

AN ECONOMIC STUDY OF THE QUEBEC REGION

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1972.

In April 1971, the consultant company of Dubé, Galibois and Associates submitted a study of the "Relative Economic and Educational Strengths of the Indian Bands". Their work is based on 1969 statistics incorporated mathematically into certain indices of "richness" and "poverty" to arrive at a national ranking of Indian bands by region, and a ranking of bands within each region. In effect it compares all Indian bands economically and arranges them into a list from richest to poorest. Data is available for 435 bands. This study is a step toward developing a conceptual framework, based on real data from Indian communities, which provides a monitor on the direction of our current Developmental Policies and resource allocation. While it is not considered that the Department could set policy by this study, there is no doubt that it can be used as a tool to better interpret band strengths and weaknesses, and to examine our program efforts accordingly.

The purpose of this report is threefold.

1. To interpret the Quebec regional ranking versus the other regions.
2. To interpret the band rankings in Quebec.
3. To make recommendations accordingly.

The concept used to rank educational strengths of these bands is a little more suspect than the economic ranking, but is acceptable and places the bands in order of educational attainment. The graphs attached have been plotted as x, y graphs where the educational strengths are plotted on the x axis, the economic strengths are on the y axis. The graphs resulting from the study are attached to this report.

NOTE:

1. The graphs attached are drawn on a national basis to facilitate direct comparisons with other regions.
2. In the mathematical convention used, the national average of Indian bands for both educational and economic strength (x and y axis) is $N_{ec} = 1$, $N_{ed} = 1$.

QUEBEC COMPARED WITH THE OTHER REGIONS

Economic Strength

A comparison of the bar charts of Figure 1 suggests the following:-
The Quebec Region on a national basis has an economic strength above the average. Compared to the rest of Canada its economic position is third after Ontario, and B.C. and the Yukon. The first six partial indices shown in the bar chart of figure 1 (N1 to N6) are measures of "richness" of bands in the region.

N1 - Revenue per capita is \$610.00, the second highest in Canada.

The highest is Ontario with \$723.00 and the lowest is the Maritimes with \$215.00. The national average for non-Indians in Canada is \$2,128.00.

N2 - The percentage of workers earning more than \$4,000.00 a year is 5.4%. This figure is above the Canadian Indian average of 4.8%. Quebec ranks third behind Ontario (6.8%) and B.C. and the Yukon (6.7%). These figures suggest that the Quebec Region is reasonably advanced economically but the total percent of Indians.

earning more than \$4,000.00 per year is smaller than might have been anticipated considering N1.

N3 - Total percentage of workers is 21.1% which is below the Canadian Indian average of 22%. Quebec ranks third in this regard with Ontario being the highest at 31.2%. THIS IMPLIES THAT THERE IS STILL GREAT SCOPE FOR INDIAN EMPLOYMENT IN QUEBEC. In view of the fact that the percentage of workers over \$4,000.00 a year in Quebec is only 5.4% versus Ontario's 6.8%. It appears that Indian peoples are not availing themselves of job opportunities.

N4 - Annual Band Revenue Receipts per capita in Quebec are \$37.00 per year. This is the third highest figure of any region, Alberta being first with \$245.00, B.C. and Yukon second with \$54.00. IT IS SIGNIFICANT TO NOTE THAT THIS BAND RECEIPT FIGURE FOR QUEBEC IS BETTER THAN THAT OF ONTARIO AT \$25.00. THIS SUGGESTS THAT THE QUEBEC REGION HAS MORE PROFITABLY DEVELOPED ITS LAND LEASES FOR VARIOUS PURPOSES THAN HAS ONTARIO, THOUGH NOT AS WELL AS B.C. AND THE YUKON.

N5 - Per Capita Capital Band Funds in the Quebec Region is \$27.00, the second lowest in Canada, far below Alberta \$399.00, B.C. & Yukon \$130.00, Ontario \$123.00, Saskatchewan \$60.00, Maritimes \$44.00. Since these Capital Funds are accrued from sale of lands, timber, and gravel etc. IT APPEARS THAT QUEBEC HAS EITHER NOT FULLY EXPLOITED ITS RESOURCES FROM THIS STANDPOINT. AND/OR HAS DEPLETED THE FUNDS WHICH HAVE ACCRUED WITH NO PROVISION FOR THEIR RENEWAL.

N6 - The population factor, is a measure of the number of people in the Bands and hence to a certain extent the ability of Bands to administer themselves. Although slightly above the national average, Quebec ranks fourth in this regard.

Since the other partial indices N7 and N8, are measures of "poverty", the lower the value of these indices for any given region the greater the economic strength of bands in that Region.

N7 - This is a measure of the distribution of annual salaries in Quebec. As can be seen from the Figure 1, Quebec is above the national average, and equal to the Maritimes. In spite of a relatively high proportion of workers earning more than \$4,000.00 a year, N7 indicates that the salaries of the poorest workers in Quebec are lower than might be expected compared with other regions.

N8-- This is a measure of the Social Assistance per capita. For Quebec, the actual figure is \$106.00. This is a low figure only beaten by Ontario at \$52.00. THIS SUGGESTS THAT QUEBEC IS MUCH MORE ECONOMICALLY ADVANCED THAN ALL PROVINCES EXCEPT ONTARIO. IT COULD ALSO BE AN INDICATION THAT THE NATURE OF THE WORK IN QUEBEC IS NOT AS DEPENDENT ON SEASONAL CHANGES AS IN OTHER REGIONS.

EDUCATIONAL STRENGTHS

The educational strength is derived from two indicators. The first is based on the numbers of Indian people registered in various stages of the formal education system, at the same time taking account of those people who, for various reasons, could not be expected to be registered in an education program at the time in question (e.g. children below the age of 5).

The second indicator is based on the willingness of a band to administer its own affairs by virtue of section 68 of the Indian Act.

A comparison with the other regions shows that Quebec, under the formula used, ranks third in Canada behind Saskatchewan and Alberta. Analysis of the two factors that make up educational strengths shows that Quebec also has the third highest commitment to the formal education system and second highest commitment to self-administration (Manitoba is the highest).

Of these two factors, the participation in the formal education system carries the most weight in calculating the total educational strength. The figures suggest that the Indians of Quebec participate comparatively well in the formal education process and even better in their degree of commitment to self administration.

COMPARISON OF BANDS IN QUEBEC

On a national basis, 11 bands lie above the national average in terms of economic development, 34 bands lie below the national average. For educational strength 21 bands are above the national average and only 13 bands are below this national average.

ECONOMIC INDICATORS

For discussion we group the bands into five separate economic groups.

Group I (-1 to 0)

There are 6 bands that lie in the lowest economic group. For convenience the bands are listed in descending order of economic strength with the poorest shown at the top of the list.

<u>Band No.</u>	<u>Name</u>	<u>N.ec.</u>	<u>Population</u>	<u>Approx. Reserve Acres.</u>	<u>Approx. Distance Nearest Industrial Centre Miles</u>
62	Mingan	-0.28	228	-	110 (7 Isles)
64	Natashquan	-0.21	318	-	220 (7 Isles)
31	East Main	-0.20	251	-	James Bay
39	Old Factory	-0.09	512	-	James Bay
50	Odanak	-0.09	470	1494	20 (Sorel) x
55	Weymontachie	-0.04	419	7420	65 (Latoque)

These are the most economically depressed bands of the region starting from the top. Examination of the figures show that they all have very low national parameters. With two exceptions, all of the bands in Group I are in remote locations. Of the two exceptions only one could be considered close to a major industrial centre and that is the Odanak Band situated 20 miles from Sorel. ^{PARA} The interesting feature about the figures is that the Odanak Band is economically on a par with the Old Factory Band located on the eastern side of James Bay. This suggests that the Odanak Band is not taking advantage of the economic potential with regard to its more favourable location, indeed the Old Factory Band on James Bay has a higher proportion of workers earning over \$4,000.00 per year. Although the land holding of the Odanak Band is 1949 acres, Band Receipts per capita and Capital Band Funds per capita are extremely low suggesting that this Band is taking little or no advantage of such a holding. ^{PARA} It is interesting to note however that the Odanak Band along with the Hurons of Lorette, has the lowest social assistance per capita (\$25.00) of any band in the Province. The Odanak Band's educational strength is below the national average.

Weymontachie Band shows zero income factors on a per capita basis, no workers earning over \$4,000.00 per year and a total percentage of workers at zero. The reasons it is not Quebec's most economically depressed band are because of more reasonable Band Receipts per capita and a healthy Capital Band Fund. In addition, it shows a zero population factor and distribution of salaries. Despite what appears to be overwhelming economic problems the social assistance per capita for the band is slightly below the national average.

Of all the bands in Group I, the Natashquan Band has the highest annual income per capita at \$157.00 (Canadian Indian average is \$463.00).

By contrast the Weymontachie Band has a zero factor for income, and from this point of view is the worst band in the Quebec region.

EDUCATIONAL STRENGTH

Only two of the Group I bands are below a national average, Odanak and East Main Bands. It is interesting to note that the most economically depressed Bands in the Region are by no means the weakest from an educational point of view.

Group II (0 to 1)

The poorest Band first.

<u>Band No.</u>	<u>Name</u>	<u>Population</u>	<u>Approx. Reserve Acres</u>	<u>N.ec.</u>	<u>Approx. Distance Nearest Industrial Centre - Miles</u>
40	Rupert House	821	-	0.02	James Bay
43	Wolf Lake & Hunters Pt.	46	-	0.03	30 (Timiskaming)
60?	Bersimis	1506	63,100	0.10?	26 (Baie Comeau) x
38	Nemaska	168	-	0.14	Northern Quebec
65	Romaine	417	-	0.18	272 (7 Isles)
42	Waswanipi	572	620	0.22	108 (Chibougamau)
37	Long Point	244	-	0.22	80 (Malartic)
51	Manowan	673	1906	0.28	136 (La Tuque)
32	Fort George	1201	-	0.37	James Bay
29	Abitibi - Ont. & Dominion	351	19,369	0.38	76 (Noranda)

<u>Band No.</u>	<u>Name</u>	<u>N.ec.</u>	<u>Population</u>	<u>Approx. Reserve Acres</u>	<u>Approx. Distance Nearest Industrial Centre - Miles</u>
54	Great Whale River	0.40	293	-	James Bay
52	Mistassini	0.41	1284	5821	50 (Chibougamau)
54	Obedjiwan	0.55	759	2290	180 (Val - D'Or)
44	Barriere Lake	0.56	206	70	84 (Val - D'Or)
66?	Sept Isles	0.70	1454	1502	6 (7 Isles) x
48	Abenakis of Becancour	0.91	40	135	16 (3 Rivers) x
47	River Desert	0.97	917	42,023	80 (Ottawa)
46	Oka	0.99	761	2300	16 (Montreal) x

These 18 Bands in Group II are less economically depressed than Group I but they are all below the national average.

At least 8 of these Bands have fairly substantial land holdings as shown in the above table. However of these 7 Bands only one, the River Desert Band, shows any indication of Bands Funds having Revenue Receipts of \$15.00 per capita, and Capital Band Funds of \$84.00 per capita. In this regard the other Bands are disappointing, particularly the Bersimis, Sept Isles, Abenakis of Becancour, Oka Bands.

The Bands marked with an x in the above table are ones close to major industrial centres. The Bersimis and Sept Isles Bands particularly are close to industrial centres in the Gulf of St. Lawrence area and economic performance does not reflect this.

Two bands, Natashquan of Group I, and the Romaine Band of Group II, while separated economically are located geographically within 69 miles of each other on the southern coast of Labrador. An analysis of the two bands shows the more economically depressed Natashquan Band to have a higher annual income per capita at \$157.00 per year, and a greater number of people earning over \$4,000.00 per year, as opposed to the Romaine Band which has a per capita income of \$97.00, and only .2% earning \$4,000.00 per year. The total percentage of workers however is higher in the Romaine Band at 18% compared with Natashquan's 12.1%. The distribution of salaries earned by members of the Romaine Band is also much more equitable than that in Natashquan. Both Bands have equal Social Assistance per capita figures at \$171.00 (Canadian Indian Average \$115.00 per capita).

Of all the bands in Group II the Sept-Iles Abenakis of Becancour has the highest percentage of workers earning over \$4,000.00 per year (2.9%). This Band is located on the eastern side of James Bay.

The Abenakis of Becancour have the lowest Social Assistance per capita figures in Group II.

The highest ranking band in Group II is the Oka Band which has an economic ranking almost equal to the national average. In view of the fact that this Oka Band is only 16 miles from Montreal and is part of the Iroquois Group of Caughnawaga, its economic indicator is very disappointing. As will be seen later the Caughnawaga Band is in Group V and is in fact, the most economically prosperous of all the bands in the region.

EDUCATIONAL STRENGTH

Within Group II we have some bands with low educational strengths, particularly the following; Barriere Lake, Wolf Lake and Hunters Point, Mistassini, and River Desert Bands. The former two are remote bands with populations under 210, the latter are large bands with populations close to 1000 persons. It would appear in the case of the Mistassini and River Desert Bands that our education policies might be reviewed.

GROUP III (1 to 2)

<u>Band No.</u>	<u>Name</u>	<u>N.ec.</u>	<u>Population</u>	<u>Approx. Reserve Acres</u>	<u>Approx. Distance Nearest Industrial Centre - Miles</u>
33	Grand Lac Victoria	1.18	239	-	130 (Val D'Or)
6	Lac Simon	1.22	296	672	26 (Val D'Or) x
53	Montagnais Lac St. Jean	1.70	1514	3779	60 (Chicoutimi)
41	Tamiskaming	1.88	401	6034	25 (Cobalt) x

These 4 Bands are above the national average. They are all characterized by annual incomes per capita above the national average. The Grand Lac Victoria Band has no workers earning over \$4,000.00 per year although it has the greatest percentage of its people working, 48.3% (National Canadian Indian Average is 22%).

None of the bands have Band Revenues or Capital Band Funds, even close to the national averages for these indices.

The Lac Simon and Tamiskaming Bands lie within commuting distance of and industrial centre, the other bands do not. In this regard the Grand Lac Victoria Band is unusual since it appears that band members have a source of employment available to them despite their relatively remote location.

EDUCATIONAL STRENGTH

The Grand Lac Victoria Band has the worst educational strength of all the bands in the region.

GROUP IV (2 to 3)

<u>Band No.</u>	<u>Name</u>	<u>N.ec.</u>	<u>Population</u>	<u>Approx. Reserve Acres</u>	<u>Approx. Distance Nearest Industrial Centre - Miles</u>
49	Hurons of Lorette	2.27	1110	63	8 (Quebec) x
57	Micmacs of Maria	2.69	370	-	50 (Campbellton)
58	Restigouche	2.77	1340	9600	4 (Campbellton) x
35	Kippawa	2.92	108	-	28 (Timiskaming)
61	Fort Chimo	2.94	309	-	12 (Schefferville) x

There are five bands in Group IV, three of which lie fairly close to major industrial centres. The exception is the Micmacs of Maria in the Gaspé Region. Indeed this band would have ranked significantly better except that their Social Assistance per capita is above the national average at \$158.00. (Canadian Indian Average \$115.00).

Of all bands in the Quebec Region, Fort Chimo has the greatest percentage of workers (22.2%) earning over \$4,000.00 per year. Presumably this is a reflection of their close proximity to the Schefferville Iron Ore projects.

All of the bands in this group show little or no Band Revenue funds or Capital Band Funds. This is particularly true of the Hurons of Lorette located only 8 miles from Quebec City. While their acreage is small (63 acres) it appears that this land should have good potential for industrial leasing purposes. Certainly their revenue receipts per capita compare most unfavourably with those of the Caughnawaga Band who are similarly located close to a major industrial centre. The Caughnawaga Band Receipts per capita are \$193.00 as opposed to the \$1.00 of the Hurons of Lorette. While the Caughnawaga Band has fifty times more land than the Hurons of Lorette, their Band Receipts are 193 times the Hurons' receipts.

The Hurons of Lorette along with Odanak, show the smallest Social Assistance per capita figure, \$25.00, of any band in the region.

The Kippawa Band shows the most equitable distribution of salaries of any of the five bands.

EDUCATIONAL STRENGTH

All of the above four bands lie above the national average except the Micmacs of Maria who are slightly below.

GROUP V (3 to 4)

<u>Band No.</u>	<u>Name</u>	<u>N.ec.</u>	<u>Population</u>	<u>Approx. Reserve Acres</u>	<u>Approx. Distance Nearest Industrial Centre - Miles</u>
63	Montagnais of Escoumins	3.18	102	97	84 (Chicoutimi)
45	Caughnawaga	3.33	4425	12477+	4 (Montreal) x

Only the above two bands are in this high economic bracket.

The Montagnais of Escoumins show the highest annual income per capita of any band in the region at \$1,470.00 per capita, even higher than Caughnawaga at \$1,190.00. Despite this high income per capita and good distribution of salaries this band still has a higher than national average Social Assistance figure per capita at \$171.00 (Canadian Indian National Average \$115.00).

Of those two bands the Montagnais of Escoumins are ahead of the Caughnawaga Band economically in all respects except Band Receipts and Capital Band Funds on a per capita basis. In addition, the Montagnais of Escoumins have the high social assistance per capita figure of \$171.00 compared with Caughnawaga at \$36.00 per capita.

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EDUCATIONAL STRENGTH

In spite of their high economic attainments, the Montagnais of Escoumins have a fairly low educational strength.

A consideration of the Caughnawaga Band is in order, if only because it is the most economically successful band in the region. In addition, a comparison with other representative bands of each of the groups is given below.

QUEBEC BAND COMPARISONS

	<u>GROUP V</u>	<u>GROUP IV</u>	<u>GROUP III</u>	<u>GROUP II</u>	<u>GROUP I</u>	<u>REGION</u>	<u>CANADA</u>
	Caughnawaga	Hurons of Lorette	Lac Simon	Oka	Odanak		
	45	49	36	46	50		
Per Capita Income	\$1190.	\$1088.	\$773.	\$519.	\$51.	\$610.	\$463.
Workers earning More than \$4,000/ year	19.3	9.5	1.3	2.0	0	5.4	4.8
Total % Workers	27.6	32.6	38.0	21.8	6.6	21.1	22.0
Land Revenue per Capita	\$187.	\$0.6	\$0.	\$3.	\$1.	\$37.	\$57.
Capital Band and Per Capita	\$53.	\$3.	\$0.	\$26.	\$6.	\$27.	\$125.
Population Factor	4.49	3.75	3.49	3.68	3.09	3.46	3.29
Distribution of Salaries	0.07	0.15	0.21	0.15	0.25	0.20	0.18
Social Assistance per Capita	\$36.	\$25.	\$98.	\$36.	\$25.	\$106.	\$115.
Population	4425	1110	296	761	470		

As far as can be seen from the straight comparison, Caughnawaga is economically more successful than the others on the basis of: -

- a) Revenue Per Capita
- b) Percentage of workers over \$4,000 per year
- c) Band Revenue and Capital Band Funds/Capita
- d) Salary Distribution

For the Caughnawaga Band, Social Assistance Per Capita is the same for the Oka Band in Group II. The Odanak Band of Group I has a significantly better figure in this regard.

CONCLUSIONS

1. The Quebec Region on a national basis has an economic strength above the average, but the total percent of Indian workers is slightly below the national Indian average suggesting that compared to other regions Quebec is lagging behind in Indian employment.
2. Band Revenue Receipts in Quebec are better than the Maritimes, Manitoba, Saskatchewan and Ontario, suggesting in part, better land management policies than these provinces.
3. Capital Band Funds for the region are the lowest in Canada.
4. The educational policy of the region on a whole is comparable to the rest of Canada.

5. The most economically depressed bands, as we already know, are in the remote regions. However there are some equally economically depressed bands near major industrial centres.
6. The Odanak Band ^{is} ~~is~~ particular is on an equal economic ranking with the Old Factory Band. It is clear that the Odanak Band is not realising its full economic potential.
7. The Oka Band is barely average on the national scale. In view of its affiliation with the Iroquoian group, particularly to Caughnawaga and its proximity to Montreal, this is a surprising economic position.
8. The Mistassini and River Desert Bands have poor educational strengths, this is particularly surprising considering their large populations of 1284 and 917 respectively.
9. The Grand Lac Victoria Band has an apparent source of income despite its relatively remote geographical location. It also has the worst educational strength of any Band in the region.
10. The Hurons of Lorette show extremely small band receipts at \$1.00 per capita and Capital Band Funds of \$2.50 per capita respectively.

RECOMMENDATIONS

1. That the Quebec Region give a higher priority to its efforts for Indian job retraining and placement. As figures suggest current earnings are low.
2. The region should explore various ways to determine the feasibility of raising capital band funds closer to the national average, not of course, at the expense of wise investment of those funds by the bands.

3. That the region examine its current economic policies with regard to the following economically depressed bands to see if they are relevant to the current potention of the bands.

<u>Band No.</u>	<u>Name</u>	<u>N.ec.</u>	<u>Population</u>	<u>Approx. Distance to Nearest Industrial Centre - Miles</u>
50	Odanak	-0.09	470	20 (Sorel)
60	Bersimis	0.10	1506	26 (Baie Comeau)
48	Abenakis of Becancour	0.91	40	16 (Three Rivers)
46	Oka	0.99	761	16 (Montreal)
36	Lac Simon	1.22	296	26 (Val D'Or)
41	Tamiskaming	1.88	401	25 (Cobalt)

4. The Region should make a comparative assessment of the work opportunities available to the Romaine and Natasquan Bands to determine what industry, albeit low paying, that accounts for the relative economic "success" of the Romaine Band over the Natashquan.
5. The Region should try to ascertain why the Oka Band has such a poor economic strength compared to Caughnawaga.
6. The Region should attempt to assess why the educational strength of the Mistassini and River Desert Bands are much lower than the Canadian average. It should also examine the Grand Lac Victoria Band which has the worst educational strength in the Region.

7. The Region should assess the source of income of the Grand Lac Victoria Band to see if it would be applicable to other Bands.
8. The Region should examine in consultation with the Band, the feasibility of industrial leasing of some of the land holdings of the Hurons of Lorette.