

**DOMINION-PROVINCIAL JOINT ACTION BY AGREEMENT
ADMINISTRATION OF THE FUR REHABILITATION
PROGRAMME**

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Mr. Chairman and Gentlemen: When I left home it had been my intention to use part of yesterday and last evening to carry out some refinements with respect to the notes I had prepared. But I found both yesterday and yesterday evening packed so full of interest that I am afraid I am going to give you my notes in the raw. I certainly found yesterday's sessions of very, very great interest.

The purpose of this paper, Mr. Chairman, is to describe and discuss the programme of fur rehabilitation and management in the execution of which the Governments of Canada and of Manitoba have been co-operating to rather satisfactory effect. Before discussing the programme in detail it might be helpful if I were to say a few words about the problem towards the solution of which this programme is directed.

The fur trade had, of course, occupied an exceedingly important place in the early exploration and settlement of what is now Manitoba. During that period, fur was the dominant resource and the fur trade the dominant economic activity in the Canadian northwest. With the coming of railways and the agricultural settlement of the western plains, the fur industry came to occupy a position of lesser relative importance in the economy of the western regions as a whole and came to command diminishing attention in matters of public policy. While this diminution in the relative importance of the fur industry was true with respect to the western regions as a whole, it was not true with regard to certain very large territories, including most of the geographical area of Manitoba. It was certainly not true with respect to the populations which lived in those territories.

I think it would be true to say that, by and large, the people of Cross Lake, Norway House and York Factory and dozens of other northern communities are just as dependent upon fur today as their ancestors were a hundred years ago. With regard to these very large areas, therefore, fur is still the dominant resource and the basis of the primary economic activity.

For a great many years now the fur industry of Northern Manitoba has been a depressed industry. We all know what happens to any community when its major industry, or in this case, its sole industry, is depressed. Of course, there is depression. And so, because the wild fur industry was depressed, a great number of Northern Manitoba communities suffered under chronic or even acute depressions.

The question arises, why was the wild fur industry depressed. While there are a great many factors involved in this decline of the wild fur industry, I shall try to give my concept of some of the more important of these by the use of a very simple analogy.

Suppose, for some reason, we were to take all the beef cattle of the western plains and put them in one huge pasture. And suppose the controlling authority was then to say that these beasts were public property and were available for slaughter by anyone who would take out a \$2 license. Could we, under those circumstances, expect to have a long and thriving beef cattle industry? I think the answer is obvious, that the cattle would go where the buffalo went.

And yet that simple analogy represents, fairly accurately I think, the general administrative procedures which were followed with respect to our wild fur resources up until a very few years ago. With regard to Manitoba, and I am sure in many other jurisdictions, it would-be true to say that government activity had been confined to the licensing of trappers and traders, the collection of royalties, the passing of certain regulations having to do mainly with seasons and *hunting* methods, and some rather desultory and almost wholly ineffective attempts to enforce those regulations.

I am not presuming to give you any close analysis of the cause of the "fur decline". But perhaps I have said enough to give you some understanding as to the causes of that decline and as to why a chronic depression had settled upon many of our northern communities. Perhaps you will even share my wonder, not that there was a fur-decline, but rather that surprisingly large numbers of fur bearers remained to form the foundation stock for a new deal in fur management.

Perhaps I should pause here to comment on a very obvious question. If the fur industry in any particular region were depressed and if important segments of the population were suffering under acute depression and if something could be done about it, why wasn't that something done long before, say, 1936, or 1941, or 1945?

I am not going to answer that question, but I would like to comment on it.

In the first place the fur industry, as I have already said, had come to occupy a relatively unimportant place in terms of our overall economic activity. In the second place, and for various reasons, the people who live in the main fur producing areas have been unable to register a very effective voice in matters of public policy. And then, in Manitoba at least, we have a most confusing set of jurisdictional circumstances. Prior to 1930, fur and game were matters of Provincial responsibility and were administered by our Department of Agriculture. Crown Lands, and all rights therein, were for the most part administered by Federal Departments. Water rights and matters affecting streams generally, as well as Forestry matters, were also administered by Federal Departments. To make matters still more complicated, Indian Affairs were administered by still another Federal Department; and rising out of the original

Indian Treaties, Indians were given virtual immunity from the effect of Provincial Game Enactments.

Thus, while the Province had responsibilities for fur and game it had no control over the lands, the forests or the waters which comprised the habitat of the fur bearers, and no effective control over substantial proportions of the people who dwelt in the main fur producing regions. The Dominion Government which had jurisdiction over our forests and streams and the great bulk of our Crown Lands and which had primary responsibility for Indian welfare, had no control over fur and game.

Under these circumstances, and they persisted until 1930, the development of comprehensive fur management policies and programmes in Manitoba would have been very nearly impossible.

With the transfer of the natural resources from the Dominion to the Province in 1930, and with the setting up of a Provincial Department responsible for the administration of natural resources, this jurisdictional problem changed radically. There was now consolidated in a single department of the Provincial Government, administrative responsibility with respect to Crown Lands, forests, minerals, water rights, fur, fish and game. In addition to this, a primary function of this new Department came to be the working out of administrative and other techniques designed to encourage the integrated development and use of resources on a broad regional basis.

The wild fur programme in Manitoba places heavy emphasis upon two species of fur bearers—muskrat and beaver; and since the problems with respect to muskrat and beaver management are essentially different, the programme has two main phases, one concentrating on each.

The Government muskrat management programme had its start on the Summerberry Project, a tract of 135,000 acres which lies in the midst of the Delta or flood plain of the Saskatchewan River. This area had once been highly productive but through a combination of drought and indiscriminate trapping had by 1934 become virtually depleted of muskrats. During 1934 and 1935 and the winter of 1935-1936, extensive surveys and studies were carried out. Besides topographic and hydraulic surveys of the area itself, studies were made of the experience gained on certain large privately held

tracts of land in the Mississippi Delta of Louisiana as well as the experience gained on certain private ranches in Manitoba. The main objectives on the Summerberry Project were to create improved physical conditions and to afford protection to breeding stock. The former was to be accomplished by flooding the marshes through what is in effect a deep irrigation scheme. The topography and river characteristics are such that during peak flows on the Saskatchewan River, water may be carried into the marshes through a system of controlled canals and kept there until the following spring.

Work started under a Dominion-Provincial unemployment relief scheme in the summer of 1936 and was continued throughout the summer of 1937. The total expenditures amounted to something slightly under \$100,000.

From the spring of 1935 the area was closed to trapping and a system of close protection was instituted. Muskrat population was estimated on the basis of an annual census or house count which was conducted early each winter.

The first crop from this original project was taken in the spring of 1940, when 414 trappers were employed to take slightly over 122,000 pelts which were later sold for just under \$162,000. Trapping was conducted by teams of trappers, each under the supervision of a "Senior Trapper". On the basis of the previous census, quotas were fixed for each zone and each trapper was given a quota, the sum of which fixed the maximum permissible catch.

All fur taken was turned in to the Department and arrangements made for sale by public auction through the recognized fur auction houses. After deducting royalties, auction fees and a percentage of the total to cover the cost of administration, the remainder was placed to the credit of individual trappers on a per pelt basis. From these accounts, payments were made monthly at the rate of \$25 per trapper.

From time to time since 1940, further projects in the Saskatchewan Delta and elsewhere in the Province have been developed and have come into production.

In the ten crop years to date, the projects on the Saskatchewan Delta have employed an average of 600 trappers per year, have provided a gross return of approximately \$3,332,000, of which

\$2,482,000 has been paid into trapper accounts. This averages out at something just over \$414 per year per trapper. The method which I have described, whereunder all credits are made to each trapper's account but a limit of \$25 monthly placed upon payments out of each account, incorporates a "crop insurance" principle and tends to smooth out the year to year fluctuations in crops and pelt prices.

The four projects which are outside the Saskatchewan Delta are situated in the more southerly portions of the Province. In these districts, the dependence upon fur harvests is much less complete and these projects integrate very nicely with agriculture, fishing and forest industries. For this reason, the per trapper quota is usually less than in the North, and as a general rule we do not incorporate either the monthly payment or crop insurance provisions into the management of these more southerly projects.

The portion of our wild fur programme which is based mainly upon beaver goes under the name of the Registered Trapline System, or more commonly, the R.T.L.

This programme is based upon a very simple concept. It is to the effect that every trapper, or almost every trapper, has long known that it is wrong to take the last pair of beaver out of any stream; and equally understandably, that he will have little incentive to protect this breeding stock so long as he knows that his forbearance is likely to be completely nullified by the next trapper coming along his trail. If the concept which underlies the programme is simple its basic objective is equally so. It is to make conservation profitable, or to provide incentives which are sufficient to bring about sound management.

The basic idea behind R.T.L.—that of granting to individual trappers, the exclusive trapping rights over designated areas—was not a Manitoba development. It had been used from time to time in several jurisdictions and was in current use in British Columbia when we incorporated Registered Traplines into our programme. The main principle which we did develop independently might be called the "District Principle". In most earlier attempts to administer wild fur on the basis of individual traplines, serious trouble had been encountered in the matter of establishing boundaries between individual traplines. A trapper might carry on for a time in the belief that his property right in a trapline was protected by

law. When he came to enforce that right in court, however, he frequently found that, in the absence of a legal survey he could not prove trespass. My understanding is that in British Columbia where traplines are usually along river valleys and where these are separated from one another by divides that are clearly identified, this fundamental weakness in earlier methods had not constituted a very serious handicap. In Northern Manitoba where we have a flat well-wooded, well-watered terrain, and where the cost of legal surveys would have been prohibitive, we were forced to adopt an approach which, insofar as we know, had no precedent in this field. We could accurately describe and effectively locate on the ground, certain comparatively large areas such as might be bounded by surveyed meridians or base lines or by major river systems or by roads or railways. In other words, even though we were not able to define the boundaries of individual traplines, we could define those of what we call an R.T.L. District. By statute also, the legislature could and did make it an offence to trap in an R.T.L. District without a special license. The procedure from this point was simply to set up a test area, to meet with trappers and assure them of protection from outsiders if they would agree amongst themselves to respect the traplines of their neighbors. The prospects of this new deal were sufficiently encouraging as to mark the end of many old "feuds" and, in due course and after a good deal of compromise, the "Central District" was organized into individual traplines. In return for exclusive privileges which were to be granted, certain undertakings were requested of the trappers. An annual beaver census or house count was required. The Department asked for and received greater co-operation in the filing of returns which would form the basis for management policy. Not more than one beaver was to be taken out of any beaver house until the predetermined carrying capacity of each trapline was more nearly reached.

The main organization work in this district was carried out in 1941 and 1942. The first beaver census was taken in the latter year, 1942. The comparative figures for this "pilot plant" district between 1942-1943 and 1947-1948, five years later, are rather interesting.

In 1942-1943 the beaver population in this area was 3,280.
 Five years later it was 17,024.
 The crop in 1942-1943 was 504.

Five years later it was 4,138.

The value to the trappers in 1942-1943 was \$17,060.

Five years later, with almost identical pelt prices, it was \$140,692.

' In 1942-1943 the beaver harvest had represented 11% of the trappers' income in that district.

Five years later this had grown to 42%.

The Central District was used for several purposes. It served as a pilot plant within which to work out a whole new system of administrative and other techniques. It was a demonstration area and served an important educational function and helped to acquaint the northern trappers with the merits of what was for them an entirely new approach to wild fur management. This area also later came to provide a source from which we were able to purchase and transplant breeding stock to new districts as they were organized.

I have mentioned that the original trapline district served as an experimental area within which to work out administrative and other techniques. In this matter the Central District had its limitations. This original area comprised the trapping grounds of approximately 200 trappers, very few of whom were treaty Indians and who, for the most part, wished to operate individual traplines or perhaps two trapper partnerships. Before the R.T.L. system would be ready for general application throughout our Northern territories, the means must be found to reconcile the basic principles of R.T.L. with the tribal or communal customs of the Indian people. This reconciliation was effected through the development of the "group trapline" principle, in the application of which new trapline districts were set up in such a manner as to incorporate the grounds customarily trapped by individual Bands of Indians. In the Chiefs and Councils of the Indian Bands we found an ideal administrative set-up for the management of these group trapline districts. These democratic Band Councils were used in the settlement of boundaries between the areas to be allocated to various Bands and in addition, they readily accepted the responsibility for the beaver census and for allocating the harvest amongst individual trappers of the Band. In allocating the early harvests which were necessarily very small, the Chiefs and Councils took careful account of "need" and allocated so many to a single trapper, so many more

to a married man, and so many for certain numbers of dependents and so forth.

The principles which have governed the relationships between the two Governments, Dominion and Provincial, with respect to the over-all fur programme have been worked out over a considerable period, and have been reflected in at least six separate agreements, each of which has in turn superseded the previous one.

The first two agreements, drawn in 1936 and 1937 respectively, were of the type which were quite common with respect to Dominion-Provincial Relief Projects during the depression years. They did take account of the fact that large numbers of treaty Indians were to be employed on the development work and, in the preambles, they recognized that the work was for the purpose of rehabilitating an industry in which treaty Indians and hence at least one Department of the Federal Government had a special interest.

The third agreement which was drawn in 1938 provided for the lease by the Province to the Dominion of a tract of 160,000 acres of marsh lands in the immediate vicinity of the original Summerberry Project. The purpose of this transaction was to enable the Federal Government to provide improved conditions for the large treaty Indian population living in the neighborhood. This project was developed under Dominion administration with Dominion funds and incorporated much of the experience which had been gained on the original Summerberry.

Following upon the 1938 agreement, we were to find in the town of The Pas, two separate offices, one Dominion and one Provincial, each attempting to duplicate and emulate the other and both attempting to do almost identical jobs, one for treaty and the other for non-treaty trappers, people who, in the degree of their dependence upon the fur industry, were hardly distinguishable, one from the other.

The 1941 agreement recognized the fallacy of this approach and brought about the consolidation of the Dominion and Provincial projects under the Minister of the Provincial Department. In order to protect the Indian interest and to effect liaison between the two Governments this agreement provided for the establishment of a joint Board advisory to the Minister and comprising two Provincial and one Dominion official, one of the former to be Chair-

man. By 1941, the muskrat projects had proven to be fully self-supporting, so that no financial provisions were incorporated in this Agreement. The Agreement did, however, take some account of the rather encouraging developments which had taken place in Provincial policies with respect to beaver management, and we proceeded to make the same mistake in the R.T.L. phase of the fur programme that we were so anxious to correct in the muskrat phase. The 1941 agreement set aside one large tract of northern territory to be administered by the Dominion for beaver rehabilitation, and provided for the subsequent setting aside of additional areas.

By 1944 the R.T.L. programme, as applied to the central district that I have described, had come to be regarded as an outstanding success. In the meantime, relatively little progress had been made in the area set aside for Dominion administration under the 1941 agreement and no steps had been taken toward the setting up of the other areas contemplated under that agreement. It did seem appropriate, however, to extend the benefits of R.T.L. outside of the original experimental area and it was also apparent that any broad extension would require an application of the "Group" principle, which I have mentioned earlier and which was developed as a means of reconciling the R.T.L. system with the tribal or communal customs of the Indian people.

Discussions on this basis took place between the Dominion and Provincial representatives during 1944, which resulted in a joint study being carried out by a two-man committee, comprising a representative of each government. This study involved extensive travel throughout the northern part of the Province, many conferences with trappers and the Chiefs and Councils of various Indian Bands. In the report which was subsequently prepared a general plan of R.T.L. extension embodying the group trapline principle was laid down. The report recommended the employment of specially trained field men, or conservation officers, as we have come to call them, and the provision of fully modern headquarters establishments at strategic locations throughout the north.

This report which is known as the Wells-Conn report, after the names of the authors, led directly to the 1945 agreement. This agreement, which superseded that of 1941, recognized the joint interests of the two governments in the overall fur programme and also recognized the importance of consolidating the management

of the programme in the local Government. As in previous agreements, provision was made for the same joint advisory Board.

The financial sections of the 1945 agreement provided for expenditures of \$50,000 a year for a ten-year period to cover salaries, wages, surveys, scientific investigations, transplanting of beaver, construction and equipment of field headquarters establishments, the construction of dams and other facilities for water control, as well as travelling and incidental expenses. During the first five years the Province was to contribute up to \$17,000 per annum and the Dominion up to \$33,000 per annum. During the second five-year period the Governments were each to contribute up to \$25,000. This agreement contemplated the completion of the extension programme within the ten-year period and that with the exception of an underwriting provision, Dominion contributions would cease at that time. While this agreement stipulated the general principles which would govern the administration of the muskrat projects as well as R.T.L., the underwriting provisions had to do only with the R.T.L. or Group trapline phases of the programme. The underwriting arrangement was to the effect that in the event of revenues falling below administrative costs after the ten-year period the Dominion would reimburse the Province for a proportion of the deficit, depending upon the proportion of treaty Indian trappers licensed under the scheme in which the deficit occurred. I should mention here that besides the usual revenues from royalties and license fees, revenues are obtained from a crop share levy under which approximately one beaver pelt in ten is turned into the Department once each trapline reaches a stipulated level of production.

By 1949, the 1945 agreement came to be regarded as out of date and a new agreement has recently been negotiated. The 1949 agreement will not introduce any important new principles which were not incorporated in the 1945 agreement, but it does recognize that, from the standpoint of both Governments, substantial benefits would be derived from the expansion of the programme, and it also takes account of increased costs and price levels. Under the new agreement annual expenditures are increased from \$50,000 to \$100,000, and the Dominion and Provincial contributions are fixed at 60% and 40% respectively for a seven-year period, commencing April 1st last. The new agreement carries essentially the same

underwriting provisions as were incorporated in the 1945 agreement.

The group trapline areas have not been organized over a great period yet, but the figures which are available indicate the same satisfactory trends insofar as production is concerned. Commencing in 1945-1946 and continuing up to 1948-1949 the figures for the beaver crop in the Group trapline or Indian areas have been 3,588, 4,176, 6,624, 8,375, or almost a two and one-half fold increase in three years.

Mr. Chairman, I have attempted to touch upon some of the highlights of what I regard to be an exceedingly interesting programme. There are several reasons why some of us have found it to be of special interest. In the first place, it is based upon renewable resources which, if given reasonably favorable conditions, will renew themselves with amazing rapidity. It is from this that the programme derives much of its dynamics. It serves a sound social purpose amongst the people who may have a much greater part to play in the development of our northern territories and it serves this social purpose through increased production. It has a strong appeal to those who are interested in the inter-relationships between the various resources of a large region.

As a result of R.T.L., we have hundreds of conscientious game wardens and fire watchers. As one of our Forestry men put it, "When there's fire in the north country now, the trappers head toward that fire—not away from it." Already we have many trappers who are outfitting themselves with boats, nets and winter gear for commercial fishing. Others are operating profitable side lines in catering to tourists, hunters and sport fishermen. Still others now have the wherewithal to carry on more active prospecting during the summer months. One very interesting and promising nickel discovery has just been optioned from one of the R.T.L. trappers who had invested the returns from his beaver harvest in opening up the prospect.

This programme has a strong appeal to the biologist and the natural scientist who has much to contribute before we are out of the woods in fur management. In this field we are now involved with the "nitrogen cycle" and we have a great deal to learn before these muskrat projects can reach their full potential.

The development of this programme over the years has raised some interesting problems in the matter of determining the proper functions and responsibilities of two governments in a programme which deals in at least one important field of resources development and management. There was a time, as I have already mentioned, when we could arrive at no better arrangement than to set up duplicate organizations to do identical jobs in adjoining areas. From this, the programme has advanced to become a genuine joint undertaking with all of the advantages of unified management, but with the interests and responsibilities of both parties arrived at by negotiation and clearly spelled out in the agreement.

Through the agency of a continuing committee on which both parties are represented, it has been possible to re-negotiate various points as the need arose. I should mention that that continuing committee has found it advisable to hold their annual meeting up amongst the trappers and to arrange for representatives from all the trapping areas to be present for about a three-day conference each winter. In this manner it has been possible to avoid undue rigidity and overall policy has kept abreast of the needs of a fairly dynamic programme.

In closing, Mr. Chairman, I should like to express the hope that some of the experience gained in this joint programme and some of the techniques that have been developed may have application in other fields of resources development and management where national as well as provincial interests are concerned. (Applause).

MR. MACKINNON: One of the most interesting instruments of public administration to examine is the board or tribunal and of these, one of the most useful is the joint tribunal or joint board. A study of them is a very broad technical problem but a fascinating one which well repays the time and effort spent. Today, I am glad to see that we are to have a paper on the Joint Corporation or Board in Dominion-Provincial relations with specific reference to the Eastern Rockies Forest Conservation Board. To give you this paper I have the pleasure of introducing Mr. J. M. Wardle, C.B.E., B.Sc, Representative of Canada on the Board. Mr. Wardle.