



Indian and Northern Affairs Canada and Canadian Polar Commission

2002-2003
Estimates

Part III – Report on Plans and Priorities

Canada

The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament. The Estimates, which are tabled in the House of Commons by the President of the Treasury Board, consist of three parts:

Part I – The Government Expenditure Plan provides an overview of federal spending and summarizes both the relationship of the key elements of the Main Estimates to the Expenditure Plan (as set out in the Budget).

Part II – The Main Estimates directly support the *Appropriation Act*. The Main Estimates identify the spending authorities (votes) and amounts to be included in subsequent appropriation bills. Parliament will be asked to approve these votes to enable the government to proceed with its spending plans. Parts I and II of the Estimates are tabled concurrently on or before 1 March.

Part III – Departmental Expenditure Plans which is divided into two components:

- (1) **Reports on Plans and Priorities (RPPs)** are individual expenditure plans for each department and agency (excluding Crown corporations). These reports provide increased levels of detail on a business line basis and contain information on objectives, initiatives and planned results, including links to related resource requirements over a three-year period. The RPPs also provide details on human resource requirements, major capital projects, grants and contributions, and net program costs. They are tabled in Parliament by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*. These documents are tabled in the spring and referred to committees, which then report back to the House of Commons pursuant to Standing Order 81(4).
- (2) **Departmental Performance Reports (DPRs)** are individual department and agency accounts of accomplishments achieved against planned performance expectations as set out in respective RPPs. These Performance Reports, which cover the most recently completed fiscal year, are tabled in Parliament in the fall by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of public funds.

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Ottawa, Canada K1A 0S9

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Internet site: <http://publications.pwgsc.gc.ca>

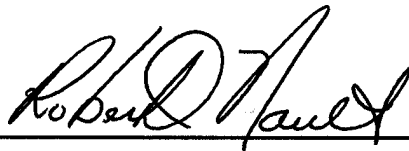
Catalogue No. BT31-2/2003-III-19

ISBN 0-660-61797-8

**Indian and Northern
Affairs Canada
and
Canadian Polar Commission**

2002–2003 Estimates

Report on Plans and Priorities

A handwritten signature in black ink, reading "Robert D. Nault". The signature is written in a cursive style with a large, prominent "R" and "N".

The Honourable Robert D. Nault, P.C., M.P.
Minister of Indian and Northern Affairs Canada

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Section I — Messages

Minister's Message



In keeping with the Speech from the Throne, in which our government committed to create and share opportunity with Aboriginal people, we pledge to strengthen our relationship with Aboriginal people and to tackle their most pressing problems. The past has left its legacies, but what is so encouraging is that the past is being overcome, and a positive new reality is emerging. Change is in the air. Change that encompasses an integrated set of priorities to build communities and economies. Change that puts the tools for an improved quality of life into the hands of communities.

Good governance is one of these tools. A major priority over the past year, and one that continues into this coming year, is the Communities First: First Nations Governance initiative. We are committed to putting in place basic elements for credible, accountable and self-sustaining First Nations governance. The governance initiative will provide a foundation for First Nations people to strengthen their communities and to improve their quality of life. There are also projects that will aid and support enhanced governance. These include a legislative base for First Nations Fiscal Institutions, establishing an Independent Claims Body, and expansion of the *First Nations Land Management Act* (FNLMA).

The department's drive for economic development has resulted in many Aboriginal businesses success stories. Non-Aboriginal leaders are discovering the enormous potential of Aboriginal people — not only as potential target markets, but also as partners and associates in joint ventures. There is a tremendous new wave of entrepreneurial spirit in First Nations' communities and we will continue to make it a priority.

Canada's Aboriginal population is young and growing. More than any other segment of the Aboriginal population, children and youth have the most to gain from our efforts and education is a major component of success. It is imperative that we work towards providing First Nations with tools to improve the quality of education at all levels. Today, there are more than 30,000 Aboriginal university graduates, providing the basis for a dynamic new business class and a sophisticated new generation of leadership.

The department is committed to ensuring that the basic needs of Aboriginal people are met in terms of jobs, housing and infrastructure. Therefore, we will continue to work to ensure social programs reach those in greatest need.

Land claims settlements create a positive and stable climate for investment on Aboriginal lands and in surrounding areas. They clarify land and resource ownership and provide Aboriginal people with a solid foundation for governance and expanded economic opportunities. Therefore, streamlining claims and self-government processes will be a priority this year.

Working with Northerners — both Aboriginal and non-Aboriginal — also remains a priority. We must ensure they participate in the decisions that will so profoundly affect the future of their territories. Our focus is now on putting in place regulatory management for northern development, in particular for a gas pipeline, and on making progress on devolution.

These priorities will guide us through the next year. They offer great opportunities to work with First Nations people, Inuit and Northerners to ensure they attain a quality of life comparable to that of other Canadians. We are determined to both create and share opportunity. While there is no denying there are still many challenges to overcome before fully achieving this objective, there is also no question that we are well on our way to a better future.

Management Representation Statement

Management Representation Statement

I submit, for tabling in Parliament, the 2002–2003 Report on Plans and Priorities (RPP) for Indian and Northern Affairs Canada.

To the best of my knowledge the information in this document:

- Accurately portrays the department's plans and priorities.
- Is consistent with the reporting principles contained in the *Guide to the preparation of the 2002–2003 Report on Plans and Priorities*.
- Is comprehensive and accurate.
- Is based on sound underlying departmental information and management systems.

I am satisfied as to the quality assurance processes and procedures used for the RPP production.

The Planning, Reporting and Accountability Structure (PRAS) on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

Name:



Caroline Davis
Assistant Deputy Minister, Corporate Services

Date:

2002.02.26

Section II — Raison d'être

Strategic Overview — Indian and Northern Affairs Canada

Consistent with the Government of Canada's goal of improving the quality of life for all Canadians and the commitments made in the January 2001 Speech from the Throne and Budget 2001, the key objective of Indian and Northern Affairs Canada (INAC) is to create a better quality of life for First Nations, Inuit and Northerners.

To achieve this objective, we are continuing to advance the four elements of *Gathering Strength — Canada's Aboriginal Action Plan* (http://www.ainc-inac.gc.ca/gs/index_e.html): strong communities, people and economies; strengthened Aboriginal governance; a new fiscal relationship; and renewed partnerships. As we move forward, we recognize the need for a balanced, integrated approach, in which economic development and social development go hand-in-hand. Our efforts are focused on achieving a better quality of life, through economic participation built on strong foundations of governance, human capital and infrastructure.

To support these goals, we are targeting a number of specific areas in the short- and medium-term, as follows:

Building Governance Capacity in First Nations

The foundations of good governance and strong, effective institutions lay the groundwork for economic development and a better quality of life in First Nations communities. While progress has been made in building First Nations governance, significant challenges remain. We need to provide First Nations with appropriate tools for the 21st century and to put in place the basic elements necessary for sustainable First Nations governance accountable to First Nations citizens. This requires a series of statutory and institutional reforms, such as the First Nations Governance initiative announced by Minister Nault in April 2001. Details of the First Nations Governance initiative can be found at <http://www.fng-gpn.gc.ca>. Other planned initiatives include a suite of legislatively based First Nations fiscal institutions, expansion of the *First Nations Land Management Act* (FNLMA) and legislation for First Nations oil and gas management. In addition, the establishment of an Independent Claims Body, and proposed additional Treaty Commissions, will help to create a better environment for moving forward on governance.

Strengthening Economic Development

To build stronger First Nations, Inuit and northern economies, we will work towards building a broader, more strategic foundation that builds on partnerships with other federal departments, agencies, provincial/territorial governments and the private sector, provides better leverage for our assets and fosters long-term sustainable development. We will also look at enhancing linkages between economic development and other departmental programs, including capital/infrastructure improvements in reserve land and resource management programs and the aforementioned expansion of the FNLMA. Building governance capacity in First Nations and helping First Nations develop stable long-term own-source revenues and gain access to low-cost long-term capital financing for development purposes, will be key components of strengthening economic development.

Investing in People Through Education and Social Reforms

Good-quality education and social programs are key to ensuring strong individuals, communities and economies. We will work with First Nations to provide them with tools to improve the quality of education — from early childhood development to access to the workforce — and to better demonstrate results for expenditures. Our efforts will also focus on ensuring that social programs and services reach those in greatest need, take into account program redesign by provinces and foster positive, sustainable results (e.g., education, income security reform).

Achieving and Implementing Claims Settlements / Negotiating Self-Government Agreements

The successful negotiation and implementation of claims and self-government agreements are important elements in strengthening the relationship and providing a solid foundation for governance and economic development. To accelerate progress, we will focus our efforts on streamlining internal processes for negotiation and approval of claims and self-government agreements, and sharpening the focus on those negotiating tables that are producing promising results.

Promoting Political and Sustainable Development in the North

Our work in the North will focus on two key areas: a more effective regulatory management system for northern development that protects the environment and secures investment; and progress on devolution of provincial-like responsibilities.

Improving Service

Internally, we will identify service improvements to business lines and strengthen internal operations and financial management to obtain better value for existing fiscal resources.

Ensuring Effective Communications

We will continue to develop and implement corporate communications strategies to ensure effective and timely sharing of accurate information between INAC and First Nations, Inuit, Northerners, and between INAC and other Canadians.

As the department moves forward on these initiatives, we recognize that fiscal resources are limited. Improving the quality of life for First Nations, Inuit and Northerners requires better targeting and leveraging our resources to provide our partners with the tools they need to make more effective use of the resources available to them. We also need to recognize that strategies to improve quality of life and sustainable development cannot be developed in isolation, but should be mutually reinforcing. The above initiatives have been identified with these realities in mind.

The details of our plans and planned results over the planning horizon are outlined and elaborated upon in Section III of the report (beginning on page 13).

Circles of Influence

This report is structured around INAC's commitment to strategic outcomes. For each strategic outcome, INAC's planning process makes reference to three "circles of influence" for reporting the results of activities in terms of short-, medium- and long-term outcomes.

The **operational circle** involves the department's day-to-day activities, the use of its resources and the operations of its policies and programs. Activities and outputs at this level are intended to contribute directly to the next level — "the collaborative circle." Operational-level results include: consultations, policy development, operations, payments and communications/outreach.

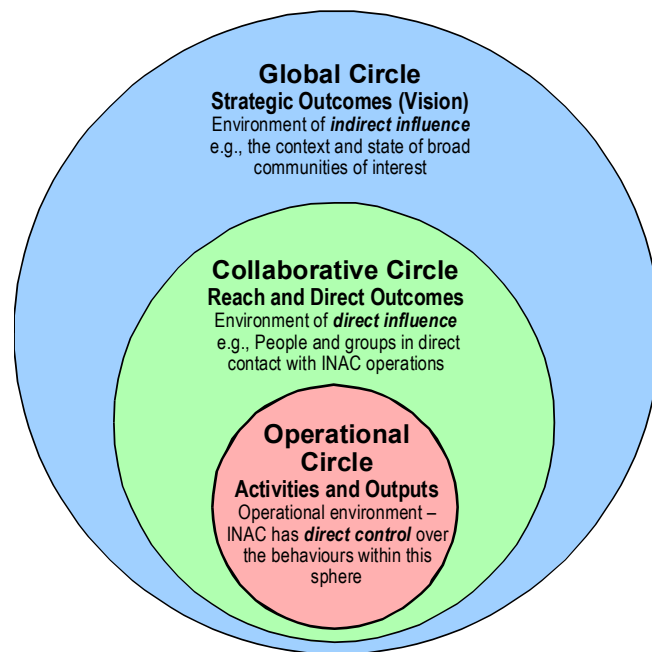
The **collaborative circle** relies on partnerships to achieve goals, build capacity, improve practices and create a supportive climate for initiatives.

Operational activities are intended to have a direct influence on immediate and intermediate outcomes at this level.

Collaborative-level results include: adoption of practices that contribute to strategic outcomes by target

communities and sectors; capacity enhancement, or increased ability and commitment to address key challenges and opportunities to achieve strategic outcomes; increased knowledge and understanding of key requirements; positive reactions of key communities; awareness/ participation/engagement in relation to key issues, challenges and/or opportunities; support for key issues from provincial/territorial/regional/other government departments and other intermediary and partner groups; and agreements and partnerships with First Nations and industry for the development of land and resources.

The **global circle** describes both the existing conditions that affect strategic outcomes and desirable changes in those conditions. While these conditions are often beyond INAC's direct influence, it is important to focus on activities that contribute to positive changes for First Nations, Inuit and Northerners in the long term. Global-level results (end outcomes) or priorities include: strong, sustainable communities, people and economies; strengthened Aboriginal and Northern governance; new fiscal relationship; and renewed partnerships.



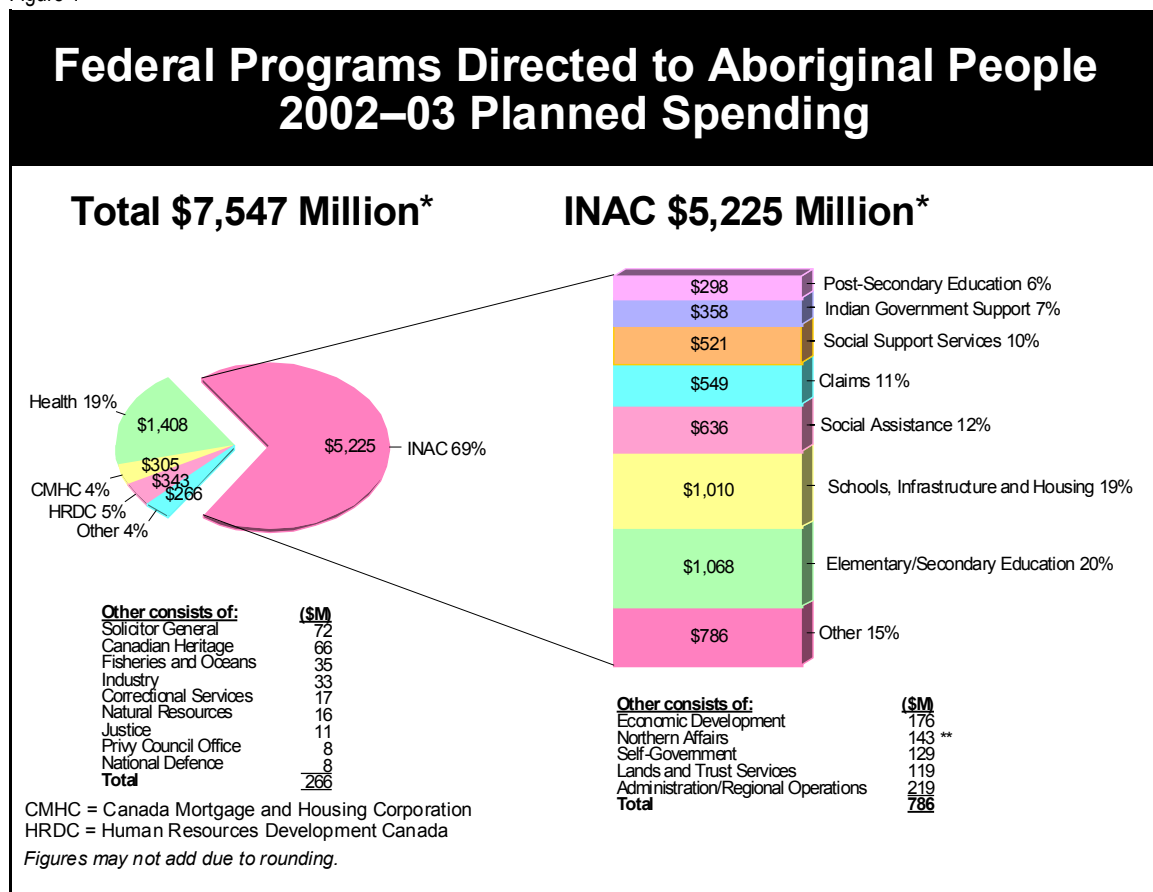
Reporting Structure

Indian and Northern Affairs Canada		
Strategic Outcomes	Priorities (End Outcomes — Global-level Results)	Planned Results (Immediate/Intermediate Outcomes — Collaborative Results; Activities/Outputs — Operational Results)
To provide Canadians with an environment that fosters a more promising future for all First Nations and Inuit people by strengthening the relationship and addressing the discrepancies in living standards between First Nations and Inuit and non-Aboriginal people; to promote enhanced skills and expertise leading to more sustainable and accountable Aboriginal governments, increased self-sufficiency and economic independence.	<ul style="list-style-type: none"> ● Strong Communities, People and Economies 	pages 13–18
	<ul style="list-style-type: none"> ● Strengthened Aboriginal Governance ● New Fiscal Relationship ● Renewed Partnerships 	<p>pages 19–22</p> <p>pages 23–27</p> <p>pages 28–32</p>
To provide Canadians with management of the Northern Agenda resulting in: strengthened territorial governance systems that are sensitive to Aboriginal rights and interests and the needs of all Northerners in general; safeguarding the environment and promoting sustainable development in the North.	<ul style="list-style-type: none"> ● Effective management of federal interests in the North 	pages 33–39
Canadian Polar Commission		
Strategic Outcome	Priorities (End Outcomes — Global-level Results)	Planned Results (Immediate/Intermediate Outcomes — Collaborative Results; Activities/Outputs — Operational Results)
To provide Canadians with an effective national and international presence in relation to polar science and technology that contributes to a broader understanding of polar issues.	<ul style="list-style-type: none"> ● Develop and disseminate knowledge with respect to the polar regions 	pages 40–43

Key Co-delivery Partners

Working horizontally among departments involved in Aboriginal programs is a key thrust of *Gathering Strength — Canada's Aboriginal Action Plan*. Thirteen federal departments and agencies, including INAC, offer programs for Aboriginal people with total planned spending of approximately \$7.5 billion in 2002–03 (see Figure 1). Basic, provincial-type services account for more than 80 percent of total on-reserve funding. Further information on co-delivery partners is included on pages 50–51.

Figure 1



* Expenditures in Figure 1 are budgetary only. To reconcile to the 2002–03 planned expenditure figure for INAC on pages 45, 47, 48 and 59 (\$5,352 million), \$127 million must be added to the INAC total of \$5,225 million in Figure 1. The \$127 million reflects the total for non-budgetary expenditures (\$75 million) and the non-Aboriginal portion of expenditures in the Northern Affairs Program (\$52 million).

** Reflects Aboriginal-specific programs and a proportion of non-Aboriginal-specific programs.

Profile of Canada's Aboriginal Population

The *Constitution Act, 1982* recognizes three groups of Aboriginal people — **Indians, Inuit and Métis**. In addition, the *Indian Act* delineates the legal definitions that apply to **Status Indians** in Canada: a Status Indian is an Indian person who is registered under the *Indian Act*.¹ **Métis** people are of mixed First Nations and European ancestry, who identify themselves as Métis. **Inuit** are the Aboriginal people of Arctic Canada and live primarily in Nunavut, the Northwest Territories (N.W.T.) and northern parts of Labrador and Quebec. Inuit do not live on reserves and are not covered by the *Indian Act*.

INAC's core responsibilities with respect to Aboriginal people are primarily related to Status Indians living on reserve and Inuit. INAC is responsible for the delivery of provincial-type programs and services on reserves. In the North, INAC works in cooperation with Inuit and other Aboriginal communities to develop governance structures and to finalize and implement land claims and self-government agreements. Given the unique context of Canada's North, and in accordance with the federal policy on Aboriginal self-government,² some agreements also include Métis north of 60° latitude.

Status Indians living on reserves represent about 61 percent of the Status Indian population: there are 435,100 on-reserve Status Indians and 283,200 who reside off-reserve.³ In total, there are 612 First Nations communities, comprising 52 nations or cultural groups and more than 50 languages. Approximately 61 percent of First Nations communities have fewer than 500 residents — only 6 percent have more than 2,000. Overall, 34.7 percent of on-reserve Status Indians live in urban areas, while 44.6 percent live in rural areas, 16.9 percent in special-access areas and 3.8 percent in remote zones.

The on-reserve Status Indian population is expected to increase by 30 percent from 2000 to 2010 compared with 7.7 percent for the Canadian population as a whole. Approximately 41.1 percent of the Status Indian population is under the age of 19 compared with 25 percent for the Canadian population. Pressures for employment, housing and other services will increase as this population ages.

In Canada's North (occupying 40 percent of Canada's land mass), there are three territories and some 93 communities, most of them home to small populations of First Nations, Métis or Inuit people. Widespread distribution of the population increases the cost of providing services: some 95,000 residents are scattered across this area. Nunavut's population is 25,000 while there are 39,000 people in the N.W.T. and 31,000 in the Yukon.

¹ A **Treaty Indian** is a Status Indian who belongs to a First Nation that signed a treaty with the Crown. Not all Status Indians belong to First Nations that signed treaties. A **Non-Status Indian** is an Indian person who is not registered as an Indian under the *Indian Act*.

² See http://www.inac-ainc.gc.ca/pr/pub/sg/plcy_e.html.

³ 1998-based projections using the Indian Registration System for the year 2002.

The population in the North is young, with 45 percent of the population under the age of 25. Just about half of the population is Aboriginal, varying from 85 percent in Nunavut to about 49 percent in the N.W.T and about 22.5 percent in the Yukon. There are few reserves; First Nations and Inuit residents receive most programs and services from territorial governments. The key economic drivers are government, mining and, in the N.W.T., hydrocarbons. Throughout the North, cultural identities, including stewardship of the land, remain strong and traditional harvesting and arts and crafts are important dimensions of the economy.



Section III — Plans and Priorities by Strategic Outcome

Indian and Northern Affairs Canada

Strategic Outcome

To provide Canadians with an environment that fosters a more promising future for all First Nations and Inuit people by strengthening the relationship and addressing the discrepancies in living standards between First Nations and Inuit and non-Aboriginal people; to promote enhanced skills and expertise leading to more sustainable and accountable Aboriginal governments, increased self-sufficiency and economic independence.

Priority: Strong Communities, People and Economies (\$3,737 million in 2002–03)

Description

Strong Communities, People and Economies is about making a difference in the lives of individuals and communities — the core thrust of *Gathering Strength* — from improving health and public safety to strengthening economic development.

Benefits / Results for Canadians

- Strengthened and Sustained Economic Development
- Increased Self-Sufficiency
- Improved Health and Safety

Current Environment: Challenges and Opportunities

Collaborative Circle

First Nations and Inuit communities present unique social, cultural and economic circumstances which require a focused approach to achieving the quality-of-life commitments in the Speech from the Throne and Budget 2001. A holistic approach is required to ensure that basic needs for jobs, health, education, housing and infrastructure are met. This means not only strengthening the federal government's relationship with Aboriginal people, but also ensuring that the various federal government departments work together more effectively. It also means improving partnerships with the private sector and the provinces and territories.

To support the creation of strong communities, people and economies, the priorities for INAC and its partners are on economic development, education, infrastructure support and social development. To effectively seize existing opportunities for economic growth and development, First Nations and Inuit need improved access to capital and markets and a more supportive investment climate. They require tools to build strong partnerships with the private sector as well as with provinces, territories, other federal government departments and professional associations. In addition, proper economic infrastructure, coupled with measures to enhance workforce skills and experience are required to take advantage of economic opportunities.

Education is the key to the social and economic strength of a community. INAC, in partnership with First Nations, is addressing the following challenges: establishing appropriate standards; meeting needs for special education; maintaining the buying power of the post-secondary education program as the cost of tuition rises; and ensuring opportunities for life-long learning.

Strong communities are based on a sound infrastructure, and First Nations and Inuit communities face continuing challenges in ensuring there is adequate housing, safe water supply and sewer systems, environmentally sound energy sources, and effective modes of transportation and communication to ensure the health and safety of communities and maintain links to the social and economic fabric of the country. The remote location of many communities requires innovative and partnered solutions to ensure these needs are met in an affordable manner.

The heart of a community lies in its social support and vitality. A partnered approach is required to develop a more cohesive federal approach to social programming — one that will ensure federal actions and programs are coordinated to help build local solutions to local challenges. The challenges in First Nations communities are diverse, and in many they are acute. A holistic, community-based approach is required to address long-term effects of poverty, dislocation, disaffection and social despair.

To ensure sustainable success in addressing these challenges, INAC will continue to support First Nations communities in strengthening governance, including more effective and transparent administrative practices. An accountability regime that provides effective feedback to First Nations communities, as well as to partnered departments, will allow open and joint determination of the progress being made.

Operational Circle

Many First Nations and Inuit communities are ready for growth. INAC's key operational challenge is to support progress in these communities through maintenance of appropriate standards and strategies that help ensure satisfactory outcomes of programs. These will be enhanced through coordination of efforts by federal, provincial and territorial government departments and other partners, as well as through direct investment in economic development programs that promote First Nations and Inuit participation in the Canadian economy. These initiatives must be supported by education and training programs that further empower First Nations and Inuit, and by awareness-building and advocacy programs that foster strategic partnerships and create joint ventures, particularly with the private sector.

Our Plan: Linkage to Strategic Outcome

We are committed to a quality of life for First Nations and Inuit comparable to that of neighbouring communities and to increased self-sufficiency through improved access to economic opportunities. Partnerships between First Nations and Inuit and the private sector, non-governmental organizations and other levels of governments are essential to achieve this goal.

Real progress in creating strong communities, people and economies requires an effective framework for development, as well as a balanced and integrated approach. This framework must be built on innovative solutions developed and implemented jointly by INAC and its partners in the areas of basic housing and infrastructure, life-long education and training systems and other initiatives such as effective tools for governance and management of financial, land and other resources. In addition, improved access to capital and a supportive investment climate will enhance communities' potential to take advantage of opportunities for economic growth and development, and will encourage regional, multi-party and other partnerships.

Investing in strong communities, people and economies will reduce health and other social costs and contribute to the health and well being of on-reserve populations. Strategic investments in First Nations and Inuit economic development also strengthens the broader Canadian economy, benefits neighbouring communities, and increases regional economic stability and growth. Institutional development fosters self-reliance of First Nations and Inuit communities as well as enhancing good governance and accountability.

Planned Results (Operational Collaborative)

Strengthened and Sustained Economic Development

Planned Results 2002–03

- Increased participation of First Nations and Inuit in resource opportunities by supporting strategic initiatives that lead to sustainable businesses and employment opportunities.
- Enhanced financial leverage, to increase business start-ups and expansions through INAC's equity programs.
- Increased awareness of the Procurement Strategy for Aboriginal Business by the federal purchasing community and Aboriginal businesses.
- Production of regional tools to support corporate Canada's Aboriginal employment through the Aboriginal Workforce Participation Initiative (AWPI).
- Revision of Additions to Reserve (ATR) policy, to recognize that First Nations require a greater share of lands and resources and to assist First Nations in securing an adequate land base for building economic self-sufficiency and self-government.



- Improvements in processing designations for specific commercial leasing opportunities, as well as general designations for possible leasing proposals, to promote economic development.
- Institutional strengthening for Aboriginal financial institutions, community economic development organizations and Aboriginal business/sector associations, and supportive economic infrastructure to enhance community economic capacity.
- Venture capital pilot projects, and contract bid bonding through a contract performance guarantee instrument, to increase access to private capital.
- Increase in volume of developmental lending by Aboriginal financial institutions in collaboration with Industry Canada.

Planned Results 2003–05

- Continued strategic initiatives to further enhance participation in resource opportunities leading to sustainable business and employment opportunities.
- Continued leveraging to enhance financial resources for business start-ups and expansion as well as for accessing major regional economic opportunities.
- Completion of evaluations to update Procurement Strategy for Aboriginal Business and Community Economic Development programs.
- Completion of AWPI self-evaluation addressing Aboriginal employment from all perspectives (economic, social, geographical, communities, corporate Canada, etc).
- Progress in development of partnerships with First Nations, the private sector and other governments, to share best practices and to reduce barriers such as lack of access to capital, workforce skills and supportive economic infrastructure.
- Increased opportunities in tourism and international trade for Aboriginal business.
- Greater coordination and integration of federal programs and services.

Increased Self-Sufficiency

Planned Results 2002–03

- Evaluate post-secondary programs (Post-secondary Student Support Program and the Indian Studies Support Program) in response to First Nations communities, First Nations and Inuit students and post-secondary institutions, with the goal of ensuring programs meet the contemporary needs of students to access post-secondary education.
- Complete an evaluation of the Band Support Funding program as the basis for updating and modernizing program authorities.
- Identify recommendations and best practices from the Income Security Reform initiative for moving from a passive welfare system to an active, results-based program for incorporation into the renewed social policy framework.
- Based upon the National Policy Review of First Nations Child and Family Services, identify strategies, including the methodology for funding agencies, for improving the relevance and effectiveness of the program for incorporation into the renewed social policy framework.



- Implement a new program for First Nations students with special needs at schools, in collaboration with First Nations.
- Articulate the department's roles and responsibilities in collaboration with First Nations and in response to the Auditor General's Report (April 2000) on First Nations elementary/secondary education.
- Develop a coherent policy framework for social programming and ensure appropriate program authorities and accountabilities are in place in collaboration with First Nations.
- Continue to use education reform resources from the *Gathering Strength* initiative to improve the quality of education through specific local activities to improve classroom instruction. The anticipated outcomes are improved academic achievement and improved graduation rates for First Nations students on reserve.
- Collaborate with First Nations partners and other federal departments to develop an integration model for children and youth programs.
- Through a Joint First Nations and INAC Comprehensive Community Planning Working Group, move forward on commitments made in the Sustainable Development Strategy 2001–2003 (SDS 2001–2003) to develop a compendium of existing community planning models, best practices and successes.

Planned Results 2003–05

- Renew Indian Government Support program authorities to ensure an appropriate framework for First Nations to effectively manage program and service delivery and develop self-governance.
- Implement a social development policy framework for programming based on national standards and responsive to local community needs.
- With First Nations, develop performance indicators for quality-of-life and social and education programs and undertake the development of a joint strategy for statistical monitoring.
- Undertake a National Child Benefit (NCB) Summative Evaluation Report to assess the effectiveness and impact of the NCB for future policy recommendations.
- Continue on commitments made in the Sustainable Development Strategy 2001–2003 to integrate interdepartmental decision making on delivery of programs and development of federal policies.
- Address recommendations in the evaluation report on the *Gathering Strength* Education Reform initiative.
- Collaborating with First Nations, continue ongoing work to identify and address issues concerning the gap in academic achievement between First Nations and other Canadian students.
- With First Nations, assess the implementation of the Special Education program and adjust the program design as needed to ensure best results for students.
- With First Nations, explore models to integrate services to the elderly and disabled populations of First Nations communities at a level that is comparable to those provided to off-reserve communities by provinces and territories.

Improved Health and Safety

Planned Results 2002–03

- ❑ Continue to upgrade existing on-reserve water and wastewater facilities and expand access for houses without basic water and sewer services.
- Finalize and initiate a First Nations water management strategy to provide safe drinking water to First Nations communities. The strategy will be developed in collaboration with First Nations, Health Canada, Environment Canada and others and will clearly define roles and responsibilities of all parties.
- Continue to expand training to ensure the safe and efficient operation of water and wastewater plants, improve reporting and strengthen operating standards.
- Collaborate with First Nations in developing an Environmental Stewardship Strategy (ESS) under the Indian and Inuit Affairs Program (IIAP) for reserve lands, as per commitments made under INAC's SDS 2001–2003.



Planned Results 2003–05

- Continue the upgrading of water and wastewater facilities to existing federal/provincial standards and the services to existing houses without basic water and sewer services.
- Implement enhancements in housing program.
- Continue to implement First Nations' water management strategy including watershed management and sustainable water management practices. Watershed management and sustainable water management practices include protection of water sources, as well as all the steps required to ensure that adequate water and wastewater facilities are in place, that they are operated in accordance with industry practices and standards, that monitoring of water quality is in accordance with established guidelines or standards, that handling of emergency situations is in accordance with established standards and protocols and that First Nations' have increased awareness of the importance of ensuring the safety of their water supplies.
- Implement an enhanced training program and plan for the certification of plant operators to ensure facilities are properly operated on an ongoing basis by qualified First Nations staff and that emergencies relating to water quality are handled promptly and effectively.
- Implement the Environmental Stewardship Strategy.

Risks Associated with Not Delivering on This Priority

Strong communities, people and economies are essential to build sustainable communities and reduce the significant disparities that exist between First Nations and Inuit and other Canadians. Unacceptable housing and health conditions, social dependency and poor educational achievement are barriers that limit the ability of First Nations and Inuit to participate in all aspects of the broader Canadian society. Despairing and marginalized First Nations and Inuit individually and collectively weaken the social, political and economic fabric of Canada.

Priority: Strengthened Aboriginal Governance (\$968 million in 2002–03)

Description

In Strengthened Aboriginal Governance, we are focusing on programs to put in place the basic elements necessary for sustainable, accountable governance. Initiatives include encouraging professional development, undertaking such statutory and institutional reforms as the First Nations Governance initiative, and settling and signing self-government and comprehensive claims agreements as quickly as possible. These initiatives are aimed at ensuring Aboriginal communities have the resources, capabilities and regulatory support needed to strengthen Aboriginal governance.

Benefits / Results for Canadians

- Governance Capacity-Building Initiatives
- Self-Government and Claims Agreements
- Devolved Federal Responsibilities

Current Environment: Challenges and Opportunities

Collaborative Circle

Challenges that affect the achievement of desired outcomes include: the small size and isolated nature of many communities; the diversity of cultures; the diversity of goals and visions of governance; a historical imbalance of power and dependency in relationships; uncertainty with respect to ownership of lands and resources; land management issues arising from regulatory gaps; the complexities of establishing new intergovernmental relationships and partnerships between federal, provincial, territorial and Aboriginal governments; outstanding land claims and the complexity of issues involved in reaching self-government and claims agreements; and a lack of public understanding of the issues involved in self-government, governance and Aboriginal rights.

Operational Circle

The large volume and diversity of self-government and land claims negotiations creates challenges within the confines of available resources in making measurable progress on many different fronts, including supporting the various negotiation tables. Furthermore, the complexity and breadth of issues under governance initiatives requires the support and participation of many different federal departments. Partnerships must also be developed with Aboriginal people and federal, provincial and territorial governments, as well as with the academic community, to invest strategically in projects related to capacity-building, professional development and governance.

Our Plan: Linkage to Strategic Outcome

We are committed to strengthened Aboriginal governments that are stable, legitimate, culturally appropriate and accountable to their people and that have the authorities, resources and economic base to provide the quality of life and standards of service most other Canadians enjoy. The First Nations Governance initiative, as well as self-government and claims agreements, contribute to this outcome.

First Nations require the tools to exercise effective and accountable governance and to engage in sustainable economic growth and development. In turn, political and fiscal stability enable First Nations to move effectively into self-government negotiations.

Initiatives such as the FNLMA, the Oil and Gas Pilot initiative, comprehensive claims negotiations and the Professional Development Program (PDP) enhance First Nations governance and accountability through partnerships with other public or private sector interests, and create an environment suitable to long-term sustainable development. They also increase First Nations' involvement in the management of natural resources, and establish effective and culturally appropriate environmental regulatory regimes.

Settling claims and promoting self-government benefits Aboriginal people and all Canadians by providing First Nations and Inuit communities with the authorities, resources and economic base necessary to improve socio-economic conditions and decrease social dependency. Claims settlements create certainty regarding title to land and access to resources, which in turn facilitates business transactions and supports economic development.

The department has a statutory responsibility to manage leases and other instruments on reserve under the *Indian Act*. This responsibility is delegated to First Nations through the 53/60 program (named for the sections of the *Indian Act* that authorize the delegation) and the Regional Lands Administration Program (RLAP), effectively establishing a full range of land options in the government continuum up to FNLMA and or self-government. As an interim step to self-government for the many First Nations who still operate under the *Indian Act*, the proposed First Nations Governance legislation can provide a framework for effective First Nations governance and accountability.

Planned Results (Operational Collaborative)

Governance Capacity-Building Initiatives

Planned Results 2002–03

- Strategic allocation of funds to build the capacity of First Nations and Inuit to negotiate the land and resources components of treaty negotiations.
- Strategic allocation of funding to support governance initiatives such as the streamlining of self-government.
- Development of a framework for the governance of oil and gas by pilot First Nations and others.

- A five percent annual increase is projected for First Nations' participation in the 53/60 program and RLAP. Evaluation of both programs to be undertaken.
- Building First Nations' capacity in human and institutional resources for governance, through First Nations administrations and such professional associations as the National Aboriginal Land Managers Association and the National Aboriginal Forestry Association.
- Governance legislation and development of new models and processes to support First Nations aggregations, nation rebuilding, constitutions and draft laws.
- The creation of a national professional association of First Nations and Tribal Councils electoral officers. The association would comprise accredited, non-departmental officers responsible for the administration of *Indian Act* elections. Performance and effectiveness will be measured by a decrease in the number of election appeals submitted to INAC and an increase in the overall involvement of First Nations people in the administration of *Indian Act* elections and community governance activities.

Planned Results 2003–05

- Legislation for First Nation management of oil and gas by pilot First Nations and others.

Self-Government and Claims Agreements

Planned Results 2002–03

- Approval of guidelines and mandates for self-government and claims negotiations.
- Public education materials on self-government and claims.
- Streamlining of internal processes for negotiation and approval of self-government and comprehensive claims agreements and focusing on those negotiating tables that are producing promising results.
- Implementation of measures to advance treaty negotiations under the British Columbia treaty process.
- Achievement of key milestones at self-government and claims tables, including framework agreements, agreements-in-principle, final agreements, implementation plans and fiscal agreements.



Ta'an Kwäch'än Council Final and Self-Government Agreement Signing Ceremony, Sunday, January 13, 2002, Whitehorse, Yukon (from left to right) Ta'an Kwäch'än Council Chairperson John Burdek, INAC Minister Robert Nault, Ta'an Kwäch'än Council Hereditary Chief Glenn Grady and Government of Yukon Premier Pat Duncan.

Planned Results 2003–05

- Updating and evolution of self-government and comprehensive claims policy framework.
- Achievement of key milestones at self-government and claims tables, including framework agreements, agreements-in-principle, final agreements, implementation plans and fiscal agreements.

Devolved Federal Responsibilities

Planned Results 2002–03

- Expansion of the FNLMA to include up to 30 additional First Nations.
- Increased capacity and management of lands and resources within a number of First Nations under the FNLMA.
- Improved land management and resolution of outstanding land management issues (e.g., environment, transactions and surveys) within FNLMA First Nations.

Planned Results 2003–05

- Continued expansion of First Nations assuming full management control of their lands and resources under the FNLMA.
- Reduction of outstanding land management issues under the current regime as a result of uptake of FNLMA.
- Creation of core First Nations Lands Institute.

Risks Associated with Not Delivering on This Priority

The economic and social costs of not delivering on this priority are high. Failure to settle comprehensive land claims or modern-day treaties results in increased legal costs to settle issues in court, as well as the cost of lost opportunities — loss of the sustainable development of land, resources and capacity, of potential investors, and of meaningful socio-economic partnerships between First Nations and governments, the private sector, and other citizens of Canada.

The absence of modern-day treaties hinders sustainable economic and resource development, because certainty as to who owns or may use lands and resources provides a more secure climate for investment and sustainable growth.

Failure to improve the governance framework under the *Indian Act* will lead to continuation of the *status quo*, characterized by lack of Aboriginal control over decision making, unstable political relationships, continuation of dependency and lack of incentives for economic development. It will also make the transition to self-government more difficult for First Nations and lengthier than it might otherwise be.

Treaties and self-government contribute to self-sufficiency, jobs and increased capacity for Aboriginal people to attain a better quality of life and for Aboriginal communities to have pride in their accomplishments and hope for the future.

Priority: New Fiscal Relationship (\$7 million in 2002–03)

Description

The objectives of a New Fiscal Relationship are demonstrated by: effective intergovernmental links, including fiscal relationships with First Nations and Inuit governments that have the institutional capacity and human resources for managing fiscal arrangements; fiscal arrangement mechanisms that are transparent, stable and predictable, and support the generation of own-source revenues; and fiscal and governance accountability of First Nations and Inuit governments to their members, as well as the appropriate intergovernmental accountabilities to help remove barriers to greater participation of First Nations and Inuit people in the Canadian economy.

Benefits / Results for Canadians

- Effective Fiscal Relationships Including New Fiscal Arrangements Models and Practical Examples
- New Fiscal and Statistical Institutions
- Strengthened Fiscal Accountability
- Financial Skills and Capacity in First Nations

Current Environment: Challenges and Opportunities

Collaborative Circle

Conditions that affect the achievement of desired outcomes include the legacy of *Indian Act* administration and devolution, which has resulted in varying capacities of over 600 First Nations and Inuit communities to effectively manage fiscal and governance structures. Other factors include the small size and isolated location of many communities, the degree of dependency on federal funding, limited own-source revenues and economic development opportunities in an increasingly market-driven economy, and limitations of the *Indian Act* specific to “Indian moneys”. In addition, the lack of an appropriate legislative framework for fiscal accountability compounds complexities for administering public funds and delivering programs and services. The evolving and variable state of relationships among First Nations and Inuit and federal, provincial and territorial governments also affects the achievement of desired outcomes. Finally, the state of regional and national economies has a large impact on the achievement of desired goals.

Many federal departments fund First Nations, leading to duplication, fragmentation and inefficiencies. Harmonizing funding processes would create a less complex and burdensome environment for accountability and results-based management. Such harmonization would also bring to the fore a more encompassing and comprehensive view of the Canada–First Nations relationship. Challenges to implementing government-to-government fiscal relations include: the implementation of new, more flexible funding arrangements; complexities involved in reaching fiscal agreements as part of self-government and claims agreements; and the need for more public

understanding of, and support for, new fiscal arrangements, institutions and accountability requirements as effective and sustainable ways to improve the socio-economic conditions of First Nations and Inuit.

The *Indian Act* is often perceived to be an inadequate framework for contemporary governance and fiscal relationships: it limits access to capital and collateral; obliges INAC to continue administering trust funds; controls alternatives for managing First Nations funds; and vests substantial power in the Minister (e.g., in the area of intestacy).

Additional challenges are: to gain wider acceptance from First Nations and Inuit governments and members on the economic and governance benefits of developing and using own-source revenues; and to increase the institutional capacity of First Nations and Inuit and develop human resources to generate own-source revenues and manage fiscal matters.

Competing political philosophies regarding change represent a key strategic risk to creating a new fiscal relationship with First Nations people. The pragmatic, evolutionary approach is contested by certain First Nations leaders, who favour negotiating a rights-based agenda. It is necessary to demonstrate the linkages between current activities and long-term impacts to build broad-based support for a pragmatic, phased process of change.

Operational Circle

It is an ongoing challenge to make strategic investments that result in good governance, strengthened accountability, increased institutional capacities and development of human resources. Developing and maintaining effective partnerships with First Nations and Inuit governments, other governments, academic and professional communities, and other stakeholders also represents an ongoing challenge.

Challenges specific to negotiating and implementing new fiscal relations include: developing appropriate mandates, guidelines and accountability provisions in fiscal agreements for self-government negotiators; providing effective support to facilitate complex fiscal negotiations within current resource levels and authorities; and developing new fiscal and statistical institutions.

Our Plan: Linkage to Strategic Outcome

We are committed to helping create, maintain and support effective intergovernmental relations, including fiscal relationships through: First Nations and Inuit governments that have the institutional and human resource capacity for managing new fiscal arrangements; fiscal arrangement mechanisms that are transparent, stable and predictable and that support the generation of own-source revenues; and accountability of First Nations and Inuit governments to their members, as well as the appropriate intergovernmental accountabilities. New fiscal relations will support the effective use of existing financial resources in support of essential program delivery, and remove barriers to greater participation of First Nations and Inuit people in the Canadian economy.

Fostering good government and strong accountability in First Nations communities will: increase public confidence in First Nations governments; strengthen investor confidence; support economic partnerships; and improve living conditions by increasing investment and employment opportunities.

Development of the Knowledge Sharing Infrastructure (KSI) will help demystify financial markets and how other governments operate, and will highlight “best practices” for building contemporary fiscal frameworks appropriate to First Nations’ culture and needs. These frameworks will support the effective use of scarce resources and create a business-friendly environment. As well, harmonization of the multitude of federal processes that fund First Nations will create a less complex, more streamlined administrative system, conducive to meeting local and intergovernmental accountability requirements.

Planned Results (Operational Collaborative)

Effective Fiscal Relationships Including New Fiscal Arrangements Models and Practical Examples

Planned Results 2002–03

- Approve guidelines and mandates for fiscal and governance negotiations. The guidelines will help federal self-government negotiators explain to First Nations the federal position on the basic framework surrounding the financing of self-government and assist in building a new intergovernmental fiscal relationship.
- Through the National Table on Fiscal Relations and the British Columbia Fiscal Relations Working Group, and in collaboration with other federal departments and agencies and Aboriginal and provincial partners as appropriate, continue the process of sharing information and analysing alternative approaches and fiscal arrangements models.
- Through legislation, provide the legal and institutional framework for First Nations to gain access to lower-cost, long-term capital for development purposes, in the same way as other local governments.

Planned Results 2003–05

- Amend funding transfer agreements to reflect the principles of sustainable development.
- Negotiate and implement fiscal agreements as part of self-government/governance arrangements at specific regional or community-level tables (for example, at the Saskatchewan Common Table Process and the British Columbia Fiscal Relations Group).
- As a Government On-Line (GOL) project, re-engineer the present business process affecting transfer payments to First Nations to improve efficiency and effectiveness.
- Develop new models and practical examples of effective fiscal transfers.
- Implement a federal policy on treatment of own-source revenues under self-government agreements.
- Implement a Canada–First Nations Funding Agreement that will provide a single funding instrument and promote a common accountability framework for federal departments that provide funds to First Nations.

New Fiscal and Statistical Institutions

Planned Results 2002–03

- Introduce legislation for an integrated suite of First Nations public institutions similar to the types of fiscal infrastructure that support other governments, including a First Nations Finance Authority, Financial Management Board, Tax Commission and Statistical Institute.

Planned Results 2003–05

- Commence business activities of national fiscal institutions to support better services, accountability, and infrastructure in First Nations communities through financial management, taxation, borrowing, and data gathering and analysis, in partnership with other federal departments and agencies, provincial-territorial organizations, academic and professional communities and others.

Strengthened Fiscal Accountability

Planned Results 2002–03

- Approval and update of financial and accountability mandates and guidelines, to support and facilitate self-government negotiations.
- The proposed First Nations Governance legislation framework will support and facilitate more effective and transparent accountability.
- Compliance by First Nations and Inuit governments with generally accepted standards of financial control and reporting requirements, as demonstrated by unqualified audits by certified independent auditors.
- Accountability by First Nations and Inuit governments to their own members, as demonstrated by improved quality of financial reporting and a decrease in allegations and complaints of financial mismanagement.
- Implementation of enhanced local accountability measures, as demonstrated by: completed First Nations accountability, management assessment and development plans to address opportunities for improvements; increased number of First Nations annual financial statements that meet quality standards and time lines; increased number of effective remedial management plans in place; and improvements in budgeting, internal controls, reporting and auditing standards.
- Set out the First Nations Real Property Tax System in legislation to strengthen, in part, ratepayer (residential, commercial and industrial) representation and redress.

Planned Results 2003–05

- Ongoing updating of financial and accountability guidelines for federal negotiators, based on lessons learned and improved data collection, to support transparent and efficient self-government.
- Consistently strong financial management practices and accountability to First Nations' members through legislation, regulations and community capacity building following from the First Nations Governance initiative.
- Implementing the new legislative framework for First Nations real property taxation, including setting in place regulations and strengthening institutional structures.

Financial Skills and Capacity in First Nations

Planned Results 2002–03

- ❑ Strategic allocation of *Gathering Strength* capacity-building funding for initiatives to strengthen financial management and accountability.
- Improved capacity for community financial management, as demonstrated by the development of Certified Financial Managers, with certification processes developed and supported at community levels.
- Improved engagement of First Nations in the development of financial management capacity, as demonstrated by appropriately conducted block funding arrangements and by the number of agreements signed by First Nations regarding financial operations.
- Continued support for the Aboriginal Financial Officers Association of Canada (AFOA-Canada) in developing its professional program to expand the pool of Certified Aboriginal Financial Managers (CAFM), thereby augmenting the expertise available for better accountability and results-based management.
- Continued support for AFOA-Canada in developing its KSI project, a virtual professional development network, in strategic partnership with the Global Development Group of Care Canada. KSI will promulgate “best practices” leading to transparent and accountable First Nations self-governments.

Planned Results 2003–05

- ❑ Facilitate the expansion and growth of AFOA-Canada.
- Work with First Nations governments, using additional Band Support and capacity-building funding, to enhance the effectiveness of the public service of First Nations and enable implementation of legislation and regulations stemming from the First Nations Governance initiative.
- Develop human resources through enhancing the capacity of AFOA-Canada to provide professional training and support to First Nations finance operations in isolated communities across the country through GOL, and through supporting the continued growth in AFOA membership and in First Nations staff earning the CAFM designation.
- Continue to support the long-term growth of the CAFM community to augment the availability of trained financial professionals.
- Promote and champion KSI to support First Nations development.

Risks Associated with Not Delivering on This Priority

The proposed new fiscal institutions are essential to enhance First Nations’ financial management and governance capacity, to realize higher levels of economic activity, and to continue negotiating and implementing self-government agreements. Without this fundamental infrastructure in place, Canada risks losing the trust and goodwill that has been built up with First Nations and professional communities. In addition, this infrastructure is required to support the generation of own-source revenues.

Without a new fiscal relationship, the difficulties some First Nations have experienced in managing increasingly complex operations, without sufficient capacity and with barriers to participation in the economy, will persist. Furthermore, public support for First Nations’ budgetary needs and the self-government policy agenda may be eroded.

Priority: Renewed Partnerships (\$226 million in 2002–03)

Description

In Renewed Partnerships, we are focusing on programs and initiatives that help us deal with the problems of the past, so that together we can address the challenges of the present — and the opportunities of the future.

Benefits / Results for Canadians

- Reconciliation and Community Healing/Specific Claims Settlements
- Increased Public Awareness of Aboriginal Issues
- Stronger Working Relationships with Aboriginal People and Organizations
- New Approaches to Federal, Provincial and Territorial Relations with First Nations and Inuit

Current Environment: Challenges and Opportunities

Collaborative Circle

Efforts to renew partnerships occur within a complex environment. First Nations and Inuit communities are culturally diverse and range in size from numerous small, isolated communities to several large, economically integrated communities. Key challenges include economic and social marginalization, as well as geographical isolation. At the same time, relationships are strongly influenced by a legacy of mistrust stemming from historical interactions characterized by dispossession, control and dependency. Grievances range from *Indian Act* administration, to implementation of treaties and protection for the rights of First Nations women. Further challenges lie in reconciling divergent views on the meaning and implementation of treaties in a contemporary context, in particular.

The resolution of grievances is also complicated by the differing approaches of provincial and territorial governments. There is, however, growing recognition that challenges can only be addressed if all levels of government work cooperatively to support partnerships and achieve practical results. All stakeholders must be actively engaged and have a solid understanding of both the cultural context and the nature of the challenges facing First Nations and Inuit communities.

Public awareness also affects efforts to renew partnerships with First Nations and Inuit. On the one hand, the public appears to want all First Nations and Inuit to enjoy the same economic and social opportunities as other Canadians; on the other hand, lack of public understanding or support for treaties and the claims process can impede settlement of claims and enhanced relations. Improving public awareness of issues is a key challenge.

Finally, the rising tide of litigation presents its own set of challenges. Over the last decade, the number of general litigation cases has increased nearly eight-fold, from 99 active cases in 1986–87 to 726 cases as of October 1, 2001. Issues addressed by general litigation are wide-ranging and include: treaty rights and obligations; the nature and extent of Aboriginal rights and title; the nature of the fiduciary relationship between the government and First Nations; protection of the rights of First Nations women; and day-to-day operations governed by the *Indian Act*. Many court actions suggest that certain provisions of the *Indian Act* may not be compliant with the *Canadian Charter of Rights and Freedoms*. The adversarial nature of litigation puts significant pressure on initiatives and programs to renew partnerships.

Operational Circle

Resolving past grievances through specific claims settlements is critical to renewed partnerships. Increased litigation puts additional pressure on the department and deflects resources from policy development and day-to-day operations. The operational cost of managing litigation has more than tripled since 1996–97, increasing to approximately \$38.2 million in 2001–02.⁴ The department has developed environmental scanning to help identify significant legal and business risks early in the life cycle of a case.

Resolving current conflicts and reconciling differing approaches is also needed to renew partnerships. Some of our existing statutory authorities are not well suited to building and sustaining effective partnerships. This is particularly true in relation to the *Indian Act*, which does not provide the kind of governance structures and other basic tools that First Nations need to take advantage of economic development opportunities. As noted above, it also may not meet Charter tests. Other legislation (e.g., *Indian Oil and Gas Act*) also requires modernization.

In a broader sense, policies, guidelines and legislation developed in the past, without the participation of First Nations and Inuit, can act as an impediment to building a modern relationship.

Our Plan: Linkage to Strategic Outcome

The government is committed to addressing the legacies of the past and moving beyond grievances so that together we can renew partnerships, meet the challenges of the present and take advantage of opportunities for the future.

Renewed partnerships provide the foundation necessary to support strengthened Aboriginal governance, a new fiscal relationship and, ultimately, strong communities, people and economies. Addressing relationship issues in tandem with quality-of-life issues provides the greatest chance of success.

For many years, through public consultation, public commentary and litigation, First Nations women have raised concerns about lack of protection for their rights. The department is committed

⁴ This amount includes personnel costs, accommodation and other operating costs, Department of Justice costs and Test Case Funding. In addition, it should be noted that \$4.1 million of the above-mentioned amount covers costs for Residential Schools for the period of April 1 to June 4, 2001 only. As of June 5, 2001, the Indian Residential Schools Resolution of Canada Office was created and no longer falls within INAC's area of responsibility.

to actions to address gender equality issues linked to protection of the rights of First Nations women. We will continue to implement the departmental Gender Equality Analysis Policy and to address issues of specific concern to First Nations women.

Improved relationships with First Nations and Inuit, together with the active engagement of other partners, help create a climate favourable to investment and help reduce disparities in social and economic conditions. Enhanced relationships and partnerships with First Nations and Inuit will also support the negotiation of agreements, the settlement of specific claims and the transition to self-government leading to the resolution of longstanding grievances in a manner that is non-litigious and mutually respectful. Settlements will also provide a more stable environment for investment and economic development.

Partnerships with First Nations, Inuit and Northerners, in cooperation with other federal departments, provincial and territorial governments, and the private sector, help build a better future and quality of life for all Canadians.

Planned Results (Operational Collaborative)

Reconciliation and Community Healing/Specific Claims Settlements

Planned Results 2002–03

- Effective management of the litigation inventory through: the comprehensive assessment of risk; resolution of grievances via the most strategic, efficient, fair and balanced solutions; development of policy alternatives to litigation; and implementation of prevention strategies.
- Adoption of alternative dispute resolution mechanisms, where advisable, demonstrated by attempts at out-of-court settlements.
- Implementation of prevention strategies, demonstrated by policy or operational changes and/or filling of policy gaps that address issues underlying litigation.

Planned Results 2003–05

- Specific Claims Branch will continue to settle specific claims as opportunities arise.
- The establishment of an Independent Claims Body will assist in resolution of specific claims through the facilitation of negotiated settlements and the taking of binding decisions on validation and compensation of certain claims.

Increased Public Awareness of Aboriginal Issues

Planned Results 2002–03

- Develop effective channels for communicating with First Nations individuals on reserve.
- Develop and promote communications products that focus on basic Aboriginal issues and culture, targeted to younger audiences.
- Pursue partnerships to support public awareness programs.
- Ensure Aboriginal issues are included in national preparations for international conferences, and provide support for national and international Aboriginal events held in Canada.

Planned Results 2003–05

- Serve as a resource centre for Government of Canada communications with First Nations people.
- Pursue partnerships to support public awareness programs.
- Streamline access to, and improve First Nations' awareness of, Government of Canada programs and services.
- Increase awareness of the contributions and challenges of Aboriginal people among the Canadian public.

Stronger Working Relationships with Aboriginal People and Organizations

Planned Results 2002–03

- Increased participation of First Nation women in consultation and policy development.
- Modernization of the *Indian Oil and Gas Act* and Regulations.
- Enhanced treaty relationship through continuing exploratory treaty discussions in the West and implementation of the post-*Marshall* strategy in the Maritimes, which may include the establishment of a Treaty Commission; and implementation of the extended mandate of the Office of the Treaty Commission in Saskatchewan from January 1, 2002, to March 31, 2005.
- Aboriginal people to take up opportunities to bring their perspectives and experience to international processes.
- Develop a framework for First Nations to manage their trust moneys (capital, revenue and individual). These moneys are currently held in the Consolidated Revenue Fund, administered under the provisions of the *Indian Act*.
- Identify fora for discussions on implementation of sustainable development strategies by INAC, other federal departments, and First Nations, Inuit and Northerners (as per SDS 2001–2003).

New Approaches to Federal, Provincial and Territorial Relations with First Nations and Inuit

Planned Results 2002–03

- Implementation of partnership approaches to address common priorities with provinces, territories and First Nations and Inuit communities in all regions through partnered actions.
- Federal, provincial and territorial Aboriginal Affairs Ministers and national Aboriginal leaders to meet on an annual basis, or more frequently. The focus for this year is strengthening Aboriginal participation in the economy, with a particular focus on women and youth.

Planned Results 2003–05

- Work will continue with First Nations and Tribal Councils to increase participation in a national professional association of electoral officers (to be formally created in 2002–03).
- Expanded access to, and participation in, the economy by First Nations and Inuit communities.

Risks Associated with Not Delivering on This Priority

Renewed partnerships are essential for progress on delivering INAC's mandate. Involving those who are directly affected by decisions improves the probability of successful results, including an improved quality of life. Addressing issues related to renewed partnerships, such as reconciliation and community, administration of assets, individual claims and breaches of fiduciary duty, helps to avoid litigation and to resolve issues in a more timely, constructive and less adversarial manner.

Increased public awareness of Aboriginal issues is key to creating a supportive environment for policy and program initiatives. In some instances, lack of understanding can impede the settlement of claims and the resolution of past grievances.

Reconciliation of historic grievances between Canada and First Nations through the specific claims process is an important part of the healing process. Failure to settle claims may undermine efforts to build future arrangements between Canada and First Nations based on a strengthened relationship. Failure to resolve outstanding claims results in continuing liability and/or costly litigation.

The development of updated legislative and regulatory tools is essential to facilitate partnerships that address current and future First Nation needs and priorities.

Finally, stronger working relationships with key partners, including First Nations and Inuit people, Aboriginal organizations, other federal departments, and provinces and territories, are needed to ensure that our policies and programs effectively respond to their needs and priorities.

Strategic Outcome

To provide Canadians with management of the federal Northern Agenda resulting in: strengthened territorial governance systems that are sensitive to Aboriginal rights and interests and the needs of all Northerners in general; safeguarding the environment; and promoting sustainable development in the North.

Priority: Effective Management of Federal Interests in the North (\$195 million in 2002–03)

Description

The focus of the Northern Affairs Program (NAP) is on strengthening territorial governance systems that are sensitive to Aboriginal rights and interests while meeting the needs of all Northerners; safeguarding the environment and promoting sustainable development in the North.

Benefits / Results for Canadians

- Strengthening Northern Governance
- A Healthy Human and Natural Environment
- Sustainable Use of Northern Natural Resources
- Fostering Circumpolar Cooperation

Current Environment: Challenges and Opportunities

Collaborative Circle

World prices for natural resources are having a major impact on exploration and development in the North. International pressures for new sources of oil and gas have created an injection of exploration dollars. Oil and gas operations are moving offshore for the first time in over a decade. The demand for new supplies of oil and gas, and proposals to transport these to market, are expected to bring long-term economic benefits to the North. Northern energy development will provide significant opportunities for economic development and employment in the oil and gas industry, in related industries such as construction and petrochemicals, and in small business spin-offs. Northerners are looking to the Government of Canada to take a strong leadership role in northern development. INAC is working in cooperation with other federal departments, Aboriginal people and the territorial governments to help Northerners take advantage of these opportunities.

Investments are also being made in diamond mine exploration and development in both the N.W.T. and Nunavut. Canada's first diamond mine has been operating for two years and another three are preparing to open or are seeking regulatory approvals. Conversely, persistently low base metal prices since 1997 have resulted in a significant downturn in most other mining activities across the North. Several mines have ceased operations, exploration activity has slowed and new mines are on hold waiting for stronger prices and market conditions. Failure of several large mining operations has resulted in the loss of jobs and heightened public interest in the ongoing management and reclamation of abandoned mines with environmental risks in the North.

World prices are not the only determinants for economic growth in the North. The investment climate is also affected by: the status of land claims; the choices that northern governments and Northerners make with respect to policies, programs and specific projects; the efficiency of regulatory frameworks; and the assumption of new decision-making powers over land and resource management by tripartite boards and northern governments. Industry has expressed concerns that uncertainty, instability and inefficiencies constrain investment and limit business opportunities.

Geographic and demographic conditions also pose unique challenges: remote communities, a severe climate and a fragile environment all have an impact on the delivery of programs and services and on increased economic growth, as do gaps in infrastructure (e.g., telecommunications, roads, ports) and in scientific and technical knowledge. Variability in skills and capacities at the government, community and individual levels also has an impact on the ability of Northerners to take advantage of opportunities. Furthermore, the effect of climate change on the Arctic region is expected to be significant and will affect many aspects of northern life in the years to come. Effective management of the northern environment requires both domestic and international efforts.

Strengthening northern governance will help prepare the North to meet the challenges and opportunities increased resource exploration and development will bring and to provide a competitive investment climate that is effective and efficient, has clarity and consistency, and follows the principles of sustainable development. Policy, legislative and regulatory gaps need to be closed. Other federal departments and northern partners have a role to play.

Moreover, sufficient resources are required, both for economic development and for ensuring adequate delivery of programs and services, protecting human health and safety, and addressing environmental concerns associated with abandoned mines and contaminated sites.

Climate change and other environmental and socio-economic influences require pan-northern solutions and cooperation among nations. Other federal departments and all northern partners must build stronger working relationships to collectively deal with these issues.

Operational Circle

To make the investment climate more stable and attractive, INAC can fill key policy gaps and amend outdated legislation; development of policies for Mine Site Reclamation and Impact Benefit Agreements, and a new mining regime for Nunavut, are priorities. INAC will also address legislative needs (for example, the unfulfilled obligation to legislate a Yukon development assessment process) by implementing the proposed legislation for Nunavut waters and surface rights and by finalizing the proposed Yukon Environmental and Socio-economic Assessment Bill. INAC will continue to play an overall role in coordination of pipeline preparedness across the federal system,

coordinate the implementation of a federal northern sustainable development strategy, as well as promote sustainable development in the circumpolar north. The department will enhance federal engagement in circumpolar initiatives as a result of the new Northern Dimension of Canada's Foreign Policy and will manage the Northern Contaminants program. INAC will also continue to: encourage northern stakeholders and territorial governments to take advantage of emerging opportunities as a result of international northern cooperation; support the evolution of northern governments through devolution of its province-like activities and through its land claims activities; and within the federal system, advocate on behalf of the North in such areas as economic development, food security, and human health and safety.

All NAP operational activities follow the principles and practices of sustainable development.

Our Plan: Linkage to Strategic Outcome

Through its NAP, INAC is committed to working in partnership with Aboriginal peoples, territorial governments and other Northerners to facilitate the evolution of strong northern governments, economies, communities and people whereby Northerners manage their own affairs.

Efforts to settle land claims, to create an efficient and stable regulatory regime, and to work with Northerners, territorial governments and the private sector are having a direct impact on jobs and growth throughout the North. Ensuring that economic development provides employment and generates wealth, but does not compromise future generations, is at the core of INAC's sustainable development efforts in the North.

The devolution of responsibilities for land and resource management will result in stronger, more self-reliant territories. Northern Aboriginal people have become full partners in the development and implementation of resource management boards and agencies.

INAC's collaboration with Environment Canada and the Department of Foreign Affairs and International Trade has ensured that Canada: promotes strong international Arctic relationships; is a leader in the Arctic Council; and meets its bilateral obligations (including the Canada–Russia Agreement on Cooperation in the Arctic and the North). Through participation in all five of the Arctic Council working groups, INAC has been instrumental in obtaining key international agreements and protocols: to monitor and enforce the reduction of transboundary Arctic contaminants, for example, through the United Nations Convention on Persistent Organic Pollutants (POPs); to expedite hazardous waste remediation, for example, through the Arctic Shoreline Cleanup Assessment Technology with the United States; and to protect the Arctic environment. Finally, Northerners will increase their participation in circumpolar affairs, have a direct impact on transboundary issues, and develop and exchange “best practices” on sustainable development with residents of other Arctic states.

Planned Results (Operational Collaborative)

Strengthening Northern Governance

Planned Results 2002–03

- Strengthen federal partnerships and manage horizontal issues in the N.W.T. and Nunavut through the work of federal councils.
- Develop a management framework to support the implementation of the proposed legislation for Nunavut waters and surface rights, to ensure a federal participatory/overview role in water licensing to coordinate the review of water licensing proposals. Federal agencies' support will help create sound, enforceable decision making and public confidence in these new institutions of public government, including a water board.
- Initiate process of negotiation for the transfer of land and resource management responsibilities to N.W.T. government.
- Work in partnership with the Government of Yukon to complete the transfer of land and resource management responsibilities, including the transfer of staff, by March 31, 2003, giving Yukoners greater control over their affairs.
- Complete a computer-based petroleum royalty calculation and reporting system, to facilitate the electronic calculation and submission of Crown royalty returns, a share of which is distributed to Aboriginal claimants.
- Northern mining Ministers to meet.



Planned Results 2003–05

- Strengthen intergovernmental relationships, demonstrated by development of common political development agendas.
- Develop closer working relationships with northern Aboriginal groups through information sharing, joint decision making, and the absence of grievances and disputes.
- Develop Nunavut mining legislation in order to give the Territory of Nunavut its own legislation and greater control over mining resources and activities.
- Federal, provincial and territorial Ministers responsible for northern development to meet together nationally to bring more focus to northern issues of mutual interest and share methods to advance priorities.

A Healthy Human and Natural Environment

Planned Results 2002–03

- Finalize and introduce the Yukon Environmental and Socio-economic Assessment Bill.
- Publish second *Canadian Arctic Contaminants Assessment Report* and the second *Arctic Monitoring and Assessment Program Report* (with Norway).

- ❑ Implement the Contaminated Sites Management framework and new program initiatives to manage northern contaminated sites including submission of an Arsenic Trioxide Management Project Description to initiate regulatory review for Giant Mine.
- ❑ Implement the Canada Infrastructure Agreements, and provide knowledge and innovation funding, in the three territories. The federal focus on green infrastructure projects will be advanced to increase knowledge of the North, and development or adaptation of technologies and skills appropriate to the North.
- Evaluate and then seek renewal of the Northern Contaminants Program with Health Canada, Fisheries and Oceans Canada, and Environment Canada.

Planned Results 2003–05

- ❑ Implement legislative commitments for monitoring cumulative effects under Part 6 of the *Mackenzie Valley Resource Management Act (MVRMA)*.
- ❑ Complete development of long-term plan, including waste management guidelines, for the management of all known contaminated sites and abandoned mines.
- Coordinate and promote interdepartmental collaboration in activities contributing to sustainable development through such mechanisms as the interdepartmental team for a federal sustainable development strategy for the North and federal councils, to avoid duplication of effort and maximize benefits.
- Implement operational plan for third phase of the Northern Contaminants Program with Health Canada, Fisheries and Oceans Canada, and Environment Canada.
- Design and implement Canadian contribution to a global monitoring capacity as required under the Stockholm Convention on POPs (with Health Canada, Fisheries and Oceans Canada, Environment Canada, Foreign Affairs and International Trade, and the United Nations Environment Program).
- Support the establishment of protected areas by meeting joint federal–territorial commitments and through partnerships with Aboriginal groups, territorial governments, industry and other Northerners.

Sustainable Use of Northern Natural Resources

Planned Results 2002–03

- ❑ INAC Minister and Territorial Mines Ministers to hold conference to address issues facing mining industry in the North.
- ❑ Develop mine site reclamation policies for N.W.T., Nunavut and Yukon through industry/government consultation, and complete mine production licence regulations under the *Yukon Quartz Mining Act*.
- ❑ Complete work with industry and regulatory agencies to develop and publish a series of regulatory road map guides for oil and gas activities in N.W.T. regions and the Beaufort Sea.
- In concert with other federal departments, industry and Northerners, ensure preparedness for resumption of petroleum exploration in the Beaufort Sea, one or more pipeline developments in the North, and other development activities related to oil and gas exploration.



Planned Results 2003–05

- Implement the Northern Operating Environment initiative, to clarify federal responsibilities, harmonize federal, territorial and board regulatory activities, and resolve regulatory issues associated with the administration and control of natural resources and associated infrastructure.
- Prepare policy on managing human activities in caribou calving and post-calving areas on Crown land in Nunavut and the N.W.T., to protect herds during the most vulnerable stage of their lives.
- Prepare policy to guide development and negotiation of further environmental agreements in the territories.
- Complete development and approval of the Canada Oil and Gas Surface Rights Regulations to govern disputes regarding industry access to private lands for oil and gas activities in the N.W.T.
- Develop options regarding a northern diamond policy, and carry out public consultations to amend the Canada Mining Regulations.
- Develop cumulative impact monitoring regulations in partnership with stakeholders.

Fostering Circumpolar Cooperation

Planned Results 2002–03

- Support the work of the Arctic Council by:
 - working with Finland to organize a Conference on Gender Equality and Women in the Arctic in Finland in 2002;
 - working with Iceland to prepare a proposal to undertake an Arctic Human Development Report for acceptance at the 2002 Arctic Council Ministerial meeting in Finland; and
 - providing analysis and recommendations about mechanisms for the Arctic Council to leverage sources of international finance in support of key circumpolar projects.
- Take a lead role in the launch of an “Arctic voice” throughout the World Summit on Sustainable Development process.
- Continue engagement of Russian stakeholders under the *Canada-Russia Agreement on Co-operation in the Arctic and the North* and within the framework of the Northern Dimension of Canada’s Foreign Policy, to promote bilateral interests, North-to-North partnerships, business development and sustainable development.
- Through collaboration with international governments, non-governmental organizations and indigenous stakeholders, complete a strategy for capacity building as a cornerstone of the Arctic Council, its activities and projects, and have it adopted by the 2002 Arctic Council Ministerial meetings in Finland.

Planned Results 2003–05

- Build on the Northern Dimension of Canada’s Foreign Policy by facilitating a new set of strategic objectives for the circumpolar North that recognize the geopolitical importance of the Arctic, both as a source of raw materials and energy resources required by global industrialization and as a sink for pollutants produced by industrial activities internationally.
- Work with the Arctic states and permanent participants of the Arctic Council, as well as official observers, to promote sustainable development, including environmental protection, with particular emphasis on capacity building, children and youth and the Arctic Climate Impact Assessment.

- Enhance participation by northern stakeholders in the Arctic Council, and bilateral initiatives with Russia, Greenland and the European Union, in the areas of governance, sustainable development and capacity building.

Risks Associated with Not Delivering on This Priority

Northerners, both Aboriginal and non-Aboriginal, are receptive to development provided they participate in decision making, share in the benefits, and are confident that activities are carried out in a sustainable manner. Without concerted efforts in the North, we risk missing opportunities for economic development, including large-scale oil and gas development, thereby compromising the territories' ability to control their own destinies and develop the potential of the North for the benefit of Northerners and all Canadians.

Collaboration with territorial governments, development of northern resource boards, consultative processes, and participation of northern stakeholders are all necessary to the health and well-being of Northerners and the northern environment. Failure to meet our targets or implement initiatives regarding abandoned mines, contaminated sites and environmental monitoring may increase risk to the environment and human health. Failure to meet circumpolar objectives will result in increased Arctic environmental degradation and decrease the quality of life in the North and in Canada overall. Finally, failure to learn from "best practices" in the sustainable development of other northern jurisdictions would increase the human and financial cost of learning these lessons independently.

Canadian Polar Commission

Strategic Outcome

To provide Canadians with an effective national and international presence in relation to polar science and technology that contributes to a broader understanding of polar issues.

Priority: Develop and disseminate knowledge with respect to the polar regions (\$1.0 million in 2002–03)

Description

The focus of the Canadian Polar Commission (CPC) is to provide Canadians with an effective national and international presence in relation to polar science and technology that contributes to a broader understanding of polar issues.

Benefits / Results for Canadians

- Enhanced Polar Knowledge
- Public Awareness of Polar Science
- International Profile as a Circumpolar Nation
- Science and Technology in Polar Regions

Current Environment: Challenges and Opportunities

Collaborative Circle

The current environment includes a research community which is both diverse and dispersed; small research institutes support a broad range of research activities. Members support and participate in initiatives to various degrees and governments assign differing priorities to polar research. There is a need for CPC to coordinate federal and private sector research activities and for greater exchange of information.

Operational Circle

The CPC plays a key role in implementing a range of initiatives including: communicating polar science to Canadians; identifying new partnerships for the development of polar information; facilitating bilateral and multilateral research activities; strengthening Canada's presence in international organizations; and playing an increasingly important advocacy role with respect to polar knowledge in Canada.

Our Plan: Linkage to Strategic Outcome

The CPC's activities provide valuable input into the state of Canadian polar knowledge; help focus national attention on the need for world-class research, information and infrastructure; and improve domestic research. The CPC serves as an important source of information on polar research and as a link between governments, the research sector, Aboriginal communities, industry, academics and the Canadian public.

The CPC is Canada's primary point of contact with the circumpolar scientific community. It is Canada's adhering body to the International Arctic Science Committee and the Scientific Committee on Antarctic Research, and maintains liaisons with research organizations throughout the circumpolar world. The CPC's international efforts complement its domestic research activities and provide input into multilateral scientific projects of relevance to Canadian interests.

Planned Results (Operational Collaborative)

Enhanced Polar Knowledge

Planned Results 2002–03

- Increase national and international awareness of polar issues and research activities through publication of the CPC's *Meridian* newsletter and the newsletter of the Canadian Antarctic Research Network, to continue improvements and coordination of polar research, to expand the knowledge base and to increase access to information.
- With the publication of the third *Indicators Report*, we will continue reporting systematically and regularly on Canada's performance in polar research: to contribute to meaningful analysis; to identify significant trends, strengths and gaps in Canadian polar research; and to allow policy makers to make informed decisions.
- Refine and expand the directory of polar researchers.
- Continue to expand the Canadian Polar Information Network (CPIN): through links to national and international polar research resources; by refining the Polar Science Forum, an interactive tool for discussion of issues affecting the conduct of polar science and the development of policy.

Planned Results 2003–05

- Contribute to the understanding of polar issues.
- Refine and expand Internet site on polar information for primary and secondary school students.
- Facilitate conferences and workshops dealing with emerging national and international issues such as Arctic sovereignty and governance, in collaboration with other organizations.

Public Awareness of Polar Science

Planned Results 2002–03

- Increase access to polar research information through the CPIN, an evolving resource for information and data on polar research.
- Contribute to formulation and implementation of plan for cooperation among federal departments and agencies (Assistant Deputy Ministers' Committee on Northern Science and Technology).
- Encourage primary and secondary school students to become more familiar with Canada's Arctic by providing information through the Web site and by continuing to hold an annual essay contest for Northern high school students.

Planned Results 2003–05

- Access to polar research information through newsletters, Web site, on-line directory of researchers and on-line forum for discussion of related issues.
- Ongoing support for polar research by providing information and by bringing the concerns of the polar research community to the attention of policymakers.

International Profile as a Circumpolar Nation

Planned Results 2002–03

- Enhance Canada's profile as a circumpolar nation by ensuring Canadians have effective representation on international organizations and committees, and by participating in multinational research projects.
- Increase cooperation among international initiatives and organizations such as the Northern Dimension of Canada's Foreign Policy, the University of the Arctic, the Arctic Council, the Arctic Science Committee, the Northern Research Forum and the Scientific Committee on Antarctic Research.

Planned Results 2003–05

- World-class polar research by Canadians in the Arctic and Antarctic, and participation by Canadian scientists in interdisciplinary and multidisciplinary research teams dealing with global issues, resulting in Canada becoming a leading circumpolar nation.
- Continued collaboration between researchers and the CPC to research and publicize international Arctic and Antarctic issues.

Science and Technology in Polar Regions

Planned Results 2002–03

- Publication of reports on the state of polar knowledge.
- Publication of *Meridian* newsletter and the newsletter of the Canadian Antarctic Research Network, to provide current information on polar research to national and international researchers.
- Increased polar research by universities and federal departments and agencies as a result of better awareness, stronger support and better access to needed information.
- Collaboration with the Association of Canadian Universities for Northern Studies to offer scholarships to promising young researchers.

Planned Results 2003–05

- Support development of a national policy for northern scientific research.
- Increase Canada's representation in international Arctic and Antarctic organizations.
- Reflect the CPC's commitments to both Arctic and Antarctic polar research more clearly: by working with government departments and agencies to develop national strategies, initiatives and policies; by working with organizations interested in developing a Canadian Antarctic Research Strategy; and by facilitating and encouraging Canadian scientists in the development of research projects that benefit Northerners and address concerns of Canadians.

Risks Associated with Not Delivering on This Priority

Without the cooperation and coordination in research that the CPC promotes, research costs would be higher and efficiency lower.

At present, other polar nations are actively funding and undertaking projects that address crucial gaps in the knowledge of Canada's Arctic regions. If Canadian polar research capacity does not increase, Canada will become dependent on foreign interests to undertake the polar research needed to solve global problems. Consequently, at a time when polar research is steadily increasing in importance around the world, Canada will be perceived as a weak link among polar nations.

Finally, academics and Northerners will lose an important venue for raising issues and concerns.

Section IV — Organization

Strategic Outcomes and Business Lines (2002–03)

Indian and Northern Affairs Canada (\$ millions)

Strategic Outcomes	Business Lines			Total
	Indian and Inuit Programming	Claims	Northern Affairs Programming	
To provide Canadians with an environment that fosters a more promising future for all First Nations and Inuit people by strengthening the relationship and addressing the discrepancies in living standards between First Nations and Inuit and non-Aboriginal people; to promote enhanced skills and expertise leading to more sustainable and accountable Aboriginal governments, increased self-sufficiency and economic independence.	4,427.3	624.4	-	5,051.7*
To provide Canadians with management of the Northern Agenda resulting in: strengthened territorial governance systems that are sensitive to Aboriginal rights and interests and the needs of all Northerners in general; safeguarding the environment and promoting sustainable development in the North.	-	-	195.3	195.3
Sub-Total	4,427.3	624.4	195.3	5,247.0
Administration				105.3
Total				5,352.3

Due to rounding, figures may not add to totals shown.

* See additional details in table on following page.

Canadian Polar Commission (\$ millions)

Strategic Outcome	Business Line
	Canadian Polar Commission
To provide Canadians with an effective national and international presence in relation to polar science and technology that contributes to a broader understanding of polar issues.	1.0

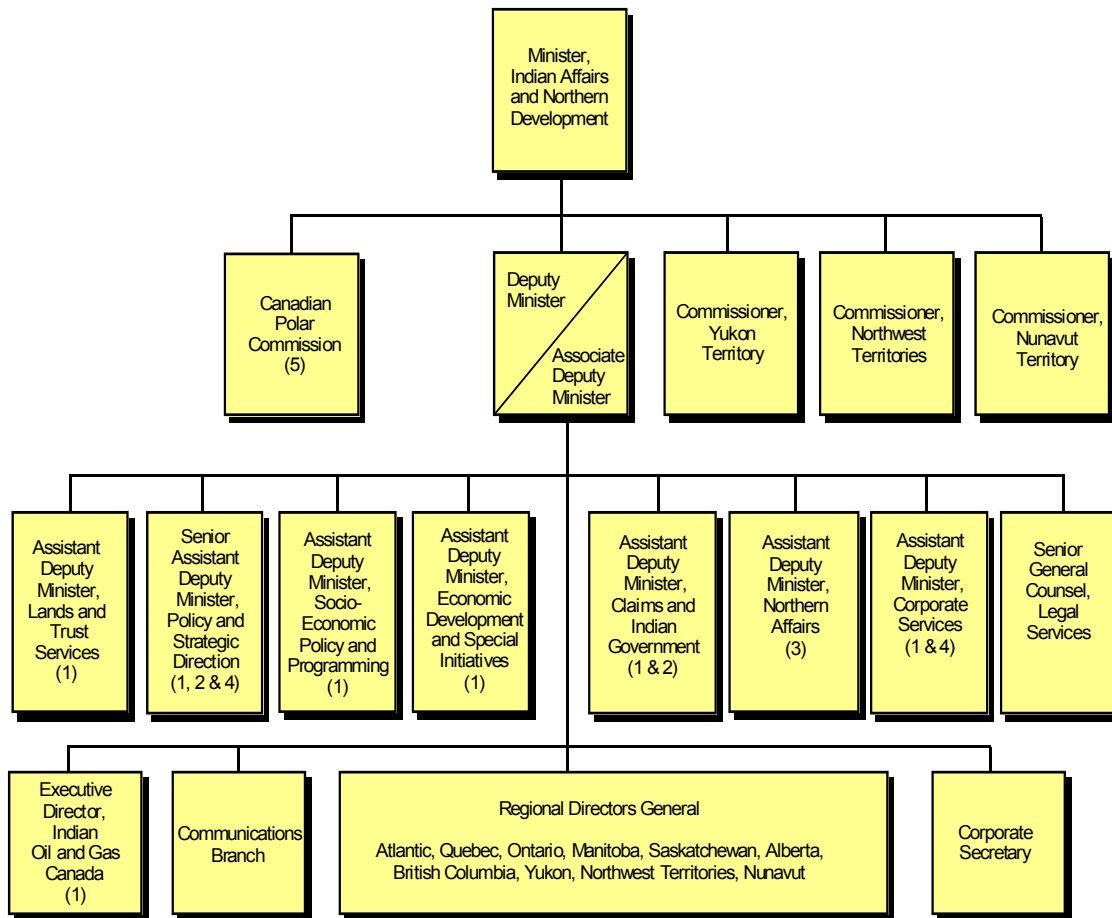
Expenditure details by Business Line and Priority

(\$ millions)	Priorities				Total
	Strong Communities, People and Economies	Strengthened Aboriginal Governance	New Fiscal Relationship	Renewed Partnerships	
<u>Indian and Inuit Programming</u>					
Elementary/Secondary Education	1,068	-	-	-	1,068
Capital	835	-	-	-	835
Social Assistance	636	-	-	-	636
Social Support Services	521	-	-	-	521
Indian Government Support	-	349	1	8	358
Post-Secondary Education	298	-	-	-	298
Economic Development	175	-	-	-	175
Housing	175	-	-	-	175
Self-Government	-	124	5	-	129
Lands and Trust Services	30	90	-	-	119
Sub-Total	3,737	562	7	8	4,314
Regional Operations*					113
Sub-Total (Indian and Inuit Programming)					4,427
Claims	-	406	-	218	624
Total	3,737	968	7	226	5,052

Due to rounding, figures may not add to totals shown.

* Regional Operations included in total only.

Accountability – Organization and Business Lines



Programs/Business Lines	Planned Spending 2002–03	
	(\$ millions)	FTEs
Indian and Northern Affairs Canada		
<i>Indian and Inuit Affairs Program</i>		
1. Indian and Inuit Programming	4,427.3	2,039
2. Claims	624.4	593
<i>Northern Affairs Program</i>		
3. Northern Affairs Programming	195.3	586
<i>Administration Program</i>		
4. Administration	105.3	770
Total INAC	5,352.3	3,988
Canadian Polar Commission		
5. Canadian Polar Commission	1.0	5

Planned Spending

(\$ millions)	Forecast Spending 2001–02*	Planned Spending 2002–03	Planned Spending 2003–04	Planned Spending 2004–05
Indian and Northern Affairs Canada				
Claims	503.5	530.4	456.8	338.3
Indian and Inuit Programming	4,264.9	4,332.3	4,358.6	4,411.5
Northern Affairs Programming	161.6	189.1	163.3	162.3
Administration	81.0	105.3	98.6	97.1
Budgetary Main Estimates	5,011.0	5,157.2	5,077.3	5,009.2
Non-Budgetary Main Estimates (Claims)	71.1	75.0	61.1	29.9
Less: Respendable Revenue	-	-	-	-
Total Main Estimates	5,082.1	5,232.1	5,138.4	5,039.1
Adjustments to Planned Spending**	126.4	120.2	93.4	100.6
Net Planned Spending	5,208.6*	5,352.3	5,231.8	5,139.7
Less: Non-Respendable Revenue	138.3	185.2	171.5	161.3
Plus: Costs of services received without charge	56.6	56.6	57.7	58.1
Net cost of Program	5,126.9	5,223.8	5,118.0	5,036.4
Full-Time Equivalents	4,107	3,988	3,982	3,783
Canadian Polar Commission				
Total Main Estimates (Budgetary)	1.0	1.0	1.0	1.0
Adjustments to Planned Spending**	-	-	-	-
Net cost of Program	1.0	1.0	1.0	1.0
Full-Time Equivalents	5	5	5	5

Due to rounding, figures may not add to totals shown.

* Reflects forecast of net planned spending to the end of the fiscal year.

** Adjustments reflect approvals not included in the Main Estimates (e.g. Supplementary Estimates, Budget initiatives).

Section V — Other Information

Contacts for Further Information

Indian and Northern Affairs Canada

Terrasses de la Chaudière
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Hull, Quebec
Postal Address:
Ottawa, Ontario K1A 0H4

Internet

<http://www.inac-ainc.gc.ca>

Email: webmaster@inac.gc.ca

General Enquiries and Publication Distribution

- Phone: (819) 997-0380
E-mail: InfoPubs@inac.gc.ca

Departmental Library

Not sure who to contact in the department?

- Phone: (819) 997-0811
E-mail: Reference@inac.gc.ca

Media Enquiries — Communications

- Phone: (819) 994-2044

Statistical Enquiries (socio-demographic)

- Phone: (819) 953-9999
E-mail: Instat@inac.gc.ca
Socio-Demographic Statistical publications available at: http://www.inac-ainc.gc.ca/pr/sts/index_e.html.

Northern Affairs Program

- Phone: (819) 953-3760
E-mail: NAPInfo@inac.gc.ca

Canadian Polar Commission

Suite 1710
Constitution Square
360 Albert Street
Ottawa, Ontario
K1R 7X7
(613) 943-8605 or 1-888-POLAR01
E-mail: mail@polarcom.gc.ca

Internet

<http://www.polarcom.gc.ca>

Co-delivery Partner Contacts / Federal Department or Agency

Health Canada – Call (613) 954-8815 or see Web site at <http://www.hc-sc.gc.ca>.

- Non-Insured Health Benefits; Community Health Services; Environmental Health and Surveillance; Hospital Services; National Native Alcohol and Drug Abuse Program; Brighter Futures Program – Community Mental Health and Child Development; Aboriginal Head Start; National Children’s Agenda; Aboriginal Diabetes Strategy; First Nations Home and Community Program; First Nations Health Information Systems; Food Safety and Nutrition; Centre for the Advancement of Aboriginal People’s Health; Federal Tobacco Control Strategy; Labrador Innu Comprehensive Healing Strategy; Health Data for First Nations; Capital Rust Out; and Public Security and Anti-Terrorism.

Human Resources Development Canada – Call (819) 997-8677 or see Web site at <http://www.hrdc-drhc.gc.ca>.

- Aboriginal Human Resources Development Strategy.

Canada Mortgage and Housing Corporation – Call (613) 748-2586 or see Web site at <http://www.cmhc-schl.gc.ca>.

- On Reserve – Non-Profit Housing and Residential Rehabilitation Assistance Programs; Home Adaptations for Seniors Independence, and Housing Internship Initiative.
Off Reserve – Rural and Native Housing, Urban Native Non-Profit Housing, Residential Rehabilitation Assistance, and Emergency Repair Programs.

Solicitor General of Canada – Contact the Aboriginal Policing Directorate at (613) 991-0241 or see Web site at <http://www.sgc.gc.ca>.

- First Nations Policing Policy – Implementation, maintenance and development of the First Nations Policing Program, mainly on-reserve, through tripartite policing agreements between First Nations communities, provincial and territorial governments and the federal government, to provide First Nations with access to police services that are professional, effective, culturally sensitive and accountable to the communities they serve.

Canadian Heritage – Contact the Aboriginal Peoples’ and Human Rights Programs Directorate at (819) 994-3835.

- Aboriginal Friendship Centres Program; Northern Native Broadcast Access Program; Aboriginal Representative Organizations Program; Aboriginal Women’s Program; Aboriginal Languages Initiative; Aboriginal Languages - Yukon; Aboriginal Languages - N.W.T.; Urban Multi-purpose Aboriginal Youth Centres Initiative; and Young Canada Works for Urban Aboriginal Youth.

Industry Canada – Call (613) 954-4064 or see Web site at <http://www.abc.gc.ca>.

- Aboriginal Business Canada – Promotes the development, competitiveness and success of Aboriginal business in Canadian and world markets.

Fisheries and Oceans Canada – Contact the Aboriginal Affairs Directorate at (613) 993-1917.

- Aboriginal Fisheries Strategy (AFS) – Increases Aboriginal involvement in all aspects of fisheries, fish habitat management and commercial fishing opportunities.

Natural Resources Canada – Contact the Financial Management Branch at (613) 996-6865.

- Aboriginal Model Forest; First Nation Forestry Program; Canada Lands Surveys-Land Claims; CANMET Energy Technology Centre; Enhanced Aboriginal Involvement Strategic Initiative; Action Plan on Climate Change; Commercial Building Incentive Program; and capacity building grants/ initiatives in resource management.

Justice Canada – Contact the Aboriginal Justice Directorate at (613) 941-9298 or the Program Branch at (613) 957-3180.

- The Aboriginal Justice Strategy; Legal Studies for Aboriginal People Program (LSAP); Youth Justice Renewal Initiative (Aboriginal Community Capacity Building); and The Native Courtworker Program (provides Aboriginal people involved in the criminal justice system with non-legal advice and information).

Privy Council Office – For matters related to Indian Specific Claims, contact the Indian Specific Claims Commission at (613) 945-1515 or see Web site at <http://www.indianclaims.ca>; for any other matters, contact the Federal Interlocutor for Métis and Non-Status Indians at (613) 947-1848 (Privy Council Office).

- Aboriginal Self-Government Negotiations; *Gathering Strength*: Canada's Aboriginal Action Plan; Indian Specific Claims Commission.

National Defence – Contact Corporate Services at (613) 992-6033.

- Bold Eagle Program; Canadian Forces Aboriginal Entry Program; Canadian Rangers Program; Junior Canadian Ranger Program; HEADSTART Program.

Correctional Services – Contact CSC at (613) 943-0493 or visit Web site at <http://www.csc-scc.gc.ca>.

- Aboriginal Treatment and Healing Programs; Aboriginal-Specific Health Strategies; Research projects on Aboriginal Reintegration; Aboriginal Healing Lodges; Halfway House for Aboriginal offenders; National Aboriginal Employment Strategy; Elders working in institutions and in the community; Aboriginal Liaison Services in federal institutions; Support to Native Brotherhood and Sisterhood Groups; Aboriginal Offender Employment and Job Placement; and Aboriginal Gangs Reintegration Project.

Section VI — Annexes

Financial Information

The following financial summary tables (Tables 1–7) provide additional details with respect to the department's utilization of financial resources.

Table 1 – Summary of Capital Spending by Program and Business Line

(\$ millions)	Forecast Spending 2001–02	Planned Spending 2002–03	Planned Spending 2003–04	Planned Spending 2004–05
Indian and Inuit Affairs Program				
Indian and Inuit Programming	512.4	538.9	494.0	497.2
Claims	0.4	13.8	1.0	-
Sub-total	512.8	552.7	495.0	497.2
Northern Affairs Program				
Northern Affairs Programming	4.6	10.4	4.8	3.7
Administration Program				
Administration	5.0	5.0	5.0	5.0
Total Capital Spending (Department)	522.4	568.0	504.8	505.8
Canadian Polar Commission				
	-	-	-	-

Due to rounding, figures may not add to totals shown.

Table 2 – Details on Major Capital Project Spending (projects valued at \$15 million and over)

(\$ millions)	Current Estimated Total Cost	Forecast Spending to March 31, 2002	Planned Spending 2002–03	Planned Spending 2003–04	Planned Spending 2004–05	Future Year Spending Requirement
Indian and Inuit Affairs Program*						
Infrastructure						
Atlantic						
Davis Inlet Relocation	143.1	104.4	38.7	-	-	-
Quebec						
Northern Quebec Marine Transportation Infrastructure Program - Docking Facilities	35.1	20.1	3.0	3.0	3.0	6.0
Inuit Housing	25.0	10.0	5.0	5.0	5.0	-
Manitoba						
Barren Lands – Water and Sewer	16.6	0.4	2.2	2.6	0.1	11.3
Garden Hill – Water and Sewer	47.3	9.3	-	0.4	1.8	35.8
Sandy Bay – Water and Sewer	17.1	1.2	-	-	-	15.9
Red Sucker Lake – Water and Sewer	23.6	5.6	0.3	3.0	3.9	10.8
God's Lake – Water and Sewer	36.1	10.4	-	2.4	2.7	20.6
Oxford House – Water and Sewer	29.4	3.6	-	0.4	5.0	20.4
St. Theresa Point – Water and Sewer	44.8	14.4	5.2	3.7	2.0	19.5
Wasagamack – Water and Sewer	32.0	6.6	-	1.3	5.0	19.1
Sayisi Dene – Water and Sewer	15.9	5.0	0.3	2.2	2.3	6.1
Sub-Total (Infrastructure)	466.0	191.0	54.7	24.0	30.8	165.5
Education Facilities						
Manitoba						
Chemawawin School	22.9	1.1	9.7	5.6	1.5	5.0
Garden Hill School Phase II	31.2	26.8	4.4	-	-	-
Norway House School	35.2	3.9	7.2	3.4	11.5	9.2
Peguis School Phase II	23.2	17.5	5.3	0.4	-	-
Pine Creek School	17.0	0.6	3.9	6.8	2.5	3.2
Sapotaweyak School	16.5	-	-	1.0	1.0	14.5
Sub-Total (Education Facilities)	146.0	49.9	30.5	17.2	16.5	31.9
Total	612.0	240.9	85.2	41.2	47.3	197.4

Due to rounding, rows and columns may not add to totals shown.

* There are no major capital projects in other programs.

Table 3 – Summary of Transfer Payments

(\$ millions)	Forecast Spending 2001–02	Planned Spending 2002–03	Planned Spending 2003–04	Planned Spending 2004–05
Grants				
Indian and Inuit Affairs Program				
Indian and Inuit Programming	314.4	330.1	342.9	354.6
Claims	442.5	371.6	308.9	241.8
Sub-total	756.9	701.7	651.8	596.4
Northern Affairs Program				
Northern Affairs Programming	2.7	0.7	0.7	0.7
Administration Program				
Administration	-	-	-	-
Total Grants	759.6	702.4	652.5	597.2
Contributions				
Indian and Inuit Affairs Program				
Indian and Inuit Programming	3,667.1	3,853.0	3,850.9	3,892.9
Claims	63.0	70.5	54.0	37.5
Sub-total	3,730.0	3,923.5	3,904.9	3,930.4
Northern Affairs Program				
Northern Affairs Programming	69.0	66.3	57.5	56.5
Administration Program				
Administration	0.5	0.5	0.5	0.5
Total Contributions	3,799.5	3,990.2	3,962.8	3,987.3
Total (Grants + Contributions)				
Indian and Inuit Affairs Program				
Indian and Inuit Programming	3,981.5	4,183.2	4,193.8	4,247.5
Claims	505.5	442.0	362.8	279.3
Sub-total	4,487.0	4,625.2	4,556.7	4,526.8
Northern Affairs Program				
Northern Affairs Programming	71.7	67.0	58.2	57.2
Administration Program				
Administration	0.5	0.5	0.5	0.5
Total Transfer Payments (Department)	4,559.1	4,692.7	4,615.4	4,584.5
Canadian Polar Commission	-	-	-	-

Due to rounding, figures may not add to totals shown.

Table 4 – Details on Transfer Payments Programs

Objectives of Transfer Payment Programs by Business Line	Benefits / Results for Canadians
<p>Indian and Inuit Programming (2002–03 Planned Spending: Grants \$330.1 million; Contributions \$3,853.0 million)</p> <p>To assist First Nations and Inuit communities in achieving their self-government, economic, educational, cultural, social and community development needs and aspirations. The Indian and Inuit Programming assists First Nations in building healthy, sustainable communities through provision of services and programs similar to levels provided to other Canadian residents by provincial, territorial and municipal governments (including education, social services and community infrastructure). It also fulfils many of Canada’s constitutional and statutory obligations and responsibilities to First Nations and Inuit people.</p> <p>Claims (2002–03 Planned Spending: Grants \$371.6 million; Contributions \$70.5 million)</p> <p>To achieve negotiated settlements of Aboriginal land claims. Such settlements resolve outstanding grievances, establish certainty to land title and access to lands and resources, create a climate that promotes economic development, and avoid time-consuming litigation. The settlement of a claim is not viewed as an end in itself, but rather as a beginning in which the Aboriginal people start to regain control of their destiny. Claims settlements provide a land base and financial package which establish a solid basis, and provide support for the department’s <i>Gathering Strength</i> priorities of renewing the partnerships, strengthening Aboriginal governance, developing a new fiscal relationship and supporting strong communities, people and economies.</p>	<p>Strong Communities, People and Economies – strengthened and sustained economic development; increased self-sufficiency; improved health and safety.</p> <p>Strengthened Aboriginal Governance – governance capacity-building initiatives; self-government and claims agreements; devolved federal responsibilities.</p> <p>New Fiscal Relationship – effective fiscal relationships including new fiscal arrangements models and practical examples; new fiscal and statistical institutions; strengthened fiscal accountability; financial skills and capacity in First Nations.</p> <p>Renewed Partnerships – reconciliation and community healing/specific claims settlements; increased public awareness of Aboriginal issues; stronger working relationships with Aboriginal people and organizations; new approaches to federal, provincial and territorial relations with First Nations and Inuit.</p>
<p>Northern Affairs Programming (2001–02 Planned Spending: Grants \$0.7 million; Contributions \$66.3 million)</p> <p>To promote the political, economic, scientific and social development of Canada’s North; to assist Northerners, including Aboriginal groups, to develop political and economic institutions which will enable them to assume increasing responsibility within the Canadian federation; to effectively manage and regulate the sustainable development of the North’s natural resources in preparation for devolution to the territorial governments; to preserve, maintain, protect and rehabilitate the northern environment; and to manage ongoing federal interests in the North, including federal northern policy, federal-territorial relations and claims and self-government implementation, and federal circumpolar activities.</p>	<p>Managing Federal Interests and Promoting Northern Sustainable Development – strengthening northern governance; a healthy human and natural environment; sustainable use of northern natural resources; fostering circumpolar co-operation.</p>

Milestone Monitoring

The department has in place the appropriate systems to monitor and ensure the integrity of its transfer payment programs. Specifically, the department has developed various performance frameworks (e.g. *Gathering Strength*) and reporting vehicles (e.g.; annual reports on comprehensive claims and progress on *Gathering Strength*), which provide information on departmental performance to Canadians. The department also utilizes its internal audit and evaluation function to review programs and activities on an ongoing basis.

Table 5 – Non-Respendable Revenues

(\$ millions)	Forecast Revenue 2001–02	Planned Revenue 2002–03	Planned Revenue 2003–04	Planned Revenue 2004–05
Indian and Inuit Affairs Program				
Indian and Inuit Programming				
Goods and services tax	0.4	0.4	0.4	0.4
Return on investments:				
• Indian economic development fund	0.8	0.8	0.8	0.8
Recovery from guaranteed loans	0.2	0.2	0.2	0.2
Refunds of previous years' expenditures	13.7	13.7	13.7	13.7
Adjustment of prior year's payables at year end	0.9	0.9	0.9	0.9
Privileges, licences and permits	0.1	0.1	0.1	0.1
Proceeds from:				
• Sales	0.3	0.3	0.3	0.3
• Disposal of surplus Crown assets	0.1	0.1	0.1	0.1
Other non-tax revenue	-	-	-	-
Sub-total (Indian and Inuit Programming)	16.6	16.6	16.6	16.6
Claims				
Return on investments:				
• Native claimants	6.1	6.1	6.1	6.1
Other non-tax revenue	5.5	5.5	5.5	6.3
Sub-total (Claims)	11.6	11.6	11.6	12.4
Sub-total (Indian and Inuit Affairs Program)	28.2	28.2	28.2	29.0
Northern Affairs Program				
Northern Affairs Programming				
Goods and Services Tax	0.1	0.1	0.1	0.1
Return on investments:				
• Norman Wells Project profits	45.0	42.0	38.0	32.0
• Other	1.4	1.4	1.4	1.4
Refunds of previous years' expenditures	0.9	0.9	0.9	0.9
Adjustments of prior year's payables at year end	1.4	1.4	1.4	1.4
Canada mining	9.4	55.9	55.9	55.9
Yukon quartz mining	0.5	0.5	0.5	0.6
Placer mining fees	0.2	0.2	0.2	0.2
Quarrying royalties	0.3	0.3	0.3	0.3
Coal leases	-	-	-	-
Metallic and non-metallic	-	-	-	-
Oil and gas royalties	48.1	50.5	40.8	35.8
Oil and gas forfeitures	0.6	0.6	0.6	0.6
Forestry	0.3	1.1	1.1	1.1
Land, building and machinery rentals	0.8	0.8	0.8	0.8
Land use fees	0.5	0.5	0.5	0.5
Other fees, rentals, licences	0.2	0.2	0.2	0.2
Proceeds from:				
• Sales	0.1	0.1	0.1	0.1
• Disposal of surplus Crown assets	-	-	-	-
Other non-tax revenues	0.2	0.2	0.2	0.2
Sub-total (Northern Affairs Program)	109.9	156.8	143.1	132.2

(\$ millions)	Forecast Revenue 2001-02	Planned Revenue 2002-03	Planned Revenue 2003-04	Planned Revenue 2004-05
Administration Program				
Administration				
Refunds of previous years' expenditures	0.1	0.1	0.1	0.1
Adjustments of prior year's payables at year end	-	-	-	-
Service and service fees	-	-	-	-
Proceeds from disposal of surplus Crown assets	-	-	-	-
Other non-tax revenues	-	-	-	-
Sub-total (Administration Program)	0.2	0.2	0.2	0.2
Total Non-Respendable Revenues (Department)	138.3	185.2	171.5	161.3
Canadian Polar Commission	-	-	-	-

Due to rounding, figures may not add to totals shown.

Table 6 – Net Cost of Programs for the Estimates Year

(\$ millions)	Programs			Total
	Administration	Indian and Inuit Affairs	Northern Affairs	
Net Planned Spending (Gross Budgetary and Non-budgetary Main Estimates plus Adjustments)	105.3	5,051.7	195.3	5,352.3
<i>Plus: Services Received without Charge</i>				
Accommodation provided by Public Works and Government Services Canada (PWGSC)				22.9
Contributions covering employees' share of employees' insurance premiums and expenditures paid by TBS				17.1
Workman's compensation coverage provided by Human Resources Canada				0.9
Salary and associated expenditures of legal services provided by Justice Canada				15.7
				56.6
<i>Less: Non-responsible Revenue</i>				185.2
2002–03 Net Cost of Program				5,223.8

Due to rounding, figures may not add to totals shown.

Table 7 – Loans

(\$ millions)	Forecast Spending 2001–02	Planned Spending 2002–03	Planned Spending 2003–04	Planned Spending 2004–05
Indian and Inuit Affairs Program				
Claims				
Loans to native claimants	38.9	31.9	29.9	29.9
Loans to First Nations in British Columbia for the purpose of supporting their participation in the British Columbia Treaty Commission process	28.9	43.1	31.2	-
Loans to the Council of Yukon Indians for interim benefits to the Yukon Elders	0.4	-	-	-
Total (Department)	68.1	75.0	61.1	29.9
Canadian Polar Commission	-	-	-	-

Due to rounding, figures may not add to totals shown.

Government-wide Initiatives

1. Regulatory Initiatives

INAC is responsible for two separate yet equally important mandates: **Indian and Inuit Affairs** and **Northern Affairs**. This broad mandate is derived largely from the *Department of Indian Affairs and Northern Development Act*, the *Indian Act*, territorial acts and legal obligations arising from section 91(24) of the *Constitution Act, 1867*; however, the department is responsible for administering over 50 statutes in total. Consequently, INAC's mandate is complex and its responsibilities encompass a broad range of services.

For a complete list of legislation administered by INAC please refer to http://www.inac-ainc.gc.ca/pr/leg/index_e.html.

For a list of regulations currently in force and Planned Regulatory Initiatives for 2002–03 please refer to http://www.inac-ainc.gc.ca/pr/leg/reg/index_e.html.

You may also obtain this information by calling (819) 997-0380.

2. Sustainable Development Strategy (SDS)

The commitments in the departmental Sustainable Development Strategy (SDS) are incorporated throughout this document. A summary of all SDS commitments for 2002–03 can be found at <http://www.inac-ainc.gc.ca>. In addition, there are significant commitments in the SDS related to INAC's capacity to manage, raise awareness of and report on the SDS, as well as to improve the environmental performance of internal operations. Priorities in these areas are summarized below. A brief summary of these department-wide priorities, as well as those of the Indian and Inuit Affairs Program (IIAP) and Northern Affairs Program (NAP), is also given below.

Department-wide SDS Priorities

In furthering its efforts to manage the SDS, INAC commits to establishing a comprehensive management and accountability regime based on the ISO 14000 management cycle. A detailed guide of the roles and responsibilities of all sectors and regions with respect to implementing, reporting progress and renewing the SDS will be produced and distributed as the basis for this approach. General efforts to raise awareness of the SDS and the concept of sustainable development will also be intensified. The Operations Committee, chaired by the Associate Deputy Minister, will be updated quarterly on SDS implementation with particular attention paid to the SDS management regime.

Greening Operations SDS Priorities

In fiscal year 2002–03, the department will develop an Environmental Management System (EMS) to guide "greening" operations and to assist in reporting progress on SDS commitments. As part of the EMS, a Web-based environmental awareness training package for employees will be launched as well as specific initiatives to "green" internal operations.

Indian and Inuit Affairs Program SDS Priorities

The 2002–03 SDS priorities for the IIAP include working towards consolidating INAC's approach to long-term community planning, including the development of a compendium of existing community planning models, "best practices" and highlights of successes. The IIAP also commits to the development of an Environmental Stewardship Strategy to address environmental management issues on reserve lands. Finally, under the *First Nations Land Management Act* (FNLMA), the IIAP commits to developing a draft Environmental Management Agreement and a draft environmental assessment process model for FNLMA communities.

Northern Affairs Program Priorities

The 2002–03 SDS priorities for NAP include harmonization of environmental assessment and regulatory processes, development of a long-term management plan for the remediation of contaminated sites, and provision of training to enable Northerners to take advantage of employment and business opportunities presented by escalating oil and gas exploration. On the circumpolar front, NAP will lead the development of an Arctic Council Capacity Building Strategy, participate in the organization of a Conference for Women of the Arctic in 2002, continue the initiative on the Future of Children and Youth of the Arctic, and take part in several bilateral projects in the Siberian federal district.

3. Service Improvement Initiatives

Results for Canadians commits the Government of Canada to measurable improvements in client satisfaction by 2005 for programs and services delivered by government departments. In this context, the department's Modern Comptrollership Action Plan has an ongoing focus on service improvement.

Building on the creation of the Service Improvement Branch and the Supporting Front Line Operations initiative, service improvement initiatives are incorporated throughout the 2002–03 Report on Plans and Priorities. The following table summarizes the expected results for these initiatives (□ Operational ■ Collaborative):

Priority: Strong Communities, People and Economies	
Strengthened and Sustained Economic Development	<p><i>Planned Results 2002–03</i></p> <ul style="list-style-type: none"> □ Revision of Additions to Reserve (ATR) policy, to recognize that First Nations require a greater share of lands and resources and to assist First Nations in securing an adequate land base for building economic self-sufficiency and self-government. ■ Improvements in processing designations for specific commercial leasing opportunities, as well as general designations for possible leasing proposals, to promote economic development.
Increased Self-Sufficiency	<p><i>Planned Results 2002–03</i></p> <ul style="list-style-type: none"> □ Evaluate post-secondary programs (Post-secondary Student Support Program and the Indian Studies Support Program) in response to First Nations communities, First Nations and Inuit students and post-secondary institutions, with the goal of ensuring programs meet the contemporary needs of students to access post-secondary education. □ Based upon the National Policy Review of First Nations Child and Family Services, identify strategies, including the methodology for funding agencies, for improving the relevance and effectiveness of the program for incorporation into the renewed social policy framework. ■ Collaborate with First Nations partners and other federal departments to develop an integration model for children and youth programs. <p><i>Planned Results 2003–05</i></p> <ul style="list-style-type: none"> ■ With First Nations, assess the implementation of the Special Education program and adjust the program design as needed to ensure best results for students.

Priority: Strengthened Aboriginal Governance

Governance
Capacity-Building
Initiatives

Planned Results 2002–03

- Strategic allocation of funding to support governance initiatives such as the streamlining of self-government.
- Governance legislation and development of new models and processes to support First Nations aggregations, nation rebuilding, constitutions and draft laws.

Self-government
and Claims
Agreements

Planned Results 2002–03

- Streamlining of internal processes for negotiation and approval of self-government and comprehensive claims agreements and focusing on those negotiating tables that are producing promising results.

Planned Results 2003–05

- Updating and evolution of self-government and comprehensive claims policy framework.

Priority: New Fiscal Relationship

Strengthened Fiscal
Accountability

Planned Results 2002–03

- The proposed First Nations Governance legislation framework will support and facilitate more effective and transparent accountability.

Planned Results 2003–05

- Consistently strong financial management practices and accountability to First Nations' members through legislation, regulations and community capacity building following from the First Nations Governance initiative.

Priority: Renewed Partnerships

Increased Public
Awareness of
Aboriginal Issues

Planned Results 2002–03

- Develop and promote communications products that focus on basic Aboriginal issues and culture, targeted to younger audiences.

Planned Results 2003–05

- Streamline access to, and improve First Nations' awareness of, Government of Canada programs and services.

Priority: Effective Management of Federal Interests in the North

Sustainable Use of Northern Natural Resources

Planned Results 2002–03

- Complete work with industry and regulatory agencies to develop and publish a series of regulatory road map guides for oil and gas activities in N.W.T. regions and the Beaufort Sea.

Planned Results 2003–05

- Implement the Northern Operating Environment initiative, to clarify federal responsibilities, harmonize federal, territorial and board regulatory activities, and resolve regulatory issues associated with the administration and control of natural resources and associated infrastructure.

Priority: Government On-Line (GOL)

Improving Canada's Single Window Aboriginal Service Delivery Channel

Planned Results 2002–03

- Improve department Internet site in compliance with the Common Look and Feel guidelines to provide better accessibility to visually impaired users.
- Re-engineer processes for reporting transfer payments and information sharing, and streamline process for on-line Indian registration service delivery under Government On-Line.
- Enhance Internet presence through improved navigation of departmental Web site and increased availability of information on-line.
- Continue enhancements of the Aboriginal Canada Portal in areas such as updating new federal, provincial, territorial, community based information and leveraging new technologies to better promote Aboriginal products, services, community success stories, culture and centralised access to Aboriginal on-line services.
- Continue implementation of the Electronic Document Management System to facilitate on-line content management of text-based information in support of Government On-Line goals.
- Develop a modern and more secure Certificate of Indian Status Card and associated delivery mechanisms (this is a Government On-Line project). This project, a partnership with Treaty 7 Tribal Council and the Government of Alberta, provides protection for First Nations, provincial and federal governments against fraudulent use associated with benefits from Indian Status and also allows First Nations individuals to access registration services on-line.

Planned Results 2003–05

- Transform business processes and redesigned systems for on-line delivery of key departmental programs and services, in accordance with the schedule outlined in the departmental Government On-Line Plan (http://www.ainc-inac.gc.ca/gol-ged/index_e.html).

Collective Initiatives

Collective Initiative	Partner(s) / Funding Allocated by Partner(s)	Planned Results
First Nation Water Management Strategy		
<p>Goal: To enable First Nations access to clean, safe and secure water supplies.</p> <p>Implementation Date: Actions on some components of the Strategy have already begun. However, the Strategy will establish short-, medium-, and long-term actions.</p> <p>Reporting Date: Results will be reported starting in the 2002–2003 Performance Report.</p>	<ul style="list-style-type: none"> ■ Health Canada. ■ Environment Canada. <p>Note: Funding to be determined as part of the Strategy.</p>	<ul style="list-style-type: none"> ■ Implementation of national water standards in First Nation communities. ■ Capital upgrades to on-reserve water and wastewater facilities to meet federal and/or provincial standards. ■ Expansion and enhancement of operator training to ensure the safe operation of water and wastewater systems. ■ Strengthening of waterworks operating practices. ■ Establishment of protocols for emergency responses. ■ Increased First Nation awareness. ■ Improved accountability and reporting mechanisms.
First Nations and Inuit Youth Employment Strategy (FNIYES)		
<p>Goal: To help equip First Nations and Inuit youth with the necessary skills and experience they need for the future labour market and to help them make the transition from school to work.</p> <p>Implementation Date: Ongoing.</p> <p>Reporting Date: The results are reported on an annual basis.</p>	<ul style="list-style-type: none"> ■ Human Resources Development Canada (Youth Employment Strategy). ■ First Nations and Inuit organizations and communities. <p>Note: Funding of \$24 million (through Human Resources Development Canada).</p>	<ul style="list-style-type: none"> ■ The creation of an anticipated 24,000 career opportunities for First Nations and Inuit youth in the five FNIYES programs.

Collective Initiative	Partner(s) / Funding Allocated by Partner(s)	Planned Results
Knowledge Sharing Infrastructure (KSI) Project		
<p>Goal: To provide a mechanism for the promulgation of First Nations “best” financial and administrative practices to support effective, economic and timely governance development; comparable to other governments and appropriate to First Nations culture and needs.</p> <p>Implementation Date: Phase 1 to be completed in 2002–2003.</p> <p>Reporting Date: Results will be reported starting in the 2002–2003 Performance Report.</p>	<ul style="list-style-type: none"> ■ Aboriginal Financial Officers Association of Canada (AFOA). ■ Global Development Group of CARE-Canada. 	<ul style="list-style-type: none"> ■ The AFOA will be a prototype national virtual First Nation organization with reach to its membership, most often in non-urban settings. KSI content will reflect member priority professional development and support needs.
First Nations Fiscal Institutions (FNFI) Legislative Initiative		
<p>Goal: To set out in statute a First Nation Real Property Tax (RPT) and bond market borrowing regime and create four national fiscal institutions to support these regimes, support the fiscal dimensions of governance, and position First Nations to help develop new revenue and transfer options with other governments.</p> <p>Implementation Date: Policy approval to be sought for legislation in 2001–2002.</p> <p>Reporting Date: Results will be reported starting in the 2002–2003 Performance Report.</p>	<ul style="list-style-type: none"> ■ National Table on Fiscal Relations. ■ Indian Taxation Advisory Board (ITAB). ■ First Nations Finance Authority (FNFA). ■ Municipal Finance Authority of BC (MFA-BC). ■ Statistics Canada. ■ Health Canada. ■ Department of Finance. 	<ul style="list-style-type: none"> ■ A more robust, transparent and streamlined RPT system with better rate payer representation. ■ Access to the debenture market by First Nations. ■ Improved First Nations representation in Statistics Canada public survey data and improved local systems for decision-making and accountability.

Collective Initiative	Partner(s) / Funding Allocated by Partner(s)	Planned Results
Developing a Common Accountability Framework in Support of First Nations Governance Initiative		
<p>Goal: A government-to-government fiscal relationship with First Nations in support of new legislation and supporting regulations. Accountability requirements of government departments would be coordinated and use a common framework where possible.</p> <p>Implementation Date: Target fiscal year 2003–2004.</p> <p>Reporting Date: Initial reporting possibly in the 2001–2002 Performance Report.</p>	<ul style="list-style-type: none"> ■ Virtually all government departments which provide funds to First Nations as reflected in the Estimates. <p>Note: No funds allocated at the moment and may not be necessary.</p>	<ul style="list-style-type: none"> ■ Initiative will look at common funding agreement including common reporting requirements (e.g. audit), a common intervention policy, coordinated capacity building among departments.
First Nations and Inuit Transfer Payment Project		
<p>Goal: To implement a re-engineered Grants and Contributions business process that will assist in developing business and service standards and streamlining the back-end business processes.</p> <p>Implementation Date: 2004.</p> <p>Reporting Date: Results will be reported starting in the 2002–2003 Performance Report.</p>	<ul style="list-style-type: none"> ■ Present Steering Committee members include Health Canada and Canadian Heritage. <p>Note: No funds allocated to date.</p>	<ul style="list-style-type: none"> ■ The provision of key on-line transactional services that include application and approval of funding, electronic scheduling and adjustment of cash requirements, transfer of funds, and financial and non-financial reporting to meet performance and accountability requirements.

Collective Initiative	Partner(s) / Funding Allocated by Partner(s)	Planned Results
Aboriginal Canada Portal (www.aboriginalcanada.gc.ca)		
<p>Goal: Work together with seven federal departments and six National Aboriginal Organizations to identify new on-line information and services requirements towards improving Canada's single window Aboriginal service delivery channel as well as increasing better awareness among all Canadians of Canada's Aboriginal peoples history, culture and community developments.</p> <p>Implementation Date: Ongoing.</p> <p>Reporting Date: The results are reported on an annual basis.</p>	<ul style="list-style-type: none"> ■ Industry Canada. ■ Canadian Heritage. ■ Health Canada. ■ Human Resources Development Canada. ■ Communications Canada. ■ Foreign Affairs International Trade Canada. ■ Natural Resources Canada. ■ National Aboriginal Organizations. 	<ul style="list-style-type: none"> ■ Enhanced provincial and territorial information linkages. ■ Enhanced aboriginal community information linkages. ■ Development of a new on-line aboriginal products and service display. ■ New multi-media features to better showcase and communicate aboriginal community and cultural developments. ■ Integration of aboriginal language functionality. ■ Promotion and marketing of aboriginal community success stories.
Connecting Aboriginal Canadians		
<p>Goal: The department will continue to champion and partner with other key departments to encourage and facilitate the deployment of telecommunications infrastructure to Aboriginal communities throughout Canada and increase the awareness of the social and economic benefits the information highway may deliver to these communities.</p> <p>Implementation Date: Ongoing.</p> <p>Reporting Date: The results are reported on an annual basis.</p>	<ul style="list-style-type: none"> ■ The department will continue to work with other departments, provincial/territorial stakeholders, telecommunications service providers, aboriginal non-government organizations and communities. 	<ul style="list-style-type: none"> ■ Annually measure and monitor basic toll-free and high-speed Internet Infrastructure deployment to these communities. ■ Undertake an annual national Connecting Aboriginal Canadians conference to: learn from, disseminate and share community connectivity "best practices"; identify new opportunities and challenges in telecommunications access, digital content development and marketing, e-applications and e-skills and training developments; and, forge new partnerships between all stakeholders.

Other Initiatives Contributing to Results for Canadians

Planned Results (Operational Collaborative)

Exemplary Workplace

Aboriginal Representation Within a Dynamic and Skilled Work Force

Planned Results 2002–03

- Complete review of Aboriginal workforce recruitment and retention program, and of strategies to position INAC as an Employer of Choice.
- Implement the Employment Equity Action Plan with continued focus on the recruitment, advancement and retention of Aboriginal persons, persons with disabilities, members of visible minorities and women.
- Continue the Aboriginal Auditors Development Program.

Modern Comptrollership

Sound Management Practices

Planned Results 2002–03

- Develop operational planning templates, to ensure consistent planning and reporting of key activities.
- Enhance communications between management and front-line staff, to foster more consistent operations.
- Develop a dedicated Web site for front-line staff, with tools and information to better serve First Nations, Inuit and Northerners.
- Implement a Human Resources (HR) planning framework consistent with the Human Resources Modernization initiative, to focus on specific functional communities, examine key issues and challenges, and develop recommendations to address specific community needs.
- Develop a departmental action plan to address changes outlined in the Human Resources Modernization initiative.
- Strengthen risk management through development and implementation of an Integrated Management of Risk Framework that will provide guidance on structures, processes and policy requirements, to identify the corporate risk profile so that significant risk factors are both understood and well managed, and to advance a more systematic approach to risk management. The department will continuously evaluate and monitor risk management practices to ensure that they are relevant to INAC's specific circumstances and mandate and that due diligence has been exercised.
- Continue to improve and modernize the overall state of comptrollership, relative to the department's baseline position and to accepted policies and standards, through operation and monitoring of the Modern Management Practices Action Plan. Substantial components of this plan will be implemented in 2002.

- Implement Integrated Management of Risk (IMR) policy at the planning level.
- Continue work with programs to embed the principle of evaluation into management.
- Continue implementation of initiatives to lessen environmental impact of departmental operations in support of the SDS 2001–2003.
- Foster continuous learning by developing and promoting the use of learning centres and career services across the department, and by developing competency profiles for main communities of practice within INAC.
- Improve overall ability of employees by providing feedback, targeted learning and learning opportunities through events, community-of-practice workshops and electronic modules.

Planned Results 2003–05

- Prepare Internal Audit for implementation of Assurances Services in 2003–04.
- Continue to improve the state of management practices, to achieve a more advanced and integrated level of comptrollership by 2004–05, guided by performance indicators and anticipated results put forth in the Modern Management Practices Action Plan.
- Promote the establishment of strong communities of practice within INAC.
- Develop an informal resolution process in partnership with unions, to address complaints as a result of Universal Classification Standard (UCS).
- Enhance HR's ability to service personnel more effectively by providing a range of electronic services.
- Implement recruitment, retention and development strategies to address demographic challenges identified through HR planning exercise.
- Implement UCS and conversion consistent with Treasury Board Secretariat direction.