OVERVIEW:
QUEBEC REGION
February 1980

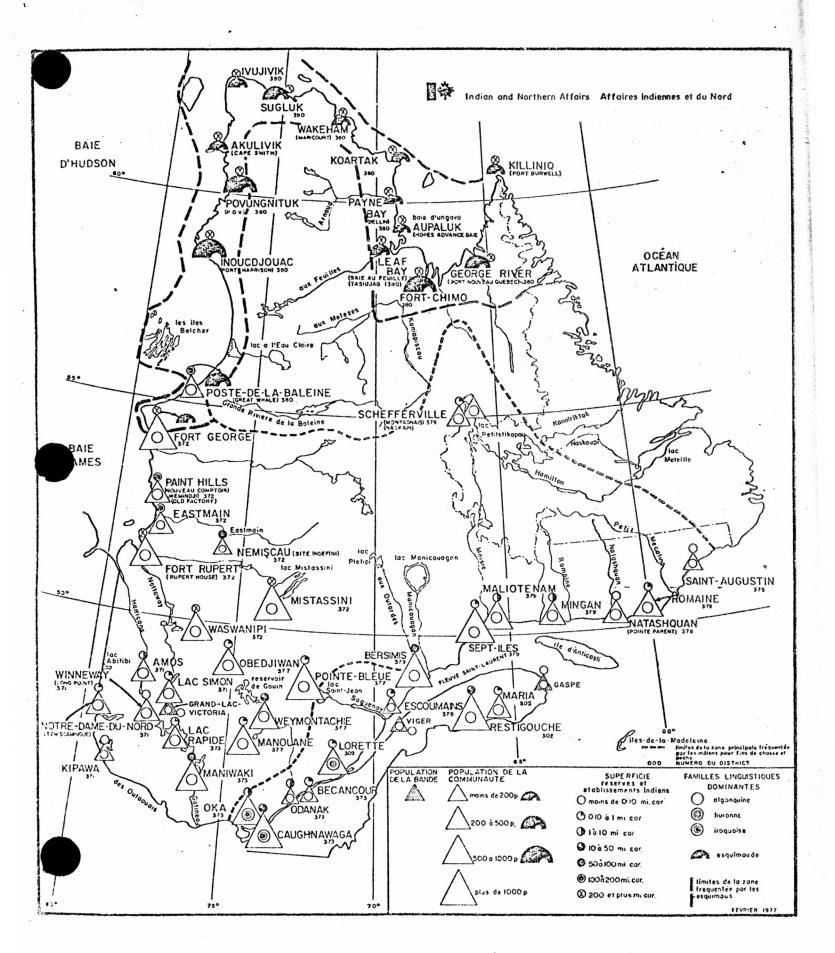
OVERVIEW

QUEEEC REGION

February 1980







The Quebec Region has 39 Indian bands.

There are 36 villages (Viger band is almost non existant and two bands occupy the same reserve at Schefferville)

There are 13 Inuit villages (Two were created under the JBNQA. i.e.
Akulivik and Aupaluk.
Killinik just off the Quebec coast no longer exists, since all the Inuit have integrated villages in the Ungava Bay).

Affaires indiennes

Indian and

## RÉGION DE QUÉBEC

#### POPULATION INDIENNE ET INUIT

# 31 DÉCEMBRE 1977

*CRIS	6,873	8 bandes	23%	de la population indienne au Québec
HONTAGNAIS	6,841	9 bandes	23%	de la population indienne au Québec
*MOHAVKS	5,928	2 bandes	19%	de la pópulation indienne au Québec
*ALGONQUINS	3,414	9 bandes	118	de la population indienne au Québec
ATTIKAMEKS	2,597	3 bandes	9\$	de la population indienne au Québec
*HICHACS	2,286	3 bandes	83	de la population indienne au Québec
нияомѕ	1,185	l bande	48	de la population indienne au Québec
ABÉNAKIS	675	2 bandes	2%	de la population indienne au Québec
*HASKAPIS	379	l bande	12	de la population indienne au Québec
TOTAL	30,178			
*IHUIT	4,918			•
Population totale	35,096			

<sup>\*</sup> Langue seconde ANGLAIS (63% de la population indienne du Québec) (100% de la population inuit)

Les quatre (4) autres nations utilisent le français comme langue seconde Montagnais, Hurons, Abénakis, Attikameks.

Affaires indiennes et inuit

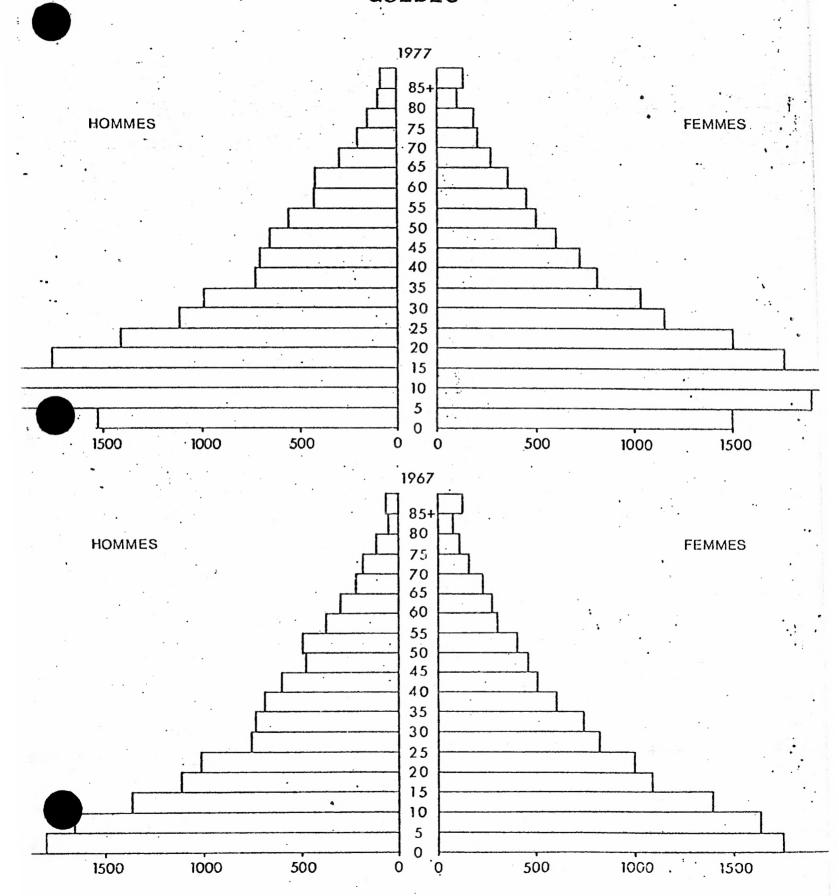
According to the official December 31, 1977 statistics there are 30,178 Indians and 4,918 Inuit for a total population of 35,096.

The Indian population comes from nine different nations as indicated in this table.

Those preceded by an asterisk are those who use English as their second language. This group totals 63% of the population.

Occasionally, this situation is a source of delay, as we consider it imperative to distribute consultation material in both languages at the same time. The two versions are not always available at the same time.

# SELON LE SEXE ET LE GROUPE D'AGE QUEBEC



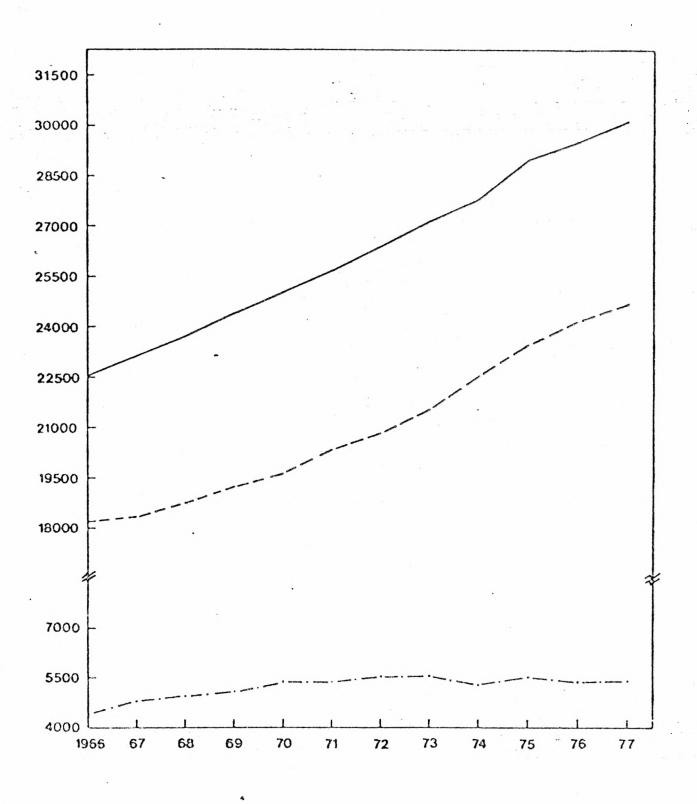
a.i.i. section recherche et évaluation Source: Tableau 3.

mars 79

Over 10-year period covered by the two graphs there is a noticeable reduction in the birth rate.

As you will also note there is still a large segment of the population under 20 years of age. - 49% is in that age group.

# POPULATION INDIENNE INSCRITE SELON LA RESIDENCE REGION DU QUEBEC . 1966-1977



--- Population totale

Population sur réserve et sur des terres de la couronne

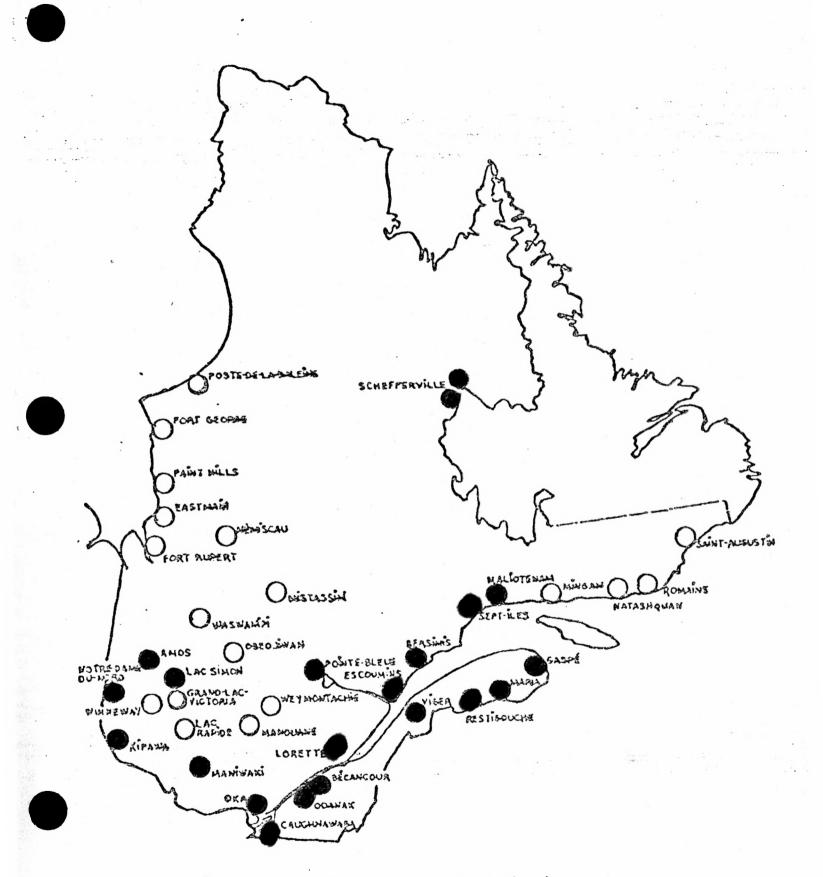
- Population hora réserve

Most of that population - 82% - live on reserves or Indian communities. Over the last 8 to 10 years there has been a marked tendency to remain on reserve.

In 1974-75, 32 applications for off reserve housing were approved. In 1978-79, there were only 12.

These population statistics do not include somewhere around 1000 persons, who are not Indians according to the Indian Act, but nevertheless recognized by the Crees as beneficiaries under the James Bay Agreement. - They are James Bay Crees. - Their leaders and legal councils have argued that they are entitled to all the benefits of departmental programs. While we take the official position they are not entitled to programs, they still enjoy some of the benefits, not as individuals but as members of the community.





Répartition des communautés selon leur degré d'urbanisation



Same -urbaines

Ciscites

This shows a classification of reserves in three categories:

#### Red denotes urban reserves

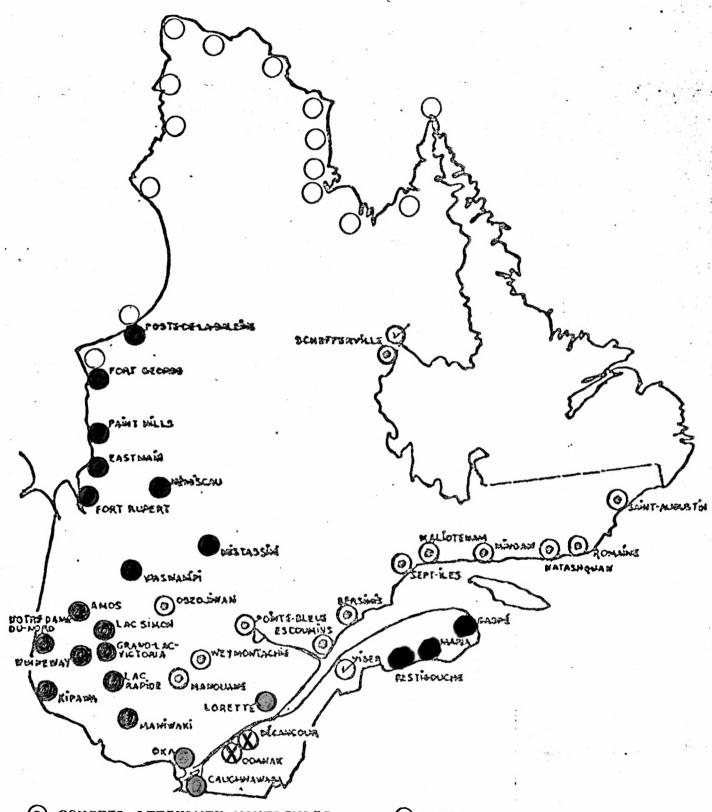
- 34% of the on reserve population (about \frac{1}{2} of the total group is at Caughnawaga)
- population increases at a rate of 1.2%
- about 53% of the off reserve population comes from this group of reserve.

### Green denotes the semi-urban reserves

- 23% of the on reserve population
- population increases at a rate of 1.5%
- 35% of the off reserve population in this group.

#### Blank denotes the isolated communities

- 43% of the on reserve population
- population increase is over 2.5%
- only 12% of the off reserve population
- a very young population with 60% under 20 years of age.



- O CONSEIL ATTIKAMEK-MONTAGNAIS
- GRAND CONSEIL DES CRIS
- INDIENS DU QUEBEC (COALITION)
- ASSOCIATION DES CHEFS ALGONQUINS
- O ASSOCIATION DES INUIT DU NOUVEAU-QUEBEC
- ASSOCIATION DES MICMACS
- GRAND CONSEIL WABANAKI
- YAUCUNE AFFILIATION

#### POLITICAL ORGANIZATION

The situation is in a turmoil, and this has existed since December 1978, when Indian delegates to the C.I.Q. (Confederation) failed to agree on the election of officials and of a board of directors. It exists as a legal entity - it has a valid charter - but it has no power to act despite the fact that officials have continued to consider themselves in office despite the lack of a mandate.

There are now seven different regional associations operating in the Province, and the Naskapi shown as not affiliated, are, I believe, members of the Labrador Association.

There are the dissident communities of Povungnituk, Ivujivik and partially Sugluk although the community council and the majority have elected to abide by the J.B.N.Q.A.

The Micmacs are still members of the Coalition. This association (the Coalition) does not have legal status. Their leaders have previously indicated that they were operating under the charter of the Confederation but our legal advisor has given us an opinion to the effect that this is not possible.

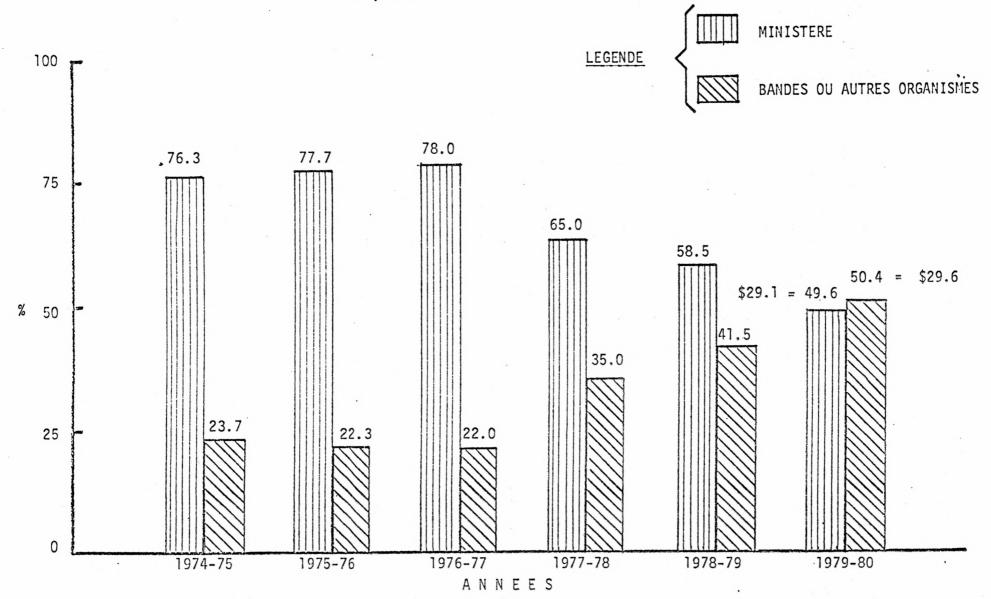
This map may change in a short while. ANIQ (Association des Nations indiennes du Québec) is, we are told, on the eve of becoming reality. From what information we have, none of it official, it would regroup all but the Micmacs, Hurons and Mohawks and provide general support role to the regional organizations.

Continued funding of the Quebec Indians through the Confederation of Indians of Quebec should be discontinued.

# AFFAIRES INDIENNE T INUIT

## Région de Québec

Tableau des fonds d'E & E administrés par le Ministère versus les fonds administrés par les bandes ou autres organismes, excluant les salaires.



Every band administers varying amounts of the budget. None of our bands are considered rich. The Naskapis have the most as a result of the N.E.Q.A. The Crees as a group have access to the compensation fund paid under the J.B.N.Q.A. but do not, as individual bands, dispose of those sums. Paint Hills is the only exception, having lately negotiated the SAKAMI agreement, but most of the money is tied up in various works.

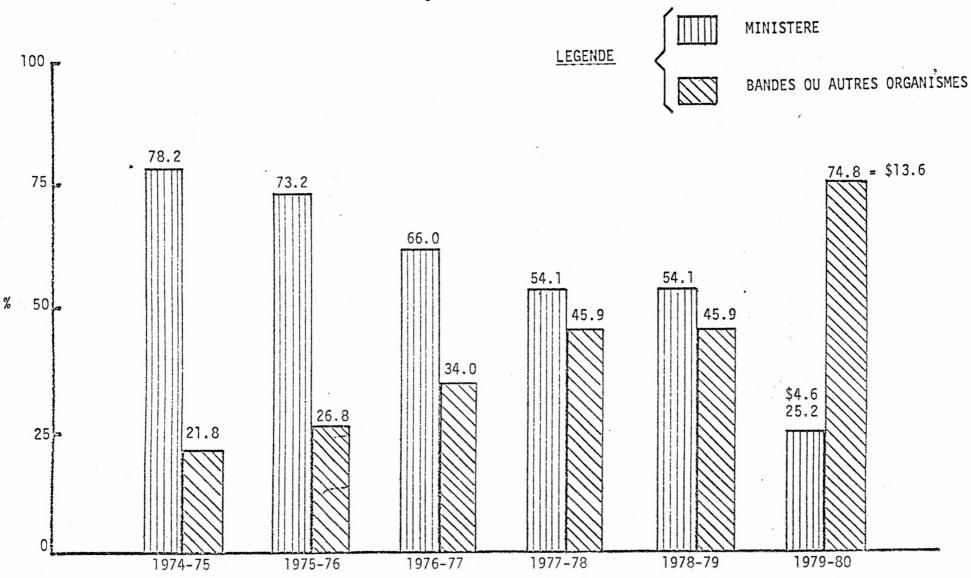
Generally bands administer well. One band is under the control of a joint committee, and the administration of a second one is under review. In both cases it is a matter of competence of the band staff.

This graph shows the progress made in the amounts of other O&M administered by the bands. Salaries are excluded. We are rather proud of that situation and that shown in this next graph.

# AFFAIRES INDIANNES ET INUIT

## Région de Québec

Tableau des fonds d'immobilisations administrés par le Ministère versus les fonds administrés par les bandes ou autres organismes.



ANNEES

This graph shows even more dramatically the take-over of programs by the bands. In 1975, bands were administering 21.8% of the capital; in 1980, we administer only 25.2% - only a few percentage points short of a complete turn around.

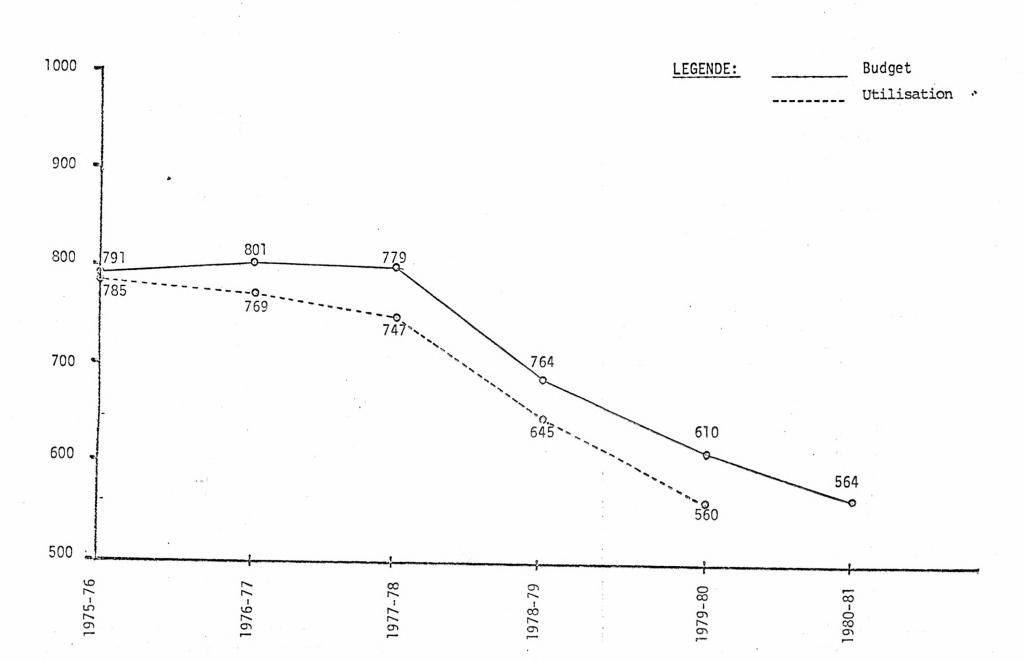
1979-80 is the first year of a five-year agreement with the G.C.C. they have taken over the entire Capital program for all the Cree bands (except Fort George relocation). The agreement calls for considerable expenditures to effect a complete catching up of the backlog of needs over a five-year period. To accomplish this the Crees will use extensively their compensation fund. The Department agrees to refund those expenditures over a longer period (10 years or so) according to program standards, and, of course, providing Parliament makes funds available; that is very clear in the contract. The approach has a number of advantages:

- the refund will be on the basis of funds expended with no interest or inflation factors;
- Crees needs have long been neglected and are therefore more accute. The problems will be resolved without accelerated expenditures on our part;
- our total cost will likely be less in the long run;
- our risks are minimized. We will be refunding and will do so on the basis of approved works at approved costs. Any over-run would be absorbed by the Crees, unless they can prove that costs were legitimate.

# AFFAIRES INDIENNES ET INUIT

# Région de Québec

# TABLEAU COMPARATIF ANNEES-RESSOURCES



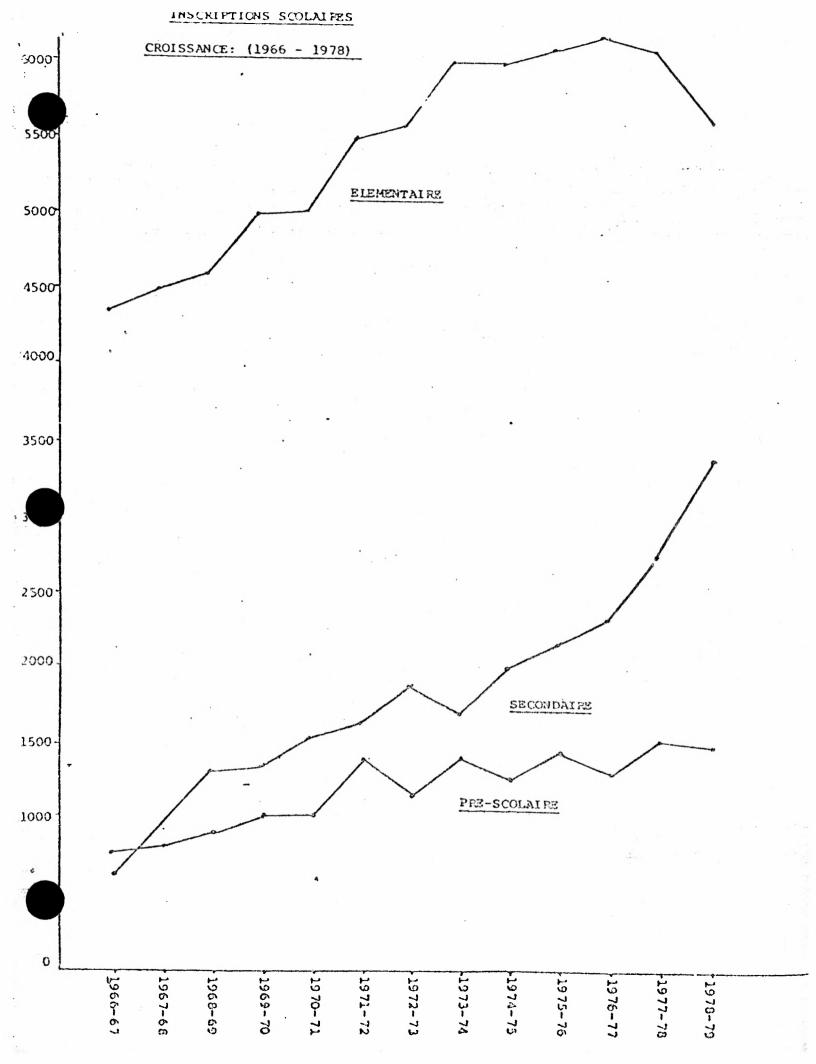
In a previous graph, salaries were excluded. Lest someone concludes that we are slashing away man years and dollars, this graph shows what happened in those same years.

On the budget line, we have reduced from 801 in 1976-77 to 564 (projected 1980-81) a net reduction of 237 man years. The utilization lines shows a reduction from 785 to 560 a total of 225.

The most significant contributing factor has been our withdrawal from direct involvement in the education of Crees and Inuit (145 man years were involved) and projected withdrawal from the administration of other services in the North (possibly 46 man years).

Such reduction however with that which might result from reorganization must not however effect the salary dollars. The region will need those financial resources to cover salary of band employees and perhaps part of a federal provincial agreement on the withdrawal from the North.

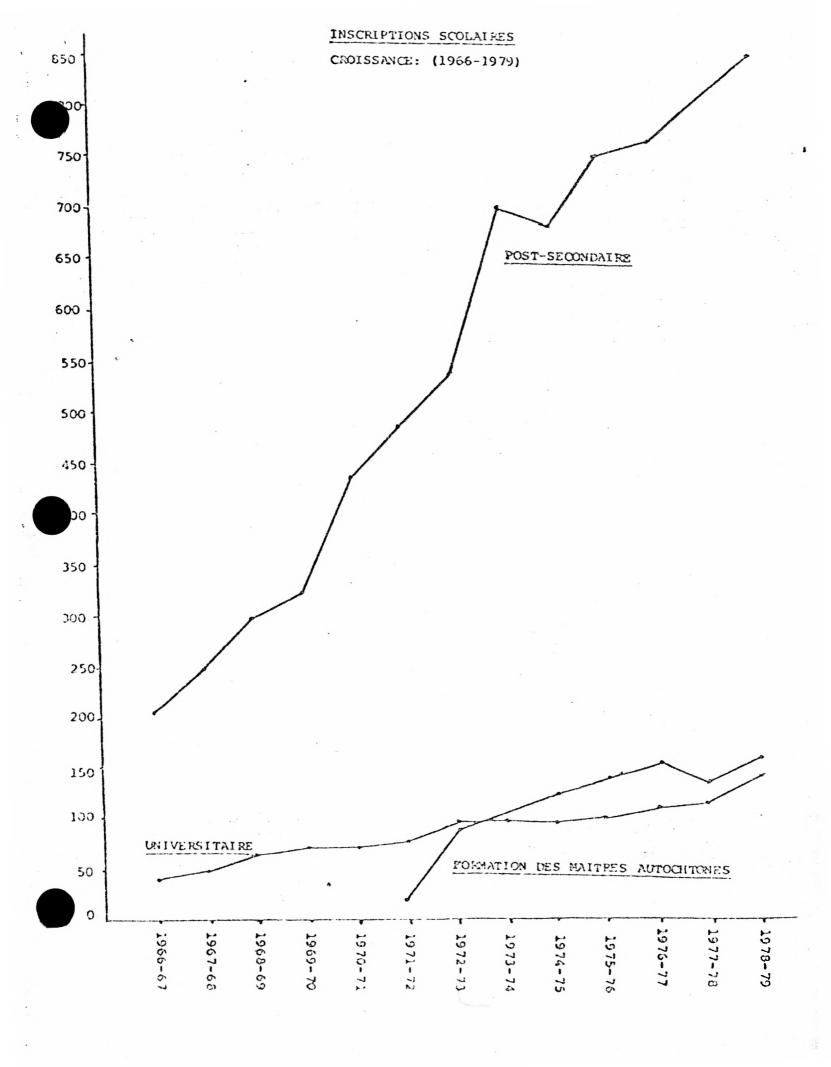
In respect to band salaries, there is a problem that we are beginning to experience. It has to do with the resources required by bands to pay the employers share - the benefits - retirement plan, medical plan and whatever which is not absorbed by the regional budget in the case of public servants; in the case of bands however we must absorb these costs. This year our contribution to approved retirement plans for band employees and the Amerindian Police force will total about \$190,000. Next year most bands are expected to have a plan and our cost will then be in the range of 350-400 thousand dollars, not including teachers, or new transfers of programs.



This shows the steady increase in the school registration in all schools (federal, provincial or others). The reduction at the Elementary level starting in 1975-76 is due to the following factors:

- among Native population is not as high as among non native population it still remains relevant factor contributing to a decrease in the elementary enrolment.
- 2) The implementation of an age-group system as compared to grade-group system in elementary schools has contributed to a reduction of elementary pupils to the profit of high school.
- 3) The re-organization of elementary education in this Province whereby the elementary curriculum is covered within a six-year period compare to a prior seven-year is also an important factor of the noted drop.

It is important to note that the two of the abovementioned factors contribute as much to a large increase at the secondary level as well as to a decrease at the elementary.

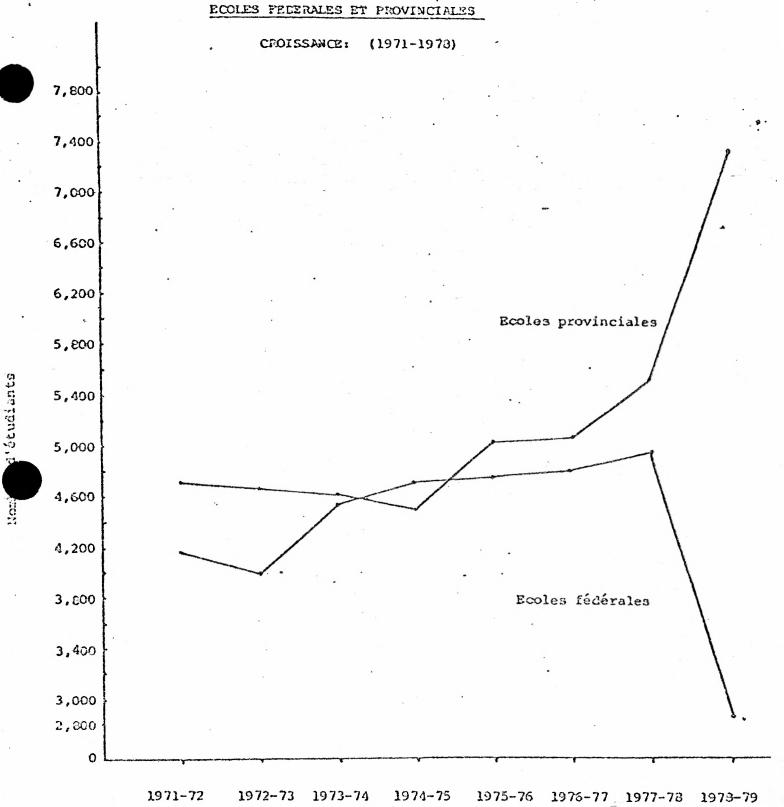


This graph shows inscriptions at the post secondary and at the University levels.

It flows from this and the previous graph that 38.2% of the total school enrolment is at the secondary level. The provincial percentage is 40. We are therefore very close to that figure. There is one area for which I do not have precise statistics and that one might not be so advantageous - it is in the area of age/grade distribution. In a next review we hope to cover that subject more adequately.

The line "Formation des Maîtres autochtones" - this is a special program which has as its unique goal the training of Indian teachers to replace the non-Indian teachers in reserve schools. It is a degree course given by University professors. This year there are 180 Indians registered in this program. 128 have achieved the certificate level and some are continuing their studies for the obtention of a B.A.Education. That course will eventually end as we are not accepting new entries in the program.

# DOMBRE D'ETUDIANTS DANS LES



Remarque: Il y a 292 étudiants pour une école opérée par une bande pour l'année 1978-79.

This graph shows the number of students in provincial schools and in federal schools. The marked change in 1978-79 is due to the take-over by the Kativik and Cree School Boards.

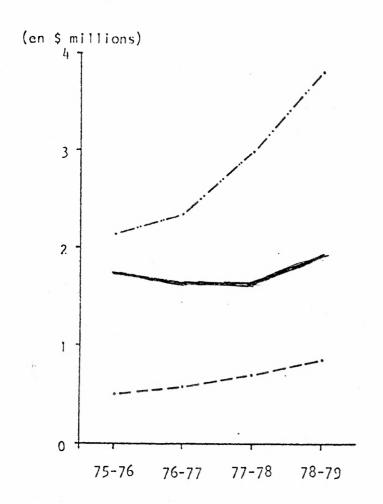
In the coming years we will need a line to show the enrolment in band operated schools. In 1978-79 there were 292 pupils in the Caughnawaga Survival School. This year Sept-Iles has taken over one school from the Sept-Iles School Board and are providing education to Indian students at the elementary level. There are 122 pupils involved.

#### SOMMES CONSACREES A L'ASSISTANCE SOCIALE "

AUX INDIENS DU QUEBEC

SELON LE TYPE DE RESERVE

1975-76 A 1978-79



## LEGENDE

Réserves urbaines

Réserves semi-urbaines

---- Réserves isolées

#### SOCIAL ASSISTANCE

This graph shows social assistance costs by types of reserves. It is interesting to note that semi-urban reserves are by far the most costly. 23% of the Indian population live in semi-urban reserves; over 50% of the social assistance payments go to those reserves.

Isolated reserves with 43% of the population receive about 30% of the assistance. It should be said that Crees fall within that category and they now have the guaranteed income program for trappers.

The semi-urban reserves are usually located in economically depressed areas. The population has only very limited access to natural resources and often has little choice but to fall back on social assistance.

#### HOUSING

(Basic data from 1979 report)

1977 BACKLOG OF HOUSING NEEDS

845

Constructions - 1978-79 - 133

1979-80 - 178

311

534

USING A REPLACEMENT FACTOR OF 3% and annual family increases at 152, we should build 272 houses annually in order to keep the status quo.

272 x 2 years

544

1980 BACKLOG

1 078

NET INCREASE IN BACKLOG: 1 078

- 845

233

#### HOUSING & INFRASTRUCTURES

One of the disadvantage of having been with this Department for a long time is that you get more nervous every time you use housing statistics with the view of showing needs. On the other hand, if you have been long in the Department, you can always come up with a plausible reason or excuse for the discrepancies that invariably show up. I remember one year blaming the Vietnam war for messing up our housing statistics in the Maritimes.

It seems that no matter how we look at them, we seem to be losing ground. Annual needs arising from new family formations and from replacement needs (a 3% factor) for each of the last two years was 272 new units. Two years ago, we built 133 houses and 178 last year. Our backlog over the last two years would have gone up by 233 units. If the balance of the statistics are correct, we have a need for 1 078 new houses at the end of 1979-80.

Additional funds would undoubtedly help, but there are other problems:

- There is a reluctance by Indians to borrow in order to supplement our contribution.
- On many reserves, we must maintain the present distribution between housing and infrastructure.
- On three reserves last year we refused to provide housing assistance because of the total lack of effort on the part of the councils to meet previous commitment to repay guaranteed loans. It is showing dividend in two of those reserves.

#### DISTRIBUTION OF CAPITAL - 1979-80

HOUSING & INFRASTRUCRURES - 93%

EDUCATION - 6%

ADMINISTRATION - 1%

HOUSING & INFRASTRUCTURES - 93%

DETAILS

HOUSING - 37% (includes 10% for Fort George)

WATER & SEWERS - 32.5% (includes 9.5% for Fort George)

ELECTRIFICATION - 9.5%

OTHERS: - 14%

Streets, oil storage, tools, garages, bridges,

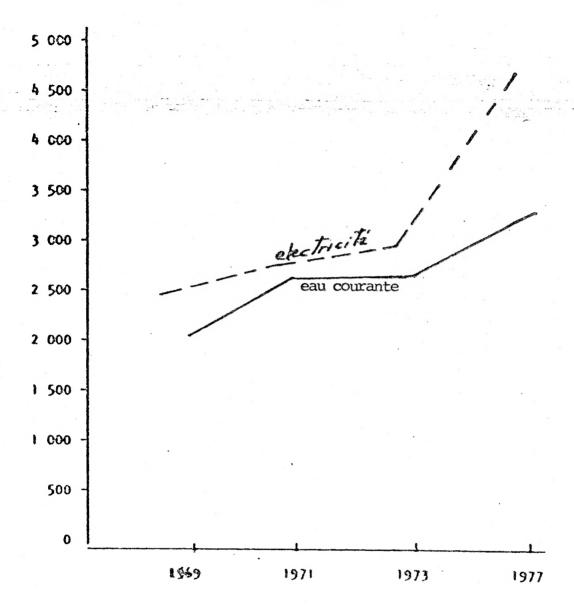
etc.

In 1979-80, this is how the Capital budget was distributed. Very little of it was utilized for objects not related to housing and housing infrastructure.

1980-81 will be somewhat similar and we may maintain this distribution for a few years yet. By 1985, major infrastructure needs will have been met in all the larger communities, and we should then be able to direct a much larger percentage of the budget towards the construction of houses.

DEELD NO KOLDEN

Nombre de maisons avac sou courante et électricité 1969-1977



Most houses are serviced with electricity. Manowan will be added this year leaving Obedjiwan and Weymontachie without any immediate plan for long term solution. There will also remain Rupert House, Paint Hills and Eastmain among the Cree communities. These last three may have better prospects of long term solutions if Hydro Quebec embarks upon the development of the NBR.

With respect to running water, there will be a major upward swing with the completion of Chisasibi (Fort George), Rupert House and Mingan.

# COST BENEFIT RATIO I.E.D.F. - 1970-77

COST: 1977 dollars - \$7 401 421.

GRANTS
ACTUAL LOSSES
POTENTIAL LOSSES

BENEFITS: (salaries + profits)

High - \$116 000 000.

Medium - 83 000 000.

Low - 67 000 000.

<u>RATIO</u>: High - 15.69:1

Medium - 11.31:1

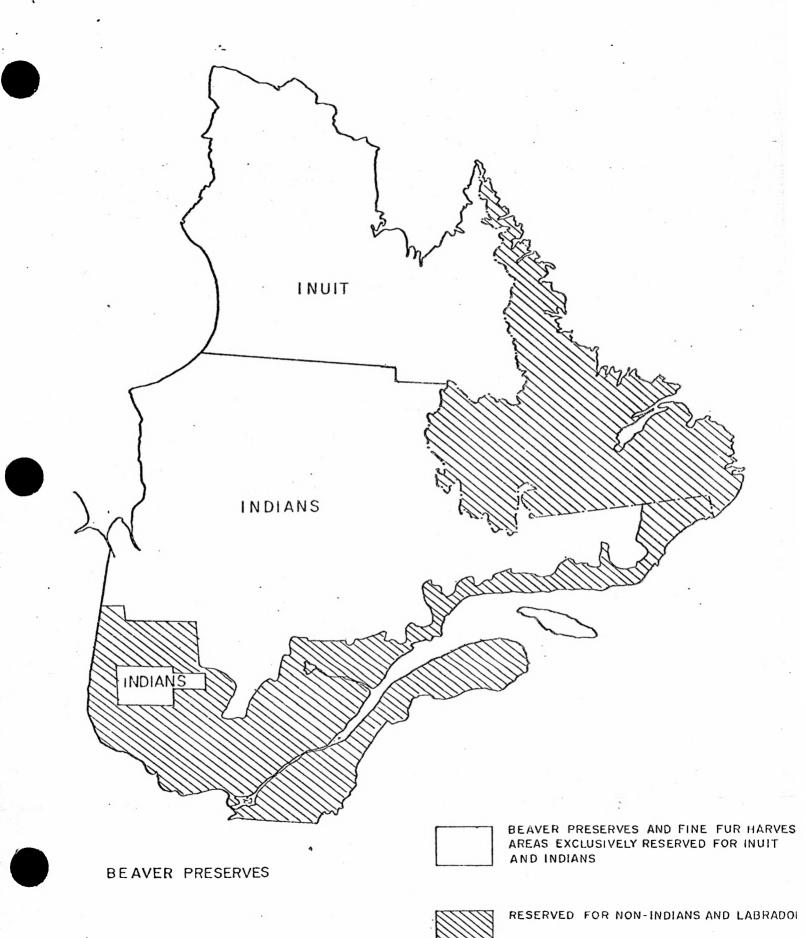
Low - 9.07:1

There has been so much criticism leveled at economic development in recent years that some of the officers still give the appearance of being shell-shocked. We have lost a great deal of our "daring spirit"; perhaps it needed curbing but it did not merit some of the very harsh statements of wholesale failure.

A professional economist on staff recently did an evaluation of the I.E.D.F. in the Quebec region. A rather revealing statistic was one of the results.

Assuming the lowest return figure, the Fund still operated on a ratio of 9.07:1. That is not such a bad performance.

The failure of the Fund in Quebec is the increased gap between the "haves" and the "have nots". Indians and bands closest to market were definitely favoured. You can't develop a successful golf club in Obedjiwan, but you can do it in Caughnawaga. The semi-urban and isolated reserves made little use of the Fund because it concentrated on loans, and those reserves were and still are in much greater need of a development fund.



For a number of reasons, including higher prices, fur is becoming the natural resource which offers the greatest appeal and one of the few available economic activities for isolated reserves. It is receiving more attention by the Department.

Indian reserves are very limited in area, except for the case of Category I-A lands for the Crees, but the Indians and Inuit have exclusive trapping rights over something like 80% of the province. Even before the James Bay Agreement, the Province had set aside by order in council some 325 000 square miles of beaver preserves.

Employment programs and economic development have pooled financial resources to allow some 10 trappers committees to function. Special attention has been given to

- the inventory of trap lines;
- training in modern trapping techniques and maintenance of equipment;
- setting up an adequate collection and sales system which provides the highest possible return to trappers.

The goal is to organize some 3 000 trappers who would share \$9 000 000. in annual revenue from fur sales.

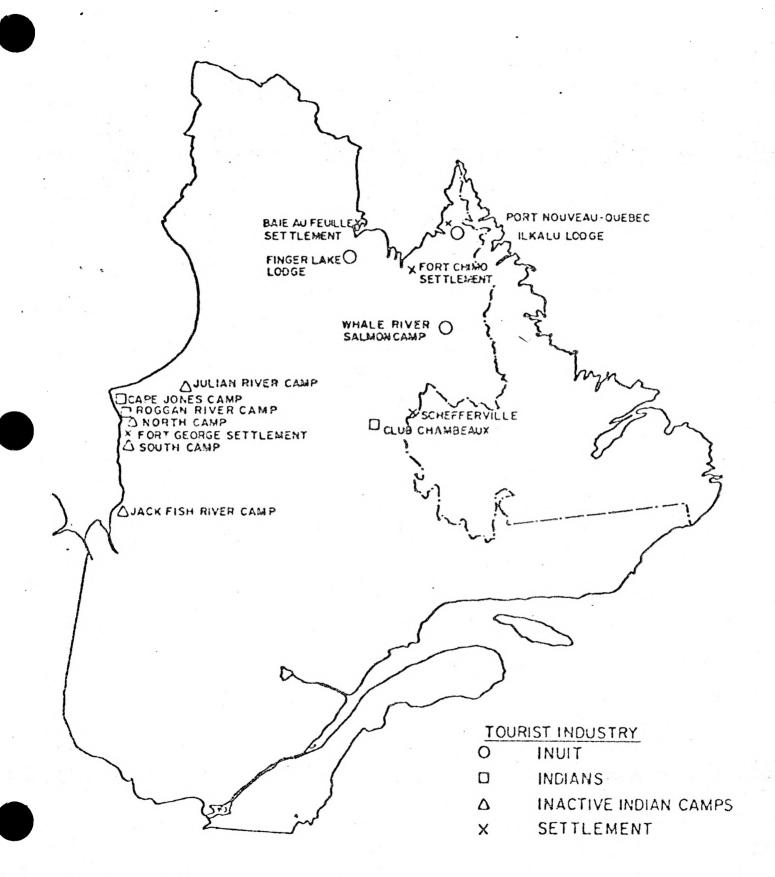
The sales last year were 1-3/4 million (known sales). This year, indications point to sales of 3 million.

The other traditional occupation is the production of handicrafts. In the early 1970, we placed a great deal of effort in the development of a viable industry. The first priority was to clean it - remove the made in Japan type of souvenir items - and the second one was to organize production. We did not feel that marketing was much of a problem.

Our first priority was attained successfully. Through museums, libraries and archives, the authentic was "rediscovered" and the publicity made on reserves resulted in a pronounced renewal of interest. To meet the production need, many reserves formed a local handicraft association - today I believe they number 21. These were regrouped under the provincial association.

Some 15 reserves have been provided funds to build a community handicraft shop to serve as production and sale centres. Training courses were organized through the services of CMC's and school boards. Last year and again this year, the Indian pavilion at "Man and his World" has presented Indian artists and handicrafters and this has further encouraged Indians to pursue this activity.

Because of difficulties between the provincial and local associations, we have continued, on request, to provide assistance in the field of production. This year, our contributions totalled some \$125 000., and are expected to reach \$3 million.



Tourist outfitting fits well with fur harvesting and handicaft to create opportunities for full employment. Taken by itself, it is however a struggling activity. After a number of lean years, this year all six major operations showed a profit, and this for the first time. Inuit have been the most successful operations. It is not a high return operations although governments and transportation companies have done well. A 1974 in depth analysis showed that governments were getting considerably more per client/day than their financial investment; the Indian and Inuit operators were lucky to break even. We cannot, however, let this activity fall down.

Forestry used to be an intensive labour industry and was an important source of employment particularly for the Attikamek and Algonquins. Mechanization of that industry has had a great impact on the Indian labour force. The closing of I.T.T.'s operation on the North shore will have repercussions on employment opportunities for Indians.

Unfortunately, reserve land in Quebec is not extensive and only a few bands possess most of the reserve lands (Bersimis, Maniwaki and Caughnawaga). Indians must depend upon the forest industry outside the reserve. Most of the good forest land surrounding reserves is under exploitation permits by large companies. Pointe Bleue has been trying for years to obtain a cutting permit which would be adequate to support a viable sawmill on the reserve.

Lately, the B.E.D.C. program has taken a new turn. Indians are recognizing it as one of the useful vehicle for the planning of economic development. Pooling resources from that program and from employment programs, Indians are putting serious efforts in the evaluation of available resources for job creation.

These evaluations lead to the planning of the take-over of economic development activities. Two weeks ago, we sat for the first time with the C.R.A. to discuss program transfer. The Cree representatives made it very clear that they are interested in pooling resources from both governments for the coordination of all development activities.

There are no D.R.E.E. agreements in Quebec to which Indians can participate except in the tourist industry, where Pointe Bleue and Caughnawaga may be in a position to obtain financial assistance for two community projects.

### POLICING

Caughnawaga and Village Huron have their own constabulary force. Some Cree communities also have their own. Oka and Maniwaki do not have any Indian police force. All the other reserves receive services from La Police amérindienne. This year, it operated with some 70 trained police officers and a budget of about \$2 million.

We have not been able to secure a provincial agreement for policing services. The Province is obligated by the James Bay Agreement to share the cost of policing on Cree communities; if we receive the green light on the cost-sharing formula, an agreement could be easily concluded.

The discussions on a provincial wide policing agreement and on the Cree agreement have however been placed on the back burner as a result of the Caughnawaga situation. In that respect, Quebec is awaiting a response to a proposal it made to the Indians late last year.

**JBNQA** 

James Bay and Northern Quebec Agreement The main agreement providing for political
and administrative jurisdiction in the
Territory - Applies to Crees & Inuit.

NEQA

- It has the same general provisions as apply to the Crees in JBNQA. It calls for the relocation of the existing community.

SAKAMI LAKE

For reasons involving mainly water levels in the Sakami Lake area, SEBJ secured an amendment to JBNQA. Paint Hills is the beneficiary and will get \$25.5 million, mostly in works (\$17.5).

CHISASIBI

The cost of protecting the existing island village from erosion and of building a permanent bridge were so high that it was preferable to relocate the village.

Cost: \$50 million.

Canada's contribution: \$10 million.

No overview of the Quebec Region would be complete without a look at the James Bay agreement. Without a doubt, it was the most significant event in the annals of Indian Affairs in Quebec. It has significance because of what it provides for Indians, but it is also very significant because of the fundamental changes in Indian attitudes and their capacity If we were to point to one single moment for leadership. in the development of the Agreement, the Malouf judgment would certainly rank high. The fact that the Indians suddenly realized that they could take on the "white man" in his own institutions and win is certainly a factor in the rapid rise of the Crees from a trapping and fishing economy, recipients of government services, to a situation where they have become the decision makers in many service areas.

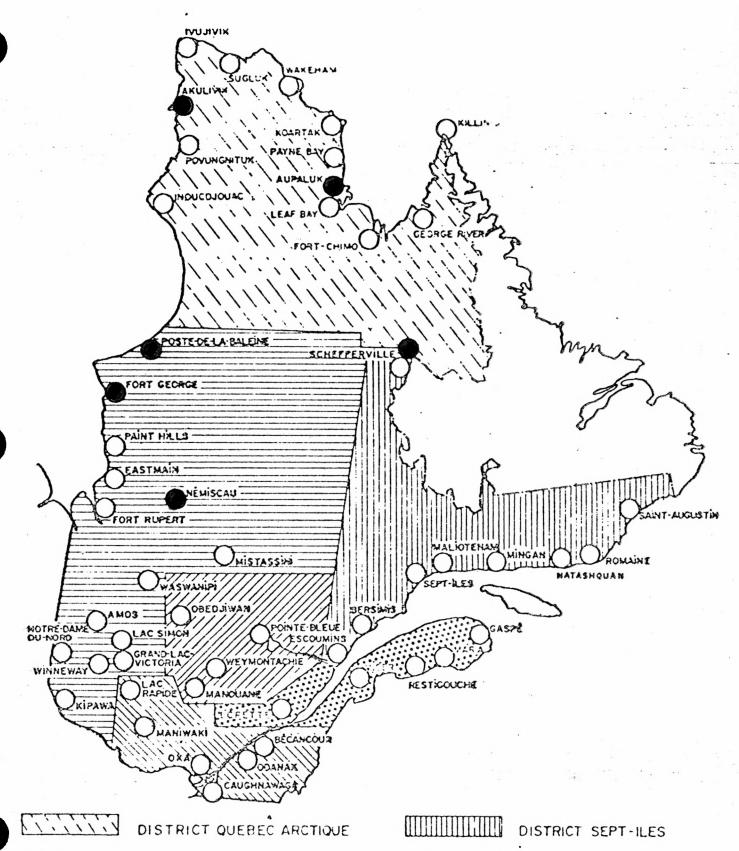
Education

 Indians and Inuit have each their own school board, financed jointly by Canada and Quebec.

Local Administration

- Inuit operate through provincially constituted municipal corporations, and a regional administration. Canada will withdraw from direct implication in housing, municipal services and electricity.
- Crees and Naskapis will operate under federal legislation currently being discussed. Delays are creating problems and it is urgent that it be finalized as soon as possible. I understand that the briefing material is ready for presentation to the Minister.

If there are particular interest in other aspects of the agreements, we can cover them later. The one area which I would like to cover however briefly is the relocation of villages.





DISTRICT MONTREAL



DISTRICT D'ABITIBI

DISTRICT POINTE-BLEUE

BUREAU REGIONAL

AUPALUK

 Our involvement restricted to a few housing units under the Northern Housing Program.

AKULIVIK

- Same as Aupaluk.

GREAT WHALE

This is under study. If it relocates, the financial obligations of the Department are not clearly expressed. We have said we would not contribute.

FORT GEORGE

- Relocated inland to Chisasibi - our contribution \$10 million - the last of it will be paid by April 15, 1980.

NEMASKA

- Resettlement close to an old reserve which had been abandonned 7 or 8 years ago. Our share is \$2.5 million with first payment in 1980-81. It is covered in the Capital agreement with the C.R.A.

NASKAPIS

- Last Thursday, the community voted massively (132-13) for relocation. Our contribution is \$5.4 million payable over a 3-year period. The first million is statutory and due this year.

### REGIONAL PROBLEMS AND CONSTRAINTS

Following the December 12th E.P.C. meeting, Mr. Connelly submitted a list of five priority issues with respect to Quebec.

## 1. Galeries montagnaises

I understand that it is still outstanding.

## 2. Municipal Services and electricity in Northern Quebec.

The J.B.N.Q.A. calls for a unified system to provide municipal services and electricity in Inuit territory. The Department would withdraw in favour of the Province. Services would be provided in accordance with arrangements between the Province and the various Inuit Corporations.

Because of complications which have arisen in the process of withdrawing from electricity as an arrangement separate from other municipal services, we requested a mandate last November to negotiate a deal whereby we would withdraw on the basis of an annual contribution not in excess of our 1980 budget - payable during five or six years. There has been no official response to our request.

Since the most convenient date for take-over is April 1, we have decided to approach the Province and try to negotiate an arrangement, while impressing upon our provincial counterpart that we are doing so on our own initiative and any deal we make will be of no value whatsoever unless it later receives the approval of those empowered to do so.

April 1 is not only the most convenient date. It is also dictated by the serious difficulties we have in staffing the few positions essential to the operation of the District. As I am speaking to you, the only program person on staff may be in the process of being evacuated for health reasons, and may not be able to return for the next two to three months. Our only recourse may be contracting delivery of services; this may present some difficulty in that the obvious parties to contract with would be the municipal corporations, and they require approval of the Province before entering into contracts with the federal government.

## 3. The Naskapi relocation

This issue is now almost entirely resolved. The only matter which is still an issue, and a very important one for us, is the source of funding particularly the \$1,000,000 statutory obligation. The Region will not be able to defend such funding on the basis of need or per capita share, and we will certainly be accused by other Indian groups if we use normal regional financial resources for this project. Incidentally the \$1,000,000 can be paid any time now since the vote was taken a week ago today and 80% of the eligible voters favoured the move. If anyone has loose change around, we'd be happy to know. also spend another 1.5 to 2 millions and this would net be paying accounts due in 1979-80, but for which payment was planned for in 1980-81.

- 4. The fourth item on that list had to do with terms and conditions. I realize that the questions raised have no simple answers; but we do need direction in this regard. The details of those questions appear in the attached DEX.
- 5. The fifth item had to do with policing. In order to get further action in this area, and with respect to the Cree agreement, there is the need to get an OK to a 60/40 split of cost. This was covered in our letter of November 28.

There are two other areas of concern which were not covered in our DEX of December 17.

- 1. The application of Section 12(1)(a)(iv) of the Indian Act produced some very emotional reactions. I understand that the matter can be resolved by the application of Section 4(2) of the Act. We hope that this can be done soon and that the mechanism to re-enter on the band list the names of persons so removed can be found, in order to avoid any claims of injustice by those people.
- The last concern is purely administrative. At the present time the Regional office is located in four separate locations, two of them being in different parts of a small shopping center. The bulk of the operation is located in the federal building in some cramped conditions. one decent meeting room for 10 persons, and we have access to the main conference room of the building (seating capacity of about 25). Parks occupy the balance of that building and although their arrangement is quite a bit more generous than ours, we have failed to convince them to vacate any part of it; at best they allow us to use one of their six or seven meeting rooms. A submission is being made to Treasury Board to impose a solution which would require Parks to vacate the space we need. Your assistance in pushing this through as quickly as possible would be greatly appreciated, and perhaps more so by the 56 persons sent in exile.

A

r. R.D. Brown Assistant Deputy	Minister	Programe
Indian and Inuit	•	Programs
HULL		

DATE: September 25, 1979

DOSSIER NO.: 301/1-2

NOMBRE DE PAGES :

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# MESSAGE:

My purpose in this dex is to verify with you my understanding on several points and, if it is correct, to have it confirmed. If it is not correct, I would appreciate knowing what the situation is.

- Each region will effect a 2% reduction in man-years during 1979-80. This means in Quebec a reduction of 12 man-years before April 1, 1980. The salary dollars associated with these will also be cut and be removed from the Department.
- Insofar as the 350 man-years cut envisaged nationally by the Department is concerned, the salary dollars will be retained by the Department to the extent the cuts are directly related to program transfers to Indians and/or Inuit. In cases where they are not but are due to reorganization and a more effective use of manpower, the funds will also be lost to the Department unless it can show a need somewhere else.

Turning to the subject of the new terms and conditions, I have the following observations:

1. We've carefully analysed the two transfer of payment methods envisaged and, while we think there are distinct advantages for both the Bands and the Department in the "Reimbursement of Expenditures" one over the other (Cash Flow Projection), we will nevertheless allow Bands to select the one they prefer. There is need, I believe, to have a clause in all agreements that reimbursement payments to Bands do not automatically imply approval of all expenditures incurred since only an audit at year end would usually certify that.

- 2. While I acknowledge the need for flexibility at the Band level, I seriously question whether we can or should allow a Band to move funds in the non-discretionary areas from one activity to another or among V.C.C.'s. The Treasury Board won't allow us to do it and holds us to a strict data base computation formula of units and unit costs, as mentioned in your letter of March 23, 1979, pages 2 and 3 on the subject of overtarget 79-80 distribution. Furthermore your recent instruction on the non-discretionary date base record keeping and up date system procedure manual page 14 item 5.1 confirm our statement. If bands are allowed to deviate as they see fit, how can we then maintain some semblance of consistency and reliability in the data base, the sine qua non for securing funding from Treasury Board?
- 3. Related in a way to the point raised in item 2 above, is a question in connection with Section 5 of page 3 of the letter of April 19, 1979 from Ron Fournier and yourself. I quote:

"It is possible under consolidated contribution arrangements for Bands to make transfers between activities. Such transfers will be accounted for and monitored through the Band Expenditure reports and need not have prior approval of the Department. It is imperative, however, that present standards and criteria on non-discretionary activities and any changes that may result from the current review of these standards and criteria be observed by the contribution recipients and contribution arrangements must so specify."

If we allow transfers between activities or between V.C.C.'s in the non-discretionary area, I don't think we can guarantee "that present standards and criteria... be observed by the contribution recipients". Take Education, for example, if the standards and criteria distate the hiring of one teacher for 26 pupils, could a Band decide instead to hire two teachers, each with 13 pupils, at double the cost and pay for the extra costs by siphoning off money from another non-discretionary activity? I think we maintain certain standards through the use of proven unit costs that compare somewhat with provincial costs and then by evaluation exercises from time to time.

Or could the Band also decide to pay its two teachers half the normal salary, live within its budget, but end up with two unqualified or partially trained staff? There is also the notion that many Indians will tell you Departmental standards and criteria, or T.B.'s for that matter, need only serve as a guide in band government operations. While I tend to agree, there appears to have been contradictory statements issued in respect of the terms and conditions. Or am I missing something?

4. I recommend the delegation of authority to Regional Directors be sought for the \$3,999,999. figure. Restricting it to \$1,000,000., as mentioned in the appendix attached to your letter dated September 4, 1979, particularly if it means that amount for consolidated, multi-year agreements, will create unnecessary delays.

R.M. Connelly Director General Quebec Region

# d) Consultation

In the preparation of annual budgets, it is proposed that there be more intensive consultation among bands, districts and regional office in June, July and August each year.

This consultation is the first step in the preparation of the program forecast, of estimates, and the objectives governing both these activities.

- Whom should the Department consult?
- How could this be organized?
- . When and for what purposes should consultation be regional in nature (with associations or nations)?
- When should it be with Band Councils?

# e) 1980-1981 Objectives

The region prepared the attached objectives for the 1980-1981 fiscal year. These were discussed with, and mailed to, Nation representatives in October.

- Do they sound reasonable to you?
- What changes do you propose?

# f) <u>Information Services</u>

- Its role with Band Councils and other Indian groups.
- Suggestions.

# B. SUGGESTED DISCUSSION TOPICS

# a) Indian Government

- What it means?
- What responsibilities it imposes on the Department and on the Indians?
- What different forms-it can take?
- What continuing roles it means for the Department and the Indians?

# b) Programs and Services

- quality, quantity
- shortfalls, priorities
- delivery methods
- financing:

# c) . Administrative structure of the Region

- What are its strengths, weaknesses (planning, programming, communication, consultation, decision-making, responsiveness, etc)?
- In order to assist the promotion of Indian government, what should the structure of the Region look like?
- What should be the role of the regional office? of the district?
- What kinds of services do you need from Indian Affairs? where? How many? Etc.

### MEETING WITH INDIAN LEADERS

## A. INTRODUCTION

The Quebec region wants to develop a system of ongoing and systematic consultation with elected Indian leaders in order to better determine and define its objectives so that these are consistent with the needs and aspirations of the Indian people.

As we all know, we are in a period of restraint imposed by the federal government. This Department, like others, is expected to make more effective use of its resources (staff and financial) in its delivery of services to the Indian people.

It is within that context that departmental officials want to undertake a series of consultation meetings, the object of which is to:

- 1) seek out and obtain the views and their thoughts about the future;
- 2) check these out against the objectives and goals of the Region;
- 3) establish those methods of operation most likely to to achieve the needs and aspirations identified.

### REORGANIZATION

Last but not the least in our presentation is the question of the Quebec organization. During the winter of 1979 the Region embarked upon a formal series of consultation meetings with all the Indian leaders. This text accompanied a letter to the various associations.

### 4. THE PROPOSAL

Effective April 1, 1980, the management functions in districts are moved to Quebec City. Staff, whether they be of the service delivery or advisory type and who remain in the district offices or who are placed elsewhere as needed, report to a manager in the Regional Office. As stated earlier, though the management functions of budget allocation, negotiation of agreements, etc. are placed in Quebec City, the delivery of services will continue to be as local as possible in those areas where the Department still administers programs (e.g., schools, social services, economic development, job creation, lands, etc.) There will also be technical assistance people left in the field to work as advisors to Bands in those areas where programs are run by Band Councils. In all cases, the staff complement to be placed in a given location will be decided upon after review of the needs with the Bands concerned. It is felt that a rigorous review of the situation, district by district, as described in section 5 will permit a considerable reduction in staff, particularly of the administrative type, while at the same time realigning resources to fit better with those needs expressed by Bands.

### 5. STEPS TO BE TAKEN

- a detailed analysis of the work presently being done in districts and the impact that will take place as a result of the centralisation of the management functions;
- each program Director in Regional Office will also be required to determine the impact of the changes proposed on his unit;
- the Bands' views on their needs will be incorporated with the above two exercises to determine the number, location, and type of staff resources the Department must provide.

## 3. A FEW REALITIES (Cont'd)

- the Council protects and respects the rights of individual band members;
- the Council consults, as required, and decides on the actions to take.

In short, the Band Council is, and must be, the Responsibility Centre Manager in the field.

As for the Department,

- it adapts and refashions its structure to support the above realities by uniformizing its administration throughout the Region;
- it centralizes in Quebec City the management functions of the region to improve it and to speed up decision-making. The main elements of this management are planning, budget allocation, control and evaluation;
- reduces considerably the levels of decision-making by making it necessary that band budgets be negotiated directly between Band Councils and program directors;
- ensures a more equitable distribution of the budget is made based on needs;
- it consults each band about the type of services (direct or advisory) it needs and tries to respond as completely as possible;
- it allows for the maximum coordination possible in programs to enhance job creation.

### 2. OBJECTIVES

- a) to facilitate and accelerate local control while being conscious of short and long-term needs;
- b) to improve the delivery of local services;
- c) to maintain some consistency and parity in the financing of bands;
- d) to eliminate the duality of roles of many staff;
- e) to professionalize services;
- f) to realign expertise with authority;
- g) to reduce the administrative bent of the Region to replace it with one geared to development;
- h) to obtain better use of Government resources (human and financial);
- i) to reduce the man-years and positions in the Region.

### 3. A FEW REALITIES

- in a local government content, the Band Council becomes a responsibility centre (management, coordination, planning)
- the Council is an elected government with certain prerogatives and responsibilities. The role of the Department (with the exception of the so called "trusts responsibilities" of the Minister) is essentially one of assisting in the development of that local government, and in the assuming by it of all its legitimate powers;
- the Council plans, establishes priorities, manages and controls money given to it by agreement; it is accountable to the electorate, it evaluates;

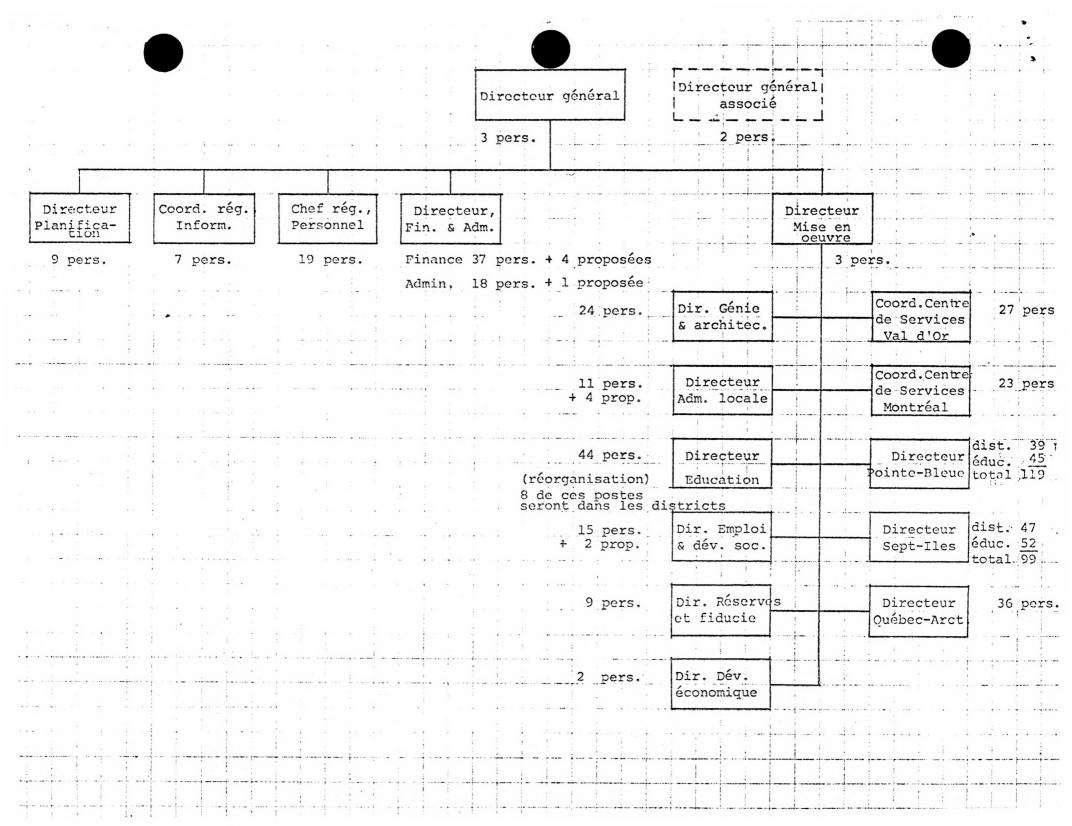
### 1. ASPECTS OF THE PROBLEM

- essentially administrative role of the Department;
- decisions take time;
- detail-conscious administration;
- lack of development services;
- hierarchisation of services (duplication, triplication)
- needs of bands are not those of the Department;
- preservation instinct;
- Councils often viewed as extensions of the Department;
- confusion about the two roles (management, advisory);
- too many people involved in management process;
- bureaucracy overwhelms the elected officals;
- many pressures on Councils from various sources;
- resources of Department poorly distributed (georgraphy, kinds, levels, etc.).

From these has developed a credibility gap between the elected leaders and the Department which neutralizes much well-intentioned action by civil servants and which also jeopardizes local control. It follows that the Department should change its structure so that roles are more clearly defined, so that confusion is removed, and so that all Departmental efforts go in the direction of supporting Indian government.

Following the series of consultation this document was prepared by Mr. R.M. Connelly. It sets out the rationale for a reorganization. There had not been any fundamental changes in organization for years. Numbers had changed but these organization changes did not really reflect the switch from a service delivery context to one of advisory services to bands taking over the role of service delivery.

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Finally when the organization is in place this is what it will look like.

At the Regional office the pluses will be in Finance and Administration (5) in Local Administration (4) and in Employment & Social Development (2).

This last graph shows one District only. Prior to becoming a service centre there were 47 persons. After the changes are complete there will be 28.

The reorganization affects Val d'Or and Montreal immediately, and the other two districts will follow. The delay was due to the fact that we had accepted a request for a delay by CAM (Conseil Attikamek-Montagnais) which wanted to come to a decision on their own take-over and because a take-over decision would have had a bearing on the kinds of persons we would have employed in the service centre.