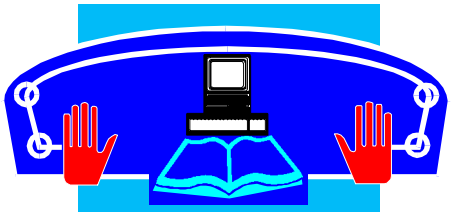

A Strategy For Supporting The Domestic Economy Of The Northwest Territories

9-5-42

TOWARDS A STRATEGY FOR SUPPORTING THE DOMESTIC ECONOMY OF THE NORTHWEST TERRITORIES

Prepared For The Legislative Assembly's
SPECIAL COMMITTEE ON THE NORTHERN ECONOMY

By

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This Background Study is one of several prepared for the Special Committee on the Northern Economy. It is being released in the hope that it will be widely circulated and discussed.

The findings of this report are the personal responsibility of the author and do not necessarily reflect the views of the Special Committee on the Northern Economy.

May, 1989

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SUMMARY

(Prepared by Project Staff)

Introduction

The Special Committee on the Northern Economy recognized that a large number of residents in the NWT - particularly native people living in the smaller communities - are dependent upon the domestic economy. The Committee wanted to find ways and means of supporting this economy. For this reason it commissioned P.J. Usher Consulting Services to develop a study which would outline the basics of a strategy to support the domestic economy.

1. THE DOMESTIC ECONOMY

DEFINITION. The domestic economy consists of harvesting (hunting, trapping, fishing, gathering), and processing activities by which people provide food, fuel, and other material household needs. Though these activities generate some cash (eg. the sale of furs), the greater part of production is consumed directly by households without entering the market.

How The Domestic Economy Works

The domestic economy is not a separate economy. It is a part of a mixed economy. People do a little bit of everything to get by.

Income mmes from jobs, transfer payments, sale of commodities (furs, handicrafts) and domestic production (country food, firewood).

Unlike the wage economy which is organized around the firm, the domestic economy is organized around the household and kin.

Its resources are animals, fish, and other materials from the land.

Its capital is the household's harvesting equipment (skidoos, rifles, etc.)

The domestic economy has a labour pool. Some family members harvest, others process, which involves butchering meat and preparing meals. Still others are servicers (fixing machinery, clothing, etc) and others are supporters, taking jobs to earn the money required to purchase equipment, gasoline, etc.

Most families rely on both the domestic and wage economy - sometimes from one month to the next, sometimes at different times of their lives.

Participation And Production

Approximately 51 communities - with half the total population of the NWT- depend heavily upon the domestic economy.

The total value of food, wood and animal products other than food (furs, hides, and bone for carving) is estimated at $60 million annually. About 4,000 native families (with about 5,500 individual harvesters) participate in the economy. It probably adds 309% to the effective income of native peoples in the NWT.

The average capital costs for serious hunters ranges from $5,000 to $10,000 per year. The domestic economy depends upon the wage economy to provide these funds.

Each year over 500 residents from the communities reach labour force age. Support for the domestic economy must be part of a broader strategy for economic diversification which includes industrial employment, development of smaller businesses, and some planning for those who wish to migrate out of the north.

At a policy level, support for the domestic economy must not be seen as a stop-gap measure. It must be seen as a legitimate and permanent part of the mixed economy which is the basis of community life and survival.

2. THE RESOURCE BASE

How Much? (Abundance)

At present there does not seem to be a significant supply problem for either animals or fish. Country food will be an important part of community economies far into the future.

Contaminantion

Recently food contamination has become a concern. Much of this is being caused by factors outside the NWT. Health advice should take into account the balance of risks entailed by not eating country food and becoming dependent upon imported foods.

Government must maintain consumer confidence in country foods and show people how to deal with risks.

Competing Uses

There are competing claims for resources for recreational, commercial and non-consumptive uses. These claims raise a number of issues which must be resolved.

Native people require secure tenure to their land.

The benefits of exports must be weighed against the replacement costs for country foods.

Tourist operators may try to restrict access to land.

Animal rights groups may try to restrict access to hunting in certain areas.

In light of these issues, the domestic economy needs to be recognized in law and policy as being on an equal footing with other economic activities in the NWT, with equal rights to its resource base.

3. ECONOMIC OPTIONS

What Are The Various Ways To Support The Domestic Economy?

Some INCOME SUPPORT PROGRAMS such as welfare and UIC provide some help, but they do not provide enough money. Neither are they directed to the right people, at the right time or in the right amounts. They also send people the wrong message. Welfare in particular, tends to erode cultural values.

A better alternative is PRODUCER SUPPORT PROGRAMS. These exist in many other sectors of the economy, including agriculture and industry and take the form of capital grants, operating subsidies, price support systems, tax benefits, etc.

While various kinds of price support systems (including marketing boards) have advantages, they also have some disadvantages. The impact of various support programs (such as gasoline subsidies, freight subsidies on fish, support for caribou hunts, etc.) have been limited.

The Outpost Camp Program has probably been the best of these kinds of programs. Outpost camps continue to play an important though changing role.

WILDLIFE HARVESTER SUPPORT PROGRAMS. The most important example is the Income Security Program obtained by the James Bay Cree as part of their claims settlement. It contains elements of income security and producer support.

About 40% of the Cree population receive benefits from the program. The program ensures that those who wish to hunt can be properly equipped to do so.

Though the Cree program is not directly applicable to the NWT, the Tungavik Federation of Nunavut (TFN) has proposed a similar program. It would be administered by Hunter and Trapper Associations (HTAs) which would determine eligibility. It would encourage people to obtain income from other sources; be based upon the number of trips rather than production (so as not to encourage over-harvesting); benefit the whole household; encourage the training of young people through an apprenticeship program; and emphasize

regional administration. Estimated costs of such a program range from $10 million to $30 million per year.

RELATION TO WAGE EMPLOYMENT. Government should promote a harmonious and mutually supportive relationship between wage labour and harvesting.

During the late 1970's and early '80s, the petroleum industry in the Western Arctic provided employment with the two essential elements - high wages and flexibility of labour time.

COMMERCIAL DEVELOPMENT OF RENEWABLE RESOURCES. This can conflict with and undermine the domestic economy. But it can also provide important benefits. Ways and means must be found to maximize benefits and minimize problems.

Strategies should be developed that will establish supportive and complementary relationships.

Current prospects for RANCHING AND AQUACULTURE do not appear bright.

Fur farming of fox and minx requires large quantities of local seal and fish acquired at low prices (that are not attractive to local hunters); or, it requires the expensive imports of cereals and feed supplements.

Game ranching requires exclusive use of vast areas of land - which often brings ranchers into conflict with other users.

PROCESSING AND SALE OF COUNTRY FOODS. Local Hunter and Trapper Associations in the Baffin Regions have developed community freezers and small meat processing plants for sales within the region. This program has been highly successful. Emphasis should now be placed upon developing foods with higher levels of processing to provide higher incomes.

Freight rates would likely have to be subsidized and consistency of supply ensured. Also the level of business management expertise would have to be increased.

FUR, SKINS AND OTHER BY-PRODUCTS. The major need is to open new markets, including local markets in the north for skins and furs.

The development of small community tanneries would add value to these products.

CRAFT PRODUCTION. Carving has been highly successful. But, for a number of reasons, sewn craft production has not been as successful. It should be organized, like carving, on a domestic rather than industrial model. Effective marketing strategies should also be developed.

4. **STRATEGY**

In the last section the consultants provide a comprehensive list of specific recommendations for building a strategy for supporting the domestic economy.

The domestic economy must be recognized as economically viable with an enforceable claim on public policy.

Governments must gain a better understanding of the domestic economy; they must maintain and improve programs for conservation, management, enhancement, and environmental protection.

In view of recent concerns over contamination of country foods, maintenance of consumer and producer confidence in the quality and purity of country food is essential. A strategy for dealing with these problems at the local and regional levels is required in advance, rather than as an ad hoc response to a crisis.

Harvesters must acquire security of tenure and access - a problem that will only be partly solved by settlement of claims. New approaches must be found to explain and promote the domestic economy outside the NWT.

The GNWT should implement a Wildlife Harvester Support Program (WHSP). It should be properly integrated into the total range of government policies and programs.

The WHSP should be shielded from the effects of the Free Trade Agreement.

Commercial development of renewable resources should be promoted in harmony with the domestic economy.

Appropriate information and evaluation systems should be established to assess the viability of the domestic economy and the effects on it of other developments and policies.

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(ᐋᖅᑭᒃᓱᕐᑕᐅᔪᖅ ᐃᖅᑲᓇᐃᔭᕐᑎᓄᑦ)

ᐱᒋᐊᕐᓂᖓ

ᑲᑎᒪᔨᕋᓛᖑᑲᐃᓐᓇᕐᑐᑦ ᐅᑭᐅᒃᑕᕐᑐᒥ ᒪᑭᒪᔾᔪᑎᒃᓴᑦ ᐱᔾᔪᑎᒋᓪᓗᒋᑦ ᑐᑭᓯᐅᒪᔭᑦ ᓄᓇᕐᑎᐊᕐᒥᐅᑕᑦ ᐊᒥᓱᒻᒪᕆᐅᓪᓗᑎᒃ - ᐱᓗᐊᕐᑐᒥᒃ ᖃᓪᓗᓈᖑᔪᕐᑐᑦ ᓄᓇᖃᕐᑐᑦ ᓄᓇᓕᓐᓂ ᒥᑭᓐᓂᕐᓴᓂ - ᐊᓐᓂᐅᒪᔾᔪᑎᖃᖃᑦᑕᕐᓂᖏᓐᓂᒃ ᐊᖏᕐᕋᒥ ᑮᓇᐅᔾᔭᒃᓴᕈᑎᓂᒃ. ᑲᑎᒪᔨᕋᓛᖑᑲᐃᓐᓇᕐᑐᑦ ᓇᓂᓯᔪᒪᓚᐅᕐᐳᑦ ᑕᒪᑐᒧᖓ ᐃᑲᔪᕐᑐᐃᔾᔪᑎᒃᓴᐅᓇᔭᕐᑐᓂᒃ. ᑕᒪᓐᓇ ᐱᔾᔪᑎᒋᓪᓗᒍ ᖃᐅᔨᓴᐃᑎᑦᑎᕗᑦ ᐅᖃᐅᔾᔪᐃᔨᓂᒃ ᖃᐅᔨᓴᕐᑎᓂᒃ P.J. Usher Consulting Services-ᑯᓐᓂᒃ ᖃᐅᔨᓴᐃᓂᐊᕐᓗᑎᒃ ᓴᖅᑭᕐᑎᔾᔪᑕᐅᓇᔭᕐᑐᒥᒃ ᐃᑲᔫᑎᒃᓴᓄᑦ ᑮᓇᐅᔾᔭᒃᓴᕈᑕᐅᕙᒃᑐᓄᑦ ᐊᖏᕐᕋᒥ.

1. ᐊᖏᕐᕋᒥ ᑮᓇᐅᔾᔭᒃᓴᕈᑕᐅᕙᒃᑐᑦ

ᑐᑭᖓ

ᐊᖏᕐᕋᕆᔭᐅᔪᒥ ᑮᓇᐅᔾᔭᒃᓴᕈᑕᐅᕙᒃᑐᑦ ᐃᓚᖃᐅᕐᐳᑦ ᐊᑐᕐᓂᕐᒥᒃ (ᐊᖑᓇᓱᒃᓂᕐᒥᒃ, ᑮᔭᖃᑦᑎᐊᕐᓂᕐᒥᒃ ᒥᑭᒥᐊᕐᓂᐊᕐᓂᕐᒥᒃ, ᐃᖃᓪᓚᐊᕐᓂᕐᒥᒃ, ᑲᑎᕐᑎᓂᕐᒥᒃ), ᐊᒻᒪ ᐱᓕᕆᐊᖑᔪᒃᑯᑦ ᑭᑐᑐᐃᓐᓇᐃᑦ ᓂᕿᓂᒃ ᐊᑐᐃᓐᓇᐅᑎᑦᑎᓂᖕᒍᑦ, ᐅᖅᓱᐊᓗᖕᒥᒃ, ᐊᓯᖏᓐᓂᓪᓗ ᐃᓪᓗᕐᔪᐊᒍᑦ ᐊᑐᕐᑐᒃᓴᓂᒃ. ᑖᒃᑯᐊ ᐱᓕᕆᐊᖑᕙᒃᑐᑦ ᑮᓇᐅᓯᓂᒃ ᓴᖅᑭᕐᑎᕙᒃᑲᓗᐊᕐᑎᓪᓗᒋᑦ (ᓲᖅᓗ ᓂᐅᕕᐅᑕᐅᓂᖏᓐᓂᒃ ᐊᒦᑦ) ᐊᖏᓂᖅᓴᖅ ᐊᑐᕐᑕᐅᕙᒃᐳᖅ ᐃᓪᓗᕐᔪᐊᒥ ᓂᐅᕕᐅᑕᐅᒥᐊᓚᐅᕋᓂ.

ᖃᓄᖅ ᐊᐅᓚᓂᖃᖃᑦᑕᕐᒪᖔᑦ ᐊᖏᕐᕋᕆᔭᐅᔪᓂ.

ᐊᖏᕐᕋᕆᔭᐅᔪᒥ ᑮᓇᐅᔾᔭᒃᓴᕈᓯᐅᕙᒃᑐᑦ ᐃᓛᒃᑰᖕᒐᔫᕐᓚᖅ ᑮᓇᐅᔾᔭᒃᓴᕈᑕᐅᕙᒃᑐᓄᑦ. ᐊᑯᓪᓕᓃᒃᓗᓂ ᑮᓇᐅᔾᔭᒃᓴᕈᓯᐅᕙᒃᐳᖅ. ᑭᑐᑐᐃᓐᓇᑦ ᐃᓄᐃᑦ ᖃᓄᑐᐃᓐᓇᖅ ᐱᓕᕆᐊᖃᓰᖑᕗᑦ ᐊᓐᓂᐅᒪᔪᒪᓪᓗᑎᒃ.

ᑮᓇᐅᔭᒃᓴᕐᑕᐅᔪᑦ ᓴᓇᔭᕆᔭᐅᔪᓂᖕᖑᖃᑦᑕᕐᐳᑦ, ᓄᒃᑎᕐᑕᐅᔾᔪᓯᐊᓂᑦ ᐊᑭᓕᐅᑎᓂᑦ, ᓂᐅᕕᐅᑕᐅᓂᖏᓐᓂᑦ ᓱᓇᑐᐃᓐᓇᐃᑦ ᐱᑕᕐᑕᐅᓂᑯᑦ ᓴᓇᔭᐅᓂᑯᑦ (ᐊᒦᑦ, ᐊᖕᒐᒻᒧᑦ ᓴᓇᔭᐅᔪᑦ) ᐊᒻᒪ ᓂᕿᑦ (ᓄᓇᖃᕐᑐᑐᖃᐃᑦ ᓂᕿᖁᑎᖏᑦ ᕿᔪᒃᓴᐃᓪᓗ)

ᖃᐅᑕᒫᑦ ᐃᖅᑲᓇᐃᔮᕆᔭᐅᔪᓂ ᑮᓇᐅᔾᔭᒃᓴᕐᕕᐅᔪᑎᑑᖏᒻᒪᑦ ᐱᓕᕆᕝᕕᖏᑦ ᐊᐅᓚᑕᐅᓗᓂ, ᐊᖏᕐᕋᕆᔭᐅᔪᒥ ᑮᓇᐅᔾᔭᒃᓴᕈᑕᐅᔪᑦ ᐋᖅᑭᒃᑕᐅᓯᒪᕗᑦ ᐃᓪᓗᕐᔪᐊᒥᑦ ᐊᒻᒪ ᓄᑕᕋᕆᓂᑦ ᐃᓚᒌᓂᑦ.

ᐱᓕᕆᔾᔪᓯᐅᕙᒃᑐᑦ ᒪᑯᐊᖑᕗᑦ ᓂᕐᔪᑏᑦ, ᐃᖃᓗᐃᑦ ᐊᓯᖏᓪᓗ ᓄᓇᒥᙵᕐᑐᑦ.

ᐊᑭᑐᔫᑎᖏᑦ ᒪᑯᐊᖑᓪᓗᑎᒃ ᐊᖏᕐᕋᕆᔭᐅᔪᓂ ᓂᕐᔪᑎᓕᕆᓂᕐᒧᑦ ᐊᑐᕐᑕᐅᕙᒃᑐᑦ (ᓯᑭᑑᑦ, ᖁᑭᐅᑏᑦ ᐊᓯᖏᓪᓗ.)

ᓴᓇᔪᒃᓴᐃᑦ ᐊᔾᔨᒌᖏᑦᑑᕙᒃᐳᑦ. ᐃᓚᖏᑦ ᓄᑕᕋᕇᓂ (ᐊᖑᓇᓱᒃᑎᐅᕙᒃᐳᑦ ᐃᖃᓪᓚᐊᕐᐸᒃᓗᑎᒃ); ᐊᓯᖏᑦ ᓂᕿᓕᕆᓂᕐᒥᒃ ᐱᓕᕆᐊᖃᕐᐸᒃᓗᑎᒃ (ᓂᕿᓂᒃ ᐊᕝᒍᐃᓪᓗᑎᒃ, ᓂᕐᓴᐅᕐᓗᑎᒃ): ᐊᓯᖏᓪᓗ ᐱᔨᐅᓪᓗᑎᒃ (ᐋᖅᑭᒃᓯᐃᓪᓗᑎᒃ ᓴᓇᓪᓗᑎᒃ ᐃᑯᒪᓂᒃ, ᐊᓐᓄᕌᓕᐅᕐᓗᑎᒃ. ᐊᓯᖏᓐᓂᓪᓗ.); ᐃᓚᖏᑦ ᐃᑲᔪᕐᑎᐅᕙᒃᐳᑦ, ᓴᓇᔭᕐᑖᕐᐸᒃᓗᑎᒃ ᑮᓇᐅᔭᓕᐅᕐᓂᐊᕐᒪᑕ ᓂᐅᕕᐅᑕᐅᓂᐊᕐᑐᓂᒃ ᐱᖁᑎᓄᑦ ᒫᓐᒧᑦ ᐊᓯᖏᓐᓄᓪᓗ.

ᑕᒪᐃᓐᓂᕐᒪᖅᖃᖅ ᓄᑕᖅᓱᑦ ᐊᑐᓵᔨᕐᓄᑦ ᐱᓇᐅᔭᖏᖅᐳᑎᓂᒃ ᑕᒪᐃᓐᓂᒃ ᐊᔪᕐᖁᓕᕆᔨᐅᒋᑦ ᐱᓇᐅᔭᖏᖅ-ᖏᐅᑕᕆᔨᓂᒃ ᐊᓪᒪ ᐱᓇᐅᔭᓕᕆᔨᓂᖅᑐᑎᒃ ᐱᓇᐅᔭᖏᖅᐳᑕᕆᔨᓂᒃ-- ᐃᓕᓐᓂ ᑕᖅᑭᑎ ᐊᑕ-ᕆᔨᑎ ᖃᓇᓕᐅᐸᑦᓕᖅᑐᑎᒃ ᑐᒃᓕᓂᐊᓂ ᖃᓇᓂᐊᔪᑦᓕᖅᑐᑎᒃ, ᐃᓕᓐᓂ ᐃᓅᓯᔪᑦ ᒪᓕᒃᓕᑦ ᖃᖅᓱᒥᖅᑎᖅ ᖃᓇᓐᓂᖅᑐᑎᒃ.

ᐃᓕᐅᓂᖅᓂᖅ ᐱᓕᓚᐊᖅᑦᓯᓕᐊᓂᓗ

ᖃᓂᒥᔭᖓᓂ 51 ᓄᓇᓕᑦ--ᓇᑦᓯᓕᓗᐊᖏᑦ ᓄᓇᑎᐊᖏᑕᐅᑦ--ᐊᓐᓂᐅᒪᓐᔨᐊᑎᖅᖃᖅᑕᑦᑐᑦ ᐊᖏᑦᓴ-ᓚᕆᐅᔨᒥ ᐱᓇᐅᔭᖏᖅᐳᑕᐅᔨᓂᑦ.

ᐱᓇᐅᔭᑦ ᐅᓄᓴᓂᖏᑦ ᐊᐱᒋᔭᐅᓇᔭᖅᑐᑦ ᓂᖏᓄᑦ, ᖃᐅᔨᓄᑦ ᓂᕆᔨᑎᓯᓗ ᓯᓚᕐᔪᓂᐊᓂᓐᓂᑦ ᓂᖏᑦ ᐊᓯᖏᑦ (ᐊᒥᑦ, ᖃᓯᑦ, ᐊᓕᒪ ᓴᐅᓂᑦ ᓴᓇᐃᔭᖓᔪᖅᑕᐅᓕᖅᑐᑦ) ᖃᓂᒋᔭᖓᓂ ᐊᐱᖃᓴᓯᒋᔭᐅᑉᑐᑦ $60 ᒥᓚᔭᓐ ᐊᖅᖁᔨᒪᓕᖅ. ᖃᓂᒋᔭᖓᓂ 4,000 ᖃᓄᐃᓇᕐᔪᖅᑐᑦ ᓄᑕᖅᓱᑦ (ᖃᓂᒋᔭᖓᓂ ᑭᑐᐃ-ᐃᓐᓇᑦ 5,500 ᐊᖏᓇᓯᓕᖅᑐᑦ) ᐃᓕᐅᓂᖅᖃᖅᑕᑦᑐᑦ ᐱᓇᐅᔭᓕᐅᑉᐸᑕᐅᓇᓂᑦ. ᐃᓕᓯᐊᖅᑎᑎᓴᓕ-ᕆᐅᖃᖅᑕᑎᑐᑉᐳᖅ 30% ᖃᓂᒋᔭᖓᓂ ᐱᓇᐅᔭᓕᐊᓚᐅᔨᓇᑦ ᖃᓄᐃᓇᕐᔪᖅᑐᑎᓇᑦ ᓄᓇᑎᐊᖅᑎᑦ.

ᐊᖏᓇᓯᐊᖅᑎᑦ ᐱᓇᐅᔭᓕᐊᖃᖅᖃᖅᑕᑦᑐᑦ ᖃᓂᒋᔭᖓᓂ $5,000-ᒥᑦ $10,000-ᒧᑦ ᐊᖅᖁᔨᒪ-ᒪᖅ. ᐊᖏᑦᓴᓚᐅᔨᔨᒥ ᐱᓇᐅᔭᓕᐅᐸᑎᑎᓚᐅᔨᓕᐅᑉᐸᑦ ᐱᓇᐅᔭᖏᖅᐳᑎᑎᓚᐅᔨᓕᐅᑉᐸᓂᖅᓇᓱ-ᑐᓂᓄᑦ.

ᐊᖅᖁᔨᒪᓕᖅ 500-ᖏᑦᓗᑎᓄᑦ ᑭᑐᑐᐃᓇᐃᑦ ᓄᓇᓕᖏᓂ ᐱᐅᖅᑕᓕᕆᓇᕐᑎᑦ ᓴᓇᔨᓇᓱᓕᑦ ᐅᑭᐅᖏᓂᓄᑦ ᐅᑭᐅᖅᑕᖅᑕᑦᑐᑦ. ᐃᓄᔪᖅᑐᑦᑕᐅᓂᖏᓐᓄᑦ ᐊᖏᑦᓴᓚᐅᔨᓇᓂᑦ ᐱᓇᐅᔭᖏᖅᐳᑕᐅᓂᖅᑐᑦ ᐃᓕᐅᑎᑎᑎᓂᑦ ᐊᖅᖁᔨᒪᓂᖅ-ᐊᖅᑎᖅᓴᖅᑕᐅᓂᖅ ᐃᓕᓴᐅᔪᓐᓇᖅᑐᑦ ᐃᓕᐅᑎᑎᑎᓚᐅᔨᓕᐅᑉᐸᓂᖅᓇᓱᑦ ᐱᐅᖅᑕᓕᕆᓇᕐᑎᑦ ᐊᖅᖁᔨᒪᓂᖅ-ᐊᔪᑎᖅᓂᒃ, ᓇᓗᓕᒫ ᐱᓇᐅᔭᓚᐅᔨᓕᐅᑉᐸᑦ ᐱᐅᖅᑕᓕᕆᓇᕐᑎᑦ ᐊᖅᖁᔨᒪᓂᖅᓂᖅᑐᑦ, ᕿᓂᐊᑎᖅᑎᓗᒃᑐᓗ ᑕᒪᐃᓐᓇᖅ ᓄᓇᑎᐊᖅᑦ ᐊᖏᓇᓄᑦ ᓄᑎᑎᒪᓕᖅᑦ ᐃᓅᒪᓕᖅᑦ.

ᐊᑐᐊᒃᓕᓚᓂᒃᑯᑦ, ᐃᓄᔪᖅᑐᑦᑕᐅᓂᖓ ᐱᓇᐅᔭᖏᖅᐳᑕᐅᓇᓱᑎᑦ ᐊᖅᖁᔨᒪᑦ ᐃᓅᒪᑎᐅᑎᔨᓚᐊᖅᖁᓕᑦ ᓄᖅᑲᐳᑕᐅᓇᓅᒪᖅᖁᓕᑦ. ᐃᓅᒪᑎᐅᑎᐅᖅᖁᔨᓂᖅ ᐃᓄᔪᖅᑐᑦᑕᐅᓇᓱᓂᖅᑐᑦ ᐊᑐᓵᔨᑦᑕᐅᓇᓱᑦ-ᐊᓂᖓᓂᒃ ᖃᐅᔨᒪᓂᒃ ᐊᖅᖁᔨᒪᓂᖅᑐᑦ ᐊᑐᓵᔨᑦᑕᐅᓇᓱᑦᓂᖓᓂᒃ ᖃᐅᔨᒪᓚᐅᔨᓕᐅᑉᐸᓂᖅᓇᓱᑦ ᐊᓐᓂᐅᒪᓐᔨᐊᑎᖅᖃᖅᑕᑦᑐᑦ ᐊᓐᓂᐅᒪᓐᔨᐊᑎᖅᖃᖅᑕᑦᑐᑦ-ᓂᖓᓂᒃ ᖃᐅᔨᒪᓚᐅᔨᓕᐅᑉᐸᓂᖅᓇᓱᑦ ᐊᓐᓂᐅᒪᓐᔨᐊᑎᖅᖃᖅᑕᑦᑐᑦ ᐊᖅᖁᔨᒪᓂᖅᓂᖅᑐᑦ.

2. ᐱᓕᓚᐅᔪᓕᐅᓕᖅᑐᑦ ᑐᓴᖏᐊᖅᑦ

ᖃᓄᖅ ᐊᖅᑎᑎᑭᓐ (ᐊᒥᓕᓂᖅᑎᑐᑦ)

ᒪᓐᓇ ᐊᒥᑦᑎᔪᓂᖅᓱᑦ ᓂᕆᔨᑎᓂᒃ ᐃᖃᓗᓂᒃᓴᓐᓂᑦ. ᓄᓇᖃᖅᑐᑐᖃᐃᑦ ᓂᐊᓂᑦ ᐱᓕᓚᐅᓂ-ᐊᖅᑐᑦ ᓄᓇᓕᖏᓂ ᐱᓇᐅᔭᖏᖅᐳᑕᐅᔨᓂ ᐊᑐᖅᑕᐅᓂᖅᐳᖅᑎᓂᐅᔪᖅᑕᐅᓕᖅᑐᒥᒃ ᓴᓇᔨᓇᓱᓕᑦ ᐃᓄᔪᖅᑐᑦᑕᐅᓇᓱᓂᖅᑐᑦ.

ᐋᓐᓂᐊᕐᓇᖅᑐᖃᓂᓂᖅ

ᖃᖃᓕᑎᐊᖏᓪᓗᓂᑦᑐᖅ ᓂᕆᔨ ᐋᓐᓂᐊᕐᓇᖅᑐᖃᓂᑕᒪᓚᐊᖏᖅᑎᓂᒃ ᐃᓕᓴᐅᔪᓐᓇᖅᑐᑦᑕᐅᓇᓱᑦᓂᖅ. ᑕᒪᓐᓇ ᐱᔨᑎᖅᑲᐊᕐᓂᖅ ᓂᕆᔨᑎᓂᒃ ᓄᓇᑎᐊᖅᑦ. ᐋᓐᓂᐊᕐᓇᑐᓚᐅᔨᓪᓗᑎᑦ ᐃᒪᓐᓇᐅᑎᓯᓚᐅᔨᓕᐅᑉᐸᓂᖅ ᐃᓕᓴᐅᔪᓐᓇᖅᑐᑦᑕᐅᓇᓱᓂᖅᑐᑦ ᐃᓕᓴᐅᔪᓐᓇᖅᑐᑦᑕᐅᓇᓱᓂᖅᑐᑦ-ᓂᖓᓂᒃ ᖃᐅᔨᒪᓂᒃ ᐊᖅᖁᔨᒪᓂᖅᑐᑦ ᐊᑐᖅᑕᐅᓂᖅᐳᖅᑎᓂᐅᔪᖅᑕᐅᓕᖅᑐᒥᒃ ᓴᓇᔨᓇᓱᓕᑦ ᐃᓄᔪᖅᑐᑦᑕᐅᓇᓱᓂᖅᑐᑦ.

ᒐᕙᒪᒃᑯᑦ ᐋᖅᑭᐅᒪᑎᑦᑎᒋᐊᖃᕐᐳᑦ ᐊᑐᕐᐸᒃᑐᓂᒃ ᓂᕿᑐᖃᕐᓂᒃ ᐊᑐᕐᑎᓂᒃ ᐋᖅᑭᐅᒪᑎᑦᑏᓐᓇᕐᓗᑎᒃ ᐅᖃᐅᔾᔨᓗᑎᒡᓗ ᑭᑐᑐᐃᓐᓇᐃᑦ ᖃᓄᖅ ᐅᓗᕆᐊᓇᕐᑐᒥᒃ ᓵᕐᑎᓯᒪᑎᓪᓗᒋᑦ ᐱᓕᕆᐊᖃᕈᓐᓇᕐᒪᖔᑕ.

ᐊᑐᖅᑕᐅᕙᒃᑐᑦ ᑭᑐᑐᐃᓐᓇᐃᑦ

ᐊᑐᖅᑕᐅᕙᒃᑐᑦ ᑭᑐᒥᐊᑦ ᐱᓕᕆᕝᕕᖕᓂᒃ ᐱᖑᐊᕐᓂᕐᒧᑦ ᐊᑕᐅᓯᐅᖏᑦᑑᕗᑦ, ᓂᐅᕕᐊᒃᓴᓄᓪᓗ ᓂᕆᔭᒃᓴᐅᖏᑦᑐᓄᓪᓗ ᐊᑐᕐᑐᒃᓴᓂᒃ. ᑕᒪᒃᑯᐊ ᐊᑕᐅᓯᐅᖏᑦᑐᒥᒃ ᐃᓯᒫᓗᑎᓂᒃ ᓴᖅᑭᑦᑎᕙᒃᐳᑦ ᐋᖅᑭᒋᐊᕐᑕᐅᒋᐊᖃᕐᑐᓂᒃ.

ᖃᑉᓗᓈᖑᖏᑦᑐᑦ ᓄᓇᒥᓐᓄᑦ ᐋᖅᑭᐅᒪᑦᑎᐊᕐᑐᒥᒃ ᓇᖕᒥᓂᖃᕈᓯᖃᕆᐊᖃᕐᐳᑦ ᓄᓇᒥᓐᓄᑦ.

ᐃᑲᔫᑕᐅᕙᒃᑐᑦ ᐊᐅᓪᓚᑦᑎᑕᐅᔪᓂᑦ ᓂᕿᑐᖃᕆᔭᐅᔪᓂᑦ ᐊᑭᖃᕐᑎᑕᐅᖃᑦᑕᕆᐊᖃᕐᐳᑦ ᐃᓇᖏᑦᑕᐅᓂᒃᓴᕆᔭᖏᑦ.

ᐳᓚᕋᕐᑐᓕᕆᓂᕐᒧᑦ ᐊᐅᓚᑦᑎᔨᐅᕙᒃᑐᑦ ᓄᖅᑲᖓᑦᑎᑦᑎᓇᓱᑐᐃᓐᓇᕆᐊᖃᕐᐳᑦ ᓄᓇᒥᒃ ᐊᑐᖁᔨᖏᓪᓗᑎᒃ ᐃᓚᖓᓐᓂᒃ.

ᓂᕐᔪᑎᓂᒃ ᓇᒡᓕᒍᓯᒃᑏᑦ ᐊᖑᓇᓯᓗᐊᕐᑕᐃᓕᒪᑎᑦᑎᑐᐃᓐᓇᕆᐊᖃᕐᐳᑦ ᑕᐃᓯᒪᔪᒥᓐᓂ ᐱᕝᕕᒥᕐᑯᖏᓪᓕᒥᑦ.

ᑕᒪᒃᑯᐊ ᐃᓯᒪᒋᓗᒋᑦ, ᐊᖏᕐᕋᓇᔭᐅᔨᒥ ᑮᓇᐅᔭᓕᐅᕐᕕᐅᕙᒃᑐᑦ ᒪᓕᒐᕐᑎᒍᑦ ᐃᓕᑕᕆᔭᐅᓯᒪᒋᐊᖃᕐᐳᑦ ᐊᑐᐊᒐᐃᓪᓗ ᐃᓚᐅᓂᖃᕐᓂᖏᓐᓂᒃ ᐃᓕᑕᕆᔭᐅᓯᒪᒋᐊᖃᕐᐳᑦ ᐊᔾᔨᒍᓂᒃ ᑮᓇᐅᔾᔭᒃᓴᕈᓯᐅᕙᒃᑐᑦ ᐃᓕᑕᕆᔭᐅᓯᒪᓂᖃᕆᐊᖃᕐᐳᖅ, ᐊᔾᔨᒍᓂᓪᓗ ᐊᔪᖏᓐᓂᖃᕐᕕᐅᓗᓂ ᐱᓕᕆᕝᕕᖕᓂ ᑐᙵᕕᐅᔪᑦ ᐊᔪᖏᓐᓂᖏᑕ.

3. ᑮᓇᐅᔾᔭᒃᓴᕐᓂᕐᒧᑦ ᐊᑐᕐᑕᐅᔪᓐᓇᕐᑐᑦ

ᖃᓄᖅ ᐊᔾᔩᒋᖏᑦᑑᑉᓗᑎᒃ ᐊᒥᓲᕙᑦ ᐃᑲᔪᕐᑐᕈᓯᐅᔪᓐᓇᕐᑐᑦ ᐊᖏᕐᕋᒥ ᑮᓇᐅᔾᔭᒃᓴᕐᓂᕐᒧᑦ ᐱᓕᕆᐊᒍᔪᓐᓇᕐᑐᑦ?

ᐃᓚᖏᑦ ᑮᓇᐅᔾᔭᒃᓴᕐᓂᕐᒧᑦ ᐃᑲᔪᕆᐊᕈᑕᐅᑉᓗᑎᒃ ᐱᓕᕆᐊᒍᕙᒃᑐᑦ ᓲᖅᓗ ᐊᔪᖅᓴᕐᑐᓕᕆᓂᕐᒥᒃ ᐃᑲᔫᑎᑖᒍᕙᒃᑐᑦ ᓴᓇᖏᕐᑐᕐᓯᐅᑎᑖᒍᕙᒃᑐᓪᓗ ᐃᑲᔫᑎᒃᓴᓂᒃ ᐊᑐᐃᓐᓇᐅᑎᑦᑎᓲᒍᕗᑦ; ᑭᓯᐊᓂ ᑮᓇᐅᔭᒥᒃ ᓈᒻᒪᒃᑐᒥᒃ ᐊᑐᐃᓐᓇᐅᑎᑦᑎᔪᓐᓇᖏᒻᒪᑕ, ᑑᕐᑎᑦᑎᓗᑎᒃ ᑑᕐᕕᒥᐊᒃᓴᓄᑦ, ᓈᒻᒪᓈᖁᑎᓗᑎᒃ, ᐅᓄᕐᓂᖏᓪᓗ ᓈᒻᒪᑦᑎᐊᕐᓗᒋᑦ. ᑭᑐᑐᐃᓐᓇᕐᓄᓪᓗ ᑐᓴᐅᒃᓴᓂᒃ ᐋᖅᑭᐅᒪᖏᑦᑐᓂᒃ ᐊᑐᐃᓐᓇᐅᑎᑦᑎᓲᒍᑉᓗᑎᒃ. ᐊᔪᖅᓴᕐᑐᓕᕆᓂᕐᒧᑦ ᐃᑲᔫᑕᐅᕙᒃᑐᑦ ᐱᓗᐊᕐᑐᒥᒃ, ᐃᓕᖅᑯᓯᑐᖃᕐᓂᒃ ᓄᖅᑲᑦᑎᑦᑎᑐᐃᓐᓇᕆᔪᒻᒪᑕ ᐱᓪᓚᕆᐅᑎᑕᐅᔪᓂᒃ.

ᐃᑲᔫᑎᖃᕐᑎᐊᕐᓂᖅᓴᐅᔪᓐᓇᕐᑐᖅ ᐱᓕᕆᐊᕐᓂᒃ ᓴᖅᑭᑦᑎᕙᓪᓕᐊᔾᔨᑎᒋᔭᐅᓗᓂ ᐱᓕᕆᐊᒍᓇᓯᐅᑦᑐᖅ. ᑕᒪᒃᑯᐊ ᐊᑐᕐᑕᐅᕙᒻᒪᑕ ᐊᒥᓱᒻᒪᕆᐅᓂ ᐊᓯᖏᓐᓂ ᐱᓕᕆᐊᕐᕕᐅᓂ ᑮᓇᐅᔾᔭᒃᓴᕐᕕᐅᔪᓂ, ᐃᓚᐅᓗᒋᑦ ᐱᕈᓯᔭᓂᖅ ᐱᓕᕆᐊᓕᕆᓂᕐᓗ, ᐊᒻᒪ ᐊᑭᑐᔫᑎᓄᑦ ᐃᑲᔫᑕᐅᕙᒃᑐᑦ, ᐊᐅᓚᑦᑎᔨᑦᑎᑦ ᐃᑲᔫᑦᑕᐅᔨᑦᑎᖏᑦ, ᐊᑭᓪᓕᒥᐊᕐᓯᒪᔨᑦᑎᑦ, ᑖᒃᓯᓄᑦ ᐃᑲᔫᑎᑦ, ᐊᓯᖏᓪᓗ.

ᐊᔾᔩᒋᖏᑦᑐᑦ ᐃᓚᐅᑎᑦᑎᑎᓪᓗᒋᑦ ᐃᑲᔫᑕᐅᕙᒃᑐᑦ ᑮᓇᐅᔾᔭᒃᓴᕐᓂᕐᒧᑦ (ᐃᓚᐅᑉᓗᑎᒃ ᑮᓇᐅᔭᓕᕆᓂᕐᒧᑦ ᑲᑎᒪᔩᐅᕙᒃᑐᑦ) ᐃᑲᔪᕐᑕᐅᓂᖃᕐᐸᒃᑎᓪᓗᒋᑦ, ᐃᑲᔫᑕᐅᖏᑦᑐᓂᒃᑕᐅᖅ ᓴᖅᑮᔭᕐᕕᐅᒥᕗᑦ. ᐊᑐᕐᑕᐅᕙᓪᓕᐊᓂᖏᓐᓂᒃ ᐃᑲᔫᑕᐅᕙᒃᑐᑦ ᐱᓕᕆᐊᑦ (ᓲᖅᓗ ᑕᒪᒃᑯᐊ ᓘᓴᓕᕐᓄᑦ ᐊᑭᓗᒃᓯᓯᒪᔾᔪᑎᑦ, ᐃᖏᕐᓯᔪᑎᓄᑦ ᐊᑭᓗᒃᓯᒥᐊᑭᑦ, ᐃᑲᔪᕐᓯᐊᑭᑦ ᑐᒃᑐᓕᐊᕐᑐᓄᑦ, ᐊᓯᖏᓐᓄᓪᓗ) ᑭᓪᓕᖃᕐᑎᑕᐅᖃᑦᑕᕐᒪᑕ.

ᓄᓇᓕᕋᓛᑦ ᐱᓕᕆᐊᒍᓂᖓᑦ ᐱᐅᓛᒍᓚᐅᕐᑐᒃᐅᕗᖅ ᑕᐃᒪᓐᓇᐃᑦᑐᓂ ᐱᓕᕆᐊᒍᕙᒃᑐᓂ. ᓄᓇᓕᕋᓛᑦ ᐊᓯᐊᒍᕐᐸᓪᓕᐊᒐᓗᐊᕐᓗᓂ ᐃᑲᔫᑎᖃᕐᑎᐊᕐᑐᒥᒃ ᐱᓕᕆᐊᖃᕈᑕᐅᖃᑦᑕᕐᐳᖅ.

ᐆᒪᔪᓕᕆᓂᕐᒧᑦ ᐃᑲᔪᕆᐊᕈᑕᐅᔪᑦ ᐱᓕᕆᐊᖕᒐᑦ. ᐱᒻᒪᕆᐅᒌᕙᔪᖅ ᐆᒃᑑᑎᒥᔪᓐᓇᕐᑕᕗᑦ ᕿᓇᐅᔭᓕᐊᓄᑦ ᐃᑲᔪᑕᐅᑉᓗᓂ ᐱᓕᕆᐊᖑᔪᖅ ᐊᑐᕐᑕᐅᔪᖅ ᐴᓪᔅ ᐸᐃᒥᐅᓄᑦ ᓄᓇᑖᕋᓯᐊᕐᓂᖕᒋᓐᓄᑦ ᐃᓚᒥᔭᐅᑎᑕᐅᔪᖅ. ᐃᓚᖃᐅᕐᐳᖅ ᕿᓇᐅᔭᓕᐊᖑᔪᑎᑐᑦ ᐃᑲᔫᑎᒃᓴᓂᒃ ᐱᓕᕆᐊᕐᑖᕐᐸᓪᓕᐊᓂᕐᒧᓪᓗ ᐃᑲᔫᑎᒃᓴᓂᒃ.

ᖃᓂᒥᔭᖕᒐᓂ 40% ᑯᕆᒃᑯᑦ ᐅᓄᕐᓂᖕᒋᑦ ᐃᑲᔫᑎᑖᖃᑦᑕᕐᐳᑦ ᑕᕝᕙᓐᖕᒐᑦ ᐱᓕᕆᐊᒥᑦ. ᐱᓕᕆᐊᖑᔪᖅ ᖃᐅᔨᓴᐃᔾᔪᑎᖃᑦᑎᐊᖃᑦᑕᕐᐳᖅ ᑕᒪᒃᑯᐊ ᐊᖑᓇᓯᐊᕆᓐᓇᕈᒪᔪᑦ ᐊᖑᓇᓯᐊᕆᓐᓇᕐᑎᑕᐅᑉᓗᑎᒃ ᐱᖁᑎᖃᕐᑎᑕᐅᕐᑎᐊᕐᓗᑎᒃ.

ᑯᓃᒃᑯᑦ ᐱᓕᕆᐊᖑᔾᔪᓯᖕᒐᑦ ᐊᑐᕐᑕᐅᔪᓐᓇᖕᒋᒃᑲᓗᐊᕐᑎᓪᓗᒍ ᓄᓇᕐᑎᐊᕐᒥ, ᑐᓐᖕᒐᕕᓕᕆᔨᒃᑯᑦ ᓄᓇᕗᒧᑦ (TFN) ᐊᔾᔨᕐᓚᖕᒐᓂᒃ ᐊᑐᓕᖁᔨᓛᕐᐳᑦ. ᐊᐅᓚᑕᐅᓇᔭᕐᓗᓂ ᐊᖑᓇᓯᐊᒃᑐᓕᕆᔨᒃᑯᓐᓄᑦ ᐆᒪᔪᕐᓂᐊᕐᑎᒃᑯᓐᓄᑦ (HTAs) ᓇᓗᓇᐃᕐᓯᖃᑦᑕᕐᕋᔭᕐᓗᑎᒃ ᑭᑐᑦ ᐃᑲᔫᑎᑖᕈᓐᓇᕐᒪᖔᑕ; ᒪᓕᒃᑕᐅᖃᑦᑕᕐᕋᔭᕐᓗᑎᒃ ᐊᐅᓪᓚᖃᑦᑕᕐᓂᖕᒋᑕ ᐅᓄᕐᓂᖕᒋᑦ ᐱᓕᕆᐊᖃᕐᓂᖕᒋᑦ ᒪᓕᒃᑕᐅᖕᒋᖕᒐᕐᓗᑎᒃ (ᐃᑲᔪᕐᑐᐃᔪᒪᖕᒋᓪᓗᑎᒃ ᐅᖕᒑᓄᓗᐊᖅ ᐊᖑᓇᓯᒃᓂᖕᒥᒃ); ᑕᒪᐃᓐᓄᑦ ᐃᑲᔫᑕᐅᑉᓗᓂ ᐃᓪᓗᖅᑐᓗᒃᑖᓄᑦ; ᐃᑲᔪᕐᑐᐃᔾᔪᑕᐅᑉᓗᓂ ᒪᒃᑯᒃᑐᑦ ᐃᓕᓐᓂᐊᕈᑎᖃᒃᑲᑦᑕᖁᑉᓗᒥᑦ ᓴᓇᔭᓇᓂᐊᕐᑕᒋᓐᓂᒃ ᐃᓕᓐᓂᐊᕐᑎᕐᑎᔾᔪᑕᐅᕙᒃᑐᒃᑯᑦ; ᐊᑐᓕᖁᔨᑉᓗᑎᒡᓗ ᐊᕕᒃᑐᕐᓯᒪᓂᐅᔪᓂ ᐊᐅᓚᕐᑎᔪᓐᓇᕐᓯᖁᔨᑉᓗᑎᒃ. ᐃᓱᒪᒥᔭᐅᕗᑦ ᐱᓕᕆᐊᑦ $10-ᒥᓕᔭᓐᒥᑦ $30-ᒥᓕᔭᓐᒧᑦ ᐊᕐᕿᒍᑕᓛᖅ ᐊᑭᖃᖃᑦᑕᓇᐊᒃᓴᖕᒋᓐᓂᒃ.

ᐊᒃᑐᐊᓂᖃᕐᓂᖕᒐ ᕿᓇᐅᔾᔭᒃᓴᕐᓂᕐᒧᑦ ᓴᓇᓂᕐᒧᑦ. ᒐᕙᒪᒃᑯᑦ ᖁᕝᕙᕐᐸᓪᓕᐊᑎᕐᑎᓗᑎᒃ ᐃᑲᔪᕐᑐᐃᒥᐊᖃᕐᐳᑦ ᐱᓕᕆᖃᑎᒦᑦᑎᐊᖁᓗᒥᑦ ᕿᓇᐅᔭᓕᐅᕐᐸᒃᑐᑦ ᓴᓇᔪᑦ ᐊᒻᒪ ᐊᖑᓇᓯᐊᕐᓂᕐᒧᑦ ᐊᓐᓂᐅᒪᓇᓯᒃᑎᑦ.

ᐊᑐᐊᓂᒃᓴᓕᓛᓕᕐᑎᓪᓗᒥᑦ 1970-ᓂ ᐅᑭᐅᖑᔪᑦ ᐊᒻᒪ 1980-ᒧᑦ ᑎᑭᓕᓵᕐᑎᓪᓗᒥᑦ ᐅᖅᓯᐊᓗᓕᕆᓂᕐᒧᑦ ᐱᓕᕆᐊᖑᔪᑦ ᐅᐊᓕᓂᕐᒥ ᓴᓇᔭᒃᓴᓂᒃ ᐊᑐᐃᓐᓇᐅᑎᕐᑎᓚᐅᕐᐳᑦ ᒪᕿᔾᓂᒡᓗ ᐃᑲᔫᑎᖅᑎᐊᓪᒪᓇᒃᑑᔾᓂᒃ ᐊᑐᐃᓐᓇᐅᑎᕐᑎᑉᓗᑎᒃ -- ᓴᓇᔭᒃᓴᓂᒃ ᐊᑭᑐᕐᑎᐊᕐᑐᓂᒃ ᐊᑭᓕᕐᑐᐃᕝᕕᐅᔪᓂᒃ ᐊᒻᒪ ᖃᑯᒍ ᓴᓇᔪᓐᓇᓇᐊᒃᓴᖕᒋᓐᓂᒃ ᐃᓱᒪᕐᓯᕐᓂᖅᓴᐅᑉᓗᑎᒃ.

ᓂᐅᕕᐊᒃᓴᓇᔭᐅᕙᒃᑎᓪᓗᒥᑦ ᓄᓇᒥᐅᑕᐃᑦ ᐱᕈᒃᑲᓐᓂᕐᐸᒃᑐᑦ ᓈᒻᒪᒋᕐᑐᒥᒃ ᓵᕐᑎᓯᒪᔾᔪᑕᐅᔪᓐᓇᕐᐳᑦ ᐊᖕᒋᕐᕋᓇᔭᐅᔪᓂ ᕿᓇᐅᔾᔭᒃᓴᐅᑕᐅᓇᓯᒃᑐᓂ. ᑭᓯᐊᓂ ᐃᑲᔫᑎᑕᐅᔪᓐᓇᕐᑐᓂᒃ ᐊᑐᐃᓐᓇᐅᑎᕐᑎᔪᓐᓇᕈᑦ ᐱᒻᒪᕆᐅᔪᓂᒃ. ᐃᓕᖅᑯᓯᓇᔭᐅᓇᔭᕐᑐᑦ ᐃᑲᔫᑕᐅᔪᓐᓇᕐᑐᓪᓗ ᓈᒻᒪᒋᕐᑐᓄᑦ ᓇᓂᔭᐅᒥᐊᖃᕐᐳᑦ.

ᐃᓕᖅᑯᓯᓇᔭᐅᓇᔭᕐᑐᑦ ᐋᖅᑭᒃᓯᕐᑕᐅᓇᔭᕐᒪᑕ ᐋᖅᑭᒃᓯᔾᔪᑕᐅᓂᐊᕐᑐᑦ ᐃᑲᔪᕐᑐᐃᔾᔪᓯᓂᑦ ᐋᖅᑭᒃᓯᔾᔪᑕᐅᓂᐊᕐᑐᑦ ᐊᒻᒪ ᐱᓕᕆᖃᑎᒦᒍᓯᒥᒃ ᓴᖅᑭᑎᔾᔪᑕᐅᓂᐊᕐᑐᖅ.

ᒫᓐᓇ ᐱᓕᕆᐊᖑᔪᒪᔪᑦ ᑎᒍᐊᖃᕐᓂᕐᒥᑦ ᐃᒪᕐᒥᐅᑕᓂᒡᓗ ᑎᒍᐊᖃᕐᓂᕐᒧᑦ ᐱᕈᕐᔫᔾᔪᓯᐅᔪᒪᔪᑦ ᐱᔪᒥᓇᓗᐊᕐᑑᔭᖕᒋᓚᑦ.

ᐊᒥᕐᓄᑦ ᑎᒍᐊᖃᕐᓂᖅ ᑎᓇᒐᓂᐊᕐᓂᒃ ᑎᓇᐊᕐᓇᕐᓂᒡᓗ (mink) ᐊᒥᓲᐊᓘᓗᑎᐅᒥᐊᖃᕐᑎᕐᑎᓲᖑᒻᒪᑕ ᓇᕐᑎᕐᓂᒃ ᐃᖃᓗᖕᓂᒡᓗ ᐊᑭᓗᒃᑐᑯᓘᑉᓗᑎᒃ (ᓄᓇᖅᑐᑐᖃᕐᓄᑦ ᐊᑐᕐᑕᐅᔪᒪᓗᐊᕋᑎᒃ): ᐅᕝᕙᓘᓐᓃᑦ ᓄᓇᒥᔭᐅᔪᒥ ᐱᓕᕆᐊᖑᓇᓱᒃᑎᓪᓗᒥᑦ ᓂᕐᑭᒃᓴᒋᑦ ᐊᑭᑐᔪᓪᒪᕆᐅᖃᑦᑕᕐᐳᑦ.

ᓂᕐᔪᑎᓂᒃ ᑎᒍᐊᖃᕐᓂᖅ ᐊᑐᕈᑕᐅᒥᐊᖃᕐᐳᖅ ᓄᓇᒥᒃ ᐊᒋᔪᐊᓗᖕᒥᒃ-- ᑕᒪᓐᓇ ᑎᒍᐊᖃᕐᕕᐅᔪᒧᑦ ᓈᒻᒪᒋᓕᕈᑕᐅᕙᒃᐳᖅ ᐊᓯᒋᓐᓄᑦ ᐊᑐᕐᐸᒃᑐᓄᑦ.

ᓂᕿᓕᐅᕐᓂᖅ ᓂᐅᕕᐅᑎᖃᖃᑦᑕᕐᓂᕐᓗ ᓂᕿᓪᓚᑦᑖᓂᒃ. ᓄᓇᖃᕐᑐᑐᖃᐃᑦ ᐊᖑᓇᓱᐊᕐᑎᖏᑦ ᑲᑐᔾᔨᖃᑎᒌᑦ ᕿᑭᕐᑖᓗᒻᒥ ᐊᑐᖃᑦᑕᓕᕐᐳᑦ ᓄᓇᓕᓐᓂ ᖁᐊᕐᓰᕕᓐᓂᒃ ᐊᒻᒪ ᒥᑭᔪᓂᒃ ᓂᕿᓕᕆᕝᕕᓐᓂᒃ ᓂᐅᕕᕐᕕᐅᔪᓐᓇᕐᑐᓂᒃ ᐊᕕᒃᑐᕐᓯᒪᓂᐅᔪᒥ ᓄᓇᖃᕐᑐᑦ ᓂᐅᕕᕐᕕᒥᖃᑦᑕᕈᓐᓇᕐᓗᓂᒥᑦ. ᑕᒪᓐᓇ ᐃᖏᕐᕋᓂᖃᑦᑎᐊᖃᑦᑕᕐᐳᖅ. ᓂᕿᑦ ᐱᕈᕐᑎᑕᐅᓇᓱᒡᓗᑎᒃ ᐃᑲᔪᕐᑑᑕᐅᒥᐊᖃᓕᕐᐳᑦ ᓂᕿᓕᕆᔾᔪᑎᑦ ᖁᑦᑎᓐᓂᕐᓴᐅᓗᑎᒃ ᐊᑭᓕᕐᑐᕐᑕᐅᔾᔪᓰᓪᓗ ᖁᑦᑎᓐᓂᕐᓴᐅᓗᑎᒃ.

ᐃᓱᒪᓐᓇᕐᐳᖅ ᐅᖁᒪᐃᓐᓂᕐᒧᑦ ᐃᖏᕐᕋᔾᔪᑎᖏᑦ ᐊᑭᓗᒃᓯᒥᐊᕐᓯᒪᖃᑦᑕᕋᔭᓇᐊᒃᓴᖏᓐᓂᒃ ᓂᕿᓪᓗ ᑎᑮᓐᓇᖃᑦᑕᕐᓗᑎᒃ. ᐊᒻᒪ ᐊᐅᓚᕐᑎᓂᕐᒧᑦ ᐱᓇᓱᐊᒐᓚᔭᐅᔪᓄᑦ ᐃᓚᒥᐊᕐᑕᐅᓗᑎᒃ ᐊᖏᓪᓕᒥᐊᖅᑕᐅᓇᔭᕐᓗᑎᒃ.

ᐊᒦᑦ, ᕿᓰᑦ ᐊᓯᖏᓪᓗ ᓂᕐᔪᑎᓂᑦ ᓴᖅᑭᑦᑐᑦ. ᐱᑕᖃᓇᐊᖃᓗᐊᕐᐳᖅ ᓄᑖᒥᒃ ᓴᖅᑭᑦᑎᓗᑎᒃ ᓂᐅᕕᕐᕕᒃᓴᓂᒃ, ᓄᓇᖃᕐᑐᑐᖃᐃᓪᓗ ᓂᐅᕕᕐᕕᒃᓴᖏᓐᓂᒃ ᐅᑭᐅᕐᑕᕐᑐᒥ ᓂᐅᕕᕐᕕᖃᓇᐊᖃᕐᐳᑦ ᐊᒥᕐᓄᑦ ᕿᓯᓐᓄᓪᓗ.

ᒥᑭᔪᑦ ᕿᓯᓕᕆᕝᕕᒃᓴᑦ ᓄᓇᓕᓐᓂ ᐃᑲᔫᑕᐅᔪᓐᓇᕐᐳᑦ ᖁᕝᕙᕐᐸᓪᓕᐊᔾᔪᑎᒥᓴᐅᓗᑎᒃ ᑕᒪᒃᑯᓄᖓ ᐱᓕᕆᐊᖑᔪᓄᑦ.

ᓴᓇᓐᖑᐊᕐᑕᐅᕙᒃᑐᑦ. ᓴᓇᓐᖑᐊᒐᐃᑦ ᐃᑲᔫᑎᒻᒪᕆᐅᕗᑦ. ᑭᓯᐊᓂ ᒥᕐᓯᕐᑕᐅᔪᑦ ᑕᐃᒪᓐᓇᑎᒥ ᓴᓇᓐᖑᐊᒐᑎᑐᑦ ᐃᑲᔫᑎᖃᕐᑎᒥᖏᒻᒪᑕ. ᐋᖅᑭᐅᒪᕐᑎᐊᕐᓗᓂ ᓴᓇᓐᖑᐊᕐᑕᐅᕙᒃᑐᑎᑐᑦ ᐱᔭᐅᒥᐊᖃᕐᐳᑦ ᐊᖏᕐᕋᕆᔭᐅᔪᒥ ᑮᓇᐅᔾᔭᒃᓴᕈᑎᒥᔭᐅᔪᑎᑐᑦ ᐋᖅᑭᒃᑕᐅᓯᒪᓗᓂ ᐱᓕᕆᕝᕕᓂ ᑮᓇᐅᔾᔭᒃᓴᕈᑎᒥᔭᐅᔪᑎᑑᖏᕐᑐᖅ. ᐃᑲᔫᑎᖃᕈᓐᓇᕐᑐᑦ ᓂᐅᕕᐅᑎᖃᕐᓂᕐᒧᑦ ᕿᓂᕐᑕᐅᒥᐊᖃᕐᐳᑦ.

4. ᐃᓕᖅᑯᓯᕆᔭᐅᓇᔭᕐᑐᖅ

ᑖᑉᓱᒪ ᐅᓂᒃᑲᓯᒪᔪᑉ ᑭᖑᓪᓕᕐᐸᖓᓂ ᐅᖃᐅᔾᔪᐃᐳᑦ ᐊᑐᐃᓐᓇᐅᑎᑦᑎᒍᑦ ᐋᖅᑭᐅᒪᕐᑎᐊᕐᑐᓂᒃ ᐊᑐᓕᖁᔭᐅᔪᓂᒃ ᐃᓕᖅᑯᓯᖓᓄᑦ ᐱᕈᕐᐸᓪᓕᐊᔾᔪᓯᐅᓂᐊᕐᑐᒥᒃ ᐃᑲᔫᑕᐅᓂᐊᕐᓗᓂ ᐊᖏᕐᕋᕆᔭᐅᔪᒥ ᑮᓇᐅᔾᔭᒃᓴᕈᑕᐅᔪᓄᑦ.

ᐊᖏᕐᕋᕆᔭᐅᔪᓂ ᑮᓇᐅᔾᔭᒃᓴᕐᓂᖅ ᐃᓕᑕᕆᔭᐅᓯᒪᒥᐊᖃᕐᐳᖅ ᑮᓇᐅᔭᓕᐅᕈᑕᐅᕐᑎᐊᕈᓐᓇᕐᓂᕐᓴᓂᒃ ᒐᕙᒪᒃᑯᑎᒍᑦ ᐊᑐᐊᒐᓕᐅᕈᑕᐅᔪᓐᓇᕐᑎᐊᕐᓗᓂᓗ ᐊᑐᓕᕐᑎᑕᐅᔪᓐᓇᕐᑐᒥᒃ ᐱᑕᖃᕐᓂᖓᓂᒃ ᐅᖃᐅᓯᐅᒥᐊᖃᕐᐳᖅ.

ᒐᕙᒪᒃᑯᑦ ᑐᑭᓯᐅᒪᓕᕐᑎᐊᕐᓂᕐᓴᐅᒥᐊᖃᕐᐳᑦ ᐊᖏᕐᕋᕆᔭᐅᔪᓂ ᑮᓇᐅᔾᔭᒃᓴᕈᑕᐅᕙᒃᑐᓂᒃ; ᐋᖅᑭᐅᒪᑎᑦᑎᒥᐊᖃᕐᐳᑦ ᐱᓕᕆᐊᖃᕐᑎᑦᑎᒥᐊᖃᕐᐳᓪᓗ ᐊᑐᓗᐊᕐᑕᐃᓕᒪᓂᕐᒧᑦ; ᐊᐅᓚᕐᑎᓂᕐᒧᑦ, ᖁᕝᕙᕐᐸᓪᓕᐊᑎᑦᑎᓂᕐᒧᑦ, ᐊᕙᓗᒥᐅᑕᓄᓪᓗ ᓴᐳᓐᓂᐊᕐᓂᕐᒧᑦ.

ᐃᓱᒪᒥᓗᒥᑦ ᐃᓱᒫᓗᑎᒥᔭᐅᖃᑦᑕᓯᓚᐅᕐᑐᑦ ᓂᕿᑐᖃᕆᔭᐅᔪᓄᑦ ᓄᓇᓕᓐᓄᑦ ᐋᓐᓂᐊᕐᓇᕐᑐᖃᓕᓇᐊᒃᓴᖏᓐᓂᒃ, ᐋᖅᑭᐅᒪᔭᐅᓂᖏᑦ ᓂᕿᓂᒃ ᐊᑐᐃᓐᓇᐅᑎᑦᑎᔩᑦ ᓂᕿᓕᐅᔩᑦ ᐋᓐᓂᐊᕐᓇᕐᑐᖃᕐᑕᐃᓕᒪᒥᐊᖃᕐᓂᖓ ᓂᕿᑐᖃᕆᔭᐅᔪᑉ ᐱᒻᒪᕆᐅᕗᖅ. ᐃᓕᖅᑯᓯᖓᐅᓂᐊᕐᑐᒥᒃ ᐱᓕᕆᕝᕙᓯᖓᒥᒃ ᓄᓇᓕᓐᓂ ᐋᓐᒪᖏᑦᑐᓄᑦ ᐊᕕᒃᑐᕐᓯᒪᓂᐅᔪᓄᑦ ᐋᓐᒪᖏᑦᑐᓄᑦ ᓴᖅᑭᑦᑐᖃᓇᐊᖃᕐᐳᖅ, ᖃᐅᔨᓴᕐᑎᐅᓕᐅᐱᓪᓚᑐᐃᓐᓇᕐᑐᑦ ᑲᑎᒪᔨᑦ ᑭᐅᓂᐊᕐᓗᑎᒃ ᐋᓐᒪᖏᑦᑐᓄᑦ ᐃᓱᒪᒥᖏᓐᓗᒥᑦ.

ᓂᕿᓂᒃ ᐊᑐᕐᑎᐅᕙᒃᑐᑦ ᓂᕐᔪᑎᓂᒃ ᓄᓇᒥᒃ ᓇᒻᒥᓂᖃᕐᓂᕐᒥᒃ ᐱᑖᕆᐊᖃᕐᐳᑦ ᐃᓱᒪᕐᓯᕈᑎᖃᓂᕐᒥᒡᓗ--ᑕᒪᓐᓇ ᓈᒻᒪᖏᓐᓂᕆᔭᖅ ᐃᓚᐃᓐᓇᖅ ᐋᖅᑭᒃᑕᐅᓂᐊᕐᒪᑦ ᓄᓇᑖᕐᓂᐊᕐᑐᑦ ᓄᓇᑖᕐᓂᒃᐸᑕ. ᓄᑖᑦ ᐃᓕᖅᑯᓯᐅᓂᐊᕐᑐᑦ ᓇᓂᔭᐅᒥᐊᖃᕐᐳᑦ ᖁᕝᕙᕐᐸᓪᓕᐊᔾᔪᑕᐅᓇᔭᕐᑐᑦ ᐃᓕᖅᑯᓯᖏᑦ ᐊᖏᕐᕋᒥ ᑮᓇᐅᔾᔭᒃᓴᕈᑎᓄᑦ ᓄᓇᕐᑎᐊᑉ ᓯᓚᑖᓂᑦ ᓇᓂᔭᐅᓯᒪᔭᕆᐊᖃᕐᐳᑦ.

ᓄᓇᕗᑦ ᑲᔪᒪᓂᖅᓂᑦ ᐊᑐᕐᓂᕐᓂᓇᒃᑭᒡᒐ ᐅᒪᔨᓕᕆᓂᖅᓯᒪᑦ ᐃᑲᔫᑕᐅᓇᒃᖽᑐᑦ ᐱᓕᕆᐊᑦ (WHSP). ᐊᑐᕐᓂᑕᐅᓂᐊᖅᑐᓂ ᑕᒪᐃᓐᓂᑦ ᐊᑕᕐᓂᑐᓂ ᐊᑐᐊᑦᑎᓐᓄᑦ ᐱᓕᕆᐊᖅᓄᓐᓂᑐ ᓄᓇᕗᑦ ᑲᔪᒪᓂᖅᑕ.

ᐅᒪᔨᓕᕆᓂᖅᓯᒪᑦ ᐃᑲᔫᑕᐅᓇᒃᖽᑐᑦ ᐱᓕᕆᐊᑦ (WHSP) ᓴᓐᓂᐊᖅᑕᐅᓯᒪᓇᒃᖽᒡᒐ ᐊᖏᔪᑎᑐᑦ ᐊᑭᓐᖽᖏᓐᓂᑐᑎᑦ ᑕᐅᔭᓕᖅᑕᐅᑎᓂᖅᑎᑦ.

ᓂᐅᐃᐊᕐᓴᖅᑎᑦᑕᕐᔪᓂᖅ ᐱᔪᓪᓕᓂᐊᕐᔪᐃᓕᐅᓗᓂ ᐃᑲᔫᑐᖅᑕᐅᓇᒃᖽᒡᒐ ᓄᓇᒥᐅᑕᑦ ᐱᔪᖅᓂᓂᕐᒃᑐᑦ ᐊᑐᓗᑦ ᐊᖏᓴᓇᒃᐅᐅᔪᓂᖅ ᑭᓇᐅᔭᖅᓴᕆᑕᐅᔪᓂᖅ.

ᓇᓴᒪᓂᐊᖅᑐᑦ ᑐᓴᒃᓴᑦ ᖃᐅᔨᓴᐃᔪᔨᓂᕐᓗᓐ ᐊᖏᑭᒃᑕᐅᒥᐊᖅᑲᑦᑐᑦ ᖃᐅᔨᓴᐃᔪᔨᑕᐅᓂᐊᖅᑐᑦ ᖃᓄᖅ ᐃᓱᒪᖅᑎᑎᒥᐊᖅᖽᓂᓂᖅ ᐊᖏᑦᑕᖅ ᑭᓇᐅᔭᓕᕐᓂᔪᐃᓕᐅᑦᑐᑦ, ᐊᓯᒪ ᖃᓄᖅ ᐊᓯᐊᔪᑦ ᐃᓕᓴᕆᓕᖅᑎᓂᖅᖽᓂᓂᖅ ᐱᔪᓪᓕᓂᐊᕐᔪᐊᓂᑦ ᐊᑐᐊᖅᓂᓐᓂᓗ ᖃᐅᔨᓴᐃᔪᔨᑕᐅᖃᑕᐅᖃᑦᑕᕐᕕᖅᓱᓗᓐᓄᑦ.

Preface

This report was commissioned as one of a series of special studies on the economy of the Northwest Territories, by the Northwest 'Territories Legislative Assembly's Special Committee on the Northern Economy. The terms of reference were to provide a synthesis and review of some of the major options that have been put forward for supporting the domestic economy, and to develop a strategy for supporting it. The study defines and describes the domestic economy, identifies its strengths and problems, reviews and assesses the major options for supporting it, and outlines the basic elements of a comprehensive strategy with respect to the domestic sphere as an integral part of the N.W.T. economy.

The principle author of this report is P.J. Usher. F.H. Weihs is the principle author of section 3.5, and contributed to chapters three and four. Usher spent a week in Yellowknife in February 1989 to obtain current information for this report. Weihs provided additional information from previous experience in the Baffin region.

The report is intended for the non-specialist. Technical terminology has been kept to a minimum, and a glossary of terms is included. Numbers in square brackets refer to the source of information: a list of these sources is provided at the end.

Acknowledgements

I am grateful to the staffs of the Department of Renewable Resources, the Department of Economic Development and Tourism, the Department of Health, the Bureau of Statistics, and the Research Office of the Legislative Assembly, for information and advice on this project. I would also like to acknowledge the assistance of Ignatius La Rusic and George Wenzel of Montreal; the former for information on the Cree Income Security Program, the latter for a critical reading of parts of this manuscript.

Peter J. Usher

Chapter One

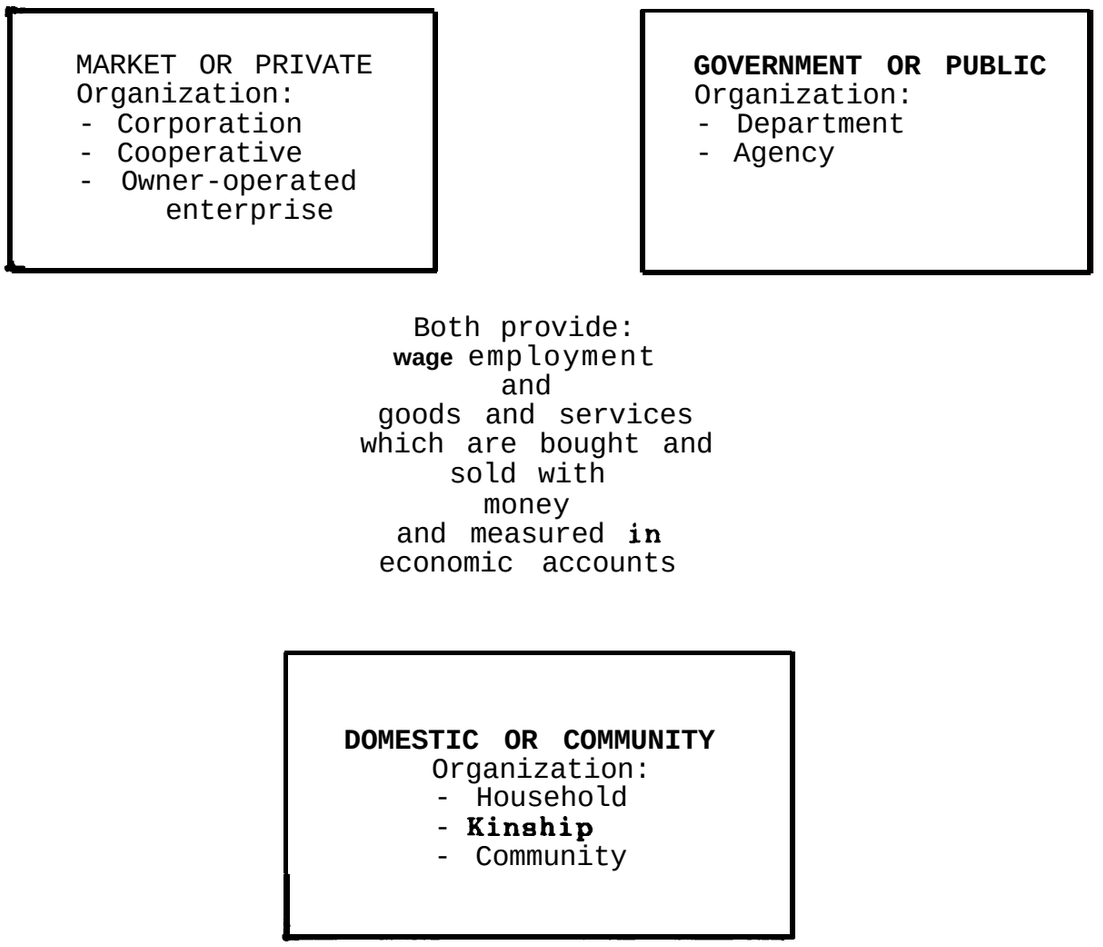
THE DOMESTIC ECONOMY

1.1 Definition and significance

The "domestic economy" in the Northwest Territories consists of the harvesting (i.e. hunting, trapping, fishing, and gathering) and processing activities by which people provide food, fuel, and other materials for household needs. These same activities also generate cash (for example, commercial fishing and the sale of furs) , but by far the greater part of production is consumed directly without entering the market. These domestic activities are often equated with "subsistence" in the North, and as such have a distinctive resource and cultural base. For this reason, this discussion will not include the non-market provision of services unrelated to resource harvesting, such as housework, child care, home repairs, and home maintenance . As Figure 1 shows, domestic activity is that part of the NWT economy which, in contrast to the market and public sectors, is organized by household and kinship, and is not normally measured in economic accounts.

Domestic or subsistence activities are not unique to the NWT , Even in southern Canada many households meet some part of their needs through domestic production such as gardening, hunting, sewing, and the like. What is distinctive about the Northwest Territories' economy is

Figure 1
COMPONENTS OF THE NWT ECONOMY



that these activities provide for such a large proportion of household consumption, and are so central to the economic well-being of the communities* in the NWT. That is why the domestic economy is an important public concern in the North, and why the Government of the Northwest Territories has recognized that its economic policies must give due recognition of the place of domestic activities.

The definition used here gives priority to the Native population and the communities to provide a focus for policy. It does not imply that non-Native residents, or Native residents of the urban centres, have no interest in the domestic economy, only that theirs is of much less economic significance and is not necessarily addressed by the policies discussed in this report.

1.2 How the domestic economy works

The domestic economy is not a separate economy or economic sector. No one today makes their living entirely from domestic production, and very few households make their living entirely from "traditional" activities, i.e. domestic production combined with the commercial sale of

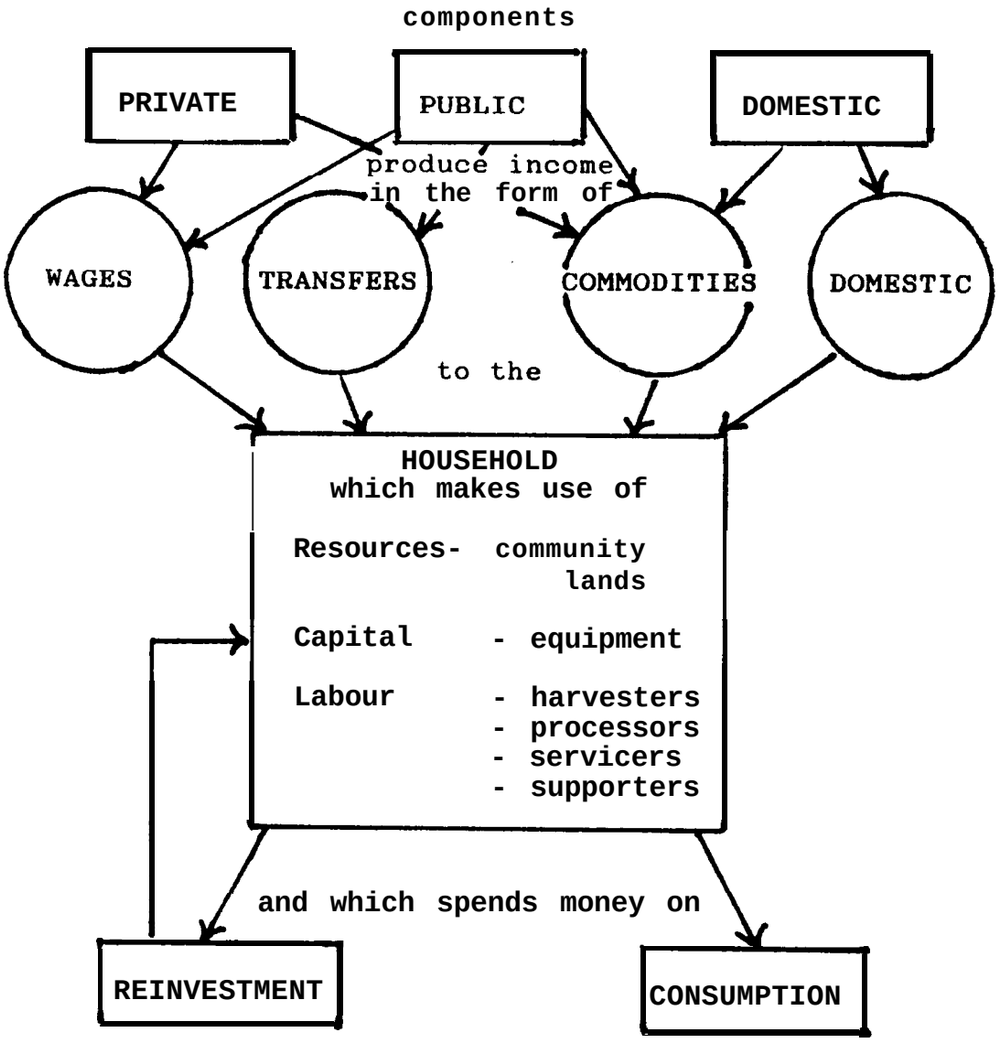
*Communities, in this report, refers to all places other than the urban centres of Yellowknife, Fort Smith, Hay River, Inuvik, Iqaluit, and the single-resource towns such as Norman Wells and Nanisivik. There were 51 of them in 1986. The majority population of each is Native, and the majority of Native people in the NWT lives in these communities .

fur , fish, and handicrafts. Most households, even in the smaller, more isolated communities, also obtain wage labour income , as well as income from transfer payments. Unlike large urban centres or single-industry towns where everyone works for wages, the communities have mixed economies where people do a little of everything to get by. But almost everyone depends on domestic activities in some way, so the communities have subsistence-based economies.

Figure 2 shows how the typical household economy works in a small community. Income is obtained from four major sources : jobs, transfer payments, sale of commodities (fur, fish, handicrafts , carvings) , and domestic production (country food, firewood, etc.). The first three provide cash to the household, the last, income “in kind”. Which of these sources of income the household is using, and in what mix, depends on the season and the opportunities, and the skills, age, and interests of its members. Both resource harvesting and many wage employment opportunities are seasonal, and as a result the use of transfer payments such as unemployment insurance and social assistance is also seasonal.

The domestic economy is also distinctive in the way it is organized. In contrast to the market system in which the basic economic unit is the firm, the domestic economy is organized around household and kin. The household is, of

Figure 2
THE HOUSEHOLD IN A **MIXED ECONOMY**



course, at once an economic unit and a social one, at once a producing unit and a consuming one. Figure 2 shows how the household operates in a mixed economy.

The household itself is a "micro-enterprise" which, like other enterprises, controls and allocates resources, capital, and labour. Its resources are the animals, birds, fish, trees, plants, and other materials on the lands and in the waters traditionally used by the community. These are communally held resources, to which each household has access by virtue of community membership (i.e. aboriginal harvesting rights) rather than private ownership. Its capital is the harvesting equipment that the members of the household use: the skidoos, rifles, boats, nets, and traps . It has a pool of labour consisting of all household members who can contribute to its economic welfare. At any particular time, some people in the household may be harvesters -- hunting or fishing for food for the table; processors -- butchering meat, preparing meals, skinning and stretching pelts; servicers -- fixing machinery, equipment, clothing; or supporters -- those who have jobs and contribute their income to purchasing equipment or gasoline. Some people may do all of these things at different times of the year or at different times of their lives. The household requires income for consumption -- to buy food, pay the rent and other bills, to buy clothes, furniture, and VCRs -- but like larger enterprises, it also

requires income for reinvestment in its productive capacity.

Because of the social and economic links among families, the community economy has a distinctive structure beyond the household unit. The mixed, subsistence-based economy is not just a description of what people do, but also how they do it: the logic and structure that underlies how they make a living. When economic development plans do not work, it is often because this community economic structure is not fitting very well with the industrial economic structure that is put on top of it.

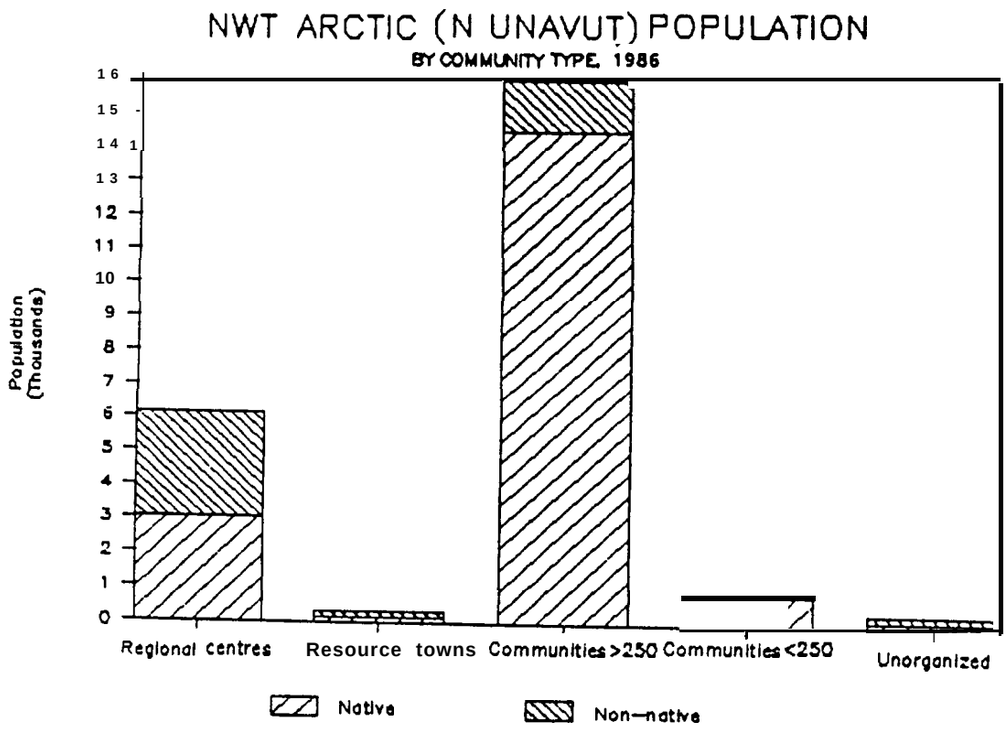
The answer, however, is not getting rid of one way of doing things and finding another, but rather trying to fit them together better. The domestic economy is sometimes wrongly understood as an activity or sphere in which some people "choose a career" (or are "stuck" because they can't do anything else) , while others get on with the "real" business of getting a job. In fact most households rely on both , and many individuals rely on both -- sometimes from one month to the next, sometimes at different times of their lives.

1.3 Participation and production

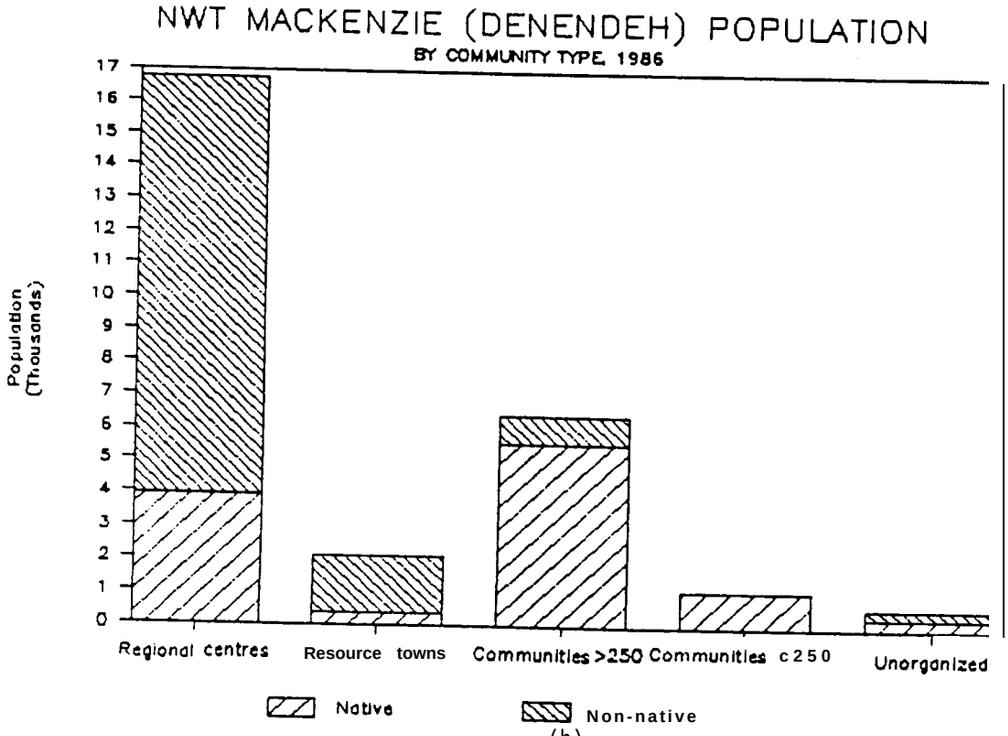
The 51 communities in the NWT account for half of the total population of the NWT, and about three quarters of the Native population (Figure 3). These communities are growing rapidly, and there has been no significant migration out of them. Probably more of their residents are engaged in domestic harvesting activities than in any other single occupation. By contrast, the lack of wage employment in these communities is striking. According to the 1984 Labour Force Survey [2], about one-third of the Native people of labour force age in the communities did not work at all, and of the rest, about 56% worked for less than six months out of the year, while less than one-third worked all year.

Domestic food production alone -- hunting and fishing for home and community use, not sold for cash -- currently amounts to about 5 million kg. of meat and fish each year [11]. The value of this food -- the amount that Native people in the small communities would otherwise need to spend on imported groceries -- is conservatively estimated at over $50 million [11]. The value of fuelwood, lumber, and round logs for local consumption is estimated at $5 million, although part of this is commercial production [6]. Domestic harvesting of berries and plants, and the domestic use of animal products other than food (e.g. furs,

Figure 3



(a)



(b)

hides , feathers, and bone for clothing and crafts) add a further small amount to the total. In all, $60 million would be a conservative estimate of the imputed value of goods produced for domestic consumption.

Domestic production makes a significant contribution to the Northwest Territories economy as a whole. It adds ten per cent to total territorial labour income, and is about equal to the 1987 federal government payroll in the NWT [5]. Since this imputed income accrues almost entirely to Native people, it probably adds at least 30 per cent to their effective income. The value of domestic production is about the same as the value of all non-industrial exports (i.e. other than minerals, oil and gas) , and is greater than the value of tourism receipts [6]. In some of the smaller communities, the value of domestic production is probably greater than all other sources of income combined [16].

Participation in domestic production is high. Perhaps 80% Native households in the communities have at least one person who harvests. According to one recent estimate [11], over 4000 Native households in the NWT, containing about 5500 harvesters, actively participate in hunting, trapping and fishing. The latter figure consists mostly of men, however an additional several thousand persons, mainly women , are involved in processing, storing, distributing

and preparing country food for consumption. Harvesting and processing are things that a lot of people do for part of the time, but they are especially prevalent in areas where other economic activities tend to be the least concentrated: in the Arctic, and in the medium to smaller-sized communities.

Although harvesting is a part-time activity, production per hunter is remarkably high in many parts of the North. Recent harvest survey results indicate that the average hunter in the Arctic takes 1000 to 1500 kg. of meat and fish per year (Figure 4), with an imputed value of $10,000 to $15,000 [11]. These harvest levels are not restricted to a few smaller communities like Broughton Island, Pelly Bay, Baychimo, and Paulatuk. They occur also in such larger centres as Baker Lake, Pond Inlet, and Coppermine.

This level of productivity cannot be achieved without substantial cash inputs. Today, the annualized capital cost plus operating and maintenance costs for a serious hunter range from $5,000 to $10,000 (this includes the costs of gear that may also be used for commercial harvesting) [11]. There is clearly a net gain in these activities: the value of a competent hunter's output is considerably greater than the input costs, and with the speed and mobility afforded by modern equipment, the rate of return on time can often be competitive with wage work.

ANNUAL FISH & WILDLIFE HARVESTS

NWT - NUNAVUT & REGIONS, 1983-85

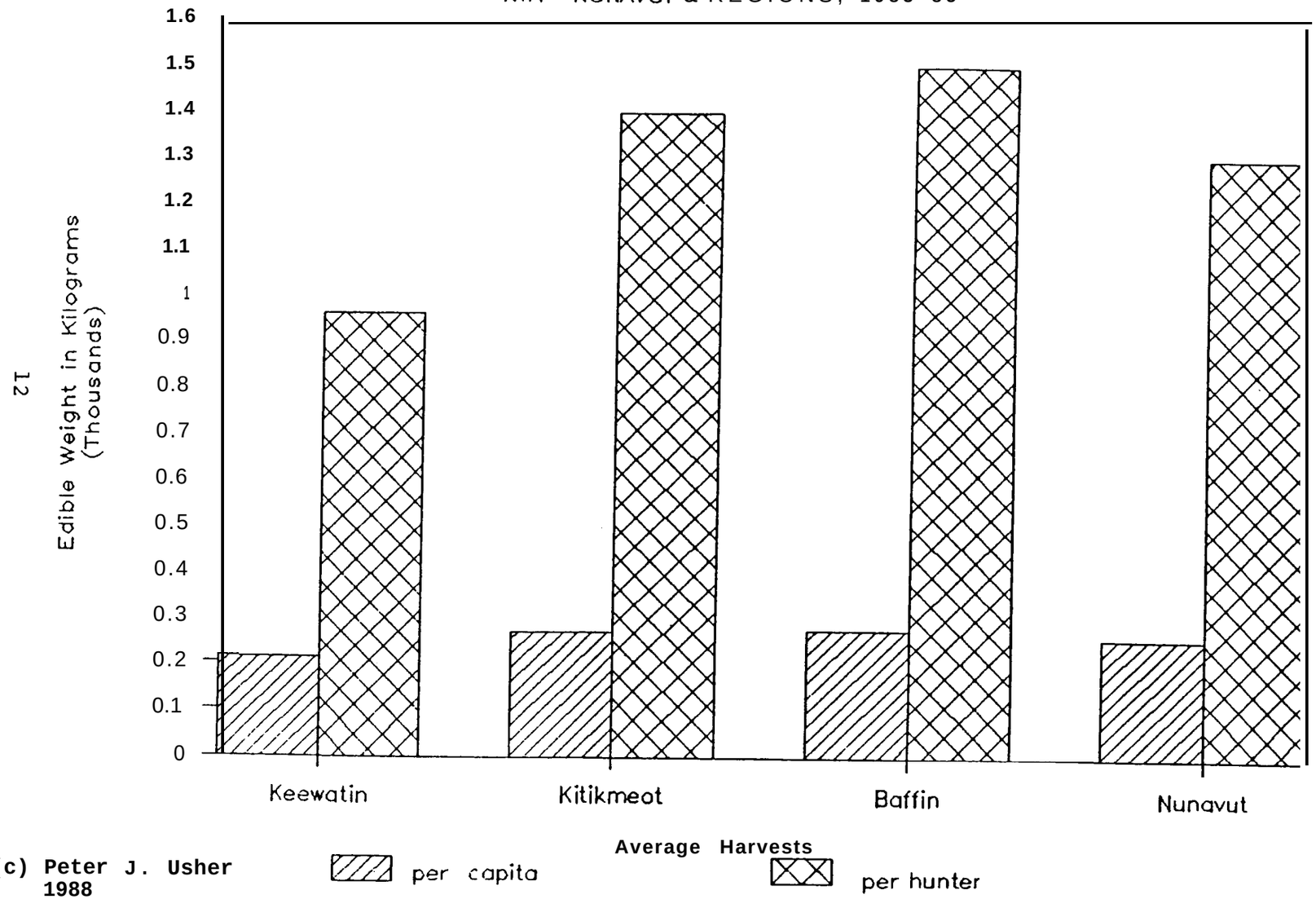


Figure 4

The problem, however, is that very little of this income is realized as cash. Commodity production (i.e. commercial sale of fur, fish, meat) amounts to $5 million or so per year in the NWT, depending on price levels [5]. This is less than ten per cent of the imputed value of domestic production. No matter how much caribou a hunter can put on the table, he cannot buy a snowmobile, a rifle, or gasoline with it.. So he needs to be able to sell produce or work for wages, or someone else in the family needs to, in order to finance domestic production. When markets crash, and when there are no jobs, it is nowadays very difficult to get out on the land, no matter how much game there may be. So domestic harvesting is not something a person can do as an alternative to getting money, it must be integrated with getting money.

1.4 The domestic economy in context

The domestic economy does not operate, and cannot be considered, apart from the larger question of the economic future of the smaller, largely Native communities, which is where about half of the Northwest Territories' population lives . A generation ago, many politicians and civil servants assumed and even hoped that many of these communities would disappear as people migrated to a few "growth centres" with an industrial economy supported by some combination of government administration and resource development ,

That did not happen. Virtually all of the communities that existed in the NWT 25 years ago are still there today, and they have doubled or tripled in size. Today, these 51 communities contain half the population of the NWT, and every year over 500 of their residents reach labour force age.

Many different solutions to this problem have been advocated, from employment in mega-projects to outmigration to renewable resource development. The fact is that none of these solutions alone has coped or could cope with the continually emerging economic needs of these communities. What is needed is a combination of many economic opportunities that support rather than work against each other. Supporting the domestic economy is not a solution on its own, but must be an essential part of this larger strategy.

Industrial employment can and should meet the needs of some people in some regions, from time to time and with the expected ups and downs. But there will not be mines and oilfields near every community, and job migration or rotation is not desirable or suitable for everyone. As well, this is a very costly form of job creation, as measured both by capital investment per job created, and by its effects on the environment.

Nor can the renewable resource base support everyone in the communities . Even with the best conservation and enhancement measures, and even with more emphasis on local processing and local employment in wildlife management, the range of jobs and opportunities which these resources provide would not likely meet the abilities, interests and aspirations of all residents.

Many look to small business today as a solution, and indeed it is, for some. Yet, communities of 500 or 1000 people are too small to support any quantity or variety of local service or retail enterprises, and rarely can they support sufficient infrastructure for major export industries. Service enterprises cannot create wealth in a community if all they do is commercialize what people formerly did for themselves . Nor do they provide much training or upgrading of useful skills. Tourism, often promoted as a means of development , can only support a few enterprises in some communities.

Prolonged lack of economic opportunity will increase the likelihood of outmigration. No one in either the North or the South is planning for large scale outmigration. If it occurs it will likely be a happy solution for some, and an unhappy one for many more, if the experience of migration from Indian reserves to cities in southern Canada is anything to go by. Forced resettlement of entire

communities, such as occurred in Newfoundland in the 1960s, would today entail enormous economic, social, and political costs . One reason the two situations cannot be compared is that an enormous public investment in infrastructure has already been made in the NWT communities.

If the goal in the NWT is to have a balanced, diversified, stable, and sustainable economy, then many options will have to be pursued in coordination.

Many communities are facing difficulties today. The growing number of young people with insufficient skills, little to do, and little sense of purpose shows up not only in unemployment and welfare statistics, but personal and social disintegration. Whereas a generation ago, many thought these problems were confined to larger centres like Inuvik, Iqaluit, and Hay River, today even many smaller communities experience alarming rates of suicide, alcohol and drug abuse, violence, sexual assault, and family breakdowns .

The health and viability of the communities is important for more than just economic reasons such as food supply, self-sufficiency, and import substitution. Many Native people regard the communities not only as home to themselves and their families but also to their cultures. The communities are where Native language and customs have

the best chance of not only surviving but becoming a positive force for dealing with social change. Some observers see only a culture of poverty in the communities: this leads to despair and to solutions thought up and imposed by outsiders. If, on the other hand, the communities are to deal with their own problems, what they need is the resources and support to make their own way of dealing with problems work.

Can the domestic economy provide a solution? The answer is certainly yes, but it is not the only solution. It will not even be a very good one, however, if it is regarded as merely a temporary or stop-gap measure, or as a kind of welfare program, until something better comes along. The domestic economy has to be recognized as a permanent feature of northern life. Even where non-renewable resource development has had the greatest effects, for example the North Slope of Alaska, people continue to rely on the domestic economy for much of their food and activity.

Like everything else, the domestic economy is changing, which is one reason why it is not helpful to think of it as a "traditional pursuit", something that only the old folks do. The domestic economy must be regarded in public policy as having a legitimate and important place in the economic future of the NWT: that it has a future as well as a past,

and that it will contribute to the lives of many people in many communities. It exists not in isolation, but as a central and integral part of the mixed economy which is the basis of community life and survival. When the domestic economy is widely understood and appreciated as being a strength on which to build, rather than a weakness to overcome, the NWT will have made a major step forward.

Chapter Two

THE RESOURCE BASE

2.1 How much? (abundance)

In 1980, Native harvest levels were estimated at 2.5 million kg. Combined with commercial fish catches, the total fish and wildlife harvest in the NWT was about 3.9 million kg [1]. This was thought to be about half of the sustainable take. More recent estimates suggest that current Native harvest levels are about 5 million kg [11]. The commercial fish catch adds about another 1.5 million kg in equivalent weight [5] (the amount taken by recreational hunters and fishermen is small by comparison) .

Although currently estimated harvest levels approach what was once considered the sustainable limit, there does not appear to be a significant problem of resource supply in general at present. Whatever local problems exist appear to be manageable, and some unutilized resources could be harvested as alternatives, with a dispersion of effort.

Nor do there appear to be any widespread problems with respect to fisheries or wildlife habitat. Development within the Northwest Territories to date has not had a significant impact on habitat and range, with some local

exceptions . The prospect of significant increases in industrial and military activity during the next decade, however, provide some cause for concern.

There is some prospect that the resource supply could be increased through management and enhancement techniques. The more cautious approach, however, would be to assume that current estimates of standing stock and sustainable yield constitute the foreseeable supply.

Certain species or stocks which were never traditionally harvested (for example the saltwater fisheries of the eastern Arctic) provide a basis for export development, rather than the expansion of the domestic economy.

At present, the Native population of the NWT is probably self-sufficient in protein on a net basis (the amount of imported meat they buy in the grocery store is about the same as the amount of country food they export, or sell to non-Natives within the NWT) . Continuing population growth means that this situation cannot continue indefinitely. Some people may therefore eat less country food in future, by preference or necessity. Nonetheless, there is no reason to expect that country food will not continue to make a major contribution to the community economies far into the future.

2.2 How good? (pollution)

Of more recent, but perhaps more urgent. concern, are threats to the quality as opposed to the abundance of the resource base. Food contamination due to the uptake of environmental pollution by fish and game animals has had catastrophic effects in a few country-food dependent communities south of 60 (most notably mercury contamination of fish at Grassy Narrows and Whitedog Reserves, Ontario). Lower level contamination is widely reported in the sub-arctic. Recent reports of possible chemical contamination of fish in the Mackenzie River, of heavy metal contamination of marine mammals, and of PCB contamination of country food and of breast-milk in the Eastern Arctic, as well as more long-standing concerns about radiation levels in lichens and caribou, indicate that the NWT is now vulnerable to similar occurrences.

Without minimizing the gravity of these developments, two points should be kept in mind. One is that because this pollution appears to be coming more ore less continually from many different sources outside the NWT, the Government of the NWT can do nothing to prevent it other than to urge other governments to act on the problem at source . It can and must, however, monitor the occurrence, behaviour, and effects of pollutants within the NWT, and be prepared to provide advice and deal with public health concerns locally.

The other point is that health advice to residents should take into account the balance of risks entailed by not continuing to eat country food, or by eating imported substitutes . Although contaminant levels in some country foods may be increasing, it does not follow that northerners would be safer, healthier, or better off by switching to imported foods, little if any of which today are entirely free of hazardous substances.

Efforts to promote the domestic economy will be undermined if the federal and territorial governments do not also act to maintain consumer confidence in country food in comparison to its alternatives. Recent experience in southern Canada shows that loss of consumer confidence in food, whether justified or not, can have devastating effect on markets and require a long recovery time. At the same time, where there is no real alternative to the domestic supply (as in the above-noted example in Ontario) , people will continue to rely on it, and thus be exposed not only to the medical risks but also psychological ill-effects from anxiety and uncertainty about what may be happening to them.

Confidence in country food cannot be maintained by cover-ups . There must be full disclosure of risks, in a form readily understandable to community residents. At the same time, people need to be presented with realistic

options about how to deal with these risks. People need to know how their behaviour affects exposure and risk, and what they can do about it. It is essential to have policies in place to deal with these problems on both a continuing and an emergency basis, so as to avoid ad hoc reactions to crisis.

2.3 Competing uses

Perhaps half of the fish harvest, and 95 per cent of the red meat harvest, in the NWT is taken by Native people for domestic consumption [17]. Yet there are continuing competing claims on the resource by resident and non-resident non-Natives, for recreational, commercial and non-consumptive uses.

Some of these competing claims can be met, as they have in the past, by mutual accommodation and to the economic advantage of all (or at least most) concerned. In almost all cases, given the limits of supply, this will necessarily involve trade-offs.

Domestic producers, like producers in any other enterprise, require security of tenure and access. Unlike other resource users, however, Native domestic harvesters have not had such security. Native hunting and fishing rights have not necessarily been exclusive rights, nor

have they included remedies with respect to trespass, damage , or compensation. Recent or impending Native claims settlements in the Northwest Territories have partially rectified this situation. It remains the case, however, that growing industrialization, commercialization , and settlement will continue to raise doubts about. security of tenure and access, as well as control of management, by Native harvesters in some areas.

Yet if people are going to continue making the investment in learning and culture, as well as in capital and operating costs, that are required to participate successfully in harvesting activities, they must have some confidence in the future. It would be a mistake to assume that the claims process has taken care of all of these problems. Ideally, claims settlements provide the means for dealing with these problems as they occur.

Management practices also affect domestic producers. NWT policies in this regard are more progressive than those of other Canadian jurisdictions, however some problems remain . Entry and licencing systems are still primarily geared to individuals and to a narrow, non-Native view of domestic use, without sufficient recognition of the role of the household and of inter-household networks. For example, where there is a tendency toward specialization

-- one person hunting for many -- this should not be limited by regulation.

Among the most important conflicts to be anticipated and resolved are:

-- Property rights in land and resources. The domestic economy to date has been based on a communal system of property rights which does not fit easily with the imposition of private property rights in resources. A good example is the case of the reindeer preserve in the Tuktoyaktuk area. This fact must be taken into account when decisions are made about supporting new forms of renewable resource based enterprises.

-- Export versus domestic consumption. Except for previously unutilized resources like shrimp, scallop, and turbot, country food exports may require reduced local access or consumption. Given the high replacement costs of country food locally, this may not be a net economic benefit. Allocation of country food resources for sport harvest may have the same effect. There are of course successful examples of both: what is needed in each new case is sound economic and social evaluation. It cannot be simply assumed that new exports are benefits without costs.

-- Wilderness tourism. Some forms of tourism rely on the lack of human occupation and use for their marketing appeal . Some tourist operators may come to object to domestic harvesting activities nearby, and seek to restrict them.

-- Animal rights and wilderness interests in the south. These groups will create pressures to exclude harvesting from certain areas, or to ban harvesting altogether. Their interests are not all the same and they should not all be lumped together, but the effects may be similar.

At the level of the individual proposal or enterprise, some of these competing claims may seem inconsequential. Yet the combined effect of all of them over a long time will be to sustain considerable pressure to restrict and curtail domestic production. So there needs to be some mechanism whereby their cumulative effect can be considered. Above all, the domestic economy needs to be recognized in law and policy as being on an equal footing with other economic activities in the NWT, with equal rights to its resource base.

Chapter Three

ECONOMIC OPTIONS

3.1 Income support

Several federal and territorial social programs provide a basic level of income security to NWT residents. In 1987-88 the three major program categories contributed about $61 million to personal income, as follows [5] :

federal family programs (Family allowance, CPP, OAS)	23.8 million
territorial social assistance	16.9 million
unemployment insurance	20.6 million

Child tax credits probably added several million dollars.

These payments are especially important to the community economies . Of the total, perhaps two-thirds, or as much as $40 million goes to Native households there.

Other than family program payments, the amounts tend to vary inversely with other sources of income, both seasonally and with boom-bust cycles. Both unemployment insurance payments and social assistance payments to the able-bodied have tripled in the NWT since 1982 [5] , coincident with the downturn in exploration activity and the loss of the seal skin market, The increase in social assistance payments has been especially sharp in the Arctic

communities. Whereas transfer payments of all kinds constitute about ten per cent of personal income in the NWT , the proportion is significantly higher in the communities .

As is the case in many rural Canadian communities with seasonal , mixed economies, transfer programs are used by families not only for household maintenance but also for capitalizing their productive activities. Those programs that provide large, lump sum payments, such as the child tax credit, are especially useful for this purpose.

The main problem with these programs is that they are not designed to support the domestic economy, nor can they be controlled by those who depend on it. Federal programs are centrally designed, and changes in them are intended to suit national economic and social objectives, not those of small , outlying communities. Even Newfoundland, which has many times the population of the NWT and is much more dependent on unemployment insurance, cannot control that program to suit its special needs.

So while people who depend on the domestic economy try to make these programs work for them, the results can only be partially successful, and certainly insecure. The social welfare system provides a partial"backstop" of cash flow, but it is not enough money, nor is it directed to the right

people at the right time in the right amounts. Social assistance is designed to guarantee minimum levels of consumption in general, and of imported groceries in particular . It is not designed to finance the production of food. Its use for that purpose requires and encourages subterfuge by both those who administer it and those who benefit from it. Welfare in general tends to erode rather than reinforce the cultural values associated with domestic harvesting. It also encourages, in government, the association of domestic harvesting with a "culture of poverty" rather than as a local economic strength. The emphasis on income support sends the wrong message to everyone involved.

3.2 Producer support

There are producer support programs for virtually every sector of the Canadian economy. They are intended to provide producers -- whether they are individual owner-operators like farmers or trappers, or large corporations like oil companies -- with enough additional cash to make their operations economically viable.

Producer support programs can subsidize input costs (e.g. capital grants, operating subsidies, freight subsidies, low-cost loans), subsidize output prices (e.g. floor prices, price supports, supply management) , or provide tax

relief (e.g. investment credits, tax holidays, depletion allowances) .

The third strategy benefits mainly those who already have a high liability to taxation: since this does not apply to domestic harvesters, it is not discussed further. The other side of the coin, however, is the possibility of taxation being applied to domestic production. This would be a further drain on the very limited cash output of domestic activity, and would have devastating and counterproductive effects in the North. Any such proposed policies should be strongly resisted.

Output subsidies such as price supports have the advantage of providing the most direct support to producers. The reward is for success: each unit of production is rewarded by an additional payment, although this can be varied by adopting a sliding scale, as is the case with the GNWT Trappers Incentive Program, in place since the mid-1970s. Price supports or floor prices work best as short-term or interim measures, however, to tide people over while they are making a longer term adjustment to fundamental economic change . They are less viable solutions where prices are more or less permanently below production costs.

Marketing boards are a variation of price support which relies on consumer rather than government subsidy. Prices

are maintained by restricting supply. This requires that, the producer group have a large enough market share to affect price, and a large enough volume to afford the costs of organization and administration. While this is the case with many agricultural producers in the provinces, it does not apply to northern fur producers. As well, where there is already a natural restriction on supply, no benefit is achieved by imposing further limitations on output. The Freshwater Fish Marketing Corporation (FFMC) provides a basis for orderly marketing but does not restrict supply. It purchases whatever is produced. Commercial fishermen have benefitted from the FFMC as a national organization; this arrangement would not have been possible for territorial producers alone.

The main problem with supporting commodity prices is that the domestic economy does not produce goods for sale. The estimated value of domestic production is about ten times the value of commodity production. Even though domestic producers are often (but not always) involved in both forms of production, and even use the same equipment for both, the effect of price subsidies is to target support toward only a small part of the total output, and reward disproportionately those whose produce is destined for sale rather than home consumption. Yet it is those whose output is of value but does not bring cash who require the most support.

An additional problem with price supports is that they tend to treat economic sectors in isolation: there are programs for trappers, for fishermen, for farmers, but they are not related or integrated. They often treat those who use them as though that is all they do, when in fact it is only part of what they do. Thus those who are the most productive and economically efficient may get more help than the smaller producers in a mixed economy who rely on several activities in combination.

Input subsidies are intended to relieve the burden of certain costs to producers. The GNWT has several programs targetted to specific costs: gasoline subsidies, freight subsidies on fish, disaster compensation, and support for community caribou hunts. The PPA component of Special ARDA also provides input supports, although the level of support has declined from about $3 million to $0.5 million in recent years.

The total effect of these programs is that many harvesters benefit from a combination of price supports and input cost subsidies. For example, a trapper selling $10,000 worth of fur is entitled to an additional incentive payment of $1350, plus a gasoline subsidy. Total payments under both programs were $475,000 in 1985-86, and thus added about 10% to fur income in the NWT. Yet these are relatively small increments to current input costs, which as noted above are

$5-10,000 annually. Consequently there is some doubt that they really provide incentives for people to get into, or stay in, commodity and/or domestic production where they might not otherwise have done so.

Because domestic harvesting has distinctive cultural values in the NWT, input subsidies have generally been considered to have a cultural component as well. This was the philosophy of the Outpost Camp Program, the most important single input subsidy provided by the GNWT. The intent was not only to support production but also a land-based way of life. In general, input subsidies have the advantage of supporting domestic harvesting as well as commodity production.

The Outpost Camp Program deserves particular comment. Started in 1976, it was intended to enable several families to live on the land for much of the year by funding transport, building materials, and fuel. As many as 50 to 100 families have participated in the program, with the majority in the Baffin region [14]. Through the program, these families have been able to return to their traditional harvesting areas and use them more effectively, as well as to get away from town life and live the way they want to. Some benefits have accrued to others: these camps provide emergency stopping places to others out on the land, and excess food production has been sent to relatives

in town. The cost has been about $6500 per family per year, Participants are otherwise much more self-sufficient when in the outposts, and total subsidies to households in the form of municipal services and utilities are reduced. Harvesting costs are lowered substantially by having people closer to the resource.

The camps thus have the effect of dispersing effort and relieving the pressure on resources close to town. However, the program itself does not subsidize harvester input costs directly, but rather provides infrastructure for the group. With an expenditure of nearly $800,000 in 1985-86, this is the largest single territorial producer support program, and it supports country food production directly, rather than indirectly through commodity support.

There is some indication that the use of outpost camps is declining, and that they are more heavily used by older people than by the youth. There is also a problem with access to education. Users may respond to these problems by using the program somewhat differently, without detracting from its success. There may be less interest in permanent or long-term living on the land, yet the outposts may retain an important function as training centres, where people learn their skills. The permanence of the camps and the commitment. of individuals to camp life is not necessarily the measure of success, if in fact people later live in the communities as better hunters.

As social and economic conditions change in the communities, the way people use the Outpost Camp Program will also change. It may be useful to review the program so that it may better reflect these changes, but of all the support programs presently in place, this is probably the most successful and important.

3.3 Wildlife Harvester Support Program

The most recent comprehensive proposals for producer support are the various Wildlife Harvest Support Programs suggested in the context of claims settlements. The most important example in operation is the Income Security Program obtained by the James Bay' Cree as part of their claims settlement.

The objectives of the Cree program are to ensure that hunting, trapping, and fishing is a viable way of life, and that those who pursue it are guaranteed a measure of economic security. The program, despite its name, combines elements of income security and producer support: eligibility and payments are based not solely on economic need but on the level of commitment to a way of life as measured by time on the land. The average beneficiary unit (household) currently receives about $11,000 per year, in a few large lump-sum payments that enable the household to buy the necessary gear to spend extended periods harvesting in the bush.

About 40% of the Cree population receive benefits from the program. These households have very little other cash income [13]. Households with substantial income from wage employment are not on the program, even though they also hunt and fish. The program has not, in its thirteen years of operation, increased the number of people on the land so much as stabilized it. The number of beneficiaries has remained constant although the population has increased by 50%. The benefits of the program are in many respects similar to those of the outpost program in the NWT, except that they are much more widespread, especially to younger persons, and ensure that those who wish to hunt can be properly equipped to do so.

The Quebec Inuit obtained a different program under their settlement, much smaller in scope. It is intended to support hunting by paying cash to a smaller number of hunters who wish to bring food into the communities for sale. Its effects have been much more limited than the Cree program, and tend to encourage specialization by a few hunters.

The Cree program is not directly applicable to the NWT because the pattern of land use and harvesting is different. Cree hunters spend most of the year in the bush : most NWT hunters make shorter and more frequent harvesting trips. The Tungavik Federation of Nunavut (TFN)

has proposed a hunter support program with the following key features [11]:

-- Two-stage eligibility criteria. Hunters and Trappers Associations (HTAs) maintain a list of persons considered to be bona fide harvesters and therefore eligible for the program. From this list, eligibility at any particular time would be based on income from other sources.

-- Offsets and exemptions scaled to encourage people to obtain income from other sources.

-- Minimum performance requirements based on effort (number of trips rather than total time) rather than production so as not to encourage over-harvesting.

-- Beneficiary unit is the household, recognizing the role of all family members and especially women in the domestic economy.

-- Local program administration. HTAs would have maximum involvement in the design and operation of the program.

-- Encouragement of training of young people by a system of apprenticeship in the program.

The emphasis in the TFN proposal is on regional variation in design and administration to suit local realities and practices: this principle should apply throughout the NWT.

A recent study estimated the cost of implementing a hunter support program for the NWT as a whole at $10-30 million per year, depending on eligibility criteria [11]. This amount would be partially offset by reductions in other programs, and by improvements in physical and mental health . Program reductions could occur in both producer support (Dept. Renewable Resources) and income support (Dept. Social Services). However, the outpost camp program should not be considered among those which a hunter support program would replace, because of the collective benefits in transport and infrastructure it provides.

3.4 Relation to wage employment

Recognizing that most people in the communities want to combine wage employment and harvesting rather than choose between them, and that most households rely on both for their income and well-being, it is essential that governments promote a harmonious and mutually supportive relationship between wage labour and harvesting.

Perhaps the most successful example of this occurred during the exploration for oil and gas in the Western Arctic

during the late 1970s and early '80s. Petroleum industry employment provided two essential ingredients: high wage rates , and flexibility of labour time through such practices as rotational employment at remote sites, and job-sharing . This allowed people to purchase the increasingly expensive capital equipment required to hunt (and which allowed them to hunt effectively on weekends, holidays, and time off), and gave them enough time to use it. As well, industrial employment was probably more accessible to younger people, those most especially seeking wage work rather than hunting, trapping, and fishing, although they may take up these pursuits later in life.

These benefits have been restricted largely industrial employment and particularly to the petroleum industry, and may be declining even there. Government employment tends to be much less flexible, and at the higher levels requires a full-time, career commitment, rather than being a job in to or out of which people can easily move. As well, a recent study indicates that most training programs have conflicted with domestic activity by virtue of their location and scheduling [18].

Lower paying jobs, with less time flexibility, are the ones most likely to interfere detrimentally with harvesting, and especially harvesting success. People in these jobs have difficulty saving enough money to capitalizethemselves,

have little time left over to engage in harvesting, and have little opportunity to learn or improve the necessary skills. They may also be the ones most likely to be forced to live on groceries, purchased at great expense, rather than on country food. It is those without access to high-paying, flexible employment that are the most likely to benefit from a hunter support program. The prospect is that people will use a WHSP where viable employment opportunities do not exist, rather than as alternative to available employment.

3.5 Commercial development of renewable resources

One important option for supporting the domestic economy, is to generate employment and income through commercial development that uses the same resources, harvesting skills, and forms of organization as the domestic economy.

The Government of the Northwest Territories has in recent years placed increased priority on the commercial development of wildlife and other renewable resource products. This section will focus on the relationship between this type of commercial development and the domestic economy.

Commercial development can on the one hand be directly supportive of the domestic economy -- by providing

additional markets for harvesters' products, and by creating employment and business opportunities in the communities for harvesters and their families. The elements outlined below can help to create a supportive relationship between the two.

Commercial development can be focused on business opportunities that make use of the by-products of harvesting, so that the same harvesting effort yields both domestic and commercial products. Production can be organized in ways that allow for flexibility in the allocation of time, which can be an important condition for the involvement of harvesters in commercial development projects. The processing of wildlife products within the community can be maximized in order to obtain the greatest value-added and therefore the greatest income opportunities for local harvesters and their families. Production and employment can often be organized in ways that are consistent with the organization of production in the domestic economy, or that rely directly upon the domestic organization of production.

Maximizing benefits to bar}-esting families and accommodating the domestic economy in commercial development very often means promoting development at the community level. Ultimately the location of commercial production should be dictated by the nature of the product and the needs of the

production process. However, in the North emphasis is often mistakenly placed on large-scale, centralized, capital-intensive approaches to production, where smaller-scale, low-capital , community-level production might be more efficient and viable. Community businesses can more easily accommodate the needs and interests of harvesters and the domestic economy. Community businesses may also be more economical overall than large centralized developments with their associated infrastructure costs including professionalized social services to replace family and community-based care.

On the other hand, it is possible for commercial development to conflict with or undermine the domestic economy, Commercial use of wildlife can compete with domestic use of resources that are limited. Commercial production can also needlessly take activities out of a domestic unit and place them in an industrial setting or outside the community entirely.

Development of this latter type tends to undermine the social and cultural organization of the domestic economy. Moreover, on economic grounds alone it makes sense to avoid these conflicts. Commercial development which is carried out at the expense of domestic production is counterproductive , since substantial additional value must be realized through local processing in order to offset the reduction in country food harvested for domestic use.

3.5.1 Ranching and aquiculture

There has been considerable discussion in recent years of the potential for animal ranching and aquiculture in the north . A commercial reindeer herd was in operation for many years in the Western Arctic, and a fox farm is currently operating on an experimental basis in Eskimo Point .

However, current prospects for development in this area do not appear very bright. Fur farming of fox or mink would use large quantities of local seal and fish. To be competitive , this feed would have to be purchased at prices so lob that they would not be attractive to hunters. Other inputs such as imported cereals for feed supplements would raise expenses considerably for northern producers. Given the historic volatility of the fur market, their risk would be extremely high, since as high-cost producers they would be among the first to disappear during market declines.

Because of the low productivity of the Arctic environment, game ranching of caribou and other similar species would require the exclusive use of vast areas of land for their operation, This would almost inevitably bring them into conflict both with other animal populations that use the area and local harvesters. This was the case with the Western Arctic reindeer herd, and is one of the factors contributing to the demise of that operation.

One aquiculture project is in operation in the Yukon, near Whitehorse, without commercial sales as yet. It is relying on its location near the North's largest local market for success, and requires constant monitoring of water temperature and quality.

At present it does not appear that ranching or aquiculture offer any advantages over conventional harvesting to NWT communities . This may change in the future as a result of changes in markets, technology, or in northern natural resources themselves. For now, however, emphasis should continue to be placed on processing and marketing the by-products of harvesting.

3.5.2 Processing and sale of country food

For many years, fish have been the primary food product sold within the Northwest Territories and exported to southern markets. Virtually every community is involved at some level in the sale of fish, from the highly organized, large-scale export fishery in Cambridge Bay to the few hundred fish sold in the local co-op in some of the smaller communities .

Most fish have been sold without much local processing. Export sales were handled through the Freshwater Fish Marketing Board. Many northern producers have been

critical of the Board's transport and marketing system, especially with respect to char from the Eastern Arctic.

An attempt to develop the sale of other country food on a highly centralized basis was carried out by the Inuvialuit through Ulu Foods, but was ultimately unsuccessful. Since then, a different approach to promoting intersettlement trade in country food has been taken by the Baffin Region Hunters and Trappers Committee. Under its country food development program, the BRHTC has had freezers and small meat processing plants installed in every community in the Baffin region, The local HTAs are gradually becoming actively involved in buying, processing, and selling country food. Training in meat cutting and processing has been provided where possible to a large pool of people so that the employment benefits could be spread more broadly among the hunters in the community and in turn the hunters could have greater flexibility in the allocation of their time . The main foods handled by the HTAs are caribou, muktuk, and char, and emphasis is being placed on higher value-added products, such as caribou sausages and meat patties. The products are sold largely within the communities and region, and are substitutes for processed foods imported from the south.

The country food development. program in the Baffin region has provided essential infrastructure for food processing

in the communities. Now other food products can be developed without incurring the same initial capital costs, Plans are currently underway to develop a line of products based on seal meat. In Pangnirtung, the freezer supported the development of a major new export product, scallops. This was followed by the successful introduction of a turbot fishery which sells fillets to the southern market .

There is great potential for further development of local food products both as substitutes for imported processed food and as export products. Consideration should be given to providing storage and processing infrastructure to communities in other regions of the NWT. .4s in the case of Baffin, emphasis should be placed on developing food products with higher levels of local processing to provide higher levels of income for families in the community.

However, if these community food production 'businesses are to be successful in the long run, there are a number of problems which must be addressed. First, the high cost of air freight is an impediment to increased sales of food products. The 50% subsidy provided by the GNWT for shipment. of fish has been an important element in promoting intersettlement trade in fish, and presumably would do the same if applied to meat.

Second , one of the most important elements for success in this area is the ability to provide buyers with a secure, stable supply of food products, However, at the community end, the wildlife resources themselves are not stable from year to year. Moreover, most business organizations at the community level do not have the expertise to market these products successfully themselves. For both these reasons, it is important to establish co-ordinated marketing organizations in the regions that can market the products effectively and provide a steady supply of products by balancing supply across several communities.

Third, the business organizations at the community level do not. in many cases have the business management expertise required for the long-term success of the businesses. Although this problem is not unique to businesses specializing in food products, lack of ongoing management support systems can completely undermine the most well-conceived development project.

There are some successful examples of the commercial. harvesting of game animals for export. The musk-ox harvest on Banks Island has adapted the portable slaughterhouse system pioneered by the reindeer operation, including federal inspection in the field. In Labrador, the Labrador Inuit Development Corporation operates a commercial caribou hunt each spring. After field inspection, carcasses are

transported by snowmobile to a processing plant in Nain where, after final inspection and grading, they are cut, wrapped, and frozen for export. This economically viable operation has the advantage of employing people in transportation and processing as well as hunting. Both the Banks Island and Labrador operations are organized strictly as commercial hunts: they do not. rely on the excess production of domestic hunts. In Labrador, domestic caribou hunting occurs at the same time as the commercial hunt , however a fully satisfactory accommodation respecting timing, location, and quantities was established between the two hunts before the commercial operation started up.

3.5.3 Furs, skins, and other by-products

Traditionally harvesters have relied on the sale of raw skins and furs to southern markets as their primary source of income. Since the collapse of the sealskin market and the decline of other fur markets in the early 1980s, this market has not provided them with the income they need and the future for these international fur markets remains highly uncertain.

Thus , there is a need for new initiatives to develop new products and markets in the south which emphasize the unique northern attributes of products made from fur and skins, An approach of this type was undertaken by Nunasi

Corporation through Amiq Fine Leathers, which developed a line of fine sealskin leather products. However, Amiq has so far been unable to use skins from the north, relying instead on skins from Newfoundland, with tanning and production also taking place in the south. Thus the project has yielded almost no benefits to NWT harvesters to date .

The current difficulties in developing new markets in the south means that attention should must also be paid to developing local markets in the north for skins and furs. Although northern markets are smaller, maximizing northern value-added production will provide higher returns to the harvesters. One example of this is the proposal to develop small-scale community tanneries under the "Strategy for the Inuit Sealing Economy". These tanneries will be able to tan sealskins and other furs for use in the production of garments and handicrafts in the north, or for possible export to the south. As part of the strategy, research is also being conducting into the use of seal oil as fuel in conventional furnaces.

3.5.4 Craft production

Carvings have provided an important source of income to hunters since the 1950s. The tremendous success which the carving industry enjoyed was partly the result of a

comprehensive development strategy encompassing product development , training, and the development of markets and marketing organizations. Carving production is highly compatible with the domestic harvesting economy since carving is generally carried out within the context of the domestic production unit, and can be pursued on a flexible basis that allows for freedom in the allocation of time for harvesting.

In contrast, the history of some other craft areas, such as the production of sewn goods, has not been so successful. Yet just as much effort was put into the development of sewn crafts originally as went into carvings. One of the differences is that the production of sewn goods tended to be organized on a more industrial basis, through the establishment of craft centres, even when the particular products did not require it.

As a result, production costs for sewn crafts were often extremely high. This fact, together with the other problems of northern businesses such as lack of management expertise , resulted in the closure of most of the craft centres in the NWT. In turn, this has left domestic craft producers without any effective marketing agencies for sewn crafts in many of the communities.

The production of sewn crafts can in many instances, like carving, be integrated with other activities in the domestic production unit. This requires a much lower level of capital investment than the organization of craft production on an industrial model. However, to be successful it does require effective marketing agencies that can bridge the gap between the market and dispersed domestir producers.

Chapter Four

STRATEGY

Supporting the domestic economy of the Northwest Territories requires an integrated strategy that addresses the whole economy. The Government of the NWT has already recognized the importance of the domestic economy in principle. The Government of the NWT must also accept a fundamental responsibility for ensuring the viability of the domestic economy, for two reasons. The first is that difficulties in the domestic economy directly affect the operations and programs of at least the Departments of Renewable Resources and Social Services, the second is that the Northwest Territories has substantial control over the resource base, the programs, and the funding affecting the domestic economy, The strategy proposed here considers the broad requirements involved in implementing the Government's commitment to the domestic economy.

1. The domestic economy must be recognized as an economically viable and rational element of the mixed economy in the communities.

2. The domestic economy must be recognized as having an enforceable claim on public policy. This implies formal institutional recognition in the spheres of land use and resource management, and formal recognition of the

proprietary interest of' domestic harvesters, in order that the domestic economy be placed in a more equal relationship h-ith other economic activities.

3. There is a need for broader understanding in government about how the domestic economy works, and how it relates to other economic activities. This requires an educational strategy within the federal and territorial government departments most concerned, including workshops and educational materials.

4. The domestic economy requires continued and improved programs for conservation, management, enhancement, and environmental protection.

5. Maintenance of consumer and producer confidence in quality and purity of country food is essential. All levels of government should cooperate with respect to environmental and public health monitoring, advice to residents , and mitigation and compensation with respect to pollution and contamination of country food. A strategy for dealing with these problems at the local and regional levels is required in advance, rather than as an ad hoc response to a crisis.

6. Security of tenure and access, and harvester involvement in management, is essential. To the extent that claims settlements do not fully address these problems, continued progress toward their resolution is advised as a matter of both conservation and good social policy.

7. There is a need for continued efforts and new approaches to promoting outside understanding of the ways in which NWT residents use and market renewable resources, rather than simply reacting to the initiatives of animal rights groups.

8. The Government of the Northwest Territories should ensure that a wildlife harvester support program (WHSP) is implemented.

a) **A WHSP should be designed primarily as a producer support program rather than an income support program. It should not be intended as a program of universal eligibility in the communities, nor should it be expected to solve the employment and welfare problem although it will certainly make a contribution to that . It should not a stimulus to expanded production, but rather designed to support sustainable production levels, i.e. at least present levels of production, allowing for some expansion with population growth. It should thus maintain production in a major area of import substitution for the NWT.**

b) Whether a WHSP is implemented by the Government of the NWT on the basis of sound social and economic policy, or by Native organizations on the basis of claims settlements, the program must be geared to local needs and practices. At a minimum, this requires separately designed and administered programs for Inuit communities on the one hand, and Dene/Metis communities on the other. Better still, there should be several variations , on a regional or functional basis, depending on the results of further research and analysis .

c) Primary determination of eligibility should be determined by local HTAs or similar organizations. Beneficiaries should be the economic and social units of domestic production, i.e. households rather than individuals . Performance criteria should not be based simply on time spent on the land, but should instead incorporate some combination of effort and success.

d) A WHSP should incorporate maximum flexibility and possibilities for alteration so that it may continually be adapted to changing conditions and requirements. Major program reviews should be undertaken every five to ten years, without threat of dismantlement.

9. Implications of a WHSP for other policies should be taken account of at an early stage of design and implementation . Examples include:

a) Domestic production (i.e. for consumption within the NWT and primarily by Native people) should take priority over commercial production for export. This means the development of export industries based on country food should occur only if
   -- there is a surplus to the needs of domestic harvesters within the harvesting area
   -- the timing, location, method, and organization of other consumptive or non-consumptive uses (including tourism) does not interfere with the domestic harvest, or can be mutually accommodated.

b) A WHSP is not a replacement for the Outpost Camp Program. That program should be continued, although it may require modification to meet current conditions and requirements, and it would have to be aligned with a WHSP . A WHSP should probably replace most other producer support programs, however.

c) The conditions which have aided domestic production in the past, i.e. high wage rates and flexible working conditions, must be maintained. If these are allowed to disappear, then enrollment in a WHSP would increase,

costs would be higher, and in effect the program would be providing social overhead for employers.

d) A WHSP cannot be assumed to be the sole basis of economic support in the communities, or the sole ‘{chicle of economic development. The community economies are mixed economies: a WHSP does not eliminate the other elements of the mix, it just changes the mix. Wage employment is still essential. Industrial employment will be the preference of some, but there still needs to be more community-based employment . This can be filled partly but not entirely by government operations and the continued training of locals to replace outsiders [another form of import substitution) . There also needs to be a variety of small enterprises in communities, and these will make the greatest contribution if they are interrelated with the domestic economy rather than working at cross purposes with it.

e) A WHSP cannot replace transfer payment programs, because it is directed at only a particular segment of the population, rather than all of those who presently benefit from these programs. However, once in place, it should reduce caseloads and payments of certain programs, particularity unemployment insurance and social assistance.

f) A WHSP cannot be assumed to be the solution to social problems. These are due not only to unemployment or lack of income, as such, but to deeper problems related to cultural loss and powerlessness. These must be addressed at the same time as part of a broad strategy to deal with the communities and their economic problems.

g) A WHSP may have implications for commodity trade under the Free Trade Agreement [10]. Precautions should be taken as noted in #10 below.

10. With respect to the Canada-U.S. Free Trade Agreement (FTA), there is a need to ensure that during the forthcoming negotiations on subsidies, both a WHSP and the promotion of local enterprise based on renewable resources are shielded from the effects of the FTA. The problem arises because of the difficulty of separating the domestic economy from commercial activity in a mixed economy. The likelihood of challenge from the US is not great, considering the limited impact of territorial enterprise on US interests, and the fact that subsidies exist in Alaska. However it. is important that Territorial interests are protected at the outset, and it should not be assumed that federal negotiators will automatically do this on behalf of all NWT interests.

11. Commercial development of renewable. resources should be promoted in harmony with the domestic economy. In doing so, the following problems should be addressed:

a) The organization of production and enterprise. There is a strong tendency in organizing commercial production to rely of southern, industrial models of production. In some cases, this may correspond well to the type of product. In other cases however, organizing production to correspond to the organization of domestic production may in fact be more efficient, with greater potential for viability. A more capital-intensive approach to commercial development can burden a project with future financing or operating costs that may prevent the project from achieving viability.

b) Management training and support. Insufficient management support and training programs undermine the viability of community-basedbusinesses. Despite the general and ongoing nature of this problem, it has never been adequately addressed. Many businesses are forced to rely on outside managers who stay for a limited time and are of varying competence. This results in something akin to a roller-coaster ride of good times and near bankruptcy from which many do not recover. Other businesses rely on local managers who

do not have adequate training in business management skills.

It is essential that government provide an extensive management support and training service to work with and train local managers who are operating businesses in the communities. Likewise, in providing funding, agencies like the EDA should ensure that adequate provisions have been made for capable management before funding is approved for a project. It would be better in many cases to refuse funding to a community business project than to watch a potentially viable project stumble over lack of adequate management.

c) Marketing. There is a lack of effective centralized marketing services to serve small businesses and domestic producers in the communities. It is not possible for each small business in each community to have its own expert marketer, and thus emphasis should be placed on developing such services on a regional basis. This may be a role that Native development corporations could best fill, as is the case in Labrador.

The marketing system of country food should be reviewed with a view to making it more integrated and efficient, and this review should include the role of the Freshwater Fish Marketing Board.

d) There is a continuing need for research and development on new products, and on new technologies appropriate for the North which use animal by-products. Most research and development of this nature currently relies on the sporadic visits of southern experts, at high cost, in relation to specific projects. It is important to develop more consistent, ongoing approaches to research and development in these areas, in support of community businesses, by developing greater local capability through such institutions as Arctic College.

e) Infrastructure . The high cost of air freight hinders the development of intersettlement trade in country food, and the government should consider extending the freight subsidy to local foods other than fish. As a direct support to intersettlement trade, this subsidy is not directed at producers so much as the promotion of commerce and retail trade. Continued efforts to adapt meat inspection procedures for country food to northern conditions, and to establish small but permanent processing plants, should be encouraged.

12. Evaluation of whatever the GNWT does to promote or preserve the domestic economy must be based on an understanding of what the domestic economy is supposed to do. Since it is not a sector, but rather the

non-commercial element of several sectors, it should not be measured year by year on the basis of employment, output, income , etc. but rather by its capacity to absorb labour in slow times and release it in good -- rather like a sponge. The ease and rapidity with which people can get into or out of harvesting is an important measure of its effectiveness in a mixed economy.

There is a need for more quantitative information on the domestic economy. For better or worse, the funding and administration of programs depends on it, and there is a growing need for record-keeping in all spheres of economic life. The continuing program of harvest surveys in the NWT only partially meets this need. A WHSP, for example, will require social and economic information as well as harvest quantities . Such information is also required for monitoring environmental and social impacts.

Before collecting more data, however, it is essential to know what data are important, and in what form. Substantial progress has been made over the last decade in recognizing the importance of measuring the domestic economy and in standardizing some methods for doing so. Further work in this area is essential. One approach, recently reported on to the Government of the NWT, is the valuation and incorporation of the domestic economy in the territorial Economic Accounts [15]. In general, there is a

need for a coordinated approach to measuring and evaluating the domestic economy, and for a more thorough understanding of it in order to evaluate the effectiveness of support measures .

GLOSSARY

The following terms used in the text may be unfamiliar to some readers.

Economic accounts: The system by which governments record and tabulate economic activity within their jurisdiction. The total value of goods and services produced each year (as measured by market transactions) is, for Canada, the Gross National Product (GNP), and for the Northwest Territories, the Gross Domestic Product (GDP). Domestic in this case refers to activity within the NWT as opposed to outside of it, rather than to non-market production as in this report.

Enhancement : With respect to wildlife, the intentional modification of habitat or genetic stock to improve biological productivity.

Heavy metal contamination: The release of pure metals or chemical compounds of metals such as lead, cadmium, and mercury, into the environment where they may be taken up by plants, animals, and fish, and eventually by humans who eat these things. They tend to accumulate in the body over time, and are poisonous.

Imputed value: An estimate of the value of domestic production , because there is no market price. For country food , it is usually considered to be what a person would have to pay for the nearest equivalent product, if he did not produce it himself. The total imputed value of domestic production is also referred to as "income in kind" .

Infrastructure : The goods and services that help individual enterprises work more effectively, but which any one enterprise cannot provide for itself because they are too costly. Examples are roads, airstrips, long distance telephone service, schools, training programs.

Inputs : What is required to make something or do something -- input costs are the costs of equipment, labour, etc. required to produce goods or services.

outputs: What is produced by an enterprise or activity -- output subsidies are subsidies that increase the price the producer receives for providing goods or services.

Standing stock: The total population of a group of animals in an area, as measured by numbers or weight.

Sustainable yield: The number of animals or fish that can be harvested each year from a standing stock, without reducing that stock -- in other words, the number of animals born each year less the number that die.

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