In the spring of 1985, a major controversy erupted over Indian policy in the new Conservative government. The conflict arose when confidential information from the cost-cutting Nielsen task force on Native programs contradicted recent public statements by the Prime Minister, raising serious questions about the government's integrity in dealing with Indian people. This paper attempts to provide an overview of Indian policy developments in the new government by examining the recommendations of Nielsen's task force in the context of recent policy initiatives. The paper argues that although the Prime Minister sought "a fresh start" to issues, the cabinet received old bureaucratic advice from the task force which was incompatible with innovative approaches being developed by the Minister of Indian Affairs. In short, two competing and irreconcilable paradigms exist in the Indian policy field. Part I of the paper, appearing in Volume 2 No.1 of this journal, summarized the recommendations of Nielsen's task force and the policy content of the ensuing controversy. Part II places the task force paradigm in the context of recent policy initiatives, especially those of the Minister of Indian Affairs. The paper concludes with observations on the current status of policy reforms.

INTRODUCTION

In Part I of this paper the overview of Indian policy in the new Conservative government was begun by summarizing the recommendations of Nielsen's task force on Native programs.* It concluded with a discussion of the policy content and implications of the controversy occasioned by the public disclosure of confidential information from the task force in the spring of 1985. This second and final part of the paper places Nielsen's initiatives first in the broader context of the government's top political priorities, and then in the context of DIAND's ministerial initiatives both before and after the

*The term Native in the federal government's usage (and mine in this paper) is an all inclusive term encompassing status and non-status Indians, Inuit and Metis peoples. I use the term Indians to signify status Indians or First Nations peoples.

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controversy. The analysis reveals conflicting paradigms in the Indian policy field, represented by Nielsen's and Crombie's initiatives, and concludes with some observations on the status of and trends in policy reform during Crombie's tenure as minister. A postscript comments briefly on the recent cabinet shuffle and its implications for Indian policy.

THE TASK FORCE IN THE CONTEXT OF GOVERNMENT PRIORITIES

As indicated in Part I, the major political priorities of the new government were "to make a fresh start" in solving the problems of federal-provincial conflict, the mounting federal deficit, and high unemployment. These objectives were to be accomplished by fostering conciliatory relations with the provinces, reducing government spending, and promoting job creation especially in the small business sector of the economy. Whether the Nielsen task force brought a "fresh" approach to Native issues is largely an historical question which will be answered first since it is relevant to other priorities.

Although new governments can encourage novel ideas, they can also provide public servants with the chance to secure cabinet support for policies they have advocated unsuccessfully in the past. This occurred, for example, in formulating the 1969 White Paper on Indian policy (DIAND 1969). Ideas long-held but unsuccessfully promoted by key officials during the Pearson regime were favourably received in the reform ethos of the new Trudeau government where they significantly altered the course of policy formulation (Weaver 1981: 51-52, 83-97). Similarly, in 1985, long-circulating ideas about Native economic development and administration found a much more sympathetic political environment in the new Conservative government than they had in the old Trudeau administration in 1980.

Basically, the advice provided cabinet by Nielsen's task force was neither new nor innovative. Instead, it was a repackaging of old bureaucratic advice, primarily of ARDA-DREE thinking. Its origins can be traced to the mid-1960s, but its more immediate form took shape in a bureaucratic task force established in 1978 under the initiative of the deputy ministers
of the Department of Regional Economic Expansion (DREE) and Department of National Health and Welfare (NH&W),* the latter becoming the deputy minister of DIAND in January 1985. The task force's job was to review all federal and provincial programs for Metis and non-status Indians (MNSI) in consultation with the provinces and MNSI organizations, and to recommend to cabinet how existing programs, without new monies, could be improved to enhance the socio-economic conditions of Metis and non-status Indian people (Weaver 1985). Even though most of its members were committed to improving the circumstances of Native people, the task force failed to secure support for its advice within government or from the Native Council of Canada (NCC) which represents Metis and non-status Indian interests. Its report, which in the eyes of many of its members lacked a clear policy direction, was shelved in 1980, partly because central agency officials felt it offered nothing new in addressing the problems, and partly because the NCC vigorously denounced the task force for failing to consult openly and candidly with the NCC. Like status Indians, the NCC and other MNSI organizations had experienced major difficulties with the lack of coordination among federal economic development programs. But they sought government action to improve their own capacity to mount viable self-managed economic development schemes through Native controlled economic institutions, not the continuation of bureaucratically designed and controlled programs as the report advocated.

The perspective of the MNSI task force derived primarily from DREE officials in its working group and from DREE's deputy minister who headed the task force at the outset. Basically, the line of advice began with the calculation that ninety percent of all federal spending on MNSI was on "welfare" or social programs which were defined as programs for income support and social security, housing and community infrastructure, and training and employment—involving departments of NH&W, DIAND, CEIC, and CMHC. If the government

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*For a list of abbreviations, see Appendix A
intended to improve the socio-economic conditions of all Native people it needed to expand its economic development activities, especially Special ARDA agreements with the provinces which provide incentives to the business sector to establish permanent employment opportunities for Native people. Equally essential was the need for government to formulate a coherent federal strategy for Native economic development so it would have some direction internally and be better prepared for dealing with the provinces. To address these needs, the task force adopted DREE's "area-based" approach to economic development whereby programs would serve all citizens in the region, including "mixed" Native and non-Native communities.

DREE's approach reflected its long-standing resentment of DIAND's exclusive jurisdiction on reserves which was seen to damage the area-based concept of development. It also reflected the denial of legitimacy to the distinction between status Indians on the one hand, and Metis and non-status Indians on the other. Thus the MNSI task force operated with the all encompassing "Native" category as its frame of reference, viewing special rights and status for Indians as "an historic mistake" which should not be allowed to impede the government's ability to address Native "needs" and to involve non-DIAND departments on reserves. In sum, like Nielsen's task force, it sought to remove DIAND from the economic development field, reorient if not eliminate many of CEIC's programs (which it felt promoted short-term job creation rather than permanent employment), and replace the federal government's social welfare orientation with an economic development orientation to Native peoples through DREE (now DRIE) programs.

A key to the successful implementation of DREE's approach was the government's willingness to develop cooperative relations with the provinces, in short, to reinstate the "consultative federalism" of the Pearson era in which ARDA's federal-provincial agreements contained the notions of joint planning, cooperation and cost-sharing. Some DREE officials firmly distrusted Ottawa's bureaucratic empire building, finding it destructive to regionally sensitive planning and to the
flexibility sought by the provinces. They and other senior members of the MNSI task force felt strongly that decentralized decision-making and control were essential to any successful initiative in regional economic development.

Like Nielsen's task force, the deputy ministers of DREE and NH&W in the MNSI task force did not support the idea of Native-controlled, government-funded economic development corporations as the NCC and other MNSI organizations were advocating. Nor were they sympathetic to DIAND, believing, as many officials did, that "DIAND has to go." In addition, they had little regard for Metis and Indian political organizations. Their past encounters with Native leaders had often been damaging to their bureaucratic initiatives, and they considered the organizations to be unrepresentative of communities and incapable of managing funds properly, views which had increasing currency in government in the late 1970s and were reinforced by the Beaver report (Beaver 1979). Unlike the activist civil servants of the past (Weaver 1985a:142-143), these officials were not ideologically supportive of special rights for Aboriginal peoples. Nor did they believe that land claims would improve Native socio-economic conditions even if the Metis were successful in pursuing their claims. Instead they viewed Native problems from a management perspective, seeing these problems as not only costly to the government, but also unnecessary if the government would only take appropriate action to coordinate its programs and cooperate with the provinces to deliver them. In the conventional view of administration, unlike the activists, they considered programs to be the responsibility of the government to design and deliver, not that of Native organizations or corporations.

Although there was firm agreement in the MNSI task force on the need for the government to coordinate its efforts and to develop workable relations with the provinces for program delivery, there was no agreement on the type of programs that should be delivered. More specifically, there was no agreement on the central concept of "socio-economic" development. DREE advocated an "economic" approach while NH&W advocated a "social"
withheld their support, seeing the review as a government attempt to sidetrack issues in the constitutional forum.

Under the new Conservative government, events seemed to come full circle in linking key persons and ideas in the MNSI task force to the Nielsen task force. Jim Collinson, a former DREE official who had worked in the MNSI task force, and later in the Office of Aboriginal Constitutional Affairs (OACA) (the central bureaucratic agency advising the cabinet on Aboriginal issues in the constitutional forum), was appointed by Nielsen to head his Native task force. In addition, the perspective of the MNSI task force was strongly apparent in the advice provided cabinet by Nielsen's task force, especially in the orientation to business development, the promotion of regionally-based programs, and the value placed on cooperative federalism and decentralizing decision-making to the provinces. Pronounced similarities were also evident in the attitudes informing recommendations on DIAND, CEIC, Native political organizations and social programs. The aftermath developments of the MNSI task force in regard to the NEDP initiative were equally evident in the Nielsen task force's recommendations that DRIE gain direct control of the NEDP from the Ministry for Small Business, and overall control of all economic development programs. Finally, a second linkage of key individuals between the two task forces occurred in January 1985 when the Prime Minister appointed the former head of the MSSD and NH&W as the deputy minister of DIAND. There, he and his minister, David Crombie, received the Nielsen task force report.

Much had transpired in the five years between the two task forces, especially in regard to the entrenchment of Aboriginal rights in the constitution and the advocacy of the Indian First Nations view of self-government, as distinct from municipal government recommended by the Penner committee of the House of Commons (Canada, Statutes 1982, sec. 35:1; Penner 1983). But the persistence of ideas within the bureaucracy remained strong, and bureaucratic personnel remained largely unchanged in the senior level of government under the new Conservative regime. DREE's perspective on Native economic development and the MNSI
task force's views on Native administration finally attained prominence in Nielsen's task force under the new government. The ideas were not "fresh," having existed among certain key officials for well over a decade in the Trudeau era. But they reflected Nielsen's record on Indian issues and they were highly consistent with the government's themes of national reconciliation (cooperative federalism) and economic renewal (promoting job creation in the small business sector and more efficient spending in government). They were equally consistent with the government's conservative orientation and Nielsen's more concrete actions in his government-wide program review to simplify and streamline government programs, eliminate duplication in spending between governments, and cut back discretionary social programs.

THE TASK FORCE IN THE CONTEXT OF DIAND'S APPROACHES

Within DIAND, the respective approaches to Indian policy by the minister and the deputy minister were sufficiently evident before the Nielsen task force controversy erupted to make the general observation that Crombie's policy ideas were much more distant from Nielsen's initiatives than the deputy minister's management ideas.

Crombie's personal views showed some similarities with Nielsen's task force proposals on certain central points, namely: that a fundamental change was needed in the relationship between Indians and the federal government, that Indian dependency on the government should be replaced by Indian self-sufficiency, that the minister and the bureaucracy held too much power and control over Indian lives, that DIAND should be dismantled in the near future, that a "decentralist" approach should be adopted, and that Indians should be able to assume responsibility for running their own affairs by developing their own priorities at the community level and becoming more accountable to their own people. In essence, there was broad agreement on these skeletal objectives. Indeed, most government critics of DIAND would concur with these goals, though not with his goal of retaining and strengthening "the special
relationship" between Indians and the government. But there was only minimal concurrence on how these objectives should be attained. The divergence derived partly from Crombie's personal philosophy about the importance of communities in society, and partly from his view of the status of issues in his portfolio.

Briefly, three months after taking office, Crombie explained to the House of Commons Standing Committee on Indian Affairs that his approach to his ministry began with three "starting blocks" or state of the art developments in the field of Indian affairs: the 1982 amendments to the Canadian constitution on Aboriginal rights, the 1983 Penner report on Indian self-government, and "the court cases" which included the precedent-setting 1984 Musqueam judgment on DIAND's fiduciary (trust) obligations to bands. These were, in his opinion, the three developments on which changes in the relationship between Indians and the federal government had to be based, otherwise "we will have failed." To pursue how this new relationship might be conceived, he read extensively, traveled and talked with Indian people throughout the country, and tried to bring some coherence to the seemingly disparate elements in the field --treaties, land claims, the Indian Act, self-government, DIAND's role, and his own role as minister.

These elements were given meaning by his personal philosophy on the basic needs of people if they were to lead meaningful lives: "Everybody in the world looks for something to believe in, a place to belong and a knowledge of how to behave. Those are the three things that animate every living human being, and they find those things in their community." Believing that "every community requires a commitment to itself," he sought from Indian people their perspective of their lives and found an overwhelming "sense of powerlessness" among them. Gradually, the disparate pieces fell into place around the focal concept of self-government: transferring control and accountability to Indian communities. Consequently, treaties were seen as the "affirmation and renewal of communities" at the time they were signed historically when it was assumed that self-government would continue after negotiations. Treaty
"renovation" would become a process for continuing self-government in the context of renewing treaties through negotiation with the government. The Indian Act, however, was not an acceptable basis for the new relationship because it "is not a document that liberates the people." His distrust of bureaucracy—its control over Indian lives and its tendency to homogenize prescriptions for change, was consistent with his view of social change—that people in communities are capable of articulating their problems and competent in solving them if given the proper resources and "the freedom" to do so. In essence, communities were the units to initiate and define social change in the new relationship between Indian First Nations and the government. The role of the minister was to facilitate this change and to bring political will and a sense of direction to the bureaucracy to serve these ends.

For Crombie, "everything comes down to community" and, as an acknowledged "decentralist by instinct," he meant that power was to shift from Ottawa to the communities within the context of some continuing special relationship with the federal government which, following the Musqueam case, involved its "high responsibility" to Indian people. He did not voice support for transferring Indian matters to the provinces, a central recommendation of Nielsen's task force. Rather his target for decentralization was communities with their highly diverse histories, cultures and individual needs. The challenge for government was to accept this reality and adapt to it even though it would require more time and energy to do so.

He shaped his own mandate which he described as being "primarily in the areas of social and economic matters and approaches to self-government," the latter being "my own particular concern," whereas under the "two-tracked" system the matter of self-government in the constitutional forum rested with the Minister of Justice. His distance from Indian political organizations, whose accountability to communities he felt was doubtful, was evident at the outset of his tenure, and he believed that Indian rights, as they were debated in the formal constitutional forum with these organizations, had to
have daily significance in the lives of "ordinary people" if they were to have any real meaning. He admitted to being more comfortable in informal community settings where he could listen and exchange ideas, rather than formal meetings. Consequently, in formulating policy ideas, he did not consult First Nations' political organizations, preferring instead grass roots sessions where he subsequently performed the role of aggregating Indian demands. His commitment to consulting Indian people on all policy initiatives was more a flexible principle than an explicitly developed policy. But underlying this personal style was his belief that communities had been neglected as the focus for change:

The focus on constitutionalism in the last number of years was important. But that meant, I think, less energy, less effort and fewer resources were applied at the First Nation level and at the tribal council level. If I have an orientation it is to make sure that...[sic] Well, let me put it a simple way: I think that if we look at our work, it is to enhance the freedom, health, education, economic base and well-being of bands, of Indian First Nations. If they are healthy then the regions will be healthy; and if the regions are healthy they will be healthy from coast to coast. We have to focus on those things which are important to enhance the daily control and opportunity of Indians and Indian bands. That is the major orientation. 16

In keeping with these beliefs, Crombie's expressions of personal interest concentrated on socio-political development at the local level. As a result, his views on social programs contrasted sharply with those of the Nielsen task force. In December 1984, he told the Standing Committee: "We will not harm a hair on the head of programs that deal with the needs of Indian and Inuit people; and second, we will look for ways in which we can increase our contribution to those things that matter most to them, which outside of their own freedom, is education and housing." Specifically, he found the per capita federal spending on Indian education "a scandal" and "woefully inadequate" compared to the national per capita expenditures. Infrastructures in Indian communities had "serious deficiencies" and needed to be improved to meet the standards of the surrounding areas, and housing required more adequate funding. Reinforcing these needs, his officials indicated that DIAND's current funding levels were adequate only "to maintain the
backlog" on housing, not remove it, and that the cost of infrastructure (eg. roads, schools, etc.) constantly outstripped the department's resources.

Comprehensive land claims policy was another counterpoint. The Nielsen task force had proposed delaying comprehensive claims until the government had developed a policy on self-government, whereas Crombie had indicated his intent in December 1984 to review the comprehensive claims policy including its contentious provision requiring the extinguishment of aboriginal title. On March 28, 1985, he had discussed with Native claimants the need for review, hoping it could be completed quickly and agreeing to continue negotiations in the meantime. Moreover, his officials said there had been no consultation meetings with the Nielsen task force on the Native claims issue, nor had DIAND's commissioned review of the claims process by Price Waterhouse recommended the delaying measure.

On economic development, the program field favoured in Nielsen's review, Crombie was less articulate in the months preceding the task force controversy, and DIAND's mandate was less pronounced in this area. Briefly, Crombie had stressed the importance of economic development as a requisite for self-government "because the most dependent people I know are without economic means." Describing economic development and block funding as "the meat and potatoes" of self-government, he felt Indians should "have the power to plan and implement economic ventures on the community level in whatever forms may seem appropriate to the people of the First Nations." DIAND officials indicated, however, that little economic planning was occurring at the community level, and that DIAND's programs for economic development were inadequately funded, especially in regard to businesses based on renewable resources. Its loan program, the Indian Economic Development Fund, which originated in the 1969 White Paper (DIAND 1969:10), was now down to $25 million from its original $70 million and capable of addressing only twenty-five percent of the "known demand" from Indians.

DIAND's mandate, as officials explained to the Standing Committee, was at the social end of the socio-economic
development continuum where Indian dependency on government still rested in educational and social assistance programs which comprised sixty-five percent of the budget in its Indian and Inuit Program. Indians required increased educational attainment levels if they were to enter the workforce more effectively, and those already in the employable age group required additional educational and job skill training for which DIAND depended on CEIC’s programs. In short, DIAND's expenditures went "into catch-up in housing, education and social development" and, as Indians moved from the social to the economic end of the spectrum, towards more self-sufficiency, they "picked up" the mandate of other departments such as CEIC, DRIE, the Native Economic Development Program and, possibly in the future, the Federal Business Development Bank which the Nielsen task force, like the MNSI task force, recommended as the key financial institution providing loans for Native business development.

Overall, the picture of the federal government’s economic development effort for Indians was not impressive, and it had changed minimally from 1978 when the MNSI task force was mounted. The problems in the field were highlighted in an Assembly of First Nations (AFN) brief to the Standing Committee in December 1984, where it identified some of "the barriers" preventing Indians from participating more fully in the economy. The AFN drew attention to problems in program design and access as well as difficulties in jurisdictional conflicts between federal departments. And it agreed with DIAND officials that their Resource Economic and Employment Development unit was underfunded and unable to handle the important Indian need for businesses based on renewable resources. Neither the AFN nor the Standing Committee regarded NEDP as a responsive tool for business development, the prime targets of criticism being its lengthy delays in approving Native submissions, and its lack of support for renewable resource-based enterprises. Generally, a consensus seemed to emerge among the AFN, DIAND officials and the MPs in the Standing Committee that improvements in economic programs were long overdue, and that although DIAND’s efforts
were inadequate, so too were the programs of CEIC, DRIE and NEDP.

DIAND's perspective on economic development became more forcefully focused with the appointment of Bruce Rawson as its new deputy minister in January 1985. From his twenty years of public service experience in Alberta and Ottawa, most recently as head of a central agency (MSSD) and as federal coordinator of economic development in Alberta, he brought to DIAND a social policy orientation and a well formed personal ideology on public administration. These views, which stressed bureaucratic responsiveness to the public by coordinating programs across departments and by "tailoring" policies to the needs of regions or provinces, were evident in his role in the MNSI task force and were articulated publicly a few months before the Conservative government came to power (Rawson 1984). His convictions not only shaped his approach to economic development, but also informed his general perspective on DIAND's role both within the federal government and in relation to the provinces.

Briefly, Rawson saw most social and economic policy initiatives as cutting across the mandates of several departments and, therefore, success in implementing them depended upon efforts to fuse government action to some common goal. This required a "reduction of the solitude among departments at the administrative and policy formulation level, both in Ottawa and in the field" (Rawson 1984:607). He used this perspective in explaining to the Standing Committee that it was essential to break down bureaucratic barriers in the delivery of programs if Native people were to benefit fully from government offerings and participate more effectively in the Canadian economy. Native people, he said, would not be well served "if we simply ghettoize government native economic development programs." Since no single department had the requisite resources to undertake the complex task of Native economic development, it was necessary to improve "the horizontal of government": to "Stop the competition; reduce the watertight compartments of departments; and get people working together in the interests of the client,
in the interests of the entrepreneur, in the interests of the band."

An equally vital component of bureaucratic responsiveness to the public was the process of "tailoring or adaptation of national policy to regional needs" (Rawson 1984:608). Each province had a unique history and set of political and economic circumstances and, where national goals would not be forfeited, policy makers should avoid "a cookie-cutter approach" and tailor their initiatives to accommodate provincial needs and realities (Rawson 1984:608-609). As in the MNSI task force, he felt this approach was useful in the case of "mixed native and Metis communities in the north where separate policies of the federal government (and the provincial government) [sic] fracture the delivery system" (Rawson 1984:609).

In bringing this perspective to DIAND, Rawson promoted the need for federal collaboration with the provinces to enhance Indian economic development opportunities. Two weeks after his appointment, he vigorously defended this view to the Standing Committee and advocated his belief that Economic Regional Development Agreements (ERDAs) with the provinces and territories were the appropriate vehicles to achieve this goal. In response to the Standing Committee's skepticism of the utility of ERDAs for Indian people, given the recent experience of the Grand Council of the Crees in the ERDA negotiated with Quebec, he acknowledged that Native matters were more difficult to negotiate with the provinces than other issues, citing his own experience in Alberta. But he stressed that ERDAs were new mechanisms and that in the future they could be made to address Native economic needs much more effectively. Generally, he viewed economic development and Indian affairs not as a departmental matter, but a governmental and intergovernmental matter requiring coordination, imagination and determination.

The value Rawson placed on federal coordination and provincial sensitivity put much of the activity of policy formulation in the hands of senior officials, including those of the central bureaucratic agencies as Nielsen's task force had proposed. This powerful bureaucratic role admittedly conflicted with "the
competing need for ministerial visibility and the proprietary interests bureaucrats have towards their programs"—in short, "the horizontal" conflicted with "the vertical" of government (Rawson 1984:607-608). This conflict was inevitable given his firm view of the role of senior officials. Their job was to take risks and responsibility for them; to be fair to the public in advocating any course of action since all decisions created "winners and losers" among the public; and to be accessible to the public to the point of actively ensuring that the less articulate and organized sectors have their interests considered in formulating policy (Rawson 1984:602-606). In illustrating the latter he cited, among other examples, the bureaucratic problem of discerning Native opinion on developing "local community-based government" from the national political organizations. Like Crombie, he did not believe the national organizations represented community interests, and he questioned: "Is it significant that the agenda at the community level relates to jobs, daycare, water, housing, schools and sewers, while at the Native political and institutional level it centres around major feasibility studies, native financial institutions, court challenges and constitutional rights?" (Rawson 1984:604).

Overall, the deputy minister believed senior officials should be "entrepreneurs," should take gambles in innovating and should advocate firmly their views to ministers who, in any democratic system, had the right to reject them. He believed opportunities for a bureaucrat to initiate reform were present in newly elected governments, even when their political agendas might suggest otherwise, if the official were able "to bend his efforts to different challenges" (Rawson 1984:605). He illustrated this point from his experience as a social policy official in Alberta when a Conservative government came to power, but it was equally apparent in his energetic role in DIAND under the new regime in Ottawa.

Although the deputy minister and Crombie shared the view that DIAND should focus its efforts among Indians at the community level and that Native political organizations were not
reliable vehicles for discerning local opinion, they brought to DIAND very different attitudes and sensibilities towards Indians, different personal ideologies through which they perceived the need for reform, and conflicting views about the capacities of bureaucracy to serve the public and to define the public interest in the policy-making process. These differences were well established before the Nielsen controversy erupted and they meant that Nielsen’s initiatives would not uniformly impact at the departmental level. The deputy minister’s administrative ideology was highly consistent with Nielsen’s approach, particularly in regard to the advocacy of a strong coordinating role within the federal bureaucracy and the fostering of collaboration with the provinces, whereas Crombie’s orientation was basically incongruent with it.

In summary, while there was agreement between Nielsen’s and Crombie’s approaches that the problem to be addressed was one of Indian dependency—government control, there was no policy consensus on what the new relationship should be or how it should be achieved. Crombie sought to enhance social programs, to secure policy advice in face-to-face consultations with the client, to strengthen the special relationship between Indians and the federal government, and to transfer decision-making from Ottawa to the communities. In contrast, the Nielsen task force sought to reduce social programs, to secure policy advice from the senior bureaucracy and business interests, to minimize and normalize the Indian relationship with the federal government, and to decentralize decision-making to the provinces.

Nielsen’s and Crombie’s proposals represented two different policy paradigms. By paradigm I mean a system of values and premises that shape the individual’s perception of the policy problem and channel the marshalling of arguments and evidence in the search for solutions. These two paradigms differed in important respects other than those just identified. In terms of its locus in the government and in the Conservative party’s political spectrum, Nielsen’s paradigm existed at the apex of the cabinet among more powerful, right wing, ministers whose portfolios had government-wide application. Crombie’s existed
at the less senior level of a line department and represented the less powerful left wing of the cabinet and party. Although the values and premises in the paradigms ultimately derive from the broader society, in their more immediate form they derived in Nielsen's paradigm from long-standing bureaucratic ideas within government, and they generated more conventional and conservative proposals that were compatible with the government's top political priorities on economic interests and government retrenchment. In Crombie's paradigm, their immediate source was his own philosophy on communities and his experiences with neighbourhood groups as Toronto's "tiny perfect mayor," and they generated unconventional and more innovative proposals that were in keeping with his priority on socio-political change. In regard to premises, the key one pertained to Aboriginality—its existence and its role in the reformed relationship between Indian people and the government. Nielsen's paradigm contained the premise that Aboriginality did not exist and should not be given validity as a basis for the new Indian-government relationship. The key values in his paradigm stressed political conformity to conventional federalism and social conformity to "mainstream" economic status in society. Indeed, Nielsen's paradigm did not recognize the constitutional affirmation of Aboriginal rights. Nor did it acknowledge Penner's advocacy of the Indian construction of their preferred relationship with the state—a construction arising in the Aboriginal right to self-government as a new, third order of government whose legitimacy lies in the Indian First Nations; not self-government as municipal government whose legitimacy lies in the devolution of power from Ottawa to the bands, which is the conventional federal view (Long et al., 1982; Penner 1983). In contrast, Crombie's paradigm operated on the premise that Aboriginality existed, that it was highly varied in cultural idioms and political needs, and that it could form the basis of a new special relationship with the federal government. The key values he stressed were "political freedom" and flexibility within the state, and cultural diversity with local autonomy. His proposals were shaped in the context of constitutional rights, (to the extent that
they had to have local relevance) the Penner report, and the Musqueam decision.

These paradigms are fundamentally in conflict given their opposing premises about Aboriginality and their contradictory values on conformity-autonomy. And they are no more reconcilable in substance in the new Conservative government than they were in the Trudeau regime. This ideological logjam in Indian policy led to increasing paralysis in the Trudeau era, but under the new administration the logjam is buttressed by economic policies of retrenchment and social policies with limited expression of liberal humanitarian values. It is evident, however, that Crombie sought ways to reactivate the policy field, to bring the pieces together into some coherent, contemporary form so issues could be addressed in a more productive vein. Although the controversy over the Nielsen task force supported his efforts by yielding a prime ministerial validation of his approach at a broad level (PMO 1985), this sectoral policy declaration by the Prime Minister on Aboriginal issues could not be expected to alter the government's broader pursuit of retrenchment. Nor could it be expected to alter the views or values of those in government who shared the Nielsen paradigm of Indian policy. Consequently, the single most predominant characteristic of the Indian policy field toady is the tension between the two competing paradigms, a tension that inevitably affects the course of specific policy initiatives.

**DIAND’S CURRENT POLICY DIRECTIONS**

After the Nielsen task force controversy, in the spring of 1985, DIAND’s priorities were given sharper form. Although the Indian policy field is exceedingly fluid given the profusion of inconclusive initiatives, the current status of policy developments will be summarized to illustrate Crombie’s approach to issues in comparison to former Liberal policies and Nielsen’s initiatives.

In December 1985, DIAND’s priorities were expressed by Crombie and the deputy minister as self-government, economic development, northern political development, and social services (ie, housing, education and social assistance programs).
Indian control through self-government was Crombie's first priority but it also became the explicit centerpiece in his scheme, bringing a consistency of purpose to other policy initiatives in the field. Most initiatives were rationalized in terms of this overall objective, some more explicitly and effectively than others. In this regard two early policy initiatives which have not been discussed in this paper merit attention.

In northern policy, Crombie's decision to move ahead with the division of the Northwest Territories into two territories, and his willingness to propose to cabinet joint management and revenue sharing of natural resources, met some of the desires of Native northerners for political development (Asch 1984:95-99). His proposals were enthusiastically received by the Inuit, but deliberations have since become attenuated as the value of the division has become questioned in the north. In the second development, the passage of Bill C-31 to amend the Indian Act to remove the discriminatory provisions for Indian women who had married non-Indians, Crombie sought to resolve the thorny conflict of interests between Indian women, for the reinstatement of their status and that of their children, and Indian bands, for control of their own membership as self-government implies. The compromise legislation (Canada, Statutes 1985), which restored both status and band membership to women but left the band membership of their children to the determination of the band councils, received a mixed reaction from Indian groups, and a few bands, deeply disturbed by government intervention in the membership field, are currently pursuing litigation to contest the new provisions. In both initiatives, Crombie departed from previous Liberal policy by offering in the north to examine resource revenue sharing and to remove land claim settlements as a prior condition to establishing political institutions, and by abandoning the Liberal Bill C-47 on amending the Indian Act so as to provide, among other things, a role for band councils in determining band membership.

Developments in Indian self-government have begun in the form of changes in policy, administration, legislation and negotiation. Briefly, the Liberal Bill C-52 on self-government was
devised in the dying months of the Trudeau government (House of Commons, Bill 1984a), and was sharply criticized by Keith Penner. In Penner's view the bill was based on well-intended political will, but he attributed its failure to accept the spirit of his committee's report, and its failure to relinquish significant federal control over Indian lives, to the intervention of officials in the Department of Justice and OACA (Penner 1985:5). Crombie found the bill unacceptable as the basis for a new Indian-government relationship and, in articulating his own policy, stressed that self-government must achieve three objectives: "First, it must substantially increase control and the decision-making capability of Indian communities. Second, it must be flexible in order to recognize the diverse needs, traditions, and culture of Indian and Inuit people. Third, it must lead to greater accountability by Native communities to their electors rather than to the federal bureaucracy." These objectives followed the Penner report as did Crombie's views that successful self-government depended on economic development, improved infrastructure and block funding. He promoted a policy of negotiated self-government to be pursued on a case-by-case basis as a response to band proposals, at band pace and according to band need. Hence the notion of a single, uniform policy on the powers and form of self-government for all Indian communities was rejected in favour of a "community based and community designed—community built" approach, adapted to the needs of individual communities and to the extent of self-governing powers they sought.

The strategy for implementing this "tailor made" policy is to use every available mechanism to get the self-government process moving at the "practical" level. This, among other factors, has resulted in back-peddling on the use of the Indian Act, which Crombie initially rejected as a basis for a new Indian-government relationship. Thus the strategy may involve stretching existing administrative arrangements and working "within the Indian Act" by encouraging bands to use current by-law provisions and by amending sections of the act to facilitate this. Or it may entail working "beyond the Indian Act" to
negotiate more "comprehensive" schemes for self-government which may require new financial arrangements and legislation. The negotiation process may be tripartite between the federal, provincial/territorial and band governments. But in sharp contrast to the Penner report which Crombie espoused, DIAND will be the lead negotiating agent for the federal government, not a new agency as Penner advocated. To support self-government, a form of financing called "alternative funding arrangements" has been approved by cabinet instead of 'block funding' as Crombie initially proposed. The 'alternative' financial mechanism is intended to enable bands to secure multi-year funding in which to establish their own priorities and programs. These funds will be subject to annual appropriation by the government and will be provided in the more restrictive form of "contributions" to band councils rather than in the more flexible form of "grants" in the block funding concept.

Legislative reform, which may be the result of negotiations, has occurred under the Conservative government in the first instance of the Sechelt Band in British Columbia. The enabling legislation in Bill C-93, introduced in the Commons on February 5, 1986, will allow the Sechelt Band, among other things, to assume fee simple ownership of its lands, and to develop a band constitution empowering it to control any of a range of activities from local planning, zoning and taxation, to band membership, education and child welfare.

Several other First Nations groups have begun to explore self-government possibilities, and in Ontario an independent initiative for tripartite negotiations (federal, provincial and Indian bands) has begun in the only forum of its kind, the Indian Commission of Ontario under the new Commissioner, Indian lawyer Roberta Jamieson. The document which commits the parties to negotiate is a political accord signed, interestingly enough, by the federal Minister of Justice, John Crosbie, as well as by Crombie and provincial and Indian authorities.

In the meantime, however, the Cree and Naskapi of Quebec have encountered serious problems in the implementation of their self-government legislation negotiated with the former Liberal
government and Quebec (Canada, Statutes 1984). Although their particular concern is with the federal government's failure to implement the agreed upon funding formula, the Cree have argued more broadly that DIAND is incapable of implementing self-government: that DIAND was historically designed to administer the Indian Act and that the "structure and policies of the department are fundamentally at cross purposes with the principle of Indian self-government" in their legislation. As a prototype experience with self-government, the Cree-Naskapi case does not inspire confidence in the Conservative government's commitment to self-government or in the Treasury Board's willingness to provide resources to First Nations groups once they are legally bound to a self-governing course of action.

In regard to social and economic programs, DIAND has many reviews underway but little change has occurred to date that is publicly identifiable. Social programs (ie., housing, education and social services) have been retained as a departmental priority, being viewed as "a base for effective self-government," and Crombie has indicated a desire to secure more adequate funding in this area. Economic development is Crombie's second priority, his reason being that "Really meaningful self-government and political freedom cannot flourish effectively in an environment of continued economic dependence." Here, activity has concentrated on promoting small business development among First Nations by linking Indian entrepreneurs to the private business sector. In this respect the Native Business Summit, held in June 1986 in Toronto, was intended to bring together Native and non-Native business interests, and the new Native internship program with CEIC will develop business management skills among Native apprentices. Both these initiatives involve the Canadian Council for Native Business, a private sector organization formed in 1984 to increase business opportunities for Native peoples. Despite these developments, Crombie has acknowledged that the often advocated improvement in the coordination of federal economic programs for Indian people has yet to occur. The NEDP has remained the responsibility of the Minister for
Small Business and continues to draw sharp criticism from Native groups and MPs over its lengthy assessment process and its few approvals. The AFN is also concerned about its concentration on individual entrepreneurs at the expense of band operated businesses and, more recently, Yukon Indians have been outspoken in their disapproval of Nielsen’s intervention in their submission to the NEDP.

In regard to comprehensive land claims, the recently released (March 19, 1986) report of the Coolican task force, appointed by Crombie in July 1985, suggests that innovation could be extensive and, once again, linked to the establishment of self-government. In contrast to the Liberal policy which required a finality of negotiated agreements and the extinguishment of Aboriginal rights (Chretien 1973; DIAND 1981), the Coolican task force has recommended "a certainty" in relation to land and resource agreements, while keeping open the possibility of future negotiations as conditions change. It has also rejected the blanket extinguishment of Aboriginal rights, given their constitutional recognition and evolving nature (Coolican 1985:30-36). Again the principle of agreements "tailor-made" to Native needs and regional conditions is being proposed (Coolican 1985:47), and the notion of uniformity among claims settlements, or in Crombie's words "the consistency problem," is contested by the notion that "parity" does not mean "identical" content in agreements (Coolican 1985:31). By making comprehensive claims one more vehicle to achieve self-government, this line of policy advice overtakes the recommendation of the Nielsen task force to delay comprehensive settlements until a policy on self-government is established, and it reinforces the connection between claims settlements and a requisite economic and land base for self-government recommended by Penner (1983:112-116). It also negates the long-standing policy of the Trudeau administration that political institutions were not to be negotiated in the comprehensive claims processes (DIAND 1981:19). A Comprehensive Claims Coalition, formed in April 1986 of nine Aboriginal claimant groups, has mounted a highly organized lobby to persuade the
cabinet and senior officials to support the Coolican report. Although policy decisions are many months away, the potential for fundamental reform and for ending protracted, unproductive negotiations is extensive.

In terms of specific claims, the Liberal government's 1982 policy remains in place (DIAND 1982), and no new initiatives have occurred to date. The implications of the Musqueam case for the specific claims process are not yet apparent but, since the judgment was released in November 1984, several bands have begun litigation, arguing that the federal government has failed to honour its fiduciary (trust) obligations to them in regard to reserve land surrenders and the management of monies (Intercom 1985e, 1985a:9).

In regard to treaties, Crombie's idea of "treaty renovation" has yet to be conceptualized in the public record, but it appeared to embody the notion of renegotiating the treaties as a context for restoring self-government. He indicated, in the fall of 1984, his willingness to proceed with Treaty 8 negotiations and later appointed federal Conservative MP Frank Oberle as a special envoy to prepare a report on the treaty renovation process. The report, drafted by a DIAND official and ideologically sympathetic to First Nations perspectives on treaties and rights, has been circulated to Treaty 8 members who are currently reviewing it. But the report was subsequently rejected by senior DIAND officials and later leaked to the press as a criticism of Crombie's approach to self-government, leaving the status of the initiative uncertain at both the bureaucratic and ministerial levels of DIAND.

On core funding for Native political organizations, a highly political issue as problematic for governments as for Aboriginal groups, policy development is somewhat more advanced. The responsibility for core funding has rested with the Secretary of State (SOS) since 1970. But the policy review, jointly announced by SOS and DIAND ministers in May 1985, was linked to a related DIAND program called Policy Development and Consultation Fund. The use of this program over time has been essentially similar to the core program in financially
supporting the operating costs of the head offices of the political organizations. The key policy issue here is not the level of funding, but how the distribution of funds can be used to enhance the representivity and accountability of the organizations to their grass-roots communities. On these matters Crombie had expressed his own reservations to the Standing Committee in December 1985, indicating that the long standing idea in DIAND—and one promoted by the Nielsen task force—of requiring bands to designate funds to the organizations they wish to represent their interests, might produce uneven representation: the political organizations might end up representing the wealthier bands while the poorer ones would retain the funds to support needed activities at the community level. At that point he had reached no conclusions on the matter other than to note that a new core funding policy would "impact on the Indian voice" and that "Indian people are going to need voices beyond their own community in the future—more so, not less." In February 1986 the consultant's report was submitted to the ministers who sent it to all bands and recipient political organizations for comment. The ministers and Native organizations, however, found problematic the report's key recommendation—that funds to organizations be allocated by the Secretary of State on the advice of a national-level committee composed primarily of Native people (Coolican 1986:69). Policy decisions are expected in the fall of 1986, and in the interim the funding for the organizations to participate in the constitutional talks has been approved and the current level of core funding will be maintained.

Finally, policy changes in government machinery (i.e., structure) in regard to DIAND's future are evident in the deputy minister's reorganization of the department and reduction of its size. The devolution of its economic, employment and policing functions to other federal departments, as the Nielsen task force proposed, has not occurred. Nor will a new federal agency be created, as Penner recommended, to negotiate and implement self-government. Rather, with the stated aim of supporting Crombie's priorities, the deputy minister has reorganized the
department into five new units: self-government, economic development, northern development, social services and lands, reserves and trusts. Following his administrative philosophy that "competitiveness and jurisdictional jealousy can get in the way of service delivery," the deputy minister has stressed the need for the department to become skilled in cooperating and collaborating with other federal departments, the provinces, Native people and the private sector (Intercom 1985b:2). In light of the government's top priorities, he believes the department must also find ways to make the new government's "themes of simplification and less government" serve the department's clients (Intercom 1985b:1). In this regard, the reduction of the department's personnel by an estimated 1,500 persons in the next two years, and by half its current size in five year's time, could be seen as a partial implementation of Nielsen's recommendations and as part of the government's general objective to reduce the size of the permanent public service by 15,000 positions by the end of its term. Thus "downsizing" DIAND can be rationalized to serve two purposes: the government's priority on reducing spending by reducing the size of the federal bureaucracy—"spending smarter" and "managing smarter" in Nielsen's words --and Crombie's priority on promoting Indian self-government by reducing the role of the bureaucracy as Indian First Nations assume more control over their programs and services.

Crombie has stressed, with Nielsen's initiatives in mind, that the personnel reductions will be a response to "reduced workloads" in the department as Indians take control, and that they are "not cost-cutting exercises, nor do they mean reduced funding for Indian communities." These statements, however, have been recently contradicted by an accounting firm's investigation of DIAND's regional office in Manitoba. The investigation was a response to Indian allegations of DIAND's cutbacks and mismanagement of funds, and the report, commissioned by Crombie in April 1986, substantiated many of the allegations (Ward Mallette Chartered Accounts 1986). Crombie has since requested his deputy minister to determine if similar
disregard for ministerial directives has occurred in other regions of the country, and he has openly acknowledged the damage this revelation has done to the government's credibility on self-government policy. More significantly, it raises fundamental questions not only about the accountability of public servants to ministers, but also about the department's capacity and preparedness to transfer control to bands. Such a capacity requires distinctly different bureaucratic leadership, attitudes and skills, and planning than those involved in reducing the size of a bureaucracy or in maintaining the status quo.

Consequently, given instances of bureaucratic resistance to initiatives, and the condition of government retrenchment with its constant refrain "But there's no money," it is by no means clear that Crombie's ultimate objective of Indian self-government is attainable; namely, "at the end of the day we'll walk away having delivered control and resources to Indian communities," and having "strengthened the argument that constitutional self-government for aboriginal people is something to be welcomed."

Crombie's initiatives—northern political development, Indian women and band membership, self-government, comprehensive land claims and treaty renovation—vary in their stage of development from new policy advice to implemented legislation, but they have three things in common: they were intended to expand Indian power at the community level; they attempted to provide Indians with additional resources to manage their affairs; and they attempted to avoid homogenized prescriptions for change being applied to all Indian First Nations. Moreover, they have been active attempts to engage tangled issues, each containing an array of competing interests, rather than to avoid them. In short, they have been efforts to break long-standing logjams in the policy field. This has been a refreshing turn of events from the end of the Liberal era when the focus of policy moved from substance to process and issue-circumvention, and when advances in Indian policy were achieved primarily for instrumental reasons because they facilitated other non-Indian policy goals (Weaver 1985a:144-145).
CONCLUSION

The purpose of this paper was to provide an overview of Indian policy developments in the new Conservative government by examining the recommendations of Nielsen's task force in the context of recent policy initiatives. This examination has shown that, in the broader historical picture, the new government's attempts to reform Indian policy showed certain striking parallels to those of the new Trudeau regime in 1968. The Nielsen task force on Native programs, like the 1969 White Paper, was mounted at the cabinet level in the context of government priorities, removed from the realpolitik of the department's relations with Indians and the expectations raised among them by new, well-intended ministers. Like the White Paper, the task force operated in isolated secrecy to its own detriment and that of the government. In both instances, old bureaucratic advice found new political receptivity at the cabinet level where it influenced the course of policy development, only to be denounced by Indian people. In both cases, the episodes of deception fortified the institutionalized distrust of government among Indians in regard to policy content and process. The denounced initiative took on the status of what I call a foundation policy: the government's first major expression of policy reform in the field, one that certain forces within cabinet would have preferred to implement untrammeled by Indian reaction. Since foundation policies are informed by the unmasked values and attitudes of ministers and their advisers—behavioural features which are more permanent fixtures of the policy arena than specific initiatives—attempts in both cases to retract the proposed reforms failed to dispel the suspicion among Indians. This failure reflects the fact that foundation policies are seen as "the real agenda" because they symbolize "the real" values of the policy makers that are likely to shape future policies, or impede those seen to be incompatible. Hence foundation policies become the benchmarks against which prime ministerial declarations must earn credibility with each succeeding government action.
But 1985 differed from 1968 in many important respects. Among them, Indian First Nations were politically more skilled in promoting and defending their defined interests, and without their legitimacy of policy initiatives, government actions were likely to be stillborn or encounter organized resistance. The retrenchment ethos of budget cut backs meant that innovative measures would have to compete with existing programs and would require careful consultation with the Indian constituency if their compliance was to be secured or their opposition minimized. In short, formal announcements of policy without prior consultation, as Nielsen planned, were not destined to elicit Indian consent.

An equally significant difference occurred in the Indian policy field into which the foundation policies were launched. Unlike the 1969 White Paper, Nielsen’s initiatives on Native policy were delivered into an active policy field where new approaches to Indian issues were emerging from DIAND’s minister. Furthermore, these innovative approaches were being integrated around a pivotal concept (Indian self-government) which the Indian constituency supported and an all-party parliamentary committee had endorsed (Penner’s committee). Consequently, Nielsen’s initiatives, which were retrogressive—born of the 1960s conception of the Indian-government relationship and nurtured by the policy environment of the late 1970s—contrasted sharply with Crombie’s approach which was born of a 1980s understanding of the Indian-government relationship and a respect for the constitutional and legal advances of that period. The reforms proposed by Crombie emerged from this policy environment; they were of this policy environment and shaped by values sympathetic to it, unlike those that guided Nielsen’s initiatives which virtually disregarded constitutional and legal developments.

In addition, Nielsen’s proposals were fundamentally at odds with Crombie’s in regard to policy making processes and the role of the bureaucracy in reforms. Crombie’s philosophy stressed people-solving-problems in a bottom-up policy process that was sensitive to the client’s defined interests and that was shaped
by consultation. In contrast, Nielsen's initiatives embodied the antithetical principles of government-solving-problems in a top-down policy process that was sensitive to provincial and business interests and shaped through intergovernmental negotiations in a bureaucratically-managed process remote from the client's input. In Nielsen's perspective, Indians received self-government by fiat, whereas in Crombie's perspective Indians shaped self-government by negotiation. Nielsen's proposals, in effect, would have increased the bureaucratization of Indian lives, the very condition Crombie and First Nations sought to avoid.

An overview of Indian policy in the Conservative government reveals the existence of competing policy paradigms represented by Nielsen's and Crombie's proposed reforms. These paradigms are not reconcilable in substance, given their fundamentally conflicting premises about aboriginality—its existence and its role in the relationship between Indians and the state, and their opposing values in respect of political and socio-cultural conformity-autonomy. But at face value, the government's priorities on "less government" and "managing smarter" do not conflict with the notion of Indian control of their lives. This construction of compatibility constituted the rationalization for DIAND's "downsizing." The dominance of retrogressive forces in government is particularly apparent in the implementation of self-government. Here the trend shows a shift away from Crombie's initial advocacy of Penner's proposals and block funding, and a retreat to the conventional 1960s promotion of band council by-laws under the Indian Act and more restrictive funding arrangements. By-laws under the Act are subject to ministerial approval, and their impotence as mechanisms to increase self-governing powers for bands has been graphically illustrated in the recent case of a British Columbia First Nations band. There, under pressure from his own party and other interests, Crombie disallowed the band's fishing by-laws which he had initially supported.

When the actions of the government are separated from the rhetoric in the still fluid field of Indian policy, certain
observations can be made on the status of policy reforms during Crombie's tenure as minister; namely,

- that government structures on which Indian people still have a high degree of dependency (ie, DIAND) are being changed without a policy in the public domain which substantiates rather than asserts how this restructuring will facilitate First Nations self-government or serve the interests of the Indian constituency,

- that policies which reflect the government's primary interest in the private business sector of society are the most developed new policies to date,

- that government coordination of economic development programs across departments, as advocated by the Nielsen task force and DIAND's deputy minister, is still required but has yet to eventuate,

- that policy issues which have the highest priority among Indian people beyond or in conjunction with self-government (ie, comprehensive claims and treaty renovation) remain at the policy advice, pre-cabinet stage without government commitment to date,

- that no advances have been made to date on self-government in the constitutional forum,

- that actions to date on self-government at 'the practical' level show a diminishing commitment to the Penner report and an increasing trend toward adopting the more conventional 1960s use of the Indian Act with piecemeal amendments and by-laws to establish municipal forms of government.

In conclusion, the Indian policy field during Crombie's tenure has been more active than productive. A cursory review of the government's actions to date suggests that the predominant force behind policy changes has been the government's top political priorities, most closely associated with Nielsen's paradigm and policy ideas of the 1960s and 1970s, rather than with Crombie's paradigm and contemporary policy developments of the 1980s.

This raises an essential, but at this point unanswerable, question of why, in the new government, a minister is unable to implement his own priorities when they have prime ministerial and constituency support? In regard to policy substance, this review raises the equally salient question of whether the First Nations will be provided with adequate resources and control to sustain their self-governed communities, should they choose this course of action.
POSTSCRIPT

On June 30, 1986, Prime Minister Mulroney made a major cabinet shuffle to improve the government's image and to set the course for the next two years leading up to the federal election. All the key ministerial players in Indian policy were changed while key bureaucratic personnel remained in place. The retirement from politics of Erik Nielsen was met with relief from many MPs and cabinet advisers who felt his preoccupation with secrecy and his stonewalling behaviour in parliament had become politically damaging. David Crombie was elevated to the position of Secretary of State as part of the government's desire to improve communications with the public, and the popular Don Mazankowski replaced Nielsen as Deputy Prime Minister. Ray Hnatyshyn replaced John Crosbie as Minister of Justice responsible for constitutional reform and the FMC on Aboriginal rights in 1987, and Bill McKnight, a farmer from Saskatchewan and Mulroney's former Minister of Labour, became the new Minister of Indian Affairs.

The implications of the ministerial changes and bureaucratic stability for Indian policy, and more generally for the Nielsen task force reports, have yet to unfold. But the government's top political priorities of national reconciliation and economic renewal have been retained and given new impetus in the Prime Minister's desire to bring Quebec into the Canadian constitutional accord and to negotiate freer trade with the USA. What is evident at this time (September 1986), however, is that McKnight's style and priorities as Minister of Indian Affairs differ markedly from those of Crombie, who was client-oriented and personally committed to self-government as the policy centerpiece in the portfolio. McKnight is more bureaucratically-oriented and did not adopt Crombie's active consultation program with Indians at the outset of his appointment. He is more cautious in making public promises and, at the annual AFN assembly in St. John's, Newfoundland, in mid-August, where he called on Indians to support his efforts, he stated his intention to spend more time in Ottawa than his predecessor had done. His accessibility by Indian leaders is uncertain and so
far his priorities on economic development and land claims have avoided giving prominence to self-government. McKnight has also indicated that DIAND will not be abolished unless Indian people demand such action, and that its size will not likely diminish because the past interest in self-government has resulted in a greater "take-up" of its program by Indian communities and the consequent need for staff to service the programs. In practice, money remains exceedingly tight, and the recent admission by DIAND of some management problems in its Manitoba regional office was downplayed, leaving questions in the public mind about the minister's own position on the issue.

Overall, it appears doubtful that Crombie managed to institutionalize the priority policy of Indian self-government within the government itself (ie., cabinet, treasury board, and DIAND). Future actions by the government may well concentrate on the less ambitious horizons of sectoral policies rather than tackling the sweeping political and bureaucratic reforms that self-government would necessitate. Indeed, it seems that the movement towards an explicit and implementable policy of self-government has become truncated at mid-point in the Conservative government's term of office.
APPENDIX A

LIST OF ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AFN</td>
<td>Assembly of First Nations</td>
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<tr>
<td>CEIC</td>
<td>Canada Employment and Immigration Commission</td>
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<tr>
<td>CMHC</td>
<td>Canada Mortgage and Housing Corporation</td>
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<tr>
<td>DIAND</td>
<td>Department of Indian Affairs and Northern Development</td>
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<tr>
<td>DPMO</td>
<td>Deputy Prime Minister's Office</td>
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<tr>
<td>DREE</td>
<td>Department of Regional Economic Expansion</td>
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<tr>
<td>DRIE</td>
<td>Department of Regional Industrial Expansion</td>
</tr>
<tr>
<td>FMC</td>
<td>First Ministers Conference (comprised of the Prime Minister and Premiers)</td>
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<tr>
<td>MNSI</td>
<td>Metis and Non-Status Indians</td>
</tr>
<tr>
<td>MPs</td>
<td>Members of Parliament (House of Commons)</td>
</tr>
<tr>
<td>MSSD</td>
<td>Ministry of State for Social Development</td>
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<tr>
<td>NCC</td>
<td>Native Council of Canada</td>
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<tr>
<td>NDP</td>
<td>New Democratic Party</td>
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<td>NEDP</td>
<td>Native Economic Development Program</td>
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<tr>
<td>NH&amp;W</td>
<td>Department of National Health and Welfare</td>
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<tr>
<td>OACA</td>
<td>Office of Aboriginal Constitutional Affairs</td>
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<tr>
<td>PCO</td>
<td>Privy Council Office</td>
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<tr>
<td>PMO</td>
<td>Prime Minister's Office</td>
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<tr>
<td>SCIAND</td>
<td>Standing Committee (of the House of Commons) on Indian Affairs and Northern Development</td>
</tr>
<tr>
<td>SOS</td>
<td>Secretary of State</td>
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NOTES

1. The ARDA program, under the Agricultural Rehabilitation and Development Act of 1961 and amended in 1966, moved to the newly created Department of Regional Economic Expansion in 1969 after which its focus on rural and social development declined sharply as DREE's interests shifted to urban and industrial development (Careless 1977:88). In 1982 DREE was dismantled and some of its elements combined with those of the Department of Industry, Trade and Commerce to create the new Department of Regional Industrial Expansion (DRIE) (Borins 1982, Aucoin and Bakvis 1984). DRIE's primary focus is industrial growth and performance (Savoie 1986:131).

2. See AFN presentation to the Standing Committee on Indian Affairs, SCIAND Minutes, December 12, 1984, No. 5, pp. 7-10.

3. The NEDP was finally established in 1983 as a program to provide grants to Indian, Inuit and Metis business enterprises. ("Native Economic Development Fund," Department of Regional Industrial Expansion, Ottawa, News Release, June 10, 1983).


8. Ibid., p. 8; December 4, 1984, No. 3, p. 7.


11. Ibid., pp. 2-3; Canada, Statutes (1972).

12. SCIAND Minutes, December 4, 1984, No. 3, p. 27.


16 SCIAND Minutes, December 4, 1984, No. 3, p. 28.

17 Ibid., p. 21.


22 SCIAND Minutes, May 14, 1985, No. 38, p. 17.


25 SCIAND Minutes, February 5, 1985, No. 9, pp. 9-10; AFN presentation to the Standing Committee, SCIAND Minutes, December 12, 1984, No. 5, p. 10.


27 SCIAND Minutes, May 15, 1985, No. 39, p. 16.

28 SCIAND Minutes, February 5, 1985, No. 9, pp. 9-10.

29 Ibid., p. 11.

30 SCIAND Minutes, December 12, 1984, No. 5, pp. 6-11. See Driben and Trudeau (1983) for an analysis of the problems experienced by a Northern Ontario Indian band with conflicting economic development programs at the community level.

31 Ibid., pp. 10-12, 21, 28; SCIAND Minutes, December 19, 1984, No. 7, pp. 7-11, 14.
32 SCIAND Minutes, February 5, 1985, No. 9, p. 7.

33 Ibid., pp. 7 and 17.

34 Ibid., p. 7. For a useful description of the intent and objectives of ERDA's see Savoie (1986:80-85, 150).


36 SCIAND Minutes, November 18, 1985, No. 46, p. 8; SCIAND Minutes, November 21, 1985, No. 48, pp. 8-9.


39 Canada, Statutes (1972); SCIAND Minutes, March 7, 1985, No. 12, pp. 7-11.


44 SCIAND Minutes, November 21, 1985, No. 48, p. 13. He defined communities broadly as including bands, tribal or regional councils and treaty areas (Ibid., p. 7).


46 SCIAND Minutes, November 18, 1985, No. 46, pp. 8 and 16; Penner (1983:61).


49 "The Indian Commission of Ontario - A Forum for Change," Remarks by Roberta Jamieson, Commissioner, at the Indian Heritage Conference, Walpole Indian Reserve, November 15-16, 1985, Toronto: Indian Commission of Ontario, pp. 5-7. In his speech introducing Bill C-93 Crombie listed thirteen other Indian groups currently considering self-government: in British Columbia, the Kootenay Indian Area Council, the Shuswap Nation, and the Caribou Tribal Council; in Alberta, the Yellowhead Tribal Council and the Enoch Band; in Manitoba the Swampy Cree Tribal Council and The Pas Band; in Ontario, the Nishnawbe-Aski (Cree and Ojibwa), the Robinson Treaty Nation, and the Akwesasne and Tyendinaga (Mohawk); in Quebec, the Kanawake (Mohawk) and the Pointe Bleue Band ("Notes for Remarks on the Sechelt Self-Government Bill, Bill C-93, House of Commons, February 5, 1986," Ottawa: DIAND, Speech February 5, 1986, p. 3).

50 Grand Council of the Crees of Quebec presentation to the Standing Committee on Indian Affairs, SCIAND Minutes, December 3, 1985, No. 51, pp. 4-7; Crombie's statement in SCIAND Minutes, November 21, 1985, No. 48, pp. 26 and 35.


52 SCIAND Minutes, November 18, 1985, No. 46, p. 8; SCIAND Minutes, November 21, 1985, No. 48, p. 9; Intercom (1985d).

53 SCIAND Minutes, November 21, 1985, No. 48, p. 8.


55 SCIAND Minutes, November 21, 1985, No. 48, p. 31.

56 SCIAND Minutes, December 12, 1984, No. 5, pp. 11, 21-22; SCIAND Minutes, November 18, 1985, No. 46, p. 32; SCIAND Minutes, November 21, 1985, No. 48, p. 31. The most recent attack on the NEDP involved allegations by the Yukon Indian Development Corporation that Erik Nielsen, a Yukon MP, intervened in the evaluation process to stop endorsement of their proposal ("Yukon Indians Frustrated in Approval for Grant," Toronto Globe and Mail, March 5, 1984; "Ottawa Holding Back Native Aid, MP Says," Toronto Globe and Mail, March 5, 1986; "Yukon Native Group says Nielsen Sabotaged Its Bid for Financing," Toronto Globe and Mail, March 10, 1986).

Confirmation by DIAND official, March 18, 1986.


Weaver (1985b); S. Weaver, "Towards a Comparison of National Political Organization of Indigenous Peoples: Australia, Canada and Norway," Lecture Series by S. Weaver at the Institute of Social Sciences, University of Tromsø, Norway, October 19-26, 1983. (Unpublished manuscript).


Confirmation by a Secretary of State official, April 24 and June 30, 1986.

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For an example of DIAND's personnel reduction discussed in the context of the government's effort to reduce the size of the federal bureaucracy see "Bureaucracy Will See 5,491 Jobs Trimmed," Toronto Globe and Mail, February 28, 1986, and "Executives Advise Ottawa on Cuts," Toronto Globe and Mail, March 10, 1986.


71 In the federal budget of February 1986, the Minister of Finance indicated that amendments would be made to section 83 of the Indian Act to clarify the power of band council by-laws in order to enable bands to levy tax on non-Indian interests on Indian lands (Department of Finance, Budget Speech, Ottawa, February 26, 1986, p. 21). This initiative is partly in response to demands for these changes from the Kamloops band in BC, but it has been supported by over 100 bands through band council resolutions (AFN, "Summary and Analysis of Federal Budget - February 26, 1986, Revised March 3, 1986," p. 3).


74 "Trudeau-Era Bureaucrat is Dismissed," Toronto Globe and Mail, August 20, 1986.


76 McKnight stated this intention at the AFN annual assembly meetings in St. John's, Newfoundland (August 18-21, 1986) at which he made his first presentation to the AFN in a speech highlighting his interests in economic development and land claims (Bill McKnight, "Notes for a Speech to the 7th Annual meeting of the Assembly of First Nations, St. John's, Newfoundland, August 20, 1986," Ottawa, DIAND Press Release, August 20, 1986, pp. 12-13.

77 McKnight's statement on the unlikelihood of reductions in the size of DIAND's staff came in response to questions from the floor of the AFN annual assembly in St. John's on August 20, 1986; "Department Won't Be Closed Unless Indians Ask For It," St. John's Evening Telegram, August 21, 1986; "McKnight Wants Indians' Support," St. John's Evening Telegram, August 21, 1986.

78 "Ottawa Admits Errors in Funds to Native Plans," Toronto Globe and Mail, August 21, 1986.
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