YUKON 2000

INDIAN PARTICIPATION IN THE ECONOMY

DRAFT DISCUSSION PAPER

PREPARED FOR THE YUKON ECONOMIC DEVELOPMENT STRATEGY FALL CONFERENCE

Dr. K.S. Coates
University of Victoria
September 20, 1986

PARTICIPATION OF INDIANS IN THE ECONOMY

The question of Native participation in the economy dominates discussions of Indian affairs in the Yukon Territory. Debate has focused on such diverse issues as the Indians' role in the market economy, the persistence of subsistence harvesting, the relationship between social problems and unemployment, and government responsibility for Native economic development. The attention is well deserved. Native people face significant barriers to full participation in the economy, despite major initiatives by federal and territorial governments and Native organizations like the Council of Yukon Indians to improve employment and business opportunities. The effort has not been without its rewards, but many problems remain. The Yukon 2000 Conference provides an excellent forum in which to continue and expand the debate, and to place the concerns facing Yukon Native people into the broader context of territorial development.

HISTORICAL OBSERVATIONS

It is impossible to separate the current economic condition of the Yukon Indians from their historical experience. Despite the many new government programs and the vitality of Native organizations over the last decade, the legacy of the past remains firmly in evidence. Before the contemporary situation can be properly reviewed, therefore, a brief overview of the historic place of Indians in the Yukon economy is in order.

The Natives of the Yukon had developed an integrated, ecologically sound, harvesting and gathering society before Europeans arrived. Food resources were not uniformly abundant, thus determining habitation patterns, seasonal movements, and band size. For most of the year, Native people moved about in search of game, usually in extended family units, reuniting on a seasonal basis for specific harvesting tasks, such as capturing the salmon in the Yukon or Alsek rivers or working the caribou surrounds in the northern regions. Not all resources were available throughout the district, and the Indians therefore developed inter-tribal trading links to transfer surplus supplies from one region to another.1 When European traders began to appear on the edges of these trading networks - along the coast and in the Mackenzie river valley - the Natives used or altered existing exchange systems to transfer manufactured goods into the district.

European observers, including fur traders and missionaries, found much to criticize in Indian economic behaviour. The Natives did not hold European values of acquisitiveness, materialism and profit maximization. They seemed, instead, to place value on such non-economic considerations as sharing and leisure. This resulted, in the tradition of inter-racial misunderstanding, to the

Europeans' characterization of the Indians as "lazy," "uneconomic" and "unmotivated." The description was invalid, for the simple reason that it reflected the application of European standards to a non-European people. The Indians had, in fact, created a subsistence harvesting system that, in most years, ably provided for their basic needs. Although European observers were slow to see value in the Indians' activities, they were, in anthropologist Marshall Sahlins' provocative phrase, "the original affluent society." Sahlins did not mean that the Indians were wealthy by European standards. He observed instead that harvesters had (and continue to have) different definitions of wealth, leisure and therefore affluence. The Indians were affluent by the standards of their own culture, the only culturally relevant measure of their 'wealth.'2

The comparative indifference of the Indians to European material standards did not mean that they ignored the opportunities presented by the expansion of the fur trade. The Yukon Indians welcomed the Hudson's Bay Company, the first trading concern to arrive, and participated readily in the new economy. Indians living near the company posts at Fort Youcon and Fort Selkirk found temporary work as provision hunters, guides and boatmen. They also routinely challenged Hudson's Bay Company trading standards. They forced the firm to bring in the right trade goods, tried to alter price schedules, and convinced the company to drop several unpopular traders. Most importantly, they capitalized on the Hudson's Bay Company's fear of Russian competition by routinely warning the firm's traders that the Russians were expanding upstream, offering better prices and trading better quality goods. The Indians certainly saw value in the expanding fur trade and sought to exploit the trading opportunities.3

The arrival of gold miners in the 1870s and the slow development of the mining frontier disrupted the Indian - Hudson's Bay Company trade. In particular, the arrival of the Americans at Fort Youcon in 1869 forced the British company to retreat up the Porcupine River, leaving the Yukon River valley open to American traders. The commencement of mining brought further changes in Native economic activity, although the effects were felt primarily by those bands (Han and Kutchin) living in the west-central part of the territory. Some Indians sought work in the gold fields, although discriminatory attitudes and practises ensured that few found such employment. For the most part, Indian work represented an adaptation and expansion of their role in the fur trade. They continued to trap, hunt and fish, selling to the miners and American trading companies, and they also served as casual, unskilled labourers in the mines. Few Natives protested the limited opportunities available to them in the early mining frontier, for they were able to combine short-term wage employment with highly valued seasonal mobility and subsistence hunting. Most met their slowly expanding need for European trade goods through

casual employment or trading furs, while continuing to provide most of their food needs through harvesting.

The accommodation between the Indians and the mining frontier broke down with the discovery of gold in Bonanza Creek in August 1896. The onset of the Klondike Gold Rush quickly obliterated past economic relationships; all was hidden by the rush for gold. The Natives found themselves pushed to the periphery of the regional order. Indians continued in their past role, trapping furs for trade, selling meat, especially in the area surrounding the gold fields, and serving occasionally as packers, guides and short-term labourers. As well, a new avenue for participation had opened up. Before the gold rush, companies had placed several steamers on the Yukon River to run supplies from the mouth of the river to the gold fields. Now, that service grew rapidly. A number of Indians living near the river worked part-time cutting cord word for the ships, an important opportunity in that it allowed a combination of subsistence hunting and wood-cutting for a cash income.

The collapse of the Klondike gold rush drained much of the non-Native population from the Yukon. The regional economy quickly reoriented around the systematic development of the Klondike gold fields (through extensive dredging operations) and the opening of a high-grade silver and lead mine at Keno. Neither provided much of an avenue for Native participation, and for the next forty years, the Indians found little room within the Yukon industrial economy. There were minor accommodations. Indians continued as wood-cutters, seasonal labourers and occasionally as crew members on the steamers. They seldom joined the industrial workforce, partly out of a preference for the harvesting lifestyle and partly because of deliberate measures to exclude the Indians from the regular wage economy. The Indians faced considerable job discrimination, based on the belief held by many non-Natives that the Indians were not culturally suited to industrial labour and European work routines. The Royal Canadian Mounted Police and the missionaries encouraged them to stay away from the towns - the site of most such work - as it was feared that extended contact with the white population would lead to the demoralization and destruction of Indian society.

By the end of the Klondike Gold Rush, all but a few Yukon Indians had had fairly regular contact with the non-Native population and had come to depend on European trade goods. Guns, metal knives, iron pots, manufactured clothing and blankets and other goods had replaced traditional commodities. It was therefore necessary that the Indians seek some accommodation with the cash or exchange economy in order to secure a continuation of these supplies. Through much of the first half of the twentieth century, the accommodation came through a strong, if cyclical fur trade. In the 1920s and 1930s, when fur prices remained high, traders established posts in all the major river valleys,

ensuring at least some measure of competition for the Indians' furs. In addition, a newly created big game hunting industry provided seasonal employment opportunities compatible with their traditional skills.4

The comparative profitability of the harvesting economy - a combination of trapping, market hunting, subsistence fishing and hunting, and big game guiding - provided most Yukon Indians with a culturally relevant and economically satisfactory position within the regional order. Some sought a more direct accommodation, over the protests of police and missionaries, and often only to be rebuffed by the exclusionist policies of non-Native employers. The Yukon economy had evolved into two distinct sectors - harvesting and mineral extraction; the Indians had a dominant role in the first, and a subordinate part in the second.

The onset of World War II, and particularly the construction of the Alaska Highway beginning in 1942, once more rattled the foundations of the regional economy. Manpower and resources shifted from the gold fields and mining centres of the central Yukon to the construction camps in the south. In the short flurry of construction, the Indians once again found only short-term, unskilled opportunities. A few Indians were employed as guides, others as labourers; most discovered that imported workers and army personnel met the demand for workers along the route. Native women found work supplying handicrafts to the southerners, cooking in the camps and working as laundresses. Most Indians continued in the fur trade, which remained profitable through the first half of the decade.5

From the start of gold mining to World War II, the Yukon Indians had consistently favoured the harvesting economy over participation as wage workers. The financial returns from the fur trade, supplemented by occasional employment as guides, wood-cutters or as labourers, provided most Indians with the cash or exchange value they required to purchase southern or manufactured goods. Such commodities had become increasingly important to the Native people, ensuring that some measure of accommodation with the cash economy remained essential. Until the late 1940s, the fur trade had provided an almost assured source of that income. The trade fluctuated quite dramatically at times, but credit was available from the traders if prices dropped or the harvest declined, ensuring that the Indians stayed in the bush and continued to trap.6 The Indians accepted the situation, for they favoured the harvesting lifestyle and knew there were few openings for people of Native ancestry in the industrial workplace.

This economic situation, in place with occasional variations for over half a century, broke down rapidly in the late 1940s. A dramatic collapse in the price and demand for furs forced many Indians off their traplines, and they sought alternative incomes to replace their returns from the fur trade. For reasons completely unrelated to economic

developments in the Yukon, the federal government was prepared to provide the Indians with cash supplements. The Canadian government offered a variety of pensions, welfare subsidies and other programs, a belated recognition for federal responsibilitiy for the country's northern Native people.7 The wave of government intervention came at precisely the right time, for the Indians had few options following the decline of the fur trade. Most had little education and few marketable job skills; it mattered little in any case, for there were few openings for Indians in the non-Native, industrial economy.8

The federal government had an uncharacteristically precise agenda for the northern Indians that included integration into the wage economy, an end to nomadism, formal education for the children, the provision of proper health care and elevating the Indians to the standards of white society. To gain access to the income, the Indians had to accept the government's dictates. After a transitional period, the Mothers' Allowance was paid only to those who enrolled their children in school. Doing so, however, meant that at least one parent had to remain in the village or town, significantly reducing seasonal mobility and competing directly with the harvesting lifestyle. What followed represented a dramatic change from the earlier experience of the Yukon Indians. Native people settled in small towns, many along the new highways that now crossed the territory.9 They lived in government-provided housing, not always built to northern standards, sent their children to local day schools or residential schools in Carcross or Whitehorse, and relied increasingly on cash transfers from the federal government. The federal government encouraged integration into the expanding industrial economy, but few Natives made the transition as successfully or as completely as officials hoped.

From the end of World War II to the 1970s, the Native people of the Yukon struggled economically. Many continued their harvesting practises, trapping furs for trade and hunting for subsistence. At the same time, they attempted to deal with the painful economic and social transitions required by an expanding wage economy, continued job and wage discrimination among non-Native employers, and a range of social and cultural problems created by the economic malaise and community restructuring that had occurred in the 1950s and 1960s.

It was not until the late 1960s, when Canada-wide Native activism drew attention to the economic and social condition of the country's Indian people, that more thoughtful measures were taken to assist Natives.10 Indian leaders and government officials alike agreed that economic considerations had to sit high on the political agenda, for without significant adjustments and improvements the social and cultural problems would continue. This intense lobbying and politicization, symbolised in the Yukon by the release of the Yukon Native Brotherhood's land claim, Together Today

for Our Children Tomorrow, in 1973, forced a major change in government planning. Native people were now consulted on economic objectives, the government recognized the non-wage economy and subsistence hunting to be economically and culturally important, and an array of new initiatives were undertaken to try an address the economic problems facing the country's Native people.

PARTICIPATION OF THE INDIANS IN THE YUKON ECONOMY

It is difficult to define precisely the level of participation by the Yukon Indians in the territorial economy. Standard economic measures, such as average income, man-weeks of employment and unemployment rates (which are seldom broken down by racial origin) understate actual Native economic activity. As recent studies of the subsistence sector have shown, harvesting provides the Indians with considerable market-equivalent value.11 With this caveat in place, however, it is important to indicate the nature of Native economic involvement over the past decade and in particular to identify the striking gap between Indian and non-Native economic conditions.

The available evidence points to a significant disparity between Native and non-Native incomes. As the following table, reflecting income levels in the Yukon in 1970, attests, Indian workers earned substantially less than their non-Native counterparts. (Note that the table does not take market-equivalent earnings from subsistence hunting into account.)

TABLE ONE

Average Earnings Per Worker
Yukon Territory, 1970*

Age	Native	Non-Native
15-24	5,087	7,164
25-34	4,799	9,753
35-44	5,417	10,949
45-54	5,372	9,961
55-64	4,108	9,408
65+	6,023	7,597

*Source: Chun-Yan Kuo and D.C. Emerson Mathurin, Incomes of Northerners in the Yukon territory and the Northwest Territories, 1970 (Ottawa:DIAND, 1975).

This income inequality, presented on a territory-wide level, hides another significant aspect of economic life in the Yukon, namely the gap between rural and urban opportunities. In 1970, people in government and mining centres like Whitehorse, Faro, Elsa, Dawson and Watson Lake enjoyed high average earnings; yearly earnings were much lower in such places as Old Crow, Tagish, and Ross River. The average income in Old Crow in 1970 was $3688 (median $2500); in Whitehorse, it was $12,311 (median $12,048).

The 1970 statistics indicate the situation in the north before government program took substantive effect. To this point, assistance for the Indians seldom extended beyond make-work projects and social assistance payments. Over the next ten years, a variety of federal and territorial initiatives sought to bridge the gap between Natives and non-Natives in the Yukon and to bring the Indians into the economic mainstream. The effort was laudable and overdue, but the results have been less than satisfactory.

More recent details provide interesting indications of the contemporary economic status of the Yukon Indians (although subsistence contributions to Native economic - to say nothing of cultural - well-being are not included in the tabulations). In 1980, for example, the average income for Native people in the Yukon was slightly under $9,000. Native men earned, again on average, almost $11,000, while women earned close to $7,000. Total family income for Yukon Indians averaged just over $21,000; at the other end of the scale, single parent Native families earned less than $11,000 per year. To put these earnings in their appropriate context, the average total family income for Yukoners as a whole was almost $31,000 (with sharp variations between Whitehorse, Faro and Dawson and smaller centres). The average income for all males exceeded $19,500; women earned, on average, over $10,500. While the gap, on a percentage basis, is not as wide as it had been in 1970, Native people continue to earn significantly less than do non-Native residents in the territory. (Native people, on the other hand, benefit disproportionately from the non-wage benefits of domestic harvesting.) This inequality has important spatial components, for people in isolated centres have significantly lower incomes than do those in the larger communities, especially Whitehorse.

TABLE TWO

Census Family Income, Native and Total Yukon
1981*

Income Level	Native Families	All Yukon Families
<5,000	12.5	4.6
5,000-9,999	18.4	6.9
10,000-14,999	15.9	7.9
15,000-19,999	11.4	8.4
20,000-24,999	6.0	8.7
25,000-29,999	7.5	10.6
30,000+	28.9	52.7

*Source: Canada Census, 1981.

A further comparison of census family incomes reveals some important structural differences in Native - Non-Native earnings. Over half the families in the Yukon earn in

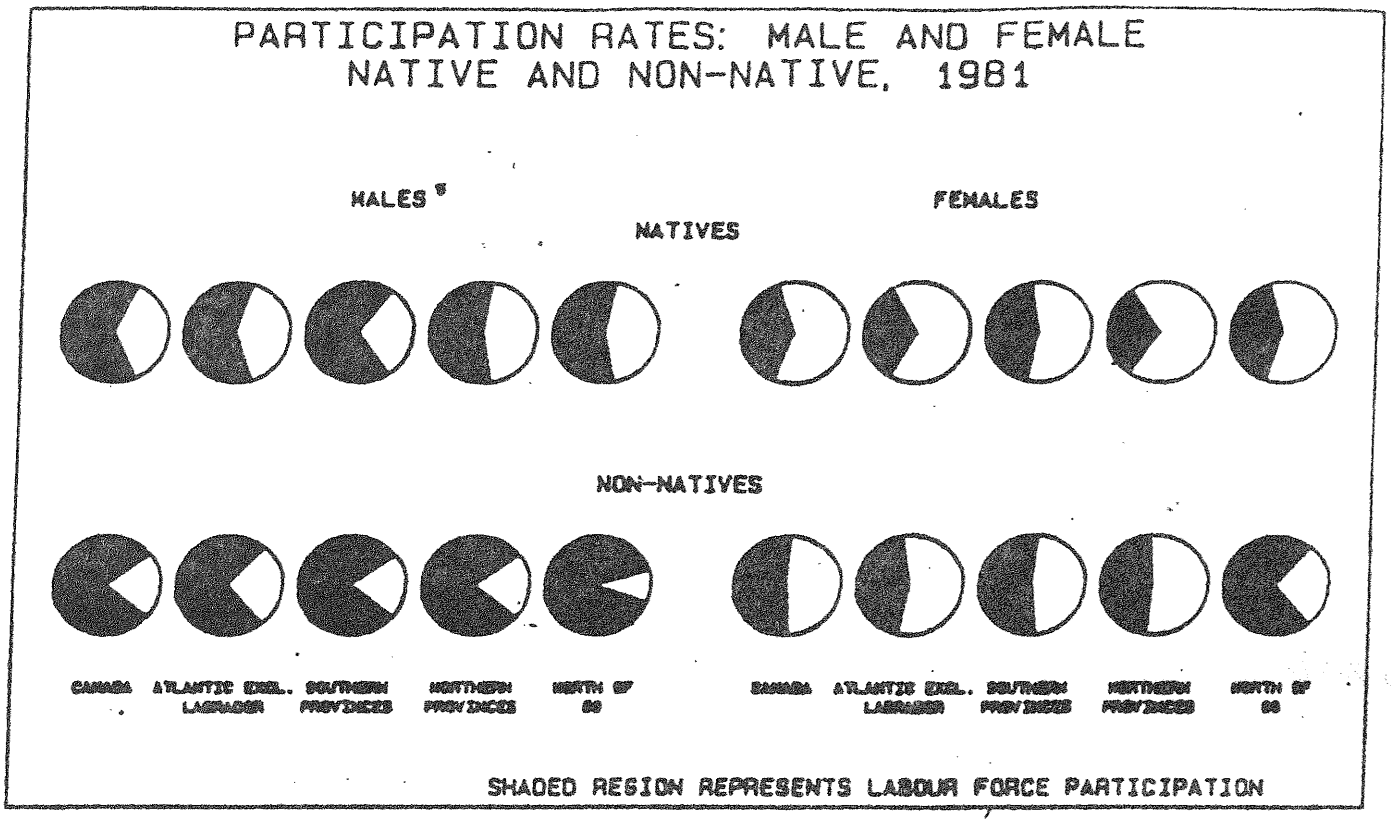
excess of $30,000 (30.1% earned more than $40,000); fewer than 30% of Native families had an income above that level. Native people are, as the table below illustrates, clustered toward the lower end of the income scale, although a sizeable percentage have entered the higher wage levels. The Native experience stands clearly apart from the territorial pattern, in which most families earn significantly above the Canadian average.

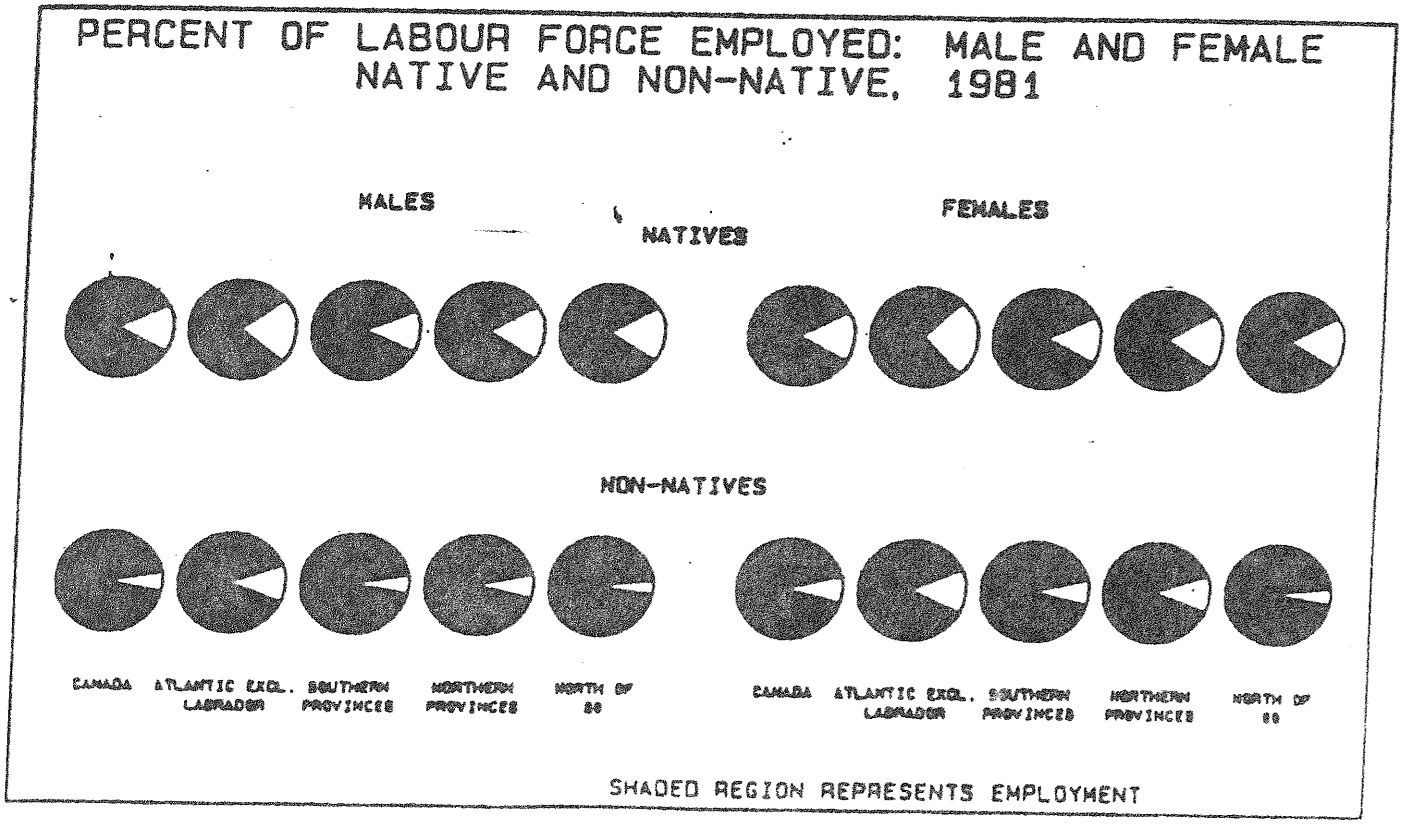
Unemployment data similarly indicates the distance between the Native people and the economic mainstream in the Yukon. As Figure I indicates, a significantly smaller percentage of Indian men and women enter the work force than is the norm. Since unemployment statistics are generally not differentiated by race, it is difficult to provide precise details on this aspect of Native participation. According to a 1982-1983 estimate, an average of 500 employable status Indians per month collected social assistance payments (for a total expenditure of more than $1 million). Given that the Yukon's status Indian population is approximately 3,200 (including children and non-employable adults), the consequent rate of unemployment is exceptionally high. Recent informal estimates suggest that as many of 50% of eligible Indians are unemployed in the summer months, when most make-work and short-term jobs are available, with that number rising to close to 80% in the winter.12 While the general Yukon unemployment rate has been considerably higher than the national average of late, reaching 18% in March 1985, the experience of non-Native residents is much better than that of Native people.13

There is, once again, an important rural/urban split in terms of job opportunities. While Whitehorse consistently reports the majority of unemployment insurance recipients, the percentage of employed to unemployed individuals in the smaller centres, particularly isolated areas like Old Crow and Ross River, is very high. Many Native people are also 'hidden' from the unemployment statistics by the fact that they are receiving social assistance payments, and hence are not technically considered to be unemployed. Quite obviously, there is significant human capital that is not being utilized. Unemployment, and underemployment at these levels carries significant social costs, noticeable in high rates of crime and alcoholism, family difficulties and community tensions. In the Yukon, particularly in rural villages, Native people bear a disproportionate share of these costs.

Those Native people seeking work discover that not all avenues of employment are equally open to them. More than a third are employed in public administration, an indication of the extent of affirmative action hirings and the importance of Native organizations. The general statistics also do not reveal that many of the Native positions are seasonal or temporary in nature. (Note that the census, as is typical, totally ignores non-wage employment, and thus

FIGURE ONE





Source: P. White, Native Women: A Statistical Overview

under-estimates severely the number of Indians engaged in hunting and trapping).

TABLE THREE

Labour Force, By Sector
Native and Non-Native, Male and Female
By Percentage of Labour Force, 1981*

Sector	Native Male	Native Female	Non-Native Male	Non-Native Female
Not Applic.	3.1	3.7	0.4	0.5
Agriculture	0.0	0.0	0.8	0.7
Forestry	3.1	0.0	0.7	0.3
Fishing/Trapping	0.6	0.7	0.3	0.1
Mines, Oil	9.8	3.7	16.5	3.8
Manufacturing	3.7	0.7	2.7	2.5
Construction	14.7	1.5	11.0	1.9
Trans/Commun.	14.1	3.0	16.5	9.4
Trade	6.7	7.5	13.8	15.6
Fin/Insur/Re.Es.	0.0	5.2	2.2	7.3
Bus/Person Serv	10.4	38.1	16.8	37.3
Public Ad/Def	33.7	36.6	18.0	20.2

*Source: Canada Census, 1981

The tabulation by job classification reveals the particular significance of public administration, business and personal services to the Native work force. Native men are comparatively under-represented in several key sectors, including mining and trade; Native women follow the general pattern for all female workers, appearing in large numbers in the service sector and public administration. Indian women are, however, noticeably under-represented in such areas as trade and transportation/communication.

Cumulatively, it is clear that Native people do not share equally in the economic opportunities available within the Yukon economy. Their incomes are, on average, significantly lower, unemployment rates are exceptionally high, particularly in rural areas (although in such centres it is easier to find non-wage substitutes through harvesting activities), and Indian participation is unevenly distributed throughout the sectors of the economy. Before turning to specific government measures adopted to address these inequalities, it is necessary to first examine the structure, geographical and cultural impediments to greater Native participation.

LIMITS ON INDIAN PARTICIPATION IN THE ECONOMY

The low rate of Native participation in the economy, and the low returns from their activities, can be traced to

a number of factors. For some Native people, the industrial/wage economy holds out little attraction; they prefer the mobility and opportunities to be found in the subsistence hunting sector. As non-Natives are just now realizing, harvesting carries sizeable market-equivalent returns for participants, requiring only small wage supplements (through short-term work, transfer payments or social assistance) to provide these Indians with an acceptable standard of living. In such places as Old Crow, Teslin and Ross River, a significant portion of the population has chosen this form of economic pursuit and the lower cash income that follows. Culturally-based choices, reflecting the fact that Native economic aspirations continue to differ significantly from those of non-Native society,14 can therefore affect Native participation in the territorial economy.

Many Yukon Indians, even as they continue subsistence hunting, desire higher incomes and freedom from reliance on social assistance. As they approach the industrial/wage economy, however, they find few avenues open to them. In the past, discrimination against Native workers proved an important, and almost unsurmountable barrier to Indian participation. Much has changed in the past twenty years. Greater confidence on the part of Native workers, and much better acceptance of Indian employees in both the public and private sectors has removed this once-impressive impediment. The problem no doubt persists in some quarters, but is not the block to Native aspirations that it once was.

Native people suffer economically from their unwillingness to move. Northern society is exceedingly transient; in many regions, the Indians are the only constant social group. Because of their attachment to the land, and a desire to continue (if only on a part-time basis) traditional harvesting pursuits, individuals are reluctant to move away from their home communities. This has changed of late, particularly as young people are sent to Whitehorse or southern schools for high school and post-secondary education. If the Teslin experience is indicative of a regional trend, many of these children are reluctant to return to their villages after graduation.15 In general, Indian society remains comparatively immobile. While non-Natives move routinely to find work (departing the territory if conditions warrant), Indians stay near their communities.

Given the territory's reliance on tourism and resource development, and the premium the industrial/wage economy places on occupational flexibility, the Indians' reluctance to move places them at a severe disadvantage. This means, in effect, that jobs have to be brought to them, even though they may live away from important tourist sites or resource projects. With a small population base, the Native villages generate little internal economic activity, meaning that there is only a small market for local businesses. As the Indians, encouraged and assisted by governments, move toward

entrepreneurial solutions to their economic problems, they come up against strong market and locational forces. Many Native people live in economically unsound areas. If they were to put their desire to participate in the wage economy ahead of cultural and social considerations, they would move. Land and site remain paramount for many individuals, complicating attempts to integrate Native people into the broader economy.

Over-riding all other matters is the question of education. The educational attainments of Yukon Indians compare poorly to those of the general population. Few Native people complete high school; a very small percentage continue to technical school or university. There are many reasons for this situation. Students from small villages have to move to larger centres for their high school years, a difficult transition for any child.16 Native families and communities have historically not placed a high value on education. Individuals with a proper education have often found few job opportunities when returning to their villages. Whatever the explanation, the lack of formal preparation seriously affects Native attempts to find wage employment.

TABLE FOUR

Highest Level of Schooling
Native and Non-Native, Yukon Territory
(% over 15 Years of Age)*

Level	Native	Non-Native
No Schooling	11.6	0.8
Grades 1 to 8	23.7	8.6
Grades 9 to 13	34.2	32.6
High School Grad.	5.2	12.3
Non-Univ. Post Second	21.6	29.9
Some University	3.1	10.2
University Degree	1.1	12.9

*Source: Census of Canada, 1981 (Figures do not equal 100)

The limited number of Native people working in heavy construction and mining can be traced, in large measure, to the absence of specific technical skills. Similarly, not enough Indian people possess the communication and management skills necessary to compete successfully within the civil service or in the private sector. Federal and territorial governments have paid particular attention to this short-coming, encouraging Indians to stay in school, providing adult upgrading programs, offering assistance to those pursuing trade school or university education, and helping graduates find suitable job placements. The benefits from this work are just now being realised; it will take at least a generation to bring the Indians of the Yukon

to the educational level of the general population, thus removing one of the most crucial impediments to Native participation in the economy.17

There are other problems. Social problems within Native villages, including substandard housing, alcohol problems, and community and family tensions obviously effect the ability and willingness of an individual to seek regular work. On a very different level, those wishing to start their own business often lack equity and are unable to secure financial backing from financial institutions. Even more, they find that they do not have sufficient knowledge of marketing techniques, and financial and personnel management to operate a successful business. In addition, Indian businesses are forced to compete in a very unstable regional economy, notable for its periodic booms and busts. Native businesses, like rural residents, lack the flexibility and mobility to move to new markets - either within the territory or outside it.

There are severe structural limits on Native participation in the economy. Low levels of education, limited technical skills and a lack of investment capital compound the problems caused by the poor location of the villages and the unwillingness of many Indians to leave their communities. The Yukon Indians are not, however, prepared to accept the status quo, and are anxious to discover new means of improving their general standard of living.

INDIAN ASPIRATIONS FOR THE YUKON ECONOMY

Native people have become increasingly outspoken in their demand for equitable opportunities. Through the land claims process, and the subsequent negotiations with the federal and territorial governments, the Yukon Indians have repeatedly outlined their determination to share in economic decision-making and to ensure that future developments carry economic benefits for Native people.

The Natives' concern emerged with great clarity in their land claims negotiations. In 1973, the Yukon Native Brotherhood presented a demand for negotiations on aboriginal rights, titled Together Today for Our Children Tomorrow, to the federal government. As an integral part of their larger claim, the Indians specifically requested that attention be paid to Native economic development. They asked the government to stop viewing Indians as labourers, and to open up more positions within the civil service for Native workers. They suggested that on-the-job training schemes be established, provided that the government allow the Indians to determine their own training needs, and that summer works programs be expanded. The Y.N.B. wanted the right to control their own development corporations and to hire their own experts to assist with economic planning. Cumulatively, the Indians requested the opportunity to develop "a policy of integrated, properly researched,

relevant and meaningful economic development which provides for an authoritative Indian voice in the formulation of that policy." Further, the YNB argued that a solid economic base for their people depended upon a land base, a right to revenues from resources taken from the land, and a cash settlement. The latter was to be used to finance a Yukon Native Development Corporation, which in turn would fund a variety of commercial ventures run for and by Yukon Indian people.18

The principles enunciated in this initial land claim remain an integral part of the Yukon Indians' negotiations. They continue to seek security for those who hunt for their subsistence and income through the provision of a land base and certain guarantees of access to resources. They demand financial compensation, for resources taken and land destroyed. These funds will be reinvested, under Indian control, for future generations and will also provide training and employment for those seeking opportunities outside the traditional hunting and trapping economy. In the negotiations which stopped just short of an agreement with the federal government, the Council of Yukon Indians again clearly stated their intentions to both protect harvesting opportunities and to seek the financial and administrative means of entering more fully into the territorial economy. The CYI called for the creation of various 'Settlement Corporations" which, under the direction of the Indians of the Yukon, would administer funds provided through the settlement for the good of Yukon Natives. The general agreement in principle on Economic Participation and Development stated that the Natives' goal was "to enhance their social well-being and advance their standard of living within Canadian society." The accord further called for consultation with the Indians on future economic developments affecting the Yukon, and special programs to enhance Native participation in major projects.19

The Yukon land claim remains unresolved, and the Indians have obviously not had the opportunity to effect their own plans for economic development. The process, however, reveals the importance of this issue to the Native people, and indicates further that the Indians see their future bound up in the further development of the Yukon economy. There is little desire to use the proceeds of a land claims settlement to pull away from the regional order. Instead, it is clear that Yukon Indians plan to use whatever capital and resources they ultimately secure to enhance training and apprenticeship programs, to develop Native businesses and to invest in the future of the Yukon. The Council of Yukon Indians recognizes that they must also protect and expand the subsistence sector, treasured for its cultural significance, underestimated for its economic importance.

Studies of Ross River and Teslin have documented the concerns of Yukon Indian people regarding their economic future. In these two communities, there are few full-time

salaried positions available to Native people. The subsistence sector remains strong and important. At the same time, there are disquieting portents. Young people sent to Whitehorse or elsewhere for their schooling do not always return. Those who seek more advanced training find that there are no positions available in the towns. The conscious effort to improve the economic prospects of the next generation has, ironically, added to the community's economic and social difficulties. Indians in these towns have sought ways to keep their young people home, and to provide meaningful work for their band members. Various job creation measures have been attempted, with mixed results.

These communities, and others like them in the territory, recognize the limits that the regional economy, isolation and lack of local resources place on their prospects for further development. They similarly place considerable importance on the preservation of the subsistence sector - the value of which, both studies illustrate, has been greatly under-estimated. This means that development, if it is to proceed, should not be allowed to interfere unduly with harvesting, a relationship that is central to Yukon Indian aspirations. In centres such as Teslin and Ross River, the Indians clearly seek "parallel" development, whereby some opportunities within the wage sector are provided, but the integrity of harvesting is preserved.

The conclusion, simply put, is that there is no single "Indian" position on economic development. While many individuals and bands follow the pattern described in the studies of Teslin and Ross River, others seek a more complete integration into the industrial labour force. Native involvement in the educational system, particularly industrial skills acquisition in the senior high school grades and at post-secondary institutions, creates expectations of wage employment and exposes Indian children to urban centres and options beyond a harvesting lifestyle. Such individuals seek permanent employment, at a reasonable rate of pay, within the industrial and government sectors. The inability of many of these people to find such employment has contributed greatly to the social and cultural problems that the Yukon Indians continue to face.

The Council of Yukon Indians has recognized the need to protect the interests of all its constituents, and has therefore defended with equal vigour various means of economic development. A CYI consultant's report, issued in 1983, called for community-based enterprises, a Trappers' Incentive Program, development of tourist-related ventures, Native training programs, and the funding of several pilot projects.20 The CYI has, in recent months, requested a detailed study of the economic prospects of subsistence hunting, in the hopes that such a review will illustrate ways to protect and enhance this vital sector of the Indian economy. At the same time, they have requested additional funding from the federal and territorial governments for the

hiring of band-based community development officers, so that members throughout the territory might better learn of the business opportunities, government programs, and training initiatives available to Yukon Indians.21 The mixed priorities of the Council of Yukon Indians, which stress productive use of renewable resources, Indian influence over economic developments and the creation of small Native businesses, reflect the varied Indian positions on the Yukon's economic future and the fact that the prospects for development facing the urban and rural residents are markedly different.

The Indians' interest in economic development runs deeply through all their considerations of the Yukon's future. The commitment to an orderly process of economic expansion, in which Indians influence (if not control) the pace and direction of development, reflects a firm belief that the Natives' future rests on a reasonable integration into the regional order. For the past four decades, the Yukon Indians have dealt with major problems, including micro-urbanization, wide-spread social and economic discrimination, the expansion of the welfare state and continued health problems. The Indians have found themselves drawn under the wing of a protectionist and, until recently, very paternalistic state. The process has carried significant social costs, evident in continued difficulties with alcohol abuse, poor self-esteem, and a waning interest in Indian culture. The acquisition of technical skills, advanced education, managerial and entrepreneurial experience, it is believed, will give the Indian people greater control over their lives. In combination with a satisfactory land claims settlement, which would give the Indians the financial and political authority necessary to meet their objectives, integration into the broader economy would enhance community confidence, help address many of the social problems currently found in Native communities, and assist with the revitalization of Native culture.

Questions of economic development carry considerable importance for the Yukon Indians. It is obviously more than simply a matter of replacing social assistance with regular employment. In some instance, properly controlled economic expansion will allow for the continued mixing of the objectives of wage labour and subsistence hunting; in others, it represents the fulfillment of promises made long ago, of students educated and trained but unable to find work in their communities. Carefully managed development will permit the Indians to achieve an equality in the Yukon that they lost many decades ago, and to establish an economic equilibrium in which their needs are placed on par with those of the mining concerns and the developers. The desire to share in a common economic destiny, not to create a separate Indian economy, is central to the Indians' aspirations for regional development.

GOVERNMENT INITIATIVES FOR NATIVE ECONOMIC DEVELOPMENT

Native demands have not gone unnoticed. Over the past two decades, federal and territorial governments have offered an array of programs that attempt to address the major problems facing Indian communities in the north, and to bring Native people into the mainstream of the Canadian economy. It is impossible to assess all the federal and territorial programs available to Native people in the Yukon Territory. Some, like the Indian Economic Development Fund and Special ARDA, are aimed specifically at Native people; in other cases, most noticeably the various subsidiary programs of the Canada/Yukon Economic Development Agreement, Indians compete with non-Natives for funding.

The cornerstone of the federal government's measures to assist Native integration into the economy is the Indian Economic Development Fund. Established in 1970, the program is designed to "provide a source of financing for the development of viable economic and employment opportunities for Indian people. Through the Fund, a source of capital is available to ensure that Indian businesses have access to basic financing and to the managerial, professional and technical services necessary for the successful operation of their enterprises."22 Under the program, eligible individuals and businesses are provided loans, contributions, financial guarantees and management advisory services.

TABLE FIVE

IEDF APPROVAL OFFERS,* YUKON REGION
1978-1979 to 1984-1985**

Year	Number Approved	Value ($'000s)
1978-79	21	216
1979-80	17	243
1980-81	19	359
1981-82	20	212
1982-83	16	214
1983-84	7	143
1984-85	5	80

*Includes Direct Loans, Loan Guarantees and Contributions
**Source: Cam Mackie, "Some Reflections on Indian Economic Development," in J.R. Ponting, Arduous Destiny, p. 217.

According to Indian and Northern Development Canada officials, the Indian Economic Development Fund works very well in the Yukon. In 1985, activity under the program included loans totalling over $240,000 to nine projects, $115,000 in contributions to assist with the maintenance of existing businesses, and technical advice to 52 projects. Together, it is estimated that 25 person-years of employment

were maintained and another 30 person years created. Under this program, particular attention is paid to the provision of technical and managerial advice. Once potential applicants are identified (usually on the applicant's initiative), a Development Officer is assigned to the case. The Development Officer will, as necessary, assist with the preparation of the application, offer business advice, and provide suggestions on how to secure additional funding, either from the public or private sector. The direct involvement with Native applicants, many of whom would otherwise have considerable difficulty with the application forms and departmental procedures, is undoubtedly a major factor in ensuring a high rate of Native participation.

There are a variety of other federal programs available for Native people. The Native Economic Development Program, established in 1983, holds particular promise, although administrative problems limited the effectiveness of this initiative in its first years. As presently constituted, the NEDP will "follow a strategy of attempting to create a pool of capital under the ownership, control, and management of aboriginal people through a series of financial and economic development institutions...All of these institutions were to have the shared characteristics of being in a position to invest or lend money to Indian businesses, from which they would receive a return."23 By October 1985, Yukon Indians had submitted requests for 11 projects worth, if approved in their entirety, $10.6 million. (The requests were broken down as follows: Financial/Economic Institutions - 1 request for $7.2 million; Community-Based Economic Development Initiatives - 3 requests totalling $300,000; Special Projects - 7 projects asking for a total of $3.1 million.) The NEDP also has the important goal of bringing "together all of the available resources of the various federal government departments and programs to focus their efforts in support of aboriginal economic development." Indian and Northern Development Canada oversees the Indian Community Human Resource Strategies program, which in 1985-1986 provided $205,000 distributed equally among the 15 bands in the Yukon division (including 3 bands in Northern British Columbia - Atlin, Lower Post and Good Hope Lake). This program allowed each band (in 1985-1986, 14 of the 15 bands took part) to apply for financial assistance for training and job creation. The I.C.H.R.S. provides for considerable flexibility as to type and scale of project, subject to final approval by I.A.N.D. A separate Employability Program provides for skills acquisition, employment assistance (work clothing, the cost of moving to a new job site, etc.) and on-the-job training. In 1985-1986, more than 50 people received training under this initiative, 27 received employment assistance, and one person received on-the-job training. On a broader base, I.A.N.D. provides support for Native-run economic development programs, including the Yukon Indian Development Corporation and the Council of

Yukon Indians Economic Development office. (It must also be remembered that Indians are eligible for most general federal programs, such as the Canadian Jobs Strategy administered by the Canada Employment and Immigration Commission).

Planning plays a significant role in federal government funding for Native economic development. In addition to research and planning activities funded under the Indian Human Resource Strategy, additional assistance is provided through the Resource Development Impacts Program for Indian groups likely to be affected by major development projects. Funding has recently been provided to the Council of Yukon Indians regarding potential development on the North Slope,24 the Carcross band to investigate the impact of the Mt. Skookum gold mine, and the Ross River band to study the opportunities and problems posed by the improvement of the North Canol Road and mining in Macmillan Pass. The purpose of these grants is to identify ways in which Native individuals, businesses and groups might benefit from proposed developments and to mitigate any possible negative effects from the increased activity.

Many Indian people and organizations have also found support for economic development plans through the Special Agricultural and Rural Development (Special ARDA) program, cost-shared by the Governments of Canada and the Yukon. A Special ARDA agreement was first signed in 1978, and has been renewed twice since then. Pending further negotiations, the Special ARDA initiative for the Yukon is due to lapse in 1987. Since the federal commitment comes from the Department of Regional Industrial Expansion (as opposed to Indian and Northern Affairs Canada), it is opened to non-Native applicants and, in particular, to non-status Indians. The program seeks to "assist in the economic development and social adjustment of residents of rural areas, particularly those of native ancestry, who have previously had little or no access to regular earning and employment opportunities. Projects funded under the Agreement are assessed on the basis of the extent to which they provide the following to native peoples: entrepreneurial involvement, managerial or career development opportunities, training opportunities, and general employment and income."25

The Special ARDA program provides funding in four categories: Commercial Undertakings (CUs), Primary Producing Activities (PPAs), Social Adjustment Measures (SAMs), and Related Infrastructure (RIs). As a result of this division, the Special ARDA net is cast very broadly, assisting with skills acquisition, increasing local ownership of development ventures, building roads, power or water treatment facilities, and providing capital for the purchase, expansion or modernization of businesses. The program has been extensively used. From the commencement of the program to March 31, 1984, the federal government

committed almost $3.5 million (85%); the territorial contribution was $623,000 (15%).

TABLE SIX

Approval Rates and Funding by Project Type
Canada/Yukon Special ARDA
(to December 1, 1983)*

Project Type	Number Approved	Approval Rate (%)	% Funding Approved	Average Funding($)
CU	59	45	53	38,797
SAM	35	83	38	43,982
PPA	10	55	8	33,333**
RI***	1	100	1	48,941
TOTAL	105	53	100	39,353

*Source: DPI Group Inc., Yukon Special ARDA Evaluation, Vol. 1: Overview Report (May 1984), p. I-11.
** Overstates funding to individual projects because substantial blocks of funds were granted to Yukon Trappers Association for subsequent distribution..
***One RI approved in support of a SAM project.

Interest in the Special ARDA program has remained high since 1984. According to one estimate, the Special ARDA committee approves close to $1 million per year in project funding, with between 30 and 40 projects accepted each year. The distribution through the program continues much as between 1978 and 1984: approximately 60% of the projects are Commercial Undertakings, 30% Special Adjustment Measures, and 10% Primary Producing Activities (primarily trappers' cabins and agriculture). Special grants, totalling over $400,000 for the period 1984-1987, have been given to the Council of Yukon Indians for economic development co-ordination (plus over $200,000 over the same period for Yukon Government Special ARDA staff). In addition to continued training initiatives, funds have been provided for such projects as Indian crafts, a fish plant, gas stations, grocery stores, RV parks, laundromats, a construction company, and muskrat studies.26

The Yukon Special ARDA Agreement has had a broad impact on Native economic activity. For the period 1978-1984, 288 jobs were created, of which one half were permanent full-time positions. Only 48% of the jobs created, however, were held by Indian employees. Over half the projects funded were still in operation at the time of the evaluation (1984); a further one quarter had been completed as scheduled. Seven per cent did not proceed despite project approval and 12% failed. The SAM component resulted in the training of 44 individuals, almost all of whom found continuing employment. As with most economic development schemes in the territory, the experience of Whitehorse-based

project differed significantly from rural ventures. Of the 105 approved projects, 49 were based in Whitehorse, although these ventures received 56.5% of the total funding.

TABLE SEVEN

Canada/Yukon Special ARDA Agreement
Summary of Effects by Project Type
1978-1984*

Effect	CUs	PPAs	SAMs
Jobs Created	256	12	0
Cost per Job Created	$8,481	n/a	n/a
% Previously Unemployed	85%	56%	74%
Purchases in Community	38%	53%	n/a
Purchases from Natives	13%	0%	n/a
Individuals Trained	n/a	n/a	44
Cost per Trainee	n/a	n/a	$12,571
% Trainees Unemployed	n/a	n/a	60%
% Still in Operation	73%	40%	95%
% Proceed Because of The Program	73%	80%	54%
Average Wages/Project	$103,487	$17,666	$26,223

*Source: DPI Group Inc., Yukon Special ARDA Evaluation, I-25.

TABLE EIGHT

Canada/Yukon Special ARDA
Summary of Effects by Location
(1978-1984)*

Effect	Whitehorse	Peripheral**	Isolated
Jobs Created	109	55	105
Cost per Job Created	$21,200	$10,562	$11,417
Purchases in Community	53%	31%	40%
Purchase from Native Sources	16%	13%	6%

*Source: DPI Group Inc., Yukon Special ARDA Evaluation, I-26.
**Peripheral means within a 200 kilometer road radius of Whitehorse

As a result of the 1984 review, the assessors commented that "the Special ARDA program has been worthwhile and should be continued, with some important modifications. The program, has created and maintained a significant number of jobs and provided training to people of native ancestry which they otherwise might not have received. The program is generally perceived in a positive light. It is a vital

source of capital, particularly for non-status natives and compares favourably to other programs in terms of the rigourness of its application requirements and conditions."27 The continued interest of Native applicants since 1984 suggests that the funding provided through Special ARDA plays a significant role in economic expansion and skills acquisition.

The signing of the Canada/Yukon Economic Development Agreement (EDA) in June 1984 signaled yet another major government initiative in this area. Initially funded at $18.7 million (an additional $3 million was provided under a separate sub-agreement, the Mine Recovery Subsidiary Agreement, to Curraugh Resources to reopen the Faro mine), the EDA provides funding under a series of subsidiary agreements: Tourism, Mineral Resources, Renewable Resources, Economic Development Planning (and potentially Small Business Incentives).28 The program is open to all Yukoners, and does not make specific provision for Native participation. The federal and territorial governments have allowed Native involvement(including voting privileges) on the policy committee (the Council of Yukon Indians' representative sits as a member of the Yukon Government contingent) and on each of the management committees (one per subsidiary agreement).

While the structure has ensured Native involvement in the decision-making process, particularly since the management committees are directed to operate by consensus, it is not yet evident that Native people are taking advantage of the opportunities presented by the EDA. Shortly after the subsidiary agreements had been signed, the Council of Yukon Indians officially petitioned the federal and territorial governments to set aside 1/3 of the EDA funds for Native applicants. The official response was that, since the EDA emphasized co-operative economic development, it was inappropriate to single out one group for special treatment.

The Policy Committee has now acknowledged that Native people have not been well-represented among the applicants. There was some concern that Indian access to other programs, especially the Special ARDA, precluded their need for EDA assistance. The Policy Committee decided to investigate the issue further, and have since undertaken specific measures, including special training for CYI development officers, greater community outreach, and encouragement of non-Whitehorse participation (particularly through the opening of Business Development offices in Dawson and Watson Lake) to ensure greater Indian participation in the program.

Since the EDA been in existence for only one year, it is difficult to gauge its impact. In applications under the Mineral Resources Sub-Agreement, 100 person-weeks of employment have been created; none of those 100 weeks are designated for Native people. The Economic Development Planning Sub-Agreement is intended primarily to examine new avenues for job creation and business expansion. Native

applicants, principally band councils, have received just over one quarter ($61,462 of $219,200) of the approved funding to date (Data is for applications approved as of May 1986, although most of the projects were to continue well past that date). The Renewable Resources Sub-Agreement, which again focuses primarily on studies of future developments in this sector, is not designed for job creation. Native people are, however, heavily involved in this segment of the economy. Native applicants have, however, received only $126,490 of the $918,411 allocated so far. Indian participation in the Tourism Sub-Agreement follows much the same pattern. Ten applications had been received from Natives, out of a total of 81. Twenty-two applications have been accepted; two involve Indian applicants.(Decisions on the other Native applications and many non-Native applications were still pending). Of the slightly less than $7.1 million committed under this sub-agreement, only $58,000 went to Native-sponsored applicants. Approved tourism projects called for the creation of 2206 person weeks (the majority of which - 1922 - is to be seasonal work) of employment for Native people.

It is far too early to assess the full impact of the E.D.A. Many applications are to undertake market-surveys, feasibility studies and other preparatory work. The benefits from such research will not be known for several years. Measures recently taken by the EDA Policy Committee and the Yukon Territorial Government to increase awareness of the program, particularly in outlying districts, promises to improve Native participation. Whether or not permanent employment opportunities will follow from the research and pilot projects thus funded is, of course, impossible to determine. If there is a central concern with the EDA program, it is that the addition of yet another granting agency, with different application procedures, and yet another committee structure only adds to the existing complexity of economic development schemes offered by the government.29

EFFECTIVENESS OF GOVERNMENT PROGRAMS

Each of the government programs discussed above has a separate mandate, different terms of reference and individual goals. From the point of view of the Native applicant (potential or actual), however, the specific parameters of the separate programs have less meaning. Native individuals or organizations who approach the government for assistance are interested in the time required to process applications, the amount of funding available and the terms under which the assistance is provided. Whether the money comes from the Indian Economic Development Fund, Special ARDA, Canada/Yukon Economic Development Agreement, the Resource Development Impacts Program, or any other of the many programs available is of marginal consequence.

Looking at the process from the bottom up, instead of from the perspective of the granting agencies,30 one is instantly struck by the complexity of existing measures. In the laudable desire to cover the spectrum of Indian needs, the Canadian and Yukon governments have created a labyrinth of specific initiatives. This is not to single out civil servants for criticism, for the Yukon experience suggests that costs of administration are lower than the general northern experience. Similarly, program administrators are genuinely committed to the goals of economic integration and improvement. Nonetheless, for the potential Native participant, especially those individuals unfamiliar with government and without formal education, the prospect of approaching the system for financial aid must be daunting indeed. Application procedures are complex, particularly for the Special ARDA and Indian Economic Development Fund.

The federal and territorial governments have recognized this problem. Business Development officers from I.A.N.D. are available to assist Native applicants with the forms, market studies, financial plans and necessary reports. The Yukon government has established a 'One-Stop Shop' to help explain the various programs to those seeking assistance, and is now opening economic development offices in Dawson and Watson Lake to help bring these programs to the attention of people outside of Whitehorse. There is, it seems, something wrong when the complexity and diversity of programs is such that professional assistance is required, not just for the vital areas of assessing potential markets and deciding on a viable business plan, but to approach the government for assistance.

Although these efforts unquestionably help those who apply, there is no means of judging how many potential applicants are intimidated by the application forms and procedures. As well, there are cultural and linguistic barriers between administrators and their Native clients. Special attention needs to be paid to the explanation of current programs to the Indian community, and to ensuring that potential applicants are properly appraised of the prospects for financial and/or training assistance.

There is also a significant gap between the motives of the granting agencies and the needs of the Native community. The various programs do not exist in a political vacuum; they are, consequently tied to the political success of their supporters and to changing political trends. The civil servants who administer the programs, and who are typically very aware of the need for considerable flexibility in dealing with the complex problems of Native economic development, find themselves administering rigid, short-term measures. The Canada/Yukon Special ARDA, for example, was signed in 1978, renewed twice, and is now up for renewal once more. Since the funding is provided to the committees for a finite term, they obviously cannot commit themselves to longer term investments. At the same time, a high turn-over at the Special ARDA committee level has

reduced continuity and further clouded priorities and procedures. Other programs carry very specific requirements concerning the need for equity investment by applicants; some offer training, others do not; some programs encourage community-based development, others place the primary emphasis on the individual. The criteria for a particular program may not suit the needs of the individuals and community organizations which approach the government.

There is general agreement on the needs of the target group, and a willingness on the part of many Native people to take advantage of the available opportunities. Given the inflexibility of most programs, their comparatively short duration, and the complexity of the assistance network, there is no guarantee that funding will reach those most able to benefit from the assistance or those in greatest need. The system can, at times, react very quickly to specific opportunities, as the assistance granted to the Native crafts shop at EXPO 86 attests. At other times, due to the complexity of the application, insufficient information provided by the applicant or other difficulties, there can be significant delays in responding to requests for assistance. In a seasonal economy such as the Yukon, even short delays can result in the loss of an entire business year.

Native people bring their own set of problems and limitations to the process of economic development. Setting aside the central questions of insufficient education and training, which is provided for in many of the programs, would-be Native employees or business people face considerable difficulty in their attempts to break into the wage and industrial economy. Having decided to approach the government for assistance, individuals often find that they lack the investment capital necessary for support. The regulations vary from program to program. Business development officers can help potential applicants combine funding from various programs, but only by requiring new application forms and incurring additional delays.

Completion of the assistance procedures, and the receipt of financial aid is no guarantee of success. Native business ventures face very different pressures than do most non-Native enterprises. Not surprisingly, the chances for success rest very heavily on the talent and managerial skills of the individual(s) involved. It is often found, however, that businesses operating in Native villages or remote regions face considerable pressure to operate without sufficient attention to profit. Community values and pressures, particularly a tendency to share financial benefit with family members, may undermine the financial foundation of the company. Community-owned enterprises, like co-operative stores, find themselves caught between rational business decisions and the non-economic needs of the community. Decisions on hiring and expenditures, for example, may be made on the basis of local needs, or family ties. Greater priority may be placed on job-training or

employment than on the protection of profit for re-investment.

Even the emphasis on Native entrepreneurship is questionable.31 Most programs, including Special ARDA and the Indian Economic Development Fund, encourage individual applications based on a single business venture. The intention is to bring Indian people to the centre-stage of economic development, and to give them management skills, investment capital, control over training and hiring, and ultimately a proper role in the economic development of the Yukon. Perhaps greater recognition of the limited availability of entrepreneurial talent - across Canada and across ethnic groups - is required. The expectation that Yukon Indians, lacking as a group the standard requirements of education and technical skills, will generate a sizeable group of successful entrepreneurs, is unreasonable. Most Indians who seek greater integration into the wage economy likely wish to do so as employees, not employers. The strong emphasis on small business development, as opposed to employment within small businesses, may lead to continued disappointment. Given the current state of the Yukon economy, viable business opportunities are few and far between. The repeated assurance that government-backed Native enterprises will not compete with existing businesses further complicates matters. While there is always room for new ideas and new business ventures, most of the logical and natural business opportunities have been exploited by other entrepreneurs, leaving few reliable openings for Native businesses. This observation is not intended to take anything away from the many Native businesses established in the Yukon over the past decade.32 There is obviously a need for continued financial assistance in this area.

At the same time, however, greater awareness is needed that the current means of assessing the impact of these support programs may not be totally appropriate. Because they are charged with the careful and financially-sound control of the government's funds, program administrators carefully examine the fiscal basis of proposed ventures, keep an eye on expenditures and commitments, and determine the 'success' of the ventures they support according to standard business criteria. Those organizations still in business at the end of the granting or assessment period are deemed successful;33 the number of person years of employment, combined with the cost per position, is taken to indicate whether or not the money was well spent.

There is, of course, far more to economic development than can be reported by such statistics, particularly when Native communities are involved. Not all Indians share a commitment to wage/industrial labour. Even given the extent of government assistance, available funding addresses only a small part of the total problem of Indian unemployment and underemployment. Determinations of 'success' do not take community needs and non-economic factors into account. A high, or even regular, income could well set an individual

off from his community. Business ability may not be lauded in a particular village, and the financial success of a commercial venture may create internal divisions. The creation of a small number of well-paid, permanent jobs may, in fact, increase income disparities and therefore add to community tensions and social problems. Given the limited number of commercial opportunities in Native villages, the success of one individual, and his subsequent profit, may be at the expense of a potential community-run venture, under which the benefits would have been more widely distributed.

Few of the current grant programs include an assessment of community impact into their evaluation of applications (some do ask for an indication of support from the band council). The non-economic impact of government supported ventures does not figure into assessments of project or program success. The problem lies, at least in part, with the cultural and physical distance between program administrators and the Native people. It is also due to the application of strictly business criteria to a complex social and economic relationship. The profit motive, particularly when tied to an individual or a specific business venture, may not serve the needs of the community at large. It was stated earlier that the Yukon Indians do not approach the question of economic development with common aspirations or a uniform commitment to the wage/industrial economy. Native communities are also suffering from the economic dislocations of the past. More attention must be paid to the social and cultural ramifications of economic development, both on an individual basis through the application procedures and on a structural basis in the development of government programs.

The Government of Canada and the Government of the Yukon clearly support the improvement of Native economic conditions. The problems that emerge are those of emphasis and execution, not commitment. Important advances have been made over the past decade in terms of Native income levels, increased opportunities, education, and attention to Indian economic needs. A large gulf remains between Native and non-Native conditions, however, and continued government and community involvement is required if these disparities are to be addressed. It is equally clear that many of the solutions will have to be Native ones, respectful of Indian aspirations and needs, and relying on Indian administration and encouragement.

ENCOURAGING GREATER INDIAN PARTICIPATION IN THE ECONOMY

Indian aspirations for economic development and participation have remained constant for the past decade. Governments addressed the problems through a proliferation of programs and special initiatives. The goals of economic integration, meaningful employment, Indian influence over development and equality of opportunity have not yet been reached, but significant gains have been made. Perhaps most

importantly, barriers of discrimination which previously undercut the best conceived and executed government measures have been significantly lowered. Yukoners, including government officials and the general public, seem genuinely committed to allowing the Native people to share in the economic development of the territory. This said, much remains to be done.

The following suggestions for economic development call for a reordering of official priorities and a rationalization of current expenditures, rather than the injection of additional money into the system. Outstanding land claims will be a major factor in subsequent economic activities in the Yukon, and not just for the Indians. In the absence of an accord, and even once an agreement is reached, it is imperative that the Council of Yukon Indians, the Government of Yukon and the Government of Canada continue their efforts to ameliorate existing economic and social problems in the Indian communities.

Over-riding all other considerations is the need for a simplification and coordination of government programs. There are dozens of separate economic programs available to Yukoners. The duplication, proliferation of programs, complexity of application procedures and general lack of uniformity and integration is viewed by many as inevitable. There is some truth to this observation, in that all governments offer programs for political, as well as economic reasons, and therefore favour regular announcements of new initiatives and new opportunities.

It would be most distressing to see such concerns override a general determination to stream-line and co-ordinate government programs for economic development. A special committee of the federal and territorial governments and the Council of Yukon Indians should be established to oversee a restructuring of granting agencies, training initiatives and loan programs. This committee should seek, as its primary objectives to improve Indian access to government funding, reduce the time required to reach decisions, coordinate existing measures, eliminate rigid granting priorities, and develop a limited series of programs designed to address the specific economic problems facing the Yukon Indians. A central agency, jointly operated and funded by the federal and territorial governments and the Council of Yukon Indians (the Native financial contribution will follow the settlement of the land claims), should be created. The combination of the financial and administrative resources, and the resulting coordination of programs should improve Native access to government and make assistance initiatives more responsive to Indian needs.

In recognition of the vital economic and cultural role that hunting, fishing and trapping play to Yukon Indians, a guaranteed annual wage program should be established for subsistence hunters and trappers. The experience arising from the James Bay agreements provides a useful organizational model for such initiatives.34 The wage

subsidy should be combined with specific measures to ensure Native access to harvestable resources.

Special efforts should be made to make more constructive use of existing social assistance payments to Native people. Funds currently dispersed as pensions, unemployment insurance payments, social assistance and other non-employment transfer payments could be delivered directly to individual bands or, with the permission of the appropriate government, could be tied to the performance of band-designated tasks within the community. In some instances, such as individuals receiving seniors pensions, funding would continue at current levels, but would be dispersed internally (this could be made a statutory obligation on the part of the bands). For employable individuals, funds from these basically non-productive transfer payments can be used to employ members on culturally, socially and economically relevant projects. These might involve, for example, the employment of part-time trapping instructors to assist with school programs, work on band-related renewable resource projects, local cultural activities and community improvement measures. This process would give the bands greater control over social assistance programs, and allow for the selection of individuals willing and capable of providing productive, community-based work.

Additional encouragement should be given to Native and non-Native joint ventures. Entrepreneurial skills are in very short supply in Native and non-Native sectors of Canadian society. Many Natives wishing to participate in the non-subsistence economy lack the skills and inclination for business management and marketing. Until such skills are attained, and it is often argued that entrepreneurial skills cannot be taught, joint ventures provide a potential vital avenue for integrating the Indians into the economy, while at the same time providing them with a substantial measure of financial and administrative control. An enhancement of joint venture opportunities, such as the recently announced air charter service based in Old Crow, helps unite Native and non-Native business interests, provides much needed entrepreneurial skills from the beginning, and allows for the gradual acquisition of business knowledge by Native participants.

The Council of Yukon Indians' plan for community-based development officials should be supported. Given the complexity of existing initiatives, and even if programs were centralized and co-ordinated, band members outside of Whitehorse would benefit from on-site assistance. This would help ensure that the general opportunities for economic development were spread more equitably throughout the territory and are delivered to the band by individuals well-informed on local needs and opportunities.

Following on the model of the Yukon Indian Development Corporation, and again in recognition of the current short supply of managerial and entrepreneurial skills in the

Native population, a series of territory-wide Native business agencies should be established, responsible for separate sectors of the economy (This is not unlike the corporate structures envisaged under the land claims process, but need not be delayed until that time). Instead of funding individual business ventures, a process which has had mixed results, government could target its funding for renewable resources, Native tourism development, and Indian small business to specific Yukon Indian Corporations, which would serve as umbrella organizations for constituent members. The central agencies would provide management expertise, could arrange for co-operative ventures when necessary, could provide the much-needed equity for beginning projects and, by combining Native activities in a particular sector, could improve marketing and production efficiency. These corporations - funded initially by governments using funds currently aimed to individual programs and later by money from the land claims - would provide a valuable training ground for Native managers and business people, would increase the Native community's ability to compete for larger projects and would give Indian people an even more direct say over investment and management decisions.

It is important to acknowledge that no single model of economic development will answer the needs of the Yukon Indian people. In some quarters, individual entrepreneurship will prove successful. In other communities, great attention to the protection of subsistence hunting is required. For some ventures, and in some villages, co-operative measures are likely to prove successful.

Existing Native education and training programs must be continued and expanded, and special efforts should be made to provide for more on-the-job training. There is substantial evidence that the Indians of the Yukon seek a more significant role in the territorial economy. The achievement of that goal will rest, in large measure, on the availability of suitable training schemes, particularly those which provide actual work-place experience. In the past, educational efforts have focused on the acquisition of technical skills; greater emphasis should be placed on managerial and administrative preparation. In addition, the availability of advanced communications technology should allow the delivery of many of these courses in communities outside of Whitehorse, thus easing the gradual exodus of young people from rural centres.

Affirmative action programs, specifically involving Native managers, should be expanded. If Indian people are to assume greater control over their economic affairs, it is imperative that they be moved past entry-level positions and given advanced training in management techniques and supervisory experience.

Greater awareness is required of the inter-dependence between economic and social issues affecting Indian people.

Current programs, which emphasize economic development and individual initiative, typically pay little attention to the social and cultural ramifications of the various projects. This problem will be addressed in part as community-based decision-making expands. Current social problems limit the effectiveness of many economic development projects. Similarly, properly managed development measures promise to significantly ameliorate much of the current social and cultural malaise. Once this relationship is recognized, and social and economic problems are dealt with as part of the same cultural matrix, the various government and Native programs will have a far greater impact.

CONCLUDING OBSERVATIONS

It is important that the expectations of government and the Native people of the Yukon people be kept within realistic limits. The integration of Indians into the Yukon economy is proceeding slowly, but noticeable improvements have been made. Further advances will probably also come slowly, and not without significant financial and social costs. It is imperative that attention be given to the full implications of economic development, and that judgements as to the success of initiatives not be reduced to simple comparisons of average incomes, man-years of training provided, and full-time equivalent jobs created.

Native aspirations for involvement in the territorial economy remain mixed and complex. The desire in some quarters for industrial training and encouragement of entrepreneurship, is off-set in others by a preference for subsistence hunting. There is, however, a general agreement that the Indian standard of living lags far behind that of non-Native northerners. The economic advancement of Native people, and the opening of a wider range of options has become a goal shared by the Yukon Indians, the Government of Yukon and the Government of Canada. The federal and territorial governments have committed considerable financial and administrative resources to Native economic development, and their programs have had significant effects throughout the territory.

There is need, however, for some new directions. Greater trust must be placed in Native organizations, at both the territorial and band levels, if the government initiatives are to percolate down effectively to those in greatest need. The proliferation of government programs, although laudable in intent, has now become part of the problem. A rationalization and coordination of these measures is in order. The federal and territorial governments, with the assistance of the band councils and the Council of Yukon Indians, have recognized the economic problems and are developing solutions. The next step is the development of the political and administrative will to seek a leaner, quicker and more responsive means of getting financial assistance, training and management expertise to

the Yukon Indians. The success of this process will depend on the realization that the economic well-being of the Native people of the Yukon is crucial to the development of a vital, diversified and responsive territorial economy.

1This included trade outside the Yukon river basin, including exchange between the Kutchin and the Inuit of the Arctic coast and interior bands and the Tlingit Indians of the Pacific Northwest coast.

2Marshall Sahlins, "Notes on the Original Affluent Society," in Stone Age Economics (London: Tavastock, 1974).

3Kenneth Coates, "Furs Along the Yukon: Hudson's Bay Company - Native Trade in the Yukon River Basin, 1830-1893," BC Studies, No. 55 (Autumn 1982), 50-76.

4This survey is based on Ken Coates, "Best Left as Indians: Native - White Relations in the Yukon Territory, 1840-1950," (PhD dissertation, University of British Columbia, 1984). See also Robert McCandless, Yukon Wildlife: A Social History (Edmonton: University of Alberta Press, 1985).

5See Julie Cruikshank, "The Gravel Magnet: Some Social Impacts of the Alaska highway on Yukon Indians," and Ken Coates, "The Alaska Highway and the Indians of the Southern Yukon: A Study of Native Adaptation to Northern Development," in Ken Coates, The Alaska Highway: Papers of the 40th Anniversary Symposium (Vancouver: UBC Press, 1985).

6On the broader implications of this strategy by the traders, see A.J. Ray, "Periodic Shortages, Native Welfare and the Hudson's Bay Company, 1670-1930," in S. Krech, ed., The Subarctic Fur Trade (Vancouver: UBC Press, 1984).

7This process is covered in Denis Guest, The Emergence of Social Security in Canada (Vancouver: UBC Press, 1980).

8Ken Coates, "Best Left as Indians: The Federal Government and the Yukon Indians, 1894-1950," Canadian Journal of Native Studies, vol. 4, no. 2 (1984).

9Frank Duerden, The Development and Structure of the Settlement System of the Yukon (Whitehorse: Government of Yukon, 1981).

10Sally Weaver, Making Canadian Indian Policy: The Hidden Agenda (Toronto: University of Toronto Press, 1981).

11Frank Duerden, Teslin: The Indian Village and Community Economy - An Appraisal (Toronto: Ryerson Polytechnical Institute, 1986) and Peter Dimitrov and Martin Weinstein, So That the Future Will Be Ours: Vol. 1: Ross River Impact Report (Ross River: Ross River Indian Band, 1984).

12Economic Strategy Division, Northern Economic Planning Directorate, D.I.A.N.D., Yukon Economic Development Perspective (Nov. 1983).

13Yukon Statistical Review, First Quarter 1985 (whitehorse: Government of Yukon, 1986), Table 2.10.

14For a very relevant study of differing economic attitudes, focusing on the Indians of north-eastern British Columbia, see Hugh Brody, Maps and Dreams (Vancouver: Douglas and McIntyre, 1981).

15F. Duerden, Teslin: The Indian Village and Community Economy.
16On the historical experience of residential school education in the Yukon, see Ken Coates, "Betwixt and Between: The Anglican Church and the Children of the Carcross Residential School, 1911-1955," BC Studies No. 64 (Winter 1984-1985). For the contemporary experience in Alaska, see Judith Kleinfeld, A Long Way From Home: Effects of Public High School on Village Children Away From Home (Anchorage: Centre for Northern Educational Research, 1973).
17Chun-Yan Kuo, The Effect of Education on Earnings in the Mackenzie District of Northern Canada (Ottawa: Northern Economic Development Branch, 1972).
18YNB, Economic Development For Indians in Yukon Territory (January 1972). See also YNB, Together Today For Our Children Tomorrow (Whitehorse, 1973).
19An Agreement in Principle With Respect to Economic Participation and Development, 7 June 1984. See also An Agreement in Principle with Respect to Economic and Corporate Structures, 16 December 1982. The agenda for negotiating the specific details, ultimately abandoned as the deal was not ratified, clearly reveals the substantive importance of economic issues. See Memorandum of Understanding Between CYI, Minister of Indian Affairs and Northern Development, and the Government Leader of the Government of Yukon, 6 November 1985.
20Beaudoin-Hayes Associates, Council of Yukon Indians Economic Development Strategy Plan (March 1983).
21CYI, A Proposal to Assess the Worth of the Subsistence Economy to the Yukon (August 1986); James Allen, CYI to Tony Penikett, Government Leader, Government of Yukon, 31 July 1986, including Proposal for Funding To Assist Yukon Indian Bands with Community Based Economic Development Activity (1986).
22Taken from the pamphlet, Indian and Northern Affairs Canada, Indian Economic Development Fund.
23For a discussion of this program, see Cam Mackie, "Some Reflections on Indian Economic Development," in J. R. Ponting, Arduous Journey: Canadian Indians and Decolonization (Toronto: McClelland and Stewart, 1986).
24Bob Green, Report on the North Yukon Resource Development Impacts Project for the Fiscal Year 1985/1986.
25DPI Group Inc., Yukon Special ARDA Evaluation, Vol. 1: Overview Report (May 1984), p. I-1.
26L. Bagnell to Dietmar Tramm, Economic Development, Council for Yukon Indians, 10 March 1986. For further information on specific projects, see Yukon Special ARDA, Active Files, Total DRIE and YTG Commitments (April 1982 to April 1986), and YTG, Yukon Business Development Office, Status Reports.
27Yukon Special ARDA Evaluation, i.
28Funding is provided jointly by the Canadian and Yukon governments. The cost-share is 90/10 (Canada/Yukon), except for the Tourism Subsidiary Agreement, which is 80/20. Expiry dates for the various programs also differ.

29Statistical information on the EDA is found in an EDA Secretariat Memorandum, Native Participation in EDA, dated 30 May 1986.

30Most assessments, understandably, judge the 'success' of the government measures according to the terms and conditions laid out in the program documentation. Ultimately, however, such assessments rather miss the real point, which is whether or not the money thus expended represents the best possible expenditure of tax-payers monies on the generally accepted objectives of Native economic development and increased integration into the economy.

31This issue is dealt with in great detail in John Beveridge and Roger Schindelka, Native Entrepreneurship in Northern Canada: An Examination of Alternative Approaches (Saskatoon: Institute for Northern Studies, 1978).

32See the Yukon Native Business Directory for a list of these ventures.

33This is a further indication of the short-term outlook inherent in the subsidy programs. The medium and long-term success rate of small businesses in Canada (all businesses, not just Native-run) is not overly promising. See Native Entrepreneurship

34I.E. La Rusic, Income Security for Subsistence Hunters (Ottawa: Department of Indian Affairs and Northern Development, 1982). I.E. La Rusic, Negotiating a Way of Life: Initial Cree Experience with the Administrative Structure Arising from the James Bay Agreement (Montreal: SSDCC, 1979). See also Bruce Cox, "Prospects for the northern Native economy," Polar Record, 22 (139) and F. Hill's response, Polar Record, 23 (142).