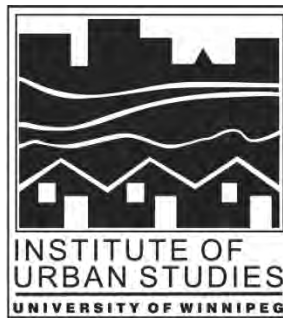


Evolution of Northern Housing Policy

Northern Studies No. 2

by Tom Carter
1993

The Institute of Urban Studies





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PREFACE

The Canadian North contains only slightly more than five percent of Canada's residents, but accounts for approximately 75 percent of the nation's geographic area. It is a land of diversity. A high proportion of its population is indigenous people. Some indigenous families are still dependent on traditional pursuits such as trapping and fishing. Other residents work in highly paid technical or professional positions. The environment ranges from timber-rich boreal forests to treeless tundra. Small settlements are separated by vast uninhabited distances and isolated from the main routes of transportation. Cold, continuous darkness for much of the year and permafrost are characteristics people learn to accept.

The characteristics of its population and the diversity and rigour of its environment present challenging circumstances for the provision of housing. The North's uniqueness would suggest a need for a distinctly Northern policy. The objective of this paper is to trace the evolution of Northern housing policy, highlighting those aspects that appear to be designed specifically to address Northern circumstances.

The paper begins by providing a definition of the geographic area considered to be "The North." Discussion then focuses on a number of reasons that may have contributed to the lack of precision in developing a distinctly Northern policy. The paper then proceeds period by period to document policy evolution from 1930 to the 1990s. The final section highlights the main themes of evolution and briefly discusses a number of lessons learned during the past fifty to sixty years of policy development.

A document such as this cannot be completed without an extensive review of existing literature. The efforts of Robert Robson in reviewing some of the early housing literature while he was employed at the Institute of Urban Studies have to be acknowledged. His perseverance in obtaining and reviewing certain documents was particularly helpful.

Tom Carter, Professor
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EXECUTIVE SUMMARY

The North can be characterized as a harsh, physically diverse environment covering vast distances and containing extensive uninhabited areas: an area where cold temperatures and, in places, permafrost, impose severe restrictions on work and housing requirements. It is home to approximately 1.5 million people or six percent of the national population. A high proportion of this population consists of Aboriginal people. It is a young population with high rates of natural increase, large families, and a high level of welfare dependency. Some Aboriginals are not fully integrated into the wage economy—depending instead on more traditional pursuits of trapping, hunting and fishing. Non-Aboriginal residents of the North, however, more fully reflect the characteristics of the Southern population. This is the diversity and dualism that the development of housing policy faces in the North.

Northern housing policy has not been clearly articulated or defined. The dualism and diversity it faces may be a partial explanation but other reasons also help explain the lack of precision. Northern policy is a sub-set of Canadian policy. The rather indecisive nature of Canadian policy has not made it easy to articulate clearly or define a policy for the North. Housing policy in Canada has also focused more specifically on the South where 94 percent of the population resides. Divided responsibility under the constitution has also created confusion over where authority for policy development rests. Despite the absence of clearly articulated policy, it is possible to identify policy themes that have developed since the 1950s. There have been a number of lessons learned about what works best in the North.

Perhaps one of the earliest lessons learned was that the "non-market" nature of many Northern communities reduced the effectiveness of one of the earliest and continuing thrusts in Canadian housing policy—the thrust that suggests improving the efficiency and stability of the marketplace is the best way to address housing needs. Northern policy, like national policy, particularly in the early development stages, depended heavily on the private sector to deliver and support housing options. However, the "non-market" characteristics of most communities with their very low-income households, limited demand and low or non-existent profit margins reduced the effectiveness of private sector builders and lenders. They were not present in most communities. Hence the public sector has had to play the major role in the funding, provision and maintenance of Northern housing. In many communities over 80 percent of the housing has been provided by public assistance—almost the reverse of the situation in the South.

Up until the 1960s or early 1970s Northern housing policy was generally subservient to other national or regional priorities. Housing was used as a tool to achieve other objectives: job creation or support for Northern resource development for example. It was soon recognized, however, that policy had to be designed specifically to address housing problems if it was going to be effective in improving the housing circumstances of Northerners. Nevertheless, using housing policy to achieve a variety of

broader community socio-economic development objectives in Northern communities continues. Objectives such as skills development, job training, and provision of management and administrative expertise have regularly been part of housing programs. The need to use housing in this fashion in the North reflects the generally weaker economic base of most Northern communities. The absence of opportunities in other sectors which can be used as a basis for community economic development makes publicly sponsored housing an obvious target for such initiatives. More recently, of course, housing policy in the North (as is the case with national policy) has been subordinated to a national economic policy of public expenditure control.

Despite a continuing element of subservience to other objectives, housing policy has become more attuned to specific housing problems throughout the period. For example, in order to more adequately address the affordability problems of Northern residents, rent-to-income scales, heating allowances, and sweat equity or self-help involvement have been introduced.

During the period there has also been a shift in the jurisdictional responsibility for policy development and the provision of housing in general. The federal government has gradually transferred more responsibility to the provincial/territorial and even community level. This has raised the potential for housing to be more responsive to local needs as well as more culturally appropriate for the indigenous population. Local responsiveness has also been strengthened by policy initiatives that have permitted locally based, non-profit (often Aboriginal) organizations to play a role in the planning, delivery and management of social housing. "Grass roots" participation through self-help involvement in home construction has played a similar role. The introduction of these policies has also strengthened the use of housing as a community development tool.

Finally, policy gradually recognized the diversity that exists in the North and during the period slowly responded with a greater variety of program options. Options to provide new housing, repair of existing units, ownership, rental and lease-to-purchase arrangements, subsidies to address high energy costs and assistance to families, seniors, and individuals are now available to Northern residents.

Lessons have been learned over the past fifty years. Policy is, without doubt, more responsive to Northern housing needs. Few would argue with the assertion that Northerners are better housed. However, this paper has focused on policy evolution, not performance. Effectiveness has not been measured. No effort has been made to quantify changes in residential satisfaction, quality of life, improved affordability, housing design or condition for Northern residents. It is unlikely that hard data exist to do this on a consistent basis over any significant period of time. Nevertheless, without providing quantitative evidence it has been possible to highlight a number of evolutionary policy trends which provide the potential to improve housing circumstances for Northerners. In the final analysis, however, it is not possible to state in any definitive sense that a distinctly Northern policy exists.

**EVOLUTION OF NORTHERN
HOUSING POLICY**

TABLE 1: THE EVOLUTION OF NORTHERN HOUSING POLICY

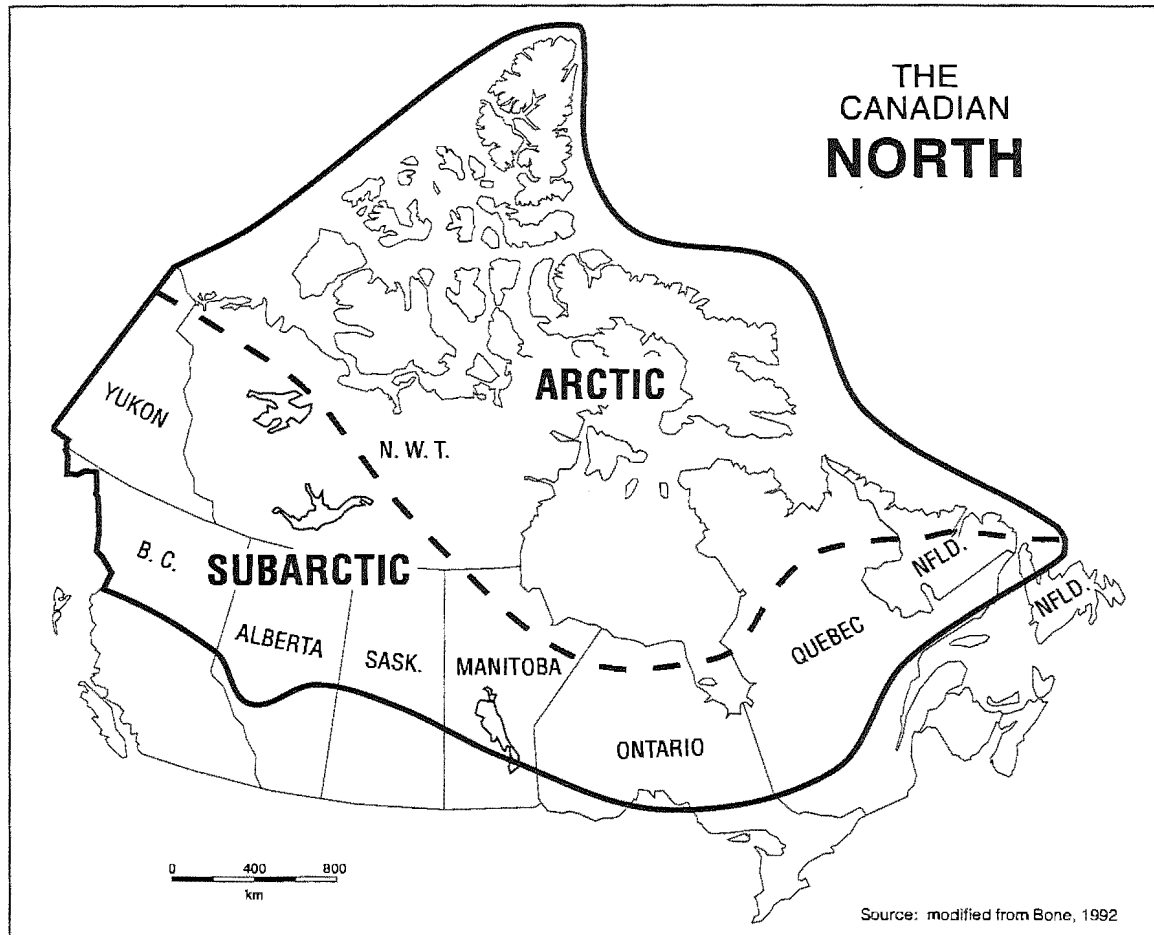
TIME FRAME	POLICY THEME/THRUST	POLICY SUPPORTS
THE THIRTIES AND FORTIES	AN ABSENCE OF NORTHERN HOUSING POLICY	<ul style="list-style-type: none"> - meeting national depression and war time needs - national programs delivered through private sector builders/lenders to generate employment - policies not appropriate in the North because of residents' lifestyle and absence of private sector
THE FIFTIES	NATIONAL PRIORITIES VERSUS LOCAL NEEDS	<ul style="list-style-type: none"> - movement of indigenous population to designated growth centres needed to support resource development - housing policy used to support resource and urban development as opposed to improving lifestyles of local residents - two housing thrusts: quality housing for non-aboriginal government/resource workers; poorer quality unserviced housing in segregated areas for aboriginals
THE SIXTIES	RECOGNITION OF UNIQUE NEEDS OF THE NORTH	<ul style="list-style-type: none"> - introduction of rental programs and cooperatives - rent-to-income payments to help address affordability problems - education programs on unit care and operation - self-help and job training incorporated in housing programs
THE SEVENTIES	A GROWING SENSITIVITY TO REGIONAL AND CULTURAL ISSUES	<ul style="list-style-type: none"> - decentralization of planning, delivery, property management and policy development to new provincial/territorial housing agencies begins - Rural and Native Program package helps address unique needs of the North - participation of non-profit, community based (often aboriginal) housing organizations in planning, delivery and management emphasized - housing used to a greater extent to foster community development goals
THE EIGHTIES	AN EMPHASIS ON SELF-BUILD	<ul style="list-style-type: none"> - emphasis on self-help attempts to drive participation level in the provision of housing down to "grass roots" level - sweat equity reduces unit costs and enhances affordability - self-help supports skills development continued strong emphasis on aboriginal involvement - stricter targeting to low income aboriginals
THE NINETIES	POLICY DEVELOPMENT WEAKENED BY REDUCED FUNDING	<ul style="list-style-type: none"> - continued reduction in federal and provincial funding of new units - greater emphasis and increased spending on portfolio management

1.0 INTRODUCTION

The development of a specifically Northern Housing Policy is a fairly recent occurrence. Many would argue that we do not yet have a distinctly Northern policy. Government housing policy, from as early as the 1938 Dominion Housing Act, was intended to apply to all regions equally. However, different circumstances in the North dictated the need for different policy approaches that were not in place prior to World War II and have only evolved very slowly since then. Differences in the North include: environmental features such as climate, distances, and in some areas the lack of building materials; the different and diverse features of culture; different demographic characteristics, particularly for the Aboriginal population; the absence of a functioning market in nearly all centres; and different jurisdictional arrangements. However, for a variety of reasons, including the lack of an adequate data base and the Southern orientation of policymakers, these differences have not always been reflected in policy. "Northern Policy" has often been described as inadequate (Ekos Research, 1985), dysfunctional (Kew, 1963), and worthless (Kerri, 1971). It is only since the 1950s that features of Canadian housing policy can be identified as truly Northern.

The objective of this paper is to trace the evolution of Northern housing policy. Discussion begins with policy development in the 1930s but the emphasis is placed on evolution since 1950. The paper begins by providing a definition of the geographic area considered to be "The North." Discussion then focuses on a number of reasons that may have contributed to the lack of precision in developing a distinctly Northern policy. The paper then proceeds period by period to document policy evolution from 1930 to the 1990s. The final section highlights the main themes of evolution and briefly discusses a number of lessons learned during the past fifty to sixty years of policy development.

MAP 1



Source: Taken from R.M. Bone, *The Geography of the Canadian North* (Oxford University Press, Toronto, 1992), p. 5.

2.0 WHAT IS THE NORTH?

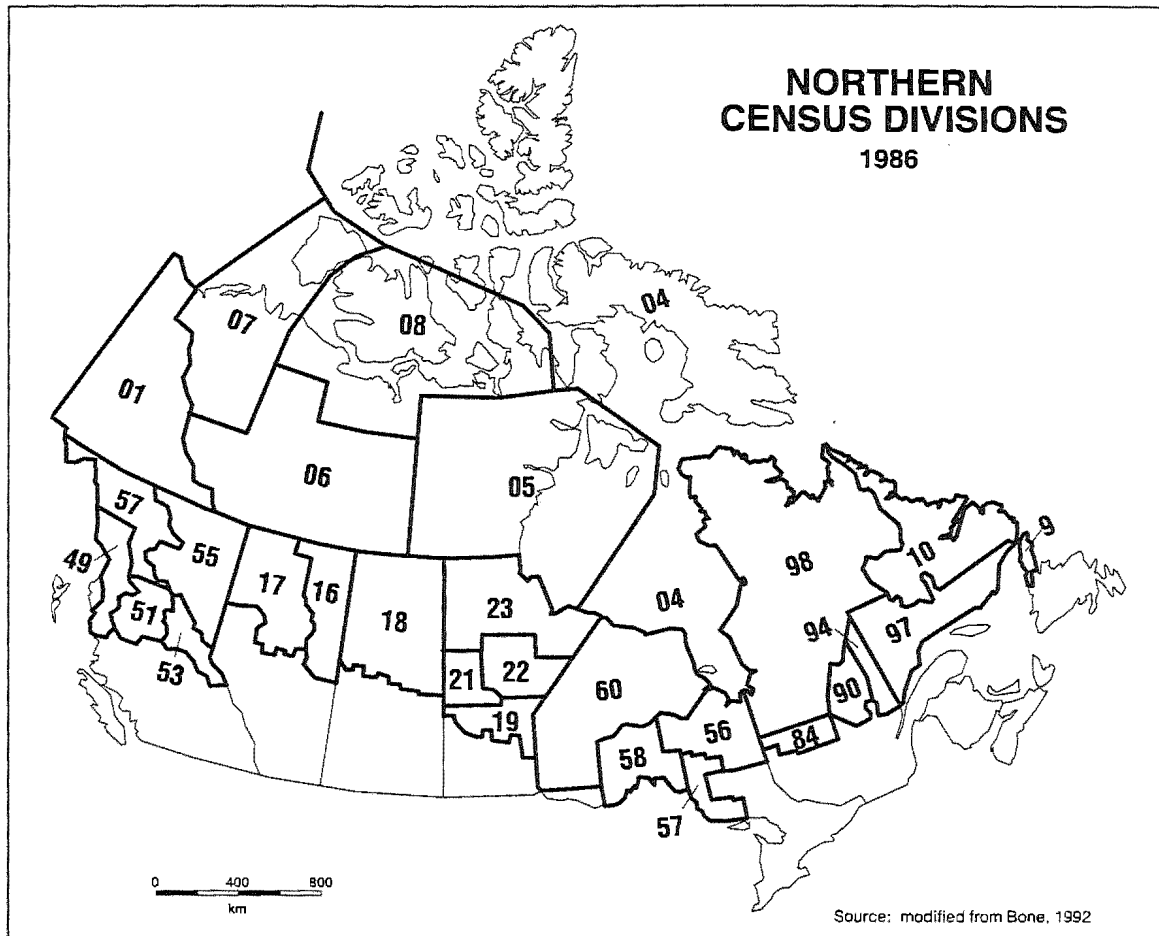
A discussion of Northern housing policy by necessity begins with a definition of the North, the geographic area that policy is supposed to affect. However, the North is not an easily defined geographic entity. Bone (1992) suggests the Southern boundary is marked by the places where the Subarctic gradually gives way to other natural environments and follows the Southern extent of the Northern boreal forest. This boundary, however, is more like a transition zone often gradually giving way to parkland or grasslands of the Prairies. Map 1 presents the approximate position of the Southern boundary.

Bone goes on to point out that within this area there is a wide variety of physical conditions usually simplified into two major regions—the Arctic and Subarctic. Together they encompass nearly 80 percent of the land and water area that makes up Canada. The Arctic, found mainly in the Northwest Territories but also including parts of Newfoundland, Quebec, Manitoba and the Yukon (Map 1), is a homeland for approximately 30,000 people, most of whom are Inuit. Vast areas of the Arctic are uninhabited. The Subarctic, a broad belt across the country that consists largely of coniferous spruce, pines, firs, and associated wetland, offers more settlement possibilities. It contains a population (Aboriginal and non-Aboriginal) of approximately 1.5 million people. Perhaps the most recognizable characteristic of this whole area is the cold. The air temperature and, in many places, the permafrost impose severe restrictions on work and housing requirements.

Other features besides the harsh and varied physical environment set this area apart and offer challenges to the formation of housing policy. The dual nature of the economy (Aboriginal and Non-Aboriginal) is an obvious difference. The non-Aboriginal economy, generally wage oriented, is closely tied to resource development and controlled mainly by the South and therefore the world economy. The Aboriginal economy is tied more closely to the land and associated with the traditional activities of fur trapping and food collection. Wages are far less significant but government transfer payments represent a substantial portion of income support. Northern communities in general, regardless of the type of economy, experience massive economic leakages to Southern Canada for goods and services that are not produced locally.

Matching the geographical definition of the North with statistically administrative regions is difficult, but the Arctic and Subarctic regions are defined in general terms by the 29 Census subdivisions in Map 2. Figures compiled using these census subdivisions highlight unique population features of the North. Although the North encompasses 80 percent of the land and water area it

MAP 2



- | | | | |
|----|------------------------|----|-------------------------------|
| 01 | Yukon | 21 | Manitoba |
| 04 | Baffin Region, NWT | 22 | Manitoba |
| 05 | Keewatin Region, NWT | 23 | Manitoba |
| 06 | Fort Smith Region, NWT | 56 | Cochrane District, Ontario |
| 07 | Inuvik Region, NWT | 57 | Algoma District, Ontario |
| 08 | Kitikmeot | 58 | Thunder Bay District, Ontario |
| 49 | Kitimat-Stikine, BC | 60 | Kenora District, Ontario |
| 51 | Bulkley-Nechako, BC | 84 | Abitibi, Quebec |
| 53 | Fraser-Fort George, BC | 90 | Lac-Saint-Jean-Ouest, Quebec |
| 55 | Peace River-Liard, BC | 94 | Chicoutimi, Quebec |
| 57 | Stikine Region, BC | 97 | Saguenay, Quebec |
| 16 | Alberta | 98 | Territoire-du-Nouveau-Québec |
| 17 | Alberta | 9 | Newfoundland |
| 18 | Saskatchewan | 10 | Newfoundland |
| 19 | Manitoba | | |

Source: Bone, 1992, p. 5

contains only six percent of the Canadian population. This population is also very unevenly distributed. The area has the highest percentage of urban dwellers in Canada but communities are separated by vast expanses of uninhabited area. Population densities are among the lowest in the world and only about one-twentieth the density of Southern Canada.

Throughout much of the North, Canadians are also of Aboriginal descent. With their long history in the North, their land based economy, and issues such as land claims and Aboriginal self-government, policy has to reflect a decidedly Aboriginal perspective. This population is also young, characterized by high rates of natural increase, large families, and a high level of welfare dependency. These are factors that cannot be ignored in the development of a Northern housing policy.

3.0 DIFFICULTIES FACING POLICY DEVELOPMENT IN THE NORTH

If the North is difficult to define geographically, so is the definition and identification of a Northern housing policy. The definition of housing policy as stated by Doern and Aucoin (1971) is a high-level general statement of preferences and an announced intention to act in a certain way on issues related to housing or the provision of housing services. Policy generally assumes a long-term commitment to particular objectives or goals. A review of the literature, documentation, and government records on Northern housing policy reveals few statements or objectives running consistently throughout the material.

There may be a number of reasons for the lack of precision in articulating a distinctly Northern policy. The brief discussion of what is defined as the North illustrates the diversity policy development faces in attempting to address Northern circumstances. Northern housing policy is also nested within the broader context of Canadian housing policy and one of the major criticisms of Canadian housing policy is that it is no policy at all. As with the literature on the North it is hard to find consistent goals and objectives in Canadian policy. Instead, it is a series of *ad hoc*, short-term, crisis-orientated initiatives that respond to specific problems, as opposed to commitments to a long-term objective. Robert Andras, one-time federal Minister for Housing, lent some credibility to this assertion when in a 1970 speech on housing policy he concluded that Canada had none (Bettison, 1975). As well, many federal government housing initiatives until recently were intended to apply to all regions equally, and the North has traditionally suffered at the expense of the Southern, more populous, part of Canada which was generally the focus for program design and criteria. In addition, housing, because of its multi-functional nature, has also been used as a tool to achieve other objectives including job creation and addressing health concerns. Therefore specific housing policies, be they Northern or national, have often been subservient to other areas of concern.

Also of importance to the development of Northern Policy is the fact that there have been two streams of thought regarding the development of housing policy in Canada. One has been the belief that the housing needs of most Canadians are best served by the marketplace and that policies to achieve efficiency and stability in the marketplace are what is required to respond to housing problems. The second is that the market will not be able to serve all the households in need and that achieving adequate, affordable housing for all will require direct public initiatives (publicly owned and operated units, subsidized rents or mortgages, *etc.*) that channel assistance directly to those households to improve their housing circumstances. The philosophy of providing housing for all by ensuring an efficient and stable marketplace is difficult to apply in a Northern environment where so many

communities are non-market in nature. When this philosophy dominated policy thinking and development in Canada, the North was bound to come off second best.

Confusion over where authority for policy development lies may also have made policy development difficult. Under the British North American Act (BNA) of 1867 and more recently the Constitution Act of 1982, responsibilities in the broad area of housing were divided among the various levels of government and not clearly defined. Both senior levels of government appear to have a constitutional claim on housing authority (Oberlander, 1972). This has often led to confrontational, as opposed to collaborative, approaches to solving housing problems which has not facilitated policy development.

Since World War II the federal government, because of superior financial resources, constitutional control over national economic and social policy, and a mandate to address regional inequities, has played an inordinately large role in the housing process—establishing funding levels, program and design guidelines (Goldberg and Mark, 1985). Provinces, although they have authority over property and civil rights (Oberlander, 1972), have been slower to use their authority and respond to housing challenges, including those of the North. In part this has been due to a lack of financial resources. Provinces, however, also lacked the administrative and delivery capacity until the development of provincial housing agencies during the '70s. In the case of the two Territories, which encompass much of the geographical area defined as the North, the federal government did not surrender authority over "provincial" matters such as education, local government, and aspects of housing until the early 1970s. These circumstances allowed the federal government to dictate the scope and direction of housing initiatives both nationally and in the North until the late '60s (CMHC, 1970). The provincial and territorial governments were for all intents and purposes

willing to leave to the Federal Parliament the problem of providing a level of housing supply which is socially acceptable (Wilson, 1972).

However, overall authority to formulate housing policy, like policy itself, has been poorly defined.

In summary, policy has not been clearly articulated or defined, developing instead more as a product of default and attempts to solve specific problems than as a clear statement of government priorities and long-term objectives. Regardless of how poorly defined or multi-functional policies may have been, however, they do share a common belief that access to decent and affordable housing was important to improving the quality of life for Northerners. The specific meaning of "access," "decent" and "affordable" may vary from one policy to the next and perhaps from one region to another, but these basic premises underlie the majority of initiatives undertaken.

4.0 THE EVOLUTION OF NORTHERN HOUSING POLICY

4.1 THE '30s and '40s: WHEN POLICY WAS NOT NORTHERN POLICY

The first recognizable initiatives that can be associated with housing policy evolution occurred in the 1930s and '40s. At that time the federal government was certainly the principal actor in the development of the few features of Northern, or for that matter national, housing policy that existed. A review of some of the major federal initiatives during this period highlights how unsuitable they were for the Northern environment and circumstances.

The enactment of the first Dominion Housing Act (DHA) in 1935 brought the federal government, for the first time, into the housing field on a national basis. Coming during the Depression, the DHA was intended to provide improved housing and encourage the demand for home ownership. Given the economic climate, it was also intended to provide jobs. Clearly an anti-depression measure, the DHA was

carefully structured to fit within the federal mandate to regulate and stimulate the economy (Steele, 1986).

Mortgage funds had virtually dried up during the Depression and the legislation gave the federal government the authority to provide loans of up to 20 percent of the cost of construction to facilitate access to home ownership and hence stimulate construction activity. This was very quickly followed by the 1937 Home Improvement Plan which provided government loan support for home improvements, as home maintenance had deteriorated during Depression years. Both pieces of legislation were only moderately successful in stimulating activity, although they did set the precedent for government involvement in the lending field with direct involvement in the financing of housing construction and improvement.

These initiatives, however, had little effect in the North. The programs depended on the private building industry to deliver the product and the industry virtually did not exist in what has been identified as the North. The applicants also had to provide a down payment of 20 percent, and 60 percent had to come from private lenders (Hulchanski, 1986). The very low income of many Northern households could not support the required down payment or ongoing carrying costs of these program initiatives. In addition there were few, if any, private lenders in Northern communities. The programs were designed with a Southern bias and disregarded Northern circumstances.

The 1938 National Housing Act (NHA) also represents a major milestone in policy development, but again, it had few positive spinoffs for the North. Employment stimulation still represented the main objective of the initiatives under the Act although social housing objectives were also a factor. There were three basic initiatives under the Act. The first, loans to stimulate new home construction, for the

first time paid specific attention to small or remote communities as the legislation provided loans on houses costing less than \$2500 in remote areas (Canadian Statutes). The second initiative provided loans for the construction of rental housing for low-income households; while the third provided assistance to support low-cost housing for low-income households by paying municipal taxes on housing costing less than \$4000. There was virtually no take-up on the second and third components of the legislation. Although 15,000 loans were issued over a four-year period on the first component, virtually none of these were in the North (CMHC, 1979). These initiatives suffered the same weaknesses as the previous initiatives as far as accommodating Northern circumstances—the absence of a building and lending industry and incomes too low to access program criteria. In addition, municipal government was much weaker or non-existent in most areas of the North, so there was neither the opportunity nor the expertise to get involved in the initiatives supporting rental or low-cost housing.

From approximately 1939 until 1944, Canadian housing policy was abandoned in order to meet war-time needs (Lillie, 1986). During this period the Wartime Housing Corporation, the Home Conversion Plan, and the Emergency Shelter Administration Program were introduced, but they were all responses to the immediate needs of a mobilized country (CMHC, 1979). The social goals of providing housing for special needs groups or regions were displaced by the more pressing needs of war-time demand. Beyond its importance in a military sense the North received very little attention.

The post-war recovery process brought traditional policy matters back to the forefront. The work of the Advisory Committee on Reconstruction (the Marsh Report) and the Sub-Committee on Housing And Community Planning (the Curtis Report) have been defined as significant benchmarks in the policy process (Rose, 1980). Both reports articulated a need for an expanded sense of social responsibility and involvement in social services by the federal government. The Curtis Report highlighted the need for the construction of housing for low-income families and special need groups. The report also suggested housing construction could also be used in the post-war process of economic stimulation and employment generation (Lillie, 1966). While there was no immediate effect on the North these reports did establish the principle of using housing policy to address social inequities.

The enactment of the second National Housing Act in 1944 set the stage for policy development in post-war Canada. The subtitle, "An Act to Promote the Construction of New Houses, the Repair and Modernization of Existing Houses, the Improvement of Housing and Living Conditions and the Expansion of Employment in the Postwar Period," in itself makes a statement. It was certainly clear from the legislation that the federal government was prepared to take a lead role in the provision of housing services and the development of policy. It was also clear that housing was to be a factor

in the recovery and demobilization process. As well as providing improved standards of living it would be used to confront problems of unemployment as had been the case with legislation prior to World War II. Also similar to pre-war initiatives, the federal government attempted to encourage the private lending industry to participate in the recovery process with mortgage financing guarantees which created an almost risk-free lending environment. The federal government by establishing this lending framework still sought as before the war

to increase the efficiency of the private sector and to work with it to stimulate residential construction (CMHC, 1979).

The creation of Central Mortgage and Housing Corporation in 1945 solidified the federal role in housing. CMHC quickly assumed responsibility for programs already in place such as the Home Improvement Loans Guarantee Act, the Emergency Shelter Administration, the Home Conversion Plan and, as well, Wartime Housing Ltd. which had been established to provide housing for workers during the war. CMHC's greatest initial impact was, however, through the Joint Loan Program. Operating between 1946 and 1949 it financed the construction of 50,000 units (Lillie, 1966). Lending institutions provided 75 percent of the loan requirements, CMHC the other 25 percent. This provided housing to meet demobilization needs, it generated substantive post-war employment and as well it did a great deal to facilitate the development of the private sector building industry. What was to become a strong sector of the economy throughout the '50s, '60s and '70s, the Canadian Home Builders, certainly was assisted by this program combined with CMHC loan guarantees. Small builders were also given further encouragement by the 1946 Integrated Housing Program. It was designed to encourage small builders to construct units for returning veterans. Under the Program, CMHC offered the builders a "buy back" option if they could not sell the unit (Wilson, 1972).

In 1946, legislation specifically designed for Northern circumstances was passed. Recognizing the unique housing conditions associated with the mining, lumbering, logging or fishing industries, the Program authorized CMHC to make direct loans to resource industries for the construction of low-rental housing provided that:

- the area in which the project is built has a productive period sufficient to justify the proposed terms of the loan; and,
- the proposed project is necessary to house persons in the area and those who may move into the area to provide the necessary labour (Canadian Statutes).

This legislation established the principle of residual lending for housing by the federal government in areas where private lenders were either non-existent or simply refused to finance housing.

In 1947, an NHA amendment further strengthened CMHC's role as a residual lender when it was "authorized to make direct loans to the general public, home owners, builders or rental investors"

where private lending was not available (Wilson, 1972). This legislation also extended lending to co-operatives, which were felt to have some potential in Northern Canada (Cooperative Housing, 1972).

In 1949, legislation provided additional flexibility and opportunity that should have been useful in addressing housing conditions in the North. The 1949 amendments introduced a joint federal-provincial rental housing program providing for joint ownership and management of community projects. The program was cost shared on a 75 percent federal, 25 percent provincial basis. The new policy stated:

. . . that the federal and provincial governments were entitled to build and operate public housing, to pay rent subsidies, and that a province could pass on to a municipality any part of the costs involved (CMHC, 1970).

This shared responsibility should have helped focus more attention on Northern housing needs bringing as it did the local levels of government (provincial and municipal) into the picture. They presumably would be more in tune with needs in Northern centres and more likely to champion community concerns. In the same year, legislation introducing a joint federal/provincial land assembly program was passed. The program recognized the severe shortage of serviced land for housing development—a significant problem in Northern resource communities (Canada Task Force On Urban Development, 1969).

By 1950, therefore, it would have appeared that many of the policy instruments were in place to address Northern housing problems. The principle of using federal housing policy as a tool to address inequities and provide housing for the poor had been established. Mortgage guarantees had been provided for the lending industry, reducing the risk in the lending environment. In addition the federal government's role as a residual lender to resource communities, builders, developers, and private individuals in areas where private lenders will not provide funds had been established. A "buy back" program was in place, as was a land assembly program to provide municipal infrastructure to support the building industry. Lending for co-operatives was possible and involvement of provincial and municipal governments (who were more likely to recognize the needs of the North) in joint programming to provide low-income housing was possible.

These policy instruments, however, had little impact on the North and did little to improve Northern housing circumstances. There were a number of reasons for this. Policy to this point was to a considerable extent designed so that programs were delivered through the private building and lending industry—in part to strengthen these sectors and create jobs. The absence of both sectors in the North made delivery difficult. In addition, weak municipal and territorial governments did little to promote the problems of a large geographic part of the North. At the municipal level, and in the case

of the two territorial governments, there was little expertise, and, in some cases, authority to take an active role in initiating and delivering projects even when program criteria permitted or encouraged involvement.

Although it can be argued that aspects of a Northern housing policy had been in place as early as 1938 when amendments to the NHA highlighted the distinct needs of small and remote communities, actual program implementation in the North had not been successful nor had it received high priority. Little use was made of the 1946 amendment that provided loans to primary industries in resource communities, the 1947 amendment that facilitated the development of co-operatives or the 1949 amendment that permitted the development of rental housing for low-income people. There was very little action that reflected the needs of the North until the mid-1950s.

To be fair to policy developers it has to be acknowledged that the lifestyle of most Northern people was not particularly conducive to the delivery of housing assistance, or for that matter, the demand for housing services. Prior to the 1950s many Aboriginal people, who constituted the majority of Northerners, led a nomadic, land-based existence. The nomadic lifestyle, the family hunting unit, and a strong focus on hunting and trapping characterized the vast majority of people in the North.

4.2 THE '50s: A POLICY TUG-OF-WAR—NATIONAL PRIORITIES VERSUS LOCAL NEEDS

By 1954, Canadian housing policy was beginning to react to the realities of the housing process as opposed to demobilization and post-war recovery that had played such a role in policy development since 1944. Governments were now forced to deal more directly with the long-term ramifications of housing policy. Accordingly, the 1950s was a pivotal period in Northern development in general and specifically for the development of a Northern housing policy. It was during this decade that activity associated with the expansion of Northern resource development gained momentum. Road building projects, hydro-electric power development, mining activities and development of communication infrastructure all dictated a need for housing construction. In addition, the need to address health and welfare concerns of Northern communities became obvious.

In the 1950s, many Northerners began to abandon their nomadic life and an urban settlement pattern began to emerge. There were a number of reasons why the Northern population began to congregate in settlements including: a deteriorating hunting environment in many areas; the involvement of Aboriginal men in military construction work during the war which encouraged a settled lifestyle; the growth of new resource towns and, with this growth, the potential for long-term employment; and the provision of government services such as family allowance, health care and education which were in

most instances accessible only in permanent settlements. The rural to urban shift resulting from these push-pull factors in many cases resulted in the growth of shanty towns and camps of Aboriginal people around or near these service nodes.

The housing conditions and the health concerns in these camps galvanized policy development into action in the 1950s. The camps represented some of the unique conditions of the North that policy had to address. However, it had to address local circumstances and needs within the constraints of national policy. This tug-of-war between serving local needs and circumstances and national pressure which became obvious in the '50s has continued to be a feature of Northern policy development.

The increasing development of the North brought to light the conditions in the shanty towns and camps and the prevalence of tuberculosis and small pox. Influenza outbreaks of epidemic proportions forced government authorities to take corrective measures. Accordingly, much of the government's early housing activity was related more directly to health care. As has been argued by the Canadian Tuberculosis Association, "It was medicine which showed the way North after 1945" (Collard, 1983). Valentine and Young in their study of Northern Saskatchewan described the government's response to these problems as a policy of "humanity first" (Valentine and Young, 1954).

A number of quick-fix initiatives under this humanity first policy approach—the crux of which was to improve living conditions for Northern residents—represented the initial thrusts of a specifically Northern housing policy. These initiatives were generally introduced and co-ordinated by the federal government as it continued to play the dominant role in Northern policy development. This quick-fix approach dominated the scene from the early '50s to 1964.

One such initiative was the so-called "Crash Housing Program." In 1959 the Federal Department of Indian Affairs and Northern Development introduced the Eskimo Home Loan Program in the Northwest Territories. The program was intended to combat the spread of tuberculosis among the Inuit people. Houses were purchased by the Department and resold to Eskimo families who, according to federal government standards, had the financial capabilities to make regular payments. Described by Larsson as "Canadian-styled" housing, the first units introduced in this manner were known as "matchbox" units (Larsson, 1985). They were one bedroom, 26 m² units manufactured in the South and shipped North for the purposes of the program (Goliger, 1981). This first large-scale initiative did more to exacerbate than solve Northern housing problems. The houses were described as being too small, the sanitation facilities inadequate, the quality of construction poor and the method of heating inappropriate. In addition the recipients of the units had little, if any, concept of the purchase process. Even with what was described as an ambitious post-occupancy education program, approximately 90 percent of the occupants fell behind in their payments and roughly 50 percent made only one payment



Photo Credit: Tom Carter

Typical unit provided under the "Crash Housing Program."

(Thompson and Thompson, 1972). The program provided dwelling units, but from a policy perspective did not solve the problem of substandard housing or the related health concerns in the North (Thompson and Thompson, 1972).

Another housing initiative made its appearance in the mid-'50s under a "community development" "self-help" policy framework. Under this approach the government's policy initiative was to provide the infrastructure for housing development while encouraging the community itself to erect and administer the houses. One of the best examples of this initiative occurred in Northern Saskatchewan with the establishment of the Pinehouse housing project (Buckley, 1963). To provide better quality housing the Saskatchewan Department of Natural Resources used the approach to capitalize on the initiative of the local Métis population. In this instance the provincial, not the federal government, provided the plans and equipment—including a sawmill—a foreman to oversee the project and provide advice, and credit arrangements so potential home owners could obtain mortgage financing. The local Métis built the units and established an ongoing maintenance program. The initiative successfully provided improved housing, enhanced local skills and thus employment opportunities, and boosted community morale. It also represented two other milestones from a policy perspective—direct action and involvement by a provincial agency and involvement of the community in planning, constructing and managing local housing stock.

Another initiative that had a major impact on Northern housing during the '50s is what is best described as the "growth-centre approach." Under this approach government authorities stimulated the growth of selected Northern communities. A variety of relocation programs offering support services, and the prospects of wage employment were used to "encourage" the previously nomadic groups to move to targeted established communities (Bissett, 1967). Some characterized it as settlement by "coercion" (Diermenjian and Jones, 1983). Regardless of the nature of resettlement (voluntary or coercion) it initiated a move toward urbanization in the North and had a major impact on housing. Although the government emphasized the need to provide the Northern population, specifically the indigenous people, with the quality services of modern society as a reason for centralization, the resettlement schemes were much more (Robson, 1986). They were a move toward the development of a regionally based community hierarchy to facilitate regional development strategies designed to provide to Northern resources. This initiative typifies the policy tug-of-war between serving local needs and national objectives.

A brief review of some of the resettlement projects indicates the major impact on housing and is quite revealing with respect to policy development. The Aklavik to Inuvik relocation was carried out in the period 1953-1959. The decision to relocate Aklavik was in part a response to the problems of

flooding, poor drainage and the decided absence of town planning principles in Aklavik. However, it too was part of a broader initiative to centralize services and create centres which would facilitate resource development (Pritchard, 1964). Designed for 1500 residents, the town was planned with distinct residential areas—the unserviced tent town and frontier area and the serviced area for single-detached and rental units (Lotz, 1962). The serviced area composed of a mixture of single-detached and row house units was the only area providing quality housing. It catered primarily to government employees and as the centre grew, became the focal point for non-Aboriginal housing.

The unserviced area was occupied mainly by Inuit, Indian and Métis. The houses consisted mostly of 512s and small home-made cabins (hence the name frontier). Some of these units, occupied by large families, had as little as 250 sq. ft. of floor space. The tent town was perhaps the worst feature of the community. The housing quality of this area is captured in the following quotation:

Tent town is a depressing place. Living conditions are universally bad. Most shacks and cabins are poorly built and measure 10' X 15' or 10' X 25', bits of packing cases, old boards, and sacking have been used to make the shacks weatherproof (Lotz, 1962).

The relocation of approximately 300 Chipeweyan Indians from Duck Lake and North Knife River to Churchill in 1957 was another attempt to bring Northern Aboriginals into a "community" setting where they could access services (Lal, 1969). Carried out by Indian Affairs, the intention was to integrate the Aboriginals into the existing community. However, the Aboriginals first occupied a facility known as Camp Ten. Housing consisted of 12' X 16' one-storey, one-room, plywood, uninsulated, portable frame dwellings (Johnson, 1960). This was supposed to be a temporary situation, but it became a permanent form of settlement and efforts to integrate the resettled families into better quality serviced housing never occurred.

Resettlement schemes focusing on Arctic Bay, Pond Inlet, Colville Lake and Shingle Point were very similar to the Churchill scheme. They encouraged resettlement of indigenous people that were either nomadic or lived in small remote surrounding communities (Roberts, 1977). "Matchbox" units were the typical form of housing accommodation provided. The Department of Northern Affairs and Natural Resources carried out similar centralizing programs in the Lower Mackenzie Region (Bissett, 1967).

From a policy perspective these and other resettlement schemes brought remote people closer to health and educational facilities. They also created urban nodes with the infrastructure necessary to pursue resource development. However, from a housing perspective, the results were not particularly positive. Resettlement helped create or reinforce an Aboriginal, non-Aboriginal housing dichotomy in the North. Quick-fix programs did not provide quality housing and resettlement often

resulted in residential segregation of indigenous people. The results provide evidence to suggest there were two housing policies for the North—one for non-Aboriginal government employees that provided quality housing with services, and a second for Aboriginals that left them segregated in areas of poor quality, generally unserviced housing. The involvement of Departments other than Housing, such as Natural Resources, is also an indication of the importance of objectives that were not based on social and humanitarian housing principles. With the exception of limited initiatives based on broader community economic development objectives which incorporated a self-help approach to housing, policy during this period did little to improve housing for the indigenous population of the North.

4.3 THE '60S: EARLY RECOGNITION OF THE UNIQUE NEEDS OF THE NORTH

Northern housing policy underwent a significant shift in the 1960s. Some initiatives of the previous era were carried over, but this decade was characterized by attempts by both federal and provincial governments to direct housing programs to long-term problem solving as opposed to stop-gap quick-fix measures. Building on the successes and failures of the previous period a better understanding of the unique needs and qualities of the North and its housing problems began to develop. Subjugation of housing policy to national objectives was also less obvious during this period.

The introduction of housing co-operatives in the North—although it was a slow and initially not very successful process, had its inception in the '60s. The co-operative concept seemed a natural for the North:

. . . the co-operative approach is well suited to the problems of the North. The fact that co-operatives take account of both economic and social goals is undoubtedly a major reason for their growth (Buckley *et al.*, 1963).

In addition, co-operatives can incorporate a strong component of self-help which was appropriate for the Northern context with its strong tradition of community and individual initiative in providing shelter.

Co-operatives moved into the North in the retail/commercial sector with the establishment of a number of fishing co-operatives and retail outlets in the 1950s (Buckley *et al.*, 1963). These initiatives introduced the concept and helped build administrative expertise. Housing co-operatives appeared in the 1962-1964 period under a joint federal-provincial Métis Housing Program in Saskatchewan. A total of nine were established but they met with very limited success. The nine organizations delivered only 94 units. By 1966 only two of the nine, one at La Ronge and one at Cumberland House, remained functional. The two continued to manage 13 units (Bailey, 1972).

The poor performance of this initiative was related more to a flawed program structure as opposed to the inappropriateness of the co-operative concept. Poor management was a problem.

There was not enough front-end funding in the program to train the management group properly. In addition, capital was limited so the units built were of poor quality. Finally, the program was targeted at a very low-income group, which, with the limited subsidies available under the program, was unable to handle the financial responsibilities of co-operative ownership. Arrears were high and units quickly fell into disrepair.

Despite the limited success, this early co-operative initiative did establish the importance of local administration and self-determination in Northern housing programs. It set the stage for more successful co-operative initiatives as well as other types of community based housing associations in various locations in the North in the 1970s (Government of the NWT, 1984). In addition, it helped reinforce the self-help approach and the use of housing programs to generate local economic development which have been such prominent themes throughout the history of Northern housing policy.

Perhaps one of the first clear indications that policy analysts were beginning to understand the unique characteristics of the North was the replacement of the Eskimo Home Loan Program with the Eskimo Rental Housing Program. The Loan Program had placed low-income households in a financial program arrangement they could not afford and into units that they were ill-equipped to operate and maintain. The inappropriateness of the situation was emphasized by the very high arrears and poor unit maintenance under the Program.

The new program called for the construction of over 1500 new rental units and the buy-back of the majority of the home owner units built under the Loan Program. In addition to the switch in tenure the Program introduced three important policy initiatives. First, it established the federal government in the role of landlord for most of the social housing units in the North. This signified the government's commitment to ensuring a more reasonable standard of long-term unit maintenance. Secondly, the government made a commitment to address affordability problems, so common in the North, with the introduction of a rent-to-income policy. The policy recognized the difficulties associated with the low, seasonal and welfare-based incomes so common in the North. Three categories of families were established:

- a. those with full-time income;
- b. those on social assistance or pensions; and
- c. those with seasonal incomes (Thompson, 1969).

Rents for those in group "a" were set by government policy at 20 percent of family income in an effort to ensure that families had sufficient after housing income to pay for other basic necessities. In recognition of very low welfare and pension payments, group "b" were charged a nominal rent of two

dollars per month. Group "c" had their rents set at 20 percent, but because of the seasonal nature of earnings it was 20 percent of a yearly median income. This avoided very high payments when income peaked seasonally. It also provided some flexibility to save to cover the rent in months when income was much lower or perhaps non-existent. In addition to the rent-to-income approach, the rental scale took into consideration unit type and size with payments ranging from a maximum of \$37 for a one-bedroom up to a maximum of \$67 for a three-bedroom unit (Thompson, 1969).

The third major policy initiative that was part of the program was an emphasis on pre- and post-occupancy education focusing on both unit operations and general life skills. The education program consisted of four modules: an introduction to the program, outlining benefits, roles and responsibilities of the tenant and the landlord; instruction focusing on unit operation and maintenance; and two managerial modules designed to help local administrators at both the senior government and municipal government level with delivery and property management. The tenant modules also included instruction on budgeting, dietary and child care (Thompson and Thompson, 1972). These various policy initiatives under the Rental Program clearly indicate a much more long-term commitment to the improvement of housing and living conditions in the North. They also illustrated that governments were beginning to recognize that the housing solutions in the North were much broader than provision of physical units. The associated educational modules recognized that housing programs had to deal with families in a process of transition from one life style or culture to another.

Housing policies were also being revised in the Northern part of the provinces because of the growing awareness of the special circumstances of the North. Two such initiatives illustrate the change—the introduction of the Métis Housing Program in Saskatchewan which really amounted to changes in the co-operative approach introduced earlier and, somewhat later, the introduction of the Remote Housing Program.

Changes to the Métis Co-operative Housing Program introduced in the 1962-1964 period occurred during 1965 to 1967. The emphasis on co-operatives was dropped and replaced with a rental initiative. Most of the existing Co-ops were transferred to a rental portfolio. Monthly payments based on a percentage (20-25%) of income were introduced. The new rental initiative was also funded on a cost shared basis with the federal government providing 75 percent of capital and subsidy and the province 25 percent. Introducing the rent-to-income policy in this initiative as well as the Eskimo Rental Program meant that as well as accepting a role as landlord, both the Federal and Provincial Governments were committed to long-term ongoing subsidies to cover the difference between the actual cost of housing and the tenants' ability to pay. The policy of addressing the affordability gap in both the far North and the provincial North had been established.

The Remote Housing Program, based on a 1968 Agreement between CMHC and the three Prairie provinces, was patterned to a large extent after the Saskatchewan Métis Housing Program. It perhaps was an even more holistic approach to combining the provisions of affordable housing with community and social economic development. Funded on a 75 percent/25 percent federal/provincial cost sharing basis, the Program incorporated educational programs offering family life and maintenance skills and a rent-to-income scale like the previous programs. In addition, however, it incorporated job training, employment of local labour, self-help and other aspects of community economic development. In Manitoba, the Program also incorporated a delivery and co-ordination role for the Manitoba Métis Federation (MMF). The role of this third party or managerial group was an effort to incorporate Aboriginal delivery and management skills into the housing process in small, remote communities (Carter, 1989). This initiated a process that would eventually become an integral part of Northern housing delivery—involvement by local people, particularly Aboriginal groups, in planning and delivery. It can be stated in general that the Remote Housing Program was a much more inclusive approach to housing policy, designed to address not only the poor state of housing and the very low income of the households but, as well, the economic growth of communities which lacked a viable diversified economic base (Bone and Green, 1983).

The policy changes during the '60s also affected on-reserve housing in Canada, including reserves located in the North. The Department of Indian Affairs and Northern Development had, in a variety of ways, provided housing assistance since the signing of Treaties but a national policy had never been developed. This changed in 1966 with the introduction of the first formal program on a national level. Under the program a system of grants and loans was provided to assist on-reserve families with the construction of new units as well as with the renovation of existing units. The level of assistance varied according to the income of the families and the fiscal strength of the Bands. The Bands were also provided with considerable flexibility to manage the program locally so that residents had the opportunity for input on program delivery and management. In the decade following the 1966 introduction of the program, 17,000 new units were built and 8,000 existing units renovated nationally. Over half of this activity was in the North. This program was also the first major initiative in the North that addressed the condition of the existing stock.

Another directional change in policy during the '60s was a move toward acceptance of non-permanent dwellings—trailers and mobile homes. As a Northern housing option, mobile units had long been viewed with considerable scepticism by policy makers. Prior to the '60s the emphasis had always been placed on single-detached, fixed in place units. However, during the '60s this stigma began to lift. Improvements in durability and energy efficiency of mobile units played a role but so did the

obvious practicality of a trailer solution in resource communities (Deprez, 1973). At the mining development in Pine Point, for example, the federal and territorial governments and the company all agreed that non-permanent forms of housing represented the best solution to the housing needs of the community. Mobile units were less expensive, and of course, portable should the mine close. Permanent units represented a considerable risk as they usually had to be left behind if the resource community was abandoned, which tended to be the fate of many such communities when the mineral supply was exhausted. Permanent units often resulted in lost investment for individuals, companies or governments depending on the ownership situation. The use of trailers also became common for emergency housing in many communities. Their practicality in many situations was finally recognized.

In conclusion, the '60s marked the beginning of a greater recognition of the unique needs of the North. The evidence also suggests there was a willingness on behalf of governments to enter into long-term commitments to address basic problems related to housing. A broader base of programs was introduced to respond to the varied circumstances of the North. There were efforts to address affordability problems and a recognition that the higher cost of other basic services meant people had less to spend on housing. This moved governments to accept policy decisions that committed them to long-term responsibility for substantive and ongoing subsidies. The federal and provincial governments also accepted the position of landlord under various program structures to ensure that long-term maintenance of the stock was addressed. Programs to assist families with the repair and maintenance of existing units were also introduced. The co-operative concept was introduced with mixed success and the role of self-help was emphasized in a number of initiatives. Both these concepts attempted to build on the past tradition of community and individual involvement in addressing housing needs. During the '60s attempts continued, and, in fact, intensified to use housing as a tool for social and economic community development. Although it is easy to be critical of this policy approach, policy makers had to face the reality of dealing with communities with very weak economic bases and few other options on which to build social and economic development. There was also a recognition during this decade that there was a need to provide skills training for households during the delivery of housing programs. Budgeting, unit operation and maintenance, dietary and child care skills were provided. Incorporating program features to build these skills was necessary because many of the occupants of social housing were indigenous people in the process of transition from one life-style to another. To neglect such skills only led to household dissatisfaction, unit deterioration, and increased program costs.

4.4 THE '70s: A GROWING SENSITIVITY TO REGIONAL AND CULTURAL ISSUES

The 1970s was a significant period in the evolution of Northern housing policy. Policy recognition of specifically Northern circumstances was even more clearly developed than during the '60s. To no small degree this was due to the "decentralization" and "disentanglement" themes so prominent in the broader Canadian political process of the time. The so-called "decentralization" of authority which was given much greater consideration during this period strengthened the mandates of the various regions of Canada (Streich, 1985).

The regionalization or decentralization of housing policy during this period is best typified by the creation of provincial and territorial housing corporations. Ontario had established a provincial housing corporation in 1964, but other provinces and territories with a Northern geographic area generally established such organizations in the '70s. From a Northern perspective, the Yukon Housing Corporation (YHC) and the Northwest Territories Housing Corporation (NWTHC) are perhaps the best examples of the strengthening of regional housing mandates. These organizations incorporated policy development and delivery and management components. This was made clear by the mandate of the Yukon Housing Corporation which was

. . . to create, coordinate and give direction to housing programs so as to provide standard housing to all residents of the Yukon Territory, whether this be done through homeownership or subsidized rental (Hedman, 1987).

At its establishment, the YHC had an announced budget of 7.5 million and a five year plan calling for the construction of 4,500 units (Hedman, 1987). Its accomplishments fell far short of its objectives, as by 1978 it had built only 145 units and programming depended largely on federal funds. However, despite its minimal activity the YHC had considerable effect on policy for the area.

The NWTHC is also an example of the strength of new regional mandates. The territorial government sanctioned the creation of NWTHC on the understanding that

1. the responsibility for all housing programs be placed under the control and policy direction of the government of the NWT
2. a NWT Housing Corporation be established and headquartered at Yellowknife, to create, co-ordinate and give direction to housing programs, based on need, environment and research, so as to make available an adequate standard of housing to all residents of the NWT
3. incentive programs be developed to encourage and facilitate home ownership
4. the Government of the NWT subsidize at base rate the cost of domestic utilities in areas of the NWT where these rates are excessive.

(Government of the Northwest Territories, 1972)

To ensure an adequate supply of decent affordable housing to meet the existing and growing needs of the residents of NWT (its stated policy objective) the territorial government was prepared not only to assume a significant degree of control but was also prepared to contribute funding over and above federal dollars.

The housing corporations of the Prairie provinces also developed Northern policies, although they tended to be less obvious as they were encompassed within policy statements for the provinces as a whole. Saskatchewan, under the auspices of the Department of Northern Saskatchewan (DNS) which handled nearly all services and development in the Northern part of the Province, had developed a specifically Northern housing policy. It relied mainly on federal dollars through federal programs (Remote Housing and Rural and Native) for the production of social housing, although substantive provincial funding (at least 25%) went into cost sharing of these programs. Under DNS, however, the province embarked on a substantive staff housing program to provide housing for teachers, health care workers, municipal officials, *etc.* Made available at subsidized rents, these houses provided the accommodation that was not available through the private sector but was necessary to support Northern development and the provision of improved services. Staff housing represented a considerable infusion of provincial dollars (Taylor, 1973).

These examples illustrate the decentralization of policy that occurred in the '70s. Housing agencies with specific regional mandates to develop policy and deliver programs were in place. Provincial and territorial agencies also set up property management agencies or strengthened those already in place to handle a growing portfolio of units. More decisions on policy delivery and management were being made at the local level and local input was actively pursued. During the '70s a number of housing workshops and seminars were sponsored throughout the North—Thompson Manitoba in 1975, and Hay River, NWT in 1978 are two examples—to hear "grass roots" concerns and highlight Northern issues. The strong federal presence continued but much greater emphasis was being placed on collective decision making between those in the field and the senior level of government. From a funding perspective, however, the federal government remained the major contributor.

Decentralization to the regions also solidified and strengthened the participation of non-profit organizations in the provision of housing in the North. The MMF in Manitoba played a continuing and strengthening role in needs assessment, delivery and property management. In the Eastern Arctic the Inuit Non Profit Housing Corporation (INPHC) participated in the delivery of units to low-income families providing counselling and teaching home operation skills in addition to a property management role. These two groups as well as several others throughout the North provided the various regions with

TABLE 2: COMPONENTS OF THE RURAL AND NATIVE PROGRAM: 1974

<u>PROGRAM COMPONENT</u>	<u>PROGRAM DESCRIPTION</u>
HOME OWNERSHIP/RENTAL	Loans and subsidy assistance for construction, acquisition and/or rehabilitation of home ownership or rental dwellings for low-income households.
EMERGENCY REPAIR PROGRAM (ERP)	One time grants to finance emergency repair to dwellings occupied by households waiting to be allocated better housing.
RESIDENTIAL REHABILITATION ASSISTANCE PROGRAM (RRAP)	Loans and subsidy assistance to finance the rehabilitation of substandard dwellings.
PROJECT FUNDS (START-UP CAPITAL)	Loans to client representative groups to assist in the development of housing proposals.
SUSTAINING GRANTS (CORE FUNDING)	Grants to client representative groups to assist in the development of organizational capacity for program delivery.
NATIVE CADRE TRAINING	Education in housing program delivery and project management for individuals from Métis and non-status Indian organizations.
RNH SECONDMENT	Secondment of CMHC professional and technical personnel to Aboriginal organizations to assist with program delivery and project management.
TRAINING MATERIALS	Funding to groups to develop videos, manuals, information packages used in training.

Source: Evaluation of the Rural And Native Housing Programs, CMHC, 1992.

more local involvement and input. They also provided a housing process that was more culturally appropriate than that provided by senior levels of government (Government of the North West Territories, 1976).

The '70s also marked the introduction of what was certainly the most comprehensive program package to date—the Rural and Native Housing Program (RNH). Initiated in 1974, the RNH developed as a package of programs as opposed to a single initiative during the 1970s and was designed to address a number of housing problems in rural and remote areas. It was not strictly a Northern program but became the principal vehicle of delivery in the North after 1974. The initiatives under the RNH included both home owner and rental options, an emergency repair program, and a number of training programs to support delivery and project management. The features of the package are outlined in Table 2.

The program was introduced after an extensive consultation process with Aboriginal groups and many federal and provincial agencies. It had an explicit quantitative objective—a target of 50,000 units acquired or rehabilitated over the five year period 1974-1978—and attempted to ensure maximum client involvement in all aspects of the development of housing projects. This was considered important to the successful delivery of the program but was also required to ensure that the provision of housing furthered the achievement of broader social and economic development goals (CMHC, 1992). The two broad policy objectives, therefore, were:

- to ensure adequate housing for low-income persons in rural areas and small communities with a population of 2500 or less;

and

- to motivate and help the program's clients to solve their housing problems through their own organization and efforts by providing the opportunity for optimum client involvement in the planning and building of units (CMHC, 1992).

The first policy objective to eliminate substandard housing was to be addressed by the 50,000 unit target. The second policy objective was meant to ensure that the provision of housing addressed broader social and economic development goals in the community.

Each program vehicle was designed to address sub-sets of the broader policy objectives. The homeownership program, which required occupants to pay up to 25 percent of their income toward mortgage payments, attempted to maintain households in their traditional tenure form in the North—ownership of their own homes. This represented to a certain extent a shift in policy emphasis away from public rental housing promoted in the '60s. There was concern about escalating subsidies



Photo credit: Tom Carter

Duplex units provided under the Rural and Native Program in Laloche, Saskatchewan.

in the rental housing portfolio associated with the high cost of ongoing maintenance and repair, and the associated administration and management costs (Carter, 1990). Putting households in an ownership situation reduced government responsibility for a substantial portion of ongoing costs associated with maintenance, payment of utilities, *etc.* Ownership was also promoted on the basis that it enhanced household satisfaction and pride in the home, and hence was more likely to ensure better maintenance and repair practices. The rental option, however, was provided as it was recognized that many households in the North just did not have the income to support the extra costs associated with homeownership—utilities, maintenance, repair, insurance, *etc.*

The Emergency Repair Program recognized that low-income households did not have sufficient income to address immediate repair needs and that in remote Northern communities other housing options were not always available when a home was not habitable. The Program provided funds only to repair a unit until the household could be allocated a new home under the social housing budget.

With the introduction of the RNH Program, the Residential Rehabilitation Assistance Program (RRAP) was extended to rural and remote areas. Prior to this it had been targeted only to selected areas in urban centres. The introduction of RRAP in the North provided a vehicle that would address ongoing but less critical repairs. This marked an important policy shift as, for the first time, a fully funded program by a senior level of government was available nationally in off-reserve centres of less than 2,500 people throughout the North. A rehabilitation effort was urgently needed as estimates suggested that more than 50 percent of Northern housing was substandard and in need of major repair. In addition much of the public fast-track housing of the '50s and '60s was deteriorating very rapidly.

One of the stated objectives of the program was to involve Aboriginal housing groups in program delivery as much as possible. The Native Cadre Program and the RNH Secondment Program were introduced to assist this process. The Native Cadre Program sponsored individuals from Métis and Non-Status Indian Organizations at branch, provincial and national CMHC offices to learn about housing program delivery and project management before they returned to assist the groups. The Secondment Program provided CMHC professional and technical staff to help Aboriginal organizations with construction, inspections, property and financial management (Prairie Research Associates Inc., 1989). Other assistance to groups included start-up grants to help develop housing proposals and ongoing or sustaining core funding to build up group organizational capacity. In addition funding was provided to develop training materials—videos, manuals, information packages, *etc.*

Using housing to foster broader community development goals (both social and economic) which had been introduced in the '60s became an even more common policy in the '70s. The Rural and Native Program was designed to foster community development, but provincial initiatives such as

the Churchill Prefabrication Housing Project strengthened this policy approach. This initiative used housing as the basis for an integrated approach to community economic development. The province, to provide employment and job training as well as improved housing for Churchill residents, allocated 1.3 million dollars for the construction of 49 units (McMillan and Nickel, 1975). The houses were built in a prefabrication plant specifically designed for the project. Local labour was given preference, on the job training was provided, and the plant infrastructure remained in the community to support other housing or employment initiatives. Integrated projects of a similar nature were utilized in other areas of the North.

Other more specific policy decisions that occurred during the '70s included recognition that affordability problems were not only related to the high cost of the housing unit itself, but to extremely high heating costs in some areas of the North. Accordingly, NWT introduced support subsidies to lower the cost of residential heating—not a specific housing program but certainly an initiative related to the cost of housing and associated affordability problems (Government of the North West Territories, 1979). This marked the beginning of a support service subsidy approach that became common throughout many areas of the North during and since the '70s.

Also, during the '70s there was a recognition that groups other than families required assistance in the North. Assessments of need clearly illustrated that assistance to families had to be the priority, but housing agencies began to recognize that a limited need also existed for assisted housing for seniors and non-senior single persons. Projects for seniors were constructed in many areas of the North, but very little housing was provided for non-senior singles.

The '70s also witnessed the development of a substantial number of co-operative and non-profit projects. These projects were developed, delivered and managed by community based non-profit organizations such as the INPHC who worked closely with senior levels of government. Increased activity under co-operative and non-profit program vehicles was facilitated by more generous funding levels and more flexible program vehicles at the federal level.

In conclusion, the '70s was a period of substantive and significant policy changes in the North. In many respects these changes mirrored changes in Canadian policy in general but as these policies evolved in the North, they began to address Northern circumstances and issues more appropriately. The period was marked by far more local and regional involvement in decision making, delivery and management. There was a decentralization or regionalization of the housing process—disentanglement was the appropriate "buzz word" of the period. Devolution of responsibility from the federal level was strengthened and facilitated by the formation of provincial and territorial housing agencies. Provinces and territories initiated programs unilaterally and contributed substantial amounts of funding. More

active and stronger participation by local non-profit and co-operative groups, many organized and operated by Aboriginals, also made the entire housing process more culturally appropriate. The period was also marked by a much more comprehensive program package which addressed both the need for new stock, the repair of existing units and monthly allowances to reduce the cost of heating which had become a burden on affordability. The programs also provided both tenure options for households and expanded to include groups other than families with housing problems. Policies were broadened to address more of the issues of concern in the North and there was a greater range of program vehicles to accomplish this. The overall result was far more activity and a greater effort to address Northern housing problems than had ever been the case in the past.

4.5 THE '80s: AN EMPHASIS ON SELF-BUILD

The 1980s were not nearly as active from the policy development perspective as the previous decade. There was a continuation of most policies of the '70s, although minor adjustments were made to some. Only a few new initiatives were introduced. From the mid-1980s onward the impact of any policy initiative was weakened considerably by reductions in federal funding. There were also related reductions in provincial funding, particularly on cost shared programs.

The RNH package of programs continued to be the principal vehicle for policy delivery in the North, but there were changes. High arrears and unit deterioration created some disillusionment with the ownership option. It became obvious that many households in the North either did not have the income to support the ownership option as it was structured, or the commitment to accept associated responsibilities to make regular payments and repairs. Therefore the '80s witnessed greater emphasis on the rental option in many areas. The introduction of a lease-to-purchase option in 1986 still provided occupants with the long-term potential to achieve ownership if they could illustrate in the first few years of occupancy that they could handle responsibilities such as making regular payments and looking after the unit properly.

One significant policy change in 1984 was the decision to establish specific Native targets. The federal government insisted on targeting to ensure that a fair share of the budget was delivered to those most in need. The socio-economic and demographic evidence clearly suggested Aboriginals had to receive greater priority than had been the case in the past (Young and Bruce, 1991). Although this was part of a broader affirmative action program at the federal level, targeting also ensured that provincial and local delivery agents allocated budgets on the basis of need. Municipalities that had resisted the development of Aboriginal housing were required to accept unit allocations. On a national basis, 50 percent of the overall RNH budget was allocated to housing Aboriginals. This varied regionally from

six percent of the budget in New Brunswick to 99 percent in the Yukon. Targeting was not as significant an issue in the North as in more southerly centres because most units were always delivered to Aboriginals as they represented the majority group in most communities. However, targets were set for Northern areas and they were very high.

Another policy change in the '80s which strengthened and facilitated Native targets was the decision by the federal government that all social housing funds had to be targeted to households in core need.** There was a higher incidence of core need among Aboriginals than any other group in society. Although this facilitated Native targeting and meant funds were spent on those who needed it most, it did reduce the flexibility of programs to accommodate a range of income groups. This may have also limited the effectiveness of the ownership option as the stricter targeting may have eliminated households with incomes high enough to support the responsibilities of ownership. However, there is little evidence to confirm this.

With the signing of new federal/provincial agreements in 1986 there was continued and even further disentanglement. Provincial/territorial housing agencies, providing they contributed 25 percent of program costs, could take the lead role in program planning, delivery and project administration including client counselling, annual income reviews, subsidy adjustments, arrears and default counselling, post-occupancy repairs and mortgage administration. However, there was still ongoing liaison and discussion and an even greater emphasis on joint planning between the various levels of government and the delivery groups.

Joint planning was facilitated by the establishment of two formal committee structures—a Planning and Monitoring Committee (PMC) and a Tripartite Management Committee (TMC) in each province and territory. With these committees in place the parties involved in the housing process agreed to undertake a joint planning process involving the following components: problem identification (assessment of housing needs, priority groups and geographic targeting); selection of appropriate program vehicles; the preparation of three-year forward plans; and budget forecasting. The PMC dealt with all programs and included representatives of the federal and provincial/territorial housing agencies. The TMC undertook the same activities for the RNH and included representatives from the federal and provincial/territorial agencies as well as Aboriginal organizations in each province and territory (Global and Operating Agreements, 1986). These committees further strengthened local and regional

** **Definition of Core Housing Need:** Households in core housing need are those that cannot afford to obtain adequate and suitable accommodation without paying more than 30 percent of their household income and who occupy inadequate or unsuitable housing or pay over 30 percent of their income for housing.

involvement but still provided the federal government, as the principal funder, with a role in the decision making process and an opportunity to monitor activity.

Despite the continued move toward disentanglement the federal government served notice that it was prepared to take the lead role and deliver programs unilaterally if it felt the provinces or territories were not meeting program objectives or addressing housing needs in an appropriate fashion. When provinces refused to fund their share of the RNH Program or accept the priority the federal government wanted to place on Aboriginals, then CMHC worked directly with local groups or municipalities to provide the units.

Aboriginal involvement in planning, delivery and project management continued to be a priority, but the mismanagement and cost overruns experienced with some groups in the '70s led to tighter controls on group operation in the '80s. After 1986, sustaining grants for groups were replaced by a fee-for-service arrangement and project development funds (grants) were replaced by low interest loans to a maximum of \$75,000 which were added to total project costs upon completion. Groups were still encouraged to be involved but they had less flexibility and were subject to tighter controls than during the '70s (CMHC, 1992).

Perhaps the major policy initiative of the '80s was the extensive and structured emphasis placed on self-help. Self-help, or sweat equity, had been used in the '60s in the Remote Housing Program and could be utilized in the RNH Program, but the involvement of the occupants was limited, generally to a value of a few hundred dollars. However, in the '80s self-help became the basis for a number of programs as opposed to being an optional minor component.

There were three initiatives that characterized the '80s policy emphasis on self-help: The Rural Housing Assistance Program (RHAP) in Alberta, introduced in 1977-78 but not very active until the early 1980s; the Housing Assistance Program (HAP), introduced in NWT in 1983; and the RNH Demonstration Program (Demo), introduced by CMHC nationally in 1986. Most units even under the RHAP and Demo Programs were built in remote, Northern areas in off-reserve communities of 2,500 people or less. The RHAP applied only to communities with no conventional market and where no other social housing programs provided units (CMHC, 1991).

The level of self-help varied from a relatively low input under RHAP to very high under the Demo but the basic principles common to all programs included: the use of self-help to reduce unit costs and enhance affordability; to teach skills that could be used later in the workforce or to repair the unit; and to give occupants a stake in and pride in their home in an effort to improve ongoing responsibilities to



Photo credit: Tom Carter

Typical unit provided under the RNH Demonstration Self-Help Program.

maintenance. All programs placed a heavy emphasis on pre-occupancy, construction, and post-occupancy counselling. Payments to mortgage were either significantly reduced or eliminated entirely by self-help involvement and loan forgiveness. Units were often delivered with the assistance of Aboriginal non-profit groups or other local housing associations which provided counselling and supervision at all levels of the process.

The self-help initiatives were bold endeavours to drive the participation level in the provision of housing right down to the "grass roots," even beyond local delivery groups, although they were involved. One major difficulty that faced this policy initiative was the reduction or elimination of payments to mortgage. It helped address the affordability and unit arrears problems common to other approaches to ownership, but when self-build units were located in centres containing regular RNH units it created "perceived" inequities. For those occupants with regular mortgage payments the programs became a disincentive to pay. Concern was expressed that continued activity under such programs would force senior levels of government to write off mortgage amounts remaining on existing RNH units—a decision with substantial funding implications the government has not yet been prepared to take. Despite this problem preliminary evaluations of the programs are positive overall.

In conclusion, the '80s do not represent a period of significant policy development. There was considerable tinkering with existing policy and a number of minor modifications, but not many new initiatives other than the emphasis placed on self-help and the affirmative action that resulted in Native targeting. The reductions in funding by the senior levels of government in the latter part of the '80s substantially weakened the effect of all policy initiatives during this period. As the '80s ended, concern was focused more on the declining level of funding than policy changes themselves.

4.6 THE '90s: POLICY DEVELOPMENT WEAKENED BY REDUCED FUNDING FOR HOUSING

The '90s to date, like the '80s, have been similarly unspectacular when it comes to introduction of new policy initiatives. Attention has been focused instead on the continued reduction in federal funding. New unit commitments have fallen so low that some territorial/provincial housing corporations have stated that they feel the activity level is too low to justify the continued existence of corporations with delivery responsibilities in the North.

The recent announcement by the Federal Minister of Finance that the federal government was withdrawing from the provision and subsidy of new social housing may present serious difficulties for the Northern population. The budget tabled in the House of Commons included the following statement:

The government will not increase its support for social housing, through the Canada Mortgage and Housing Corporation (CMHC), beyond the current funding level of about \$2 billion a year. CMHC will no longer fund housing through 35-year subsidy commitments which impose most of the costs of today's housing support on future taxpayers. Increased efficiencies in the financing and delivery of its programs will enable CMHC not only to maintain its existing housing stock in good repair but also provide some scope for new social housing commitments. Within this funding level, special purpose funding for shelters for victims of family violence, the National Strategy for the Integration of Persons with Disabilities and for native housing on reserves will continue (Canada Department of Finance. *The Budget 1993*. April 26, 1993, pp. 55-56).

CMHC Vice-President, Robert Lajoie also stated that:

savings from efficiencies in the existing portfolio will remain in housing. The efficiencies could come from direct financing through CMHC and increases to the rent-g geared-to-income levels. Such gains could be used for renovation or new construction projects that can be developed with up front grants (Canadian Housing Update, CHRA, May 1992).

It is obvious there will be little, if any, new supply off-reserve beyond 1993 unless a budget subsequent to the election changes the situation. The Northern population is young and population and household growth rates are high. Because of their very low incomes, many households will be unable to provide adequate housing on their own initiative. Without a continued supply of new social housing, current housing conditions (affordability, crowding and suitability problems) will only get worse. This is almost certain to result in increased health, family abuse and other associated problems.

Increases in rent-to-income ratios to provide additional revenues to support more social housing, as suggested by Mr. Lajoie, is not an option in the North. Current rent-to-income ratios (generally 25%) leave the very low-income households, characteristic of the North, with little residual income to cover other basic necessities. This is particularly true in communities where costs are higher because of their remoteness. Nor will up-front capital grants create affordable housing in the North. Removing part, or even all, of the mortgage amount often leaves operating costs that exceed the household's ability to pay. On-going subsidies are generally necessary to make housing affordable.

There is certainly a need for new initiatives to ensure that at least a minimum level of supply continues. Initiatives that incorporate extensive self-help or self-build involvement by individuals and communities combined with up-front capital grants, cheaper designs, *etc.*, may be worth evaluating. Supply has to be continued. The question remains—how is it to be delivered and financed?

Although there is a declining emphasis on the production of new units, there have been positive initiatives focusing on the existing stock. The existing stock has deteriorated rapidly because of environmental stress as well as the wear and tear of large households with little capacity to address

ongoing repairs and maintenance. Portfolio management or modernization and improvement of the existing stock may turn out to be the policy thrust of the '90s.

Increased funding has been allocated to post-occupancy repairs on ownership units built under the Rural and Native Program. Under program criteria, owner-occupants are responsible for maintenance and repair of their units. However, it has become obvious that many households have neglected this responsibility. There are many factors explaining this neglect but one important consideration may be the lack of income to devote to unit upkeep. Recognizing this, the senior levels of government (federal and provincial) have made a conscious decision to return and repair these units on a one-time only basis. Increased funding has also been allocated to maintenance and improvement of the existing rental portfolio. Therefore, although expenditures on the construction of new units have declined, funding for upgrading of the existing portfolio continues to rise. Provincial and territorial housing agencies may not have as many new units to deliver, but there is increased involvement in improvements to the existing stock.

The '90s have also witnessed a continued decentralization of housing responsibilities to community-based organizations—Aboriginal and non-Aboriginal. Local housing authorities, non-profit associations and other community based groups are playing an increasing role in delivery and property management functions in many areas of the North.

Although there are few new policy initiatives in the '90s, there are a number of issues that are becoming increasingly important. The aging of the population, although by no means as significant as in Southern communities, is resulting in a growing number of seniors. This is generating increased pressure to provide housing options and associated services to protect and maintain the independence of the elderly. There are no clear indications how this will be effectively accomplished in the small, widely scattered communities of the North where even the basic level of services is generally below service levels in communities of the South. The difficulties this presents were highlighted in recent conferences such as "Elders Housing: The Challenge North of Sixty" and "Housing For Seniors: The Challenge In Northern And Remote Communities" held in Yellowknife in 1990 and 1991 respectively. The aging population will definitely be a policy issue for the current and coming decades.

There is also increased pressure to use housing as a generator of employment and as part of broader community economic development strategies. With their weak economic base and expanding numbers of people of labour force age, this has always been an issue for most Northern communities. However, with the deterioration in the resource industries and associated higher rates of unemployment, there is increased pressure to use housing as an employment tool. With declining



Photo credit: Tom Carter

Many families in the North still live in housing conditions typified by the above unit.

budgets for new construction, job creation in housing will have to rely more heavily on maintenance and upgrading of the existing stock. This requires an emphasis on training and close co-operation with a variety of agencies that provide support for training and job creation initiatives.

Further reductions in funding for housing, if they occur, are certain to take a heavy toll on development of new initiatives. The challenge for policy in the '90s may well be how to use the existing portfolio more effectively. It seems certain that there will be no extensive additions to this portfolio over the next few years. This may present serious difficulties for a Northern population which has higher growth rates, a much younger population, and is likely to have much higher household formation rates. The low incomes characteristic of the majority of Northern residents makes it more difficult for them to provide housing on their own initiative.

5.0 SUMMARY HIGHLIGHTS AND LESSONS LEARNED

5.1 THE 1930s AND '40s

Canadian housing policy initiatives date back to the early 1900s, but it was not until the '30s and '40s that governments accepted an ongoing role in policy development. During this period the Curtis and Marsh Reports, benchmarks in Canadian social policy development, highlighted the need to use public housing initiatives to address social inequities and provide housing assistance to low-income families and special needs groups. During these two decades the federal government introduced a number of policy initiatives that appeared to have the potential to address Northern housing problems. Policy facilitated initiatives such as loans to construct new housing and repair existing units; loans to resource industries to construct low-rental housing in resource communities; lending to co-operatives; and direct lending to households where private funds were not available.

This activity had little positive impact in the North. The initiatives for the most part were structured to be delivered through the private sector (builders and lenders). These sectors of the housing delivery system were not present in most Northern communities. As well, access to most programs generally required significant participation from households—downpayments, for example, which were beyond the means of the very low incomes of most Northern households. Policy during this period, focusing as it did on economic stimulation and job creation, was more effective in the South—that area of Canada for which it was designed. To be fair to policy developers, however, it has to be acknowledged that Aboriginal people, who constituted the majority of Northerners, led a more nomadic hunting and trapping existence during this period. This lifestyle was not particularly conducive to the delivery of housing assistance, or for that matter, to the demand for housing services.

5.2 THE 1950s

The '50s was a pivotal period in Northern development in general and specifically for the development of Northern housing policy. Policy had to address national objectives associated with Northern resource development as well as the housing and health concerns associated with the growth of shanty towns and camps of a rapidly urbanizing Aboriginal population. A policy tug-of-war between serving local needs and national development objectives became obvious. Government efforts to encourage the growth of selected Northern communities and resettle the widely scattered, and in some cases, nomadic groups of indigenous people had a significant impact on housing. Ostensibly designed to provide Northern residents, particularly the indigenous population, with quality services of modern society, the government's real focus was to develop a regionally based community hierarchy to

facilitate regional development and resource utilization strategies. The resettlement strategies often created an Aboriginal/non-Aboriginal housing dichotomy as resettled Aboriginals often remained in unserviced shanty town communities. Quick-fix housing initiatives to address housing and health concerns in these communities often did more to exacerbate than improve poor living conditions of the Aboriginal population. The small units provided suited neither the lifestyle nor the environment. Perhaps the most positive policy aspect of the period was small-scale "community development self-help" initiatives that provided skills development and local employment as well as improved housing. These positive initiatives, however, were overshadowed by policies that fostered national development objectives at the expense of local housing needs.

5.3 THE 1960s

The '60s marked the beginning of a greater recognition of the unique needs of the North. Policy changes provided a greater variety of program options to respond to the varied circumstances. Program criteria and methods of delivery illustrated other significant policy changes. Introduction of a rent-to-income scale designed so that lower income households spent a much lower percentage of household income on housing signalled recognition of the significant affordability problems in the North. Very low incomes combined with higher costs of other basic services meant households had less to spend on housing. Introduction of the rent-to-income scale also illustrated that governments were prepared to accept ongoing subsidy payments to cover the difference between household payments and actual housing costs. With a heavier emphasis on rental as opposed to ownership units during the '60s, governments also accepted the position of landlord and responsibility for ongoing repairs. These policy shifts signified that governments were willing to accept long-term commitments to address basic housing problems in the North.

With the introduction of programs that incorporated a co-operative approach and aspects such as job training, employment of local labour and self-help construction, housing policy also became a basis for community economic development initiatives. The '60s also marked the introduction of delivery of housing programs via local Aboriginal housing organizations enhancing local input and involvement. Provinces also began to take a more active role in policy development and program funding, accepting a 25 percent share of costs for some programs. Although the federal government continued to provide the leadership and the majority of funding in nearly all endeavours, there was more local involvement and input by community people, Aboriginal organizations and the provinces. This local involvement began to shift policy better to address the unique needs of the North.

5.4 THE 1970s

Policy development in the '70s was characterized by a growing sensitivity to regional and cultural issues in the North. The period was marked by far more local involvement and control in planning, delivery, and management of housing. Disentanglement was the appropriate policy "buzz word." The formation of housing agencies, the introduction of unilateral programs, and far more significant contributions to funding by provinces and territories were part of the devolution process. More active and stronger participation by local non-profit and co-operative groups, many of them organized and operated by Aboriginals, also provided more local control over policy and process and, as well, made it more culturally appropriate.

Policy provided an even more comprehensive program package than in the '60s. With the Rural and Native Program as the major vehicle, assistance was available to build new stock and repair existing units. Both rental and ownership units were available and assistance was extended to groups other than families, which had traditionally been the policy focus. Addressing affordability problems continued to be a policy emphasis. Monthly allowances to help low-income households pay high utility costs were introduced in some regions of the North. Heating costs were becoming a particular burden for the low-income. There was an even greater emphasis on using housing as the active component of community development initiatives under the Rural and Native Program and unilateral initiatives by provinces and territories. The overall result was far more activity and a greater effort to address Northern housing problems than had ever been the case in the past.

5.5 THE 1980s

The '80s did not represent a period of significant policy development. There was tinkering with existing policy resulting in a number of minor modifications but not many new initiatives. The federal government introduced an affirmative action policy to ensure that specific budget levels were targeted to Aboriginals. Evidence on housing conditions clearly indicated that Aboriginals should receive priority for housing assistance. Introduction of the core need model to identify households eligible for social housing assistance ensured funds went to the most needy. This facilitated Native targeting.

With the signing of new federal/provincial agreements in 1986 there was continued disentanglement. Provincial/territorial housing agencies were able to take the lead role in program planning, delivery and project administration provided they contributed 25 percent of program costs. The involvement of Aboriginal groups continued, although with less flexibility and under tighter controls because of incidents of mismanagement and cost overruns in the 1970s.

Perhaps the major policy initiative of the '80s was the extensive emphasis on self-help. Self-help initiatives attempted to drive the participation level in the provision of housing right down to the "grass roots"—to help reduce costs and improve affordability, teach skills, instil pride in the unit and improve responsibilities to home maintenance. A heavy emphasis was placed on construction, pre-occupancy and post-occupancy counselling.

The role of local and regional groups was strengthened during the period, but reduced funding in the latter part of the '80s substantially weakened the effect of any policy initiative. As the '80s ended, concern was focused more on the declining level of funding than policy changes themselves.

5.6 THE 1990s

The '90s to date, like the '80s, have been similarly unspectacular when it comes to introduction of new policy initiatives. With continued reductions in funding, new unit commitments have fallen extremely low. However, funding for upgrading the existing portfolio has been maintained. Existing units have deteriorated rapidly because of the wear and tear of large families, lack of attention to maintenance and the environmental stress of the Northern climate. Portfolio management may well turn out to be the policy of the '90s.

Further reduction in funding for new units may present serious difficulties for a Northern population with high growth rates, a young population and higher household formation rates. Because of very low incomes many households will be unable to provide adequate housing on their own initiative. The challenge for policy in the '90s may well be how to use the existing portfolio more effectively.

5.7 LESSONS LEARNED

Policy evolution does not necessarily mean policy effectiveness. The approach in this paper is one that focuses on policy as opposed to performance. Effectiveness or performance can only be judged by evaluating a variety of criteria that reflect improved housing circumstances. Although it would be difficult to dispute that general housing conditions have improved this document does not quantify changes in residential satisfaction, improved quality of life, improved affordability, design, condition, or better housing delivery methods for Northern residents. It is unlikely that hard data exist to do this on a consistent basis over any significant period of time. However, without providing quantitative evidence it is possible to highlight a number of evolutionary policy trends, which throughout the variety of publications reviewed during the preparation of this paper, researchers, policy

analysts, and academics agree provide the potential to improve housing circumstances for Northerners. There are certainly a number of "lessons learned" that have made policy more effective.

Until the late '60s or early 1970s housing policy was often subservient to other national or regional policy objectives. This is still not uncommon, although today housing is less likely to be used as a "tool" to foster job creation or support Northern resource development objectives. It is designed to address more directly the need for improved housing and housing-related circumstances. The fact that housing policy is less likely to play "second fiddle" to other priorities has to be considered a positive change.

Related to this is the fact that policy has shifted to more adequately address the affordability problems of Northern residents. Low incomes and the higher cost of other basic necessities in the North dictate a need for policies that reduce the cost of adequate housing. Introduction of vehicles such as rent-to-income scales, heating allowances, and sweat equity or self-help involvement have helped provide more affordable accommodation.

The jurisdictional responsibility for policy development and provision of housing in general has moved closer to the local level. Decentralization from the federal to the provincial or community level has been a trend, or gradually expanding policy theme, throughout the period. In this respect policy development has the potential to be more responsive to local needs as well as more culturally appropriate. Despite this shift the federal government continues to play a prominent role, particularly from a funding perspective.

Local or "grass roots" involvement and cultural appropriateness has been further strengthened by policy initiatives that have permitted locally based non-profit (often Aboriginal) organizations to play a role in the planning, delivery and management of social housing.

"Grass roots" participation has also been strengthened by the policy decisions that enhanced the role of self-help during the period. Such an approach has other desirable spin-offs such as skills development and the potential to reduce housing costs, making housing more affordable as well as reducing long-term maintenance costs.

Self-help and local participation also strengthened the use of housing as a major component in community economic development. In an environment where the economic base of most communities is very weak, housing policy has been fashioned to support broader community development objectives.

In its early development stages Northern housing policy, like national policy, depended on the private sector to deliver and support policy options. It was quickly recognized that this was not effective. The private sector was generally absent in the North and unlikely to be interested in "non-market" communities with very low-income households, very limited demand and low profit margins.

It was soon recognized that the public (government) would have to play the leading and major role and make a long-term commitment to the funding, provision and maintenance of housing if Northerners were to be adequately housed. In many communities over 80 percent of the housing stock has been built with public assistance (Carter, 1993).

Finally, throughout the period policy gradually recognized the diversity of needs and circumstances in the North and slowly responded with a greater variety of program options. These options now provide new housing, repair of existing units, ownership, rental and lease-to-purchase arrangements, subsidies to address high energy costs, and assistance to seniors, families and individuals.

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