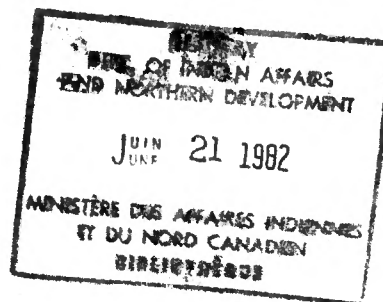


THE INCOME SECURITY PROGRAM FOR CREE  
HUNTERS AND TRAPPERS: A STUDY OF THE DESIGN,  
OPERATION, AND INITIAL IMPACTS OF THE  
GUARANTEED ANNUAL INCOME PROGRAMME ESTABLISHED  
UNDER THE JAMES BAY AND NORTHERN QUEBEC  
AGREEMENT.

BY: IGNATIUS E. LA RUSIC.

THE INCOME SECURITY PROGRAM  
FOR CREE HUNTERS AND TRAPPERS

A study of the design, operation, and initial impacts of the Guaranteed Annual Income programme established under the James Bay and Northern Quebec Agreement.



May 1978

Ignatius E. La Rusic  
3562 Ste-Famille  
Montréal

This research report has been prepared under contract for the Research Division; Policy, Planning and Evaluation Branch, Department of Indian and Northern Affairs (Contract 770097)

(On peut également obtenir une version française du même texte)

CONTENTS

	<u>Page</u>
Introduction.....	1
The Cree Economy in the Last Decade.....	3
1) The economy of harvesting.....	4
2) The cash economy.....	22
3) Welfare.....	30
Some Experiments in Guaranteed Annual Income....	40
The Income Security Program for Cree Hunters and Trappers.....	51
Comparisons of Cree and NIT Experiments.....	66
1) Guarantee levels and benefits.....	66
2) Definition of income.....	71
3) Reporting procedures.....	73
4) Limitation of programme benefits.....	76
5) Participation of beneficiaries.....	81
The Operation of the Cree Income Security Program	83
1) Establishment of the programme.....	83
2) Administration.....	87
3) Costs and beneficiaries.....	91
4) The impact of the ISP on welfare.....	100
Social and Economic Impact of the ISP.....	106
An Assessment of the Income Security Program....	121
Bibliography.....	139

Appendix "A"

Photocopy of Section 30 of the James Bay and Northern  
Quebec Agreement, "Income Security Program for Cree  
Hunters and Trappers"

Appendix "B"

A selection of administrative forms used by the  
Cree Hunters and Trappers Income Security Board

List of Tables

		<u>Page</u>
Table 1	Best Estimates of Annual Harvests of Wildlife by Cree	10
Table 2	Total Available Weight of Food from Harvests by Community, 1974-75	11
Table 3	Available Weight of Food from Harvests for Cree Communities by Species Group, 1974-75	12
Table 4	Cash Equivalent Value of Subsistence Food Harvests by Cree Hunters in 1975-76	14
Table 5	Productive Value of Intensive Harvesting - Based on Approximate Replacement Costs	16
Table 6	Relative Importance of Subsistence Food and Fur Production Compared to Transfer Payments and Employment Income in the Economies of the James Bay Cree Communities	18
Table 7	Costs of Hunting, Fishing, and Trapping for Intensive Harvesters in Cree Communities	21
Table 8	Cash Income Per-Capita in James Bay Cree Communities	24
Table 9	Welfare Expenditures for Cree Region	32
Table 10	Total Welfare Case Load for Cree Communities by Month and by Community - 1975-76 to 1977-78	35
Table 11	Welfare Case Load in Waswanipi 1974-75 to 1977-78	36
Table 12	Minimum and Maximum Benefits to Beneficiary Units with Income from no Other Source than the Per Diem Payment (Calculations made on 1975 Rates)	63

		<u>Page</u>
Table 13	Guarantee Levels and Break Even Points for the Cree Income Security Program for the Year 1975	64
Table 14	Income Security Payments by Year	93
Table 15	Beneficiary Units Eligible as of September, 1976, by Community and Criteria by which Eligibility was Established	94
Table 16	Beneficiaries of the Income Security Program as a Percentage of the Number of Potential Beneficiaries Eligible for Benefits of the James Bay and Northern Quebec Agreement	96
Table 17	Percentage of Heads of Beneficiary Units, by Days Spent in the Bush and Remunerated on Income Security Program in 1976-77	98
Table 18	Comparison of Payments Received Under Income Security Program and Quebec Social Aid and the Proposed "Programme de revenu familial garanti", by Size of Beneficiary Unit	99
Table 19	Welfare Case Loads and Payments Compared, Cree Region, 1975-76 1976-77	102
Table 20	Reduction in Case Load in Cree Region, Fiscal 1975-76 and 1977-78	103
Table 21	Beneficiary Units in Income Security Program as a Percentage of the Number of Potential Units Eligible for Benefits of the James Bay and Northern Quebec Agreement	109

## ACKNOWLEDGEMENTS

I appreciated the opportunity to write one of the first reports on a guaranteed annual income programme in this country. I would like to thank Dr. Katie Cooke and Kent Gooderham of Policy, Research and Evaluation, Indian Affairs for giving me that opportunity. Others in Indian Affairs have provided basic tools to make the analysis. I am grateful to the staffs of the Quebec and Val d'Or offices who dug the welfare data from dusty dormant files without complaint. I want to thank especially Thérèse Couture of the Quebec office for her co-operation and advice and to Yves Leclerc who made arrangements for me and introduced me to the staff. Jean Bourassa who was Acting Superintendent at the Val d'Or office when I was collecting data there, was generous and helpful on that occasion as he has been on the many times I have asked for his advice over the past decade.

I had the advantage of the closest co-operation from the Grand Council of the Crees (of Quebec) and the Income Security Board. I was permitted to attend Board meetings and informal discussions and was given access to internal documentation. I deeply appreciate that trust. Claude Bolduc, Director and Johnny Jolly, Assistant Director of the Income Security Program spent many hours in discussions in their offices and on the telephone giving me direction and advice, and providing me with the raw data which I requested. Johnny Jolly undertook the task of correcting the draft sections on design, administration and operation of the programme. I have worked closely with Harvey Feit and Colin Scott of McGill University who are in the process of studying the cultural and socio-economic impacts of the Program. I have not only shared data with them but have had the advantage of their insights and analysis.

I am grateful for the assistance of all these people. Of course, I am responsible for all the shortcomings in the present text.

Introduction

An advertising campaign by the Unemployment Insurance Commission in October, 1978 made the point with the public that the Canadian UIC programme is not a welfare scheme. The newspaper ad states: "Welfare is paid only according to need. Unemployment insurance money is paid according to eligibility". This seems to be an important point to make at the beginning of a discussion of the Income Security Program for Cree Hunters and Trappers, (hereafter, ISP or the Program) established under the James Bay Agreement. Notwithstanding many similarities in operation to social aid, the essential aspect of the ISP is that it is a programme for Cree hunters and trappers who pursue harvesting activities as a way of life, guaranteeing them a measure of economic security. It is not a universal program for all Cree. For an individual, it is permanent only so long as the eligibility criteria are met. In practise, it is a programme which benefits only about half the Cree families in the James Bay region.

Perhaps a good analogy would be to suggest that the ISP resembles veterans' programmes in the sense that both are established to provide special privileges for people meeting specific eligibility criteria. On the surface, certain aspects mimic welfare phenomena, more profoundly, there is a feature of "quid pro quo".



Veterans' privileges derive from participation in theatres of war; Cree privilege is rooted in a settlement of aboriginal land claims and rights.

On consideration, many aspects of the James Bay Agreement would benefit only in a limited way the large number of Cree people who continue to follow hunting and trapping as a way of life. In fact, some provisions concerning economic development could have a tendency to pull people away from traditional pursuits, pursuits which on close analysis make an important contribution to the overall balance of the Cree economy, to say nothing of the cultural quality of life. One view of the ISP might be that it is a significant experiment to support the harvesting activities of northern hunters whose contribution to local economies has long been underestimated.

The Cree Economy in the Last Decade

Even before the James Bay court case (Kanatawat et al. vs. The James Bay Development Corporation et al. 1973) and the subsequent out-of-court negotiations, the James Bay Cree were one of the more closely studied Indian groups in Canada. The researchers from the McGill-Cree Project were scarcely out of the field when the announcement of the James Bay Project brought about the court case during which dozens of experts of both the Petitioners and the Defendants probed every aspect of the social and economic lives of these 6,500 Indian people. From the exercise of litigation, there derived an important corpus of material on the lifestyle and economy of the James Bay Cree. It is overly simplistic to reduce considered opinions to contrasting statements, but in essence, the Petitioners in the court case sought to emphasize the importance of the native subsistence economy in all aspects of Cree life and how the James Bay Project would destroy that way of life while the Defendants tended to focus on the involvement of these people with white cultural patterns such as participation in the normal wage economies of the northern part of Quebec, or in the welfare system, to argue that impact would be minimal. The presiding judge, Albert Malouf, in his decision of November 15, 1973, accepted the balance of argument in

favor of the Cree though the Superior Court overturned his decision. Following this reversal, the Cree entered into protracted negotiations which culminated in the James Bay Agreement of November 11, 1975. During, and subsequent to the negotiation process, further detailed research on the native economy was carried out, much of this involving the active participation of the native people of the area, working under expert direction of scientific consultants. The result today is that we are in a position where statements about the Cree economy can be made with considerable confidence. The following precis of the economy is based on that body of data, as well as my own fieldwork on the native economy in the Waswanipi-Mistassini area which began in 1966 (LaRusic 1968a, 1968b). While I have not collected data of a specific economic nature since 1968, my later fieldwork in the area, certainly informs the interpretation of the materials consulted in the preparation of the following overview of the James Bay Cree economy for the 1965-1975 decade.

1) The economy of harvesting

The most active sector of the Cree economy has been and continues to be hunting and trapping. For most of the communities, this involves most of the population leaving for the bush in autumn, often one to two hundred

miles distant from the Post -- for periods varying from 3 to 8 months. The coastal communities tend to return to the home Post around Christmas with a smaller number returning later in the winter. However, the spring waterfowl migration and later whitefish spawning run, sees most of these people actively hunting for a supply of food to be preserved for later use. The inland communities tend to spend the whole of the winter on their traditional hunting territories. For both groups the summer period has been, for a very long time indeed, a time of casual employment. Until the 1930's the summer canoe brigade employment most of the able bodied men from the inland Posts for the summer. The coastal people were involved in this activity as well, moving supplies to transshipment points further inland. Other men were involved in working as guides for geological and mapping parties.

In 1941 Indian Affairs commenced its activities in the region, a period in which there was a scarcity of work as air freighting supplanted summer freighting jobs. In the same period, the area was experiencing a major decline in the beaver populations. Remedial conservation work employed some of the coastal people taking up some of the slack, and welfare which was introduced on a large scale from 1941 helped out somewhat, but times were hard until the beaver populations recovered. At the inland Posts, the Indian Agent, as early as the 1940's was

arranging for the transportation of many men to pulp cutting and other forestry activities operating near the CNR railway to the south. With the opening of highways and railways in the region, these Cree obtained summer work -- an occasional few, year-round employment. But in the winter practically everyone returned to the bush. So, while the James Bay Cree communities have had a long tradition of casual attachment to the wage labour market in the summer, the major activity of the population has been the winter period of the hunt when the people spread out over the land in subsistence and trapping activities.

The nature of the interrelation of wage labour and the bush economy was poorly understood a decade ago. In the 1960's, the economic development officials considered the winter activity as primarily one of trapping for fur for sale and measured productivity in terms of fur revenues. In these terms, the revenue from the bush was low indeed, and, parenthetically, so was the income generated by casual summer work. The Hawthorn Report estimated the per capita income of Mistassini and Rupert House at \$385 and \$175 respectively (Hawthorn, 1968:89). The Hawthorn study did not take into consideration the value of subsistence production. For that matter, I think it fair to state that, by and large, the early McGill-Cree studies reflect this same lack of appreciation for the economic importance of the bush economy. The cultural

importance of the bush life was seriously considered, but the focus on employment in the wage labour market, Indian-White relations, and the performance in the educational system, demonstrate that economic improvements were seen by the researchers to lie principally outside the bush economy.

In fact, as later research substantiated, the wage economy and the subsistence activities in hunting and trapping had always been in close symbiosis. In brief, the value of the food produced while in the bush far outweighed the income from the sale of furs. True, there was a problem in that in order to exploit that potential, a considerable cash outlay was needed to cover outfitting costs each autumn, and to pay the cost of plane transport to the distant hunting territories. While we have no precise data on the matter, I would make an informed guess that a decade ago much of the income from summer casual labour was used to subsidize outfitting. From it, capital items were purchased which made the winter's activities more productive. Of course, since the 1940's there had been some welfare payments made in these communities, and it was the custom (in Waswanipi and Mistassini at least) to provide people going to the bush with several months "rations" - as welfare was known - in advance, to contribute to the needed grubstake.

But even during the summer period, regular

harvesting activities provided an important and in many cases, the principal source of food for the men involved in casual employment. I had noted this phenomenon during my fieldwork with Waswanipi pulp workers in 1967, but failed to grasp its importance or its generality among all Cree in the wage labour force - including the few Cree town dwellers with full time jobs who depended on gifts of bush food from "unemployed" relatives for many of the family meals.

Harvesting as a career is not an occupation for laggards. In contrast to most wage labour, intensive harvesting requires sustained periods of very heavy work. During the winter period men frequently spend about two-thirds of their days out on the trap line. This is physically very demanding, but even when in camp the workload for both men and women is more demanding than is normally encountered in factories, building construction or even training for professional athletic sports. Work days are long, commencing before dawn in the short northern winter days and continuing well into darkness. There are, of course, days when lighter work is performed but during the trapping season work is more or less continuous. In summer, the pace is slower and the work load lighter, nonetheless, the intense periods are physically very demanding for women as well as men; and some individuals and families find the work too hard, especially those who

have not had much previous experience. So, given the availability of welfare and occasional wage labour, it may be wondered why some people, especially young, decide to pursue intensive winter harvesting activities.

Hunting, fishing and trapping provide cultural, economic and social benefits that make them attractive to many Cree people despite the heavy work load. It is a highly valued activity within Cree communities and successful hunters are highly respected. Nor are the economic benefits insignificant.

Harvesting provides vital components of the community and household economies of the Cree without which the standard of living would be far lower than it is. Harvesting provides a significant portion of the food the Cree consume. Recent results indicate that approximately 2,000,000 pounds of food may be harvested annually by Cree hunters (Tables 1, 2, 3) (NHR, 1976). While there has been much debate about the relative percentages of subsistence and purchased foods in the Cree diet, a moderate estimate is that harvesting activities produce 50% of the total annual community diet by weight (Salisbury et al., 1972a). But it is not just the quantity of food that is important. Bush harvested foods are fresh, protein and vitamin rich, and available relatively equitably throughout the communities. Bush



Table 1  
 BEST ESTIMATES OF ANNUAL HARVESTS OF WILDLIFE  
 BY CREE. (1)

<u>SPECIES</u>	<u>BEST ESTIMATE OF ANNUAL HARVEST BY CREES</u>
Canada Geese	62,750
Lesser Snow Geese	25,405
Brant	7,920
Ducks	52,725
Loons	3,538
Beaver	18,067
Otter	1,492
Lynx	Min. 549 - Max. 1952
Muskrat	5,148
Red Fox	959
Arctic Fox	194
Marten	1,293
Mink	2,123
Moose	809
Caribou	639
Black Bears	189
Polar Bears	5
Seals	908
Beluga	10
Porcupine	3,585
Hare	11,127
Ptarmigan	51,325
Grouse	16,742
Whitefish	185,534
Burbot	26,087
Speckeled Trout	53,151
Lake Trout	21,077
Char	1,399
Pike	37,121
Sucker	93,652
Sturgeon	4,240
Dore	<u>46,581</u>
 Total Harvests	 <u>736,354</u>

(1) Source NHR, 1976

Table 2

TOTAL AVAILABLE WEIGHT OF FOOD FROM HARVESTS  
BY COMMUNITY, 1974-75. (1)

<u>COMMUNITY</u>	AVAILABLE FOOD FROM HARVESTS (NEAREST 100 POUNDS)
Great Whale	91,500
Fort George	484,300
Paint Hills	202,800
Eastmain	74,700
Rupert House	115,500
Mistassini	738,900
Waswanipi	273,600
All	1,981,300

(1) Source NHR, 1976

Table 3

AVAILABLE WEIGHT OF FOOD FROM HARVESTS FOR CREE COMMUNITIES  
BY SPECIES GROUP, 1974-75

SPECIES GROUP	Great Whale	Fort George	Paint Hills	Eastmain	Rupert House	Mistassini	Waswanipi	TOTAL
<u>WEIGHT</u> <sup>1</sup>	<u>WEIGHT</u>	<u>WEIGHT</u>	<u>WEIGHT</u>	<u>WEIGHT</u>	<u>WEIGHT</u>	<u>WEIGHT</u>	<u>WEIGHT</u>	<u>WEIGHT</u>
All Geese	25,200	150,700	64,200	27,300	44,000	23,600	2,700	337,700
Waterfowl	28,200	180,800	73,600	30,800	47,700	67,800	8,400	437,300
Big Game	32,600	22,100	18,100	10,000	34,500	286,900	94,000	498,200
Fur Mammals	1,500	41,700	48,300	20,100	34,100	130,700	50,900	327,300
Small Game	10,100	44,500	13,700	3,600	3,400	24,600	5,600	105,500
All Fish	11,800	145,800	33,000	12,500	16,400	167,800	104,500	491,800
Seal	3,000	24,500	14,900	300	1,200	0	0	43,900
Polar Bear	0	1,400	1,200	0	0	0	0	2,600
All Food	91,500	484,300	705,900 (202,800) <sup>2</sup>	74,700	115,500	738,900	273,500	2,484,400 (1,981,300) <sup>2</sup>

1. Weight is to nearest 100 pounds.

2. Best estimate, see text for discussion.

Source NHR, 1976

food harvests are critical to the nutrition and health of the communities.

People who live by harvesting as a way of life catch significantly more than their per-capita share of the food harvests. In 1975-1976, intensive harvesters accounted for 52% of the active hunting population, but harvested 62% of the catches and a higher percentage of the total food weight (NHR, 1978).

The comparative economic importance of the local production of food can be established on the basis of the cash needed to replace that food with generally lower quality frozen meat, fowl and fish available from local stores. As noted above, in 1974-1975, the James Bay Cree communities harvested locally almost 2,000,000 pounds of food for human consumption. Based on the prices of the most comparable foods sold in the local stores in the Cree villages, replacing this harvest would cost approximately \$3,632,000.00 (Table 4). This has been calculated as being the equivalent of \$3,882 for each intensive hunter plus \$1,705 for each other active hunter 18 years of age or older (Feit, personal communication).

Of course there is a direct cash income from harvesting in the form of furs. This has been estimated at only \$473 per intensive hunter which would suggest that the average value of harvesting production would be \$4,335. (\$3,882 + \$473). But these calculations only take

Table 4

CASH EQUIVALENT VALUE OF SUBSISTENCE FOOD HARVESTS BY  
CREE HUNTERS IN 1975-76.

---

FOOD COMPONENT	PERCENTAGE DISTRIBUTION OF HARVEST	FOOD WEIGHT	ESTIMATED PRICE <sup>1</sup> PER POUND	CASH EQUIVALENT VALUE
Land mammals	43.7	865,828	\$2.00	\$1,731,656.00
Waterfowl	23.0	455,699	\$2.00	\$911,398.00
Small Game and Sea Mammals	8.0	158,504	\$1.50	\$237,756.00
Fish	25.3	<u>501,269</u>	\$1.50	<u>\$751,903.50</u>
		<u>1,981,300</u>		<u>\$3,632,713.50</u>

<sup>1</sup>Based on a general average of costs for various cuts of meat, fish and chicken in Cree communities.

into account the value of the food produced and furs sold. Harvesting activities also include production of: bush camps that may be inhabited for an average of five and one-half months of the year; firewood to provide all bush heating needs; many items of clothing and equipment from fur pelts, animal hides and wood; many of the tools needed for locating, transporting and preparing the harvested animals; various herbs and medicines; vegetal products for domestic uses; and handicraft items. With the exception of the latter, each of these products reduces the demands hunters make in the settlements for goods, services and special assistance provided by various levels of government. The total productive value of intensive harvesting may be estimated at some \$1,000 to \$3,000 more than the value of food and fur production. Using \$2,000 as an average, we can conclude that intensive harvesters produce a minimum of some \$6,620 per year in value from their harvesting activity (Table 5). This can be compared to the average employment incomes of such harvesters of about \$1,670 per year<sup>(1)</sup>. Bush activities therefore provided over three-quarters of the income these families earn by productive activities during the course of a year.

Because of the distribution of subsistence production widely within the community, it is not only an

<sup>(1)</sup> Estimate based on data compiled from application forms of Cree applying for Income Security Program 1976-77. Source, Income Security Board.

Table 5

PRODUCTIVE VALUE OF INTENSIVE HARVESTING -  
BASED ON APPROXIMATE REPLACEMENT COSTS

Subsistence Food Production <sup>1</sup>	\$3,882.00
Habitation (provide $\frac{1}{2}$ annual heating and servicing costs) <sup>2</sup>	\$1,060.00
Clothing and equipment (5 snowshoes at \$75.00; 10 pairs mitts and moccasins at \$25.00; 1 toboggan at \$30.00; tools, etc. \$150.00; other clothing \$100.00) <sup>3</sup>	\$ 905.00
Miscellaneous vegetable products, herbs, medicines, berries <sup>3</sup>	\$ 300.00
Fur Pelt Sales <sup>4</sup>	<u>\$ 473.00</u>
	\$6,620.00

1. Based on NHR, 1977 and cash conversions used on Table 8.
2. Based on Fort George Rental Housing Data.
3. Estimated.
4. Quebec, 1976.

important income in the households of the intensive hunters, but for the community as a whole. From the perspective of the community economy, subsistence production can vary from over half to one-quarter of the total income of a community, and may average over all, just under half the income for the region as a whole (Table 6).

If subsistence foods were not available in sufficient quantities, the diet would deteriorate through an increase in low cost starchy and sweet purchased foods. But aside from the nutritional aspect, the cash needed to purchase such foods would reduce the cash available for necessities that cannot be replaced locally so that the shortage of cash would result in a greater shortage of purchased items, and a reduced standard of living. Since many necessary purchases are items needed for basic household functioning and for harvesting activities, a decline in cash for necessary purchases can itself reduce the capacity of a family or community to maintain harvests. Once income declines below disposable levels, or once subsistence production drops sufficiently to require a shift to purchased foods, a downward spiral may develop leading progressively to pauperization and the cutting off of opportunities for local production (cf. Salisbury et al., 1972a).

Subsistence food produced by harvesting is there-



Table 6  
 RELATIVE IMPORTANCE OF SUBSISTENCE FOOD AND FUR PRODUCTION COMPARED  
 TO TRANSFER PAYMENTS AND EMPLOYMENT INCOME IN THE ECONOMIES OF THE  
 JAMES BAY CREE COMMUNITIES

COMMUNITY AND YEAR	TRANSFER PAYMENTS	EMPLOYMENT INCOME	TRAPPING INCOME	SUBSISTENCE CASH EQUIVA- LENT OF FOOD HARVESTS	PER FAMILY CASH INCOME	PER CAPITA CASH INCOME	PER FAMILY INCOME	PER CAPITA INCOME
James Bay Region								
1970-71 <sup>1</sup>								
- Amount	-	-	-	-	-	\$340	-	\$1,000
- Percentage	17	25	8	50	-	-	-	-
Fort George								
1971-72 <sup>2</sup>								
- Amount	-	-	-	-	\$5,130	\$1,190	\$7,068	\$1,624
- Percentage	12	61	1	25	-	-	-	-
Fort George								
1973-74 <sup>4</sup>								
- Amount	-	-	-	-	\$7,076	\$1,476	\$9,483	\$1,978
- Percentage	25	50	2	25	-	-	-	-
Paint Hills								
1971-72 <sup>2</sup>								
- Amount	-	-	-	-	\$2,475	\$695	\$3,530	\$991
- Percentage	49	18	3	30	-	-	-	-
Eastmain 1971-72 <sup>2</sup>								
- Amount	-	-	-	-	\$1,745	\$479	\$2,660	\$729
- Percentage	51	11	6	32	-	-	-	-
Waswanipi 1968-69 <sup>3</sup>								
- Amount	-	-	-	-	\$1,949	\$377	\$4,291	\$830
- Percentage	16	18	11	55	-	-	-	-
Waswanipi 1969-70 <sup>3</sup>								
- Amount	-	-	-	-	\$1,977	\$382	\$3,941	\$762
- Percentage	19	22	9	50	-	-	-	-

1. Salisbury, et al. 1972a.
2. Salisbury, et al. 1972b.
3. Feit, unpublished data.
4. OCCQ, 1974.

fore economically critical to the Cree and is not simply a sporting or recreational activity. Viewed in its economic setting, harvesting is a critical sector of the economy, as critical as employment (Table 6).

If many families in the Cree communities have had inadequate cash incomes, this was particularly true of those families living by hunting, fishing and trapping. Families that harvested intensively had to meet the costs of outfitting in order to pursue that activity. We have two sets of data on those costs; a recent study of the Cree trapping economy applying to all trappers (C.T.A. 1977), and a Grand Council of the Crees (of Quebec) study of a small number of intensive harvesters (Coon, et al. 1975). The former report estimated that on average Cree trappers spent a minimum of \$763 per year for yearly supplies plus \$355 for travel costs. In addition, trappers had approximately \$2,300 worth of equipment for trapping which had to be replaced as it wore out, costing possibly \$773 per year. The total costs per trapper per year were \$1,895. The same report indicated that the average income from fur sales was \$763. The average trapper, and indeed, the great majority, did not meet the cash costs of harvesting from the cash returns of fur sales, the cash deficit being \$1,126 per trapper. The second study of intensive harvesters includes not only the costs for trapping, but for goose

hunting and fishing, as well as the costs of special winter clothing for families (Table 7). This study indicates that in 1977 dollars, the intensive harvesters spent \$3,695 on average, comprising \$1,255 in yearly outfit, \$649 in special winter clothing, \$1,048 in transportation and \$741 for replacement of major capital goods. There is little data on income from fur sales, but it is clear that fur income did not cover the costs of harvesting. However the cash equivalent value of the food produced by the intensive harvesters far exceeded the cash costs of its production. The problem has been one of a shortage of cash.

Intensive harvesters depended on employment income from seasonal and part time work, and on transfer payments, to close the gap between the cash required to pursue harvesting, and the cash incomes derivable from that activity. The problem of the cash incomes of harvesters was both a problem of total amounts, and one of stability of incomes over time. There are several clear indications that Cree trappers were operating with inadequate cash incomes before the ISP came into operation.

First, traplines more distant from the settlements were being used less frequently over the last several years as the costs of air travel increased. Unable to meet the cash costs of travel, trappers would have to wait several years to visit such traplines until

Table 7  
 COSTS OF HUNTING, FISHING AND TRAPPING  
 FOR INTENSIVE HARVESTERS IN CREE COMMUNITIES<sup>1</sup>

	<u>Yearly Outfit</u> (Traps, knives chisels, wire, axes, packs, rope, nets, canvas, tents, ammunition, candles, threads, hip- waders, needles, etc.)	<u>Winter Clothing</u> (Parkas, under- wear, socks, mitts, ski- suits)	<u>Transportation</u>	<u>Major Equipment</u>	<u>Total Harvesting Costs</u>
Case 1 Fort George	\$ 822.72	\$ 704.10 \$140.82/person	\$ 980.00	0	\$ 2,506.82
Case 2 Fort George	1,391.88	731.60 \$146.32/person	980.00	0	3,103.48
Case 3 Mistassini	1,018.34	(2)	1,472.05	\$ 890.00	3,380.39
Case 4 Mistassini	749.66	(2)	943.53	890.00	2,583.19
Case 5 Mistassini	1,026.00	(2)	605.40	0	1,631.40
Case 6 Mistassini	659.00	(2)	1,144.44	890.00	2,693.40
Case 7 Eastmain	570.69	196.10	194.82	0	961.61
Case 8 Eastmain	547.45	(2)	568.85	0	1,116.30
Case 9 Nemiscau	1,078.00	(2)	1,218.00	0	2,296.00
Case 10 Rupert House	2,650.00	(2)	868.00	3,540.00	7,058.00
<u>Average per case</u>	1,051.37	543.93	878.12	621.00	3,094.42
<u>1977 Average Cost</u>	<u>1,255.34</u>	<u>649.45</u>	<u>1,048.48</u>	<u>741.47</u>	<u>3,694.74</u>

1) From Coon et al. 1975

2) No data

Source: Feit & Income Security Board

exceptionally large single year harvests of fur-bearers could be made to cover the travel costs (CTA, 1977). This method produced lower average annual harvests than more regular harvesting, but many trappers simply had no other option. The trappers themselves also indicated a shortage of cash. The CTA study team found that the average capital investment of trappers of \$2,328 was almost exactly half of what the trappers estimated their requirements to be. In short, the trappers have been grossly under-capitalized, and harvesting activities were becoming more laborious and less productive and efficient as a result.

## 2) The cash economy

In the previous section, the nature of the harvesting economy was reviewed in some detail to emphasize its contribution to the productivity of the communities. Of course that economy did not exist in isolation, for as was stressed, the cash needed to take advantage of the harvesting potential was substantial. Wage labour and transfer payments were the sources of cash to make up the shortfall from fur sales. In the beginning of the section, it was noted that the Cree have had a long tradition of casual attachment to the summer wage economy, first from the work on the canoe brigades and later with the forestry and mining industries which opened up in the

region following World War II. Access to new work opportunities was not at all equal among the Cree communities. The coastal communities were more remote from the developments in the Abitibi region from which the Mistassini and Waswanipi benefitted in the 1950's and 1960's. Therefore it is difficult to make generalized statements about the region for the past decade. Nonetheless some estimates of the overall significance of wage economy can be made, and more importantly, some indication can be given of the relative importance of wages and transfer payments in the total cash flow in the communities.

In Table 8 we have summarized the data on cash income from wages which has been estimated by the various people and groups studying the region. For our purposes, the most important materials are those compiled by the McGill group (Salisbury et al. 1972a, 1972b) and the studies made by the Grand Council of the Crees in Fort George (GCCQ 1974; Weinstein 1976). These studies give the best view of the coastal communities. For the inland areas the McGill-Cree study has compiled data on Waswanipi, Mistassini and Nemiscau.

All of these studies indicate that except for Fort George, the income from wage employment did not average over \$1,000 per-capita per-annum as late as 1973. The reason for the low income is not hard to deduce.

Table 8

CASH INCOME PER CAPITA IN JAMES BAY CREE COMMUNITIES

COMMUNITY	BEFORE 1960	1960-1964 <sup>1</sup>			1965-1969	1970-1974			
	1947-48	1960-61	1962-63	1964-65	1968-69	1970-71	1971-72	1972-73	1973-74
Fort George					\$955 <sup>5</sup>		\$1190 <sup>8</sup>	\$1631 <sup>9</sup>	\$1476 <sup>10</sup>
Paint Hills							\$ 695 <sup>8</sup>	\$ 750 <sup>9</sup>	
Eastmain		\$207 <sup>2</sup>					\$ 479 <sup>8</sup>	\$ 952 <sup>9</sup>	
Rupert House	\$245 <sup>1</sup>	\$225 <sup>2</sup>		\$176 <sup>11</sup>				\$ 625 <sup>9</sup>	
Mistassini			\$429 <sup>3</sup>	\$341 <sup>11</sup>				\$ 799 <sup>9</sup>	
Waswanipi				\$329 <sup>4</sup>	\$377 <sup>6</sup>			\$ 301 <sup>9</sup>	
ALL:						\$340 <sup>7</sup>		\$ 918 <sup>9</sup>	

1. Kerr, cited in Knight, 1968
2. Knight, 1968
3. Williamson, 1964
4. Samson, 1966
5. IAB, 1970
6. Feit, unpublished
7. Salisbury, et al. 1972 a.
8. Salisbury, et al. 1972 b.
9. SDBJ-SEBJ, 1974
10. GCCQ, unpublished, 1964
11. Hawthorne, 1966

There was little work, and it was not particularly remunerative. In the Abitibi area where the Waswanipi and Mistassini were involved with forestry operations, their daily wage averaged only \$10.00 (La Rusic 1968b: B40). While some work was available during the winter, most men left in September, doing some guiding for the fall moose season before going to the bush. Problems of getting bush food in work situations mitigated against a family saving very much after paying the grocery bills (Ibid:B36). Indian Affairs had put considerable effort in organizing a commercial fishery in the same area, but the net wages were less than \$5.00 a day in 1967, although in this situation the people had good access to bush food. The only jobs which were relatively well paying were in mineral exploration and in mining. There was limited work in the former, and the latter required skills that few Cree had (Ibid).

Within the communities, the only wage labour available (other than store clerks) was that generated by the construction projects of Indian Affairs, and few people could expect to find more than two months work a year in such activities. That situation began to change somewhat in the late 1960's and early 1970's. In the Fort George area, the McGill study team estimated that there was a four-fold increase in wage employment between 1968 and 1972 (Salisbury et al. 1972b:22-23). Much of this was



occasioned by the opening of the James Bay Project. In the other communities there was some migration to the James Bay work sites by some of the younger people, though there were few older people who could participate. Within the communities there were increased activities in community housing projects, which made more seasonal employment available. Too, the introduction of Manpower upgrading courses or participation in Band Work projects provided make-work opportunities for people who would otherwise be welfare recipients. Economic development schemes for the population were initiated in the 1960's and continued into the 1970's. These involved commercial fisheries operations near the inland Posts and commercial goose hunting camps on the coast. These were small operations; in Waswanipi for example, the fishery employed less than a dozen people in the final year of operation (1970-71), and provided less than an average of 50 days of work for the fishermen.

Manpower courses were quite important, though we have poor data on the amounts actually transferred to the communities through the various upgrading courses. Salisbury et al. in their study of Eastmain, estimated that in 1971-72 Canada Manpower courses provided cash income to a total of \$40,130 for the period studied compared with \$25,507 generated by wage employment, while welfare and old age pensions totalled \$79,442 (1972b:49).

While it is questionable whether the courses themselves produced much in the way of usable skills which the people might bring to bear towards improving their economic situation, the actual cash flow generated by course attendance was of considerable importance, though only marginally useful to hunters since some courses were generally given in winter.

The increase in the availability of work or of Manpower courses encouraged some men to stay away from the bush in the winter in the late 1960's and early 1970's. While on the surface, it seemed to be an indicator of abandonment of the bush life, in fact what many people were doing was leaving their hunting grounds idle for a few years so that the animal populations would recuperate to more productive levels. This strategy was not a new one for the Cree and is described by Tanner (1976) and Feit (1973); the difference in the recent experience being that instead of going off with other families in the bush while their own grounds were recovering, the Cree were staying around the Post subsisting on a combination of casual labour, welfare, and a variety of Manpower upgrading courses as well as unemployment insurance. In effect, the Cree were using these transfer payment systems to rationalize a hunting strategy over the long term. Thus the gradual return to the bush in the winter which could be observed in 1972-75 must be understood, not

so much in terms of an unavailability of work, but as the expression of a normal harvesting strategy of the Cree people. In this sense, the clear statements of the Cree during the James Bay court proceedings to the effect that their long term security is closely tied up with the use of the land make a great deal of sense.

The emphasis on the nature of the hunting economy has been stressed at some length because it is fundamental to an understanding of shifts in the wage economy by Cree harvesters. For the Cree, the land based activity of harvesting was never "dead", or in need of "modernizing" in order to maximize the fur income to make it economically viable; sentiments which were frequently voiced by development officials of Indian Affairs. Wage labour was important to harvesters in that it helped generate cash needed to go to the bush. The bush primarily provided a high level of subsistence.

At the same time, it is necessary to note that there were significant changes taking place in the Cree communities in the late 1960's and early 1970's. An important number of school drop-outs and graduates were returning to the community. Many of these lacked bush skills, others had little inclination to return with the older siblings or parents to go through the arduous apprenticeship needed to become a competent hunter. For these there was a larger dependence on casual and full time

employment. It is to this group that some increases in attachments to the wage labour force can be primarily attributed. Recent increases in the winter involvement in the labour force and Manpower courses would reflect this group. The Cree harvesters continued to do pretty much as they always had.

In summary, wage labour as it existed in the decade 1965-1975 was limited, short term, low paying and notoriously unreliable. The involvement of Crees in higher paying jobs - for example in mineral exploration, mining or the James Bay Project - primarily relates to younger Cree who were starting to return to the communities in that decade, following their termination of schooling at whatever level. Even this group had to depend on unemployment insurance or welfare to survive in frequent periods when work was not available. For the people involved in bush life, the wages earned from casual employment provided an important cash flow needed to subsidize their subsistence activities in the bush. In fact, it rarely provided enough and welfare payments were regularly needed to make up the shortfall.

The relative importance of wages and welfare will be treated in the following section, but anticipating that discussion, we can say that wages provided less than 20% of the cash flow in most communities. The remainder came from Manpower courses, pensions and welfare.

Welfare was providing about 40% of the cash flow in Eastmain in 1971-72 (Salisbury et al, 1972b:40), and about 20% in Paint Hills (Ibid:55). However, the Manpower courses in the two communities accounted for 20% and 35% respectively, indicating that Manpower course income and welfare combined provided between 55% and 60% of the cash flow. This situation was probably typical of most of the Cree communities until 1975.

### 3) Welfare

It is difficult to be precise in measuring the amount of welfare payments that have been received by the communities in the period prior to 1975. Although statistics are available for the past years, they are difficult to interpret. In the first place welfare comes from both Federal and Quebec budgets. On the Federal side reconstructions are relatively easy for the welfare is provided exclusively to status Indians. With the Quebec lists though, the payments are bulked with whites in the region. Thus in Waswanipi, for example, it is impossible (without extensive fieldwork and interviewing local welfare officials) to know if a percentage of, say, the Chapais or Chibougamau payments include Indians. We do know that some Indians have been receiving Quebec Social Aid on and off for a number of years in these towns.

On the coast, the Quebec Social Aid programme has gradually supplanted the federal scheme over the past five years. Unfortunately data was only available back to 1975 and prior to that period, one must make estimates based on secondary sources (e.g., the material presented before the court in the James Bay case). The best available data are summarized in Table 9. One notes a dramatic increase in the total amount of welfare paid in the communities; from about \$600 thousand in fiscal 1971-72 to about \$1.8 millions in fiscal 1975-76.

The increase of about three-fold in the amounts paid is certainly not accounted for by new case load. Rather, it reflects an increase in the benefits paid to welfare recipients as a result of new regulations and indexing. The Federal Band Aid scheme has always paid less than the Quebec programme but there has been a steady move over the years to bring the two programmes in line. Moreover, there has been a consistent effort - on the part of both Federal and Quebec authorities - to have the Bands switch over to the Quebec programme; a move which is now complete in Rupert House and Fort George and partially in place in Paint Hills and Eastmain. (For purposes of our discussions we have omitted Great Whale from the welfare data because it was not possible to separate the Indian from the Inuit recipients). Thus the increases can be attributed in part to more generous

Table 9

WELFARE EXPENDITURES FOR CREE REGION  
 1971-72 to 1976-77  
Federal and Quebec Expenditures Grouped

YEAR	MISTASSINI	WASWANIPI	RUPERT HOUSE <sup>1</sup>	EASTMAIN	PAINT HILLS	FORT GEORGE	TOTAL
1971-72	165,000	71,292	87,000	57,492	86,345	130,000	597,129
1972-73	270,983	75,350	138,530	56,740	96,897	145,257	783,757
1973-74	275,559	87,446	165,000	65,544	97,400	139,000	829,949
1974-75	388,586	111,405	140,285	94,234	110,050	456,500	1,301,060
1975-76	515,512	132,531	272,570	120,434	184,484	564,906	1,790,437
1976-77	418,649	126,352	156,647	104,365	152,308	416,940	1,375,261

1. The figure for Rupert House for fiscal 1975-76 is an estimate. In mid-1975, this community switched to receive its welfare program under Quebec auspices. In this year, the Federal system provided \$72,570 in welfare payments to Rupert House. The Quebec contribution is estimated as \$25,000 per month for 8 months, or \$200,000. Although the figure appears inflated, it has been noted that the Quebec Social Aid payments for September 1975 (our only hard data for that year) amounted to \$33,668. In the first three months of fiscal 1976-77 -- before the effects of the Income Security program affected the situation -- the monthly payments ranged from \$24,600 to \$26,874.

Source: I & NA  
 MAS Quebec

benefits received as bands shifted to Quebec Social Aid as well as indexing which has taken place to keep abreast of the cost of living. It is doubtful if there were significant changes in the annual case load until 1976 when the Income Security Program came into operation.

In terms of the importance of welfare as a percentage of the cash flow in the communities, we have the data produced by the 1972 McGill study (Salisbury et al. 1972b:pp 40 & 55). These data include a conversion of harvested food to dollar value, but if we ignore this calculation we arrive at an estimate of cash income. Welfare accounted for 21% and 41% of the cash income in the communities of Paint Hills and Eastmain respectively. Since these data were gathered at a time when there were Manpower courses in operation which contributed 35% and 20% respectively to the cash income, we can assume that were these courses not in operation, many more people would have been on welfare in which case the percentage of cash income from welfare might exceed 40%. Discussions with officials would tend to support this analysis, for it was admitted that Manpower courses were frequently organized to get people off welfare. An analysis of the data in Table 6 would also suggest that welfare contributed something between a quarter and a third of the cash income in the communities other than Fort George (which has had the greatest impact from the James Bay Project).



A better understanding of the relative intensity of welfare can be gotten from an analysis of the monthly case load data. Again the lack of Quebec data beyond 1975 makes a complete tabulation impossible, but Table 10 sets out the monthly case load between April 1975 and March 1978. In Table 11, the case load data for Waswanipi is carried back to April 1974 to give us a four year picture of the situation. Table 10 data indicates that the average monthly case load for fiscal 1975-76 was 885. This figure is probably a reasonable estimate of the typical case load throughout the early 1970's as well. True, Waswanipi's case load was slightly lower in 1974-75 than in 1976-77, as shown in Table 11, but this was a year in which there were extensive Manpower courses in winter. It is not unreasonable to assume that other communities may have had fluctuations in case loads as well, but there is no evidence to suggest that the loads were significantly lower at any time. Using a case load rather than a dollar basis for comparison purposes permits us to calculate the percentage of the family units on welfare. Assuming an average family size of 4.8 for the region, we estimate that there are about 1,300 families among the 6,500 population. I have not calculated the percentage of the case load which would be single, but it seems safe to assume that there would be no more than one-third. If this were the case, the total case load of 885 suggests that about half the families in 1975 were on welfare,

Table 10  
 TOTAL WELFARE CASE LOAD FOR CREE COMMUNITIES  
 BY MONTH AND BY COMMUNITY - 1975-76 TO 1977-78

1975-76												
	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR
Mistassini	240	267	253	196	213	232	254	247	296	148	78	68
Waswanipi	89	87	87	63	57	70	68	63	59	76	56	60
Rupert House	188	157	159	152	177	154	195	157	189	242	162	159
Eastmain	62	69	62	74	70	48	61	57	61	71	55	34
Paint Hills	153	71	86	94	110	89	89	110	118	143	95	91
Fort George	250	289	254	248	259	221	222	240	307	364	296	279
TOTAL	982	940	901	827	886	814	889	874	1030	1044	742	691
1976-77												
Mistassini	197	165	311	288	202	115	49	47	29	35	31	39
Waswanipi	59	76	75	60	57	52	35	20	28	41	30	31
Rupert House	107	107	105	82	31	37	36	30	29	31	34	41
Eastmain	46	35	61	74	70	68	26	23	22	23	22	27
Paint Hills	114	116	85	90	96	41	41	31	33	35	38	35
Fort George	300	199	142	159	101	92	87	86	73	76	81	79
TOTAL	823	698	779	753	557	405	274	237	214	241	236	252
1977-78												
Mistassini	45	47	48	57	54	61	49	41	58	62	66	71
Waswanipi	33	37	37	42	21	23	18	20	25	37	38	46
Rupert House	31	43	41	38	38	38	42	42	46	46	46	52
Eastmain	27	22	28	29	28	28	24	23	23	24	20	23
Paint Hills	38	32	26	30	33	36	34	30	26	28	32	24
Fort George	94	84	83	87	87	87	87	89	94	97	99	106
TOTAL	268	265	263	283	261	273	254	245	272	294	301	322

Source: MAS, Québec and I&NA --

Note: The case loads of both the Federal and Quebec agencies are combined in this table.

Table 11

WELFARE CASE LOAD IN WASWANIPI  
1974-75 TO 1977-78

---

	<u>74-75</u>	<u>75-76</u>	<u>76-77</u>	<u>77-78</u>
April	105	89	59	33
May	120	87	76	37
June	61	87	75	37
July	38	63	60	42
August	43	57	57	21
September	59	70	52	23
October	81	68	35	18
November	37	63	20	20
December	56	59	28	25
January	75	76	41	37
February	54	56	30	38
March	<u>53</u>	<u>60</u>	<u>31</u>	<u>46</u>
 TOTAL	 782	 835	 564	 377
 Average per month	 65	 70	 47	 31

Source: I&amp;NA

and derived about a third of the total cash income of the region from this source. Wage employment in this period probably only accounted for about a third of the cash income in most communities, about the same as welfare. Other transfer payments, income from furs and handicraft sales would make up the remainder.

If we recall the earlier discussion of the importance of the cash equivalent value of the harvest production, in the light of the requirement for welfare to generate needed cash, we can see how welfare was especially important for the one-half of the families who were on the welfare rolls. For that group, perhaps as much as three-quarters of available cash came from this source. This is the group who would be principally involved in the bush economy. In the light of this, the importance of welfare in sustaining the bush sector of the Cree economy is evident. Given the important dynamic of that economy within the Cree communities one can conclude that there were important productive pay-offs deriving from the payment of welfare.

Notwithstanding that welfare played an important part in sustaining the harvesting economy of the Cree population, it must be admitted that it is not a particularly refined tool. In the form the regulations are framed it is certainly not suited to augment incomes of subsistence

harvesters who must be away from the community for months at a time. The fact that welfare contributed as much as it did in the past can be attributed to the ingenious (and probably illicit) means which resourceful officials developed for the region. Recognizing the importance of food available in the bush for the domestic economy of the families, a system was used whereby intensive harvesters going to the bush were given several months welfare benefits in advance in the fall, and again in January. This meant that these families had additional cash at a time when they were outfitting in the autumn and when they returned to the community around Christmas. Had it been necessary for families to return to the communities each month to request welfare for the following month, the sustained stay in the bush needed to carry out harvesting would have been impossible. In retrospect, the Cree hunters were fortunate that they were served by officials who were willing to bend regulations to accommodate their particular situation. Cree hunters were not a group of destitute people. They were productive but they needed a form of subsidy to take advantage of the economic opportunities of their particular form of harvesting activity.

Subsidies for weak sectors of production are certainly not novel in the Canadian context. They come in a variety of forms; for milk producers in the form of guaranteed payments for quotas, direct inputs for plant

renewal as in the Cape Breton steel industry, the special rates provided for shippers of western grain, etc.

Within Indian Affairs there have been experiments in subsidizing communities in the north through the Native Outpost policy (Gaunt, 1976). A number of proposals could be put forward to subsidize the Cree harvesting economy but it is not particularly useful to discuss hypothetical approaches in the present context. In the negotiations surrounding the James Bay settlement, the nature of the approach taken in the social and economic proposals to rationalize the Cree economy of harvesting drew inspiration from the theoretical discussions of Guaranteed Annual Income. Such discussions had been in the forefront of social policy planning for at least two decades. Planning for the implementation of a national programme in Canada is well advanced and one short term experimental programme is underway. The James Bay Settlement, though, put into operation the first permanent guaranteed income scheme in this country. It has not been determined whether there are schemes in other countries, but if any exist, the Cree programme is one of the very first to have been established. In the light of its novelty, it will be useful to review the concept of Guaranteed Annual Income before describing the Cree programme.

Some Experiments in Guaranteed Annual Income

The most widely discussed of the Guaranteed Annual Income schemes is that of "Negative Income Tax" (NIT). It has been proposed as a means of resolving the problem of providing an equitable income support for the so-called "working poor". It has been recognized that current welfare programmes were both expensive to administer and inequitable, both geographically and in terms of individual access to the programmes in a particular region. Regional disparities placed welfare burdens on exactly those states, provinces or cities which were in the weakest position to respond. Moreover, most programmes were not designed to benefit the "working poor", only the destitute.

One solution to the problem was seen in the possibility of extending the well known notion of positive income tax to take in this sector of society, but instead of this public paying an income tax to the government, they would receive a graduated benefit sufficient to bring all incomes up to a predetermined minimum. The argument was that such a programme would be cheaper to administer, more equitable in that it would be free from the idiosyncratic assessment of local welfare boards, and above all, remove the stigma of shame from welfare recipients. (A review of the arguments and an analysis of

the comparative costs in given in Green, 1967). The proponents of this programme did not see it as a panacea for all welfare problems nor as a replacement for the current variety of programmes. Rather, their proposal was directed to the "working poor".

A persistent criticism of most welfare schemes is that they discourage people from working. Payments to recipients are normally reduced by the total of whatever income is earned. Under Quebec Social Aid, provision is made to permit only a portion (an increasing percentage over three months) to be deducted. But most schemes reduce payments by 100%; that is, a family receiving \$400. per month in welfare would have these benefits reduced to \$100. if \$300. were earned. Following each short term job, one must re-apply for reinstatement, a process involving a trip to the welfare office and being reinterviewed. Thus unless there is an opportunity to earn more than the welfare benefit in a given period, there is little incentive for a person to take a job at low pay, or even high paying work for a few days because the family's income would remain substantially the same whether one worked or drew welfare. Moreover, losing welfare payments because of a short term job faces the claimant with the possibility of not being reinstated.

But more serious than this is the fact that thousands of low income workers earn more than the maximum



which would permit them to receive welfare, yet at the same time, the total income puts them well below the poverty line. This group of "working poor" have under the conventional welfare systems no recourse for regular assistance. It is for this group that the NIT proposals were directed.

Under a NIT system, the maximum benefits payable to a family are established by a system not unlike a normal welfare benefit structure. Benefits reflect family size; the larger the family, the larger the possible payment. This maximum level of payment for a particular family size is known as a "guarantee level" in the NIT literature. In the total absence of other income, this amount will be provided to the family. However, unlike conventional welfare schemes, one of the features of the NIT proposals is that the guarantee to the family is not reduced by the total dollar value of earnings. Rather, the guarantee is reduced or offset by a percentage (the tax offset rate) of the earnings. Thus the benefit to a family is equal to the guarantee minus earnings multiplied by the tax offset rate.

$$\text{Benefit} = \text{Guarantee} - (\text{Earnings} \times \text{Rate})$$

Under this system, a family which works is rewarded by being able to retain a net income which is

higher than the basic guarantee. For example, if a family was calculated to have a requirement for a guarantee of \$4,000 per annum, and if under the programme it had \$2,000 in earnings "taxed" at 50%, the net income to the family would be  $\$4,000 - (.50 \times \$2,000) + \$2,000 = \$5,000$ . That is the earnings would have been \$2,000 and the benefits under the scheme \$3,000 for a total of \$5,000. Without any earnings, the family's income would have been the amount of the guarantee - \$4,000. Were the earnings \$5,000, the benefit would be reduced to \$1,500 for a net income of \$6,500. One can see that the point would be reached when a family earned so much that the benefit would be reduced to zero. This point is called the "break-even" level - that is the level of earnings which reduces the programme's benefits to zero. In our example with a tax rate of 50%, that point would be reached with earnings of \$8,000.

$$\$4,000 - (.50 \times \$8,000) = 0.$$

Mathematically, the break-even level is the guarantee level multiplied by the reciprocal of the tax offset rate expressed as a decimal.

There is obviously a good reason to suspect that if either the tax offset rate or the guarantee levels under a NIT programme are very high, there might be a tendency for people to stop working and subsist on the

guarantee with the result that the programme would operate rather like a conventional but perhaps more generous welfare scheme. Critics of NIT voiced fears that as the guarantee level approached the poverty line, people would drop out of the work force. If that occurred, the costs to the public treasury would be insupportable. Of course there was no way of prejudging the response of people in the absence of any experience with such a scheme.

In an attempt to seek some concrete information to guide policy framers, several experimental income maintenance schemes were established in the USA and one in Manitoba. They were designed to test an underlying and politically significant question: what is the effect of an income maintenance scheme or a negative income tax programme on the work effort of the recipients? Would such a programme encourage people to withdraw their services from the labour market? Of course, the research design of these large scale experiments was not limited exclusively to questions relating to labour market response. A broad range of sociological and cultural topics was covered, ranging from assessing impacts of the experiments on the performance of school children to shifts in consumer habits. The object was to gather as much information as practicable from these very costly experiments which could later flow

into the design of any potential national NIT scheme.

Thus between 1968 and the present, several major experiments have been initiated in the US. There is one in Canada - the Manitoba experiment, Mincome, which is still underway. Already we have good information on the research findings of two of the US experiments, the New Jersey Income Maintenance Experiment and the Rural Income Maintenance scheme. (Kershaw & Fair, 1976, and Bawden & Harrer n.d.). The New Jersey experiment focussed on the urban milieu of Trenton, Jersey City and Patterson-Passaic, N.J. and Scranton, Penn. Later urban plans were placed in Seattle, Wash., Denver, Colorado and Gary, Indiana. A rural experiment was situated in the states of North Carolina and Iowa. In these experiments, participants were selected on a range of statistical criteria, matched with a "control" population and provided with a guaranteed income for periods of three to five years. (A small sub-sample of the Seattle-Denver experiment will receive payments for a period of twenty years). Each of the experiments had about a thousand families receiving benefits.

The Manitoba experiment involves a "saturation" programme in the town of Dauphin, and also includes families in Winnipeg and in some rural areas. This experiment is still underway and research findings are not yet available.

In all these experiments, an attempt was made to test for the effect of labour withdrawal through the device of setting differing guarantee levels both above and below the poverty line and combining this with a mix of tax offset rates. Experimental results would, among other things, indicate which mixes of guarantee and tax offset rates would prove optimum to encourage wage labour attachment at a level which would result in minimum expenditure from the public purse to finance the programme. For example in Manitoba the experiment was divided into sub-samples each receiving a different treatment along the lines outlined in the following matrix:

<u>Guarantee Level for Family of Four - 1975</u>	<u>Tax Offset Rate</u>		
	35%	50%	75%
\$3,800	X	X	
\$4,800	X	X	X
\$5,800		X	X

(Source: Hum, 1977).

In the town of Dauphin, where there was a "saturation" programme, there was only one mix - a \$3,800 guarantee combined with a 50% tax offset rate.

In the New Jersey Experiment the payments followed the following matrix:

Guarantee as a percent of the poverty line	Tax offset rate (percentage)		
	30	50	70
50	X	X	
75	X	X	X
100		X	X
125		X	

(Kershaw & Fair 1976: 10).

The missing cells in the above matrices indicate guarantee/tax-offset combinations which were judged to have no relevance to policy planners.

In operation, the experiments depended on a system of self-reporting of income by the participants. After an initial interview, when the programme was explained to them, the participants filled out a periodic form summarizing all earnings from the previous period. This was mailed to the programme administration which calculated the benefit payable on a bi-weekly basis. In general the programmes were designed to be as similar as possible to any potential nationally administered scheme. Hence the participants were contacted by the administration as little as possible. The research group did interview the participants on a regular basis, but their involvement was kept separate and distinct from the programme administration. For example, the research interviews were

not consulted in assessing administrative aspects of an individual's file. But in each district where the programme operated, there was a local administrator to whom the participants could come for advice or conversely, who could contact the participants if there were problems with their forms. In short, the administration staff did not take upon themselves the role of social case-workers.

On the basis of the income reported in the regular report, a calculation of the payment was made and a bi-weekly cheque issued. In the experiments, the amount of payment depended upon the guarantee/tax rate treatment the family was receiving. From the New Jersey case, we can take an example of how the calculations were made to a family of four receiving a guarantee at 100% of the poverty line (\$3,300 in 1969) with a tax offset rate of 50%. With no outside income, this family would have received a bi-weekly cheque of \$129.92. However, if the report indicated earnings of \$300 in the previous four weeks, the \$129.92 payment would have been reduced by an amount equal to 50% of the \$300 earnings - that is by \$150 for the month, or \$75 for the two week period. The next two benefit cheques would be for \$51.92 (\$129.92 - \$75). If the same family were in the 70% tax rate, the bi-weekly reduction would be \$110 and the payments \$16.92 each.

One can appreciate that if only the previous period's earnings are considered, it will lead to a situation where over-payments on an annual basis would be made to families who receive the bulk of their income in a lump-sum or in irregularly spaced work. Such families could be in the position of drawing full benefits for eight, ten or even eleven months, missing full payment only in the period following the lump-sum payment. One can easily imagine a farmer who might get his total annual income in the form of a payment from the sale of his crop. If he were in a programme with a guarantee level of, say, \$4,000 per annum and he received a payment for the sale of crops in the amount of \$3,000 in a lump-sum, he would be in a position to collect NIT benefits for eleven months. Such an individual would end up with almost \$3,700 in NIT payments and a total income of \$6,700. At year's end he would have to reimburse the programme for overpayment. The amount of the overpayment would depend upon the tax offset rate, but assuming that it were 50%, the amount of the overpayment would be in the order of \$1,500.

By way of comparison, an individual on the same programme who received annual earnings of \$3,000 on the basis of a regular \$250 per month would receive a total annual benefit of about \$2,500 based on a monthly payment



of \$208.33.

$$\frac{\$4,000}{12} - (.50 \times 250) = \$208.33$$

If there were no provision for collecting the overpayment to the farmer, the system would be inequitable. It is recognized that adjusting the payments for equity on an annual basis is extremely difficult because of the hardship involved in making such large repayments. Several systems of making these adjustments on a regular basis have been considered.

Kershaw and Fair devote a few pages to a discussion of a "carry over" system developed in the New Jersey experiment which adjusted the payments to people with irregular incomes (1976: 80-83). They finally used a carry over system similar to the accounting device used to handle inventory stock control. It is not useful to repeat the details of that discussion in this paper, it being sufficient to note that relatively simple accounting principles can be used in the context of negative income tax systems to assure that total annual payments are not in excess of guarantee limits without painful resort to collecting overpayments.

The Income Security Program for Cree Hunters and Trappers

If one considers the Cree trappers as a "working poor" for whom a form of guaranteed income is being designed, it would be clear that some of the straightforward approaches of NIT would be less than adequate. As noted in the discussion of the Cree economy, the problem in the Cree communities had been one of maintaining a level of cash income from a combination of wage labour and welfare to finance the harvesting venture. Since the income from fur sales is so low (average \$473), it is evident that it will not figure to any major extent in maintaining the cash flow to the harvesting units. If a programme were designed which would simply transfer cash to people, there would be a potential tendency for recipients to remain in the communities and live on the proceeds of the payments combined with occasional sorties in the bush to harvest wild life. This is the exact analogue of the fear that people would withdraw from the labour market in NIT programmes. It is clear that the approach of combining guarantee levels with tax offset rates would have little potential in the Cree context. The potential income from trapping is so low that guarantee levels would be little effected by whether one pursued

that activity or not. A high guarantee level could in fact result in Cree harvesters withdrawing from that activity and living on store bought food.

It was the purpose of the designers of the Cree programme to have a scheme which would encourage the harvesting sector of the Cree communities. This was an important social, cultural and economic goal. The long range stability of these communities depended on it. If the conventional NIT approach were taken, that of providing an interesting guarantee level and tax rate combination, it might have the result of encouraging Cree to leave harvesting activities and maximize cash income in the wage labour market. Moreover, the concept of a monthly payment is less than optimum for harvesters who spend long periods isolated from the community and who need significant cash at a few periods during the year. The approach had to be one of rewarding the harvesting sector, and at the same time insuring that the people would be interested in pursuing normal summer work which was needed to guarantee a potential labour force in the summer for community projects, which at the same time would reduce the overall burden of the transfer payments. To ensure that serious harvesters only could get maximum benefits, the programme had to be limited. The approach taken was to provide a cash income from harvesting activities in

the form of a wage subsidy combined with a guarantee level which would both provide equitable differentials to families of various size and at the same time provide a stimulus for those who were able to pursue wage labour outside the harvesting seasons.

Subsection 30.1.8 of the Agreement sets out clearly the goals of the designers of the programme:

"The program shall insure that hunting, fishing and trapping shall constitute a viable way of life for the Cree people, and that individual Crees who elect to pursue such a way of life shall be guaranteed a measure of economic security consistent with conditions prevailing from time to time." (Agreement, 437).

In essence, it provides cash transfer payments to strengthen subsistence activity so that they are, and continue to be viable. These payments are made to those who meet programme eligibility criteria established by the Agreement. These criteria are set out in detail in Subsections 2.1 to 2.4 of Section 30 of the Agreement. A copy of Section 30 is reproduced as Appendix A.

The basic criteria relate to time spent in harvesting. Those are eligible who:

- spend at least 120 days in harvesting and related activities in a year, 90 days of which must be spent outside the settlement;
- spend more time in harvesting and related activities than in wage employment; but ex-

cluding certain kinds of work in guiding, outfitting or commercial fishing; also excluding time spent on UIC, Manpower courses, or Workman's Compensation;

- in the year preceeding the year of entering the program earn more from harvesting than wage labour, including guiding, outfitting and commercial fishing, though in succeeding years he would have to meet the time requirements to remain eligible.

Once in the programme, beneficiaries can lose eligibility by spending less than 120 days in harvesting; spending more time working for wage labour (except in the protected employment of guiding, commercial fishing, Manpower courses, and on special projects like community improvement programmes) than is spent in harvesting activities; or earning more in salaried or wage employment than in harvesting. However, borderline cases are reviewed and there appears to be some flexibility. The remainder of Subsection 30.2 relating to eligibility, sets out the exceptions affecting those who cannot go to the bush for reasons of sickness, attending training programmes, benefitting under Workman's Compensation, etc. In these instances, eligibility is not lost.

Once eligible, a family, or "beneficiary unit"

as it is termed to take account of the particular structure of the Cree commensal unit (though an individual 18 years of age or over can be a "unit" as well), can expect to receive a payment four times a year, which is based on a rather complex formula which is set out in its legal form in Subsection 30.3.\* In simple terms, a beneficiary unit gets a sum made up of (1) the "basic amount" and (2) a "per diem" payment for each day spent in the harvesting activity. The basic amount is reduced by a tax offset rate on income (including earnings from per diem payments) of 40%. The basic amount, or guarantee, is made up as follows:

For the head of the unit	\$1,000
For the consort	\$1,000
For the family unit	\$400
For each child	\$400

These amounts are indexed to the cost of living, and for 1976-77, the amounts are \$1,112 and \$445.

The second amount is made up of a per diem of \$10.00 for each adult (18 and over) in the unit. This amount is indexed and for 1976 was \$11.12, but to it has been added an amount of \$2.00, which replaces the benefit described in 30.3.3b, which has been dropped because of the

\* The formula is set out in algebraic form on the following page.

A Formula for Calculating Benefits under the  
Cree Income Security Program

$$K = A - .4F - B + C - W$$

A = Basic Amount (Guarantee)

When  $A < .4F + B$ ; then  $A - .4F - B = 0$

B = Old Age Pension

C = Per Diem Payment = nr

E = Earnings from other than harvesting

F = Total Income = E + f - 250a + C

When  $f - 250a < 0$ , it is considered to be 0

K = Total Benefit granted to Beneficiary Unit

W = Total Social Aid or Band Aid received by Beneficiary Unit

a = adults in the beneficiary unit

b = benefit payable to a beneficiary unit which is a family = y

c = children in the beneficiary unit

f = fur sales by the beneficiary unit

n = number of days harvested by adults in beneficiary unit

r = per diem rate for days harvesting (1976-77 = \$ 13.12)

x = basic guarantee amount per adult (1976-77 = \$1,112.)

y = basic guarantee amount per child (1976-77 = \$445.)

complexity of administration. Accordingly, for 1976, the per diem is calculated at \$13.12.

Earnings are "taxable" at a rate of 40%. That is, for each dollar earned from the following list, a deduction of 40 cents is made from the basic amount or guarantee:

The total amount of the "per diem" payment

Wages and salaries

UIC benefits

Workman's Compensation

Manpower training course allowance

Income as a band counsellor

Baby sitting

Income from room and board

Self-employment

Income from fur sales in excess of \$250 per adult in the unit

Income from Old Age Pension is deducted from the guarantee at the rate of 100%. If the total of all deductions exceeds the guarantee level, the unit still receives the full amount of the per diem payment. No deduction is made from it except in the case of a beneficiary which has received Band Aid relief or Social Aid. In this case, the total amount of this kind of



welfare payment is deducted from the benefit including a part or all of the per diem payment if necessary.

The forms used in the establishment of, and calculation of benefits are included in Appendix B. Among these forms, that entitled "Adjustment for the year 1976-1977" reduces this verbal description to a format not unlike an Income Tax form. And just as most people boggle at the spelling out of the Income Tax Act, but seem able (with help) to manage with the forms, this form makes the calculation straightforward if not immediately understandable.

That then is the essence of the programme. Once people meet the 120 day criteria, they draw four cheques a year for a total amount not less than the per diem rate multiplied by the number of days in harvesting activities. If a unit had absolutely no other income, the payment would be that per-diem payment plus what remained of the basic amount after reducing it by an amount equalling 40% of the per-diem.

Two examples will perhaps help to clarify the calculation of the payments involved. In the first, our example is of a single man; in the second, a couple with two children. For clarity I have made the calculations for each case on the form utilized by the Cree which are reproduced on the following two pages. In the first

ADJUSTMENT FOR THE YEAR 1976 - 1977

EXAMPLE "A"

case load

permanent code

COMPOSITION OF THE FAMILY SINGLE MAN

Number of adults  revised  No of dependant children  revised

BASIC AMOUNT

head of beneficiary unit	<input type="text" value="1,112"/>	<input type="text" value="1,112"/>	
consort	<input type="text" value="1,112"/>	<input type="text" value="0"/>	
family or individual	<input type="text" value="445"/>	<input type="text" value="0"/>	<input type="text" value="1,112"/> A
no of children X	<input type="text" value="445"/>	<input type="text" value="0"/>	

INCOME

OLD AGE PENSION

	revised	amount	
head of beneficiary unit	<input type="text"/>	<input type="text" value="0"/>	
consort	<input type="text"/>	<input type="text" value="0"/>	<input type="text" value="0"/> B

PER DIEM (01-07-76 TO 30-06-77)

	revised	days			
head of beneficiary unit	<input type="text"/>	<input type="text" value="140"/>	X 13.12 =	<input type="text" value="1,837"/>	max. \$3,150/adult
consort	<input type="text"/>	<input type="text"/>	X 13.12 =	<input type="text"/>	= <input type="text" value="1,837"/> C
FUR INCOME	<input type="text"/>	<input type="text" value="1,800"/>	- 250./adult	<input type="text" value="250"/>	= <input type="text" value="1,550"/> D

	revised	amount	
EMPLOYMENT	<input type="text"/>	<input type="text" value="2,700"/>	
U.I.C. BENEFITS	<input type="text"/>	<input type="text" value="800"/>	
WORKMAN COMPENSATION	<input type="text"/>	<input type="text"/>	
MAN POWER TRAINING ALLOWANCE	<input type="text"/>	<input type="text"/>	
INCOME AS BAND CONCESSION	<input type="text"/>	<input type="text"/>	
BABY SITTING	<input type="text"/>	<input type="text"/>	
INCOME FROM ROOM AND BOARD	<input type="text"/>	<input type="text"/>	
SELF EMPLOYMENT	<input type="text" value="S"/>	<input type="text"/>	
RELATED ACTIVITIES	<input type="text" value="S"/>	<input type="text"/>	
= <input type="text" value="3,500"/> E			
TOTAL: C, D, E <input type="text" value="6,887"/> F			

CALCULATION OF AMOUNT GRANTED

F X 40% =  G

A (-)  B =  H

I social aid

C band relief

J -  K =  AMOUNT GRANTED

for the period of 01-07-76 to 31-08-76

date

signature

ADJUSTMENT FOR THE YEAR 1976 - 1977

EXAMPLE "B"

case load

permanent code

COMPOSITION OF THE FAMILY MAN, WIFE, 2 CHILDREN

Number of adults	revised	No of dependant children	revised

BASIC AMOUNT

head of beneficiary unit	1,112	1,112	
consort	1,112	1,112	
family or individual	445	445	
no of children X	445	890	3,559 A

INCOME

OLD AGE PENSION

	revised	amount	
head of beneficiary unit		0	
consort		0	0 B

PER DIEM (01-07-76 TO 30-06-77)

	revised	days	
head of beneficiary unit		140	X 13.12 = 1,837 max. \$3,150/adult
consort		140	X 13.12 = 1,837 = 3,674 C

FUR INCOME

	revised	amount	
		1,800	- 250./adult 500 = 1,300 D

EMPLOYMENT

U.I.C. BENEFITS

WORKMAN COMPENSATION

MAN POWER TRAINING ALLOWANCE

INCOME AS BAND CONCELLOR

BABY SITTING

INCOME FROM ROOM AND BOARD

SELF EMPLOYMENT

RELATED ACTIVITIES

	revised	amount	
EMPLOYMENT		2,700	
U.I.C. BENEFITS		800	
WORKMAN COMPENSATION			
MAN POWER TRAINING ALLOWANCE			
INCOME AS BAND CONCELLOR			
BABY SITTING			
INCOME FROM ROOM AND BOARD			
SELF EMPLOYMENT	S		
RELATED ACTIVITIES	S		
			3,500 E
TOTAL: C, D, E			8,474 F

CALCULATION OF AMOUNT GRANTED

8,474 F	X 40%	= 3,390 G	
		+ 0 B	
3,559 A (-)		3,390 H	
		+ 169 I	
		+ 3,674 C	
		43,843 J	
		- 0 K	
		=	3,843 AMOUNT GRANTED

for the period of 01-07-76 to 31-08-76

social aid 0

band relief 0

date

signature

example of the single man, we note that he earned \$2,700 in wage employment and has received \$800 in UIC benefits. This together with the income from fur (note that \$250 of it is exempt) makes his earnings so high that he receives no "basic amount" which for the 1976-77 year is \$1,112. He does however get a payment of \$1,837 based on his 140 days of harvesting activities at \$13.12 per day.

In our second example, the beneficiary unit comprises two adults and two children. In this case, the basic amount is \$3,559. While the earnings are the same as in the previous example, we note that the fur exemption is for \$500 (\$250 for each adult, i.e. the man and his consort). In the calculation of the amount granted we can see that the difference between 40% of his earnings and the basic amount leaves him \$169 of the basic amount. This is added to the per diem payment which is double that of our previous example for both beneficiary and consort receive the same daily payment in the bush. This amount of \$3,674 is added to the \$169 for a total payment of \$3,843.

One can note that the form indicates that the maximum payment of a per diem per adult is \$3,150. This represents the payment for 240 days in harvesting activities which is the upper limit that can be claimed. The upper limit of the basic amount would be determined of course,

by the number of children or dependents. In practice, over 10% of the beneficiary units have more than 7 dependent children which means that over 100 families in the Cree communities have a basic amount calculated at over \$5,800.

Table 12 sets out the minimum and maximum payments which beneficiary units could obtain under the programme in 1975. For a family of two adults and two children which has no outside source of income (and for purposes of the table we have assumed the fur income to have been less than \$250 per adult). The amounts are \$3,848 and \$6,656.

Table 13 lists the guarantee levels and the break even point of differing sized beneficiary units for the first year of operation of the programme (1975). The most significant item to note is the very wide range of break even points. For the single person it is very low in comparison to that of larger families (\$2,500 vs \$13,000 for a family of 7 children). If a single person spent the maximum number of days in the bush, he would earn in per diem payments an amount in excess of his break even point and would therefore receive none of the guarantee. For all other sizes of beneficiary unit, the maximum per diem payment payable will be less than the breakeven point, and the unit would receive at least part of the

Table 12

MINIMUM AND MAXIMUM BENEFITS TO BENEFICIARY UNITS  
WITH INCOME FROM NO OTHER SOURCE THAN THE PER DIEM  
PAYMENT (CALCULATIONS MADE ON 1975 RATES)

Size of Beneficiary Unit		Minimum <sup>1</sup>	Maximum <sup>2</sup>
Adults	Children	90 days	240/480 days
1	0	\$1,648	\$2,880
	1	2,448	3,528
	2	2,848	3,928
	3	3,248	4,328
	4	3,648	4,728
	5	4,048	5,128
	6	4,448	5,528
	7	4,848	5,928
2	0	3,048	5,856
	1	3,448	6,256
	2	3,848	6,656
	3	4,248	7,056
	4	4,648	7,456
	5	5,048	7,856
	6	5,448	8,256
	7	5,848	8,656

1. In order to fulfill eligibility criteria, a head of a beneficiary unit must spend at least 120 days in harvesting activities, 90 away from the community. Per diem payments are calculated on the basis of days spent outside the community.
2. Adults in a beneficiary unit can be paid for a maximum of 240 days each. A couple could get paid for a maximum of 480 days.

Table 13

GUARANTEE LEVELS AND BREAK EVEN POINTS FOR THE  
CREE INCOME SECURITY PROGRAM FOR THE YEAR 1975

---

Size of Beneficiary Unit Adults	Children	Guarantee Level	Break even Point
1	0	\$1,000 <sup>1</sup>	\$2,500
	0	1,400	3,500
	1	1,800	4,500
	2	2,200	5,500
	3	2,600	6,500
	4	3,000	7,500
	5	3,400	8,500
	6	3,800	9,500
	7	4,200	10,500
2	0	2,400	6,000
	1	2,800	7,000
	2	3,200	8,000
	3	3,600	9,000
	4	4,000	10,000
	5	4,400	11,000
	6	4,800	12,000
	7	5,200	13,000

1. In certain instances, a single person may be allowed \$400 for being a family unit. Single persons living with their parents do not receive this.

guarantee. Of course, outside earnings together with the per diem payment could raise income higher than the breakeven point in many cases, but as the programme is designed, the breakeven point would rarely be approached in families with three or more children, even if they had considerable outside employment. For example, a family with five children with a breakeven point of \$11,000 (1975 rates) would have to earn over \$5,000 in other income to reach the breakeven point if both spouses spent the maximum of 240 days in the bush. This is a remote possibility in the seventeen weeks remaining in the year. For the single beneficiary or the single parent family though, the breakeven point can be reached by comparatively small earnings. Indeed, for these groups, the benefits under welfare may be higher than those on the Program. Experience will show whether this will lead to some of these families dropping the ISP in favour of conventional welfare.



Comparisons of Cree and NIT Experiments

1) Guarantee levels and benefits

The Cree programme differs from the NIT experiments in that it not only incorporates the notion of a minimum guarantee level, but through the per diem payments it provides to the beneficiaries, a direct form of wage subsidy. In the experiments, all earned income was generated either from wages or the proceeds of self-employment. The guarantee level on the Cree programme is lower than on the other experimental schemes. The latter were designed to reflect the poverty line in the years of operation. The comparison of the guarantee levels for a family of two adults and two children in the different schemes (adjusted to reflect 1975 dollars) is as follows:

Cree Income Security Program	\$3,200
Mincome (Manitoba)	\$3,800, \$4,800, \$5,800
New Jersey (to nearest \$10.00)	\$2,500, \$3,750, \$5,000, \$6,250
Rural Experiment (to nearest \$10.00)	\$2,500, \$3,750, \$5,000

(The lowest guarantee levels in the U.S. experiments relate to the guarantee received by the sub-sample which was treated at 50% of the poverty line).

A simple comparison of guarantee levels is in-

adequate because the Cree programme has the feature of the per diem payment for time spent in harvesting. In order to participate in the programme, the head of the beneficiary unit must spend at least 90 days away from the community in harvesting activity for which he would receive about \$12.00 per day in 1975 rates. Thus, in order to retain eligibility at a minimum level, a head of unit will receive a minimum payment for the per diem benefit of \$1,080. This payment combined with the guarantee for a family of four, provides a minimum income of \$3,848, provided of course they have absolutely no other income. However, the more common situation in the Cree context would be for both spouses to be in the bush together in the harvesting venture. This would provide a more common minimum of 180 days in the bush which would be reimbursed at the rate of \$12.00 per day, a total of \$2,160 in per diem payments. When combined with guarantee, a family of four could be considered to be eligible for a minimum of \$4,496. Under the Cree system, the combination of per diem and guarantee level places the beneficiary unit which meets only the minimum per diem criteria at less than half of Senator Croll's definition of the poverty line (50% of the average Canadian family income).

However, the absolute minimum (90 days for the head of beneficiary unit) providing a family of four with \$3,848, is almost exactly the same as the minimum guarantee

of the saturation site in Dauphin, Manitoba, which operates with a guarantee level of \$3,800 (for a family of four) and a tax offset rate of 50%. The Cree beneficiary though, would be required to spend at least 90 days in harvesting outside the community, and 120 days in total on harvesting and related activities before being eligible. A Manitoba beneficiary who spent four months working would end up with considerably more total net income on a cash basis. The Cree beneficiary at the same time would have harvested considerable food in three or four months which would contribute significantly to the family economy.

The level to which support payments will be continued is a good deal more complex to determine. For the experiments, they are straightforward, given as the break-even point of the guarantee. The rules of the Cree programme make this point much more difficult to determine. To begin with, a beneficiary cannot earn more outside income than from harvesting and retain eligibility. Let us consider again the example of a family of two adults and two children in 1975. Assuming that both spouses spent the maximum number of days harvesting -- a total of 480 -- the income from the per diem payment would be \$5,760. Assuming no outside income from either fur sales or wage labour etc., the benefit to this family would be \$6,556. Outside income could reduce the benefit to only \$5,760, the amount of the per diem. A family of this size,

with a guarantee of \$3,200 has a break even point of \$8,000 which implies that other income in the amount of \$2,240 would reduce the guarantee to zero (with 480 days yielding a per diem payment of \$5,760). However, the per diem payment would be made even if the family earned income in excess of a total which exceeded the break even point, technically to an amount equal to the benefits paid under the programme, in this case \$5,760. But, if the income were derived from fur sales, or from work in guiding, commercial fishing or outfitting, the maximum cash income permitted under sub-section 30.2.2b would appear to be unlimited.

Support levels for the Cree then will reach maximums at a point when the beneficiary units spend the maximum number of days in the bush, but net income to the family may perhaps be maximized at higher levels at a lower number of days in the bush if combined with wage labour. If the family in our example above had spent only 300 days in the bush (150 for each spouse) and the family had employment, say in an outfitting camp for 30 weeks at \$200 per week, and had gotten \$750 in furs, the Income Security Benefit would be \$3,600. The net income for the family would be that amount plus the proceeds from employment and fur sales, a total of \$10,350. The same family with 480 days in the bush with the same fur income, but with wage earnings at a maximum of 17 weeks

(the total time remaining after spending 240 days in the bush) at \$200. would have a net income of \$9,910. The two amounts are almost the same.

Part of the advantage of the per diem payments is that they are made on the basis of a seven day week, while employment is normally on the basis of five days. To derive advantage of wages over harvesting, one would need a weekly wage in excess of seven times the per diem rate.

Given the potential in the Cree programme to receive benefits when net income is in excess of the break even point, it is more generous than the other experiments. However, given the overall scarcity of employment opportunities for the Cree, and above all the limited number of weeks available for work after one has spent time harvesting, the possibility of exaggerated net incomes is remote. Nonetheless, there exists the possibility for an Indian outfitter, for example, to receive the per diem payments up to the maximum possible for both spouses while receiving an income from his business venture, of say, \$25,000. This hypothetical case is far from the reality implicit in the data for 1976-77. In that year the total income accruing to all Cree beneficiaries from all sources (including fur sales in excess of the \$250 per adult exemption), amounted to only \$1.6 million. This is less than an average of \$1,600 per beneficiary unit, an amount which would reduce the guarantee by an average of less than \$650 per unit. For the single

individual though, the \$650 would represent more than half the guarantee, while for a family of four it would amount to only about 18%. For the larger units it would be even lower. It is this feature which makes the Cree programme more attractive to larger families. Parenthetically, it also suggests that the Cree programme may have a built in dowry effect which might be reflected in a higher marriage rate for single hunters than for non-hunters.

In summary then, compared with the experiments, the Cree programme presents a much more complex approach to the matter of establishing minimum payments and minimum and maximum net incomes possible by beneficiaries. Though the examples are somewhat complex to follow, it has, I think, been shown that while the Cree programme has a lower guarantee level than the experiments, it nonetheless provides benefits for people meeting even minimum criteria which are comparable with any of the experimental programmes. At maximum levels, taking into account the potential for net income, the Cree programme would seem to be more generous.

## 2) Definition of income

If the Cree programme is complex in matters relating to determining minimum and maximum payments deriving

from the guarantee/per diem formulae, it is much simpler in its approach to other features of the accounting. Programmes can differ in the manner in which income is defined, how personal wealth is incorporated in calculation of income, in the manner of treating assets and capital goods, in defining family members, in the treatment of other transfer payments, etc. Since the experiments had to reflect the reality that any potential national NIT scheme would be tied to income tax regulations, the approaches to financial transactions which might effect the income of participants closely resemble the approaches used by Internal Revenue Service in the U.S.A. or the Income Tax Act in Canada. In contrast, the Cree programme seems to be based on the assumption that Indians pay no income tax on reserve based income, (harvesting presumed to be reserve based). This makes the Cree plan simple in administration. However, it was noted that the Finance Department of Quebec was making a study of the payments deriving from the per diem segment of the benefit to establish whether these might be subject to income tax.

In the Rural Income Maintenance Experiment, and in the Manitoba experiment, there is a calculation of the net earnings of self-employed farmers. Payments are made based on the status of the balance statement of income and expenses. Items such as depreciation on equipment, and costs of pursuing the business venture are included,

somewhat akin to a system used in the preparation of statements for income tax purposes. The Cree programme makes no such calculations. Harvesting income is treated more or less like wage labour. Certainly this makes the calculation of income an easy matter for the only items included are the per diem payment in respect to days spent harvesting and the proceeds from the sale of furs. Nonetheless there are limitations in this simplicity, a matter which will be discussed below in the section dealing with an overall assessment of the Cree programme.

Unlike the experiments, the Cree programme does not take into account private wealth, interest or dividends received, income from house rental, nor proceeds from insurance settlements, in determining income. These certainly would not be a major factor in anyone's income at the present, and presumably, if many Cree hunters became wealthy there would be the possibility of handling the situation through revised regulations. The approach at this stage seems to be to keep the whole mechanism of income reporting a simple one so that it remains comprehensible to the participants.

### 3) Reporting procedures

The Cree programme differs fundamentally from the NIT experiments in the approach to how the participants



report. As noted above, the NIT experiments relied on self-reporting, that is the beneficiaries filled out and mailed in regular statements on their income. The reporting period was monthly or every four weeks. In general, the reports of the urban experiments indicate that the self-reporting system operated efficiently with no more fraud than could be normally expected, and with minimal errors after the system was properly in place. There was a tendency for individuals to underreport their income, but no more than in conventional welfare schemes or in income tax (Kershaw & Fair, 1976: 176). But in the rural programme, there were problems of accuracy and fairly serious underreporting. (Harrar, n.d.).

In the Cree operation, provision is made for the beneficiaries to be interviewed in depth on an annual basis, with further interviews being made on those beneficiaries who happen to be in the community in the winter period so that revisions can be made to their estimates of days spent in harvesting and income earned. This avoids major adjustments in the last cheque in summer. But, the Cree make their statements in person. The local administrator fills in the appropriate forms on the basis of data provided by the beneficiary in an interview. This data would include earnings, information on income from fur sales, etc., as well as a declaration by the beneficiary on the actual number of days spent in harvesting activities.

A special booklet is provided for the Cree to note this information on a regular basis throughout the year, and in theory, they are supposed to bring in this statement with them when they come to the interview. In practice, however, many do not have the booklet filled in when they come in.

The responsibility for the accuracy of the forms rests with the local administrator. If he needs more information on the detail of the income or fur sales claims of the beneficiary, he has to check with the employer or the fur buyer. To gain access to this information, the beneficiary signs a release to the Income Security Board giving authority for the release of this private information from employers or fur buyers. Of course, the beneficiary makes a formal declaration to the effect that the information that is given to the local administrator is accurate. Information on transfer payments from pensions or UIC is gotten directly from the appropriate agency, and no release is required, for the Board has, under the regulations, the authority to request and to share this information among agencies. This is a standard practice in all the transfer programmes. It is typically done as a check by Indian Affairs in band relief, by the UIC, by Manpower, by Quebec Social Aid, etc. In the experiments, while transfer payment data was typically exchanged (though there were a few problems in the New Jersey experiment which were

eventually worked out) information on employment records was only sought in the investigation of fraud.

The reporting system of the Cree, then, is almost identical to that used by case workers in a welfare system. The client is not responsible for the filling out of forms, he has only to present himself in person to be interviewed and this is done in his behalf. Though perhaps in theory there is the suggestion that the beneficiaries keep some record of their activities, in practice many do not and rely on the administrator to ferret out the information by directly approaching the companies, agencies etc. which are involved.

#### 4) Limitation of programme benefits

The experiments, and presumably any national NIT programme, are conceived as open ended in that once the benefit structures are in place, the treasury pays the benefits of all claimants. The current problem of the run on the Unemployment Insurance Fund would be an example of payments being made despite the overall burden on the treasury. While there might be proposals for revisions to the eligibility criteria or for changes in the premium charges, these can only be made by revising legislation. There is no part of the design of the programmes which contemplates a situation that when a certain number of

people are drawing benefits, or the total annual payments reach a certain level, there will be no further payments made. But under the Cree programme, there is a limit to the payments that can be made under the Agreement. Sub-sections 30.8.1-30.8.3 read as follows:

30.8.1 Subject to modification by the mutual consent of Québec and the Cree Regional Authority, the total number of remunerated man-days contemplated in sub-paragraph 30.3.3a) in each year after the second year of the operation of the program shall not exceed one hundred and fifty thousand (150,000) man-days.

30.8.2 In the event that, at the commencement of the second and successive years of operation of the program, the Board determines that the estimated total man-days exceeds one hundred and fifty thousand (150,000) man-days, it shall review the operation of the program and recommend appropriate measures to be implemented in succeeding years in order to give effect to the provisions of paragraph 30.8.1 or any modification pursuant thereto.

30.8.3 In the event that the Minister does not receive the recommendation referred to at paragraph 30.8.2 before December 31 of any given year or if he has cause to believe that such recommendations will

not give proper effect to the provisions of paragraph 30.8.1 he may, after further consultation with the Board, effect such modifications as are necessary to give proper effect to the provisions of the said paragraph.

From the beginning of the programme, it became evident that the 150,000 man-day limit was unrealistic. The provisions under sub-section 30.8.2 permitted the programme to operate for two years -- a shake-down period, in essence -- before a review to make changes. At present that review is being carried out and a most important part of the review is the matter of limitation of the 150,000 man-days. The Cree have presented a formal position on the question to the Quebec government in late 1977, and the matter is under review by Quebec. Negotiations will decide the outcome, with decisions to be made in 1978. The contents of the Cree position (GCCQ 1977) are not public and discussions with Quebec officials have been in confidence so that a complete review of the arguments cannot be given here. However it is possible to outline the nature of the problem, a most important one for it touches upon the nature of the programme design.

It is important to note that a guaranteed income programme in some form was one of the original proposals of the Quebec government in approaching the negotiations for a comprehensive settlement with the Native peoples of

northern Quebec. In the Quebec proposal for a settlement, made in January 1974, which formed the basis of subsequent negotiations, the following was included as one of the social and economic programmes:

"Guarantee of sufficient revenue (guaranteed minimum income) for those who wish to hunt, fish and trap as a way of life. Option to be given to all those over 18 years".

The actual negotiating of the contents of what ended up as section 30 of the James Bay Agreement was one of the final issues to be treated. Informal reports indicate that the whole section was hammered out in the final weeks of the negotiating sessions, under a great deal of pressure, and without a great deal of detailed information on the potential magnitude of the proposed programme. It has been suggested that the Cree were estimating a total of some 900 beneficiary units while Quebec officials were working from an estimate in the 600 range. Moreover, there were at least two proposals concerning per diem payments. One involved paying the head of the unit a larger amount, the other paying both spouses a smaller amount. It was the latter position which was accepted by the Cree. It seems likely that in light of the performance of the programme in the past two years that the upward limit of 150,000

man-days referred to the days for heads of beneficiary units only. Including the spouses would approximately double the number of man-days if there was a maximum participation of spouses. The present level of 289,000 man-days is almost double the original estimates of programme participation.

It is to be stressed that the above is an interpretation of how the figure of 150,000 man-days was included in the Agreement; the positions of the Cree and Quebec are neither public nor final. Nonetheless, we can note that if the limit were imposed strictly, the effect would be extremely serious to the Cree. The whole approach to the benefit schedules would have to be restudied. If one maintained the same number of beneficiary units with the limit of 150,000 man-days, a variety of approaches might be taken. The number of payable days might be reduced to an average of 150 man-days per unit. This would imply a maximum of 30 man-days for a spouse, for heads of the units would require a minimum of 120 to retain eligibility. This would result in a maximum payment for a family of four with no other income of \$4,280 (1975 rates) in comparison with the present \$6,656, a reduction of 36%. It would imply a maximum payment of \$1,800 per unit as a per diem payment compared with \$5,760, the maximum under 1975 rates. Other options include reducing the number of beneficiary units by changing eligibility

criteria which would be extremely difficult, not only politically, but also pragmatically.

5) Participation of beneficiaries

Finally there is another important difference between the Cree programme and the experiments. The Cree programme has had a very high degree of community participation in the design of the programme and, in the operational stage, there are important channels for feedback to programme administrators. As a result of this close cooperation, there have been some changes in the rules of operation and weaknesses are quickly brought to the attention of the Board. There is a strong feeling among the Cree that this is their programme and they feel a responsibility for its efficient and proper operation. This has important implications for monitoring the programme. For example, the few cases of abuse which were reported were resolved by community leaders and other participants in the programme by approaching the offending parties to insist that they come into line. Formal involvement by the administration was unnecessary. If this close involvement can continue, it will make control of abuse of what is a very difficult monitoring situation, a manageable one. In short, the Cree feel that they have had a say in the design of the Income Security Program and now have a



community sense of responsibility for its continued good operation. In this it is a rarity among welfare programmes -- one designed with the active participation of the potential beneficiaries.

The Operation of the Cree Income Security Program

## 1) Establishment of the programme

Since the Cree trappers were eligible for benefits under the Program from November 11, 1975, the date of signing the James Bay Agreement, it became urgent that an effective administration be put into place quickly if people were to enjoy the benefits before their departure to the winter hunting territories in the autumn of 1976, as was provided in the Agreement. Quebec did not have the budgetary provisions to cover costs of organizing the Program so the Cree assumed these expenses related to local community work during 1976 under a service contract. This arrangement involved having the Cree local staff paid by the Grand Council so that work on eligibility lists and interviewing potential beneficiaries could be started during the summer of 1976. At the same time, the local band councils arranged for free office space for the staff in their communities for the first year of operation.

As a result of these accommodations, the first payments were in the hands of the Cree trappers within eleven months of the signing of the Agreement. In retrospect, this organizational period was a very efficient one considering the amount of work that had to be accomplished.

During these eleven months the Grand Council of

the Crees and the Government of Quebec completed negotiations on the modalities of setting up the Income Security Board and both bodies co-operated with the new Board as administrative structures were established, staff selected, eligibility lists refined, local staff trained and the necessary data registration completed. The last item involved interviewing over 1,000 hunters in the scattered communities. In Quebec City, Cree staff worked with Quebec employees in the design and refinement of operational forms, reviewed the basic data on the beneficiaries, calculated the benefits for the retroactive period (November 1975 to June 1976), and completed estimates for the 1976-77 fiscal year in time to have the first payments in the hands of the people by October 1, 1976.

It was during this period that Quebec made representations to the Cree concerning the costly administrative procedures which would be involved in implementing Section 30.3.3b of the Agreement which provided a \$2.00 per diem payment for beneficiaries who were unemployed while in the community between harvesting activities. In response to arguments of costs and supervision difficulties, the Cree agreed to a modification which added an initially unindexed amount of \$2.00 to the per diem payment for time spent in the bush. The new total is indexed in subsequent years. This type of flexibility has resulted in a Program with lower administrative costs.

When it is considered that the Program is a novel application of guaranteed income concepts and that the procedures developed have been tailored to the specific Cree cultural patterns, the efficiency of the organizational period is an impressive record.

It seems clear that close co-operation between the parties, and the involvement of the resources of the Grand Council of the Crees has been that which has contributed most toward making the organizational operation an economical one. When compared with the costs of establishing income maintenance experiments elsewhere, the cost was low. The administrative costs involved in setting up the New Jersey experiment, for example, (with 1216 families, roughly the same size as the Cree Program), amounted to over \$800,000 in 1969 values (Kershaw & Fair 1976: 16-18). This would translate to over \$1,250,000 in today's terms. Moreover their set-up time was 13 months compared with 8 months for the Cree. We have not calculated the complete set-up expenditures for the Cree, but from the Grand Council of the Crees' records, we find that from February 1976, when the Board was established, to the end of September, the Grand Council expended almost \$50,000 in staff and consultants' time. Quebec's cost, of course, would be somewhat higher for they would include both Quebec and local staff budgets as well as the portion of the time spent by Quebec support staff. Even with these costs

included, the administrative costs of establishing the Program would not exceed \$150,000. Even taking into account special research requirements of the U.S. experiment, it seems that the total would be lower by a significant factor than the New Jersey experiment. Estimates on the costs of the Manitoba experiment are not available.

There is no doubt that the use of existing Quebec structures and expertise in welfare programs contributed to the cost efficiency of the set-up period. At the same time, the local band councils and the Community Liason Officers of the Grand Council made very significant contributions of time, energy and travel as well. A great deal of the explanatory and educational functions were done by these people in their normal day-to-day meetings with band members. Without them, the task of explaining a Program as novel as Income Security would have been both difficult and expensive. At the same time, this involvement has set a pattern for local participation in the operation of the Program, a most necessary ingredient for its continual monitoring, and essential in order to maintain a sense of community responsibility for the good operation of the Program in years to come.

## 2) Administration

It is not particularly useful in this paper to pursue in detail how the administrative system handles the operation of the programme. Appendix B contains the principal forms used by the staff in the field. Largely they are self-explanatory. A descriptive overview will give an adequate notion of how the programme works in practice; how it would look to a Cree trapper.

In 1976, the Income Security Board appointed a field administrator for each community from a list of three recommended by the Band. This staff, with the help of part-time assistants in the larger communities, interviewed the people who considered themselves eligible for the programme. These were people who had spent more than 120 days in harvesting the previous year. There was a second group of people who had not spent 120 days harvesting but who declared their intent to pursue a harvesting strategy in the future. This group was permitted on the programme for the first year with the understanding that they would lose eligibility if they did not meet the time requirement in the following year. Once these lists had been set up, the people were interviewed individually and the Data Registration Form and the Statement of Beneficiary were filled out.

The local staff all were Cree speakers and trans-

lations were provided by them. At the end of an interview, a potential beneficiary knew what his basic amount (guarantee) would be and since he had made a statement of intention of how much time he would spend in harvesting, he knew the amount of the per diem. At this interview, information on work history, welfare payments, etc. were taken and the figures used in calculating the amount to be granted to the individual. These interviews were made in July and verified by the staff. To assist in the verification procedures, the individual signed a release permitting employers and fur buyers to provide information on the beneficiary to the Income Security Board. This basic information was then computerized by the Social Affairs Ministry in Quebec City and the payment cheques prepared.

The annual payment is divided into four parts and cheques distributed by the local administrator on about September 1, January 2, April 1, and a final payment following the completion of the July interview which takes into account adjustments of the actual number of days spent harvesting, and the precise amount of wages or other income which actually accrued to the beneficiary. In the event that there had been an overall overpayment, the adjustments are made up from the final July cheque which covers the period ending on June 30. Under normal circumstances then, a person receives three equal cheques and a final one which takes into account any changes from the calcula-

tions based on his Statement of the Beneficiary filled out in the preceeding July.

In the first year of operation there was a retroactive payment made to those beneficiaries who had spent over 120 days in harvesting activities in the winter of 1975-76, covering the period from November 11, 1975 (the date of the signing of the James Bay Agreement) to June 30, 1976 (the end of the fiscal year) - in effect about two-thirds of a total annual payment. The people who did not meet the time criteria for 1975-76, but who had signified their intent to pursue harvesting as a way of life did not receive this retroactive payment. Thus when the first cheques were given to the Cree, one group received their total retroactive payment plus the first installment on the 1976-77 fiscal year, and the second group received only the amount pertaining to the first installment of their annual benefit.

During the year, the local administrator interviews the beneficiaries and makes reports to the Quebec office so that significant deviations from the statements of intent of the beneficiary, which were made in July, can be taken into account for adjustments in the January or April cheques payments. This avoids drastic adjustments in the July cheque. In most cases the adjustments need only to be taken into account in the annual interview in July.



By analogy then, in July, the Cree make to their local Income Security administrator the equivalent of an Income Tax statement, together with a statement of intent of what they plan for the next year. The July payment, the final one for the previous year, reflects the adjustments for the previous year. If there is an overpayment in excess of the potential of the July payment, the shortage is subtracted from the September cheque which is the first payment of the new year. If, following the July interview the beneficiary leaves the programme, and there was an overpayment in respect to the previous year in excess of the balance available in the July payment, he would have to reimburse the programme before becoming eligible again.

Of course, there are a series of exceptions and special administrative procedures for particular cases, but stripped of this detail, the above is a fair description of how the programme works in the field.

The details of the administrative structure of the ISP are spelled out in general terms in Subsection 30.4 of the Agreement. In a number of meetings of the Income Security Board over the past two years, a modus operandi for the transitional period has been worked out. A body known as "The Cree Hunters and Trappers Income Security Board" has been established with six members. Three are Cree named by the Cree Regional Authority and three are named by Quebec. At present this Board has only advisory functions, but once legislation has been passed giving the

Program statutory recognition, it will assume a distinct legal status and administrative independence to operate the programme, sign contracts with employees, decide upon eligibility under the programme, submit budgets, etc.

At present the Program operates with a Cree staff of nine and one full time and two shared time staff members of the Ministry of Social Affairs of Quebec who are seconded to its operation. Additional part-time field staff are used in the larger communities to cope with the bulk of the interviewing which must be done in summer. At the moment, the mechanical work of issuing cheques is handled by Social Affairs, though eventually the Board may issue its own cheques.

Of course, all the clerical staff in Quebec who process the claims are not included in these numbers nor are the services of normal Social Affairs staff who carry out technical work like programming the computer, etc. These latter positions would likely be Board employees in the context of an independent Board.

### 3) Costs and beneficiaries

The first complete year of operation of the Program ended on June 30, 1977. Complete tabulations of data

are not yet available, but on the basis of the material provided by the Ministry of Social Affairs and the Income Security Board we are able to make some comments of a general nature concerning the first year of operation, as well as some estimates of the impact of the Program on the welfare budgets in the region. The following discussion is based on that data. Some of these figures represent the final statements for the year, others are derived from computer print-outs based on the first three quarters of the year's operation, which will be up-dated in the final tabulations. The text will clarify the nature of the data used.

Table 14 summarizes the costs of the Program to date and the projected costs for the 1977-78 fiscal year. For the full year 1976-77, benefits amounted to \$4,939,220. When the Program began in the autumn of 1976, a total of 1,012 beneficiary units were enrolled (Table 15). However by the end of the fiscal year, a total of 981 remained in the programme. Reasons for this 2% decrease have not yet been analyzed. For the first full year then, a total of 981 beneficiary units received payments averaging \$5,035.

For the fiscal year of 1977-78, the number of beneficiary units dropped by 12% to 867. On the other hand, the overall cost of the programme is projected at \$5,040,648, an increase of 2%. If the estimates are accurate, the

Table 14  
INCOME SECURITY PAYMENTS  
BY YEAR, INCOME SECURITY BOARD

	<u>TOTAL AMOUNT</u>	<u>PER DIEM PAYMENT</u>
1975-76 8 months	1,967,368	1,336,164
1976-77	4,939,220	3,715,436
1977-78 Projected	<u>5,040,648</u>	<u>3,883,257</u>
TOTALS:	11,947,236	8,935,117
Increase 1977-78 over 1976-77	101,428	167,821
Percent increase	2%	4.5%

Table 15

BENEFICIARY UNITS ELIGIBLE AS OF SEPTEMBER, 1976  
 BY COMMUNITY AND CRITERIA BY WHICH ELIGIBILITY WAS ESTABLISHED<sup>1</sup>

COMMUNITY	BENEFICIARY UNITS ELIGIBLE BECAUSE THEY PRACTICED HARVESTING AS A WAY OF LIFE	BENEFICIARY UNITS ELIGIBLE BECAUSE THEY DECLARED THEIR INTENTION TO PRACTICE HARVESTING AS A WAY OF LIFE	TOTAL BENEFICIARY UNITS	PERCENTAGE INCREASE DUE TO DECLARATIONS UNDER PROGRAM
Great Whale River	37	13	50	35
Fort George	157	63	220	40
Paint Hills	76	25	101	33
Eastmain	34	19	53	56
Rupert House	101	41	142	41
Mistassini	239	112	351	47
Waswanipi	<u>64</u>	<u>31</u>	<u>95</u>	<u>48</u>
ALL:	708	304	1,012	43

1. Calculated from Quebec, 1976, Table 4, Page 7.

gross average payment per unit for 1977-78 will be \$5,813, up 15% from 1976-77. The average increase is partly due to indexing and the remainder accounted for by the fact that people will be staying longer in the bush, therefore receiving larger per diem payments. This is suggested by the differential in percental increases between the total amount and the per diem as shown in Table 14.

One can conclude from the 12% attrition rate between 1976-77 and 1977-78 that the programme went through a "shake-down" period during the first year of operation. When the Program was being established, 304 beneficiary units joined the programme under the provision that they intended to practice harvesting as a way of life (Table 15). This represents 43% of the units initially enrolled. As yet there is no analyzed data which would show whether the drop-outs from the Program came predominantly from this group. People close to the Program consider an attrition rate of 14% a modest one for such an innovative programme. They suggest that the Program may stabilize at around the 900 level.

Table 16 compares the number of potential beneficiary units in the Cree area with those actually enrolled in the Program. It indicates that about 40% of the potential units are now on the Program. The same table gives the breakdown by community which indicates a variation ranging

Table 16

BENEFICIARIES OF THE INCOME SECURITY PROGRAM  
AS A PERCENTAGE OF THE NUMBER OF POTENTIAL  
BENEFICIARIES ELIGIBLE FOR BENEFITS OF JAMES  
BAY AND NORTHERN QUEBEC AGREEMENT

COMMUNITY	NUMBER OF INDIVI- DUALS ON ELIGIBILITY LISTS <sup>1</sup>	NUMBER OF BENEFI- CIARIES IN INCOME SECURITY PROGRAM <sup>2</sup>	PERCENTAGE OF INDI- VIDUALS WHO ARE BENEFICIARIES
Great Whale River	381	177	46
Fort George	1778	909	51
Paint Hills	670	333	50
Eastmain	333	187	56
Rupert House	1094	578	53
Mistassini	1971	1392	71
Waswanipi	<u>819</u>	<u>384</u>	<u>47</u>
ALL (7/1/77)	7046	3960 <sup>2</sup>	56

1. James Bay and Northern Quebec Agreement Enrollment Commission. Community List. July 1, 1977. Nemaskau included in Rupert House and Mistassini
2. For 1976-1977 year of operation of Program

from 31% to 54%. There appears to be a correlation between the lower percentage and the availability of other employment. However no close analysis has yet been made.

As is clear from the data in Table 14, the major part of the benefits comes from the per diem payment. The overall amount reflects the time the beneficiaries spend in the bush. In Table 17, a breakdown is provided of the number of days spent in the bush by the heads of the beneficiary units. Grouping all the communities, we find that over 50% of the heads have spent over 200 days in the bush in the 1976-77 season. A detailed breakdown by community is not included as a table, but the available data indicates that in one community (Mistassini), 80% of the heads of units spent more than 200 days in harvesting activities, while 60% spent more than 230 days or close to eight months in the bush.

Data on family size and average payment by family size are available though not absolutely final. The material available is presented in Table 18, columns 1 to 4. These data give a better indication of how the size of payments compare with normal welfare benefits. It is clear that the larger families receive larger payments under the Program than they would have under Social Aid as administered by Quebec, where the maximum payment would be \$5,436 (Column 5, Table 18). Average payments exceeded \$6,400 for over



Table 17

PERCENTAGE OF HEADS OF BENEFICIARY UNITS  
BY DAYS SPENT IN THE BUSH AND REMUNERATED  
ON INCOME SECURITY PROGRAM IN 1976-77

---

<u>DAYS SPENT IN THE BUSH</u>	<u>PERCENTAGE OF HEADS OF BENEFICIARY UNITS</u>
120 and under	5.6
121 to 150	13.7
151 to 200	27.5
201 and over	<u>53.1</u>
ALL	99.9

Table 18

COMPARISON OF PAYMENTS RECEIVED UNDER INCOME SECURITY PROGRAM AND QUEBEC  
SOCIAL AID AND THE PROPOSED "PROGRAMME DE REVENU FAMILIAL GARANTI", BY  
SIZE OF BENEFICIARY UNIT

SIZE OF FAMILY		No. of family who received ISP payments 1976-77	Average annual ISP payment 1976-77	Benefits under Social Aid 1976-77	Benefits under proposed Quebec Guaranteed Income <sup>1</sup> 1975 plus 20% index
Adults	Children				
1	0	300	2180	2820	2880
	1	27	2647	3948	4344
	2	12	2961	4320	5292
	3	10	3334	4476	6240
	4	3	3939	4476	7188
	5	3	4106	4476	8136
	6	0	----	4476	9084
	7	1	6336	4476	9084
2	0	70	3745	4500	5400
	1	91	4597	4944	5556
	2	88	5006	5280	6504
	3	87	5573	5436	7452
	4	70	6377	5436	8400
	5	62	6341	5436	9348
	6	53	6386	5436	10296
	7	<u>102</u>	<u>7426</u>	<u>5436</u>	<u>10296</u>
Total		979	Average 4460	4710	7211

1. Comité interministériel sur la révision de la sécurité du revenu, 1976.

100 families having 7 or more children. The overall average payment to the beneficiary units with less than two adults and two children was slightly less than the payments possible under Social Aid.

In the last column of the same table there is a calculation of the anticipated benefits under Quebec's proposed "Program de révenu familial garanti". The benefit structure has been indexed by 20% to reflect increases in the cost of living since the rates were calculated in 1975. In general, it would seem that the benefits under this proposed guaranteed income scheme would be slightly higher than the Income Security Program for the small family units, and as much as 25% to 30% higher for the larger families. Of course, the Cree Program has the component of payment for days spent in the bush, and if people spent significantly longer in harvesting activities, the average benefit would increase.

#### 4) The impact of the ISP on welfare

There had been a gradual increase of welfare expenditures in the Cree communities between fiscal 1971-72 and fiscal 1975-76, (Table 9). The total almost tripled by the end of 1975-76 when it approached \$1.8 millions. One notes a decrease of 23% to \$1,375, 261 in fiscal 1976-77, an indicator that the impact of the Program is being registered. However, since the Program came into operation

only in the fall of 1976, the full effects of the decrease in welfare are not evident in the 1976-77 figures. Moreover, indexing and regulation changes (especially in the Federal scheme) mask the shift to a lower welfare case load. Table 10 gives us a better picture of the welfare situation in these communities for one can compare the shift to the lower load beginning in the fall of 1976. These data from Table 9 are combined with the data from Table 10 in the following two tables (Table 19 and Table 20). In the first, we can see that the dollar value of welfare in all the communities for the year 1975-76 was \$1,790,437. For that year there were a total of 10,620 case-months in the region - a monthly average of 885.

Since these data combine Federal and Quebec programmes, it is important to note that while the average monthly welfare payment across the region has been \$169., the rate for the Quebec programme is quite a bit higher than the Federal scheme. In 1976-77, the Federal average for the Abitibi communities ranged from \$140 to \$207, the overall average being \$178. During the same year, the Quebec Social Aid average was about \$230, with an inter-community range of about \$200 to \$250. Since the overall trend in these communities is a shift toward Quebec Social Aid, a calculation of the putative savings occasioned in the welfare budgets by the introduction of the ISP should reflect the Quebec average costs. One method of taking this differential into account is to extrapolate annual

Table 19  
WELFARE CASE LOADS AND PAYMENTS COMPARED  
CREE REGION, 1975-76 AND 1976-77

Year	Case Load <sup>1</sup>		Welfare Budget Quebec Social Aid and Indian Affairs combined
	Annual	Per month mean	
1975-76	10,620	885	\$1,790,437
1976-77	5,469	456	1,375,261
Decrease	5,151	429	415,176
% decrease		48%	23%

1. Derived from Table 10.

Table 20

REDUCTION IN CASE LOAD IN CREE REGION  
FISCAL 1975-76 and 1977-1978

---

	Annual	Per month mean
1975-76	10,620	885
1977-1978	3,301	275
<hr/>		
Decrease	7,319	610
% decrease	69%	69%

1. Derived from Table 10.

welfare budgets from the annual case load multiplied by the average monthly cost per case.

The actual decrease in the welfare budget in 1976-77 over 1975-76 was 23%. At the same time the case load reduction was 48%. One can suggest that had there been no Income Security Program, the annual welfare case load would have remained about the same as in the previous year. Thus there would have been some 11,000 case months. At \$178. per case-month, the Federal average, the total welfare budget for the region would have been \$1,958,000. However if one used the Quebec average - and that is the direction which the estimates are moving as more communities come under Social Aid - the extrapolated cost of 11,000 case months would be about \$2.5 millions.

$$11,000 \times \$230 = \$2,530,000.$$

In either case, we can be sure that the saving to welfare occasioned by the Income Security Program certainly was more than 23% as is implied in Table 19. It is closer to 50% in the first year of operation.

Comparing fiscal year 1975-76 with 1977-78 shows a more dramatic reduction in the case load on an annual basis. The data in Table 20 indicate that the case load has dropped over two-thirds on an annual basis, the monthly average now being about 275. On this basis the annual welfare budget would range from about \$600,000 to \$760,000 extrapolating from the average monthly rates for 1976-77.

Quebec Social Aid average for 1978 is now about \$240. per case per month which would translate into an annual budget of close to \$800,000. for an annual case load of 3,300.

If the old case load had continued in the absence of the ISP, we would have been looking at a 1977-78 welfare budget of at least \$2.5 millions. We can conclude then that the ISP has had the effect of reducing welfare budgets by as much as:

$$\$2,500,000 - \$800,000 = \$1,700,000$$

Since the cost of the ISP is running at about \$5,000,000 per year and since without the programme the welfare budgets would have been in the order of \$1.7 millions more than the current budgets, a simple conclusion would be that the Program is transferring an additional \$3.3 millions into the communities. It must be stressed however that \$3.3 millions would not be a net figure. Transfer payments from Unemployment Insurance, Manpower courses, local make-work projects etc. have been reduced as they affect the beneficiaries of the Program. Further analyses of these programmes would be needed to establish the actual amounts in transfer payments formerly accruing to beneficiaries. Certainly the additional net transfer is significant, but it is doubtful whether it approaches an increase of 132%. The current research now underway on the impact of the Program by Feit and Scott may clarify the magnitude with some accuracy. (Feit & Scott 1977).



Social and Economic Impact of the ISP

(Note: When this research was commenced, it was the intention to incorporate the findings of the socio-economic study of the ISP which was being carried out by Feit & Scott of McGill for the Ministère des Affaires Sociales de Quebec (Feit & Scott 1977). Their study touches areas which are closely parallel to this one, and while they overlap to some extent, they are not duplicates. Close co-operation, including the sharing of data and discussions of the analyses has been maintained between the two studies. Due to the time involved in obtaining some regional level data by Feit and Scott, results of their research will not be available until July. The original target of April 30 would have permitted a summary of their principle findings to feed into this section of my report, which, in fact, was the initial plan for this study. Since their material is not yet available, the following section must be considered tentative, and to some extent somewhat impressionistic. When the first reports of Feit and Scott become available, this section will be redrafted, and the present section withdrawn from circulation and replaced by a more complete and accurate summary of the social and economic impacts of the programme. If this report is being read after August 1978, the reader should check with the Policy, Research and Evaluation Branch of Indian Affairs for the revised version of this section).

The most dramatic impact of the ISP has been in the degree to which it has encouraged a large number of families to return to intensive harvesting. Over the past years, as the costs of harvesting mounted, a considerable number of trappers had been going to the bush for shorter periods and sometimes not going every year as they tried to maximize the revenue from trapping to offset the overall cost of the venture. We noted in Table 15 that a total of 43% of the beneficiary units are individuals and families who had not spent 120 days harvesting in 1975-76. They

entered the programme, and were accepted as eligible on the basis of their intention to practice intensive harvesting. As yet we have no data to indicate the extent to which these were people who had previously spent longer periods in the bush involved in regular intensive harvesting, and had been pressured into spending less time for the reasons suggested above. On the basis of discussions with knowledgeable local people including local administrators, Scott suggests that this was the case (1977:4). My own discussions with HBC personnel would bear that impression out. It would not, I think, be unreasonable to suggest that the immediate impact of the programme has been to bring at least 200, and perhaps as many as 300 families and single individuals back to intensive harvesting. It is important to bear in mind though that these people were not very far from the old pattern. It is too extravagant to conclude that the programme resuscitated an interest in harvesting among people who had made the move to the different lifestyle of a wage labourer.

The extent of participation in the programme is clear from Table 16. In 1976-77, there were 3,960 people in the beneficiary units participating in the programme. From a potentially eligible population of 7,046 (that is, the number eligible for benefits under the James Bay Agreement), this represents 56%. More interesting is the

comparison with the data in Table 21 which compares the number of potential beneficiary units with those actually on the programme. Of a potential 2,439 units, 980 were enrolled in 1976-77. This represents 40% of the total. Note however that 56% of the population was benefitting from the programme in the same year. This would indicate that the larger families tend to be on the programme. This would be consistent with the higher benefits available to these large units.

Not only are more people going to the bush, but Scott has noted "a marked increase" in the number of school age children accompanying their parents (1977:16). For Paint Hills, the increase was five-fold over the previous year; in some other communities the number had doubled.

"The sharp increase in the number of children in bush camps would in part be related to increased numbers of women in bush camps and decreased numbers of women in the settlement. However, the increase in school-aged children in primary grades is much sharper than that for adult women. Perhaps the more positive long-term prospects for the harvesting life, in the light of the ISP, has encouraged more parents to view education to bush ways as a positive asset for their children. Quite a few parents are taking some of their school-aged children to camps for the first half of the winter and leaving the rest in school, then switching them for the second half of the winter". (Scott 1977:16)

It will be important to look at the more complete

Table 21

BENEFICIARY UNITS IN INCOME SECURITY PROGRAM AS A PERCENTAGE OF THE NUMBER OF  
POTENTIAL UNITS ELIGIBLE FOR BENEFITS OF JAMES BAY AND NORTHERN QUEBEC AGREEMENT

Community	Number of Families and Single Persons 18 Years of Age or Over Who Are Members of the Community <sup>1</sup>	Number of Beneficiary Units in Income Security Program <sup>2</sup>	Percentage of Families and Single Persons Who Are Beneficiaries
Great Whale River	114	40	35
Fort George	685	213	31
Paint Hills	214	100	47
Eastmain	115	52	45
Rupert House	375	132	35
Mistassini	648	350	54
Waswanipi	288	93	32
ALL: (7/1/77)	2,439	980 <sup>2</sup>	40
All: (9/1/77)		867 <sup>3</sup>	36

1. James Bay and Northern Quebec Agreement Enrollment Commission Preliminary List. July 1, 1976.
2. For 1976-77 year of operation of Program.
3. For 1977-78 year of operation of Program.

Source: Income Security Board

data on this phenomenon in the coming Feit-Scott study, because the impact on the education system could be very significant. It has been reported to me that already the Cree School Board is in the process of making some changes in the organization of the school teaching year to take this new pattern into account. Some Cree who were not involved in the ISP discussed this situation with me with some foreboding. It is certainly an area which requires specific study.

As yet we have no more than impressionistic indications on the impact of wage labour. There were some reports from Mistassini that some contractors in the mineral exploration field were having difficulty in hiring workers in the autumn of 1977. But there is no quantitative material available. We noted in Table 14 that per diem payments were up 4.5% while the number of beneficiary units declined by 12%. This would indicate that people are staying longer in the bush which would have some impact on availability for work. We also noted in Table 17 that 53% of the units were staying in the bush for longer than 200 days. Of that number, a significant percentage spend more than 240 days in the bush. Between 25% and 30% of the total number of beneficiary units would fall into this category. We do not yet have available good analyses of these figures, especially on how they compare with duration of stay in

earlier years, so as yet we cannot draw any conclusions on how the attraction of per diem payments effects the duration of the stay in the bush or the wage labour response.

The overall improvement in the cash situation of the Cree certainly has made important impacts on bush life. First of all there was a very large increase in the number of plane charters in all communities. The Cree Trappers Association had estimated that about a quarter of a million dollars had been spent in plane charters in the 1975-76 season. The best estimates for the following year were in the range of a million dollars -- a four-fold increase. Certainly it was the largest single expenditure for the beneficiaries. While part of the increased transportation budget can be attributed to more people going into the bush, it certainly does not account for the total amount. Even assuming that all the beneficiaries who came into the programme under the provision of intention had not been chartering some bush flights previous years (and that is not a reasonable assumption), this new activity would only account for a 40% increase. Most of the increase obviously came from more intensive use of planes for all the beneficiaries.

Scott has reported that the more distant hunting territories were being exploited on the coastal communities, and that larger numbers of people were going into the bush.

I found evidence for both these patterns in Waswanipi and Mistassini. This would account for an important part of the increased air charters. Perhaps though, if the impressionistic reports of people I interviewed are accurate, the largest increase would be due to the increased amount of stock taken into the bush and the more frequent return to the settlements by people who were a moderate distance from the community (50-100 miles).

The improvement in the bush outfit was evident in 15 camps I visited in March 1977 and January 1978. I noted that every adult hunter had a snowmobile. These, with the necessary gas, were flown in at considerable cost. The HBC in Mistassini reported an increase in the amount of food taken into the bush (both a function of the increased numbers in the bush, especially children, and the total amount per person). Some new items were noted, including a couple of generators and a few washing machines. There was evidence of new chain-saws and outboard motors and canoes. All this had to be taken in by air. Whether transporting this is a recurring expense is difficult to determine, for some of the equipment is cached in summer for use the following winter. But the gasoline transport would certainly be a recurring expense. Data from the present season is not available, but there is a suggestion that the air charter budget may be lower.

All this would lead to the conclusion that the first Income Security benefits were used in great part to up-grade the winter camp. This improvement was very much in evidence in the camps I visited. Most had taken in new canvas or plastic for better roofs. Most of the women had their own light weight chain saws. New firearms and traps were in evidence. The people -- especially the children -- were well outfitted with good quality clothing. None of the camps were low on store foods and of course there was ample evidence of meat which had been taken. Some items were noted -- good quality cassette machines, short-wave radios (needed for reliable reception in the region), and some electric power tools used with a generator. Most impressive though was what can only be termed a dramatic increase in the number of snowmobiles in the camps.

The use of snowmobiles has had important social and ecological effects. These will be spoken of in more detail in the Feit-Scott study, but discussions with trappers and others in the communities indicate the use of snowmobiles has increased the range of the hunters' territory very significantly. This is important not only in the potential it offers to take more animals, but also in reducing the time needed to service traplines or take in the carcasses of big game. As a result of the time saved, the women reported that they now share the work of



wood gathering with the men and they can depend on the man being back at the base camp for more nights than in the past when hunters overnighted or spent a few days on the trapline. Since adjacent camps can be reached more easily, there can be some visiting, but more importantly they are in reach in case of emergency. Since a few people were able to get two-way radios in camps, emergency assistance is more available in shorter time than ever before. While I was in Mistassini in January, I noted that one father snowmobiled some sixty miles to get medical aid for his child. Snowmobiles then make the camp life much more secure, not only in terms of food supply but particularly for getting assistance. There is no doubt that their use has vastly improved the quality of life for the hunters and trappers. There is also no doubt that many hunters would not be able to afford them without the benefits under the programme.

For a long period indeed, the Cree, like many other Indian groups in the Canadian north have outfitted in the fall through the institution of "debt" or a credit advance through the HBC. The availability of cash from the Program has brought about a sudden change in this pattern. At its most pronounced level of effect, the availability of cash has permitted some Cree to comparative shop for their winter needs in the towns of Chibougamau,

Val d'Or or Matagami. Some people came from as far as Fort George to Val d'Or (1,200 km) to purchase outfit. This gives the people a new sense of independence, and I think self-respect, for they no longer have to petition for a credit level. It was noted though, that some people still utilize the credit system -- perhaps as much from habit as anything -- but now the merchant has the security that there will be an income to repay the debt. Discussions with HBC personnel lead me to the conclusion that the company would like to cut back on the credit operations, or at least place them on the same basis as other installment credit and initiate an interest charge on outstanding debt.

In the Waswanipi area (which is closest to the encroaching white society, and where there is no HBC) small merchants were readily providing credit to beneficiaries of the Program. There were some reports that a few people were in debt up to the amount of their quarterly cheque though this was not verified. If it is the case, it is not surprising, nor isolated. The level of debt of the average Canadian would suggest that carrying a credit balance of up to the value of a few months potential wages is almost the norm. The research from the Rural Income Maintenance Experiment suggests that there was no statistically significant change in "store debts" or "loan debts" in

their sample (Bryant, n.d. Vol. V., p. 25). There is nothing to suggest that the Cree might suddenly transform into a debt free society. On the contrary given the increase in income, there might be a tendency for the debt load to gradually increase in the long term. As the merchants become more aware of the permanent aspect of the Program, one might look for more buying of durables on credit. In the past this would not have been possible for most Cree. One would look for the shift precisely in the communities having most interaction with white milieu. The fact that the first reports of increased debt loading came from Waswanipi would be expected.

The business community of the area was scarcely prepared for the sudden appearance of "wealthy" Indians in their establishments in the early part of October 1976. The retroactive payment together with the first quarter 1976-77 payment for Mistassini alone was over \$860,000. For Waswanipi, it was almost \$200,000. In Chibougamau and Mistassini, entire stocks of items were quickly sold as people purchased everything from snowmobiles to twine in the line of outfitting equipment. I interviewed one reliable informant, well connected in both the Indian and white communities, at some length on the reaction of the business community as well as the reaction of the general white population. It must be said that there has been no

publicity whatsoever about the Cree Income Security Program and any information that comes to the white sector comes through word of mouth. My report was to the effect that there was considerable surprise on the part of the businessmen, and a questioning as to where all the money came from. Store owners were almost askance as Indian customers entered their establishments, simply pointing out something as expensive as a snowmobile and purchasing it without asking the price, and paying in cash from a roll of bills. It must be recalled that Indians were scarcely welcome within the doors of the same stores a few years ago. That attitude certainly has changed as the merchants quickly become aware of the importance of the new clientele.

The same informant provided an interesting comment on how he responded to questions as to the source of the newfound wealth. Sensing that if the sudden prosperity of the Indians were perceived as having its source in government largesse, it would be the source of considerable envy on the part of local workers; he replied to his questioners that the Indians had done well trapping and that the price of fur was very high. His opinion was that the situation, while acceptable to merchants, might be unpalatable to the working man in the town, in fact a great source of conflict. His observation merits careful consideration for the manner in which the Program is

presented to the white population of the region may have important connotations for inter-ethnic relations. It must be stressed though that these are comments in isolation, and a very individual reaction to the programme. At the same time, it is a comment and reaction by one of the few whites of the region who knew about the programme in any detail.

Concern has been expressed by some people that the pressure on the wild life in the Cree region might not, over time, sustain the pressure which increased intensive harvesting seems to imply. The problem is both one of increased numbers of hunters and that of people staying longer in the bush. This question is receiving very careful attention from the Cree and it is an area which is being researched by Feit & Scott. There is not enough unequivocal information on the issue to make even tentative comments.

In concluding this section, some general impacts of the ISP will be noted, not with the view of being exhaustive, but more to give an indication of how pervasive the impacts are on all sectors of the community life.

- The Cree Friendship Centre in Chibougamau noted a sharp increase in demand on their services since the programme came in operation. This is reflected in their user statistics which are up at least a third for the winter

months. This indicates that more people are making occasional visits into the settlement, and to town in the winter. The pattern is that people will fly in for stock, intending to stay for a couple of days and then get stormstayed. Then, a two day visit can stretch into a week.

- The increased number of women in the bush has led to a shortage of hostel mothers for the school-aged children, and foster homes (temporary) for the infants and old people who become sick in the winter while the rest of the family is in the bush. At the moment most Indian children needing to stay in a foster home following medical attention must be billeted with whites in Chibougamau.

- Increased amounts of non-biodegradable materials being taken into the bush can cause significant garbage problems in hunting territories if not properly treated.

- The reception of benefit cheques of such a large amount leads to some profligate spending and drinking sprees. This can lead, and has led, to some hardship; it is not however a grave problem. Managing money in quarterly installments is not easy.

-The benefit structure of the programme is such that there is a decided advantage in being married with children. While one would not expect any increase in an already high birth rate, it will be interesting to see whether the programme's dowry effect makes any significant impact on the age at which hunters marry.

-Finally, in the same light; given that the Cree women have a couple of years more schooling on the average, and seem, on an impressionistic level, to show less interest in making a career of the life of harvesting than their male counterparts; one has to ask whether this phenomenon will have implications on the long range viability of a programme tailored to families going into the bush.

An Assessment of the Income Security Program

It is somewhat presumptuous to attempt even a cursory assessment of a programme so new as that of the Cree, not only because of its short duration, but because of the novelty of experience with Guaranteed Annual Income programmes. At the same time, few people have looked at the Cree programme in any detail, and in the light of the paucity of information and the interest in the experience of the Cree with this new social programme, the following comments at least can be offered as tentative. Time and experience might alter the direction of the approach taken in making this initial assessment, or even the relevance of the arguments, but at the moment, the following seem the more important aspects to comment upon.

One of the principal objects of the Cree ISP was to make hunting and fishing and trapping as a way of life a rewarding as well as an attractive and productive activity. Early indications would indicate that from this perspective, the programme is meeting the expectations of its designers. The continued performance on this score will depend heavily on the resolution of the problem of the limitation of the programme to 150,000 man-days now under negotiation with Quebec (see p. 76, above). At the moment, in terms of net income, the benefits of the



Program place most Cree harvesters at least on the borderline of Statistics Canada's "poverty line". Taking into account the ancilliary income from fur sales, occasional wage labour and the value of food produced in the harvesting venture, there is undoubtedly the potential for the Cree to accrue real incomes in excess of this level. If the present pattern can continue, one might judge that the hunting and trapping sector of the Cree communities has done reasonably well for itself in the negotiations for a settlement for the <sup>hac</sup> land claims. They retain the capacity of enjoying a lifestyle which is at best difficult to maintain in the context of conventional society, and at a level which has some interesting financial rewards.

More significant, it would seem to me, is that the designers of the programme seem to have succeeded in fashioning a formula to make a transfer payment in a way which leaves the individual a considerable latitude for personal choice and, in an amount which appears adequate for the beneficiaries needs, both without destroying initiative to continue productive activities. One aspect of the programme has particularly contributed to this; the feature of combining a per diem payment with a guarantee level.

As noted in the text, it would be questionable whether a conventional NIT programme could operate effectively

in the Cree context. The income accruing from harvesting activities is low, and in order to provide net levels of income even equivalent to benefits which are presently paid under social aid or band welfare programs, the guarantee rate would have to be very high and the tax offset rate would need to be low. It is likely that such a combination could prove a disincentive towards harvesting for, given the expenditures required to pursue that activity, there might be a tendency for people to subsist on the guarantee augmented with casual employment which would provide maximum cash incomes.

The design of the Cree program in requiring that people pursue harvesting activities for at least three full months and providing the potential for per diem payments for eight months, sets up a situation which encourages people to maximize the costs of going to the bush by staying longer. Moreover, with the device of splitting the per diem payment equally between spouses, the beneficiary unit faces a significant cash loss if the man goes to the bush alone leaving the wife behind in the village. These features encourage the maintenance of the traditional pattern of Cree harvesting activity which involves the whole family going to the bush for several months.

While one might view the encouragement of the whole family going to the bush solely as an attempt to

ensure that existing cultural patterns are continued, this would be a narrow perspective. The earlier sections of this paper have pointed out the importance of considering the total harvesting enterprise -- including the active participation of the whole family in the bush setting -- in the assessment of its economic productivity. This is not to argue that different strategies to harvesting might not be developed or experimented with in the near future, but in the short term, the maintenance of the old cultural pattern serves to maintain productivity at levels which are today very important for the overall economies of the Cree communities. The design of the programme has reflected that imperative with some sophistication. In this respect, the performance of the Cree programme merits very close scrutiny by designers of income maintenance programmes for people with subsistence based economies. Wage-labour response is a narrow way of adjudicating transfer payment performance in economies with important subsistence sectors. The loss of marginal subsistence production can easily offset the cash gains in transfers and occasional wages.

I have noted in the text that the close involvement of the Cree hunters and trappers in the design and operation of the Program has had very positive effects. Not only do people seem to have a commitment to the good

operation of the programme -- a factor which I think contributed significantly to the modest costs of the organizational period, and to the ongoing monitoring process -- but their input into the design has led to a programme which meets the specific needs of a very special group. I doubt whether the administrative tailoring of items, such as payment schedules which interdigitate with the annual cycle of the harvesters, or the involvement of spouses in the calculation of per diem payments, would have happened without this close consultation with the local Cree. As a welfare programme with important inputs from the potential clientele, the Cree ISP impressed me greatly. There may be important implications and lessons for welfare bureaucrats in the Cree experience.

Having said that, I would hasten to note that I do not consider everything as perfect in the Cree programme -- nor for that matter, neither would most of the Cree involved with its administration. One of its weakest areas is that the programme as articulated, allows little room for flexibility especially in the matter of hunting strategies. As we noted, the programme provides for a per diem payment based on the number of man-days spent in the bush. Under the most common system of harvesting in the Cree communities today -- that of the whole family going into the bush, monitoring of man-days is relatively easy to

verify. People leave for the bush at a particular time of the year, returning several months later. This sets up a situation where it is easy to determine who is in the bush and who isn't.

But even today in the Cree communities there are situations which would suggest that monitoring of the Program would be quite difficult if many people exploited hunting territories near the settlements. In Fort George and Waswanipi for example, questions were raised as to whether certain beneficiary units were indeed in the bush or hanging about the village going out on occasional expeditions. Obviously if a man's hunting territory is adjacent to the community, it might make sense for him to carry on the harvesting activity from within the community, especially since the use of snowmobiles has so dramatically increased the mobility of the Cree hunters in the last decade. The question then consistently arises as to whether an individual who exploits territory near settlements or along the roads which may cross hunting territories, and yet provide easy access to any of the regional communities which can be visited frequently, is in fact pursuing harvesting activities full time. The case is quite different from those families which fly to hunting territories which are inaccessible. One knows when the plane goes to pick up the family and the assumption is that while a

family is in the bush, it is carrying out hunting activities. Even in the latter case there were a few reports that some beneficiary units or members of beneficiary units were simply going back to the bush and sitting around most of the time while living on occasional large mammals and store food which was flown in to the camp. Of course it was impossible to check the validity of the comments but one can assume that reports from reliable informants have at least some basis in fact.

What this points up is the fact that even today, the operation of the Cree programme is essentially incapable of being monitored in many instances. In the absence of incontrovertible proof to the opposite, the administrators of the programme must accept the statements of the beneficiaries that they spent a certain number of days in harvesting activity. The Cree programme depends on the basic honesty of people to report when they are or are not working and that they are harvesting. Of course, the unemployment insurance scheme depends upon the same basic honesty of people to report when they are or are not working and that they are searching for employment. There is some evidence that when UIC confronted apparent abuse of the self-reporting system last year (if we can give credence to the press reports), regulations were tightened so that claimants are now required to present much more documentary

proof that they have indeed been looking for work. It is difficult to see such a simple solution being possible in the Cree context, especially if a situation arose if a significant number of beneficiaries made fraudulent claims to increase their per diem benefit. The problem of monitoring would be both costly and exceedingly difficult. At the moment there appear to be no serious problems, but as designed it would appear that effective monitoring of the Cree programme is based on the continuity of present harvesting patterns (that of families flying into inaccessible hunting territories), and a confidence in the basic honesty of the programme's clientele. It is frankly difficult to conceive of a manageable monitoring process if a significant number of beneficiary units operated out of the community or if many beneficiary units were suspect of padding the man-day figures.

But even if the present design of the Program did not have monitoring difficulties, considerable changes would still be necessary before many individual Cree could adopt different strategies of harvesting without penalty. It is possible to conceive that a man might want to leave his wife and children behind in the village and proceed to a hunting territory either by snowmobile or plane, perhaps in the company of other single trappers to harvest his territory for periods, say, of up to 3 weeks and then return to

the community with the catch which could be serviced by other members of the commensal unit. An individual attempting to follow such a strategy would find that his ISP benefit would be greatly reduced because his wife was not accompanying him. Even worse, if the total number of days on these trips did not total 90, he would be unable to maintain eligibility criteria. I think that there would be great reluctance for the Board to try to make changes in the Program design to accomodate such harvesting strategies because of the great difficulties of monitoring the man-days. Nonetheless, it will probably begin to make some good economic sense for a large number of trappers in the future especially when these people would be paying rental for reserve housing which under present patterns is vacant throughout the winter months. If some of the proposals for the imporvement of access to hunting territories by a system of winter roads emerge from the planning phases, such strategies would become practicable for a large percentage of the Cree. This is one of the features of the Cree programme which will be most interesting to watch over the next few years to see whether changes in patterns develop and to ascertain how the Income Security Board will handle the problems.

One of the weaker features of the design of the Cree Program is that it does not take into account the



differential in costs of exploiting near and distant hunting territories. We noted above that the major expenditure from the Income Security payments went to transportation. In his interviews with beneficiaries last March, a major complaint that Scott reported was that the benefits were not sufficient for distant trappers due to their high costs of transport. This was especially true in Great Whale River where these costs would be among the highest. It is clear that people exploiting distant grounds pay a great deal for air transport. The cost is related both to distance and to the size of the family staying in the bush. It was reported to me that the costs of exploiting the hunting territories in the Nichicun area (north of Mistassini) were so high that some beneficiary units still needed considerable credit advance when outfitting in the fall in order to get to the bush. To repay the debt, they will be required to be particularly productive in their trapping ventures.

The differential in costs of exploiting territories relate not only to transport but to the basic cost of goods in the different communities. A snowmobile, for example, will cost more in Great Whale River than in Waswanipi by virtue of the additional transport needed to get it to the community in the first place. Likewise gasoline or other stock is correspondingly more expensive.

This would indicate the Cree in the communities closer to major transportation links would, generally, be able to outfit for the winter stay in the bush more economically than the more isolated communities. We do not yet have adequate data to establish the extent of the differentials in cost between near and far communities or territories, but the crude data on the costs related to transportation indicates that the Program presently favours beneficiaries who exploit territories near the communities. They receive significantly more benefit from the programme than the more distant trappers. The same may be true to a lesser extent across the communities, between the northern coastal posts and the communities nearer the main transportation routes and a wider variety of stores.

One can suggest that a source of this inequality lies in an attempt on the part of the administration to maintain simple reporting systems in the forms. Per diem payments are considered in the same way as wages. But there is no calculation of the net income from the harvesting venture. Now, theoretically, the notion of net income could be built into the calculations with a simple balance sheet of expenditures and income from harvesting in which the per diem payment could be considered as part of the gross income. Other income would include fur sales, and sale of handicraft items etc. There is in fact, the

hint of the notion that costs of pursuing the harvesting venture are taken into account in the present programme. At present, proceeds from the sale of furs are exempted from income at the rate of \$250. per adult which suggests that the costs of their harvest are being offset to some extent. The average fur income in the Cree territory we noted earlier has been about \$750. per trapper, and one might view what amounts to a \$500. exemption per family as a flat or universal deduction against standard expenditures made in earning that amount. In this, it would be somewhat analagous to the basic \$100. exemption for medical expenses and charitable donations which Canadians make on the standard Income Tax form; the simple deduction avoiding a plethora of small receipts which it would be difficult to check. However, in the Income Tax system there is the provision that medical expenses or donations in excess of the standard \$100 deduction can be claimed with relevant receipts.

One could posit the same system for the Cree, that is permitting either a \$250 deduction for expenses not supported by receipts, but at the same time permitting a larger deduction for those individuals who would support claims for expenses against the trapping venture with a balance sheet and appropriate receipts. Thus the individuals who were required to pay, for example, \$700 for air charter

to get to and from the bush would be permitted that deduction against the income from trapping. Under such a system it would be simple to include the per diem payments as proceeds from harvesting, and a balance sheet developed which would reflect income from per diem and from sale of furs and handicrafts on the income side; with certain expenses, for example, amortized capital equipment, transportation expenses, etc., on the expense side. Such a system would require basic "shoebox" bookkeeping on the part of the Cree somewhat equivalent to that maintained by small farmers under the Income Tax Act. Of course it would also be necessary to experiment with an appropriate tax offset rate for such a system, but this could be worked out on the basis of the rather complete data available on harvesting at the present time.

It might be argued that such a system would prove too complex for the Cree beneficiaries. It is certain that some would require some assistance, but this would be no more than people require at the present when they want to avail themselves of the benefits of the unemployment insurance program or the guaranteed income supplement to the old age pension. In fact as the Program is presently administered there would be little problem because the forms now utilized by the Income Security Board contain this basic information and are in fact filled out for the

beneficiaries by Board employees. But having raised that possibility is not to suggest that having Board employees fill out the administrative forms on behalf of the people is a particularly good idea.

It appears to me that one of the negative features of the administrative procedures used in the context of the Cree program is that of providing a staff to fill out the forms for the people. Among other things it places Board staff in the same category as social case-workers. But more seriously I think it abrogates to a quasi-governmental body far too much of the responsibility which individuals should be assuming. By the nature of the Cree communities, it can be assumed that the Income Security Program will be a feature in the financial considerations for the whole life time of the majority of the present participants. To suggest that people can make rational decisions on organizing for harvesting or about the disposition of the income, but that they are incapable of taking the responsibility to get a relatively simple system organized in their personal finances which would enable them to submit a basic form with a few vouchers, underestimates the complexity of the decision making process in the first instance and overestimates the difficulties of the second operations. Certainly it is difficult to imagine how people can do much rational

planning of their financial affairs if they are unable to work out the basic forms needed to establish what their income will be.

There is of course a role for a local administrator but it would seem to me that that would be largely an educational and advisory one. While he might be available to answer questions on the interpretation of regulations or even do an annual interview, he should not I think, be involved in the actual filling out of forms. If that responsibility evolved to the family, it would gain a much better understanding of the mechanisms under which the Program works, and people would be weaned away from an over-dependence on bureaucracy.

Beyond all this there is the problem of insisting that individuals spread out their personal affairs to the local administrator or the part-time assistants. These may be people who are closely related to him. This sets up the possibility of putting an administrator under pressure in matters of interpretation of regulations. One can easily conceive of difficulties when a local administrator is cast in the role of the messenger bearing bad news to an uncle or a grandfather. There is potential conflict of interest in this situation. In fairness though it must be said that it is a situation which is no different for the local band administrator or welfare officer.

But more than the above, it is the issue of treating the Income Security beneficiary in the same fashion as a welfare case which makes the strongest argument against the paternalistic role of the local administrator. One of the important arguments in favour of the guaranteed Annual Income system is its potential for the removal of welfare stigma and its dependency syndrome. The feature of self-reporting, of having control over the presentation of the basic documentation which must be put before the Board would seem to foster the aspect of self-reliance which is so absent in welfare programmes.

The evidence coming from the rural NIT experiments indicates that while the quality of self-reported data is not good, at the same time there were no more cases of attempted fraud than one would normally expect in these kinds of programmes. Remedies were suggested which did not involve the abandonment of responsibility for self-reporting. The problems related to accuracy and monitoring then would appear to be weak arguments for a reporting system which fosters a new and continuing dependence on bureaucratic structures.

It is significant that all the income maintenance experiments have relied on self-reporting. It is moreover clear that extensive programs in income security will

certainly rely on self-reporting. One has to ask why the Cree Program favors or afflicts its beneficiaries with a special involvement with bureaucracy. That it exists, leads one inexorably to the conclusion that Cree hunters and trappers are now, and will continue to remain incompetent to manage their personal financial affairs. I personally question whether that is a fair assessment.

On matters of administration and in the provision of adequate incomes then, it can be concluded that the Cree Program is off to a fair start. The questions raised in the previous paragraphs are ones that will surely be considered by the Board as the administration moves away from what can be termed a rather successful organizational and settling-in period. There were no major fiascos, serious discussions between Cree and the Quebec government have resolved a range of problems not foreseen in the design stage. One had the impression of a lot of mutual understanding between Quebec and the Cree. The problematic issue of the 150,000 man-days is under negotiation as the most important aspect of the mandatory review following the first two years of operation. These early indications point to the potential of a smooth running programme in the years to come.

Of course the proper ending for stories which relate how happiness and prosperity suddenly come to



people in poor circumstances, is that the principals live happily ever after. One cannot be that definitive in the short experience of the Cree with ISP. However, we would venture that if the average Cree beneficiary were asked today what he thought of the programme, he would reply with words not dissimilar from those of one of the beneficiaries of the New Jersey Income Maintenance Experiment, who included with his final report a short note to the administrators: "I enjoyed every cent I got. Thank you very much". (Kershaw 1976:193).

Bibliography

- Bawden, D. Lee and William S. Harrar  
 n.d. - Final Report of the Rural Income Maintenance Experiment, Vols. I-VI, Institute for Research on Poverty, University of Wisconsin, Madison. (c. 1977).
- Bearskin, Steven, Charles Bobbish, Marcel Beaudet, Gerrard Emond, Jack Cavanaugh and David Gimmer  
 1977 - Report on Feasibility of Forming a Cree Trappers' Association and Developing a Wild Fur Harvesting and Marketing Program for the James Bay Agreement Area Province of Quebec. 29 pp.
- Bryant, W. Keith  
 n.d. - Consumer Durables, Cars, Liquid Assets, Short-term Farm Capital, and Nonreal Estate Debts of Farm Families, IN Bawden & Harrar, n.d.
- Comité Interministériel sur la Révision de la Sécurité du Revenu  
 1976 - Analyse d'un programme québécois de revenu familial garanti. 110 pp.
- Coon, Thomas, Lawrence Jimiken, Sam Tapiatic and Fred Tomatuk  
 1975 - Trappers Cost of Hunting, Fishing and Trapping - Mistassini, Rupert House, Fort George and Eastmain. Grand Council of the Crees (of Quebec). 22 pp.
- CTA  
 1977 - See Bearskin, et al., 1977.
- Feit, Harvey A.  
 1973 - The Ethno-ecology of the Waswanipi Cree, pp. 115-125 in Bruce Cox, ed. Cultural Ecology, Toronto: McClelland and Stewart.
- Feit, Harvey A., and Colin Scott  
 1977 - Socio-economic Implications of the programme de sécurité du revenu relatif aux chasseurs et aux trapperus cris. Research proposal, Projet R.S. 292, Programme in the Anthropology of Development, McGill University.
- Gaunt, Sarah A.  
 1976 - Some Implications of an Outpost Camp Programme - the case of Broughton Island, N.W.T. Preliminary research report, Northern Studies and Research, McGill University, Montreal. 31 pp.

## Grand Council of the Crees (of Quebec)

1974 - Fort George Resource Use and Subsistence Economy Study, Unpublished data. See also Weinstein, 1976.

1977 - Position of the Grand Council of the Crees (of Quebec) and the James Bay Crees respecting the possible imposition of a 150,000 man/day limit on the Income Security Program for Cree Hunters and Trappers established by Section 30 of the James Bay and Northern Quebec Agreement. Restricted document, 104 pp.

## Green, Christopher

1967 - Negative Taxes and the Poverty Problem, Studies of Government Finance, The Brookings Institution, Washington, D.C.

## Hawthorn, H.B. ed.

1966 - A Survey of the Contemporary Indians of Canada. A Report on Economic, Political, Educational Needs and Policies, 2 volumes, Ottawa, Indian Affairs Branch.

## Harrar, William S.

n.d. - Accuracy of Self-Administered Reporting, Chapter 4 of Vol. II of Bawden & Harrar n.d.

## Hum, Derek

1977 - Objectives, Design, and Data Contents of the Basic Annual Income Experiment in Manitoba, Presentation to the Annual Meetings of the Canadian Economics Association, Fredericton, N.B., June 1977. 24 pp.

## Indian Affairs Branch

1970 - Economic Data on Fort George.

## Kershaw, David and Jerilyn Fair

1976 - The New Jersey Income-Maintenance Experiment, Vol. I, Operations, Surveys, and Administration, Academic Press, New York.

## James Bay and Northern Quebec Native Harvesting Research Committee

1976 - Research to Establish Present Levels of Harvesting by Native Peoples of Northern Quebec, Part I, A Report on the Harvests of the James Bay Cree, 2 Vols., Montreal, Native Harvesting Research Committee.

- 1978 - Interim Report for Phase II, Year 1. Research to Establish Present Levels of Harvesting by the Native Peoples of Northern Quebec. Part I. Harvests by the James Bay Crees, Montreal, Native Harvesting Research Committee.
- La Rusic, I.E.,  
 1968a - "The New Auchimau: A study of patron-client relations among the Waswanipi Cree". M.A. Thesis, McGill University. Mimeographed.
- 1968b - From Hunter to Proletarian. The involvement of Cree Indians in the white wage economy of central Quebec. McGill Cree Project (ARDA Project No. 34002). Reprinted by Department of Regional Economic Expansion, 1970.
- NHR 1976 -  
 1978 - See James Bay and Northern Quebec Native Harvesting Research Committee.
- Salisbury, Richard F., Fernand Filion, Farida Rawji and Donald Steward  
 1972a - Development and James Bay: Social Implications of the Proposals for the Hydro-electric Scheme. Montreal: McGill University, Programme in the Anthropology of Development.
- Salisbury, R.F., J. Hyman, N. Elberg, A. Tanner, R.D. Elliot, John A. Spence  
 1972b - Not by Bread Alone, Montreal: Indians of Quebec Association. 141 pp.
- Société de développement de la Baie James, Société d'énergie de la Baie James  
 1974 - Développement hydroélectrique de la Baie James. Description de l'environnement. Montreal, SDBJ, SEBJ. 235 pp.
- Weinstein, Martin  
 1976 - What the Land Provides. An Examination of the Fort George Subsistence Economy and the Possible Consequence on it of the James Bay Hydroelectric Project. Montreal: Grand Council of the Crees (of Quebec). 255 pp.

APPENDIX "A"

# The James Bay and Northern Québec Agreement

Agreement between:  
The Government of Québec  
The Société d'énergie de la Baie James  
The Société de développement de la Baie James  
The Commission hydroélectrique de Québec (Hydro-Québec)  
and  
The Grand Council of the Crees (of Québec)  
The Northern Québec Inuit Association  
and  
The Government of Canada

---

**Section 30 Income Security Program for  
Cree Hunters and Trappers**

---

---

### 30.1 General Provisions

---

- 30.1.1 An income security program (hereinafter referred to as "the program") to provide an income guarantee and benefits and other incentives for Cree people who wish to pursue harvesting activities as a way of life is established.
- 30.1.2 The funding of the program established by and in accordance with this Section shall be the responsibility of the Province of Québec which shall ensure at all times that the necessary funds are provided to give full effect to the program.
- 30.1.3 Subject and in accordance with the provisions of Sub-Section 30.7, the program shall be at least as generous as any guaranteed annual income program of general application that may be established or exist from time to time in the Province of Québec whether such program is established or funded by Canada or Québec.
- 30.1.4 Notwithstanding anything in this Section, every Cree person shall have the right to benefit, if eligible under such programs, from any transfer payment, workmen's compensation, unemployment insurance programs, Canada and Québec Pension Plans and other social insurance programs existing from time to time in the Province of Québec, whether established and funded by Québec or Canada.
- 30.1.5 A person benefiting from the program shall not be entitled to combine the benefits from the program with benefits from social aid, social assistance for Indians or Inuit or guaranteed annual income programs of general application existing from time to time in the Province of Québec provided that such person, if eligible, may elect from time to time to benefit from such programs in place of the program.
- 30.1.6 The payments made pursuant to Sub-Section 30.3 shall be offset against benefits payable for the same period under any social aid, social assistance for Indians or Inuit, guaranteed income supplement for the aged or guaranteed annual income programs of general application existing from time to time in the Province of Québec.
- 30.1.7 Payments under the program shall be made to beneficiary units and established on the basis of such beneficiary units.
- 30.1.8 The program shall ensure that hunting, fishing and trapping shall constitute a viable way of life for the Cree people, and that individual Crees who elect to pursue such way of life shall be guaranteed a measure of economic security consistent with conditions prevailing from time to time.

- 30.1.9 The program shall ensure that as an alternative to transfer payment or guaranteed annual income programs existing from time to time there exists through the program effective incentive to pursue harvesting as a way of life for the Cree people.
- 30.1.10 The establishment whether by Canada or Québec of guaranteed annual income programs of general application shall not prejudice the rights and guarantees under the program in favour of the Crees established by and in accordance with this Section. However, beneficiaries under the program shall not be entitled to benefit from more than one such program at the same time at their option.

---

### 30.2 The Rights to Benefit and Eligibility

---

- 30.2.1 Every Cree person eligible pursuant to Section 3 of the Agreement and ordinarily resident in Québec shall have the right to benefit under the program provided such person is eligible in accordance with the terms and conditions set forth in this Section.
- 30.2.2 Eligibility to benefit under the program shall be determined in the manner provided for in this paragraph. The following beneficiary units shall be eligible:
- a) any beneficiary unit the head of which in the preceding year spent more time conducting harvesting and related activities than time spent in salary or wage employment, excluding, both in the case of harvesting and related activities and salary and wage employment, time spent in guiding, outfitting or commercial fishing or in receipt of unemployment insurance, workmen's compensation, or manpower training allowances, provided that the head of such beneficiary unit spent at least one hundred and twenty (120) days conducting harvesting and related activities of which at least ninety (90) days were spent away from the settlement conducting such activities, or
  - b) any beneficiary unit which in the preceding year derived the greater part of its earnings, excluding earnings from guiding outfitting or commercial fishing, from harvesting and related activities, or
  - c) any beneficiary unit which in the preceding year was eligible under a), or b) and a member of which in the preceding year was the victim of an accident during the exercise of harvesting and related activities which resulted in such beneficiary unit not being eligible under a), or b), or
  - d) any beneficiary unit which in the preceding year was eligible under a), or b) and a member of which in the preceding year was the victim of an accident during seasonal employment as a result of which he became eligible for workmen's compensation and which also resulted in such beneficiary unit not being eligible under a), or b), or

- e) any beneficiary unit which in the preceding year was eligible under a), or b) and the head of which in the preceding year was forced to abandon or diminish his harvesting and related activities in order to allow animal populations to increase to a harvestable level, which resulted in such beneficiary unit not being eligible under a), or b), or
- f) any beneficiary unit which in the preceding year was eligible under a), or b) and which in the current year is not eligible under a), or b) as a result of the head of such beneficiary unit having been engaged in a manpower, upgrading, training or other self-improvement program in the preceding year, or
- g) any beneficiary unit which in the preceding year was eligible under a), or b) and which in the current year is not eligible under a), or b) as a result the head of such beneficiary unit having been engaged in temporary employment on a community improvement program or project during the preceding year.

30.2.3 In the case of beneficiary units eligible under c), d), e), f) or g) of paragraph 30. 2. 2 such beneficiary units shall be considered eligible and shall have the right to receive the benefits under the program in the current year and subsequent year and notwithstanding paragraph 30.1.5 the members of such beneficiary units shall have the right to receive any other transfer payments, workmen's compensation or unemployment insurance benefits, Canada Pension Plan or Québec Pension Plan benefits for which they may be eligible during such period.

30.2.4 If for any reason not expressly stipulated in paragraph 30.2.2 a person believes that consistent with the purpose of the program he should be considered eligible and should receive benefits under the program, the Board may upon request from such person review the case and determine if such person shall be considered eligible and benefit under the program. An appeal shall lie from the decision of the Board to the Commission of Social Affairs.

---

### 30.3 Calculation of Benefits

---

- 30.3.1 The benefits of the Cree income security payment shall be calculated as provided for in this Sub-Section taking into consideration:
- a) the composition and size of the beneficiary unit eligible to benefit under the program, and
  - b) the extent of harvesting and related activities of such beneficiary unit, and
  - c) the amount of other income.



30.3.2 Any beneficiary unit eligible to benefit under the program shall be guaranteed a basic amount calculated as the sum of:

- a) an amount of \$1,000.00 for the head of the beneficiary unit and \$1,000.00 for his consort, if any, and
- b) an amount of \$400.00 for each family and for each unattached individual not living with his parent, grandparent or child, and
- c) an amount of \$400.00 for each dependent child provided such dependent child is less than 18 years of age and is not a head of a family.

30.3.3 Each beneficiary unit shall receive a sum based on the extent of harvesting and related activities of each adult member calculated as the sum of:

- a) an amount of \$10.00 a day for each adult in the beneficiary unit computed for every day spent in the bush by each adult in the beneficiary unit in the exercise of harvesting and related activities provided that days for which the head of such beneficiary unit or his consort receives salary for such activities or workmen's compensation, unemployment insurance or manpower training allowances are not included in such calculations and provided further that the total amount payable for such time in the bush does not exceed \$2,400.00 per year for each adult, and
- b) an amount of \$2.00 per day for each adult in the beneficiary unit calculated for every day not spent in the bush by such adult provided that days for which he or his consort received salary or was engaged in remunerative self employment, Saturdays and Sundays of weeks during which he or his consort received salary or was engaged in remunerative self-employment during the balance of such weeks, and days for which he or his consort received workmen's compensation, unemployment insurance or manpower training allowances are not included in such calculation.

30.3.4 For the purposes of this Sub-Section other income shall mean an amount equal to the sum of:

- a) any income of the beneficiary unit from the sale of furs in excess of \$250.00 per adult in the beneficiary unit, and
- b) the payments made pursuant to paragraph 30.3.3, and
- c) all net income earned in harvesting and related activities, excluding income derived from the sale of furs; as well as all net income from guiding, outfitting and commercial fishing and from all other sources and all incomes otherwise received, excluding benefits from family and youth allowances, old age security pensions, social aid, social assistance for Indians or Inuit, guaranteed income supplement for the aged and other guaranteed annual income programs existing from time to time in the province of Québec.

- 30.3.5 Each beneficiary unit eligible to benefit under the program shall receive a sum equal to the amount determined pursuant to paragraph 30.3.2 less an amount equal to the sum of old age security pension payments received by the beneficiary unit and 40 percent of all other income.
- 30.3.6 Subject to paragraph 30.7.8 the dollar amounts provided for in this Sub-Section shall be indexed annually according to the increase in the cost of living in Québec. Such indexation shall occur at the same time as does indexation under any social aid or guaranteed annual income program of general application in the Province of Québec in the event that such programs of general application are indexed in any given year. If a cost of living index for the Territory computed on a basis similar to that available in Québec at the present time becomes available, the Board may unanimously choose to use this index. Once made, this choice would apply in all future years.

---

#### 30.4 Administration of the Program

---

- 30.4.1 There is established a Cree Hunters and Trappers Income Security Board (hereinafter referred to as "the Board").
- 30.4.2 The Board shall have 6 members. The Cree Regional Authority and Québec shall each appoint three (3) members and shall pay the remuneration and expenses of their respective members.
- 30.4.3 Four (4) members shall constitute a quorum provided two (2) members appointed by each party are present.
- 30.4.4 The members of the Board shall each have one (1) vote.
- 30.4.5 The respective parties shall appoint a Chairman and Vice-Chairman of the Board who shall hold office for one (1) year from among their appointees in the following manner:
- a) in the first year of the operation of the Board, the Chairman shall be appointed by the Province of Québec and the Vice-chairman shall be appointed by the Cree Regional Authority;
  - b) in the second year of the operation of the Board, the Chairman shall be appointed by the Cree Regional Authority and the Vice-Chairman shall be appointed by the Province of Québec;
  - c) in subsequent years the appointment of the Chairman and Vice-Chairman of the Board shall take place in the sequence set forth in sub-paragraphs a) and b) of this paragraph.

30.4.6 In the absence of the Chairman, the Vice-Chairman shall act as Chairman.

30.4.7 The Chairman of the Board shall have a second and deciding vote.

30.4.8 The Board shall:

- a) review the eligibility lists prepared annually by the local administrator and finalize such lists;
- b) review all protests and claims resulting from the operation of the program or the procedures established for the program or any other matter contemplated in this Section;
- c) review the operation of the program and procedures established for the program and participate at the request of the responsible Minister in the evaluation of the results of the program;
- d) supervise the administration of the program and procedures established for the program;
- e) establish pursuant to paragraph 30.3.6 the annual adjustment of the dollar amounts provided for in this Section and where appropriate the cost of living rate to which the payments under the plan established by this Section shall be indexed;
- f) establish the administrative procedures and criteria, consistent with the terms of this Section, necessary to implement the program and modify such procedures and criteria from time to time on the basis of experience with the operation of the program;
- g) consult the appropriate local administrator or administrators in all matters respecting the operation of the program in any community or communities;
- h) prepare an estimate of the annual costs of the program for each community, including an amount for each beneficiary unit eligible and obtain from Québec the funds necessary to cover such costs;
- i) prepare a budget for its own operations and obtain from Québec the funds necessary to cover such costs;
- j) recommend or determine, as the case may be, when and how revisions to the program should be made as provided in Sub-Sections 30.7 and 30.8.

30.4.9 The Board shall from time to time appoint from among at least three (3) persons recommended by the local government of each Cree community a local administrator for each community who shall be an employee of the Board and who shall have an office in the community.

30.4.10 The administrator shall:

- a) prepare with the assistance of the local government the annual eligibility list for his community;
- b) see to the proper functioning of the program and the procedures provided for and in accordance with this Section at the community level;
- c) see to the distribution and payment to heads of beneficiary units of sums due in accordance with the provisions of this Section;
- d) keep accurate and verifiable records of all payments made to heads of beneficiary units and costs incurred in administration under this program, in accordance with the procedures and criteria established by the Board;
- e) assist members of beneficiary units to apply for and prepare all necessary documentation respecting eligibility and benefit forms under the program, and other relevant information;
- f) collect and preserve all necessary documentation respecting eligibility and benefits under the program, according to the procedures and criteria established by the Board.

---

#### 30.5 Procedures

---

- 30.5.1 For the purpose of the program, the annual period shall commence on July 1 of each year.
- 30.5.2 Each applicant for benefits under the program shall submit a benefit form between July 1 and July 31 each year, unless prevented from doing so by harvesting or related activities, training, education or employment away from the settlement, sickness, accident or other similar circumstances.
- 30.5.3 On or before August 1 of each year, the local administrator shall transmit to the Board the eligibility lists for the current year, together with all individual benefit forms.
- 30.5.4 The Board shall review the lists and forms referred to in paragraph 30.5.3 and shall calculate the required funds for each community for the operation of the program during the current year including administration costs of the program for the current year and shall take into account in the estimated total costs any surplus or deficit resulting from the operation of the program in the preceding year.
- 30.5.5 The Board shall, on the basis of the calculation referred to at paragraph 30.5.4, submit to the Minister a request for the necessary funds for a given period to be determined from time to time by the Board and the Minister

shall transfer to the Board within thirty (30) days of the receipt of such request the necessary funds to cover the costs of the program including administrative costs for such period.

- 30.5.6 On or before August 31 of each year, the Board shall transfer to the local administrator amounts determined from time to time by the Board sufficient to cover the special payments referred to at paragraph 30.5.9 provided that the amount available to each local administrator is at least equal to 25% of the total amount paid to beneficiary units in his community in the preceding year.
- 30.5.7 All funds transferred by the Board to the respective local administrator shall be held by such local administrator in segregated trust accounts for the specific purpose of payments to heads of beneficiary units in accordance with the provisions of this Section and administration costs incurred by the said local administrators in connection therewith.
- 30.5.8 The Board shall distribute payments to heads of beneficiary units through the office of the local administrator in accordance with the following provisions:
- a) heads of beneficiary units shall receive four (4) payments annually on or about September 1, January 2, and April 1 and within fifteen days of the date of filing of his benefits form save as otherwise provided herein;
  - b) the payments on or about September 1, January 2 and April 1 referred to in a) shall each consist of an amount equal to one quarter ( $\frac{1}{4}$ ) of the estimated total annual payment;
  - c) the payment within fifteen (15) days of the date of filing of the benefits form referred to in a) shall consists of an amount equal to the balance actually due to the beneficiary unit in accordance with the information contained in the said benefits form;
  - d) in the event of overpayment resulting from the payments referred to in a) the amount of such overpayment shall become due on September 1 of the year in which a benefits form must be filed;
  - e) a person who fails to remit to the Board the amount of overpayment referred to in d) shall not have the right to receive benefits under the program until such amount of overpayment is so remitted;
  - f) in the case of heads of beneficiary units who intend to be absent from the community beyond January 2, such persons shall receive on September 1 a payment equal to one half ( $\frac{1}{2}$ ) of the amount estimated due to them for the current year.

30.5.9 Notwithstanding paragraph 30.5.8, the administrator may issue payments to heads of beneficiary units in the following cases:

- a) a head of a beneficiary unit who intends to be absent from the community for a period of ten (10) consecutive days or more for the purpose of conducting harvesting and related activities and who has not received the special payment under sub-paragraph 30.5.8 f) for the said period shall be entitled to receive from the administrator an advance upon his next regular payment in the amount of \$100.00 per eligible adult in the beneficiary unit;
- b) in the event that a head of a beneficiary unit referred to in sub-paragraphs 30.5.8 a) or f) does not receive from the Board the payment due to him pursuant to sub-paragraphs 30.5.8 a) or f), the administrator may issue such payment from the funds held by him.

30.5.10 Every head of a beneficiary unit shall be required to provide the administrator with a benefits from with information for the year just ended and with estimated information for the year just commencing respecting the following:

- a) information respecting his family necessary for the calculation referred to in paragraphs 30.3.2 and 30.3.3;
- b) the amount of time spent conducting harvesting and related activities;
- c) the amount of time spent in wage employment;
- d) the revenue derived from such harvesting and related activities and such wage employment;
- e) any pertinent information respecting other income referred to in paragraph 30.3.4.

30.5.11 The information and material referred to in paragraph 30.5.10 may be provided in the form appropriate to local circumstances, including in the form of diaries or affidavits.

30.5.12 The administrator shall collect such material and information and forward it to the Board.

30.5.13 Québec and the Board shall have the right to verify or audit all procedures, books and documents provided for in this Section and shall have the right to withhold or reclaim funds or adjust allocations of funds in the event of overpayment or abuse.

---

### 30.6 Establishment of Program

---

- 30.6.1 The Board shall meet no later than two (2) months following the date of the execution of the Agreement.
- 30.6.2 The Board shall forthwith establish the administrative costs of implementing the program and shall inform Québec of the required amounts. Québec shall transfer to the Board the required amounts.
- 30.6.3 The Board shall also forthwith establish enrollment and benefit procedures and criteria consistent with the provisions of this Section and communicate such procedures and criteria to the respective local administrators.
- 30.6.4 Each local Cree government shall forthwith propose a minimum of three (3) persons for the position of local administrator and the Board shall appoint such local administrators.
- 30.6.5 In the first year of operation of the program, the local administrators for each Cree community with the assistance and approval of their respective local governments shall prepare lists of persons in their respective communities who in their opinion should be eligible to benefit from the said program in accordance with paragraph 30.6.6.
- 30.6.6 Notwithstanding paragraph 30.2.2, every person shall be eligible to benefit in the first year of the operation of the program who is a head of a family or 18 years of age or over, and:
- a) exercises harvesting activities as a way of life, or
  - b) intends to exercise such activities as a way of life.
- 30.6.7 The local administrators shall transmit to the Board the lists of eligible persons referred to in paragraph 30.6.5 no later than April 1, 1976. The Board shall decide upon such lists.
- 30.6.8 Every person whose name appears on the lists approved by the Board shall have the right to benefit under the program established by and in accordance with this Section during the first year of operation of the said program.
- 30.6.9 On the basis of the said lists, the Board shall require from Québec the funds necessary for the implementation of the program.
- 30.6.10 The program shall be deemed to come into effect on the execution of the Agreement. The first year of operation of the program shall be computed from July 1, 1976 to June 30, 1977. The payment due heads of beneficiary units on September 1, 1976 pursuant to paragraph 30.5.8 shall be aug-

mented for persons eligible under sub-paragraph 30.6.6 a) by a payment retroactive to the date of the execution of the Agreement unless in the opinion of the Minister a payment or payments to cover the amounts due to heads of beneficiary units computed retroactively to the date of the execution of the Agreement is feasible before September 1, 1976 in which case he may cause such payment or payments to be made.

30.6.11 For the period between the execution of the Agreement and July 1, 1976 the provisions of Sub-Sections 30.2 and 30.3 shall, where appropriate, be adjusted to take into account the number of days within such period.

---

### 30.7 Review

---

30.7.1 Québec and the Cree Regional Authority shall from time to time review the operation of the program, procedures and benefits established by and in accordance with this Section and may by mutual consent make any adjustments necessary for the proper functioning of or to give effect to the program, procedures and benefits provided for in this Section including more particularly the provisions of paragraphs 30.1.3, 30.1.8 and 30.1.9.

#### 30.7.2

- a) In the event that the basic guarantee for families without other income under any social aid, social assistance for Indians or Inuit, or guaranteed annual income program of general application existing in the Province of Québec is increased, the program shall be modified by the Board so as to assure that, on the basis of a family of two (2) adults, the present ratio between the basic guarantee under such programs and the basic guarantee under the program is maintained by increasing proportionally each of the amounts provided for at sub-paragraphs 30.2.2 a) and b).
- b) If a guaranteed annual income program of general application is introduced which includes basic guarantees for persons with earned incomes distinct from basic guarantees for persons with no income, the program shall be modified by the Board so as to assure that on the basis of a family of two (2) adults, the basic guarantee under the program and such basic guarantee for persons with earned income under the guaranteed annual income program of general application are equal by increasing proportionally each of the amounts provided for at sub-paragraphs 30.3.2 a) and b). In no case shall such revision reduce the amounts provided for at sub-paragraphs 30.3.2 a) or b).
- c) The provisions of sub-paragraph 30.7.2 a) shall apply unless the Board unanimously decides to apply the provisions of sub-paragraph 30.7.2 b) in which case sub-paragraph 30.7.2 a) and paragraph 30.7.5 shall not apply for such time as the guaranteed annual income program structure contemplated in sub-paragraph 30.7.2 b) exists.



- 30.7.3 In the event that the weighted average benefits per child under sub-paragraph 30.3.2 c) and under family and youth allowances due to families eligible under the program is less than equal to the weighted average benefits per child that would be due under the basic guarantee in virtue of any social aid, transfer payment or guaranteed annual income program in Québec and family and youth allowances to the same families if they were eligible under such programs, the program shall be modified by the Board by increasing the amount provided for at sub-paragraph 30.3.2 c) by the amount of the difference between the two (2) weighted averages.
- 30.7.4 Subject to paragraph 30.7.3, in the event that family allowances provided to citizens of Québec at the date of the execution of the Agreement are increased over and above the increase due to indexation, the dollar amount provided for at sub-paragraph 30.3.2 c) shall not be indexed by the Board pursuant to paragraph 30.3.6 until such time as the cumulative increase which would have resulted from the indexing of the amounts provided for at sub-paragraph 30.3.2 c) equals the amount indexed on the same basis, of such increase in family allowances.
- 30.7.5 In the event that any social aid, social assistance for Indians or Inuit or guaranteed income program of general application which exists in the Province of Québec is revised, including increases due to indexation, the program will be modified, in accordance with the provisions of paragraph 30.7.7, if the break-even point for a family of two adults in the program is less than the break-even point for the same family size in such program of general application in the Province of Québec. Such modification will never reduce the break-even point in the program.
- 30.7.6 In the event that any social aid program existing from time to time in the Province of Québec is modified or a guaranteed annual income program of general application is established or modified, the Board may request a review of the program if in its opinion it would have been more expensive for Québec, during any period of one (1) year running from July 1 to June 30, to enroll all beneficiaries of the program in such social aid program or such guaranteed income program of general application and in such case the program shall be modified in accordance with the provisions of paragraphs 30.7.7 and 30.7.9.
- 30.7.7 In the case of modifications to the program effected pursuant to and in accordance with paragraphs 30.7.5 and 30.7.6 Québec shall effect such modifications only after prior consultation with and upon recommendations of the Board. Such modifications to the program not contemplated by paragraphs 30.7.2 and 30.7.3 shall assure that the basic guarantee established by and in accordance with paragraph 30.3.2 for the program shall not be reduced and the reduction rate and the exemption established by and in accordance with paragraphs 30.3.5 and 30.3.4 for the program shall not be modified unless unanimously agreed to by the members of the Board provided that all members of the Board appointed by the Cree Native party were present and voted.

30.7.8 In the event that the benefits of any social aid or guaranteed annual income program of general application existing from time to time in the Province of Québec are indexed to an index other than the cost of living index in Québec, the program shall be adjusted by the Board to provide that such index is applied to the dollar amounts provided for at paragraph 30.3.2 and that the index applied to other dollar amounts provided for in the program shall be comparable to the index applied to comparable benefits in such program of general application if same would result in a better maintenance of the relative benefits of the program over the years than would the index currently in use in the program.

30.7.9

- a) Subject to the provisions of this Sub-Section in the event that any other guaranteed annual income, transfer payment, or income security programs of general application are established, or are significantly modified from time to time in the Province of Québec, whether such programs are established or funded by Canada or Québec, Québec and the Cree Regional Authority shall review the program and shall by mutual consent make any adjustments necessary to ensure the continued existence of the program and the maintenance of the purpose and principles of the program.
- b) A lack of agreement between Québec and the Cree Regional Authority on a matter contemplated in sub-paragraph 30.7.9 a) shall not prejudice the rights of beneficiaries under the program including those set forth in paragraphs 30.1.3, 30.1.8 and 30.1.9 and failing such agreement the necessary adjustments shall be affected through binding arbitration in accordance with the laws of the Province of Québec and upon the basis of the principles set forth in this Section. For the purposes of such arbitration, Québec and the Cree Regional Authority shall each appoint one arbitrator. The arbitrators so appointed shall together appoint a third arbitrator.

---

30.8 Final Provisions

---

30.8.1 Subject to modification by the mutual consent of Québec and the Cree Regional Authority, the total number of remunerated man-days contemplated in sub-paragraph 30.3.3 a) in each year after the second year of the operation of the program shall not exceed one hundred and fifty thousand (150,000) man-days.

30.8.2 In the event that, at the commencement of the second and successive years of operation of the program, the Board determines that the estimated total man-days exceeds one hundred and fifty thousand (150,000)

man-days, it shall review the operation of the program and recommend appropriate measures to be implemented in succeeding years in order to give effect to the provisions of paragraph 30.8.1 or any modification pursuant thereto.

- 30.8.3 In the event that the Minister does not receive the recommendation referred to at paragraph 30.8.2 before December 31 of any given year or if he has cause to believe that such recommendations will not give proper effect to the provisions of paragraph 30.8.1 he may, after further consultation with the Board, effect such modifications as are necessary to give proper effect to the provisions of the said paragraph.
- 30.8.4 Notwithstanding any other Act, the Board may when appropriate obtain from any government department or body any information that it considers necessary respecting the benefits of any kind which such department or body has paid, is paying or would be authorized to pay to any person who receives or applies for benefits under the program.
- 30.8.5 Subject to the provisions of this Section the Minister may after consultation with the Board establish such further administrative procedures including requirements for verification of information and prescribe such penalties as may be necessary to give full force and effect to this Section.

---

#### 30.9 Transitional Period

---

- 30.9.1 Québec and the Grand Council of the Crees (of Québec) or its nominee shall forthwith upon the execution of the Agreement take all reasonable measures to implement the provisions of this Section save that until the coming into force of the Agreement the Board shall have advisory functions only and shall not infringe upon the functions, powers or responsibilities of the Minister.
- 30.9.2 During the transitional period referred to in Section 2 of the Agreement, the provisions and criteria contained in the Social Aid Act (L.Q., 1969, c, 63 as amended) shall apply, provided that in the determination of eligibility during such transitional period the property exemption shall equal the sum of \$25,000.00 exclusive of the value of the tools or equipment necessary for harvesting and related activities.
- The provisions of this Section can only be amended with the consent of Québec and the interested Native party.

---

#### 30.10 Legislation

---

- 30.10.1 Legislation enacted to give effect to the provisions of this Section may be amended from time to time by the National Assembly of Québec.

Definitions and Instructions for Calculation

1. "Harvesting activities" shall mean:

All activities involved in the exercise of the right to harvest as provided in Section 24 excluding commercial fishing.

2. "Activities related to harvesting" shall mean:

a) The women's activities associated with harvesting activities, and  
b) Activities commonly practiced by those who also practice harvesting activities, including, inter alia:

1) making or repairing equipment used in hunting, fishing and trapping activity;

2) preparation of food supplies, clothing, habitations, materials, equipment and land improvements necessary for harvesting activities;

3) processing, transportation and marketing of the products of harvesting activities;

4) making of handicrafts from products of harvesting within the household;

5) remedial works, protection and enhancement of wildlife;

6) surveys or management of wildlife to assist harvesting activity;

7) transportation to and from bush camps and harvesting sites.

3. "Transfer payment programs" shall mean:

Family and youth allowances, government old age security pensions, veterans' pensions and allowances, social aid, mother's allowances, manpower training allowances, payments to the blind or disabled, guaranteed income supplement for the aged, social assistance for Indians or Inuit and other such programs as may exist from time to time.

4. "Time conducting harvesting and related activities" shall mean:

A number of days calculated as the total of:

a) the total number of days spent away from permanently occupied settlements conducting harvesting and related activities computed so as to include the number of days from each date of departure from such settlement to each date of return to such settlement, inclusive, and including single days a major portion of the daylight part of which was spent away from permanently occupied settlements conducting harvesting and related activities.

b) the number of days spent in such settlement and actually spent in the conduct of harvesting and related activities.

5. "Time spent in salary or wage employment" shall mean:

The number of days spent in work that is not a harvesting or related activity and for which the individual received salary or wage.

6. "Community improvement program" shall mean:

A project authorized by the local government designed to improve the living conditions in the community and funded by government programs or community funds.

7. "Beneficiary unit" shall mean:

A family or an unattached individual over 18 years of age.

8. "Family" shall mean:

Consorts, with or without a dependent child or an adult with one or more

dependent children taking into account established Cree custom.

9. "Dependent child" shall mean:

An unmarried child, whatever his filiation and taking into account established Cree custom, who is less than eighteen (18) years of age, and depends for his support upon the head of family for the greater part of the year or while in the bush.

10. "Head of family" shall mean:

The member of a family who habitually is the chief provider for the needs of such family, taking into account established Cree custom.

11. "Consorts" shall mean:

A man and a woman who are married and generally cohabit, or who generally live together as husband and wife, taking into account Cree custom.

12. "Head of beneficiary unit" shall mean:

A head of family or an unattached individual.

13. "The basic guarantee under social aid" shall mean:

An amount equal to the benefits available to a beneficiary unit in receipt of social aid which has no other source of income.

14. "The basic guarantee under the program" shall mean:

The sum of the benefits provided to a beneficiary unit referred to in paragraph 30.3.2.

15. "The break-even point in the program" shall mean:

The minimum level of income which taking into account only the sum of the benefits provided for in paragraph 30.3.2 and the reduction rate provided for in paragraph 30.3.5 would leave a beneficiary unit in receipt of no such benefits.

16. "The break-even point under social aid" shall mean:

The minimum level of income which would make any beneficiary unit ineligible to receive social aid benefits.

APPENDIX "B"

A Selection of Administrative Forms  
used by  
The Cree Hunters and Trappers  
Income Security Board

DATA REGISTRATION FORM

BLOCK 1

Line "A"	VILLAGE _____	DATE _____ Day - Month - Year	FORM. CODE _____		
Line "B"	HEAD OF FAMILY	BAND _____	BAND NO. _____	DATE OF BIRTH _____ Day - Month - Year	SEX _____
Line "C"	IDENTIFICATION MR. _____ MRS. _____ MISS. _____ Name and first name	SOCIAL INSURANCE NO. _____		MARITAL STATUS _____	
		MAIDEN NAME _____			
Line "D"	CONSORT (if any)	BAND _____	BAND NO. _____	DATE OF BIRTH _____ Day - Month - Year	SEX _____
Line "E"	MR. _____ MRS. _____ MISS. _____ Name and first name	SOCIAL INSURANCE NO. _____		MARITAL STATUS _____	
		MAIDEN NAME _____			

Line "F"

IF SINGLE, ARE YOU LIVING WITH PARENT, GRAND PARENT OR CHILD?

BLOCK 2	Column 1	Column 2	Column 3	Column 4	Column 5
DEPENDENT CHILDREN (under 16 years of age)	FIRST NAME	STATUS	DATE OF BIRTH Day-Month-Year	SEX	BAND NO. (if different from head of family)

BLOCK 3

	Column 2	Column 3
TRAPLINE LOCATION	DESCRIPTION	HEAD OF FAMILY
	Trapline Tallyman	
	Trapline Number	
	Trapline Tallyman	
	Trapline Number	
	Trapline Tallyman	

BLOCK 4 HUNTING AND TRAPPING EQUIPMENT (SPECIFY)  
Column 1

Column 2

ASSETS	DESCRIPTION	VALUE

BLOCK 5 HARVESTING AND RELATED ACTIVITIES IN THE BUSH  
Column 1

Column 2

Column 3

PERIOD	HEAD OF FAMILY		NO. OF DAYS	CONSORT WITH HEAD OF FAMILY	CONSORT		NO. OF DAYS
	From Date	to Date			From Date	to Date	
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
TOTAL			Days				Days

BLOCK 6

FUR INCOME (LOCAL FUR SALE)

Sale Date: A) \_\_\_\_\_  
 B) \_\_\_\_\_  
 C) \_\_\_\_\_  
 D) \_\_\_\_\_  
 E) \_\_\_\_\_  
 F) \_\_\_\_\_

Buyer: A) \_\_\_\_\_  
 B) \_\_\_\_\_  
 C) \_\_\_\_\_  
 D) \_\_\_\_\_  
 E) \_\_\_\_\_  
 F) \_\_\_\_\_

Sale price for lot: A) \$ \_\_\_\_\_  
 B) \$ \_\_\_\_\_  
 C) \$ \_\_\_\_\_  
 D) \$ \_\_\_\_\_  
 E) \$ \_\_\_\_\_  
 F) \$ \_\_\_\_\_

or estimated value: A) \$ \_\_\_\_\_  
 N.B. Once claimant receives payment for B) \$ \_\_\_\_\_  
 furs sold he is to forward this information to the local administrator, who D) \$ \_\_\_\_\_  
 will immediately send it to the board. This E) \$ \_\_\_\_\_  
 information is required so the board may F) \$ \_\_\_\_\_  
 make necessary adjustments to payment.

Other sales of furs:







TRANSFER PAYMENTS  
BLOCK 11

	HEAD OF FAMILY			CONSORT		
	From Date	to Date	Amount Received	From Date	to Date	Amount Received
Spouse welfare						
Quebec social aid						
Old age security pension						
Quebec pension plan						
Unemployment insurance						
Workman compensations						
Manpower training allowance						
Other (specify)						

BLOCK 12

FOR COMMENTS OF LOCAL ADMINISTRATOR:

---



---



---



---



---



---

BLOCK 13

FOR USE OF THE BOARD ONLY:

---



---



---



---



---



---



---



---



---



---

BLOCK 14

DECLARATION ABOUT COMING YEAR

1. Do you plan to hunt, fish and trap or live in the bush this coming year? \_\_\_\_\_  
\_\_\_\_\_  
If "no", why? \_\_\_\_\_  
\_\_\_\_\_  
If "yes", where? \_\_\_\_\_
2. Will your consort accompany you in the bush this coming year? \_\_\_\_\_
3. Will anybody else's children accompany you in the bush this coming year? \_\_\_\_\_  
If "yes", how many? \_\_\_\_\_ Child's name? \_\_\_\_\_  
Parent's name? \_\_\_\_\_
4. Do you expect to spend more or less time hunting, fishing and trapping than you did this past year? \_\_\_\_\_  
If "more" or "less", why? \_\_\_\_\_  
\_\_\_\_\_  
(Interviewer - estimate how much "more" or "less") \_\_\_\_\_  
\_\_\_\_\_
5. Do you expect to get the same quota for beaver this coming year? \_\_\_\_\_  
If not "same", how many? \_\_\_\_\_
6. Do you or your consort expect to take a manpower course this coming year? \_\_\_\_\_  
If "yes", which course? \_\_\_\_\_  
(Interviewer - note duration of course \_\_\_\_\_  
and income expected \_\_\_\_\_
7. Do you or your consort expect to be employed this coming year? \_\_\_\_\_  
If "yes", what employment? \_\_\_\_\_  
How long? \_\_\_\_\_  
How much do you expect to earn (weekly or bi-weekly)? \_\_\_\_\_
8. Are you or your consort receiving unemployment insurance now? \_\_\_\_\_  
If "yes", how much do you get per check? \_\_\_\_\_
9. Do you or your consort expect to receive unemployment insurance? \_\_\_\_\_



STATEMENT OF BENEFICIARY

LOCAL OFFICE	VALIDITY OF STATEMENT month _____ to month _____	DATE
Name and address of beneficiary		Permanent code _____
<b>DURING THE PERIOD MENTIONED ABOVE:</b>		
1. Have you exercised harvesting and related activities		
a) In the bush	Yes ___ No ___ No. of days _____ From _____ to _____	
b) In the community	Yes ___ No ___ No. of days _____ From _____ to _____	Income \$ _____
2. Has your consort exercised harvesting and related activities		
a) In the bush	Yes ___ No ___ No. of days _____ From _____ to _____	
b) In the community	Yes ___ No ___ No. of days _____ From _____ to _____	Income \$ _____
3. Have you worked		
Amount earned	Yes ___ No ___ No. of days _____ (a) \$ _____ From _____ to _____ (b) \$ _____ From _____ to _____ (c) \$ _____ From _____ to _____	
Employer's name and address	a) _____ b) _____ c) _____	
If still working, specify:		
Weekly salary \$ _____	Beginning date _____	Possible terminating date _____
4. Has your consort worked		
Amount earned	Yes ___ No ___ No. of days _____ (a) \$ _____ From _____ to _____ (b) \$ _____ From _____ to _____ (c) \$ _____ From _____ to _____	
Employer's name and address	a) _____ b) _____ c) _____	
If still working, specify:		
Weekly salary \$ _____	Beginning date _____	Possible terminating date _____
5. Have you received unemployment insurance benefits		
Weekly amount \$ _____	Yes ___ No ___ Beginning date _____	Terminating date _____
If still in receipt of U.I.C. benefits: Possible terminating date _____		
6. Has your consort received unemployment insurance benefits		
Weekly amount \$ _____	Yes ___ No ___ Beginning date _____	Terminating date _____
If still in receipt of U.I.C. benefits: Possible terminating date _____		

7. Have you and/or your consort received money from

	YES	NO	YOU	CONSORT	AMT RECEIVED	FROM	TO
MANPOWER ALLOWANCES	___	___	___	___	\$ _____	_____	_____
					\$ _____		
If still in receipt			Weekly amount \$ _____			Possible terminating date _____	
If still in receipt			Weekly amount \$ _____			Possible terminating date _____	
SELF EMPLOYMENT	___	___	___	___	\$ _____	_____	_____
					\$ _____		
BABY SITTING	___	___	___	___	\$ _____	_____	_____
					\$ _____		
If still in receipt			Weekly amount \$ _____		\$ _____		
OLD AGE PENSION	___	___	___	___	BASIC AMOUNT \$ _____	BEGINNING DATE _____	
					\$ _____		
					\$ _____		
BAND WELFARE	___	___	___	___	\$ _____	_____	_____
					\$ _____		
FOSTER HOMES OR HOSTELS	___	___			AMT RECEIVED \$ _____	BEGINNING DATE _____	
					\$ _____		
If still in receipt			Monthly amount \$ _____			Possible terminating date _____	
HONORIA	___	___			AMT RECEIVED \$ _____	BEGINNING DATE _____	
					\$ _____		
FUR INCOME	___	___			AMT RECEIVED \$ _____	{family}	
					\$ _____		
OTHERS (specify)	___	___	___	___	AMT RECEIVED _____	FROM _____	TO _____
_____	___	___	___	___	_____	_____	_____
_____	___	___	___	___	_____	_____	_____
_____	___	___	___	___	_____	_____	_____

8. Changes in your family composition? YES \_\_\_ NO \_\_\_ SPECIFY \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I solemnly swear that my answers are true knowing that any evidence to the contrary makes me liable to penalties in accordance with the Income Security Regulations as such.

\_\_\_\_\_  
Signature of beneficiary

\_\_\_\_\_  
date

\_\_\_\_\_  
Signature of witness (if necessary)

\_\_\_\_\_  
date

\_\_\_\_\_  
Remarks of local administrator

\_\_\_\_\_

\_\_\_\_\_  
Signature of local administrator

\_\_\_\_\_  
date

AUTORISATION/AUTHORIZATION

Code permanent/Permanent code

Par la présente j'autorise pour la période d'un an qui suit la signature de ce document:

- toute compagnie d'assurance, toute société de fiducie, banque, Caisse populaire ou autre institution financière;
• toute personne physique ou morale en possession de biens ou revenus qui m'appartiennent, ou qui l'a été;
• tous mes employeurs précédents, présents et futurs;

à fournir au Ministère des Affaires sociales du Québec tout renseignement concernant mes revenus, biens, droits et obligations que ce ministère peut requérir à mon égard, à l'égard de mon conjoint ou de mes autres dépendants.

De plus j'autorise le Ministère des Affaires sociales et les organismes suivants: Ministère des Affaires des Anciens Combattants, Ministère des Affaires indiennes et nord canadien, Ministère de la Santé nationale et du Bien-être social, Ministère de l'Éducation, Commission des accidents du travail, Commission d'assurance-chômage, Bureaux d'aide juridique, Régie de l'assurance-maladie du Québec, Régie des Pentes du Québec, U.S. Social Security Administration à échanger tout renseignement de même nature jugé utile à l'étude de mon dossier. Cette autorisation s'étend également à mon conjoint et à mes autres dépendants.

I hereby authorize for a period of one year following the signing of this document:

- any insurance company trust, bank, caisse populaire or other financial institution;
• any individual or corporation in possession of assets or income belonging to me, or who has had such possession;
• all my previous, present or future employers;

to provide the Quebec Department of Social Affairs with any information concerning my income, assets, stocks and bonds as the Department may require with respect to myself, my spouse or my other dependents.

I further authorize the Department of Social Affairs and the following organizations: the Department of Veterans Affairs, the Department of Indian Affairs and Northern Development, the Department of National Health and Welfare, the Department of Education, the Workmens Compensation Commission, the Unemployment Insurance Commission, the Legal Aid Bureau, the Quebec Health Insurance Board, the Quebec Pension Board, and the U.S. Social Security Administration to exchange any and all information of the same nature as is deemed necessary for the examination of my case. This authorization also includes my spouse and my other dependents.

Nom et prénom du requérant (en lettres moulées): Applicant's surname and given name (s) (block letters)
Adresse du requérant/Applicant's address

Date
Date

Signature du requérant/Applicant's signature

J'interviens aux présentes et consens aux conditions de cette autorisation.

I am party to this authorization and consent to the conditions stipulated herein.

Signature du conjoint/Signature of spouse

Signature du représentant autorisé du ministère
Signature of the Department's authorized representative





Permanent Code
Applicant's name and address
Local Office

Date

According to our information, the above-named is or was employed by you.

To enable us to complete our records, will you please fill in this questionnaire and mail it to us as soon as possible.

The attached form, duly signed by the above-named, authorizes you to give us the required information.

Thank you for your cooperation.

Social Aid Officer

### QUESTIONNAIRE

1. Hiring date <span style="float: right;">Day Month Year</span>		2. Present weekly salary	
		Gross salary \$ _____	
3. Vacation bonus received or to be accorded		Minus admissible deductions:	
Date		Deductions for income tax \$ _____	
Jr M An	Amount	Unemployment insurance \$ _____	
	\$ _____	Health insurance \$ _____	
		Quebec pension plan \$ _____	
		Compulsory retirement plan \$ _____	
		Union dues \$ _____	
		Net salary \$ _____	
4. This employee		5. Date employment ended	6. State reasons why employment ended?
stopped working <input type="checkbox"/>		Day Month Year	
or			
will stop working <input type="checkbox"/>			
7. Net salary for the periods listed hereunder		8. Retirement date (if applicable)	
Period	\$	Period	\$
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
			Net amount per month
			\$ _____
			Date of first payment
			Date Month Year

Date \_\_\_\_\_  
AS-35A (REV 3-76)

Signature \_\_\_\_\_

REGIE DE LA SECURITE DU REVENU DES  
CHASSEURS ET TRAPPEURS CRIS

CREE HUNTERS AND TRAPPERS INCOME SECURITY  
BOARD

MR. \_\_\_\_\_  
MRS. \_\_\_\_\_  
MISS \_\_\_\_\_

PERM. CODE / / / / / / / / / / / / / /  
BAND \_\_\_\_\_ BAND NO. \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
\_\_\_\_\_

As stated in Section thirty (30) of the James Bay Agreement signed November 11, 1975, all fur income in excess of \$250.00 per adult will be considered into calculations of benefits from Income Security Program at forty (40) per cent during fiscal year of July 1st, 19\_\_\_\_ to June 30th, 19\_\_\_\_.

People involved in fur sales are kindly requested to provide the local administrator with necessary information and any relevant documents that might be available in this respect.

Date of sale _____	Sale price of lot _____
A _____	A _____
B _____	B _____
C _____	C _____
D _____	D _____
E _____	E _____
F _____	F _____

Buyer _____	Estimate value _____
A _____	A _____
B _____	B _____
C _____	C _____
D _____	D _____
E _____	E _____
F _____	F _____

I solemnly swear that the information provided by me in this questionnaire is true to the best of my knowledge and I have neither hidden or omitted relevant details.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
Signature of Beneficiary Unit

\_\_\_\_\_  
DATE

X  
\_\_\_\_\_  
Signature of Responsible Office

Comments by Local administrator \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ADJUSTMENT OF RETROACTIVE PAYMENTS

case load  permanent code

COMPOSITION OF FAMILY

NUMBER OF ADULTS  revised  NO OF DEPENDENT CHILDREN  revised

BASIC AMOUNT

head of beneficiary unit	<input type="text"/> 693.00	<input type="text"/> 693.00	
consort	<input type="text"/> 693.00	<input type="text"/>	
family or individual	<input type="text"/> 277.00	<input type="text"/>	<input type="text"/>
no. of children <input type="text"/> X	<input type="text"/> 277.00	<input type="text"/>	<input type="text"/> A

INCOME

	revised	amount	
OLD AGE PENSION	<input type="text"/>	<input type="text"/>	
head of beneficiary unit	<input type="text"/>	<input type="text"/>	
consort	<input type="text"/>	<input type="text"/>	<input type="text"/> B
PER DIEM (11-11-75 TO 31-12-75)		days	
head of beneficiary unit	<input type="text"/>	<input type="text"/>	X 12.00 = <input type="text"/> max. \$403./ adult
consort	<input type="text"/>	<input type="text"/>	X 12.00 = <input type="text"/> = <input type="text"/> C
PER DIEM (01-01-76 TO 30-06-76)			
head of beneficiary unit	<input type="text"/>	<input type="text"/>	X 13.12 = <input type="text"/> max. \$1575./ adult
consort	<input type="text"/>	<input type="text"/>	X 13.12 = <input type="text"/> = <input type="text"/> D
FUR INCOME	<input type="text"/>	<input type="text"/>	- 250. /adult <input type="text"/> = <input type="text"/> E
	revised	amount	
EMPLOYMENT	<input type="text"/>	<input type="text"/>	
U.I.C. BENEFITS	<input type="text"/>	<input type="text"/>	
WORKMAN COMPENSATION	<input type="text"/>	<input type="text"/>	
MAN POWER TRAINING ALLOWANCE	<input type="text"/>	<input type="text"/>	
INCOME AS BAND COUNCILLOR	<input type="text"/>	<input type="text"/>	
BABY SITTING	<input type="text"/>	<input type="text"/>	
INCOME FROM ROOM AND BOARD	<input type="text"/>	<input type="text"/>	
SELF EMPLOYMENT	<input type="text"/> S	<input type="text"/>	
RELATED ACTIVITIES	<input type="text"/> S	<input type="text"/>	= <input type="text"/> F
TOTAL: C, D, E, F			<input type="text"/> G

CALCULATION OF AMOUNT GRANTED

G X 40% =  H  
 +  B  
 \_\_\_\_\_  
 A (-)  I =  J  
 +  C social aid   
 +  D band relief   
 \_\_\_\_\_  
 K -  L =  AMOUNT GRANTED

for the period of 01-11-75 to 30-06-76

\_\_\_\_\_ date

\_\_\_\_\_ signature

BENEFICIARY'S DIARY



Régie de la sécurité du revenu  
des chasseurs et trappeurs Cris  
*Cree Hunters and Trappers  
Income Security Board*

BAND No.

NAME

ADDRESS



BENEFICIARY'S DIARY (3)

**HARVESTING AND RELATED ACTIVITIES IN THE BUSH**

Period	HEAD OF FAMILY				Consort with head of family	CONSORT			
	From	Date	To	Days		From	Date	To	Days
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
TOTAL									

**FUR INCOME**

Sale date	Buyer's name	Sale price for lot
		\$
	TOTAL	\$

BENEFICIARY'S DIARY (4)

**GUIDING, OUTFITTING and COMMERCIAL FISHING**

Description	HEAD OF FAMILY					CONSORT				
	From	Date	To	Days	Income	From	Date	To	Days	Income
					\$					\$
<b>TOTALS</b>					\$					\$

**EMPLOYMENT**

Name and address of employer	HEAD OF FAMILY					CONSORT				
	From	Date	To	Days	Income	From	Date	To	Days	Income
					\$					\$
<b>TOTALS</b>					\$					\$

**SELF EMPLOYMENT**

List each activity	HEAD OF FAMILY					CONSORT				
	From	Date	To	Days	Income	From	Date	To	Days	Income
					\$					\$
<b>TOTALS</b>					\$					\$

