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# Working Paper

## Report of the Honorable C.M. Drury Special Representative to the Prime Minister for Constitutional Development in the Northwest Territories

Other Federal Responsibilities  
in the  
Northwest Territories

January 1980

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OTHER FEDERAL RESPONSIBILITIES  
IN THE NORTHWEST TERRITORIES



A Working Paper  
Office of the Special Representative  
for Constitutional Development  
in the Northwest Territories  
January 1980

OTHER FEDERAL RESPONSIBILITIES  
IN THE NORTHWEST TERRITORIES

This paper reviews federal responsibilities in the NWT that are in addition to federal responsibilities of general application across Canada, and that are of particular concern to territorial residents, but which have not been examined in other Working Papers of the Office of the Special Representative. These responsibilities will be considered under three categories:

- Federal Responsibility for the NWT
- Federal Employment in the NWT
- Other Federal Responsibilities of a Provincial-Type Nature in the NWT

Under the latter category, federal jurisdiction in the areas of justice, labour relations, the human rights of GNWT employees, health care, housing and airports in the NWT will be reviewed with a view to considering whether an alternative distribution of responsibilities between the federal government and the GNWT is desirable.

FEDERAL RESPONSIBILITY FOR THE NWT

The NWT became a part of Canada in 1870, the Arctic Islands were added in 1880, and it assumed its present boundaries in 1912 with the northward extension of the boundaries of Manitoba, Ontario and Quebec. It comprises

the three "provisional districts" of Mackenzie, Keewatin and Franklin, although these districts (as defined by P.C. 655, March 16, 1918) are a legal relic of no importance in current administrative practice. The capital of the Territories, formerly Ottawa, has been Yellowknife since 1967.

#### Federal Policy for the North

The general policy of the Government of Canada in respect to the North was stated by the Honorable Jean Chrétien, then Minister of Indian Affairs and Northern Development, to the Standing Committee on Indian Affairs and Northern Development, in his report on "The Government's Northern Objectives, Priorities and Strategies for the 70's." This policy statement described its purpose as to set out "the government's approach to policy in the Yukon and Northwest Territories directed towards certain national objectives and is intended as the policy-framework for the formulation, coordination and implementation of all Federal and Territorial programs throughout the 70's." "National objectives in the North" are set forth, as follows:

1. to provide for a higher standard of living, quality of life, and equality of opportunity for northern residents by methods which are compatible with their own preferences and aspirations.

2. to maintain and enhance the northern environment with due consideration to economic and social development.
3. to encourage viable economic development within regions of the Northern Territories so as to realize their potential contribution to the national economy and material wellbeing of Canadians.
4. to realize the potential contribution of the Northern Territories to the social and cultural development of Canada.
5. to further the evolution of government in the Northern Territories.
6. to maintain Canadian sovereignty and security in the North.
7. to develop fully the leisure and recreational opportunities in the Northern Territories.

The statement describes what it calls the contemporary challenges in the North: to fulfil the needs of the native peoples; to ensure viable economic development; and to maintain ecological balance. Specific needs are described as essential infrastructures and services such as air transportation, the pursuit of livelihood through both traditional means and wage employment, provision for recreational needs,

conservation of the environment, community Development, and cultural and social development. So far as economic development is concerned, the policy statement stresses that, although there is some agricultural, forestry and fisheries potential, the principal economic future of the North lies in its sub-surface, non-renewable resources. This type of development, being capital rather than labour intensive, does not solve the pressing need for employment opportunities. This need is particularly severe amongst native people because, the statement points out, native groups have a rate of natural increase several times higher than that for the rest of Canada. "The problem is one of education and training, of influencing potential employers and prospective employees, and also of diversifying economic activities. " As to the ecology, the paper recognizes the particular fragility of the northern environment and consequent need for specific guidelines for natural resource utilization, as well as the challenge of the physical development of communities. "A comprehensive program of regulation, based on recently enacted legislation, is required and includes elements of preservation, protection, managed-use and restoration. " The need for expanded research is mentioned as a prerequisite for northern planning and decision-making. The policy statement sets forth a statement of priorities in the North:

In this decade, given the

- national objectives in the North,
- natural constraints of the North,
- urgency of native people problems,
- adverse effects of unsystematic development of non-renewable resources and energies in Canada,
- Government's other priorities for Canada ,
- limitation on government resources available for the North,

the government's order of priorities in the North for the next decade will be:

1. to give rapid effect to the agreed guidelines for social improvement.
2. to maintain and enhance the natural environment , through such means as intensifying ecological research, establishing national parks, ensuring wildlife conservation.
3. to encourage and stimulate the development of renewable resources, light industries and tourism, particularly those which create job and economic opportunities for native northerners.



4. to encourage and assist strategic projects (key to increased economic activity in the region or Territory with solid economic and social benefits) in the development of non-renewable resources and in which joint participation by government and private interests is generally desirable.
5. to provide support for other non-renewable resource projects of recognized benefit to northern residents and Canadians **generally.**

The paper stresses the need for cautious and thorough planning of development with respect to ecological, economic" and social impact, "in spite of heavy pressures" for exploitation of resources. The development of population growth centres, government participation in ventures, and coordination with development elsewhere are requirements mentioned. Native peoples must be "seen to be fit". The need to strengthen social programs, particularly for native people, is emphasized, and a set of social guidelines is outlined. These refer to specific strategies and techniques for education, training and employment, with special mention of skilled trades, professions and executive and administrative positions, "even at the risk of higher costs and some

mistakes. " Mechanisms for community consultation, opportunities for traditional and cultural pursuits and related types of wage employment, the need to strengthen communications and transportation as well as safeguard culture are all spoken of. In a section on planning and coordination, great importance is given to the need for a coordinated approach by both federal and territorial authorities as well as the private sector, directed towards the common objectives identified. The statement concludes by stressing the need for achieving coordination, by means of the use of the powers and responsibilities of the Minister of Indian Affairs and Northern Development.

Role of Minister of Indian Affairs and Northern Development

The duties, powers and functions of the Minister of Indian Affairs and Northern Development (IAND) with respect to the Northwest Territories are set forth in the Department of Indian Affairs and Northern Development Act, section 4. They "extend to and include all matters over which the Parliament of Canada has jurisdiction, not by law assigned to any other department, branch or agency of the government of Canada, relating to . . . (b) the Northwest Territories and the Yukon Territory and their resources and affairs."

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The Minister is specifically charged in section 5 with responsibility for:

- (a) coordinating the activities in the Northwest Territories and the Yukon Territory of the several departments, branches and agencies of the Government of Canada;
- (b) undertaking, promoting and recommending policies and programs for the further economic and political development of the Northwest Territories and the Yukon Territory; and
- (c) fostering, through scientific investigation and technology, knowledge of the Canadian north and of the means of dealing with conditions related to its further development.

Section 6 then goes on to state that:

The Minister of Indian Affairs and Northern Development

- (a) has the control, management and administration of all lands situated in the Northwest Territories and the Yukon Territory belonging to her Majesty in right of Canada except those lands therein that were immediately before the 1st day of October 1966 under the control, management or administration of any Minister, department, branch or agency of the Government of Canada other

than the Minister of Northern Affairs and National Resources or the Department of Northern Affairs and National Resources; and

- (b) shall administer all Acts, orders and regulations not by law assigned to any other Minister, relating to any of the matters mentioned in section 4 or 5.

The Minister fulfills his responsibilities under the Act through two administrative vehicles:

1. The Government of the Northwest Territories, and
2. The Northern Affairs Program of the Department of Indian Affairs and Northern Development.

In addition, the Minister has further specific responsibilities pertaining to the NWT under specific subject legislation, such as the Territorial Lands Act.

#### Federal-Territorial Constitutional Relationship

The constituent legislation ("constitution") of the Northwest Territories is the Northwest Territories Act, an act of the Parliament of Canada. Power to amend this act rests solely with Parliament. The act provides for the appointment by the Governor-in-Council of a chief executive officer for the territories, the Commissioner. The Commissioner is required to administer the Territories under instructions

given by the Governor-in-Council or the Minister of Indian Affairs and Northern Development. The executive is consequently not responsible to its legislature (Council of the Northwest Territories) ; thus, although the Council has been fully representative (elected) since 1975, the government cannot be said to be "responsible" . Neither can it be said to be a sovereign government, given that its constituent legislation is that of a higher level of government and that its chief executive officer is responsible, not to its own legislature, but to the higher level of government. In consequence of these constitutional facts, the federal presence in the NWT (as in the Yukon) is very different from that in the 10 provinces.

The Northwest Territories Act further provides (section 13) that the Commissioner-in-Council (i.e. "the Commissioner acting by and with the advice and consent of the Council") may (subject to federal law) "make ordinances" (enact legislation for the territories) in relation to specified classes of subjects, some of which are parallel to those under provincial jurisdiction by virtue of the British North America (BNA) Act, while others are considerably more specific. Thus territorial legislation is always subject to the primacy of federal law.

Policy and Coordinating Functions of DIAND

The Department of Indian Affairs and Northern Development (DIAND) through its Northern Affairs Program carries out, as well as its programs, a number of policy and coordinating functions with respect to the Territories. The responsibility for the coordination of federal activities in the Northwest Territories (and the Yukon) with which the Minister is charged under Section 5 of the DIAND Act is exercised in part through the Advisory Committee on Northern Development (ACND), the secretariat for which is within the Northern Affairs Program. This Committee was established January 17, 1948 by Cabinet decision, "to advise the government on questions of policy relating to civilian and military undertakings in northern Canada, and to provide for the effective coordination of all government activities in that area." Its chairman is the Deputy Minister Of DIAND. The Advisory Committee has a number of sub-committees (known as "committees"), including the Policy Committee (also chaired by the Deputy Minister), the General Committee, the Northwest Territories Coordinating Committee (and its counterpart for the Yukon) and a number of committees on various sectors or specific topics.

The Northern Affairs Program of DIAND has responsibility for providing policy and fiscal advice to the Minister. It must ensure, by study or referral, that any proposed

territorial legislation is consistent with **federal** legislation and policy. The Commissioner may, in law, either on his own volition, or under instruction from the Minister, withhold assent from a bill that is being proposed by Council. In addition, the Governor-in-Council may also disallow an ordinance under Section 16(2) of the NWT Act. Advice must also be provided to the Minister with respect to any proposed changes in federal legislation affecting his northern responsibilities, whether to the constitution of the Northwest Territories (NWT Act) , or other legislation. A similar advisory function is performed with respect to major proposals for new or revised programs to be carried out by the territorial government. With regard to fiscal relations between the Governments of Canada and the Northwest Territories, the Program participates in the proceedings of the Intergovernmental Committee on Federal-Territorial Financial Relations (IGC). This committee recommends to the Minister the amount of the annual **operating grant** and capital grant to be transferred to the GNWT.

In addition to its secretariat functions, the Northern Affairs Program (or "Northern Program") operates a number of specific programs in the North in respect of the Minister's responsibilities for native peoples and for land and resources in the NWT and for the governance of the NWT.

Provincial-Type Powers Exercised by the Federal Government

Powers which, if the Northwest Territories were a province with the same powers as other provinces would be exercised by the Territories, are commonly referred to as "provincial-type". Most such powers derive from the BNA Act, sections 92, 93, 95, 109, 110 and 117. In the Territories, the territorial government presently exercises a number of provincial-type powers through programs of their own administration. Examples are local government, education, social services, and the provincial-type aspects of wildlife management. However, a number of other provincial-type powers are exercised in the Territories by various departments of the federal government (principally the Department of Indian Affairs and Northern Development). The federal government retains authority over all natural resource matters, except for the provincial-type aspects of wildlife management, as well as partial responsibility for the administration of justice and health services. Federal responsibility is also retained in certain aspects of economic planning, labour relations, land surveys and road planning and construction. Other services provided by federal agencies are the conduct of territorial elections (by agreement) and the external audit of territorial accounts.

Thus the federal government is responsible for all aspects of government in the NWT due to the territorial status



of the NWT. This responsibility includes functions that in the current balance of federal-provincial **relations** are the exclusive or partial responsibility of provincial governments. The federal government carries out many of these functions itself. However, a territorial-level government has been established with limited powers, and to an increasing extent, the federal government looks to the territorial level to carry out these functions. To date the territorial government has been given legislative and administrative responsibility, in the first instance, for a number of provincial-type functions.

#### FEDERAL EMPLOYMENT IN THE NWT

Before 1967, most federal employees concerned with the NWT worked out of Ottawa or other southern bases. Following implementation of the recommendations of the Carrothers Commission and the relocation of the territorial capital to Yellowknife in 1967, many federal operations also moved to the North. At that time most native northerners did not have the training considered necessary to assume positions when this move was effected and the number of non-natives resident in the NWT was relatively small. Thus most federal public servants were mainly southerners, hired under standard federal employment practices, and transferred to the NWT to carry on the work formerly done from the South. This situation continued over the following ten years, and with a few exceptions, little effort has been made to increase the percentage of

northerners hired in federal jobs in the NWT.

Over the years, this situation, compounded by the fact that most senior positions remain in the South and the fact that there are few northerners in Ottawa, caused bitterness and antagonism in the NWT. Dissatisfaction is voiced in complaints against the federal government, such as: there is a lack of opportunities for northerners in the **public** service; jobs and job descriptions are designed by southern-trained managers for southern-type situations and then transplanted to the NWT without regard to the northern reality; and departments use positions in the NWT on a rotation basis to up-grade the qualifications of southern employees. Consequently, the federal public service is considered not suited to or representative of the NWT. These complaints have been documented by the Special Committee on the Review of Personnel Management and the Merit Principle in the Public Service (chaired by Mr. Guy D'Avignon) .

The federal presence in the NWT is relatively significant partly because of territorial status. The federal government currently carries out many provincial-type responsibilities which in the South are carried out by the provincial governments . And because it carries out those functions, it also hires the personnel. Thus the public service in the NWT must be considered at two levels: those working on truly federal-type responsibilities and those working on provincial-

type responsibilities. The pattern in the NWT is for the provincial-type responsibilities to be devolved to the GNWT. As this occurs, the role and presence of the federal public service will be decreased. However, devolution of responsibilities is unlikely to happen immediately; thus the issues regarding the public service must be addressed, at both levels.

#### Employment Data

It is difficult to determine the number of federal employees a) working in the NWT, and b) working on NWT matters.

According to the Annual Northern Expenditure Plan (ANEP) prepared by the Department of Indian Affairs and Northern Development, 77.8 percent of all federal person-years working on the North were to be located in the NWT and Yukon Territory in 1978-79. However, many policy and decision-making positions are still located in the South, particularly in Ottawa, Edmonton and Winnipeg.

As detailed in ANEP, (see Fig. 1) planned employment on the NWT by federal agencies for the fiscal year 1978-79 is 2,656 person-years located in the NWT and some portion of the 1,086 person-years located in southern Canada but working on northern matters, that is on the NWT and Yukon Territory combined. These figures include "all regular, seasonal,

Fig. 1

## Distribution of Planned Direct Employment by Agency and Location for 1978/79 (Man-Years)

Agency	Location			Total
	Yukon Territory	Northwest Territories	Southern Canada	
<i>Federal Agencies:</i>				
Canadian Broadcasting Corporation	22	66	57	145
Central Mortgage and Housing Communications	2	9		11
	5	12	1	18
Employment and Immigration	30	57		87
Energy, Mines and Resources	3	14	258	275
Finance				
Fisheries and Environment	45	191	249	485
Indian and Northern Affairs	316	328	371	1015
Justice	3	10		13
Labour				
National Defence	5	587	79	671
National Health and Welfare	269	547	12	828
National Museums			5	5
National Revenue	14	1		15
Post Office	62	57		119
Public Service Commission		80		80
Public Works	101	78	12	191
Regional Economic Expansion	3	3		6
Royal Canadian Mounted Police	136	262		398
Secretary of State				
Transport	102	354	42	498
Veterans Affairs				
<b>Total Federal Government</b>	<b>1118</b>	<b>2656</b>	<b>1086</b>	<b>4860</b>
Government of the Northwest Territories		3226		3226
Government of the Yukon Territory	1461			1461
<b>Total</b>	<b>2579</b>	<b>5882</b>	<b>1086</b>	<b>9547</b>

Source: Table XXVIII, Annual Northern Expenditure Plan 1978-79, Department of Indian Affairs and Northern Development.

casual and part-time employees, including police and military personnel" but do not include "persons engaged under professional and special service contracts", "employment generated by programs specifically designed to create jobs (unless the employment is with a reporting agency and covered in that agency's budget) ", Canadian armed forces available for the defence of the North, employment related to long-range research activities, and employment related to the Northern Canada Power Commission and the Northern Transportation Company Limited.

The ANEP figures do not differentiate between permanent and non-permanent employees, nor between native and non-native.

The Advisory Committee on Northern Development (ACND) in DIAND collects data on actual federal government employment in the NWT. It has encountered difficulties in compiling these figures, because some agencies file figures for the NWT and Yukon combined, some agencies are very slow in filing returns, and at least one agency refuses to file. The data that have been collected are shown in the table "Employment in the Federal Government, NWT" (see Fig. 2) . The figures vary from those provided by ANEP, partly because different agencies have been included and partly because ACND's figures show "positions" located in the NWT, whereas ANEP's figures show "person-years" The ACND figures are

Fig. 2  
EMPLOYMENT IN THE FEDERAL GOVERNMENT, NNT 1 2 3

Dept./ Agency	Positions in NNT <sup>1</sup>			Native Employees in NNT <sup>2</sup>			Peel t ions in NNT & Yukon <sup>4</sup>			Native Employees in NWT & Yukon <sup>5</sup>		
	Permanent	Non-Permanent	Total	Permanent	Non-Permanent	Total	Permanent	Non-Permanent	Total	Permanent	Non-Permanent	Total
Communications	11	0	11	n	n	0						
Employment & Immigration & IIT	79	1	80	16	1	17						
Energy, Mines & Resources	6	0	6	0	0	n						
Fisheries & Environment	149	26	115	?	1	1						
DIAND: Parks	118	26	144	14	8	22						
Northern	144	13	157	23	4	27						
Indian & Inuit	9	0	9	4	n	4						
National Health & Welfare	496	n	496	110	0	110						
Justice	10	0	10	1	0	1						
National Defence	17	n	17	6	n	6						
Post Office	106	0	106	1n	0	10						
PSC-Northern Careers Program												
(1) Participants							0	58	58	0	58	58
(2) Staff	9	0	9	4	n	4						
Public Works	115	18	173	9	2	11						
Regional Economic Expansion	2	0	2	0	0	n						
P-W, "S" (Customs)	1	0	1	n	n	0						
PCMP	255	236	491	15	191	208						
Transport							371	13	184	25	13	38
CRC	69	15	84	27	14	46						
CN Tele-communications <sup>6</sup>												
CMHC							10	n	10	0	0	0
National Film Board	1	0	1	n	0	0						
NCPC							160	121	281	23	42	65
NTC1	92	548	640	1	57	55						
TOTALS	1,911	903	2,814	241	275	522	541	192	713	48	113	161

NOTES:

- Source: Advisory Committee on Northern Development, Department of Indian Affairs and Northern Development, March 11, 1979
- Figures should be used with care; they reflect the position on the days of reporting and are subject to fluctuation. The figures were reported between September 1978 and March 1979, with the exception of Fisheries and Environment, which shows a partial return dated April 1977, Transport which shows March 1977 data, and NCPC. Data on ethnicity are not always available within departments; these figures may not be completely accurate.
- Where departments and agencies report NWT figures separately from the Yukon figures, the NWT data are presented in the left-hand columns; where data are reported for the NWT and Yukon Territory combined, they are presented in the right-hand columns.
- Includes positions that were vacant on reporting date.
- Includes other types of employment such as term, seasonal.
- CN Telecommunications refuse to provide data.
- National Film Board hires native people on an "as required" basis for its Challenge for Change program in the North.
- NCPC experienced some layoffs July 1977; figures for 1978 not yet available.

useful in that they distinguish between permanent and non-permanent positions and between native and non-native employees.

As can be seen from Fig. 2, there are 1,931 permanent and 903 non-permanent positions in the NWT alone and some portion of the 541 permanent and 192 non-permanent positions reported for the NWT and Yukon Territory combined. It is not possible to assign percentages of the combined figures to either Territory.

From these figures, and others available from Revenue Canada (Taxation Statistics 1979) and the GNWT Department of Planning and Program Evaluation, it is estimated that there are almost 3,000 federal employees in the NWT. This means that about 6 percent of the total NWT population of 46,500 and over 15 percent of the total NWT labour force of an estimated 17,000 is employed by the federal government. This latter percentage is estimated to be three times the all-Canada average.

Of the positions reported to ACND for the NWT alone, 522 (18.4 percent) are filled by native employees (247 permanent, 275 non-permanent); of the positions reported for the NWT and Yukon combined, 161 (21.9 percent) are filled by native employees (48 permanent and 113 non-permanent). Thus

approximately 20 percent of federal government positions in the NWT are occupied by native people; this compares with the fact that two-thirds of the northern population is native.

For positions reported for the NWT alone, 68.1 percent of total positions are permanent but only 47.3 percent of positions occupied by native people are permanent. The corresponding figures for positions filed for the NWT and Yukon combined are 73.8 percent and 29.8 percent. No data are available to show the breakdown between officer level, that is, management and decision-making levels, and support staff.

The word "native" as used here includes status and non-status Indians, Inuit and Metis. Problems have been encountered in compiling the figures relating to native people; they are subject to change, and should be used with care. In this context, it should be noted that the Canadian human rights legislation generally permits only self-identification as a means of identifying a native person.

In December 1978, three Inuit researchers (Joe Pauloosie, Charlie Ipeelie and Taina Ipeelie) carried out "An Employment Survey of Frobisher Bay". According to that survey, 12 federal agencies hire a total of 241 persons, 200 of whom



are "Kadlunat" (non-native) and 41 (17 percent) Inuit. **Over** half the **Inuit** identified, work for the Department of National Health and Welfare and it is not **clear** what proportion fill permanent (full-time) as opposed to non-permanent (casual, seasonal) positions.

#### Federal Government Employment Policies

Generally, employment in the federal government in the NWT is covered by the same policies and directives as in southern Canada. Treasury Board (TB) , through the Financial Administration Act, is the employer (an authority it may delegate to departments) , and the Public Service Commission (PSC) , through the Public Service Employment Act, has the authority to appoint persons to officer level positions. Outside the National Capital area, the Canadian Employment and Immigration Commission (CEIC) is responsible for recruiting personnel in the administrative support and operational categories. Treasury Board Secretariat (TBS) is responsible for manpower planning, such as classification of positions, compensation and benefits, and both PSC and CEIC make appointments in accordance with TB policies and directives. These policies are brought together in the TB Personnel Management Manual and all departments are to comply with them. DIAND, under its departmental act, has a coordinating function in the NWT, which to an extent includes federal employment policies as they apply in the NWT. However, DIAND,

except with regard to its delegated authority as a department, has no jurisdiction regarding the appointment of federal employees in the NWT.

In recognition of the special conditions that exist in the North, such as distance and higher costs, the federal government gives its northern employees an isolated post allowance and provides some housing. (The issue of employee housing is addressed in the section on "Housing".)

The PSC has recently opened a district office in Yellowknife. Whenever Possible, competitions are run locally and either PSC staff travel to the place of competition or delegate their responsibilities to the departmental staff who are conducting the competition.

Training and development of public servants in the NWT are subject to the same guidelines as in southern Canada. However, in recognition of the special conditions that exist in isolated areas, the Staff Development Branch of the PSC has been providing an itinerant training service in the North. In addition, it has undertaken to encourage the formation of a federal training committee, and has operated courses for departments who have pooled their training resources under the

Branch's guidance, in order to bring specialized courses to the North. Moreover, the Branch has worked with training officers of the Government of the Northwest Territories (GNWT) in order to make a large number of courses available to that government. Working again on the "pooling" principle, the courses offered by the GNWT for its employees have also been open to federal employees.

The Staff Development Branch is also developing a Program under the general title of Open Learning Systems. This program provides a wide variety of courses in an individualized learning format, as well as correspondence courses on government topics, in an integrated program for federal employees.

A decade ago, indigenous people held very few positions throughout the federal government, and fewer than 0.1 percent of officer-level positions, although they comprise approximately 4 percent of the population of Canada. Indeed, native people in Canada consider Latitude 60°N to be an artificial dividing line. They do not place any special emphasis on the NWT: to them, the southern NWT and the northern parts of the provinces form one continuous area. In the NWT, native people currently form a clear majority of the population (approximately 66 percent), but comprise less than 5 percent of native people in Canada as a whole, and may not,

therefore, be adequately represented by the national native organizations, or adequately considered as a separate group in meeting their distinct needs under national programs to encourage native employment in the federal government.

In a speech in 1968, the Honorable Jean Chrétien, then Minister of DIAND, said, "Government will be a major employer in the North for some time to come. We will have to ensure that as a matter of policy and practice 75% of the government jobs in the North, many of them now held by southern Canadians imported at considerable expense, are held by native Canadians by 1977" (Communiqué, Nov. 16, 1968, p. 9) .

In that same speech, the Minister noted that the problem of establishing new patterns of employment consists, in part, of education and training. He developed this theme in his 1972 Report to the Standing Committee on Indian Affairs and Northern Development on the Government's Northern Objectives, Priorities and Strategies for the 70's: "The Government has set out the following guidelines for social improvement to be acted on by all departments and agencies involved in the North:

- 1) consciously create in government and industry employment opportunities for native peoples through attractive incentives, meaningful targets and when

necessary, **imposed** obligations.

- 2) re-orient employment practices of government and industry in order to provide intensive **training**, not only in preparation for foreseeable employment but including on-the-job training . . .
- 3) train and Provide experience for native northerners in executive and administrative posts . . . even at the risk of higher costs and some mistakes . . . ."

Office of Native Employment

To "stimulate the employment of native people in the Public Service of Canada", the Public Service Commission established the Office of Native Employment (ONE) in 1972.

The ONE, in cooperation with Indian, Metis, non-status Indian and Inuit representatives, developed a new personnel management policy for indigenous people, which became part Of the TB Personnel Management Manual on January 8, 1979. It states, "Greater participation of native people in the government's decision-making Processes will improve federal programs and services to their communities while creating a public service that is more representative of all Canadians".

Further, the greater Participation of indigenous **people** at all levels in the **public** service, particularly at the middle and senior management and advisory levels, must be actively encouraged.

Under TB policies 115-21 and 110-1, departments and agencies are to "develop annually specific action plans to meet the objectives of the policy" and to "report annually to the Treasury Board on the results of these, with respect to increases in the number of indigenous people employed, by occupational group and level". The first of these plans were to be submitted by March 31, 1979, with subsequent plans to be submitted by December 31 each year. The first plans were slow to be submitted but by August 1979, 32 plans including those from the most significant departments in terms of employment , had been received. The native groups that helped formulate the policy are being kept informed of progress and their reactions are being sought by ONE. ONE considers it crucial that the native groups continue to be involved. ONE plans to evaluate effectiveness of the policies, at least once a year.

As of Fall 1979, ONE has one part-time coordinator in Yellowknife and one volunteer on Baffin Island. It is hoped to staff the coordinator position in Yellowknife on

a full-time basis and to regularize the situation in the Eastern Arctic.

Northern Careers Program

In August 1974, the Northern Careers Program (NCP), administered by the PSC, received Treasury Board approval and came into effect June 1975. Its mandate is to increase the employment of native northerners in middle management positions. It does not train for operational and support categories.

NCP could not meet its original objective - to increase by 250 persons over a 5-year period the number of native northerners occupying permanent positions. Particularly at intermediate and senior levels - because TB did not approve sufficient resources to do so. As of June 1979, 144 employees had been associated with the program, 48 of whom now occupy positions at responsible levels.

NCP offers various combinations of on-the-job training and institutionalized learning to meet career needs, which are established on an individual basis. Institutional training in the South is carried out only if the skills cannot be developed through on-the-job training. Of the 40 participants at June 1, 1979, 24 were in on-the-job training, and 16 were in institutions. Although this appears to be an

excellent **approach**, the number of transfers (25) and other terminations (31) (for a total of 56 out of 144, 38 percent) indicates that there are problems.

NCP is now examining ways to develop counterpart training programs, while maintaining job security for the employee who is to be **replaced** by a native counterpart. Two approaches have suggested themselves: first, that **employees** undertaking to train native counterparts have some form of placement guarantee prior to beginning the training; and second, that all employees from the South who accept **positions** in the North agree to undertake counterpart training as a condition of their employment in the North on the understanding that on their return to the South, their "home" departments would place them on a **priority** basis. This second method would permit the matching of a native trainee with a particular position; it would also permit the phasing out of southern rotational staff. There are, as yet, no formal plans for implementing either approach. There is a marked reluctance among employees in the North to participate in counterpart training when virtually no job security for the "trainer" exists. Any systems implemented will have to overcome this major deterrent.



The following table below shows participation by the various ethnic groups in NCP, as of June 1, 1979.

<u>Native Group</u>	<u>Graduates</u>	<u>Transfers</u>	<u>Other Terminations</u>	<u>Current Participants</u>	<u>TOTAL</u>
Inuit	7	3	5	4	19
Indian	16	7	13	8	44
Metis	25	15	13	28	81
TOTALS :	48	25	31	40	144

(Source: Northern Careers Program)

Considering that Inuit comprise approximately 30 percent and Metis less than 10 percent of the NWT population, their participation in NCP does not reflect their proportion of the population. It may, however, reflect the interest of the various groups in government; the location of federal establishments (the majority being in the Mackenzie Valley, with relatively few in the Eastern Arctic); the areas of unemployment/underemployment; or the fact that a great proportion of Inuit still live off the land. It may also reflect the recruitment programs of NCP and the location of NCP in Yellowknife.

There is also a lack of extensive Participation in NCP by federal departments, as shown in the following table:

<u>Federal Department</u>	<u>Total of Scientific/Professional, Administrative/Foreign Service and Technical Personnel in NWT</u>	<u>Number of NCP Participants</u>
Employment & Immigration	57	6
Communications	12	0
Environment	193	6
Public Works	83	0
Energy, Mines & Resources	10	0
Indian Affairs & Northern Development	281	40
Transport	301	1
National Health & Welfare	313	2
Public Service Commission	18	8
Other	<u>23</u>	<u>2</u>
TOTAL	1,286	<u>65</u>
Participants in Other Agencies		56
Unemployed		12
Rejoined Program		<u>5</u>
TOTAL PARTICIPATION:		138

(Source: **Adapted** from Northern Careers Program)

NOTE: These figures do not match those in the preceding table on participation by indigenous peoples.

DIAND and the PSC are the only departments that show significant participation in NCP. However, although DIAND accounts for nearly 30 percent of NCP participants, **only** 14 percent of its suitable positions are involved. With a combined total of nine participants, the Departments of the Environment, Public Works, **Transport** and National Health and Welfare show very little interest in the Program and yet among them these departments have over two-thirds of the suitable positions.

NCP recognizes the need to encourage cultural awareness among non-native public servants. To this end, a program was developed in conjunction with the Staff Development Branch on "Effective Intercultural Management". This **week-**long seminar was operated on a pilot basis, and the experience has allowed NCP to begin the development of a similar seminar using northern resources. It is expected that such seminars can become a regular part of the NCP introduction to potential supervisors of native trainees.

The NCP is due to be evaluated in June 1980. There have, apparently been internal and **preliminary** assessments to date but the results of these have not been made Public.

Federal Contracts; Agreements with the Private Sector

In addition to the federal bureaucracy, the federal government is involved with employment in the NWT in two other

ways: contracts, and agreements with the private sector.

The federal government contracts with local firms for construction and maintenance projects. General Condition "C" of these contracts requires contractors to favour local hiring. It appears that federal departments operating in the NWT do not emphasize this condition, and that there are no enforcement mechanisms in place or penalties for failing to comply. The contracts administered by the Department of Public Works on behalf of DIAND for major road construction are exceptions.

The federal government has entered into agreements with companies in the private sector, such as Mineral Resources International Limited regarding the Strathcona Sound/Nanisivik mining project. These agreements frequently contain clauses dealing with socio-economic issues. In some cases, there are real limitations regarding the effectiveness of these clauses. According to DIAND, many of the problems revolve around attitudes, which cannot easily be controlled by agreement. Not all government's agreements with the private sector have been inadequate: work with Dome Canmar, for example, has achieved very positive results, without the benefit of formal agreements.

OTHER FEDERAL RESPONSIBILITIES OF A  
PROVINCIAL-TYPE NATURE IN THE NWT

A. JUSTICE

In the provinces, the initiation of criminal proceedings under the Criminal Code of Canada and quasi-criminal proceedings under provincial laws is a power vested in the Attorney General or Solicitor General of the province. This compares with the NWT where this power is vested in the Attorney General of Canada and the federal Department of Justice is responsible for its administration. The Territorial Council of the NWT is pressing to have this responsibility transferred to the NWT.

By amendments to the Yukon Act and the Northwest Territories Act, assented to on June 26, 1970, major responsibility in relation to the administration of criminal and civil justice in the Yukon and the Northwest Territories was transferred from the federal government to the territorial governments. This action was directly in response to recommendations of the Carrothers Commission established in 1965. Only two fundamental elements in the administration of justice were not devolved to the territorial governments. The first of these is the power to appoint judges of the superior courts of

the Yukon and the Northwest Territories . This power continues to be vested in the Governor General pursuant to Section 96 of the BNA Act and is similar in all respects to the power of the Governor General to appoint superior, district and county court judges to the courts of the provinces. The second reservation relates to the institution of criminal proceedings under the Criminal Code of Canada and quasi-criminal proceedings under territorial ordinances. That power remains with the Attorney General of Canada unlike the situation in the provinces where it is vested in the Attorney General or Solicitor General of the Province.

In the debate on Second Reading of the 1970 Bill to amend the Yukon Act and the Northwest Territories Act, the Minister of Justice explained the retention of prosecutorial responsibility in the following terms:

"...I did not consider that (the transfer of the authority to institute and conduct criminal proceedings) to be possible at this stage in the growth of responsible government in the territories. I felt it very important, and I still feel it essential that the person who has the ultimate responsibility for initiating prosecutions under the Criminal Code remain responsible to Parliament or to a legislature, in other words, remain responsible to the elected representatives of the people in the jurisdiction in which he administers that criminal justice.

At this stage it is obvious that there is not in the territories a fully responsible government wherein a cabinet or an executive is responsible to a territorial council or a legislature. If a person in the territories were to institute criminal prosecution he would not be directly responsible by way of a want of confidence motion or by way of censure to either of the territorial councils as an Attorney General of a province is responsible to a legislature or as I am responsible to the Parliament of this country. "

(Hansard, May 13, 1970, pages 6940 and 6941).

In practice, the responsibilities of the Attorney General of Canada in instituting and conducting prosecutions in the Northwest Territories are carried out by the regional office of the Department of Justice in Yellowknife which is comprised of six officers engaged almost full-time in the conduct of prosecutions throughout the Territories. The director of the Department's Yellowknife office is generally referred to as the Crown Attorney for the Northwest Territories.

At the 67th Session of the Council of the Northwest Territories held in January 1979, the following motion was adopted:

"I move that this Committee request the administration to convey the following recommendations to the Federal Department of Justice with the request that they be implemented within one year; (a) . . . (b) that the function of the crown attorney for the Northwest Territories be transferred from the Government of Canada to the Government of the Northwest Territories. "

At the end of March, the Eighth Territorial Council adopted a paper entitled "Position of the Legislative Assembly on Constitutional Development in the Northwest Territories" which included the following recommendation:

"That a Northwest Territories Department of Justice be established immediately; that the Federal Justice employees resident in the NWT be transferred to the public service of the Territories and be appointed agents to the Attorney General of Canada for the prosecution of of fences under Federal Acts. " (Para. 23, page 8) .

At pages 69 and 70 of the Position Paper, under the heading "Supporting Detail", the following is stated:

"In fact, and in law, the GNWT has the same responsibilities as any Province in the administration of justice, except for the function of Crown Attorney. We recommend that a Department of Justice should be established in the NWT immediately.

The function of Crown Attorney should be transferred to the NWT in two stages.

First, all staff in the office of the Crown Attorney should become employees of the GNWT. The actual Crown Attorneys would hold appointments as agents of the Attorney General of Canada, who now is also the Attorney General of the NWT, until such time as the Criminal Code is amended to provide that the Attorney General of the NWT shall be an elected Member of the Executive of the GNWT. "

The Special Representative wrote to the Minister of Justice requesting a study of "the desirability and



feasibility of the transfer of provincial-type responsibilities for the administration of justice to the Government of the Northwest Territories". In response, the Department of Justice prepared a considered review of four options on the further devolution of this responsibility to the GNWT, examining the advantages and disadvantages of each option. These options ranged from the maintenance of the status-quo, to the amendment, as soon as possible, of the Criminal Code to provide that, for purposes of the Code, "Attorney-General" in relation to the NWT is an elected member of the Territorial Council. Of the other two options, one is similar to the two-stage proposal of the Territorial Council in its Position Paper on Constitutional Development, which might be implemented through administrative agreement between the federal and territorial government. The other option is also a two-stage approach, but envisages a statutory basis for the first phase, as an indication of the federal government's commitment to further devolution. It also proposes a clear reporting relationship between a single official in the NWT, appointed as Director of Public Prosecution for the GNWT, and the Attorney General of Canada to whom the Director would be responsible and accountable during this phase since he would be appointed by the Attorney General of Canada, after consultation with the GNWT, to serve at the pleasure of the federal Attorney General as his lawful deputy for the purposes of the Criminal Code.

In September, 1979, the Commissioner announced as part of a reorganization of the **GNWT**, that effective October 1, 1979, the Department of **Public Services** would become the Department of Justice and Public Services to facilitate the transfer of the prosecution function to the **NWT**. An Assistant Director responsible for Justice would be appointed in the Department with responsibilities for court services, legal services and registries, and when the responsibility is transferred, for prosecutions.

Of the current cost of almost \$400,000 for administering the NWT office of the federal Department of Justice, a substantial portion is estimated to be in respect of the prosecutorial function. This cost is partially offset by revenues from fines approaching \$200,000 yearly. The NWT District Office of the federal Department of Justice in **Yellowknife** also provides on-the-spot legal services to other federal departments in the NWT (approximately ten per cent of its activities) . This arrangement ensures a sensitivity to northern matters that might not be available without the local presence. If the prosecution function is transferred to the NWT, it would probably no longer be possible for the federal government to justify a separate NWT Office. It would have to rely instead on its Edmonton Office, or on local agents appointed on an ad hoc basis. On the other hand, it is thought there would be efficiencies in the overall NWT justice system by

combining the administration of the **prose cutorial function** with the other justice functions already administered by the **GNWT**.

B. LAB OUR

In Canada, there are various types of **labour** legislation in effect:

- (a) The Canada Labour Code, a federal act, which applies in respect of persons working in international rail, road and pipeline transportation, shipping and related services, air transportation, **interprovincial** and international communication by telephone, telegraph or cable, radio and television broadcasting, banks, and certain crown **corp-**orations. Part V of the Code, which deals with industrial relations, also applies to non-government **labour** in the two territories.
- (b) The **Public Service Staff Relations Act**, a federal act which applies in respect of the federal public service.
- (c) Provincial and territorial public service staff relations legislation (under various titles) , which applies in respect of the public service within each province or territory.

(d) Provincial and territorial **labour** legislation in respect of non-government employees not otherwise covered by the federal Canada Labour Code. (Some 90% of all employees in Canada fall within provincial jurisdiction). Provincial and territorial legislation covers **labour** standards regarding working conditions, minimum wages, etc. , and applies to all employees falling within a province or territory's jurisdiction. Provincial legislation also covers industrial relations, that is, mediation, conciliation and arbitration in respect of organized **labour**.

Thus in the NWT, the GNWT is responsible for the territorial public service through the Public Service Ordinance. It is also responsible for territorial non-government employees but only as regards standards, minimum wages, working conditions, etc. , and not in respect of industrial relations for organized labour within the NWT, since this is covered by Part V of the Canada Labour Code. The GNWT is now seeking the transfer of this provincial-type responsibility to it.

The GNWT argues that responsibility for all aspects of **labour** relations for non-government employees is a standard provincial-type function.

A local NWT Labour Relations office would mean more effective delivery, eventually as well as increased public access to information and services. As the present volume of cases in the NWT (on average, five conciliation and mediation cases and one arbitration case in each of the last five years) may not warrant the establishment of an NWT Labour Relations Board and associated staff structure, the GNWT administration has suggested that initially the GNWT have legislative jurisdiction and responsibility for policy, but contract operational and administrative personnel from the federal government, until there is a sufficient caseload to justify territorial operations as well.

In response to a study request by the Special Representative to the Minister of Labour, Labour Canada has indicated its view that transfer of industrial relations is neither feasible or desirable at this time. Labour Canada's major argument against transfer to the GNWT is based on cost-effectiveness. Only a small number of employees (about 3,500) would fall under a territorial ordinance. The present cost to the federal government of providing this service is marginal. If the territorial government assumed administrative responsibilities, costs would increase greatly because of duplication of services. In a period of governmental restraint, duplication of services should be avoided not promoted.

Other arguments made by Labour Canada against transfer are as follows: It is preferable that **labour** legislation across Canada be uniform and consistent, and be administered uniformly. The GNWT has not found any deficiencies in the existing federal legislation. An NWT Labour Relations Ordinance would result in further fragmentation of the bargaining system in Canada and add another type of labour legislation in the NWT.

To date, the ~~GNWT~~ has not **prepared** an ordinance **that** is acceptable to Labour Canada and that would protect **labour** to the same extent as the current federal legislation does. There is not a sufficient number of cases in the **NWT** to keep an official occupied on a full-time basis; however, **the** **position** should not be filled on a casual, part-time basis. Moreover, the flow of cases is not steady: there may be nothing for weeks and then two cases at once. Nor should the inspection function and mediation/arbitration functions be combined in one person since: inspectors are second parties, and arbitrators are third parties; these functions are different and must be seen to be separate. Arbitration is a constantly changing field and it would be very difficult to keep one

under-worked person up to date. In addition, arbitration requires different kinds of skills for different cases, that are not "contained" within one person. Finally, Labour Canada notes that, in many territorial cases, the papers to be examined and the headquarters of the employers and unions are located south of 60°.

At the same time as arguing against a GNWT Labour Relations office, Labour Canada is seriously considering establishing a Mediation and Conciliation Office in the north. "Notwithstanding the fact that there was a very limited case-load . . . and setting aside the important questions of cost effectiveness, this matter . . . is being given an early priority", This is in response to the GNWT'S observation that there is a lack of information in the NWT regarding labour relations.

As a final point, Labour Canada noted that, because the population of the NWT is so small and widespread and because the Territorial Council is relatively small, it may be difficult to develop labour legislation in the public interest; that is without having individual pressures predominate at the expense of the public interest.

Labour Canada's argument that it offers an excellent system at a very little cost, and therefore why change, is irrefutable on a solely economic basis. However, cost-efficiency

is not the issue. The issue is constitutional development of the GNWT and the move towards the assumption of **provincial-** type responsibilities.

The number of employees in the NWT who would currently be affected by transfer of jurisdiction (3,500) is small. However, two factors suggest that figure may increase substantially over the next few years. First, a large proportion of the NWT population is young; the **labour** force will grow as the group matures; and second, economic development is being actively promoted by both the federal and territorial governments. Consequently it may be desirable for the GNWT to begin to assume this responsibility gradually so as to have developed the skills to meet future requirements.

A relative uniformity across Canada both in the legislation and its administration may be desirable from the federal viewpoint, however, from the provincial/territorial view there may be a need to adjust basic principles to accommodate local needs. In the NWT, local needs include seasonal fluctuations resulting from the harsh winters and short summers and the types of employment (mostly construction) involved. Also, each of the existing ~~types~~ of legislation in provinces deals with a discrete, separate, well-defined body of employees. It is not essential that legislation be



uniform. But if the federal government is seeking a degree of uniformity in legislation it could make this a condition that the GNWT must meet before transfer can be effected.

To develop legislation will mean the GNWT should first establish a policy capability in the field of labour relations perhaps with the assistance of Labour Canada. There are several possible solutions to the administration of labour relations in the NWT. The GNWT could provide all the staff or it could contract out the administration to the federal government or it could pursue a mixture of both approaches.

The location of records, union offices, etc. is a non-issue. If federal staff can travel North of 60°, territorial staff can go South of 60°.

Labour Canada's offer to establish a Mediation and Conciliation office in the North is not acceptable to the GNWT. In the GNWT'S view, the extra costs involved in establishing and operating a "branch" office could be better used to assist the GNWT to assume this provincial-type responsibility. Labour Canada has also suggested other ways of overcoming the lack of information that exists in the NWT. These include presentations by Labour Canada to Territorial Council and workshops for employer and employee groups.

c. HUMAN RIGHTS OF GNWT EMPLOYERS

In its position paper on constitutional development, the Eighth Territorial Council of the NWT raised the issue of the application of the **federal** Canadian **Human** Rights Act to the public service of the GNWT. It was the Council's understanding, based on a legal opinion, that the Act applies to the territorial public service, whereas in the provinces each province enacts and applies to its **public** service, its own human rights legislation. The Council wanted territorial legislation to apply to the territorial public service analogous to the provincial situation. Thus it recommended that the Canadian Human Rights Act be amended to exclude its application to the public service of the GNWT.

There are various conflicting opinions whether the Canadian Human Rights Act does, indeed, apply to employees of the territorial government. It appears that it was the original intention of the federal government to specifically ensure that the Act would not apply to territorial employees. However, the wording of the Act is somewhat ambiguous and has given rise to differences of interpretation which at present remain unresolved.

If human rights legislation does not apply to employees of the GNWT, it is then the exclusive

responsibility of the Territorial Council to protect these employees. The Fair Practices Ordinance, which presently exists to prevent discrimination in regard to employment in the NWT, does not provide protection fully equal to that provided by the Canadian Human Rights Act, nor is it as comprehensive as corresponding provincial legislation in many cases. However, the Ordinance does permit affirmative action programs and generally prohibits discrimination on the grounds of race, creed, colour, etc.

D. HEALTH CARE

In 1954, the **Medical** Services Branch division of Health and Welfare Canada was established for the delivery of health services to all residents of the NWT region. At that time, Cabinet approval in principle was given to the future transfer of responsibility for delivery of these services from the federal to the territorial government at such time as the latter had developed the capability to effectively carry out health delivery. Since then the GNWT has taken on increasing responsibilities for health care delivery although the federal department continues to provide an extensive network of nursing stations, some hospitals and other facilities in communities throughout the NWT. Most of these facilities however are located in the smaller communities and consequently serve primarily a native clientele.

The responsibility of the federal government to provide health care to native people in Canada is one which has never been clearly defined, but Health and Welfare Canada has long accepted general responsibility to provide health care to this group. In September 1979 , the Minister of Health and Welfare Canada released a statement outlining a new federal policy on Indian health. The goal of this policy is to increase the currently low level of health in Indian communities and is based on the special relationship of Indian people to the federal government which has developed through constitutional and statutory provisions, treaties and customary practice. The policy emphasizes increased consultation and participation of Indian people in the administration and delivery of health programs. The policy states that status Indians living off-reserve should receive health services from the province or municipality of residence .

In transferring responsibility for delivery of the remaining health services to the GNWT, the approach of the federal government is to retain its ultimate responsibility for health care to native people. To achieve this, Health and Welfare Canada proposes a contractual agreement with the territorial government for the GNWT to provide the staff and facilities to deliver health services to status

Indians and Inuit on behalf of the federal government. The position of Health and Welfare Canada is that transfer of responsibility for the delivery of these services can only occur after consultations have taken place with the various native associations and that the status Indians and Inuit of the NWT must be assured that the delivery of health services to them will not be adversely affected by a transfer to the GNWT.

The NWT Region, Medical Services Branch of Health and Welfare Canada delivers the majority of health services to the population of the NWT. Its programs include primary, secondary and tertiary health, and programs such as emergency health services which are under federal responsibility throughout Canada. The Medical Services Branch operates four hospitals, eight clinics, 40 nursing stations, eight health centres and six health stations. There are four zones with offices in Inuvik, Yellowknife, Frobisher Bay and Churchill, Manitoba. Currently, Health and Welfare Canada's NWT Regional Office is being relocated in Yellowknife in an effort to improve communications between federal and territorial health departments and to bring the federal health office closer to the people it serves. The Medical Services Branch comprises about 630 people and has an operating budget of approximately \$20 million, most of which is recovered from the GNWT.

The principal function of the Department of Health, GNWT is the administration of hospital insurance and Medicare. It also administers supplementary health programs such as subsidized medical travel and professional training bursary programs. The GNWT Department of Health employs close to 400 people of whom about 85% are professionals (doctors, nurses) with a total budget of about \$25 million. The Yellowknife, Hay River and Fort Smith hospitals are managed by local boards of management which report to the Territorial Hospital Insurance Services Board.

Funding of hospital insurance and Medicare is provided to the NWT on the same basis as to provinces, under terms of the Federal-Provincial Arrangements and Established Programs Financing Act, 1977, through Health and Welfare Canada. This provides approximately 50% of funds to meet the health care costs of all territorial residents. The balance of direct costs and the administration costs are met from GNWT consolidated revenue, the major source of which derives from the annual federal operating grant to the NWT. DIAND also pays to the GNWT separate grants for approximately 50% of the cost of care for Indians and Inuit (the "hospital grant" and the "medical grant").

The transfer of responsibility for the delivery of health services has been accepted in principle by both levels of government. In November 1978, agreement was reached to establish an Intergovernmental Health Transfer Task Force with representation from Health and Welfare Canada (Assistant Deputy Minister) , GNWT (Minister of Health) and DIAND (Director, Territorial Relations Division) . However, progress has been slow. In June 1979, the Commissioner of the NWT met with the Assistant Deputy Minister of Medical Services, Health and Welfare Canada with representatives of DIAND in attendance, to discuss the transfer procedures and the proposed native consultation process. The GNWT is pressing strongly for an agreement on the transfer of health services to take place between the two levels of government. Furthermore, they are in agreement with the importance of consultations with various interested groups, including native peoples.

#### E. HOUSING

##### Federal Employees

The federal presence in the North creates a need for employee housing which so far cannot be met by private accommodation. Therefore, Public Works Canada, through its Northern Pool Housing Program, funds, constructs, operates and maintains the required housing units which it makes

available to employees on a rental basis. In providing crown-owned living accommodation to federal employees, Public Works is guided by Treasury Board policy.

There are a number of anomalies and apparent inequities caused by these arrangements, resulting in a source of frustration and complaint in the NWT among not only federal employees, but all residents of the NWT. There is dissatisfaction among both federal employees who occupy pool housing and departmental managers in the North who administer it. As well, there is considerable disparity between houses built for and owned by the federal government and the quality of much of the housing occupied by other residents of the NWT, especially in the predominantly native communities. Furthermore, the private housing market, both to rent and to buy and sell, is virtually non-existent in northern communities even in such major centres as Yellowknife. The lack of homeownership and property ownership in the North does not contribute to a stable community or economic base. In short, the present situation does not meet the needs and interests of all people living in the NWT as well as it could.



The specific problems of crown-owned and operated housing in the North have been identified as follows:

1. Federal employees provided with crown-owned accommodation through DPW have no incentive to own their homes or to rent privately. Rents for crown-owned housing, based on southern rates, are much lower than rents charged on the basis of local market rates in the North or comparable purchase payments. Although employees occupying privately owned housing receive a fuel and utilities allowance to cover the higher cost of living in a northern community, it is taxable, thus reducing the benefit of the allowance. Finally, few employees remain in the North for long, and resale is a serious problem as long as the private housing market is so small.
2. Morale problems among federal employees in the NWT have arisen as a result of the anomalies in the administration of pool housing. The application of the 'Treasury Board Living Accommodation Charges Directive varies among departmental managers. Communication problems often result in misunderstanding and misinterpretation of Directives by northern managers. Finally, managers in the North are concerned about their lack of involvement in the policy decisions which they must implement.

3. One of the major problems with houses constructed by DPW for employees in the North is their design, which is largely southern-oriented and is inadequate to meet the demands of northern climate and lifestyle. Insulation is insufficient even in the newer homes; upgrading is expensive and skilled tradespeople to build and service these homes are hard to find, especially in the smaller communities .
  
4. Employees hired locally in the NWT by the federal government do not normally qualify for northern pool housing since they are already resident in the community; housing benefits are normally regarded as an inducement for employees to move north. However, federally provided housing plus the Isolated Post Allowance is perceived by employees to be a considerable benefit. Consequently, this policy is considered to discriminate against local residents in the NWT. In particular, native people, most of whom already live in a northern community, are not usually eligible and are thus excluded from this particular benefit of federal employment.

Regardless, there would remain some areas which would require Public Works to continue to provide housing. Requirements for departments such as the R.C.M.P. , Health and Welfare, and Transport have never been a part of the

"pool" of northern housing. These positions, especially in the smaller communities, are filled on a continuous basis such that houses used by those departments rarely become vacant. Public Works would continue to respond to the need for building in these cases, and these departments would continue to manage their own housing as they do now.

Through the Northern Housing Requirements Committee which advises Treasury Board on matters of housing for federal employees in the North, these and other problems are being reviewed. A sub-committee with representation by DPW, RCMP and TC was established to direct this review and is expected to report to TB in early 1980. The Committee will consider both immediate and long-term steps which can be taken to alleviate some of the problems, and the costs as well as the benefits which would result in the implementation of such steps. Both TBS and DPW are concerned with funding and implementing satisfactory solutions to the problems of northern pool housing.

In the NWT, the territorial government offers accommodation to all its employees, regardless of where they are hired. The Department of Personnel is responsible for administering policies for territorial staff housing, setting rents and allocating houses. The territorial Department

of Public Works is responsible for the property management of government-owned units such as inspection and maintenance and, through contract, builds these units. Subsidized rental rates , based on the size of the unit are being progressively increased in an effort to make them more equal to local market rents. There is no fuel and utilities subsidy for employees in communities located on the Mackenzie Highway System. In other communities, a flat rate for fuel and utilities based on Yellowknife costs is charged. Employees living in private housing receive an allowance which is intended to encourage use of the local market. The GNWT has developed a rental-purchase plan in an effort to withdraw from providing housing to its employees and to encourage the use of private accommodation .

The GNWT Task Force on Employee Housing published late in 1979 concluded that housing should be administered by a single agency, that homeownership should be encouraged and that a subsidy for utilities should be established which would apply to all residents in the NWT. These conclusions have not changed since the 1972 NWT Council Task Force on Housing made similar recommendations.

#### General Housing

The role of the CMHC as a agent of the federal government , is to ensure that all Canadians have access to good housing at prices they can afford. To this end, it administers the National Housing Act which provides financial assistance. At present, CMHC provides cost-shared funds for

programs such as public, i.e. rental, housing in the NWT at the request of the Northwest Territories Housing Corporation (NWTHC) although its overall policy has been to remove itself from cost-sharing of low-income housing programs elsewhere in Canada.

The 1972 Report of the NWT Council Task Force on Housing recommended the formation of a NWT Housing Corporation to create, co-ordinate and give direction to housing programs, based on need, environment and research, so as to make available an adequate standard of housing to all residents of the NWT. In January, 1974, the NWTHC took over the Northern Rental Housing Program, formerly administered by DIAND, which provided public and other housing programs for all northerners. The NWTHC is administered by a Board of Directors, under the leadership of a Managing Director. The Corporation reports to the Chairman of the Board of Directors who is also the Commissioner of the NWT.

Housing Associations have been established under the NWTHC Ordinance in 46 of the 51 communities in the NWT. Housing Associations are formed on the basis of local interest and are usually composed of tenants of public and low-cost housing units. They have both advisory and administrative responsibilities, and are responsible for the operation, maintenance and management of the units. The Housing Associations submit monthly financial statements and minutes of monthly

meetings to the NWTHC. They also submit annual budgets to the Corporation for approval and/or modification.

One of the major issues with regard to housing in the NWT is the responsiveness of design to northern needs, both environmental and social. The prefabricated units used in many of the northern communities were originally designed for use in southern Canada. Although they have been sometimes modified for northern climatic conditions by improving insulation and upgrading existing units, these houses are still largely unsuitable. There have been limited efforts to make use of indigenous materials and northern lifestyles have not been sufficiently considered in the design features and layout of northern houses.

Currently, a task force on northern housing policy, co-chaired by CMHC and the NWTHC is considering, among other issues, design for northern housing. Through consultations with people in the communities to establish local needs and desires, the task force is attempting to discover ways to improve house designs as well as means to involve local people in design decisions which affect them. CMHC's involvement in northern housing design extends to the funding of specific housing projects, funding for research and the production of information material.

A second point which must be addressed in attempting to make housing programs more effective in **the North** concerns homeownership and local construction programs. Unlike the 90-95% of provincial housing corporation programs which fund privately-owned housing, 90-95% of the NWTHC programs are involved in funding public housing. The lack of homeownership in most northern communities is primarily related to the high cost of utilities and fuel to operate a home as well as the high capital costs incurred by importation and transportation of materials. The **NWTHC's** Rural and Remote Housing Program encourages homeownership by subsidizing mortgage payments for lower income families. In 1977, 21 families in 4 Mackenzie Valley communities took advantage of this program. Through the Small Settlement Home Assistance Grant, families in small communities are encouraged to build their own homes from locally-available material by making available a grant to cover the cost of manufactured components. In 1977, 36 house "packages" were delivered to 10 communities in the Mackenzie Valley.

The NWTHC tries to encourage initiative in the communities for people to build their own houses. In Pangnirtung for example, local people working with an instructor have developed an on-the-job training program funded by the Corporation. These people learn construction skills as they build their own homes which can be put to use to meet future housing

needs in their community. Although the training project is slower and more costly than hiring a professional **contractor**, the skills learned and independence achieved are beneficial to both the Corporation and the community.

F. AIRPORTS

The general responsibility for providing, maintaining and operating air transportation services in the NWT is shared by Transport Canada (TC) and the Airports division of the Department of Local Government of the GNWT. The Department of Local Government (DLG) participates with TC in the planning and program development for Arctic B and C airports in the small, isolated communities of the NWT, with operating and capital funds provided by Transport Canada. The construction of these airports is tendered by TC to private contractors and in some cases to National Defense. Local councils, with the support of the DLG, maintain and operate most Arctic B and C airports in the NWT. The DLG annually develops the Operations and Maintenance (O&M) budgets for the B and C airports, based on technical advice from, and approved by, Transport Canada.

The GNWT has local control over community airports management and administration under a 1974 Memorandum of Understanding concerning airport operations but is seeking more direct responsibility and a greater role in the setting



of project priorities. It **has** also expressed concern about the duplication and overlap occurring under the present arrangements. The GNWT, therefore, proposes a transfer from Transport Canada to the GNWT of certain program responsibilities and a change in the **O&M** funding **from a specific** purpose grant arrangement with **TC** to funding through the general fiscal arrangements between the federal government and the GNWT. For the present, no change is proposed in the capital funding arrangements.

**TC** funds to the GNWT are treated as a contribution. This involves audits, cross-checks and monitoring between **TC** and GNWT which complicates administration and is perceived by the GNWT to interfere with their authority in operating community airports at the local level. Moreover funding for the O&M budgets comes from Transport Canada as part of the budget of regional **TC** offices. It is thus sometimes necessary for the GNWT region to deal with two **TC** regions.

The GNWT also expresses concern about the overlap between federal and territorial responsibilities in the airports program staff training and in the ownership of airport facilities and equipment. The DLG is responsible for the planning, budgeting and administration of a training program to enable selected community residents to operate and maintain Arctic B and C airports in accordance with federally-approved standards.

The instruction and certification of **the** maintenance personnel and the observer/communicators is the responsibility of Transport Canada and the Atmospheric Environment Service of the Department of the Environment. This results in overlapping between the two levels of government in the training, supervision and monitoring of these maintenance personnel and observer/communicators both during and after training.

Transport Canada funds the provision of all airport facilities and equipment, while the GNWT funds the provision of joint community/airport maintenance equipment. Although the responsibility for the provision of the basic airport facility is clear, the GNWT reports that-the mix of federal/territorial ownership for maintenance equipment has created difficulties in cost accounting and duplication in administration.

Transport Canada is presently reviewing its Arctic Air Transportation Facility Policy, in the context of which the issue of funding for the O&M of Arctic B and C airports is being addressed. The review is being conducted jointly by the Canadian Air Transportation Administration and the Arctic Transportation Directorate of TC. The Airports Division of the GNWT has been consulted on this matter and their views have been presented to TC in a written proposal.

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