



Arctic Development
Library

***Devolution And Local Government: One
Step Forward And Two Steps Back***

Type of Study: Analysis/review

Date of Report: 1989

Author: Katherine A. Graham

Catalogue Number: 9-5-325

DEVOLUTION AND LOCAL GOVERNMENT: ONE
STEP FORWARD AND TWO STEPS BACK

Sector: Reference Material

9-5-325

Analysis/Review

DEVOLUTION AND LOCAL GOVERNMENT:
ONE STEP FORWARD AND TWO STEPS BACK

Katherine A. Graham

JL
462
G73
1989



DEVOLUTION AND LOCAL GOVERNMENT:
ONE STEP FORWARD AND **TWO STEPS BACK**

Katherine A. Graham

DRAFT
FOR DISCUSSION PURPOSES **ONLY/NOT** FOR QUOTATION

March 1989

Government Library
Government of N.W.T.
Laing # 1
Yellowknife, N.W.T.
X1A 2L9

**DEVOLUTION AND LOCAL GOVERNMENT:
ONE STEP FORWARD AND TWO STEPS BACK**

Katherine A. Graham

This paper explores the interplay between the current initiative to devolve powers and program responsibilities from the federal government to the Northwest Territories and Yukon Territory and the evolution of local government in those two places. In this context, local government is taken to mean those community bodies with legislative and administrative responsibilities established under the Municipal Act in Yukon Territory or under one of the various pieces of local government legislation under the purview of the Minister of Municipal and Community Affairs in the NWT.¹

Having established this primary focus on settlement, hamlet or village councils and the like, it is important to understand that any examination of the evolution of these governments necessarily involves examination of their relationship to other community-based organizations (such as local education societies and Hunters and Trappers Associations [HTAs] in the NWT) and to the various regional organizations that have emerged at the impetus of a variety of sources.

The Northwest Territories has experienced the most significant growth of regional organizations which have implications for life in communities. For example, regional councils, such as the

Baffin Regional Council, have emerged, largely at the initiative of local **councils** and/or bands in particular regions. The **Government** of the Northwest Territories (**GNWT**) has established **regional** health boards following its assumption of responsibility for health care from the federal government. It has also set in place a **regional** school board in the **Baffin**. Not to be outdone, the federal government has been **involved in** the establishment and work of regional land use planning commissions.

Analysis of the relationship between local government development and devolution is further complicated by the importance of local governing institutions to the final settlement of outstanding Aboriginal claims in the two territories and by the debates and initiatives through which Aboriginal Peoples might achieve **self-government**. Although it may be suggested that **devolution** is not a direct catalyst for the settlement of claims or the realization of self-government, the fact that devolution is proceeding both opens avenues and closes options in these other two fora. This may be particularly true in the area of local government development. The waters are muddy indeed.

The research undertaken for this particular study bears out one of its fundamental assumptions: the two territories are very different.

Differences in the spatial and geographic character of settlement

in the **NWT** and Yukon are important to recognize when thinking about the relevance of particular local or regional structures. In the Yukon, established communities are linked by a road network. However functional this is in a general sense, the ability of **Yukoners** to **travel** from community to community means that there is literally more traffic than exists in the **NWT**, especially above the treeline. The result in the Yukon context is that the externalities of community development and growth may be greater. As will be discussed, this can be seen in some of the debates about the structure of regional land use planning exercises which have occurred in Yukon and about the appropriate content of **regional** land use plans. In the **NWT**, at **least in** the central and eastern arctic, communities are relatively more isolated. While there may be shared hunting grounds and waters, the implications of development (except for major resource related developments) within a given community or immediately contiguous to a **particular** community are less likely to* be worrisome for residents of another. Yukon government **officials** are concerned about sprawl, especially in the Whitehorse area. The same concerns are less evident in the **NWT**.

The question of the implications of devolution for local government has been much more directly joined in the **NWT** than in Yukon. In Yukon claims issues have dominated the governmental and public agenda to the point where local government development is now being pursued in the context of finalizing the

Council of Yukon Indians (CYI) Aboriginal claim. As a result, this PaPer **will place relatively** more emphasis on analysis of the situation in the NWT. However, an effort will be made to develop thematic comparisons and contrasts.

Subsequent sections of the **paper** attempt to link some of the contemporary issues related to the implications of **devolution** for local government to some of the historical concerns about the role and nature of local government in the two territories. History suggests a set of on-going concerns about the evolution of local government. Some of these have emerged from the communities themselves; others have been **raised** by the territorial or federal governments. In some instances, there has been a unified perspective concerning what issues are important and how they should be dealt with. In other cases, debates are on-going. In any event, it is important to understand the extent to which the current process of devolution is dealing **with** these longstanding issues, the extent to which it may be aggravating conflicts over them and the extent to which it is putting new questions about the role and structure of local government in the two territories on the table.

This paper is based on a review of relevant primary and secondary documents and key informant interviews with community leaders, territorial and federal government officials, and other interested parties. Regretably, it was impossible to undertake

field interviews across the two territories. Field interviews were conducted in a number of communities in the Baffin.² The Baffin was selected because it has been at the forefront of many of the debates about the development of local government and regional structures in the NWT. When one thinks of the role of local government, it is useful to think of it as a vehicle for the articulation of community interests, as well as a provider of local services. The recent regional land use planning exercise which has taken place in the Lancaster Sound area made the Baffin communities selected for fieldwork all the more attractive for exploration of communities' advocacy role in the contemporary political environment.

In the **NWT**, the City of **Yellowknife** was excluded from consideration. Its size and the unique characteristics **of** its local and territorial politics set it apart from other communities. Whitehorse received somewhat more attention **in** the Yukon context. Its politics are also different from other communities in Yukon and it is by far the territory's largest centre. However, the pattern of land use development **arround** Whitehorse, the emergence of "bedroom" and recreational communities on its periphery, make the question of how regional land use conflicts might be resolved at the local level important. This is worthy of attention in the Yukon context overall, and particularly in the case of Whitehorse, because of outstanding negotiations related to the pattern of local

government that will emerge through the CYI claim.

TWO TERRITORIES - TWO DIRECTIONS

The differences in the two territories' geography and basic politics have contributed to the differences in the central findings of this study related to the **NWT** and Yukon.

In the **NWT** there is a closer interplay between the current process **of devolution** and the evolution of local government. Ironically, **devolution** of powers and responsibilities from the federal government to the **GNWT** may not, at least in the short run, result **in** a parallel shift **of** greater power or influence to the local level, despite hints by the **GNWT** that this might **occur**.³ It would seem that the current trend is for the **GNWT** to guard key aspects of its newly devolved responsibilities at the territorial level. This may represent an attempt by the **GNWT** to sustain itself as a government with something to do and **with** a legitimate role in the face of a variety of pressures for **devolution** to the regional or local level.

This thesis is advanced in full knowledge of the **GNWT's** recent (and repeated) embrace of the concept of local councils as the so-called prime public authority at the local level and its passage of the Charter Communities Act. While these two initiatives themselves do much to address some of the longstanding concerns about the role of **local** councils, they are little known

or understood at the community level. Accordingly, the short and medium term prospects for resolution of some of the outstanding issues related to the development of local government in the **NWT** are slight, if **devolution** is regarded as the engine of change.

It may be, however, that other forces - the **push** for Aboriginal self-government and the settlement of claims - will serve as the necessary catalysts for devolution to the local level. The danger is that the push/pull of these three aspects of northern political development will result in governmental gridlock, as individual Aboriginal communities, claimant groups and the federal and territorial governments respond to their perceptions of the desire of communities for power **by** creating structures and putting in place particular initiatives that give at least the appearance of community involvement. This suggests that some of the basic issues of local government development in the **NWT** - structure, accountability, capacity-building and finance **at** the local level - will be incapable of being dealt with, despite much rhetoric and some will to the contrary. These basic issues must be dealt with if the **devolution** of any powers and responsibilities to the local level is to succeed.

In contrast, the Yukon government is letting the CYI claim, as it **is** linked with Aboriginal self-government, drive the local government development process. While the issues may be no less thorny, especially as negotiations proceed on a **community-by-**

community basis to establish new forms of community government, YTG proprietorship of **specific** responsibilities seems to be less well developed. There is some recognition that YTG will be faced with the question of how to link public government at the local level to Aboriginal government; but a strong territorial initiative has yet to emerge. If the coming era in the Yukon is to be characterized by local institutions with a new sense of mission brought on by the settlement of the CYI claim, the Yukon Territorial Government may itself need to take on a special role.

LOCAL GOVERNMENT IN THE NWT: AGENT OF SERVICE OR CORNERSTONE OF DEMOCRACY? .

The history of local government in the **NWT** has been both interesting and tortuous since the federal government responded to the recommendations of the Carrothers Commission and set up the first resident territorial government in **Yellowknife** in 1967. That same Commission recommended that a Department of **Local** Government be set up as part of the newly reformed **GNWT**. This recommendation was also accepted with the result that the Department of Local Government (now known as the Department of Municipal and Community Affairs [**MACA**]) was one of the original **GNWT** departments established in 1967.'

Carrothers' vision of the role of local government in the **NWT** was reminiscent of Montesquieu's idealization of local democracy in America. Carrothers saw the establishment of local governments

in communities as an important vehicle for helping northerners to become accustomed to public institutions of government and democratic life. In his view, this was especially crucial for the **Inuit**, whose traditional social organization did not include explicitly political institutions.

The early local government system in the post 1967 period was largely based on southern models and assumptions. Perhaps one of the most important assumptions behind the system was that communities would "advance" from settlement to hamlet to the point where they would achieve the status of a village, town or city and, hence, be capable of governing with an independent property tax base. Electoral procedures were **modelled** on southern practices. The emphasis was on local governments providing traditional "hard services" such as water supply, sewage and garbage removal, and road maintenance. Community involvement in other areas, which were often of equal or **greater** concern locally, was sought through the establishment of a wide range of local committees. These committees were established by other departments of "the **GNWT** to enable territorial-community **liason** on such matters as social services, recreation, alcohol and drug abuse, housing, hunting and trapping, and so on. These committees were an efficient vehicle for line departments of the GNWT to use in informing communities of their programs and for inducing community participation in made-in-Yellowknife schemes. This fragmentation of the structure of local governance again

replicated southern models. This time, however, the approach taken duplicated one which is seen as problematic, even in the southern Canadian **context**.

The result of this situation was considerable frustration on the part of communities. The system of government put in place was imposed and alien, especially since it ignored traditional forms of leadership selection and decision-making. The range of services assigned to local councils did not necessarily represent local priorities. Despite various attempts at training local people, the predominant pattern was for the administrative and service arms of **local** governments to be run by people imported from outside, who often stayed very briefly. Finally, the plethora of committees established outside the orbit **of** local councils fragmented the communities' ability to deal with issues in a **wholistic** way and placed severe demands on the limited number of people able to serve at the local level in **individual** communities. Burnout was common

The overall result was that a decade after its establishment, the system of local government in the **NWT** was in disrepute. The level of frustration in communities with the form of local governance imposed by Yellowknife made the **system** useful as a teacher of democratic values only to the extent that it prompted communities to express their displeasure. In terms of local government's role in the provision of services, the lack of real

power for local councils to determine service priorities and the lack of indigenous financial and human capacity combined to alienate people further from the system.

Despite these frustrations with the explicit form of the system of local government in the NW'T, the notion that local government might indeed be important had gained wide currency by the latter part of the 1970s. Various Aboriginal organizations, including the **Inuit** Tapirisat of Canada (**ITC**) were talking about the importance of local organizations in the context of their claims negotiations.' Their view was ultimately acknowledged by the federal government in 1982, when it reversed its longstanding position that governmental arrangements could not be discussed in the context of claims negotiation. In that year, local government structures were formally included in the range of subjects **eligible** for negotiation at the claims table."

C.M. Drury, in his role as special representative of the Prime Minister on constitutional development in the Northwest Territories, also focused on the continuing need for vital local governments in the NWT. Although his report focused on many of the specific problems with the existing system referred to above, it is equally important for its strong statement about the democratic value of local government and its particular importance in the **NWT** derived from the cultural diversity of the territory and the isolation of communities from each other. His

recommendations to strengthen the system of local government were based on the premise that "the community will continue to be the base for social and political organization. . .the acquisition of political and administrative experience at the local level provides the greatest potential for influencing the process and structures of government at the territorial level."

Responses to the perceived problems with the local government system, including the difficulties associated with establishing a strong inter-governmental relationship between local governments and the GNWT emerged from a variety of sources beginning in this same period.

One important initiative in this regard was the establishment of regional councils. Communities in the **Baffin** were the first to organize on a regional basis, forming the Baffin Regional Council (**BRC**) in 1977. The rise of regional structures was **initially** viewed with some dismay by GNWT officials in **Yellowknife**. However, pressures from other regions to establish councils representing area local governments and, in the west, groupings of bands as well, led to the eventual passage of the **Baffin** Regional Council Ordinance in 1980 and the more broadly based Regional and Tribal Councils Act in 1983. The **GNWT** itself undertook a prolonged revision of its municipal legislation which culminated in passage of revisions to its existing legislation and in the creation of a new Charter Communities Act (1987).

This new act attempts to deal with the longstanding difficulty of establishing a legitimate public government at the local level where a community co-exists with an Indian band or other Aboriginal organization that itself has strong political **reoutes**. It allows each community to create its own charter, thereby designing a structure of local government that meets the specific needs of all its residents. The Department of Local Government came to recognize the problem of fragmentation of responsibility at the local level coincident with the work of **Drury**. Its first response came with publication in 1978 of the document Department of Local Government - Direction For the 1980s, which recommended that local governments be strengthened so as to establish clearly the prime importance of local councils in providing the overall direction for the **well** being of the community.

All of these initiatives had long gestation periods. In the context of the contemporary period of federal-territorial **devolution**, the process of resolving some of the policy dilemmas they pose has not been completed. However this review suggests that if we consider the contemporary period of **devolution** to begin **in** the early 1980s, at least four major developments in the local government field must be viewed as contextual factors in assessing the relationship between the **devolution** of responsibilities and powers from the federal to the territorial government and the further development of strong local governments in the **NWT**. These are:

'recognition of the importance of local government in the claims forum as well as in the context of the overall political development of the NWT. If nothing else, local government has symbolic value in the evolution of this part of Canada's north.

'the initiative by local councils in many parts of the territory to establish regional organizations to coordinate planning and present a stronger voice to the GNWT. At the local level, regionalism is seen as assisting realization of local government needs and interests. The view of regionalism from Yellowknife has been much less sanguine.

'the emergence of the "prime public authority" (PPA) concept in response to concerns about fragmentation of responsibilities at the local level. These concerns have been primarily raised in the GNWT by the Department of Local Government; line departments remain to be convinced. and

'on-going concerns about the capacity of local governments to do all that they might want to do or be called on to do, given the limitations of human and financial resources in communities. The GNWT does attempt local training but the low impact of this training and high turnover of political and staff personnel in communities remain problems. Financial resources continue to be tight for the territorial government and for communities

themselves, since local revenues are minimal and costs are high.

These **contextual** factors are important for the review of the specific relationship of contemporary **devolution** to the development of local government in the NWT.

LOCAL GOVERNMENT DEVOLUTION IN CONTEMPORARY TIMES: RHETORIC VERSUS REALITY

Since the publication in 1981 of the discussion paper "Our Land Our Future,"¹¹ the Government of the Northwest Territories has sustained a policy stance on the development of local government that from one perspective holds much promise but from another viewpoint can be seen more as rhetoric than real policy. This document set out the important themes which would be returned to in subsequent policy pronouncements by the **GNWT** on **devolution** and local government. Among the policies and principles set out by the government of the day were: "evolution to **community** governments . . . the passing **of** political authority and responsibility and resources for the delivery of government programs and services from the **GNWT** to community governments." **Devolution** was to facilitate community choice in how programs were to be devolved and expand the role of community councils in the delivery of services and **programs**. The statement also indicated room for the establishment of regional bodies. However, the context of regional political development was rather confused. Any regional body was to be established only in

response to community requests. However, its power was to be derived from the Legislative Assembly of the NWT.

These central themes were strengthened in 1983 with the publication of the discussion paper "A Design For **Devolution** of Additional Powers and Responsibilities to **Communities**"¹¹ It reiterated the **GNWT's** policy to enhance the role of community government but noted the difficulties in doing so because of legislative confusion over the powers **of** local councils and the erosion of the authority and accountability of local councils by the establishment of special purpose bodies. The principle and concept of prime public authority was posed **as** a possible solution to this problem, especially in hamlets. Finally, the role of regional bodies as the servants of communities was reiterated.

The policy of the current Government of the Northwest Territories regarding local government development in the context of devolution was first articulated in **1987**, when the **government** released its keynote policy statement "Direction for the 1990s". This wideranging document dealt with the overall priorities of the government of the day. The government indicated it would pursue the PPA concept and develop a framework for public government in the **NWT** which "includes measures to speed the federal **devolution** process; clarifies the relationship between our government, regional bodies and community governments; simplifies the **form**

and operation of government; and strengthens ministerial government while enhancing local **control.**"¹² The government announced that it would be introducing a new policy which would target community governments for program and service transfers and that it would also conduct a thorough review of regional bodies and structures.

The prospect that devolution from the federal government to the GNWT would result in an enhanced role for community governments was further reinforced with the announcement of the **GNWT** policy and directives on devolution, **also** in 1987. One of the principles for devolution set out **in** that document is that: "After powers have been transferred, the GNWT may exercise its authorities in any manner deemed to be in the best interests of the people of the **NWT** including delegation to **regional or** community bodies."¹³ It should be noted that the terminology used was "may, " not "would. " However, the fact **that** this principle was articulated in such a specific manner, combined with the creation of the regional boards of health as part of the transfer of responsibility for health to the GNWT gives one a sense that federal-territorial devolution could well **result in** the further decentralization of power to the local or regional level.

Despite these earlier signs, the reality of the **GNWT's** stance on devolution to the local or regional level is of a different

nature .

In February 1988, the GNWT promulgated its Transfer **Policy**.¹⁴ This policy and its accompanying directives sets out the current principles and procedures for the **devolution** of authority and responsibility for government programs to community governments and for the delegation of more limited responsibilities to community governments or other organizations. This document is interesting for a number of reasons. Although it provides for **devolution** only to community governments, **MACA** is not explicitly given a role in the devolution planning process. Line ministries are to take the lead role. Municipal and Community Affairs has an overall mandate to husband the development of community government and ensure probity and effectiveness at the local level. This suggests that, at the very least, it should be acknowledged as an important player in the transfer process. In the case of delegation (which is seen as a more limited form-of transfer) the prospect exists that other bodies may take on the role of territorial agent in the delivery of programs or services. This has definite ramifications for promulgation and implementation of the prime public authority concept. Finally, the terms and conditions of delegation are very rigorous in establishing a client-like relationship between any local or regional body receiving new responsibilities and the GNWT itself. In the case of delegation, employees will remain members of the GNWT public service. The GNWT is intended to provide support

services to organizations taking on specific responsibilities.

Reaction to the Transfer Policy was negative in some important quarters. Regional and tribal councils, at least one Aboriginal group and those who had been party to the health care transfer expressed the strongest objections. The newly established regional boards of health felt somewhat betrayed in the sense that their creation was thought to be a signal that local (or regional) control over the delivery of health care would be increased; whereas the Transfer Policy was perceived to be tightening the strings of **GNWT** control.

Another signal that the **GNWT** may be re-thinking its emphasis on community government as the centre of political life ironically arises from its recent actions concerning regional councils.

As indicated above, a regional model **was** adopted for **the** government of health care following the transfer of that responsibility from the federal government to the **GNWT**. Given the nature of the health care system, the existence of regional hospitals to supplement local health care services and so on, the establishment of a regional organization with representation from the local level may be an appropriate approach. The one concern with establishing a regional body with specific responsibility only for health is that it may suggest a trend to a fragmentation of responsibility at the regional level which mirrors oft

criticized fragmented structures at the local level. However, the central point is that a regional approach may be the best way to give greater community control over additional responsibilities. As was indicated earlier, that has been the traditional concept of regional councils espoused by the **GNWT**. Regional councils were to exist to serve the needs of local communities. It is also the perspective local governments have of regional councils, at least in the case of the longest standing regional body, the **Baffin Regional Council** (BRC). Individual communities may not have the capacity to take on new program responsibilities and so the sharing of resources and joint efforts at problem solving make a certain amount of sense.

Despite this, most recent indications are that the **GNWT** is about to significantly reduce its support for regional councils **and** may attempt to eliminate them altogether. The committee to review regional councils, which was established in 1987, presented its report to the Executive Council of the **GNWT** early in 1988. One of its key recommendations was to strengthen the powers and responsibilities of regional and tribal councils in program and service delivery. After some delay, the Executive released the report and responded to it in November 1988. The report was rejected in toto. The Government Leader, Dennis Patterson, indicated that the report did not meet all of its terms of reference, that it failed to consider the recent establishment of regional boards for education and health and that it ignored the

government's policy on prime public authority. Equally important, the Executive's critique indicated that the review committee had failed to consider the evolution of ministerial authority in the NWT.¹⁴ This suggests a conception of government ministers, by those currently in office, as having increased responsibilities and powers. At least in part, this may be associated with the current devolution of powers from the federal to the territorial government.

In at least one region, the Baffin, communities are critical and suspicious of the government's rejection of the review committee's report. The BRC is seen as having developed into a good vehicle for individual communities to work together. Elimination of territorial funding for the BRC and other regional and tribal councils may well result in a reassertion of the role of GNWT regional offices, with the result that the system of territorial-local relations in the regions of the NWT will increasingly resemble that found in a French prefect. Ironically, this would represent a return to the relationship between GNWT regional offices and communities in the 1970s.

Looking specifically at the prospects for improving the situation of local governments in this current policy environment, one can suggest that the short and medium term prospects for local councils obtaining significant new powers and responsibilities are cloudy at best. The GNWT again confirmed its commitment to

PPA in November 1988.¹⁶ However, despite the fact that this concept has been around since the early 1980's, field research indicates that PPA is little known or understood at the community level. To see it implemented, much missionary work will have to be done by the GNWT.

One difficulty is that the department largely **responsible** for this effort, MACA, is frequently preoccupied with providing basic support services to community government. The continuing need to develop sound administrative and service capacity at the local level is, understandably, a priority both for **MACA** and individual communities. The idea of overhauling the **responsibilities** of community councils *in* the face of on-going administrative challenges may seem a **little** daunting, despite the benefits that may result.

MACA's situation is further complicated by the fact that it is something of a weak sister, at least in **Yellowknife**, in relation to other departments. The function-by-function approach taken in the GNWT Transfer Policy was discussed above, as was the policy's silence on the role of Municipal and Community Affairs. The realities of organizational life suggest that it will be very difficult to get line departments to surrender local organizations that serve their specific needs and interests. The tendency to fragmentation may also be reinforced in communities themselves by the willingness of some committee members to

consider amalgamation of all but "their" committee with council and by differentials in per diem payments between council and other committees. Finally, the assertion of ministerial authority may also reinforce the tendency to fragmented committees. Ministers like to have their own policy and program constituencies. All and all, despite the best intentions of the Minister of Municipal and Community Affairs and his staff and the rhetoric about PPA, there are many obstacles to its implementation.

This review of formal policy statements and analysis of recent **GNWT** actions in the contemporary period of **devolution** suggests that there is a gap between rhetoric and reality. Successive Executive Councils have espoused the inherent value of local government and embraced the concept of Prime Public Authority as something of a **cureall** to the problems of governance at the local level. However laudable the aim of implementing PPA **might** be, there are some very real questions about the capacity of community government in the **NWT** to take on additional responsibilities, at least without the assistance of a representative organization at the regional **level**. The **GNWT's** reaction to the regional and tribal council review committee's report and its establishment of special purpose regional boards of health following the **devolution** of health care responsibilities from the federal government suggest that it is reluctant to support the type of multi-purpose regional body

needed to develop and sustain community councils with broad ranging responsibilities. The functional orientation of the **GNWT's** Transfer Policy further reduces the likelihood that PPA will be implemented on a wide scale in the near future.

In part, the **GNWT's** "second thoughts" about further **developing** local government through **devolution** are understandable. Reference has already been made to the problems of capacity at the local **level**. However, equally, if not more important may be a sense among territorial politicians and officials that the territorial government must retain a range of responsibilities for itself, if it is going to stay in business as a government. Merely passing on longstanding or newly received authority and responsibilities to regional or local councils would beg the question: "Why have a territorial government at all?" This is by no means a new question, as anyone familiar with the debates on territorial division well knows. However, the adrenalin **that** accompanies a process like the current round of **devolution** makes posing this question now awkward indeed for **GNWT** politicians and officials.

All this might suggest that the development of local government in the **NWT** will go on hold until the **GNWT** assures itself of a legitimate role in the future governance of the **NWT**. However, there are other influences being felt: Aboriginal claims in the **NWT** and the movement to Aboriginal self-government.

In the context of claims, negotiations are continuing between the Tungavik Federation of **Nunavut (TFN)**, representing the Inuit of the central and eastern Arctic and the federal government. As indicated earlier, discussions about local government are now recognized by the federal government as a legitimate part of the negotiations. Discussions about local and regional management boards for wildlife **and** other purposes which are part of the TFN negotiations have relevance for the possible role of local government institutions and 'broader discussions may also be occurring. The GNWT is at the negotiation table but the negotiations are, strictly speaking, between the federal government and the TFN.

The Dene/Metis have concluded an Agreement-in-principle with the federal government for their claim. The aspirations of the Dene/Metis for self-government have raised the prospect that **they** will try to realize their vision of a local or regional system of governance in the context of their further negotiations with the federal government to reach a final agreement. The recent cross-appointment of the Department of Indian Affairs and Northern Development's Assistant Deputy Minister for Self-government to the Northern Affairs post may buttress this possibility.

None of these developments suggest an easy path for the development of local government in the NWT. From the standpoint

of the **GNWT**, developments in other fora will possibly exert pressure to re-think its view of regional and tribal councils and to seriously move toward implementation of the Prime Public Authority concept. Overall, the danger is that a melange of **local** and regional structures and governing processes will emerge from different quarters and the system of governance at the local and regional level will become a house of cards. Perhaps this risk can be reduced if the **GNWT**, communities, Aboriginal organizations and the federal government go back to first principles and think about the role of local government in the **NWT** and what is needed to sustain that role.

YUKON : ON THE VERGE OF A NEW ERA

Currently in the Yukon, there are eight incorporated communities, one hamlet and ten unincorporated communities, which receive local services directly from the Yukon Territorial Government (**YTG**). Unlike in the Northwest Territories, local government in the Yukon was not traditionally seen as a major vehicle for political development." However, there have been some modest developments in recent years. The YTG passed a new **Municipal Act** in 1980 which contributed to the incorporation of five municipalities by the **mid-1980s** and has enabled creation of the territory's single hamlet, **Elsa**. In 1987, the YTG passed a Municipal and Community Infrastructure Grants Act which brought in a system of block funding to incorporated municipalities for capital projects. The new act also provides for limited block

fund ing for the operation and maintenance of community infrastructure.

Even in the context of these advances, YTG itself continues to provide extensive advisory services and plays a supervisory role vis-a-vis incorporated municipalities. This is done through the Department of Community Affairs and Transportation Services. A wider range of Yukon departments provide services directly both in incorporated and unincorporated communities.

Overlaid on this system of public local government are the thirteen Yukon band councils represented in the Council of Yukon Indians (**CYI**) claim. Basically, each Yukon band exists in proximity to a municipal centre.

Settlement of the **CYI** claim has been a priority of both Yukon Indians and the YTG. The importance of the claim to the **agenda** of the territorial government has resulted in **devolution** assuming secondary priority.

The recent Agreement-in-principle for the **CYI** claim has potentially profound implications for the system of public local government in the Yukon. The next step includes negotiation of the powers and structures of band government, as each Yukon band goes through its own review and ratification process to finalize the claim agreement. It appears that some bands want to discuss

the immediate implementation of Aboriginal self-government for their members. All bands want to ensure that the final agreement provides the potential for them to implement self-government when they think it appropriate.

These negotiations are still at a very early stage. However, individual communities are **participating with understandable** interest. The YTG is also awakening to the need to ensure that there is **some logic to the relationship between Aboriginal** government at the local level and public local government in the Yukon. So far, YTG has been quite low key on where it stands specifically on this issue. It may find that a more evident public position is necessary in order to focus the debate on a territory-wide basis.

One area of particular interest in the Yukon context is the recent establishment of a regional land use planning regime. Responsibility for land use management has not been devolved to either of the two northern territories by the federal government. However, the long debates over the appropriate role for territorial governments in regional **land** use planning have resulted in the establishment of a regional land use planning commission structure in the Yukon that may be said to represent partial **devolution** of the federal authority, in the sense that it acknowledges a formal role for the YTG, through the Minister of Renewable Resources.

On October 22, 1987, an agreement on land use planning in the Yukon was finalized between the Government of Canada and the Government of the Yukon. The agreement provides for the establishment of regional land use planning commissions with members to be chosen by the federal government, YTG and the **CYI**. Henceforth, any **municipal** or community plans in the Yukon are to conform to the regional plans that emerge. The first exercise undertaken is in the Greater **Kluane** region. The Greater **Kluane** Regional Land use Commission was established shortly after conclusion of the federal-provincial agreement. It is intended to report in November 1989. The village of Haines Junction is considered part of the area under study.

The Association of Yukon Communities and the Village of Haines Junction itself have objected to the structure of the commission and the powers of its plan, once it is adopted. They argue **that** affected municipalities should **be** guaranteed corporate representation on any regional land use planning commission. Furthermore, they object to the requirement for local government conformity to regional plans, especially since communities have no corporate status in their preparation. To date, the Yukon Territorial Government has attempted to appease these objections with assurances that there **will** be adequate opportunity for local participation. It does not appear willing to include communities formally in its **hard-** won regional land use planning process.

On other fronts, YTG officials are looking to the further decentralization of Yukon government operations to communities. They recognize that eventual **devolution** in areas such as health care and new aspects of resource management **will** increase YTG's visibility at the local level and thereby contribute to the **YTG** decentralization initiative. It seems that in the Yukon case, claims, rather than **devolution**, will be the engine of change for local government. Negotiation in the claims forum will necessitate the YTG and communities themselves to think in a concerned manner about the future of public local government in the Yukon.

CONCLUDING OBSERVATIONS

The situations in the Yukon and in the NWT are obviously very different. However, the development of local government is at a crucial juncture in both territories. **Devolution** is not **really** the engine of local government development in either case. Both territorial governments are showing some degree of proprietorship over newly acquired authority and responsibility from the federal government. The YTG makes no bones about its stance. In the case of the **GNWT**, there is the gap between the rhetoric of further devolution to communities and reality.

The key issue in the Yukon emerges in the context of final claims negotiations. It concerns the relationship of Indian **self-**

government at the local level to public government. This is important in the NWT context also. However, the evident struggles associated with the development of local government in the NWT, including the tension posed by the emergence of regional councils as a vehicle for community interests, **make the situation more complex.**

Local government has come a long way in the two territories in the past twenty years. The achievements of the past are important. However, the short term prospects for local government in the context of the current round of **federal-territorial** devolution are likely to be more akin to taking one step forward and two steps back.

1. These are the **Charter Communities Act, Cities, Towns and Villages Act, Hamlets Act and Settlement Act.**
2. These were: Pond Inlet, Arctic Bay, Pangirtung and Iqaluit. I would like to express appreciation to all those interviewed for this study for their time and thoughts.
3. **See** Government of the Northwest Territories Policy, "Evolution," October 23, 1987, p.1.
4. Advisory Commission on the Development of the Northwest Territories, A.W.R. Carrothers (Chairman), Report to the Minister of Northern Affairs and National Resources (Ottawa: 1966). See also Gurston Dacks, A Choice of Futures (Agincourt: Methuen, 1981) p. 106.
5. See, for example, T.J. Plunkett and G.M. Betts,
6. For a review of these problems, see Katherine A. Graham, Anne B. McAllister and Marcia George, Local and Regional Government in the Northwest Territories (Kingston: Institute of Local Government, Queen's University, 1980)

7. **Inuit** Tapirisat of Canada, Political Development in Nunavut (Ottawa: 1979) and Parnagujuuk (Ottawa: 1980)
8. News/North, Aug 27, 1982, p. AS.
9. **C.M.** Drury, Report of the Special Representative on Constitutional Development in the Northwest Territories (Ottawa: Minister of Supply and Services Canada, 1980) p. 42.
10. Minister of Aboriginal Rights and Constitutional Development, "Our Land, Our Future: Discussion Paper on Political and Constitutional Development in the NWT" (**Yellowknife**: Government of the Northwest Territories, 1981)
11. Minister of Local Government, "A Design For the **Devolution** of Additional Powers and Responsibilities to Communities: A Discussion Paper on Proposed Local Government Legislation" (**Yellowknife**: Government of the Northwest territories, 1983)
12. Government of the Northwest Territories, "Direction for the 1990's" (**Yellowknife**: Government of the Northwest Territories, 1987) "Shaping Public Government."
13. Government of the Northwest Territories, Policy: **Devolution**, Yellowknife, October 23, 1987, p. 1.
14. Government of the Northwest Territories, **GNWT** Transfer Policy, **Yellowknife**, February 24, 1988.
15. **Government** Response to the Report of the Regional and **Tribal** Councils **Review** Coordinating Committee, Legislative Assembly of the Northwest Territories Tabled Document ,No. 57-88 (2), **tabled** NOV. 4, 1988.
16. Government of the Northwest Territories, "A Discussion Paper on Political and Constitutional Development in the Northwest Territories," Yellowknife, November **1988**, p. 3.
17. **Dacks**, 1981, p. 108.