



**2017 PRE-BUDGET SUBMISSION
TO THE HOUSE OF COMMONS
STANDING COMMITTEE ON FINANCE**

AUGUST 5, 2016

Executive Summary

The Assembly of First Nations (AFN) continues to lead the campaign on action to address the unacceptable and disproportionate rates of child poverty affecting First Nations on and off reserves and the unacceptable and persistent gap in most indicators of well-being between First Nation citizens and other Canadians.

The significant investments made by Canada in Budget 2016 in response to AFN's advocacy are understood to be a first installment toward *Closing the Gap* in the quality of life between First Nations and the rest of Canada.

The AFN has identified investments for Budget 2017 to ensure Canada addresses the long standing socio-economic gap that is a daily source of suffering for First Nations and a priority human rights challenge for Canada.

The Government of Canada has committed to implement the *United Nations Declaration on the Rights of Indigenous Peoples* (the UN Declaration) and all ninety-four (94) Calls to Action of the Truth and Reconciliation Commission. Article 43 of the UN Declaration provides: "The rights recognized herein constitute the minimum standards for the survival, dignity and well-being of the indigenous peoples of the world." Continued investments must be made for Canada to meet these minimum standards.

In July, 2016, the National Chief of the AFN and the Minister of Indigenous and Northern Affairs Canada (INAC) signed a Memorandum of Understanding (MOU) to launch work for a new Fiscal Relationship and a shared commitment to "sufficient, predictable and sustained funding to ensure the overall wellbeing of First Nations." This is a first step toward meeting commitments in the mandate letters of both the Minister of INAC and the Minister of Finance.

The AFN has led a campaign to eliminate the 2% cap for annual increases on programs and services to First Nations as an essential element of a new fiscal relationship. While the 2016-17 federal budget increased funds by more than 2%, the A-base funding that supports First Nation governments in providing core programs and services remains within the 2% limit. The Prime Minister's commitment to eliminate the 2% cap clearly requires action in the Supplementary Estimates in this fiscal year and ongoing investments starting with Budget 2017. In place since 1996, the AFN calculates that the 2% cap has resulted in a cumulative loss against inflation and population growth of \$30 billion.

There are several additional priorities requiring action in 2017, including: child welfare; housing and infrastructure; Indigenous languages recovery and revitalization, post-secondary education; and meeting Canada's obligations respecting Treaty and inherent rights. The urgency of addressing Indigenous languages and the discrimination in the child welfare services cannot be overstated. We also note there was no investment in post-secondary education in the 2016-17 budget. To address the existing backlog of unfunded

students ready for post-secondary studies and those entering the system, an annual investment of \$106 million is needed in each of the next three years. Ensuring that Canada is moving on Treaty implementation and overhauling the comprehensive claims and self-government policies requires investments and action consistent with First Nations priorities regarding Canada’s commitment to respect and recognize our Treaty and Inherent rights.

The investments required are presented by responsible Ministry in the chart below.

Department	Required Investments (in millions)			
	2017/18	2018/19	2019/20	Total
Indigenous and Northern Affairs	3,479.1	3,770.7	3,708.2	10,958
Health Canada ¹	67.3	67.3	67.3	201.9
Employment, Workforce Development & Labour	186.0	186.0	186.0	558.0
Canadian Heritage	153.4	153.4	153.4	460.2
Public Safety	50.5	50.5	50.5	151.5
Total	3,936.3	4,227.9	4,165.4	12,329.6

Indigenous and Northern Affairs Canada

In each of his mandate letters to incoming Ministers, the Prime Minister said that, “No relationship is more important to me and to Canada than the one with Indigenous Peoples. It is time for a renewed, nation-to-nation relationship with Indigenous Peoples, based on recognition of rights, respect, co-operation, and partnership.”

It is evident that the Minister of Indigenous and Northern Affairs Canada bears more responsibility than most for renewing the relationship with First Nations. The mandate letter goes on to specify a number of means through which that goal is to be pursued, including:

- Implementing the recommendations of the Truth and Reconciliation Commission, starting with the implementation of the *United Nations Declaration on the Rights of Indigenous Peoples*.
- Undertaking a review of laws, policies, and operational practices to ensure that the Crown is fully executing its consultation and accommodation obligations, in accordance with its constitutional and international human rights obligations, including Aboriginal and Treaty rights.
- Making significant new investments in First Nations education to ensure that First Nations children on reserve receive a quality education while respecting the principle of First Nations control of First Nations education.

¹ This figure presumes separate and significant investments under the Health Accord.

- Ensuring that environmental assessment legislation is amended to enhance the consultation, engagement and participatory capacity of Indigenous peoples in reviewing and monitoring major resource development projects.
- Improving essential physical infrastructure for Indigenous communities including improving housing outcomes for Indigenous Peoples.
- Ensuring that no one fleeing domestic violence is left without a place to turn by growing and maintaining Canada's network of shelters and transition houses.
- Promoting economic development and creating jobs for Indigenous Peoples.

Investment by Indigenous and Northern Affairs Canada		2017/18	2018/19	2019/20	Total
Economic Development	First Nations economic program infrastructure	447.2	447.2	447.2	1341.6
Economic Development	First Nations participation in the Canadian economy	130.0	130.0	130.0	390.0
Education: K-12	Immediate Investment (for FN schools)	374.4	321.9	264.7	961.0
	National Process for Education K-12 Partnership	1.5	0.0	0.0	1.5
Education: Systems	Implementation	28.8	28.8	28.9	86.5
	Language Immersion Programming K-12	245.0	254.0	263.3	762.3
Education: PSE	Post-Secondary Student Support Program	106.0	106.0	106.0	318.0
Social	Child Welfare	101.0	73.0	45.0	219.0
Recreational	Cultural & Recreational Programming (incl. Sport, Physical Activity and Rec)	123.6	173.1	180.9	477.6
Violence Against Women	Family Violence Prevention - Shelters Renovation, Construction, O&M	6.5	3.9	7.4	17.8
Housing, Water & Infrastructure	Housing	523.0	800.0	800.0	2,123.0
	Enhanced FNWWAP to eliminate Drinking water Advisories	148.0	76.0	76.0	300.0
	All season roads	790.0	790.0	790.0	2,370.0
	Enhanced First Nation Infrastructure Fund (5% Green Infrastructure)		85.0	85.0	170.0
	Return of previous CFMP allocated funds (\$505 million over 6 years)	125.0	125.0	125.0	375.0
Climate & Environment	Climate resilient infrastructure	60.4	85.8	85.8	232
	Clean energy – reduce dependence on fossil fuels	194.7	200.0	200.0	594.7
Treaty Implementation	Renewed Treaty relationship (Treaty implementation), and funding to First	20.0	20.0	20.0	60.0

and Rights Recognition	Nations to participate in joint review of comprehensive claims and “self-government” policies and processes				
Specific Claims	Research, Claims Tribunal and Legal Support	21.0	21.0	20.0	62.0
Additions to Reserve	Transition to new policy	3.0			3.0
Relationship	New Relationship Funding	30.0	30.0	30.0	90.0
Total		3,479.1	3,770.7	3,708.2	10,955

Health Canada

For Health Canada, the Prime Minister’s mandate letter instructed the Minister to “Engage provinces and territories in the development of a new multi-year Health Accord. This accord should include a long term funding agreement.” In the spirit of building the nation to nation relationship also mentioned in the mandate letter, the Minister of Health has signaled her willingness to include First Nations in the development of a new Health Accord. The AFN is making a submission on First Nations health investments as part of the Health Accord negotiations. The First Nations and Inuit Health Branch (FNIHB) has committed that the AFN submission would guide investments for First Nations health in the Health Accord and future investments via FNIHB. Meanwhile, there are investments in mental wellness required.

Improving mental wellness outcomes for First Nations requires the full and meaningful implementation of the First Nations Mental Wellness Continuum Framework (FNMWCF). In line with the FNMWCF there are a number of specific investments that are “shovel ready”. These build off of the important investments in mental wellness (\$69 million/3 years) announced by Prime Minister Trudeau in June, 2016.

Measures that **will provide immediate relief** to communities in crisis utilizing current mental wellness programs and authorities include:

Investments by Health Canada	2017/18	2018/19	2019/20	Total
Supports for Comprehensive Community Planning	10.0	10.0	10.0	30.0
Mental Wellness Teams (to reach all Communities)	19.0	19.0	19.0	57.0
Crisis Response Teams (via expansion of the National Aboriginal Youth Suicide Prevention Strategy)	15.0	15.0	15.0	45.0
Capital to ensure safety and maintenance of National Native Alcohol and Drug Abuse Program treatment centres	23.3	23.3	23.3	69.9
Total	67.3	67.3	67.3	201.9

Employment, Workforce Development and Labour Canada

The Minister of Employment, Workforce Development and Labour has been mandated to “promote economic development and create jobs for Indigenous Peoples.” A key aspect of this goal is investment in the Aboriginal Skills and Employment Training Strategy. Investment of \$645 million over five years is needed to support First Nation training and employment. First Nations employment and skill development institutions are critical to coordinating, building upon, and advancing opportunities to provide business support and skills training to First Nation citizens. It is recommended that the investment go to two federal programs: the Aboriginal Skills and Employment Training Strategy (ASETS) program, and the Skills and Partnership Fund (SPF). Funding for these programs has remained stagnant since 1996.

The participation of First Nation communities and individuals is critical for productivity gains in Canada’s economy, from closing the growing labour gap to supporting participation in the economy and labour force. This investment would directly benefit more than 400,000 First Nation citizens aged 25 and under and their families.

Investments by Employment, Workforce Development and Labour Canada	2017/18	2018/19	2019/20	Total
Aboriginal Skills and Employment Training Strategy	136.0	136.0	136.0	408.0
Skills Partnership Fund	50.0	50.0	50.0	150.0
Total	186.0	186.0	186.0	558.0

Other Federal Departments

In other departments, Ministers were instructed to work with the Minister of Indigenous and Northern Affairs to achieve specific goals.

For example, the Minister of Canadian Heritage was directed to “provide new funding to promote, preserve and enhance Indigenous languages and cultures.” The UN Declaration, the Calls to Action of the Truth and Reconciliation Commission and the recent report of the United Nations Permanent Forum on Indigenous Issues, all reference the need to invest in community language revitalization and adult language revitalization. AFN submits that an investment of \$73.3 million annually would go a long way toward meeting that goal, while an additional investment of \$80 million annually would reflect, proportionately, the investments made under Canada’s official languages policy.

Similarly, the AFN submits that an investment by the Minister of Public Safety in the amount of \$50.5 million annually in policing by First Nations police forces on reserve is essential for acting on his mandate toward a new relationship with First Nations and safer reserve communities.

Investments by Canadian Heritage	2017/18	2018/19	2019/20	Total
Community language revitalization	58.4	58.4	58.4	175.2
Adult language revitalization	15.0	15.0	15.0	45.0
Language maintenance and dissemination	80.0	80.0	80.0	240
Total	153.4	153.4	153.4	460.2

Investments by Public Safety Canada	2017/18	2018/19	2019/20	Total
First Nations Policing	50.5	50.5	50.5	151.5
Total	50.5	50.5	50.5	151.5

Conclusion

After decades of inaction and neglect, the Government of Canada has declared its willingness to act on its obligations to respect the Treaty, Inherent and human rights of First Nations through concrete action and significant investments. Existing needs have not been met and, in fact, continue to grow. The investments outlined here will go some of the way toward repairing the \$30 billion in damage done by the imposition of a 2% cap on funding over the past twenty (20) years, though it will not meet the entirety of that need, nor redress the disadvantages experienced by First Nations prior to 1996. Nonetheless, a fulsome response to this submission would go a long way to demonstrate Canada's willingness to truly reset the relationship.

Government of Canada Summary of Investments

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