



Maintaining Momentum
2021 PRE-BUDGET SUBMISSION



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Introduction

Since 2000, the Assembly of First Nations (AFN) has participated in the annual federal pre-budget exercise, outlining First Nations' priorities and providing a comprehensive analysis of required investments that, if implemented, would continue to close the gap in the quality of life and well-being between First Nations and the rest of Canada. For 2021, the AFN has provided input into this year's budget theme, "Measures the federal government could take to restart the Canadian economy, as it recovers from the COVID-19 pandemic."

The AFN recognizes the very different financial outlook Canada is facing, post COVID-19. While there was no formal annual federal budget released in fiscal year 2019-20, the needs identified are even greater in the context of a global pandemic. As the fastest growing demographic in Canada,¹ investments are needed now to keep pace with First Nations' needs, while ensuring they are equipped to not only respond to the many social and economic challenges intensified by COVID-19, but lead Canada in preparing for its post-pandemic future.

Globally, the United Nations as well as economists, the World Economic Forum and many partners are saying urgent action must be taken to reduce inequality, mitigate the impacts of climate change, and enable a strong economic recovery from the pandemic. The Great Reset, launched by the World Economic Forum with partners that include HRH the Prince of Wales (in June of 2020) is a global call to rebuild the foundations of economic and social systems for a fairer and resilient future. It is a call for global action that implicates Canada and Canada's commitments to inclusive and sustainable development and for climate action to match the climate emergency we have created for ourselves. We note that investments in First Nations will provide even greater benefits to Canada's economy, eliminating and exceeding the initial investment costs over time.

Global trends for growing income inequality were a significant concern before the pandemic hit. (See the [World Inequality Report, 2018](#)). On several indexes measuring the metrics of inequality, Canada typically performs better than the United States but not as well as the European Union for example. The AFN maintains that Canada can do better and investments in First Nations well-being are essential to uphold Canada's human rights commitments and the commitments to sustainable development under UN Agenda 2030.

Agenda 2030 requires Canada to focus on the poorest and most vulnerable in devising economic strategies and strategies for social and economic development. At this year's UN General Assembly (which will celebrate the UN's 75th anniversary in the fall), the relationship between pandemic responses, human rights and sustainable development will be a key focal point. The AFN maintains that Canada must bring a policy approach to its budget decision-making that is informed by what is required here at home - by accelerating action in consultation and cooperation with Indigenous peoples on:

1. Indigenous priorities in the remaining decade of Agenda 2030; and,
2. What is required to realize Canada's human rights obligations to Indigenous peoples including the various UN human rights treaties and the UN Declaration on the Rights of Indigenous Peoples.

¹ Statistics Canada. *First Nations People, Métis and Inuit in Canada: Diverse and Growing Populations*. Retrieved from: <https://www150.statcan.gc.ca/n1/pub/89-659-x/89-659-x2018001-eng.htm>



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The AFN notes that in his 2017 address to the 72nd UN General Assembly, the Prime Minister spoke about the human rights situation of indigenous peoples in Canada and Canada's commitment to advance Agenda 2030 as it impacts indigenous peoples. He said: “We know that no one can have a real and fair chance at success without the things that make success possible: good health; strong communities; good, well-paying jobs; a quality education, and safe and affordable places to live. Clearly, that includes Indigenous Peoples, too.”

In this document, the investments needed for Budget 2021, detailed by department and program area, were developed from Budget 2020 to include additional costs related to COVID-19. Under each heading, the anticipated outcomes – the benefits to First Nations economies and Canada’s gross domestic product, the social cost savings to be realized through strategic investments, or the expected improvement in socio-economic outcomes – are also identified.

When First Nations are successful, Canada is too.



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Summary of Required Federal Investments - Budget 2021 (\$ millions)		
Investment Area	Program	Over 5 years
First Nations Languages	Kindergarten – Grade 12 (ISC)	\$1.29 billion
	Lifelong Learning (PCH)	\$1 billion
Child & Family Services	Implementing jurisdiction (ISC)	\$3.5 billion
Governance	Band Support Funding (ISC)	\$2.7 billion
	Band Employee Benefits (ISC)	\$400 million
	Professional & Institutional Development (ISC)	\$300 million
	Tribal Councils (ISC)	\$100 million
Education	Kindergarten – Grade 12 (ISC)	\$609 million
	Post-Secondary Student Support (ISC)	\$1.73 billion
	Adult Education (ISC)	\$1.09 billion
	First Nation Post-Secondary Institutions (ISC)	\$384 million
	Education Infrastructure (ISC)	\$2.98 billion
Health	Health Transformation (ISC)	\$762 million
	Health Infrastructure (ISC)	\$586 million
	Mental Wellness (ISC)	\$1.33 billion
Infrastructure/Water/Housing	All upgraded infrastructure needs, new housing, all-weather roads, Operations & Maintenance (ISC)	\$13.86 billion
	On-reserve shelters (ISC)	\$125 million
Rights Implementation	Treaty Commissioner's Office (CIRNA)	\$85 million
	First Nations without a land base (CIRNA)	\$83 million
	Specific Claims (CIRNA)	\$8.53 billion
	Additions-to-Reserve (ISC)	\$23 million
Economic Development	Economic Development and Trade Strategy (ISC)	\$1.7 billion
	Indigenous Skills and Employment Strategy (ESDC)	\$628 million
	Disabilities (ESDC)	\$650 million
	Connectivity (ISED)(ISC)	\$500 million
	Jobs and Procurement post-COVID	\$300 million
Gender Rights	Women's Entrepreneurship Strategy (ISC)	\$1.25 billion
	Implementation MMIWG Calls for Justice (CIRNA)	\$3.5 billion
Restorative Justice	Community Safety Infrastructure (JC) (PSC)	\$500 million
	Establish restorative justice programs in local First Nations (JC)	\$750 million
	Create First Nation community safety and security programs (JC) (ISC)	\$600 million
	Enhancements to First Nations Policing (JC) (PSAB)	\$3 billion
Environment	Impacts & Planning (ECCC)	\$850 million
	Green Infrastructure (ECCC)	\$8.5 billion
	Clean Energy (ECCC)	\$2.1 billion
	Conservation (ECCC)	\$1.94 billion
	First Nations-led National Food Security/Sovereignty Strategy (ISC)	\$650 million
	Canadian Environmental Protection Act (CEPA) reform	\$1.2 billion



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Priority: Languages – Minister of Indigenous Services (ISC) and Minister of Heritage Canada

Required Investments

- Implementation of the Indigenous Languages Act for First Nations: \$2.29 billion.
 - Kindergarten–Grade 12: \$1.29 billion
 - Lifelong Learning: \$1 billion.

Anticipated Outcomes

- Implementation of the legislative measures in the *Indigenous Languages Act* to ensure the preservation and revitalization of Indigenous languages, centered on the principle of Indigenous control, as identified in the Assembly of First Nations' 2018 Costing Analysis.

Priority: Child and Family Services – Minister of ISC

Required Investments

- Implementation of First Nation Child and Family Jurisdiction: \$3.5 billion
- Increased funding to Jordan's Principle, Early Learning and Child Care, and the Family Violence Prevention Program to meet needs.

Anticipated Outcomes

- Joint work with First Nations on aligning policies, programs and funding models to implement child welfare legislation according to the recent Memorandum of Understanding
- Implementation of Indigenous Early Learning and Child Care Framework (IELCC) and Jordan's Principle
- Increasing safety of First Nations families and children.

Priority: Governance – Minister of ISC

Required Investments

- Governance programs totaling \$3.5 billion include:
 - Band Support Funding: \$2.7 billion
 - Band Employee Benefits: \$400 million
 - Professional and Institutional Development: \$300 million
 - Tribal Council Funding: \$100 million.

Anticipated Outcomes

- Improved financial, administrative and political governance, including more efficient and effective use of existing resources.
- Retention and recruitment of qualified human resources, leading to better management of First Nations administration.
- Aggregated and professional service delivery.
- Development of new institutions necessary to support a new fiscal relationship.



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Priority: Education – Minister of ISC

Required Investments

- First Nations education investments totaling \$6.78 billion include:
 - Kindergarten—Grade 12: \$609 million
 - Post-secondary Students Support Program: \$1.73 billion
 - Adult Education: \$1.09 billion
 - First Nations Post-Secondary Institutions: \$384 million
 - Education Infrastructure: \$2.97 billion.

Anticipated Outcomes

- Closing the educational attainment gap, thereby increasing employment and adding to Canada's Gross Domestic Product.
- First Nations control of quality and culturally appropriate education.
- Repair the 140 schools and 69 teacherages currently requiring additions and construct 46 new schools and 76 teacherages that qualify for immediate replacement.
- Support additional COVID-19 costs (additional staff salaries and supplies to keep children safe).

Priority: Health – Minister of ISC

Required Investments

- Total investment required is \$2.648 billion:
 - Support for First Nations Health Transformation (Health Systems Transformation, Governance and Engagement): \$762 million
 - Health Infrastructure (upgrading existing infrastructure, supporting new infrastructure, operations and maintenance): \$586 million
 - Implementation of the First Nations Mental Wellness Continuum (Comprehensive Community Planning-Mental Health, Mental Wellness Teams, NAYSPS, NNADAP): \$1.3 billion.

Anticipated Outcomes

- Increased preparation and pandemic planning.
- Health infrastructure strengthened to meet requirements associated with transformed health systems.
- Increased community wellness, resulting in lower health costs to First Nations, Canada and provinces or territories.
- Health systems developed by First Nations that respect the nation-to-nation relationship.



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Priority: First Nations Housing/Infrastructure/Water/ Emergency Services – Minister of ISC/Minister of Infrastructure and Communities/ Minister of Public Safety and Emergency Preparedness

Required Investments

- Total investment required is \$13.98 billion:
 - New, renovated and repaired housing: \$4 billion
 - New on-reserve shelters (in addition to those announced in May 2020): \$125 million
 - Infrastructure replacement and repairs: \$982 million
 - New investments to solid waste and energy: \$1.4 billion
 - All-weather roads: \$4.6 billion
 - Water – new infrastructure, repairs, operation and maintenance: \$2.5 billion
 - Emergency Services: \$375 million.

Anticipated Outcomes

- Infrastructure investment yields a GDP increase of \$1.43 per dollar of spending, with 9.4 jobs generated per million dollars spent, and \$0.44 of each dollar spent by government recovered in additional tax revenue. These outcomes are multiplied within First Nations which carry a persistent infrastructure deficit.²
- Continued elimination of long-term boil water advisories.
- Over the long term, the discounted present value of GDP generated per dollar of public infrastructure spending (return on investment) lies between \$2.46 and \$3.83.³
- First Nations immediate housing needs are met, and overcrowding is addressed, thus leading to improved health outcomes.
- Education outcomes are improved by having a safe space to study.
- Vulnerable people have a safe space, reducing risk (per the MMIWG inquiry).
- New regional housing entities accountable to First Nations' control.
- First Nations supported in First Nation managed and driven emergency mitigation, preparedness, response and recovery activities.

Priority: Implementing Rights – Minister of Crown-Indigenous Relations and Minister of ISC

Required Investments

- Total investment required is \$4.84 billion:
 - Treaty Commissioner's Office: \$85 million
 - First Nations without a land base: \$83 million
 - Specific Claims improvements: \$12.5 million
 - Replenishing the Specific Claims Settlement Fund: \$2.8 billion for 2023-2025
 - Additions-to-Reserve (ISC): \$23 million.

² The Broadbent Institute. The Economic Benefits of Public Infrastructure Spending in Canada. Retrieved from: <https://www.iuoeconomic.org/wp-content/uploads/2015/09/Broadbent-Study.pdf>

³ Ibid



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Anticipated Outcomes

- An effective process for Treaty implementation, land recovery, justice and economic development.
- An independent, impartial, timely and fair Specific Claims process.

Priority: Economic Development – Minister of ISC, Minister of Employment and Social Development Canada and Minister of Innovation, Science and Economic Development

Required Investments

- Total investment required is \$3.78 billion:
 - Economic development and trade strategy: \$1.7 billion
 - Includes establishment of a First Nations centre for trade and access to markets: \$650 million
 - Indigenous Skills and Employment Training Strategy (ISETS): \$628 million
 - “Leaving no one behind”, a strategy for First Nations governments to establish innovative programs and services for citizens with disabilities and socio-economic challenges: \$650 million
 - First Nations Connectivity: \$500 million
 - First Nations Businesses, Jobs and People: \$300 million over 2 years
 - Jobs and procurement to restart activity in local and regional economies.

Anticipated Outcomes

- First Nations economic development adds to Canada’s Gross Domestic Product and decreases demand for income assistance and other social programs.
- Additional investments and procurement initiatives help First Nations overcome disproportionate economic effects of COVID-19.
- First Nations increased ability to participate in the digital economy. The Canadian Radio-television and Telecommunications Commission target for broadband is currently available to only 31.3% of First Nations households compared to 85.7% of Canadian households.

Priority: Gender Rights – Minister of CIRNA and Minister of Women and Gender Equity

Required Investments

- Total investment required is \$4.75 billion:
 - Women’s Entrepreneurship Strategy: \$1.25 billion
 - Implementation of the MMIWG Calls for Justice: \$3.5 billion.



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Anticipated Outcomes

- Increase the number of First Nations women-owned businesses by 2025 as disparities between the incomes of First Nations men and women working in the same occupations and industries have been shown to exist.⁴
- Tackle systemic barriers impeding women's economic and social progress.
- Implement Calls for Justice to address areas of Indigenous and human rights.

Priority: Restorative Justice – Minister of Justice, Minister of Indigenous Services Canada

Required Investments

- Total investment required is \$4.85 billion:
 - Enhancements and expansion of the First Nations Police Agencies: \$3 billion
 - Upgrades to First Nations community safety infrastructure: \$500 million
 - Establishment of restorative justice programs in local First Nations: \$750 million
 - Creation of First Nation community safety and security programs: \$600 million.

Anticipated Outcomes

- Improved First Nation governance over the administration of justice and development of local programs.
- Robust and culturally appropriate policing services in local First Nations.
- Greater diversity in the judiciary.
- Indigenous customary law and legal norms forms part of the Canadian legal framework.
- Development of new institutions necessary to reduce overrepresentation in the criminal justice system.

Priority: Environment - Minister of Environment and Climate Change

Required Investments

- Total Investment required is \$15.2 billion:
 - Documenting impacts and planning solutions to climate change: \$850 million
 - Green infrastructure development: \$8.5 billion
 - Clean/alternative energy solutions to transition to a green energy economy: \$2.1 billion
 - Environmental monitoring and conservation initiatives, including investments in First Nations Guardians and associated network development: \$1.94 billion.
 - First Nations led National Food Security/Sovereignty Strategy: \$650 million
 - Canadian Environmental Protection Act (CEPA) reform: \$1.2 billion.

⁴ The National Indigenous Economic Development Board. The Indigenous Economic Progress Report 2019. Retrieved from: <http://www.naedb-cndea.com/wp-content/uploads/2019/06/NIEDB-2019-Indigenous-Economic-Progress-Report.pdf>



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Anticipated Outcomes

- First Nations will be able to identify and document the evolving impacts of the climate crisis to develop culturally-appropriate mitigation, adaptation, and emergency solutions. Globally, investments of \$1.8 trillion in climate mitigation could generate \$7.1 trillion in total net benefit.⁵
- First Nations will reduce their dependency on diesel and other fossil fuels, building their energy security and leading to a reduction in greenhouse gases by around 80 million liters a year, which would result in significant social and economic benefits for First Nations.
- Current data suggests that each dollar invested in the Guardians program generates a 3 to 1 return with the potential to increase via sustained, strategic and directed resourcing.⁶

⁵ Global Commission on Adaption. Adapt Now. A Global Call for Leadership on Climate Resilience. Retrieved from: https://cdn.gca.org/assets/2019-09/GlobalCommission_Report_FINAL.pdf

⁶ Brief to the Standing Committee on Finance From the Indigenous Leadership Initiative. Towards a National Indigenous Guardians Network. Retrieved from: <https://www.ourcommons.ca/Content/Committee/421/FINA/Brief/BR8398284/br-external/IndigenousLeadershipInitiative-e.pdf>