



Maintaining Momentum

2020 FEDERAL BUDGET INPUT

Fall 2019

Introduction

In 2015, the Assembly of First Nations (AFN) outlined priorities to close the gap in quality of life between First Nations citizens and other Canadians. Since then, there has been concrete action and significant investment, though progress does not equal parity and a generational shift in socio-economic outcomes remains an urgent objective.

Honouring Promises, released by National Chief Perry Bellegarde on September 9, 2019, provides guidance from the AFN on maintaining momentum. It urges federal political parties and all Canadians to open their hearts and minds to better understand our shared history and where we need to go together. Real reconciliation takes collective effort and action.

Together we are making progress through shared decision-making. The Prime Minister, Ministers of the Crown, and other leaders have provided unprecedented access to First Nations leadership through the AFN. Serious work lies ahead to keep First Nations at the table designing solutions for our shared future, how to affirm First Nations inherent and Treaty rights, title and jurisdiction while ensuring that First Nations governments have the fiscal capacity to deliver the programs and services their citizens need. We must maintain the momentum that has been built.

In this document, the investments needed in Budget 2020 are detailed by department and program area. 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. In addition, this document identifies the commitments from *Honouring Promises* that relate to the area of investment, helping the reader understand better how the Budget process can assist in maintaining momentum.

First Nations priorities are Canada's priorities.

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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:
 - \$200 million in fiscal year 2020-21 (\$110 million for K-12 education, \$90 million for lifelong learning),
 - \$416 million in fiscal year 2021-22 (\$229 million for K-12 education, \$187 million for lifelong learning),
 - \$541 million in fiscal year 2022-23 (\$303 million for K-12 education, \$238 million for lifelong learning).

Total investment required is \$1.157 billion over 3 years and will reach \$897 million annually in ten years.

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.

Honouring Promises

- Fully implement the Indigenous Languages Act with long-term, predictable and sustainable funding.

Note: The ISC Minister is responsible for the K-12 portion of this funding while the Heritage Minister is responsible for the remainder.

Priority: Child and Family Services – Minister of ISC

Required Investments

- Implementation of First Nation Child and Family Jurisdiction - \$250 million over 5 years.

Anticipated Outcomes

- Community engagement, drafting, legal and other costs to implement new child welfare legislation. Note: the Government of Canada will be expected to engage with the Provinces to assist in achieving positive outcomes for all concerned.

Honouring Promises

- Fully implement the Act respecting First Nations, Métis and Inuit Children, Youth and Families with long-term, predictable and sustainable funding.

Priority: Governance – Minister of ISC

Required Investments

- Governance programs include:
 - Band Support Funding - \$2.7 billion/5 years
 - Band Employee Benefits - \$400 million/ 5years
 - Professional and Institutional Development - \$300 million/5 years
 - Tribal Council Funding - \$100 million/5 years.
- Total investment required is \$3.5 billion over 5 years.

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.

Honouring Promises

- ❖ Work with Treaty First Nations on Treaty-based funding arrangements.
- ❖ Introduce legislation, supported by First Nations, to improve the ways funding is provided.
- ❖ Make optional statutory transfers available based on agreed-to criteria and subject to performance audits by a newly created First Nations Auditor General.

Priority: Education – Minister of ISC

Required Investments

- Post-secondary students support program - \$873,182,500 over 5 years.
 - Adult education \$513,513,000 over 5 years.
 - Kindergarten to grade 12 - \$44 million over 2 years.
 - First Nations Post-Secondary Institutions - \$186 million over 3 years
- Total investment required is \$1.58 billion over 5 years.

Anticipated Outcomes

- Closing this gap, thereby increasing employment and adding to Canada's Gross Domestic Product.
- Development of consensus toward education policy reform for First Nations.

Honouring Promises

- ❖ Commit to substantial investments for First Nations Post-Secondary students, and fully fund them based on need.
- ❖ Commit substantial investments to sustain and enhance existing First Nations Institutes of Higher Learning and community-based programming including bilingual and immersion First Nations language education.
- ❖ Fund First Nations elementary and secondary education, Treaty and/or regionally-based education agreements which reflect the diverse needs and circumstances of First Nations learners and schools, including bilingual and immersion First Nations language education.

Priority: Health – Minister of ISC

Required Investments

- Support for First Nations Health Transformation (Health Systems Transformation, Governance and Engagement) - \$369.0 million over 3 years.
- Health Infrastructure (upgrading existing infrastructure, supporting new infrastructure, operations and maintenance) - \$230.4 million over 3 years.
- Ongoing support for the implementation of the First Nations Mental Wellness Continuum (Comprehensive Community Planning-Mental Health, Mental Wellness Teams, NAYSPS, NNADAP) - \$762.9 million over 5 years.

Total investment required is \$1.362 billion over 5 years.

Anticipated Outcomes

- 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 that are developed by First Nations for their First Nations, respecting the nation-to-nation relationship.

Honouring Promises:

- Work with First Nations, early and throughout the budget cycle, to identify ten-year projections for new federal investments in First Nations health.
- Substantially increase investments for ongoing prevention, critical and chronic care, health systems transformation and mental wellness.
- Develop and implement a National Substance Misuse Strategy addressing the opioid and methamphetamine crises.
- Commit to substantive, long-term and flexible funding that supports a holistic approach to health and wellbeing; and encourages a 'Health In All Policies' approach which addresses the social determinants of First Nations health.
- Support First Nations control of the development and delivery of First Nations health and well-being services

Priority: Income Assistance – Minister of ISC

Required Investment

- On-Reserve First Nations Income Assistance Program (IAP) - \$721.5 million/5 years.

Anticipated Outcome

- Expanding improved case management and pre-employment support to all First Nations and continued IAP program reform and implementation of administrative reforms.

Honouring Promises

- ❖ “We have considerable ground to make up to ensure First Nations and Canadians share an equal quality of life – and to see generational shifts in outcomes.”

Priority: First Nations Infrastructure/Water - Minister of ISC/Minister of Infrastructure and Communities

Required Investments

- First Nations require, at minimum, investment reflective of our population from the \$180 billion *Investing in Canada Infrastructure Program* (ICIP) to create long-term economic growth, build sustainable and resilient communities and support a low-carbon economy.
- \$100 million over 2 years to support a First Nations-led National First Nations Critical Infrastructure Assessment to assess overall infrastructure status and need.
- Total investment required is \$12.6 billion/5 years.
- There is also a need to invest in all-weather roads at \$2.3 billion/3 years.

Anticipated Outcomes

- Infrastructure investment yields, in the short term, a GDP increase of \$1.43 per dollar of spending 9.4 jobs are generated per million dollars spent, and \$0.44 of each dollar spent by government is recovered in additional tax revenue. These outcomes are multiplied within First Nations which carry a persistent infrastructure deficit.
- 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.
- To capitalize on these benefits First Nations will develop a national First Nations infrastructure assessment process that will create the most comprehensive analysis of First Nation critical infrastructure ever completed and guide infrastructure investment in First Nations over the next decade, creating a First Nations infrastructure modernization process that will support First Nations closing the gap and modernizing their critical infrastructure, yielding benefits for all Canadians.

Honouring Promises

- ❖ Support First Nations Asset Management Planning Approach and Operations and Maintenance policy reform coupled with a substantial initial financial investment.
- ❖ Create a Remote Indigenous Community Access Plan to construct all-season roads to remote First Nations with a substantial initial financial investment.
- ❖ Fund vital First Nations community infrastructure including roads and drainage, sanitation, bridges, fire halls and equipment, community buildings, energy systems, structural mitigation for climate change impacts, connectivity and fire protection with a substantial initial financial investment.
- ❖ Ensure that First Nations have equal access to 'Quality of Life Infrastructure' providing deep supports in education, healthcare, water and sanitation, electricity, connectivity (telecommunications), transport (roads), and disaster prevention and mitigation, including major investments in low carbon technology and renewable energy sources.
- ❖ Repeal the Safe Drinking Water for First Nations Act and replace it with legislation developed with First Nations that ensures all First Nations have access to safe drinking water and wastewater infrastructure.
- ❖ Commit to a national First Nations infrastructure modernization strategy, beginning with a national First Nations infrastructure assessment developed with First Nations.
- ❖ Fully fund and resource the implementation of new legislation that includes the creation of a First Nations Water Commission and expands the funding allocations for First Nations in need of upgraded water and wastewater systems.
- ❖ Fund a national First Nations infrastructure modernization strategy to be completed over ten years with a focus on building sustainable, renewable and resilient critical infrastructure for First Nations.

Priority: Housing – Minister of ISC

Required Investments

- GOC analysis projects a need for \$4 billion over 5 years (\$800 million annually) to build new houses and repair existing units to meet the current backlog and to accommodate First Nations household and family growth. The AFN is currently carrying out a national housing data gathering that will provide current numbers on housing needs.
- The AFN, ISC and the Canada Mortgage and Housing Corporation are near completion of a plan to implement the *Ten-Year National First Nations Housing and Related Infrastructure Strategy*, whose main features are:
 - To eliminate First Nations' housing core need through long-term, sustainable and predictable Federal funding; and,
 - To ensure federal government support for First Nations to develop and manage the establishment of new regional housing entities accountable to the First Nations to manage housing and related infrastructure programs.

Anticipated Outcomes

- First Nations immediate housing needs are met and overcrowding is addressed.
- Better health outcomes resulting from safer and healthy homes.
- 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, plan and manage the construction, repair and maintenance of housing and related infrastructure.

Honouring Promises

- ❖ Ensure federal financing is available to meet First Nations housing needs.
- ❖ Work with First Nations organizations to transfer control of housing to First Nations.
- ❖ Fully implement and fund the National First Nations Housing and Related Infrastructure Strategy.
- ❖ Ensure financing, based on need, to build high quality sustainable housing for First Nations on reserve as well as in urban and rural locales.

Priority: Specific Claims and Additions-to-Reserve – Minister of ISC/Minister of CIRNA

Required Investments

- Additions-to-Reserve - \$14 million over 3 years (ISC).
- Specific Claims loan forgiveness and \$2.5 million per year for Indigenous Services Canada to improve processing (CIRNA).

Total investment required is \$21.5 million over 3 years. Note: As loan forgiveness involves a legal liability, it creates no new budget pressures.

Anticipated Outcomes

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

Honouring Promises

- ❖ Redesign federal policies to expand First Nations land bases through affirmation of First Nations title and expansion of additions-to-reserves.
- ❖ Re-design the Specific Claims and Additions-to-Reserves processes to ensure impartial, timely and fair resolutions to outstanding specific claims.

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

Required Investments

- Economic development and trade strategy - \$1.4 billion over 3 years.
 - Includes establishment of a First Nations centre for trade and access to markets at \$650 million
- Indigenous Skills and Employment Training Strategy (ISETS) - \$627.6 million over 3 years.
- “Leaving no one behind”, a strategy for First Nations governments to establish innovative programs and services for citizens with disabilities and socio-economic challenges - \$650M over three years.

Total investment required is \$2.68 billion over 3 years.

Anticipated Outcomes

- First Nations economic development adds to Canada’s Gross Domestic Product and decreases demand for income assistance and other social programs.

Honouring Promises

- ❖ Enhance business equity funds to support First Nations women and youth as entrepreneurs to address the gap in access to capital.
- ❖ Support increased federal procurement from First Nations businesses.
- ❖ Remove barriers for First Nations enterprises to access capital for business development.
- ❖ Require conditions for development approvals to ensure benefits to First Nations within areas of federal jurisdiction.
- ❖ Support and subsidize First Nations engaged in renewable resource development, including sustainable wildlife harvesting, fishing, forestry and ecosystem services throughout our territories.

Priority: Gender Rights – Minister of Women and Gender Equity

Required Investments

- Women's Entrepreneurship Strategy - \$1.25 billion over 5 years.
- Implementation of the MMIWG Calls for Justice - \$3.5 billion over 5 years.

Total investment required is \$4.75 billion over 5 years.

Anticipated Outcomes

- Investment that seeks to increase the number of First Nation women-owned businesses by 2025.
- Tackle systemic barriers impeding women's economic and social progress.
- Implement Calls for Justice to address areas of human and Indigenous rights, culture, health and wellness, security and justice.

Honouring Promises

- ❖ Work with AFN Women's Council to develop and apply an appropriate gender-based analysis tool for assessing gender-based needs
- ❖ Prioritize the needs and rights of First Nations women in economic development and access to capital.
- ❖ Ensure implementation of Calls to Justice from the National Inquiry into Missing and Murdered Indigenous Women and Girls.
- ❖ Ensure continuing improvement of women's economic and social conditions, consistent with the UN Declaration and the Convention on the Elimination of Discrimination Against Women.

Priority: Restorative Justice – Minister of Justice, Minister of Public Safety

Required Investments

- Enhancements and expansion of the First Nations Police Agencies - \$2 billion over 5 years
- Upgrades to First Nations community safety infrastructure - \$500 million over 5 years
- Establishment of restorative justice programs in local First Nations - \$750 million over 5 years
- Creation of First Nation community safety and security programs - \$500 million over 5 years

Total investment required is \$3.75 billion over 5 years.

Anticipated Outcomes

- Improved First Nation governance over the administration of justice in their local First Nations.
- Development of local programs that target specific justice matters/concerns of First Nations.
- 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.

Honouring Promises

- ❖ Establish First Nations restorative justice systems and joint initiatives to end overrepresentation of First Nations people in the criminal justice and correctional systems.
- ❖ Acknowledge and affirm First Nations laws as part of the legal system on a footing equal to common and civil law.
- ❖ Support Indigenous Law programs at Canadian universities and First Nations-secondary institutions.
- ❖ Ensure First Nations appointees to all levels of courts, particularly the appointment of the first First Nations Supreme Court Justice.
- ❖ Develop and implement a statutory framework recognizing First Nations Police Services as essential services with equitable funding and capacity supports.
- ❖ Support First Nations-led development and implementation of community safety and security action plans.

Priority: Environment - Minister of Environment and Climate Change

Required Investments

- Documenting impacts and planning solutions to climate change - \$500 million over 5 years.
- Green infrastructure development - \$8.5 billion over 5 years.
- Clean/alternative energy solutions in support of a transition to a green energy economy - \$1.75 billion over 5 years.
- Adaptation planning - \$350 million over 5 years.
- Reducing diesel dependency of remote First Nations communities - \$350 million over 5 years.
- Environmental monitoring initiatives with additional considerations for targeted investments in First Nations Guardians and associated network development - \$250 million over 5 years.
- First Nations-led conservation - \$1.3 billion over 5 years

Total Investment required is \$13 billion over 5 years.

Anticipated Outcomes

- First Nations will be able to identify and document the evolving impacts of the climate crisis, and use that information to develop culturally-appropriate mitigation, adaptation, and emergency solutions. Current data on the economic benefits of adaptation illustrate that every dollar invested generates, on average, \$5.60 in benefits, in addition to billions spent on emergency response.
- Through the call for First Nations Infrastructure Investment Plan, federal colleagues have identified a gap of funding on over \$500M of structural/disaster mitigation projects and over \$350M in energy related projects. Demand for federal programs for adaptation are oversubscribed by First Nations, illustrating need for resources, particularly for implementation.
- 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.

Honouring Promises

- ❖ Act on climate change as a national priority.
- ❖ Work with First Nations as full partners in the implementation of Canada's climate plan, including decisions on revenues generated from greenhouse gas pollution pricing and the implementation of the Greenhouse Gas Pollution Pricing Act.
- ❖ Support the establishment and maintenance of Indigenous Protected and Conserved Areas to support Canada's international biodiversity commitments to 2020 and beyond.
- ❖ Affirm and support First Nations Inherent and Treaty rights to develop and implement environmental regulations, impact assessment regimes as well as climate adaptation and mitigation strategies.
- ❖ Provide support for First Nations-led environmental and regulatory reviews.
- ❖ Ensure direct First Nations participation in federal environmental policy making.
- ❖ Support First Nations to fully participate in the development of clean energy and sustainable technologies.

Table: Summary of Investments Budget 2020

Investment Area	Program	Investment Required
First Nations Languages	Kindergarten-Grade 12 (ISC)	\$642 million/3 years
	Lifelong Learning (PCH)	\$515 million/3 years
Child & Family Services	Implementing jurisdiction (ISC)	\$250 million/5 years
Governance	Band Support Funding (ISC)	\$ 2.7 billion/5 years
	Band Employee Benefits (ISC)	\$ 400 million/5 years
	Professional & Institutional Development (ISC)	\$ 300 million/5 years
	Tribal Councils (ISC)	\$ 100 million/5 years
Education	Post-Secondary Student Support (ISC)	\$873 million/5 years
	Adult Education (ISC)	\$513.5 million/5 years
	Kindergarten – Grade 12 (ISC)	\$44 million/2 years
	First Nation Post-Secondary Institutions	\$186 million/3 years
Health	Health Transformation (ISC)	\$369 million/3 years
	Health Infrastructure (ISC)	\$230.4 million/3 years
	Mental Wellness (ISC)	\$762.9 million/3 years
Income Assistance	Income Assistance Program (ISC)	\$721.5 million/5 years
Infrastructure/Water	All upgraded infrastructure needs, Operations & Maintenance	\$12.6 billion/5 years
	All weather roads	\$2.3 billion/3 years
Housing	New housing and backlog	\$4 billion/5 years
Specific Claims & Additions-to-Reserve	Specific Claims (CIRNA)	\$7.5 million/3 years
	Additions-to-Reserve (ISC)	\$14 million/3 years
Economic Development	Economic Development and Trade Strategy (ISC)	\$1.4 billion/3 years
	Indigenous Skills and Employment Strategy (ESDC)	\$627.6 million/3 years
	Disabilities (ESDC)	\$650 million/3 years
Gender Rights	Women's Entrepreneurship Strategy	\$1.25 billion/5 years
	Implementation MMIWG Calls for Justice	\$3.5 billion/5 years
Restorative Justice	Community Safety Infrastructure	\$500 million/5 years

	Establish restorative justice programs in local First Nations	\$750 million/5 years
	Create First Nation community safety and security programs	\$500 million/5 years
Environment	Impacts & Planning (EC)	\$500 million/5 years
	Green Infrastructure (EC)	\$8.5 billion/5 years
	Clean Energy (EC)	\$1.75 billion/5 years
	Adaptation Planning (EC)	\$350 million/5 years
	Reducing Diesel Dependency (EC)	\$350 million/5 years
	Environmental Monitoring/Guardians (EC)	\$250 million/5 years
	Conservation (EC)	\$1.3 billion/5 years