

Report of the Urban Governance Working Group

by

Katherine A. Graham

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Executive Summary

The Urban Governance Working Group, made up of Aboriginal individuals active in urban issues and the chief administrative officers of three major Canadian cities, was established by the Royal Commission on Aboriginal Peoples in December 1992. This report is based on the Working Group's discussion over six two-day meetings, as well as background research. It is intended to assist the Royal Commission in its deliberations on urban governance matters. It is also intended to help Aboriginal peoples, urban and other Canadian governments, and the attentive public see the way forward.

It is notable that the Working Group achieved consensus on many fundamental issues related to urban Aboriginal governance. Perhaps most fundamental is the consensus achieved regarding the goal for action in urban context — to make urban environments places where Aboriginal people can experience a satisfactory quality of life, in their dealings with the non-Aboriginal community and in the affirmation of Aboriginal cultures and rights. In thinking about how urban governance could contribute to this goal, we defined 'governance' in an inclusive sense, as the institutional structures and processes associated with meeting the collective needs and interests of Aboriginal people in urban centres.

The Working Group considers it important to think about the different contexts of urban Aboriginal government. This goes beyond the need to understand why Aboriginal people move into cities and towns. In developing concepts of urban Aboriginal government, we think it is important to distinguish between the circumstances of Aboriginal people who find themselves in large urban centres with a dispersed Aboriginal population; in large centres with a concentrated Aboriginal population; in smaller urban centres with a relatively homogenous Aboriginal population; and in smaller centres with a more heterogeneous Aboriginal population. Reflecting on these differences, as well as on the differences among Aboriginal cultures and urban centres, we concluded that it is inappropriate to focus on a single model of urban governance. It is also important to realize that priorities and approaches may change over time.

The Working Group also reached fundamental agreement that the right of urban Aboriginal government exists. In this context, we note that important outstanding issues related to land and title and the integral role of land in many Aboriginal cultures and governments do not

necessarily imply that urban Aboriginal governments require the same association with land that is commonly associated with the creation of municipal governments in Canada.

We proceeded to address the question of what forms urban Aboriginal government might take in light of the existing right and other factors. We determined that Aboriginal governments in urban areas should not be thought of as mirrors of existing municipal government system. Unlike municipal governments in Canada, urban Aboriginal governments would have an independent basis for their power and authority. Also, areas of jurisdiction now assigned to municipalities by provinces and territories may not be those that Aboriginal people in urban centres have as priorities for independent action.

Instead of focusing on urban Aboriginal governments as mirrors of the municipal model, we think that the focus for the future should be on three dimensions of urban action:

- the creation of urban Aboriginal institutions in a self-government environment, when Aboriginal communities specifically mandate organizations in urban areas to carry out particular functions;
- the establishment of co-management initiatives as special recognition or explicit exemption of Aboriginal peoples from the legislation of Canadian governments (federal, provincial/territorial and local) that establishes the right of Aboriginal peoples to govern their own affairs in a particular domain; and
- the development of special initiatives as interim measures undertaken within existing Canadian legislation and authorities.

Much of our report is devoted to exploring how each of these could contribute to improving the circumstances and affirming the rights of urban Aboriginal people, thereby improving the urban environment for all residents. We conclude that all three approaches are viable, regardless of whether one thinks of a large urban centre or a smaller city or town.

Our discussions of issues related to the financing of urban Aboriginal government focused on the need to ensure that predictable and adequate levels of funding are available. We identified a number of potential revenue sources for urban Aboriginal government initiatives, including the federal and provincial income tax revenues derived from Aboriginal people living in urban centres, the transfer of an appropriate share of payments made from the federal government to provinces for social assistance, health and post-secondary education, and the establishment of Aboriginal financial institutions as a result of the settlement of outstanding

claims. Our report concludes with recommendations concerning implementation issues. Among these are the need for Canadian governments to use specific enabling legislation to recognize legitimacy of urban Aboriginal governments.

The full list of our major conclusions and recommendations is as follows:

- It is inappropriate to focus on a single model of urban governance. Different approaches may be warranted based on the characteristics of the Aboriginal population, their own priorities for governance and the particular urban context in which they live. Priorities and approaches may also change over time.
- We conclude that the inherent right of self-government exists and that it provides for the establishment of urban institutions and arrangements by individual Aboriginal communities, for reciprocal arrangements among communities, and for arrangements that serve Aboriginal people on an open-door basis, regardless of their particular Aboriginal heritage.
- Aboriginal governments in urban areas should not be thought of as mirrors of the existing municipal government system.
- Urban governments and Aboriginal governing institutions have a mutual interest in opening lines of communication and collaboration.
- In our view, the primary lines of accountability for urban Aboriginal governments should be to the people they serve and to other Aboriginal governments with which they may have a connection.
- Government-to-government protocols, such as those that attend fiscal arrangements between federal and provincial governments and provincial and municipal governments in Canada, should be the basis for financial accountability relationships between urban Aboriginal governments and Canadian governments, should direct transfers occur.
- Lines of communication between urban Aboriginal institutions and Canadian governments at all levels are essential to deal with common areas of concern and to provide the basis for understanding and support when unique initiatives are needed.
- We think that reconciliation of the need for immediate action to improve the circumstances of those Aboriginal people in urban centres who are marginalized with broader goals can be achieved by focusing on three dimensions of urban governance: special initiatives, co-management, and Aboriginal institutional development in a

self-government environment.

- Aboriginal urban institutions will emerge in a self-government environment when Aboriginal communities specifically mandate organizations in urban areas to carry out particular functions.
- We define co-management as special recognition or explicit exemption of Aboriginal peoples from the legislation of Canadian governments (federal, provincial/territorial and local) that establishes the right of Aboriginal peoples to govern their own affairs in a particular domain.
- We define special initiatives as interim measures undertaken within existing Canadian legislation and authorities. They are accompanied by a dedicated budgetary allocation.
- We see the evolution of urban governance occurring in two basic domains: social development and economic development.
- We believe that special initiatives for Aboriginal people can be undertaken immediately in virtually every service in every urban centre in Canada. The important change is that the impetus for special initiatives must come from the Aboriginal community. Furthermore, the programs or services that are established should be accountable to the Aboriginal community they are intended to serve.
- We believe that there is considerable potential for the development of urban Aboriginal governments and for co-management approaches in larger urban centres with a diverse and dispersed Aboriginal population. One area where a special initiative may be a priority in such contexts is in the improvement of Aboriginal-police relations.
- Large urban centres with a geographically concentrated Aboriginal population may be the places where special initiatives can be replaced most readily by Aboriginal governing institutions and co-management approaches.
- In our view, the existence of concentrations of Aboriginal settlement within large urban centres provides the opportunity for positive social and economic developments based on the principles of community-based initiatives and equal partnership. Movement from temporary programs to co-management approaches and the support of Aboriginal institutions in these centres will contribute to longer-term and more fundamental benefits in both the economic and the social development domain.
- We think it is important not to ignore the potential for co-management and Aboriginal

institutions in smaller centres.

- We think that smaller centres with a culturally homogeneous population hold the potential for strong Aboriginal urban institutions and other governance initiatives to develop.
- In the particular case of smaller centres with an Aboriginal population of common origin, 'corporate' representation by the Aboriginal community on various local boards governing schools, hospitals, and so on would enhance understanding and help smaller communities develop a common front to deal with the serious challenges to their well-being.
- Working from the principle that the initiative for urban governance must come from the Aboriginal community itself, we see the initial base of action in smaller centres with a heterogeneous Aboriginal population as being primarily special initiatives.
- Our suggestion that special initiatives may hold the greatest potential in this particular urban context is not intended to minimize the potential such agencies have for acting as strong agents and advocates for the local Aboriginal population. These roles would be performed vis-à-vis Aboriginal governments and all three levels of Canadian government, as circumstances warranted.
- Whatever initiatives related to urban Aboriginal government are proposed, we are confident that they can be costed. A public finance system can be developed that will use the strongest pillars and most widely accepted principles of modern public finance systems.
- Although urban Aboriginal government initiatives may be based in a particular city or town, they will not be mirrors of its municipal government. Accordingly, they may derive comparatively little revenue from the local property tax base.
- Urban Aboriginal government should have a revenue base that is predictable and that provides an appropriate level of funding to meet the goal for urban action.
- Funding for urban governance initiatives, regardless of source, should be channelled through designated Aboriginal governments.
- As part of national tax collection agreements, the federal or Quebec governments could turn over to the appropriate Aboriginal nation the tax revenue collected from its members living in urban centres.

- In the context of current federal finance in Canada, Aboriginal governments could receive payments under the Canada Assistance Program and Established Programs Financing arrangements for their members residing in urban centres.
- Aboriginal peoples receiving cash payments as part of the resolution of outstanding Aboriginal claims or who receive income from resource development on their lands should consider creating Aboriginal financial institutions to invest these funds. Resulting investment income could be directed to supporting urban (as well as other) government initiatives.
- In our view, Canadian governments should use specific enabling legislation to recognize the legitimacy of urban Aboriginal government.
- It may be useful to regularize relations by using formal political accords to set out the importance of intergovernmental obligations for all parties in the intergovernmental process.
- In the case of federal funding for special initiatives and some co-management regimes, a special Treasury Board vote for 'urban government operations' would recognize the importance of these activities and provide a coherent framework for the expenditure of funds. Provincial/territorial governments and municipal governments could adopt a similar approach when they are involved in special initiatives or co-management.
- We think that the nature and sources of the tension between the requisites of sound government administration and cultural integrity need to be made explicit, so that the wisdom of elders and others imbued in traditional cultures can be combined with other approaches to administration and management.

Preface

This report was first drafted for the Royal Commission on Aboriginal Peoples' Urban Governance Working Group by Katherine Graham. The initial draft was amended to reflect the comments and suggestions made by the group at its last meeting. The amended draft was submitted to the Royal Commission in December 1993. This version of the report was prepared by Katherine Graham after receiving the comments of peer reviewers, who were asked by the Commission to assess the report.

As author, I would like to thank many people who contributed to this work. First, the eleven members of the Urban Governance Working Group: Richard Frost, Lonnie Hindle, Rhoda Innuksuk, Norma Kassi, Jean Knockwood, Marc LeClair, Sylvia Maracle, Ann Noonan, Dale Richmond, John Robison and Don Worme provided thoughtful insights and stimulating suggestions about Aboriginal urban life and how to work toward a more constructive future. Everyone involved took a gamble in becoming part of the working group process. The gamble paid off because of their hard work and their resolve to explore the issues in an atmosphere of mutual respect.

The project itself was conceived by Donavon Young and Rosalie Tizya, co-ordinators, Urban Perspectives, at the Royal Commission. Their vision that such a process could succeed propelled everyone forward. I am particularly indebted to them for their openness and support as the work and writing proceeded.

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Thanks to Carolyn Dittburner, who provided efficient and thorough background research support during the early phase of the project and Iris Taylor, who produced the final manuscript.

Responsibility for the final product resides entirely with me.

Report of the Urban Governance Working Group

by Katherine A. Graham

Introduction

Early in its mandate, the Royal Commission on Aboriginal Peoples (RCAP) identified a number of fundamental questions about urban Aboriginal issues:

- Do non-Aboriginal Canadians agree that Aboriginal people living in urban centres have the right to preserve and promote their distinct cultures, identities and languages? If so, how can individual non-Aboriginal citizens and their governments and institutions help Aboriginal people to make their right a reality?
- How will policies that recognize the needs of urban Aboriginal people be developed? What role will urban Aboriginal people play in the development of such policies? What government has responsibility for filling the vacuum that now exists? By what means will urban Aboriginal people ensure that the vacuum is filled?
- In what geographic and service areas are parallel Aboriginal service agencies necessary or desirable? How will the issue of 'status-blind' or distinct Indian, Métis and Inuit services be resolved? What authorities and funding processes are required to provide stability to parallel agencies? Where Aboriginal services continue to be delivered by non-Aboriginal institutions, how can they be adapted to serve urban Aboriginal people more effectively?
- How will the inherent right of Aboriginal peoples to self-government be implemented in urban centres? Under what authority? In what forms? With what powers? What constituencies will be represented in urban Aboriginal governments? How will urban Aboriginal governments relate to federal, provincial and municipal governments?

These questions provide a foundation for RCAP's urban research agenda, as do the demographics of the Aboriginal population. The Commission's demographic research, based on the censuses of 1981 and 1991 and the 1991 Aboriginal Peoples Survey, gives an indication of the size of the urban Aboriginal population and its rate of growth. From 1981 to 1991 the Aboriginal population residing in urban areas grew from nearly 200,000 to 310,000, a 55 per

cent increase. By contrast, the non-Aboriginal population living in urban areas grew by about 11 per cent over the same period.ⁱⁱ

Demographic data suggest significant migration by Aboriginal people, between large and small urban centres and, in the case of registered Indians, between urban centres and reserves.ⁱⁱⁱ It is important to note that there are Aboriginal people who are quite at home in the urban context; some have spent their entire lives in cities and towns.

Without defining 'success' in too specific terms, we think it is important to realize that the urban Aboriginal population includes people who retain a full sense of their Aboriginal identity while making their way, very well, in broader urban society, as entrepreneurs, professionals, family caregivers or in some other capacity. For other urban Aboriginal people, however, their lives and sense of their prospects are grim.

The importance and immediacy of urban issues, combined with recognition of the fact that improvement in the circumstances of Aboriginal people living in urban areas would require negotiation and mutual understanding among many different groups and governments, prompted RCAP to buttress its research on the urban reality with an initiative to develop practical understandings of the possible ways forward.

In December 1992, the Commission established the Urban Governance Working Group to provide advice on RCAP's approach to urban governance issues. The group was made up of Aboriginal individuals active in urban issues and the chief administrative officers of three major Canadian cities. The group was intentionally kept small (eleven people) so that members could develop a strong understanding of the different urban experiences and aspirations represented. The composition of the group was also intended to allow it to deal with the issues of urban governance in depth. Its work was supported by staff of the Commission and by a researcher with an interest in both Aboriginal and local government issues. The names and background of the Urban Governance Working Group are listed in Appendix 1.

In coming together, members of the working group agreed that they would try to reach consensus about the way forward by dealing with the hard issues as individuals, influenced by their experience and their various personal points of reference, but not acting as representatives of particular Aboriginal interests or local governments. The group met six times, for two days on each occasion. Discussions were sometimes heated, and consensus was not always achieved. But even in these cases, a high level of mutual respect was maintained. We think it is significant that

the discussion opened communication and understanding about the different Aboriginal perspectives around the table, just as much as Aboriginal and non-Aboriginal perspectives were explored. For example, we spent considerable time thinking about the differences in approaches to urban governance issues taken by First Nations treaty people and Métis. There were also important differences in the experiences and perspectives brought to the group based on geography. It does make a difference whether you are from the east, the west, the north or the south in the formation of your views on urban Aboriginal governance issues. Acknowledging these and other differences strengthened our consensus, when consensus was reached. We hope that the advancements recommended in this report illustrate how common understanding can be achieved among those with seemingly very different perspectives on urban Aboriginal issues. We also hope that it provides practical help to the Commission and to others who face the challenges of urban Aboriginal life.

This report is more than the result of a lengthy round table discussion. The group kept seven major issues on its agenda:

- the potential structure and forms of urban self-government;
- issues regarding membership and eligibility;
- principles of finance;
- intergovernmental relations, as urban Aboriginal governments deal with the federal, provincial/territorial and local governments;
- intergovernmental relations as urban Aboriginal governments relate to other Aboriginal governments;
- the relationship of urban Aboriginal governments to Aboriginal lands; and
- the scope of potential responsibilities and authorities of Aboriginal governments in urban areas.

To help explore these questions and develop a comprehensive approach to dealing with urban governance issues, the Working Group attempted to link its work with other elements of the Commission's research program. Specifically, it received periodic briefings concerning urban research projects, as well as relevant studies being undertaken as part of the Commission's Governance and Land and Economy research themes. It is important to understand, however, that this other research was occurring in parallel with our work. In many cases, we were not able to benefit from its findings and conclusions. The group also assigned responsibility to individual

members to research and report back on the source of the right of urban Aboriginal governance, from a First Nations treaty perspective and from the perspective of the Métis Nation; the existing literature on urban Aboriginal governance in Canada; and the nature of the local government system in Canada and how Aboriginal governance issues are currently being viewed by local governments.^{iv}

This report attempts to deal with the difficult issues of urban Aboriginal governance by first developing common foundations from which Aboriginal and non-Aboriginal people might proceed. Perhaps most basic is the need to define what is meant by 'urban' and establish a common understanding of the different contexts in which Aboriginal people live in urban areas. Our approach to these questions is set out in the next section of the report.

The Working Group achieved consensus concerning the goal for action in the urban context — to make urban environments places where Aboriginal people can experience a satisfactory quality of life, in their dealings with the non-Aboriginal community and in the affirmation of Aboriginal cultures and rights.

This was an important foundation for our work. Achievement of this goal will make for healthier, more vibrant cities from an Aboriginal and a non-Aboriginal perspective.

Consensus on this goal leads to a set of principles that, if agreed to, can point to some imaginative strategies for dealing with the needs, interests and aspirations of Aboriginal people living in urban areas in the spirit of peaceful coexistence and respect for the rights of all. These principles are set out in section three of our report.

Section four explores three dimensions of urban action that we think are viable and advisable, when one recognizes the need for fundamental change to reflect the inherent right of self-government, as well as the need for remedial action to deal with the difficult circumstances of many Aboriginal people in urban centres. These are special initiatives, co-management and Aboriginal institutional development. The fifth section of the report attempts to bring these avenues for action to life, by exploring how they might work in different urban contexts. The financing of urban initiatives is obviously crucial. Our comments on financial issues are contained in section six. The working group also considered various implementation issues, such as the legislative base of urban government arrangements and training. These are dealt with in section seven.

The final section of the report pulls together our recommendations and makes some concluding remarks.

We would be remiss if we did not conclude this Introduction with some exploration of the concepts of governance, government and citizenship that have guided our work. The following are important points to remember when reading our report and, we believe, when thinking about urban Aboriginal issues.

First, it is important to understand our conception of urban governance and government for Aboriginal peoples. Broadly speaking, **we think of 'governance' in an inclusive sense, as the institutional structures and processes associated with meeting the collective needs and interests of Aboriginal people in urban centres.** Urban governance, then, includes the processes by which Aboriginal people in urban centres come together to define their needs and interests, before establishing institutions or other arrangements to meet them. In many instances, this process will involve a connection between urban people and their traditional nation or people.

Urban government refers to the processes and institutions that we see emerging to meet collectively identified needs and interests. Additional elements of our definition of urban Aboriginal government need to be made explicit at this early stage.

First, for many people, notions of government are associated directly with jurisdiction over a particular land base. In the case of urban Aboriginal government, the tendency would be to associate the jurisdiction of arrangements that emerge with the boundaries of a particular city or town. As we discuss later in our report, the connection of urban Aboriginal government to resolution of fundamental public policy issues of land and title, as well as to the inherent connection of Aboriginal people to the land, cannot and should not be avoided. However, this does not imply that an urban Aboriginal government must necessarily have jurisdiction over the land occupied by a particular city or town in order to be effective in meeting the needs and interests of the Aboriginal people it serves. Instead, our conception of urban Aboriginal government begins by focusing on the geographic location of the institutions and arrangements that emerge.

Second, we also commonly think of governments as implying both rights and obligations on the part of the citizens they serve. We have the right to receive services and protection from our governments and an obligation to abide by the traditions, laws or regulations established in

the collective interest. We see the potential for urban Aboriginal governments to emerge dealing with a diversity of needs — perhaps most prominently in areas such as education, housing, health care and others that we discuss later in this report. We see the orbit of these institutions and arrangements as providing services and evoking obligations for those individuals and families who want to participate. Their establishment is not intended to force participation or to remove Aboriginal people into a separate urban state. Instead, it is intended to provide an opportunity for Aboriginal people living in urban areas to retain and foster those elements of their being that are essentially Aboriginal in nature. This leaves the door open for urban Aboriginal people to maintain a strong role as urban people who share many common interests and obligations with other residents and who also see Canadian governments at the local, provincial/territorial and federal levels as the appropriate vehicle for meeting those interests and establishing common rights and obligations of citizens.

We think it is also important to establish early on that our concept of urban Aboriginal government goes beyond the transfer of administrative responsibility by Canadian governments to particular service agencies or other organizations. This is implied by our definition of urban Aboriginal government, but we see the distinction between administration and government as so crucial that the point needs to be emphasized here.

Another key point is that we see the potential for multiple urban Aboriginal governments carrying out similar functions within the boundaries of some urban areas. In part this is a reflection of the different traditions, perspectives and needs of First Nations people with treaties and without written treaties, of Inuit, of members of the Métis Nation, and of other Aboriginal people. In other circumstances, we see the possibility of Aboriginal people of different backgrounds coming together to create urban government arrangements. Our report has already quoted the Commission's use of the term 'status-blind' to refer to this latter situation. Many members of the Urban Governance Working Group found the term 'status-blind' problematic. It can be interpreted (wrongly, we believe) to imply the homogenization of Aboriginal peoples. To avoid this, we adopted the term 'open-door' to refer to arrangements to which Aboriginal people from different backgrounds give legitimacy. Sometimes, these may also be referred to as 'pan-Aboriginal' arrangements.

The Different Contexts of Urban Aboriginal Government

The Royal Commission on Aboriginal Peoples' 'urban' enquiry, in its broadest sense, focuses on all Aboriginal people living off-reserve. The Urban Governance Working Group, however, concentrated its attention more narrowly. Our deliberations have focused on the needs and interests of Aboriginal people living in densely populated areas (specifically cities and towns), where they make up a minority of the total population. Our focus is not intended to suggest that governance issues facing Aboriginal people living off-reserve, on Crown land or on privately owned holdings are unimportant. They are, however, different from those facing people living in cities and towns who, among other distinguishing characteristics, must co-exist with a much more concentrated and often diverse non-Aboriginal population. Members of the Working Group thought that the best use of their experience and expertise would be to think about urban governance issues in the context of the cities and towns with which they are most familiar.

Even restricting our field of inquiry to cities and towns, we found that two important dimensions had to be explored in defining urban governance issues and in searching for future directions. The first concerns the different circumstances that bring Aboriginal people to cities and towns and that, to some degree, shape their needs and interests related to urban governance when they get there. The second dimension concerns the different physical and social/cultural contexts in which urban Aboriginal people live. This influences the viability of different urban governance arrangements.

Much of the existing research on urban Aboriginal people focuses on the reasons for urban migration.^v Typically, the distinction is drawn between those conditions that 'push' Aboriginal people from their home communities — such as inadequate housing, limited educational and employment opportunities — and those that 'pull' them to the city — such as the availability of specialized health care, greater prospects for education or employment, and the attraction of visiting relatives or friends already there. The distinction is also commonly made between 'permanent' urban dwellers, whose primary residence is in an urban centre, and temporary residents, who have been pushed or pulled to urban centres and will come and go, sometimes many times.

The Working Group considers these broad distinctions to be useful when beginning to think about urban governance issues. However, we think that some additional nuances may help push the formulation of urban governance arrangements to a more practical level.

The first distinction is between those individuals who, regardless of how long they have been urban dwellers or the reasons for their urban connection, retain a strong link to their traditional nation or home community and their connection with the land, seeing this as the basis of their governance in the urban context. There are others, however, who may be quite estranged from their particular nation or people^{vi} but who still see themselves as Aboriginal people with rights and aspirations for the future, based on their existing identity. One can argue that individuals in this second situation may well reconnect with their traditional nation or people once some of the obstacles to doing so have been removed. The Working Group did not consider the circumstances under which this might occur. Instead, we took it as our responsibility to consider urban governance issues in light of this current reality.

Our second departure builds on the somewhat conventional wisdom about the push/pull of urban centres. At first glance, it might seem useful to draw the distinction between developmental and remedial services when thinking about approaches to urban governance.

Aboriginal people in urban centres avail themselves of many services. At one extreme, remedial services such as specialized health care and battered women's shelters respond to crisis situations, with individuals using them because they have no alternative, either in their home community or as urban dwellers. In many cases, entire families are drawn into urban life as a result of one member being ill or otherwise in difficulty. Once the crisis is over, contact with a particular urban institution, such as a hospital, may cease. There may be a positive outcome for the individual and her/his family, if health is regained or abuse stops. However, the fundamental context in which these services are used is temporary, with a view to getting out of a bad situation.

In other cases, such as post-secondary education, or other employment initiatives, individuals are in the cities and towns for a more developmental reason. The institution or service they are using may have a more positive image in their mind. For many people who come to urban centres as students, for example, their urban life and their student life may be as one. They have a defined institutional affiliation (a university or college) that plays a dominant role in shaping their urban experience. It is that institution that, in many senses 'governs' them while they are in the city. In cases where the individual's experience is positive, their affiliation with a particular university, college, or related institution may be the basis of a long connection. Presumably, this connection could draw them into other developmental activities involving

governance in some form, which would improve their personal situation and may contribute to the well-being of other Aboriginal people as well.

Ultimately, however, the Working Group determined that this distinction between remedial and developmental institutions and services may not be particularly useful in thinking about new perspectives on urban governance. Drawing this type of distinction may simply be a result of what we have become conditioned to expect as the 'good' and 'bad' experiences of Aboriginal people in urban centres. The reality of the urban fact — that some institutions and services are currently more in tune with the fundamental needs of Aboriginal people — does not mean that governance for those services currently seen as playing a stopgap or crisis role cannot have a positive foundation or long-term outcome.

As important as the different circumstances that bring Aboriginal people to cities and towns are the different physical and social/cultural contexts in which they live when they get there. It is important to understand that the situation of Aboriginal people living in Geraldton, Ontario may be quite different from those living in Halifax, Nova Scotia. These differences are not just related to their geographic distance from each other.

For the purposes of its work, the Working Group identified four basic urban contexts in which Aboriginal people find themselves. They are equally relevant when thinking about urban governance priorities and arrangements. Each, however, presents different opportunities and constraints, when assessing what approaches might be viable in specific cities and towns.

In the first instance, Aboriginal people might find themselves as inhabitants of a large metropolitan centre, with a heterogeneous Aboriginal population that is geographically dispersed within the urban area. The Greater Toronto Area, which includes Metropolitan Toronto and its surrounding regions, and the National Capital Region, which includes the cities of Ottawa, Hull and adjacent municipalities, provide cases in point. They contain Aboriginal people from many different nations, many of whom have migrated from their nation's traditional territory. They are living and going about their daily lives throughout the urban centre.

Alternatively, we see large metropolitan centres where the Aboriginal population tends to cluster in one area or more. These clusters may be urban reserves, such as exist in the Vancouver area or within the boundaries of the city of Fredericton. Alternatively, they may simply be pockets of traditional urban settlement, in no way recognized under the *Indian Act*. Calgary, Regina and Winnipeg provide examples of this second type of settlement.^{vii}

There are important distinctions when thinking about smaller centres, as well. We suggest, for example, that there might be different arrangements and initiatives in smaller centres with culturally homogeneous Aboriginal populations (such as Sioux Lookout, Ontario) than in smaller centres where the Aboriginal population is not so culturally homogeneous (such as Cochrane, Ontario).

Understanding these different circumstances of Aboriginal people living in urban centres is important when thinking about the way ahead. In and of themselves, however, they do not necessarily imply the creation of urban Aboriginal governments. **In our view, several important factors make Aboriginal people unique in the urban context and lead to the conclusion that urban Aboriginal government is essential for the well-being of Aboriginal peoples and the overall enhancement of the urban centres in which they live. We see these as follows:**

- **the distinct worldview of Aboriginal peoples, centred on their relationship to the Creator and their vision of themselves as historical nationalities distinct from the settler population;**
- **the connection of many Aboriginal people in urban centres to a land base outside the city, which shapes their urban view and existence;**
- **the different concept of land in the urban context held by Aboriginal peoples, shaped by their worldview and traditional connection to land. We see this as the contrast between the concept of land stewardship held by Aboriginal people with non-Aboriginal concepts of private land ownership and property rights, which guide much of the work of municipal governments in Canada.**
- **the differences between Aboriginal people and non-Aboriginal people in terms of what they would like their urban governments to do. Both share the idea that urban governments should provide services; but Aboriginal people also see urban government in the broader context of preserving their Aboriginal identity;**
- **the fact that many urban Aboriginal people are marginalized and unable to relate to the governance arrangements that currently affect them; and**
- **the legal argument for the inherent right of self-government in the urban context.**

Our consensus on the rationale for establishing urban Aboriginal government and our understanding of the different contexts in which Aboriginal people find themselves in urban centres led the Working Group to its first major conclusion:

It is inappropriate to focus on a single model of urban governance. Different approaches may be warranted based on the characteristics of the Aboriginal population, their own priorities for governance, and the particular urban context in which they live. Priorities and approaches may also change over time.

The rest of the Working Group's conclusions and recommendations are conditioned by this understanding.

Underlying Principles for Future Directions

Beyond understanding the different contexts in which Aboriginal urban governance issues must be dealt with, there is a second important element of the foundation that must be in place in order to achieve the long-term goal of urban governance. It consists of a set of principles that, we believe, should underpin urban governance initiatives so that they can contribute to the long-term improvement of the situation of Aboriginal people in urban centres and to the health and vitality of the places where they live. These principles relate to the right of urban Aboriginal governance; the relationship of urban Aboriginal governance to the existing local government system; and the nature of the connections, which we think are essential, between emerging Aboriginal urban governments and the people they serve, other Aboriginal governments, and Canadian governments. They are predicated on the settlement of outstanding Aboriginal claims and grievances related to issues of land and title and the relationship of the Crown to Aboriginal peoples.

The Right of Urban Aboriginal Governance

Aboriginal and non-Aboriginal people have spent a considerable amount of time and effort debating the right of Aboriginal peoples to self-government. Aside from the advice that has been received by the Royal Commission on this question,^{viii} most Canadians are familiar with the existence, if not the content, of debates about the right of self-government surrounding patriation of the Constitution and the inclusion of section 35(1) in the *Constitution Act, 1982* to recognize and affirm the Aboriginal and treaty rights of the Aboriginal peoples of Canada. Similarly, most are familiar with the substantial discussions about the nature of the right of self-government that occurred immediately after patriation and through the debates surrounding the Meech Lake and

Charlottetown Accords.

The Working Group thought it imperative to develop its own conception of the right of self-government and to attempt to link the broad conception of that right specifically to the right of governance in urban areas. We were helped greatly in this process by our supplementary work on the rights and obligations related to urban governance from a First Nations treaty perspective and our review of self-government from the perspective of the Métis Nation.

When developing our ideas about the right of urban Aboriginal governance, we found it useful to focus on three essential questions:

- the source of the right;
- the nature of the right; and
- the purpose of the right.

The right of governance in the urban context is linked inextricably to the broad right of self-government for Aboriginal peoples. For Aboriginal people a fundamental source of this right is the Creator. The fundamental Aboriginal rights given to Aboriginal people by the Creator have been acknowledged by Canada in terms of its own fundamental law, most particularly section 35 of the *Constitution Act, 1982*, and by the courts.

The second basic source of the right is found in the treaties concluded between the Crown (pre-1867) and Aboriginal peoples and, more recently, between Canada and First Nations. Among the important elements of these treaties, in some instances, is the recognition of First Nations communities and the importance of First Nations governance to the retention of Aboriginal identity and culture. We suggest that this link between governance, identity and culture extends to Aboriginal people living in urban areas.

While a connection to the land is integral to the obligations and rights granted to Aboriginal peoples by the Creator and recognized through treaties, Métis people take a somewhat different route to their assertion of the right of self-government. Most particularly, the Métis Nation asserts its right of self-government, in urban areas or elsewhere, in the context of the historical expression of Métis nationalism and in the Métis drive for self-determination under international law (for example, in the context of the United Nations Charter and the Draft Declaration on the Rights of Indigenous Peoples). For the Métis Nation, governance of urban Métis is a direct extension of the concept of Métis nationhood, to be realized through the authority given urban institutions by the national Métis parliament and provincial Métis

legislatures.

The third and most restricted source of the right of urban governance is in the particular laws affecting Aboriginal peoples passed by Canadian legislatures. The most obvious case in point is the federal *Indian Act*, under which authority is delegated to Indian band councils and through which some experimental service arrangements have affected Aboriginal people living in urban areas. There are other examples, as well, such as the Sechelt legislation^{ix} and federal legislation covering Aboriginal claims settlements. But provincial legislation is also relevant here, such as child welfare legislation providing for the establishment of Aboriginal child welfare agencies^x or the Alberta *Métis Settlements Act*, 1990, which provides for the governance of Métis settlements in that province. It is significant that many of the existing urban Aboriginal institutions and initiatives in Canada have some connection with a provincial or territorial government.

Regardless of one's view of the source of the right of self-government, one important characteristic of the right has informed our conception of urban governance. Specifically, the rights guaranteed Aboriginal individuals are collective in nature. Members of First Nations, Inuit and Métis have rights, benefits and obligations that accrue to them as members of a particular collective. This is the case whether one considers the Creator, the Constitution, treaties or unilateral legislation of Canadian governments as the source.

The collective nature of Aboriginal rights speaks to the basic purpose of the right of self-government, that is, to permit Aboriginal individuals to retain and foster those elements of their being that are essentially Aboriginal in nature.

The first point of reference in achieving this is the individual's original nation or people. This connection is carried into the urban context. In some cases, it might form an immediate basis for an urban governing institution. For example, the Métis Nation conception of urban governance would provide for the portability of Métis rights among Métis governing institutions in different urban centres throughout the prairies. The Siksika Nation also sees itself as the legitimate urban government for its people who have moved west from reserve land to Calgary.

In other cases, this connection may be realized through the principle of reciprocity among Aboriginal peoples. For example, the Gwich'in of the Yukon may make an agreement with the Algonquin of the Ottawa area to provide essential services to members living in the Ottawa area.

Finally, there may be instances where the connection is more eclectic, with no immediate

reference back to sociological roots, other than the important basic essence of 'aboriginality'. This situation may be reflected in the emergence of open-door institutions. Such institutions may still be seen by Aboriginal people as fulfilling the essential right of self-governance to retain culture and identity. The evolution of Native Friendship Centres may provide a case in point. In summary,

We conclude that the inherent right of self-government exists and that it provides for the establishment of urban institutions and arrangements by individual Aboriginal nations or peoples, for reciprocal arrangements among them, and for arrangements that serve Aboriginal people on an open-door basis, regardless of their particular Aboriginal heritage.

The Relationship of Urban Aboriginal Governance to Canadian Municipal Government
Urban Aboriginal people are part of the social, economic and political fabric of the urban centres in which they live. Particularly in larger centres, they may be seen as part of an ethnically and culturally diverse population. As a result, the rise of the urban Aboriginal agenda can sometimes be viewed in the context of urban race relations or local multicultural programming. The Working Group's research on how local governments in Canada are treating Aboriginal issues suggests that this is sometimes the main connection between the Aboriginal community and the local government of the urban centre in which they live. One result is that there may be a tension in the way local governments think about Aboriginal issues — are they to see the need to accommodate the needs and aspirations of the Aboriginal population as analogous to their approach to meeting the needs of other ethnic and cultural groups, or is the Aboriginal-local government relationship qualitatively different?

In our view, there is a qualitative difference in the Aboriginal-local government relationship. At the most fundamental level, this stems from the right of self-government discussed above. However, it also stems from the reality of diverse arrangements that now exist between urban Aboriginal peoples and local governments and from the direction in which we suggest urban Aboriginal governance should move.

We are pleased to note that the national organizations representing Canadian municipalities (the Federation of Canadian Municipalities or FCM) and municipal administrators (the Canadian Association of Municipal Administrators, CAMA) have begun to recognize the qualitative differences in the Aboriginal-local government relationship in their submission to the

Royal Commission.^{xi} Both our research and their submission point to situations where local governments have specific service arrangements with reserves within their communities (such as Fredericton and the St. Mary's band) or where lease agreements exist for local use of Indian lands (such as between Surrey, B.C. and the Semiahmoo Indian Band). Similarly, local governments' interest in outstanding issues of land title and treaty land entitlement make their current and future relations with Aboriginal peoples qualitatively different from those with other ethnic or cultural groups.

How has this realization affected local governments' view of the potential for Aboriginal governance in urban areas? We note three important assertions in the FCM/CAMA submission that might serve as a starting point:

- Municipal leaders support the notion of Aboriginal self-government, but they believe it should evolve in co-operation with local government against a backdrop of vigorous community relations (p. 4).
- They believe a useful form of self-government would resemble municipal government (p. 2).
- They believe that the diverse past of municipal/Aboriginal relations in Canada does not lend itself easily to any ideal model for the future but rather to certain principles underlying good relations (p. 45).

To a considerable degree, we view these as positive statements. They indicate a desire on the part of Canadian municipalities and their administrators to understand and accommodate the rights and aspirations of urban Aboriginal people. But these ideas also compel us to state some important differences we see in the evolution of Aboriginal urban governance and the so-called 'municipal model'.

Aboriginal governments in urban areas should not be thought of as mirrors of the existing municipal government system.

There are a number of reasons for this. First, municipal governments in Canada have no independent basis for their power and authority. They are creatures of provincial or territorial statute, with formal jurisdiction only in areas delegated by their province or territory. This does not mean that municipalities have no room for independent action. Indeed, one of the most important reasons why the actions of urban governments are important to the Aboriginal people who live in urban centres is the discretion of those governments to accord particular issues (such

as policing and the Aboriginal community, social housing, urban development favouring new construction over rehabilitation) priority and to make policy and program decisions within each domain that affect the situation of Aboriginal residents. However, as we have stated, we think the basis for Aboriginal urban governance is more fundamental.

The second reason is that the areas of jurisdiction that may best meet the needs of urban Aboriginal people to develop and retain their identity and culture may not correspond to the authorities delegated to municipal governments. Among the areas that the Working Group agreed were high priority for urban Aboriginal peoples were education, including post-secondary education, housing and health care. Although there are variations among the provinces and territories, these tend not to be among the functions assigned to municipalities. Alternatively, we see that some First Nations communities with reserves within urban centres are quite content to enter into service agreements whereby the municipality provides traditional municipal services to property, such as water, sewer and road maintenance.^{xiii} In many urban centres, it may be fruitless to think about 'Aboriginal water mains' or 'Aboriginal roads', as the Aboriginal population may be dispersed. In centres with a concentrated Aboriginal population, be it on reserve or otherwise, the territory may be so integral to the urban setting as to make separation of property-related services counterproductive for all.

The final reason we think this principle is important is that the concept of a municipal government necessarily implies a land base. Our discussion above suggests that some of the priorities for urban Aboriginal government do not require a land base within the urban centre. The absence of this as a requirement for the realization of some urban governance priorities should not, however, be considered as minimizing the importance of resolving land claim and treaty entitlement issues related to lands now occupied by cities and towns.

Having distinguished between municipal governments and the basis and priorities for establishing urban Aboriginal governments, our second principle asserts the relationship between the two.

Urban governments and Aboriginal governing institutions have a mutual interest in opening lines of communication and collaboration.

One reason for this is to alleviate the uncertainties and lack of trust that may have arisen from a sense of exclusion as the action of one party is seen as affecting the other. For example, efforts by municipal governments to regulate certain types of small business, such as trades

licensing and vending, may have important implications for Aboriginal residents. The concerns of some urban governments about the implications of claims settlements for lands within their boundaries, service obligations and their own financial situation are significant. We note that these concerns have been expressed in the FCM/CAMA submission to the Royal Commission, along with concern about how institutional harmony will be ensured when Aboriginal self-government is established.

A second reason for co-operation and periodic collaboration is their joint interest in seeing improvement in the objective conditions of Aboriginal people in urban centres. Achieving improvements will result in improvements in the quality of urban life in general. From an Aboriginal perspective, there may be added strength in having local government onside when negotiating with the federal or provincial governments on matters related to governance. Aboriginal people are also interested in cities and towns developing in ways that achieve local prosperity without sacrificing Aboriginal rights and aspirations. Threats to the achievement of those rights and aspirations through the actions of a local government can induce protests that ultimately confound enhancement of any sort.

Finally, we believe that both Aboriginal people and other urban residents must have a stake in working together to build a good, healthy and vibrant community.

Principles of Accountability for Urban Aboriginal Governments

The issue of communication between urban governing institutions serving Aboriginal people and local governments is related to broader issues of accountability.

The Working Group's background research surveyed existing Aboriginal institutions in a selection of urban centres across Canada. We found that, in general, the Aboriginal institutions now serving people in urban areas are shoestring operations, faced with a continual challenge of sustaining the funds available. None of the organizations examined received core, unconditional funding. Most often, the organizations survive on funding provided for specific projects or the provision of specific services from the federal, provincial/territorial and, occasionally, local governments. Some urban organizations are branches of a national, provincial or tribal Aboriginal organization, which are themselves often in a perilous financial state. Relatively few urban organizations are financed entirely by independent revenues. The Native Interagency Council in Thunder Bay, which survives solely on its membership fees, is one such example,

however.

At present, the accountability regime for urban organizations is inextricably linked to funding. Urban organizations devote considerable effort to satisfying the contractual and other obligations associated with the funding they receive. The accountability protocols associated with current urban initiatives certainly cannot be considered as being based on a government-to-government relationship. In the case of transfers from the federal government to provincial governments or from provinces to municipalities, the principle is that the recipient government will assume responsibility for assuring its own financial probity, through its own audit function and by other means. Urban Aboriginal organizations, by contrast, are often required to prepare 'nickel and dime' reports on their activities in a form dictated by their funders. The fact that funding often comes from Canadian governments does not preclude urban organizations from attempting to be accountable to the population they serve or to other Aboriginal organizations and governments that empower them or enable their work. However, funding arrangements may skew the emphasis from community accountability to accountability procedures that have not been developed with reference to Aboriginal societies and cultures.

In our view, the primary lines of accountability for urban Aboriginal governments should be to the people they serve and to other Aboriginal governments with which they may have a connection.

Putting this principle into effect does not imply that, where urban Aboriginal governments continue to receive their funding through Canadian governments, there will be no responsibility for probity in financial management and administration. Instead, it compels us to look for ways to make a direct link between urban community needs, service provision and advocacy, and finance. In our view, however,

government-to-government protocols, such as those that attend fiscal arrangements between federal and provincial governments and provincial and municipal governments in Canada, should be the basis for financial accountability relationships between urban Aboriginal governments and Canadian governments, should direct transfers occur.

It is predictable that concerns will be expressed about changing accountability regimes and financial arrangements. In our view, while fiduciary relations remain with the Crown, it is imperative that the principle of communication between urban Aboriginal governments and local

governments be expanded.

Lines of communication between urban Aboriginal institutions and Canadian governments at all levels are essential to deal with common areas of concern and to provide the basis for understanding and support when unique initiatives are needed.

Beyond the nature of relations on financial matters, discussed earlier, we think there is merit in investigating the use of formal protocols to establish regular communications between urban Aboriginal governments and others. Such protocols could specify the frequency and timing of meetings and the nature of issues to be discussed, and establish commitments for all parties to undertake appropriate preparation. We realize that this approach is quite formalistic. However, our experience suggests that goodwill can be established through regularized contact, and good work can result. Furthermore, the need for formality and regularity may decrease over time, if mutual respect and trust are first established.

The fundamental principles discussed in this section are quite general in character. The Working Group found, however, that it was essential to have consensus on these broad points before developing ideas about future directions. They are the foundation for what we see as the urban future.

The Dimensions of Urban Action

As is already evident, the Working Group sees the need for fundamental change in the governance of urban Aboriginal peoples in Canada. This is required to affirm fundamental Aboriginal rights, which should, in turn, improve the basic circumstances of Aboriginal people residing in cities and the social and economic fabric of the cities and towns in which they live.

Having reached this consensus in its deliberations, the Working Group confronted a major question related to the principles and practicalities of moving forward. It concerns how to reconcile the need for immediate remedial action for urban Aboriginal people who may be in crisis with the broad goals of achieving self-determination for Aboriginal peoples and peaceful/positive co-existence of urban Aboriginal people with the general population.

We think that reconciliation of the need for immediate action, to improve the circumstances of Aboriginal people in urban centres who are marginalized, with broader goals of self-determination and positive co-existence of

Aboriginal and non-Aboriginal people can be achieved by focusing on three dimensions of urban governance: special initiatives, co-management, and Aboriginal institutional development in a self-government environment.

This section of our report discusses our views concerning the essential elements of each of these initiatives and the interrelationship among them.

The first point of departure for guiding the future of urban governance is to establish Aboriginal urban governance in its broadest context; that is, the creation of Aboriginal urban institutions in a self-government environment — in an environment where there is a political and a service mandate.

Aboriginal urban institutions will emerge in a self-government environment when Aboriginal communities specifically mandate organizations in urban areas to carry out particular functions.

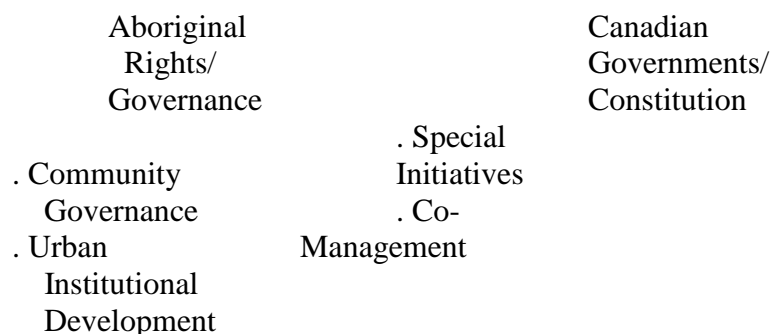
As our discussion of the source of the right of urban self-government suggests, this mandate may come from individual First Nations, through tribal councils or other regional organizations, or from other Aboriginal communities whose current point of reference is a traditional territory somewhat removed from the urban centre(s) in which their people now live. One could see how the Micmac, for instance, could mandate institutions in Halifax to provide services and give effect to the rights of their people living in that city.^{xiii}

As stated earlier, one could also envision circumstances where an urban Aboriginal community would 'create itself' without particular reference to a traditional land base or a particular concept of nationhood. Institutions of urban government could still emerge and be considered to reflect the inherent right of self-government because they would be intended to realize the cultural and identity-based needs of the Aboriginal community living in that particular setting.

In both cases, a crucial element characterizing the emergence of urban Aboriginal institutions in a self-government environment is that their genesis comes from Aboriginal people themselves. The other two dimensions of future action may also stem from Aboriginal initiative or cultures. However, special initiatives and co-management attempt to deal with the situation of Aboriginal people living in urban centres and work toward the goal of achieving a positive urban environment from a different vantage point. Unlike Aboriginal institutional development, which is driven exclusively by Aboriginal rights and concepts of governance, special initiatives and

co-management act in the zone where Aboriginal rights and governance necessarily intersect with other governments in Canada and with the Canadian Constitution. The size of this zone of intersection will likely vary with, among other things, the size and characteristics of the Aboriginal population in any given centre and the nature of the service or responsibilities involved. The relationship of special initiatives and co-management to Aboriginal institutional development can be visualized in the accompanying schematic.

Figure 1
Foundations and Concepts of Urban Governance Initiatives



Urban Aboriginal Governance

Beyond sharing the characteristic that they occupy the area of joint Aboriginal/non-Aboriginal action, the concepts of special initiative and co-management are quite distinct. Briefly,

We define co-management as special recognition or explicit exemption of Aboriginal peoples from the legislation of Canadian governments (federal, provincial/territorial and local), which establishes the right of Aboriginal peoples to govern their own affairs in a particular domain.

The concept of co-management does not necessarily imply the creation of separate Aboriginal institutions. The possibility exists that institutions and services could be established to serve the general population, with recognition of both joint areas of authority and responsibility and parallel areas of jurisdiction.

Our discussion focused on three basic approaches to developing co-management

structures. One way in which co-management structures could emerge is through a joint process, where the local First Nation or Aboriginal community gives a mandate to specific representatives to work with the designated representatives of other governments. For example, one could conceive of this approach for the management of a community forest. A management board could consist of representatives from the local Aboriginal community, from the Aboriginal population of nearby towns who had an interest in the forest, from the municipal government of those same towns, and from the provincial/territorial government. This board would co-manage the forest to ensure that the social, economic, education, recreation, and cultural interests of all of the people with an interest in the forest were considered.

A second approach to co-management would involve the development of framework agreements between the Aboriginal community and the federal, provincial/territorial and/or municipal government to create a specific initiative for the Aboriginal community managed solely by the Aboriginal authority. The authority's mandate would include sufficient latitude for it to make policy and program decisions about the creation of Aboriginal institutions and services and the development of joint arrangements with public institutions over a number of years. For example, a provincial/territorial minister of education could conclude a framework agreement with the Aboriginal peoples to establish an Aboriginal Education Authority in a particular urban centre. That authority would have the capability of entering into agreements with other school boards in the area to provide programs or services or develop its own. The framework agreement would include provisions to safeguard perceived provincial interests, as well as an affirmation of the authority's primary role in determining and meeting the needs and interests of Aboriginal residents of the city or town in the education domain.

We note the fact that local governments in Canada are themselves the recipients of delegated authority from provincial/territorial governments and that this limits their ability to delegate their authority further. Accordingly, implementation of this approach to co-management would likely always result from federal or provincial/territorial legislation.

A third form of co-management would involve the legislative recognition of the distinct cultural norms and practices of Aboriginal people. Such recognition, be it in federal or provincial/territorial legislation or in municipal by-laws, would explicitly mandate different approaches to dealing with the issue at hand. In the municipal context, a potential example of this approach to co-management occurs in the field of anti-smoke by-laws. Recognition of the central

role of tobacco, the burning of sweet grass and other 'smoke-producing' traditions in Aboriginal cultures could be reflected in exemption of such traditional practices from anti-smoke by-laws. We note that in at least one province, Ontario, traditional healers have been exempted from provincial legislation governing health professionals. In both these cases, the Aboriginal community would assert its responsibility to ensure that the spirit of co-management for reasons of cultural integrity was maintained.

In our view, co-management approaches can extend the self-governance of Aboriginal people. Over the near term, they can perhaps be a more comfortable way for the general population and mainstream agencies to involve Aboriginal people in decisions and activities that affect the Aboriginal community and the community at large. We note that initiatives similar to the examples discussed are already under way in some places. It is important to emphasize, however, that co-management will be successful only when the other parties involved recognize that Aboriginal involvement is integral to the particular initiative.

The concept of special initiative is perhaps most familiar of the three dimensions of action we envision. Many of the existing 'special programs' for Aboriginal training and employment, the development of curriculum and other resources relevant to Aboriginal people in urban schools, the provision of Aboriginal court workers, etc. fall into this category.

We define special initiatives as interim measures undertaken within existing Canadian legislation and authorities. They are accompanied by a dedicated budgetary allocation.

In certain circumstances (but not all) special initiatives may be a necessary precondition before moving to co-management approaches or to the development of Aboriginal government institutions in urban centres.

We have discussed the difficulties associated with the often tenuous funding of existing special initiatives. A case study on urban institutional development in Regina, prepared for the Commission, elaborates on some of the basic problems associated with accountability and funding of existing special initiatives in that city, which affect their responsiveness to the needs and interests of Aboriginal people living there. The study found the initiatives to be controlled largely by non-Aboriginal governments and non-governmental organizations.^{xiv}

In our view, the difficulties associated with successful implementation of some existing special initiatives does not mean that they cannot play a useful role in improving the situation of

Aboriginal people in urban centres. In fact, special initiatives may represent the best prospect for immediate action in any type of urban centre, big or small.

We do, however, think that there are some important conditions for their success. First, it is important that special initiatives be undertaken when the Aboriginal community comes forward to seek an initiative in a particular service area. This suggests the possibility that different initiatives could occur at different times for different Aboriginal communities within a single urban centre.

The second condition is that special initiatives for Aboriginal peoples should not be lumped into special approaches for ethnic groups, people with disabilities, and so on. As we have already indicated, the roots of special initiatives are linked to inherent rights. Furthermore, evidence suggests that the homogenization of different groups when special initiatives are undertaken can lead to cross-cultural tensions and rivalries.

Assuming that special initiatives have an Aboriginal origin, it is important that Aboriginal people themselves choose who will deal with their local, provincial/territorial or federal government partner. Representation should come from within, rather than being plucked from within by participating non-Aboriginal governments or partner organizations.

We note that special initiatives may be the most common context in which local governments deal with their Aboriginal reality. In addition to the conditions mentioned above, we think that particular care needs to be taken when local governments interact with their Aboriginal communities to undertake special initiatives. Specifically, we think it is very important for lines of communication between the Aboriginal population for whom the initiative is intended and the local government be kept short. This is important to expand the depth of understanding in both directions. In some centres, the establishment of a special committee of the municipal council, school board or hospital board may help in opening direct access between the Aboriginal community and local administrative and political officials.

We think that the distinctions among these three dimensions of action are clear, as is their interrelationship. The question remains, "How might this work?" Obviously, the Working Group was unable to examine all the possibilities; to attempt to do so would be a fool's errand. However, we have developed some brief scenarios that illustrate the possible evolution of each dimension of action in different urban circumstances. These have been developed with reference to the major issues of urban governance (structure, membership, finance, etc.) identified in the

first section of our report.

From Concept to Action: Some Possibilities

When trying to operationalize the concepts of Aboriginal institutional development, co-management and special initiatives in the urban context, it is important to begin by asking a very basic question: What does the community need, if we are to meet the broad goal of making urban environments places where Aboriginal people can experience a satisfactory quality of life, in their dealings with the non-Aboriginal community and in the affirmation of Aboriginal cultures and rights? This, after all, is the goal that forms the starting point for thinking about urban governance.

Other research done for the Commission has helped to answer this question. In a review of the emergence of Aboriginal institutions in Metropolitan Toronto, Obonsawin suggests that two basic needs form the urban challenge:

- Social service programs and infrastructure that ensure the basic necessities of life are provided and that help alleviate the effects of poverty and alienation.
- Community-building initiatives that foster Aboriginal cultural integrity and self-sufficiency.^{xv}

Thinking of the first need,

We see the evolution of urban governance occurring in two basic domains: social development and economic development.

Included in social development are matters such as personal and family life (including health) and personal safety. The domain of economic development includes the formation of a capital base for Aboriginal individuals and collectives and the alleviation of regulatory barriers, which may hinder the development of a dynamic Aboriginal economy in urban centres. Initiatives are required in several other key areas to feed both the social and the economic well-being of urban Aboriginal people. These include education, training and housing. The relationship among these various elements, which contribute to meeting the first basic need, is illustrated in Figure 2.

Figure 2
Priority Areas of Action to Meet the Social Needs of the
Urban Aboriginal Population

<u>Social Development</u>		<u>Economic Development</u>	
. Personal and Family Life	.	. Capital Base	
. Income Support	.	. Alleviation of	
. Personal Safety		. Regulatory	
Barriers			
<--- . Education & Training --->			
<--- . Housing		--->	

The need for community-building initiatives, which foster Aboriginal cultural integrity and self-sufficiency, focuses, to a considerable degree, on the domain of cultural identity. Aboriginal youth are a priority group among the urban population, when thinking about initiatives related to this need.

Having identified these two basic needs, the Working Group concentrated on the question of how they could be met in different urban contexts, over the short and medium term. We emphasized the importance of thinking over the short and medium term (rather than over the long term) for two reasons. First, the objective circumstances of many urban Aboriginal people and of the cities and towns in which they live call for immediate action. Second, over the longer term, we foresee a complex interaction between the evolution of institutions serving the urban Aboriginal population and other governments, both Aboriginal and Canadian. The route that this interaction will follow is very difficult to identify, and the task of doing so is outside the scope of the Working Group's mandate. Accordingly, we have emphasized development of possibilities for urban action over the short and the medium term.

Early in our work, we agreed that there are at least four basic urban contexts that can be distinguished from one another when thinking about urban governance for Aboriginal peoples. As discussed earlier, these are large metropolitan centres with a culturally diverse, geographically dispersed Aboriginal population; large metropolitan centres with an Aboriginal population that is, at least in part, concentrated in a particular geographic area; smaller centres with a culturally homogeneous Aboriginal population; and smaller centres with a culturally heterogenous population.

In some cases, the distinction is not necessary, when thinking about urban governance issues. For example,

We believe that special initiatives for Aboriginal people can be undertaken immediately in virtually every service in every urban centre in Canada. The important change is that the impetus for special initiatives must come from the Aboriginal community. Furthermore, the programs or services that are established should be accountable to the Aboriginal community they are intended to serve.

At the very minimum, then, we see the prospect for change through the avenue of special initiatives. However, more is possible, as the following exploration of the potential for Aboriginal governing institutions and co-management in different urban contexts suggests.

The Potential for Urban Action in Large Centres with a Diverse and Dispersed Aboriginal Population

As stated above, we believe special initiatives could be implemented for virtually every service currently delivered by local, provincial/territorial or federal governments. In this particular urban context, we suggest that one area where special initiatives may be an appropriate priority is policing. The dispersed and diverse character of the Aboriginal population may make initiatives designed to improve Aboriginal-police relations an appropriate place to start in this particular urban context.

We suggest that governing institutions, created by Aboriginal communities to serve their urban populations, would both be viable and make a positive contribution to meeting the goal of urban action we have adopted. Possible areas where the establishment of Aboriginal governing institutions might be a priority include education and training (including post-secondary); health and family welfare (including community health programs and institutions, children's services, and income support); and cultural identity.

The structure and forms of Aboriginal governing institutions in this urban context could vary considerably. For example, in cases where members of a particular First Nation or Aboriginal community think the size of their urban population warrants, an urban community council could be created. It could act on behalf of the First Nation or community in the operation of programs and institutions with an urban base. First Nations or communities that do not think their numbers warrant in a particular large centre could negotiate reciprocal agreements for the

provision of services to their members by the institutions that are established. The same practice could be followed by communities that wish to respect the traditional jurisdiction of another group over the territory now occupied by a particular metropolitan area.

It is also conceivable that an open-door Aboriginal community council could emerge as a result of the convergence of the Aboriginal population of a large metropolitan area. Such a council would, initially, have more of an urban base than a traditional link. Once established, such a council could take on governing responsibility for one or more functions. It is also conceivable, however, that different councils could co-exist to handle different functions, such as post-secondary education and community health. As such councils evolve, they might establish stronger links with traditional communities. One way of accomplishing this would be to establish a portfolio system, whereby council members from a particular First Nation or community assumed responsibility for liaison with that community. As these links became stronger, it is possible that people from various communities living outside the city would make use of the programs and institutions that the council had established. For example, one could foresee people coming to the city for specialized education programs, then returning home after their completion. In this context, however, the council would be operating more as a service provider than as a full governing institution.

We also think there are some areas in which co-management is appropriate in this urban context. Possible areas of responsibility and authority that could be exercised most readily using the co-management approach include the operation of institutions providing technical or professional education, where a critical mass of students and teachers is required; the operation of acute health care institutions; and the regulation of trade and commerce.

There is an obvious distinction among the items in this list. The first two imply co-management of an institution. In this context, the co-management model would involve the co-existence and complimentary activity of Aboriginal and non-Aboriginal authorities to provide service for Aboriginal people. For example, in the operation of an acute health care facility, traditional healers and community-based workers could be accorded responsibility from their community for managing the spiritual and traditional aspects of patient care and for various services for patients' families. This could be done in collaboration with other health care providers, who may be non-Aboriginal and who are accountable to the institution's board of governors.

Designated representation for the Aboriginal community on that board of governors is a possibility. We do not, however, see it as a necessary condition for this approach to be successful. Instead, the key elements are that the Aboriginal component of the institution be accountable to the Aboriginal community and that there be a commitment by Aboriginal and non-Aboriginal governments to making such arrangements work.

Co-management of trade and commerce, on the other hand, implies separate but equal jurisdiction. The comparability of institutional mechanisms for regulating such things as construction practices by tradespeople need not be of paramount concern. Instead, the major point of conjunction in this situation is reaching agreements between Aboriginal and non-Aboriginal regulators concerning areas where minimum standards are required and what those standards should be.

In thinking about the co-management of trade and commerce, the Working Group focused on one specific example with considerable potential for contributing in both the economic and the social development domain. It may be that many of the Aboriginal people living in cities have skills in the construction trades. However, their ability to find employment in those trades is restricted by their lack of formal credentials to permit them to operate as licensed contractors or to get unionized construction jobs. Removal of these barriers to enable Aboriginal people to work on construction projects for other Aboriginal people or for Aboriginal institutions may yield considerable positive economic and social benefits for the Aboriginal community, and will also improve the urban fabric more generally.

Regulation of these construction initiatives would still be required to ensure public safety. But the focus of regulation would shift from credentials to standards for the work performed. This would allow an opportunity for Aboriginal bodies in urban centres to co-manage in this sector. Their relationship with local governments (on matters related to building permits and inspection, trades licensing, etc.) and provincial/territorial governments (on the regulation of the building trades) would concentrate on liaison to develop common basic standards.

In summary,

We believe that there is considerable potential for the development of urban Aboriginal governing institutions and for co-management approaches in larger urban centres with a diverse and dispersed Aboriginal population.

One area where a special initiative may be a priority in such contexts is in the

improvement of aboriginal-police relations.

The Potential for Urban Action in Large Centres with a Concentrated Aboriginal Population

As indicated earlier, geographic concentration of the Aboriginal population in large urban centres takes two basic forms. The first is where a reserve is established as a result of a treaty or similar agreement between the Crown and an Aboriginal nation. The current *Indian Act* deals extensively with "Lands reserved for the Indians" in this context.

The Working Group spent some time informing itself about the arrangements that have evolved between some established urban reserves and local governments operating in the same area. A variety of such relationships exists. In particular, we have noted the contractual arrangements that have evolved for the sharing and management of services to property, such as water and sewer services and some joint initiatives related to physical and social amenities, such as parks and recreation. We also are aware that initiatives are under way to establish new urban reserves, most prominently in some prairie cities, such as Regina and Prince Albert. We understand that establishment of these reserves is intended particularly to assist in the economic betterment of the First Nations involved.

Beyond noting these developments, the Working Group did not attempt to develop a viewpoint concerning the merits of particular governance arrangements for existing or new urban reserves. Obviously, however, the intergovernmental relationship between the reserve community and local governments operating in the same area is very important.

The second type of geographic concentration is much less formal. It is a result of voluntary settlement patterns or social and economic pressures that push Aboriginal people into particular parts of cities. Here Aboriginal people, sometimes from geographically and culturally diverse backgrounds, form a prominent, if not dominant, part of the population in the community.

In our view, the avenues for action available in larger urban centres with a geographically dispersed population are also possible in this context. However, there are some other opportunities for action when the Aboriginal population is more concentrated.

Large urban centres with a geographically concentrated Aboriginal population may be the places where special initiatives can be replaced most readily by Aboriginal governing institutions and co-management approaches.

A potential benefit of the concentrated population is that creative governance of that

population can foster a dynamic neighbourhood economy and provide the basis for dealing with social development concerns in a very visible way. Positive developments at the level of neighbourhood or community can benefit the entire urban fabric.

The main distinction between this urban context and the situation where the Aboriginal population is dispersed lies in the likely priority areas for developing Aboriginal governing institutions and co-management approaches. For example, additional areas where the development of Aboriginal governing institutions with responsibility and authority might become a priority include housing and policing. In other situations where the Aboriginal population is concentrated, one could envision the emergence of co-management regimes for policing and other aspects of justice administration.

Canada has a history of various neighbourhood improvement schemes. In the 1960s, for example, initiatives such as the Neighbourhood Improvement Program (NIP) was an effort by federal, provincial and local governments, together with particular neighbourhoods in decay, to improve the housing and social infrastructure of the neighbourhoods concerned. Although NIP and similar programs were themselves special initiatives, with dedicated funding and a finite life, they provided the beginnings of one possible approach to co-management and the development of Aboriginal institutions in centres where the population is concentrated. Specifically, they were founded on two principles that are important now — that the initiative for undertaking improvement come from within the community, and that the community be at least an equal partner in the development and implementation of specific initiatives, be they related to the enhancement of the physical environment or to broader aspects of social well-being.

In our view, the existence of concentrations of Aboriginal settlement within large urban centres provides the opportunity for positive social and economic developments based on the principles of community-based initiatives and equal partnership. Movement from temporary programs to co-management approaches and the support of Aboriginal governing institutions in these areas will contribute to longer-term and more fundamental benefits in both the economic and the social development domain.

From an Aboriginal perspective, the nature of governance in situations where the population is relatively concentrated may be influenced by the composition of the Aboriginal population itself. In situations where the population is dominated by people from a small number

of First Nations or Aboriginal communities, the institutions that emerge will likely be linked back to those traditional communities. In other situations, where the population is more diverse or where traditional links are not as strong as links forged by a common urban condition, community-based councils that cross cultural lines may emerge.

As is evident from this discussion, we see many possibilities for urban governance by and for Aboriginal people in large urban centres. In part, this is because of the large absolute numbers of Aboriginal people in metropolitan areas. Table 1 provides an indication of the potential number of people affected by changing perspectives and practices related to urban Aboriginal governance. The range of initiatives possible also stems from the fact that urban centres are often the location of specialized services for people from smaller centres and rural areas, be they Aboriginal or non-Aboriginal. It is likely that Aboriginal people will continue to come from reserves and traditional communities for some health care, education and other services, which will make them, at least temporarily, urbanites. But what are the prospects for urban governance in the smaller towns, where Aboriginal people sometimes live and where they often go for education, social or health care services, thereby forming an important basis for the local economy?

Table 1
Aboriginal Ancestry and Aboriginal Identity
Census Metropolitan Areas, 1991

CMA ^s *	Population with Aboriginal Ancestry**	Percentage of Ancestry Population Identifying as Aboriginal	Percentage of Total CMA Population Identifying as Aboriginal
Halifax	6,710	17.7	0.3
Montreal	44,645	15.2	0.4
Ottawa-Hull	30,890	22.4	0.8
Toronto	40,040	35.5	0.2
Winnipeg	44,970	78.2	3.3
Regina	12,765	86.3	4.1
Saskatoon	14,225	83.8	3.8
Calgary	24,375	57.5	0.9
Edmonton	42,695	68.5	2.0
Vancouver	42,795	58.5	0.8
Victoria	10,215	43.4	1.2

* A Census Metropolitan Area (CMA) is a very large urban area, together with adjacent urban and rural areas that have a high degree of economic and social integration with that urban area.

** Includes people who identified single and multiple ethnic or cultural origins.

Source: E.J. Peters, "The Demographics of Self-Government for Aboriginal People Living in Urban Areas", Background paper prepared for the workshop on Self-government for Urban Aboriginal Peoples, Institute of Intergovernmental Relations, Queen's University, 25-26 May 1994.

In the course of its deliberations, the Working Group held discussions with the mayor of Sioux Lookout, Ontario. He spoke about the common challenges faced by his municipality and the area's Aboriginal community (of which he is a member). These include ensuring adequate and appropriate health care services for the local population, especially in light of cutbacks in provincial and federal funding for the provision of institutional care; uncertainty regarding how outstanding Aboriginal land claims will be resolved; the general perception in the community that traditional cornerstones of the local economy (in this case, tourism) are crumbling and the difficulty of developing consensus within and between the Aboriginal and non-Aboriginal communities about what to do; and the challenge of dealing with deep-seated suspicions and

more general lack of trust between Aboriginal and non-Aboriginal people in the community, which, at its worst, is manifested in racism.

In our view, the issues he raised are not unique to his small town. Our discussions with the mayor provided the starting point for our thinking about the future of urban governance in smaller centres. In part because of the fundamental link of the right of urban governance with Aboriginal nationhood, we think it is important to differentiate between smaller centres where the Aboriginal population is relatively homogeneous in origin and those where this is not the case.

In developing our ideas concerning smaller centres of both types, we recognized the importance of avoiding an easy trap. It is very tempting to think that small size limits the scope of action available. People look at small places in Canada that have experienced the closing of schools, hospitals and other public institutions and may see further decline of vital governing institutions serving the entire population as inevitable. Adopting this view would incline one to think that all that may be possible, in terms of urban Aboriginal governance in smaller places, is a rather limited range of special initiatives, perhaps focusing on improving relations between the Aboriginal and non-Aboriginal population. While such initiatives may be warranted and helpful,

We think it is important not to ignore the potential for co-management and Aboriginal governing institutions in smaller centres.

The Potential for Urban Action in Smaller Centres with a Culturally Homogeneous Population
We think that smaller centres with a culturally homogeneous population hold the potential for strong Aboriginal urban institutions and other governance initiatives to develop.

This view is based on the clear links between the broader exercise of self-government by the Aboriginal community in question and its urban population. The likelihood is that traditional communities, be they a reserve or otherwise, will be relatively close to the urban centre. This enhances the possibility that a common form of governance can be adopted, serving the entire population quite directly. For example, it would not be difficult to imagine a First Nations council (however chosen) dealing with issues of concern to its urban population in a nearby smaller centre, as well as those affecting its population in traditional communities. This is somewhat in contrast to the situation for the urban population in larger centres that are farther from the traditional communities, where a separate governing or administrative council may be

warranted.

The possibility of co-management also exists in this situation. We see the potential for constructive action benefiting the Aboriginal and non-Aboriginal populations in areas such as economic development, for example. In a co-managed regime, the focus of action for revitalizing the tourism sector in a smaller centre could be segmented. The Aboriginal population's emphasis could be on outfitting and tourist activities on traditional lands, whereas the non-Aboriginal business sector could concentrate on the provision of accommodation and other services to visitors. In both sectors, joint ventures could be undertaken.

Sail North, a joint venture between a private entrepreneur and the Yellowknife `B' Band, provides a case in point. Both parties have capital invested in the company's fleet. The Band takes responsibility for boat crews and conducting charter excursions on Great Slave Lake and the Mackenzie River. The other party handles marketing and administration. While this is a single enterprise, one can see the potential for community development corporations to collaborate in a similar manner in the development of economic strategies. Implementation of those strategies could be done by collectivities (of Aboriginal or non-Aboriginal people) or by individual Aboriginal or non-Aboriginal entrepreneurs.

Co-management could also permit the establishment of institutions, such as health care and education facilities, in smaller centres. In Sioux Lookout, for example, separate hospitals exist. A federal facility serves the Aboriginal population and a second hospital provides acute care for the non-Aboriginal population. The federal desire to abandon its health care institutions for Aboriginal people, together with provincial cutbacks in hospital budgets, suggest that a case exists for the creation of a single institution. In such a circumstance, we see the potential for the Aboriginal community to control traditional healing and related services for Aboriginal patients and their families as an integral part of the operation of a health care facility. The composition of the board of governors of such a hospital should reflect the contribution of the Aboriginal community to its funding base, as well as to its operations. This could be done by according the community an appropriate proportion of the seats.

We note that Aboriginal people form a significant part of the clientele of various public institutions in smaller centres. Yet they are historically under-represented in their governance.

In the particular case of smaller centres with an Aboriginal population of common origin, `corporate' representation by the Aboriginal community on

various local boards governing schools, hospitals, and so on would enhance understanding and help smaller communities develop a common front to deal with the serious challenges to their well-being.

The Potential for Urban Action in Smaller Centres with a Heterogeneous Aboriginal Population
There are towns and small cities in Canada with a significant Aboriginal population, but one that is more culturally diverse. The need for improvement in the circumstances of the Aboriginal population and the challenges facing municipalities in maintaining their economic viability and improving their social fabric are similar to those facing other small urban centres. However, the viable approaches for achieving our goal for urban Aboriginal governance may be somewhat different.

Working from the principle that the initiative for urban governance must come from the Aboriginal community itself, we see the initial base of action in smaller centres with a heterogeneous Aboriginal population as being primarily special initiatives.

In some cases, these initiatives would provide direct services needed by the Aboriginal population, in a culturally appropriate manner. The notion of culturally appropriate is necessarily somewhat broad in this situation. We see, for example, that many family-related services, such as child welfare, would necessarily remain in the orbit of responsibility of the nation or community of origin. There are other services, such as child daycare, court assistance, etc., that Aboriginal people in this particular situation require onsite and that a broadly defined Aboriginal agency could provide.

Our suggestion that special initiatives may hold the greatest potential in this particular urban context is not intended to minimize the potential of agencies implementing these initiatives to act as strong agents and advocates for the local Aboriginal population. These roles would be performed vis-à-vis Aboriginal governments and all three levels of Canadian government, as circumstances warranted.

Principles of Finance

The Working Group's deliberations occurred in parallel with the Royal Commission's research on public finance issues as they relate to Aboriginal governance. It was beyond the scope of our

own work to engage in detailed exploration of possible models of financing Aboriginal governance in the urban context.

Whatever initiatives related to urban Aboriginal government are proposed, we are confident that they can be costed. A public finance system can be developed that will use the strongest pillars and most widely accepted principles of modern public finance systems.

In our view, the opportunity exists to take the best from what we do in public finance at all levels of government to develop a superior system for Aboriginal self-government. This represents an opportunity that existing Canadian governments would envy. We concentrated our discussions on identifying potential sources of revenue for urban government initiatives. We think it is important to emphasize that

Although urban Aboriginal government initiatives may be based in a particular city or town, they will not be mirrors of its municipal government. Accordingly, they may derive comparatively little revenue from the local property tax base.

An important foundation for this finance system is the particular relationship between the Crown (both federal and provincial) and Aboriginal communities, be they treaty First Nations, Indian peoples, Inuit or Métis. Establishing this relationship on a solid footing will require resolution of outstanding issues concerning Aboriginal land and title. It will also require the Crown to meet its fiduciary obligations to First Peoples. These obligations and the arguments for urban Aboriginal government, which were set out in the second section of this paper, provide a solid basis for our recommendation that

Urban Aboriginal government should have a revenue base that is predictable and that provides an appropriate level of funding to meet the goal for urban action.

We recognize that, beyond fulfilling the fiduciary obligation of the Crown, there are limits to the level of resources that the Canadian public finance system can devote to urban Aboriginal issues. However, we suggest that the demographics of the Aboriginal population argue for significantly more resources to be committed. In short, a high proportion of the Aboriginal population is living in urban centres or availing themselves of services located in cities and towns. We also think it is important to recognize that a commitment of resources to

urban Aboriginal government does not represent a double cost. To a significant degree, the creation of urban Aboriginal institutions, co-management initiatives and special initiatives represent the substitution of new approaches for those tried in the past. In our view, they hold promise for better outcomes and, as a result, for lower social costs.

Finally, it is important to recognize the contribution of Aboriginal people living in urban centres to the revenue side of the Canadian public finance system. The Native Council of Canada commissioned a report, *Financing Aboriginal Government in Canadian Cities*, as part of its submission to the Royal Commission. It estimates that Aboriginal people living in 11 major Canadian cities paid approximately \$232 million in federal and provincial income tax alone in 1990.^{xvi} This figure does not include the corporate taxes paid by Aboriginal businesses or the sales and excise taxes, user fees and property taxes paid by Aboriginal people in those same centres.

With these arguments in mind, we offer the following recommendations and possibilities to assist the Royal Commission in the development of a finance system for Aboriginal government in the context of the urban reality. Preliminary information we received about the approach of the Commission's public finance research program has helped us assemble some elements of financing urban Aboriginal governance that we think the Commission should explore. These should be seen as points of principle, as we did not have the mandate or resources to subject them to economic analysis. Other principles and ideas will likely emerge as the Commission's consideration of finance issues evolves.

Briefly stated, we suggest that

Funding for urban governance initiatives, regardless of source, should be channelled through designated Aboriginal governments.

First Nations governments, the Métis National Parliament, and the Government of Nunavut potentially may emerge as some of the designated governments of Aboriginal peoples. It is not, however, the Working Group's role to define these designations with any precision; that is the prerogative of Aboriginal people. The basis for this principle is that Aboriginal governments are to be accorded full status as governments, with control over fiscal matters. It is their responsibility to account for their finances to the people they serve.

As part of national tax collection agreements, the federal or Quebec governments could turn over to the appropriate Aboriginal nation the tax

revenue collected from its members living in urban centres.

This would provide a direct basis of funding from urban Aboriginal people for their own governance. The estimates contained in the Native Council of Canada's report suggest that the amount of funds involved would not be insignificant.

In the context of current federal finance in Canada, Aboriginal governments could receive payments under the CAP (Canada Assistance Plan) and EPF (Established Programs Financing) for their members residing in urban centres.

These revenues could then be devoted to the provision of services such as health, social assistance and post-secondary education in urban centres. This approach would reflect the fact that urban Aboriginal initiatives in these fields would not constitute a double cost to the Canadian public finance system.

Aboriginal peoples receiving cash payments as part of the resolution of outstanding Aboriginal claims or that receive income from resource development on their lands should consider creating Aboriginal financial institutions to invest these funds. Resulting investment income could be directed to supporting urban (as well as other) government initiatives.

These institutions would potentially have greater strength if First Nations and other Aboriginal peoples with similar interests pooled the funds received from these sources. Regardless, they represent a pool of capital that can be used to support Aboriginal economic development and enterprise, as well as derive investment income for use in supporting Aboriginal government initiatives.

In conclusion, we would like to reinforce our recommendation (first made on page) that government-to-government protocols should be the basis for financial accountability relationships between urban Aboriginal governments and Canadian governments. This is the appropriate reflection of the mutual responsibility of all governments involved for the Aboriginal government finance system.

Implementation Issues

How do we get from here to there? This is the fundamental question of implementation, which is sometimes lost in discussions of high policy. In our view, there are a number of important

implementation issues, which both Aboriginal people and non-Aboriginal people should address, if urban governance initiatives are to succeed and the goal of urban governance is to be met. The three that the Urban Governance Working Group highlighted in its deliberations were how to approach the creation of new institutions for urban governance; important elements of the intergovernmental relationship, if urban governance institutions are to succeed; and the types of support that new and existing Aboriginal initiatives in urban centres will require.

New Approaches to the Creation of Urban Institutions

The Working Group's background research and other research done for the Royal Commission on the evolution of urban institutions for Aboriginal people suggest two prevailing tendencies that may have to be restrained if urban institutions are to have more independence and strength.

First, Aboriginal communities will have to take charge of establishing their own urban institutions. This is one of the fundamental principles set out earlier in our report. It bears repeating here, however, because of the need for Aboriginal communities to think strategically about what kinds of urban institutions they want and what purposes they want them to serve. We note the tendency for each band or community to want its own services or institutions in the urban context. To a considerable degree, this tendency may stem from the balkanization of Aboriginal peoples through Canadian government funding policies and legislation, especially the *Indian Act*. However, we suggest that this practice is not entirely induced by forces outside the Aboriginal community. Special care needs to be taken to define what is really necessary, from an Aboriginal perspective. This includes the need to think concertedly about what the community of interest to be served by urban institutions really is.

The second tendency we note is that existing urban Aboriginal institutions are often established as not-for-profit societies. This practice may stem from both convenience and necessity. Aboriginal communities have to create vehicles for providing urban services under provincial/territorial legislation governing not-for-profit organizations in order to receive funding and other types of formal recognition.

In our view, Canadian governments should use specific enabling legislation to recognize the legitimacy of urban Aboriginal government.

For example, each post-secondary institution should have its own provincial/territorial legislation. In cases where Aboriginal governments co-manage functions with a local

government, a specific municipal by-law (or resolution in the case of local agencies, boards and commissions) should recognize this arrangement. Conceptually, we see this type of legislative recognition for urban governance arrangements by Canadian governments as corresponding to the legitimacy accorded urban Aboriginal institutions by Aboriginal people themselves. Use of enabling legislation will provide more latitude for action by urban Aboriginal institutions than current practice.

Implementation and the Intergovernmental Relations Function

The intergovernmental relations function will be crucial as urban institutions are established and evolve. This is true in the context of relations between urban governing institutions and other First Nations governments and their relations with Canadian governments of all types.

To emphasize a point made earlier in our report,

It may be useful to regularize relations by using formal political accords to set out the importance of intergovernmental obligations for all parties in the intergovernmental process.

These accords could, for example, designate representatives of urban Aboriginal governments and other governments for the conduct of intergovernmental relations, set out protocols for the timing of meetings and agendas, etc. This suggestion might appear to be quite formalistic in nature. However, we think that some formal commitments may be necessary on the part of all those with interests in urban Aboriginal issues in order to establish a solid foundation for the extensive dealings that must occur if future initiatives are to be successful. This suggestion does not preclude the development of less formal networks which, as they develop, will be a true indication of the achievement of our basic urban goal.

Fundamental Support for Implementation

The previous section raised some prospects for financing urban governance initiatives. Regardless of the approaches to urban government finance that are ultimately adopted, it is absolutely essential that urban initiatives receive an adequate and assured level of financial support. The needs of the urban Aboriginal population are so pressing that it becomes extremely counterproductive for those involved in providing essential services to be engaged in the continuous chase for scarce and unreliable funding.

In the case of federal funding for special initiatives and some co-management regimes, a special Treasury Board vote for 'urban government operations' would recognize the importance of these activities and provide a coherent framework for the expenditure of funds. Provincial/territorial governments and municipal governments could adopt a similar approach when they are involved in special initiatives or co-management.

Other co-management initiatives and urban Aboriginal institutions will, we expect, have multi-year or more permanent fiscal arrangements in place.

Beyond funding, there are other essential supports for the successful public administration of urban initiatives. These relate to the development of sound practices related to planning, organizing and controlling the work that urban Aboriginal governments do. Our background research suggests that many existing urban agencies are caught in a tension resulting from the need to reconcile the external imposition of non-Aboriginal practices (such as the use of Roberts Rules of Order) and the desire for cultural integrity in the way work is done.

We think that the nature and sources of the tension between the requisites of sound government administration and cultural integrity need to be made explicit, so that the wisdom of elders and others imbued in traditional cultures can be combined with other approaches to administration and management. Initially, we see identification of these tensions occurring as part of the intergovernmental negotiations between Aboriginal governments and other Canadian governments.

The goal in doing this is to create urban institutions that are capable of functioning in the Aboriginal context while receiving recognition and legitimacy in broader society.

Concluding Remarks

The urban challenge is a dynamic one. It is also extremely complex. We see the need, for example, to achieve the peaceful co-existence of Aboriginal cultures and institutions with other groups and institutions that are very much part of urban life in Canada. Equally vexing is the imperative that the objective conditions of many Aboriginal people in cities be substantially improved.

Our report has attempted to address these complex challenges by making recommendations concerning urban governance. Very often, our findings and recommendations have been couched in institutional terms. Institutional arrangements, such as we have identified, are important; however, they are not everything. Real change also will entail mutual understanding of the needs and interests of Aboriginal and non-Aboriginal populations in our cities and towns. In many cases, that understanding is still at a very early stage of development. In a very small way, the experience of the Urban Governance Working Group suggests how rewarding concerted attempts to fathom Aboriginal and non-Aboriginal perspectives on urban needs and possibilities can be. Our recommendations build on what exists. We believe, however, that they have the potential to move us substantially forward.

Appendix 1

The Urban Governance Working Group

Members of the Working Group:

Richard Frost is Chief Commissioner, City of Winnipeg.

Lonnie Hindle is a hereditary Chief of the Gitksan First Nation. He operates his own business in Qualicum, B.C.

Rhoda Innuksuk is a past president of the Inuit Tapirisat of Canada. She currently works with Inuit youth. Her southern residence is in Ottawa.

Norma Kassi is Gwich'in from Old Crow, Yukon. She now lives in Whitehorse.

Jean Knockwood is Micmac from Indian Brook, Nova Scotia. She is currently completing graduate work at Dalhousie University.

Mark LeClair is Métis. He serves with the Métis National Council and is based in Ottawa.

Sylvia Maracle is a Mohawk, member of the Wolf Clan. She is Executive Director of the Ontario Federation of Indian Friendship Centres.

Ann Noonan is Ojibwa-Cree. She is a consultant headquartered in Ottawa.

Dale Richmond is President and Chief Executive Officer of the Ontario Municipal Employees' Retirement System. At the commencement of his involvement with the Urban Working Group, he was Chief Administrative Officer of the Municipality of Metropolitan Toronto.

John Robison is Project Director and Co-Chair of the New Brunswick Local Government Review Panel. At the beginning of the Urban Working Group's deliberations, he was City Manager in Fredericton, New Brunswick.

Don Worme is a member of the Kawacatoose First Nation. He is a lawyer practising in Saskatchewan.

ⁱRoyal Commission on Aboriginal Peoples, *Aboriginal Peoples in Urban Centres*, Report of the National Round Table on Aboriginal Urban Issues (Ottawa: Minister of Supply and Services Canada, 1993), pp. 9-10.

ⁱⁱRoyal Commission on Aboriginal Peoples, "Urban Perspectives: Policy Directions Paper" (Ottawa: December 8, 1994), p. 15.

ⁱⁱⁱ"Urban Perspectives", cited in note 2, pp. 16-33.

^{iv}Further information concerning municipalities' views on urban governance issues can be found in the brief submitted to the Royal Commission on Aboriginal Peoples by the Federation of Canadian Municipalities.

^vSee, for example, Raymond Breton and Gail Grant Akian, *Urban Institutions and People of Indian Ancestry* (Montreal: Institute for Research on Public Policy, 1978); Raymond Breton and Gail Grant, ed., *The Dynamics of Government Programs for Urban Indians in the Prairie Provinces* (Montreal: Institute for Research on Public Policy, 1984); W.T. Stanbury, *Success and Failure: Indians in Urban Society* (Vancouver: University of British Columbia Press, 1975).

^{vi}We use the term 'nation' in the sense of defining Aboriginal people with a traditional land base, language, sense of history and so on. There are many Aboriginal nations in Canada. Inuit refer to themselves as a people, connecting themselves through a similar sense of history and social cohesion. As a result, we treat the terms 'nation' and 'people' as synonymous.

^{vii}It should be noted that, even in centres where a reserve exists or where there is a clustered settlement, there are Aboriginal people who are dispersed throughout the area as well. An important case in point would be Vancouver, where many Aboriginal people who are neither Musqueam nor Squamish have settled and live off-reserve.

^{viii}See, for example, Royal Commission on Aboriginal Peoples, *Partners in Confederation* (Ottawa: Minister of Supply and Services, 1993).

^{ix}In 1988, the Sechelt of British Columbia attained a form of self-government through passage of the *Sechelt Indian Band Self-government Act* (Canada) and the *Sechelt Indian Government District Enabling Act* (British Columbia). The band itself correspondingly passed the *Sechelt Band Constitution*.

^xChild welfare is also treated under section 88 of the *Indian Act*.

^{xi}The Federation of Canadian Municipalities in co-operation with the Canadian Association of Municipal Administrators, "Municipalities and Aboriginal Peoples in Canada", submission to the Royal Commission on Aboriginal Peoples, 31 August 1993.

^{xii}We note that, in some service agreements, provisions are made for employment of members of the band to provide the service.

^{xiii}It is important to recognize that cities and towns occupy traditional Aboriginal territories. This is the root of many unresolved issues of Aboriginal title and claim. However, the fact remains that the building of cities and towns first pushed Aboriginal people away from the traditional territory they occupied since time immemorial into what have now become 'traditional' communities. Reserves are one example of the creation of artificial 'traditional' communities.

^{xiv}Anaquod Traders International Inc., "Urban Institutional Development Case Study — Regina", draft research study prepared for the Royal Commission on Aboriginal Peoples (1993), pp. 12-13.

^{xv}Obonsawin-Irwin Consulting Inc., *The Emergence of Aboriginal Institutions in Metropolitan Toronto* (Brantford: 1993), pp. 23-24.

^{xvi}Patrick Apikan, *Financing Aboriginal Government Regimes in Canadian Cities* (Ottawa: Native Council of Canada, 1993).