



Indian and
Northern Affairs

Affaires indiennes
et du Nord

PA 121/42-1

Ottawa, Ontario K1A 0H4
July 5, 1974.

Mr. J. T. Fournier,
Associate Director,
Territorial and Social
Development Branch.

Your file Note reference

Our file Note reference N 1165-256

Eighteenth Meeting of the Federal-Provincial Committee on
Financial Assistance to Indians and Eskimos in Northern Labrador

As you know, on July 3 and 4 I attended a meeting in St. John's of the Federal-Provincial Committee on Financial Assistance to Indians and Eskimos. Messrs. Bell, Gran and Simpson represented the Indian Affairs Program, and various provincial departments were represented by the appropriate officials. Mr. R. S. King, Assistant Deputy Minister, Department of Rehabilitation and Recreation chaired the meetings. Miss Marilyn Johns, Vice-President of the Native Association of Newfoundland and Labrador participated in the discussions. The Labrador Inuit Association was not represented but Miss Johns claimed to have a mandate to speak for the Eskimos of Northern Labrador.

The meeting was called to approve the wording of the new Federal-Provincial Agreement which comes into effect on April 1, 1975. The proposed Agreement is substantially the same as the existing Agreement except for the revisions indicated below.

The report of the Royal Commission on Labrador is now expected for public release by the end of July. It consists of six volumes and I had the opportunity to scan the two sections which are probably of greatest interest to the Department. The Federal-Provincial Agreement on Financial Assistance to Indians and Eskimos are dealt with on pages 1166 to 1229. You will be interested in some of the principal points and recommendations, my own comments are in brackets.

"The Federal-Provincial Agreement is obsolete and seriously inadequate. Furthermore, it is highly discriminatory, as a result of what appears to be deliberate Federal policy in respect to Newfoundland vis-à-vis other provinces and northern territories. (p. 1166)

For the Province the problem was to be somewhat different-- how to spend the money for Indians and Eskimos without offending, through neglect, the non-Eskimos of northern Labrador, and the virtually forgotten people of southern Labrador. (p. 1178)

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Far from adequate representation of native peoples (on the Federal-Provincial Committee), ...and meetings should be held in Labrador as well as in St. John's. (p. 1181)

(Representatives of the native associations have attended all meetings of the Committee since my appointment to it. The suggestion that some of these meetings be held in Labrador has considerable merit. The dollar figures were computed by applying Federal expenditures on native people in Northern Quebec. These calculations are of interest and I am therefore showing them here for the record.)

Table II (p. 1189)

Per Capita Expenditures as Basis
for 1965 Agreement with Newfoundland

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1972-73 per capita expenditures

	1964 (Actual \$)	1972 (Actual \$)	1973 (Approved \$)
Indians			
Abitibi	262	1,137	997
James	322	840	865
Average	300 (For purpose of Agreement with Nfld.)	988	931
Eskimos			
Northern Quebec	922		3,005

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Table III

(1190)

Indian & Eskimo Populations of Labrador

	1964 (Fed. Fig.)	1973 (Fed. Fig.)	1973 (Prov. Fig.)
Indian	450	635	730
Eskimo	900	1,800	1,280

Provincial Basis for determining Eskimo Population, 1972-73:

Two-thirds of the population of	Nain	800	
	Hopedale	330	
	Makkovik	300	
	Postville	200	
	Rigolet	150	
	Black Tickle	140	
		1,920	1,280

of opinion

(There appears to be a considerable variance/about the size of the native population in Labrador. I will touch further on this problem below.)

Table IV

(p. 1191)

Newfoundland Entitlement - 1973 (Option II)
Based on Provincial Population Figures

Indians	\$931 X 730	\$ 679,630
Eskimos	\$3,005 X 1,280	<u>3,846,400</u>
		\$4,526,030*

Option III is based on Ottawa population figures - \$6,000,185
(Provided to Treasury Board by Indian and Northern Affairs
on May 1973).

(By coincidence this total* is the one already agreed to by the Province and the native associations. It ignores however the some 400 natives at Conne River on the south coast of Newfoundland who are also covered under the Agreement. The Commission is of the opinion that this group of people should not receive funds under the Agreement specifically designed for the natives of Labrador.

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The six million dollar figure is based on the native population as provided by the Department in the submission to the Treasury Board in May, 1973. I believe that this total also includes the Conne River group.)

The Federal representation on the Committee is inadequate. There are Federal programs other than those of Indian Affairs which are of direct assistance to Indians and Eskimos, such as those of Secretary of State, and those Federal departments should be represented. (p. 1181)

IT IS THEREFORE RECOMMENDED THAT THE PROVINCE MAKE STRONG REPRESENTATION TO THE FEDERAL GOVERNMENT TO EXPAND AND UPGRADE ITS REPRESENTATION ON THE COMMITTEE. (p. 1181)

(The report suggests that the Federal Government is now being represented by middle level civil servants. It points out that when these meetings began the Federal Government was represented by assistant deputy ministers.)

Province has been seriously handicapped in meeting the intent of the Agreement by the naming of the communities in Northern Labrador in which Indian and Eskimo people must live before coming eligible for assistance. This provision is responsible for forcing deprivation on natives in communities outside the Agreement. (p. 1182)

IT IS THEREFORE RECOMMENDED BY THE COMMISSION THAT THE ELIGIBILITY TO SPECIFIED COMMUNITIES UNDER THE AGREEMENT BE DROPPED IMMEDIATELY SO THAT GOVERNMENTS CAN MEET THEIR ORIGINAL INTENT OF PROVIDING FOR THE INDIANS AND ESKIMOS OF LABRADOR. (p. 1183)

In April 1973 Treasury Board was requested to increase funding from \$1 million to \$1.5 million increasing the per capita expenditure from \$410 to \$615. (p. 1185)

IT IS THEREFORE RECOMMENDED BY THE COMMISSION THAT THE PROVINCE ADVISE THE FEDERAL GOVERNMENT THAT IT WILL NOT NOW BE PARTY TO, OR ACCEPT, PRESENT RENEGOTIATION OF THE AGREEMENT AS PUT FORWARD NOW TO TREASURY BOARD BY THE MINISTER OF INDIAN AND NORTHERN AFFAIRS. (p. 1185)

(The Commission is of the opinion that the increase in funding proposed in April 1973 was totally inadequate and recommended that the provincial government reject the proposal. As it happened the Treasury Board approved an annual payment of \$1½ million up to the end of the current Agreement and the provincial government accepted the increase.)

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IT IS RECOMMENDED BY THE COMMISSION THAT THE PROVINCE PREPARE IMMEDIATELY TO RENEGOTIATE THE AGREEMENT. THE RENEGOTIATED AGREEMENT MUST PROVIDE FOR THE INDIANS AND ESKIMOS OF LABRADOR WHAT IS RIGHTFULLY THEIRS, NOT ON THE BASIS OF AN INCREASE FROM A MAXIMUM OF \$1 MILLION TO A MAXIMUM OF \$1.5 MILLION, BUT ON THE BASIS OF AN INCREASE AT LEAST BETWEEN \$4.5 MILLION AND \$6 MILLION ANNUALLY WHICH IS THE MINIMUM SUM TO WHICH THE PEOPLE OF NORTHERN LABRADOR ARE ENTITLED; WITH SUCH AGREEMENT TO BE REVIEWED EVERY TWO YEARS. (p. 1188)

(The figure agreed to by the Province and the Native Associations is \$4.5 million and approval for this amount will be requested in our submission to the Treasury Board.)

The Commission believes that the Federal Government has acted in an improper manner in failing to provide more equitable financing to the people of northern Labrador... (p. 1196)

It is the view of the Commission that the Indian and Eskimo people of Labrador would not benefit over the long run by losing their ties with the Province. (p. 1196)

(It had been suggested that the native people opt for becoming the direct responsibility of the Federal Government.)

For Labrador outside the Agreement the Commission recommends a sub-agreement based on the concept of area development along the Labrador coast to be developed in conjunction with DREE and Indian and Northern Affairs. (p. 1201)

THE COMMISSION RECOMMENDS THAT THE PROVINCE GIVE IMMEDIATE CONSIDERATION TO WISHES OF NORTHERN RESIDENTS, AS EXPRESSED TO THE COMMISSION, TO RESETTLE THE OKAK BAY - CAPE MUGFORD AREA. (p. 1228)

(The Commission is of the opinion that the Province's Northern Resettlement Program of 1957-59 is a failure. It claims that an injustice was done to northern Eskimos who were moved with a minimum of consultation from their home communities, as well as to their host communities whose land based economy could not absorb the additional pressure on already scarce resources.)

Pages 328 to 389 of the report deal in considerable detail with housing and utilities in northern Labrador. The report examines Federal housing programs in the N.W.T. and recommends that appropriate officials of the provincial government and representatives of each northern community visit communities in Arctic Quebec and the N.W.T. to review and compare housing design, construction, rental purchase agreements, etc."

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I understand from provincial officials that the report's main recommendations are being studied, and that some of the recommendations have already been implemented, that others have been overtaken by events and that others have already been tried but without success.

Turning to the new Agreement there was accord that it reflect the following changes:

- 1) Additional funds be provided on an "advance" basis rather than on a reimbursement basis as at present.
- 2) Official recognition be given to the effect that the native associations of Newfoundland and Labrador are represented on the Federal-Provincial Committee. (There is a problem here in that the Native Association of Newfoundland and Labrador is well organized and claims to speak for all the Indians and Eskimos of the province. The Association has Eskimo directors on its Board but Eskimos are not represented on the Board's Executive. The Inuit Association of Labrador appears to be poorly organized and many Eskimos appear to be unfamiliar with its objectives. In the past they have not attended Committee meetings on a regular basis.
- 3) Provision be made for an increase in the annual Federal maximum contribution to bring total Federal expenditures to about \$1,500 per capita which is approximately the national average for Indians.
- 4) The Eskimo community of Mud Lake be added to the Agreement.
- 5) Federal-provincial cost sharing in the Eskimo communities continue on a 2/3 - 1/3 basis subject to changes consistent with changes in the size of the native population. (There had been earlier suggestions that federal-provincial cost sharing would be on an actual enumeration to be carried out by the native associations which would be checked against the International Grenfell Association and provincial records. As it happens the Native Association has not completed its enumeration. The International Grenfell Association carried out a census in June 1974 with the following results:

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CENSUS OF NORTHERN LABRADOR COMMUNITIES - June 1974

	Total Population	Indian	%age of total	Eskimo	%age of total
Nain	789	--	--	599	76%
Davis Inlet	260	230	81%	--	--
Hopedale	441	--	--	310	70%
Postville	155	--	--	--	--
Makkovik	310	--	--	92	30%
Rigolet	255	--	--	127	50%
North West River	1,000	502	50%	17	1.7%

Total population: 3,210

Indian population: 732 (22% of total)

Eskimo population: 1,145 (38% of total)

(58% of total)

The 398 natives at Conne River should be added to give the total number of natives covered under the Agreement. Dr. Paddon of the Grenfell Association suggested that there might be about 300 additional individuals who might consider themselves Eskimos if asked.

You will note from the foregoing that the situation with respect to the size of the native population is confusing but suggests that at this stage we leave it to the province and the native associations to work out.

We agreed at the meeting that the natives of Newfoundland and Labrador effective April 1, 1975 be given access to the Eskimo Loan Fund and the Indian Economic Development Fund. This arrangement will be outside of the Agreement and a local Committee comprising representatives of Government and native associations will screen applications for furtherance to the respective loan fund advisory boards. Provincial officials have assured us that they will exercise prudence in recommending loans and that when loans are made they will provide residents with assistance and advice and ensure that loans are repaid. A submission to the Treasury Board requesting additional monies for the Eskimo Loan Fund, (as well as some amendments to the regulations), is in preparation.

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I should also have mentioned that one of the principal recommendations of the Royal Commission calls for the setting up of a crown corporation to manage all the~~y~~ affairs now under the jurisdiction of the Labrador Services Division of the Department of Rehabilitation and Recreation. I do not think that this recommendation if implemented would have any bearing on our relations with the provincial government.

I must apologize for the length of this memorandum but I felt that it would be useful to record the information for our files. For your convenience -- I am attaching a map of Labrador and a copy of the Federal-Provincial Agreement dated May 25, 1965.

Encls.

G. Abrahamson,
Chief,
Social Development Division.