

## **Department of Finance Canada**

### **Moving Forward on Reconciliation**

#### **Backgrounder**

**April 7, 2022**

The federal government is committed to a renewed nation-to-nation relationship with Indigenous peoples based on recognition of rights, respect, truth, co-operation, and partnership.

Budget 2022 proposes to invest an additional \$11 billion over six years to continue to support Indigenous children and families, and to help Indigenous communities continue to grow and shape their futures.

#### **Supporting First Nations Children Through Jordan's Principle**

The federal government is committed to eliminating the systemic barriers that prevent First Nations children from accessing services and support they need to thrive. Jordan's Principle is a vital part of this work, helping to ensure that all First Nations children can access the health, social, and educational services they need, when they need them.

- Budget 2022 proposes to provide \$4 billion over six years, starting in 2021-22, to ensure First Nations children continue to receive the support they need through Jordan's Principle. This funding will also support long-term reforms to improve the implementation of Jordan's Principle.

#### **Implementing Indigenous Child Welfare Legislation**

*An Act respecting First Nations, Inuit and Métis children, youth and families* came into force on January 1, 2020, and is an important step towards meaningfully addressing disparities in the child and family services system. Budget 2022 proposes important funding to support the Act's implementation and affirm Indigenous jurisdiction over child and family services.

- Budget 2022 provides \$340.8 million over ten years, starting in 2021-22, to support Wabaseemoong Independent Nations' exercise of jurisdiction.
- Budget 2022 also proposes to provide \$87.3 million over three years, starting in 2022-23, to enable Indigenous communities to continue to work with the federal government and the provinces and territories to support the implementation of Indigenous child welfare laws.

#### **Addressing the Shameful Legacy of Residential Schools**

The country was shaken following the multiple discoveries of unmarked burial sites at former residential schools over the past year, which are reminders of the shameful legacy of residential schools and colonialism.

The federal government will continue to be there to support communities as they respond to and heal from intergenerational trauma and the ongoing impact of residential schools. Addressing the legacy of residential schools will take time, and Canada will undertake this work in partnership with Indigenous people and communities.

- Budget 2022 proposes to provide \$209.8 million over five years, starting in 2022-23, to increase the support provided to communities to document, locate, and memorialize burial sites at former residential schools; to support the operations of and a new building for the National Centre for

Truth and Reconciliation; and to ensure the complete disclosure of federal documents related to residential schools.

- Budget 2022 also proposes \$10.4 million over two years, starting in 2022-23, to support the appointment of a Special Interlocutor who will work collaboratively with Indigenous peoples and make recommendations for changes to strengthen federal laws and practices to protect and preserve unmarked burial sites.
- Budget 2022 also proposes \$5.1 million over five years, starting in 2022-23, to ensure the Royal Canadian Mounted Police can support community-led responses to unmarked burial sites.
- Budget 2022 also proposes \$25 million over three years, starting in 2022-23, to support the digitization of millions of documents relating to the federal Indian Day School System, which will ensure survivors and all Canadians have meaningful access to them.
- Budget 2022 also proposes to provide \$25 million over three years, starting in 2022-23, to Parks Canada to support the commemoration and memorialization of former residential schools sites.

### **Improving Health Outcomes in Indigenous Communities**

As Canada comes through the pandemic, the government will continue making high-quality and culturally-relevant health care, free from discrimination, a reality for Indigenous peoples. This remains a significant task, but work is already underway with Indigenous partners and the provinces and territories to co-develop distinctions-based Indigenous health legislation and ensure health services are responsive to the distinct needs of all Indigenous people, no matter where they live.

- Budget 2022 proposes to invest \$268 million in 2022-23 to continue to provide high-quality health care in remote and isolated First Nations communities on-reserve.
- Budget 2022 also proposes to invest an additional \$190.5 million in 2022-23 for the Indigenous Community Support Fund to help Indigenous communities and organizations mitigate the ongoing impacts of COVID-19.

### **Distinctions-based Mental Health and Wellness**

Addressing the unique and deeply rooted traumas of First Nations, Inuit, and Métis communities—which include intergenerational trauma; overt and systemic racism and discrimination; and social and economic inequality—requires a distinctions-based approach to mental health and wellness that is developed and delivered by Indigenous peoples.

- Budget 2022 proposes to provide \$227.6 million over two years, starting in 2022-23, to maintain trauma-informed, culturally-appropriate, Indigenous-led services to improve mental wellness, and to support efforts initiated through Budget 2021 to co-develop distinctions-based mental health and wellness strategies.

### **First Nations Elementary and Secondary Education**

In 2019, the federal government implemented a new co-developed policy and funding approach to help ensure First Nations children living on reserve receive a high-quality education that meets their unique needs.

- Budget 2022 proposes to invest an additional \$310.6 million over 5 years to support better student outcomes through a Regional Education Agreement with the First Nations Education Council, which includes 22 member communities in Quebec.

### **Clean Drinking Water and Better Infrastructure for First Nations Communities**

Since 2015, the government has invested \$5.3 billion to build and repair water and wastewater infrastructure and support the effective management and maintenance of water systems. To accelerate progress to end long-term drinking water advisories and continue addressing critical infrastructure gaps in First Nations communities on reserve:

- Budget 2022 proposes to provide \$398 million over two years, starting in 2022-23, to support community infrastructure on reserve, of which at least \$247 million will be directed toward water and wastewater infrastructure.
- Budget 2022 proposes \$173.2 million over ten years, starting in 2022-23, to support the transfer of water and wastewater services in 17 communities to the Atlantic First Nations Water Authority. By putting service delivery into the hands of communities themselves, this first-of-its-kind, First Nations-led initiative will help chart the path to self-determination, while strengthening the management of water and wastewater infrastructure on reserves.

The government affirms its commitment to repeal the *Safe Drinking Water for First Nations Act* that has been in place since 2013 and does not meet the needs of First Nations. The federal government will work with First Nations to develop replacement legislation. The government also intends to amend the *Income Tax Act* to exclude from taxation the income of the Safe Drinking Water Trust established under the Safe Drinking Water Class Action Settlement Agreement.

In 2018, Lubicon Lake Band and the governments of Canada and Alberta signed a settlement to resolve the First Nation's longstanding claim that included an agreement to support new community infrastructure.

- Budget 2022 proposes to provide \$162.6 million over three years, starting in 2022-23, to enable the completion of required infrastructure with respect to the Lubicon Lake Band settlement agreement.

### **Investing in Housing for Indigenous Communities**

The access to safe and affordable housing being critical to improving health and social outcomes and to ensuring a better future for Indigenous communities and children, the federal government has committed more than \$2.7 billion to support housing in Indigenous communities since 2015.

- Building on these investments, Budget 2022 proposes to provide a further \$4 billion over seven years, starting in 2022-23, to accelerate work in closing Indigenous housing gaps as follows:
  - \$2.4 billion over five years to support First Nations housing on reserves;
  - \$565 million over five years to support housing in Self-Governing and Modern Treaty Holder First Nations communities;
  - \$845 million over seven years to support housing in Inuit communities; and
  - \$190 million over seven years for housing in Métis communities.

We also know that Indigenous peoples, regardless of where they live, face unique barriers to affordable housing.

- Budget 2022 proposes to invest \$300 million over five years, starting in 2022-23, to co-develop and launch an Urban, Rural, and Northern Indigenous Housing Strategy.

Along with these new investments, the federal government will allocate \$2 billion of the \$20 billion provided for long-term reform of the First Nations Child and Family Services program to target the housing needs of First Nations children once a final settlement agreement is reached.

### **Implementing the *United Nations Declaration on the Rights of the Indigenous Peoples Act***

The government remains committed to the full and effective implementation of the *United Nations Declaration on the Rights of the Indigenous Peoples Act* in partnership with Indigenous peoples.

- Budget 2022 proposes to provide \$65.8 million over five years, starting in 2022-23, and \$11 million ongoing, to Justice Canada and Natural Resources Canada to accelerate work to meet legislated requirements, including the co-development of an action plan with Indigenous partners.
- To complement this work, Budget 2022 also proposes \$9.5 million over five years, starting in 2022-23, to the Department of National Defence to align its operations and engagement with Indigenous peoples with the Act.

### **Supporting Indigenous Businesses and Community Economic Development**

Advancing reconciliation requires a commitment to Indigenous economic self-determination. The following investments will support Indigenous businesses' and communities' contributions to Canada's economic recovery.

- Budget 2022 proposes to provide \$150 million over five years, starting in 2022-23, to Indigenous Services Canada's Lands and Economic Development Services Program and Community Opportunity Readiness Program, to advance shovel-ready economic opportunities in Indigenous communities.
- To complement the above, Budget 2022 also proposes to provide \$15 million over five years, starting in 2022-23, to support Indigenous economic development in the North.
- To ensure that all communities are well positioned to benefit from these investments, Budget 2022 also proposes to provide \$35 million over five years, starting in 2022-23, to increase economic capacity supports, including specialized training opportunities delivered by Indigenous-led organizations.
- To further support Indigenous small and medium-size enterprises, Budget 2022 proposes to forgive up to 50 per cent of the COVID-Indigenous Business Initiative loans that supported businesses in need during the pandemic. This action will help ensure that Indigenous-owned businesses are positioned for long-term success.

### **Partnering with Indigenous Peoples in Natural Resource Projects**

Investing in partnerships with Indigenous communities early in the development of resources projects can ensure meaningful opportunities for Indigenous participation, as well as greater certainty for investors.

- Budget 2022 proposes to provide \$131.3 million over five years, starting in 2022-23, as follows:
- \$103.4 million over five years, starting in 2022-23, to develop a National Benefit-Sharing Framework, and the expansion of both the Indigenous Partnership Office and the Indigenous Natural Resource Partnerships program.
- \$27.9 million over two years, starting in 2022-23, for the Line 3 and the Trans Mountain Expansion Project pipelines' Indigenous Advisory and Monitoring Committees, to enable Indigenous communities to identify common priorities and provide informed advice on these projects.

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