

REPORT  
DISTICT COUNCILS PROJECT

November 3, 1980

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REPORT  
DISTRICT COUNCILS PROJECT



PROGRAM PLANNING AND  
POLICY COORDINATION  
HOUSING AND BAND SUPPORT

Department of Indian and  
Northern Affairs

NOVEMBER 3, 1980

## REPORT ON DISTRICT COUNCILS

### I. Introduction

#### A. Purpose of the Study

Since 1976 the number of district councils operating across the country has increased from 14 to 43. This increase has been accompanied by significant changes in the nature and function of district councils as well as changes in the way the Department of Indian Affairs relates to them.

During the latter part of 1979 a number of events took place which highlighted the fact that District Councils were emerging as major players in the Indian Government process and that the Department's current policies and operating guidelines were not adequate or appropriate in light of this new role. Among the more significant of these developments were the signing of agreements with Lesser Slave Lake and Swampy Cree Tribal Councils; the proposals of the Dakota Ojibway Tribal and Saddle Lake Tribal Councils for block funding; and the proposal for the formation of the Central Interior Tribal Council as a Council of Tribal Councils.

As a first step in rationalizing Department policy on district councils the Assistant Deputy Minister, Indian and Inuit Affairs, instructed the Program Planning and Policy Coordination Directorate and the Housing and Band Support Directorate to carry out a joint study of district councils and their relationship to the Department.

This Report presents the finding of that study. It is intended that the Report will form the basis for consultations with district councils and other concerned organizations on the development of operational policies for district councils. .

#### B. Methodology

##### 1. Organization

The project was monitored by a steering committee comprised of the Directors-General and Directors of Housing and Band Support, and Policy Coordination, and their respective officers. The National Indian Brotherhood was invited to participate in the study but did not respond to the invitation.

The project was executed by a project team comprised of one officer from Band Support and two from Policy Coordination. This team met in weekly working sessions or more often as required.

##### 2. Research

General information on district councils was gathered from files held in Central Registries in Headquarters and Regions. Financial data was gathered from working files, Regions and audit files.

A survey was sent to all Regions. This survey sought to establish the number of District Councils in operation by Region; and to assess the overall degree of conformity among the district councils reported with program policies and criteria (e.g. Program Circular D-2).

Field interviews were held with staff of Regions, Districts, and district councils. The Regional Directors of Local Government were informed of this project at the Local Government Workshop held in Ottawa in June. A letter of confirmation along with a copy of the workplan were sent to each Region. Field visits were coordinated by the Regions. The project team visited the Ontario, Manitoba, and Alberta Regional Offices. District

Council staff of the Georgian Bay and Lesser Slave Lake District Councils were visited in Ontario and Alberta. The project team did not visit British Columbia Region because an earlier visit by the Director General and Director of Policy Coordination obtained information from the Region and District Council staff.

### 3. Research Events

- May 5, 6 - British Columbia Region, West Coast Tribal Council, Vancouver District Office.
- May 20 - ADM call letter and survey
- June, July - Headquarters' files research
- July 15, 16 - Ontario Region, Georgian Bay District Council
- August 11, 12, 13 - Alberta Region, Lesser Slave Lake District Council
- August 14 - Manitoba Regional Office
- August 15 - Kenora District Office
- August, September - Supplementary information requests to Regions.

### 4. Problems

The Project team encountered many problems in compiling relevant data. Financial data was inconsistent from all sources - printouts, audits, file records. Documentation of individual District Councils was often incomplete. Central Registry files were unavailable, out of date, or confusing. It was difficult in many cases to determine the financial or program capacity of a district council because this information was not on hand or verifiable. Interviews with Department and district council staff often showed conflicting perceptions of particular events.

## II. Current Status of District Council

### A. Definition

In this study the term "district council(s)" is used generically to describe any grouping of bands which have voluntarily joined together in their common interest in order to provide services, and/or programs, and/or advocacy for their member bands and which possess a clearly defined administrative support organization. This definition excludes organizations such as district liaison councils which act primarily as consultation mechanisms with the Department and also excludes political bodies such as provincial, territorial and tribal organizations.

District councils have, on the basis of their particular mandate chosen to describe themselves in various ways. Some councils are organized according to tribal affiliation and use the word "tribal" in their name while others refer to themselves as "district councils", "development councils", "chiefs councils" or "tribal administration".

### B. History of District Council formation

The first district councils in the country were formed in British Columbia during the mid 1960's. It appears these councils were originally created at the initiative of concerned bands to be self-supporting cooperative bodies for the purpose of promoting collective aims by means of political advocacy. These early district councils often acted as local alternatives to the regional Indian associations.



By the early 1970's district councils began to assume responsibility for program delivery and coordination. This development was viewed by many as a logical adjunct to the Department's overall policy of transferring program administration to band control.

In 1976 the Department adopted its first official policy on district councils: Program Circular D-2: District Councils. The intent and philosophy of D-2 is discussed in Section IV of this report.

Although the Department had no official policy prior to 1976 it appears that the Department pursued an unofficial one of encouraging the development of district councils. Several reasons have been suggested for why the Department pursued this policy. In B.C. district councils were seen as a practical method of transferring program administration to the large number of small bands which are characteristic of that region. Elsewhere organizational changes such as centralization of district offices lead to pressure to form councils in order to replace lost services or to prevent further withdrawal of services.

The D-2 Program Circular stated that the Department "neither encourages nor discourages" district council formation. It would appear, however, that in several regions this policy was not followed and the formation of councils continued to be actively encouraged. Interviews with regional Department officers involved in the development of district councils as well as data on Department funds provided for the development of councils appear to support this thesis.

At the beginning of 1976 there were 14 district councils: ten in British Columbia and the remaining four in Ontario, Alberta and Manitoba.

FORMATION OF DISTRICT COUNCILS BY REGION AND YEAR

<u>CUMULATIVE NUMBER OF COUNCILS</u>	<u>PRE 1976</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>POST 1979</u>
<u>REGION</u>						
ONTARIO	1	1	4	4	7	8
MANITOBA	1	2	2	3	6	6
ALBERTA	2	2	2	5	6	6
BRITISH COLUMBIA	10	10	14	15	18	23
TOTAL	14	15	22	27	37	43

Between 1976 and 1979 the number of district councils doubled increasing from 14 to 27; at the same time many district councils evolved into competent and complex organizations. The Dakota Ojibway Tribal Council, in south-western Manitoba, formed in 1974, became recognized as a example of the benefits to be gained by the district council type of organization.

In August 1979 the Minister of Indian Affairs signed an agreement with the Lesser Slave Lake Regional Council, located in northern Alberta, which enabled the Council to assume control over the functions performed by the Lesser Slave Lake District Office. This was the first instance of a district council taking over the complete functions of a district office. This council immediately became a new model for many groups of bands dissatisfied with district operations in their area. Several district councils have looked to the Lesser Slave Lake Regional Council as a model for the takeover of operation in their own areas.

On the basis of a questionnaire sent to all regions in June 1980, 43 district councils were identified. For a list of all district councils identified see Appendix I. These councils are located in B.C., Alberta, Manitoba, and Ontario. Some district councils in the very early stages of formation may not have been identified. Other organizations, such as the Cree Regional Authority and the Qu'Appelle Valley Indian Development Authority have not been included because of the highly specialized nature of their mandates.

The aggregate membership of the district councils is 290 bands representing 127,638 band members. Slightly over 50% of all bands and 42% of all band members are involved in district councils. The average population of bands belonging to district councils is 441 while the national average is 525.

### C. Factor in Formation of District Councils

District councils are formed for numerous reasons. Following is a list of some of the major factors relating to the formation of district councils.

1. District office reduction. In some areas of the country district offices have been closed or consolidated; bands have perceived these moves as resulting in a reduction or loss of services and as a result have created district councils in order to fill the gap in the administration of programs and the provision of advisory services.
2. Self-government. District Councils sometimes form as a result of a desire by a group of bands to govern their own affairs. At the district council level self-government is usually expressed as a desire for "services to Indians provided by and for Indian people". The development of a district self-government philosophy is sometimes motivated by an inability of the Department to respond to the growing and changing needs of the bands in a particular area. Some councils have extended the self-government concept to include the eventual takeover of all functions currently carried out by their district offices.
3. Special needs. Often an issue or conflict arises which effects a number of bands but for which there is no easily recognized system of resolution. In such cases councils may be formed in order to work out a joint resolution to the problem. The types of issues which might spur the formation of this type of council are those relating to economic and resource development, land claims, and treaty rights.
4. Economies of scale. Many bands are small and lack the human and financial resources required to provide services efficiently and economically. Forming councils may enable bands to take advantage of economies resulting from their collective size. The fact that bands joining a district council are, on average, smaller than the average band in Canada may support the thesis that economies of scale are a motivating factor for many bands.
5. Policy orientation. Individual bands sometimes find themselves preoccupied with the administrative details of program and service delivery. These bands see the formation of district councils as a means of giving them the opportunity to put more emphasis on policy development and quality control.
6. Funding considerations. Bands often feel that by forming a united front they can exert greater influence on the Department and other agencies and thereby obtain more funds for their bands.
7. Coordination. Indian bands are increasingly becoming involved with a wide range of Federal, and Provincial departments as well as non-government agencies. Bands in a specific area may form a district council in order to coordinate there interactions with such groups.



On the basis of interviews carried out in the field it would appear that the main factors effecting district council formation since 1979 tended to be: district office reductions, funding considerations, special needs (particularly resource development), and self-government.

D. General Characteristics and Philosophy

1. The formation of district councils and the participation of bands in them is voluntary. Although the Department has encouraged the formation of district councils this form of organization has never been imposed. Bands have and exercise the freedom to join or withdraw from councils as they see fit.
2. District councils are created for and run by their member bands. All councils examined agree to the principle that the Chiefs and band councils are the primary level of decision making for Indian communities.
3. Policies are directed by a Board of Directors usually comprised of the Chiefs (and sometimes one councillor) from each of the members bands.
4. Councils usually have a written constitution. The constitution may take the form of a formal constitution, official letters patent, a series of band council resolutions or a formal statement of mandate.
5. Operations are carried out by specialized staff from a central office under the direction of a hired chief administrative officer.
6. While primary source of funding is usually DIA but other funds are obtained from other federal departments (NH&W) as well as from provincial governments and other agencies.
7. Although much of the work of district councils relates directly to Department responsibilities district councils also interact with many other agencies and government departments. For some district councils, interactions with the Department form a relatively minor part of their overall affairs.
8. District councils which concern themselves primarily with advocacy tend to be less highly centralized than bands performing other functions. Often an advocacy council will operate out of the band office of the chairman of the council.

III. Nature of District Councils

A. Functions of District Councils

1. Functions

The study team identified four main functions performed by district councils:

a) Program Administration

The program administration function of district councils entails the delivery of Department sponsored local service programs such as housing, social assistance, policing, recreation, education assistance, etc. Some informal advisory services may also be provided.

The usually reason for a district council to assume this type of function is a feeling by member bands that it would be inefficient or ineffective for them to operate programs independently at the band level.

b) Advisory Services

This function consists of providing professional support and consultant services in areas such as local government, band financial management, planning, contract management and economic development. Bands which require this type of service often operate their own local services but require specialized advice from time to time. This function might also include the provision of formal or informal training of band employees.

c) Advocacy

This function consists of acting as an advocate for the individual or collective interests of member bands. District councils perform this function by representing their bands in discussions regarding matters such as district budget allocations or area wide matters such as economic development proposals.

d) Development

This function is characterized by an emphasis on promoting the economic, social, or political development of member bands. The fulfillment of this type of function sometimes entails the promotion of co-operative enterprises or organizations.

Each of the 43 district councils perform one, two, three, or all of the functions described above in varying combinations and to varying degrees. A council may specialize in one specific function but will often be involved in other functions as well.

2. Functions Survey

The study group conducted a survey to determine the functions performed by district councils as reflected in the funding they receive from the Department. In 1979-80 it was determined that district council received Department funding for over 60 specific purposes. These 60 purposes can be broken down into four general funding categories: program administration; advocacy, political or consultative functions; allocation of resources; advisory services and/or training.

The funding categories are useful in providing an idea of how many councils perform each of the four main functions. The table below displays the number of councils receiving funding for the 4 funding categories.

NUMBER OF COUNCILS RECEIVING FUNDING						
REGION	NUMBER OF COUNCILS IN REGION	INACTIVE	PROGRAM ADMINISTRATION	ADVOCACY	ALLOCATION	ADVICE & TRAINING
British Columbia	23		3	21	16	15
Ontario	8	2	5	2	0	1
Manitoba	6		0	0	0	6
Alberta	6		3	4	0	2
All Councils	43	2	11	27	16	24



As the table indicates the greatest areas of district council activity are advice and training and advocacy; the area of least activity is the direct administration of local services. This may indicate that district councils prefer to act as an aid and support to district councils rather than to take over direct control of service delivery. This appears to be in line with the general philosophy of preserving the primacy of chiefs and band councils.

#### IV. Operational Authorities

The operational authority for district councils is Program Circular D-2: District Councils. The purpose of D-2 was "To describe the conditions under which District Councils may be eligible to receive Departmental funds." The Circular became effective on April 1, 1976.

##### A. Basic conditions outlined in D-2

The D-2 circular outlined the following basic conditions and terms for Department funding of district councils:

1. district councils are defined as: "...any grouping of Bands...who have voluntarily agreed to combine efforts and resources primarily to facilitate the administration or delivery...of one or more local services for which financing is provided by the Department...";
2. district councils are to be incorporated under federal, provincial or territorial legislation;
3. the circular does not apply to councils which were primarily "advisory or consultative...";
4. the Department neither discourages or encourages the formation of councils;
5. councils are the creatures of their member bands. Bands cannot delegate their "exclusive jurisdiction" (as defined in the Indian Act) to district councils;
6. the circular required that district councils enter into formal agreements with bands regarding the provisions of local services;
7. contributions to district councils for program and overhead funds are governed by the same provisions as those applied to bands and outlined in Program Circular D-4;
8. the Regional Director-General may authorize a "special contribution" to district councils during the first three years of their operation. This special contribution was to cover the general non-program, operating costs of the councils. The amount of the "special contribution" was tied to the contribution made by the band councils to the operation of the district council. It was expected that by the fourth year the district council would be able to operate on the funds received pursuant to D-4.

In summary the D-2 Circular recognized district councils as voluntary, incorporated, associations of bands which have joined together to provide local services to their member bands. The councils were to be funded in the same way as band program operations with the exception that a "special contribution" could be made in the first three years.

##### B. D-2 survey results

The study team carried out a survey to determine the degree to which district councils actually conform to the basic conditions set out in D-2. Reliable information was available on 40 of the 43 councils identified. It was determined that only six of the 40 councils comply with the essential terms of the Circular.

Following is a summary of the survey results:

1. 19/40 councils perform functions other than the program delivery functions authorized in D-2.
2. 22/40 councils have not met the requirement to be incorporated.
3. 16/40 councils failed to comply with the requirement that representatives to district councils be named by band council resolution and that entry into or withdrawal from district councils also be by resolution.
4. 23/32\* councils receiving funding in 1978-79 were in receipt of Department funds other than the program, overhead, and special contributions authorized by D-2. It appears that these non D-2 funds were being used primarily to support the core costs of district councils which is in direct contradiction to the intent of the Circular.
5. 27/32 councils did not comply with the guidelines for the calculation of overhead as required in D-2.

\*1978-79 is the most recent year for which funding data was available. Since 1978-79 8 councils have been formed.

Only 6/40 district councils complied with all of the basic requirements outlined in D-2. The findings of the survey tend to support the view, often expressed by Department officials and district council representatives that the D-2 Circular is no longer adequate.

#### V. Funding of District Councils

##### A. Sources

The main source of funds for district councils is direct transfers from the Department.

Other government agencies, both Federal and Provincial, provide funds for specific projects or programs. For example the Department of National Health and Welfare contributed \$204,909 to district councils in 1979-80. Due to the lack of comprehensive audit statements for all district councils it was not possible to calculate the overall amount or sources of funding from sources other than the Department. However, on the basis of interviews with councils and Department officers it appears that non-Department funding is significant and increasing.

##### B. Funding Authority

###### 1. Statutory Authority

There is no specific statutory authority for district councils in the Indian Act or other legislature.

###### 2. Financial Authorities

Three Treasury Board Minutes authorize the Department to expend funds on the operations of district councils.

###### a. TB725-973 - April 1, 1974

This is the earliest TB Minute which authorizes contributions to district councils. The minute provides:

"...one overall authority which will permit the Department to transfer funds for all capital and O&M programs approved in Estimates to...District Councils";



The same authority cautions that:

"The Financial implications of Indian District Councils controlling programs requires review by Treasury Board since this involves the funding of a level of Indian Local Government over and above Band Local Government"

b. TB734-786 (April 15, 1975)

This authority is an amendment to the previous authority 725-973. The amendment allowed the bands to provide funds from their core funds to district councils as long as such funding was "in accordance with Departmental Policy Guidelines related to District Councils."

c. TB763-729 (April 6, 1979)

This minute deals with TB approval of "terms and conditions for the payment of contributions to specific classes of recipients" Included as a recipient class to whom it is permissible to make contributions are: "Associations, Organizations and District Councils"

The overall effect of the TB authorities is to permit the Department to make contributions to a district council for any purpose falling within an expenditure account in Vote 15: Grants and Contributions. There are also four classes for which grants may be made: Reserves and Trusts; Education, Social Services, and Band Government. In other words the Department is authorized to, and funds district councils for the whole range of programs and services for which it funds individual bands.

C. DIAND direct contributions to district councils

In 1979-80 Department direct contributions to district councils amounted to \$10,341,538. Forecasts for the current fiscal year indicate \$17,524,051 will be contributed to district councils which represents an increase of 69.5% over 1979-80. Lack of accurate data prevented the study team from comparing the 1979-80 and 1980-81 figures with previous years.

An indicator of the relative magnitude of Department contributions to district councils can be obtained by comparing the Department's contributions to district councils with the contributions made to bands. The \$10,341,454 made available to district councils in 1979-80 represents 8% of the total contributions and grants to bands which are members of district councils and 3.6% of total contributions and grants to all band councils in all Regions. We are assuming that the funds made available to district councils would otherwise have been made available to Band Councils.\*

The following table presents comparative data by Region.

Region	Contributions and grants to district councils as a % of total contributions to member bands & District Councils	Contributions and grants to district councils as a % of total contributions to all bands & District Councils
Ontario	2.4%	1.1%
Manitoba	4.3%	3.4%
Alberta	23.0%	12.5%
British Columbia	6.9%	5.4%
NATIONAL	8%	3.6%

\*Of the \$10.3 million handled by district councils, almost \$5 million is claimed by one District Council - the Lesser Slave Lake Regional Council in Alberta. If Alberta is separated from this calculation, then the ratio of funding to district councils among member Bands becomes 4.5%.



D. Core funding

Program Circular D-2 provided that the core costs of district councils were to be covered by a special Department contribution in the first 3 years and by participating bands in subsequent years. As indicated below it appears that this policy has not been followed.

Twenty percent of all contributions to district councils in 1979-80, \$2,035,751, were charged to the Program Administration and Band Government main activities. Audit reports for 1979-80 were not available at the time of writing but discussions with regional officers confirmed that a significant proportion, possibly 75%, of the \$2,035,751 contributed under these main activities was being used to support the core costs of district councils. Such costs included travel and honoraria for the chiefs or their representatives, salaries for general management and support staff and general office expenses.

E. Fiscal relations between councils and their member bands

1. Funding of district councils by their member bands

Program Circular D-2 allows for funds to be transferred from a band to its district council. Such transfers usually relate to district council direct administration of program or services. Due to difficulties in obtaining district council audit reports it was difficult to make a comparison between funds transferred to district councils directly from the Department and those transferred from bands. However, on the basis of available data it appears that transfers from bands are relatively insignificant in comparison to direct Department funding.

Some bands also make contributions to their district councils to support core costs. Such contributions appear to be rare and generally negligible in amount.

2. District councils as mechanisms for allocating funds to bands

Sixteen (16) district councils were identified as participating in or being responsible for the process of allocating funds to their member bands.

District councils perform this function either by acting as a consultative body in the allocation decisions made by the district or regional office or by actually receiving the program funds and allocating them to their member bands.

VI. Conclusions

The scope and mandate of this study did not permit a comprehensive evaluation of all aspects of district councils. However, on the basis of discussions with Department officers and district council representatives as well as analysis of relevant documents and data the study team has come to some tentative conclusions on the advantages and disadvantages of this type of organization. Following is a summary of the pros and cons of the concept identified to date.

A. Advantages

1. District councils are an expression of the desire of Indian bands to govern their affairs in ways suited to their own particular needs and desires and therefore should be viewed as one element in the achievement of the goals of self-determination and economic self reliance.
2. Many Indian communities are small, isolated, lack adequate human and financial resources, and lack experience in the skills necessary to provide local services. District councils provide a way for Indian bands to ameliorate these conditions through Indian-controlled institutions operated by and for Indian people.

3. Problems of scale and resources (such as those noted above) often make it impractical for the Department or other agencies (e.g. NH&W) to transfer functions directly to individual band councils. District councils provide an alternative mechanism for Indian communities to assume control over their affairs.
4. District councils can marshal the combined political, and/or administrative resources of their constituent bands and are therefore able to present a co-ordinated and comprehensive position on matters concerning the collective interests of those bands. This enables Indian communities to assume a stronger negotiating position on matters concerning their collective interests; and on the government side it facilitates negotiations and consultations with Indian communities.
5. District councils serve as a training ground for chiefs, band councils and administrators to gain the expertise needed in the administration of their own band council operations. Many district councils view this training function as being one of their primary although largely informal functions and have even suggested that once local officers and officials have gained the needed expertise district councils will no longer be necessary.
6. When the Department or other government agencies perform functions directed to or on behalf of bands the manner in which these functions are performed is often constrained by bureaucratic procedures and requirements which have little or no relevance to the needs and desires of Indian communities. Institutions of self-determination, such as district councils, allow Indian communities to break free of some of these constraints and to serve Indian needs in a way more suitable to Indian desires.

#### B. Disadvantages

1. The Department and the Indian people in general view their chiefs and band councils as the core element of Indian self-government.

All district councils examined in this study appear to agree with this notion and assert that they are the creatures of the individual bands and exist to serve the needs of the bands. Nevertheless, the danger exists that once established district councils could take on "a life of their own" and thereby diminish the role of the chiefs and band councils.

Another aspect of this problem is the fear that district councils may develop into another level of government. Such a development may not in itself be negative as long as district councils remain the creatures of the individual bands and as long as they do not duplicate functions performed by other agencies or band councils. In many situations the most effective and efficient way to perform a function may be through a district council which performs a role somewhat similar to that served by regional governments in the municipal system.

2. District councils will put increasing pressure on the Department to provide funding for administrative and overhead costs as well as to transfer responsibility for programs and their funding. In the initial stages of district council operations, it is quite likely that district council would be less efficient and more costly than would be the case if the Department continued to fulfill the functions assumed by district councils.
3. Conflict may occur between band councils and district councils when it is realized that they are contesting for the same limited financial resources.
4. District councils are voluntary organizations and consequently do not necessarily correspond to the administrative arrangements (district offices, service centers) designed by the Department.



This can create difficult administrative situations especially when a district council includes only part of the bands in a particular administrative area. In such cases the Department may have to duplicate functions being performed by a district council in order to ensure that bands not participating in the district council still receive the services to which they are entitled.

## VII. Policy Issues

### A. Assumptions and Principles

As a bases for analyzing the major issues concerning the development of district councils and formulating recommendations for new policy directions the study team drafted the following list of basic principles and assumptions.

1. The Department will continue to emphasize the development of Indian self-government and economic self-reliance as a means of assisting Indians to improve their economic and social conditions.
2. Chiefs and band councils will continue to be the primary level of decision making for Indian communities.
3. The Indian and Inuit Affairs Program will continue to emphasize the establishment of financial, administrative and personnel mechanisms to support Indian development initiatives.
4. The Department will have limited new funds in the foreseeable future.
5. District Councils are organizations which are beyond the direct control of the Department; the formation of new district councils will continue.

### B. Issues

On the basis of the research and analysis carried out to date it appears that the district council concept has been and will continue to be an important element in the development of Indian self-determination and self-reliance. At present, however, many Department policies on district councils appear to be inappropriate or inadequate.

It is imperative that the Department in consultation with the district councils and other concerned organizations develop new policies and programs to meet the expanding needs and desires of district councils. The aim of such policies and programs would not be to direct or control district councils but rather to set out guidelines on how the Department will interact with councils.

The development of appropriate policies will entail the analysis of several specific issues relating to the Department's relationship to district councils. Following is a brief description of some of these issues:

1. Department support for district council formation. The Department's official policy, as outlined in Program Circular D-2, is to neither encourage or discourage the formation of district councils. Despite this policy district councils have continued to form and have often been encouraged and assisted by the Department.

It is now appropriate for the Department to reaccess its general policy on district councils.

#### Policy Questions:

- a) Is this type or organization an aid or a hindrance in the development of self-government?



- b) What priority should the Department give to district council development in its overall plans for the 1980's?
  - c) What is the appropriate role of Chiefs and Band Councils in the formation and operation of district councils?
2. District council operational guidelines. As the above analysis indicates, the current operational guidelines, D-2, appears to be inadequate and inappropriate.

Policy Questions:

- a) Are new guidelines required? If so what should be their underlying philosophy?
  - b) Should the guidelines be used for internal Department guidance on how to relate to district councils or should it set out criteria and controls on the functions and organization of councils?
3. Department Financial Authority for the funding of district councils. Present Department authority for funding district councils stems from the same authority as that allowing contributions to band councils.

Policy Questions:

- a) Is this type of authority adequate and appropriate for the type of special functions performed by district councils?
  - b) Would it be worthwhile to obtain a specific authority for the funding of district councils?
4. Funding of district councils. The funding of district councils is now carried out on a largely ad hoc basis with funds being diverted from various activities within regional and district budgets. There appears to have been little consideration given on how to deal with the special funding needs of district councils.

Analysis of the funding and operation of district councils indicates three basic categories of costs involved in funding of district councils:

- a) Ongoing program and/or service delivery costs are the "hard costs" which result from the actual delivery of the service or program.
- b) Developmental costs are the "learning costs" which district councils incur when they assume control over services and programs formerly provided by the Department. These costs result largely from the lack of experience and expertise which are inherent in the development of any type of new organization.
- c) Core and overhead costs are those costs associated with the actual support and maintenance of a district councils administrative, political, and program/service delivery structures.

Policy Questions:

- a) District Councils are usually funded directly by the Department. Does this system of funding effect the autonomy of individual band governments'? Should the system be changed?
- b) How can the Department organize its funding of district councils so as to take into account these three funding categories? What role should district council play in funding decisions?

- c) Can or should a Treasury Board authority be devised so as to maximize the autonomy of bands without unduly limiting the freedom of action of district councils?
  - d) What priority should be given in funding decisions as between district councils and band councils?
5. Agreements. Department agreements with district councils on the transfer of responsibilities as well as other matters are negotiated on an ad hoc basis. There appears to be no Department policy on the way agreements are negotiated, their content, or the underlying philosophy that should be incorporated in them. The agreements include no methods for ensuring that district councils can be held accountable for their actions.

Policy Questions:

- a) What should be the purpose and underlying philosophy of agreements with district councils? Who should negotiate agreements and how?
  - b) How can the process of negotiation ensure that individual bands and their members understand and consent to the agreements?
  - c) What mechanisms can be developed to ensure that district councils can be held accountable for the efficient and responsible management of their responsibilities?
  - d) What provisions should be included regarding bands which wish to withdraw from district councils?
  - e) What role should the District, Region, Headquarters play in the negotiation and administration of agreements?
6. District office takeovers. To date one district council, Lesser Slave Lake, in Alberta, has assumed responsibility for the complete operations of a district office. Other district councils have assumed district office responsibilities on a piecemeal basis and several have expressed a desire to eventually takeover all non-statutory district office functions. The Department has no comprehensive policy to deal with the partial or complete takeover of district council functions.

Policy Questions:

- a) Personnel. Takeovers always involve a transfer of person years from the Department to the district councils. There appears to be considerable confusion and uncertainty to how this process should be carried out.
  - 1) What is the status of Department's employees when their duties have been transferred to a Band or District Council?
  - 2) What policies for education leave, retraining, relocation exist?
  - 3) Is an employee who has "worked himself out of a job" given any special consideration?
  - 4) What is the process for converting person-years?
  - 5) If programs are returned to Department how does restaffing take place?
  - 6) Can staff be retained for training purposes after the person-year is closed?
  - 7) Can fringe benefits be made portable?

- b) Inefficiency arising out of district office takeovers.  
District councils do not always coincide with the administrative units of the Department. For example there may be 8 bands in a district but only 5 of those are members of the local district councils. If the district council opts to takeover control of a program delivered by the district office it would still be necessary for the district office to provide services to the 3 bands not in the district council.

Inefficiency are also created when district councils fail to provide services for which they have assumed responsibility.

How can transfers be arranged so as to overcome or mitigate these inefficiencies?

7. Information systems. The Department and district councils lack the comprehensive reliable information they need to plan for the future and to learn from the experience of others.

Policy Questions:

- a) How can comprehensive and reliable information be provided for the Department and district councils?

VIII Phase II: District Councils Project

It is the intention of the project team to use the foregoing Report as the basis of consultations with district councils and other concerned parties. The development of future policies, programs, and funding arrangements will be based on the outcome of these consultations.

November 1980



APPENDIX I: DISTRICT COUNCILS BY REGION

ONTARIO REGION

1. Georgian Bay District Council
2. Fort Francis District Council
3. Kenora District Council
4. United Chiefs and Councillors of Manitoulin
5. Windego District Council
6. Kavanha District Council
7. Petahbun District Council
8. London District Education Council

MANITOBA REGION

9. Dakota-Ojibway District Council
10. Keewatin District Council
11. Interlake District Council
12. Swampy Cree District Council
13. Southeast Resources District Council
14. West Region District Council

ALBERTA REGION

15. Lesser Slave Lake District Council
16. Northwest District Council
17. Northeast Tribal Council
18. Yellowhead District Council
19. Athabasca District Council
20. Four Band District Council

BRITISH COLUMBIA REGION

21. Gitksan-Carrier Tribal Council
22. Bella Coola District Council
23. South Island District Chief's Office
24. Nuu-Chah-Nulth Tribal Council
25. Kwawkiutl District Council
26. Whe-La-La-U Area Council
27. South Central Tribal Council
28. Okanagan Tribal Council
29. Kootenay Indian Area Council
30. Nicola Valley Indian Administration
31. Central Interior Tribal Council
32. Carrier-Sikani Tribal Council
33. Northcoast Tribal Council
34. Chilliwack Area Council
35. Desolation Sound Tribal Council
36. Lilloet District Indian Council
37. Caribou Tribal Council
38. Ft. St. John District Council
39. Fraser Canyon District Council
40. Terrace District Council
41. Nishga Tribal Council
42. Fraser West District Council
43. Lake District Council