

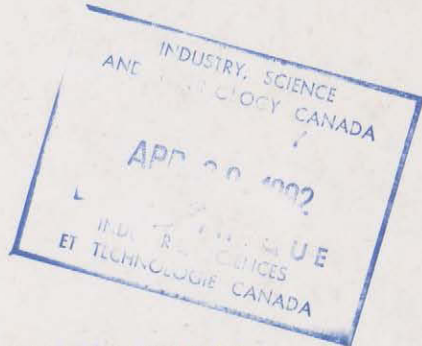
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Subsidiary
Agreement



Regional
Economic
Expansion

Expansion
Économique
Régionale



CANADA/SASKATCHEWAN
INTERIM SUBSIDIARY AGREEMENT ON
THE SASKATCHEWAN NORTHLANDS



AUGUST 18, 1975

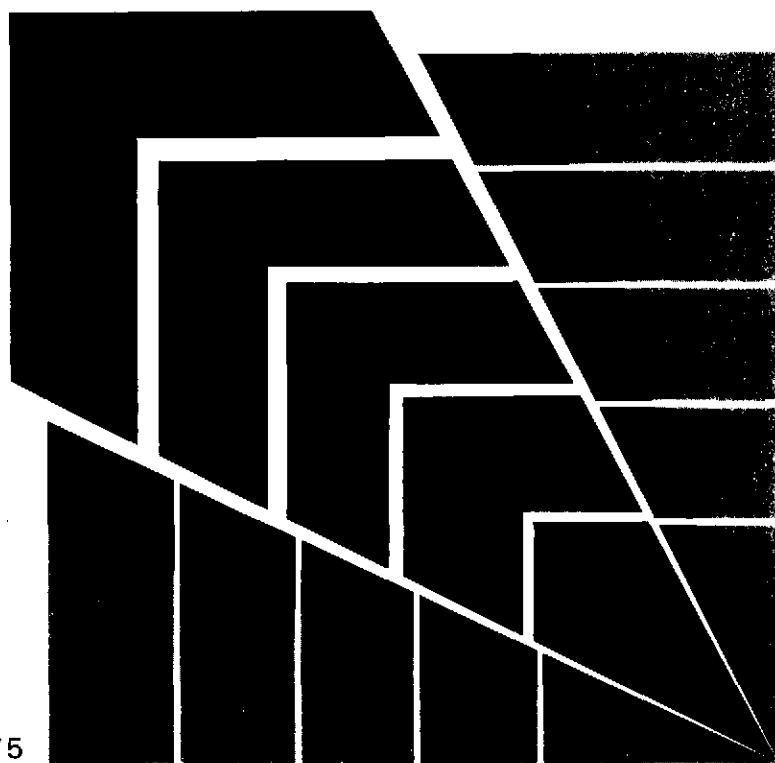
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CANADA/SASKATCHEWAN
INTERIM SUBSIDIARY AGREEMENT ON
THE SASKATCHEWAN NORTHLANDS



AUGUST 18, 1975

CANADA-SASKATCHEWAN
INTERIM SUBSIDIARY AGREEMENT
ON THE SASKATCHEWAN NORTHLANDS

THIS AGREEMENT made this 18th day of August, 1975

BETWEEN:

THE GOVERNMENT OF CANADA (hereinafter referred to as "Canada"), represented by the Minister of Regional Economic Expansion and the Minister of Transport,

OF THE FIRST PART,

AND:

THE GOVERNMENT OF THE PROVINCE OF SASKATCHEWAN (hereinafter referred to as "Saskatchewan"), represented by the Minister of Northern Saskatchewan and the Minister of Industry and Commerce,

OF THE SECOND PART.

WHEREAS Canada and Saskatchewan have signed a General Development Agreement, (hereinafter referred to as "the GDA"), dated February 11, 1974, under which they agreed to cooperate jointly in selecting and implementing initiatives for the economic and socio-economic development of Saskatchewan;

AND WHEREAS the northern portion of Saskatchewan requires certain measures to provide options and opportunities for people in the area to contribute to and participate in social and economic development, to encourage the development of the natural resources of the area, and to provide the opportunity for those people in the area who wish to do so to continue their own way of life with enhanced pride and purpose;

AND WHEREAS there are certain high-priority projects which can now be undertaken on an interim basis, pending agreement on a long-term program;

AND WHEREAS Canada and Saskatchewan agree to undertake such projects under an interim agreement and to establish a framework for the formulation and development of a long-term program;

AND WHEREAS the Governor in Council by Order in Council P.C. 1975-2/710 of the 27th day of March, 1975, has authorized the Minister of Regional Economic Expansion and the Minister of Transport to execute this Agreement on behalf of Canada;

AND WHEREAS the Lieutenant Governor in Council by Order in Council No. 485/75 of the 25th day of March, 1975, has authorized the Minister of Northern Saskatchewan and the Minister of Industry and Commerce to execute this Agreement on behalf of Saskatchewan;

NOW THEREFORE, the parties hereto agree as follows:

DEFINITIONS

1. In this Agreement:

- (a) "Federal Ministers" means the Minister of Regional Economic Expansion and the Minister of Transport of Canada and includes any persons authorized to act on their behalf;
- (b) "fiscal year" means the period of time beginning on the first day of April in a calendar year and ending on the thirty-first day of March in the following year;
- (c) "Group" means the Management Group established pursuant to section 5;
- (d) "Ministers" means the Federal Ministers and the Provincial Ministers;
- (e) "Principal Federal Minister" means the Minister of Regional Economic Expansion;
- (f) "Principal Ministers" means the Principal Federal Minister and the Principal Provincial Minister;
- (g) "Principal Provincial Minister" means the Minister of Northern Saskatchewan;
- (h) "Provincial Ministers" means the Minister of Northern Saskatchewan and the Minister of Industry and Commerce of Saskatchewan and includes any persons authorized to act on their behalf;
- (i) "Saskatchewan Development Committee" means the Committee established pursuant to sub-section 9.2 of the GDA;

- (j) "Secretariat" means the Implementation Secretariat established pursuant to section 5.

PURPOSE AND OBJECTIVES

2. (1) The purpose of this Agreement is to provide for the joint participation of Canada and Saskatchewan in formulating a long-term development strategy for the Saskatchewan Northlands and to initiate a number of social, economic and infrastructure projects which can be immediately identified as part of any long-term program.
- (2) Canada and Saskatchewan agree to the following long-term objectives for the development of the Saskatchewan Northlands:
- (a) to provide options and opportunities for the people of the area to participate in the social and economic development of northern Saskatchewan;
 - (b) to encourage the development of the natural resources of the area in harmony with resource conservation and for the benefit of northern residents and of the province and the region; and
 - (c) to provide the opportunity for people, who wish to do so, to continue their own way of life with enhanced pride and purpose.
- (3) Pursuant to sections 2 (1) and 2 (2), and the strategies set forth in the GDA, the projects provided for in this Agreement are focused on the following sector objectives:
- (a) to assist individuals and communities to improve their social and physical environment in a manner conducive to improved quality of life and participation of people in community affairs and development opportunities;
 - (b) to assist in the assessment, planning and development of resource-based and other opportunities for economic development in a manner which emphasizes and encourages value-added benefits in the area;
 - (c) to assist in providing year-round access to communities for the transportation of people, goods and services; and to assist in the planning, and development, of communications systems and programs in order to increase the participation of people in community, provincial and national affairs; and

- (d) to assist in and encourage the development of federal and provincial capabilities to coordinate, manage, and implement this Agreement and development program for the area.

SUBJECT MATTER

- 3. (1) Since additional time is required to plan and consult with residents of the area on a detailed long-term development strategy for the Saskatchewan Northlands, Canada and Saskatchewan agree that it is desirable to undertake certain projects which can be immediately identified as integral parts of any long-term development strategy, and which may, at some later date, be included under a long-term subsidiary agreement.
- (2) The parties hereto agree to undertake the planning and program design required to formulate a long-term development strategy as a basis for a long-term subsidiary agreement.
- (3) All activities to be undertaken under this Agreement shall be in accordance with the broad sector and program framework outlined in Schedule "A" and shall be funded within the allocations as indicated for sectors and programs in Schedule "B".
- (4) Each project or sub-project under this Agreement shall be submitted for the approval of the Management Group or the Secretariat, as the case may be, and shall be described in an appropriate project document which shall include the project or sub-project's name and description, its purpose and objectives, an outline of how it is to be carried out, its cost, the share of the cost to be borne by each party, the provision for evaluation, whether revenue accruing from the project is shareable between Canada and Saskatchewan, provisions for retroactivity where applicable, and such other pertinent information as may be required by the Group or the Secretariat.
- (5) Saskatchewan agrees to undertake the projects approved during the term of this Agreement, unless otherwise specified by the Management Group.
- (6) Saskatchewan shall acquire or arrange for the acquisition of all lands and interests in lands that are required for projects under this Agreement, unless otherwise provided by the legislative provisions to which either party may be subject.
- (7) Upon completion of each project for which Saskatchewan is responsible, under section 3 (5), it will accept full

responsibility for the project's continuing operation, maintenance and repair, except in cases where other federal-provincial arrangements apply.

- (8) Canada and Saskatchewan agree to establish measures to ensure that northern residents have the opportunity to participate in, recommend on, and contribute to planning studies carried out under this Agreement.

TERM OF AGREEMENT

4. (1) The parties hereto agree that this Agreement is operative and effective as of the 27th day of March, 1975, irrespective of the actual date of execution hereof.
- (2) Subject to section 4 (4), this Agreement shall terminate on March 31, 1977, or on the date on which a long-term subsidiary agreement on the Saskatchewan Northlands is signed, whichever date occurs first, and no project may be approved after that date.
- (3) Approved projects under this Agreement may be included as appropriate within a long-term subsidiary agreement, if such an agreement is signed between Canada and Saskatchewan prior to March 31, 1977.
- (4) It is agreed that this Agreement may be extended by written agreement of the Ministers to complete projects approved during the term of this Agreement in the event that a long-term subsidiary agreement is not signed by March 31, 1977, but in no case may this Agreement be extended beyond December 31, 1977.

MANAGEMENT AND IMPLEMENTATION

5. (1) A joint federal-provincial Management Group shall be promptly established, and it shall be charged with the overall responsibility and authority for ensuring that the intent and terms and conditions of this Agreement are carried out during the term of the Agreement.
- (2) The membership of the Management Group shall consist of two representatives of Canada named by the Principal Federal Minister, and two representatives of Saskatchewan named by the Principal Provincial Minister:
 - (a) one representative of Canada will be the Director General for Saskatchewan of the Department of Regional Economic Expansion, or his designate, who will be the Federal Co-chairman; and

- (b) one representative of Saskatchewan will be the Deputy Minister of the Department of Northern Saskatchewan, or his designate, who will be the Provincial Co-chairman.
- (3) The Management Group shall have the following responsibilities and authorities:
- (a) approving projects and amendments to projects submitted to it in accordance with section 3 (4) within the program funding limits established in Schedule "B";
 - (b) coordinating projects under this Agreement with other federal and provincial activities;
 - (c) recommending annually to the Ministers, as required by sections 8 and 9 of the GDA, estimates concerning proposed expenditures under this Agreement for the subsequent fiscal year;
 - (d) delegating such responsibilities and authorities as the Group deems necessary to the Implementation Secretariat;
 - (e) approving recommendations to it by the Implementation Secretariat;
 - (f) approving contract procedures recommended to it by the Implementation Secretariat;
 - (g) the initiation of environmental assessment when in its opinion a project to be implemented under this Agreement is likely to have significant environmental effects; and
 - (h) establishing such other procedures as may be required for the administration and management of this Agreement.
- (4) To ensure the effective and coordinated implementation of projects which have been approved by the Management Group,
- (a) the Management Group shall establish an Implementation Secretariat consisting of a Provincial Coordinator and a Federal Coordinator, which shall report to and take direction from the Group;
 - (b) the Secretariat, in consultation with the Management Group, may establish subcommittees or working groups to advise it and to assist it in its work, which bodies may include persons who are not members of the Secretariat;

- (c) the duties and responsibilities of the Provincial Coordinator shall include:
 - i) the coordination of the activities of the provincial departments and agencies which may be designated to carry out projects approved by the Management Group;
 - ii) the day-to-day administration of the provincial responsibilities under this Agreement; and
 - iii) the financial management of provincial aspects of this Agreement;
- (d) the duties and responsibilities of the Federal Coordinator shall include:
 - i) liaison with other federal departments and agencies involved in the implementation of this Agreement; and
 - ii) the financial management of federal aspects of this Agreement.
- (5) The responsibilities and duties assigned to the Management Group may be delegated by the Group to its Co-chairmen.
- (6) The Group shall meet as necessary, or at least every three months.
- (7) In the event of any irreconcilable disagreement in the Management Group, the matter shall be referred to the Principal Ministers for decision.

PLANNING

- 6. (1) Canada and Saskatchewan agree to undertake the planning and program design required to formulate a long-term development strategy as a basis for a long-term subsidiary agreement.
- (2) One representative of Canada and one representative of Saskatchewan, named by the Co-chairmen of the Management Group, shall be responsible for carrying out the work defined in section 6 (1).
- (3) The representatives named under section 6 (2) shall be responsible for, but not limited to, the following functions:
 - (a) reviewing and reporting to the Management Group on the progress of planning and program development and on progress made toward the development of a long-term subsidiary agreement;

- (b) liaison and coordination of planning with the Management Group;
- (c) coordination of the involvement of northern residents in the long-term planning process; and
- (d) recommending to the Management Group for consideration by the Saskatchewan Development Committee a socio-economic development program for the Saskatchewan Northlands to be the subject of a long-term subsidiary agreement.

CONTRACT PROCEDURES

- 7. (1) All contracts for construction, purchases and professional services shall be awarded in accordance with procedures to be established by the Implementation Secretariat and approved by the Management Group. Unless in the opinion of the Secretariat it is not desirable to do so, all contracts shall be awarded to the qualified and responsible tenderer submitting the lowest evaluated bid.
- (2) Canadian material and consulting and other professional services shall be used to the extent to which they are procurable and where practicable and consistent with economy and efficiency as determined by the Implementation Secretariat.
- (3) Subject to section 7 (2), in all contracts awarded and in the employment of persons on projects under this Agreement, there shall be no discrimination by reason of race, sex, age, marital status, national origin, colour, religion or political affiliation. It is agreed, however, that in order to be of further direct benefit to northerners, employment preference will be given to northern Saskatchewan residents.
- (4) The provisions of the Labour Standards Arrangement proposed by the Federal Department of Labour in 1970 shall be applicable to projects carried out under this Agreement, it being understood and agreed that to the extent there are higher provincial standards applicable to particular occupations or regions, these higher standards shall apply. In the aforesaid Labour Standards Arrangement, the following provisions are regarded as minimum standards:
 - (a) rates of pay shall be those prevailing in the area of employment for each classification of work, subject to the minimum wage specified in provincial legislation;

- (b) in building construction the rate of pay for overtime shall be time and one-half the specified prevailing rate of pay after the hours stipulated for purposes of overtime payment in the relevant provincial standards, which shall in no case be more than 48 hours per week;
 - (c) in road and heavy construction the rate of pay for overtime shall be time and one-half the specified prevailing rate of pay after the hours stipulated for purposes of overtime payment in the relevant provincial standards, which shall in no case be more than 50 hours per week; and
 - (d) labour conditions shall be specified in all tender documents and posted conspicuously in the work place.
- (5) Recruitment of labour shall be conducted in accordance with section 7 (3), and shall be done through Canada Manpower Centres where practical.

FINANCIAL

- B.
- (1) Subject to the terms and conditions of this Agreement, and subject to the funds being made available by the Parliament of Canada, the amount to be provided by Canada for the funding of approved projects within the development sectors in Schedule "B" shall not exceed \$35 000 000.
 - (2) Subject to the terms and conditions of this Agreement, and subject to the funds being made available by the Legislative Assembly of Saskatchewan, the amount to be provided by Saskatchewan for the funding of approved projects within the development sectors in Schedule "B" shall not exceed \$20 000 000.
 - (3) Costs incurred after April 1, 1974, by either party for existing projects may be eligible for cost-sharing under this Agreement, provided that the projects are approved by the Management Group within ninety (90) days of the signing of this Agreement, unless that period of time is extended by written agreement of the Ministers.
 - (4) Eligible costs under this Agreement shall include only those costs directly related to the implementation of approved projects, as determined by the Management Group, and may include:
 - (a) salaries and eligible benefits of employees of Saskatchewan or its agencies when those employees work specifically and directly on approved projects for a

period of at least one month; salaries and eligible benefits for professional and related support services, facilities, and materials; and

- (b) costs directly related to construction projects, but excluding administration, engineering, survey, design, or construction supervision costs, toward which an allowance of ten per cent (10%) of the costs directly related to a project will be included in lieu of the exclusions, except that no allowance will be paid where excluded costs have been shared under separate projects.
- (5) In cases where preliminary work is carried out but the project does not proceed, costs excluded pursuant to section 8 (4) (b) may be designated as direct eligible costs by the Management Group, in which case the provisions of section 8 (4) (b) do not apply.
 - (6) Eligible costs for provincial staff assigned to projects under this Agreement may include gross salaries and the employer's share of contributions for Canada Pension Plan and Unemployment Insurance as well as reasonable travel and relocation expenses incurred in connection with such projects in accordance with applicable provincial travel and relocation directives.
 - (7) The costs to be shared by Canada will not include any costs of or relating to the acquisition of lands or interests in lands.
 - (8) Subject to section 8 (9), Canada shall contribute sixty per cent (60%) and Saskatchewan shall contribute forty per cent (40%) for costs incurred for approved shareable projects under this Agreement.
 - (9) Notwithstanding the provisions of section 8 (8), other programs of federal departments that may become part of this Agreement may have cost-sharing terms different from those specified in section 8 (8).
 - (10) Notwithstanding sections 8 (8) and 8 (9), for community services projects carried out for the benefit of Indian people, the following provisions shall apply:
 - (a) Canada agrees that, during the term of this Agreement, it shall undertake a survey and assessment of existing community services and future needs for community services on Indian reserve lands in Northern Saskatchewan.

- (b) In the case of community services projects located on Indian reserve lands, a project may be carried out in one of the following ways:
 - i) Saskatchewan may carry out the project directly or arrange to have it carried out, in which case Canada may contribute up to one hundred per cent (100%) of the cost; or
 - ii) Canada may carry out the project directly at its own cost.
- (c) In the case of community services projects which are carried out for the benefit of Indian people and which cross or extend beyond Indian reserve boundaries, Canada may contribute up to one hundred per cent (100%) of the costs approved by the Management Group to cover costs not specific to the Reserve but necessary for the provision of the service to or the construction of the facility on Indian reserve lands.

PAYMENT PROCEDURES

- 9. (1) Payments by Canada hereunder shall be made promptly to Saskatchewan on the basis of progress claims setting out the costs actually incurred and paid for projects. Claims shall be submitted in a form satisfactory to the Principal Federal Minister, bearing a provincial audit certificate, and certified by a senior officer of the Provincial Department of Finance.
- (2) In order to assist with the interim financing of Canada's share of the projects under this Agreement:
 - (a) Canada may, if Saskatchewan so requests, make interim payments to Saskatchewan of one hundred per cent (100%) of Canada's share of claims submitted, based on estimates of costs actually incurred as certified by a senior officer of Saskatchewan and approved by the Implementation Secretariat; and
 - (b) Saskatchewan shall account for each interim payment by submitting to Canada, within ninety (90) days after such payment by Canada, a detailed statement of the actual expenditures incurred and paid, verified in a manner satisfactory to the Principal Federal Minister. Any discrepancy between the amounts paid by Canada by way of interim payments and the amounts actually payable shall be promptly adjusted between Canada and Saskatchewan.

- (3) No claim may be submitted for payment for any project more than twelve (12) months after the completion date of that project or more than twelve (12) months after the termination date of this Agreement, whichever is the earlier date. In no case will Canada be responsible for any costs incurred for a project after the termination date of this Agreement.

EVALUATION

10. Pursuant to section 12 of the GDA, Canada and Saskatchewan shall evaluate the approved projects according to guidelines established by the Management Group. Each party shall provide the other with such information as may reasonably be required in order to evaluate the projects under this Agreement. As part of the evaluation, a progress report shall be submitted by the Management Group to the Ministers prior to the annual meeting of the Ministers pursuant to the GDA.

PUBLIC INFORMATION

11. (1) Canada and Saskatchewan agree to cooperate in the development of a program of public information respecting the implementation of this Agreement.
- (2) Canada agrees to supply, erect and maintain, throughout the period that work is in progress, one or more signboards indicating that a project or sub-project is being undertaken and financed in accordance with this Agreement. Such signboards shall include the name of the project or sub-project, the statement "A Canada-Saskatchewan Northlands Development Project" (or such other statement having the same meaning and approved by the Co-chairmen of the Management Group), and shall indicate the respective financial contributions to the project of each party.
- (3) Canada agrees to provide and install wherever suitable, on completion of the work, a permanent plaque bearing an inscription to the effect set forth in section 11 (2).
- (4) Any public announcement of the measures covered by this Agreement, and any official opening ceremony for each project and sub-project, shall be arranged jointly by the Principal Ministers.

GENERAL PROVISIONS

12. (1) The provisions of the Canada-Saskatchewan General Development Agreement apply to this Agreement.

- (2) The sharing by Canada of the projects provided for by this Agreement shall not confer upon Canada any proprietary interest in the physical assets constructed or acquired pursuant to this Agreement.
- (3) Pursuant to section 4 of the GDA, Canada and Saskatchewan agree to coordinate existing federal, provincial, and federal-provincial programs in order to assist in the implementation of this Agreement and to effect a coordinated approach to achieving the long-term objectives agreed to in section 2 (2) of this Agreement.
- (4) This Agreement may be amended from time to time by the written agreement of the Principal Ministers, based on a recommendation of the Management Group, except that any amendments to the financial limitations expressed in sections 8 (1) and 8 (2), or to the ratio of cost-sharing between Canada and Saskatchewan, shall be made only with the approval of the Governor in Council and the Lieutenant Governor in Council.

IN WITNESS WHEREOF this Agreement has been executed on behalf of Canada by the Minister of Regional Economic Expansion and the Minister of Transport, and on behalf of the Province of Saskatchewan by the Minister of Northern Saskatchewan and the Minister of Industry and Commerce.

In the Presence of:

GOVERNMENT OF CANADA

Witness

Minister of
Regional Economic Expansion

Witness

Minister of Transport

GOVERNMENT OF THE PROVINCE OF
SASKATCHEWAN

Witness

Minister of
Northern Saskatchewan

Witness

Minister of
Industry and Commerce

CANADA-SASKATCHEWAN
INTERIM SUBSIDIARY AGREEMENT
ON THE SASKATCHEWAN NORTHLANDS

SCHEDULE "A"

A. INTRODUCTION

Schedule "A" of the Saskatchewan Northlands Interim Subsidiary Agreement is intended to outline the general strategy to be pursued during the initial three years of a comprehensive socio-economic development program focused on the objectives stated in the Agreement. The strategy provides for: joint governmental planning and program development for a longer-term agreement; strengthening the process of liaison and coordination among provincial and federal agencies; involving northern residents in the planning process; and undertaking a broad range of developmental activities which will initiate new measures, expand current programs, assist in long-range planning and develop implementation capabilities at the federal, provincial and local levels.

B. BACKGROUND

For the purposes of this Agreement, the Saskatchewan Northlands is considered to be that portion of the province lying north of the agriculturally developed zone. While no precise southern boundary has been established, the area is generally north of the transprovincial highway Number 3. This area covers about 125 000 square miles and includes the agricultural fringe on the south, the forested belt through the middle and the vast area of the Precambrian Shield in the north. In 1971, approximately 125 000 people lived in the area, about 25 000 of whom were in the Northern Administration District administered by the Department of Northern Saskatchewan.

Northern Saskatchewan is an area of sharp contrast to the southern part of the province in terms of population levels and distribution, standards of living, sources of income and income levels, and public participation in the social and economic life of the province.

Beyond the agricultural fringe, the basic industries of the area are forestry and mining, and the benefits of these industries are concentrated in a few urbanized centres. Throughout the rest of the area the people, who are almost entirely of native ancestry, live in small, remote communities. Their traditional occupations of fishing, hunting

and trapping provide limited and unreliable incomes; and cultural differences, limited education and geographic isolation have been constraints on their participation in new economic development opportunities in the north.

Over the years, this northern area has fallen behind the rest of the province in the provision of services and social amenities, partly as a consequence of a lack of local government and the ability to finance the services, and partly as a result of the dispersed location of the population. While some recent initiatives towards improvements have been taken, serious disparities still exist in levels of housing, health care, employment opportunities, and in education and cultural opportunities available to northern residents as compared to people in the rest of Saskatchewan.

Within the southern forest and agricultural fringe portion of the area, a stronger and more diversified economic base and organized local governments have enabled communities to provide and support basic services and facilities. But even here, a large proportion of the residents do not have full access to the level of opportunities existing elsewhere in the province.

Northern development must be viewed with regard to both the remote northern area and the agricultural forest fringe, as they are closely linked to each other in both economic and social terms. In the short run, much of the economic development in the total area will take place in the agricultural-forest fringe because of transportation, service and other locational advantages. A major thrust must be directed at improving these same services and facilities further north so that more economic development can take place in the remote northern area over the longer term. In both these sub-regions, significant opportunities presently exist to expand the range of options for residents. Employment opportunities can be developed for local residents in mining, forestry, transportation, construction and the service industries, and improved incomes can be derived from the fishery and tourist industries.

To realize the development objectives, emphasis must be placed on human development, particularly on the development of interpersonal and employment skills and on measures to support individuals and families as they avail themselves of new opportunities. To ensure that northerners have knowledge of and access to employment and income opportunities, a broad range of programs are required to improve living conditions, provide work experience and skill training opportunities, improve transportation and communication facilities and services, and assist in the establishment of commercial ventures. Resource conservation and improvement programs are required to protect the resources of the area and enhance their utilization. These programs can also provide employment and income opportunities for local people.

C. OBJECTIVES

The broad objectives stated in section 2 (2) of the Agreement are:

- (a) to provide options and opportunities for the people of the area to participate in the social and economic development of northern Saskatchewan;
- (b) to encourage the development of the natural resources of the area in harmony with resource conservation and for the benefit of northern residents and of the province and the region; and
- (c) to provide the opportunity for people, who wish to do so, to continue their own way of life with enhanced pride and purpose.

The range of activities within this Schedule, for the initial interim period of a proposed comprehensive socio-economic development program for northern Saskatchewan, will provide a framework for the planning and programming of the long-term agreement, commence a broad range of developmental activities which will initiate new measures, expand current programs, assist in long-range planning, and develop implementation capabilities at the federal, provincial and local levels.

D. AREAS OF ACTIVITY

To pursue the long-term objectives for the Saskatchewan Northlands, the Agreement provides for a comprehensive program designed to effect progress in three broad areas: human development and community services; resources and community economic development; and transportation and communications. As well, capabilities will be developed to undertake the planning and implementation of these programs which will require the joint and coordinated actions of a large number of federal and provincial government agencies and significant participation by the communities and people of the area. Although some time will be required to work out all of these arrangements and to formulate a long-term agreement, some activities can be undertaken during the initial three years that will clearly be within the long-term strategy and will initiate action toward the attainment of the long-term objectives.

The following outline is intended to provide the framework within which individual projects will be considered for approval by the Management Group in accordance with section 5 of the Agreement and the cost estimates outlined in Schedule "B".

SECTOR I: HUMAN DEVELOPMENT AND COMMUNITY SERVICES

The objective of programs under this sector is to assist individuals and communities to improve their social and physical environment in

a manner conducive to improved quality of life and participation of people in community affairs and development opportunities.

Program 1: Human Development

As part of the strategy for northern development in Saskatchewan, initiatives under this program will assist northern residents to understand, participate in, and benefit from developments occurring in the Saskatchewan Northlands.

Project 1: OPTIONS North

The OPTIONS North project is designed to increase the access of northern residents to employment opportunities, to assist them in the establishment of enterprises, and to provide the supportive services necessary for them to accomplish these ends. It is designed to be flexible and to provide work experience, counselling and employment information to people of the area.

This project will be administered by the Department of Northern Saskatchewan. The Management Group will establish measures to ensure the coordination of the OPTIONS North project with other relevant federal and provincial programs.

During the term of this Interim Subsidiary Agreement, the appropriate authorities of each government will work toward the development of a comprehensive manpower development strategy for the area covered by the Agreement, which would utilize fully the programs of each level of government and would form the basis for the manpower development program in the longer-term subsidiary agreement.

Project 2: Public Information and Extension Services

This project provides for the broad range of activities required to develop and to involve northern residents in a mutual communication process related to economic and social development.

In addition to communicating information about developments being considered or implemented in the area, the process itself will be a valuable social development experience for northerners. Activities under this project will be coordinated with those supported by programs of the Canada Secretary of State.

Project 3: Human Development Planning and Pilot Action

Planning is required for methods of delivery of social and related programs that will best reflect the aspirations and needs of northern people. To plan the adaptation of present programs to ensure the greatest benefit to northerners is the major objective of this project for social services studies. Presently,

activities are envisioned in health services program design, nutrition program design and pilot project, and alcoholism treatment program design.

Program 2: Community Services

Many community-specific services are not available in remote northern communities. The poor standards and lack of essential community services result in health and environmental problems, unsuitable housing and building sites, disorganized development, and generally poor public control and administration. Programming in this area is designed to expand the community services in the Northern Administration District, especially in remote northern communities.

Project 1: Community Water Supply and Sewage Disposal Projects

This project will provide for the development of potable water supplies and distribution systems and sewage disposal systems in a number of remote northern communities.

Project 2: Multi-Purpose Community Facilities

This project will assist in the construction of the community-based infrastructure required to effectively deliver human development activities in remote northern communities. The facilities constructed will serve a wide range of purposes, including health care, life and employment skills improvement, education, and community recreation.

Project 3: Community Planning

Activities under this project will provide for legal surveys of existing communities, planning for community development, and for the establishment of general policies and guidelines for northern community development, in order to assist in the development and improvement of local government.

Program 3: Indian Reserve Projects

The purpose of this program is to provide for the extension of the Community Services Program to Indian Reserves with priority in the Northern Administration District. Initially, a survey of existing services and facilities on Indian Reserves and an assessment of future needs will be undertaken. Following the survey, provision is made for the construction and installation of pilot projects.

SECTOR II: RESOURCES AND COMMUNITY ECONOMIC DEVELOPMENT

The objective of this sector is to assist in the assessment, planning and development of resource-based and other opportunities for economic development in a manner which emphasizes and encourages value-added benefits in the area.

Program 1: Resources Development

Northern Saskatchewan is endowed with significant natural resources. Mineral, forest, and recreation resources provide the best opportunities for development in the short-term. The occupations of trapping and commercial fishing, although of marginal economic significance, can return greater economic benefits to trappers and fishermen through improved management practices.

Project 1: Resource Development Planning

Activities under this project will concentrate initially on the collection and classification of data necessary to plan and undertake resource assessments at the regional, area, and community levels. As well, specific development planning will be undertaken in respect of forest, recreation, and fur and wildlife resources. Joint planning done under the Canada-Saskatchewan Subsidiary Agreement on Mineral Exploration and Development in Northern Saskatchewan will be coordinated with activities under this project to enable the formulation of a land management system for northern Saskatchewan.

Project 2: Tourist and Recreation Facilities

In the interim, while planning for a long-term tourism and recreation development strategy takes place, this project will provide for the expansion of the system of wayside and park facilities to accommodate the increasing number of northern travellers and to help protect the environment.

Project 3: Fisheries Sector Development

This project will provide for the development of an integrated management structure and management system aimed at improving the overall management of the resource and improving returns to fishermen, guides, and outfitters.

Program 2: Community Economic Development

A major thrust under a long-term strategy for the Saskatchewan Northlands will be to stimulate a wide range of economic development opportunities for northern communities, groups, and individuals. Effective methods of delivering assistance toward the realization of these opportunities are only in the formulation stage. In the interim, funding

assistance for individual projects will continue to be available through the Canada-Saskatchewan Special ARDA Agreement, the Department of Northern Saskatchewan's economic development program, the Indian Economic Development Funds, and other government and private sources. The initial activity under this program will be of a planning and feasibility study nature which will assist in the development of future programs.

Project 1: Economic Development Planning and Feasibility Studies

Activities under this project will focus initially on three development opportunities: the crafts industry; the housing construction industry; and the service industries. Provision is also made for further planning and research related to other specific opportunities.

SECTDR III: TRANSPORTATION AND COMMUNICATIONS

The objectives of this sector are to assist in providing year-round access to communities for the transportation of people, goods, and services, and to assist in the planning and development, and construction of pilot communications facilities to increase the participation of people in community, provincial, and national affairs.

Program 1: Transportation Development

To meet the transportation objectives of this sector, this program will provide for the completion of a longer-term strategy and plans for northern Saskatchewan transportation development, and for the upgrading and construction of certain parts of the northern highway system and of community access roads and community air-strips to serve northern communities. The construction projects undertaken will serve to alleviate the effects of isolation and will facilitate resource development around communities. The Canada Ministry of Transport will provide technical assistance and will provide one-half the federal share of the construction costs of highways and community access roads.

The transportation development program will apply only within the Northern Administration District.

Project 1: Transportation Planning

A northern transportation study, being financed under the Canada-Saskatchewan Subsidiary Planning Agreement, will provide a detailed strategy outline for longer-term development and construction of transportation systems and facilities to serve demands of social and economic development projected for Northern Saskatchewan. Funds will be provided under this project for detailed planning and cost estimating of projects resulting from the northern transportation study.

Project 2: Highways

In order to ensure adequate and year-round access to the western, central, and eastern sub-regions of northern Saskatchewan, the three major north-south highways will be upgraded in the interim period.

Project 3: Community Access Roads

To de-isolate northern communities, and to provide access for their residents to developments, all-weather roads will be constructed, linking them to major arteries. In the interim, access to most larger isolated communities will be completed.

Project 4: Community Airstrips

During the interim period, development is to be undertaken on a number of community airstrips to provide landing facilities or to improve existing facilities to adequate standards, for the provision of emergency air ambulance service, and to reduce the isolation of remote northern communities. Note is taken here of the Canada Ministry of Transport project to construct an airport at La Ronge, Saskatchewan.

Program 2: Communications Development

The Canada Departments of Regional Economic Expansion, and Communications, together with the appropriate agencies of Saskatchewan, will cooperate in a study of communications systems and programs to serve northern residents. The detailed study will consist of a review of the existing communications facilities, the need for communications services in northern Saskatchewan, and the preparation of cost estimates.

SECTOR IV: IMPLEMENTATION

The objective of this sector is to assist in and encourage the development of federal and provincial capabilities to coordinate, manage, and implement this Agreement and a long-term development program for the Saskatchewan Northlands.

Program 1: Coordination and Implementation

This program provides for financial administration, coordination, and management of this Agreement on an overall basis and within sector and program areas.

Project 1: Administration

Activities within this project will assist Saskatchewan to organize and staff for the implementation and coordination of this

Agreement, and for the development of a framework for the planning and programming of a long-term program. Attention will also be directed to the development of an effective framework for coordinating and implementing projects under this Agreement which involve agencies and departments of Canada and Saskatchewan in that part of the area south of the Northern Administration District.

Project 2: Management-Information System

This project provides funds for the joint development of a comprehensive base data set for the area and a management-information system. The data set and system will be used to assist in the implementation of this Agreement, in the development of a long-term strategy and program, and to assist the Provincial Department of Northern Saskatchewan in its administration of northern affairs.

CANADA-SASKATCHEWAN
INTERIM SUBSIDIARY AGREEMENT
ON THE SASKATCHEWAN NORTHLANDS

SCHEDULE "B"

ALLOCATIONS OF COSTS - 1974-77

<u>SECTORS</u>	<u>PROGRAMS</u>	<u>FEDERAL*</u> <u>SHARE</u>	<u>PROVINCIAL</u> <u>SHARE</u>	<u>TOTAL</u>
SECTOR I	HUMAN DEVELOPMENT AND COMMUNITY SERVICES			
Program	1. Human Development	\$ 2 100 000	\$ 1 400 000	\$ 3 500 000
Program	2. Community Services	7 320 000	4 880 000	12 200 000
Program	3. Indian Reserve Projects ¹	<u>5 000 000</u>	<u>nil</u>	<u>5 000 000</u>
	TOTALS	14 420 000	6 280 000	20 700 000
SECTOR II	RESOURCES AND COMMUNITY ECONOMIC DEVELOPMENT			
Program	1. Resources Development	1 422 000	948 000	2 370 000
Program	2. Community Economic Development	<u>198 000</u>	<u>132 000</u>	<u>330 000</u>
	TOTALS	1 620 000	1 080 000	2 700 000
SECTOR III	TRANSPORTATION AND COMMUNICATIONS			
Program	1. Transportation Development ²	16 800 000	11 200 000	28 000 000
Program	2. Communications Development	<u>1 200 000</u>	<u>800 000</u>	<u>2 000 000</u>
	TOTALS	18 000 000	12 000 000	30 000 000

<u>SECTORS</u>	<u>PROGRAMS</u>	<u>FEDERAL*</u> <u>SHARE</u>	<u>PROVINCIAL</u> <u>SHARE</u>	<u>TOTAL</u>
SECTOR IV	IMPLEMENTATION			
Program	1. Coordination and Implementation	<u>960 000</u>	<u>640 000</u>	<u>1 600 000</u>
	TOTAL	960 000	640 000	1 600 000
	TOTAL COSTS (1974-77)	<u>\$35 000 000</u>	<u>\$20 000 000</u>	<u>\$55 000 000</u>

¹Indian Reserve Projects — Canada may contribute or pay up to one hundred per cent (100%) of these costs, pursuant to section 8 (10) of this Agreement.

²Transportation Development — The federal share of highways and access roads projects costs will be jointly financed by the Department of Regional Economic Expansion and the Ministry of Transport.

* The federal share includes both the direct cost and the ten per cent (10%) allowance on construction projects, where applicable.

