

T.E.D. Commission Report

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TO BE RETURNED TO ROOM ~~303~~

RESOURCES DEVELOPMENT SECTION,  
DEVELOPMENT SERVICES DIVISION,  
INDIAN-ESKIMO ECONOMIC DEVELOPMENT BRANCH,  
DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN  
DEVELOPMENT, CENTENNIAL TOWER.

WHY NOT RETURN IT, YOU WILL THEN  
KNOW WHERE TO BORROW IT AGAIN.

INTRODUCTION

**RESTRICTED**

This report has been assembled and developed by Indian Affairs Branch Manitoba Regional Office staff and all sections played an important role in making the data available. Mr. Les Harding, our Forestry Officer acted as coordinator, while Marvin Marykuca was designated as specialist to gather the educational information and Mr. C.N. Freeman our Land Use Specialist handled the agricultural research. I would therefore like to give thanks to these people for their very special contribution and a job well done.

X The main goal of this report was to diagnose the areas of concern which we will face in the years ahead and to provide statistical data on which to make reasonable assumptions and thereby develop methods and programs to overcome these problems. A look at the report indicates certain essential factors, one of which is that only 28% of reserve lands in Manitoba are being properly utilized. By full utilization of all resources we can find permanent employment for many more heads of families and increase incomes by 75% which will upgrade the businesses in the local municipalities.

X A look at the labour pool indicates there will be a very substantial number of Indian people moving into the labour force, and each year the attainment of these young people will improve. It is expected that the drop-out rate will lessen and the numbers moving into the skilled field will increase. In this report no attempt has been made to deal with the possibility of moving into the field of growing specialized crops or food processing on Indian reserves. However, this is a field which holds promise and requires further study. Should development take place in this particular field, it is expected that the local reserve communities can absorb more local labour than the report indicates, however, as it is an unknown factor it has not been shown. The employment of the female labour force has not been studied in depth and should be the subject of a separate study.

The report does not cover the fishing industry in depth as this is a Provincial resource. However, in those areas where registered Indians participate, it is our intention to make a study of the fresh water fishing resource base, determining the possible maximum annual yield and the number of fishermen such a yield can sustain. The participation of Indians in the tourist and guiding business has not been considered in depth as a further study will be made in this connection.

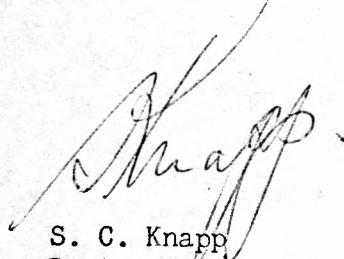
It is believed that in the utilization of the labour force we will have to pay more attention to scheduling the harvesting of renewable resources. It is expected that many of the men will participate in the harvesting of more than one renewable resource; such as commercial fishing for one part of the season, guiding during another and logging or trapping during the other. Our main concern should be to ensure that the scheduling is such that the individual is fully employed and earns sufficient to make a reasonable standard of living. It is believed this is possible.

INDIAN AFFAIRS BRANCH  
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BIBLIOTHEQUE  
CANADA

We must attempt to establish the true renewable resource base and determine the maximum number of people it can support, and then, through a process of education, inform the balance of the people that there is no alternative but to seek employment in other areas such as the mining industry where there is an unmet labour demand.

The Indian labour force will not contribute its full potential to the productivity of Manitoba until we have found the key to motivation. It is hoped that both the Provincial and Federal Governments will give serious consideration to making a grant available to the University of Winnipeg to carry out a special research study in motivation and social problems in connection with the woods industry training course that will be held at Moose Lake. Professor Morrison, head of the Department of Sociology of the University has shown a keen interest in this problem and has some knowledge on the subject.

Over a ten year period almost 4,000 workers will be fed into the labour force, and assuming these workers could earn \$6,000. per year, by 1980 this would be a wage base of \$24,000,000. for native Manitobans who would have a desire to continue to live in Manitoba and would permanently contribute to its long-range productivity. This is a challenge that must be met..



S. C. Knapp  
Regional Superintendent of Development  
Indian Affairs Branch  
Manitoba Region.

## OBJECTIVE

The objective of this report is to serve a dual purpose. Firstly, it is meant to assist the T.E.D. Commission in its study and secondly, it is to assist the Indian Affairs Branch in its resource development programme.

The T.E.D. Commission, it is assumed, is mainly interested in the Reserve resource, both human and physical. Other agencies, both Federal and Provincial, will be reporting on resources that are within their jurisdiction. The Indian Affairs Branch, however, is concerned about off-Reserve resources as well, for a large majority of employed Indians are employed off Reserves. The T.E.D. Commission co-ordinators will, therefore, have to pick and choose data from this report which is pertinent to their study.

T.E.D. COMMISSION REPORT - INDIAN AFFAIRS BRANCH

An outline of the report is as follows:

PART I - POPULATION AND EDUCATION

1. Purpose of Report
2. a) Indian Population for Manitoba (by Age Group)  
b) Indian Population for Manitoba Projected to 1980 (Table Nos. 1 - 3)
3. a) Welfare Costs for Indians - Dollar Value (Table No. 4)  
b) Number of Indian People Earning a Living Both On and Off Reserves (Table No. 5)
4. Number of Indian Pupils in School 1968 and Projected Number that will be Entering the Labour Force to 1980.  
a) Level of Education - Table No. 6  
b) Projection of Dropouts that will have to be Fed into Upgrading Courses

PART II - RESOURCES

5. Reserve Resource Base
  - Agriculture )  
Forestry ) Multiple Use  
Forestry ) Table Nos. I - VIII
  - a) Percentage of Resource Base Being Utilized - Table No. 9
  - b) How Many People Will Resource Base Support - Table No. 9
6. Resource Base - Off Reserve - Indian Controlled - e.g. Licences, Leases
  - Forestry )  
Fishing ) Number of Indian People Employed - Table No. 10  
Trapping.)

7. Other Forms of Economic Activity:

Handicraft

-- Table No. 11

Commercial Recreation

8. Forecast of Number of Indian People that Will Have to Find

Employment Off Reserve for Full or Relatively Full Employment

-- Table No. 12

9. Conclusion

PART I

T. E. D. COMMISSION REPORT

Index 1.

The data presented in this report is meant to assist the Indian Affairs Branch and various Governmental Departments concerned with Indians in their long-range planning. Population figures, present and projected to 1980, are presented along with information pertaining to education and vocational attainment. Indian-owned resources are evaluated along with their carrying capacity, measured in economic units.

It is hoped that a realistic picture can be drawn from the data presented and valid conclusions formulated in order that future programs regarding the Indian people can be directed intelligently and with a definite goal in mind.

In summary, the report is meant to measure the employment potential of Manitoba's Indian Reserves, compare it to required employment, and thus determine the number of Indian people that must be upgraded in order to find meaningful employment in the predominantly white society.



## TREATY INDIAN POPULATION - MANITOBA

1968

<u>AGE GROUPS</u>	<u>MALE</u>	<u>FEMALE</u>	<u>TOTALS</u>
0 - 15 } 65 + }			17,259
16 - 20	1,657	1,617	3,274
21 - 30	2,448	2,256	4,704
31 - 65	3,850	3,226	7,076
TOTAL	7,955	7,099	32,313

TABLE NO. 2

TREATY INDIAN POPULATION ( PROJECTED ) - MANITOBA

1975

<u>AGE GROUPS</u>	<u>MALE</u>	<u>FEMALE</u>	<u>TOTALS</u>
0 - 15 } 65 + }			23,410
16 - 20	2,367	2,304	4,671
21 - 30	3,290	3,225	6,515
31 - 65	4,919	4,315	9,234
TOTAL	<hr/>	<hr/>	<hr/> 43,830

TABLE NO. 3

TREATY INDIAN POPULATION (PROJECTED) - MANITOBA

1980

<u>AGE GROUPS</u>	<u>MALE</u>	<u>FEMALE</u>	<u>TOTALS</u>
0 - 15 } 65 + }			29,527
16 - 20	3,055	3,039	6,094
21 - 30	4,175	4,096	8,271
31 - 65	5,486	5,404	11,390
TOTAL			55,282

For year by year projection from 1968 - 1980 please see appendix (A).

WELFARE COSTS - MANITOBA

Reserve	\$3,000,000.00
Municipalities - Charged back to Indian Affairs	146,000.00
+ Other (Estimate)	5,000.00
	<hr/>
TOTAL INDIAN WELFARE	\$3,151,000.00

+ If a Treaty Indian has lived in a community and has worked for more than a year, he is then the responsibility of the municipality.

TABLE NO. 5

EMPLOYMENT - 1968

<u>ON RESERVE</u>	<u>NUMBER</u>	<u>WAGES</u> <u>\$ VALUE</u>
Forest Work	50	50,000
Agriculture	131	270,000
Other	40	160,000
Total Employed on Reserve		
 <u>OFF RESERVE</u>		
Regular	1500	5,400,000
Agriculture (Short Term)	1825	1,100,000
Trapping (2200 Registered) (800 Casual)	3000	1,000,000 +
Fishing	3000	4,000,000
Other (Short Term)	650	350,000
TOTAL DOLLAR VALUE IN SALARIES AND WAGES		<hr/> \$12,230,000

NOTE: Number of employed cannot be totaled for some people work short term in various fields.

+ Old Age Assistance not added

TABLE NO. 6

Index 4.

SCHOOL -- GRADE -- AGE PATTERN

(Information Re: Age, Grade, Sex Reports)

<u>GRADE</u>	<u>AGE</u>
VIII	14 plus $\frac{2}{3}$ = 15 year olds
IX	$\frac{1}{3}$ 15 yr. old + $\frac{2}{3}$ = 16 year olds
X	$\frac{1}{3}$ 16 yr. old + $\frac{2}{3}$ = 17 year olds
XI	$\frac{1}{3}$ 17 year olds + $\frac{2}{3}$ = 18 year olds
XII	$\frac{1}{3}$ 18 year olds + $\frac{2}{3}$ = 19 year olds

- - -

Grade IX and X dropouts will require Level II Vocational upgrading in all years 1968 to 1980.

59% Grade IX Passes will complete Grade X ACADEMIC

42% Grade X Passes will complete Grade XI ACADEMIC

34% Grade XI Passes will complete Grade XII ACADEMIC

- - -

THIS INDICATES

41% Grade IX will require Level II upgrading

58% Grade X will require Level II upgrading

34% { 25% Grade XI will go directly into Vocational Training  
9% Grade XI will take Level I upgrading

	Grade 9			Grade 10			Grade 11			Grade 12		
	Total Enrolment	Pass	Failures	Total Enrolment	Pass	Failures	Total Enrolment	Pass	Failures	Total Enrolment	Pass	Failures
1968	323	242	81	224	157	67	116	70	46	50	20	30
1969	501	376	125	242	169	73	157	94	63	70	28	42
1970	485	364	121	376	263	113	169	101	68	94	40	54
1971	584	438	146	364	255	109	263	158	105	101	41	60
1972	688	506	182	438	307	131	255	153	102	158	64	94
1973	762	572	190	506	354	152	307	184	123	153	61	92
1974	720	540	180	572	400	172	354	212	142	184	76	108
1975	805	604	201	540	378	162	400	240	160	212	85	127
1976	975	731	244	604	423	181	378	227	151	240	120	120
1977	1005	754	251	731	512	219	423	254	169	227	101	126
1978	1035	776	259	754	528	226	512	307	205	254	122	132
1979	1065	799	266	776	543	233	528	317	211	307	169	138
1980	1098	799	299	799	543	256	543	317	226	317	173	144
Total	10046	7501	2545	6926	4832	2094	4405	2634	1771	2367	1100	1267

FOR EXAMPLE

Year 1975

Grade IX & X - Failures will require upgrading - 363 students

Grade XI & XII - 612 students will require Vocational Training or Post High School.





PART II

RESOURCE INVENTORY

## RESOURCE DEVELOPMENT

### AGRICULTURE

The Indian people and the Indian Affairs Branch have always agreed that the broad and determined policy objective regarding Indian Reserve lands is to develop them to the maximum of their potential for the total benefit of the Indian people. Within this broad policy there are individual programs; namely - agricultural development, recreation and tourist development, forestry, fisheries, etc. In this letter we will deal exclusively with agriculture.

The broad objectives of this agricultural policy is to bring under cultivation all the arable land on the Indian Reserve for the benefit of the Indian people in order to increase the amount of money they can earn by using their own resources. In addition to this, the land that cannot be cultivated for crop purposes will be improved, where practical, to increase the grazing lands for livestock production. In selected areas where soils will permit and markets are suitable, the growing of specialized crops should be encouraged. These require a much higher percentage of labor than grain farming and create more job opportunities for the residents of the Reserve. To emphasize this point it should be noted that while it takes only six hours of labor to produce an acre of grain using modern methods, it takes approximately 100 hours of labor to produce an acre of potatoes.

The policy is to:

- a) Discourage the leasing of Indian farm lands to non-Indians, but rather to encourage the Indian people to set up well-managed, businesslike farming units to farm the land themselves. The Branch is prepared

to assist in the clearing and breaking of land, supplying credit for the purchase of equipment and erection of suitable buildings, and credit up to a maximum of two years to allow the farmer to operate a new unit or an enlarged acreage resulting from new breaking. We feel we should only consider leasing to non-Indians as a last resort when it is obvious there are no Indians willing, or able, to farm the land themselves. Superintendents and Band Councils should therefore review the leases on the Reserve and plan accordingly.

- b) Encourage the raising of livestock, which includes cattle, hogs and sheep, where the economies of the area determine that this is practical and feasible.
- c) Encourage a mixture of grain and livestock production where through research, local conditions indicate that mixed farming will produce the best economical results.

The above policy has been established in an attempt to develop the agricultural potential of the Reserves in Manitoba. The existing and potential assets are as described below:

Total Area in Agencies with Agricultural Potential:

Brandon	151,881	
Clandeboye	66,072	
Fisher River	121,069	
*Estimated farm land, The Pas	<u>11,200</u>	<u>350,222 acres</u>

\*Agricultural land estimated at The Pas, 10,000 acres hay and pasture, 1,200 crops.

Cultivated Land:

Used by Indians	22,500
Leased	<u>30,155</u>
Total cultivated	52,655

Estimated land that can be broken for crop: 72,440 acres

Total land that could be cropped = 52,655 + 72,440 = 125,095 acres

Pasture:

Used by Indians	23,440
Leased	<u>9,947</u>
Total used pasture	33,387

Total balance (Total area 340,222 - arable + pasture 158,482) = 181,740 acres

At least one-half of balance could be pasture 90,870 + 10,000 = 100,870 acres

Total estimated pasture land (33,387 + 100,870) = 134,257 acres

The land will support 125,095 ÷ 500 = 250 grain farmers, allowing 500 acres per farm.

The pasture land should support (allowing an average of 10 acres per head) 134,257 ÷ 10 = 13,425 cows

Allowing an average of 75 head per economic unit, this should support 13,425 ÷ 75 = 180 cattlemen

The Reserve lands in Manitoba should support 250 grain farmers + 180 cattlemen = 430 family units

If Indian farmers start specialized crops (vegetable and small fruits) and specialized livestock units (hogs, turkeys, etc.) then the number of economic units could be increased accordingly.

Estimated Agricultural Income (1967)

Crops	123,500	
Livestock	146,500	
Total farming income		<u>\$270,000</u>

Total Lease Land Income (1967) \$ 85,200

(See Page Five for explanation)

Average Income per Farming Unit (1967)

There were 131 Indian farmers in 1967

$$270,000 \div 131 =$$

\$ 2,060

If the land is developed and the livestock increased, the income for 430 farmers could be (at \$5,000 income per unit) \$2,150,000

Specialized units could increase this income.

If these projects are to be completed by 1980, the following program may be used as the objectives:

1. 72,440 acres to be cleared and broken over 11 years = 6,600 acres per year
  - Cost of breaking at \$40.00 per acre = \$264,000 per year
  - Machinery requirement at \$20.00 per acre = \$132,000 per year
2. Pasture Development:
  - Total to be developed = 100,870 acres or 9,000 acres per year
  - Cost over 11 years at \$15.00 per acre \$135,000 per year
3. Potential number of cattle = 13,425
  - Number of cattle presently owned = 2,500
  - Over 11 years = 12,000 head or 1,000 head per year
  - \$200,000 per year
4. Equipment and Cattlemen:
  - Number of cattlemen established per year over 11 years = 17
  - Equipment required at \$6,000 per unit = \$102,000
  - Total required capital per year over 11 years = \$833,000

BY 1980, TO DEVELOP ALL INDIAN RESERVE LANDS AGRICULTURALLY

TO CEREALS AND LIVESTOCK WOULD REQUIRE: 11 x \$833,000 = \$9,163,000

In the agricultural report it shows 30,155 acres leased for a total leased income of \$85,200.00. The original leases were made on undeveloped land. The area of land leased is not totally cultivated; the lessees, in their contracts, are bringing the land into cultivation. The actual area under cultivation is not known. The leases also include areas which cannot be cultivated such as sloughs, gravel ridges, etc.

## RESOURCE DEVELOPMENT POLICY

### FOREST RESOURCES

Overall guidelines for the development of Forest Resources on Indian land must be established for the Manitoba Region. The purpose of this report is to establish these objectives and a means of realizing some of them.

#### OBJECTIVES:

- (1) Create employment for Indian people by utilizing their Forest Resources.
- (2) Utilize the Forest Resource in a conservation-minded manner.
- (3) Acquire additional timber holdings to ensure longevity of Indian-owned forest based businesses.
- (4) To train competent personnel for the rapidly expanding forest industries.
- (5) Determine a land use policy for forested Indian Reserve land for such alternate uses as recreation, grazing, and logging.
- (6) Set forth a system for appraising stumpage value of Indian-owned timber and a fair method of determining contract prices.

The methods or means of realizing these objectives are to a large extent determined by policy and regulations already established by the Provincial Government. Our methods must fit within the framework of Manitoba's Forest Act and the Forest Management regulations. This fact will become evident once the general inventory figures are studied for forest resources on Manitoba's Indian Reserves. The Reserve forest resource base is very small and only through the acquisition of Provincial Crown timber will viable lumbering or pulpwood businesses be feasible in the majority of the Reserves.

Existing pulpwood leases in the northern and south to middle eastern regions of the Province envelop a large portion of Manitoba's forest resources. The majority of the other accessible forested areas of the Province are controlled and regulated by the Manitoba quota system of timber disposal. In the quota areas, allowable cuts of timber have been allocated to operators as a percentage of the total allowable cut of the designated area or management unit. An operator's quota is based on his average production of the three years prior to the instigation of the quota system. In some management units the Government is having difficulty meeting its quota commitments due to a coniferous timber shortage. In these areas coniferous timber is not available to individuals or groups desiring to go into business. Before attempting to secure additional timber holdings, it is necessary to determine what is presently available on Indian lands.

Following are tables of statistics that apply to the forest resources on Indian Reserves within Manitoba. The material and information contained within this report was derived from various Provincial Government publications. The foundation of the publications is a Forest Inventory Survey that was completed in 1956. Since 1956 additional information has been obtained and consolidated with the basic inventory data. On the whole, a reasonable picture of our forest resources has been made.

However, additional and detailed information is required on certain strategically located Reserves. Exact volume and species compositions must be determined in order that proper policy decisions can be made regarding land use. That is to say, should we follow a depletion policy on some of these Reserves or should we attempt to harvest a small volume annually on a sustained yield basis. Other factors are important here also, such as the availability of



Provincial Crown timber that can be consolidated with Reserve timber. We must also consider whether the timber should be cut at all. In many cases, the timber should be left for conservation and recreational purposes. The value obtained from lumber and pulpwood may, in the long run, be minimal as compared to leaving it for its aesthetic value and thus the possible development of viable commercial recreational businesses.

For the purpose of the Forest Inventory, the Province was divided into four zones based on climate, original vegetation, and predicted future use.

The zones are as follows:

- |                 |                                      |
|-----------------|--------------------------------------|
| (1) Agriculture | (3) Transition from Forest to Tundra |
| (2) Forest      | (4) Tundra or Barren Lands           |

The Forest Zone may be defined as the area which is producing, or is capable of producing, forest crops; and which, for climatic reasons is, in the main, more suitable for the production of wood than for agricultural crops.

Based on the presence or absence of transportation routes such as railways, highways, and water routes, the Forest Zone is again divided into an accessible and inaccessible area.

It is evident from the statistics presented that Manitoba's Indian Reserves are forest resource poor. Except for a couple of Reserves, there is little opportunity for viable lumbering or pulpwood producing businesses of any magnitude. However, it is possible that if the resources of several Reserves were consolidated, a sustained yield plan with a good production could be realized. The other alternative to consolidation is the acquisition of Provincial timber. As was mentioned earlier, this is next to impossible to do in the major portion of the Province, due to pulpwood leases and the quota system. In order

to assist you in understanding the quota system, a short summary of its main points follows.

In 1963 the Committee on Manitoba's Economic future suggested that steps be taken to put Manitoba's forest industry on a more business-line basis. Since then, the Government brought in a new Forest Act and Regulations which provided the base for the Manitoba quota system of timber disposal.

The main points of the quota system are:

- (1) Forested areas of the Province have been divided into Forest Management Units. The amount of timber of each species that can be cut annually in each unit has been determined by Government Foresters.
- (2) All existing timber operators cutting in a Forest Management Unit have been given a quota based on their past three-year average production.
- (3) Each quota represents a percentage of the total amount that can be cut in the Forest Management Unit each year.
- (4) Every operator who has a contract in the form of a valid timber sale will complete his contract.
- (5) The new timber sales and pulpwood permits contain a clause guaranteeing the operator additional sales or pulpwood permits for a percentage of the annual allowable cut, equalling his quota, for the next 15 years. This means that every timber operator in Manitoba has a 15-year right to cut a percentage of the allowable annual harvest of a management unit equal to the percentage of the cut which he harvested during the last 3 years.

- (6) During this 15-year period, the timber dues will be determined on the basis of an appraisal of the timber to be cut and not, as in the past, on the basis of competitive bidding.

The major portion of the accessible area of the Province has been allocated to existing timber operators and thus, additional timber quotas are not available for sale. In fact, in several zones the Province is unable to meet its quota commitments in coniferous species. Some operators are cutting deciduous species in order to obtain their quota volume.

There are two major lease holders in Manitoba. The oldest, Abitibi Manitoba Paper Company, is located at the south end of Lake Winnipeg and is presently negotiating for an expansion to its lease area. They have found that their present lease area is not large enough to sustain their operations. It is understood that a new national park is to be formed in the Bloodvein area on the east side of Lake Winnipeg. Until park policy is formulated with regards to commercial operations, no plans can be made for that area. The park will also affect Abitibi's proposed pulpwood lease extension. Until such time as park policy is formulated and Abitibi's new lease area finalized, few plans can be made for the east side of Lake Winnipeg.

In the northern part of the Province a new firm, Churchill Forest Products, is about to commence with a lumber and pulpwood complex. Their lease area encompasses nearly all the accessible area of the north and consequently nearly all northern forest resources.

Upon studying Provincial Forest Resource allocations, it is concluded that little opportunity is available for the Indian people to develop lumbering and pulpwood producing businesses in Manitoba. This statement refers to operations of a nature where the timber is controlled by the Indian people through licences and leases on Provincial land.

Good opportunities, however, should exist in the contractual field. Although contracting may not be as desirable as owning the resource supply, it offers much more opportunity for groups and/or enterprising individuals. By entering into phase contractual agreements such as falling, yarding, loading, hauling, or booming, or a combination of several of these, the Indian people may be more successful. Rather than having to raise their technological level in a number of minor fields at once and have to experience the managerial problems of a wide based business, they would probably be more successful by attacking one phase at a time. Equipment purchases by groups or individuals would be smaller and the possibility of outside or normal financing made easier.

#### Eastern Inaccessible Zone

One area appears to have potential for the development of lumbering and pulpwood producing businesses controlled by the Indian people. This area is in the eastern inaccessible part of the Province. The eastern area lies within the mineralized nickel belt and thus has potential mining development. Mining development would mean lumber demand and also access to outside markets through road systems.

At present, the Indian people in the inaccessible area are manufacturing lumber for Reserve housing. The timber has been largely cut on timber licences acquired from the Provincial Government. Should the area develop, the existing operators and thus quota holders would be the Indian people. They would have a virtual monopoly on the timber in the area and would be in an excellent position to supply the lumber demand when the area is developed.

In Summary

Development of businesses in the accessible part of the Province must be largely in the contractual field, whereas ownership of the resource base both on Reserve and off Reserve is feasible in the inaccessible zone. This, however, will not be too profitable until such time as the inaccessible area is developed.

Northern Manitoba - Churchill Forest Industries

Forty-four thousand square miles of the best timbered land in the north is controlled by Churchill Forest Industries. The Churchill people have been considering importing European labour for their operations. Unemployment among the northern native population is very high and thus, these people should form, or have just opportunity to form, the labour force of the new industry.

However, comprehensive on-the-job training is required before these people can gain meaningful employment. Training for both the harvesting and milling sides of the operation should be considered. Excellent opportunities also exist for small service businesses and for individual tradesmen of various occupations.

A proposed training program has been presented to the Provincial Cabinet for the Moose Lake people. To date, no approval has been officially given to the program. The program is to be an on-the-job training with a limited amount of class work. The training school proposes to take out a contract with Churchill Forest Industries to help offset training costs. The structure of the school will probably be such as to enable the trainees, upon completion of their course, to purchase the school's equipment. It is quite possible that the organization will be in the form of a Convertible Crown Corporation.

If the school is successful at Moose Lake, it will probably move on to other Reserves where employment opportunities exist. This type of portable

school enables training to take place on the Reserve rather than in a foreign environment.

Individuals or groups should have the opportunity to form logging companies or even possibly pulpwood producing Co-operatives. Except for Reserve timber, all contracts would have to be negotiated with Churchill Forest Industries and on their lease area. In this report, a method for negotiating contracts and timber dues is proposed.

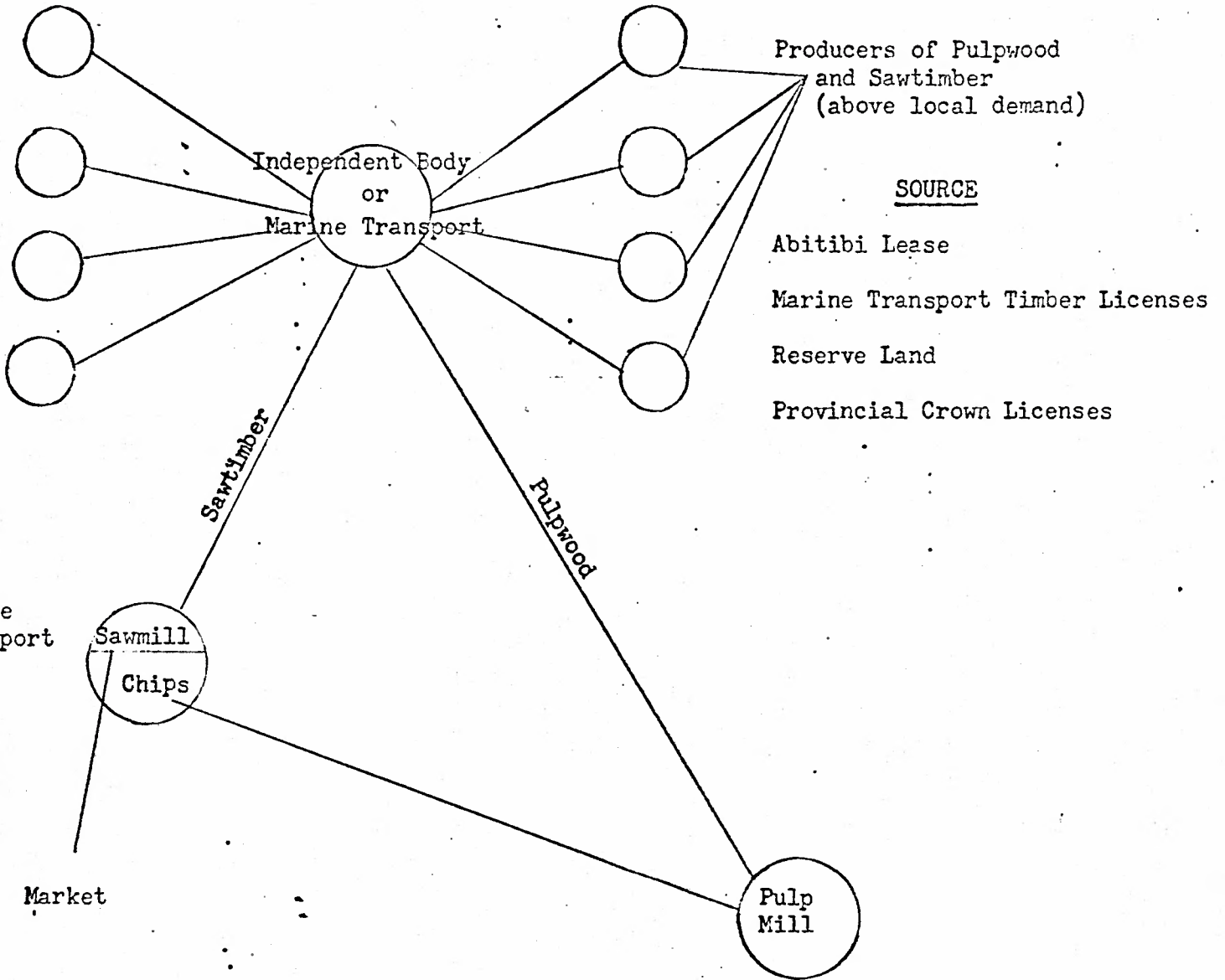
### Lake Winnipeg

The east and part of the western side of Lake Winnipeg, from Bloodvein to Norway House and Cross Lake, should be developed under one overall plan. The necessary participants would be Abitibi Paper Company, Marine Transport, and Federal and Provincial Governments. A co-ordinated program for supplying pulpwood and sawtimber to the various concerns from the east side of Lake Winnipeg should be formulated in order that the greatest number of people at the greatest number of communities can be employed.

A possible sawmill-chipper mill complex is to be built at Selkirk, Manitoba by Marine Transport. It is to be a centralized mill with a high utilization standard. Waste material from the milling operation is to be chipped at Selkirk and shipped to the pulpmill.

Timber stands not suitable for sawlogs are to be cut into pulpwood and marketed, preferably at Pine Falls. Since Abitibi is short of wood on their lease area, they should be willing to purchase as much wood as possible from other sources.

LAKE WINNIPEG



A large contract could be taken out for the east side of the Lake but would have to be co-ordinated through an official body. This body could be Marine Transport or an independent group. The reason that Marine Transport is suggested as the co-ordinating body is due to the fact that it controls shipping on the Lake and appears to be in the best position to do the job effectively.

A meeting has been held with parties concerned regarding a Lake Winnipeg forest development plan and further discussions are to follow.

Wherever there is a local demand of sufficient size for lumber, small portable mills should be used to produce it locally, providing it can be produced at competitive prices to imported lumber.

#### Interlake and Road Accessible Area of Province

The possibility of starting sawmilling and pulpwood producing enterprises in the accessible area is quite poor. Timber is limited and controlled through the quota system. Possibly small outfits could start up if several Reserve resources were consolidated and managed on sustained yield or even depleted over a prolonged period. It is in this area that alternate uses such as recreation, Christmas tree plantations, and grazing should be considered.

There is also the possibility of purchasing quotas from small quota holders whose base is not large enough to sustain a living. On Reserves in the accessible area that have a moderate forest resource base, it would pay to survey the surrounding quota holders' quotas and attempt to purchase sufficient volume to ensure an economic base for a small sawmill or pulpwood producing enterprise. If quotas were purchased, it would have to be out of Band funds and not by Indian Affairs. If Indian Affairs purchased them, it would be using taxpayers' money to compete against other taxpayers.



Present merchantable forest land (94,160 acres) contains an average of 8.5 cords per acre. For an Indian worker to earn approximately \$4,000. per year, he would require 50 acres per year or 1,000 acres over a 20-year period. Total utilization of Indian forested land would then support, in economic units, a work force of 94 heads of families. After a 20-year period, it is hoped that the present 120,152 acres of unmerchantable timber will have a large enough percentage of it grow into merchantable class so that the annual harvest could continue.

As was previously pointed out, an additional 43,419 acres of potentially productive forest could be brought into productivity.

Reforestation, good silvicultural practices, and the planting of genetically superior species may further increase productivity by as high as 30%.

Should Aspen become a valued commercial species, production may be doubled on a sustained yield basis.

## RESOURCE DEVELOPMENT POLICY

### FISHING RESOURCES

#### OBJECTIVES

- 1) To create employment for Indian people by utilizing their fishing resources.
- 2) To utilize the fishing resources in a conservation-minded manner
- 3) To acquire and install processing plants in the northern areas to utilize the marketing of the lower priced type of fish, so that it is economical to market the product.
- 4) To train Indian people in all phases of processing and handling of fish to create employment in the local areas.
- 5) To assist the Indian fishermen in acquiring more efficient equipment so that they can operate on a more economical basis.

If Capital is available to operate efficiently in the northern areas, there is no reason why the number of people employed in the Fishing Industry should decrease. Although the number of fishermen may decrease in some areas; new areas will be utilized and with the Indians who could be employed in the processing plants, the number of Indian people employed should virtually remain unchanged.

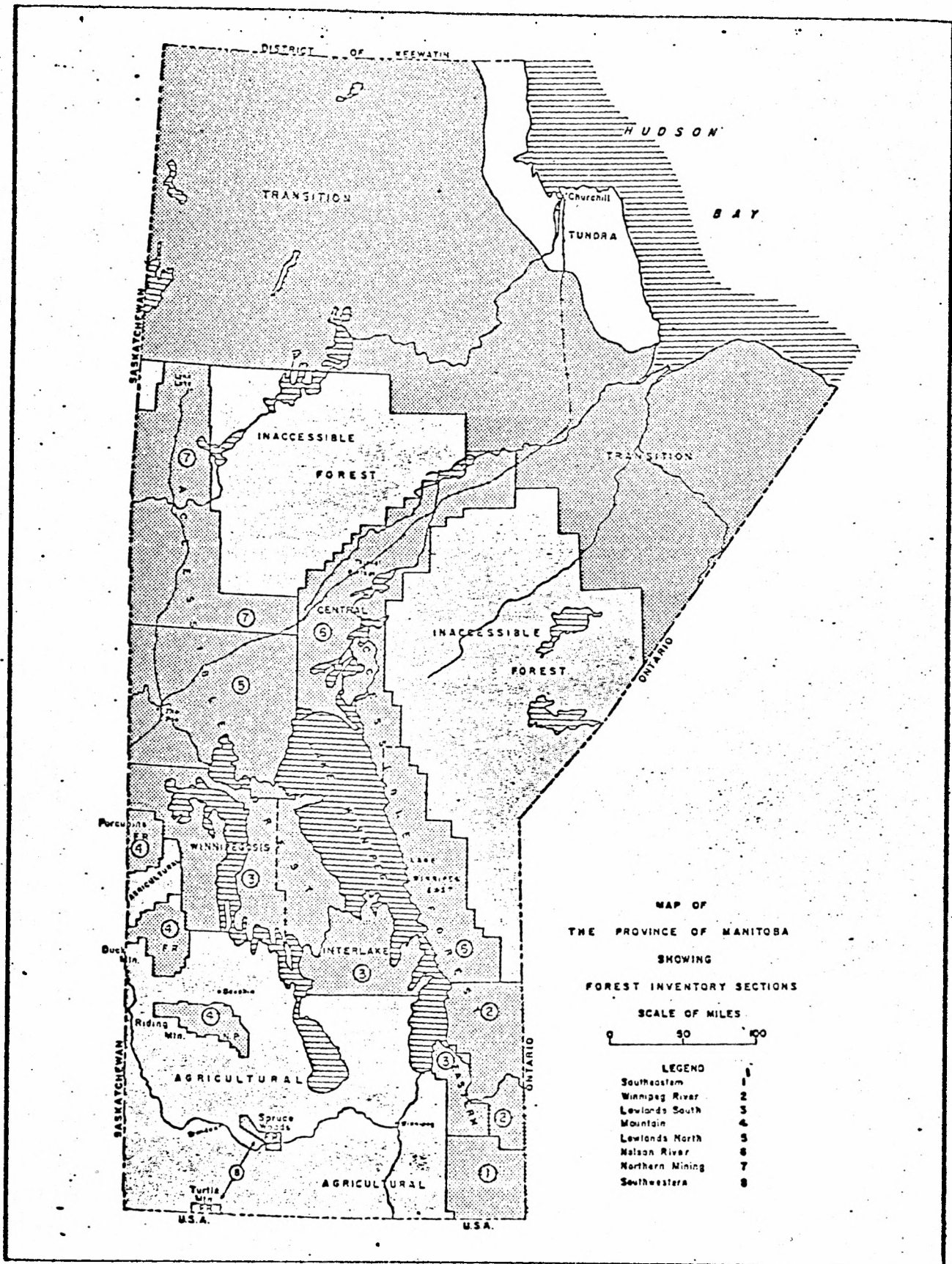
The new road program in the North will lower transportation costs and make it possible to operate on lakes that there previously uneconomical to operate.

In the Manitoba Fishing Industry, two-thirds of the working force are Indian people.

In 1968 three thousand Indians were employed in the Fishing Industry - earning \$4,000,000.

In 1976 there is no reason why 3,000 Indian people cannot be employed - earning \$8,000,000.

In 1980 the same number (3,000) should be employed - earning \$12,000,000.



Map 1

TABLE NUMBER I - Forest Zone of Province

SUMMARY LAND CLASSIFICATION

TOTAL RESERVE AREA	536,351	Acres
<u>ACCESSIBLE AREA</u>		
Forestry	274,269	Acres
Agriculture	158,739	Acres
<u>INACCESSIBLE AREA</u>		
Forestry	92,632	Acres
Agriculture	10,711	Acres
TOTAL FORESTED AREA	366,901	Acres
TOTAL AGRICULTURE AREA	169,450	Acres

TABLE NUMBER II

LAND CLASSIFICATION

PRODUCTIVE FORESTED AREA		
MERCHANTABLE	94,160	Acres
UNMERCHANTABLE	120,152	Acres
POTENTIALLY PRODUCTIVE FOREST	43,419	Acres
NON-PRODUCTIVE FOREST	107,170	Acres

TABLE NUMBER III

CLASSIFICATION BY COVER TYPES AND MERCHANTABILITY, ACRES

ACCESSIBLE FOREST

<u>SOFTWOOD</u>		<u>MIXEDWOOD</u>		<u>HARDWOOD</u>	
<u>Unmerch.</u>	<u>Merch.</u>	<u>Unmerch.</u>	<u>Merch.</u>	<u>Unmerch.</u>	<u>Merch.</u>
46,608	46,917	25,167	24,171	13,944	10,999

INACCESSIBLE FOREST

24,569	9,574	5,223	2,084	4,641	415
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TOTAL ACREAGE

<u>ACCESSIBLE</u>	Merchantable	82,087	
	Unmerchantable	85,719	
<u>INACCESSIBLE</u>	Merchantable	12,073	
	Unmerchantable	34,433	
<u>TOTAL</u>	Merchantable	94,160	Acres
	Unmerchantable	<u>120,152</u>	Acres
<u>GRAND TOTAL</u>		214,312	Acres

TABLE NUMBER IV

SUMMARY OF MERCHANTABLE VOLUME BY COVER TYPES  
VOLUME IN CUNITS (100 CUBIC FOOT UNITS)

ACCESSIBLE FOREST

<u>SOFTWOOD</u>	<u>MIXEDWOOD</u>	<u>HARDWOOD</u>	<u>TOTAL</u>
331,379	170,405	77,542	579,326

INACCESSIBLE FOREST

<u>SOFTWOOD</u>	<u>MIXEDWOOD</u>	<u>HARDWOOD</u>	<u>TOTAL</u>
55,135	11,983	2,386	69,504

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<u>TOTALS</u>	386,514	182,388	79,928	648,830
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TABLE NUMBER V

SUMMARY SOFTWOOD AND HARDWOOD VOLUME BY SIZE CLASSES  
VOLUME IN CUNITS (100 CUBIC FOOT UNITS)

ACCESSIBLE FOREST

<u>SOFTWOOD</u>		<u>HARDWOOD</u>	
4" - 9" DBH	10" + DBH	4" - 9" DBH	10" + DBH
356,532	70,234	106,448	46,112

INACCESSIBLE FOREST

51,144	11,549	5,481	1,330
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<u>TOTAL VOLUME</u>	4" - 9" DBH	519,605	Cunits
	10" + DBH	<u>129,225</u>	Cunits
<u>GRAND TOTAL</u>		648,830	Cunits

TABLE NUMBER VI

VOLUME BY SPECIES - INDIAN RESERVES  
VOLUME IN CUNITS (100 CUBIC FOOT UNITS)

	<u>ACCESSIBLE FOREST</u>	<u>INACCESSIBLE FOREST</u>
<u>SPECIES</u>		
White Spruce	256,104	11,383
Black Spruce	31,653	40,401
Balsam Fir	24,852	2,320
Jack Pine	108,348	8,589
Tamarack	5,809	--
	-----	-----
TOTAL SOFTWOOD	426,766	62,693
<u>GRAND TOTAL SOFTWOOD</u>	<u>489,459 Cunits</u>	
Aspen Poplar	112,349	4,419
Balsam Poplar	18,289	437
White Birch	18,416	1,955
Others	3,506	--
	-----	-----
TOTAL HARDWOOD	152,560	6,811
<u>GRAND TOTAL HARDWOOD</u>	<u>159,371 Cunits</u>	
<u>GRAND TOTAL WOOD</u>	<u>648,830 CUNITS</u>	
<u>VOLUME F.B.M.</u>	<u>324,415,000 F.B.M.</u>	



TABLE NUMBER VII

SUMMARY OF VOLUME BY END PRODUCT

Sawlogs      f.b.m.

Pulpwood    Cunits

ACCESSIBLE FOREST

Sawlog    10" + D.B.H.

SOFTWOOD                      35,117,000    F.B.M.

HARDWOOD                     23,721,000    F.B.M.

Pulpwood 4" - 9" D.B.H.

SOFTWOOD                     356,532    CUNITS

HARDWOOD                     106,448    CUNITS

INACCESSIBLE FOREST

Sawlog    10" + D.B.H.

SOFTWOOD                     5,774,500    F.B.M.

HARDWOOD                     665,000    F.B.M.

Pulpwood 4" - 9" D.B.H.

SOFTWOOD                     51,144    CUNITS

HARDWOOD                     5,481    CUNITS

TABLE NO. 8

RESERVE FOREST RESOURCE BASE

Income - \$4,000.00/yr.

Economic Unit - 2,000 acres (1,000 merchantable - 1,000 unmerchantable)

Potential (Full utilization) 94 economic units

Present utilization (estimate) 15 economic units

Percent Utilization 16%

In order to utilize the Reserves' forest resources effectively, it will have to be harvested in conjunction with off-Reserve timber. The distribution of present merchantable timber, unmerchantable timber, and the unmerchantable timber's age class distribution complicates the overall picture to such a degree that the statistics presented in terms of economic units are almost meaningless. Only by treating the Reserve forest resource base as part of the total management unit or local Regional forest resource does it become meaningful.

TABLE NO. 9

Indians Earning Living from Reserve Resources

(Full Time - Economic Units)

	AGRICULTURE		
	Farming	114	
	Cattle	<u>17</u>	131
	FORESTRY		<u>15</u>
TOTAL			146
			==
POTENTIAL			
	AGRICULTURE		
	Farming	250	
	Cattle	<u>180</u>	430
	FORESTRY		94
			—
TOTAL			524
			==
PERCENT UTILIZATION			28%

TABLE NO. 10

Index 6

Resource Base - Indian Controlled - Off Reserve

LICENCES - LEASES - PERMITS

	<u>No. of Men</u>	<u>\$ Value</u>
Forestry	250	\$ 180,000.
Fishing	3,000	4,000,000.
Trapping	2,200 Registered . 800 Casual	1,000,000.
TOTAL .....		<u>\$5,180,000.</u>

A number of the men who trap also fish or work in the forest, so again cannot be totalled to give the true value of the number of full-time employed Indians.

INDEX 7. OTHER FORMS OF ECONOMIC ACTIVITY

Handicrafts

The Indian people are also involved in the production of handicrafts. The commodities produced are used both in the home and sold on the market. The majority of the articles produced are leather goods and beadwork. Carvings, wood and stone; paintings, and snowshoes are also produced.

HANDICRAFTS

\$ Value

Home Use

Sale

\$44,975.

\$81,762.

TOTAL \$ VALUE of HANDICRAFT - \$126,737.

RECREATION

Present Income - NEGLIGIBLE

Potential - UNKNOWN - Some sites are now being developed.

ESTIMATE - \$50,000./annum

For the purpose of summarizing, I will assume that all the females will eventually marry and thus not form part of the work force. There, then, are 7,955 potential male workers between the ages of 16 and 65 in the year 1968. By 1980 this figure will rise to 12,716 males between the ages of 16 and 65.

At present there are approximately 1,500 regularly employed Indian people, of which a number are females. This means that the remaining 6,500 potential male workers have only casual employment worth \$6,930,000. annually or \$1,066. per casual employee. It is these 6,500 people that periodically require welfare assistance. The exact number requiring assistance has not been determined but it is this group of people that require upgrading and vocational skills in order that they may find meaningful employment. By the year 1980, 4,760 more male Indians will be fed into the labour force, making a total male Indian labour force of 12,716. For the expected level of education and vocational attainment of these people, please refer to Table No. 6 of Part I. It is further determined that the Indian Reserve resource base will support only a population (work force) of 750 to 1,000 people. Natural Resource base, Forestry and Agriculture, measured in economic units, will support 524 and the rest may find work as Band Managers, store owners, recreation managers, and so forth. The remaining work force must seek employment off Reserves.

TABLE NO. 12

1968

Total Work Force (Male)	7,955
Regularly Employed (Some Females)	1,500
Casually Employed	6,500

1980

Total Work Force (Male)	12,716
Increase over 1968 base	4,761
Reserves will support (assume) (full utilization)	1,000
Number required to find employment off Reserves	11,500 - 12,000

CONCLUSION

It is obvious that the plight of the Indian people is a serious one. The major cause of this serious situation is their low level of education relative to the white society. It will be only through upgrading or education that the problem will be eventually solved.

However, in the meantime other things can be done which will help alleviate the situation. They are:

1. Increase utilization of their own resources.
2. Develop labour-heavy secondary industries on the Reserves.
3. Break up small uneconomic units and consolidate into economic units. (This applies on some Reserves)
4. Where possible, develop specialized crops and thus reduce economic unit size.
5. Secure additional resource bases.

Advocating what has to be done and implementing the necessary changes are, of course, very different things. It must be realized that many people, for mental, physical, and psychological reasons, are just not capable of assimilating into the white society. Others, especially the young people, should reap the most attention.