



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

**Indian and Northern Affairs Canada,
Canadian Polar Commission
and
Indian Specific Claims Commission**

**2004–2005
Departmental Performance Report**

Table of Contents

I OVERVIEW

Minister's Message	1
Management Representation Statement	3
Relationship to Report on Plans and Priorities for 2004–2005	3
Summary Information	4
Raison d'être	4
Total Financial Resources	4
Total Human Resources	4
Summary of Performance in Relationship to Strategic Outcomes, Priorities and Commitments	5
Overall Performance	9
Indian and Northern Affairs	9
Canadian Polar Commission	13
Indian Specific Claims Commission	14

II ANALYSIS OF PERFORMANCE BY STRATEGIC OUTCOME

Indian and Northern Affairs	17
The Government	17
The People	21
The Land	25
The Economy	29
The Office of the Federal Interlocutor	33
Canadian Polar Commission	35
Indian Specific Claims Commission	36

III SUPPLEMENTARY INFORMATION

Organizational Information	39
Table 1: Comparison of Planned Spending and Full-time Equivalents	40
Table 2: Use of Resources by Program Activity	42
Table 3: Voted and Statutory Items	45
Table 4: Net Cost	47
Table 5: Contingent Liabilities	47
Table 6: Loans, Investments and Advances (Non-Budgetary)	48
Table 7: Sources of Non-Respendable Revenue	49
Table 10: User Fees	50
Table 14: Details on Transfer Payment Programs	51
Table 16: Financial Statements of Departmental Corporations and Agents of Parliament	55
Table 17: Response to Parliamentary Committees, Audits and Evaluations for Fiscal Year 2004–2005	56
Table 18: Sustainable Development Strategy	57
Table 19: Procurement and Contracting	61
Table 21: Service Improvement Initiative	62
Table 22: Horizontal Initiatives	63
Table 23: Travel Policies	71

IV OTHER ITEMS OF INTEREST

Departmental Management and Administration	73
Reliability of Statistics	75
Contacts for Further Information	76

Minister's Message

On behalf of Indian and Northern Affairs Canada (INAC), the Canadian Polar Commission and the Indian Specific Claims Commission, I am pleased to submit my department's *2004-2005 Departmental Performance Report*.

I am honoured to share the many accomplishments the department has achieved in collaboration with its many partners.

In July 2004, the Prime Minister appointed me as the Minister of Indian and Northern Affairs and as the Federal Interlocutor for Métis and Non-Status Indians. It is the first time that both of these responsibilities are dedicated to the same Minister. I believe this decision will serve as an important step in addressing the needs of Canada's Aboriginal peoples.

The historic Canada-Aboriginal Peoples Roundtable was launched in April 2004 with a view to achieving the shared goal of full participation of First Nations, Inuit, and the Métis people in Canadian society. Following the April 2004 Roundtable meeting, INAC participated in sectoral follow-up sessions on health, lifelong learning, housing, economic opportunities, negotiations (land claims, self-government and treaties), and accountability for results.

The process highlighted the need to strengthen relationships between First Nations, Inuit and Métis and the Government of Canada, as well as the importance of setting a new direction for working together in the future. The Policy Retreat of May 2005 marked the culmination of the Roundtable process and signalled a new way of doing business — a partnership based on respect and co-existence — committed to by all parties with the signing of accords with each of the National Aboriginal Organizations. Policy priorities have been jointly set — from the ground up — in areas that matter to First Nations, Inuit and Métis communities, priorities that recognize their unique needs.

This historic partnership is an achievement that is in the best interest of all Canadians, not only to ensure a strong society where all have the opportunity to contribute, but also because it is only through an inclusive approach that we can make real progress and make the right investments. It operationalizes the commitment made at the Roundtable and moves us from the abstract to the practical. Each agreement signed at the Retreat speaks to the unique relationship we have with each of the five National Aboriginal Organizations.

As partners, we will build upon our accomplishments made during 2004-2005 and move forward — from thoughtful reflection on what needs to be done, to action. We will move forward to the First Ministers' meeting — the next multilateral phase of this journey — by engaging the provinces and territories on an agenda for change.

Recent decades have witnessed considerable transformation within Canada's three Northern territories. As institutional capacity has increased within territorial and Aboriginal governments, new governance models and partnerships have emerged. In December 2004, the Prime Minister and the three territorial First Ministers announced their intention to build on this progress and to develop, in co-operation with northern Aboriginal governments and northern stakeholders, a Northern Strategy. This Strategy is intended to help guide the development of the North and bring about real and lasting improvements in the quality

of life for Aboriginal people and Northerners. INAC, as the lead federal department, is coordinating federal input into this initiative and working with the territories on this first, jointly-developed comprehensive Northern Strategy.

I am also pleased to report that in regions across the country, progress has been made in settling land claims and negotiating self-government agreements — the foundations of self-sufficient, effectively governed communities.

As we move forward, working jointly with our partners to set an agenda for innovation and change, we know that there is much more that needs to be done to make progress towards reducing and eliminating the gap in life chances between First Nations, Inuit, Métis, Northerners and other Canadians, and we are committed to achieving this goal.

I thank all of our growing number of partners who have co-operated with us on our accomplishments and on our mission to make Canada a better place for First Nations, Inuit, Métis and Northerners.

The Honourable Andy Scott, PC, MP
Minister of Indian Affairs and Northern Development
and Federal Interlocutor for Métis and Non-Status Indians


Management Representation Statement

I submit for tabling in Parliament, the *2004-2005 Departmental Performance Report* (DPR) for Indian and Northern Affairs Canada, the Canadian Polar Commission and the Indian Specific Claims Commission.

This document has been prepared based on the reporting principles contained in the Treasury Board of Canada Secretariat's *Guide for the Preparation of the 2004-2005 Departmental Performance Reports* which outlines the need for full cost disclosure:

- It adheres to the specific reporting requirements;
- It uses an approved Program Activity Architecture;
- It presents consistent, comprehensive, balanced and accurate information;
- It provides a basis of accountability for the results pursued or achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Indian and Northern Affairs Canada has estimated full costing for program delivery based on the department's actual program spending and has applied the same approach used by other federal agencies by attributing a pro-rata share of Departmental Management and Administration (dollars and full-time equivalents) to each program area. For the purpose of subsequent reports, the department will continue to look for ways to more accurately attribute actual Departmental Management and Administration costs to specific programs.



Michael Horgan
Deputy Minister

Relationship to Report on Plans and Priorities for 2004-2005

The 2004-2005 DPR describes performance in relation to priorities and commitments in the *2004-2005 Report on Plans and Priorities* (RPP). The RPP was based on a business line structure that has been reorganized into a Program Activity Architecture (PAA) in the intervening months. The DPR follows the PAA, but the changes are modest:

- The four Program Activities in the former Northern Affairs business line are now attached to their respective four main Strategic Outcomes.
- The Office of the Federal Interlocutor for Métis and Non-Status Indians has been added as a separate Strategic Outcome. In July 2004, the Minister of Indian Affairs and Northern Development also became the Federal Interlocutor for Métis and Non-Status Indians.¹

Please note that the client and stakeholder groups for each of the Strategic Outcomes and associated Program Activities vary. For example, the Office of the Federal Interlocutor Strategic Outcome applies to Métis, Non-Status Indians and urban Aboriginal people, whereas the other Strategic Outcomes focus on First Nations, Inuit and Northerners. The descriptions of each Strategic Outcome and Program Activity clarify their scopes in terms of client and stakeholder groups.

As in previous years, the Canadian Polar Commission reports in the same DPR volume. It also shared the 2004-2005 RPP.

Starting this year, the Indian Specific Claims Commission also reports in this volume as part of the portfolio. In July 2004, the Minister of Indian Affairs and Northern Development also became the Minister responsible for the Indian Specific Claims Commission.

¹In transferring the Office of the Federal Interlocutor to the Department of Indian and Northern Affairs, the government wanted to ensure that the unique mandate of the Federal Interlocutor be considered as a separate component from the other components within Indian and Northern Affairs, hence the rationale for separate reporting.

Summary Information

Raison d'être

Indian and Northern Affairs Canada

The mission of Indian and Northern Affairs Canada (INAC) is “Working together to make Canada a better place for First Nations, Inuit and Northerners. The Office of the Federal Interlocutor (OFI) shares this mission as it relates to the Métis, Non-Status Indians and urban Aboriginal people.”

The department provides benefits to First Nations, Inuit, Métis, Northerners and all Canadians through its focus upon five Strategic Outcomes (SOs) — the Government, the People, the Land, the Economy and the Office of the Federal Interlocutor. There are specific Program Activities (Results Themes/Ongoing Priorities in the 2004–2005 RPP) that have been identified under each of the SOs.

Canadian Polar Commission

The Canadian Polar Commission (CPC) is responsible for monitoring, promoting and disseminating knowledge of the polar regions; contributing to public awareness of the importance of polar science to Canada; enhancing Canada's international profile as a circumpolar nation; and recommending polar science policy direction to government.

Indian Specific Claims Commission

The mission of the Indian Specific Claims Commission (ISCC) is to assist First Nations and Canada to settle specific claims. Performing a quasi-judicial role, the Commission provides an independent means to review specific land claims at the request of a First Nation, when its claim has been rejected by the Minister of Indian Affairs and Northern Development or when a First Nation disagrees with the compensation criteria to be used by the government in negotiating the settlement of its claim, and to provide mediation services for claims during negotiations.

Total Financial Resources

(\$ millions)	Planned Spending	Total Authorities	Actual Spending
Indian and Northern Affairs Canada ¹	5,946.2	6,046.9	5,654.1
Canadian Polar Commission	1	1	1
Indian Specific Claims Commission ¹	6.9	6.8	6.6

¹Adjusted for resources from the Privy Council Office (prior to transfer of responsibility for the Office of the Federal Interlocutor and the Indian Specific Claims Commission to INAC).

Total Human Resources

(Full-time Equivalents)	Planned	Actual	Difference
Indian and Northern Affairs Canada ¹	4,128	3,940	(188)
Canadian Polar Commission	5	5	—
Indian Specific Claims Commission ¹	50	45	(5)

¹Adjusted for resources from the Privy Council Office (prior to transfer of responsibility for the Office of the Federal Interlocutor and the Indian Specific Claims Commission to INAC).

Summary of Performance in Relationship to Strategic Outcomes, Priorities and Commitments

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2005)
Indian and Northern Affairs Canada				
SO — The Government				
Governance	Ongoing	56.9	66.5	Fosters stronger governance through supporting legislative initiatives, programs, and policies and administrative mechanisms that promote stable, legitimate and effective First Nations governments and Inuit communities that are culturally relevant and accountable to their citizens. Improved governance realized through funding programs, new intergovernmental forums, best practices and advisory services. See details at II.1.1.
Institutions	Ongoing	473.9	464.2	Assists First Nations to meet the costs of local and self-government and the administration of departmentally funded services. This support is intended to provide a stable funding base for institutions that are well-populated by First Nations and Inuit, in order to facilitate effective community governance and the efficient delivery of services. Funding and support for institution building provided. <i>First Nations Fiscal and Statistical Management Act</i> passed. See details at II.1.2.
Co-operative Relationships	Ongoing	217.2	183.9	Builds co-operative and productive intergovernmental and Treaty relationships with First Nations and Inuit to optimize the pursuit and attainment of shared objectives; the reconciliation of Aboriginal and other interests through researching, assessing, negotiating and implementing claims and self-government agreements; the furthering of a common understanding regarding historic Treaty relationships; and the development of legislative and administrative arrangements that reflect evolving governance capacities and relations. Progress at Exploratory Treaty Tables. Additional specific claims addressed. Two self-government agreements came into effect. See details at II.1.3.
Northern Governance	Ongoing	14.8	10.6	Supports strengthening northern governments through devolution of province-like responsibilities, effective intergovernmental mechanisms and management of strategic issues, as well as strengthened intergovernmental co-operation internationally on circumpolar issues. Negotiations towards Agreement in Principle on devolution in NWT proceeding. "Framework for a Northern Strategy" released. See details at II.1.4.
SO — The People				
Managing Individual Affairs	Ongoing	16.7	18.0	Manages individual First Nations affairs to ensure that the Minister's responsibilities under the <i>Indian Act</i> for trust funds, registration/membership and estates are properly exercised and that ongoing Treaty annuity obligations are met. Some backlogs in processing applications for registration do exist. See details at II.2.1.



Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2005)
Education	Ongoing	1,555.1	1,580.2	Supports provision of culturally relevant elementary/secondary education programs and services, including special education, comparable to provincial programs and standards in the same geographic area, contributing to increased levels of educational attainment for First Nations students; opportunities for First Nations and Inuit youth to improve their job skills and acquire work experience; financial support for Status Indians and Inuit to participate in post-secondary education studies to increase levels of participation, achievements and employability; and opportunities to further enhance First Nation control over First Nation education. This year, the program focussed on responding to the Auditor General's Report on Education. See details at II.2.2.
Social Development	Ongoing	1,249.9	1,300.4	Supports on-reserve provision of income assistance to meet basic needs for food, clothing and shelter to ensure the safety and well-being of individuals and families comparable with provincial programs and standards; First Nations child and family services to improve family well-being and security; assisted living for social support services of a non-medical nature such as in-home care, foster care and institutional care that meet the special needs of infirm, chronically ill and disabled people at standards reasonably comparable to the reference province or territory of residence; the Family Violence Prevention Program to improve safety and security, particularly of women and children at risk; the National Child Benefit Re-investment to support low-income families with children to help prevent or reduce the depth of child poverty and promote attachment to the workforce; and other social services pursuant to federal/provincial agreements. These programs help close gaps between First Nations socio-economic outcomes. See details at II.2.3.
Healthy Northern Communities	Ongoing	84.9	91.8	Supports improvements in the health and well-being of Northerners through contributions for hospital and physician services for Indian and Inuit residents in the Northwest Territories and Nunavut, transportation of nutritious perishable foods and other essential items to isolated northern communities at reduced rates, conducting research into the sources and effects of contaminants on the Arctic food chain, and initiatives to assist Northerners deal with broad issues such as the impacts of climate change. Surveys and pilot projects for Food Mail Program. Research proceeding on effects of contaminants on human health and communities at highest risk. See details at II.2.4.
SO — The Land				
Certainty of Title and Access to Land and Resources	Ongoing	99.8	16.2	Focusses on additions to reserves, ensuring clarity of title to facilitate future land transactions through surveys and negotiated agreements, and implementing land transfers under specific and comprehensive claims. This year the focus was on better results on Additions to Reserve (ATR). See details at II.3.1.

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2005)
Responsible Federal Stewardship	Ongoing	22.5	17.8	Supports discharging federal responsibilities to First Nations, such as under the <i>Indian Act</i> and the <i>Indian Oil and Gas Act</i> and associated regulations; discharging responsibilities and coordinating with other government departments with similar responsibilities, such as Environment Canada; remediating contaminated sites under federal jurisdiction; and collecting and managing Indian moneys from land and resources activities. Environmental Stewardship Strategy developed. Specific Purpose Expenditure Trust policy established. Amendments to <i>Indian Oil and Gas Act</i> deferred. See details at II.3.2.
First Nations Governance over Land, Resources and the Environment	Ongoing	64.9	59.4	Supports First Nations in the development of professional and institutional capacity, including working with emerging First Nations institutions and professional associations; supporting the development of sectoral governance options and agreements; and working with First Nations to implement such agreements, for instance, working jointly with the Lands Advisory Board to implement the <i>First Nations Land Management Act</i> . This year working on proposed <i>First Nations Oil and Gas and Moneys Management Act</i> . Reserve Land and Environmental Management Program developed. See details at II.3.3.
Northern Lands and Resources	Ongoing	73.4	149.8	Supports sustainable development of the North's natural resources; emphasizes improved environmental management and stewardship, including the cleanup of contaminated sites; expands the knowledge base for sound decision making and improving the effectiveness of the northern regulatory environment. Remediation plans for contaminated sites developed and implemented. NWT Protected Areas Strategy supported. See details at II.3.4.
SO — The Economy				
Economic and Employment Opportunities (for Aboriginal People)	Ongoing	79.8	71.0	Supports the expansion of economic and employment opportunities for Aboriginal peoples, as well as the promotion of goods and services from Aboriginal business through contracting opportunities. Focuses on closing socio-economic gaps between First Nation and Inuit communities and neighbouring communities. Partnerships established. Procurement Strategy for Aboriginal Business promoted. See details at II.4.1.
Access to Capital and Economic Development	Ongoing	717.6	465.1	Supports the provision of funding for Comprehensive, Specific and Special Claims settlements that provide First Nation and Inuit communities with investment capital. Economic development programs facilitate economic development opportunities and the development/implementation of economic development strategies. Focus on closing socio-economic gaps between First Nation and Inuit communities and neighbouring communities. Funds were provided to community-based organizations and projects that further economic development. See details at II.4.2.

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2005)
Community Infrastructure	Ongoing	1,158.3	1,098.8	Supports the provision of funding for the acquisition, construction, operation and maintenance of community facilities, such as roads, bridges, water and sewers, and administration offices; education facilities, such as schools and teacherages; and on-reserve housing and the remediation of contaminated sites on reserve. First Nations communities are acquiring and maintaining community facilities and services that are consistent with standards and services provided to comparable neighbouring communities. Community housing and infrastructure projects were planned and funded. See details at II.4.3.
Northern Economy	Ongoing	22.5	32.7	Supports sustainable economic growth of the territorial economies through investments in innovation and knowledge and regional development programming, advocacy and activities, which lead to Northerners participating in and benefitting from development activities. Northern economic development funding launched. Led Infrastructure Canada Program in the three territories. See details at II.4.4.
SO — The Office of the Federal Interlocutor	Ongoing	37.8	27.4	Provides support to Métis, Non-Status Indians and urban Aboriginal Canadians at the national, provincial, regional and urban level to help develop organizational capacity and accountability to their memberships, as well as to build capacity to form effective partnerships with federal and provincial governments and the private sector in order to participate effectively in Federal Interlocutor-led interdepartmental and intergovernmental initiatives. Working relationships with Métis, Non-Status Indians and urban Aboriginal organizations improved. Led Urban Aboriginal Strategy. See details at II.5.
Canadian Polar Commission				
SO — Increased Canadian polar knowledge	Ongoing	1.0	1.0	In order to carry out its mandate, the Commission will initiate, sponsor and support conferences, seminars and meetings; help establish a polar information network as the principal mechanism to disseminate knowledge pertaining to the polar regions; undertake and support special studies on matters relating to the polar regions; recognize achievements and contributions in areas related to its mandate; and table an annual report in Parliament. On track regarding communications and international participation. Limited progress on national Arctic and Antarctic science policy. See details at II.6.
Indian Specific Claims Commission				
SO — Fair and impartial hearings of specific claims	Ongoing	6.9	6.6	The Commission conducts impartial inquiries when a First Nation disputes rejection of its specific claim by the Minister of Indian Affairs and Northern Development, or when a First Nation disagrees with the compensation criteria to be used by the government in negotiating the settlement of its claim. As well as conducting formal inquiries, the Commission, at the request of the government and a First Nation, provides or arranges such mediation and facilitation services as may in their opinion assist them to reach an agreement with respect to any matter relating to Indian specific claims. Inquiries conducted and reports issued. Mediation services provided. See details at II.7.

Notes

1. Priorities and commitments correspond to the Results Themes/Ongoing Priorities in the 2004–2005 RPP and Program Activities in this 2004–2005 DPR.
2. The Program Activity titled Departmental Management and Administration supports each of the five INAC Strategic Outcomes. More details are to be found in Section IV of this DPR.

Overall Performance

Indian and Northern Affairs

The year 2004–2005 marked significant achievements by Indian and Northern Affairs Canada. INAC, through its nationwide operations, organization and partnerships, continued to lead and implement a historically important transformation agenda. At the same time, INAC continued to meet ongoing needs and deliver upon ongoing obligations under the *Department of Indian Affairs and Northern Development Act* and the *Indian Act*, and pursuant to treaties and comprehensive land claims and self-government.

Striking the right balance between the change agenda and the sustaining agenda for the department was achieved through taking historic and important steps forward in the Canada-Aboriginal Peoples Roundtable, through an agreement to develop the Northern Strategy, through INAC's internal commitments to professionalism and modernization, and through moving forward on INAC's Sustainable Development Vision and Strategy. These factors influenced greatly how INAC managed and performed against each of its Strategic Outcomes.

Understanding INAC's performance results is further enhanced by more complete information on its environment, situation, partners, management approach, risks and challenges. Good summaries of these can be found in the RPPs for 2004–2005 and 2005–2006.

See RPP 2004–2005, pp. 7–16, http://www.tbs-sct.gc.ca/est-pre/20042005/INAC-AINC/INAC-AINCr45_e.asp, for

- Planning Context
- Managing for Results
- Federal Partners
- Profile of Canada's Aboriginal People
- Profile of Canada's North

This information was updated in RPP 2005–2006, pp. 5–12, http://www.tbs-sct.gc.ca/est-pre/20052006/INAC-AINC/INAC-AINCr56_e.asp, and is organized by

- Strategic Context
- Operating Environment
- Federal Partners
- Results Accountability Framework — Three Circles of Influence
- Risks and Challenges
- INAC's Sustainable Development Vision
- Profile of Aboriginal People in Canada
- Profile of Canada's North

The Roundtable — The Canada-Aboriginal Peoples Roundtable was initiated in 2004 by the federal government and First Nations, Inuit and Métis organizations to address the unique circumstances of the three groups of Aboriginal people as recognized in the *Constitution Act, 1982*. Along with other federal departments and in collaboration with provincial and territorial governments, INAC with OFI are working with First Nations, Inuit and Métis organizations on priorities resulting from the Roundtable. The intention of the resulting Accords is to form the basis of a new era of co-operation aimed at ensuring full partnership in the development of Aboriginal policy. The Roundtable and results from it have been important contributors to results in each of the Strategic Outcomes, and will be increasingly important in the future.

Northern Strategy — On December 14, 2004, the Prime Minister and the three territorial First Ministers announced their intention to develop, in co-operation with Aboriginal governments, organizations and northern residents, a comprehensive Northern Strategy. With INAC as the federal lead, the Northern Strategy is an overarching priority for the Minister of Indian Affairs and Northern Development.

Professionalism and Modernization — Pursuant to section 91(24) federal jurisdiction over Indians, the department may manage certain affairs of some First Nations individuals. The department carries out this function at a professional service standard reflective of its fiduciary and legal responsibilities. Additionally, departmental efforts to support the development of a First Nations professional public service continued. The commitment to an effective professional standard, within resources allocated to the department, means the modernization of policies and systems and continuous improvement of practices is a theme across all of the Strategic Outcomes.

Sustainable Development Vision and Strategy — INAC's Sustainable Development Vision embraces what INAC is aiming to achieve through its

Strategic Outcomes individually and as a group. However, each First Nation, Inuit, Métis and northern community is unique. Thus, the long-term vision of a sustainable, healthy community and the right path to that vision have been and will continue to be different for each community. While discussions are held at the community level in the provinces, collaboration with territorial and Aboriginal governments is required in the three territories. During 2004–2005, INAC chose to focus on a few fundamental areas in this strategy, recognizing that the impact would be greater for some communities than for others.

1. Strategic Outcome — The Government

Good governance and effective institutions for First Nations, Inuit and Northerners, built on co-operative relationships.

The 2004–2005 fiscal year witnessed improved working relationships between First Nations, Inuit and northern communities and Indian and Northern Affairs Canada. This progress helped facilitate much of the department's work under The Government Strategic Outcome. The department was able to assist First Nations and Inuit communities in making strides to improving governance through funding programs, participation in new intergovernmental forums, preparing information on best practices and advisory services. Departmental support for institutions was provided through funding and other assistance. The *First Nations Fiscal and Statistical Management Act* was given Royal Assent in March 2005. In Co-operative Relationships progress continues to be made at Exploratory Treaty Tables, additional specific claims were addressed, and legislation to implement the Westbank Self-Government Agreement (May 2004) and Tlicho Comprehensive Land Claim and Self-Government Agreement (February 2005) received Royal Assent. Implementation activities worked on improving relationships and the Implementation Plan of the Sahtu Denis and Métis Comprehensive Land Claim Agreement was renewed in 2004–2005.

Negotiations continued in 2004–2005 towards an Agreement in Principle (AiP) on devolution of province-like responsibilities in the NWT. In December 2004, the Prime Minister announced that Canada would seek a mandate within a year to begin devolution negotiations in Nunavut. Also, in December 2004, the Prime Minister and the three territorial First Ministers announced their intention to work together to develop a Northern Strategy and released a proposed policy framework to serve as the basis for consultations on the Strategy's development.

2. Strategic Outcome — The People

Strengthened individual and family well-being for First Nations, Inuit and Northerners.

During 2004–2005, the department assisted in building healthy, safe and sustainable communities by professionally managing individual First Nation affairs, supporting efficient and effective social support services, and supporting the provision of high-quality, culturally relevant education.

The management of individual affairs, from the registration of births to the administration of estates and trust accounts for minors and persons with an intellectual disability, helped to promote peace of mind for families. As well, by honouring Treaty and statutory obligations, the department contributed to the special relationship between First Nations and the Crown.

The department continued to work with First Nations to ensure that the basic needs of all individuals and families on reserve were met and to promote individual and family security from violence, abuse and neglect. Although progress has been made, socio-economic indicators continue to show a gap between First Nation and non-Aboriginal Canadians. Similarly, indicators continue to show that First Nation and Inuit educational outcomes lag behind non-Aboriginal outcomes.

In summary, although the department continued to work with First Nations and Inuit to improve program efficiency and effectiveness, gaps remain and they are not closing fast enough. For this reason, the department considers

education and social development to be continuing priorities.

Also, in 2004–2005, the department, through the multi-agency Northern Contaminants Program, conducted research on the levels and health effects of contaminants with a focus upon communities with the highest risk. The department, through the Aboriginal and Northern Community Action Program on climate change, provided extensive training on energy efficiency and renewable energy in all regions. The department also conducted food price surveys in about 30 communities using the Food Mail Program and southern supply centres. The results of these surveys and implementation of pilot projects in Kangiqsujauq, Quebec, Fort Severn, Ontario, and Kugaaruk, Nunavut, provide a sound basis for Ministers to make sustainable, long-term decisions about funding for the Food Mail Program.

3. Strategic Outcome — The Land

Transferred land title, and sustainable use of lands and management of resources by First Nations, Inuit and Northerners.

Governance and sustainable use of lands, resources and the environment require striking the right balance when sharing responsibilities between the Government of Canada and First Nations. On the one hand, the Crown is the ultimate title holder and steward of reserve lands, as well as the regulator of federal lands, including reserves. On the other hand, First Nations make many of the important decisions that determine whether governance and sustainable use of lands and resources by First Nations are possible. Striking the right balance may also mean, in certain cases, that the roles of territorial and northern Aboriginal governments also need to be acknowledged.

In the North, it will be necessary to work collaboratively with territorial and northern Aboriginal governments to strike the right balance.

The challenge for the Government of Canada continues to be to develop risk-management frameworks for decision making under stewardship (such as the Indian and Inuit Affairs

Program Environmental Stewardship Strategy and the *Indian Oil and Gas Act* regulations), while providing First Nations with the tools to achieve their objectives (such as self-government) and also building their professional and institutional capacities (such as the Reserve Land and Environmental Management Program).

The department met or exceeded expectations with respect to developing the Environmental Stewardship Strategy, establishing the Specific Purpose Expenditure Trust policy, developing legislative options to regulate large and complex commercial and industrial developments on reserves, resolving outstanding issues with respect to provincial expropriations, developing the Reserve Land and Environmental Management Program, and introducing a proposed *First Nations Oil and Gas and Moneys Management Act*.

INAC continued its responsible stewardship of northern lands, waters and resources, including the cleanup of contaminated sites. Remediation plans were completed and approved via the regulatory process for Colomac Mine and Discovery Mine, and a draft abandonment and restoration plan for the Giant Mine was completed. Eighty percent of the polychlorinated biphenyls (PCBs) present at the Resolution Island site were removed in 2004–2005.

On behalf of seven departments and agencies, the department co-lead with Natural Resources Canada the effort to secure government commitment to responsible energy development in the North. Budget 2004 provided \$75 million over three years to increase federal and regional environmental assessment capacity and streamline the regulatory process. Resources were provided to conduct scientific research on challenges associated with development in the Mackenzie Valley, Mackenzie Delta and the Beaufort Sea. For 2004–2005, the department focussed its \$5 million share on the Pipeline Readiness Office, the Northern Gas Project Secretariat, science projects and capacity in support of the environmental assessment and regulatory process.

The Minister of Indian Affairs and Northern Development announced \$9 million in federal

funding to support implementation of the *NWT Protected Areas Strategy Five-Year Action Plan for the Mackenzie Valley: Conservation Planning for Pipeline Development*. The Minister also endorsed the Final Blueprint for Implementing the Cumulative Environmental Effects Strategy and Framework in the NWT and Its Regions (Blueprint, July 2004).

The department would have liked to see more progress on Additions to Reserve (ATR). Also, some initiatives had to be deferred owing to resource constraints, such as amendments to the *Indian Oil and Gas Act* and regulations. Consequently, a number of initiatives remain in the development stage.

4. Strategic Outcome — The Economy

Increased participation by Aboriginal people and Northerners in the economy.

The building of a strong foundation for economic development in First Nation and Inuit communities and for Northerners also remains a priority for the department. While communities have begun to mobilize human, financial, capital, physical and natural resources to generate marketable goods and services, it will take time to address the gap in work experience, education, entrepreneurship, and investment capital between First Nation and Inuit communities and their neighbours. However, INAC has made some progress through the provision of core funding to approximately 500 First Nation and Inuit community organizations. In addition, it approved 411 community proposal-based projects with a value of \$161.5 million, of which \$44.4 million was provided by INAC. Additionally, workforce participation and contracting agreements have improved corporate employment strategies and economic opportunities.

In 2004–2005, INAC provided core financial support to First Nation communities for the construction, maintenance and administration of on-reserve housing portfolios. These investments assisted First Nation communities in improving their housing conditions, and also provided opportunities for community members to participate in the economic benefits that were

generated from various housing activities. However, because housing adequacy and backlogs remain a concern, the department considers on-reserve housing to be a priority.

Also, in 2004–2005, INAC provided core financial support to First Nation communities for the acquisition, construction, and operation and maintenance of community infrastructure. These investments assisted and enabled First Nation communities to ensure that community infrastructure was well planned, protected and managed in a sustainable, cost-effective and efficient manner. While addressing areas of national priority and specific targets as set out in the department's Long-term Capital Plan, these investments also enabled economic development opportunities to be pursued and allowed for economic benefits resulting from the construction and maintenance of community infrastructure to be maximized.

Through the settlement of specific and comprehensive claims, First Nations and Inuit obtained improved access to capital that can be used to identify and act on opportunities for economic growth. Additional revenue generated through such economic growth could be invested in local programming to assist in improving the lives of the Aboriginal group's community members based on their circumstances and priorities.

INAC commenced delivery of first-year funds (\$10 million) of the \$90 million announced in Budget 2004 for northern economic development for a total initial investment of \$3.1 million aimed at supporting, strengthening and diversifying the economy in each of the three territories. INAC also completed a series of focussed discussions with key economic players in each territory, resulting in general agreement on broad investment priorities to guide INAC delivery of the remaining northern economic development program funds between 2005 and 2009. Program parameters were approved in early 2005–2006 and will centre on the development of tailored four-year investment plans for each territory. As well, INAC led federal delivery of the Infrastructure Canada Program in the three territories. All 2004–2005 projects provided "green" infrastructure, such as the construction of a new water supply line in Gjoa Haven, Nunavut.

In partnership with the Government of the Northwest Territories, INAC funded several co-operative projects that involved cost-benefit studies of improvements to basic services (water, sewage).

5. Strategic Outcome — The Office of the Federal Interlocutor

Strengthened relationships with Métis, Non-Status Indians and urban Aboriginal people to raise awareness of their needs, improve access to federal services, and improve horizontal linkages among federal organizations and other partners.

The Office of the Federal Interlocutor (OFI) improved the working relationships with Métis, Non-Status Indians and urban Aboriginal organizations. During this fiscal year, investments were made to Métis and Non-Status Indian organizations to build their capacity to become more self-sufficient, and innovative projects were funded in co-operation with provincial, territorial and municipal governments and Aboriginal organizations. OFI continued to develop strong relations with provinces, municipalities and Aboriginal people through the Urban Aboriginal Strategy, including initial work to expand the number of designated cities from 8 to 12 and hosted, for the first time, a community conference for local stakeholders involved in the Urban Aboriginal Strategy. Major initiatives included Powley — A Strategic Approach, a government risk-management strategy following a Supreme Court of Canada decision; the Senate Committee's report on the government's response to urban Aboriginal youth; the Métis, Non-Status Indian policy framework; and the Roundtable process, which culminated in the signing of Accords with the Métis National Council and the Congress of Aboriginal Peoples. The department considers this priority to have been successfully met.

Canadian Polar Commission

Strategic Outcome — Increased Canadian Polar Knowledge

Communicating polar science to Canadians.

Strengthening Canada's presence in international circumpolar organizations.

Promotion and advocacy with respect to polar knowledge in Canada.

The Canadian Polar Commission (CPC) worked towards increased national and international awareness of polar issues and research activities through its regular publications, *Meridian* and the *Newsletter of the Canadian Antarctic Research Network*, and its website as well as the fifth Indicators Report. Through the Indicators Project, the Commission continued systematic and regular reporting on Canada's performance in polar research. The Canadian Polar Information Network expanded with the addition of 200 new subscribers.

The Commission was an active participant in meetings of the Northern Dimension, the University of the Arctic (of which it is a member) and the Arctic Council, as well as the International Arctic Science Committee and the Scientific Committee on Antarctic Research (to each of which the Commission is Canada's adhering body). The Commission was an organizer of the Northern Research Forum in Yellowknife, participating in that meeting as well as others related to the Forum.

The Commission continued to lead Canada's International Polar Year 2007-2008 (IPY) preparations, including community consultations across the North, the creation of Canada's IPY website, and the establishment of Canada's national IPY steering committee and secretariat.

The Commission continued to monitor and report annually on the state of polar knowledge in Canada through the Indicators Project. Although the project is still too new to allow trend identification, good potential is evident in several indicators for identifying strengths and weaknesses in polar research endeavours.

The Commission continued to advocate, through publications, presentations, its Internet presence, and in meetings, the development of a national arctic and antarctic science policy and the commitment of required resources. The Commission also continued to advocate for support of the Canadian Antarctic Research Program. Conducting science in Antarctica is Canada's obligation as a signatory to the Antarctic Treaty, but it requires a resource commitment.

The current environment includes a diverse and dispersed research community, with small research institutes supporting a broad range of research activities. Members of the research community support and participate in initiatives to various degrees, and governments assign differing priorities to polar research. The CPC needs to coordinate federal and private sector research activities and to generate greater exchange of information.

At present, other polar nations are actively funding and undertaking projects to 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 would be perceived as a weak link among polar nations.

Indian Specific Claims Commission

Strategic Outcome — Fair and Impartial Hearings of Specific Claims

Inquire into specific land claims, at the request of a First Nation, when a claim has been rejected by the Minister of Indian Affairs and Northern Development or when a First Nation disagrees with the compensation criteria to be used by the government in negotiating the settlement of its claim; and provide mediation services for claims in negotiations.

In 1991, following the 1990 Oka crisis, the federal government created the Indian Specific Claims Commission (ISCC) under the authority of the *Inquiries Act*, which allows the Governor

in Council to establish independent commissions to conduct inquiries on matters associated with good government. The Commission was mandated to investigate or conduct further study on subjects related to specific claims to ensure they are handled independently from the government.

As part of its mandate to find more effective ways to resolve specific claims, the Commission has established a process to inquire into and review government decisions regarding the merits of a claim and the applicable compensation principles when negotiations have reached an impasse. Because the Commission is not a court, it is not bound by strict rules of evidence, limitation periods and other technical defences that might present obstacles in litigation of grievances against the Crown. This flexibility removes those barriers and gives the Commission the freedom to conduct fair and objective inquiries in as expeditious a way as possible. In turn, these inquiries offer the parties innovative solutions in their efforts to resolve a host of complex and contentious issues of policy and law. Moreover, the process emphasizes principles of fairness, equity and justice, which promotes reconciliation and healing between Aboriginal and non-Aboriginal Canadians. For example, it serves to gather oral history from community members on important aspects of their community's life and it recognizes the value of testimony from elders and other community witnesses.

At all stages of its inquiry process, the Commission takes care to identify and propose opportunities for mediation. The Commission provides broad mediation and facilitation services at the request of both the First Nation and the Government of Canada. Together with the mediator, the parties decide how the mediation process will be conducted. This method ensures that the process fits the unique circumstances of each particular situation.

The Commission typically completes its work on a claim, including issuing its final report, two to five years from receipt of the initial request for an inquiry. The complexity of a claim will influence the duration of an inquiry. Currently, the ISCC is conducting 43 ongoing

inquiries and in 2004–2005 it issued four inquiry reports.

The activities of the Commission have significantly increased over the last few years, with increasing demand for its mediation services and public education activities, in addition to ongoing inquiries. Currently, the ISCC is conducting 21 ongoing negotiations. The Commission has no fixed time frame for the discharge of its full mandate.

Legislation to set up a new Claims Resolution Centre received Royal Assent in November 2003. The government continues to work with First Nations and their representative organizations to address concerns related to the implementation

of this legislation. During 2005–2006, INAC will work to clarify the future role and funding of the Indian Specific Claims Commission to ensure an orderly transition.

Key challenges facing the ISCC include maintaining the excellence of its operations while the government works with First Nations on issues related to the implementation of the *Specific Claims Resolution Act*; and documenting the expertise used in conducting inquiries and mediations to ensure the knowledge gained from the work of the ISCC is available as a foundation for eventual implementation of the Act.

II.

Analysis of Performance by Strategic Outcome

Indian and Northern Affairs

II.1 Strategic Outcome — THE GOVERNMENT

Good governance and effective institutions for First Nations, Inuit and Northerners, built on co-operative relationships

What Is This Strategic Outcome About?

This Strategic Outcome encompasses helping First Nations and Inuit communities to develop effective governance and institutions that support achieving an improved quality of life. First Nations governments and Inuit communities are increasingly responsible for their own affairs as evidenced by devolution, self-government agreements, and new intergovernmental and Treaty relationships. These developments support First Nation and Inuit communities' efforts to develop clear accountabilities to citizens, and to help improve community social and economic conditions. INAC's continued support of good governance and effective institutions assists First Nation and Inuit communities to benefit from economic development. At the same time, federal, provincial and territorial governments are building foundations for co-operative relationships with First Nation and Inuit communities.

Progress on the Aboriginal agenda and on northern institution-building contributes to the beginning of a social and cultural revitalization in northern communities and to strengthened partnerships essential to current and future economic development. Further attention to these priorities and to supporting the capacity of territorial governments to deliver programs and services within their jurisdiction is essential. Strong northern governance also has an important role in addressing circumpolar issues.

Financial Resources (\$ millions)	Planned Spending	Total Authorities	Actual Spending
Governance	56.9	66.8	66.5
Institutions	473.9	466.3	464.2
Co-operative Relationships	217.2	208.0	183.9
Northern Governance	14.8	10.7	10.6

Human Resources (Full-time Equivalents)	Planned	Actual	Difference
Governance	47	44	(3)
Institutions	299	252	(47)
Co-operative Relationships	476	443	(33)
Northern Governance	60	41	(19)

Note: As per Treasury Board Guidelines, the full-time equivalents shown here represent an estimate of resources devoted wholly to this Strategic Outcome plus a pro-rata share of Departmental Management and Administration (dollars and full-time equivalents) based on the department's actual spending. In some cases, this number may appear high due to the very nature of the department's business, that is, managing financial relationships with service delivery largely devolved to our partners.

II.1.1 Program Activity — GOVERNANCE

What is this Program Activity?

Fosters stronger governance through supporting legislative initiatives, programs, and policies and administrative mechanisms that promote stable, legitimate and effective First Nations governments and Inuit communities that are culturally relevant and accountable to their citizens.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/gov_e.html for more details):

- Forty-two First Nations participated in governance initiatives and the Manitoba Capacity Development Initiative funded 44 projects for a total funding contribution of \$2.84 million.
- The Band Support funding program authority was renewed for five years.
- The department continues to assist First Nations in developing and ratifying their own custom election codes under the *Indian Act*. As examples, in the Atlantic region, a custom conversion guide was made available; and in Ontario, information packages were sent out to First Nations.
- Practically all elections are now run by independent electoral officers.
- To facilitate greater flexibility in managing financial resources, the department has increased its use of flexible transfer agreements. In Quebec, 16 communities negotiated

and signed multi-year agreements with the Quebec Regional Office.

- An increasing number of communities adopted financial management and accountability codes. The number of communities that are financially well managed according to audited statements continued to improve. For example, in 2004–2005, the percentage of audits that fully met auditing standards (called “unqualified”) rose from 57 percent to 78 percent. In approximately 19 percent of cases, the auditor was satisfied with the financial statements as a whole, but had a reservation, or not enough information, about some particular aspect (“qualified” audits). The percentage of audits that were denied, indicating serious problems, fell from 17 percent to 3 percent in 2004–2005.

II.1.2 Program Activity — INSTITUTIONS

What is this Program Activity?

Assists First Nations to meet the costs of local and self-government and the administration of departmentally funded services. This support is intended to provide a stable funding base for institutions that are well-populated by First Nations and Inuit, in order to facilitate effective community governance and the efficient delivery of services.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/gov_e.html for more details):

- A range of institutions have supported First Nations in developing tools for effective governance through providing models of codes, hosting symposiums and exchanging best practices. Some examples of institutions that have participated in this work are the Aboriginal Financial Officers Association of Canada, Treaty 8 First Nations of Alberta and the Atlantic Policy Congress.
- Royal Assent was given on March 23, 2005, to establish fiscal and statistical institutions to advise First Nations governments. Implementation activities began as of that date.
- Planning and authorizations for implementing the National Centre for First Nations Governance were developed. Implementation activities will be ongoing.
- Support to the National Aboriginal Land Managers Association and Aboriginal Financial Officers Association of Canada continued throughout 2004–2005. These institutions assisted in improving the land management and financial capacities of First Nations.
- Annual, proposal-based support was provided for the development of education infrastructure and capacity through First Nations regional education authorities to deliver second-level, school board-type educational, administrative and professional services to schools on reserve.

II.1.3 Program Activity — CO-OPERATIVE RELATIONSHIPS

What is this Program Activity?

Builds co-operative and productive intergovernmental and Treaty relationships with First Nations and Inuit to optimize the pursuit and attainment of shared objectives; the reconciliation of Aboriginal and other interests through researching, assessing, negotiating and implementing claims and self-government agreements; the furthering of a common understanding regarding historic Treaty relationships; and the development of legislative and administrative arrangements that reflect evolving governance capacities and relations.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/gov_e.html for more details):

- The department continued to support the work of the Office of the Treaty Commissioner in Saskatchewan. As well, Canada was an active participant in the Nishnabe-Aski Nation, Treaty 6, Treaty 8 and Federation of Saskatchewan Indian Nations Treaty Tables.
- An evaluation was completed of the Office of the Treaty Commissioner, as well as a review of the Exploratory Treaty Table in Saskatchewan.
- Work is ongoing to establish the Claims Resolution Centre by fiscal year 2006–2007.
- The negotiation of five specific claims was completed in 2004–2005.
- Progress was made on completing comprehensive land claims and self-government agreements. In May 2004, the *Westbank First Nation Self-Government Act* was given Royal Assent. In January 2005, the Labrador Inuit Association

Final Agreement was signed. In February 2005, the *Tlicho Land Claim and Self-Government Act* was given Royal Assent and the Kwanlin Dun First Nation Final and Self-Government Agreements were ratified. The Quatsimo Framework Agreement (FWA) was signed on April 20, 2004, and the Miawpukek Framework Agreement was initialled on December 9, 2004. The Tulita Framework Agreement was signed in March 2005. As well, substantive progress was made towards final agreements at many tables, including the Maa-Nulth, Tsawwassen, Sliammon and Lheidli T'enneh negotiations under the British Columbia Treaty Commission Process.

- During 2004–2005, the department signed implementation plans and fiscal agreements with the Kwanlin Dun First Nation in Yukon, the Labrador Inuit Association in Newfoundland and Labrador, and the Westbank First Nation in British Columbia. These agreements were set to come into effect in 2005–2006.
- Canada continued to participate in Implementation Committees in relation to comprehensive land claim and self-government agreements. After ten years of implementation activities, the implementation plan for the Sahtu Dene and Métis Agreement was renewed for a further 10 years.
- Support was provided for the Kwanlin Dun First Nation to develop its self-government constitution. This constitution was approved by the Kwanlin Dun on February 19, 2005.
- The department supported efforts for increased interaction between First Nations and Inuit communities to facilitate collaboration and aggregation. As examples, the department helped fund the Council of Yukon First Nations to work on Constitutional Renewal, the Manitoba First Nation Governance Network and the Saskatchewan Governance Network. Also, the department has become engaged in several intergovernmental forums. In Ontario, a Tripartite Agreement was struck among Minister Scott, Minister Bryant and Regional Chief Charles Fox to work towards building quality working relationships among First Nations, Canada and Ontario.

II.1.4 Program Activity — NORTHERN GOVERNANCE

What is this Program Activity?

Supports strengthening northern governments through devolution of province-like responsibilities, effective intergovernmental mechanisms and management of strategic issues, as well as strengthened intergovernmental co-operation internationally on circumpolar issues.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/gov_e.html for more details):

- Negotiations continued in 2004–2005 towards an Agreement in Principle (AiP) on devolution of province-like responsibilities in the Northwest Territories. In December 2004, the Prime Minister and the First Minister of the Northwest Territories announced a target of spring 2005 to complete an AiP on devolution and resource revenue sharing in the Northwest Territories and a target of 2006 to conclude a final devolution agreement. Significant progress was made in reaching agreements on a large number of complex issues and in drafting the AiP. Five issues remain outstanding, the most significant of which relates to financial concerns. The parties are optimistic that an AiP can be reached soon provided the few remaining issues can be resolved. Overall, progress towards devolution has been quite satisfactory.
- In December 2004, the Prime Minister announced that Canada would seek a mandate within a year to begin devolution negotiations in Nunavut. Preliminary meetings have taken place among INAC, the Government of Nunavut and Nunavut Tunngavik Incorporated to prepare for these negotiations.
- In December 2004, the Prime Minister and the three territorial First Ministers released the jointly developed “Framework for a Northern Strategy” designed to serve as the basis for consultations leading to the development of a national strategy for the North. These consultations took place during the winter and early spring in each territory as well as on a pan-northern basis. Discussions were held with northern Aboriginal governments and leaders at intergovernmental forums and other

forums. The consultation process incorporated a variety of activities including ministerial visits, bilateral and multilateral meetings with key northern stakeholders as well as a questionnaire available electronically and in hard-copy format in Northern communities. Roundtables were also held on the theme of Sovereignty, Security and Circumpolar Co-operation and Climate Change to gather the views of a broad range of academics and other experts. The results of these activities are now being considered as governments work together to complete this version of the Northern Strategy.

- INAC regional offices were active participants in forums, working groups and committees involving territorial governments.
- INAC support to Canada's participation in the Arctic Council contributed to several Council-sponsored initiatives that further Canada's domestic policy priorities, including the Arctic Human Development Report, the Arctic Climate Impact Assessment and the Arctic Marine Strategic Plan. INAC engagement in bilateral co-operation with Russia supported the Government of Canada's commitment to reinvigorate the northern dimension of co-operation with Russia.
- The department continues to encourage inter-departmental co-operation and communication for the efficient resolution of First Nation, Inuit and Northern issues through its participation in all three Northern Regional Federal Councils.

Areas for Improvement and Lessons Learned

During the review period, it became clear that better awareness of the First Nations, Inuit, provincial, territorial, federal and private institutions that exist at present and a better understanding of what functions they perform are needed so that there can be greater co-operation among institutions and governments. This knowledge will also help to assess requirements for establishing new institutions. Improved coordination within the department, and among other federal government departments and other governments, is required to achieve this end.

Many years of implementing land claims and self-government agreements have demonstrated that fulfilling INAC's obligations requires

renewed relationships with First Nations and Inuit communities. Based on some of the challenges that have arisen, there is a need for increased clarification of the scope and nature of implementation plans, reviews and renewals.

Exploratory discussions with historic Treaty First Nations are helping to establish common understandings and renewed relationships with these groups.

Given the vastly different circumstances of Aboriginal peoples throughout Canada, a one-size-fits-all approach is not practical for addressing Aboriginal and Treaty rights of different groups in different parts of the country. Each Aboriginal group has its own culture, customs and traditions. In addition, provinces and territories have their own views and positions on resolving claims and accommodating self-government. Developments in constitutional law since 1982 are helping to define the nature and scope of Aboriginal and Treaty rights, challenging governments and Aboriginal groups to consider new approaches, such as specific recognition of Aboriginal rights, mechanisms for consulting with Aboriginal groups and accommodating their rights while negotiations are proceeding, and ways to reduce the length of time it takes to negotiate agreements.

Historic Treaties, land claims and self-government agreements establish a foundation for co-operative relationships that respect Aboriginal and Treaty rights and outstanding historical lawful obligations, provide certainty over rights to land and resources, and clarify the exercising of self-government powers. These co-operative relationships are achieved in part through negotiated arrangements. Comprehensive and specific claims and self-government negotiations are complex in nature and require a long-term commitment by all parties. They are frequently highly sensitive negotiations, which due to the nature and scope of initiatives may take many years to conclude. The bilateral, or tripartite, nature of relationship-building limits the federal team's ability to single-handedly determine the outcome of any negotiation. In other words, lack of progress in a negotiation process may be due to factors outside the control of the performance of any one party.

II.2 Strategic Outcome — THE PEOPLE

Strengthened individual and family well-being for First Nations, Inuit and Northerners

What Is This Strategic Outcome About?

First Nations and Inuit people are among the most disadvantaged groups in Canada as demonstrated by socio-economic indicators. Research indicates that higher levels of education and economic development are most likely to produce lasting improvements in quality of life. At the same time, safe, stable and healthy individuals, families and communities are needed to take full advantage of educational, economic development and employment opportunities.

This Strategic Outcome promotes First Nations access to a range and level of services that are reasonably comparable to those enjoyed by other Canadians in similar circumstances. By ensuring that basic needs are met and by focussing on education, this Strategic Outcome influences key socio-economic levers. As such, there is a close link with The Economy Strategic Outcome.

The People Strategic Outcome also promotes First Nations and Inuit control over the policies, programs and services that most directly affect their quality of life. Activities create a continuum of essential services throughout an individual's life. Services are intended to support the well-being of the individual — and the family and the community through the individual.

Federal, provincial and territorial governments also face the challenge to find the most effective means of ensuring that people living in remote and isolated communities in northern Canada have the physical and economic means to obtain sufficient safe and nutritious food at all times. Food security is influenced by a number of factors, including the price of imported foods and the safe consumption of traditional foods. On a broader scale, scientists are learning more about climate change and its impact on the Arctic. Adaptive strategies must be developed, evaluated and then adopted in northern communities.

Financial Resources (\$ millions)	Planned Spending	Total Authorities	Actual Spending
Managing Individual Affairs	16.7	18.1	18.0
Education	1,555.1	1,587.3	1,580.2
Social Development	1,249.9	1,306.3	1,300.4
Healthy Northern Communities	84.9	92.8	91.8

Human Resources (Full-time Equivalents)	Planned	Actual	Difference
Managing Individual Affairs	93	93	—
Education	901	876	(25)
Social Development	614	614	—
Healthy Northern Communities	55	56	1

Note: As per Treasury Board Guidelines, the full-time equivalents shown here represent an estimate of resources devoted wholly to this Strategic Outcome plus a pro-rata share of Departmental Management and Administration (dollars and full-time equivalents) based on the department's actual spending. In some cases, this number may appear high due to the very nature of the department's business, that is, managing financial relationships with service delivery largely devolved to our partners.

II.2.1 Program Activity — MANAGING INDIVIDUAL AFFAIRS

What is this Program Activity?

Manages individual First Nations affairs to ensure that the Minister's responsibilities under the *Indian Act* for trust funds, registration/membership and estates are properly exercised and that ongoing Treaty annuity obligations are met.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/peo_e.html for more details):

- Nationally, 4,195 applications for registration as Status Indians were processed and 5,547 new applications were received. As of March 31, 2005, the total Status Indian population was 733,626.
- In May 2004, a comprehensive operational and diagnostic review of the policies, procedures and business lines was undertaken to improve services provided to First Nations clients.

- A national horizontal strategy to implement a secure Certificate of Indian Status card was completed — 102,000 Certificates of Indian Status were issued.
- A total of 11,479 trust accounts for individuals, with a value of approximately \$45 million, were administered by the department.
- Approximately 310 Treaty Payment events were held during the reporting period.
- The department appointed 762 estate administrators. During the year, 1,638 estate files were opened and 2,199 were closed. Also, the brochure, *Settling a Family Member's Estate*, was published and distributed in July 2004.
- Saskatchewan Region promoted the administration of estates by family members in order to minimize the involvement of Indian Affairs. As a result, there has been a 10-percent increase in the number of family-administered estates in the region.

II.2.2 Program Activity — EDUCATION

What is this Program Activity?

Supports provision of culturally relevant elementary/secondary education programs and services, including special education, reasonably comparable to provincial programs and standards in the same geographic area, contributing to increased levels of educational attainment for First Nations students; opportunities for First Nations and Inuit youth to improve their job skills and acquire work experience; financial support for Status Indians and Inuit to participate in post-secondary education studies to increase levels of participation, achievements and employability; and opportunities to further enhance First Nation control over First Nation education.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/peo_e.html for more details):

- The department continued to support First Nations to provide high-quality, culturally relevant education by implementing the Teacher Recruitment and Retention initiative, increasing the teacher salary allocation and undertaking a review of the elementary/secondary program.
- The department improved the application process for special education services and the joint Assembly of First Nations (AFN)/INAC Special Education Working Group examined progress achieved over the first two years of the Special Education Program and identified unmet needs.
- New Paths Education Program funding supported First Nation initiatives directed at strengthening First Nation management and governance capacity; improving the effectiveness of classroom instruction; supporting parental and community involvement in education; and aiding the school-to-work transition.
- The department, in collaboration with representatives of First Nations and Inuit, established a joint working group to undertake the review of the Post-Secondary Education Program. A work plan was developed and work has progressed towards the development of a renewed policy and management framework for the program.
- The department, in collaboration with First Nations and Inuit administering organizations, supported the development and enhancement of essential employability skills, exposed youth to a variety of career options, promoted the benefits of education as being key to labour market participation and supported the provision of opportunities for mentored work experience.
- The First Nation Education Steering Committee (FNESC), a not-for-profit organization, facilitates discussion about education matters affecting First Nations in British Columbia. It provides relevant and up-to-date information to First Nations about federal and provincial government policies and programs, undertakes research to support First Nation education, and communicates with the federal and provincial governments to ensure that First Nation concerns are being addressed.
- Under the umbrella and mandate of the Confederacy of Treaty 6 Nations, Treaty 6 Education has been examining the development and implementation of an education system to serve the education needs of the 17-member First Nations of Treaty 6.

- At the Canada-Aboriginal Peoples Roundtable, April 19, 2004, the Prime Minister made a commitment to hold follow-up sessions in key areas of focus, including lifelong learning. As a result, the department, with support from other key ministries and central agencies, organized two follow-up sessions on lifelong learning in November; one on early childhood development and K-12, the other on post-secondary education and skills development. The follow-up sessions provided an opportunity for the key partners and stakeholders in Aboriginal learning to identify ideas and strategies to improve learning and educational outcomes for all Aboriginal peoples. For more information, visit the Canada-Aboriginal Peoples Roundtable website at <http://www.aboriginalroundtable.ca>

II.2.3 Program Activity — SOCIAL DEVELOPMENT

What is this Program Activity?

Supports on-reserve provision of income assistance to meet basic needs for food, clothing and shelter to ensure the safety and well-being of individuals and families comparable with provincial programs and standards; First Nations child and family services to improve family well-being and security; assisted living for social support services of a non-medical nature such as in-home care, foster care and institutional care that meet the special needs of infirm, chronically ill and disabled people at standards reasonably comparable to the reference province or territory of residence; the Family Violence Prevention Program to improve safety and security, particularly of women and children at risk; the National Child Benefit Re-investment to support low-income families with children to help prevent or reduce the depth of child poverty and promote attachment to the workforce; and other social services pursuant to federal/ provincial agreements.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/peo_e.html for more details):

- In partnership with Health Canada, Human Resources and Skills Development Canada, Social Development Canada, the Public Health

Agency of Canada, and First Nations and Inuit partners, the department continued to develop “single-window” service-delivery options with respect to early childhood development.

- Five national manuals for *Income Assistance*, *Child and Family Services*, *Family Violence Prevention*, *Assisted Living* and *National Child Benefit* were published and distributed. These manuals defined the program policies and will help improve program delivery through a consistent, coordinated approach.
- During the reporting period, a flexible-funding arrangement was further implemented, pursuant to which First Nations Child and Family Services Agencies are able to re-profile resources intended for in-care placements into prevention services to prevent family breakdown. It is too soon to assess the impact of these changes on safety and security in First Nation communities.
- The Department and Health Canada are jointly funding a Research and Costing project to examine policy options on Long-term Care. The project is being monitored by a federal government, First Nations and Inuit policy advisory group.
- A Family Violence Prevention Policy Workout brought together regional INAC counterparts, other federal departments and First Nations shelter directors to discuss the Family Violence Prevention policy direction.
- In the Manitoba Region, a cost assessment for capital improvements for on-reserve personal care homes was completed.
- Through the National Child Benefits and other partners, First Nations established youth hostels, providing awareness workshops as well as other interventions (i.e. links to existing local services such as health and social services) designed to prevent criminality, vandalism, substance abuse, violence and youth gangs.

II.2.4 Program Activity — HEALTHY NORTHERN COMMUNITIES

What is this Program Activity?

Supports improvements in the health and well-being of Northerners through contributions for hospital and physician services for Indian and Inuit residents in the Northwest Territories and Nunavut, transportation of nutritious perishable foods and other essential items to isolated northern communities at reduced rates, conducting research into the sources and effects of contaminants on the Arctic food chain, and initiatives to assist Northerners deal with broad issues such as the impacts of climate change.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/peo_e.html for more details):

- The department conducted food price surveys in about 30 communities using the Food Mail Program and southern supply centres, and published the results of all surveys conducted in 2004 on its website. All publications related to the Food Mail Program are available at www.inac.gc.ca/foodmail. The results of these surveys and implementation of pilot projects in Kangiqsujauq, Quebec, Fort Severn, Ontario, and Kugaaruk, Nunavut, provide a sound basis for Ministers to make sustainable, long-term decisions about funding for the Food Mail Program. The additional funding provided for the Food Mail Program through Supplementary Estimates enabled the department to avoid raising the rates that have been charged for Food Mail service since 1993-1994.
- The department, through the multi-agency Northern Contaminants Program, conducted research on the levels and health effects of contaminants focussing on communities with the greatest risk. It also conducted temporal trend environmental monitoring related to human health. This was done in order to enable provision of sound dietary advice in high-risk communities.
- The Aboriginal and Northern Community Action Program (ANCAP) on climate change was successful in providing training to all program representatives and community energy pathfinders in all INAC regions on energy efficiency and renewable resources.

Areas for Improvement and Lessons Learned
Pursuant to section 91(24) federal jurisdiction over Indians, the department may manage certain affairs of some First Nations individuals. The department carries out this function at a professional service standard reflective of its fiduciary and legal responsibilities. The commitment to an effective professional service standard means the modernization of policies and systems and continuous improvement of practices to ensure timely and appropriate application of the entitlement criteria for registration, proper management of estates, protection and timely disbursement of individual moneys, and fulfillment of Treaty annuities and allowances obligations.

The Auditor General's November 2004 report on the department's education programs underlined the complex environment in which the department delivers its mandate. Because of the special relationship between the federal government and First Nations, the department cannot act alone in designing, delivering and evaluating education programs. First Nations need to be involved every step of the way. The Auditor General's report made nine recommendations. For the Education Program, recommendations concerned developing a strategy and action plan, clarifying the role for INAC in education, developing performance and results indicators, providing cost information and benchmarking, dealing with tuition agreements and consistent application of them, and evaluating schools. On Post-Secondary Education, recommendations included developing an accountability regime for the Post-Secondary Student Support Program, collecting accurate information about this program and improving reporting to Parliament about the program. The department's response was articulated in an Action Plan (see website reference http://www.ainc-inac.gc.ca/ps/edu/eap/acp_e.html#es) developed in consultation with key stakeholders. It was tabled by the Minister to the Standing Committee on Public Accounts in May 2005.

Additionally, follow-up work to the Canada-Aboriginal Peoples Roundtable has reinforced the importance of collaborative work with other federal government departments, other

levels of government, First Nations, Inuit, Métis and other key parties. Currently, more than 70 programs spread across 16 federal government departments are tied to the Aboriginal lifelong learning continuum, from early childhood education to post-secondary education and skills training. When INAC's First Nations education programs are examined in this broad context, it is clear that greater coordination and integration at the federal level must be a priority. This "lesson learned" is similarly appropriate with respect to social development programming.

The delivery of education programs is almost completely devolved to First Nations, and they, in turn, may delegate the delivery to other First Nations organizations, provincial government departments, provincial or municipal school authorities, or private organizations. While the department sets the framework and national standards for program delivery, First Nations and other delivery agents have considerable latitude in the day-to-day management of the programs. The department, First Nations and other partners need to clarify their respective roles and responsibilities within the context of shared accountability for program management and results. This "lesson learned" is similarly appropriate with respect to social development programming.

Renewed authorities for social development programs and services are needed to build and support healthy, safe and sustainable communities. A coordinated, comprehensive Social Development Policy Framework is needed to respond to the needs of communities. Data collection practices and processes, including the definition of performance indicators and measurements needed to design the policy framework and to support decision making and monitoring of programs and services, must be jointly developed with all partners. Data collection activities must be cost-effective and not create undue reporting burdens.

II.3 Strategic Outcome — THE LAND

Transferred land title, and sustainable use of lands and management of resources by First Nations, Inuit and Northerners

What Is This Strategic Outcome About?

First Nations are closely linked to the land. Yet, with the exception of modern claims and self-government agreements and the *First Nations Land Management Act* (FNLMA), under current federal legislation, the federal government has considerable authority over First Nations reserve lands and resources, the environment and moneys derived from them (Indian moneys). The vision for the Land Strategic Outcome is to recognize and implement full First Nations jurisdiction, authority and control over their lands, resources and environment.

In the Northwest Territories and Nunavut, INAC continues to have responsibility for the management of land, water and natural resources. International demands for new sources of oil and natural gas have resulted in a major commitment to exploration and investment in the North, including a proposal to bring into production major gas fields in the Mackenzie Delta and to build a gas pipeline down the Mackenzie Valley. Investments are also being made in mineral exploration and development and INAC is currently managing major development projects in both territories.

INAC acknowledges that, particularly in the North, a complex legislative and regulatory regime poses challenges to realizing economic development opportunities that depend on access to land. The department is establishing legislative and institutional frameworks to support the transfer of responsibility and control over lands, resources and the environment through sectoral governance and/or comprehensive self-government agreements.

One of INAC's key challenges in the North is to support economic development of the vast natural resources of the territories while protecting the sensitive northern environment. Environmental stewardship is all the more important in the context of projected levels of exploration and development activity, and the large number of contaminated sites in the North.

Financial Resources (\$ millions)	Planned Spending	Total Authorities	Actual Spending
Certainty of Title and Access to Land and Resources	99.8	22.5	16.2
Responsible Federal Stewardship	22.5	17.9	17.8
First Nations Governance Over Land, Resources and the Environment	64.9	59.7	59.4
Northern Lands and Resources	73.4	151.9	149.8

Human Resources (Full-time Equivalents)	Planned	Actual	Difference
Certainty of Title and Access to Land and Resources	73	35	(38)
Responsible Federal Stewardship	39	39	—
First Nations Governance Over Land, Resources and the Environment	156	185	29
Northern Lands and Resources	292	379	87

Note: As per Treasury Board Guidelines, the full-time equivalents shown here represent an estimate of resources devoted wholly to this Strategic Outcome plus a pro-rata share of Departmental Management and Administration (dollars and full-time equivalents) based on the department's actual spending. In some cases, this number may appear high due to the very nature of the department's business, that is, managing financial relationships with service delivery largely devolved to our partners.

II.3.1 Program Activity — CERTAINTY OF TITLE AND ACCESS TO LAND AND RESOURCES

What is this Program Activity?

This activity includes additions to reserves, ensuring clarity of title to facilitate future land transactions through surveys and negotiated agreements, and implementing land transfers under specific and comprehensive claims.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/lan_e.html for more details):

- Sixty-two additions to reserves were completed in fiscal year 2004–2005.
- A strategy was developed to track and report progress on time frames associated with additions to reserves, resulting in the development and deployment of a national database

that will be used to report on progress and serve as a management tool.

- Railway tax and title settlements were negotiated with five First Nations in 2004–2005, with implementation of these settlements continuing into 2005–2006.
- INAC commissioned the Federation of Canadian Municipalities to host a number of forums in various provinces to discuss the Additions to Reserve (ATR) process and facilitate relationship building. INAC has developed formal and informal protocols with other federal government departments involved in the ATR process to improve its efficiency.

II.3.2 Program Activity — RESPONSIBLE FEDERAL STEWARDSHIP

What is this Program Activity?

This activity includes discharging federal responsibilities to First Nations, such as under the *Indian Act* and the *Indian Oil and Gas Act* and associated regulations; discharging responsibilities and coordinating with other government departments with similar responsibilities, such as Environment Canada; remediating contaminated sites under federal jurisdiction; and collecting and managing Indian moneys from land and resources activities.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/lan_e.html for more details):

- In 2004–2005, INAC developed and approved an Environmental Stewardship Strategy and put in place key components of the associated Environmental Management System.
- The Specific Purpose Expenditure Trust (SPET) policy has been developed to enable First Nations to take an active role in the administration and expenditure of their Capital Indian Moneys held in the Consolidated Revenue Fund.
- In conjunction with First Nations, the decision was taken early in 2004–2005 to sequence work on the proposed *Indian Oil and Gas Act* amendments and associated regulations following completion of the proposed *First Nations Oil and Gas and Moneys Management Act* (FNOGMMA) and the development of legislative

options regarding commercial and industrial activity on reserves. In the interim, the dialogue on these amendments and on the longer term future of Indian Oil and Gas Canada (IOGC) continues with the Indian Resource Council and the IOGC Co-Management Board.

- The department, working in partnership with interested First Nations, proponents and provinces, has developed legislative proposals with respect to regulating major commercial and industrial developments on reserve lands. Work continues with proponent First Nations on the regulatory requirements of specific major project proposals.
- INAC assessed and classified 20 high-risk contaminated sites, and remediated 32 high-risk contaminated sites on reserve.
- Enhanced data management practices identified 32,500 Indian Lands Registry System (ILRS) records that required special attention. Approximately 13,000 of these records have been remediated.

II.3.3 Program Activity — FIRST NATIONS GOVERNANCE OVER LAND, RESOURCES AND THE ENVIRONMENT

What is this Program Activity?

This activity includes supporting First Nations in the development of professional and institutional capacity, including working with emerging First Nations institutions and professional associations; supporting the development of sectoral governance options and agreements; and working with First Nations to implement such agreements, for instance, working jointly with the Lands Advisory Board to implement the *First Nations Land Management Act*.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/lan_e.html for more details):

- INAC completed the consultation process with interested First Nations and provinces, and developed draft legislation. The proposed *First Nations Oil and Gas and Moneys Management Act* (FNOGMMA) is a sectoral governance legislative initiative directly supporting First Nations access to, and control over, their lands and resources. The proposed initiative was successfully negotiated with

three pilot First Nations, and is being considered by Parliament following the introduction of the Bill on June 1, 2005.

- The framework for a new First Nations land management training program has been put in place. A partnership with the University of Saskatchewan, the National Aboriginal Land Managers Association and INAC has been created to deliver the training to First Nations land managers. Delivery guidelines are complete, and work continues on the development of a new curriculum and certification guidelines.
- A new Reserve Land and Environmental Management Program (RLEMP) has been created and will be piloted during 2005–2006 with approximately 15 First Nations. Feedback from the pilot will be used to finalize the program for full implementation in 2006–2007.
- Currently, there are 22 First Nations developing land codes. In addition, 14 First Nations are operating under their own land codes. It is anticipated that an additional 17 First Nations will hold votes in fiscal year 2005–2006.
- Exploratory discussions were conducted between the Lands Advisory Board (LAB) and interested Tribal Councils on the possibility of First Nations joining the First Nations Land Management Initiative as a group.

II.3.4 Program Activity — NORTHERN LANDS AND RESOURCES

What is this Program Activity?

This activity includes supporting sustainable development of the North's natural resources; emphasizing improved environmental management and stewardship, including the cleanup of contaminated sites; expanding the knowledge base for sound decision making and improving the effectiveness of the northern regulatory environment.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/lan_e.html for more details):

- Remediation plans were completed and approved via the regulatory process for Colomac Mine and Discovery Mine, and a draft abandonment and restoration plan for Giant Mine was completed. These achievements allowed INAC to strengthen environmental stewardship by being positioned to

commence remediation work on these contaminated sites. A key success was that neither Discovery nor Colomac were referred to environmental assessment, and Colomac did not need to have water licence hearings, which speaks to strong community support and sound planning.

- Eighty percent of the PCBs present at the Resolution Island site were removed in 2004–2005. The Resolution Island remediation project will be completed and fully demobilized by 2007.
- The Nunavut Regional Office completed the digitization of geological assessment reports. In total, 2,799 reports were scanned and archived, and are now publically available in electronic format.
- The bulk of the development of the electronic oil-and-gas royalty management system (RMS) was not completed in the 2004–2005 fiscal year due to a vacant managerial position that was filled in November 2004.
- The department focussed its \$5 million share of the \$75 million provided in Budget 2004 for the proposed Mackenzie Gas Project on the Pipeline Readiness Office, the Northern Gas Project Secretariat, science projects, and capacity in support of the environmental assessment and regulatory process.
- The Minister announced \$9 million in federal funding to support implementation of the *NWT Protected Areas Strategy Five-Year Action Plan for the Mackenzie Valley: Conservation Planning for Pipeline Development*. The action plan will run from 2004–2009.
- A draft INAC Sustainable Development Lens was developed and tested on an existing program (Contaminated Sites Management Plan) and a hypothetical case studied based on real mining scenarios. The outcome will be the development of a Northern Sustainable Development Lens as part of the Northern Resources Development Framework (NRDF).
- The Minister endorsed the Final Blueprint for Implementing the Cumulative Effects Assessment and Management (CEAM) Strategy and Framework in the NWT and Its Regions (Blueprint, July 2004). The Blueprint makes

recommendations to decision makers to facilitate ecological protection, sustainable communities and responsible economic development within a sound environmental management framework in the NWT.

- There were two Industry Government Overview Committee (IGOC) meetings held in May and November 2004 prior to the Northern Mines Ministers' Conference (NMMC) held on November 26, 2004. Minister Scott, Minister of State Ethel Blondin-Andrews from Indian and Northern Affairs Canada, Minister Lang from Yukon, Minister Bell from the Northwest Territories and Minister Simialik from Nunavut attended the NMMC and discussed common issues related to mining in the North.
- INAC, as the lead federal department, developed a strategy with 21 other federal departments and agencies to prepare for Canada's participation in the International Polar Year 2007–2008.

Areas for Improvement and Lessons Learned

Investments in program design and management have produced a solid base of understanding that will support identification of further opportunities for improvements related to certainty of title and access to land and resources. Key lessons reflect the need for involvement of many parties in adding land to reserves. Also, variations in the complexities of existing land use and encumbrances associated with individual parcels of land will continue to be a significant factor in the length of time it takes to process each submission. These lessons are being reflected in a continued emphasis on developing effective partnerships, in overall system design, and in management and reporting systems.

One of the main lessons learned is that the *Indian Act's* out-of-date land, environment and resource management regime is not responsive to the complexities or the scope of today's responsible stewardship realities. The challenge for the department and the government is to support self-government while continuing to develop a range of other options that are geared at more immediate improvements to land, environment and resource management for First

Nations under federal stewardship. The issue of the “risk management” of federal stewardship activities while attempting to invest in First Nations capacities has become a major priority consistent with the report of the Advisory Committee on Smart Regulations.

New approaches must respect the statutory and other responsibilities of the Crown and balance them with the interests and objectives of First Nations. This requires strong relationships among the department, First Nations and First Nations organizations. It is fair to say that the department has underestimated the time and effort that it takes to form the necessary partnerships required to make effective changes.

Modifying the department’s relationship with the northern resource management boards in order to further develop their capacity to make sound decisions to protect the interests of First Nations, Inuit, Northerners and all Canadians, as well as ensuring the sustainable development of northern resources, remains an area for improvement.

The experience gained in advancing sectoral governance options to support the priority of First Nations governance over land, resources and the environment has made clear how delicate it is to operate outside the context of comprehensive self-government negotiations in areas where the government has fiduciary obligations under the *Indian Act* and where there are potential risks for both First Nations and the government with respect to the development of legislation.

Another lesson learned is the amount of time and effort required to effectively inform or consult with First Nations that have not been involved in the process of developing the options in question in order both to enlist their support for the adoption of the options and to encourage them to exercise them at the appropriate time.

The importance of taking into consideration Canada’s official languages policy and the bijuralism of Canada’s legal system (Common Law and Civil Law) early on in the development of such initiatives is evident.

II.4 Strategic Outcome — THE ECONOMY

Increased participation by Aboriginal people and Northerners in the economy

What Is This Strategic Outcome About?

This Strategic Outcome concentrates on establishing a supportive investment/business climate to enable First Nations and Inuit individuals, communities and businesses to seize economic opportunities. It also focusses on building the economic and community foundations necessary to increase Aboriginal participation in the economy.

Through the settlement of specific and comprehensive claims, First Nations and Inuit obtain access to capital that can be used to identify and act on opportunities for economic growth. Additional revenue generated through such economic growth can be invested in local programming to assist in improving the lives of community members based on their circumstances and priorities.

Public sector economic development activities facilitate greater participation in the economy by First Nations and Inuit; increase business opportunities; and support economic development, capacity development and economic infrastructure. As announced in Budget 2005, current funding programs providing equity support for businesses and related access-to-capital initiatives will be eliminated starting in 2005-2006.

Federal government support to increase economic capacity in the North is needed for Northerners and Northern Aboriginal groups to truly participate in and benefit from development activities. Territorial governments have responsibilities in the area of economic development, but have limited sources of revenue and budgetary flexibility. INAC, with its regional development mandate across the territories and mandate for resource development in the Northwest Territories and Nunavut, is positioned to work with Aboriginal groups, northern governments, industry and others to support the realization of economic development opportunities north of 60.

Financial Resources (\$ millions)	Planned Spending	Total Authorities	Actual Spending
Economic and Employment Opportunities for Aboriginal People	79.8	157.2	71.0
Access to Capital and Economic Development	717.6	686.4	465.1
Community Infrastructure	1,158.3	1,114.5	1,098.8
Northern Economy	22.5	46.1	32.7

Human Resources (Full-time Equivalents)	Planned	Actual	Difference
Economic and Employment Opportunities for Aboriginal People	55	43	(12)
Access to Capital and Economic Development	358	236	(122)
Community Infrastructure	573	538	(35)
Northern Economy	6	29	23

Note: As per Treasury Board Guidelines, the full-time equivalents shown here represent an estimate of resources devoted wholly to this Strategic Outcome plus a pro-rata share of Departmental Management and Administration (dollars and full-time equivalents) based on the department's actual spending. In some cases, this number may appear high due to the very nature of the department's business, that is, managing financial relationships with service delivery largely devolved to our partners.

II.4.1 Program Activity — ECONOMIC AND EMPLOYMENT OPPORTUNITIES FOR ABORIGINAL PEOPLE

What is this Program Activity?

Supports the expansion of economic and employment opportunities for Aboriginal peoples, as well as the promotion of goods and services from Aboriginal business through contracting opportunities.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/econo_e.html for more details):

- In support of increased economic and employment opportunities for Aboriginal people, more than 120 presentations were made nationally and two National Partnership Conferences were held, each attended by more than 300 people.
- Eight Partnership Agreements were signed with various stakeholders (including corporate

Canada, unions, Aboriginal organizations and governments), increasing employment and economic opportunities for Aboriginal people.

- The Procurement Strategy for Aboriginal Business continues to stimulate Aboriginal business development and to increase the number of Aboriginal firms competing for and winning federal contracts. During the year, 8,156 contracts were awarded to Aboriginal firms, amounting to \$487.3 million in revenue for Aboriginal businesses.

II.4.2 Program Activity — ACCESS TO CAPITAL AND ECONOMIC DEVELOPMENT

What is this Program Activity?

Supports the provision of funding for Comprehensive, Specific and Special Claims settlements that provide First Nation and Inuit communities with investment capital. Economic development programs facilitate economic development opportunities and the development/implementation of economic development strategies.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/econo_e.html for more details):

- In 2004–2005, INAC provided core financial support to approximately 500 community organizations to support their delivery of public services in economic development. INAC approved equity assistance funding of \$19.3 million to 116 businesses, economic infrastructure funding to four communities in the amount of \$4.7 million, \$16.6 million in funding for 244 projects to access opportunities from resources, and \$3.7 million in funding for 47 other economic development projects.
- Through consultations with stakeholders on the evaluation of the Community Economic Development Program and future directions for the program, INAC developed economic development strategies for its 10 regions.
- Aboriginal groups with settled comprehensive land claims received capital transfer payments of \$148.6 million in accordance with their settlement agreements.
- The Ontario Region implemented the Community Economic Advisory Team Ontario,

a representative group of First Nation Development Officers, to provide advice and recommendations regarding the management of the region's economic development programs.

II.4.3 Program Activity — COMMUNITY INFRASTRUCTURE

What is this Program Activity?

Supports the provision of funding for the acquisition, construction, operation and maintenance of community facilities, such as roads, bridges, water and sewer systems, and administration offices; education facilities, such as schools and teacherages; and on-reserve housing and the remediation of contaminated sites on reserve.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/econo_e.html for more details):

- In 2004–2005, INAC provided core financial support to First Nation communities for the acquisition, construction, and operation and maintenance of community infrastructure. These investments were aligned with the National Priorities set out in the department's Long-term Capital Plan.
- A key departmental investment in 2004–2005 was the \$255.1 million provided as part of the First Nations Water Management Strategy — including \$80.1 million in additional funds — to build and upgrade water and wastewater treatment facilities, to provide sufficient resources to operate and maintain existing facilities and to train operators towards obtaining certification. Since implementation of the strategy in 2003–2004, water-related investments have resulted in an overall increase in the percentage of certified operators from 8 to 38 percent. Moreover, the number of high- and medium-risk facilities identified in 2003 has decreased by a total of 21 percent and 26 percent respectively.
- To promote responsible use and management of water resources, the department signed a Memorandum of Understanding with Environment Canada to help First Nations build capacity in the areas of source water protection and sustainable water use.

- INAC provided in excess of \$1.3 million to more than ten First Nations and their organizations for special initiatives to allow them to explore private home ownership, alternative forms of land tenure, the creation of housing authorities and ways to increase access to private sector financing. INAC is continuing to explore mechanisms that will help communities effectively manage and administer their housing portfolios.
- Financial support was provided to four First Nations-led housing pilot projects to examine better methods of construction, financial management and accountability, housing stock management and related land-management issues.
- INAC has undertaken Phase Two of a three-phased comprehensive review of the Capital Facilities and Maintenance program to address issues related to long-term program sustainability and accountability. The review's findings and recommendations will also help the program align its resources and delivery mechanism to maximize the economic benefits generated from the construction and maintenance of community infrastructure.
- As part of the Government of Canada's overall effort to provide stakeholders with up-to-date information on the issue of vermiculite insulation that may contain amphibole-asbestos, INAC representatives participate in the work of an interdepartmental committee that is chaired by Health Canada. The role of this committee is to provide Ministers with advice on appropriate steps to address this health-related issue.
- INAC continues to work with Health Canada, the Canada Mortgage and Housing Corporation and the Assembly of First Nations on the Inter-Departmental Committee on Mold. The committee is a forum for discussion, information sharing and dissemination of material on activities related to mold in First Nations housing as well as the review and development of future activities and strategies for dealing with the issue of mold.
- Saskatchewan Region worked with Canada Mortgage and Housing Corporation to deal with operational difficulties in First Nations

- under third-party management by resolving lender claims on Ministerial loan guarantees, delivering training sessions on housing policy and community development, and clarifying responsibilities for stakeholders of Ministerial loan guarantees. South Budget Centre developed a risk-assessment tool for the Housing Corporation Ministerial loan guarantee that was shared through the region as a best practice.
- In Ontario, a water coordination committee of departmental, other federal departments, provincial and First Nations organizational counterparts continues to make progress on the water quality in Ontario's First Nations. As of May 2005, there are now more than 150 water plant operators at various training/certification levels within the provincial process. There are also approximately 40 waste-water plant operators at various stages of the provincial process. This is significant progress in the professional development of operators when comparing to the less than 20 operators just a few years ago.

II.4.4 Program Activity — NORTHERN ECONOMY

What is this Program Activity?

Supports sustainable economic growth of the territorial economies through investments in innovation and knowledge and regional development programming, advocacy and activities, which lead to Northerners participating in and benefitting from development activities.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/econo_e.html for more details):

- INAC led federal delivery of the Infrastructure Canada Program in the three territories, where all projects are expected to be completed in 2005–2006. All 2004–2005 projects provided “green” infrastructure. For example, in partnership with Infrastructure Canada, \$1,065,000 was provided to the Government of Nunavut for construction of a new water supply line in Gjoa Haven.
- INAC responded to the Nunavut Economic Development Strategy, clearly outlining those areas where INAC had both the mandate and funding to support the strategy's objectives.
- In partnership with the Government of the Northwest Territories, INAC funded several projects, valued at \$685,000. These projects, which represented a co-operative approach to an economic foundation (infrastructure), involved cost-benefit studies of improvements to basic services (water, sewerage).
- INAC initiated federal delivery in both Yukon and the NWT with respect to the generation of Municipal Rural Infrastructure Funds (MRIF). Projects proposed for 2005–2006 were positioned for final approval and subsequent implementation in partnership with the territorial governments.
- Pursuant to signed land claim agreements, a total of \$6.978 million from royalties related to mining production in the Northwest Territories for fiscal year 2004–2005 will be redistributed among Aboriginal groups.
- INAC commenced delivery of first-year funds (\$10 million) of the \$90 million announced in Budget 2004 for northern economic development for a total initial investment of \$3.1 million aimed at supporting, strengthening and diversifying the economy in each of the three territories. This initiative was consistent with the findings and recommendations of an evaluation of the Innovation and Knowledge (I&K) Fund conducted in 2003–2004.

Areas for Improvement and Lessons Learned

Economic development should be seen as a range of initiatives intended to achieve objectives such as creating jobs, training and capacity development, and improved quality of life. More effective coordination of federal efforts and resources in a manner consistent with, and supportive of, regional capacities and goals is needed. Additionally, more reliable performance data would enhance decision making to support more effective and efficient program management.

Failure to invest in economic development will result in reduced employment opportunities, higher dependency rates and continuing disenfranchisement of Aboriginal youth. On the positive side, provincial governments increasingly view Aboriginal economic development as

a priority, particularly in the western provinces, where there is a great potential for partnerships with the co-op movement; other investors and public-private partnerships also show potential to build on success models and develop First Nations financial institutions.

Through the Canada-Aboriginal Peoples Roundtable, the Government of Canada has committed to developing an Aboriginal Economic Development Framework in consultation with Aboriginal organizations, provincial and territorial governments, and the private sector to meet the needs of First Nation, Inuit and Métis communities. The federal government has also undertaken to remove legislative and regulatory barriers to economic development and to ensure that federal programs and Aboriginal institutions work more effectively together.

INAC provides general financial assistance for a wide range of housing-related activities, including not only the provision of capital for new construction and rehabilitation, but also the provision of maintenance and insurance, administration and management of the housing portfolio, training and debt servicing.

Following the Canada-Aboriginal Peoples Roundtable in April 2004, a sectoral process on the housing theme was established. This sectoral process is led by Canada Mortgage and Housing Corporation (CMHC). On November 24 and 25, 2004, CMHC, INAC, other federal departments, all National Aboriginal Organizations, and provincial and territorial governments met in Ottawa to explore new directions for Aboriginal housing on and off reserve. The sectoral process is continuing and INAC is an active participant. Indian and Northern Affairs Canada is committed to working in partnership with National Aboriginal Organizations and other government departments, as well as the provinces and territories, to develop transformative measures aimed at improving Aboriginal housing conditions.

Regarding the northern economy, an evaluation of the Innovation and Knowledge (I&K) Fund, carried out in 2003-2004, concluded that the program had positive outputs and met its intended short-term objectives, and that even

though it was too early to measure medium or long-term outcomes, some projects had already resulted in further investments or partnerships. I&K's gap-filling role had been stronger than anticipated in leveraging participation of other governments and the private sector, and partnering with other federal programs. The evaluation identified an additional need for "a considerably more developed and extensive cluster of programs for northern economic development" and more substantial delivery resources to plan optimal project mixes, track outcomes and coordinate activities with other programs, as well as help develop the capacity of local organizations. These additional program and delivery needs are now beginning to be addressed by the new \$90 million in northern economic investment announced in Budget 2004.

II.5 Strategic Outcome — THE OFFICE OF THE FEDERAL INTERLOCUTOR

Strengthened relationships with Métis, Non-Status Indians and urban Aboriginal people to raise awareness of their needs, improve access to federal services, and improve horizontal linkages among federal organizations and other partners

What Is This Strategic Outcome About?

This Strategic Outcome is designed to develop, maintain and nurture good relationships with key Métis and Non-Status Indian (MNSI) groups and their affiliate organizations, urban Aboriginal Canadians and provincial governments, and municipalities, especially in western Canada. One of the focusses remains on measures that build capacity and enable MNSI organizations to become more self-sufficient, more accountable to their members, better able to represent their members when engaging with federal and provincial governments, and more accountable to federal and provincial governments and their memberships for public funding. The other area of focus is to coordinate federal activities to meet the needs of Canada's growing urban Aboriginal population. As the lead federal department responsible for the Urban Aboriginal

Strategy (UAS), the Office of the Federal Interlocutor (OFI) seeks to address, in partnership with other stakeholders, the serious socioeconomic needs of urban Aboriginal people.

Financial Resources (\$ millions)	Planned Spending	Total Authorities	Actual Spending
The Office of the Federal Interlocutor	37.8	34.4	27.4

Human Resources (Full-time Equivalents)	Planned	Actual	Difference
The Office of the Federal Interlocutor	31	37	6

Note: As per Treasury Board Guidelines, the full-time equivalents shown here represent an estimate of resources devoted wholly to this Strategic Outcome plus a pro-rata share of Departmental Management and Administration (dollars and full-time equivalents) based on the department's actual spending. In some cases, this number may appear high due to the very nature of the department's business, that is, managing financial relationships with service delivery largely devolved to our partners.

II.5.1 Program Activity — THE OFFICE OF THE FEDERAL INTERLOCUTOR

What is this Program Activity?

Provides support to Métis, Non-Status Indians and urban Aboriginal Canadians at the national, provincial, regional and urban level to help develop organizational capacity and accountability to their memberships, as well as to build capacity to form effective partnerships with federal and provincial governments and the private sector in order to participate effectively in Federal Interlocutor-led interdepartmental and inter-governmental initiatives.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/of_i_e.html for more details):

- In 2004–2005, contribution agreements were signed to support increased professional development, communications, accountability and representation (e.g., elections/voters lists), and improved service delivery. Through mentoring, training sessions and interchanges, organizations will be better able to achieve their goals. This contributed to the improved ability of Métis, Non-Status Indian and urban Aboriginal organizations to represent and advocate on behalf of their memberships or to serve their clients more effectively.

- New partnerships were established, existing partnerships maintained and/or enhanced, and meetings/forums established to facilitate networks and relationship building between federal government and MNSI groups and organizations.
- Improved working relationships between governments on MNSI issues were enabled through the provision of research reports and publications, data and information; advice to Ministers through briefings and provision of information to departmental officials.
- Work on the Urban Aboriginal Strategy (also see Section III, Table 22: Horizontal Initiatives) was recognized through the Speech from the Throne and further confirmed in Budget 2004, which doubled the UAS pilot project funding to enable expansion of up to six additional cities and to enhance existing efforts.
- Work was initiated to establish steering committees in each of the four new UAS pilot project cities (Prince George, British Columbia; Lethbridge, Alberta; Prince Albert, Saskatchewan; and Thompson, Manitoba). The committees are well positioned to determine which projects will be funded for the 2005–2006 fiscal year in these communities.
- A UAS community conference brought together Aboriginal community members, project proponents, steering committee members, and municipal, provincial and federal representatives to share their learnings from the Strategy and build their understanding and knowledge. OFI, along with Human Resources and Skills Development Canada and Western Economic Diversification, worked on the UAS communications strategy, including the development of several new tools — the UAS website (Internet/intranet), displays and kit folders for use by the 12 UAS cities.

Areas for Improvement and Lessons Learned

Through the Urban Aboriginal Strategy, the Office of the Federal Interlocutor is supporting a number of innovative community projects outside of existing programming. These projects are being assessed to determine what works and what does not work in this policy area. These lessons learned will be useful in

determining how the Government of Canada will address urban Aboriginal issues in the longer term.

Capacity in MNSI groups varies from year to year because, rather than having core funding, they face ongoing funding pressures and timing of project-based funding, making it hard for them to retain full-time staff from fiscal year to fiscal year.

Independent Commissions

II.6 Strategic Outcome — CANADIAN POLAR COMMISSION

Increased Canadian polar knowledge

What Is This Strategic Outcome About?

This Strategic Outcome is intended to help Canada maintain its position as a leading polar nation by ensuring Canadian scientists have access to funding, resources, and logistical and infrastructure support to maintain the high standards expected of Canadian polar researchers; and by ensuring that Canadians have a better understanding of the Arctic and Antarctic, of the impact of global climate change on polar regions, and of how to live and prosper sustainably in Canada’s northern regions.

Financial Resources (\$ millions)	Planned Spending	Total Authorities	Actual Spending
Research Facilitation and Coordination	1	1	1

Human Resources (Full-time Equivalents)	Planned	Actual	Difference
Research Facilitation and Coordination	5	5	—

II.6.1 Program Activity — RESEARCH FACILITATION AND COORDINATION

What is this Program Activity?

In order to carry out its mandate, the Commission will initiate, sponsor and support conferences, seminars and meetings; help establish a polar information network as the principal mechanism to disseminate knowledge pertaining to the polar regions; undertake and support special studies on matters relating to the polar regions; recognize achievements and contributions in areas related to its mandate; and table an annual report in Parliament.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/cpc_e.html for more details):

- In 2004–2005, the Commission’s regular publications, *Meridian* and the *Newsletter of the Canadian Antarctic Research Network*, as well as the fifth Indicators Report (online), were produced on time and on budget. <http://www.polarcom.gc.ca/english/publications.html>
- The Commission also published the *Report on the Canada–European Union Symposium on Environmental Assessment, Climate Change, and Policy Implications in the Arctic*, in conjunction with the Department of Foreign Affairs and International Trade. http://www.polarcom.gc.ca/english/pdf/canada_eu_symposium_report.pdf
- The website was expanded with the addition of new links, including the Canada International Polar Year 2007–2008 website, which the Commission developed and hosts. <http://www.ipy-api.ca>
- The Polar Science Forum continued to expand this year with the addition of 200 new subscribers. This brings the total number of polar specialists using this resource to about 1,150. <http://forum.polarcom.gc.ca/30/CustomerDefault.cfm>
- The online directory of polar researchers expanded by approximately 100 listings, bringing the total to more than 2,000. <http://www.polarcom.gc.ca/english/cpin/directory/search.asp>
- The Commission participated in the Northern Dimension meetings of the University of the

Arctic, meetings of the Arctic Council and meetings of the International Arctic Science Committee and the Scientific Committee on Antarctic Research. The Commission was an organizer of the Northern Research Forum in Yellowknife, and participated in that meeting as well as others related to the Forum.

- The Commission continued to lead Canada’s International Polar Year (IPY) 2007–2008 preparations. The Commission, with support from the Department of Foreign Affairs and International Trade, continued its series of consultations in northern communities, in Whitehorse, Yellowknife, Kuujuaq, Iqaluit, Happy Valley/Goose Bay and Prince George, with complementary visits to Whitehorse and Yellowknife. They consisted of open meetings, organized with the help of local people, to which all members of the communities were invited.
- The Commission continued to communicate to the government the acute need for the creation of a National Polar Science Strategy, with the prerequisite evaluation of science infrastructure in the North, and also of implementation of the Canadian Antarctic Research Program.

Areas for Improvement and Lessons Learned

The Canadian Polar Commission’s increased profile over the past few years has raised expectations in the polar research community such that the Commission finds it impossible to meet the many requests to hold meetings and conferences, undertake special studies and provide other support, including scholarships, etc. The Commission’s funding has decreased approximately 25 percent since its creation in 1991, and has remained static for eight years. As such, the Commission is only able to maintain current activities, and cannot initiate new activities such as examining the adequacy of research infrastructure, initiating a consultative process to begin work on a national polar science strategy, initiating a process to deal with pressing northern governance issues, or hosting the International Polar Year 2007–2008 Secretariat.

II.7 Strategic Outcome — INDIAN SPECIFIC CLAIMS COMMISSION

Fair and impartial hearings of specific claims

What Is This Strategic Outcome About?

The Indian Specific Claims Commission (ISCC) conducts inquiry hearings, makes recommendations and prepares reports related to the resolution of specific claims between First Nations and the Government of Canada, and provides mediation and facilitation services and conducts public education activities related to specific claims.

Financial Resources (\$ millions)	Planned Spending	Total Authorities	Actual Spending
Indian Specific Claims Commission	6.9	6.8	6.6

Human Resources (Full-time Equivalents)	Planned	Actual	Difference
Indian Specific Claims Commission	50	45	(5)

II.7.1 Program Activity — INDIAN SPECIFIC CLAIMS COMMISSION

What is this Program Activity?

The Commission conducts impartial inquiries when a First Nation disputes rejection of its specific claim by the Minister of Indian Affairs and Northern Development, or when a First Nation disagrees with the compensation criteria to be used by the government in negotiating the settlement of its claim. As well as conducting formal inquiries, the Commission, at the request of the government and a First Nation, provides or arranges such mediation and facilitation services as may in their opinion assist them to reach an agreement with respect to any matter relating to Indian specific claims.

Legislation to set up a new Claims Resolution Centre received Royal Assent in November 2003. The government continues to work with First Nations and their representative organizations to address concerns related to the implementation of this legislation. During 2005–2006, INAC will work to clarify the future role and funding of the Indian Specific Claims Commission to ensure an orderly transition.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/iscc_e.html for more details):

- In 2004–2005, ISCC worked on more than 60 ongoing inquiries and mediation efforts.
- The completion of three inquiries — two dealing with specific claims by the James Smith Cree Nation and one by the Cumberland House Cree Nation — marks an event unique in the history of the Commission. A report on a fourth inquiry was issued on a portion of a claim by James Smith Cree Nation, which is ongoing. The claims form part of a group of separate but related claims submitted to the Commission that essentially constitute two claims by two separate First Nations to the same reserve. Over a five-year period, in a process unprecedented in the ISCC's history, the inquiry panel proceeded concurrently through all of the claims.
- The ISCC provided mediation/facilitation services in five completed claims. These included the Blood Tribe/Kainaiwa Akers surrender negotiations; Chippewas of the Thames First Nation Clench Defalcation negotiations; Keeseekoowenin First Nation 1906 surrender negotiations; Qu'Appelle Valley Indian Development Authority (QVIDA) flooding negotiations; and Touchwood Agency mismanagement (1920–1924) claim negotiations.
- ISCC continued to implement measures to ensure excellence of operations and expand its body of knowledge about specific claims.

Areas for Improvement and Lessons Learned

Since its inception in 1991, the Indian Specific Claims Commission has gained credibility as an independent, neutral body that conducts

public inquiries into specific claims disputes between First Nations and the Government of Canada. To be effective, the ISCC, in all of its dealings, must be perceived as independent, neutral and objective by both the First Nations and the government.

A unique and important aspect of the inquiry process is a visit by Commissioners and key staff to the First Nation community to hear directly from elders and community members with regard to the claim. The process emphasizes principles of fairness, equity and justice, which promotes reconciliation and healing between Aboriginal and non-Aboriginal Canadians. Face-to-face meetings and careful consideration of oral evidence is valuable to the claims-resolution process.

The Commission provides broad mediation and facilitation services at the request of both the First Nation and the Government of Canada. Together with the mediator, the parties decide how the mediation process will be conducted. This method ensures the process fits the unique circumstances of each particular negotiation.

Audit — All official administrative and financial transaction-related documents of the ISCC are part of the Records Division within the department that provides Corporate Services to the ISCC. Since 1991, all financial transactions have been audited by the Finance Branch of the Privy Council Office. In the future, the ISCC transactions will be subject to the normal internal audit procedures of the Finance Branch of the Canadian Human Rights Commission.

III.

Supplementary Information

Organizational Information

The following diagram displays the Strategic Outcomes and Program Activities for fiscal year 2004-2005, and the associated organizational information.

Minister Indian Affairs and Northern Development				
Deputy Minister		Associate Deputy Ministers		
Strategic Outcomes				
The Government (\$725.3 million) Lead ADMs: CIG (South) NA (North)	The People (\$2,990.5 million) Lead ADMs: SEPRO (South) NA (North)	The Land (\$243.2 million) Lead ADMs: LTS (South) NA (North)	The Economy (\$1,667.7 million) Lead ADMs: SEPRO (South) NA (North)	The Office of the Federal Interlocutor (\$27.4 million) Lead ADM: OFI
Program Activities				
Governance (\$66.5 million) Lead DG: LTS Institutions (\$464.2 million) Lead DG: CIG Co-operative Relationships (\$183.9 million) Lead DG: CIG Northern Governance (\$10.6 million) Lead DG: NA	Managing Individual Affairs (\$18.0 million) Lead DG: LTS Education (\$1,580.2 million) Lead DG: SEPRO Social Development (\$1,300.4 million) Lead DG: SEPRO Healthy Northern Communities (\$91.8 million) Lead DG: NA	Certainty of Title and Access to Land and Resources (\$16.2 million) Lead DG: CIG Responsible Federal Stewardship (\$17.8 million) Lead DG: LTS First Nations Governance over Land, Resources and the Environment (\$59.4 million) Lead DG: LTS Northern Land and Resources (\$149.8 million) Lead DG: NA	Economic and Employment Opportunities for Aboriginal People (\$71.0 million) Lead DG: SEPRO Access to Capital and Economic Development (\$465.1 million) Lead DG: SEPRO Community Infrastructure (\$1,098.8 million) Lead DG: SEPRO Northern Economy (\$32.7 million) Lead DG: NA	Office of the Federal Interlocutor (\$27.4 million) Lead DG: OFI
Departmental Management and Administration				
Program Operations		Regional Operations		
PSD Senior ADM SEPRO Senior/Associate ADMs CIG ADM LTS ADM CS ADM NA ADM	Lead Senior ADM: SEPRO Regional Directors General (South) British Columbia Alberta Saskatchewan Manitoba	Ontario Quebec Atlantic	Lead ADM: NA Regional Directors General (North) Yukon Northwest Territories Nunavut	
Assistant Deputy Minister = ADM Director General = DG Claims and Indian Government = CIG Northern Affairs = NA Socio-Economic Policy and Regional Operations = SEPRO		OFI = Office of the Federal Interlocutor LTS = Lands and Trust Services PSD = Policy and Strategic Direction CS = Corporate Services		
<small>SEPRO combines two previously separate organizations: Socio-Economic Policy and Programs (SEPP) and Regional Operations Support and Services (ROSS). Note: Dollar figures are actual spending for fiscal year 2004-2005 and include pro-ration of Departmental Management and Administration.</small>				



Table 1: Comparison of Planned Spending and Full-time Equivalents

(\$ millions)	Actual 2002-2003	Actual 2003-2004	2004-2005			Actual
			Main Estimates	Planned Spending	Total Authorities	
Indian and Northern Affairs Canada						
Governance	65.4	66.8	54.9	56.9	66.8	66.5
Institutions	443.0	454.5	472.6	473.9	466.3	464.2
Co-operative Relationships	143.0	130.9	133.5	141.3	134.4	132.1
Northern Governance	13.0	11.9	14.8	14.8	10.7	10.6
Managing Individual Affairs	17.2	19.1	16.6	16.7	18.1	18.0
Education	1,484.3	1,538.3	1,552.7	1,555.1	1,587.3	1,580.2
Social Development	1,250.9	1,247.1	1,234.9	1,249.9	1,306.3	1,300.4
Healthy Northern Communities	81.6	88.0	84.9	84.9	92.8	91.8
Certainty of Title and Access to Land and Resources	45.1	44.0	97.7	99.8	22.5	16.2
Responsible Federal Stewardship	13.9	9.7	22.5	22.5	17.9	17.8
First Nations Governance Over Land, Resources and the Environment	58.3	62.1	64.9	64.9	59.7	59.4
Northern Lands and Resources	100.8	121.2	72.9	73.4	151.9	149.8
Economic and Employment Opportunities for Aboriginal People	86.4	75.3	79.8	79.8	108.8	71.0
Access to Capital and Economic Development	432.4	468.8	691.7	717.6	686.4	465.1
Community Infrastructure	1,125.0	1,109.7	1,153.8	1,158.3	1,114.5	1,098.8
Northern Economy	8.3	12.2	12.5	22.5	34.2	32.7
Office of the Federal Interlocutor	—	—	20.3	37.8	34.4	27.4
Subtotal Budgetary	5,368.6	5,459.5	5,781.0	5,870.3	5,913.0	5,602.2
Co-operative Relationships	58.6	63.6	73.6	75.8	73.6	51.9
Economic and Employment Opportunities for Aboriginal People	(0.4)	—	—	—	48.5	—
Northern Economy	—	—	—	—	11.9	—
Subtotal Non-Budgetary	58.1	63.6	73.6	75.8	133.9	51.8
Total Budgetary + Non-Budgetary	5,426.7	5,523.1	5,854.6	5,946.2	6,046.9	5,654.1
Less: Non-Respendable Revenue	173.5	212.6	172.0	172.0	338.2	338.2
Plus: Cost of Services Received Without Charge	71.7	64.1	64.9	64.9	63.5	63.5
Net Cost of Department	5,325.0	5,374.5	5,747.6	5,839.1	5,772.2	5,379.3
Full-time Equivalents	4,023	4,179	4,106	4,128	3,940	3,940



(\$ millions)	Actual 2002–2003	Actual 2003–2004	2004–2005			Actual
			Main Estimates	Planned Spending	Total Authorities	
Canadian Polar Commission						
Research Facilitation and Communication	0.9	1.0	1.0	1.0	1.0	1.0
Total	0.9	1.0	1.0	1.0	1.0	1.0
Less: Non-Respendable Revenue	—	—	—	—	—	—
Plus: Cost of Services Received Without Charge	—	—	—	—	—	—
Net Cost of Commission	0.9	1.0	1.0	1.0	1.0	1.0
Full-time Equivalents	5	5	5	5	5	5
Indian Specific Claims Commission						
Indian Specific Claims Commission	—	—	6.9	6.9	6.8	6.6
Total	—	—	6.9	6.9	6.8	6.6
Less: Non-Respendable Revenue	—	—	—	—	—	—
Plus: Cost of Services Received Without Charge	—	—	0.2	0.2	0.7	0.7
Net Cost of Commission	—	—	7.1	7.1	7.5	7.3
Full-time Equivalents	—	—	50	50	45	45

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



Table 2: Use of Resources by Program Activity

2004–2005 (\$ millions)						
Program Activities	Budgetary				Plus: Non-Budgetary	Total
	Operating	Capital	Grants and Contributions	Total: Gross/Net Budgetary Expenditures	Loans, Investments and Advances	
Indian and Northern Affairs Canada						
Governance						
Main Estimates	6.3	—	48.6	54.9	—	54.9
<i>Planned Spending</i>	6.3	—	50.6	56.9	—	56.9
Total Authorities	6.3	—	60.4	66.8	—	66.8
<i>Actual Spending</i>	6.0	—	60.4	66.5	—	66.5
Institutions						
Main Estimates	33.1	—	439.5	472.6	—	472.6
<i>Planned Spending</i>	33.1	—	440.8	473.9	—	473.9
Total Authorities	33.3	—	433.0	466.3	—	466.3
<i>Actual Spending</i>	31.2	—	433.0	464.2	—	464.2
Co-operative Relationships						
Main Estimates	69.4	—	64.1	133.5	73.6	207.1
<i>Planned Spending</i>	70.9	—	70.4	141.3	75.8	217.2
Total Authorities	64.6	—	69.8	134.4	73.6	208.0
<i>Actual Spending</i>	62.3	—	69.8	132.1	51.9	183.9
Northern Governance						
Main Estimates	14.4	—	0.4	14.8	—	14.8
<i>Planned Spending</i>	14.4	—	0.4	14.8	—	14.8
Total Authorities	8.0	—	2.7	10.7	—	10.7
<i>Actual Spending</i>	7.9	—	2.7	10.6	—	10.6
Managing Individual Affairs						
Main Estimates	8.9	—	7.7	16.6	—	16.6
<i>Planned Spending</i>	8.9	—	7.7	16.7	—	16.7
Total Authorities	9.4	—	8.6	18.1	—	18.1
<i>Actual Spending</i>	9.4	—	8.6	18.0	—	18.0
Education						
Main Estimates	104.2	—	1,448.5	1,552.7	—	1,552.7
<i>Planned Spending</i>	104.4	—	1,450.7	1,555.1	—	1,555.1
Total Authorities	115.4	—	1,471.9	1,587.3	—	1,587.3
<i>Actual Spending</i>	108.3	—	1,471.9	1,580.2	—	1,580.2
Social Development						
Main Estimates	76.2	—	1,158.7	1,234.9	—	1,234.9
<i>Planned Spending</i>	76.2	—	1,173.7	1,249.9	—	1,249.9
Total Authorities	86.6	—	1,219.7	1,306.3	—	1,306.3
<i>Actual Spending</i>	80.8	—	1,219.7	1,300.4	—	1,300.4



2004–2005 (\$ millions)						
Program Activities	Budgetary				Plus: Non-Budgetary	Total
	Operating	Capital	Grants and Contributions	Total: Gross/Net Budgetary Expenditures	Loans, Investments and Advances	
Healthy Northern Communities						
Main Estimates	33.9	—	51.0	84.9	—	84.9
<i>Planned Spending</i>	33.9	—	51.0	84.9	—	84.9
Total Authorities	46.5	—	46.3	92.8	—	92.8
<i>Actual Spending</i>	45.6	—	46.3	91.8	—	91.8
Certainty of Title and Access to Land and Resources						
Main Estimates	13.6	6.3	78.1	97.7	—	97.7
<i>Planned Spending</i>	13.8	7.3	78.7	99.8	—	99.8
Total Authorities	7.5	6.3	8.7	22.5	—	22.5
<i>Actual Spending</i>	7.0	3.0	6.2	16.2	—	16.2
Responsible Federal Stewardship						
Main Estimates	7.2	—	15.3	22.5	—	22.5
<i>Planned Spending</i>	7.2	—	15.3	22.5	—	22.5
Total Authorities	5.7	—	12.1	17.9	—	17.9
<i>Actual Spending</i>	5.7	—	12.1	17.8	—	17.8
First Nations Governance Over Land, Resources and the Environment						
Main Estimates	31.6	—	33.3	64.9	—	64.9
<i>Planned Spending</i>	31.6	—	33.3	64.9	—	64.9
Total Authorities	29.9	1.0	28.7	59.7	—	59.7
<i>Actual Spending</i>	29.7	1.0	28.7	59.4	—	59.4
Northern Lands and Resources						
Main Estimates	57.6	—	15.3	72.9	—	72.9
<i>Planned Spending</i>	58.1	—	15.3	73.4	—	73.4
Total Authorities	100.8	—	51.1	151.9	—	151.9
<i>Actual Spending</i>	100.0	—	49.8	149.8	—	149.8
Economic and Employment Opportunities for Aboriginal People						
Main Estimates	7.5	—	72.3	79.8	—	79.8
<i>Planned Spending</i>	7.5	—	72.3	79.8	—	79.8
Total Authorities	43.3	—	65.5	108.8	48.5	157.2
<i>Actual Spending</i>	5.5	—	65.5	71.0	—	71.0
Access to Capital and Economic Development						
Main Estimates	50.1	—	641.6	691.7	—	691.7
<i>Planned Spending</i>	50.1	—	667.6	717.6	—	717.6
Total Authorities	49.0	—	637.4	686.4	—	686.4
<i>Actual Spending</i>	32.7	—	432.5	465.1	—	465.1



2004–2005 (\$ millions)						
Program Activities	Budgetary				Plus: Non-Budgetary	Total
	Operating	Capital	Grants and Contributions	Total: Gross/Net Budgetary Expenditures	Loans, Investments and Advances	
Community Infrastructure						
Main Estimates	102.4	11.0	1,040.4	1,153.8	—	1,153.8
<i>Planned Spending</i>	102.4	11.0	1,044.9	1,158.3	—	1,158.3
Total Authorities	101.3	10.0	1,003.3	1,114.5	—	1,114.5
<i>Actual Spending</i>	95.7	0.9	1,002.3	1,098.8	—	1,098.8
Northern Economy						
Main Estimates	7.1	—	5.4	12.5	—	12.5
<i>Planned Spending</i>	7.6	—	14.9	22.5	—	22.5
Total Authorities	26.8	—	7.5	34.2	11.9	46.1
<i>Actual Spending</i>	25.2	—	7.5	32.7	—	32.7
Office of the Federal Interlocutor						
Main Estimates	4.7	—	15.5	20.3	—	20.3
<i>Planned Spending</i>	8.4	—	29.4	37.8	—	37.8
Total Authorities	9.3	—	25.0	34.4	—	34.4
<i>Actual Spending</i>	6.6	—	20.8	27.4	—	27.4
Total						
Main Estimates	628.1	17.3	5,135.6	5,781.0	73.6	5,854.6
<i>Planned Spending</i>	634.9	18.3	5,217.1	5,870.3	75.8	5,946.2
Total Authorities	743.9	17.3	5,151.8	5,913.0	133.9	6,046.9
<i>Actual Spending</i>	659.6	5.0	4,937.7	5,602.2	51.8	5,654.1
Canadian Polar Commission						
Research Facilitation and Communication						
Main Estimates	1.0	—	—	1.0	—	1.0
<i>Planned Spending</i>	1.0	—	—	1.0	—	1.0
Total Authorities	1.0	—	—	1.0	—	1.0
<i>Actual Spending</i>	1.0	—	—	1.0	—	1.0
Indian Specific Claims Commission						
Indian Specific Claims Commission						
Main Estimates	6.9	—	—	6.9	—	6.9
<i>Planned Spending</i>	6.9	—	—	6.9	—	6.9
Total Authorities	6.8	—	—	6.8	—	6.8
<i>Actual Spending</i>	6.6	—	—	6.6	—	6.6

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



Table 3: Voted and Statutory Items

Voted or Statutory Item (\$ millions)	2004–2005			
	Main Estimates	Planned Spending	Total Authorities	Actual Spending
Indian and Northern Affairs Canada				
1 Operating expenditures	537.7	540.7	595.8	547.1
5 Capital expenditures	17.3	18.3	17.3	5.0
6 To write off a debt of \$18,000,000 representing the outstanding balance of a Flexible Term Note held by the Yukon Energy Corporation in favour of Her Majesty, which Note was repaid to Her Majesty at fair market value	—	—	18.0	17.5
10 Grants and contributions	4,970.1	5,037.7	4,981.2	4,770.9
15 Payments to Canada Post Corporation	27.6	27.6	37.0	36.5
26 Office of the Federal Interlocutor for Métis and Non-Status Indians — Operating expenditures*	4.3	7.9	6.9	4.7
27 Office of the Federal Interlocutor for Métis and Non-Status Indians — Contributions*	15.5	29.4	25.0	20.8
(S) Minister of Indian Affairs and Northern Development — Salary and motor car allowance	0.1	0.1	0.1	0.1
(S) Grassy Narrows and Islington Bands Mercury Disability Board	—	—	—	—
(S) Liabilities in respect of loan guarantees made to Indians for Housing and Economic Development	2.0	2.0	1.5	1.5
(S) Indian Annuities Treaty payments	1.4	1.4	1.5	1.5
(S) Grants to Aboriginal organizations designated to receive claim settlement payments pursuant to Comprehensive Land Claim Settlement Acts	148.6	148.6	144.1	144.1
(S) Payments to comprehensive claim beneficiaries in compensation for resource royalties	1.5	1.5	5.0	5.0
(S) Contributions to employee benefit plans*	54.5	54.7	43.6	43.6
(S) Contributions to employee benefit plans — Office of the Federal Interlocutor*	0.4	0.5	0.2	0.2
(S) Payment from the Consolidated Revenue Fund of guaranteed loans issued out of the Indian economic development account	—	—	32.0	0.1
(S) Court awards	—	—	2.4	2.4
(S) Refunds of amounts credited to revenues in previous years	—	—	1.2	1.2
(S) Spending of proceeds from the disposal of surplus Crown assets	—	—	0.2	0.1
Total budgetary	5,781.0	5,870.3	5,913.0	5,602.2



Voted or Statutory Item	(\$ millions)	2004-2005			
		Main Estimates	Planned Spending	Total Authorities	Actual Spending
L20	Loans and guarantees of loans through the Indian Economic Development Account	—	—	48.5	—
L20	Loans to native claimants	35.5	35.5	38.1	23.1
L25	Loans to First Nations in British Columbia for the purpose of supporting their participation in the British Columbia Treaty Commission process	38.1	40.3	35.5	28.8
L40	Loans to the Government of the Yukon Territory for making second mortgage loans to territory residents	—	—	0.3	—
L55	Provision of Inuit loan fund for loans to Inuit to promote commercial activities	—	—	6.6	—
L81	Loans for the establishment or expansion of small businesses in the Yukon Territory	—	—	5.0	—
Total non-budgetary		73.6	75.8	133.9	51.8
Total Department		5,854.6	5,946.2	6,046.9	5,654.1
Canadian Polar Commission					
30	Program expenditures	0.9	0.9	0.9	0.9
(S)	Contributions to employee benefit plans	0.1	0.1	0.1	0.1
Total Agency		1.0	1.0	1.0	1.0
Indian Specific Claims Commission					
28	Program expenditures*	6.3	6.3	6.3	6.1
(S)	Contributions to employee benefit plans	0.6	0.6	0.5	0.5
Total Agency		6.9	6.9	6.8	6.6

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

*Adjusted for amounts from Privy Council Office (for the Office of the Federal Interlocutor and the Indian Specific Claims Commission).



Table 4: Net Cost

(\$ millions)	Indian and Northern Affairs Canada	Canadian Polar Commission	Indian Specific Claims Commission
Total Actual Spending	5,654.1	1.0	6.6
<i>Plus: Services Received Without Charge</i>			
Accommodation provided by Public Works and Government Services Canada (PWGSC)	23.2	—	0.4
Contributions covering employers' share of employees' insurance premiums and expenditures paid by Treasury Board Secretariat (TBS) (excluding revolving funds)	21.5	—	0.3
Workman's compensation coverage provided by Social Development Canada	1.0	—	—
Salary and associated expenditures of legal services provided by Justice Canada	17.8	—	—
Subtotal	63.5	—	0.7
<i>Less: Non-Responsible Revenue</i>	338.2	—	—
2004–2005 Net Cost	5,379.3	1.0	7.3

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

Table 5: Contingent Liabilities

(\$ millions)	Amount of Contingent Liability	
	March 31, 2004	Current as of March 31, 2005
List of Contingent Liabilities		
Indian and Northern Affairs Canada		
Loans	1,290.7	1,307.7
Claims and pending and threatened litigation	14,008.2	15,354.8
Total (Department)	15,298.9	16,662.4

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

Table 6: Loans, Investments and Advances (Non-Budgetary)

(\$ millions)	Actual 2002–2003	Actual 2003–2004	2004–2005			
			Main Estimates	Planned Spending	Total Authorities	Actual
Indian and Northern Affairs Canada						
Co-operative Relationships						
Loans to native claimants	31.8	36.0	38.1	38.1	38.1	23.1
Loans to First Nations in British Columbia for the purpose of supporting their participation in the British Columbia Treaty Commission process	26.7	27.6	35.5	37.7	35.5	28.8
Economic and Employment Opportunities for Aboriginal People						
Loans and guarantees of loans through the Indian Economic Development Account	(0.4)	—	—	—	48.5	—
Northern Economy						
Loans to the Government of the Yukon Territory for making second mortgage loans to territory residents	—	—	—	—	0.3	—
Provision of Inuit loan fund for loans to Inuit to promote commercial activities	—	—	—	—	6.6	—
Loans for the establishment or expansion of small businesses in the Yukon Territory through the Yukon Territory small business loan account	—	—	—	—	5.0	—
Total (Department)	58.1	63.6	73.6	75.8	133.9	51.8
Canadian Polar Commission						
N/A	—	—	—	—	—	—
Indian Specific Claims Commission						
N/A	—	—	—	—	—	—

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



Table 7: Sources of Non-Respendable Revenue

(\$ millions)	Actual 2002–2003	Actual 2003–2004	2004–2005			
			Main Estimates	Planned Revenue	Total Authorities	Actual
Indian and Northern Affairs Canada*						
Indian and Inuit Affairs						
Return on investments:						
• Indian economic development fund	0.5	0.5	0.5	0.5	0.5	0.5
• Native claimants	8.5	7.6	8.5	8.5	7.1	7.1
Recovery from guaranteed loans	1.0	0.9	0.5	0.5	1.0	1.0
Refunds of previous years' expenditures	12.2	13.7	12.7	12.7	15.7	15.7
Adjustment of prior year's payables at year-end	1.5	2.0	1.5	1.5	5.0	5.0
Proceeds from:						
• Disposal of surplus Crown assets	0.1	0.1	0.1	0.1	0.1	0.1
Other non-tax revenues	7.7	6.2	7.1	7.1	7.5	7.5
Northern Affairs						
Return on investments:						
• Norman Wells Project profits	90.2	99.4	78.0	78.0	115.0	115.0
• Other	0.6	1.2	0.5	0.5	0.8	0.8
Refunds of previous years' expenditures	1.9	0.9	1.1	1.1	18.1	18.1
Adjustments of prior year's payables at year-end	0.4	0.3	1.1	1.1	0.8	0.8
Canada mining	26.3	63.8	41.0	41.0	146.6	146.6
Quarrying royalties	0.2	0.2	0.2	0.2	0.1	0.1
Oil and gas royalties	13.5	10.7	16.0	16.0	13.0	13.0
Forestry	0.1	—	—	—	—	—
Land, building and machinery rentals	0.2	0.2	—	—	0.2	0.2
Land use fees	—	—	0.2	0.2	—	—
Other non-tax revenues	8.6	4.2	2.9	2.9	5.9	5.9
Departmental Management and Administration (DMA)						
Refunds of previous years' expenditures	0.2	0.1	0.1	0.1	0.1	0.1
Adjustments of prior year's payables at year-end	—	0.6	—	—	0.8	0.8
Total (Department)	173.5	212.6	172.0	172.0	338.2	338.2
Canadian Polar Commission						
N/A	—	—	—	—	—	—
Indian Specific Claims Commission						
N/A	—	—	—	—	—	—

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

*Reporting of Non-Respendable Revenue by Program Activity will commence with the 2005–2006 Departmental Performance Report.



Table 10: User Fees

Section A: User Fee	Fee Type	Fee-Setting Authority	Date Last Modified	2004–2005			Planning Years				
				Forecast Revenue (\$000)	Actual Revenue (\$000)	Full Cost (\$000)	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue (\$000)	Estimated Full Cost (\$000)
Canada Mining	Regulatory	CMR	See Section B: Proposed amendments can be viewed at http://www.ainc-inac.gc.ca/ps/nap/min_e.html	4,000	5,520	See note 1	Current service standards are set in existing legislation and regulation: CMR http://laws.justice.gc.ca/en/t-7/c.r.c.-c.1516/182141.html CMR — amendments www.ainc-inac.gc.ca/ps/nap/min_e.html	Performance results for minerals management in Nunavut and the NWT are under development as part of a larger exercise by Indian and Northern Affairs to develop a results framework and a department-wide resource and management accountability framework for fall 2004	2005–2006 2006–2007 2007–2008	5,241 5,241 5,241	See note 1
Land Use	Regulatory	TLR	2003	156	355	See note 1	Current service standards are set in existing legislation and regulation: TLR http://laws.justice.gc.ca/en/T-7/C.R.C.-c.1524/184438.html	Performance results for land management in Nunavut and the NWT are under development as part of a larger exercise by Indian and Northern Affairs to develop a results framework and a department-wide resource and management accountability framework for fall 2004	2005–2006 2006–2007 2007–2008	367 367 367	See note 1
Land Regulations	Regulatory	TLR	2003	32	1,752	See note 1	As above — see TLR	Performance results for land management in Nunavut and the NWT are under development as part of a larger exercise by Indian and Northern Affairs to develop a results framework and a department-wide resource and management accountability framework for fall 2004	2005–2006 2006–2007 2007–2008	1,732 1,732 1,752	See note 1
Other Initiatives Less than \$100,000	Regulatory, Legislative	TCR		30	46	See note 1	See note 2	Performance results for INAC activities in the North are under development as part of a larger exercise by Indian and Northern Affairs to develop a results framework and a department-wide resource and management accountability framework for fall 2004	2005–2006 2006–2007 2007–2008	49 49 49	See note 1
TOTAL				4,218	7,673				2005–2006 2006–2007 2007–2008	7,389 7,389 7,409	

Notes:

1. INAC is currently not a cost-recovery organization and has not carried out the analysis necessary to determine the estimated full cost to provide any of its goods or services related to the collection of fees, royalties and other revenues.
2. Most of these initiatives are very small and the development of service standards is either not applicable or of little value added.

Abbreviations: CMR — Canada Mining Regulations; TLR — Territorial Land Use Regulations; TCR — Territorial Coal Regulations

Section B: Date Last Modified

The Canada Mining Regulations (CMR) are currently in the process of modernization. The royalty sections of the CMR were amended in 1999, but the remainder of the regulations were left as they were written in 1977. The metric system is being introduced in this round of amendments, thereby changing the fee schedule to reflect the amounts required by hectares instead of acres. The mining industry and other stakeholders were consulted by various methods of consultation and no complaints about the changes were submitted. One new fee is being added to discourage nuisance protests against a claim.

Section C: Other Information

The fees received by the Mining Recorder's Office are based on the mining activities taking place in that particular territory. The fees charged are basically to acquire Crown lands for exploration of minerals by recording a claim, a lease of a mineral claim, and any other transactions against that claim or lease or for prospecting permits.



Table 14: Details on Transfer Payment Programs

Name of Transfer Payment Program: Payments for First Nations, Inuit and Northerners — The Government

Start Date: N/A

End Date: Ongoing

Total Funding: Ongoing

Description of Transfer Payment Program: Improving the quality of life and fostering self-reliance for First Nations, Inuit and Northerners.

Objective(s), expected result(s) and outcomes: Good governance and effective institutions for First Nations, Inuit and Northerners, built on co-operative relationships.

Achieved results or progress made: See Section II for details.

	Actual Spending 2002–2003	Actual Spending 2003–2004	Planned Spending 2004–2005	Total Authorities 2004–2005	Actual Spending 2004–2005	Actual vs Planned
Governance						
Grants	5.2	5.6	5.6	5.6	5.6	—
Contributions	52.5	53.3	45.0	54.9	54.9	9.9
Subtotal	57.6	58.8	50.6	60.4	60.4	9.9
Institutions						
Grants	199.0	203.7	302.5	209.2	209.2	(93.3)
Contributions	201.8	213.3	138.2	223.8	223.8	85.5
Subtotal	400.8	417.0	440.8	433.0	433.0	(7.8)
Co-operative Relationships						
Grants	—	—	—	—	—	—
Contributions	58.4	64.1	70.4	69.8	69.8	(0.6)
Subtotal	58.4	64.1	70.4	69.8	69.8	(0.6)
Northern Governance						
Grants	1.3	—	—	—	—	—
Contributions	3.5	2.5	0.4	2.7	2.7	2.3
Subtotal	4.9	2.5	0.4	2.7	2.7	2.3
Total Transfer Payment Program	521.7	542.4	562.2	566.0	566.0	3.8

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



Name of Transfer Payment Program: Payments for First Nations, Inuit and Northerners — The People

Start Date: N/A

End Date: Ongoing

Total Funding: Ongoing

Description of Transfer Payment Program: Improving the quality of life and fostering self-reliance for First Nations, Inuit and Northerners.

Objective(s), expected result(s) and outcomes: Strengthened individual and family well-being for First Nations, Inuit and Northerners.

Achieved results or progress made: See Section II for details.

	Actual Spending 2002–2003	Actual Spending 2003–2004	Planned Spending 2004–2005	Total Authorities 2004–2005	Actual Spending 2004–2005	Actual vs Planned
Managing Individual Affairs						
Grants	2.1	2.2	1.7	1.8	1.8	0.1
Contributions	5.8	5.3	6.0	6.9	6.9	0.8
Subtotal	8.0	7.4	7.7	8.6	8.6	0.9
Education						
Grants	30.4	30.5	32.5	28.8	28.8	(3.7)
Contributions	1,322.5	1,389.1	1,418.2	1,443.1	1,443.1	24.9
Subtotal	1,353.0	1,419.6	1,450.7	1,471.9	1,471.9	21.2
Social Development						
Grants	7.5	8.2	16.6	7.6	7.6	(9.1)
Contributions	1,137.6	1,149.0	1,157.1	1,212.1	1,212.1	55.0
Subtotal	1,145.1	1,157.3	1,173.7	1,219.7	1,219.7	45.9
Healthy Northern Communities						
Grants	—	—	—	—	—	—
Contributions	43.7	44.9	51.0	46.3	46.3	(4.8)
Subtotal	43.7	44.9	51.0	46.3	46.3	(4.8)
Total Transfer Payment Program	2,549.8	2,629.2	2,683.2	2,746.4	2,746.4	63.2

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



Name of Transfer Payment Program: Payments for First Nations, Inuit and Northerners — The Land

Start Date: N/A

End Date: Ongoing

Total Funding: Ongoing

Description of Transfer Payment Program: Improving the quality of life and fostering self-reliance for First Nations, Inuit and Northerners.

Objective(s), expected result(s) and outcomes: Transferred land title, and sustainable use of lands and management of resources by First Nations, Inuit and Northerners.

Achieved results or progress made: See Section II for details.

	Actual Spending 2002–2003	Actual Spending 2003–2004	Planned Spending 2004–2005	Total Authorities 2004–2005	Actual Spending 2004–2005	Actual vs Planned
Certainty of Title and Access to Land and Resources						
Grants	27.1	28.5	71.3	6.1	3.6	(67.7)
Contributions	2.9	2.2	7.4	2.6	2.6	(4.8)
Subtotal	30.1	30.7	78.7	8.7	6.2	(72.5)
Responsible Federal Stewardship						
Grants	—	—	—	—	—	—
Contributions	9.4	4.9	15.3	12.1	12.1	(3.2)
Subtotal	9.4	4.9	15.3	12.1	12.1	(3.2)
First Nations Governance Over Land, Resources and the Environment						
Grants	—	—	—	—	—	—
Contributions	31.2	36.0	33.3	28.7	28.7	(4.6)
Subtotal	31.2	36.0	33.3	28.7	28.7	(4.6)
Northern Lands and Resources						
Grants	0.7	0.8	0.7	1.1	1.1	0.4
Contributions	18.5	34.8	14.5	50.1	48.7	34.2
Subtotal	19.2	35.6	15.3	51.1	49.8	34.5
Total Transfer Payment Program	89.9	107.2	142.6	100.7	96.8	(45.8)

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

Name of Transfer Payment Program: Payments for First Nations, Inuit and Northerners — The Economy

Start Date: N/A

End Date: Ongoing

Total Funding: Ongoing

Description of Transfer Payment Program: Improving the quality of life and fostering self-reliance for First Nations, Inuit and Northerners.

Objective(s), expected result(s) and outcomes: Increased participation by Aboriginal people and Northerners in the economy.

Achieved results or progress made: See Section II for details.

	Actual Spending 2002–2003	Actual Spending 2003–2004	Planned Spending 2004–2005	Total Authorities 2004–2005	Actual Spending 2004–2005	Actual vs Planned
Economic and Employment Opportunities for Aboriginal People						
Grants	—	—	—	—	—	—
Contributions	77.0	67.6	72.3	65.5	65.5	(6.8)
Subtotal	77.0	67.6	72.3	65.5	65.5	(6.8)
Access to Capital and Economic Development						
Grants	310.5	339.5	561.4	538.5	333.6	(227.8)
Contributions	81.6	91.4	106.2	98.9	98.9	(7.3)
Subtotal	392.1	430.9	667.6	637.4	432.5	(235.1)
Community Infrastructure						
Grants	60.4	74.3	74.8	74.7	74.7	(0.1)
Contributions	951.6	932.1	970.0	928.5	927.5	(42.5)
Subtotal	1,012.0	1,006.4	1,044.9	1,003.3	1,002.3	(42.6)
Northern Economy						
Grants	—	—	—	1.0	1.0	1.0
Contributions	6.5	10.7	14.9	6.5	6.5	(8.4)
Subtotal	6.5	10.7	14.9	7.5	7.5	(7.5)
Total Transfer Payment Program	1,487.6	1,515.6	1,799.7	1,713.6	1,507.7	(292.0)

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

Name of Transfer Payment Program: Payments for Métis, Non-Status Indians and urban Aboriginal Canadians — The Office of the Federal Interlocutor

Start Date: N/A

End Date: Ongoing

Total Funding: Ongoing

Description of Transfer Payment Program: Improving the quality of life and fostering self-reliance for Métis, Non-Status Indians and urban Aboriginal Canadians.

Objective(s), expected result(s) and outcomes: Strengthened relationships with Métis, Non-Status Indians and urban Aboriginal Canadians to raise awareness of their needs, improve access to federal services and improve horizontal linkages among federal organizations and other partners.

Achieved results or progress made: See Section II for details.

	Actual Spending 2002–2003	Actual Spending 2003–2004	Planned Spending 2004–2005	Total Authorities 2004–2005	Actual Spending 2004–2005	Actual vs Planned
Office of the Federal Interlocutor						
Grants			—	—	—	—
Contributions			29.4	25.0	20.8	(8.6)
Subtotal	N/A	N/A	29.4	25.0	20.8	(8.6)
Total Transfer Payment Program			29.4	25.0	20.8	(8.6)

Table 16: Financial Statements of Departmental Corporations and Agents of Parliament

Canadian Polar Commission

Financial Statements for the Canadian Polar Commission for the fiscal year ended March 31, 2005, are included in the annual report, which is available at <http://www.polarcom.gc.ca>

Table 17: Response to Parliamentary Committees, Audits and Evaluations for Fiscal Year 2004–2005

Indian and Northern Affairs Canada

Response to Parliamentary Committees	
<p><i>Question raised</i></p> <p>A motion was adopted in the Senate on November 3, 2004, requesting that the Minister table a complete and detailed response to the sixth report of the Standing Senate Committee on Aboriginal Peoples, entitled Urban Aboriginal Youth: An Action Plan for Change, tabled in the Senate on October 30, 2003, during the Second Session of the Thirty-seventh Parliament and adopted by the Senate on April 1, 2004, during the Third Session of the Thirty-seventh Parliament.</p> <p>http://www.parl.gc.ca/38/1/parlbus/chambus/senate/deb-e/012db_2004-11-03-e.htm?Language=E&Parl=38&Ses=1#43</p>	<p><i>Response</i></p> <p>The response of the Government of Canada to the Sixth Report of the Standing Senate Committee on Aboriginal Peoples — Urban Aboriginal Youth: An Action Plan for Change was tabled on April 19, 2005.</p>
Response to the Auditor General	
<p>Chapter 5, November 2004 Report of the Auditor General to the House of Commons concerned the Education Program and the Post-Secondary Student Support Program. The report made nine recommendations concerning a strategy and action plan, a clear role for INAC in education, performance and results indicators, cost information and benchmarking, tuition agreements and consistent application of them, evaluation of schools, an accountability regime for the Post-Secondary Student Support Program, accurate information about this program, and better reporting to Parliament about the program. Please see: http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20041105ce.html/\$file/20041105ce.pdf</p>	<p>The department's response was articulated in an Action Plan developed in early 2005 and tabled by the Minister to the Standing Committee on Public Accounts in May 2005.</p>
External Audits or Evaluations	
<p>OAG Audit of Education Program and Post-Secondary Student Support Program</p>	<p>See above.</p>
Internal Audits or Evaluations	
<p>Family Violence Prevention Program</p>	<p>Available upon request.</p>
<p>Labrador Innu Comprehensive Healing Strategy</p>	<p>In progress.</p>
<p>First Nations Child and Family Services</p>	<p>Available upon request.</p>
<p>Band Employee Benefits Program</p>	<p>Available upon request.</p>
<p>Indian Inuit Management Development</p>	<p>Available upon request.</p>
<p>Tribal Council Funding and Band Advisory Services</p>	<p>Available upon request.</p>
<p>Saskatchewan Exploratory Treaty Table and Office of the Treaty Commissioner</p>	<p>Available upon request.</p>
<p>Sustainable Development Strategy</p>	<p>Available upon request.</p>

Table 18: Sustainable Development Strategy
INAC's Sustainable Development Vision

Within two generations, many First Nations, Inuit and northern communities will be healthy and safe models of sustainability. They will have housing, infrastructure and support services comparable to those of similar size and function elsewhere in Canada. Within a protected environment, they will have effective transportation and communications links to the rest of the country and ample, affordable, clean sources of energy. A majority of First Nations and Inuit communities will effectively manage their own institutions with strong governance structures. Community members, especially women and youth, will have acceptable opportunities for education, will participate in the economy and will be able to get involved in local governance.

Land claims, including issues such as management of and access to natural resources, and land tenure will have been largely settled through negotiations. Community planning and development will be long-term, locally driven and comprehensive.

The northern territories will be more self-sufficient and prosperous regions where people manage their own affairs and make stronger contributions to the country as a whole. As First Nations, Inuit and Northerners gain greater autonomy and build capacity, the types of services they will require from the federal government will change. As communities become healthier, safer, and economically and environmentally stable, a smaller department will likely emerge.

A major focus of the department will be the implementation of the many First Nations and Inuit self-government agreements. INAC will also be a strong advocate for Aboriginal and northern people and will play a more active role as a facilitator to develop partnerships to work more co-operatively on Aboriginal issues, while respecting traditions, governance structures, language, gender and culture.

Striving toward this vision strengthens the federal government's legal, constitutional, fiduciary and Treaty obligations and will require concerted co-operation.

Sustainable Development Strategy (SDS) Implementation and Progress

Implementing the commitments of the 2004-2006 SDS and refining the reporting and accountability structure for managing, monitoring and reporting on progress were the focus of most SDS-associated activities for fiscal year 2004-2005.

Over the year, regions and sectors developed action plans to implement their specific targets.

Action plans include specific detailed tasks or actions, each with a performance measure to ensure that implementation can be monitored and measured. Even though the quality varied, the majority of the plans were received by the June 30, 2004, deadline. The highlights of the action plans will be posted on the Internet and linked to the Sustainable Development Tracking and Reporting System (STARS).

The former Associate Deputy Minister of INAC requested that senior management be kept informed of progress semi-annually. Accordingly, sectors and regions were asked to report progress on their specific targets by September 30, 2004. Most reports were entered into STARS on time and the first semi-annual progress report was produced in October 2004. An update on SDS progress was presented to the INAC National Management Committee in January 2005.

In any strategy or plan, some issues are of greater importance than others and present varying degrees of risk to the organization. Under the guidance of the Departmental Audit and Evaluation Branch, the Sustainable Development Division undertook a risk analysis of the SDS commitments to determine which ones could have the greatest impact on the department reaching its strategic objectives if the commitments were not implemented. There has been good progress on all the high-risk commitments across the country, most of which are described in the following section.

There is little disagreement that the mandate of INAC is the long-term social, economic, cultural and environmental prosperity of First Nation, Inuit and Northern peoples and communities, in other words their sustainability. Over the past four years, the *Report on Plans and Priorities* (RPP) has been highly reflective of the concept of sustainability as well as the content of the SDS. The department is attempting to consolidate major planning initiatives into a "One Plan, One Process System." The Sustainable Development Division has been participating in this exercise over the past year in an effort to make input to the SDS and the RPP consistent. Much integration has already taken place and most regional strategic plans reflect SDS and RPP

commitments. Strategic Outcome Tables have SDS commitments integrated into their plans.

One other SDS commitment that is worth noting is the reflection of SDS commitments in senior management contracts. In conjunction with Human Resources (HR), the Sustainable Development Division continued to work with HR to achieve consistency in reference to sustainable development as a concept as well as to specific SDS commitments in all Associate Regional Directors General and Assistant Deputy Minister management contracts.

Progress on Specific SDS 2004–2005 Commitments

The five SDS themes are Consultation and Joint Decision Making, Long-term Planning, Water Management, Climate Change and Energy Management, and Integrating Sustainable Development into Departmental Policies and Processes. The first four themes deal directly with community sustainability; these are the themes in which many of the regional commitments are found. The fifth theme focusses on more subtle operational and behavioural change within the department.

INAC Consultation Framework

In the November 2004 Supreme Court of Canada decisions in *Haida* and *Taku River*, the Court found that the federal and provincial Crown may have a duty to consult and to accommodate the interests of Aboriginal groups when it contemplates conduct that might adversely affect the groups' claimed Aboriginal rights or title. An interdepartmental Assistant Deputy Minister-level Working Group has been set up to assess the decisions and to develop a federal response that will ensure consistency across government. An INAC Consultation Framework would build on the outcome of this initiative.

Establishment of INAC/First Nations/Inuit/Northerner Joint Priority-setting Processes

A number of new joint priority-setting mechanisms were established in INAC regions during 2004–2005 to discuss common priorities in promoting sustainable development. In the Atlantic region, a federal forum on Aboriginal

issues in Newfoundland and Labrador was created and two sessions were held with a third session scheduled for fall 2005. The sessions have been well represented by the various federal government departments. Discussions are also ongoing between INAC Atlantic region, the Innu and Health Canada to prioritize next steps towards healing, and an Education Steering Committee has been formed.

In the British Columbia region, three Joint First Nation/INAC Committee forums were held on accountability, economic opportunities and sustainable housing. The results of these forums were increased understanding of First Nations priorities and of INAC's policies and programs. A semi-annual progress report distributed to all First Nations reports on the results of commitment implementation.

The INAC Quebec region collaborated with regional First Nations organizations to ensure their priorities were included in strategic plans for community planning, housing, education and economic development. INAC Quebec continues to work closely with the First Nations of Quebec and Labrador Sustainable Development Institute (FNQLSDI). A co-operative agreement between the FNQLSDI and federal Ministers and agencies has been presented to the Federal Interdepartmental Committee on Sustainable Development to promote the sustainable development action plan of the Institute.

The INAC Manitoba region initiated a joint priority-setting process with the three regional political organizations: Assembly of Manitoba Chiefs, Manitoba Keewatinook Ininew Okimowin and the Southern Chiefs Organization. Work continues on developing this joint priority-setting process.

In the INAC Alberta region, input on Aboriginal issues relating to the SDS is being sought from elders and youth at regional/treaty gatherings and workshops.

Comprehensive Community Planning (CCP)

In previous years, the department focussed on building awareness of and developing tools and models to support First Nation comprehensive community planning. It is estimated that approximately 20 percent of First Nation communities

across the country now have community plans in place, many of which are actively pursuing implementation. In response, the department has recently confirmed a two-staged approach to fulfilling its SDS commitments, first the development of an INAC CCP strategy, followed by a federal comprehensive community planning strategy. Both strategies will be developed in co-operation with all key stakeholders.

In 2004, pilot projects began in both the INAC Atlantic and British Columbia Regional Offices, which will provide a regionally-based integrated approach to supporting First Nations in their development and implementation of comprehensive community plans. Best practices obtained from the pilot projects will be used in the development of a national INAC approach. This national approach will not only provide support for comprehensive community-specific planning initiatives in all southern regions, it will also serve as a template for the development of the federal comprehensive community planning strategy.

Development of an Integrated Land, Environment and Natural Resources Management Action Plan

To assist in achieving the long-term goal of First Nations governance over their lands, resources and environment, the department is launching a pilot project of the new Reserve Land and Environment Management Program (RLEMP). RLEMP was designed in partnership with First Nations wishing to develop increased land management expertise in order to assume greater responsibility for land management on their reserves. It will provide First Nations with the framework to manage lands under the legal requirements of the *Indian Act*. RLEMP is comprised of three expanded components: 1) a broader range of land and environmental management activities with clearly defined roles and responsibilities; 2) an integrated approach to training; and 3) a new funding formula.

First Nations Water Management Strategy

Implementation of the First Nations Water Management Strategy progressed well during 2004-2005. Additional funding of \$80.1 million was provided in 2003-2004, bringing the

total investment to an estimated \$255.1 million to build and upgrade water and wastewater treatment facilities, to provide sufficient resources to operate and maintain existing facilities and to train operators towards obtaining certification. Since implementation of the strategy in 2003-2004, water-related investments have resulted in a cumulative increase in the number of certified operators by 30 percent, of which 7 percent were certified within the last year. Moreover, the number of high- and medium-risk facilities has decreased by a total of 21 percent and 26 percent respectively. Circuit-rider programs have been established or expanded in all regions to ensure adequate support to water treatment operators in First Nation communities. Phase 1 of a public awareness program was completed and Phase 2 will be implemented in 2005-2006. Water quality protocols have been completed and are being implemented in all regions. A national framework for reviewing water and waste-water systems was finalized in co-operation with Health Canada and Environment Canada. It will be implemented during the coming year to ensure better coordination between federal departments. A Memorandum of Understanding was signed with Environment Canada to build First Nation capacity in the area of source water protection and sustainable water use. INAC is also exploring the possibility of private-public partnerships for the management of treatment facilities.

Climate Change

Significant progress has been achieved in 2004-2005 in addressing INAC's climate change commitments. The main work is conducted under the auspices of the Aboriginal and Northern Community Action Program (ANCAP). Each of the INAC regions has achieved an adequate level of capacity (through training, funding and human resource support, and a significant start at community energy baseline planning) to start working in an organized and coordinated fashion with communities to address energy use and production for the purpose of greenhouse gas reduction. Important co-benefits emerge from these actions, such as cleaner air, reduced diesel fuel spills, training and education.

The Large Energy Projects Working Group is working in partnership with communities and other key project partners to develop these energy projects across the country. Numerous opportunities in renewable energy (mini hydro, wind, biomass) and energy efficiency (efficiency measures in large buildings) have been identified and a number have been approved for funding.

Work with the key INAC sectors of capital and economic development to integrate energy-related criteria considerations continues. This integration is key for overall departmental commitments to support Canada's obligations under the Kyoto Protocol.

Work has commenced on developing impact and adaptation strategies for Aboriginal and northern communities, and the assessment of departmental vulnerabilities in terms of policies, programs and procedures. Consultations with key northern partners (Aboriginal organizations, federal departments, territorial governments and organizations) and establishment of the Northern Climate Change Committee have resulted in a draft of a northern Impact and Adaptation Strategy. Consultations are also under way with key partners south of 60° to develop a similar strategy for southern regions.

Sustainable Internal Operations

INAC Corporate Services has continued to progress towards the achievement of its SDS commitments related to decreasing environmental impacts due to internal operations. The first phase of the Environmental Management System (EMS) for internal operations will be completed by 2006 through the realization of a comprehensive policy review and gap analysis of all Corporate Services policies nationwide. Regional input will be crucial for policy review and gap analysis, much as it has been in other recent activities such as the review of custodial real property assets, or "Real Property Review." An important project initiated early in 2005, the Real Property Review is necessary for INAC to manage departmentally-owned real property assets in a sustainable manner. INAC Corporate Services is also improving its capacity for performance measurement in the domain of greening operations by collecting baseline data for

waste production and energy consumption at all facilities used for departmental operations.

INAC has developed and implemented a communications strategy to direct the promotion of environmental awareness to its employees until the sunset of the current SDS for 2004–2006. The Sustainable Internal Operations awareness tool has been finalized and is actively promoted in tandem with complementary environmental initiatives such as Canadian Environmental Week and Environment Canada's One-Tonne Challenge.

Implementation of the Indian and Inuit Affairs Environmental Management System

A prime accomplishment for this reporting period is the development of the Indian and Inuit Affairs (IIA) Environmental Management Directive. The directive establishes clear lines of management accountability and roles and responsibilities. It also strengthens the process of operationalizing and integrating the principles laid out in the 2003 Environment Policy into IIA sectoral and regional operations. The development of the directive was guided by the final IIA Environmental Functional Review Report that helped identify critical gaps in sectoral and regional environmental management functions. Another accomplishment for this reporting period is the development of the draft IIA Contaminated Sites Management Directive and the draft IIA Environmental Assessment Directive, which further entrench the principles and direction of the 2002 Contaminated Sites Policy and the 2003 Environment Policy. In addition, an IIA Environmental Learning Regime, which will assist IIA staff in understanding and carrying out their environmental responsibilities, was launched and is now being implemented.

Sustainable Development (SD) Lens

The objective of the SD lens is to strengthen policy and decision making by posing key questions about sustainability during the planning, development and implementation of INAC policy, programs and projects. In July 2004, a two-day workshop was held with an internationally renowned consultant, a select number of departmental staff and a representative from the Assembly of First Nations. A preliminary draft

entitled the INAC Sustainability Lens was developed. It consists of eight basic questions and evaluation criteria designed to assess whether or not any INAC initiative (policy, program, project) will lead to the long-term sustainability/self-reliance of First Nation, Inuit and Northern communities.

In March 2005, a second workshop was held in Yellowknife to test and operationalize the SD lens on an existing program (Contaminated Sites Management Plan) and a hypothetical case study based on real mining scenarios. The outcome of this exercise will be the development of a Northern Sustainable Development Lens for the Northern Resources Management Framework (NRMF). The NRMF is a commitment under INAC's SDS 2004–2006 that attempts to integrate the principles of sustainable development into decision making in the northern operating environment.

Areas of Improvement and Lessons Learned

Regions and sectors noted a number of lessons learned and potential areas for improvement in their attempts to implement the 2004–2006 SDS commitments. The development and implementation of complex horizontal initiatives, such as the Federal Comprehensive Community Planning Strategy, present particular challenges in the establishment of realistic timelines to effectively achieve the required outcomes. Developing the strategy required engagement with a multitude of partners, including First Nation communities, National Aboriginal Organizations, and internal INAC sectors and regions, as well as other federal departments. It can take an inordinate amount of time to identify the appropriate partners and to develop a collaborative process that reconciles different interests and agendas in promoting sustainable development.

The implementation of the First Nations Water Management Strategy also encountered challenges with federal coordination of water management, in particular the sharing of data and the lack of a federal regulatory framework and enforcement mechanisms.

Finally, the Quebec region stressed the need to raise awareness among other federal departments

of the important work First Nations are doing to promote sustainable development in their communities, despite the lack of secure funding to achieve these results. It was also suggested that the department should begin to look at distributing accountability for achieving SDS commitments, not only at the level of senior management, but also in the management contracts and work plans of directors and managers directly responsible for implementation of programs and activities.

Table 19: Procurement and Contracting

1. Role played by procurement and contracting in delivering programs

The procurement and contracting activity supports the delivery of programs within INAC's headquarters and its 11 regional offices. In addition to enabling all departmental personnel to acquire the office furniture, furnishings, desktop computers, stationery, supplies and equipment they need, this activity allows INAC to obtain professional and consulting services, from the private sector, in pursuit of its responsibilities to First Nations, Inuit and Northerners. It provides a wide range of services, from diamond valuation and mine management to auditing, program evaluation, specific claims and litigation research, federal negotiators' services and training support.

2. Overview of the contract management process and strategy within the department

Although the departmental contract management process is decentralized, it remains mostly under the responsibility of the procurement community, save for low-value goods and services purchased by departmental employees with acquisition cards (MasterCard and Visa) or by using a Low-Dollar Value (LDV) service contract tool (up to \$15,000, including GST/HST).

All purchase orders, call-ups against Public Works and Government Services Canada (PWGSC) standing offers, and requisitions

to PWGSC are handled by dedicated purchasing specialists. Service contracts of less than \$25,000 are prepared by responsibility centre managers (RCMs) for issuance by contracting specialists at headquarters or in the regions. All competitive and non-competitive service contracts in excess of \$25,000 are managed exclusively by contracting specialists at headquarters and in the regions.

All departmental RCMs have been delegated a signing authority of \$25,000 to award non-competitive service contracts, \$400,000 for service contracts following an invitational competitive process and \$2,000,000 for a service contract resulting from a bid solicitation on the Government Electronic Tendering Service, MERX. Regarding goods purchases, the department has a \$25,000 delegated authority. For purchases up to \$5,000, RCMs utilize acquisition cards to buy goods; for purchases over \$5,000, a requisition is processed by departmental procurement officials.

INAC issued 5,810 goods and services contracts in 2004-2005, worth \$13.5 million, not including acquisition card transactions worth \$14.5 million.

3. Progress and new initiatives enabling effective and efficient procurement practices

- Conducted 34,936 acquisition card (MasterCard and Visa) transactions at a value of nearly \$14.5 million, having increased the number of cards issued from 685 in 2003-2004 to 747 in 2004-2005.
- Issued approximately 7,500 procurements, with a value of nearly \$12 million, to Aboriginal suppliers.
- Initiated an audit of Contracting and Purchasing.
- Implemented proactive disclosure of all contracts of \$10,000 or more on the departmental website.
- Conducted extensive planning, programming and testing of, and user training on, the Purchase Order module in preparation for successful transition to a new version of the department's Oracle-based Enterprise Management System effective April 1, 2005.

- Served as members on the Treasury Board Advisory Committee on Contracts, the Business Development Coordination Team and the ADM Steering Committee of the PWGSC Government of Canada Marketplace project, the Treasury Board Professional Development Advisory Committee and the Material Management Institute Executive Committee.

Table 21: Service Improvement Initiative

The department is continuously seeking improvements in the way that transactions with its clients are conducted. Key service improvement initiatives launched or ongoing are summarized below.

Client Service Satisfaction Survey

A Service Improvement Strategy, which respects and recognizes the highly devolved nature of service delivery in the department, is under development. As part of this Strategy, a *Client Service Satisfaction Survey* has been designed based on the Common Measurement Tool. The Survey was developed with input from Ontario First Nations and adjusted for a devolved service delivery environment. The Survey has been launched in the Ontario Region as a pilot; improvements will be made based on results received before senior management approval is sought for national deployment in 2005-2006.

Supporting Front-Line Operations

The Supporting Front-Line Operations (SFLO) Initiative, which was launched in 1999 to improve the service delivery capacity of front-line staff, continues to be the channel through which practical tools and support are provided to front-line INAC employees. Examples of tools provided in the past year include communication packages (Questions and Answers) on important issues, *Funding Services Officer Desk Book* on a mini CD ROM, and a condensed guide to INAC regional programs and services. In addition to providing these tools, a partnership was also formed between SFLO and other departmental human resources development initiatives (e.g., Bridging the Gap, Learning and Leadership

Support Team) to better coordinate training and development requirements. This partnership will result in an integrated and streamlined approach to build and strengthen the department's capacity for service improvement.

Table 22: Horizontal Initiatives

INAC is the lead department for the following three horizontal initiatives. Summary descriptions of each initiative are presented below, followed by more details reported against the horizontal initiative template.

First Nations Water Management Strategy

INAC and Health Canada (HC) have developed a seven-part First Nations Water Management Strategy (FNWMS) to be implemented over a five-year period, beginning in 2003–2004. The strategy allows for the development and implementation of: (1) a plan to upgrade and build water and waste-water facilities to meet established design, construction and water quality standards with a priority on identified facilities; (2) an effective water quality monitoring program combined with a comprehensive and coordinated compliance and reporting regime that will improve the detection of drinking water problems in a timely manner, thereby reducing the possibility of risk to health; (3) an effective and sustainable operation and maintenance (O&M) program designed to ensure the safety of the residents and the protection of the assets with a priority on identified high-risk facilities; (4) a plan for the continued expansion and enhancement of training programs, to ensure that all operators have the skills, knowledge and experience required to fulfill their responsibilities, supported by the introduction of mandatory certification requirements for all operators; (5) a set of integrated water

quality management protocols with clearly defined roles and responsibilities consistent with national performance standards along with improvements in emergency response procedures; (6) a public awareness campaign aimed at informing both First Nation decision-makers of their roles and responsibilities in ensuring the safety of water supplies within their communities and First Nation households of measures they can take to protect the quality of water within their home and community; and (7) a comprehensive set of clearly defined standards, protocols and policies, using a multi-barrier approach.

The strategy will also require the establishment of closer partnerships amongst key federal, provincial/territorial, industry and other public sector partners. These partnerships will assist in areas such as watershed management and source water protection as well as advances in science and technology. Most importantly, the implementation of the strategy and the development of a detailed plan will require close collaboration with First Nations. The strategy is consistent with the broader national approach and is modelled on the enhanced management regimes in place or being implemented in most provinces and territories. The FNWMS includes an additional \$600 million in funding over five years (from 2003–2004 to 2007–2008). Of that \$600 million, \$116 million goes to HC for their part in the strategy, while the remaining \$484 million funds INAC's participation in the strategy. This \$600 million in funding is in addition to INAC's normal annual funding to water initiatives in First Nations and HC's Drinking Water Safety Program (DWSP) funds that go to First Nations, which are also included in this template. Combining the FNWMS funds and the normal annual funding by both departments into First Nation water issues, the total federal funding allocated over 5 years will be \$1.5 billion.



Horizontal Initiative						
Name of Horizontal Initiative: First Nations Water Management Strategy (FNWMS)				Name of Lead Department(s): Indian and Northern Affairs Canada (INAC)		
Start Date of the Horizontal Initiative: May 2003 (official announcement)		End Date of the Horizontal Initiative: March 2008 (end of additional funding)		Total Federal Funding Allocation: \$1.5 billion over 5 years		
<p>Description of the Horizontal Initiative: INAC and Health Canada (HC) have developed a seven-part First Nations Water Management Strategy (FNWMS) to be implemented over a five-year period, beginning in 2003–2004. The strategy allows for the development and implementation of: (1) a plan to upgrade and build water and waste-water facilities to meet established design, construction and water quality standards with a priority on identified facilities; (2) an effective water quality monitoring program combined with a comprehensive and coordinated compliance and reporting regime that will improve the detection of drinking water problems in a timely manner, thereby reducing the possibility of risk to health; (3) an effective and sustainable operation and maintenance (O&M) program designed to ensure the safety of the residents and the protection of the assets with a priority on identified high-risk facilities; (4) a plan for the continued expansion and enhancement of training programs, to ensure that all operators have the skills, knowledge and experience required to fulfill their responsibilities, supported by the introduction of mandatory certification requirements for all operators; (5) a set of integrated water quality management protocols with clearly defined roles and responsibilities consistent with national performance standards along with improvements in emergency response procedures; (6) a public awareness campaign aimed at informing both First Nation decision-makers of their roles and responsibilities in ensuring the safety of water supplies within their communities and First Nation households of measures they can take to protect the quality of water within their home and community; and (7) a comprehensive set of clearly defined standards, protocols and policies, using a multi-barrier approach.</p> <p>The strategy will also require the establishment of closer partnerships amongst key federal, provincial/territorial, industry and other public sector partners. These partnerships will assist in areas such as watershed management and source water protection as well as advances in science and technology. Most importantly, the implementation of the strategy and the development of a detailed plan will require close collaboration with First Nations. The strategy is consistent with the broader national approach and is modelled on the enhanced management regimes in place or being implemented in most provinces and territories. The FNWMS includes an additional \$600 million in funding over five years (from 2003–2004 to 2007–2008). Of that \$600 million, \$116 million goes to HC for their part in the strategy, while the remaining \$484 million funds INAC's participation in the strategy. This \$600 million in funding is in addition to INAC's normal annual funding to water initiatives in First Nations and HC's Drinking Water Safety Program (DWSP) funds that go to First Nations, which are also included in this template. Combining the FNWMS funds and the normal annual funding by both departments into First Nation water issues, the total federal funding allocated over 5 years will be \$1.5 billion.</p> <p>For more information, see http://www.ainc-inac.gc.ca/h2o/</p>						
<p>Shared Outcome(s):</p> <ul style="list-style-type: none"> • Reduction in the health risk level of drinking water in First Nations. • Increased awareness of the importance of clean drinking water and the responsibilities involved in keeping it clean. • Water standards will be met by all facilities. 						
<p>Governance Structure(s):</p> <ul style="list-style-type: none"> • Federal Advisory Committee (FAC) on municipal waste-water effluent. • Interdepartmental Waters ADM Committee (IWAC). • Interdepartmental Working Group on Drinking Water (IWGDW). • Public Health Indicators Working Group. • Regional Water Teams. • Strategic Water Management on Reserve Committee (SWMRC). 						
Federal Partners Involved in Each Program	Names of Programs	Total Allocation	Forecasted Spending for 2004–2005	Actual Spending in 2004–2005	Planned Results for 2004–2005	Achieved Results in 2004–2005
INAC	First Nations Water Management Strategy	\$1.359 billion over 5 years (including FNWMS funds and A-Base)	\$255.1 million (including FNWMS funds and A-Base)	\$255.1 million (including FNWMS funds and A-Base)	1. Increase the number of certified operators. 2. Decrease by roughly one third the number of high-risk systems.	1. The number of certified operators increased from 32 percent of all operators to 38 percent of all operators. 2. Preliminary data reveal the number of high-risk systems have dropped from 21 percent of all systems to 20 percent of all systems.



Federal Partners Involved in Each Program	Names of Programs	Total Allocation	Forecasted Spending for 2004–2005	Actual Spending in 2004–2005	Planned Results for 2004–2005	Achieved Results in 2004–2005
Health Canada	Drinking Water Safety Program (DWSP)	\$116 million over 5 years (FNWMS funds only)	\$24.9 million (FNWMS funds and A-Base)	\$8.7 million* (FNWMS funds and A-Base) * • 2004–2005 was the first full year of implementation of the FNWMS. • Hiring environmental health officers (EHOs) to implement the FNWMS in 2004–2005 was restricted due to a cap on salaries by TB. Consequently, regional capacity was insufficient to implement the FNWMS as per regional work plans. • On June 22, HC received direction from senior management meeting to set aside allocations by \$4 million to address other Branch financial pressures. • In order to facilitate financial tracking of the activities of the FNWMS, two new program activity codes were created last year. However, 2004–2005 spending resources indicated that the salaries of EHOs hired in 2004–2005 and associated O&M were not properly coded. Currently, we are looking at options on how to enhance tracking of regional resources expenditures. • Salary resources spent on water were estimated by taking the average salary of EHOs employed under the FNWMS.	<ol style="list-style-type: none"> Increase capacity of First Nations to monitor drinking water quality. Purchase lab kits. Increase FTEs to support drinking water quality monitoring. Purchase supplies for lab kits. Implement early warning database. Investigate water-borne diseases and contaminants. 	<p>As this is the first year that standardized data were collected for the performance indicators, comparison with previous years is not feasible. However, the development of common definitions and a database during the past year will ensure that the performance information is collected and measured in a consistent manner. This will allow for comparisons in future years that are accurate and reliable, both regionally and nationally.</p> <ol style="list-style-type: none"> Building capacity in First Nations communities to monitor their drinking water quality and detect potential problems was facilitated through the community-based water monitoring program. In total, 501 communities had a trained community-based water monitor. A total of 543 communities had access to portable laboratory kits for testing during 2004–2005. Eighty-two EHO positions were funded and approved, and 501 communities had a trained community-based water monitor. A total of 97,330 samples were taken and analyzed in First Nations communities. In all, 23,560 bacteriological samples were analyzed in an accredited lab, 72,893 bacteriological samples were analyzed using a portable lab kit, 763 were analyzed for chemical parameters, and 114 were analyzed for radiological parameters. Five of the seven regions have a water database in place to monitor sample results. There were no instances where gastrointestinal illness was identified as a possible water-borne disease outbreak. In total, there were 223 Boil Water Advisories, Boil Water Orders and Do Not Consume in place for 2004–2005.
		Total: \$1.475 billion (does not include HC A-Base)	Total: \$280.0 million	Total: \$263.8 million		

Comments on Variances: For INAC, although one third of the work has been done, it takes time to verify if the new systems in place actually meet the requirements and are working as intended. Because of this, risk levels have not been officially decreased until we can confirm that the systems are working as anticipated, a process that can take several months. That said, it is fully expected that the new and upgraded systems will work as designed, thus the number of high-risk systems should decrease by roughly a third because of the work done in 2003–2004.

Results Achieved by Non-federal Partners: N/A

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Labrador Innu Comprehensive Healing Strategy (LICHS)

In response to the gas-sniffing crisis faced by the Labrador Innu in 2000, the LICHS was developed by INAC, HC and Public Safety and Emergency Preparedness Canada (PSEPC) (formerly the Office of the Solicitor General) to help resolve the serious health, social and safety issues in the communities of Davis Inlet and Sheshatshiu. Although considerable progress has been achieved, many serious issues remain. To address these issues, INAC, HC and PSEPC are seeking continuation of the LICHS. The objectives of the LICHS include incremental resources required to enhance and sustain the healing

programs and services necessary to support longer term, sustainable healing for the Mushuau and Sheshatshiu Innu communities of Labrador. The overarching reality is that many social, health, education and economic problems remain. Solutions and the ongoing enhancement of basic programs and services are, therefore, long term in nature and must be, integrated, comprehensive, inclusive of the Innu, and respectful of their unique language and culture. In addition, there is a need to fill gaps in current programming, build Innu capacity, and ensure that the federal government facilitates Innu engagement in the strategy, including its management and planning for the future.

Horizontal Initiative						
Name of Horizontal Initiative: Labrador Innu Comprehensive Healing Strategy (LICHS)			Name of Lead Department(s): Indian and Northern Affairs Canada (INAC)			
Start Date of the Horizontal Initiative: June 2001			End Date of the Horizontal Initiative: March 2010			
Total Federal Funding Allocation: Cabinet approved the LICHS in June 2001 and provided \$81 million over three years, including \$59 million for INAC, \$20 million for Health Canada and \$2 million for the Solicitor General. The initial LICHS ended March 2004, but was extended for one year; INAC received a further \$15 million to provide basic programs and services; and Health Canada received \$5.5 million to continue the work already begun under the LICHS. INAC, Health Canada (HC) and Public Safety and Emergency Preparedness Canada (PSEPC) have collaborated in the preparation of a Memorandum to Cabinet (MC) to seek authority and funding for the continuation of the LICHS beyond March 2005. Implementation of various elements of the proposed LICHS is yet to be determined.						
Description of the Horizontal Initiative: The LICHS was developed by INAC, HC and the former Solicitor General in response to the 2000 gas-sniffing crisis facing the Labrador Innu to help resolve the serious health, social and safety issues in the communities of Davis Inlet and Sheshatshiu. While notable progress has been achieved, many serious issues remain. To address these issues, INAC, HC and PSEPC are seeking Cabinet approval and funding for the continuation of the LICHS. The proposed approach responds positively to the priorities in the October 2004 Speech from the Throne for addressing the needs of Aboriginal Canadians.						
Shared Outcome(s): The partners, in consultation with the Innu, developed the following 5-year vision with respect to continuation of the LICHS. This vision is for the federal government, the province and the Innu to work in partnership to advance Innu community healing; build increased Innu capacity for the management and delivery of some government programs; conclude a land claim Agreement in Principle; address issues arising from sexual, physical and emotional abuse; achieve improvements in health, education, family and social well-being, economic and community development, public safety and First Nation governance; and manage the LICHS in an integrated and effective fashion.						
Governance Structure(s): Labrador Innu Comprehensive Healing Strategy Steering Committee; co-chaired by ADM, Socio-Economic Policy and Programs Sector and ADM, Corporate Services, INAC. Membership includes representatives from INAC, Health Canada and Public Safety and Emergency Preparedness Canada (PSEPC). Main Table; chaired by the Chief Federal Negotiator, Labrador Innu file. Membership includes representatives of the Labrador Innu leadership, Province of Newfoundland and Labrador, and federal partners to the LICHS.						
Federal Partners Involved in Each Program	Names of Programs	Total Allocation	Forecasted Spending for 2004–2005	Actual Spending in 2004–2005	Planned Results for 2004–2005	Achieved Results in 2004–2005
INAC	a) Education provincial agreement, Memorial University of Newfoundland (MUN) Student Assessment, New Paths; provincial agreements for income assistance and child, youth and family services (CYFS)	\$9.6 million	\$9.6 million (education \$3.6 million; income assistance \$703,000; CYFS \$5.6 million)	\$8.6 million	Education programming, Memorial University of Newfoundland (MUN) Student Assessment, New Paths; (k to 12); income assistance components are basic/special needs and service delivery; CYFS funding for operations and maintenance.	Natuashish had a successful school year, New Paths projects were completed, Phase 1 and 2 of MUN research completed, Phase 3 due in Dec., 2005 social programs more effective than they have been for years under provincial budget.



Federal Partners Involved in Each Program	Names of Programs	Total Allocation	Forecasted Spending for 2004–2005	Actual Spending in 2004–2005	Planned Results for 2004–2005	Achieved Results in 2004–2005
	b) Facilities Operations and Maintenance	\$4.1 million	\$4.1 million	\$4.1 million	Funding subsidy for eligible assets, including: Facilities Management, Natuashish; Natuashish Hydro Agreement; Natuashish Airport; Natuashish Wharf.	Facilities management protected capital investment as planned; airport and wharf agreements have been completed; hydro agreement nearing completion.
	c) Sheshatshiu Reserve Creation	\$192,500	\$192,500	\$192,500	Costs for reserve creation, work undertaken by Department of Justice (DOJ) and essential survey work by Natural Resources Canada (NRCan).	Reserve creation slower than anticipated due to circumstances beyond federal control yet process has re-engaged and is producing substantial results.
	d) Devolution Tables	\$484,899	\$484,899	\$484,899	Working with the Innu to build capacity: CYFS and Income Support Tripartite Committees, and Education Working Group.	Tripartite devolution committees were organized, met regularly, achieved milestones in research, analysis and reporting and are beginning to implement recommendations.
	e) Other	\$200,000 and \$93,740	\$200,000 and \$93,740	\$200,000 and \$93,740	Construction of Sheshatshiu Police Station; Main Table forum for federal government.	RCMP station completed and Main Table continues to prove effective.
Health Canada	Community Health	\$5.5 million	\$5.5 million	\$4.8 million	<p>Increase Innu capacity to prevent and manage community health crises.</p> <p>Increase community access to professional health supports through the federal Labrador Health Secretariat.</p> <p>Increase number of Innu accessing health services.</p> <p>Achieve progress towards completion of community health plans.</p>	<p>Suicide prevention conferences in both Labrador Innu communities led to the establishment of community-based crisis response protocols and community crisis response teams.</p> <p>Labrador Health Secretariat employees conducted 378 community visits in 2004–2005.</p> <p>Addictions treatment and after-care programs have reached 30 percent of all adults in Sheshatshiu.</p> <p>Asset mapping conducted; community health planning committee established.</p>
Results Achieved by Non-federal Partners: Increased collaboration among the parties has emerged.						
Contact Information: Bruno Steinke A/Director SEPRO INAC 10 Wellington Street Gatineau, Quebec K1A 0H4 Tel.: (819) 994-4837			Approved on behalf of: Havelin Anand A/Director General Social Policy and Programs Branch INAC 10 Wellington Street Gatineau, Quebec K1A 0H4 Tel.: (819) 994-1259		Date Approved: June 2005	



Urban Aboriginal Strategy

The Urban Aboriginal Strategy (UAS) is a \$50 million, four-year initiative developed by the Government of Canada to help respond to the needs facing Aboriginal people living in key urban centres. Through the UAS, the Government of Canada seeks to partner with other governments, community organizations and Aboriginal people to support projects that respond to local priorities. The core governance structure for the Urban Aboriginal Strategy is a community committee that includes a multi-partnership model in each of the twelve designated communities under the UAS. Each community committee is responsible for identifying local priorities and recommending pilot projects for support. Local UAS committees are supported by formal or informal working groups of federal

regional officials representing interested federal departments that are meant to coordinate federal efforts to respond to community interests. The Office of the Federal Interlocutor works closely with a number of federal departments, in particular Human Resources Development and Skills Canada and Western Economic Diversification. In fact, the Office of the Federal Interlocutor developed horizontal terms conditions to facilitate coordination across eight key federal departments: Human Resources and Skills Development Canada; Western Economic Diversification Canada; Canadian Heritage; Health Canada; Public Health Agency Canada; Industry Canada; Justice Canada; and Public Safety and Emergency Preparedness Canada.

Horizontal Initiative						
Name of Horizontal Initiative: Urban Aboriginal Strategy			Name of Lead Department(s): INAC — Office of the Federal Interlocutor for Métis and Non-Status Indians			
Start Date of the Horizontal Initiative: 1998		End Date of the Horizontal Initiative: 2007		Total Federal Funding Allocation: \$50.025 million		
Description of the Horizontal Initiative: The Urban Aboriginal Strategy (UAS) is a \$50 million, four-year initiative developed by the Government of Canada to help respond to the needs facing Aboriginal people living in key urban centres.						
Shared Outcome(s): Through the UAS, the Government of Canada seeks to partner with other governments, community organizations and Aboriginal people to support projects that respond to local priorities.						
Governance Structure(s): The core governance structure for the Urban Aboriginal Strategy is a community committee that includes a multi-partnership model in each of the twelve designated communities under the UAS. Each community committee (either via a shared delivery model or a community entity model, the latter being an incorporated organization having been delegated authority for delivering pilot projects on behalf of the various partners) is responsible for identifying local priorities and recommending pilot projects for support. Local UAS committees are supported by formal or informal working groups of federal regional officials representing interested federal departments that are meant to coordinate federal efforts to respond to community interests.						
Federal Partners Involved in Each Program	Names of Programs	Total Allocation	Forecasted Spending for 2004–2005	Actual Spending in 2004–2005	Planned Results for 2004–2005	Achieved Results in 2004–2005
Office of the Federal Interlocutor for Métis and Non-Status Indians	a) UAS	\$50,025,000	a) \$9,285,000	a) \$7,664,320	a) Seventy-nine projects in eight cities.	The UAS pilot projects program is intended to explore ways to work more collaboratively among federal departments, between different levels of government and with Aboriginal organizations in an effort to learn how to better address urban Aboriginal issues. The pilot projects initiated and completed during the 2004–2005 fiscal year have successfully met this overarching goal.
	b) Federal Interlocutor Program		b) \$34,000	b) \$34,000	b) Urban demographic survey (economics, employment, governance).	
Human Resources and Skills Development Canada	a) Supporting Communities Partnerships Initiative	Total UAS allocation is \$50.025 million	a) \$90,000	a) **actual spending unknown	a) Provide capacity support for business processes and fundraising strategies to stabilize the organization.	
	b) *actual departmental program name unknown		b) \$11,000	b) **actual spending unknown	b) Funding to put six Aboriginal Youth “at risk” through the Urban Canvas Program.	



Federal Partners Involved in Each Program	Names of Programs	Total Allocation	Forecasted Spending for 2004–2005	Actual Spending in 2004–2005	Planned Results for 2004–2005	Achieved Results in 2004–2005
Western Economic Diversification Canada	a) Western Diversification Program b) Western Diversification Program c) Used UAS terms and conditions		a) \$88,953 b) \$23,648 c) \$114,572	a) **actual spending unknown b) **actual spending unknown c) **actual spending unknown	a) Pilot an early childhood development program for children 30 months to 5 years of age, as well as provide family support strategies for families in crisis and strategies to empower families to become self-sufficient community members. b) Create a sustainable after-school program for Aboriginal children between the ages of 6 and 10 years. c) A pilot project will see Aboriginal culture integrated into the curriculum of seven inner-city schools through the hiring of a cultural facilitator who will work collaboratively with local teachers to develop a curriculum for language arts, social studies, art and music that is sensitive to the cultural needs of urban Aboriginal communities.	
Canadian Heritage	a) *actual departmental program name unknown b) *actual departmental program name unknown c) \$21,758		a) \$63,033 b) \$60,000 c) \$21,758	a) **actual spending unknown b) **actual spending unknown c) **actual spending unknown	a) Media Arts Training project for at-risk Aboriginal youth. b) Youth resource centre to operate in the Lord Selkirk area. The centre also runs a safe house and offers a variety of programming to assist youth in developing life skills and cultural awareness. c) Improve the social, economic and personal prospects of urban Aboriginal youth between the ages of 15 and 24 years by encouraging early career planning, educational attainment, the development of leadership skills, cross-cultural awareness, and participation in sports and the arts.	
Health Canada/Public Health Agency Canada	*actual departmental program name unknown		\$300,000	**actual spending unknown	Purchase a 14,000 square foot facility that will serve as a “one-stop shop” for urban Aboriginal people seeking culturally-sensitive support services.	
Justice Canada	Youth Justice Cities		\$500,000	**actual spending unknown	Enhance community capacity to respond holistically to Aboriginal child poverty in Thunder Bay.	
Public Safety and Emergency Preparedness Canada	a) *actual departmental program name unknown b) Crime Prevention		a) \$60,000 b) \$50,000	a) **actual spending unknown b) **actual spending unknown	a) Develop multi-partner response and strategy that addresses underlying causes of Aboriginal youth involvement in street gangs. b) Student buddy support service for youth transitioning from northern rural communities to urban settings for further education.	



Federal Partners Involved in Each Program	Names of Programs	Total Allocation	Forecasted Spending for 2004–2005	Actual Spending in 2004–2005	Planned Results for 2004–2005	Achieved Results in 2004–2005
Indian and Northern Affairs Canada	See HRSDC (b)		\$500	**actual spending unknown	See 1 b)	
Canada Revenue Agency	Tax Credit		\$13,500	**actual spending unknown	Produce a documentary series about the life of the Mechif, selected from 13 communities in the Mechif homeland of western Canada. The documentary will depict the common values, beliefs and social mores that allow the Mechif to maintain their heritage today.	
		Total: \$50.025 million	Total: \$9,095,384	Total: actual spending unknown		
<p>Comments on Variances: The exact expenditure by other federal government departments is unknown at this time. Funding lapsed as a result of community processes not being able to take advantage of the funding available and OFI was not informed early enough to be able to re-profile the money.</p>						
<p>Results Achieved by Non-federal Partners: UAS has proven effective in leveraging both monetary and in-kind contributions. There were 79 projects funded during the 2004–2005 fiscal year. In addition to contributions from other government departments, more than 35 non-federal government partners have contributed approximately \$5,238,328 during the 2004–2005 fiscal year to support the federal contributions under UAS. In some communities, partnerships have formed between the federal government departments, provincial government, municipal government, Aboriginal organizations, non-profit organizations and employer associations to support the UAS project initiatives in eight cities. Although the data above identify examples of projects that received financial support from other federal departments, a majority of other projects funded through the UAS received non-financial support from a number of federal departments and in some cases projects were approved through the UAS horizontal terms and conditions without direct funding through the UAS pilot project budget.</p>						
<p>Contact Information: Allan MacDonald Director General Office of the Federal Interlocutor for Métis and Non-Status Indians 66 Slater Street Ottawa, Ontario K1A 0H4 Tel.: (613) 992-8186</p>			<p>Approved by: Fred Caron ADM Office of the Federal Interlocutor for Métis and Non-Status Indians 66 Slater Street Ottawa, Ontario K1A 0H4 Tel.: (613) 992-2334</p>		<p>Date Approved: August 2005</p>	

Northern Strategy

On December 14, 2004, the Prime Minister and the three territorial First Ministers announced their intention to develop, in co-operation with Aboriginal governments, organizations and northern residents, a comprehensive Northern Strategy. In this context, they released a jointly-developed “Framework for a Northern Strategy” designed to serve as the basis for consultations leading to the Strategy’s development. The Framework identified seven proposed long-term goals for the Strategy: 1) strengthening governance, partnerships and institutions; 2) establishing strong foundations for economic development; 3) protecting the environment; 4) building healthy and safe communities; 5) reinforcing sovereignty, national security and circumpolar co-operation; 6) preserving, revitalizing and promoting culture and identity; and 7) developing northern science and research.

The Prime Minister has emphasized that the initiative must adopt a “whole of government” approach, and asked the Minister of Indian

Affairs and Northern Development to assume the lead for coordinating federal input. An inter-governmental Working Group has been formed with the territorial governments to draft the elements of the Strategy in a collaborative manner.

The Strategy will be the product of broad consultations. A formal consultation process took place in each territory and on a pan-northern basis during the winter and early spring. This process incorporated a variety of activities, including bilateral and multilateral meetings with Northern stakeholders as well as a questionnaire available electronically and in hard-copy format in northern communities. Roundtables were also held on the themes of Sovereignty, Security and Circumpolar Co-operation and Climate Change to gather the views of leading academics and interested stakeholders.

The Northern Strategy will be a living document that will require ongoing work within the federal government and with the territories to achieve our joint objectives for the North.

Table 23: Travel Policies

Comparison to Treasury Board Secretariat (TBS) Special Travel Authorities
• Indian and Northern Affairs Canada follows TBS Special Travel Authorities
• Canadian Polar Commission follows TBS Special Travel Authorities
• Indian Specific Claims Commission follows TBS Special Travel Authorities
Comparison to Treasury Board Secretariat (TBS) Travel Directive, Rates and Allowances
• Indian and Northern Affairs Canada follows TBS Travel Directive, Rates and Allowances
• Canadian Polar Commission follows TBS Travel Directive, Rates and Allowances
• Indian Specific Claims Commission follows TBS Travel Directive, Rates and Allowances

IV.

Other Items of Interest

Program Activity — DEPARTMENTAL MANAGEMENT AND ADMINISTRATION

What is this Program Activity?

Departmental management and administration underpins all Strategic Outcomes and program activities by providing essential services and strategic direction that support the ongoing operation of the department.

It entails building and sustaining a value- and results-based culture of management excellence that supports INAC internally and externally in achieving its mandate and strategic objectives; strengthens its capacity and its decision-making, planning, operational and reporting processes; fosters the development of priorities in collaboration with First Nations, Inuit, Métis and Northerners; and encourages a better understanding of First Nations, Inuit, Métis and northern issues in Canadian society and internationally.

Financial Resources (\$ millions)	Planned Spending	Total Authorities	Actual Spending
Departmental Management and Administration	352.3	392.2	342.9

Human Resources (Full-time Equivalents)	Planned	Actual	Difference
Departmental Management and Administration	2,895	2,671	(224)

Note: The total financial and human resources summarized above have been pro-rated across other program activities in INAC, based on planned spending. The following table shows the specific financial and human resources pro-rated to each program activity.

Allocation of Departmental Management and Administration to Other Program Activities

	Actual 2004–2005	
	\$ millions	Full-time Equivalents
Governance	4.0	31
Institutions	28.2	219
Co-operative Relationships	11.2	87
Northern Governance	0.6	5
Managing Individual Affairs	1.1	9
Education	95.8	746
Social Development	78.9	614
Healthy Northern Communities	5.6	43
Certainty of Title and Access to Land and Resources	1.0	8
Responsible Federal Stewardship	1.1	8
First Nations Governance Over Land, Resources and the Environment	3.6	28
Northern Lands and Resources	9.1	71
Economic and Employment Opportunities for Aboriginal People	4.3	34
Access to Capital and Economic Development	28.2	220
Community Infrastructure	66.6	519
Northern Economy	2.0	16
Office of the Federal Interlocutor	1.7	13
Total	342.9	2,671

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

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/rmr-dpr/dma_e.html for more details):

- Agreements with Alberta, notably on forest fire preparedness and suppression-related activities, contributed to increased capacity and reduced risk of occurrence and damages to First Nations communities, their members and infrastructure.
 - Through its efforts to seek resolution of litigation, INAC closed 270 cases during 2004–2005, 63 percent of which were straightforward and moderate complexity cases. INAC continued the thorough review of its inventory it had undertaken with Justice Canada in 2004–2005. It is now better positioned to determine future resource needs, and to track and assess litigation dynamics and trends. As a result of this initial review, INAC will continue to refine this macro analysis of the inventory as an alternative to developing strategic plans for all cases.
 - INAC Communications Branch continues to realign its resources to better respond to the needs of clients in a timely, strategic and efficient way. To support improved service delivery, the Branch has developed a draft communications planning framework that is integrated with the departmental planning process. The framework articulates the Branch's priorities and strengthens the link between the allocation of resources and these priorities.
 - A risk assessment was conducted as part of each 2004–2005 audit and will be an ongoing practice. Risks are assessed during preparation of action plans. As well, risk assessments were conducted on all elements of INAC's results framework to identify risks that could affect organizational objectives in order to guide future planning and decision making. Training and information sessions on risk management were provided to staff.
 - Work began to develop a new information system in support of transfer payment business and service standards. This would provide web-enabled access to First Nations and other government departments. The project also seeks to streamline transfer payment business processes across all regions and sectors.
- In British Columbia, in the development of the First Nations Inuit Transfer Payment (FNITP) Project, processes were established to ensure full regional staff and Aboriginal representation and input into the design.
- An enterprise-wide Strategic Plan for information management and information technology (IM&IT) for 2004–2005 was developed, which aligns with departmental strategic outcomes and priorities. Approved in February 2004, the Plan addressed INAC's Strategic Outcomes by launching a number of multi-year corporate IM&IT initiatives.
 - INAC launched and promoted to all employees its new Continuous Learning Policy. The first commitment is to Shared Values and Continuous Learning, and reminds employees of the need to integrate values and ethics into their behaviour as individuals and as an organization.
 - In 2004–2005, INAC continued to focus on increased and equitable distribution of Aboriginal employees by committing to at least 50 percent Aboriginal representation on management and executive development programs, including the Career Assignment Program and the Management Trainee Program. This commitment was announced to all employees.
 - INAC's Human Resources Branch has been working with the Public Service Human Resource Management Agency of Canada in preparing for implementation of the *Public Service Modernization Act* (PSMA), as well as working on non-legislated activities pertaining to modernization within the department.
 - In 2004–2005, INAC refined its Human Resource planning process to be more explicitly aligned with the federal business planning cycle and more responsive to current and future needs of the department. INAC co-chaired an interdepartmental working group that developed a human resource planning guide to provide managers in the federal public service with tools to support integrated human resources planning and business planning practices.
 - All projects undertaken in 2004–2005 were carried out in consultation with and/or with

full involvement of the regions in order to improve interaction and relationships between headquarters and the regions.

Areas for Improvement and Lessons Learned

A focus by INAC on more in-depth contingency planning and on a more proactive approach to communicating court decisions has ensured consistency in the federal response. It has also increased interdepartmental collaboration. Networks put in place to prepare for court decisions have effectively strengthened the government's ability to follow up on court decisions. INAC will continue to apply a similar approach to a range of court decisions.

Involving the Audit and Evaluation Branch early in the policy and program authority planning and development process has proved essential to ensuring that audits and evaluations are planned in a manner that supports their meaningful contribution to that process. Through preparation of the Audit and Evaluation Plan, the need for an inventory of accountability activities that take place outside of the Branch was identified. Such an inventory would limit duplication of activities and improve integrated planning and reporting by providing a list of areas that have been sufficiently covered by accountability activities and of those areas where gaps exist.

INAC's Communications Branch is focussed on efficient delivery of communications services, both internally and externally, across Canada. A client-centred approach is supported by a realignment of resources to better meet this goal. The Branch's ongoing media monitoring, media relations and public environment analysis continue to support the capacity to provide timely, strategic communications support to specific audiences (e.g., Minister's office, senior management, sectors, National Aboriginal Organizations), as well as the broader audience of the department.

Like many federal departments, INAC will continue to develop the capacity for integrated planning. Aligning the various planning and reporting processes in the department — IT/IM, Accommodations, Budget, Communications, Human Resources — is an iterative process.

Over the past year, the department has focussed on integrating human resource management considerations in the annual planning cycle. This decision was made in recognition of the importance of the Management Accountability Framework (MAF) and the planning and reporting requirements of the *Public Service Modernization Act*. Although there is still room for improvement, the value and benefits of a results-focussed, integrated planning process are being realized.

Official Languages support is another key file that will require constant vigilance. Supporting improvements for service to the public, language of work and data integrity for reporting are all ongoing objectives.

Based on the Workforce Analysis results, INAC will continue to focus on increasing Aboriginal recruitment and retention rates at INAC, especially within the executive cadre. Additionally, INAC will develop an implementation strategy for a National Capital Region Diversity Committee in order to obtain feedback for INAC's Employment Equity Action Plan for 2005-2008.

Reliability of Statistics

Demographic Statistics Supplied and Verified Through the Indian Registry System

The Indian Registry System (IRS) has existed since 1951 and is maintained by INAC. Its current format was introduced in 2003. The system is considered authoritative, since it contains the names of every individual registered under the *Indian Act*. It is updated regularly by departmental staff and 450 Indian Registry administrators.

The IRS is an accurate source, except for one major limitation — the late reporting of life events, including births and deaths. For more information on the IRS, please contact the Information Unit at the Indian Registration and Band Lists Directorate at (819) 997-9265. For more information on the effects of late reporting of life events, please call the departmental contact centre toll-free at 1-800-567-9604.

Demographic Statistics Supplied and Verified Through Population Projections

On-reserve Status Indian Population

The department uses 2000-based population projections developed for INAC by Statistics Canada using data from the IRS. The projections have been adjusted for late and under-reporting of births and deaths and therefore differ from actual IRS data. Although the projections are not predictions, they provide a perspective on future trends in the registered Indian population based on assumptions about fertility, mortality, miscellaneous additions, migration, reinstatement and status inheritance.

Canadian Population

The department uses *Population Projections for Canada, Provinces and Territories, 2000-2026* (Statistics Canada Catalogue No. 91-520). These data are considered reliable if the underlying assumptions are accurate.

Demographic Statistics Supplied and Verified Through the 2001 Census of Canada

Statistics from the 2001 Census depict the characteristics of the Canadian population at a point in time. They are based on self-reporting by individuals.

One major limitation of census statistics is under-coverage resulting from non-participation or incomplete enumeration of communities. A preliminary estimate released by Statistics Canada on January 21, 2003, indicates that approximately 30,000 to 35,000 individuals were not enumerated in the 2001 Census. Most of these people were registered Indians living on reserve. Non-participation by First Nations communities was not a problem in the northern territories; therefore, census statistics for the North are very reliable.

Data for the Aboriginal population in the North are based on the identity definition of Aboriginal, which takes into account respondents who (1) self-identified as being a North American Indian and/or Métis and/or Inuit; and/or (2) reported themselves as being registered under the *Indian Act*; and/or (3) reported themselves as having Band membership.

Contacts for Further Information

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Socio-demographic statistical publications available at http://www.ainc-inac.gc.ca/pr/sts/index_e.html

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