Crown in most of Upper Canada south of the Canadian Shield, and the colony was open to European settlement. In Quebec and the Maritime provinces, First Nations' interest in lands and resources was never acquired by treaty, although reserves for them were set aside on land not acquired by European settlers.

In 1830, the Secretary of State for the Colonies, Sir George Murray, announced a new policy that shifted the emphasis from maintaining the support of First Nations to “civilizing” them by teaching the values and occupational skills of European society. The government established a reserve land system to give First Nations protected areas where they could live, be educated and taught to farm.

Confederation and After

The essential elements of colonial Indian policy carried over into the new political structures created by Confederation. Under Section 91 (24) of the *British North America Act*, the federal government was given jurisdiction for all matters involving “Indians, and Lands reserved for the Indians.” Aboriginal peoples were to be protected from non-Aboriginal society, but with the ultimate aim of assimilating them into the majority culture.

The treaty and reserve systems, first developed in Central Canada, were extended westward after Confederation when Canada acquired Rupert’s Land and the North West Territory from the Hudson’s Bay Company. Between 1871 and 1877, the Plains Indians and the Crown signed seven treaties, covering most of the present-day Prairie provinces and setting up reserves. When British Columbia joined Canada in 1871, Aboriginal interests in most of its territory were not addressed. Aboriginal land rights throughout most of British Columbia have never been dealt with in treaties.

Parliament passed the first consolidated *Indian Act* in 1876. This legislation had a profound effect on all aspects of life on reserve, leaving First Nations with little or no control over the most basic decisions affecting their daily life.

Addressing the Problems

In the 1940s, First Nations people began to organize nationally. The federal government began to recognize that existing policies and programs needed to be revised. Parliament passed a completely revised version of the *Indian Act* in 1951. The new Act’s guiding principle was the eventual assimilation of Aboriginal people into Canadian society.

Improving social and economic conditions became a priority. By the mid-1960s, although very serious problems remained, especially in children’s services, there were signs of some improvement. Health services were better, and more First Nations children had access to schools, including secondary and post-secondary education. Residential schooling was phased out. By the end of the decade, First Nations people had obtained the same political and legal rights as non-Aboriginal Canadians, and an Aboriginal economy was beginning to develop.

A new era of Aboriginal activism began in the late 1960s. Organizations such as the National Indian Brotherhood (now the Assembly of First Nations) argued for full recognition of Aboriginal rights and for renegotiation of the treaties. The government, in turn, began to look for ways to work with First Nations in order to find solutions to historic grievances and current problems.

Land Claims

In 1973, the Nisga'a First Nation of British Columbia asked the Supreme Court of Canada to rule on their Aboriginal title to the Nass River Valley (the Calder case). Although the Nisga'a lost their case, the court's views on Aboriginal title convinced the federal government to undertake negotiations as a matter of policy. In August 1973, the federal government announced its new policies, structures, and mechanisms for specific and comprehensive claims, with the objective of resolving outstanding grievances, and providing certainty with respect to Aboriginal rights and title to land.

Social and Economic Progress

Aboriginal communities have made considerable progress in social and economic development. In 1973, following a proposal by the National Indian Brotherhood, the federal government adopted a new policy of giving First Nations' communities responsibility for their children's education. Special programs have helped to build a modern educational system, incorporating First Nations language, culture, traditions and spirituality.

An Indian Economic Development Fund was established in the 1970s, and investments were made in a wide variety of businesses – motels, tourist resorts, craft industries, grain farming, and canoe manufacturing. Several of these enterprises are devoted to preserving Aboriginal language, culture, and traditional life. A Canadian Aboriginal Economic Development Strategy was launched in 1989 to help Aboriginal communities and individuals to manage business enterprises and economic institutions, and to assist with job training and skills development.

Self-Government

First Nations have always considered themselves to be self-governing. The federal government has now recognized their inherent right of self-government and has made this right the cornerstone of its Aboriginal policy.

Canada already has working models for Aboriginal self-government. The Cree and Naskapi First Nations of northern Quebec were the first Aboriginal groups to negotiate self-government as part of their land claim agreements in 1975 and 1978 respectively. These arrangements were implemented by the *Cree-Naskapi (of Quebec) Act* of 1984. In 1986, the Sechelt Band of British Columbia negotiated a community-based self-government arrangement. Four Yukon First Nations have also negotiated self-government agreements with the federal and territorial governments, implemented through legislation proclaimed in 1995. More Aboriginal communities can be expected to reach self-government agreements in the future, to further their own well-being, benefiting all Canadians.

Northern Affairs

Canada's North continues to be the primary responsibility of the Department of Indian Affairs and Northern Development, although the territorial governments are gradually taking over the department's provincial-type activities. The area north of the 60th parallel is immense, covering some 3,885,000 km² or 40 percent of the entire country. This area is divided into two (soon to be three) territories: the Yukon, which borders Alaska; and the immense Northwest Territories, including that portion known as Nunavut, which will become a new territory in 1999) and the Arctic Islands, the largest island group in the world.

For years, the government considered the North to be a remote, sparsely populated frontier, and it received little attention. Since the Second World War, however, the federal government, territorial governments and Northerners have been challenged by important issues such as responsible government, Aboriginal land claims, natural resource development, and environmental protection.

Responsible Government

In 1870, Britain transferred all of Rupert's Land and the North West Territory, formerly the possession of the Hudson's Bay Company, to Canada. These two huge areas included the Yukon and Northwest Territories as we now know them, all three Prairie provinces, and parts of Ontario and Quebec. Ten years later, Britain also transferred the Arctic Islands to Canada. The government agency for this huge area was the North West Mounted Police, who (in addition to their regular duties) served as local administrators.

In 1898, at the peak of its gold rush, the Yukon district of the North West Territories was made into a separate territory, with a government consisting of a commissioner and a federally appointed council of six. Today, the council (now called the Legislative Assembly) consists of 17 elected members. Party politics were introduced in the 1978 territorial council election. Around the same time, the federally appointed commissioner withdrew from the day-to-day operations of the government and now has duties similar to a provincial Lieutenant-Governor. The powers of the Legislative Assembly are currently almost as broad as those of any provincial government and include responsibility for education, community and social services, taxes, and most highways. An Executive Council or Cabinet conducts the executive affairs of government. The federal government retains responsibility for land and most natural resources.

By 1905, the original North West Territory, transferred to Canada in 1870, had been reduced by the establishment of three Prairie provinces and the Yukon. After 1905, the Northwest Territories were governed by a commissioner and an appointed council of up to four members, based in Ottawa until the seat of territorial government was moved to Yellowknife in 1967. In 1975, the territorial council became a fully elected Legislative Assembly, which now has a majority of Inuit, First Nations, and Métis members. The senior decision-making body, the Executive Council, consists of eight elected members and the commissioner. The commissioner now has duties similar to a provincial Lieutenant-Governor.

In the 1970s, the Inuit viewed a new territory as necessary to the settlement of their land claim, and their final agreement committed Canada to negotiate a political accord for the creation of a new territory. After extensive consultation and negotiation, Parliament proclaimed an act in 1993 calling for the creation of a new territory by the year 1999. Nunavut, Inuktitut for "our land," will occupy the eastern part of what is presently the Northwest Territories. Given their majority in that region (85 percent of the population), the Inuit will in effect govern their homeland.

Aboriginal Peoples in the North

Aboriginal peoples have lived in the North for thousands of years and form the majority of the population in the Northwest Territories. Similarly, they are an important minority in the Yukon. In recent years, virtually all of the North's vast lands have been subject to Aboriginal land claims. Canada has made substantial progress in settling these claims.

Resource Development and Environmental Protection

The North is rich in resources such as minerals, oil, and gas. Since World War II, developing these resources has been the foundation of the northern economy. Mining is the most important private-sector activity in both territories. Northern oil and gas exploration boomed after the discovery of oil at Prudhoe Bay, Alaska, in 1968. By the mid-1980s, industries were investing hundreds of millions of dollars into drilling and research, concentrating their efforts on the Mackenzie Delta, the Beaufort Sea, and the Arctic Islands. But by the late 1980s, exploration started to decline.

For many years, Canada's policy has been to develop these resources while safeguarding both the environment and the northern way of life. The department, preparing to transfer responsibility for this area to the territorial governments, has set the development of policies and programs that will promote sustainable resource development in the North as one of its highest priorities.

In 1991, the six-year \$100-million Arctic Environmental Strategy (AES) was launched, with a mandate to preserve and enhance Arctic ecosystems for present and future generations. The AES focuses on four main areas: contaminants, wastes, water management, and the integration of environmental concerns with economic issues.

The Canadian Polar Commission

The need for better coordination of Canada's polar sciences programs prompted the establishment of the Canadian Polar Commission in 1991. The Commission reports to Parliament through the Minister of Indian Affairs and Northern Development, but is not part of DIAND. The Commission:

- ▶ monitors, promotes, and disseminates knowledge of the polar regions (both the Arctic and Antarctic);
- ▶ improves public awareness of the importance of polar science to Canada;
- ▶ strengthens Canada's position as one of the circumpolar nations; and
- ▶ makes policy recommendations on polar science to the federal government.

Since its establishment, the Commission has identified the need to set priorities for polar research and to provide long-term funding and logistical support. It stresses that Canada must commit itself to polar science. Research must be coordinated at the federal level. The Commission expects to work with other federal departments that have responsibility for polar science and related issues.

The Commission consults regularly with Arctic communities and organizations, in the firm belief that Northerners have much to contribute to polar science – not only in gathering data, but in framing questions, interpreting results, and communicating findings. The Commission also holds workshops and conferences on polar issues and provides liaison between Canada and international polar research programs.

7.0 REFERENCES

Indian Affairs and Northern Development

Other departmental information and publications can be obtained from:

Publications and Public Enquiries
Room 1415
Les Terrasses de la Chaudière
10 Wellington St.
Hull, Quebec
819-997-0380

Canadian Polar Commission

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