

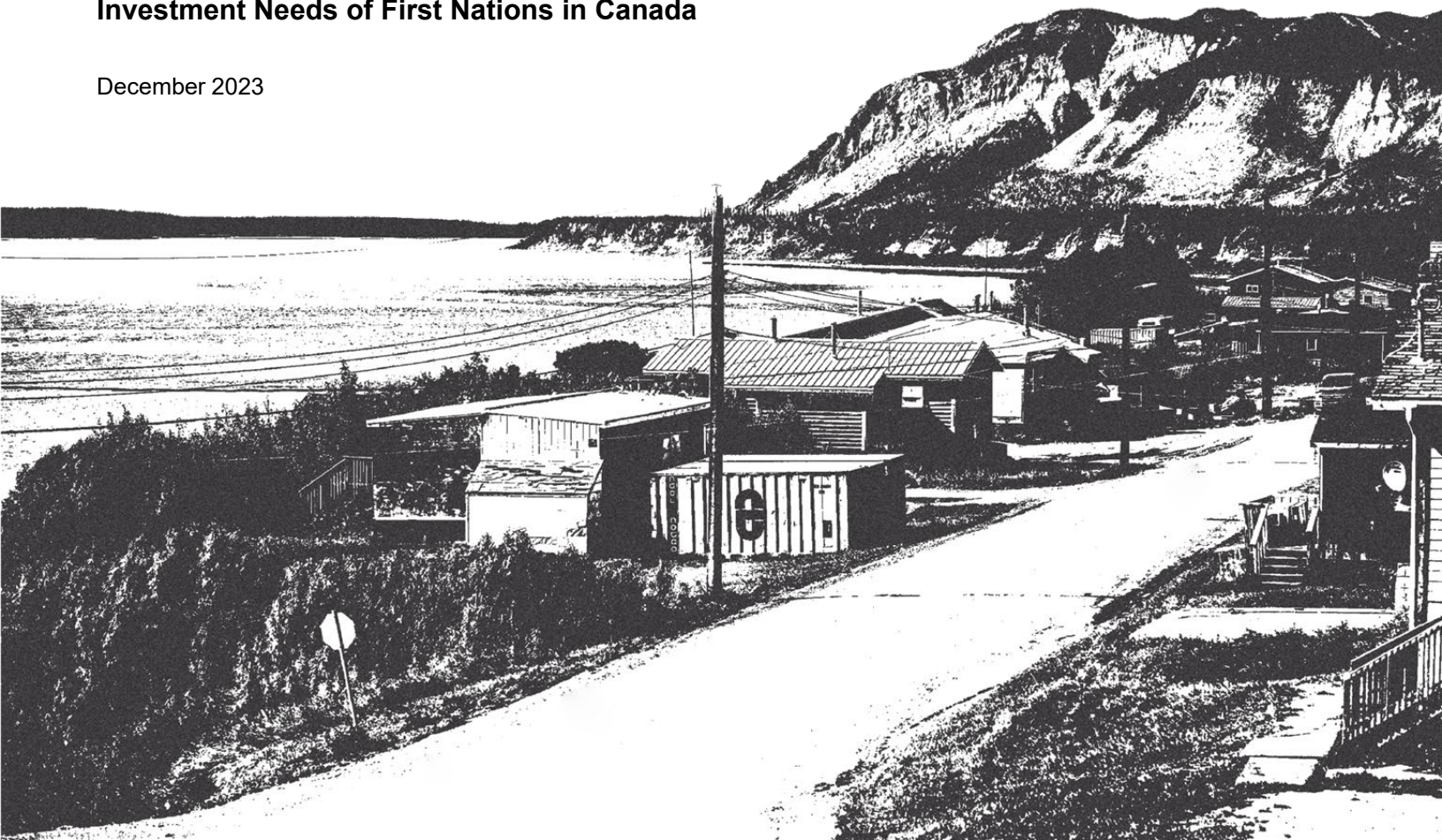


SUMMARY DOCUMENT

Closing the Infrastructure Gap by 2030

**A Collaborative and Comprehensive
Cost Estimate Identifying the Infrastructure
Investment Needs of First Nations in Canada**

December 2023



OVERVIEW

Executive Summary – “Closing the Gap”	2
Proposal Description	3
Costing	5
Regional Impacts	6
Unlocking Economic Benefits for Canada	8
Investment Needs by Asset Category	9
Investment Comparisons	19
Implementation	23
Next Steps	27

Special Contributions

The information prepared in the report was produced by a multidisciplinary team led by the Assembly of First Nations with support from Indigenous Services Canada. We would like to acknowledge the contributions of the First Nations Engineering Services, BTY Group, Associated Engineering, Planetworks Consulting, and Yalleedesigns for their contributions to the development of the information and reports associated with this presentation.





Closing the Infrastructure Gap by 2030: A Government of Canada Mandate

The First AFN-led Cost Report Identifying the Investments Required For Economic Reconciliation While Aligning With Federal Commitments on Climate Change Adaptation, Net-Zero Goals, Digital Connectivity, and More.

These Investments Will Unlock First Nation Economic Capacity and Boost the non-Indigenous Canadian Business Sector.

An AFN-led Collaborative and Historic Effort to Quantify the Infrastructure and Housing Gap. Co-developed by the Assembly of First Nations and Indigenous Services Canada

Supported by Industry Experts and data from First Nations Across Canada.



The baseline need to “Close the Gap” is: \$349.2 billion

This includes:

- \$135.1 billion for housing
- \$5.2 billion for digital connectivity, and
- \$208.9 billion for infrastructure

The “Gap” and its costs will only increase if no action is taken.

2023	2024	2025	2026	2027	2028	2029	+2030
\$25.1B	\$39.0B	\$53.7B	\$55.3B	\$57.0B	\$58.7B	\$60.4B	Total \$349.2B



Advances First Nations’ socioeconomic outcomes by having the Government of Canada fulfill its existing fiduciary, legal, and public commitments to First Nations.



Funding to build First Nation housing and address the current homelessness and overcrowding crisis. This housing initiative also accounts for First Nations who want to move back to their community.



Developed with the participation of 401 First Nations across Canada.



Creates economic opportunities for First Nations and non-Indigenous workers and businesses by:

- Boosting the GDP by up to \$523.8 billion
- Creating 150,000+ jobs each year
- Building the necessary community infrastructure to enable First Nation economic development



A collaborative action plan to solve modern-day challenges faced by First Nations, such as the 457 First Nation communities who still lack adequate access to high-speed internet.



(see page 22 for complete year-to-year expenditure charts)

PROPOSAL DESCRIPTION

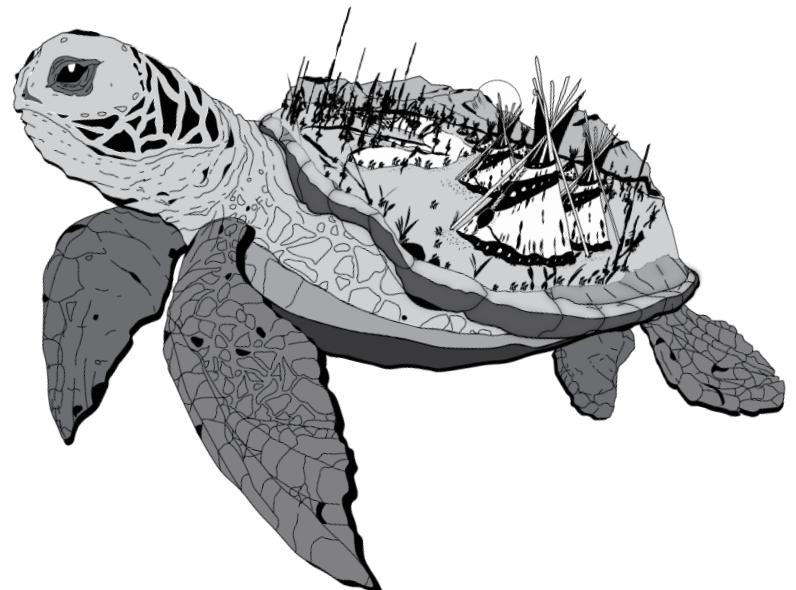
HOW WAS DATA GATHERED AND HOW DID WE GET TO THE FINAL COSTS?

Based on years of AFN technical studies, First Nations engagements, and decades of ISC records, including:

- AFN Housing Report: Cost Analysis of Current Housing Gaps and Future Housing Needs in First Nations
- AFN Infrastructure: National First Nations Assets Needs Study
- AFN Education: First Nations Education Infrastructure Capital Needs Assessment
- AFN Education: First Nations Education Infrastructure Operation and Maintenance Needs Assessment
- ISC-led initiative with 401 First Nations Direct Asks
- AFN selected industry experts to complete specific studies on missing elements and perform peer-reviews

WHAT DIFFERENTIATES THIS STUDY FROM ANY OTHER STUDIES?

- Costs incorporate Capital Costs and Operations & Maintenance Costs to “Close the Infrastructure Gap (CTIG).”
- Costing methodology incorporates:
 - Regional Factors
 - Zonal Factors (G1 Urban Area, G2 Rural Area, G3 Remote Area, G4 Special Access Area)
 - Contingencies (Design, Construction, Escalation)
 - First Nations Critical Direct Asks
 - **Aligned with federal commitments:**
 - UNDRIP Action Plan
 - Canada's Climate Change Adaptation Plan
 - Canada's Broadband Connectivity Plan
 - Canada's Net Zero Plan
 - Canada Health Act and Accessibility



PROPOSAL DESCRIPTION

WHAT REPORT RECOMMENDATIONS WERE MADE TO CLOSE THE GAP?

Based on years of AFN technical studies, First Nations engagements, and decades of ISC records, including:

- Move away from a federal year-to-year, pay-as-you-go, approach to funding First Nations
- Reform tendering policies and processes tied to funding First Nation projects
- Promote a First Nations Asset Management Framework and fund capacity building programs
- Transition community infrastructure planning, development, and operations control to First Nations with long-term sustainable funding
- Make improvements to already-in-place financial supports and renew expiring successful programs
- Look at innovative policy reform and co-develop Ministerial Recommendations for a First Nation Reconciliation Fund; and/or First Nation Infrastructure Bank; via Memorandum to Cabinet with Indigenous Services Canada

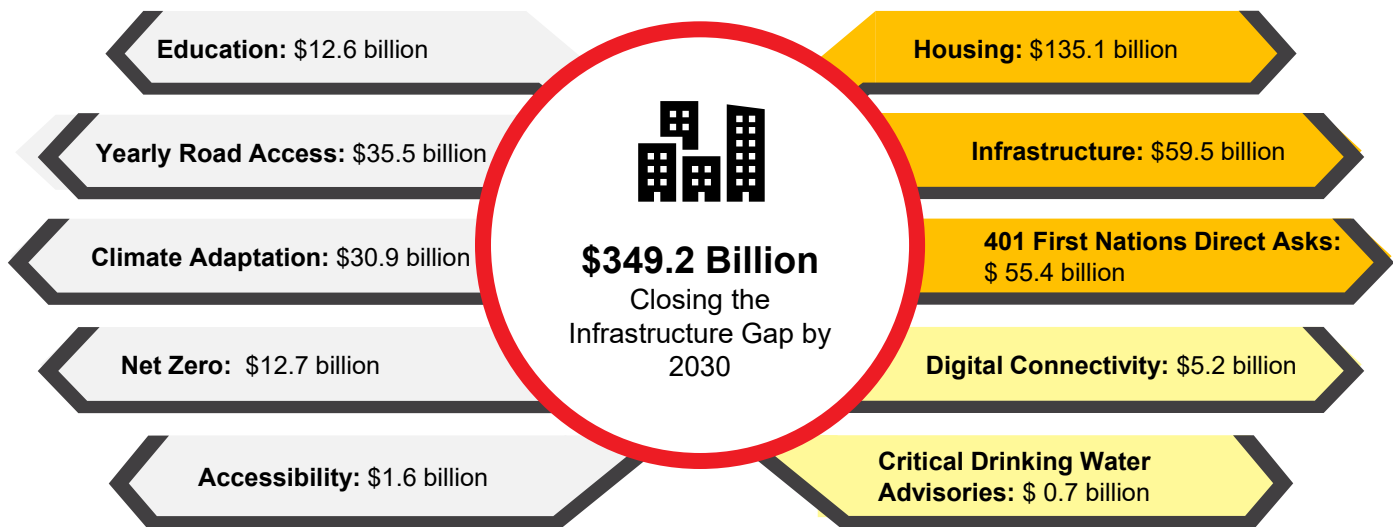
WHAT IS THE GAP AND WHY DO WE NEED TO CLOSE IT?

- Canada's federal government has a legal and fiduciary responsibility to First Nations people and has benefited greatly from the wealth generated by First Nation Traditional Territories
- The last large investment in infrastructure was in the 1990s and was insufficient for the needs of First Nations
- **Access water:** Over 31 First Nations have drinking water advisory issues and numerous First Nations lack sufficient water pressure which prevents their economic development potential (i.e., cannot support fire hydrants or fire sprinkler systems)
- **Emergency facilities:** First Nation and Indigenous children are 86 times more likely to die in a fire
- **Social service facilities:** 53.8% of children in public care are First Nation or Indigenous
- **Education facilities:** Only 48% of First Nations in their early 20s on reserve had high school graduation & only 10% of First Nations in another study had a bachelor's degree
- **Care home facilities:** First Nation seniors travel hundreds of kilometers away from their homes and families
- **Housing:** Prairie regions report 68% of shelter users are First Nation or Indigenous
- **The Penal System:** First Nation and Indigenous young girls' make-up 62% of the youths in custody
- **Depression and mental health:** First Nation suicide and overdose rates are 3-6x & 5-9x higher respectively
- **AN UNDERLYING CAUSE — LACK OF COMMUNITY INFRASTRUCTURE AND PROPER HOUSING**

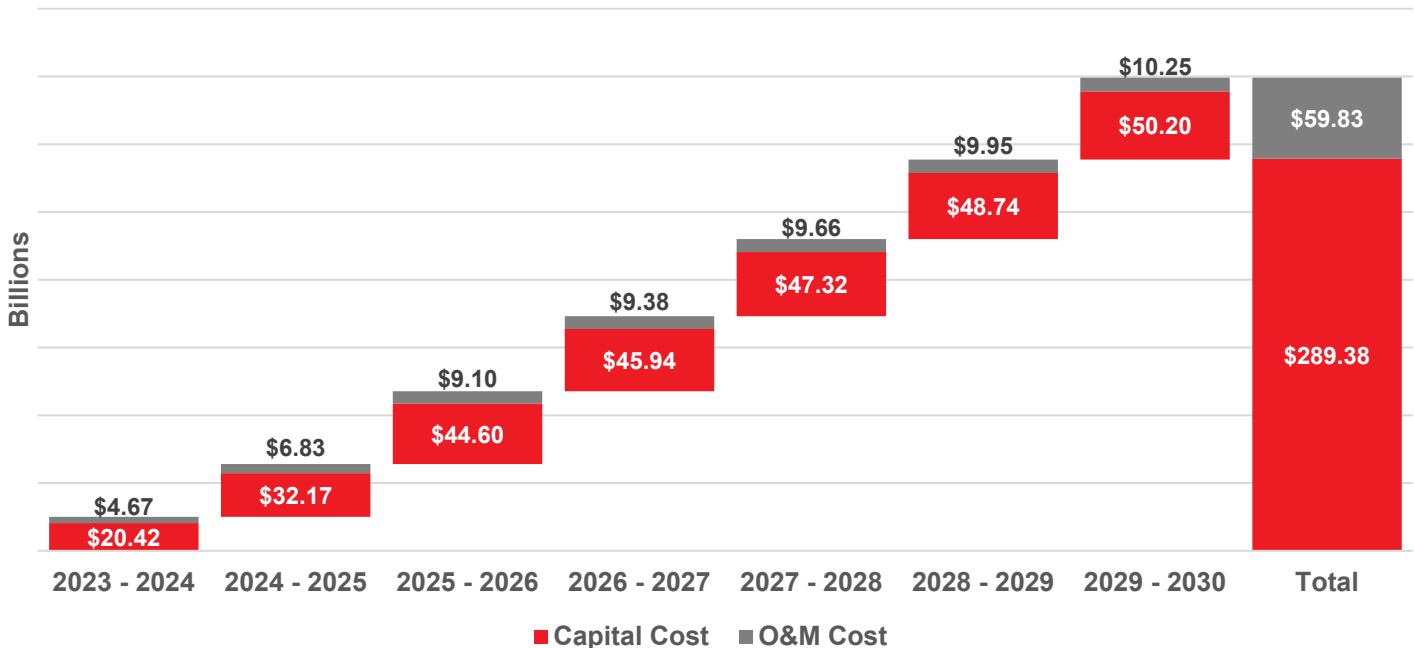
COSTING TO CLOSE THE GAP BY 2030

The federal government investments called for in this proposal are supported by a fully substantiated cost report which draws from a significant pool of data from AFN technical studies, First Nations engagement reports, decades worth of archived information from ISC, and direct information from First Nations.

The following charts summarize the funding requirements for the fiscal years 2023-2024 to 2029-2030 to satisfy the time requirements of the Government of Canada's "Closing the Infrastructure Gap by 2030" mandate.



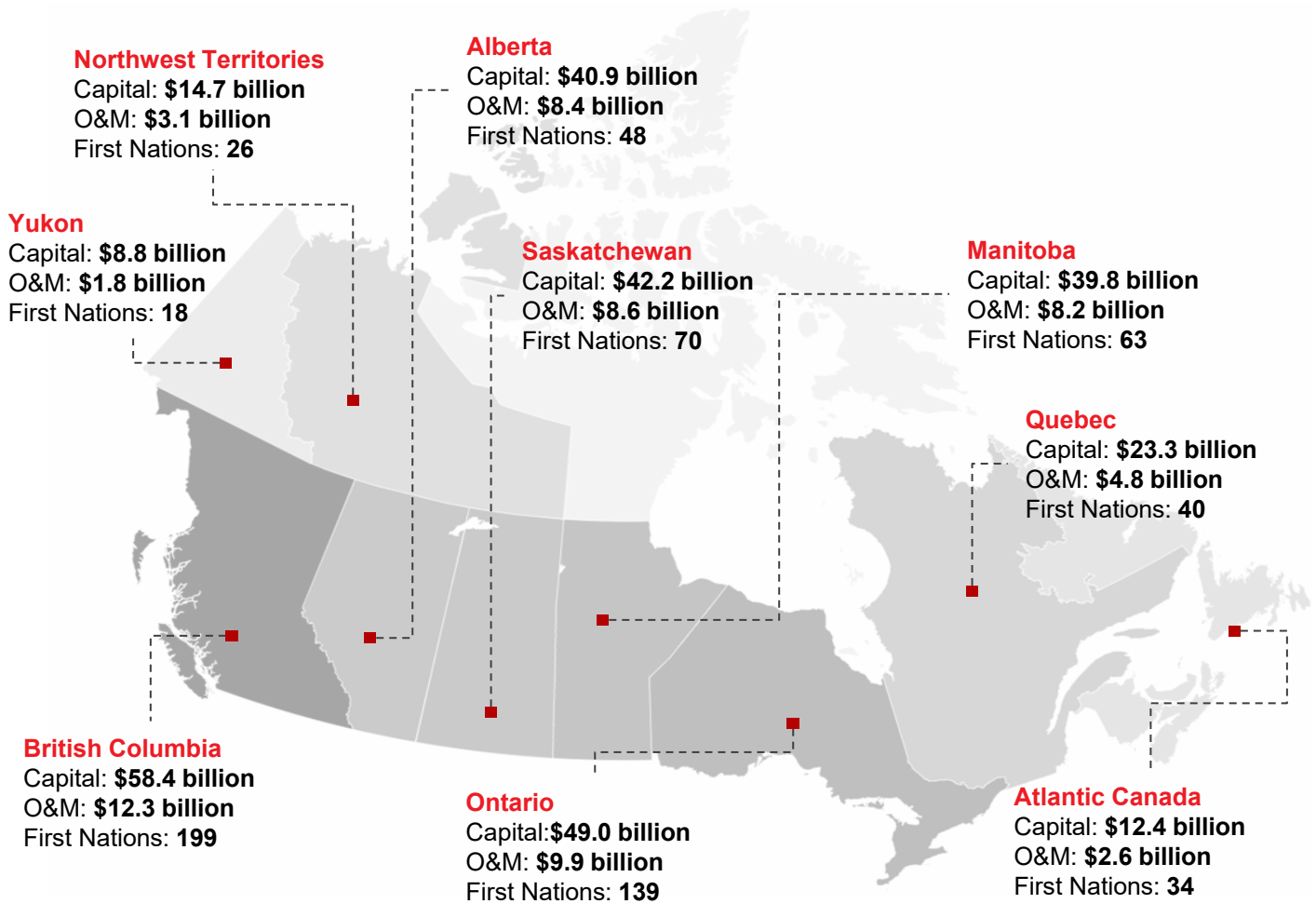
Closing the Infrastructure Gap by 2030 Annual Breakdown



REGIONAL IMPACTS FOR 2030

The scale of this proposal has impacts for First Nations across Canada and all regional economies.

The map below outlines proposed CTIG 2030 investment by Canadian regions. The allocation includes investment needs for developing infrastructure, housing, education facilities, Direct Asks to ISC from First Nations, addressing Drinking Water Advisories operational issues, providing All-Season Roads Access, Climate Change Adaptation, Net Zero Measures, Broadband Connectivity, and Accessibility needs – and more.

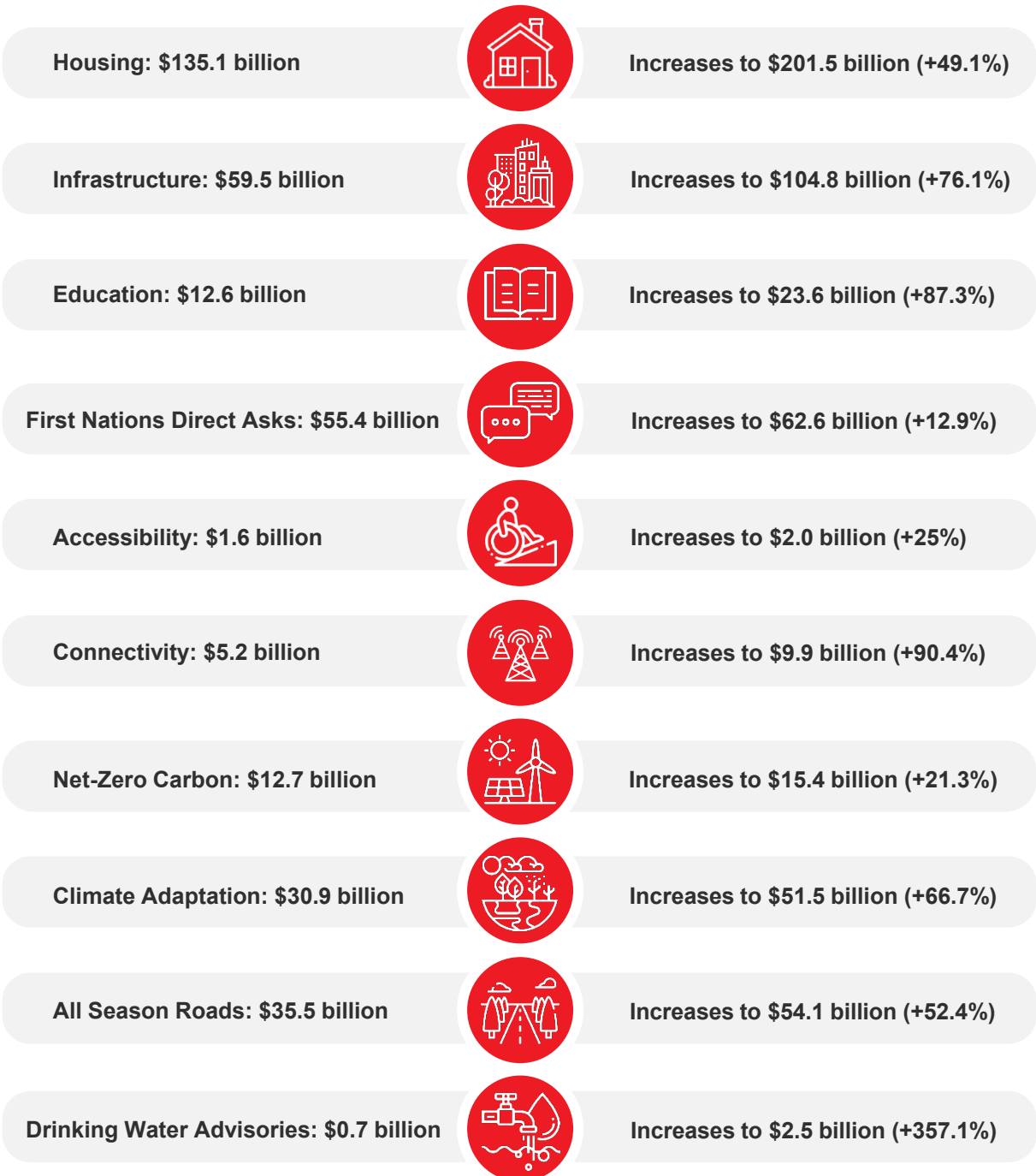


CTIG 2030 Program
\$349.2 billion

**Closing the
Infrastructure Gap**

CTIG Extended to 2040
\$527.9 billion (+51.17%)

The Cost of Inaction



The Government of Canada’s 2023 Federal Budget and Fall Economic Statement made no investments towards its public commitments to “Closing the Infrastructure Gap.” Experts estimate that due to Government of Canada inaction, the timeline to close “The Gap” is expected to be delayed to the year 2040 — that is 16 more years of inadequate access to infrastructure, housing, and digital connectivity — basic essential services enjoyed by Canadians each day.

REGIONAL IMPACTS CONTINUED

CALCULATING THE ESTIMATED REGIONAL NEEDS

1. Infrastructure and housing needs based on allocations in the AFN Studies
2. Regional submissions according to assets from the 401 First Nations
3. Investment need by First Nation population in each region
4. Investment need by number of First Nation communities in each region
5. Investment need by number of First Nation communities in zone 3-4
6. Northern supply chain cost factors for Yukon and Northwest Territories
7. Then general infographic mapping based on publicly available data for informational purposes of the readers

NUMBER OF COMMUNITIES PER REGION BY ZONE TYPE

Region	First Nations Population On-Reserve	Zone 1 Communities	Zone 2 Communities	Zone 3 Communities	Zone 4 Communities	Subtotals
Atlantic	21,625	22	11	0	1	34
Quebec	42,755	17	11	6	6	40
Ontario	59,390	45	60	1	33	139
Manitoba	65,030	5	39	0	19	63
Saskatchewan	56,525	10	55	2	3	70
Alberta	59,437	22	23	0	3	48
BC	87,500	79	78	11	31	199
Yukon	3,300	2	9	6	1	18
NWT	9,300	6	6	1	13	26
Totals	404,862	208	292	27	110	637

Information sourced from the Government of Canada database:

<https://open.canada.ca/data/en/dataset/b6567c5c-8339-4055-99fa-63f92114d9e4>

As of 2020, the Government of Canada recognized 619 First Nations in Canada, but there are 634 Registry Groups (First Nations) recognized by the Assembly of First Nations.

The table shown above has totals derived from publicly available community databases and the value of 637 First Nation communities is owed to factors listed below:

A registry group is an administrative term applied to a group of individuals on the Indian Register who have membership in a particular Indian Band or are descendants from members of that Band.

A Band usually relates to only one registry group except in the following 3 cases:

- Six Nations of the Grand River Band in the Ontario Region consists of 13 registry groups;
- Stoney Band in the Alberta Region consists of 3 registry groups; and
- The Champagne and Aishihik First Nations Band in the Yukon Region consists of 2 registry group.

UNLOCKING ECONOMIC BENEFITS FOR CANADA

According to the Statistics Canada (StatCan) Infrastructure Statistics Hub (ISH), infrastructure investment has measurable outcomes associated with adding value and creating jobs within the Canadian economy. Several definitions are provided to better interpret the data presented by the ISH:

- **Investment** means spending by businesses or governments during a given year for the purposes of construction of structures (airports, roads, etc.), purchases of equipment (locomotives, turbines, etc.) and improvements to existing facilities, all for future use in production during more than one year.
- **Value added** is a contribution of a given business, or government, or an entire industry to domestic production, adjusted to remove double counting. Gross domestic product is the sum of all value added in the economy.
- **Number of jobs** is the number of jobs as a result of the production of infrastructure assets.



In 2021, around \$70 billion worth of value was added to Canada's economy through \$94 billion worth of investment in infrastructure.



This means that the ratio of investment to GDP is roughly 1:0.74, or that for each dollar invested in infrastructure, GDP has the potential to increase by \$0.74.



In the same year, the \$94 billion investment supported 572,589 jobs. This translates to around 3% of employment across the country.



This means that in 2021, one job was created and sustained for every \$164,294 invested.



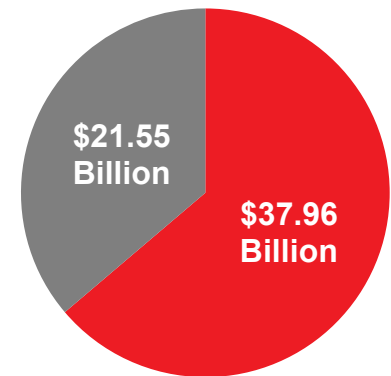
The CTIG investment amount of \$349.2 billion has the potential to create 2.1 million jobs related to the production of infrastructure assets.

The CTIG investment amount in 2022 – 2023 (\$25 billion) could have created approximately 150,000 jobs in that year alone.

INVESTMENT NEEDS BY ASSET CATEGORY

INFRASTRUCTURE BY 2030

- Based on the AFN's National First Nations Asset Needs Study, March 2022
- Defines the Capital and O&M investment for on-reserve assets for renewal, upgrades and population growth
- Assets include:

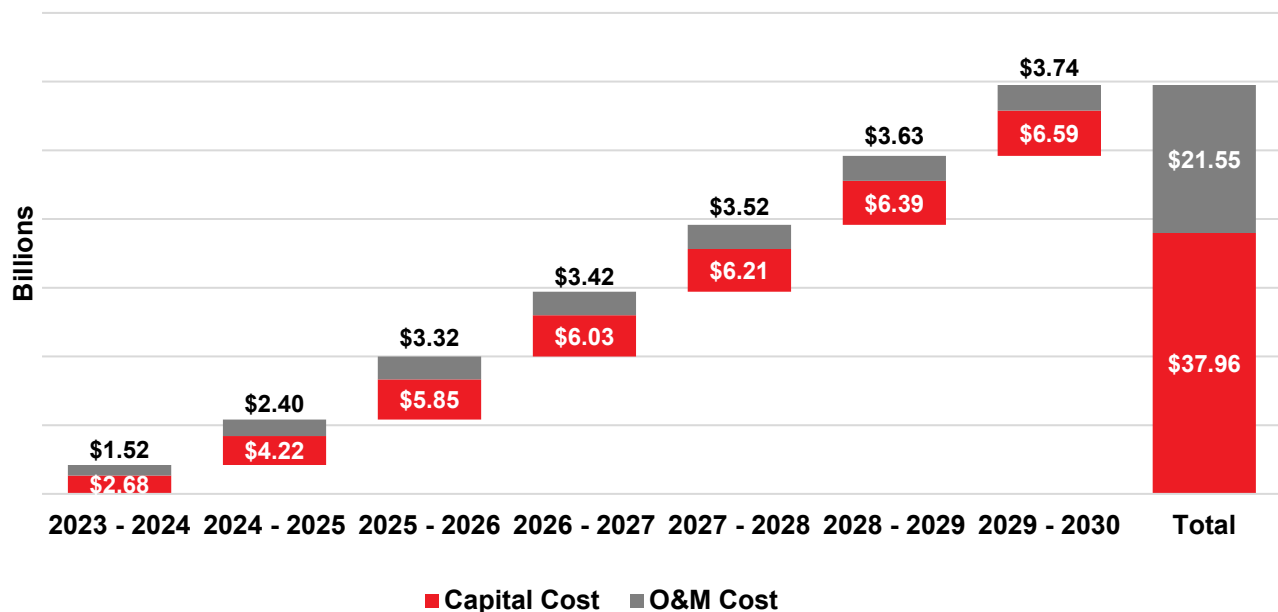


- Data from ISC's Asset Condition Reporting System
- Developed Capital Replacement Values
- Updated according to current dollar value trends
- Adjusted for regional and zonal factors
- Applied contingencies (design, construction, escalation)

Infrastructure Assets Needs

- Total Capital Cost
- Total O&M Cost

Infrastructure Assets Needs Annual Breakdown



INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

HOUSING BY 2030

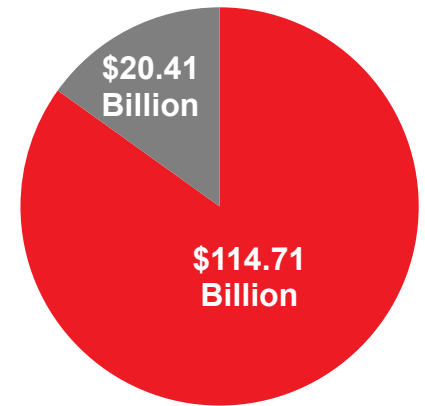
- Based on Housing report by Institute of Fiscal Studies and Democracy (IFSD) and used up-to-date market housing costs based on region and zone.
- First Nations are in urgent need of 157,453 new homes to address their housing crisis.
- Existing housing needs data focused on addressing overcrowding, on-reserve migration, unit replacement, servicing new lots, repair needs, and population growth.

Regional Factors

Region	Factor
British Columbia	1.00
Alberta	0.95
Saskatchewan	0.93
Manitoba	0.90
Ontario	1.05
Quebec	0.98
Atlantic Canada	0.93
The North (Yukon & NWT)	1.22

Adjustment Factors by Zone

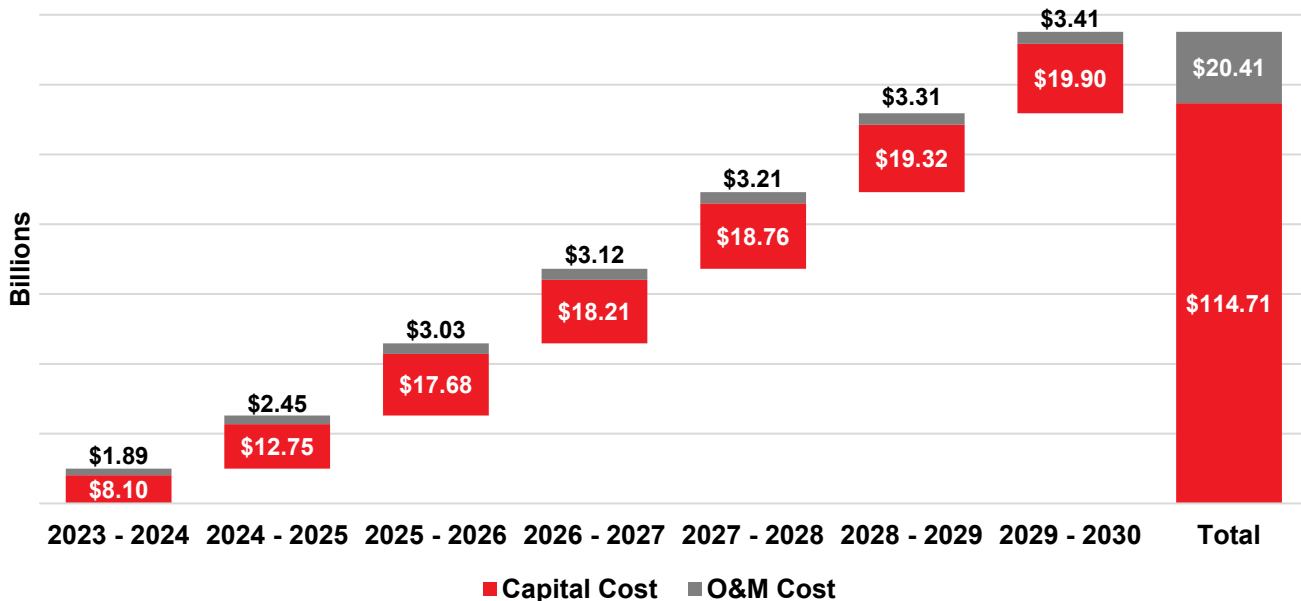
Zone	Capital Factor	O&M Factor
G1	1.00	1.00
G2	1.20	1.00
G3	1.60	1.60
G4	2.00	2.75



Housing Assets Needs

- Total Capital Cost
- Total O&M Cost

Housing Assets Needs Annual Breakdown

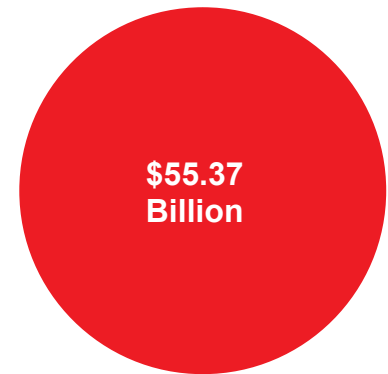


INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

FIRST NATIONS DIRECT ASKS BY 2030

- An Indigenous Services Canada-led Process
- Information provided directly by representatives from First Nations communities through ISC regional offices
- Direct Asks are documented by asset category and zone
- Asset categories include:

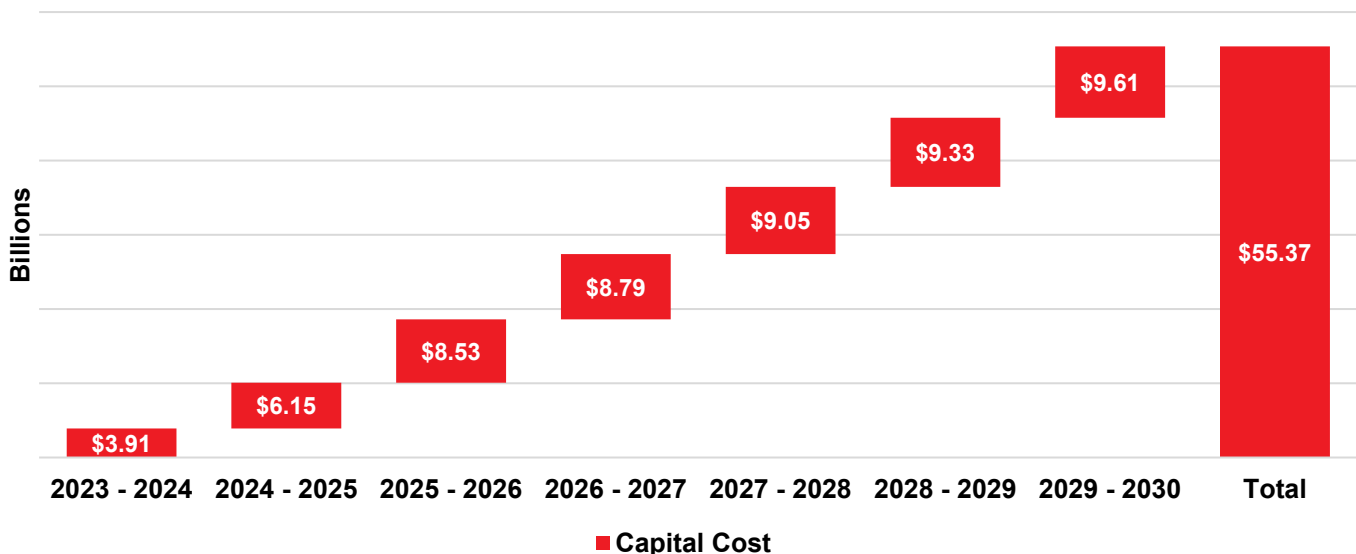
Community Accessibility Assets	Recreation Assets
Community Assets	Social Programs
Cultural Assets	Transportation Infrastructure
Economic Development	Water, Wastewater, and Utilities
Education and Training	Health
Electronic Connectivity	Housing
Emergency Services	Solid Waste and Recycling



**First Nations Direct Asks
Assets Needs**

■ Total Capital Cost

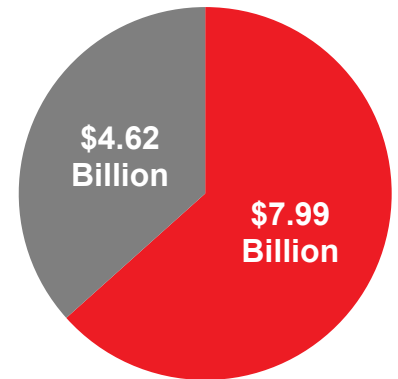
First Nations Direct Asks Assets Needs Annual Breakdown



INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

EDUCATION BY 2030

- Based on AFN's First Nations Education Infrastructure Capital Needs Assessment, August 2021; and AFN First Nations Education Infrastructure Operation and Maintenance Needs Assessment, January 2022.
- Updated to current dollar value trends.
- Includes investment needs organized under Planning & Design, Additions, and New Construction.
- Education assets include:



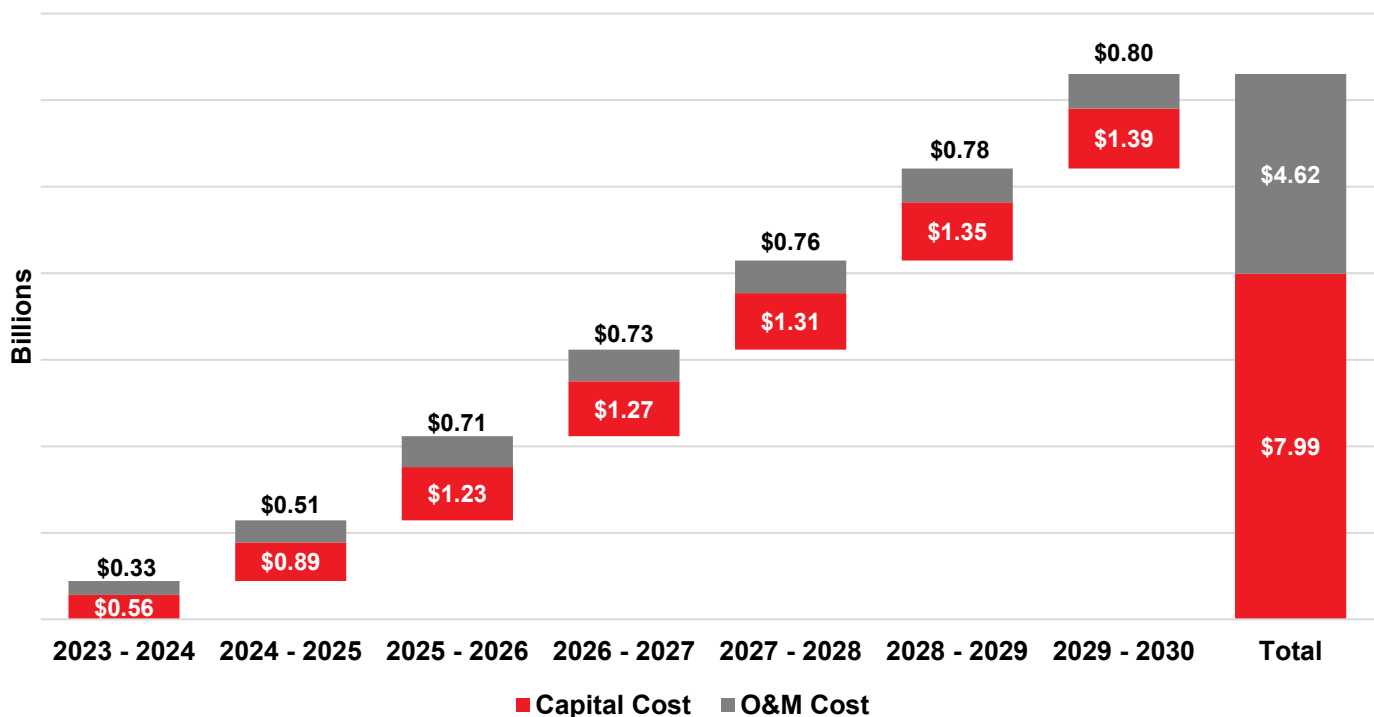
Schools
Including provision for outdoor learning

Teacherages
Including on-reserve accommodation for teaching staff

Education Assets Needs

- Total Capital Cost
- Total O&M Cost

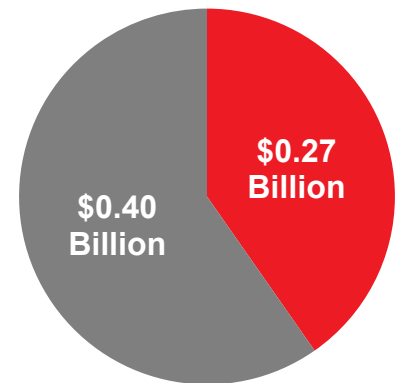
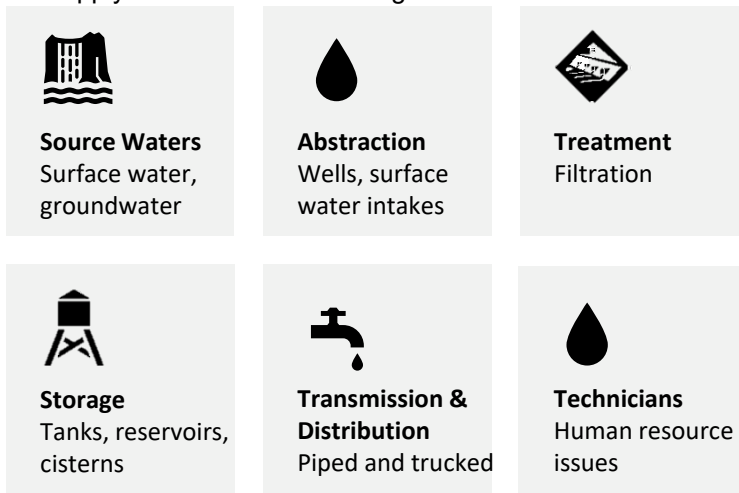
Education Assets Needs Annual Breakdown



INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

CRITICAL DRINKING WATER ADVISORIES BY 2030

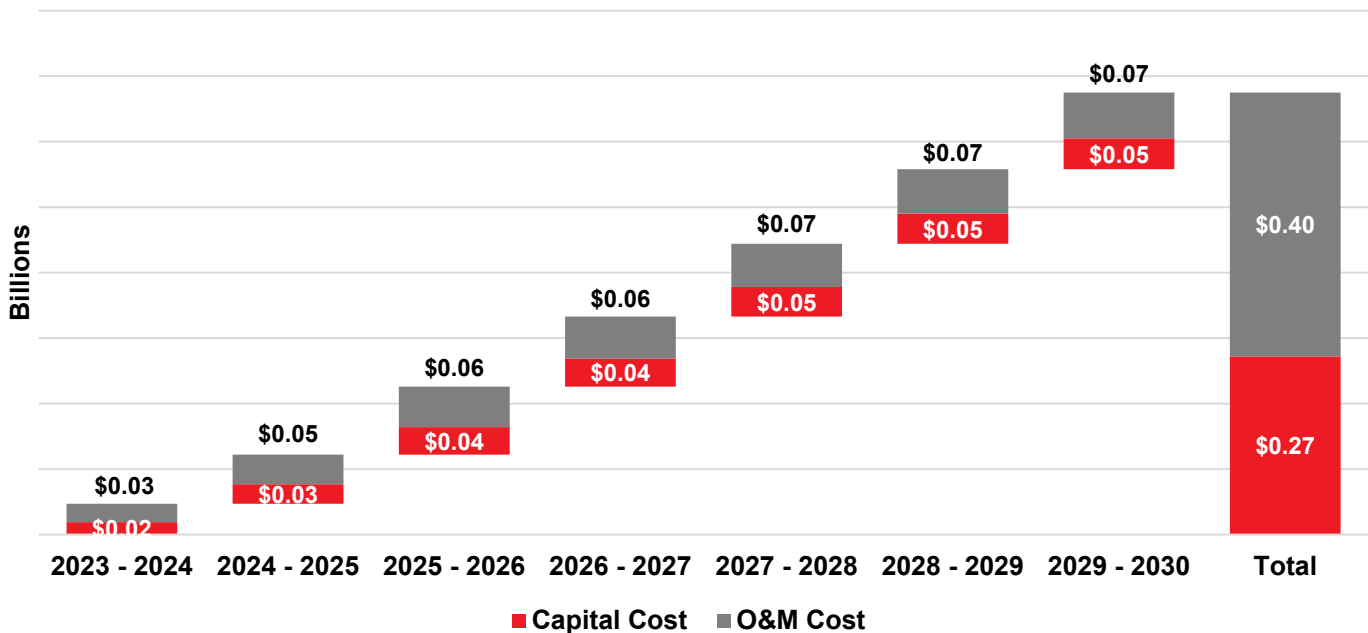
- Based on best-practice and sustainable solutions comprising Feasibility Studies, Project Development, Construction, Maintenance, Training & Support, Operations & Maintenance Deficiencies, in addition to water and wastewater funding in community infrastructure.
- Supply chain for clean drinking water involves:



Drinking Water Advisory Assets Needs

- Total Capital Cost
- Total O&M Cost

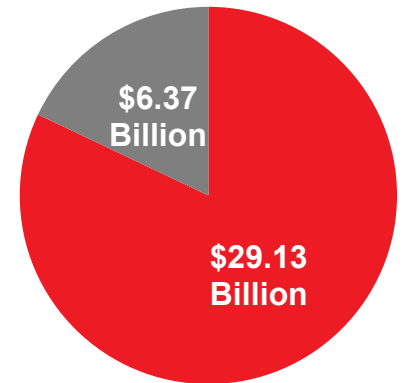
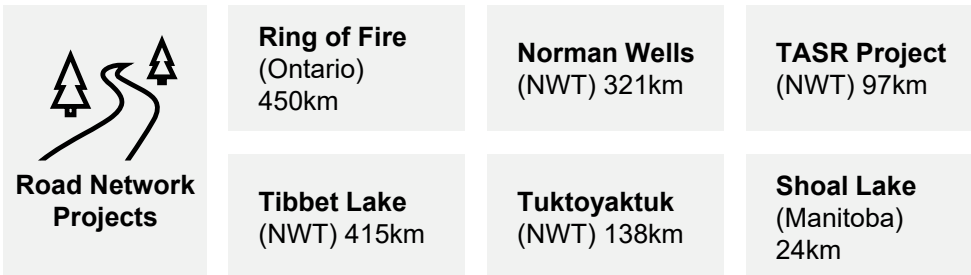
Drinking Water Advisory Assets Needs Annual Breakdown



INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

ALL SEASON ROADS ACCESS BY 2030

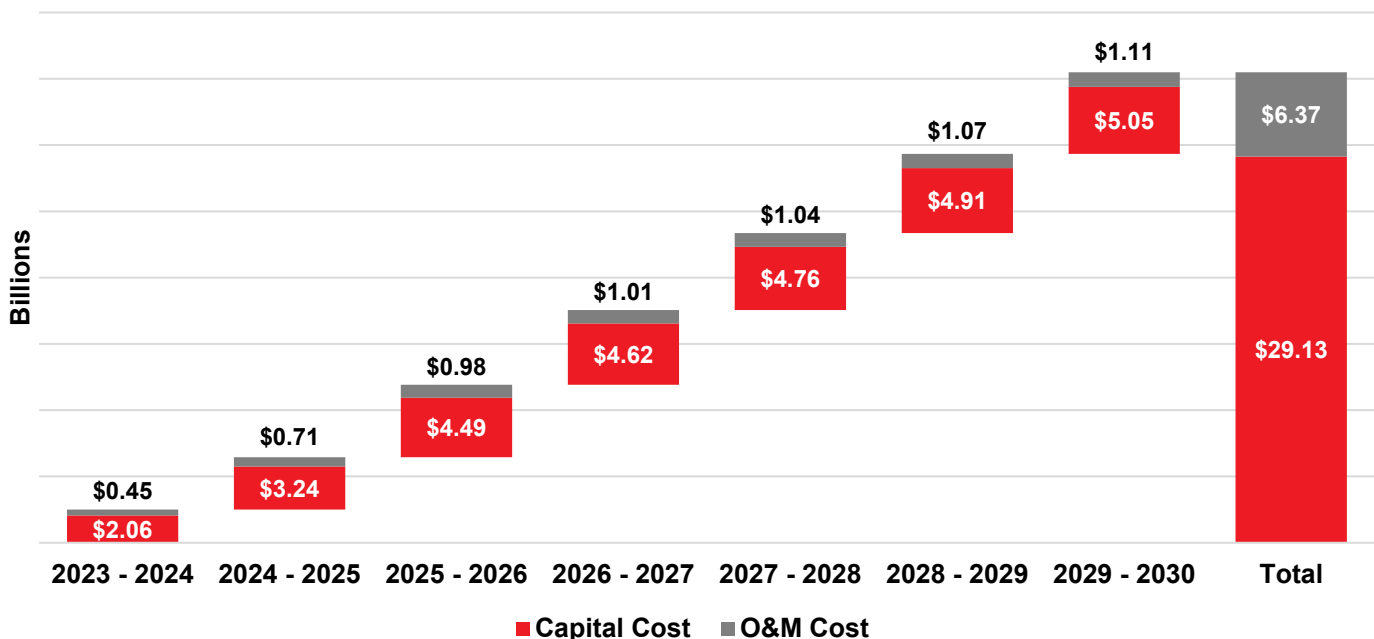
- Based on Associated Engineering’s All-Season Road Access for First Nations discussion paper dated November 2022.
- Explores the boundaries of Canada’s present Winter Road network impacting 67 First Nations reliant on ice-roads.
- References the proposed 1969 Mid-Canada Corridor boundary, as well as highlighting modern proposals to expand this boundary to meet needs of First Nations and improve Arctic sovereignty.
- Various road projects are proposed to improve the physical connectivity between First Nations, including:



All-Season Roads Assets Needs

■ Total Capital Cost
■ Total O&M Cost

All-Season Roads Assets Needs Annual Breakdown

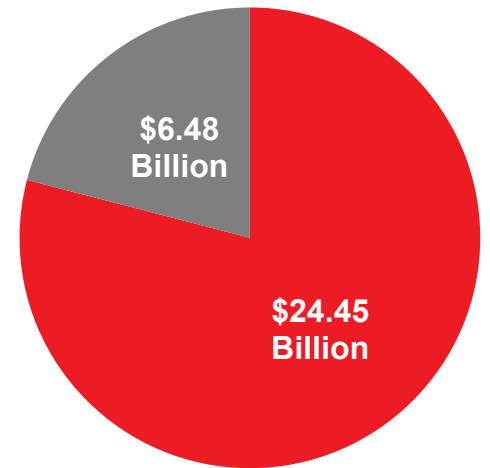


INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

CLIMATE CHANGE ADAPTATION BY 2030

- Based on information from Associated Engineering's Climate Adaptation discussion paper from October 2022.
- Quantifies high-level costing to implement 197 potential adaptations to various asset classes in various locations to manage risks associated with climate change from 2030, 2050, and 2080.
- Asset categories include:

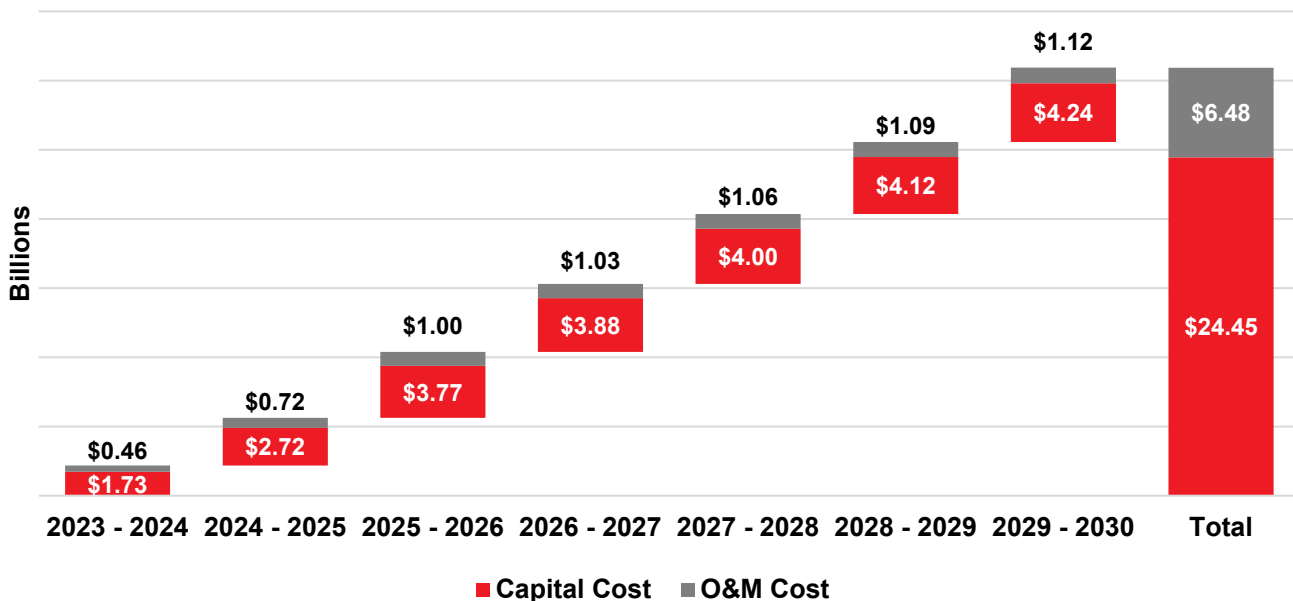
Buildings	Emergency Preparedness	Transportation
Administration	Utilities	Bridges
Institutional	Electrical Power Supply and Distribution System	Road
Housing	Solid Waste Collection and Disposal System	Building Utility
Residential	Waste Collection and Disposal Collection	Water Supply
Operative		Recreational



Climate Change Adaptation Assets Needs

- Total Capital Cost
- Total O&M Cost

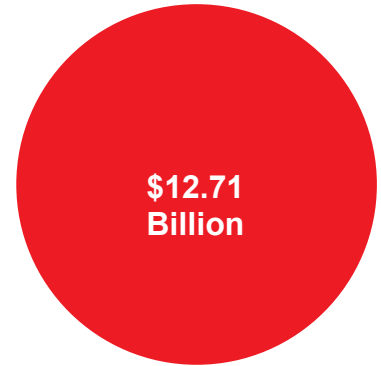
Climate Change Adaptation Assets Needs Annual Breakdown



INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

NET ZERO CARBON BY 2030

- Information from Associated Engineering’s Towards Net Zero Infrastructure paper dated October 2022.
- Explores the Canadian Government’s reduction target of 40% below year 2005 levels of carbon emissions by 2030 and its implications with First Nations
- Highlights the importance of Closing the Infrastructure Gap 2030 and its potential contributions to GHG emissions reduction.
- Several asset categories, specific to First Nations infrastructure, are evaluated. Areas where energy efficiency improvements can be made include:

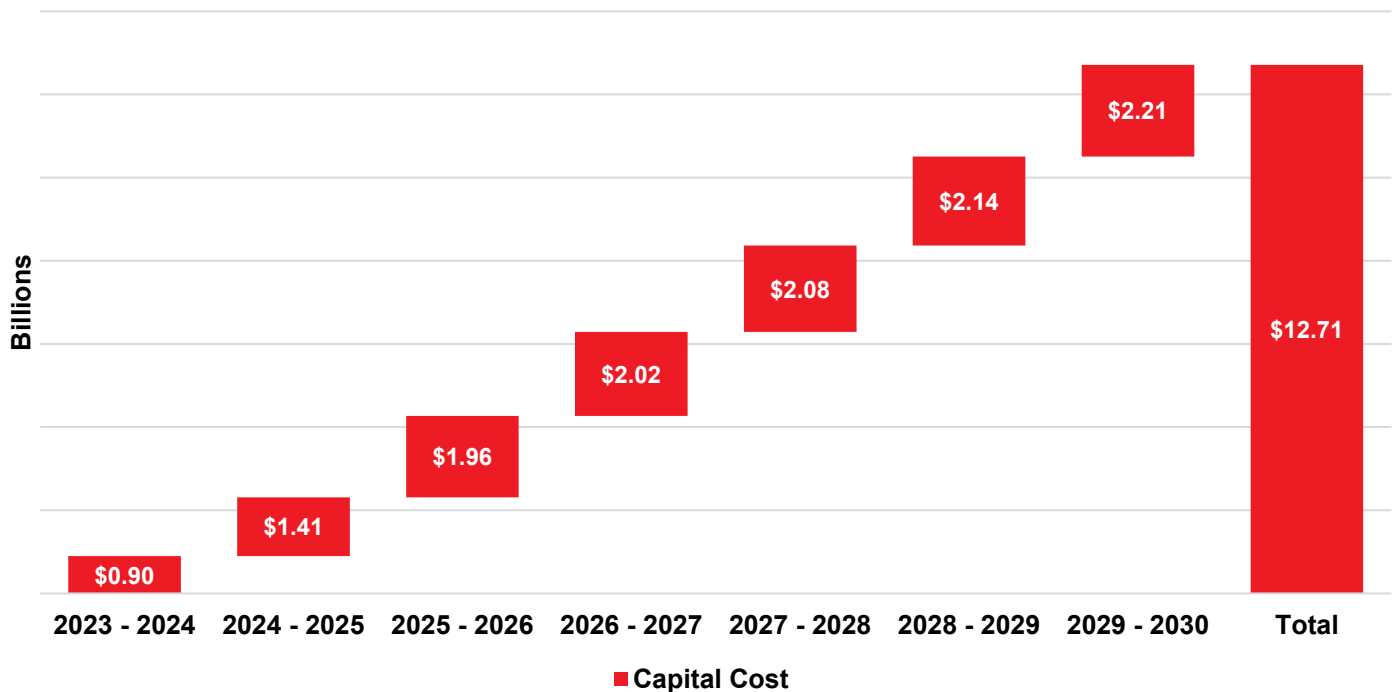


Net Zero Assets Needs

■ Total Capital Cost



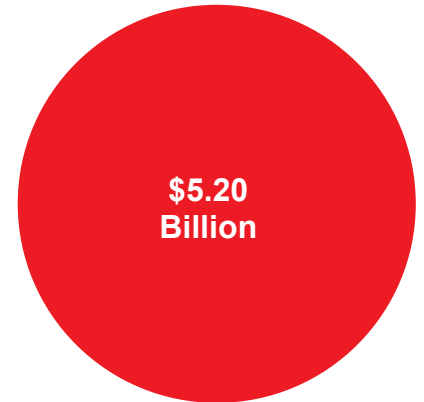
Net Zero Assets Needs Annual Breakdown



INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

DIGITAL CONNECTIVITY BY 2030

- 457 First Nation communities (61%) of 748 studied did not have adequate high speed internet access.
- The "First Nation Digital Gap" is moving at a more rapid rate due to the nature of technology and its continuous advancements.
- The analysis determined the extent of the wired and mobility wireless infrastructure gaps which need to be addressed so that every First Nation has:
 - A fibre backbone to the Internet
 - Fibre-to-the-home (FTTH) last mile
 - LTE or 5G mobility services



Connectivity Assets Needs

■ Total Capital Cost

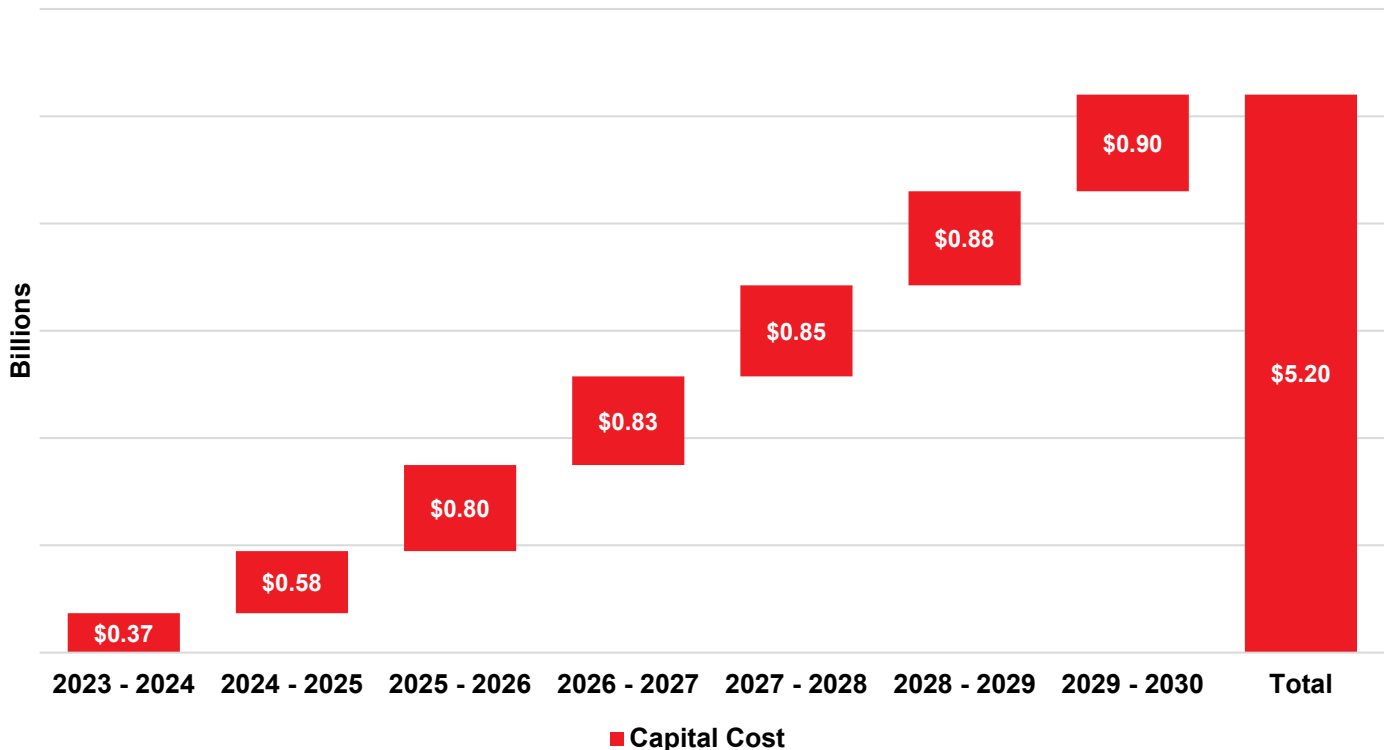


457 First Nation communities across Canada are still unserved and have no access to 50/10 infrastructure

363 First Nation communities lack both broadband internet and standard cellular services

81 First Nation communities require an estimated 12,280 km of fibre backbone cable to be installed – that's over 2 times across Canada

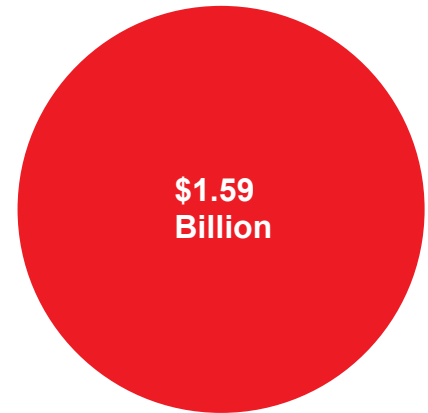
Connectivity Assets Needs Annual Breakdown



INVESTMENT NEEDS BY ASSET CATEGORY CONTINUED

ACCESSIBILITY BY 2030

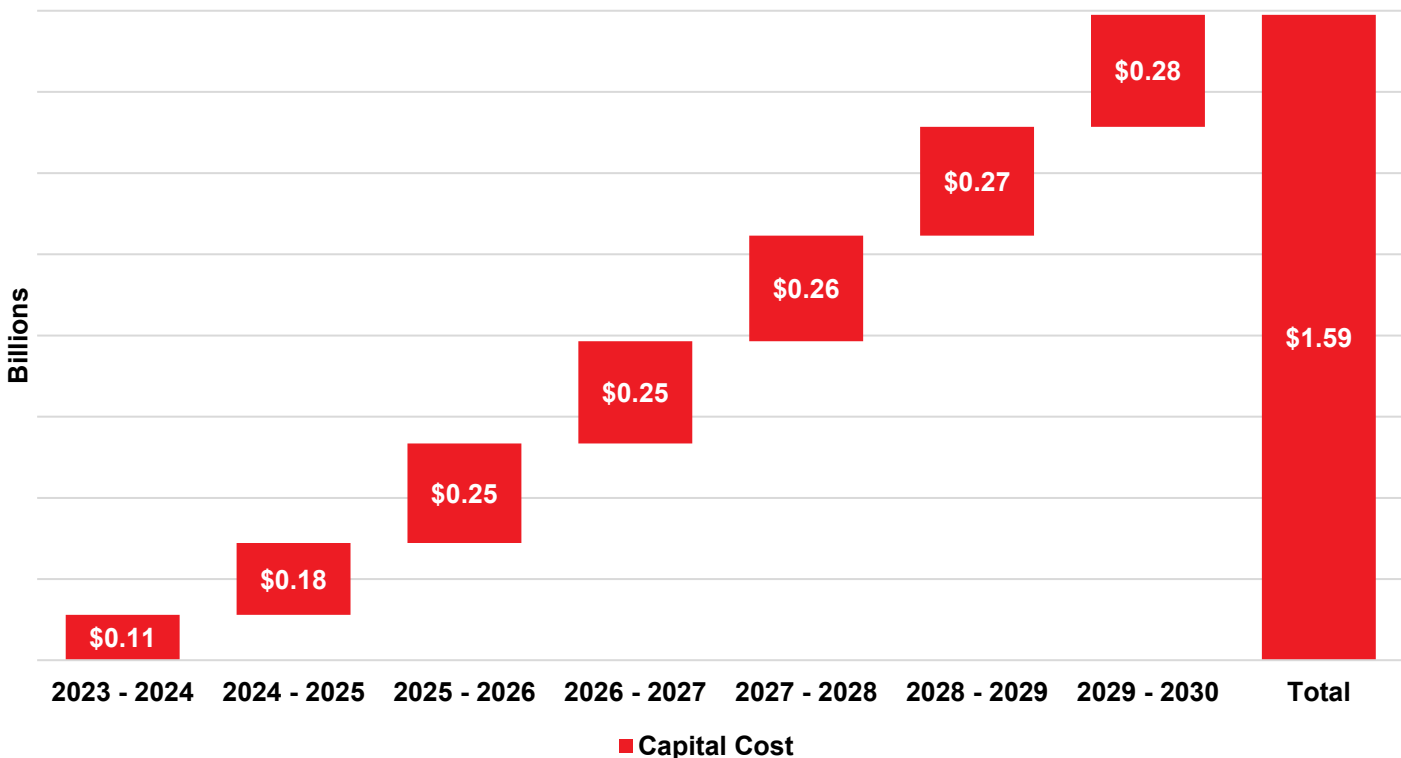
- Derived from Associated Engineering’s Addressing Accessibility discussion paper from October 2022.
- Highlights the challenges that individuals with disabilities face for conventional building configurations.
- Outlines the cost of retrofitting existing infrastructure to accommodate modern accessibility standards.
- For example: ramps, handicap sidewalk let downs, or railings for persons with disabilities or senior citizens.



Accessibility Assets Needs

■ Total Capital Cost

Accessibility Assets Needs Annual Breakdown



INVESTMENT COMPARISONS CONTINUED

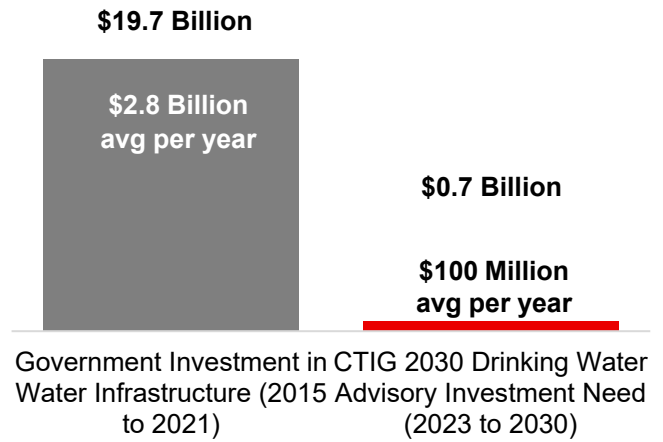
Drinking Water Spending Comparison – Canada vs. CTIG 2030

Note: Figures include water filtration plants and other water infrastructure expenditure



First Nations need only **3.5%** of the funding that the rest of Canada receives to “Close the Gap.”

- Supply chain for clean drinking water involves source water, abstraction, treatment, storage, transmission and distribution.



Source: Statistics Canada. [Table 36-10-0608-01 Infrastructure Economic Accounts, investment and net stock by asset, industry, and asset function \(x 1,000,000\)](#)

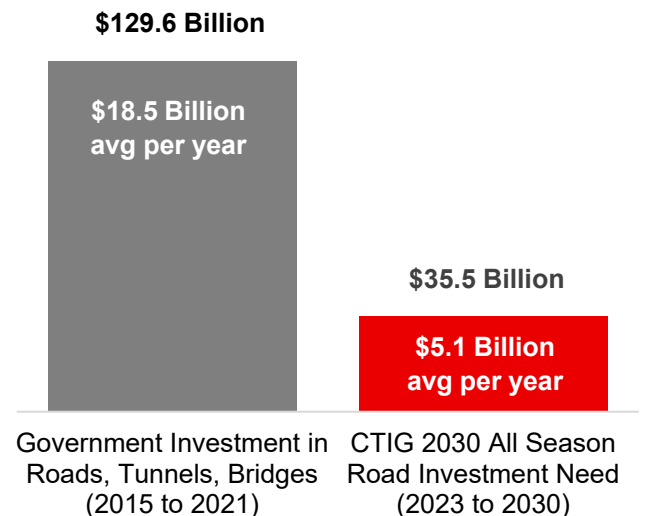
All Seasons Roads Spending Comparison – Canada vs. CTIG 2030

Note: Figures include highway/road structures and networks, bridges, and tunnels investment



First Nations need only **27%** of the funding that the rest of Canada receives to “Close the Gap.”

- Comprises various proposed roads projects, including the Ring of Fire ON 450km, Norman Wells NWT 321km, TASR Project NWT 97km, Tibbet Lake NWT 415km, Tuktoyatuk NWT 138km, Shoal Lake MB 24km.



Source: Statistics Canada. [Table 36-10-0608-01 Infrastructure Economic Accounts, investment and net stock by asset, industry, and asset function \(x 1,000,000\)](#)

INVESTMENT COMPARISONS

When evaluating the proposed costs for the Closing the Infrastructure Gap program (CTIG), context can be gained by comparing it to various forms of government spending as well as other economic statistics.

Infrastructure Spending Comparison – Canada vs. CTIG 2030

Note: Figures exclude housing and education related infrastructure assets



First Nations need only **27%** of the funding that the rest of Canada receives to “Close the Gap.”

- Defines the Capital and O&M investment for on-reserve assets for renewal, upgrades and population growth.

\$216.9 Billion

**\$30.9 Billion
avg per year**

Government Investment in
Infrastructure (2015 to 2021)

\$59.5 Billion

**\$8.5 Billion
avg per year**

CTIG 2030 Infrastructure
Investment Need (2023 to 2030)

Source: Statistics Canada. [Table 36-10-0608-01 Infrastructure Economic Accounts, investment and net stock by asset, industry, and asset function \(x 1,000,000\)](#)

Education Spending Comparison – Canada vs. CTIG 2030

Note: Figures include schools, colleges, universities, and other educational buildings



First Nations need only **21%** of the funding that the rest of Canada receives to “Close the Gap.”

- Includes investment needs organized under Planning & Design, Additions, and New Construction.

\$58.8 Billion

**\$8.4 Billion
avg per year**

Government Investment in
Education (2015 to 2021)

\$12.6 Billion

**\$1.8 Billion
avg per year**

CTIG 2030 Education
Investment Need (2023 to 2030)

Source: Statistics Canada. [Table 36-10-0608-01 Infrastructure Economic Accounts, investment and net stock by asset, industry, and asset function \(x 1,000,000\)](#)

INVESTMENT COMPARISONS CONTINUED

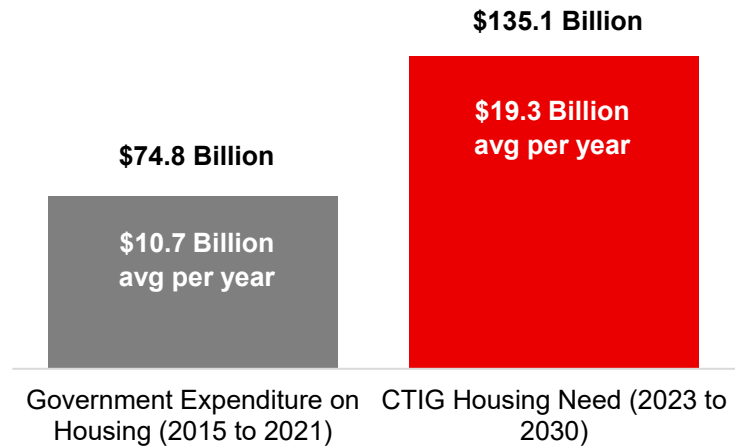
Housing Spending Comparison – Canada vs. CTIG 2030

Note: Figures are based on government functional expenses related to housing and community amenities



First Nations need **80% MORE** funding than the rest of Canada receives to “Close the Gap” on housing.

- First Nation need for housing is greater than current public trends due to over-representation in homelessness and overcrowding statistics.



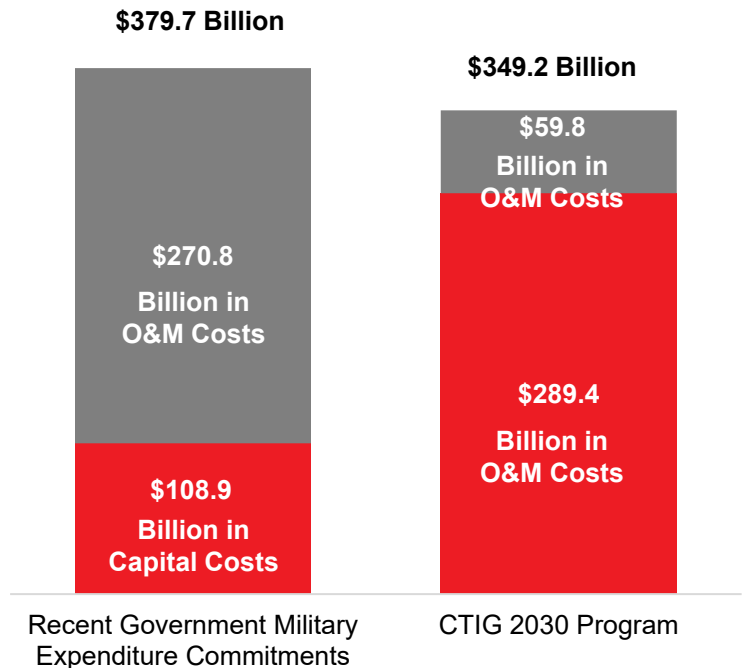
Source: Statistics Canada. Table 10-10-0005-01 Canadian Classification of Functions of Government (CCOFOG) by consolidated government component (x 1,000,000)

Canada's Military Spending vs. CTIG 2030

\$379.7 Billion

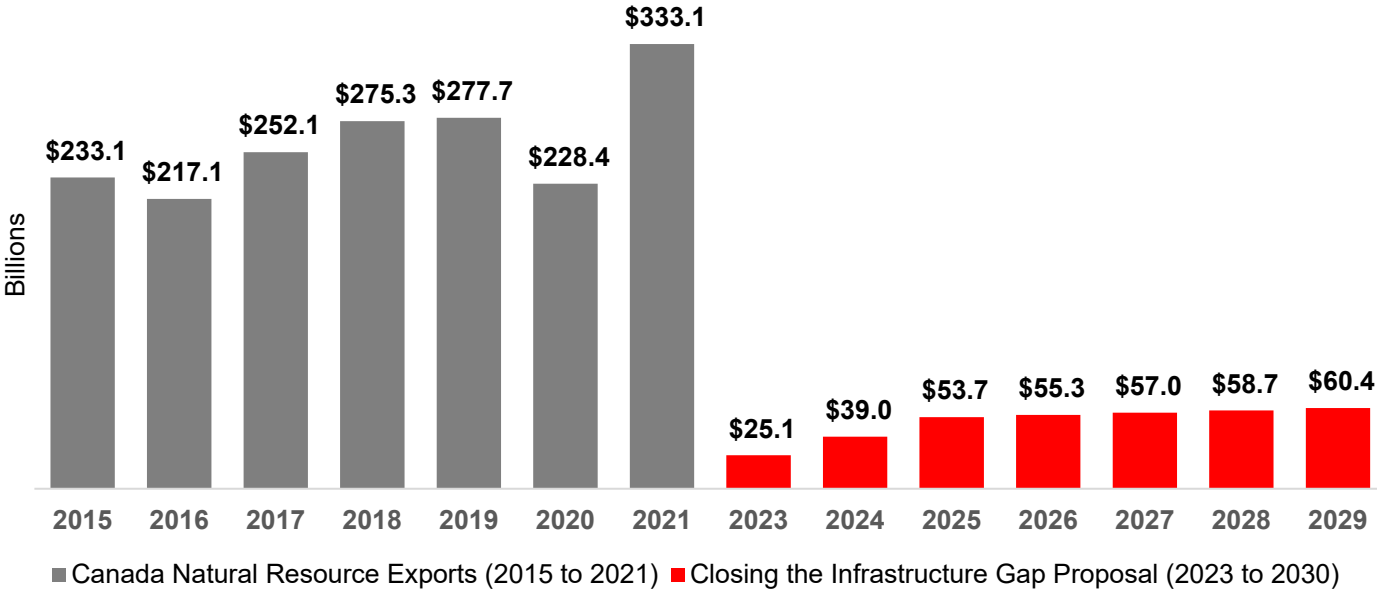
New spending announcements by the Government for the purchase and maintenance of 88 F-35 fighter jets, 15 frigates, and overseas military aid announced since the start of this research project.

Recent spending commitments to military could have funded the entire Closing the Infrastructure Gap by 2030 investment need with an excess of \$30.5 billion left for further military expenditures and overseas military aid.

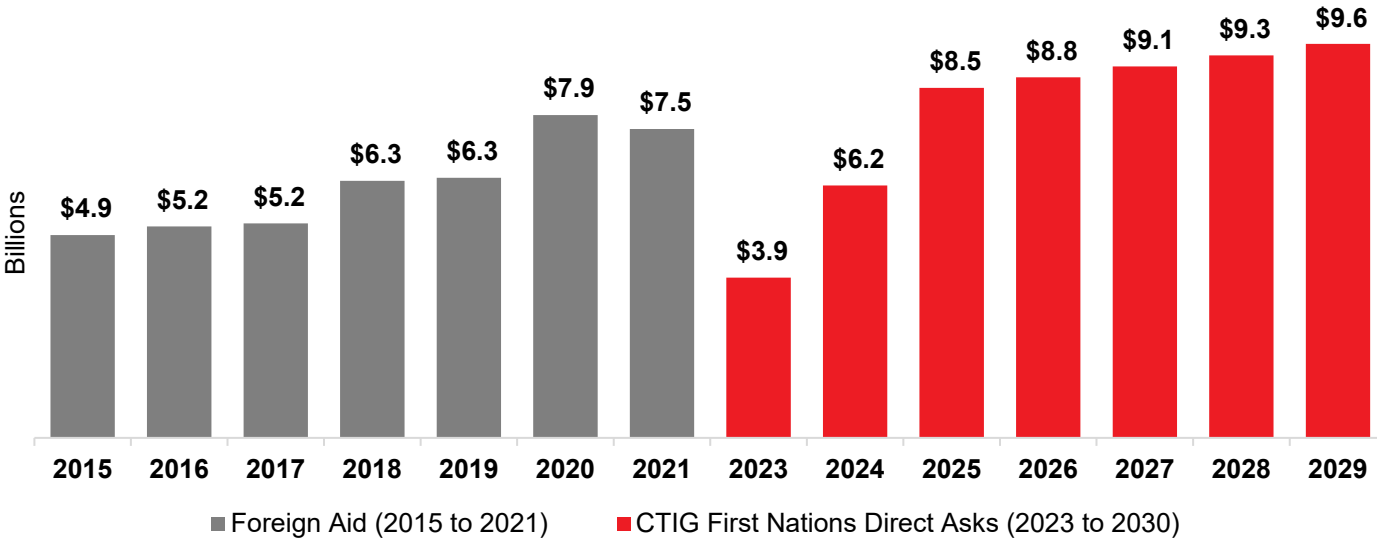


INVESTMENT COMPARISONS CONTINUED

Canada's Natural Resource Exports vs. CTIG 2030














Canada's Spending on Foreign Aid vs. First Nations Direct Asks



IMPLEMENTATION

The chart below provides a high-level summary of major initiatives in the implementation of CTIG 2030, from capacity building and knowledge sharing to construction works.

FIRST NATIONS ASSET MANAGEMENT FRAMEWORK		2023	2024	2025	2026	2027	2028	2029	+2030
	1. CTIG 2030 Funding Requirement (Million \$)	\$25,093	\$38,993	\$53,703	\$55,315	\$56,973	\$58,685	\$60,444	Total \$349,206
	2. Enable First Nations to Develop and Administer Community Asset Management Plans	[Progress bar]							
	3. Invest in First Nations Capacity and Human Capital Development in Construction, Community Planning and Asset Management	[Progress bar]							
	4. Improve Competitiveness of Procuring First Nations Infrastructure Works	[Progress bar]							
	5. Convene Communities of Practice with First Nations, Industry and Public Sector	[Progress bar]							
	6. Address Infrastructure Deficiencies Backlog	[Progress bar]							
	• Minor Renovation & Rehabilitation Projects	[Progress bar]	[Progress bar]	[Progress bar]	[Progress bar]	[Progress bar]	[Progress bar]	[Progress bar]	[Progress bar]
	• Major Retrofit and Expansion Projects	[Progress bar]			[Progress bar]			[Progress bar]	
	• Minor New-Build Projects • And Shovel Ready Projects	[Progress bar]	[Progress bar]		[Progress bar]		[Progress bar]		
	• Major New-Build Projects • And Shovel Ready Projects	[Progress bar]			[Progress bar]			[Progress bar]	
	7. Ongoing Operations & Maintenance	[Progress bar]							

IMPLEMENTATION CONTINUED

IMPLEMENTATION OBJECTIVES



Enable First Nations to Develop and Administer Community Asset Management Plans

The implementation of CTIG 2030 funding must support asset management and long-term community planning at the local First Nations level. This objective is critical for:

- Ensuring the unique needs and priorities of all First Nations are adequately addressed.
- Securing the best value-for-money by ensuring appropriate operation and maintenance funding allocations are given to First Nations and enable First Nations community assets to reach their full-service life.
- Implementing effective program delivery and risk management mechanisms for the maintenance of aging or deteriorating assets over time, and seamless upgrades and/or replacement of existing infrastructure.
- Requiring infrastructure deficiencies to be addressed in a multi-sector approach which will inform First Nations planning decisions (e.g., ensuring adequate utilities infrastructure is in place before new housing is constructed).
- Changing the course of First Nations infrastructure management from stop-gap projects to a planning system which is responsive to sustainable infrastructure management requirements, specifically incorporating operating and capital decisions in support of long-term financial planning.
- Empowering First Nations to establish their own levels of service and selecting the solution that best meets their objectives.
- Enabling First Nations to pursue training and capacity development, including utilizing asset management hubs via tribal councils or other organizations.



Improve Competitiveness of Procuring and Delivering First Nations Infrastructure

At present, projects for First Nations communities face greater procurement challenges than non-Indigenous communities which results in a lack of engagement with industry. This is due to the remote nature of many communities as well as higher bonding and other procurement restrictions on First Nations projects.

Enabling First Nations to create innovative procurement strategies will increase engagement; expedite approvals; foster private sector competition; and remove barriers such as bid bonds, performance bonds, minimum number of tenders, etc., enabling critical projects to be delivered quickly and at a more competitive cost.

The Assembly of First Nations and Indigenous Services Canada are working towards tendering policy recommendations that will increase First Nation build capacity by removing administrative burdens.

Tax incentives for on-reserve infrastructure and housing projects may assist in attracting the non-Indigenous construction sector in completing the numerous projects needed to “Close the Gap.”

IMPLEMENTATION CONTINUED

IMPLEMENTATION OBJECTIVES



Reliable and Sustainable Funding Plan

A reliable long-term funding plan will enable First Nations as well as industry participants to better plan for short, medium and long-term social, environmental, and economic objectives. Without reliable funding, it will be challenging to create a consistent infrastructure development and management strategy that First Nations and industry partners can confidently commit to and support.



Invest in First Nations Capacity and Human Capital Development

First Nations-led planning is core to Canada's responsibilities under the TRCC Report's Calls to Action. CTIG 2030 will invest in providing First Nations knowledge, training, and tools to develop and administer long-term community land-use planning, determine prioritization for addressing infrastructure needs, and how to effectively operate and maintain infrastructure assets over their maximum lifecycle. This training will enable First Nations to effectively plan and manage their infrastructure assets, including housing.

Including First Nations' economic development provisions in program delivery will enable new and expanded productivity gains. This will directly improve the socioeconomic outcomes of CTIG 2030 and unlock additional economic growth for local businesses which drive Canada's Gross Domestic Product (GDP).



Address Deficiencies Backlog & Fast-Track Shovel Ready Projects

CTIG 2030 has identified infrastructure deficiencies backlogs in housing, education, healthcare, transportation, connectivity, utilities, and emergency services totaling \$289.38 billion in capital costs — substantiated by industry consultants, numerous AFN technical studies and decades of ISC data records.

Many projects are shovel-ready and can be fast-tracked once funding is approved. Delaying reliable funding will result in increased future costs which have the potential to be much greater than the costs that have been identified in this proposal.



Help Canada Achieve its Net-Zero Commitments Through First Nations-led Initiatives

All paths to a Net-Zero future for Canada go through the Traditional Lands and Territories of First Nations peoples, from coast to coast. CTIG 2030 is the cornerstone of Canada's ambitions for a sustainable, low-carbon, and climate resilient future. A shared viable path to a prosperous Net-Zero Canada relies on Closing the Infrastructure Gap and investing in maintaining resilient infrastructure in First Nations communities.

NEXT STEPS

Long-term planning: move away from a federal year-to-year, pay-as-you-go, approach to First Nations infrastructure funding programs. Infrastructure projects are complex and require significant capital investments with rolling budgets to drive progress through multi-year planning, design, and construction phases.

Policy reform: co-development between AFN, ISC, and First Nations to improve access to capital by methods such as a First Nation Reconciliation Fund; a Government-backed First Nation Development Bond; a First Nation Infrastructure Bank; and/or Government Backed Loan Guarantees.

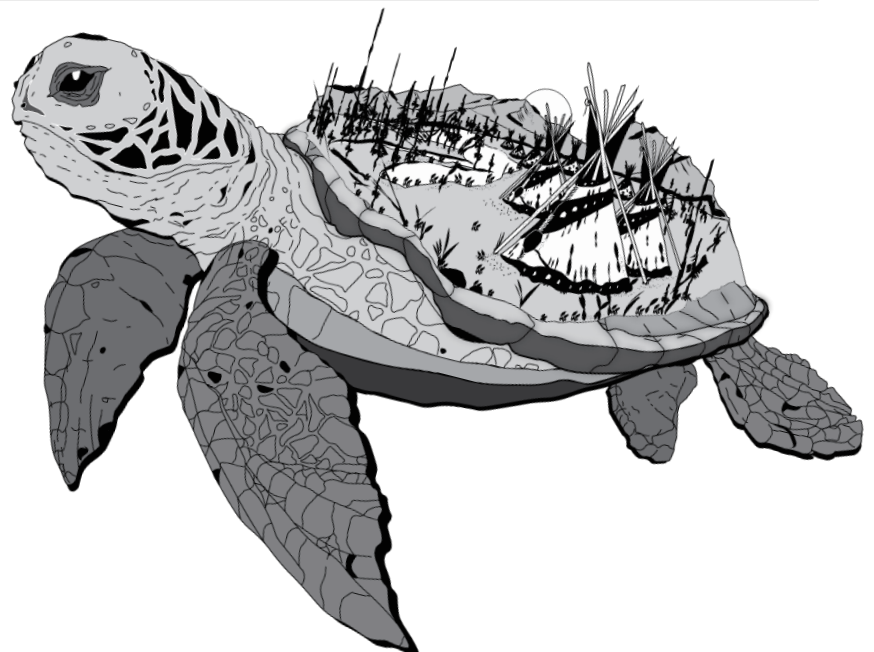
Implementation: The AFN Infrastructure and Housing Sectors, with support from other AFN Sectors, including Indigenous Services Canada, are co-developing a Closing the Infrastructure Gap Implementation Plan which will support a joint Memorandum to Cabinet (MC) on new reform and funding options to Close the First Nation Infrastructure Gap.

Simple short-term solution: have the Government of Canada renew funding supports to expiring and exhausted programs that were successful

Monitor and track: measure the yearly progress made on Closing the Infrastructure Gap by 2030

Inclusion and follow-up: further efforts to be made to ensure the First Nations outside of the 401 who participated are properly factored into future cost estimates

**“Anookeetaa” -
“Let’s Get to Work”
and Close the First
Nation Infrastructure
Gap Together...**





SUMMARY DOCUMENT

Closing the Infrastructure Gap by 2030

CONTACT:

infrastructure@afn.ca

