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### **Economic Development Program**

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# *Building on Strength*

*An Economic Development Strategy for Ross River*



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## **Executive Summary**

### **Community Vision**

**In 20 years, Ross River will be a healthy, strong, stable, united community driving a diverse and sustainable regional economy.**

### **HIGHLIGHTS**

*Building on Strength* focuses on 7 strategic sectors:

1. Community infrastructure
2. Mining
3. Renewable resources
4. Tourism
5. Cultural industries
6. Community services
7. Education and community health

The top priority major goals of *Building on Strength* are:

- ◆ Build a Cultural centre/Visitor reception centre
- ◆ Build a First Nation administration building
- ◆ Build sufficient housing
- ◆ Create a local government in Ross River
- ◆ Install community-wide water and sewer system
- ◆ Work toward a high level of education for RRDC citizens
- ◆ Develop community spirit
- ◆ Eliminate substance abuse
- ◆ Preserve and enhance traditional values and knowledge

In addition to its involvement in the major goals above, the RRDC's economic development arm will focus its efforts on:

- ◆ Mining-related business development
- ◆ Tourism-related opportunities & business development, including Dena Cho trail opportunities and marketing of the community and its artists
- ◆ Continue maximizing the benefits of existing programs and services, including forest fire fighting and FireSmart

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## Context and Background

This economic strategy aims to give the people of Ross River the tools to build a healthy and prosperous community by utilizing and building on the community's strengths. It was developed in collaboration with many community members who participated in numerous meetings and provided their ideas. The community's strengths come from its people, its location, and its environment.

Community members have considerable skills, notably:

- a recognized artistic and cultural tradition;
- skilled workers experienced in mining-related activities (prospecting, heavy equipment operation, line cutting etc.) and experience in supplying and dealing with mining companies;
- traditional knowledge and subsistence skills, including the Kaska language, trapping skills, traditional medicine, knowledge of the land and how to live on it;
- a strong people, resilient in adversity.

Ross River's location and environment are also sources of strength. It is located in the Yukon's richest mineral belt: the Tintina trench.

There are known deposits of gold, silver, zinc, lead, copper, coal, barite and gemstones, not to speak of the world's largest tungsten deposit. The area has a pristine environment, rivers and lakes, wildlife and fish, untouched forests, and spectacular scenery especially along the North Canol highway. Its location at the junction of the Canol and Campbell highways is also an asset, providing road access to mineral resources and the great outdoors.

However, in spite of the inherent strengths of its people, Ross River is one of the poorer communities in the Yukon, typically suffering from high unemployment and low incomes. Economic opportunities are limited. Education levels are low, and substance abuse problems have helped give the community a bad reputation. The goal of this strategy is to help overcome these problems and build a healthy and prosperous community.

### ***Building on Strength***

#### Past experience with booms

The Ross River Dena have seen several mining booms come and go in their traditional territory since the discovery and development of the Faro mine in the 1950s and 1960s. The experience of being the indigenous population that sees little long-term benefit from these booms has increased the determination of the Ross River Dena to reap the economic benefits of the current upswing in mining.

**Table 1**  
**Selected indicators, Ross River and Yukon,**  
**Census 2001**

	<i><b>Ross River</b></i>	<i><b>Yukon</b></i>
Population	335	
Aboriginal population	81%	23%
Adults with no high school diploma	38%	16.5%
Employment rate	47.1%	70.6%
Unemployment rate	36.8%	11.6%
Average earnings	\$19,997	\$31,526
Average earnings working full-time, full-year	\$32,978	\$44,605
Median family income	\$25,920	\$63,490

The total income of everyone over 15 is an indicator of the size of the local economy. In 2000, this was \$4,900,000, of which \$3,800,000 came from employment and the rest from transfer payments such as Social Assistance and pensions. Transfer payments amounted to 17% of income in Ross River compared to 9% for the Yukon as a whole. With the increase in mining exploration activity in the region, it is likely that these figures have improved in the last two years.

Increasing individual incomes is critical for developing the local economy. Business activity, especially in sectors providing

services to the community, depends very much on people's purchasing power. The viability of most businesses depends on the size of the market. Higher incomes in the community create a larger market. This gives many small businesses that provide services to community members a better chance of being profitable.

Ross River is the home of the Ross River Dena Council, a Kaska First Nation. The RRDC does not have a signed land claims agreement, nor are any negotiations currently underway. As a result, the federal government still deals with the RRDC as an Indian Act Band, and the first nation is not formally recognized by either the federal or territorial governments as having self-government powers over its traditional territory. The Ross River Dena council and its citizens, however, hold strongly to the view that they have inherent self-government powers over their traditional territory and will exercise those powers as seems appropriate.

The population of Ross River is about 80% aboriginal and 20% non-aboriginal. The community is unincorporated and, to date, does not even have the Local Advisory Council structure that acts as a kind of pre-municipality under the Yukon's Municipal Act. The lack of any form of local, municipal-type government and the population split between First Nation and non-First Nation has long created problems for the community in its dealings with both the territorial and federal governments. The federal Department of Indian Affairs' mandate is to deal with the First Nation and its citizens and any





community project or issue that involves the non-First Nation portion of the community tends to bring on a reflexive effort to pass responsibility to the territorial government. YTG in turn, sees the 80% First Nation side of Ross River and attempts to pass as much responsibility on to the federal government as possible. The lack of any kind of formal, unified local body exacerbates the problem and paralysis is often the result.

***Building on Strength***Lessons from past experience

From the community meetings and from discussions with both RRDC staff and Chief and Council it is obvious that the community has drawn a variety of lessons from past experience with mining booms and the efforts to capitalize on them:

1. Experience is resulting in agreements with mining companies (SEPAs) that provide a greater range, depth, and variety of benefits to the RRDC and its citizens.
2. There are discussions on the wisdom of setting aside a portion of mining dollars (a rainy day fund) for use in the future when the boom is over.
3. There is an obvious determination that the experience of the late 1990s, where the RRDC's development corporation squandered much of the mining money flowing to the first nation, will not be repeated.
4. Finally, there is an obvious determination that the RRDC will invest in and build sustainable means of generating economic benefits for the long-term.

## **Vision**

The vision statement developed and agreed to by community members is:

***In 20 years, Ross River will be  
a healthy, strong, stable, united community  
driving a diverse and sustainable regional economy.***

### **A healthy environment.**

Ross River values a healthy environment that helps maintain the health and well being of all people as well as the plants, animals and fish of the region. It is an ongoing goal of the community to minimize damage to the environment.

### **A healthy community for all.**

The community values the physical, mental, and emotional health of all community members. Clean, high-quality water is a crucial component of health. Substance abuse is a serious problem and its elimination is a long-term goal of the community.

### **The Kaska language, traditional knowledge and traditional skills.**

The community values the Kaska language and traditional knowledge and skills both for their inherent worth and for their social and economic value. The preservation and enhancement the language, knowledge and skills is an ongoing goal of the Ross River Dena Council and its citizens.

### **A diverse and sustainable regional economy.**

The community values the benefits brought by a diverse and sustainable economy. As much as possible, booms and busts should be avoided.

### **A strong, stable, united community.**

The people of Ross River wish to live in a united community, not one with sharp divides between First Nation and non-First Nation people. A goal of the community is to create a form of local government that includes both First Nation and non-First Nation people.

## Major Community Goals and Priorities

The community articulated its goals and priorities in a series of meetings. After considerable discussion, the following were agreed to as the main goals and assigned a priority. (Other ideas for community activities, goals, projects, and new businesses for economic development, education, and community health are included in the Strategic Sectors section below).

Some of the main goals are economic development measures while others are indirectly related to economic development, but equally, if not more, important to the community. These goals have been assigned one of three priorities:

**Priority #1: Get going on them right away**

**Priority #2: Get going as soon as time and resources permit**

**Priority #3: Get going only once #1 and #2 priorities are well underway**

### Main Goals

The main goals of this economic development strategy are as follows:

#### **Priority #1: Get going on them right away**

- ◆ Build a First Nation administration building
- ◆ Build a Cultural centre/Visitor reception centre
- ◆ Build sufficient housing
- ◆ Create a local government in Ross River
- ◆ Install community-wide water and sewer system
- ◆ Work toward a high level of education for RRDC citizens
- ◆ Develop community spirit
- ◆ Eliminate substance abuse
- ◆ Preserve and enhance traditional values and knowledge

#### **Priority #2: Get going as soon as time and resources permit**

- ◆ Improve Ross River's reputation
- ◆ Implement mining strategy
- ◆ Develop a tourism marketing plan for Ross River
- ◆ Lobby to improve the Campbell Highway
- ◆ Lobby to develop a major airport (not just VFR)
- ◆ Scheduled air/bus service to Ross River
- ◆ Build a centre at Coffee Lake

**Priority #3: Get going only once #1 and #2 priorities are well underway**

- ◆ Build a retirement home/elder care
- ◆ Build a hydro power station
- ◆ Install artificial ice in the arena
- ◆ Re-route Campbell highway nearer to town
- ◆ Improve the Canol Road and build a bridge
- ◆ Invest directly in mining projects
- ◆ Expand health care services

**Actors**

The community meetings not only established the priorities but also which agencies should be responsible for achieving each of the above goals and priorities. Achieving the goals involves co-operation and actions by all sectors of the community, including the Ross River Dena Council, the soon-to-be formed Local Advisory Council, the economic development agency, the capital unit within RRDC, the Margaret Thompson Centre, elders, and the community as a whole.

Goal or Project	Responsibility
<b>Priority #1</b>	
• Build a First Nation administration building	Economic Development Agency
• Build a Cultural centre/Visitor reception centre	Economic Development Agency
• Build sufficient housing	RRDC-Capital
• Create a local government in Ross River	Economic Development Agency
• Install community-wide water and sewer system	Capital
• Work toward a high level of education for RRDC citizens	CELC and School Council Community as a whole
• Develop community spirit	Local Advisory Council and RRDC
• Eliminate substance abuse	Margaret Thompson Centre and YTG
• Preserve and enhance traditional values and knowledge	Elders

Goal or Project	Responsibility
<b>Priority #2: Get going as soon as time and resources permit</b>	
• Improve Ross River's reputation	Community
• Implement mining strategy	Economic Development Agency
• Develop a tourism marketing plan for Ross River	Economic Development Agency and Local Advisory Council
• Lobby to improve the Campbell Highway	Economic Development Agency and Local Advisory Council
• Lobby to develop a major airport (not just VFR)	Local Advisory Council and RRDC
• Scheduled air/bus service to Ross River	Private enterprise
• Build a centre at Coffee Lake	Margaret Thompson Centre /Economic Development Agency /Capital/Local Advisory Council
<b>Priority #3:</b>	
• Build a retirement home/elder care	Margaret Thompson Centre
• Build a hydro power station	Economic Development Agency
• Install artificial ice in the arena	Local Advisory Council
• Re-route Campbell highway nearer to town	
• Improve the Canol Road and build a bridge	Market Driven
• Invest directly in mining projects	Economic Development Agency
• Expand health care services	Margaret Thompson Centre and Local Advisory Council

It is clear from the direction given by the community that the Ross River Dena Council's economic development unit will play a key role in achieving the goals of this strategy. The economic development unit has already set up and is operating or is helping to operate several businesses. Meeting the goals of this strategy will require that the economic development unit continue to do carry on business and administer contracts. The **Ross River Dena Council needs to set up a corporation** to reduce

risks to the First Nation. Operating businesses without a corporate structure could result in the RRDC being responsible for debts and potential lawsuits. The RRDC needs to be legally insulated from the economic development agency.

***Building on Strength***  
**Economic Development Activities**

The RRDC already has an active Economic Development Officer. Activities and on-going projects predate the development of this strategy. Activities and achievements to date include:

- Putting the *Dena General Store* on a sounder financial footing;
- Creating a joint venture fuel business (*Tu Lidlini Petroleum Corporation*) that sells fuel in the community and to mining exploration operations;
- Developing a mining strategy, *The Snow That Eats the Snow*;
- Negotiating a Socio-Economic Participation Agreement (SEPA) with Yukon Zinc;
- Faro reclamation work;
- Winter road construction to Howard's Pass.

**Recommendation No. 1**

*A new economic development corporation should be formed as soon as possible to reduce risks to the First Nation.*

**Recommendation No. 2**

*The new economic development corporation should make every effort to keep both existing and new community corporations as separate legal entities in order to minimize the risk that a failure of one venture will cause the failure of others.*

## **Strategic Sectors**

In the course of the public community meetings, it became obvious that there were a number of sectors that were important to the community. To achieve the vision, simultaneous actions on a number of fronts are needed: community infrastructure, mining, renewable resource, tourism, community services, education, health and social well-being. Ideas for activities, goals, projects, and new businesses fell into these six strategic sectors that need attention:

- 1. Community infrastructure**
- 2. Mining**
- 3. Renewable resources**
- 4. Tourism**
- 5. Cultural industries**
- 6. Community services**
- 7. Education and community health**

These sectors are not separate and distinct, as activities in one sector can and will affect the others. One of the purposes of this strategy is to identify opportunities in each sector and create synergies between the different sectors. For example, Tu Lidlini Petroleum Corporation was originally set up as a joint venture to provide heating fuel to community residents. However, the opportunity to provide fuel to mining exploration companies arose, which the company took advantage of.

### **Community Infrastructure**

Adequate community infrastructure is basic to any kind of economic development. Ross River is seriously lacking in community infrastructure: there is insufficient housing, the water and sewer system has long been recognized as seriously inadequate (see Previous Studies appendix), and the administrative offices of the First Nation government are scattered among numerous buildings, many of which are in bad condition. Community members identified housing, water and sewer and a First Nation/community administrative building as major number one priorities. A number of other infrastructure projects or improvements were also identified but were ranked as being of a lesser immediate priority for the community.

### **Building on Strength** **Tu Lidlini Petroleum** **Corporation**

Originally set up as a joint venture with a Whitehorse businessperson to supply heating fuel to the community, Tu Lidlini Petroleum Corporation has expanded to supply fuel to mining exploration corporations on a competitive basis. However, the long-term sustainability of the company cannot depend on the continuing mining boom. Plans are being developed to expand operations into other areas of the Yukon and into aviation fuel. Also, the Dena General Store has benefited by obtaining free heating fuel in return for handling gasoline sales.



**Building on Strength**  
**Dena General Store**

The Dena General Store has had a chequered past but has greatly increased its sales in the past year. As a result, the store is now profitable, perhaps in large part through increased sales to mining companies.

The store is important to the community and ensuring its long-term viability is therefore also important.

As well, recreational facilities could be improved; for example, artificial ice is needed in the arena. On the other hand, there is a fairly new community centre and a school with a Yukon College community campus. Community members identified resolving housing and water and sewer problems as major priorities.

Permafrost requires special construction techniques and has resulted in the partial deterioration of a large part of the community's built infrastructure. If ongoing climate change continues on its present course, these ground problems will likely increase.

***Administration building***

This was identified as a major priority during community consultations and assigned as a responsibility of the economic development agency. A considerable amount of preliminary planning and design work has been done on a possible new administration building in 2002 and 2003. Kobayashi + Zedda Architects of Whitehorse were hired to prepare schematic drawings on several options for a building, and some initial mechanical and electrical engineering review work was also completed. This initial planning work may still be used as a base for further work on the project. However, the idea of additional office space for a Local Advisory Council and possibly other tenants such as the Yukon Government and other agencies as well as private sector tenants needs to be explored; so much of the architectural programming work done then needs to be revised.

Also, the possibility of combining the administration building with the cultural centre could be investigated, but given the different types of structure and spaces required as well as funding complications, it might not well be feasible to combine the two.

**Administration Building**  
**A possible innovative approach**

One possible and somewhat innovative approach to the construction and operation of a new administration building in Ross River is to set up a community corporation to own and operate the building.

All of the tenants — including the First Nation government departments along with any others — would then pay rent to that corporation. The corporation would in turn be responsible for the operations and maintenance of the building.



**Housing**

In the consultations on the Ross River economic strategy, building sufficient housing was rated as a number one priority for economic development. Given that insufficient housing and generally poor housing quality is a perennial issue in Ross River — and in most First Nation communities in general — this is not surprising.

The reasons for the perennial problems associated with both building sufficient housing and in maintaining it in decent condition in First Nation communities are many and multi-faceted. Among these problems are:

1. The federal government provides funding to the First Nation for house construction, but the amount allocated per house is intentionally too low to build a house. By accepting the funding, however, the First Nation is required to build a house. This leads to enormous pressure to cut costs in construction which results in houses being as small as possible (making overcrowding more likely), with designs and materials chosen for the lowest possible upfront cost, and places a premium on speed of construction rather than good workmanship. The inevitable result is housing that costs much more to operate and maintain than it should and in houses that need replacing far sooner than the norm.
2. The occupants of First Nation housing in Ross River do not own their houses, the First Nation does. Like any rental situation, occupants who are not owners tend to take far less care of their houses as they are not personally responsible for repairs and maintenance. This problem is exacerbated in First Nation communities where there are few or no housing options and the First Nation landlord cannot evict destructive tenants.

Overall, the condition of Ross River's housing stock is poor as is illustrated by three different assessments.

In 1999 the Yukon Housing Corporation did a detailed survey of the condition of housing in all Yukon communities. In Ross River a total of 65 randomly selected households were interviewed in October of 1999. Findings include:

- Just over 30% of Ross River households pay more than \$3.00 per square foot to heat their homes.
- Energy related repair needs in Ross River are 40% of households versus 14% for the Yukon as a whole.
- 72% of all dwellings in Ross River require major repairs compared to 33% of all Yukon dwellings.
- 45% of Ross River dwellings have health and safety deficiencies ranging from lack of working smoke alarms to inadequate sewage disposal.
- Crowding is a significant issue in Ross River with 12 % of homes not having enough bedrooms (compares to 6% Yukon wide).

The *Ross River Dena Physical Development Plan* of July 2000 contained the following findings on the condition of the First Nation's housing:

- There are currently 106 occupied houses in Ross River, 11 of which have been condemned and should be replaced.

- Overall, the 2000 Housing Condition Assessment suggests that only 54% of the Dena Council's housing stock is in "good or fair" physical condition.
- Over 5 years 11 houses need replacing, 41 need major renovations, and 33 need minor renovations.

The 2000 *Physical Development Plan* also included the following recommendations:

- The Ross River Dena Council construct 6 houses per year to meet the estimated housing needs.
- The Ross River Dena Council must develop 48 new lots to meet the balance of their ten year housing demand.
- The Ross River Dena Council should consider construction of two new residential development areas as identified on the Land Use Plan (i.e., the block of undeveloped land with approximately 30 lots in the town site (north-west corner of town) owned by YTG, and a 28 hectare parcel on the escarpment south of town).

The 2001 Census also confirmed a serious major repair need in Ross River. Thirty-one per cent of households reported living in a dwelling that needed major repairs compared to 14% for the Yukon as a whole, while another 35% of households stated their dwelling needed minor repairs, compared to 29% for the Yukon.

A new capital plan that assesses the need for housing is required as the old plan is now more than five years old. (An updated plan is a requirement for continued funding of new housing by the federal government). A new capital plan will also require a physical land use plan that identifies the locations for new housing as well as the location and budgets for other capital projects. The capital plan could include other projects such as water and sewer, a new administration building and the cultural centre.

**Recommendation No. 3**

*An updated capital plan that, among other things, identifies the housing needs of the community is needed.*

**Recommendation No. 4**

*A land use plan for the community that would identify where new housing and other community facilities would be built needs to be developed.*

There are plans in place for a "green" subdivision on the north side of the Pelly River. Funding for such a subdivision could sought not only from traditional DIAND capital funding, but also from CMHC's *Net Zero Energy Healthy Housing Initiative*, as well as Natural Resources Canada's *Commercial Building Incentive Program (CBIP) for New Buildings*, and *REDI program*.

**Water & sewer**

The installation of a community-wide piped water and sewer system is a number one priority and perhaps the largest single project identified in the strategy. During the consultation process, it was pointed out that this issue has been raised and studied several times over the past 30 years. A quick review of previous studies shows that recommendations that Ross River have a piped water and sewer system began in the early 1970s and have continued at intervals since. This is a long-standing need and will most likely be achieved through a phased approach.

The Yukon government must take the steps needed to complete the sewage lagoon and wetlands discharge that was planned for and promised in the 1990s. One point of leverage to get YTG to complete the lagoon is the water licence requirement that it be done.

With a proper lagoon in place, the planning can be done for the layout of the piped sewage (and piped water) system to take in all existing needs and for any planned community expansions.

With the planned layout complete, groups of houses — and especially houses that are experiencing problems with their existing individual septic fields — can be tied into a group pump-out tank. The placement of these tanks must be made with the goal of eventually tying them in to the planned piped system. This approach will be more affordable and, by gradually eliminating problematic septic fields will also reduce the amount of ground water contamination in the community.

A water treatment plant for the community well may be a viable intermediate step in getting to a community-wide piped water system.

Water and sewage systems are eligible projects under the gas tax sharing agreement, although the money available will only cover a small portion of the total cost of a community-wide water and sewer system.

***Recommendation No. 5***

*As a first step toward a community-wide piped water and sewer system, YTG must complete the sewage lagoon and wetlands treatment area.*

**Local government**

Community members identified the creation of a local government structure as a number one priority. A local government would be in much better position to negotiate the improvement of community infrastructure with the territorial government than the First Nation government on its own.

Recommendations that Ross River create a local municipal-type government stretch back to at least 1984. A 1984 study commissioned by the Ross River Dena strongly recommended the formation of a form of local government specifically designed to protect the interests of the First Nation and its citizens:

“A joint-governing body for the municipality of Ross River, with fixed Indian and White Membership is required. If Ross River grows in population due to the developments and the proportion of Indians decreases below 50%, this structure will be required so as to express and protect the Indian interest in Ross River itself.”

It is interesting to note that the community of Carcross has instituted just such a joint body (though it is an advisory council, not a municipality) with equal representation from the First Nation and from the non-First Nation parts of the community. The Carcross LAC had a number of problems and ceased to function. Efforts are now underway to revive it.

There are efforts to create a Ross River local advisory council currently underway involving the RRDC economic development officer representing the RRDC, non-First Nation residents of Ross River, and the territorial government. It is likely that these efforts will bear fruit in the short-term.

### ***Other community infrastructure projects***

Community members identified many other community infrastructure needs. However, they were not given as high a priority as those discussed above, only because of the current lack of community resources to achieve them. Just because they have been identified as lower priority items does not mean that they should be forgotten or abandoned. As soon as time and resources allow, they should be started.

The other needed community infrastructure projects are:

#### **Priority #2:**

- ◆ Lobby to improve the Campbell Highway
- ◆ Lobby to develop a major airport (not just VFR)
- ◆ Scheduled air/bus service to Ross River
- ◆ Build a centre at Coffee Lake

#### **Priority #3:**

- ◆ Install artificial ice in the arena
- ◆ Re-route Campbell highway nearer to town
- ◆ Improve the Canol Road and build a bridge

**Mining**

One of the community's greatest strengths is its location in the Tintina trench, relatively close to some of the Yukon's most important mineral deposits. The question any economic strategy must address is how to use that to the community's advantage in creating a sustainable economy. Mining exploration is extremely cyclical: rising prices create booms in exploration, and it falls off or disappears when prices go down. Although less sensitive to prices than exploration, operating mines also tend to be cyclical or have a limited life.

Participation in mining has become increasingly important to aboriginal communities, and the Mining Association of Canada claims that mining is the largest private-sector employer of aboriginal peoples in the country. While this is due to a large extent to diamond mining in the Northwest Territories, it is clear that it is increasingly becoming true in the Yukon through the effects of impact-benefits agreements and Socio-Economic Participation Agreements.

The Ross River Dena Council has recognized the opportunities surrounding mining and created a mining strategy: *The Snow that Eats the Snow*. The basic thrust of that strategy is that the community should be involved in supplying services to mining and exploration companies, but should not invest directly in mining companies.

Mining exploration provides opportunities in a number of other sectors notably fuel, catering and expediting, timber supply, road and other construction but also in a number of other areas. The community identified mining related joint-ventures, contracts with mining companies, and mining exploration services as priority areas that the RRDC's economic development arm is currently pursuing and will continue to pursue.

As well, mining companies are usually anxious to sign impact-benefits agreements with First Nations. These can provide not only employment benefits and opportunities for contracting, but also a flow of funds that can support other economic development activities.

The Ross River Dena Council will likely have an increasing flow of discretionary revenues from mining projects on RRDC traditional territory for as long as mineral prices make such projects economically viable and attractive. There will be many calls on this funding as the First Nation has many needs that extra funding can help fill.

***The Yukon Zinc Access Road***

The construction of the access road into Yukon Zinc's property is an example of an opportunity for the RRDC to form another joint venture on a mining related project. The RRDC and local Ross River contractors lack the capacity and expertise to bid for the road construction contract.

A joint venture with a reputable and trusted construction company with the capacity, however, opens up not just the possibility of winning the contract but also of road maintenance, of building the capacity to take on other road construction work, and of possibly taking on mine haul contracts.

However, every effort should be made to use this funding to leverage further funding from other sources in order to maximize the benefits to the community.

An economic development strategy should take advantage of opportunities created by a mining boom, but should not rely on it in for the long term. The trick is to take advantage of the opportunities to create sustainable economic development. One of the key lessons is that mining booms do not last forever, and that the money from mining companies should be used to acquire assets that can generate income rather than being used for current expenses. Otherwise, at the end of the mining boom, the community will have little to show for it. This was the experience of the former Ross River Dena Development Corporation, which had to declare bankruptcy despite efforts to salvage it.

**Recommendation No. 6**

*Money from agreements with mining companies should not be used to cover current operating expenses, but should be invested in physical or financial assets or profitable businesses that do not depend on mining.*

A final major issue with mining is clean-up of closed mine sites. For Ross River, this means, above all, the Faro mine. So far, it has meant a number of jobs, but other First Nations have taken a much more active management role in mine clean-up. For example, the Tr'ondëk Hwëch'in First Nation manage the clean-up of the Clinton Creek mine where other companies involved are mostly sub-contractors to the First Nation. This not only generates more jobs and opportunities for community members, but also provides administration fees that can partially be used to fund other initiatives.

**Recommendation No. 7**

*The RRDC should negotiate taking over as the main contractor involved in the mine clean-up in Faro to maximize community and regional benefits.*

## **Renewable Resources**

### ***Traditional subsistence economy***

The community identified preserving and enhancing traditional knowledge and values as a number one priority. A large part of traditional knowledge relates to understanding and using the land in a sustainable way. So traditional economic activities such as hunting, fishing, trapping, and gathering — as well as traditional methods of transforming the products of the land such as tanning, food preservation, clothing and footwear manufacture — need to be fostered.



Note that these are economic activities as they do meet people's needs and improve their well-being, even when they are not bought and sold. The economy is not about money, but about people's material well-being. It must be remembered that money is just a tool that is used to make things easier in producing and getting the "real" things that make life better. The products of traditional economic activities actually have more economic value than similar store-bought products, as people are prepared to spend more time, energy and money on them.

### **Forestry and sawmilling**

Small-scale forestry and sawmilling was identified as a sector that would fit well with the community's vision for economic development. There have been successful small-scale logging and sawmilling operations in the Ross River area in the past, including an operation at Blind Creek near Faro.

### ***Building on Strength***

#### **The mobile sawmill**

The Ross River Dena Council's economic development office has begun a small-scale logging and sawmilling operation through an innovative arrangement with YGC Resources, the owner of the Ketz River gold property.

YGC agreed to finance the purchase of a mobile sawmill by the RRDC. In turn the RRDC has agreed to supply the company with timber for its underground exploration at an agreed upon price. The first nation will repay the loan used to buy the mill with money generated by the sale of the timber.

The first delivery of timber, cut near Coffee Lake, has been made and there are plans to diversify production into other products.



The 2004 Interim Wood Supply Plan for the Kaska Yukon Traditional Territory includes a provision for a timber supply of 5,000m<sup>3</sup> over three years for the Ross River Dena. Two areas of timber supply were identified: near Coffee Lake, and the Buttle Creek area. The 2004 plan emphasizes that further technical and community review are needed for these areas — and that the Ross River Dena Council will provide further direction — but the Kaska Forest Resources Stewardship Council recommends that the Buttle Creek area be removed as an interim wood supply area because its cultural, social, and ecological values are greater than its timber values.

**Hydro power**

Developing hydro power in the Ross River area was raised as an economic development idea during the economic development strategy consultation process. Although not ranked as a number one priority, it attracts considerable interest given other First Nations' involvement in these types of projects in northern British Columbia. Furthermore, Ross River is on the Whitehorse-Aishihik-Faro (WAF) grid, and, in theory, power could easily be exported to other parts of the Yukon.

The Yukon currently has about 76MW of installed hydroelectric capacity. The Whitehorse Rapids facility is 40MW, Aishihik is 30MW, Mayo is 5MW, and the Fish Lake facility is 1.3MW. The Whitehorse rapids hydro plant is capable of producing only about 24MW during the winter. However, this generating capacity is sufficient to meet the Yukon's current power needs, with occasional use of diesel at peak times. Hydro-project viability depends on long-term sales. A new hydro generating facility would have to have guaranteed sales, but Yukon Energy currently appears interested only in facilities that provide power only at peak times. So, Ross River being on the WAF grid actually proves to be a disadvantage at the current stage. Until demand for electricity increases considerably, there will be little interest in developing more hydro generating capacity. Mining companies seem to prefer on-site generation as it gives them greater flexibility and control over their power supply.

The most recent investigations of potential Yukon hydro sites were carried out from 1988 to 1992 by Yukon Energy. The 1992 Capital Plan put together by Yukon Energy and Yukon Electric identified the most viable hydro development options based on an analysis of load forecasts. Table 2 below lays out the three options located near Ross River in Kaska traditional territory.

**Table 2 Most viable hydro development options near Ross River**

	<i>Installed capacity</i>	<i>Installed costs</i>	<i>Annual O&amp;M costs</i>
Drury Creek	2.6 MW	\$21.2m	\$271,000
Orchay River	4.0 MW	\$23.4m	\$285,000
Lapie River	2.0 MW	\$7.0m	\$157,000

Source: <http://www.emr.gov.yk.ca/energy/hydro.html>

Note that the three options are all very small in comparison with the Yukon's overall installed hydro capacity of 76 MW. These small hydro plants (or mini-hydro) have several advantages over larger developments:

- they are much cheaper to build,
- they tend to have much smaller negative environmental impacts, and,
- they allow the incremental addition of hydro power to the grid.

A number of studies were carried out on other potential hydro sites on the Ross, Pelly, and Frances Rivers from the 1960s to the early 1980s. The list ranges from a mini-



hydro facility on the Frances River to some truly massive projects in the Pelly River's Granite Canyon. Note that most of these possible projects have not had detailed or rigorous study and none made Yukon Energy's 1992 most viable list. Given that many of these projects would increase the Yukon's hydro capacity by 50% or more without a foreseeable increase in demand, this is not surprising.

### ***Community ideas***

#### Tannery

Starting a small-scale tannery in Ross River was an idea raised during the community consultations. It was identified as one project that would be most likely to succeed if started by a local entrepreneur, perhaps with some assistance from the first nation.

A tannery would fit in well with a number of other priorities of the community, notably the encouragement of traditional skills and pursuits. Having a local means of increasing the value of locally trapped furs by making them into a retail product would likely make trapping more economically attractive. And being able to more readily produce tanned moose hide and other leathers locally could encourage the production of more leather crafts by the many Ross River artists and craftspeople.

It is likely, however, that even a very small tannery operation would need to market its services outside of the community and perhaps outside the territory. Building such sales would require marketing the tanning service and having prices that are reasonably competitive with other small custom tanneries. A cursory internet search provides the following current prices for the custom tanning of hides and furs:

- muskrat \$12.00
- fox and beaver \$50.00
- lynx \$80.00
- moose \$230.00

Shipping and handling charges are added to those prices and it is usual for volume discounts to be offered.

#### Agriculture, farming & greenhouses

Encouraging more local sustainability and increasing the availability of more fresh food while simultaneously improving the local economy is behind the idea of having some local market gardening and greenhouses in Ross River.

This is another economic development idea that was identified in the community meetings as being best carried out by a local entrepreneur (presumably with a green thumb) with, perhaps, some assistance from the first nation.

The obvious roadblock to developing any form of agriculture in Ross River is that the climate and soils of the region are not well suited to growing crops. And greenhouses in the north always face the costs of heating them during the shoulder seasons.

Anyone wishing to begin a greenhouse operation in Ross River would find a valuable resource in Carmacks where a community greenhouse operation has been carried out since 2002. (It must be noted, however, that the Carmacks operation is subsidised by the Little Salmon Carmacks First Nation. It is not and not intended to be, a money making operation).

### Fish & fisheries

Fish and fisheries were also raised as a possible means of creating sustainable economic benefits for the community while utilizing traditional skills and using a renewable resource. Although it may be worth a closer examination, the experience of other efforts to develop businesses based on wild fish populations in the Yukon (particularly the Han Fishery in Dawson City) is not encouraging. Although salmon do migrate up the Pelly, the numbers are small and could not sustain a commercial operation. And the wild fish populations in almost all Yukon lakes are usually highly vulnerable to over-exploitation due to the slow growth rates of the fish.

There are possibilities in the farm-fish sector but this would need very careful examination due to high transportation costs.

### Tourism

The tourism industry is currently quite small in the Campbell region, but is seen by the community as perhaps the most important long-term sustainable strategic economic direction. The Campbell region accounts for only a small portion of tourist visits and spending in the Yukon. Spending in 1999 in the Campbell region accounted for only 2.5% of total visitor spending in the territory.

But despite the small numbers, the potential is there and is recognized by the community. Three areas need to be addressed:

- Inadequate and insufficient tourist facilities and infrastructure such as accommodation (hotel, bed & breakfast, campgrounds), food service, sales of souvenirs and arts and crafts, visitor reception centre, transportation facilities and services (airport, schedules bus and air service);

#### ***Community ideas for tourism products***

- Dinosaur track viewing
- Improved hotel,
- B&Bs,
- Improved/expanded food services
- Wilderness tourism products (North Canol, canoe/kayak)
- Survivor training camps
- Cultural camps
- Lodge(s)
- Wilderness tours, pack train trips
- First Nation cultural tourism
- Dena Cho trail opportunities
- Northern Lights viewing
- Highway pull out with good information signs directing visitors to community
- Community maintenance e.g. litter pickup
- Campground in town with cultural camp components, e.g. tanning, carving , skin boat building

- Development of major tourist attractions (Dena Cho Trail, Cultural Centre);
- Lack of tourism “products” (trail rides, wilderness & adventure tourism, cultural (i.e. First Nations) tourism, potentially educational tourism).

The planned cultural centre (see below) will not only develop cultural industries, but will also serve as a visitor reception centre, a jumping off point for the Dena Cho trail, and will present exhibits. The centre will be an attraction that helps pull visitors into Ross River.

The Ross River Dena Council’s economic development officer is currently planning a major push to develop tourism in Ross River beginning this year. Apart from the planned cultural centre, developing the opportunities around the Dena Cho Trail is a high priority.

The need to improve the visibility of the community was frequently raised during discussions on tourism during the community consultations. The need for attractive signs at Carmacks and Watson Lake, and possibly at Johnson’s Crossing, are considered a must. A community slogan and a sign at the existing Campbell highway pull-out are currently being worked on.

Improving the visibility of the community and its attractions to tourists, however, will take more than attractive new highway signs. Developing a tourism marketing plan for Ross River was identified as a priority two major goal during the community consultations. An overall marketing plan will assist in the development of the tourism industry in the region. It is a general truism that, although having a product to sell is obviously necessary, marketing is absolutely crucial to success in the tourism business. There is a lot of competition for tourists and the money they bring and good marketing can make all the difference in making tourism a significant part of the local economy.

**Recommendation No. 8**

*When time and resources permit, a tourism marketing plan for Ross River needs to be developed.*

**Cultural Industries**

The artistic and cultural traditions are one of the main strengths of the community. The community has a number of well-known carvers, as well as other artists and craftspeople. The development of a cultural centre has been identified as a major priority to further strengthen community skills in this area.

Identification of the need for building a museum and cultural centre go back as far as 1975. The 1975 Synergy West community development plan for Ross River<sup>1</sup> highlighted the recommendation that the community build "...a local museum and interpretation of its native and white heritage". The plan elaborated on some aspects of the museum:

"As a means of improving business opportunity in Ross River, serious consideration has been given by some local residents with the study team on the possibility of creating a museum to improve the tourist interest in the community. The museum would have two fundamental themes: the history of the development of the Canol Road and the interest points on the North Canol provided at Ross River, its gateway; and a regional and territorial mineral sample exhibit, possibly with some selected sites along major highways which would be of interest to rock hounds."

The 1989 community development plan<sup>2</sup> also identified the construction of a museum and a craft shop for manufacturing and sales as a second tier priority to help develop tourism in Ross River.

The construction of a cultural centre that would also act as a visitor reception centre has now been identified as a number one community priority.

The centre is intended to provide exhibit and selling space for artists and craftspeople, space for teaching art and crafts, and artists' studio space. The centre will also tie in with the tourism industry by providing a major attraction for tourists in the community and act as a jumping off point for the Dena Cho trail.

**Potential funding sources for the new cultural centre are currently being identified and planning its construction and operation is starting.**

Recent finds of gemstones, notably emeralds, provides a link between artists and the mining industry. Efforts are under way to teach gemstone cutting, and to use them in artistic products. The available of teaching and studio space in the new cultural centre is expected to benefit the fledgling gemstone industry.

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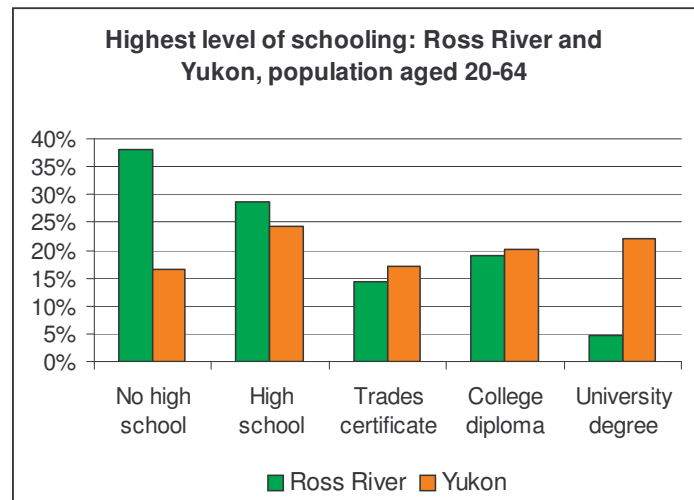
<sup>1</sup> Synergy West Ltd. April 1975. *A Community Plan for Ross River*. Department of Local Government, Territorial Government of the Yukon and the Community of Ross River.

<sup>2</sup> David Nairne & Associates. December 1989. *Ross River Dena Council Comprehensive Community Development Plan: Volume 3: Physical and capital plan*.

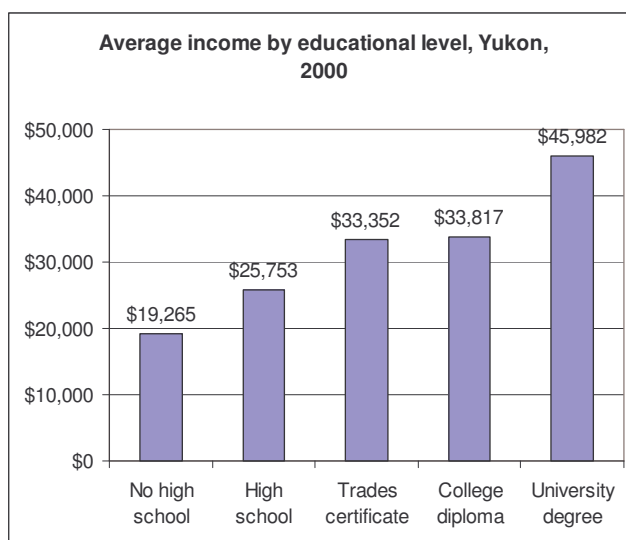
## **Education and Community Health**

### ***Education***

Economists have long recognized that education is the single most important explanation for the prosperity of individuals and communities. The general low average educational level of Ross River residents is probably the largest single factor for the low incomes experienced by many in the community. The Ross River community also understands this and raising educational levels is a number one priority.



However, this is a long-term project involving many actors and all community members and it will not be accomplished overnight. The community needs skilled professionals who are members of the community: geologists, biologists, engineers, lawyers, accountants, doctors, nurses, teachers, and, dare we say, economists. While these skills can always be hired from outside, outsiders have at best a limited understanding of the community and little long-term commitment to it.



There are a number of issues to be dealt with. First is ensuring that children now in school attain the highest level of education they are capable of. Second is increasing the educational levels of the adult population.

There is a community view that Ross River students are held to a lower standard than in other parts of the Yukon. This makes it difficult for students to complete their high school education when they go to Whitehorse for their final years. They often end up being held back a year. Lower standards

also mean that students from Ross River find post-secondary education more difficult and results in higher failure rates. To ensure that children from Ross River have at least equal opportunity to succeed in their studies, it is absolutely essential that educational standards be raised to at least the Yukon average, and preferably higher.

Also, children need to understand the importance of education, they need to be encouraged to stay in school, they need the opportunities and financial assistance to remain in school, and they need jobs in the community once they have finished their schooling.

However, this should not stop young adults from obtaining experiences outside the community, whether it is work or travel. It is unrealistic to expect everyone to immediately come back once they have finished their studies. But the opportunities and incentives to bring their skills and experience back to the community once they wish to must be there, and family and friends need to encourage them to return.

While First Nations post-secondary students benefit from free tuition, this is not sufficient to remove the financial obstacles to going and remaining in college and university. Canada's post-secondary educational system is heavily weighed in favour of middle class students whose parents can afford to help them. Without their parents' help, many students end up deeply in debt and in financial difficulty after they graduate. The situation is even more difficult for kids coming from poorer communities and low-income families, whether they are First Nation or non-aboriginal. Additional assistance in the form of scholarships is needed.

But assistance should not be limited to school leavers. Many younger adults, after a few years in the workforce or on Social Assistance, would like to improve their education level. This is especially critical in Ross River, which has a very large proportion of people between the ages of 20 and 34 who only have a high school diploma or less. Young adults often have family and financial obligations. Again, these people need scholarship assistance, perhaps more than school leavers.

Socio-economic Participation Agreements and Impact-benefit agreements with natural resource companies often have clauses for funding scholarships. However, these are often limited to mining-related studies. But the long-term sustainability of the local economy requires diversification, and educating community members only in natural resource studies does not address this.

### ***Explaining the importance of education***

One Ross River teenager, when asked why they placed so little importance to school, answered that they didn't need to go to school to get on Social Assistance.

The adult then asked them: "Do you want a nice truck? A good snowmobile? A four-wheeler? A nice house?" The teenager answered yes to all the questions. The adult then pointed out how much each of those costs and compared the costs to how much money they would get from SA.

"Do you think that SA gives you enough money to buy **any** of these, never mind all of them?" the adult asked. The answer was immediately obvious to the teenager.



**Recommendation No. 9**

*Scholarship funding from SEPAs should not be limited to mining-related studies.*

Achieving the stated goal of raising education levels in Ross River to at least the Yukon average will require a long-term approach on many levels. An education strategy laying out what needs to be done will help in achieving the goal.

The objectives of an education strategy could include:

- Higher standards in elementary and secondary education in Ross River
- Increase the educational level so that everyone has at least a high school diploma
- Children and other community members understanding the importance of education for the community
- Eliminating financial barriers to community members pursuing post-secondary education
- Ensuring that work opportunities are there for people who graduate

**Recommendation No. 10**

*The community needs to develop an education strategy that lays out the means of achieving the goal of raising education levels in Ross River to the Yukon average or higher.*

***Training and capacity building***

Training is different from education, in that it is more focussed to the job at hand. Training courses are important, and many of them can be and are offered through the local Yukon College campus. However, courses and classrooms are not enough. In fact, most people are trained for their work through direct job experience rather than a classroom. Economists have long recognized that “learning by doing” or on-the-job training is most important, and opportunities are needed for this.

**Recommendation No. 11**

*Joint-venture agreements and SEPAs must include provisions for on-the-job training for Ross River residents.*

***Community health: substance abuse***

Drug and alcohol abuse is recognized by the community as its most prominent weakness, and its elimination is a number one priority. Substance abuse does not only affect individuals and families, but also puts a damper on economic development. In addition to the effects on social, spiritual and individual well-being, there are serious economic costs to substance abuse. The first is the material loss to the community of the contribution abusers could be making. The other costs include the cost of treatment, the cost of crime associated with substance abuse, and so on.

There are no simple solutions. The problem needs to be attacked from a number of directions. From an economic perspective, one direction is to ensure there are good jobs. Although additional income makes it easier to purchase alcohol and drugs, the reality is that people with good jobs are much less likely to engage in substance abuse. But there is a vicious circle where substance abusers are less likely to get good jobs in the first place and less likely to hold on to good employment when they do get it. Another approach is to build and fund appropriate treatment facilities. The community has identified that the construction of a treatment centre is a number one priority as part of the objective to eliminate substance abuse.

***Recommendation No. 12***

*The Margaret Thompson Centre should start planning the proposed treatment centre.*



## Tools for Economic Development

### Economic Development Corporation

Creating an economic development corporation is a crucial step for the Ross River Dena Council. The new corporation will carry on all of the current work being done by the RRDC's economic development officer, but will provide a strong degree of protection against some of the risks and potential liabilities that come with business creation and operation and the formation of joint ventures.

#### ***Aboriginal Development Corporations: Tension between goals***

For many First Nations there is an inherent tension between conflicting goals in economic development efforts. Assuming that the RRDC Economic Development Corporation does receive reasonably substantial sums of money from mining royalties and from the mining industry through negotiated agreements in the next several years, there will be three broad means of proceeding.

1. If the only goal is to protect the capital and to make more money then the funds will inevitably need to be invested outside of the community, in both financial instruments and in promising business ventures. Ross River is just too small a community and economy to offer enough opportunities for investments that will *maximize* the return on investment.
2. If community economic development, and especially creating local jobs is the only goal, then expecting the corporation to be highly profitable — or even to make a profit at all — is highly unrealistic. As the Dena General Store and Tu Lidlini Petroleum Corporation have shown, it is possible to set up local businesses that create some local jobs and are marginally profitable, but the community is too small to support many businesses. And has been seen very often, creating money-losing businesses that exist only to provide local jobs is a very fast route to bankruptcy for an economic development corporation.
3. Finally, if the only goal is to use any money that becomes available for the community's pressing social needs such as more housing or health services then the corporation will be treated as a source of cash, cash that will quickly dry up once the payments from royalties or other mining sources stop.

Of course, the three broad approaches are rarely applied in their pure form. Instead, some combination is tried, usually with mixed success. The key point is that, unless at least some profit is made and capital is preserved, any jobs created or health services offered will quickly disappear when the mining money stops flowing.

***Mission and governance***

The mission of the corporation should be to undertake activities that help achieve the community's vision, create new jobs, and increase incomes in the community. These activities will include: helping create new businesses, managing job-creation projects, negotiating with natural resource companies, and developing community economic infrastructure. The mission statement should be refined during the development of a detailed business plan.

As a general principle, the corporation should not run businesses, but should seek to find entrepreneurs within the community to run them. Normally, the role of the corporation should be either to assist entrepreneurs in setting up their business or setting it up and then turning it over to an individual entrepreneur or to another community-based corporation. When a separate community-based corporation is created, it should be a legally separate entity in order to limit the risks and liabilities to the development corporation itself and to the first nation.

In exceptional cases such as short-term contracts with other governments or private corporations, the corporation may directly run businesses.

Need to separate **governance** (board) from **management**:

- governance is about accountability to the community, creating policies and hiring manager, not direct management
- some businesses may eventually need to be wound up, e.g. mining services after boom is over
- Unprofitable businesses with no prospect of making money
- Need skills as directors
- Training needed for potential directors from the community
- Create pool of trained directors in community?
- Bringing in some knowledgeable directors from outside the community could be helpful without compromising accountability and control by the community

**Recommendation No. 13**

***Develop a detailed business plan for the new development corporation.***

**Main goals and activities of the Economic Development Corporation**

Among the main goals and big projects, the following have been identified as best being the responsibility of the First Nation Economic Development Corporation:

**#1 Priorities**

- Build a First Nation administration building
- Build a Cultural Centre/Visitor reception centre/Artists' Studios
- Help create a local government in Ross River

**#2 Priorities**

- Implement mining strategy
- Develop a tourism marketing plan for Ross River (with Local Advisory Council)
- Lobby for improving the Campbell Highway (with Local Advisory Council)

**#3 Priorities**

- Build a hydro power station
- Invest directly in mining projects (Note that this priority runs counter to a key recommendation in the RRDC's mining strategy).

***Economic Development Corporation*****Lessons from the past**

A number of lessons need to be drawn from the now-bankrupt Ross River Dena Development Corporation. The corporation did well during the last mining exploration boom. Jobs and businesses were created while mining company money flowed, but the company collapsed when that flow stopped.

- You can't have 3 people running 17 businesses
- Mining money doesn't last forever. There is a need to be careful and not squander it on operational costs. The corporation needs to make sure it still has the capital once mining money stops flowing.
- Care must be taken with subsidizing one business with earnings from another and flowing money from one enterprise to another. Money-losing ventures can quickly drain away hard-earned funds.
- Buy assets, don't lease them.
- Don't run businesses directly. Separate them out as separate entities, use entrepreneurs rather than paid managers whenever possible.
- The store was almost lost with the bankruptcy. Critical businesses must be kept separate.

The lists of activities, projects and goals below are drawn from priority decisions made at the community meetings. Note, these activities, projects and goals are not necessarily less important than the main goals outlined above, they are just less complex. The community meetings identified the following activities as priorities for the Economic Development Agency:

1. Mining-related joint ventures
2. Dena Cho trail opportunities
3. Mining company contracts
4. Gemstones
5. Sell circle route/tourism marketing
6. Hiring lists of qualified people: referral
7. Artist marketing
8. Mining exploration-related services
9. Access to capital
10. List of businesses: referrals
11. Forest fire fighting

**Tasks**

The tasks of the economic development corporation could include:

- Negotiating agreements with mining and other natural resource companies
- Lending/financing
  - Financing entrepreneurs through capital investment under lease/purchase arrangements, funding should come from SEPAs or MOUs
- Starting up and running some businesses
  - Start-up and possibly run essential community services that private market would not provide on its own because the market is too small. However, these should be handed off as soon as possible.
  - Run other types of export-oriented businesses where no private entrepreneur is available, e.g. Some services to mining companies
- Joint ventures with non-native entrepreneurs (e.g. Tu Lidlini Fuel)
  - Set up to provide services to natural resources development/cleanup (e.g. Faro reclamation)
- Conduit for funds
  - Certain programs from run through FNG (e.g. firefighting, FireSmart)
  - Natural resource company payments to meet the requirements of Socio-economic Participation Agreements
- Assisting/training entrepreneurs & individuals
  - Assist/train entrepreneurs with business planning, market studies, feasibility studies (although done by others – e.g. College, needs coordination)
  - Individual training programs (although done by others – e.g. College, needs coordination)
  - Training board members

This is a considerable list, and beyond the capacities of any single individual to do. While the development corporation will need more than one person on staff, care should be taken on how much to expand and how quickly.

**Recommendation No. 14**

*For many of its tasks, the development corporation should focus on finding agencies and contractors that can deliver a needed service and then coordinating and supervising that delivery rather than offering services directly.*

***Financing the corporation***

In financing the development corporation, the distinction between operational funding and investments must always be kept clear. The goal of the corporation is to help the community develop, not to grow itself and its need for money to operate.

A very stark lesson from the past is that mining money should not been used to finance operations but rather to acquire assets so there is something left after the boom is over. Of course there is a need for a secure source of funding for the corporation's operations. Possible sources of operational funding include:

- administration fees from contracts;
- profits from businesses (which will likely be small);
- interest from loans or leases;
- government programs for aboriginal economic development.

**Recommendation No. 15**

*Do not use mining money — one-off payments, royalties, or economic development funds — to pay for the day-to-day operations of the economic development corporation.*

**MOUs, SEPAs and Royalties**

SEPAs typically contain the following:

- Hiring preferences
- Business opportunities
- Training programs
- Funding either as loans or grants for community initiatives, especially economic development,
- Grants for building community infrastructure, payments for loss of use of traditional land, etc.
- Scholarships

As discussed above, some provisions need attention:

- Scholarships should be for all areas not just mining (long-term sustainability of the community's economy);

- On-the-job training needs to be made explicit in the agreements as it is the most effective form of training;
- Timing of economic development money and announcements to make sure community is ready to take advantage of opportunities. Even a very high preference level in bidding for contracts does the First Nation little good if the business does not exist and needs to be created from scratch immediately;
- More money earmarked for business start-up loans and capital for business expansion. (Could be limited to locally-based businesses that service the mining sector). Consider negotiating repayment terms that are tied to the expected mine-life, e.g. if mine closes early than the loans are forgiven.

A very important strength that the Ross River Dena Council and its economic development office have been developing is a genuine business relationship with mining companies working in the RRDC's traditional territory. Focussing on offering the companies competitive services for things they need fosters personal contacts and encourages better relations. These relationships have already resulted in more opportunities and benefits for the Ross River Dena (the financing of the mobile sawmill is an example).

Building relationships and developing businesses that can continue and expand to other areas rather than on simply maximizing short-term cash payments and temporary jobs leads to SEPAs and MOUs that create far greater long-term benefits. The key is the development of businesses and other sources of economic benefits that are both diverse and sustainable.

Under the current fiscal transfer agreement with the federal government, any resource royalty revenue the Yukon government collects in excess of \$3,000,000 results in a reduction of the federal transfer to the Territory by an equal amount. If the Yukon government agreed to share these royalties with the 14 First Nations, precious little would be received by the Ross River Dena. Opportunities to share equitably in resource revenues will need to be created in future negotiations among the Dena Council and federal and territorial governments.

### **Joint Ventures**

Joint ventures can be a highly useful economic development tool for First Nations, bringing skills and knowledge needed to succeed in many businesses. They are also attractive to many non-native entrepreneurs who gain access to both business opportunities and access to the capital that is available to first nation businesses.

But First Nations must be approach joint ventures with a degree of caution. In particular joint venture partners must be reputable and honest. It is also highly desirable that management skills and knowledge of the business transferred to the First Nation, usually through a management trainee being employed by the joint venture. It is, however also very important not to overload an individual — whether an economic development officer or a management trainee — with too many management responsibilities if they already have enough on their plates.



If the transfer of management skills and business knowledge is not practical for any reason (a simple lack of a suitable trainee candidate for example) then the joint venture should be treated simply as a source of revenue with the non-aboriginal partner being fully responsible for day-to-day management. Of course, the economic development corporation will still need to be diligent in its oversight of the joint venture to protect the First Nation's interest.

### **Business Creation**

One of the economic development tools that is currently being used by the RRDC's economic development office and will continue to be used by the new economic development corporation is to create businesses in Ross River that are not joint ventures.

There are three broad options for business creation:

1. create and operate the business through the development corporation;
2. have the corporation create the business and then turn it over to an individual entrepreneur or another community corporation to operate;
3. have the development corporation help a local entrepreneur who will create and operate the business.

As is noted in Recommendation #2, it is important that the First Nation and its economic development corporation reduce the legal and financial risks inherent in owning and operating a number of businesses by creating legal separations between the different enterprises. Newly created businesses can be structured as separated corporations whose shares are owned by the Ross River Dena Council — not the development corporation. As the owner, the RRDC would receive any profit from the business and then turn it back to the development corporation.

One major hurdle in setting up and running businesses locally in a small community is that there is a limited pool of people with both the interest and the ability to start and run their own businesses. (It is estimated that only around 10% to 15% of the Canadian population has that combination of interest and ability).

#### ***Business Planning***

Businesses need business plans. Often they are only in the head of the entrepreneur, but it helps to put them in writing to communicate it to others, especially to those who finance the business.

There are 3 steps to creating a business plan:

- Feasibility Study: determines whether the business is viable, or what it takes to make it viable;
- Market Study: determines how much demand there is for the product or service, what the competition is, and how much the market is likely to grow or shrink;
- Business Plan itself: shows how the business will operate and includes a pro-forma financial analysis.

A further difficulty in small communities is that family ties and perceptions of conflict of interest and favouritism are inevitable if the development corporation assists an entrepreneur or wishes to turn over a business to someone to run.

***Recommendation No. 16***

***Use a small group of people with relevant experience from outside the community to make decisions on funding entrepreneurs or on turning over businesses.***

One somewhat innovative means of assisting local entrepreneurs set up a business is through lease-to-purchase agreements. If the major hurdle for a particular business idea is lack of ability to finance the purchase of a piece of equipment, for example, the development corporation may be able to buy it and then enter into a lease-to-purchase contract with the entrepreneur.

There are programs available to help with business planning for those on Employment Insurance or Social Assistance who are interested in starting their own businesses. If there is some interest in the community, it might be valuable to bring them to Ross River next winter.

One of the basic rules of business is that some businesses are going to fail. The community needs to understand that occasional business failures are normal.

***Business success***

Business success is measured by a very simple yardstick; does the business make a profit?

Making a profit depends on:

- Having a market (buyers) that want to buy what you are selling;
- Supplying the good or service at a price that buyers will accept;
- Convincing enough buyers to choose you over any competition that is selling the same thing; and,
- Keeping your costs down low enough so that the money coming in is more than the money going out.

Without profit, the enterprise goes bankrupt and closes unless it is subsidized.

**Government Programs**

While this economic strategy has a strong focus on how the community of Ross River as a whole, and the Ross River Dena in particular, can build a more diverse and sustainable economy through the development of profitable businesses and the wise



use of mining money, government programs and sources of funding remain a crucial component in the community's economic development.

Where there are government funds and programs available that can be used to achieve the community's goals and vision then these funds and programs should be used to the fullest.

***Job creation or make-work?***

"If there are still jobs after the funding ends then it's job creation. If the jobs disappear when the funding ends, that's a make-work project."

Brian Hemsley

While job creation is far preferable to make-work projects, temporary jobs are better than no jobs at all where there is high unemployment. Government programs that tend to make work instead of jobs are still valuable.

**Rainy Day Fund**

Mining is a highly cyclical industry, going from boom to bust at irregular intervals as mineral prices rise and fall. And, because it exploits a non-renewable resource it is also inherently non-sustainable. When an ore body is mined out it is finished as a means of creating employment, incomes, and other economic benefits.

One way of turning the exploitation of a non-renewable resource into more sustainable long-term economic benefits is to preserve at least a portion of what the resource is worth (either in the form of royalties or money that the mining company pays to the first nation through a SEPA). The consultation process revealed that there is some discussion within the Ross River Dena Council on whether and how much mining money should be set aside in an investment fund to earn a financial return for the future when the mining cycle turns to bust again.

***Recommendation No. 17***

***A portion of the mining money that will flow to the Ross River Dena in the form of royalties or other payments should be set aside in an investment fund.***

**Building Development Process**

There is a process is common to the development of all types of buildings. For Ross River it includes not only the cultural centre and the administration building, but also the other building projects that have been identified as major priorities, including the Coffee Lake Centre and the retirement home and elders' care facility.

Getting a new building in place and operating has four stages:

1. Planning
2. Design
3. Construction
4. Operation

**Planning**

The planning stage has three components:

1. *Architectural programme*

The programme, usually done by an architect, specifies what kind of spaces and how much of each is required. This is normally done through consultation with the client/community. The program usually leads to an overall building size, a "Class 'D'" estimate of the cost of constructing the building, and to instructions to be used by the designers.

2. *Business Plan*

The business plan figures out the costs of constructing the building and how the building will be financed. As well, the business plan estimates the operating costs of the building, how it will be operated, and where revenues will come from. A management-type consultant usually does this work in collaboration with the architect.

3. *Land selection*

Deciding where the building will be built. This may require geotechnical work to examine sub-soils, but that can also be done at the design stage.

**Design**

This consists of developing the plans and specifications for the building. An architect and a number of consulting engineers normally do the design, except in the simplest buildings. Two stages: a conceptual design which sketches out how the building will look, and a final design where all the detailed nitty-gritty work on the structure and different systems is ironed out by the architect in collaboration with engineers. As part of the design, the architect draws up tender documents, which include plans and specifications.

**Construction**

Construction starts with issuing the tenders and selecting the contractors. The actual construction is obvious, going to foundations to final finishes and landscaping. The end of the process is occupation (moving-in) and commissioning. Often, the architect will supervise this process, acting as the owner's representative.

Operation

This is operating and maintaining the building, which needs to be planned well in advance. Operation includes dealing with the finances – revenues and expenditures – as well as the details of operating the building such as maintaining the different systems (heating, electrical, structure, finishes such as painting, repairs, etc. ) and ensuring that the needed services are performed (e.g. janitorial, garbage collection).

## **Summary of Recommendations**

- Recommendation No. 1    A new economic development corporation should be formed as soon as possible to reduce risks to the First Nation.
- Recommendation No. 2    The new economic development corporation should make every effort to keep both existing and new community corporations as separate legal entities in order to minimize the risk that a failure of one venture will cause the failure of others.
- Recommendation No. 3    An updated capital plan that, among other things, identifies the housing needs of the community is needed.
- Recommendation No. 4    A land use plan for the community that would identify where new housing and other community facilities would be built needs to be developed.
- Recommendation No. 5    As a first step toward a community-wide piped water and sewer system, YTG must complete the sewage lagoon and wetlands treatment area.
- Recommendation No. 6    Money from agreements with mining companies should not be used to cover current operating expenses, but should be invested in physical or financial assets or profitable businesses that do not depend on mining.
- Recommendation No. 7    The RRDC should negotiate taking over as the main contractor involved in the mine clean-up in Faro to maximize community and regional benefits.
- Recommendation No. 8    When time and resources permit, a tourism marketing plan for Ross River needs to be developed.
- Recommendation No. 9    Scholarship funding from SEPAs should not be limited to mining-related studies.
- Recommendation No. 10    The community needs to develop an education strategy that lays out the means of achieving the goal of raising education levels in Ross River to the Yukon average or higher.
- Recommendation No. 11    Joint-venture agreements and SEPAs must include provisions for on-the-job training for Ross River residents.
- Recommendation No. 12    The Margaret Thompson Centre should start planning the proposed treatment centre.

- Recommendation No. 13 Develop a detailed business plan for the new development corporation.
- Recommendation No. 14 For many of its tasks, the development corporation should focus on finding agencies and contractors that can deliver a needed service and then coordinating and supervising that delivery rather than offering services directly.
- Recommendation No. 15 Do not use mining money — one-off payments, royalties, or economic development funds — to pay for the day-to-day operations of the economic development corporation.
- Recommendation No. 16 Use a small group of people with relevant experience from outside the community to make decisions on funding entrepreneurs or on turning over businesses.
- Recommendation No. 17 A portion of the mining money that will flow to the Ross River Dena in the form of royalties or other payments should be set aside in an investment fund.

## **Appendix A: The Process**

The intent is that the Economic Development Strategy be developed by the people of Ross River. The strategy is for the whole community. The role of the consultant is to guide this process, provide relevant background material, and write the results of the strategy development process. However, the consultants were also asked to provide suggested means of achieving the goals developed by the community. Those suggestions are laid out throughout the strategy and are encapsulated in the form of the strategy's recommendations.

To develop this strategy, the consultants held a number of public meetings in Ross River as well as an initial meeting in Whitehorse. The process was similar to the one used to develop the mining strategy *The Snow that Eats the Snow*.

The people participating in the meetings identified a "wish list", as well as strengths, weaknesses, threats and opportunities, community priorities, and created a vision statement.

In addition to a number of meetings with Chief and Council, four community meetings were held:

- ◆ November 23, 2005 in Whitehorse (Initial discussion with staff and councillors)
- ◆ December 12 in Ross River (Strengths, Weaknesses, Opportunities, Threats)
- ◆ January 16, 2006 (Priorities exercise)
- ◆ March 13-14, 2006 (Priorities, vision, role of economic development agencies, Integrated Community Sustainability Plan)

The first two meetings identified a large number of issues, objectives, possible businesses, etc. The consultants separated all the ideas into "Big stuff" and "Smaller stuff". "Big stuff" is relatively big projects or goals that require a lot of money, take a long time, and/or involve many players. "Smaller stuff" is not necessarily less important, just less complicated and easier to do. It usually would involve one entrepreneur who may or may not need assistance, or things that could be done directly by the First Nation government.

The third meeting reviewed the consultants' work and agreed to a modified list of "Big stuff" and "Smaller stuff". The items in the "Big stuff" list were prioritised on January 16th and subsequent meetings on March 13th and 14th decided on the priorities on the "Smaller stuff".



## **Appendix B: Economic Concepts**

### **Economics**

Two different definitions of economics have been proposed:

- Economics is the study of how scarce resources are allocated to satisfy alternative competing human wants
- "Economics is a study of mankind in the ordinary business of life; it examines that part of individual and social action which is most closely connected with the attainment and with the use of the material requisites of wellbeing." Alfred Marshall

Note that neither of them talks about money: economics is first and foremost about real things. It is about people's material well-being.

### **Types of economies**

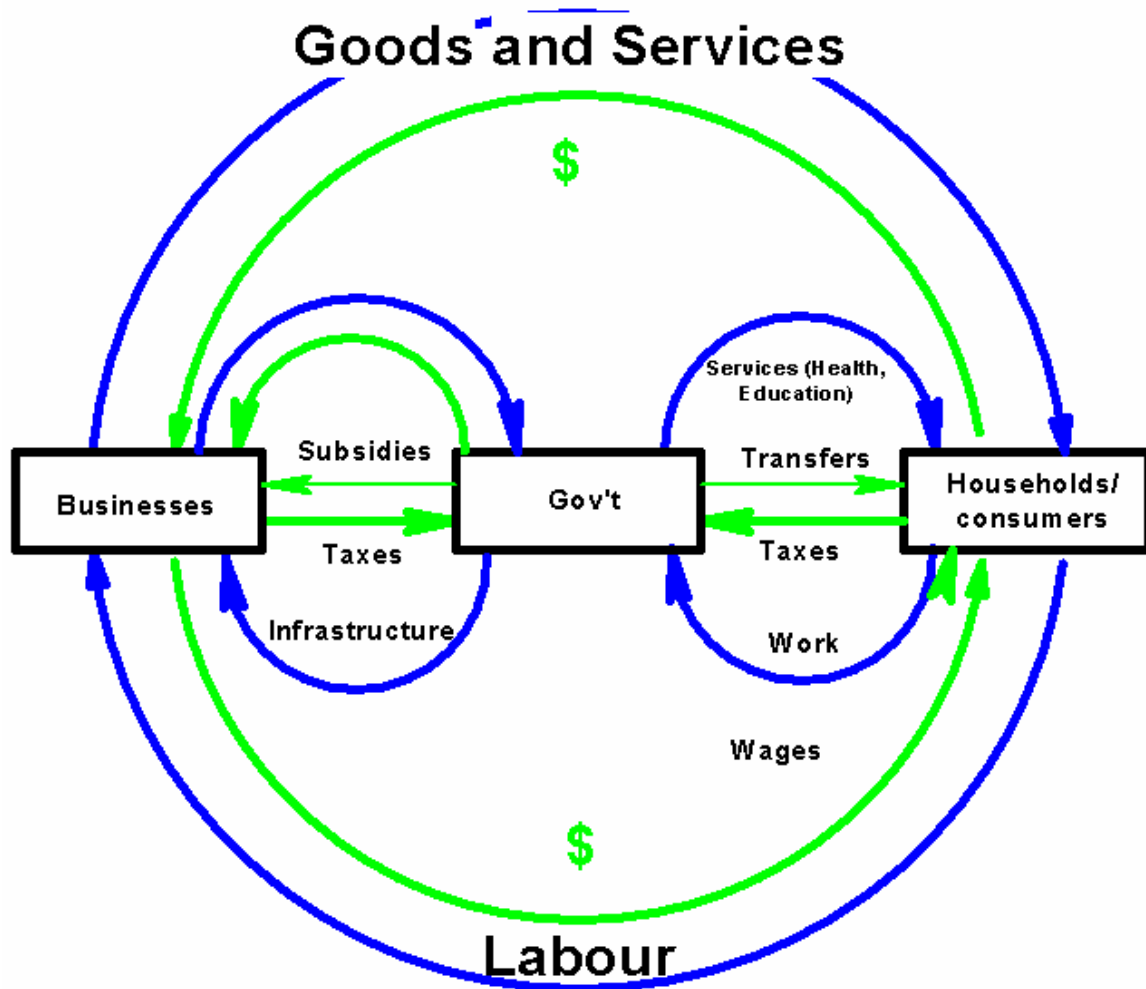
Economists distinguish between three different types of economy:

1. Traditional Economy
    - Decisions on allocation of resources made by tradition or social rules
  2. Command Economy
    - Decisions made by government
  3. Market or Capitalist Economy
    - Decisions made by markets
- No real pure form - We live in a **mixed economy**

### **Circular flow diagram of a market economy**

Any market economy can be depicted as a circle. In one direction "Real" things (goods and services and labour) flow between businesses and people, while money flows in the other direction. Businesses sell real goods and services to people with and people give them money in return. At the bottom of the circle, people provide their labour to businesses and businesses give them money (wages and profits to businesspeople).

Government is in the middle, with two smaller circles. The government takes in taxes and provides some services to both individual and businesses. The government also provides transfer payments (e.g. Social Assistance, Employment Insurance, pensions) to individuals and subsidies to businesses.



### Leakages and Injections

Leakages and injections are important concepts. The economy grows when injections are increased and leakages reduced.

- Leakages:
  - Taxes
  - Imports
  - Savings
- Injections
  - Government spending (on goods and services)
  - Exports
  - Investment in capital goods (infrastructure, buildings, machinery and equipment, inventories)
- Two broad approaches to economic development
  1. Reduce leakages (import substitution)

- Possibilities of doing this is limited by size of market
- 2. Increase injections (exports)
  - goods & especially services

### **Role of government sector**

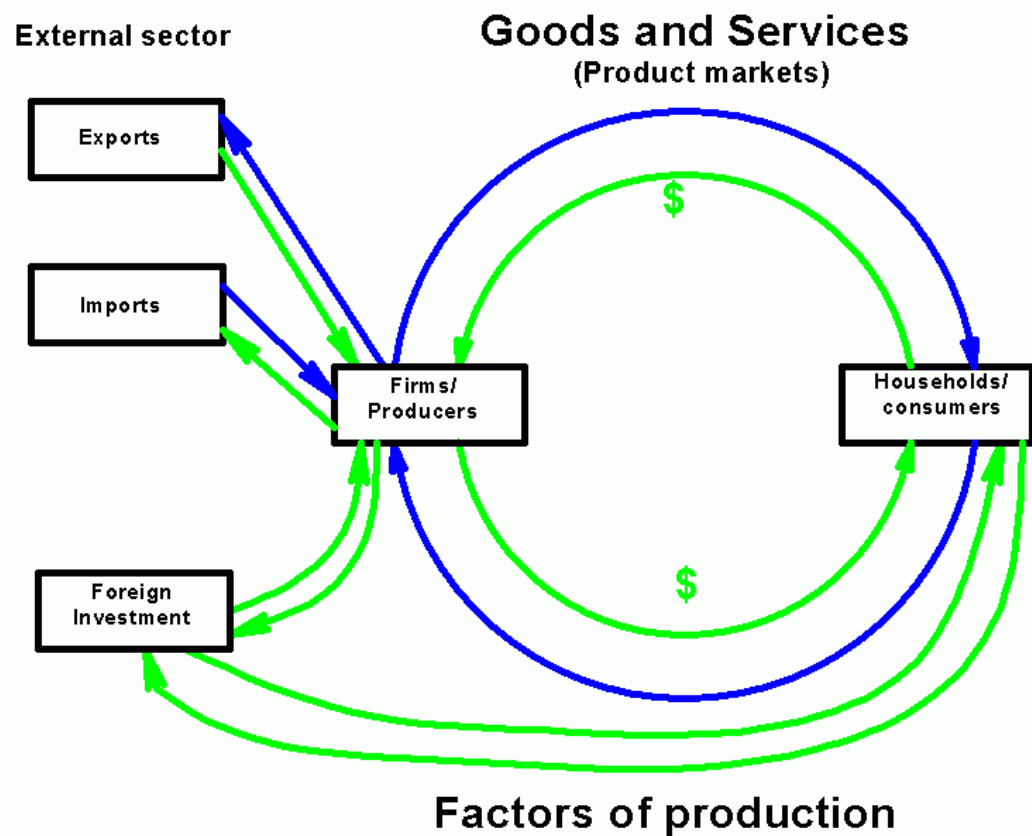
Government plays an important role in a market economy. It collects taxes and in return it provides services to people and businesses, transfers money either to other government levels, to individuals or to businesses. Governments make laws and regulations respecting the economy and will often run businesses directly.

- Leakages:
  - collects taxes
- Injections
  - buys goods and services
  - builds infrastructure (roads, airports, etc.)
  - provides services directly (education, health care, parks, etc.)
- Transfer payments
  - SA, pensions, EI
  - subsidies
  - Inter-governmental transfers
- Makes rules (laws) and enforces them
- Owns and operates businesses (Crown corporations)

### **Circular flow -External sector**

The external sector is outside the circle. Exports are where money comes into the community from selling goods and services to outside people or businesses. Tourism and mining are both exports. Imports are the other way around: money leaves the community and goods and services come in from outside. Government is omitted from this diagram to avoid making it too complicated.

- Imports (Leakages)
  - goods and services come in
  - money goes out
- Exports (Injections)
  - goods and services go out
  - money comes in from outside
- Exports & imports include services (e.g. tourism), not just goods



### Financial sector

The financial sector includes banks, credit unions, insurance companies, stock brokers, mutual funds, trust funds, etc., in summary anyone who deals mainly in money as opposed to real things. It plays an important role by taking in savings (borrowing from consumers and businesses) and then redistributing them out either as loans or equity. The financial sector makes money by paying out less in interest than what it takes in.

- Purely money flows
  - Not the **Real** economy
- Takes in savings & redistributes them
  - Business loans
  - Equity investment (shares in companies)
  - Consumer loans
    - Mortgages

- Personal loans
- Receives and pays interest

**GDP**

- GDP = Gross Domestic Product
  - measures total **market** economic activity in a given area for a specific year.
- Most widely used measure of the size of an economy.
- Excludes traditional economy where no money is exchanged
- GDP sums up the total dollar value of all "final" goods and services produced within an economy.

**Unemployment**

- Unemployment is defined as those actively looking for work or on temporary layoff
- If you're not looking for a job, you're **not** counted as unemployed
- Unemployment rates can be misleading, especially in economically depressed areas
- The unemployment rate is the number of people looking for work divided by the number of people either working or ready to work.
- Employment rate is more useful for small communities
  - Percentage of people older than 15 who are working.

## Appendix C: Economic Profile of Ross River

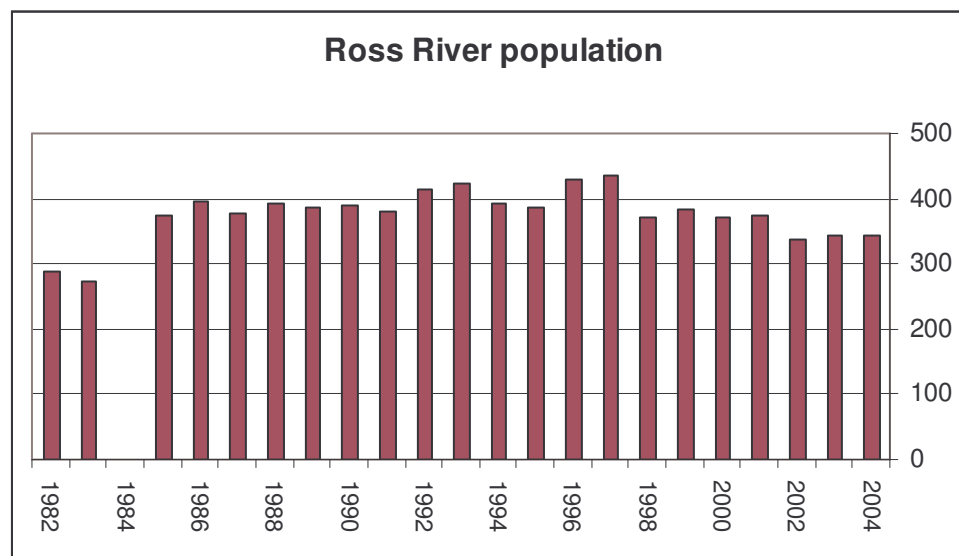
### Community Demographics

The 2001 Census estimated the population of Ross River at 335. More recent data available from the Yukon Bureau of Statistics shows a population of 345 in December of 2004. Figure 1 below shows the estimated population of Ross River in December of each year from 1982 to 2004 (with the exception of 1984 for which no data is available).

### ***Population growth/decline***

Ross River's population appears to have been fairly steady at around 400 people from the mid-1980s to the early 1990s. It increased after the closure of the Faro mine in 1992, and then decline in 1994 and 1995, to increase again in 1996 and 1997, followed by a sharp drop in 1998. It has continued to decline somewhat since.

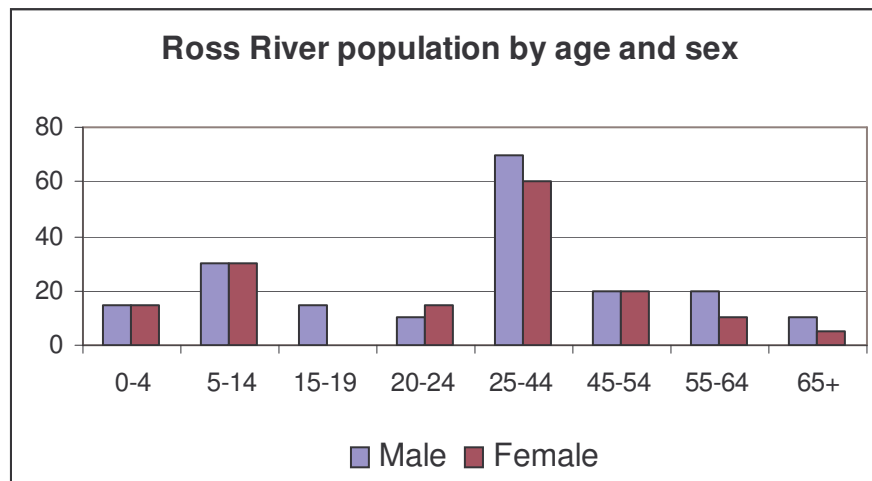
**Figure 1 Ross River population, 1982-2004, Health Care data  
Yukon Bureau of Statistics**



### ***Age and sex distribution***

Figure 2 below shows the distribution of Ross River's population by age group and sex as determined in the 2001 Census. There are very few people in their late teens and early 20s — the community is predominantly made up of middle-aged and older adults and some children. Overall there are more men in Ross River than women.



**Figure 2 Ross River population by age and sex, Census 2001**

### ***Ethnicity***

Over 80% of the residents of Ross River identified themselves as aboriginal in the 2001 Census (see Table 3 below). Only 3% identified themselves as being immigrants to Canada. The Census found that approximately 23% of the Yukon's respondents identified themselves as aboriginal and approximately 3% said they were born outside of Canada.

**Table 3 Aboriginal and immigrant population, Ross River, Census 2001**

	<i>No. of people</i>	<i>Percent of population</i>
Aboriginal	270	81%
Immigrants	10	3%
<b>Total population</b>	<b>335</b>	<b>100%</b>

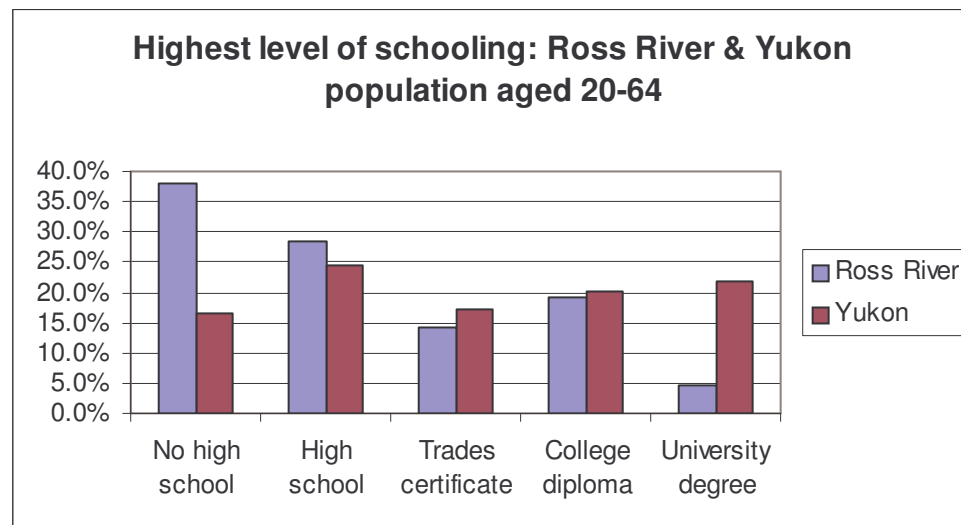
Source: Statistics Canada, 2001 Census

### **Education**

The highest level of schooling attained by Ross River residents aged between 20 and 64 years is compared to the Yukon average in Figure 3 below. Generally, adults in Ross River tend to be less schooled than the average for the Yukon as a whole. More than 38% of Ross River adults have not yet completed high school, compared to the Yukon average of 16.5% adults. And there are proportionally far fewer people with university degrees in Ross River than the Yukon average.

However, about 19% of Ross River adults have a college diploma or certificate, almost identical to the approximately 20% of Yukon adults as a whole.

**Figure 3 Highest level of schooling, Ross River and Yukon population aged 20-64, Census 2001**



## **Economic conditions**

### ***Economic base***

Based on individuals' incomes reported in the 2001 Census, the total size of the Ross River market economy is about \$4.9 million.

### **Major industries**

Government appears to be the main economic base of Ross River. The different levels of government (federal, territorial and First Nation) employ 40% of the labour force.

As Table 5 below shows, mining employment was negligible in 2001. Although the operation of the Faro mine seems to have had an impact on Ross River judging by the population figures presented in Figure 1 above, direct employment in the mining industry has been small. The various Censuses showed, respectively, 10 people employed in mining in 1981, 15 in 1991 and 10 in 1996.

There are no separate tourism statistics for Ross River. The community is part of the "Campbell" tourist region, which also includes Faro, Carmacks and Pelly Crossing. Visitor statistics for all Yukon tourist regions are shown in Table 4 below with the affected regions shown in bold. Note that totals do not add up because many tourists visit more than one region.

**Table 4 Number of visitors and tourist spending, Yukon tourist regions, 1994 and 1999 Visitor Exit Surveys**

<i>Tourist Region</i>	<i>Number of visitors</i>		<i>1999 visitor spending</i>
	<i>1994</i>	<i>1999</i>	
<b>Campbell</b>	<b>13,821</b>	<b>30,835</b>	<b>\$1,576,850</b>
Carcross/ Southern Lakes	44,061	52,533	\$3,808,236
Klondike	58,020	78,280	\$13,768,159
Kluane	100,496	92,516	\$6,363,557
North Yukon	4,455	7,336	\$581,124
Silver Trail	7,290	14,022	\$1,803,394
Teslin	46,209	45,730	\$1,767,453
<b>Watson Lake</b>	<b>70,960</b>	<b>63,520</b>	<b>\$4,553,635</b>
<b>Whitehorse</b>	<b>131,273</b>	<b>144,575</b>	<b>\$28,455,634</b>
<b>Total</b>	<b>206,800</b>	<b>232,766</b>	<b>\$62,678,042</b>

Source: Yukon Department of Tourism and Culture, *1999 Visitor Exit Survey*,  
<http://www.tirc.gov.yk.ca/surveys/ves99.html>

The Campbell region accounts for only a small portion of tourist visits and spending in the Yukon. Visitor spending in 1999 in the Campbell region accounted for only 2.5% of total visitor spending in the territory.

#### Employment by industry

Employment categorized by industry in Ross River is compared to the Yukon as a whole in Table 5 below. Note that the small numbers in Ross River coupled with Statistics Canada's system of random rounding in order to protect confidentiality makes it possible to draw only the broadest conclusions from the data presented.

It appears that Ross River is even more heavily dependent on employment in public administration — with nearly 40% of employees working in the field — than the Yukon as a whole (approximately 21%). Employment in construction also appears stronger in Ross River than the Yukon average.

**Table 5 Employment by 1997 North American Industry Classification System, Ross River and the Yukon, Census 2001**

	Ross River		Yukon	
	Number	Percent	Number	Percent
Total labour force 15 years and over by industry	190		17,950	
Industry – Not applicable	15	7.9%	280	1.6%
All industries	175	92.1%	17,665	98.4%
Agriculture, forestry, fishing and hunting	10	5.3%	285	1.6%
Mining and oil and gas extraction	0	0.0%	430	2.4%
Utilities	0	0.0%	145	0.8%
Construction	30	15.8%	1,400	7.8%
Manufacturing	0	0.0%	380	2.1%

	Ross River		Yukon	
	Number	Percent	Number	Percent
Wholesale trade	0	0.0%	330	1.8%
Retail trade	10	5.3%	1,940	10.8%
Transportation and warehousing	0	0.0%	770	4.3%
Information and cultural industries	0	0.0%	700	3.9%
Finance and insurance	0	0.0%	365	2.0%
Real estate and rental and leasing	0	0.0%	195	1.1%
Professional, scientific and technical services	0	0.0%	740	4.1%
Management of companies and enterprises	0	0.0%	10	0.1%
Administrative and support services	10	5.3%	585	3.3%
Educational services	15	7.9%	1,180	6.6%
Healthcare and social assistance	15	7.9%	1,590	8.9%
Arts, entertainment and recreation	0	0.0%	555	3.1%
Accommodation and food services	0	0.0%	1,600	8.9%
Other services (except public administration)	0	0.0%	720	4.0%
Public administration	75	39.5%	3,735	20.8%

Source: Statistics Canada, 2001 Census

## Employment

### Employment, unemployment and labour force

Table 6 below shows labour force statistics for Ross River and the employment, unemployment, and labour force participation rates for the Yukon for comparison.

**Table 6 Labour force statistics, Ross River and the Yukon, Census 2001**

	Ross River	Yukon
Working age population (15 years and over)	250	
In the labour force	190	
Employed	120	
Employment rate	47.1%	70.6%
Unemployed	70	
Unemployment rate	36.8%	11.6%
Not in the labour force	60	
Participation rate	74.5%	79.8%

Source: Statistics Canada, 2001 Census

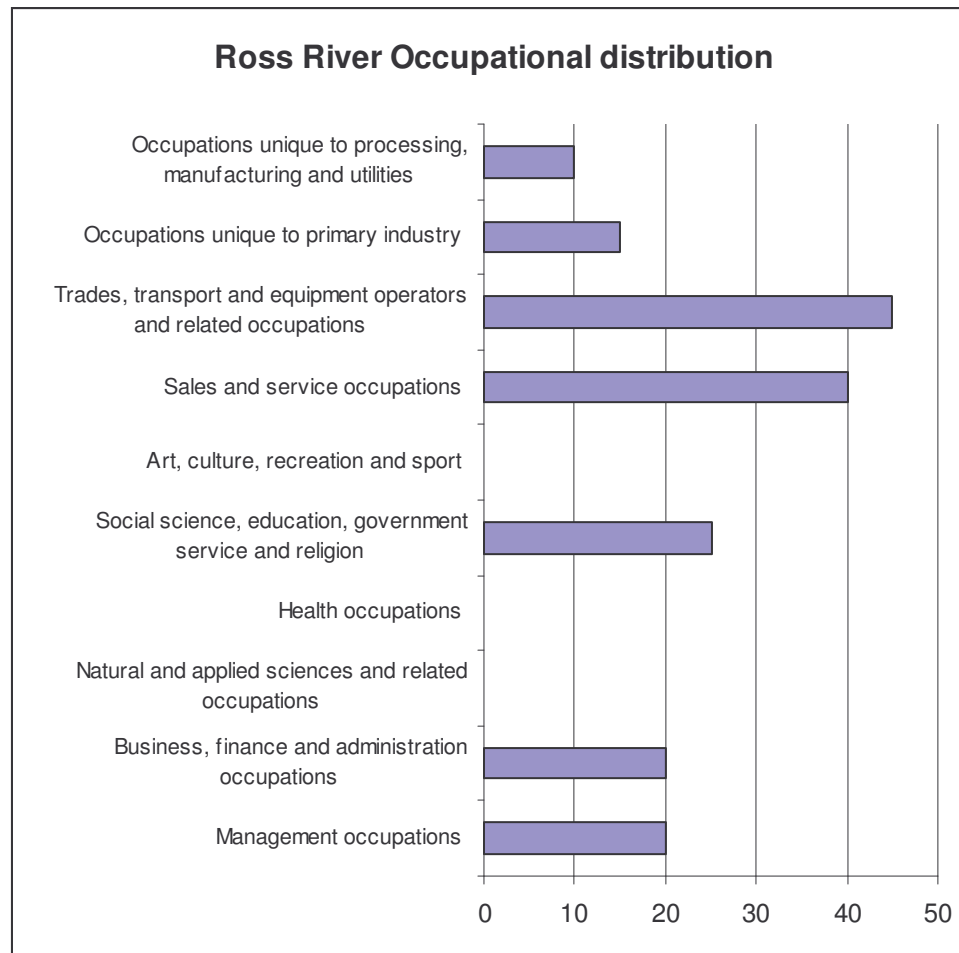
From Table 6 it is obvious that Ross River suffers from very low levels of employment and correspondingly high levels of unemployment. Ross River has a labour force participation rate that is comparable to the Yukon's however, indicating that it is a lack of jobs rather than a lack of willingness to work that plagues the community.

### Employment by occupation

Figure 4 below shows what types of occupations are most prevalent in Ross River. The most common jobs are in the trades and in transportation occupational cluster, which includes most construction workers, equipment operators and truck drivers. Sales and

service occupations include those working in the retail sector, daycare workers, restaurant and hotel workers and others.

**Figure 4 Occupational distribution of employment, Ross River, Census 2001**



Source: Statistics Canada, 2001 Census

### **Incomes**

Average and median incomes were fairly low in Ross River. Average employment earnings in 2000 were just under \$20,000 compared to \$31,500 for the Yukon. The same discrepancy is reflected in median incomes and in household and family incomes.

**Table 7 Average and median incomes, Ross River, 2000**

	<i>Ross River</i>	<i>Yukon</i>
Average earnings (all persons with earnings)	\$19,997	\$31,526
Average earnings (worked full year, full time)	\$32,978	\$44,605
Median total income of persons 15 years +	\$13,600	\$26,488
Median family income	\$25,920	\$63,490
Median household income	\$26,816	\$51,930

Source: Statistics Canada, 2001 Census

Personal income distribution

Table 8 below compares the distribution of individual incomes in Ross River with the Yukon as a whole over a range of annual incomes.

**Table 8 Income distribution by income range, Ross River and Yukon, 2000 tax year**

<i>Income range</i>	<i>Ross River % of returns</i>	<i>Yukon % of returns</i>
Under \$1,000	9.1%	3.9%
\$1,000 to \$5,000	13.6%	6.7%
\$5,000 to \$10,000	13.6%	9.5%
\$10,000 to \$15,000	13.6%	11.5%
\$15,000 to \$20,000	9.1%	9.1%
\$20,000 to \$25,000	13.6%	7.4%
\$25,000 to \$30,000	9.1%	6.7%
\$30,000 to \$40,000	13.6%	12.0%
\$40,000 to \$50,000	0.0%	10.4%
\$50,000 and up	9.1%	22.9%
Total	100.0%	100.0%

Source: Canada Revenue Agency, *Income Statistics*, 2000 Tax year

From Table 8 it is clear that incomes in Ross River are generally far lower than in the Yukon overall. Fewer than 10% of tax filers in the community reported an income of \$40,000 or more compared to more than 33% in the Yukon. On the other end of the range, 50% of all tax filers in Ross River reported an income of less than \$15,000, compared with only 31% of Yukoners.

Taxable income

Table 9 below shows the relative importance of different sources of income to individuals in Ross River compared to the Yukon average. Ross River is very close to the rest of the Yukon in the relative importance of most of the income categories. The most obvious exception is investment income, which accounts for a far smaller part of individuals' incomes in Ross River than the Yukon average. On the other hand, income categorized as "Other" by the Canada Customs and Revenue Agency is relatively more important in Ross River than the Yukon as a whole. (Other income includes Employment Insurance (EI), disability income or benefits, training allowances, and child



support payments). Tax-exempt income (mostly Social Assistance and Workers' compensation payments) are also somewhat more important in Ross River than the Yukon overall.

**Table 9 Income distribution by source of income, Ross River and Yukon, 2000 tax year, Canada Customs and Revenue data**

<b>Type of income</b>	<i>Ross River</i>		<i>Yukon</i>	
	% of returns	% of income	% of returns	% of income
Employment	86.4%	75.3%	80.6%	77.8%
Pension	13.6%	6.1%	13.4%	5.5%
Investment	13.6%	0.5%	32.1%	4.8%
Self-employment	9.1%	4.0%	19.3%	3.9%
Other	36.4%	11.0%	35.9%	5.8%
Tax-exempt	18.2%	3.1%	12.7%	2.2%
Total	100.0%	100.0%	100.0%	100.0%

Source: Canada Revenue Agency, *Income Statistics*, 2000 Tax year

## **Appendix D: Strengths, Weaknesses, Opportunities, Threats**

Participants in the November and December meetings were asked to identify the Strengths, Weaknesses, Opportunities, and Threats to Ross River. As well, in developing the Mining Strategy, other SWOTs were identified and are presented here.

### **Strengths**

#### **From economic strategy meetings**

- Mineral reserves
- Forests
- Workforce (employment)
- Water, quality and quantity
- Good ec dev officer
- College (educational possibilities)
- Some self-sufficiency
- Trapping
- Traditional lifestyle
- Geographical location
- History of resource development supply
- Wildlife and land resources
- Fish and fisheries
- Artistic traditions and good artists
- Dinosaur tracks
- Spectacular scenery (especially North Canol)
- Ball lightning
- Northern lights
- Sasquatch sighting
- Un-surrendered aboriginal title to lands and resources and interests (recognized by YTG and the courts)
- Contacts and relationships with mining companies and others and governments (joint ventures have produced these)

#### **From mining strategy**

- Kaska-Yukon Government Bilateral Agreement
- Kaska language is strong
- Have ability to live on the land
- Traditional medicine
- Prospecting and exploration skills
- Mineral endowment of this region
- Location at cross roads (Campbell/Canol)
- Centre with store, gas, etc.
- Base for Expeditors
- Existing MOU's & SEPA's
- People living here
- Ross River leadership
- History of supplying mining industry
- TEK and knowledge of the country and geography
- Trapping skills
- Existence of contractors with heavy equip
- Mechanics in Ross River
- Experienced line cutters/claim stakers
- Airport?
- Good fishing/hunting and tourism potential
- RRDC ownership (of land/resources?)
- Traditional values and beliefs including respect for the land
- Healthy?
- High self esteem
- Mentally strong

## Weaknesses

### From economic strategy meetings

- Alcohol and drug problems
- Education levels
- Lack of local government
- Geographic isolation
- Lack of tourism infrastructure
- Lack of municipal infrastructure (sewer and water)
- Unfair reputation
- Lack of marketing
- Poverty (low income)
- Condition of both Canol roads and Campbell Highway
- Lack of commitment from mining companies to support local businesses
- Lack of communication skills
- Lack of training and capacity
- Lack of government support (feds and YTG)
- Lack of support (infrastructure) for artists
- Too much blaming instead of fixing the problem
- Unemployment

### From mining strategy

- Drug and alcohol problems
- Lack of education and skills
- Land claim uncertainty
- Lack of infrastructure
- No Doctor in Ross River
- Inexperience with mining companies
- Too much dependence on outsiders
- High Staff turnover
- Understaffing in band offices
- Airport is VFR only
- Leadership of RRDC and KTC
- No scheduled air or bus service
- No fuel bulk plant
- Tendency to fix blame, not the problem
- Lack of progress in meetings
- Lack of Pelly River bridge?
- Poor roads
- Community apathy
- Community apathy
- Lack of community unity amongst the five main FN groups

## Opportunities

### From economic strategy meetings

- Tourism possibilities
- Artists development and marketing
- Dena Cho trail with related opportunities for entrepreneurs
- North Canol
- Dinosaur tracks
- Canyons and rivers
- Herbs and medicine
- Wildlife
- Scenery
- 10 day pack train trips
- Gemstones (gemstone cutting and polishing already happening on small scale)
- Dachin Lodge (Treeline)
- Tourism brochures/booklets
- Oil and gas potential
- coal
- Mining strategy
- Water
- Small scale logging and sawmill
- Fitness centre
- Expediting
- Forest fires
- Hydro projects

### From mining strategy

- Mining revival underway
- High metal prices
- Period of growing FN empowerment and self confidence (government, courts, companies)
- a chance to shape our future
- oil and gas potential
- new business potential: lumber, fuel/oil
- service centre for recreation: canoe, kayak, raft, etc
- expand government service
- Possible Alaska-BC rail link
- Run-of-river mini hydro in area
- List of qualified people in private and public sectors (contact list?)
- Coal: local heating/energy source
- Communications flow between mining companies and Ross River

## Threats

### From economic strategy meetings

- Whitehorse and Outside tour companies taking advantage of area without benefiting Ross River
- Inaccurate information about the area and community
- Declining mineral prices leading to declining exploration
- Lack of skills and knowledge (not taking advantage of opportunities)
- Climate change (greenhouse effect) lack of snow make trapping difficult and makes problems for other animals
- Politics (change of government) leading to uncertainty
- Plague (flu pandemic)
- Spruce beetles and other pests, exotic species
- Forest fires destroying community
- Overdependence on fuels (if they get very expensive)
- Over hunting by others
- Poor management leading to environmental problems or catastrophe
- Inadequate impact-benefit agreements
- Natural disasters
- Wars and terrorism especially effect on tourism
- Land claims (not wanted by some)
- Loss of traditional values, knowledge, pursuits, way of life, lifestyle, skills
- Drugs a threat to young people
- Not having community support, community apathy

### From mining strategy

- Large imported labour force
- Market crash possibility
- Disharmony amongst Kaska and other FN's based in Ross River
- Bad deals with mining companies leading to unrest with leadership
- Labour unions moving in to mining ops
- Global warming
- Change in YT Government
- Premature shutdown and inadequately funded reclamation liabilities of a new mine
- Concentrate/ore trucks impacting on caribou herd
- Chemical, petroleum and concentrate spills
- Leaking tailings ponds, Acid rock drainage
- Substance abuse and related social problems due to (sudden increase in) more money (and inability to handle the rapid change)
- Unsaleable concentrates
- Increased traffic

## **Appendix E: Previous Studies**

### **First Nation Administration Building**

In the previous studies reviewed, the construction of a First Nation Administration building is only mentioned briefly in the 2000 community development plan<sup>3</sup> where it receives the support of only 25% of the respondents to a survey asking residents what their priorities for new community facilities were.

However, there has been a considerable amount of preliminary planning and design work done on a possible new admin building in 2002 and 2003. Kobayahsi + Zedda Architects of Whitehorse were hired to prepare schematic drawings on several options for a building, and some initial mechanical and electrical engineering review work was also completed. Although some of the priorities of the First Nation may have changed — for example, if the planned administration building should be combined with a cultural centre and/or visitor reception centre — this initial planning work may still be used as a base for further work on the project.

### **Museum and Cultural Centre**

Previous studies reviewed during the preparation of the Ross River economic development strategy contained references to the need for, or benefit of, building a museum and cultural centre stretching back as far as 1975.

The 1975 Synergy West community development plan for Ross River<sup>4</sup> highlighted the recommendation that the community build "...a local museum and interpretation of its native and white heritage". The plan elaborated on some aspects of the museum:

"As a means of improving business opportunity in Ross River, serious consideration has been given by some local residents with the study team on the possibility of creating a museum to improve the tourist interest in the community. The museum would have two fundamental themes: the history of the development of the Canol Road and the interest points on the North Canol provided at Ross River, its gateway; and a regional and territorial mineral sample exhibit, possibly with some selected sites along major highways which would be of interest to rock hounds."

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<sup>3</sup> David Nairne and Associates. July 2000. *Ross River Dena Council: Physical Development Plan, Housing Policy, NORHA Housing Proposal*.

<sup>4</sup> Synergy West Ltd. April 1975. *A Community Plan for Ross River*. Department of Local Government, Territorial Government of the Yukon and the Community of Ross River.



The 1989 community development plan<sup>5</sup> identified the construction of a museum and a craft shop for manufacturing and sales as second tier priorities to help develop tourism in Ross River.

### **Local Government**

Recommendations that Ross River create a local municipal-type government stretch back to at least 1984. A 1984 study commissioned by the Ross River Dena<sup>6</sup> strongly recommended the formation of a form of local government specifically designed to protect the interests of the First Nation and its citizens:

“A joint-governing body for the municipality of Ross River, with fixed Indian and White Membership is required. If Ross River grows in population due to the developments and the proportion of Indians decreases below 50%, this structure will be required so as to express and protect the Indian interest in Ross River itself.”

It is interesting to note that the community of Carcross has instituted just such a joint body (though it is an advisory council, not a municipality) with equal representation from the First Nation and from the non-First Nation parts of the community.

### **Water and Sewer System**

The installation of a community-wide piped water and sewer system has been made a number one priority in the Ross River economic development strategy. During the consultation process, it was pointed out that this issue has been raised and studied several times over the past 30 years. A quick review of previous studies shows that recommendations that Ross River have a piped water and sewer system began in the early 1970s and have continued since.

### ***The 1970s to the 1990s***

A 1975 report contained the following:

“Sanitary sewage is currently discharged and disposed through septic tanks, cesspools, and earth privies. Because of the short life of the present community and its low population, this has not been a problem to date. However, because of the confinement of the aquifer due to permafrost below and the community’s proximity to the river, plus a high water table periodically in the residential zone, there is the potential for considerable problems with the sanitary system, particularly in the latter areas... In the event of the installation of a sewage collection system the Stanley report on the Quality of Life in the Yukon recommends sewage disposal by aerobic lagoon, discharging through a treated effluent line to

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<sup>5</sup> David Nairne & Associates. December 1989. *Ross River Dena Council Comprehensive Community Development Plan: Volume 3: Physical and capital plan.*

<sup>6</sup> Dimitrov, Peter and Martin Weinstein. 1984. *So That The Future Will Be Ours.* Ross River Indian Band.

the Pelly River at a total estimated cost of \$110,000.00 (using 1973 construction cost indices).<sup>7</sup>

A 1983 report<sup>8</sup> had the following to say about water and sewer in Ross River:

“In 1974 an engineering study recommended the installation of a piped water distribution system and development of a new infiltration well. A pre-design study conducted in 1978 recommended construction of a new shallow infiltration well, a pumphouse and water storage facilities, and shallow-buried, insulated, heat-traced distribution system. The total capital cost (in 1978 dollars) of these improvements was estimated to be in the range of \$2.2 to \$3.3 million, depending on the extent of coverage of the distribution system; these costs are based on a design population of 600 (Underwood McLellan Ltd. 1979). No action has yet been taken on implementing these recommendations.”

“The presence of a high water table has created a problem because organic contaminants have been found in some shallow wells... A 1978 engineering study recommended the installation of an aerobic sewage treatment lagoon and a piped sewage collection system. The capital cost of these facilities was estimated to be in the order of \$1.8 million to \$2.9 million in 1978 dollar terms (Underwood McLellan Limited, 1979). Difficult soil conditions, combined with the presence of permafrost, account for the high capital costs of both the water and sewage treatment system improvements. As in the case of the water system described above, work on sewage disposal facilities awaits government funding.”

In 1986 the Yukon government installed a 110 m deep community well next to the fire hall. The water from the well is delivered by truck to holding tanks in homes and community buildings.

A community development plan prepared for the Ross River Dena Council in 1989<sup>9</sup> identified sewage disposal as the top priority for the community and labelled it as an urgent and serious need. This was followed up by a pre-design report for a community sewage disposal system in 1990.<sup>10</sup> The reasons given for the need to design and build a sewage system were:

- ground conditions with shallow permafrost, high groundwater and highly variable soil textures make septic fields difficult,
- federal Environmental Health Branch no longer issuing septic permits,

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<sup>7</sup> Synergy West Ltd. April 1975. A Community Plan for Ross River. Department of Local Government, Territorial Government of the Yukon and the Community of Ross River. Pp. 10-11

<sup>8</sup> Reid Crowther & Partners Ltd. March 31, 1983. Socio-Economic Impact Study: Ross River Area Part II. DIAND and Department of Economic Development and Intergovernmental Affairs, Yukon. Pp. 3-3 to 3-4

<sup>9</sup> David Nairne & Associates. December 1989. *Ross River Dena Council Comprehensive Community Development Plan: Volume 3: Physical and capital plan*

<sup>10</sup> David Nairne & Associates Ltd. March 1990. *Ross River Sewage Collection, Treatment and Disposal Pre-design*

- housing density in the First Nation side of the community is very high and cannot support further septic systems,
- existing septage infiltration pit was constructed as a short term measure and a larger facility is needed in the near future.

The 1990 Nairne report came up with the sewage collection options and estimated costs summarized in Table 10 below.

**Table 10 Sewage collection options and costs, Ross River 1990**

	<i>Conventional buried piped system</i>	<i>Shallow buried piped system</i>	<i>Cluster system (groups of houses share holding tank)</i>	<i>Individual holding tanks and trucked</i>
Initial capital cost	\$4.05m	\$3.82m	\$2.65m	\$293,000
Annual O&M	\$82,000	\$85,200	\$111,300	\$76,500
Individual capital costs (connections or tanks)	\$2,500	\$2,500	\$2,500-4,700	\$4,700
Individual O&M (heat trace)	\$300	\$300	\$300	\$170
Present worth	\$5.83m	\$5.63m	\$5.30m	\$3.46m

The sewage treatment and disposal options considered are summed up in Table 11 below.

**Table 11 Sewage treatment options and costs, Ross River 1990**

	<i>Lagoon treatment and storage with seasonal wetland disposal</i>	<i>Lagoon treatment and storage with seasonal river discharge</i>	<i>Mechanical treatment plant with river discharge</i>
Initial capital cost	\$1.52m	\$1.67m	\$1.2m
Annual O&M	\$9,500	\$9,500	\$38,000
Present worth	\$1.6m	\$1.75m	\$1.52m

The 1990 Nairne report recommended individual holding tanks with trucked education, lagoon treatment and storage, and wetlands disposal. The tank and truck collection option was recommended in order to reduce construction costs.

In 1992 YTG applied for a new water use license for Ross River because the government was proposing a new community sewage collection and treatment system (the lagoon and seasonal wetland discharge option recommended in

1990). YTG committed to implementing the system and had the community's and RRDC approval. The government hoped to have the lagoons in operation by the fall of 1994.<sup>11</sup> The lagoons have not yet been built. It appears that, when the federal Environmental Health Branch began issuing septic system permits again, the construction of any part of a sewage system for Ross River was no longer a territorial priority.

### ***From 2000 to the present***

In 2000 David Nairne and Associates prepared a physical development plan for the Ross River Dena Council.<sup>12</sup> In the plan were the following comments regarding the community's water supply:

“Water for the residents of Ross River is supplied by a community well located adjacent to the fire hall. The well is 110m deep. Regular water quality testing of the well water has not indicated health related concerns. However, due to the nature of the soils, which are underlain by permafrost at varying depths, groundwater perched on top of the soils is found at relatively shallow depths. With the use of in-ground sewage disposal, there is a concern that the shallow groundwater is subject to contamination and the well may be at risk of contamination, especially due to its central location in the community.”

“Water is stored in holding tanks in houses. Often, the use of holding tanks has resulted in poor water quality and subsequent health effects, because holding tanks are not cleaned regularly... Water holding tanks should be cleaned on a regular basis.”

The 2000 development plan offered the following on sewage disposal in Ross River:

“At the present time, the Ross River Dena Council is satisfied with the use of individual in-ground sewage disposal, and have been working with their Environmental Health Officer to upgrade individual ground disposal systems to acceptable standards... The Dena Council would like to participate in long-term infrastructure planning with YTG, and envisions that a community wide piped sewage collection system and lagoon treatment to meet the long-term needs of the community.”

YTG prepared a Yukon-wide survey of community water and sewage systems in 2002.<sup>13</sup> That report rates the community well as being in good condition with an automatic chlorination system, complete water testing carried out annually,

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<sup>11</sup> Water License Application

<sup>12</sup> David Nairne and Associates. July 2000. Ross River Dena Council: Physical Development Plan, Housing Policy, NORHA Housing Proposal.

<sup>13</sup> Yukon Community Services. 2002. *Infrastructure Status Report — 2002*.

bacteriological testing carried out monthly and daily chlorine residual testing. Under comments and observations on the water system, the report states:

“There is one well serving the community of Ross River. This has been raised as a concern from a safety perspective. The truck delivery is approaching its maximum capacity in terms of deliveries that can be made in a day. Future growth in the community may require additional resources either for a second delivery vehicle or establishing a limited piped distribution system or increasing the size of tanks in new installations or when replacing old tanks. A limited piped system could serve the high water users in close proximity to the water supply building/fire hall thus increasing the time the truck is available to deliver water to the rest of the community. The major users are the hotel, school and health center.”

In 2002 YTG had no plans to modify or expand Ross River’s water supply system.

The 2002 infrastructure report contains the following description of the Ross River sewage disposal system:

“An exfiltration cell is used as a disposal site for the trucked sewage education service that is provided by First Nation and private contractors. There is no water license in place for the existing sewage pit. Renewal of the existing water license, for the proposed sewage treatment facility that was never built, is underway.”

And, under a heading entitled “Plans for Modification and Expansion,” the report states:

“Construction of a new sewage pit on the site of the proposed sewage lagoon has been recommended as a requirement of the water license renewal. A new sewage lagoon will be required when a piped collection system is installed.”

Note that, although YTG’s Community Services uses the expression *when* a piped collection system is installed, there appear to be no current plans or budgets to build such a system.

Finally, an engineering report from 2004<sup>14</sup> on the Ross River Dena’s water and wastewater systems rated the community’s water supply as substandard.

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<sup>14</sup> UMA Engineering. April 2004. *Ross River First Nation 2004 Asset Condition Reporting System Water and Wastewater Assets*.

**Housing in Ross River**

In the consultations on the Ross River economic strategy, building sufficient housing was rated as a number one priority for economic development. Given that insufficient housing and generally poor housing quality is a perennial issue in Ross River — and in most First Nation communities in general — this is not surprising.

The reasons for the perennial problems associated with both building sufficient housing and in maintaining it in decent condition in First Nation communities are many and multi-faceted. Among these problems are:

1. The federal government provides funding to the First Nation for house construction, but the amount allocated per house is ludicrously low. By accepting the funding, however, the First Nation is required to build a house. This leads to enormous pressure to cut costs in construction which results in houses being as small as possible (making overcrowding more likely), with designs and materials chosen for the lowest possible upfront cost, and places a premium on speed of construction rather than good workmanship. The inevitable result is housing that costs much more to operate and maintain than it should and in houses that need replacing far sooner than the norm.
2. The occupants of First Nation housing in Ross River do not own their houses, the First Nation does. Like any rental situation, occupants who are not owners tend to take far less care of their houses as they are not personally responsible for repairs and maintenance. This problem is exacerbated in First Nation communities where there are few or no housing options and the First Nation landlord cannot evict destructive tenants.

Overall, the condition of Ross River's housing stock is poor as is illustrated by two different assessments.

In 1999 the Yukon Housing Corporation did a detailed survey of the condition of housing in all Yukon communities. In Ross River a total of 65 randomly selected households were interviewed in October of 1999. Findings include:

- Just over 30% of Ross River households pay more than \$3.00 per square foot to heat their homes.
- Energy related repair needs in Ross River are 40% of households versus 14% for the Yukon as a whole.
- 72% of all dwellings in Ross River require major repairs compared to 33% of all Yukon dwellings.
- 45% of Ross River dwellings have health and safety deficiencies ranging from lack of working smoke alarms to inadequate sewage disposal.
- Crowding is a significant issue in Ross River with 12 % of homes not having enough bedrooms (compares to 6% Yukon wide).

The Ross River Dena Physical Development Plan of July 2000 contained the following findings on the condition of the First Nation's housing:



- There are currently 106 occupied houses in Ross River, 11 of which have been condemned and should be replaced.
- Overall, the 2000 Housing Condition Assessment suggests that only 54% of the Dena Council's housing stock is in "good or fair" physical condition.
- Over 5 years 11 houses need replacing, 41 need major renovations, and 33 need minor renovations.

The 2000 Physical Development Plan also included the following recommendations:

- The Ross River Dena Council construct 6 houses per year to meet the estimated housing needs.
- The Ross River Dena Council must develop 48 new lots to meet the balance of their ten year housing demand.
- The Ross River Dena Council should consider construction of two new residential development areas as identified on the Land Use Plan (i.e., the block of undeveloped land with approximately 30 lots in the town site (north-west corner of town) owned by YTG, and a 28 hectare parcel on the escarpment south of town).

### **Hydro Power Development**

Developing hydro power in the Ross River area was raised as an economic development idea during the economic development strategy consultation process.

The Yukon currently has about 76MW of installed hydro power capacity. The Whitehorse Rapids facility is 40MW, Aishihik is 30MW, Mayo is 5MW, and the Fish Lake facility is 1.3MW. The Whitehorse rapids hydro plant is capable of producing only about 24MW during the winter.

The most recent investigations of potential Yukon hydro sites were carried out from 1988 to 1992 by Yukon Energy. The 1992 Capital Plan put together by Yukon Energy and Yukon Electric identified the most viable hydro development options based on an analysis of load forecasts. Table 2 below lays out the three options located near Ross River in Kaska traditional territory.

**Table 12 Most viable hydro development options near Ross River**

	<i>Installed capacity</i>	<i>Installed costs</i>	<i>Annual O&amp;M costs</i>
Drury Creek	2.6 MW	\$21.2m	\$271,000
Orchay River	4.0 MW	\$23.4m	\$285,000
Lapie River	2.0 MW	\$7.0m	\$157,000

Source: <http://www.emr.gov.yk.ca/energy/hydro.html>



Note that the three options are all very small in comparison with the Yukon's overall installed hydro capacity of 76 MW. These small hydro plants (or mini-hydro) have several advantages over larger developments:

- they are much cheaper to build,
- they tend to have much smaller negative environmental impacts, and,
- they allow the incremental addition of hydro power to the grid.

A number of studies were carried out on other potential hydro sites on the Ross, Pelly, and Frances Rivers from the 1960s to the early 1980s. These are identified in Table 13 below. The list ranges from a mini-hydro facility on the Frances River to some truly massive projects in the Pelly River's Granite Canyon. Note that most of these possible projects have not had detailed or rigorous study and none made Yukon Energy's 1992 most viable list. Given that many of these projects would increase the Yukon's hydro capacity by 50% or more without a foreseeable increase in demand, this is not surprising.

**Table 13 Other hydro development possibilities near Ross River**

<i>River</i>	<i>Installed capacity</i>	<i>Notes</i>
Ross Canyon (Ross River)	30 MW	8km upstream from community of Ross River
Prevost Canyon (Ross River)	12.4 MW	Seen as possible supply for mines in the Mac Pass area.
Hoole Canyon (Pelly River)	40 MW	About 30km upstream from community (includes control dam at Fortin Lake).
Slate Rapids (Pelly River)	41 MW	
Lower Granite Canyon (Pelly)	40 MW and 120 MW	Very large project.
Upper Granite Canyon (Pelly)	80 MW and 245 MW	An enormous project.
Upper Canyon (Frances River)	53 MW	Would raise Frances Lake by 45 feet
False Canyon (Frances River)	58 MW	Considered relatively cheap to build but would raise Frances Lake by about 45 feet.
Middle Canyon (Frances River)	5 MW	A mini-hydro possibility

Source: Monenco Consultants Pacific Ltd. October 20, 1983. *The Inventory of Yukon Hydroelectric Sites: A review of investigations carried out between 1960 and 1983.*

### **Previous Economic Development and Labour Market Studies**

In conducting a search for previous studies related to Ross River's economic development and infrastructure issues, we found some studies — and parts of studies — that specifically focussed on the community's economic development and labour market.

**Economic development**

In 1988 an economic development strategy<sup>15</sup> was prepared for the Ross River Dena Development Corporation. General recommendations of the strategy included:

- need to develop general life and work skills among citizens,
- need to make a clear policy decision about whether to advocate for citizens' wage employment in mining and creating process to facilitate,
- keep 1 staff position in the RRDDC.

Recommendations on specific ventures included:

- improve financial management capacity at the store,
- establish a rate and operating policy for the trailer rental and market it,
- pursue a deposit service with CIBC,
- encourage individuals most experienced in housing construction to take courses etc. to develop at least one qualified general contractor in Ross River,
- examine market for a line cutting company,
- a clear decision on whether to pursue the purchase of Inconnu Lodge must be made and if yes, a full feasibility analysis must be carried out.

The 1989 Community Development Plan<sup>16</sup> contained the following recommended developments aimed at promoting tourism in Ross River:

- Construct park and park amenities in River flat area along the Pelly River
- Construct craft shop for manufacturing and sales
- Construct museum
- Provide servicing for commercial development to accommodate:
  - small engine repair shop
  - coffee shop
  - gas station
  - carpentry shop
- Upgrade area along lower portion of Village near Pelly River for a campsite
- Develop a nature trail system in new park.

The physical development plan prepared in 2000<sup>17</sup> contained a “wish list” of new businesses that residents would like to see in Ross River and a list of preferences for new community facilities. These lists are shown in Table 14 below.

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<sup>15</sup> Westcoast Information and Research Co-operative. August 1988. *Economic Development Strategy Options for the Ross River Dena Development Corporation*.

<sup>16</sup> David Nairne & Associates. December 1989. *Ross River Dena Council Comprehensive Community Development Plan: Volume 3: Physical and capital plan*.

<sup>17</sup> David Nairne and Associates. July 2000. *Ross River Dena Council: Physical Development Plan, Housing Policy, NORHA Housing Proposal*.

**Table 14 Community “wish list” in 2000**

<i>.New business wish list</i>		<i>Community facility wish list</i>	
Business	%	Facility	%
laundromat	23%	public service building	35%
grocery store	53%	health centre	8%
taxi	58%	treatment centre	68%
mechanics	78%	daycare	68%
bank	48%	treaty office/admin building	25%
home-based	53%	recreational area	78%
hardware store	53%		
clothing store	90%		
arts & crafts	100%		
restaurant/café	78%		
campground	38%		
tourism	73%		
hotel	70%		
lodge	43%		
bus service	8%		
sawmill	45%		

**Labour market**

In 1984 the Ross River Dena commissioned a review of the proposed development proposals in the RRDC traditional territory. That study<sup>18</sup> contains the following concerning the RRDC labour force:

“The Band’s labour force is not very mobile, with most members preferring to live and work out of Ross River. In terms of industrial wage work the majority of the Band’s labour force are not interested in being an industrial employee on a full-time or career basis. There is not much long-term interest in working in an industrial type setting where hours of work, working conditions, and rate of production are set by the employer. People want to be independent and self-employed.

“A Ross River Indian union local might be one way to negotiate project specific labour contracts that would reflect Indian cultural preferences for wage-work, time off with/and without pay, seniority, seasonal and/or rotational employment, benefits, etc.”

In 1987 the First Nation commissioned a survey<sup>19</sup> of the community workforce in response to the planned opening of the Ketzia mine. The survey had 86

<sup>18</sup> Dimitrov, Peter and Martin Weinstein. 1984. *So That The Future Will Be Ours*. Ross River Indian Band.

<sup>19</sup> West Coast Information & Research Cooperative. April 1987. *Ross River Workforce Survey*. Ross River Indian Band.

questionnaires completed by RRDC citizens between the ages of 18 and 55 to determine skills and interests to help guide decisions on what contracts to go after, and to build a training strategy. Highlights of the survey included:

- high level of unemployment, higher in women than men,
- a typical pattern of seasonal employment, 3 month jobs are the average,
- only 4 women's positions and 10 men's positions were not associated with the RRDC and 7 of the 10 men's were part of a special project of the Ross River Community Association,
- high levels of preference for different occupations and jobs (more full time) in both men and women,
- a large drop out rate after Grade 9 for both men and women with the rate of completion is only marginally higher than older age groups, particularly with men,
- only 1 person out of 86 had taken some university.
- 18 women were currently enrolled in training of some kind, 2 in regular high school 12 in high school upgrading, and 4 in other courses,
- 9 women have taken upgrading in the past,
- only 3 men currently enrolled in high school or school upgrading,
- 12 men have taken school upgrading in the past but none past Grade 10,
- 7 men have been signed up for apprenticeships but only one has completed,
- 19 men and 11 women reported some vocational training, mostly basic carpentry and camp cooking.

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## **Appendix 6: Integrated Community Sustainability Plan**

The Integrated Sustainability Plan (ICSP) for Ross River was developed and written in conjunction with Building on Strength: An Economic Development Strategy for Ross River. The complete ICSP is included here for reference, but it is a stand-alone plan in its own right.

### **Community Overview**

Ross River is located on the south bank of the Pelly River near the confluence of the Ross and Pelly Rivers. The South Canol Road runs through the community with a seasonal ferry providing access to the North Canol during the summer. The community is approximately 10 km from the Campbell Highway.

Ross River is the home community of the Ross River Dena, a Kaska First Nation.

At the end of 2005 the Yukon Bureau of Statistics put the population of Ross River at 354. The 2001 Census found a population of 335, over 80% of whom identified themselves as aboriginal people.

Various levels of government provide the community's economic base. In 2001 the Census found that the First Nation, territorial, and federal governments employed over 40% of the labour force. The most common jobs are in the trades and in the transportation occupational cluster, which includes most construction workers, equipment operators and truck drivers (many of whom are employed by governments). Sales and service occupations are the next most common jobs and include those working in the retail sector, daycare workers, restaurant and hotel workers and others.

Ross River suffers from an unacceptably high level of unemployment and of underemployment. Average incomes are far below the territorial average. Similarly, average levels of education are well below the Yukon average.

### ***A Brief History of Ross River***

The confluence of the Ross and Pelly Rivers has long been used as a gathering place for First Nation peoples, particularly in the late summer. The first permanent settlement was established in 1901 when Tom Smith started a small trading post on the north bank of the Pelly and called the spot Smiths Landing. That winter approximately 15 First Nation families overwintered near the post, creating the beginnings of the permanent community of Ross River. By 1903 a second, rival, trading post was set up on the south bank of the Pelly opposite Smiths Landing. The settlement attracted an increasing number of people, mostly the Kaska but including many First Nation people from the Mackenzie River region who would travel over the divide to meet others, trade, and sometimes stay. By 1914 over 1,000 people were gathering at Ross River in the late summer. But a severe influenza epidemic in 1916 hit the community's First Nation people hard, and increasing economic activity and new trading posts

along the Mackenzie River reduced the numbers of people gathering and settling at Ross River.

World War II and the years immediately following brought massive changes to Ross River. The building of the Canol Road and pipeline between 1942 and 1944 brought a massive, but temporary, influx of outsiders to the area and the new road made the community much more accessible. The late 1940s and early 1950s also saw a collapse of fur prices and the permanent closure of most of the region's fur trading posts — including Pelly Banks, Sheldon Lake, Rose Point, Frances Lake and Macmillan River. By 1952 Ross River was designated as a band village and had the only remaining trading post in the region. The Canol Road shifted the commercial centre of the community to the south bank of the Pelly River at the new ferry crossing point and the federal government began pressuring the First Nation to move across the river from the Old Village. By the mid 1960s that pressure resulted in the complete abandonment of the Old Village and the community of Ross River assumed the shape it has today.

Mining exploration increased in the region around Ross River through the 1950s and an exploration and mining boom occurred in the 1960s and 1970s with the discovery and development of the Faro mine. Although Ross River Dena people did work in mining exploration — it was Ross River Dena citizens Arthur John, Jack Ladue, Robert Etzel and Joe Etzel who led Al Kulan to Vangorda Creek where he staked the first claims of what would become the Faro mine — the mining boom did little to benefit most of the First Nation.

The experience of being the indigenous population located in a region undergoing an extended economic boom in the 1960s and 1970s and gaining little economic benefit increased the determination of the Ross River Dena Council to be at the centre of a long-term sustainable regional economy. Most recently, the development of a mining strategy for the community — *The Snow that Eats the Snow* — and *Building on Strength: An Economic Development Strategy for Ross River* reflect that determination.

## **Values, Vision Statement and Community Goals**

### ***Vision Statement***

In 20 years the community of Ross River will be a healthy, strong, stable, united community driving a diverse and sustainable regional economy.



**Community Values, Goals, and Measures of Success****A healthy environment.**

Ross River values a healthy environment that helps maintain the health and well being of all people as well as the plants, animals and fish of the region. It is an ongoing goal of the community to minimize damage to the environment.

**A healthy community for all.**

The community values the physical, mental, and emotional health of all community members. Clean, high-quality water is a crucial component of health. Substance abuse is a serious problem and its elimination is a long-term goal of the community.

**The Kaska language, traditional knowledge and traditional skills.**

The community values the Kaska language and traditional knowledge and skills both for their inherent worth and for their social and economic value. The preservation and enhancement the language, knowledge and skills is an ongoing goal of the Ross River Dena Council and its citizens.

**A diverse and sustainable regional economy.**

The community values the benefits brought by a diverse and sustainable economy. The community of Ross River will do all it can to foster such a regional economy and will work to ensure its benefits flow to the community.

**A strong, stable, united community.**

The people of Ross River wish to live in a united community, not one with sharp divides between First Nation and non-First Nation people. A goal of the community is to create a form of local government that includes both First Nation and non-First Nation people.

The table below sums up the community goals that are connected with the types of projects currently eligible for the gas tax revenue sharing agreement between Canada and the Yukon. Note that there are other goals and objectives laid out in *Building on Strength: an Economic Development Strategy for Ross River*.

<i>Values</i>	<i>Goals</i>	<i>Measures of Success</i>
A healthy environment	Reduce, and eventually eliminate the contamination of ground and surface water with community sewage.	<ol style="list-style-type: none"> <li>1. An approved sewage lagoon with wetlands discharge.</li> <li>2. A reduction in the number of poorly functioning septic fields that lead to contamination of ground and surface water.</li> <li>3. An increase in the number of cluster-style sewage tanks with long-term planning to fit into piped sewage system.</li> <li>4. Long-term goal is a community-wide piped sewage disposal system to the lagoon and wetland discharge.</li> </ol>
A healthy community	Ensure that the community water supply is both safe and of high quality.	<ol style="list-style-type: none"> <li>1. Install water treatment plant at the existing community well.</li> <li>2. Provide comprehensive training for those who will operate the treatment plant.</li> <li>3. Ensure that the plant, training, and any other work on the community water system be compatible with the long-term goal of providing a community-wide piped water system.</li> </ol>
A strong, stable, united community.	Creation of a local government that represents all sides of the community.	<ol style="list-style-type: none"> <li>1. The creation of a well-functioning Local Advisory Council for Ross River with representation from both the First Nation and the non-First Nation parts of the community.</li> <li>2. In the longer-term, the evolution of the LAC into a municipal-style government.</li> </ol>

**Community Inventory and Assessment*****Capital Project Infrastructure Inventory and Assessment***

Capital Project/ Infrastructure	Do you have it?		What condition is it in?			Is there enough?		Do you need it?	
	Yes	No	Good	Fair	Poor	Yes	No	Yes	No
First Nation admin buildings	X			X	X		X	X	
Airport	X			X			X	X	
Community Arena	X			X			X	X	
Community Hall	X							X	
Dock facilities		X							?
Community energy systems	X		X			X		X	
Fire station	X		X	X		X		X	
Health clinic	X		X			X		X	
Housing	X			X	X		X	X	
Internet service	X		X	X			X	X	
Library	X		X			X		X	
Police building	X		X			X		X	
Post office		X						X	
Recreation (parks)		X							
Roads	X			X		X		X	
Schools	X			X		X		X	
Sewage collection and disposal		X						X	
Solid waste disposal	X				X		X	X	
Water service		X						X	
Public transportation		X						?	
Active transportation		X						?	
Youth centre	X			X		X		X	
Curling rink		X					X	X	
Other									

**Notes and Comments:**

1. Ross River Airport is visual flight rules only.
2. Ross River's Community energy system is a backup generator for the community.
3. The school is relatively new but may need major structural repairs due to settling.
4. There is a postal outlet in the Dena store in Ross River, but no separate post office.

***Capital Project Infrastructure Inventory and Assessment — Evaluation***Community Energy Systems

As noted above, the backup generator is the only community energy system in Ross River. The generator does give the community a certain degree of self sufficiency in the event of a protracted grid failure. As the dependence on the steady availability of grid power has grown and deepened, the community backup generator assumes greater importance in the context of community sustainability.

A number of years ago planning was begun on a largely self-contained residential area to be built on the site of the Old Village across the Pelly River from the current town. The subdivision plans included a number of green community energy systems to supply the houses with power without grid hook-ups. Although plans for that subdivision are currently on hold, they have not been abandoned. Such a subdivision would be a showcase for all of the sustainability principles underpinning the Integrated Community Sustainability Plan.

Roads

The local road system within the community of Ross River is considered adequate by the community. It is basic public infrastructure that meets needs and is required for any form of economic development.

It should be noted that during the development of the Ross River economic development strategy, there was considerable discussion about the routing and condition of the highways in the area of the community. In particular, the poor overall condition of the Robert Campbell Highway is seen as an impediment to sustainable economic development as it discourages rubber tire tourism. Similarly, improving the condition of both the North and South Canol roads was identified as assisting in the diversification of Ross River's economy and making that economy more sustainable over the long term.

Sewage Collection and Disposal

Sewage collection and disposal — along with the closely related water service issue below — are by far the largest community concern among the eligible project infrastructure categories. This is not a recent concern in Ross River. As noted in *Building on Strength*, the first recommendations that Ross River install a community-wide piped sewage system date back to at least 1974. Similar recommendations re-occur in studies at regular intervals through the decades since.

The lack of adequate sewage collection and disposal infrastructure has a very large negative impact on most of the sustainability principles. In particular, the existing systems have contaminated both ground and surface water around the community, have threatened community health through that contamination, and are a limiting factor in the growth and economic development of the community.

### Solid Waste Disposal

Ross River's solid waste disposal site and the techniques used to dispose of waste were both rated poor in the discussions of the Integrated Community Sustainability Plan. Hazardous and special wastes are disposed of haphazardly and often not separated from other waste. As has been the common practice throughout the rural Yukon, household garbage is burned in a pit rather than buried in a landfill. There is some recycling of materials done but to a limited degree.

Obviously, the poor state of solid waste disposal infrastructure and the lack of proper separation and disposal techniques runs counter to the principles of sustainability, and to the community's values. However, because the community views the need for better water and sewage systems as being the top priority, improving solid waste disposal is not currently a priority. A common concern is that putting resources into solid waste improvements will delay or derail efforts to improve the water and sewer systems.

### Water Service

Ross River does not have a piped water service. Most of the community residents, and its businesses and institutions rely on water delivery. The water source is a deep well located next to the fire hall in the centre of the community. Water is delivered by a private contractor who uses a truck owned by the Yukon government.

Although the water from the community well is tested regularly and passes the minimum required standards, there is an ongoing concern in Ross River that the water source is highly vulnerable to contamination. The quality of the water is also viewed as being unacceptably poor. As with the state of the sewage collection and disposal infrastructure, concerns over water safety and quality are nothing new in Ross River. Recommendations that the community be provided with a piped water distribution system date back to the mid 1970s.

The lack of adequate water treatment and distribution infrastructure — like that of the sewage infrastructure — has a very large negative impact on most of the sustainability principles. In particular, the existing water system is seen as a potential threat to human health and is a limiting factor in the growth and economic development of the community.

### Public Transportation

Public transportation does not exist within the community of Ross River. Given the community's size, this is hardly surprising. However, there is also no scheduled passenger air or bus transportation to the community. Scheduled services are a valuable tool in building a sustainable regional economy.

**Active Transportation**

There is no designated active transportation infrastructure within Ross River. As with public transport, the lack of such infrastructure is largely a function of the community's small size. However, the suspension footbridge spanning the Pelly River and the Dena Cho trail between Ross River and Faro may be viewed as active transportation infrastructure.

**Social, Health, and Cultural Services Inventory and Assessment**

Resources		Does this exist?		Can it be improved?	
Category	Type of service	Yes	No	Yes	No
Health	Nutrition	X		X	
	Weight loss	X		X	
	Aids prevention	X		X	
	Substance abuse	X		X	
	Family planning	X		X	
Public Safety	Police protection	X		X	
	Fire protection	X		X	
	Emergency response	X		X	
	Search and rescue	X		X	
Recreation Programs	Small children	X		X	
	Teens	X		X	
	Adults		X	X	
	Child care	X		X	
Social Service Programs	Domestic violence	X		X	
	Seniors	X		X	
	Disability services	X		X	
	Counselling — adults	X		X	
	Counselling — teens	X		X	
	Legal services	X		X	
Self Government (see Note 3)	Suicide prevention	X		X	
	Self government status	X			
	Elders group		X		
	Music		X		
Cultural Programs	Subsistence food prep		X		
	Dance group		X		
	Arts and crafts		X		
	Language programs	X		X	
	Culture camps/ Storytelling	X		X	
	Cultural exchanges	X		X	

**Notes and Comments:**

1. Under police protection, more patrols needed.
2. Recreation programs for both small children and teens are very limited while organized adult programs are nearly non-existent.
3. **The RRDC is not recognized as a self-governing First Nation by the federal government under the UFA, but does see itself as exercising inherent self-government rights over its traditional territory.**



**Economic Inventory and Assessment**

Typical Job	No. of Jobs	Is it filled by a community person?		Full-time		Seasonal		Wage  e.g.
		Yes	No	Yes	No	Yes	No	
Arts and crafts	35	X			X	X	X	Low
CAO	0							
Accounting officer	2	X		X				??
Environmental specialist	4	3	1	3	1		X	Good
Logger/Forester	1	x				X		???
Health aide/Nurse	3	1	2	3				Good
Heavy equipment operator	20	18	2	X	X	X	X	Fair
Mechanic	2	2		2			X	Good
Construction	15	15		X		X		Fair
Housing manager	3	3		3			X	Good
Public safety officer	3		X	X			X	Good
Fire fighters	7	X			X		X	Poor
Emergency response	3-5	X			X		X	Poor
Business owners	8-10	8	2	X		X	X	Mixed
Counsellor	0							
Water treatment operator	0							
Sewage treatment operator	0							
Landfill operator	0							
Power plant operator	1	X			X			Poor

**Environmental Inventory and Assessment**

Environmental Assets/needs	Do you have it?		If lacking is there a need for it?	
	Yes	No	Yes	No
Safe drinking water		X	X	
Adequate supply of water	X			X
Certified water treatment operators		X	X	
Safe sewage disposal and treatment		X	X	
Permitted landfill	X		X	
Recycling program	X		X	
Used oil storage area		X	X	
Lead acid battery collection area	X		X	
Developable land		X	X	
Fuel spill prevention plan		X	X	
Hazardous waste response plan		X	X	
Erosion control	Some		X	
Contaminated sites identified	X			
Healthy subsistence food	X			
Environmental Education programs	X		X	
Healthy wildlife populations				
Hazardous waste collection area		X	X	
Protected watershed plan		X	X	
Environmental impact statement		X	?	

**Notes and Comments:**

1. Although the regular testing of the water at the community well shows that it meets drinking water standards, it is a strongly held view in the community that the water is not reliably safe for drinking. And the quality of the water is seen as inadequate.
2. The landfill is permitted but there is uncontrolled access and ongoing problems. There is no proper disposal of used oil and battery collection is rudimentary. Recycling is limited.
3. There was no community agreement on whether local wildlife populations are healthy or not.

**Capacity Building and Job Training Inventory and Assessment**

Capacity building/training and education opportunities		Existing job in the community?		Training or education needed?		Is training available in community?	
		Yes	No	Yes	No	Yes	No
Category	Type						
Municipal or First Nation Admin positions	CAO		X				X
	Accounting officer	X		X			X
Education	Principal	X		X			X
	Teachers	X		X			X
	Teachers aides	X		X			X
Environment	Environmental specialist	X		X			X
	Conservation officers	X		X			X
Health	Health aide	X		X			X
	Nurse practitioner	X		X			X
	Doctor		X	X			X
Transportation and utilities	Driver/pilot	X		X			X
	Water treatment operator		X	X			X
	Sewage treatment operator		X	X			X
	Landfill operator		X	X			X
	Power plant operator	X		X			X
	Water delivery service operator	X		X			X
Justice	Court worker	X		X			X
	JP		X	X			X

**Notes and Comments:**

1. The RRDC is currently conducting an organizational review, including an analysis of capacity development and training needs.
2. The Yukon Environmental and Socio-economic Assessment Board has also provided some training for the community position.

**Service Agreements*****Existing Service Agreements***

<b>Service provided via agreement</b>	<b>Service provider</b>	<b>Current end date</b>	<b>Cost of service</b>	<b>Rate service (good, fair, bad)</b>	<b>Will it be renewed ?</b>
Road maintenance in all parts of Ross River	YTG Highways				
Water delivery	Private contractor using YTG truck				
Sewage truck	RRDC provides service to own housing				
	Private contractor provides service to Yukon Housing and others				
Garbage disposal	RRDC provides weekly pickup for its citizens				
	Yukon Housing uses private contractor to provide service				
Day care	Private non-profit leases space in community centre				

**Priority Setting and Infrastructure Priorities**

A very broad range of community goals and objectives were developed throughout the consultation process for both the economic strategy and the integrated community sustainability plan. The table below lists the #1 priority projects. Top priority projects were defined as those the Ross River Dena Council and/or the community as a whole should begin immediately.

<b>Category</b>	<b>Project Name</b>	<b>Potential Resources or Cost Sharing</b>	<b>Related Projects or Programs</b>	<b>Value in Advancing Sustainability Principles</b>
Infrastructure	Build a Cultural centre/Visitor reception centre	Federal & territorial governments	Traditional knowledge, & regional tourism development	Enhances community's cultural identity and creates economic opportunity.
Infrastructure	Build administration building	Federal & territorial governments, LAC, other agencies		Infrastructure that meets basic needs and creates economic opportunity.
Infrastructure	Build sufficient housing	Federal government	Community health	Infrastructure that meets basic needs and creates economic opportunity.
Capacity building	Create a local Ross River government	Territorial government	Community spirit & economic development	Assists in building a self-reliant, united community.
Infrastructure	Install a community-wide water and sewer system	Federal & territorial governments	Community, environmental health, & economic development	Infrastructure that meets basic needs and creates economic opportunity. Also reduces negative environmental impacts and reduces health risks.
Capacity building	Work toward a high level of education for RRDC citizens Develop a better community spirit	Territorial government	Long-term economic development  Overall community development	Single most important component of successful long-term sustainable economic development. Assists in building a self-reliant, united community.
Health services	Eliminate substance abuse	Federal & territorial governments	Community spirit & economic	Enhances individual and community health.

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Cultural services	Preserve and enhance traditional values and knowledge	Federal & territorial governments	development Cultural centre, artist development	Enhances community's cultural identity
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### **Cooperation between Governments**

Currently, there is only one level of government in Ross River — the Ross River Dena Council. However, there is an active effort underway to form a local government for the community that will represent the interests of all members of the community. It is envisioned that this local government will begin as a Local Advisory Council with guaranteed representation from both the First Nation community and the non-First Nation community. The RRDC is actively supporting this effort and is committed to working closely with the Local Advisory Council once it is formed.

### **Consultation Process**

The consultation process for developing the Ross River Dena Council Integrated Community Sustainability Plan included 5 community meetings:

- ◆ November 23, 2005 in Whitehorse (initial discussion with RRDC staff and councillors)
- ◆ December 12, 2005 in Ross River
- ◆ January 16, 2006 in Ross River
- ◆ March 13, 2006 in Ross River
- ◆ March 14, 2006 in Ross River

All of these meetings also involved discussions and community input on the economic development strategy for Ross River that was being developed simultaneously with the ICSP, however, the March 13<sup>th</sup> and March 14<sup>th</sup> meetings were advertised as being specifically related to the development of the Integrated Community Sustainability Plan.

All of the public meetings (except November 23, 2005) were advertised in Ross River through posters on all public notice boards and by an active word-of-mouth effort.

The series of meetings allowed for community members to provide feedback at each meeting as the planning process progressed. In addition, paper copies of all presentations and background material were made available at each meeting and written responses or feedback was requested.

In addition to the public meetings noted above, a number of meetings of Chief and Council were held to discuss both the economic development strategy and the Integrated Community Sustainability Plan.

A number of Ross River business owner/operators took an active part in the consultation process including:

1. Clifford McLeod
2. Brian Hemsley
3. Blake MacDonald

Overall, the level of response to the community consultation was good. Most of those participating did so throughout the process and provided ongoing feedback.

