

IMPACTS OF RESOURCE DEVELOPMENT POLICY ON  
REMOTE COMMUNITIES IN NORTHERN MANITOBA

By  
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## ABSTRACT

Government support for and involvement in community resource development is necessary to promote economic and social change in northern communities. In 1976, the Manitoba Department of Renewable Resources and Transportation Services (RRTS) instituted a policy designed to promote and encourage the participation of residents in aiding the development of renewable resources. Through a series of questions and discussions with various community leaders, an attempt was made to examine the implementation of the new policy and its associated programs.

It was discovered that reaction to the policy in some communities was positive and the programs were being implemented successfully. In other communities, problems which existed, either between RRTS and the community leaders, or among the community members, led to a situation where either no programs were being implemented, or there was little activity by RRTS.

The effects of the policy thus varied among the communities because each community possessed a variety of characteristics such as their fundamental attitudes toward change, attitudes toward government staff involvement in the community, or previous negative experience in resource development.

At present, work is required in developing evaluative criteria to measure the effectiveness of the program with respect to stated objectives. Specifically, documentation is needed of the factors that foster development and those factors which tend to impede development in the remote communities.

In this way, the RRTS will be able to monitor the programs and take corrective measures to ensure that the objectives of the stated policy are achieved in the projects that are on-going and in any new development projects in the future.

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## Table of Contents

		<u>PAGE</u>
CHAPTER I	1.1	Introduction <span style="float: right;">1</span>
	1.2	A Review of Policies and Programs for Resource Development in Northern Manitoba <span style="float: right;">7</span>
		Federal Provincial Efforts <span style="float: right;">7</span>
		Resource Development Policies by the Department of Mines and Natural Resources and the Department of Renewable Resources and Transpor- tation Services <span style="float: right;">8</span>
	1.3	Focus of the Study <span style="float: right;">11</span>
	1.4	The Objectives of the Study <span style="float: right;">13</span>
	1.5	The Structure of the Study <span style="float: right;">13</span>
	1.6	Summary <span style="float: right;">14</span>
CHAPTER II		GENERAL BACKGROUND OF THE RESOURCE DEVELOPMENT POLICY <span style="float: right;">16</span>
		Introduction <span style="float: right;">16</span>
	2.1	The Genesis of the Development Policy <span style="float: right;">16</span>
	2.2	Socio-Economic Variables Implicit in the Resource Policy <span style="float: right;">20</span>
	2.3	Sociological Implications <span style="float: right;">24</span>
		Introduction <span style="float: right;">24</span>
	2.4	Approach to Resource Development: Role of Field Staff <span style="float: right;">26</span>
		Role of the Community Residents <span style="float: right;">31</span>
		Conclusion <span style="float: right;">32</span>
	2.5	Summary <span style="float: right;">33</span>
CHAPTER III		METHODOLOGY <span style="float: right;">34</span>
	3.1	Framework of the Study on Resource Development in Remote Communities in Northern Manitoba <span style="float: right;">34</span>

	Introduction	34
	In-Depth Method: Advantages and Disadvantages	34
	Organization of the Study	35
	Interviewing Method	39
	Conclusion	40
3.2	Construction Of Questionnaire	40
	Section I: General Information	41
	Section II: Decision Making	41
	Section III:Funding	42
	Section IV: Better Management in the Future	43
	Section V: Changing Lifestyles and Attitudes	43
3.3	Summary	45
CHAPTER IV	RESULTS AND ANALYSIS OF DATA	46
4.1	Introduction	
4.2	General Overview of Attitudes Toward the Policy	47
	Conclusion	52
4.3	Policy Implementation in Communities with On-going Resource Development	52
	Funding	52
	Conclusion	53
	Participation	55
	Conclusion	58
	Changing Attitudes	59
	Conclusion	61
	Better Management in the Future	62
	Conclusion	63

4.4	General Conclusion	63
4.5	Summary	64
CHAPTER V	IMPLICATIONS AND CONCLUSIONS OF THE IMPACT OF RESOURCE DEVELOPMENT IN REMOTE NORTHERN COMMUNITIES	66
5.1	Long-term Implications of Policy Implementation	66
	Introduction	66
	Framework for Long-term Development	66
	General Impact of Long-term Resource Development	68
	Conclusion	71
5.2	General Conclusions and Recommendations	71
	The Need for Flexibility	71
	Administration and Training	72
	Funding	74
	Participation and Evaluation	74
	Conclusion	75
5.3	Recommendations for Further Research	75
5.4	Summary	77
	APPENDIX I Policy Statement	79
	APPENDIX II Questionnaire	84
	BIBLIOGRAPHY	87



## LIST OF FIGURES

		Page
Figure 1.	Percentage Changes in the Price of Pickeral, Sauger and Whitefish and the Consumer Price Index Relative to 1965	3
Figure 2	Percentage Change in the Price of Beaver, Mink and Muskrat Pelts and the Consumer Price Index Relative to 1965	4
Figure 3	The Critical Interface between the Regional Staff and the Community Leaders	27
Figure 4	Leadership Style Continuum	29

LIST OF MAPS

Map 1

Remote Communities Visited in  
Northern Manitoba

38

## CHAPTER 1

### 1.1 Introduction

Northern Manitoba has been defined by the Manitoba Department of Northern Affairs as all parts of Manitoba north of the northern boundary of township 21, excluding all rural municipalities, local government districts and areas designated as provincial parks, forests and wildlife areas<sup>1</sup> (Map 1). Most of the area is inhabited by descendants of European immigrants and people of Indian ancestry.

The north is popularly conceived to contain a potentially great wealth of renewable and non-renewable resources. During the last decade and a half, the mineral and forest industries have provided important economic support to the northern region of Manitoba. The communities that have grown up around mineral, forest and hydro-electric developments have often been referred to as constituting the urban north. In Manitoba the urban north consists of Thompson, Flin Flon, Lynn Lake, Leaf Rapids, Gillam, The Pas and Snow Lake. These areas are populated mainly by immigrants from other parts of the Province and Canada. In 1973, per capita income of the residents in these communities averaged \$3,500,<sup>2</sup> indicating relatively high wages and a stable employment situation. Communities relying on traditional resource activities such as trapping and fishing have been referred to as the remote north.

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<sup>1</sup>Provincial Statutes - Northern Affairs Act, Chapter 25, sub-section 1.

<sup>2</sup>Carter, Nick, "Development in Northern Manitoba - Where Might Government Lead Us?", Journal of Natural Resource Management and Interdisciplinary Studies, #1, University of Manitoba, 1977, p.20.

This category is comprised of communities with a combined population numbering approximately 34,000 persons.<sup>1</sup> In 1973, per capita income averaged \$600., with welfare payments contributing 42% to per capita income. In 1971 there were approximately 3500 persons without jobs, and it was estimated that the number of unemployed will double by 1981.<sup>2</sup>

The traditional activities of fishing and trapping are proving to be less able to provide a viable economic livelihood for residents of the remote areas. There is a decline in the number of people entering these activities and those who are already in these occupations are faced with fluctuating product prices and rapidly increasing operating and capital costs. Fig. 1 and 2 demonstrate the fact that compared to the consumer price index, the prices of fish and furs have fluctuated considerably over the years and these prices have not increased at the same rate as capital costs. The producers are therefore faced with a cost-price problem which can make it unprofitable for them to continue their activities.<sup>3</sup> The poor income and job situation, in turn, forces migration, particularly of the younger population, out of the area leaving older residents who are mainly receiving welfare benefits. The result is an increase in the dependency ratio of the communities. Other problems such as poor health standards, an infant mortality rate which is

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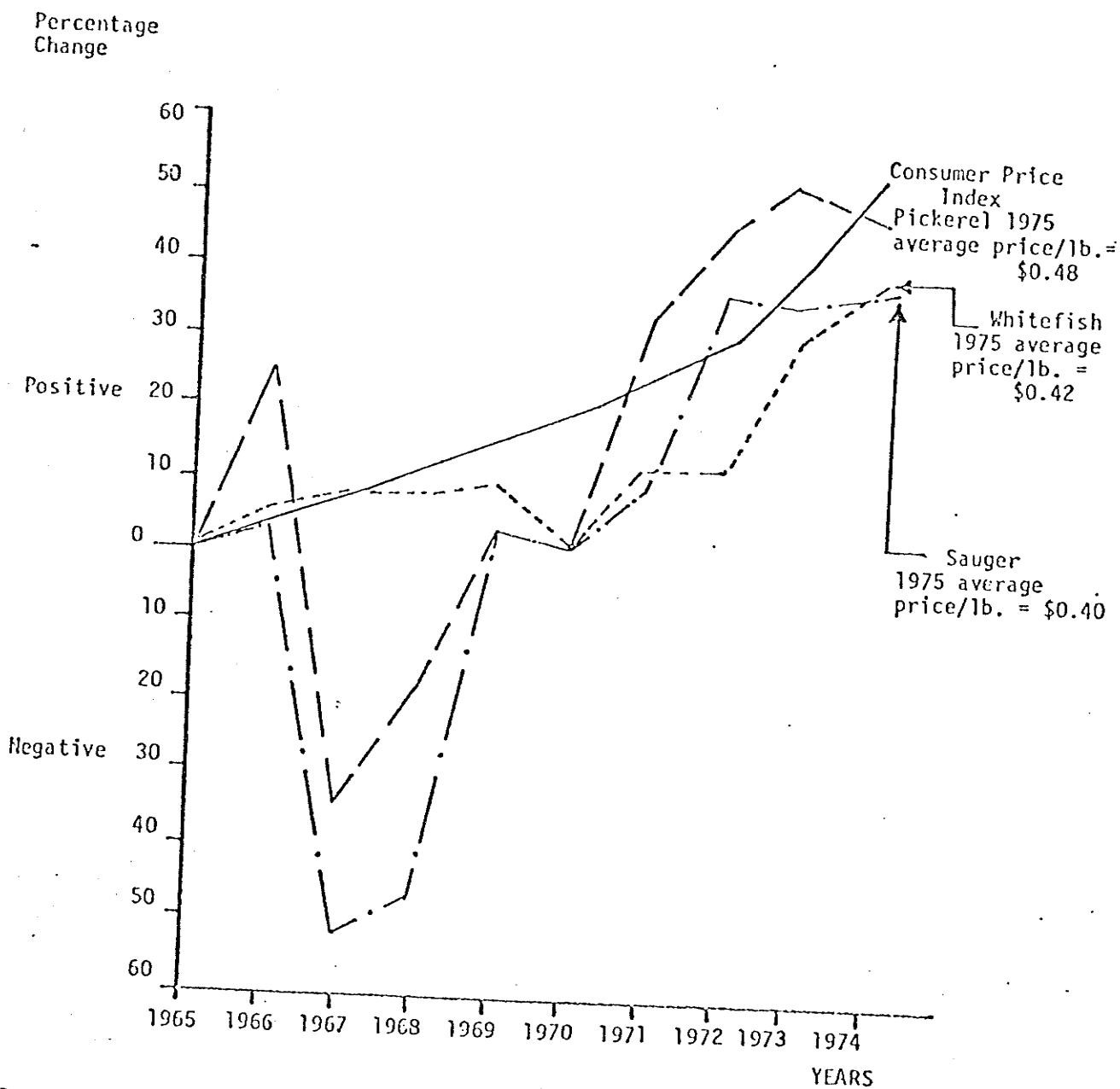
<sup>1</sup>Carter, Nick, op.cit., pp. 20-21

<sup>2</sup>Ibid., p. 21

<sup>3</sup>Cable, D., D.Johnston and W.Plantje. An Evaluation of the Canada-Manitoba Special ARDA Program of Assistance to Commercial Fishermen and Trappers, Natural Resource Institute, University of Manitoba, 1976, p.18.

Figure 1

Percentage Changes in the Price of Pickerel, Sauger and Whitefish and the Consumer Price Index Relative to 1965.

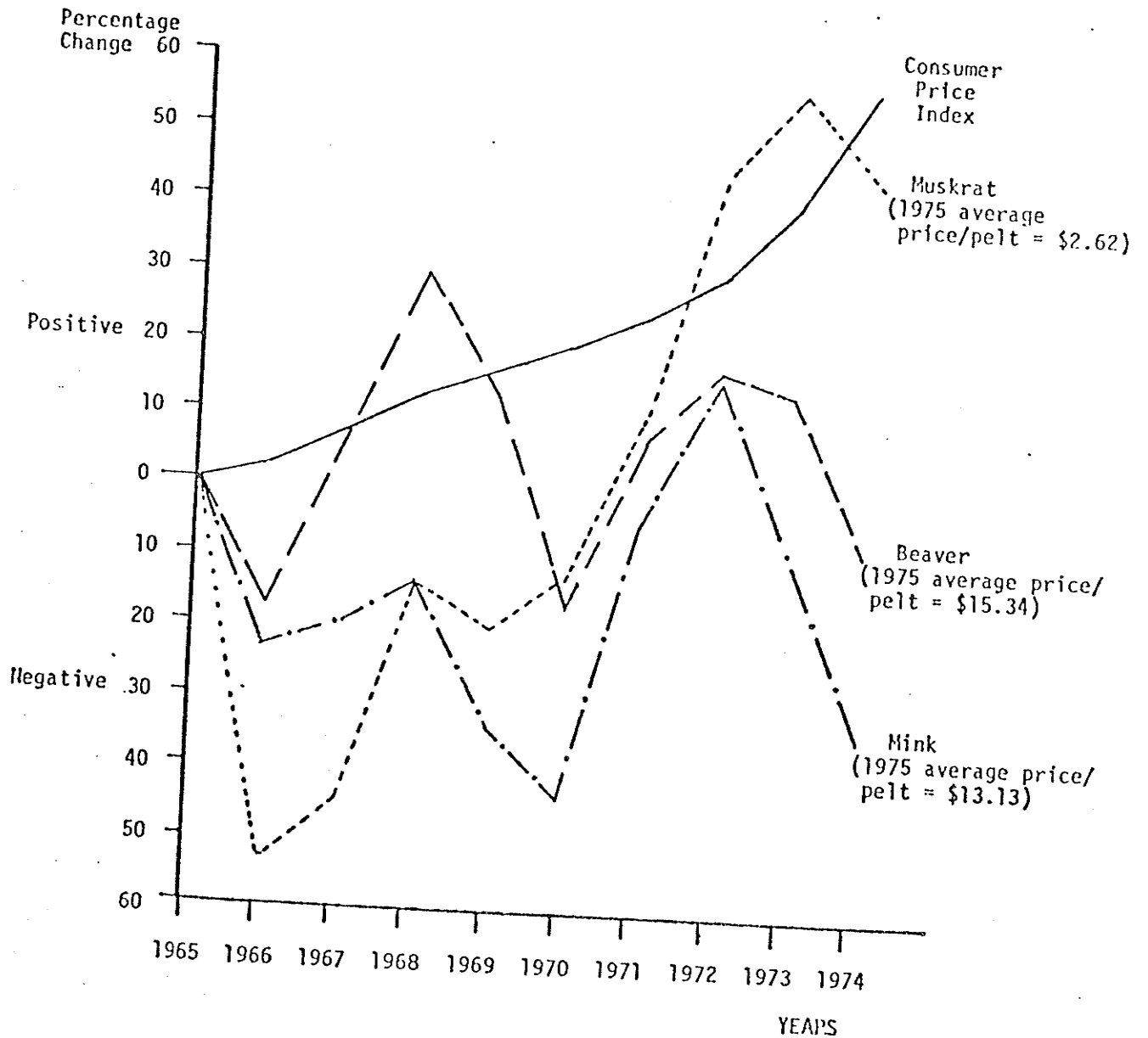


Source: Department of Mines, Resources and Environmental Management, Annual Reports 1965 - 1975 and Statistics Canada Price and Price Indexes, Ottawa, (62-002) 1975.

<sup>1</sup> Prices were calculated by dividing annual landed value by landed production for fish caught on Lake Winnipeg.

Figure 2

Percentage Change in the Price of Beaver, Mink and Muskrat Pelts and the Consumer Price Index Relative to 1965.



Source: Department of Mines, Resources and Environmental Management, Wild Fur Production Statistics 1965 - 1974 and Statistics Canada, Price and Price Indexes, Ottawa, (62-002) 1975.

approximately three times that of the provincial average, inadequate transportation and sub-marginal housing are characteristic of the remote north.<sup>1</sup>

The remote communities are dependent upon southern Manitoba and the rest of Canada for supplies of goods and services. In most cases, food, manufactured goods and investment goods such as capital for projects, are imported. Whatever the community produces is exported and any profits derived from the goods generally goes outside the communities. There is no opportunity or incentive for reinvestment.<sup>2</sup>

However, most of these communities have the potential, through their surrounding resources such as fish, wildlife or forests,<sup>3</sup> for economic growth which could assist in alleviating their socio-economic problems and promote a greater degree of self-reliance in their communities.

A number of reasons have been given for the inability of

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<sup>1</sup>Carter, Nick, op.cit., p.21

<sup>2</sup>Resource Economic Development Committee of Cabinet, Resource Based Communities and the Northern Strategy, 1975, p.2.

<sup>3</sup>The assumption made here is that fish, forests and wildlife are to be considered as natural resources. This assumption can be supported further by applying economic analysis to the resource development process. If the raw materials can be used to produce other goods and services that yield a higher consumptive value to the users and producers these raw materials can be classed as natural resources. Fish, wildlife and forests have been used in the past to produce goods and services which have some higher human value, therefore it can be assumed they are natural resources.

these communities to use their resources to increase their economic well-being. Some of these include a lack of indigenous entrepreneurial and managerial expertise as well as the low level of education which is prevalent in these communities.<sup>1</sup> Without an adequate level of education or adequate training programs for future entrepreneurs in these communities, mismanagement of resources may occur leading to waste of valuable resources.

Another factor which may directly or indirectly affect development and management of resources in northern Manitoba, is a lack of co-operation and co-ordination of development efforts, either between the provincial and federal agencies present in the area, or the residents of the area and the government agencies. As long as these institutions and individuals are unable to come to an agreement on the way resources should be developed, there will be little improvement in the economic situation in the communities. In addition, the communities encounter social hardships caused by rising costs of utilities, low productivity and general economic depression.

In the past, various methods of coping with resource development which were used in some underdeveloped areas of the world have been examined to test their relevance throughout the Canadian North. Investigation has led to the application

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<sup>1</sup>Intergovernmental Relations, Subcommittee of Cabinet, Program Analysis of Government Services to Status Indians in Manitoba, April, 1976, p.23.



of techniques such as input-output models, economic base models, econometric models and optimizing models.<sup>1</sup> Unfortunately, the main thrust of these techniques and studies placed heavy emphasis on the development of physical resources rather than the development of human resources. These studies have shown that residents of the communities, who should be the beneficiaries of the research were treated as mere statistics to be plugged into the various models.<sup>2</sup>

## 1.2 A Review of Policies and Programs for Resource Development in Northern Manitoba

### Federal-Provincial Efforts

Renewable resource development in northern Manitoba, in the past, was done on a small scale and was financed mainly by the provincial government. During the 1970's, the provincial and federal governments signed a number of agreements designed to foster resource development in rural and northern regions of Manitoba. Among the first agreements to be signed by both governments was the Agricultural and Rural Development Act (ARDA). This agreement provided for the design and implementation of a comprehensive rural development program consisting of a variety of programs to promote socio-economic development. The objectives of these programs were to achieve higher standards of living, increase the employment levels and allow the participation of

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<sup>1</sup>Chui-Yau Kuo, The Application of an Optimizing Model for Economic Development to Problems of Economic Planning in Northern Canada, Northern Development Branch, Department of Indian Affairs, October 1972, pp.11-14.

<sup>2</sup>Ibid., p.13.

residents of the region in carrying out the program.<sup>1</sup>

Attention was focused on northern Manitoba with the signing of two agreements in June, 1974, by the federal and provincial government. These agreements, The General Development Agreement and an Interim Subsidiary Agreement on Northlands Development, were developed in conjunction with the Manitoba government, the Departments of Indian and Northern Affairs, Manpower and Immigration, Communication Transport, and Central Mortgage and Housing Corporation.<sup>2</sup> The purpose of the agreements was to initiate a long-term development strategy that included programs which placed emphasis upon human development, community services, resources and community economic development, transportation and communications, as well as a planning and implementation program.<sup>3</sup>

Resource Development Policies by the Department of Mines, Resources and Environmental Management (MREM) and the Department of Renewable Resources and Transportation Services (RRTS)

At the same time that the federal government was developing policies to deal with northern development, RRTS decided to devise a comprehensive development policy to encourage development of renewable resources in the remote communities. In 1969 the Deputy Minister of MREM stated that the concern of the

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<sup>1</sup>Department of Regional Economic Expansion, ARDA Canada-Manitoba Federal-Provincial Rural Development Agreement, 1971-1975, p.2.

<sup>2</sup>Department of Regional Economic Expansion, DREE Annual Report 1975-76, p.37.

<sup>3</sup>DREE, Department of Regional Economic Expansion, Information Canada, Ottawa, 1971, pp. 1-3.

department should be to ensure that Manitobans who are involved in resource development receive adequate benefit from the development process.<sup>1</sup> He stated that in order to achieve this goal, the department ". . . is continuing to plan and implement programs that should aid in the economic rationalization of the fisheries, fur and forestry industry."<sup>2</sup>

In 1973 the Resource Management Division of the Department of Mines, Resources and Environmental Management produced a booklet entitled "Natural Resource Development Opportunities 1973". The booklet outlined plans for resource development and identified opportunities by which the objectives could be achieved. An inventory was made of the northern communities and their resources and problems which were expected to be encountered in the development process. Strategies were then recommended to ensure successful resource development in the communities.<sup>3</sup>

In March 1976, a Resource Managers Seminar was held by RRTS. The discussion at this seminar centered around resource development policies in northern Manitoba and ways of implementing these policies in the north. The policy which the department finally adopted was designed to increase the involvement of RRTS

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<sup>1</sup>Renewable resource development was first instituted by MREM in the 1940's with the start of the registered trapline program. Management of the program was confined to the setting of quotas, issuing of licenses and collection of dues. This form of management of development projects was continued until 1969.

<sup>2</sup>Murray, Allan S., "Paper on Resource Development," Resource Managers Seminar, March 1976, p.8.

<sup>3</sup>Resource Managers Division, Department of Mines, Resources and Environmental management, Natural Resource Development Opportunities, 1973.

staff in the development and management of resources.<sup>1</sup> The basic goal of the policy was to utilize and develop to the fullest extent, human and natural resources. The policy contains 13 objectives to be implemented in order to achieve the stated goal.

These objectives are:

1. "To identify those people who have not derived benefit from the use of renewable resources and attempt to relate the resource base to them.
2. To promote increased resource economic development through a greater use of renewable resources with special emphasis on high unemployment communities located in resource-rich areas.
3. Local renewable resources shall be designated to adjacent communities on a first priority basis.
4. To develop resources to fill immediate needs by relating local resources to local needs.
5. To promote and support a much greater use of resources by encouraging and assisting communities to establish manufacturing industries related to local resources.
6. To provide maximum opportunity for local employment so that the communities can obtain maximum return from their resource base by retaining the value-added portion of manufactured goods.
7. To co-operate and co-ordinate with other departments and agencies of both provincial and federal government with the aim of building a strong self-sufficient local economy.
8. To recognize that the resource users are to be involved as much as possible in making decisions regarding resources surrounding their communities.
9. To assist communities to plan and implement all community development activity related to resource development.

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<sup>1</sup>Honourable Harvey Bostrom, Policy Statement, Department of Renewable Resources.

10. To utilize the skills, expertise and information resources of the staff of Renewable Resources to help the communities in their programs.
11. To review all policies and programs to make sure they are consistent with the overall central policy.
12. To evaluate and review all the expertise, skills, positions and finances in both the regions and divisions so that the necessary reallocation of these resources can take place to facilitate effective development activity.
13. Finally, the regional staff was called upon to analyze and identify the areas and communities most in need of this development thrust and take appropriate action."<sup>1</sup>

It is recognized in the policy statement that self-development in remote communities is of fundamental importance. Also implicit in the policy is the recognition that all staff must be actively involved in the operations of the resource development projects rather than follow traditional roles of allocating resources to the communities.

### 1.3 Focus of the Study

The usefulness of the policy adopted by RRTS however, can only be tested in its implementation. Therefore, one of the questions to be examined in this study is to what degree the objectives outlined in the policy statement are being carried out.

The implementation of the policy will be discussed from the communities' point of view, specifically as it is perceived by the leaders of the community and/or other persons directly involved with development activities.

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<sup>1</sup>Policy Statement, Department of Renewable Resources and Transportation Services, pp.2-3.

The study focuses on community leaders because it was assumed that the individuals who hold influential positions in the community would deal directly with any government body involved in resource development programs in the community.

The remote community can be viewed as a three-tier hierarchy. At the top of the pyramid are the chiefs and the mayors who are officially recognized as community leaders (through local elections) by the community. At the middle are those involved in the resource development projects--the manager or the president of the corporation, the foreman, and the community economic development officer; and at the base of the pyramid is the remainder of the community.

In addition to the community power structure is the governmental unit responsible for introducing and delivering the various programs. This unit is a bureaucratic structure where major decisions regarding general policy flow from the top down. At the very top of the structure are the Minister and Deputy Ministers, next--the general directors, and next the development staff. In the bureaucratic structure the development staff act on a day-to-day basis with the chiefs, mayors and councils. The development staff are primarily responsible for implementing the policies in the communities.

Once development procedures have been established by the structures, the onus is on the chiefs, mayors and interested residents to inform the rest of the community about the decisions reached in consultations with RRTS.

Successful implementation of a policy, therefore, is not a simple process. Implicit in the delivery process are a number of underlying social and economic variables which determine how well the objectives outlined would be achieved. This study will discuss in detail a number of these social and economic variables.

#### 1.4 The Objectives of the Study

The study examines whether the RRTS policy is being implemented successfully by looking at the interaction between the community leaders and the departmental staff. However, this assessment of the implementation of the objectives of the policy will be done specifically by assessing the views of the community leaders.

The objectives of the study are:

1. To assess the views of the individuals who are involved in community development with regard to the policy of RRTS and its implementation.
2. To identify any impacts of the resource development process since the implementation of the revised policy.
3. To project some long-range implications of the policies undertaken by the department for the communities.

#### 1.5 Structure of the Study

The following chapters focus on the general aspects of the policy and its implementation and then proceed to the specific nature of the policy and the development programs which have started as a result.

Chapter Two examines the situation within the Department of Renewable Resources and Transportation Services which led to the formulation of the policy. The economic and sociological implications that become important when any policy is implemented are also examined in this chapter.

Chapter Three focuses on the methodology used in the study. It outlines the process leading up to the field research and describes how the data was organized for evaluation.

Chapter Four presents the study results. The views of the community leaders on the policy, and departmental procedures and projects are determined by extrapolating their answers to questions relating to funding, decision-making, better business management in the future, and the changing attitudes of departmental staff and the community residents.

In Chapter Five the long-term implications and projections of the programs which presently exist in the communities are examined. This chapter also deals with general conclusions, the limitations of the entire study and suggestions for further research on resource development in remote communities.

#### 1.6 Summary

The purpose of this chapter was to provide an introduction to the resource development situation in northern communities, and outline the problem to be investigated by this study. The socio-economic conditions existing in the remote communities and the reasons for these conditions are examined.

The next step was an examination of past development policies and programs which were carried out either through the combined efforts of the federal and provincial governments or through



the RRTS and which were designed to alleviate the situation in remote communities. This was followed by a review of the RRTS resource policy, its goals and objectives.

The problem to be examined in this study was outlined and the objectives, which were to assess the views of the community leaders about the policy and to identify the short and long-term impacts resulting from the implementation of the resource policy, were given. Finally, there was a brief review of what is to be expected in the later chapters.

## CHAPTER 2

### GENERAL BACKGROUND OF THE RESOURCE DEVELOPMENT POLICY

#### Introduction

The purpose of this chapter is to present the rationale for the formulation of the resource development policy and to examine some of the factors which may affect the implementation of the policy. The chapter is divided into two major parts. The first section deals with the background to the development of the resource policy of the RRTS and describes some of the aims and objectives of that policy. The second section examines some of the theoretical concepts underlying the resource development process and the role of the department and the community in successfully implementing the resource policy.

#### 2.1 The Genesis of the Development Policy

In 1973 the provincial government of Manitoba introduced a lengthy policy statement entitled Guidelines for the Seventies, which emphasized the present state of the human and physical resources within the province and indicated which trends should be maintained and which should be altered or reversed through initiatives in government programming. Guidelines contained policies which were related directly to the development of human resources in the remote areas of the province. The discussion on the approach used in Guidelines for the Seventies stated, in part:

*The government has adopted a development planning concept which entails the establishment of a set of basic development guidelines which appear to conform closely to the fundamental objectives of*

*the people of Manitoba. These guidelines in turn function as a planning framework from which may be derived a number of specific program alternatives, whose values can be tested in terms of basic principles.*<sup>1</sup>

The planning framework was built on four basic principles:<sup>2</sup>

1. The implementation of an effective stay option, through policies and programs which will prevent Manitobans from being compelled by economic forces to leave their province.
2. The achievement of greater equality of the human condition for all Manitobans through a more equitable distribution of the benefits of development.
3. The promotion of public participation in the process of government and more particularly, in the development decisions which will affect Manitobans in the future.
4. The maximization of the general well being of all Manitoba.

The stay option, as outlined in Guidelines, will be beneficial both to northern and southern Manitoba, including Winnipeg, because such a policy if implemented successfully, will lead to a "less crowded urban environment, a more prosperous countryside and a northern setting in which residents can take advantage of northern employment opportunities and can participate meaningfully in the development of their region."<sup>3</sup>

There are two reasons, however, why the stay option policy cannot be totally effective in promoting resource development in

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<sup>1</sup>Province of Manitoba, Introduction and Economic Analysis, Guidelines for the Seventies, Vol. 1, p.12.

<sup>2</sup>Ibid., p.13

<sup>3</sup>Guidelines for the Seventies, Vol.1, op.cit., p.46.

remote communities. First, there will always be a number of people, especially the younger members of the community, who will be attracted to urban areas despite the economic opportunities available to them in the remote areas. Out-migration of the younger population can contribute to a rise in the dependency ratio, as the people who remain in the community may be mostly older residents, some of whom will be unable to work. Consequently, there will be a fall in local demand for goods and services, and this will lead to reduced economic growth in these communities. Second, government has always found it difficult to encourage secondary and tertiary industries to locate in remote areas.<sup>1</sup> Some reasons for this are that transportation services are inadequate and costly, and most of the markets for the final product are located either in southern Manitoba or in other provinces. Also, there is the problem of labour availability in the communities for these industries. Most of the residents do not possess the skills necessary to become involved in secondary or tertiary projects. Therefore, any economic ventures in the rural areas must be initiated and subsidized by government.

Guidelines for the Seventies suggests some solutions to the problems of development in rural Manitoba, but emphasizes that the initiative of instituting the policies has to come from the individual provincial government departments.

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<sup>1</sup>Isard, W., Location and Space Economy, M.I.T. Press

The Department of Renewable Resources and Transportation Services introduced their resource development policy in May, 1976. The policy statement stressed the fact that before any resource development and management programs are initiated, provision should be made for those who live close to the resource to derive the greatest benefit from the use of the resource. It was also emphasized that the individuals responsible for the delivery of the program package to the community should understand and participate in the development process.<sup>1</sup>

The first step in the resource development strategy, was to obtain an inventory of resources which could be allocated to the community on a first-priority basis. The next step was to help the community plan its own strategy for development of its resources while the department created the necessary conditions for this development to take place.<sup>2</sup>

The ultimate aim of the strategy is to try to bring together the resources of the north and the needs of the people who live there. The program outlined to achieve this goal was the promotion of economic development on a scale that facilitates local ownership and control of the enterprises by the community.<sup>3</sup>

It should be pointed out that this development approach is quite different from that contained in the General Development Agreement and in the Manitoba Northlands Agreement between the

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<sup>1</sup>Policy Statement, op.cit., p.2.

<sup>2</sup>Resource Development: Resource Managers Seminar, speech by Dr. John Loxley, March 1976, pp.32-28.

<sup>3</sup>Ibid., pp.32-33.

federal and Manitoba governments. The policy outlined in those agreements implied that development will take place, but the residents had only the option to participate. The development strategy outlined by RRTS indicates that the residents will be encouraged and supported in the development and management of their resources by the department. The assistance from RRTS will be in any form necessary to promote resource development. Some of the measures to be used include technical, marketing, financial, organizational and advisory support. The persons administering this assistance will be the departmental staff of RRTS. The pattern that emerges between the department and the communities as a result of this policy demonstrates a link which will from hereon be referred to as the "critical interface". The factors shaping this interface include cultural differences, preconceived ideas, attitudes, trust, perception and communication on the part of the development staff and the community leaders. This critical interface will be discussed in greater detail when the sociological implications underlying the policy are examined.<sup>1</sup>

## 2.2 Socio-Economic Variables Implicit in the Resource Policy

Underlying the implementation of the policy proposed by RRTS are various socio-economic variables which may positively or negatively affect the ultimate success of the policy. The economic approach implicit in the resource policy has some of the elements present in the traditional welfare approach which postulates that one way of maximizing the welfare of the community is

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<sup>1</sup>The theory of the critical interface is discussed in greater detail on pp.25-29.

through better use and allocation of its resources.<sup>1</sup>

Traditional welfare economics stipulates that the well-being of the community depends upon the satisfaction experienced by each of its individual members. Attainment of individual satisfaction is influenced by the manner in which the community's resources are allocated among different kinds of output and among members of the community.<sup>2</sup>

*"These conditions could be described in economic terms as distributive efficiency which shows how any particular aggregate output should be allocated among members of the community, technical efficiency which refers to the question of whether resources producing any particular output combination are allocated in such a manner that the output in question is being produced efficiently, and allocative efficiency which is the extent to which the existing combination of outputs correspond to the combination which will maximize the aggregate welfare of individual members of the community."<sup>3</sup>*

If at any point in time, any one of these conditions is achieved it can be said that an efficient allocation of resources has been achieved. However, the ideal or Pareto optimum condition, which is that point where maximum social welfare is reached in terms of the theory of welfare economics, can only be achieved when the three conditions of distributive, technical and allocative efficiency, simultaneously reach their maximum levels.

The difference between the traditional social welfare concept and the approach taken by RRTS lies in the department's view toward economic costs and the provision of net social benefits. Traditional welfare economics states that one of

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<sup>1</sup>Kafolgis, Milton Z., Welfare Economics and Subsidy Programs, University of Florida Monographs, #11, Summer 1961, p.6.

<sup>2</sup>Walter Nicholson, Intermediate Microeconomics and its Application, Dryden Press, Illinois, 1975, p.417.

<sup>3</sup>Douglas Needham, "Public Policy and Industrial Structure," Economic Analysis and Industrial Structure, University of London, 1969, pp.138-139.

the conditions necessary to achieve Pareto optimum is that total costs must be at a minimum. The RRTS, on the other hand, takes the position that it is only necessary for total costs to be less than transfer payments for a net social benefits or a condition of economic efficiency to be achieved. Dr. John Loxley illustrated this fact by using a hypothetical example:

*"Assume an activity revenue of \$100,000 and an activity wage cost of \$150,000. Result--an apparent cash loss of: \$50,000.*

*The apparent cost of Government by way of subsidy then equals \$50,000.*

*But assuming a relatively low welfare cost of the thirty families involved to be \$1000. per year, Government saves, in welfare costs: \$30,000.*

*Assume that on the \$150,000. in wages, the earners pay 5% to Government in direct taxes: \$7500.*

*Suppose extra sales tax revenue generated \$2500.*

*Then returns and savings to Government amount to \$40,000.*

*The loss, therefore, is reduced to \$10,000.*

*If you were to argue, for example, that welfare costs would be double the figure used in the example, then the amount saved on welfare costs would be \$60,000. instead of \$30,000.*

*Total returns and/or savings to Government would be \$70,000. instead of \$40,000.*

*The net social benefit, therefore, would be a +\$20,000. instead of a -\$10,000.*

*Provision may be made for minimum wage levels throughout the North. Welfare payments may also be adjusted to reflect the higher cost of living. Both wages and transfer payments may be indexed to reflect changes in northern costs of living.*



*A minimum level of services will be defined for all communities in the North and a minimum standard of living defined for all families in the North."*<sup>1</sup>

It was acknowledged that the examples omitted a number of relevant factors needed to demonstrate clearly the principles involved.<sup>2</sup> Nevertheless, some of the factors which were omitted are very important in the development strategy, for if they were considered, they might influence government's decision to use the social welfare approach in resource development.

Factors which should be considered and analysed, in addition to the factors considered in the above example are the direct and indirect costs and benefits resulting from the resource programs. The common procedure followed when government decisions are made concerning programs, is to place emphasis upon direct costs and benefits, and ignore indirect costs and benefits. These indirect costs include the cost of services incurred by the government in the provision of resource development programs to the community. In the case of RRTS, the indirect costs include the cost of teaching of techniques and skills to community residents, the cost of input by other government agencies into these programs and the time spent travelling to and from communities by departmental staff. If indirect costs and benefits are not considered in the calculation of the net social benefits, it may be found that the use of the social welfare approach to promote resource development

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<sup>1</sup>Manitoba Department of Renewable Resources and Transportation Services, "Guidelines for Renewable Resource Development," edited by Freeman Compton, pp.14-15.

<sup>2</sup>"Guidelines for Renewable Resource Development," op.cit., p.13.

ineffective and that efforts directed to another alternative may produce the same result at a lower cost. On the other hand, because indirect benefits are very large, examination of these variables may reinforce the social welfare alternative. This would probably result in support for the program by the community and the development staff.

### 2.3 Sociological Implications

#### Introduction

In addition to the economic implication of the resource policy, there are sociological variables which can influence the outcome of the policy implementation. As mentioned earlier most of these sociological factors are present in the critical interface existing between the development staff which is at the base of the bureaucratic structure of the development branch, and the leaders of the community who are at the top of the community pyramid (see Diagram 3). Together, these factors can lead to positive results such as motivation and participation or incur negative effects such as apathy and rejection.

Before any resource development can begin, the residents of the community, and government staff, must relate in a positive way to each other. Previous studies of the relationship between government and native Indians have indicated that the government attitude toward native residents is destructive. In 1969, Jean Chretien, then Minister of Indian Affairs and Northern Development, stated:

*"It was clear through a meeting of Indian leaders of various communities in Northern Canada that they were dissatisfied with their present relationship with government which they labelled both paternalistic and bureaucratic."<sup>1</sup>*

In another survey undertaken by The Canadian Council on Rural Development (CCRD), of approximately 100 local development associations, it was found that a majority of the groups cited "lack of government response and red tape"<sup>2</sup> as their main problem with government.

In still another report on the status of Indians, it was pointed out that native populations were reluctant to do business with the province because they interpret the action of the federal body as a plan to relinquish their responsibilities to the province.<sup>3</sup>

The Indian people believe that the federal government is historically and morally obligated to look after their needs and to correct past wrongs. The federal government has been accused of opting out of its responsibilities to the native people, and a concern on the part of the provincial government has led them to become involved in programs for the native people.<sup>4</sup> It was reported that until 1950, the provincial involvement consisted of the disposition of Indian reserve lands and a few isolated programs which were wholly federally funded. By 1964, through

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<sup>1</sup>Hon. Jean Chretien, Indian Policy--Where Does it Stand--A Speech, October 16, 1969, p.1.

<sup>2</sup>Canadian Council on Rural Development, Toward a Development Policy for Canada, 4th ed., Ottawa, 1972, p.8.

<sup>3</sup>Intergovernmental Relations Sub-Committee of Cabinet, Program Analysis of Government Services on Status Indians, April 22nd, p.2.

<sup>4</sup>Ibid., p.2.

a series of legislative acts, the provinces found that they had inherited a major share in programs and fiscal responsibilities to the native people. The province's total contribution to programs involving native people rose from 15 percent in 1970 to 30 percent in 1976, and it has been estimated that at the present rate of increase, Manitoba will be paying 50% of all Indian costs by 1984.<sup>1</sup>

Since the provinces are assuming greater responsibilities in the development in the North, their relationship with the residents necessitates the development of a sense of trust and support in the population who will benefit from resource development. Dr. John Loxley, Secretary of the Resource Economic Development Committee of Cabinet of the Manitoba Government, stated:

*It is extremely important that the people in the north understand what is being proposed and that they accept what is being proposed and that they alter it and amend it according to how they see full opportunity to help develop any proposals which come out of the northern planning exercise.*<sup>2</sup>

#### 2.4 Approach to Resource Development: Role of Field Staff

Before the residents can understand or accept what is being proposed the RRTS must hear and give careful consideration to the opinions of the people and they must also establish trust and good working relations with the people who they will later be advising. The task of making the policy a reality

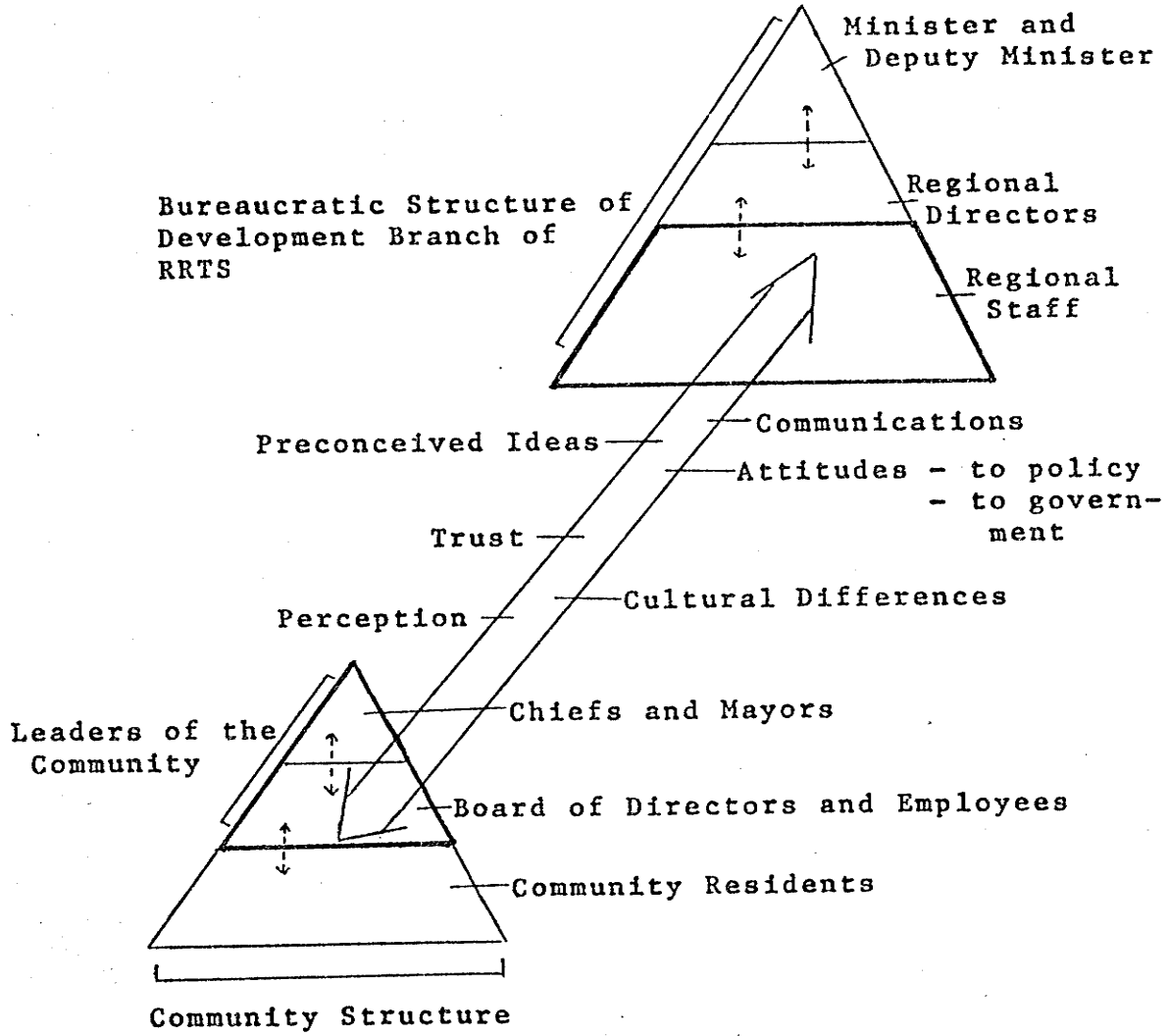
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<sup>1</sup>Ibid., p.16

<sup>2</sup>"Guidelines for Renewable Resource Development," op.cit., p.11

Figure 3

The Critical Interface between the Regional Staff  
and the Community Leaders



depends largely upon the leadership style that the regional department staff uses in working with the community leaders. There are a number of extension methods that can be used to communicate with the leaders. Figure 4 is an adaptation of a continuum for leadership styles relating to the degree of control in decision-making used by the field staff or the amount of participation in decision-making they accede to the community leaders when they proceed to implement the policy. Members of the field staff who use the leadership style on the extreme left of the continuum are influenced by the bureaucratic structure they represent, their personal attitudes towards self-reliance and their need for power and control.<sup>1</sup> However the use of this authoritarian approach will only intensify the negative attitude already held by some community residents. This could lead to them rejecting the policy procedures and projects before they have the opportunity to fully understand them.

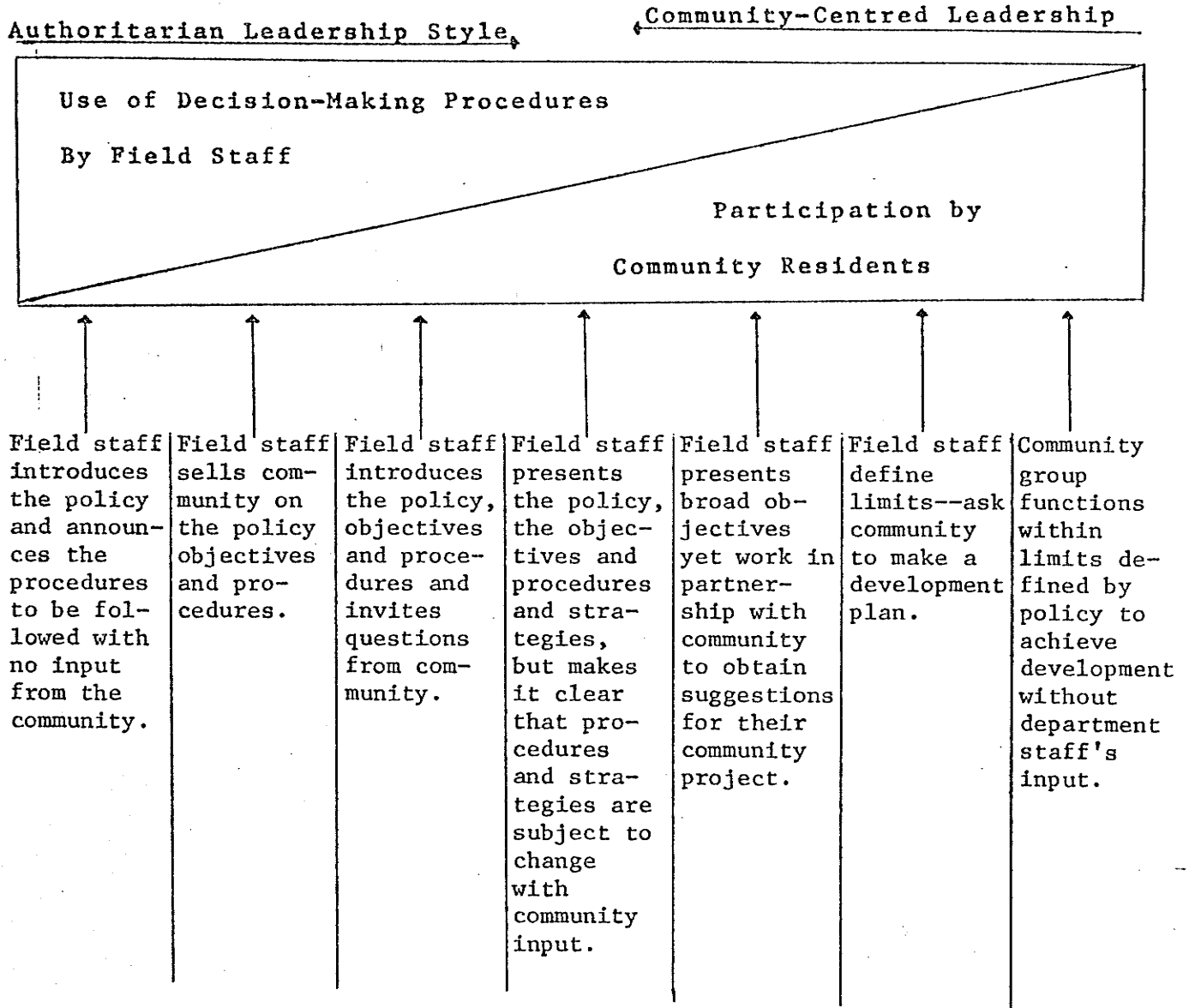
At the other end of the continuum, the community residents proceed to organize themselves, to plan and to implement a development project without the involvement of the RRTS staff. The disadvantage of using this approach is that the program could fail if the community leaders have had no experience in resource development. This situation can be overcome, however, if the community hires outside expertise for their project.

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<sup>1</sup>Gibson, Ivancevich and Donnelly, Organization Behavior, Structures, Processes, Business Pub., Inc., revised ed., 1976, p.203.

Figure 4

Leadership Style Continuum



Source: Adapted from Gibson, Ivancevich and Connelly, Organizations, Behavior, Structures, Processes, p. 203.

The leadership style which may produce the best results is one where the community is encouraged to exert some influence on the procedures and strategies designed to implement the policy. The community leaders define their development goals and work with the field staff in developing and implementing the project.

Theorists on community development have stated that although a leadership style that will enable the residents to define their development goals and work in partnership with the development staff may be employed, the community residents should be motivated to ensure that the full intent of the policy is achieved. It was stated that two conditions should exist which would enable the residents to be motivated. First, they must realize that their welfare is at stake and second, they must be assured that their involvement will have some influence and control on decisions made in the resource development process.<sup>1</sup> The first condition may be satisfied when community leaders recognize the symptoms of underdevelopment and realize that their lifestyle is being threatened by their continued support for the welfare programs present in the community. The second condition can only be satisfied through experience in the development process, although some indication will be given by the initial leadership approach used by the field staff.

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<sup>1</sup>CAP Mission Guide, Participation of the Poor in Community Decision-Making Process, August, 1969, p.2.



When the community has been motivated to take part in self-development, active participation can begin. The field staff can work with the leaders to identify goals and formulate plans for the development project. As the project achieves a sense of identity, the field staff can relinquish their position so that the residents can assume responsibility for the project. Nevertheless, the field staff can continue to serve the group in a consultative capacity until the community becomes completely self-reliant.

#### Role of the Community Residents

Successful implementation is a two-way street and much of the responsibility for this extends to the community leaders as well as to government personnel. In order for a development program to be successful, the leaders of the community and those in charge of the project should possess the desire to accomplish change in themselves and in the community, and even though they are acquainted with the authoritative and paternalistic treatment of government agencies in the past, they must be willing to accept the help of the outsiders.

It is up to the community leaders to screen the type of enterprises that government agencies wish to start in the community. They should choose those which are judged to be most beneficial to the community and should resist the temptation to accept any project merely because of the amount of money involved.

The leaders should also be wary of becoming a "prisoner of bureaucracy" in attempting to respond to the different government agencies which compete for community support for various programs. Leaders should try to procure integrated development programs as opposed to a fragmented series of programs which do not work towards one common goal.

### Conclusion

At present, community leaders are inexperienced with the planning concepts necessary to initiate resource development. They are also unfamiliar with the various budgeting principles which are a necessary part of any economic enterprise. Therefore, adequate support must be provided for planning and ensuring that sound technical and managerial skills are available at the community level for community-oriented businesses.

There are also some additional problems to be worked out at the community level. One of these relates to the influence of kinship relations on the activities of the development project. In the remote communities, many of the residents are related to each other and it can be difficult for the leaders to introduce strong disciplinary actions on difficult workers. Also, if the community members responsible for implementing the program are related, it can be difficult for constructive criticism of the plans and procedures to be given and to be heeded. To ensure that the highest quality of decisions are made at the community level, and to overcome obstacles relating to kinship and family ties, training in community decision-making and community conflict/resolution should be provided.

Finally, there is a basic need for the leaders and the community residents to recognize that to make any venture a success, they must give the project their full support. Resource development workers should ensure that the leaders and residents are involved in solving the problems as they arise.

## 2.5 Summary

In Chapter Two, a general background or history of the development of the policy was presented and a theoretical framework was developed to examine some underlying factors of the policy statement. It was postulated that these factors, such as economic and sociological variables, can have either positive or negative effects on the implementation of the policy. It was also stated that the policy must be evaluated in light of the underlying factors through to its implementation. This exercise is important because of the difference that exists among the communities and among the people delivering the programs. It may be difficult for some of the individuals who institute the program to accept all the underlying variables discussed in this chapter. However, an effort should be made to make explicit the implicit factors which exist in the policy and some compromise should be made to achieve the desired goal of resource development.

In the following chapters, nine communities in which resource development projects have begun will be examined from the point of view of the leaders of the communities. Preliminary observation on the impacts of the implementation of the policy will also be made.

## CHAPTER 3

### METHODOLOGY

#### 3.1 Framework of the Study on Resource Development in Remote Communities in Northern Manitoba

##### Introduction

This chapter outlines the methods used in the field research, the purpose of an interview schedule and the general principles involved in its construction. The interview schedule is broken down into sections with discussions of the rationale behind the inclusion of the questions.

The methodology is not based on any statistical study or the derivation of mathematical models or formulae to prove empirical data. Rather, a qualitative approach was chosen because the sociological and economic factors which are important to resource development could be examined more effectively.

##### In-depth Method: Advantages and Disadvantages

The technique chosen to examine these factors was the in-depth interview method. This technique can be described as an exploratory tool used to obtain detailed descriptions or explanations of certain types of social behaviours and activities. The goal of the field research is to obtain information that cannot be anticipated. It is left to the respondents to supply their own answers to the questions so that they could express in detail their deepest thoughts and feelings.<sup>1</sup>

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<sup>1</sup>Wiseman and Aaron, Field Projects for Sociology Students, Schenkman Publishing Company Inc., U.S.A., 1970. p. 28.

A major advantage to the in-depth interview method, is its flexibility. Instead of going into the field with very specific and narrow hypotheses to be tested, the hypotheses and categories are developed during the course of the investigation.

The major disadvantage of the in-depth interview method is the difficulty of quantifying and organizing the data collected. Also, the validity of this method depends not only on the willingness and motivation of the respondents, but also on the mental disposition and attitude of the researcher. The researcher must establish and maintain rapport with the respondent. This may mean that the researcher must allow the respondents to repeat information which is already known by the researcher. Patience is required on the part of the researcher while articulateness is necessary on the part of the respondent. This problem was not encountered by the researcher in this study because the people interviewed were prominent members of the community who had experience with various types of interview methods, both by government and by other institutions.

#### Organization of the Study

With the introduction of the new policy, the mechanism for delivering and interpreting the RRTS programs to the communities was through the development staff. Therefore, one initial idea for the study was to examine the effectiveness of the departmental policies and programs from the viewpoint of the field staff. Departmental (RRTS) extension staff have in the past pursued traditional roles in the communities. The researcher in this study wished to discover how new activities resulting from the new policy affected the roles taken by the

field staff and whether or not new perceptions and attitudes affected the delivery of RRTS programs to the community. Unfortunately, time constraints did not allow the researcher to pursue this goal; however, it is recommended that this research be carried out if the department desires to be efficient and effective in implementing the policy.

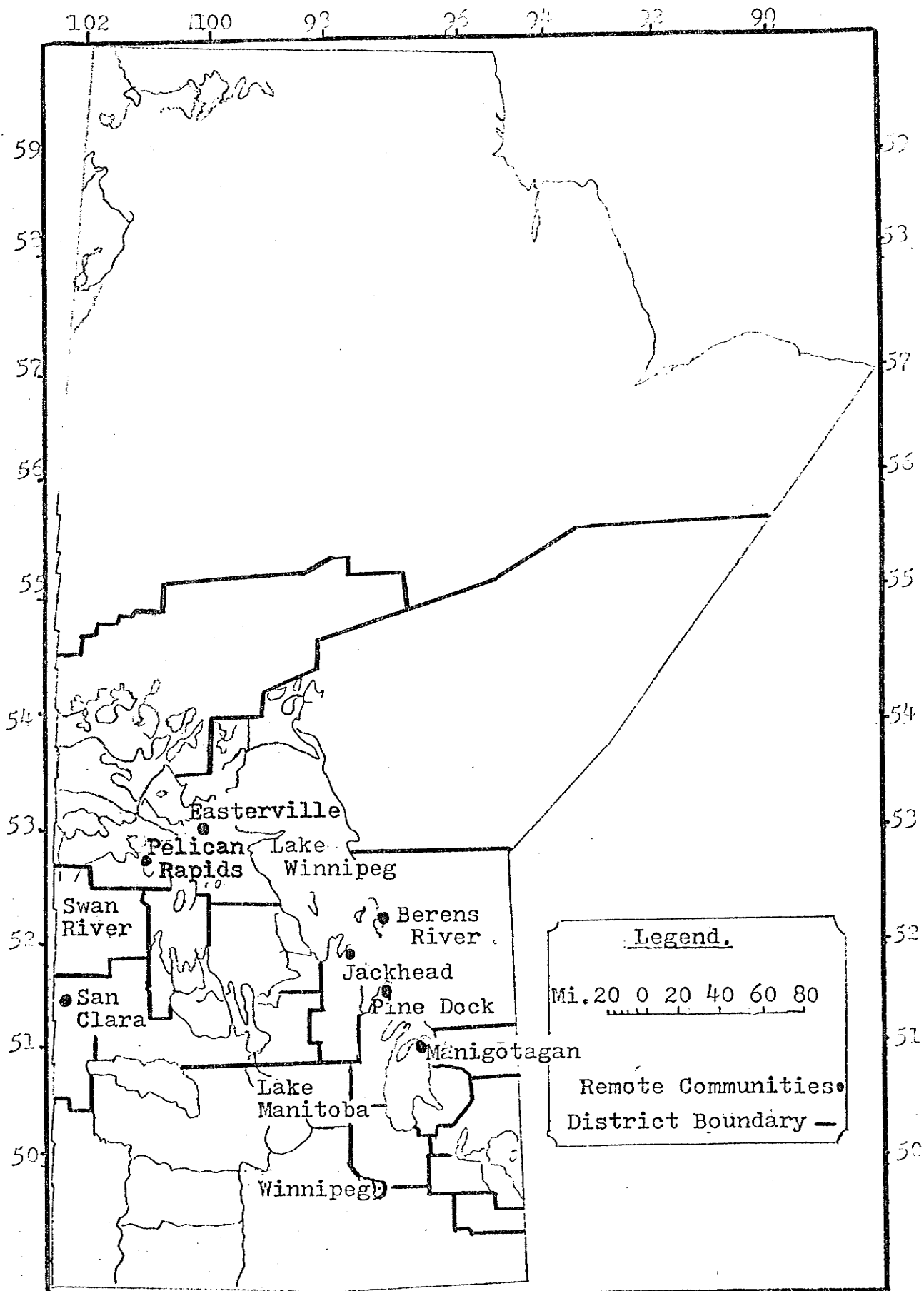
The approach ultimately chosen for the study was for the researcher, acting as an independent observer, to examine the department's programs and policies from the viewpoint of the communities. It was believed that the community members would be more open and more likely to give an honest appraisal about the services they were receiving. In this way, another opinion could be made available to the department and this could make a positive contribution to the manner in which the policies and programs relating to resource management for the communities are shaped.

Owing to the time constraint imposed on the study, two criteria were used in choosing the communities to research: the type of project in progress in the community, and the fact that actual development work must be in progress in the community chosen for study. It was decided that to study only those communities where forestry programs were in place because most of these programs were on-going in the winter months, the only period during which the study could be done. Many of the forestry programs were initiated as a result of the policy; however, areas such as Manigotogan, Easterville and Berens River, where programs were started before the initiation of the policy,

appeared to have increased activity since the implementation of the revised policy. The information concerning those communities in which development work was being carried out was obtained from a series of development reports prepared by the regional directors for the Minister. The list of communities chosen from the reports was as follows: Pelican Rapids, Duck Bay, Camperville, San Clara, Manigotogan, Little Grand Rapids, Easterville, Garden Hill and Ste. Theresa Point. The list was modified after consultation with development staff of RRTS and the new list was composed of communities which the development staff thought were representative of significant development work.

Some bias was inherent in the study because it was restricted only to those communities which were perceived by the development staff as having resource development programs. It may have been more meaningful to choose some communities in which no development work has been carried out, but where some attempt has been made by RRTS to introduce resource development programs. The researcher would have been able to examine more thoroughly the problems encountered by the development staff and the community in getting the project started.

The communities finally chosen included: Manigotogan, Berens River, Easterville, Swan River, Pauingassi, San Clara, Pelican Rapids, Jackhead, Pine Dock and Little Grand Rapids. (see Map 1).



Map 1. Remote Communities Visited in Northern Manitoba



### Interviewing Method

Following the selection of the communities, a proposal outlining the objectives of the study, was submitted to the Natural Resource Institute at the University of Manitoba and to the Department of Renewable Resources and Transportation Services, and a list of questions was developed to be used to obtain the views of community residents about programs and policy implementation. A list of 16 questions (see appendix II) was reviewed by three government agencies associated with the study communities.

Time constraints and the fact that many community residents were not familiar with the new development policy necessitated limiting the scope of the opinion survey. The interviews within the study communities were restricted to the chiefs, mayors, Band council members and other members of the community who were on the board of directors of the companies formed to implement the resource development programs. It was assumed that these persons were cognizant of community development programs.

Twenty-five interviews with persons chosen from nine communities were conducted. It was difficult to obtain more people for the interviews because those needed were usually out fishing or at the sites of the logging operations when the researcher visited the community. Each formal interview lasted a minimum of 15 minutes and many of the interviews were followed up with a general discussion of the policy and the

resource project. The manner in which each interview was conducted varied. In one community, the leaders were interviewed as a group, while at the other communities they were interviewed very informally on a one-to-one basis.

It was always made clear that the research was being done in conjunction with the Natural Resource Institute but was independent of the RRTS. This precaution was taken so as to disassociate the researcher from RRTS in order that the leaders did not feel compelled to say favourable things about the policy or projects.

### Conclusion

Some leaders stressed specific features of the policy such as monetary and physical assistance in the hope that the department would be more aware of their problems in those areas. Based on specific answers to some of the questions and judging from the general trend of the discussions with some community leaders, it was concluded that these leaders were politically oriented, and were concerned about the effect of the study on future decisions made by the department concerning their communities.

### 3.2 Construction of Questionnaire

The answers to the questions were placed into five categories, moving from the general to the specific. The first section dealt with the policy in general. The second category was based on decision-making and participation. The third

category was based on funding. The fourth section focussed on future management of resources in the community by the community residents, while the last section was based on changing attitudes of the community residents and the field staff to each other as a result of the implementation of the policy. Questions contained in each section are discussed in detail in this chapter; the results and analysis are examined in the following chapter.

Section I: General Information

1. Can you name any projects that have been undertaken in the community?
2. How long have they been going on?

Questions 1 and 2 provide basic information about community projects such as how many summer projects were conducted as compared with the number of long-term projects.

Section II: Decision-Making

3. Are you now more involved in making decisions about the activities carried out by RRTS in the community?

yes \_\_\_\_\_ no \_\_\_\_\_ Don't know \_\_\_\_\_

Question 3 is a very specific question which provides information on the degree of participation that the community leaders believe they have in the resource development project. Respondents were asked whether they believed that community involvement in decisions made about activities in the community had increased. An affirmative answer to that question suggested that objective #8 of the policy statement which states that resource users

must be involved as much as possible in the decision-making process about resources surrounding their communities, was being met. The degree of participation on the part of the leaders was measured on a scale of zero to ten, and was dependent on the observed reaction of the respondent by the researcher.

Section III: Funding

4. Do you find that it is now easier for you to obtain money for these projects?  
yes \_\_\_\_\_ no \_\_\_\_\_ don't know \_\_\_\_\_
5. Has the change in policy of RRTS affected the number of agencies that you have applied to for funding?  
yes \_\_\_\_\_ no \_\_\_\_\_ don't know \_\_\_\_\_

Questions 4 and 5 provide information about the funding situation in the communities. Question 4 sets up a comparative situation to find out if it were easier to obtain funding since the revised policy was introduced. An affirmative answer to this question supported objective #7 of the policy statement which states that the department would coordinate and cooperate with other governmental agencies to build a strong self-sufficient local economy. Implicit in this objective is the concept that the cooperation and coordination can be in the form of obtaining funds for the project. Question 5 was intended to give an indication as to whether or not respondents are encouraged to apply to more funding agencies since the implementation of the policy. Another issue which was resolved by this question was whether the leaders are now more aware of the criteria set down by the funding agencies.



Section IV: Better Management in the Future

8. a) Do you believe that this new approach by RRTS will help you to manage your resource better?

yes \_\_\_\_\_ no \_\_\_\_\_ don't know \_\_\_\_\_

- b) If yes, why?  
c) If no, why not?

Question 8 was designed to probe the respondent's views about the future of the resource development program. Objectives #5 and #6 of the policy state that the resource programs should assist the communities in obtaining the maximum return from their resources and that there should be more emphasis on secondary and tertiary activities. It was also stated in Guidelines that future residents of remote communities should manage or own their resources.<sup>1</sup> Therefore, Question 8 was asked in order to test the respondent's views on future management and ownership, and to test to what degree they believed the policy was designed to allow community management in the future.

Section V: Changing Lifestyles and Attitudes

7. a) How do the residents feel about the changes?  
b) Why are they pleased about the changes?  
c) Why are they not pleased with the changes?
11. a) Are the RRTS officials more readily helpful since these policies have been implemented?

yes \_\_\_\_\_ no \_\_\_\_\_ same as before \_\_\_\_\_

- b) What other changes have you noticed with the staff of RRTS?

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<sup>1</sup>Renewable Resources and Transportation Services, Department of, "Guidelines of Renewable Resource Development," ed., Freeman Compton, Winnipeg, Manitoba, September, 1976.

11. c) Is there anything about these changes in staff (procedure) that turns you off?
9. What training programs, if any, have been started in the community as a result of these policies?
12. Compare and contrast activities in the community before and after these policies were implemented.

Question #7 provided information on the reaction of the residents about the resource projects in the community. It was intended to find out if there were specific characteristics of the projects with which the residents were satisfied or dissatisfied. The answer to this question demonstrated the degree to which the Department of Renewable Resources and Transportation Services was implementing objectives concerned with promoting increased resource economic development through greater use of renewable resources with emphasis on high employment areas. This question also indicated whether or not local resources were being developed to fulfill immediate local needs.

Questions 11 a), b) and c) were designed to elicit comments from the community leaders about any changes in the attitude of the staff of Renewable Resources in their work with the communities. Questions 11 b) and c) were specifically intended to gauge the attitudes of the conservation officers. Answers to these questions indicated whether the department's actions are in accordance with the objectives of assisting the communities to plan and implement all community development activities and to pass on the necessary skills and expertise that would be beneficial to the residents in their programs. Question 9 was

also asked in an attempt to measure to what extent the residents were being taught new skills in the communities.

In an effort to obtain another dimension on changing attitudes, a general question (12.) was asked about the changes which have taken place in the communities since the implementation of the revised policy. The question was phrased in a comparative manner. The respondents were asked to describe what the physical, social and economic conditions of the community were before the resource program came into existence and what the circumstances were now that the policy has been implemented.

### 3.3 Summary

This chapter has been described the method used for identifying the opinions of the community leaders about the resource development programs on-going in their communities. The research method used in the field was an in-depth interview schedule; questions, which were pre-tested, were designed to obtain some specific, but mostly general information about the resource policy. The following chapter deals with an analysis of the answers which were obtained from the questionnaire.

## CHAPTER 4

### RESULTS OF ANALYSIS OF DATA

#### 4.1 Introduction

There were a number of common themes that emerged from the information obtained from the communities in the study. All the communities were engaged in some form of summer programs funded by various government agencies, such as the Local Improvement Program (LIP), Canada Manpower, New Careers, SN(N)EP and Special ARDA. These programs included housing renovations, dock building, general road maintenance and fishing. These types of programs generally begin in the spring and continue through to the fall. During the winter months, some of the communities may be involved in fishing, but generally, job opportunities are few and the residents who are out of work receive welfare or unemployment benefits.

In the communities of Manigotogan, Easterville and Berens River, this work pattern, relating to year-round employment, was changed a few years ago when the people became involved with forestry programs conducted under the Department of Renewable Resources and Transportation Services. The programs included logging operations, sawmill operations, or other activities such as fence post production. For other communities



such as San Clara, Jackhead and Pine Dock, the pattern has changed in the past year, when, as a result of the new policy by RRTS, forestry programs were started in these communities. Jackhead and Pine Dock conducted cutting and hauling operations, while in San Clara, the cut logs are used primarily for the building of log houses. Since the policy and programs have only been implemented for one year the immediate impacts on the communities were investigated, while the long-term effects were based upon speculation on the part of the researcher.

#### 4.2 General Overview of Attitudes Toward the Policy

Overall, all the community leaders interviewed were satisfied with the resource development projects in their communities. This was because they regarded the programs as long-term ventures from which the residents would be able to obtain experience and skills which would be useful to them, not only in the community, but anywhere in Canada. They believed that this type of program would contribute to a positive attitude of the residents toward government and toward life in general. For the first time, the residents were able to have a say about the manner in which community projects should be run. In addition, they regarded the resource development project as an enterprise which could demonstrate to the provincial and federal governments the ability of the community to manage resource projects. Community leaders in Manigotogan and Easterville, for example, believe that many of their requests for financial assistance or more equipment were granted on the basis of the past performance of the programs:

*More money is being turned over by the projects. We don't need to apply to as many agencies and we find it easier to get money because our programs are doing so well.*

The positive response that they obtained from the government agencies has encouraged them to expand their present operations and to develop other programs for the community.

The communities viewed the policy as a medium through which they could begin an enterprise, which if successful, could be a stepping-stone to other enterprises that could be beneficial to the community.

*The policy and the present projects have been good for the community, but we realize that this is only a start. There are a number of other areas we would like to get into, such as tourism and recreation, and we would be looking to Renewable Resources (RRTS) for help in getting these projects underway.*

They also view the benefits provided by the new policy as fundamentally different from those conferred by the summer projects. The summer project approach represents a passive investment in the community, while in the case of projects initiated under the new policy, community residents have a more active role since involvement on the part of outside agencies is perceived as minimal once the project is started.

The implementation of the policy, however, is not without problems, and the experiences of the community of Pelican Rapids can demonstrate this point. The situation at Pelican

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<sup>1</sup>Conversation with Norm Meade, Northern Affairs Worker, Manigotogan, May 18, 1977.

<sup>2</sup>Conversation with Oliver Boulette, Manigotogan, May 18, 1977.

Rapids should be examined in some detail because the problems encountered between the department and the communities are not unique and it is possible that similar problems may be encountered by other branches within the department or by other communities involved in forestry operations. In addition, the problems Pelican Rapids developed serve to demonstrate the importance of the underlying factors existing in the critical interface between the field staff and the community leaders, and the fact that any misinterpretation or absence of the factors will hinder implementation of the policy. The problems developed because of perceptual differences between the community leaders and the development staff of RRTS. Each party interpreted the implementation of the policy and management of the projects differently. It therefore became impossible to agree on a common course of action to effect resource development in the communities. Originally, the community of Pelican Rapids was chosen for study because the sawmill operation was supposedly in a transition stage, changing from a training program to a resource development program. The sawmill operation at Pelican Rapids was under the jurisdiction of the Department of Health and Social Welfare, and the Department of Manpower, and was funded by the Local Employment Assistance Program (LEAP). At the time of this research, the operation had a ready market for the timber and it was reported that their quota for 1977 was already sold.<sup>1</sup>

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<sup>1</sup>Survey done in Pelican Rapids.

Because the program was under the jurisdiction of Manpower, it was regarded as a training program; therefore, when the revised policy of RRTS came into existence, the development branch decided that Renewable Resources and Transportation Services should take over its operations and turn it into a development program, giving the residents more autonomy in the sawmill operations.<sup>1</sup>

According to the residents of the community, approximately one year ago, a meeting between the department and the community was held to discuss the takeover. It was reported that at that meeting, the department decided that "they would not have anything to do with the project because the operation was run-down and the equipment was too old."<sup>2</sup> Therefore, no takeover was effected. It was also reported that the community approached RRTS to assist them in purchasing a wood planer for their operation. The operators believed that if they could plane their timber they could sell it at a higher price on the market. The department denied their request.<sup>3</sup> The community leaders are rather disappointed with the department as they believe that their efforts to improve their operations are being thwarted by the uncooperative attitude of RRTS.

To obtain a better understanding of the problem encountered in Pelican Rapids, the reasons given by the department for their

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<sup>1</sup>Development Reports, Department of Renewable Resources and Transportation Services, 1976.

<sup>2</sup>Discussion with Mr. Ernie Clarkson, Foreman of sawmill in Pelican Rapids.

<sup>3</sup>Ibid.

reluctance to participate should be known. The department is of the opinion that they will be unable to produce a development program from the sawmill operation because the finances necessary to effect this change are beyond their capabilities. Implicit in the reason for non-involvement in development at Pelican Rapids is that, to a certain degree, economic viability of the projects is a very important issue. Funds are available for resource development projects, but restrictions are placed upon how far financially the department can become involved in the project. Therefore, what may be desired by RRTS in fulfilling the objectives of the policy cannot always be achieved.

In the case of Pelican Rapids, there appears to be a lack of communication between the department and the community, because the operators of the sawmill believe that the development staff at RRTS do not think very highly of their operation. Also, from the community's point of view, the attitude of the lower echelon of the bureaucratic system (see diagram p. 27) toward the community leaders in the establishment of a community project is perceived as one that can cause a stalemate in resource development. It is interesting to note that the RRTS does not see itself as possessing a negative attitude toward development in Pelican Rapids.<sup>1</sup>

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<sup>1</sup>Further discussion with the staff at the department of RRTS, on September 8, 1977, has revealed that the department has agreed to purchase the planer which was requested by Pelican Rapids.

Nevertheless, the problems which preceded this decision demonstrate the type of bureaucratic entanglements that can impede a resource project.

## Conclusion

An important point illustrated by the situation at Pelican Rapids is the inability of the RRTS to control and allocate funds for the resource programs. At present, funds for the resource development projects must be obtained from a number of funding agencies. The various agencies have distinct requirements which must be met before assistance is given. Many communities do not possess the experience or the capability to understand or meet these requirements, and difficulty in obtaining sufficient funds usually frustrates efforts at resource development. The case of Pelican Rapids reinforces the fact that the allocation of funds for resource projects should be under the jurisdiction of the department which develops the projects, ie., RRTS. This would eliminate the frustrations experienced by the communities as they would only have to apply to one agency. Communities would be able to forego the bureaucratic steps of going through the funding agencies after RRTS has set up its own criteria for resource development in a community. The delays presently experienced in getting projects started would be eliminated.

### 4.3 Policy Implementation in Communities with On-Going Resource Development

#### Funding

In assessing the views of community leaders on the policy and its implementation, and in identifying the impacts of the resource programs, four features were outstanding with regard to the leader's opinion of the policy. These were: funding,

decision-making, changing attitudes and better management in the future.

The community leaders cited one of the drawbacks of the policy as being the administration of funding for the projects. Community leaders believe that the procedures set out by the development strategy have not really changed the process of obtaining money for their projects. Before the policy was implemented, communities that needed funds because they were unfamiliar with the various criteria set down by the funding agencies.<sup>1</sup>

Some of the community leaders reported that they are now better acquainted with the differences in the criteria and they obtain assistance from the field staff. They stated that the reason usually given by the funding agencies for the imposition of qualifying criteria is that until the communities can prove the project is economically viable, they cannot obtain assistance.<sup>2</sup>

### Conclusion

What appears to be taking place is that the agencies are willing to fund short-term projects which provide little economic benefit, but hesitate to fund long-term projects which will provide direct and indirect benefits to the community. The community members believe that these agencies have failed to realize that although little or no economic growth may take place during the first few years of operation, this does not mean that the enterprise has failed, but rather, points to

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<sup>1</sup>Surveys of communities, April-May, 1977.

<sup>2</sup>Results from research at Easterville, Jackhead and Pine Dock, May 1977.

the fact that if the operations is still in existence, the economic trend could change in the future. The agencies are not prepared to take the necessary risks involved in pioneering new economic ventures, and prefer to continue to support the traditional dependency system that would not change the present economic circumstances of these communities.

In those communities where it was acknowledged that it was easier to obtain funding, they believed that the reason was based on their past performance. This action on the part of the agencies supports the fact that they are only willing to give monetary assistance when the communities prove that their operations are economically viable.

The community leaders also believed that part of the problems related to funding is the fact that RRTS is unable to co-ordinate its efforts with the other government agencies.<sup>1</sup> It can be assumed that these agencies are aware of the goals of RRTS, but because of individual agency needs, they are not supportive of the efforts of RRTS.

The result of the allocation of insufficient funds for resource programs are delays in the projects and insufficient or obsolete equipment which could lead to discouragement among workers or to the abandonment of the program. The latter has not occurred as yet, but the leaders believe that on occasion they have been forced to work under great hardships. The problems created by insufficient funds could also contribute to loss of revenue in the community. Because of inadequate

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<sup>1</sup>Ibid.



support from government, the resource projects in the communities could fail and the communities could suffer high losses in revenue. These failures could cause the residents to feel that they are inadequate and incapable of achieving success, and this assumption could have considerable negative implications on future development in these communities.

Another important factor which could result in loss of revenue for the community project is absenteeism which is an acute problem in the communities. Most of the machinery used in the operations requires a certain number of machine hours in order to produce enough revenue to recover capital costs. If these machines remain idle because of employee absenteeism, a loss of revenue will result. The loss in revenue may be so large that the capital costs become greater than the revenue generated from the project. If this trend continues for some time the project could be in danger of failing and the entire community could suffer as a result.

### Participation

On the positive side, some leaders see the policy as progressive because it provides the leaders with more autonomy in running the affairs of the community. They believe that they have been allowed to participate in decisions about how the project should be run to meet the needs of the local residents.<sup>1</sup>

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<sup>1</sup>Results from surveys in the communities of Jackhead, Manigotogan, Easterville, and Pine Dock, May 1977.

However, there are a number of problems which retard full participation on the part of the residents. Some leaders believe that they are being asked to make decisions about an economic system, such as the development project, with which they are unfamiliar and that these decision are to be made within a bureaucratic framework with which they are also unfamiliar. Because of this, they believe that full participation will occur only in the long-run after an initial learning stage, during which they must depend upon the development staff to direct them.

In other communities, leaders who agreed that the policy took a positive approach to decision-making, felt that they were not involved in making decisions about the community resource projects. They reasoned that non-participation on their part was a result of the preconceived attitudes of the development workers. For example, it was felt that the development staff felt that community leaders and residents were incapable of making decisions about resource development; it was felt that consultation with the community about the resource project was minimal for this reason.<sup>1</sup> It was reported in some communities that at times there have been conflicts between the development staff and the community leaders. The leaders stated that some of the development staff have a very authoritarian attitude: "Some of the development staff believe that the community residents are ignorant and are unable to make proper

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<sup>1</sup>Results from research in remote communities, April to June, 1977.

decisions about the program."<sup>1</sup>

This distrust on the part of the development staff has caused some leaders to become antagonistic toward the government employees, and it is believed that these conflicts can cause delays in the projects and apathy on the part of the residents.

Some community leaders are now indifferent to the resource programs outlined by RRTS. This indifference is caused by the perceived authoritarian approach of the development staff and by a perceived breakdown in the communication between the department and the community leaders. For example, leaders in one community stated that participation by them in any decision-making concerning resource development only means that they are recognized as members of the board of directors of the company. Although they hold the position of chief or mayor of the community, and they are familiar with the problems in the community, the leaders maintain that they have no special influence on the board. They are unable to influence the committee to make decisions or pursue a particular course of action which they believe would be beneficial to the community. They stated that their ideas for community projects were often rejected.<sup>2</sup>

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<sup>1</sup>Conversation with a community resident at Manigotogan, May 18, 1977.

<sup>2</sup>Results from surveys of remote communities, May 1977.

Conclusion

The situation points to the fact that the underlying factors of the critical interface are playing a role in the implementation of the policy. The preconceived ideas and the attitudes of the development staff, as well as the communication link between the department and the community leaders, have affected the way the policy has been implemented. The community leaders perceive the attitude of the development staff as being bureaucratic, authoritarian and responsible for their non-participation in development.

As a result, they have learned to cope with the problem of non-participation in another manner. They have come to perceive the development project as an enterprise which they can use for their personal gain. Those members of the community who have the resources buy the necessary equipment required for the project, such as a tractor or a loader, and rent it to the logging company. It can be argued that this approach shows initiative rather than indifference. However the point that should be considered by RRTS is that the residents of the community may not wish to be involved in a co-operative venture with the department but would prefer individual enterprises. Before a project is started in a community the needs of the community should be determined.

Other community members were apathetic toward the resource project and viewed it as they would another make-work enterprise: whenever they needed money, they would go to work; if money were not their immediate concern, they would be absent from the job.

### Changing Attitudes

Community leaders expressed the view that the policy was good because it could succeed in instilling a positive attitude toward their resources in the local people. The leaders of some communities stated that they believed that not long after the project began, the residents felt they had a vested interest in the project. Generally, the leaders are pleased with the changes which had taken place in the community. The residents are pleased because of the personal economic gain and the job satisfaction resulting from the development scheme. In addition, projects were designed so as to allow the residents flexibility in choosing the length of their workweek.<sup>1</sup> In some communities the program has enabled residents to keep revenue circulating in the community. One way in which this is done is through the payment of a rent from the revenue received from marketing the timber, to residents who use their own equipment such as tractors or chainsaws in the logging operations.<sup>2</sup> The impact of the changing attitudes to resource development means that the residents are more willing to acquire new skills through the training programs set up by RRTS. In some communities, the complaint is that there are not enough training programs or that the time span for training is too short.<sup>3</sup>

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<sup>1</sup>Interviews with community leaders in remote communities, April-June, 1977.

<sup>2</sup>Survey of the community of Pine Dock, May 1977.

<sup>3</sup>Conversation with Oliver Boulette, Manigotogan, May 18, 1977.

There have been some spin-offs from the resource programs as community members have started independent businesses, such as sawmills, which in turn, provide more employment for other community residents.

Some community leaders reported that before the introduction of the resource policy and the start of the resource development projects, there were problems such as high unemployment and poor work habits, and many of the residents were receiving welfare.<sup>1</sup> Many of the residents were forced to leave the community to find work. They believe that now the situation has changed considerably; while there is still not full employment in communities such as Manigotogan, Easterville or Jackhead, it was reported that a larger proportion of the population is now employed and the welfare roll has fallen. It was also stated that those residents who previously had to leave the area to work are now able to remain and work in the community.

There are exceptions, however, for in some communities, attitudes have not changed. For example, there are continuing complaints by project managers about low production levels, absenteeism and other social problems. In some communities, residents regard the resource development program as another summer project they wish to keep in the community as insurance so that when they need work, they know where to go. There is no effort on their part to make a success out of the program.

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<sup>1</sup>Results from interviews with community leaders in remote communities, April - June, 1977.

Their behaviour is further reinforced by community leaders who encourage short-term projects in the winter. When these programs commence the resource program suffers a shortage of manpower.

It has been speculated that the location of the resources away from the community can deter residents from working on the project to their fullest capacity. In one community, the site of the pulpwood operations is approximately twelve boat miles away and at times, it may be more convenient for the workers to remain at the site for various lengths of time. If there are short-term projects operating in the community at the same time, residents will often choose to work at these rather than be away from the community and their families.

### Conclusion

Attempts to motivate the residents to work on the projects in spite of the project location have been made with the introduction of new techniques in the operation. One such technique, log bunching, has been tried in one community. This technique fulfills two purposes: first, it is a more economical way of transporting wood, and second, it instills a sense of importance in the residents and leads to improved logging operations.

It can be speculated that if the residents know little about the development program and its aims there is no sense of responsibility on their part to make the program a success. This point is made because it has been observed that interaction between the development staff and the community leaders is very

personal. When government workers go into the community, consultation is usually held between the chief and some members of the band council in closed session. What goes on in these meetings is known only to the leaders and to the civil servants. No attempt is made by the leaders and departmental staff to educate or inform the rest of the community about the social and economic benefits of the resource projects. It was reported that a few years ago, the function of Northern Affairs was to inform the residents about government policies; the persons responsible for this process have since moved up to administrative positions in the department and since then, nothing has been done about communication at the local level.

#### Better Management in the Future

Most community leaders thought the Department of Renewable Resources and Transportation Services was idealistic in believing that the new policy would help communities to better manage their resources. Most of the leaders indicated that they did not wish to be overwhelmed by the responsibilities which would be incurred if management and/or ownership of their resources were totally transferred to the communities. They view the approach through development as one that will help them to formulate development plans for the future and provide them with skills which they can utilize in their community as well as outside the community.<sup>1</sup>

Other problems outside the policy can influence its success and the leaders think that if these problems were solved,

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<sup>1</sup>Interviews with community leaders in remote communities, April-June, 1977.



the policy could be more useful. Problems of conflict arising from the joint federal-provincial jurisdiction of the communities and problems pertaining to Indian-Metis relations must be solved in order to increase the efficiency of progressive resource development.

The leaders also believed that there must be co-ordination and co-operation among the different government agencies who, at times, work at cross purposes to each other and create conditions which can hinder progress in the resource development program.<sup>1</sup> An example of one such a condition was given by the mayor of a community who reported that his attempts to elicit the help of civil servants from other government agencies in the resource development undertaking were criticized on the basis that the government agency did not wish their employees to be employed by the community to assist in a resource project run by another agency.

### Conclusion

Community leaders believed that community residents should be allowed to develop and utilize the resources under the guidance of government.

#### 4.4 General Conclusion

Overall, the new development thrust by RRTS is seen by the communities as affording them greater participation in the decision-making process related to resource development. They

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<sup>1</sup>Ibid.

also postulate that, to some extent, implementation of the policy has led to a positive change in attitudes of the residents in some communities toward the resources and resource development. They speculate that other changes such as lifestyles, willingness to acquire new skills and optimism for economic prosperity in the future have also occurred. However, it is believed that RRTS could better co-ordinate its efforts with other departments to encourage development. Finally, the residents do not believe that this approach by the department is one that would give them greater opportunity to own and independently manage the resources; they have also expressed the view that they do not wish to own or independently manage the resources, at least not in the near future.

It can be concluded that in the short-run, the success of the implementation of the resource development policy in communities is related to factors such as bureacratic complexities among the various government agencies operating in the communities, funding, non-participation on the part of the communities, and low productivity resulting from worker apathy and absenteeism.

#### 4.5 Summary

The foregoing discussion of the results of the field research outlined the views of the community leaders on the short-term effects of the implementation of the resource development policy. Overall, community leaders reported that the policy was useful in achieving their needs and they were satisfied with the resource projects in their communities.



Problems of implementation were identified, however, and a detailed study of Pelican Rapids revealed that factors such as bureaucratic red tape and insufficient funds can impede resource development projects.

Views from individual communities with on-going development programs on factors such as funding, participation in decision-making, changing procedures and attitudes, and future management were discussed. The results indicated that some communities experienced difficulty in obtaining funds for the projects; others felt that they were not participating effectively enough to promote resource development in their communities; and still others found that members of their communities were apathetic about the development projects. This apathy was attributed to problems such as communication styles of the development staff and the community residents.

## CHAPTER 5

### IMPLICATIONS AND CONCLUSIONS OF THE IMPACT OF RESOURCE DEVELOPMENT IN REMOTE NORTHERN COMMUNITIES

#### 5.1 Long-Term Implications of Policy Implementation

##### Introduction

*Development is a process for the people and of the people. Individuals are involved as participants, as makers<sup>1</sup> of its happening as well as beneficiaries.*

Over a period of ten to fifteen years, the resource development programs sponsored by the Department of Renewable Resources and Transportation Services will have some definite impacts upon the communities involved. A question which will become important to resource development enterprises in remote communities over this time period was posed in the Berger Commission Report: "How many people can the land ultimately support even when the renewable resources of the North are fully utilized?"<sup>2</sup>

##### Framework for Long-Term Development

In addition to the communities presently involved in resource development there are over 45 communities with extractable renewable resources; application of the policy in an effective manner must be done within a comprehensive planning

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<sup>1</sup>Canadian Council on Rural Development, Rural Canada 1970 - Prospects and Problems, 3rd Report and Review, 1969, p. 45.

<sup>2</sup>The Berger Commission Report, "Viability of the Renewable Resource Sector", The Claim to Renewable Resources, 1977, p. 185.

framework. This framework has already been partially designed by RRTS. The first step is the formulation of the policy. The second step examines the resource potential of the communities, the goals of the department, the problems which the development staff may encounter, and their skill in community resource development. The third step is the investigation of the community's needs and goals relative to resource use. This includes the economic, social, cultural, political and technological position of the community. These factors must be identified and understood by the development staff and the community leaders before the resource projects are instituted.

The third step is manifested as the communities become more immersed in a goal-setting process analyzing their resource base, resource use and their development for the future. The leaders will begin to ask such questions as: "Where are we?" "Where are we going?" "What are the alternatives?" and finally, "What are we willing to settle for?"

Some communities, such as Manigotogan, have already begun to ask themselves these questions. There is concern for the future of the community and community leaders insist that future plans will be made only in the best interest of their people.<sup>1</sup> What these communities are interested in is the satisfaction of community needs and this is the final step in the planning framework for community development.

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<sup>1</sup>Conversation with Oliver Boulette at Manigotogan, May 18, 1977.

The resource development projects also provide a means whereby the residents can make their own decisions about their resources. In the future, as the communities experience small successes with their projects, they will gain experience and confidence which will enable them to tackle more difficult projects later on.

#### General Impacts of Long-Term Resource Development

The future of the resource programs is not without some major problems. One of these is the continuing difficulty of obtaining money for the programs. At present, the communities are producing just enough revenue to cover operating expenses, but in the future, more money will be needed to meet the demands of operation expansion and the payment of capital debts. If funding agencies continue to insist on proof of project economic viability before they make project funds available to a community, communities will continue to experience difficulty obtaining funds, and in some cases, the resource project may be forced to fold. Government agencies must understand that they are dealing in the area of high-risk economic development and it is necessary to identify those factors that will eliminate risk and to prepare plans and procedures that maximize the opportunity for success.<sup>1</sup>

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<sup>1</sup>Attempts have been made to outline some plans and procedures in resource development. See "Resource Development Flow Chart" by John Burch and John MacKenzie, Manitoba Department of Renewable Resources and Transportation Services, October 1976, and "Business Organization Handbook" prepared by Harold Webber, Industrial Analyst, Northern Strategy Co-ordination and Support Branch, Department of Northern Affairs, January 1, 1977.

When a project ceases to operate, there is a negative impact on community members who have invested their time and equipment in the project. Moreover, because of the psychological investment of the residents in the project, shut down of the project tends to foster a poor self-image and hamper future activities. The result is a reversion to a state of high unemployment and low productivity and growth rate. Members of the community may become even more disillusioned and their distrust for government become more entrenched, making it extremely difficult for any level of government to embark upon a new project in the community.

Another problem which the communities will continue to face in the future is the problem of marketing. As more resource development projects are initiated, new markets will be needed to sell the final product. At present, the marketing system is not well organized, and although the communities are said to be producing only a fraction of market needs, their quotas are increasing each year. As more communities become involved in resource development projects, they will require special marketing support to secure local and other marketing sources. This system must be designed in such a way so that assistance is given to the community to obtain and maintain markets without putting unreasonable pressure on the community to produce. The world market situation could also affect the communities. For example, if there were a glut of paper on the world market, production at the papermill would be reduced;

thus, the sale of pulpwood by the communities would also be cut. If the community corporations were unable to absorb this cut in productivity, losses would be incurred and without government assistance in purchasing, they might be forced to suspend operations.

Another long-term impact is the changing lifestyle of the residents of the communities. What is taking place in the communities is not only industrial development, but an entire process of development consisting of education, changing motivation, mobility and training, and most important of all, investment in human capital. As the resource development program expands, changes in all these areas will become more apparent. One of the changes that has been observed in these communities is that residents are acquiring new skills necessary for them to perform their jobs. A positive effect which can result from this is the contribution to a drop in the unemployment index and a boost in the economy of the province by the addition of residents to the labour force.

Problems can arise however from the acquisition of new skills because residents may have a continuing need to learn specific techniques for achieving, on their own, the ability to cope with technological changes. This need must be recognized in the future to ensure the progress of resource development in remote communities.

Another negative effect that the acquisition of new skills can have on a community is that the residents may have a tendency to leave the area. The community corporation must be prepared



to spend additional money to train new people to replace those who have left. Moreover, the people involved in the training programs and the resource development project may be high achievers who are responsible for the progress of the resource project in the community. If workers leave, it can be expected that the community will become less healthy in economic terms.

### Conclusion

The long-term impacts on the community of resource development projects can be increased mobility and changing lifestyles which can have both positive and negative effects on the resource development program. In addition, other problems such as funding and marketing should be examined carefully for such problems can jeopardize the program in the future.

## 5.2 General Conclusions and Recommendations

Policy for continuing development of resources in northern Manitoba demonstrates the readiness of government to assume responsibility for investments in areas where private investment has failed to provide sufficient social and economic benefits.

### The Need for Flexibility

Before a policy can be formulated, there are a number of steps which should be taken to ensure that the government staff understand the population to whom the policy is directed, and have the skill to work in community resource development. The Department of Renewable Resources and Transportation Services was fortunate to have policy-makers who were very familiar

with the situation in the remote communities. However, a common error on the part of policy-makers is the blanket application of a policy. As was noted, each of the communities is unique and a development process which can be applied successfully in one area may be unworkable in another. Therefore, one aspect of any policy on resource development should be built in flexibility, which preserves an element of choice for the individual community.

It is therefore recommended that community profiles be assembled (some have already been produced by RRTS). These profiles, which should include information about the population of the community, and the education and financial position of the band, are useful because they reveal the unique characteristics of the community and its specific needs. Once this information is accumulated, the development staff will know what changes could be made in the procedures and strategies to effect positive resource development in the community.

#### Administration and Training

The administrative aspect of the policy implementation and the resource programs can also pose a variety of problems. Since RRTS did not hire any new staff to assist in the administration of the policy, it is inevitable that some individuals of the existing staff will be reluctant, or unable, because of lack of special skills to implement the program successfully.<sup>1</sup>

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<sup>1</sup>Discussions with field staff indicated that diverse skills are needed in small-scale community business resource management and they voiced concern that they lack these skills which must be passed on to the residents of the communities.

To carry out the necessary duties in resource development, the staff must be highly motivated and reluctance by the staff to implement the program would result in a haphazard form of development, and in some cases, no development at all will take place. Also, if development staff do not possess the necessary skills, they will have to learn these skills at the same time that they are teaching them to the community residents. The result is that the residents will obtain, at best, second-class training and the policy could lose credibility in the eyes of the community leaders.

It is recommended that the existing staff be chosen according to their ability, attitude and willingness to become involved in the resource development programs. Members of the staff who are chosen should be exposed to an extensive training program in small-scale community resource business management and learn skills such as: bookkeeping, financial management, human resource development, development of feasibility studies, and community relations.<sup>1</sup> This training program of departmental staff may result in a lag-time between the formulation of the policy and its implementation, but the end result will be the prevention of considerable human destruction in communities, a minor part of which can be reflected in the frustration and distrust generated, both by the residents and by the government staff. By making sure that community-oriented enterprises adopt

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<sup>1</sup>Harold Webber, Business Organization Handbook, Department of Northern Affairs, Winnipeg, January 7, 1977, pp. III.4 to III.12.

sound business practices and respect for efficient use of resources, department staff will ensure the success of community businesses.

### Funding

Another aspect of the implementation of the policy revolves around funding. The research for this study has shown that there is little co-operation between the Department of Renewable Resources and Transportation Services and the funding agencies with regard to the funding of the development programs. If a community applies to a funding agency and is turned down, there is nothing that RRTS can do but assist the community in reapplying to the agency.

Because the success of resource programs depends to some extent on funding, it is recommended that RRTS be the avenue through which project funds are obtained. Alternatively, the Department (RRTS) should embark upon a continuing education program to inform the funding agencies and other government departments about the purpose and work of RRTS in northern Manitoba. At the same time, the agencies should be provided with the opportunity to inform the RRTS development staff about agency funding regulations.

### Participation and Evaluation

Overall, the leaders of the communities in which the development programs are on-going have indicated that their participation in the projects has increased, and as a result of the efforts of the development staff, their attitude toward the Department of Renewable Resources and Transportation Services

has been modified. However, comprehensive evaluation of the programs is needed and new techniques should be applied in those communities, such as Swan River and Pelican Rapids, where difficulties are being experienced. Comparative evaluations should be carried out at regular intervals to document reasons for successes and failures of resource projects. By doing this a reallocation of funds to those projects with a high rate of return could be effected. Such documentation will also enable new development staff to benefit from past experience. In addition, limitations due to resource availability, development, harvesting, production, market potential and scheduling should be assessed, on at least an annual basis.

### Conclusion

Success of the resource development program in the long-term is not only dependent on constant evaluation and monitoring of the projects, but also on factors such as funding and dedication of the development staff and people of the communities. The Department of Renewable Resources and Transportation Services should recognize that its role in the resource development programs in the remote communities will be changing in the future as the residents' demands and goals change. Therefore, procedures should be flexible enough to allow the Department to meet the future demands of the residents.

### 5.3 Recommendations for Further Research

There are a number of approaches which could be used to evaluate the policy of the Department of Renewable Resources and

Transportation Services. First, a complete survey of the three areas in which the Department is involved (forestry, wildlife and fisheries), as well as a larger sample of communities, should be undertaken. The Department should also undertake a study of the different types of approaches used by development staff in other projects which have achieved successful resource development.

Another study which is recommended is the administration of in-depth interviews and discussions with all members of the communities in which resource development projects are being carried out. This method would provide the Department with information about the extent of the community's knowledge about the policy and programs in the community. This study would also reveal the concerns and fears of the residents, and the positive and negative effects of economic development on their lifestyle. If these concerns are known, the development staff then could proceed to devise measures that would provide effective support.

An extensive study should be undertaken of the changes in the role of the development staff along with a comprehensive analysis of the forces that resist and contribute to development. This study should also provide recommendations of the kinds of measures needed to support the departmental staff in responding to and carrying out the development work without undue stress, and in a competent and ~~acquiescent~~ manner.

#### 5.4 Summary

The main theme of the resource development policy, advocated by the Department of Renewable Resources and Transportation Services, is to relate local resources to local needs. Implicit in the policy are some sociological and economic factors which should be carefully examined by the development staff responsible for implementing the policy.

Examination of the short-run policy impacts revealed a number of positive and negative forces relating to factors such as funding, participation, changing lifestyles and future development.

Chapter 5 discussed the long-term implications and made recommendations for implementation of the policy in the future. It was concluded that in order to have effective resource development, a comprehensive planning framework which clearly defines the goals of the department and the community is essential. The long-term impacts to be expected by the implementation of the policy were discussed and the problems relating to funding, participation and changing lifestyles were outlined.

The recommendations which followed dealt with ways of instituting a planning framework, and the need for supportive administration of the policy and staff training in small-scale community resource business management. Finally, recommendations for further research, which would assist the Department of Renewable Resources and Transportation Services in instituting a more efficient and effective resource development policy, were suggested.

APPENDIX I



## POLICY STATEMENT

HARVEY BOSTROM

MINISTER

This government is committed to "improving the quality of the human condition" for all the people of Manitoba. The task of the Department of Renewable Resources is to see that the provincial resources of Crown lands, forests, fish and wildlife are managed so as "to provide the greatest good for the greatest number of people over the longest period of time." The Department has a responsibility, therefore, to direct its efforts to being active in locating and developing resources for economic benefit to people in resource-based communities. Furthermore, we must direct our efforts to identifying those people who have not derived benefit from the use of renewable resources and attempt to relate the resource base to them. In short, the policy of this Department must be to promote increased resource economic development through a greater use of renewable resources with special emphasis on high unemployment communities located in resource rich areas.

Wherever possible, local renewable resources shall be designated to adjacent communities on a first priority basis. Wherever possible, local resources must be developed to fill immediate local needs by relating local resources to

local needs. Thus, unnecessary costs for goods and services can be eliminated and local communities will move towards independence from outside sources of supply for those items that can be supplied locally.

During the past eight years, the government has focused its efforts on building a strong infrastructure for indigenous communities. More and better all-weather roads, winter roads and air strips were built. There are better emergency air services. T.V. and telephone services have been extended to more communities. Most communities now have newspapers. There have been manpower development programs and increased spending for local development through established funding agencies. There is more and better housing. Yet, in spite of these efforts, most of the economic and social problems in indigenous resource communities still remain. Most of the economic and social problems in indigenous resource communities remain because communities have not developed sound local integrated economies based on primary, secondary and tertiary industry. Local economies have been based on jobs, not industries. They have been based on make-work projects, not on-going projects. They have been based on a whole range of activities by a variety of departments and agencies where everybody has done what they can on a catch-as-catch-can basis. This is not good enough. In order to assist communities to develop a sound integrated economy, Renewable Resources shall promote and support a much greater use of resources by encouraging and

assisting communities to establish manufacturing industries related to local resources.

Positive action therefore must be taken to provide maximum opportunity for local employment in communities in order to get maximum return from their resource base by retaining the value-added portion of manufactured goods.

Efforts must be made to work closely with other departments and agencies of both Provincial and Federal Governments so as to build strong self-sufficient integrated local economies. Every effort must be made to utilize the financial and technical resources of other departments and agencies wherever possible to supplement those of the Department.

In all cases the principle we must follow is that the resource users be involved as much as possible in making decisions regarding resources surrounding their communities. Local communities must be encouraged and assisted to take over control and ownership of all resource development projects in their area. The Department shall assist communities to plan and implement all community development activity related to resource development. In order to accomplish this objective, staff should promote, encourage and assist the local community in planning for successful resource harvesting. Since Renewable Resources has a wide range of skills, expertise and information, methods must be devised for making these available to local communities wherever they are needed.

The Department of Renewable Resources must begin immediately to review all policies and programs to make sure they are consistent with this overall central policy. It is important to realize that development activities must be carried out under present staff and financial limits. Therefore, all divisions and regions must engage in a thorough review of skills, positions and monies so appropriate redeployment can take place to facilitate the increased development activity. The Regional staff, in particular, must analyze and identify the areas and communities most in need of this development thrust and take appropriate action along the lines I have just outlined.

Traditional resource management will not be curtailed, but will, of necessity, become an integral part of resource development. The main emphasis, however, shall be on maximum development based on the principle of sustained-yield harvest of all renewable resources.

APPENDIX 2

QUESTIONNAIRE

1. Can you name any projects that have been undertaken in the community?

2. How long have they been going on?

3. Are you now more involved in making decisions about the activities carried out by RRTS in the community?

\_\_\_\_\_ Yes \_\_\_\_\_ No

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0 1 2 3 4 5 6 7 8 9 10

4. Do you find that it is now easier for you to obtain money for these projects?

\_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_ Don't Know

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0 1 2 3 4 5 6 7 8 9 10

5. Has the change in policy of RRTS affected the number of agencies that you have applied to for funding?

\_\_\_\_\_ Yes \_\_\_\_\_ No

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0 1 2 3 4 5 6 7 8 9 10

6. What changes have taken place in the community in the last six months (as a result of the policy), and how many?

7. a) How do the residents feel about the changes?

\_\_\_\_\_ Happy      \_\_\_\_\_ Unhappy      \_\_\_\_\_ Don't Know

\_\_\_\_\_

0 1 2 3 4 5 6 7 8 9 10

b) Why are they pleased about the changes?

c) Why are they not pleased with the changes?

8. a) Do you believe that this new approach by RRTS will help you to manage your resource better?

\_\_\_\_\_ Yes      \_\_\_\_\_ No      \_\_\_\_\_ Don't Know

b) If yes, why?

c) If no, why not?

9. What training programs, if any, have been started in the community as a result of these policies?

10. Do you think that the residents will now have the opportunity to make this community less dependent on the government of Manitoba or on other communities now that you are developing and managing your own resources?

11. a) Are the RRTS officials more readily helpful since these policies have been implemented?

\_\_\_\_\_ Yes                      \_\_\_\_\_ No                      \_\_\_\_\_ Same as before

\_\_\_\_\_

0 1 2 3 4 5 6 7 8 9 10

b) What other changes have you noticed with the staff of RRTS?

c) Is there anything about these changes in the staff (procedure) that turns you off?

12. Compare and contrast activities in the community before and after these policies were implemented.

13. a) Since RRTS have taken a different approach to working with communities, have you observed any policy changes by other government agencies (such as Northern Affairs) that work in your community?

\_\_\_\_\_ Yes                      \_\_\_\_\_ No

b) What other government agencies have you worked with?



14. Are you satisfied with the work being done by these agencies?

\_\_\_\_\_ Yes                      \_\_\_\_\_ No

\_\_\_\_\_

0 1 2 3 4 5 6 7 8 9 10

15. Do you believe that they should follow RRTS example and introduce some changes in their departments?

\_\_\_\_\_ Yes                      \_\_\_\_\_ No

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