



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

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

2005–2006
Departmental Performance Report

Canada

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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 present the *2005–2006 Departmental Performance Report*.

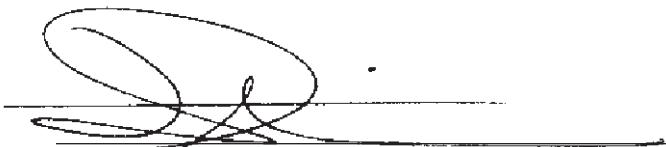
This is the first *Departmental Performance Report* I have submitted since my appointment as Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians. I therefore take special pleasure in sharing with Parliament and the people of Canada the many real accomplishments the department has achieved in collaboration with its many partners.

The detailed reports and assessments that follow clearly show the numerous ways in which the Government of Canada and First Nations, Inuit, Métis and Northerners have worked together to strengthen their various partnerships and to map out new directions for continued progress.

This report also offers a view of what lies ahead and should be read in tandem with the *Report on Plans and Priorities* for 2006–07 that was tabled in Parliament in September 2006. This report shows that INAC is increasingly well positioned to make further advances on each front of the three-part plan the department has begun implementing under the new government. The first part of this plan involves fundamental quality-of-life issues, such as housing, drinking water, education, women's matrimonial property rights and the particular needs of families and children. The second part deals with modernization of the legislative and regulatory frameworks that currently support First Nations programs, services and governance and to create favourable conditions for continued northern development. The third component concerns Treaty land entitlements, additions to reserves, and comprehensive and specific claims, and is aimed at streamlining the processes now used to settle claims. In all its aspects, this plan will go far in reaching its two related goals: building capacity through improved structures, regulations and systems, and improving the quality of life among First Nations, Inuit, Métis and Northern communities.

The *Departmental Performance Report* thus represents a rich chapter in the department's historically important and ongoing work. The progress that it marks and the promise it holds for the future are unmistakably clear to me, not simply in my capacity as Minister but also from the broader perspective of my earlier experiences as a Commissioner of the Indian Specific Claims Commission and a member of the Standing Committee on Aboriginal Affairs and Northern Development.

All those who have worked on behalf of Aboriginal and Northern interests will similarly recognize the real, practical contributions described in these pages. I'm sure they will join me in congratulating and thanking our many partners who are working so hard to help build a new future for First Nations, Inuit, Métis and Northerners — and for all Canadians — in this new century.



The Honourable Jim Prentice, P.C., Q.C., M.P.
Minister of Indian Affairs and Northern Development
and Federal Interlocutor for Metis and Non-Status Indians

Management Representation Statement

I submit for tabling in Parliament, the *2005–2006 Departmental Performance Report* 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 *Guide for the Preparation of Part III of the 2005–2006 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's approved Program Activity Architecture structure as reflected in its Management, Resources and Results Structure;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results 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 in the Departmental Performance Report.

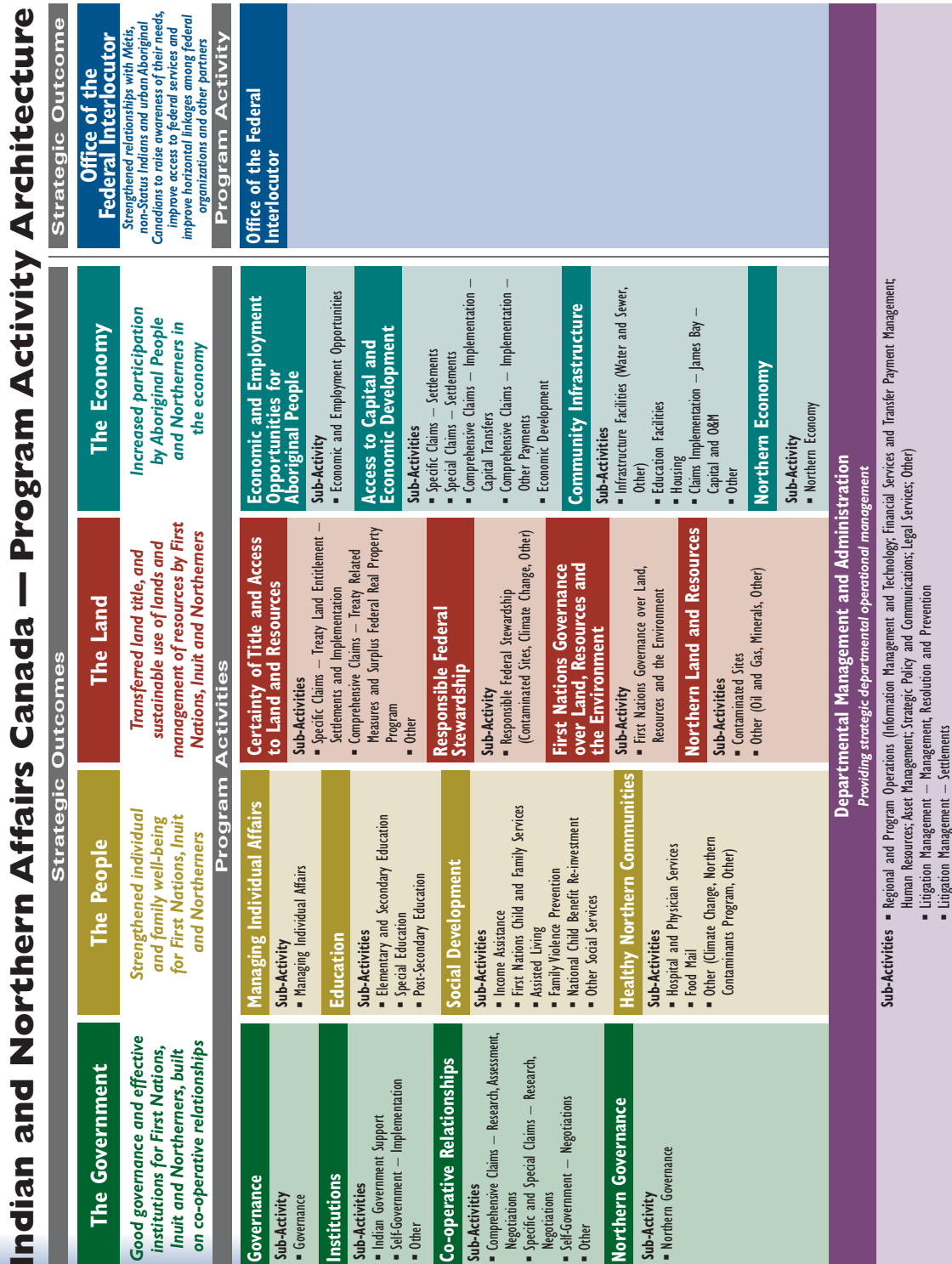


Michael Wernick
Deputy Minister, Indian and Northern Affairs Canada

Program Activity Architecture (PAA) Crosswalk

The 2005–2006 *Departmental Performance Report* (DPR) describes performance in relation to priorities and commitments in the 2005–2006 *Report on Plans and Priorities* (RPP). The 2005–2006 RPP was based on the Program Activity Architecture (PAA) shown below.

The PAA underwent one modification during 2005–06. In August 2005, in the Government Strategic Outcome, two Program Activities — Governance and Institutions — were combined into one Program Activity called Governance and Institutions of Government. For the purposes of this DPR, reporting continues to be done separately.



Raison d'être

Indian and Northern Affairs Canada

The department's mission is to "work together to make Canada a better place for First Nations, Inuit, Métis and Northerners." This mission is achieved through the exercise of two distinct mandates — Indian and Inuit Affairs, and Northern Development — both aimed at providing opportunities for First Nations, Inuit, Métis and Northerners to more fully participate in and benefit from Canada's political, social and economic development.

In July 2004, the Minister of Indian and Northern Affairs Canada also became the Federal Interlocutor for Métis and Non-Status Indians.

The department is generally responsible for meeting the Government of Canada's obligations and commitments to First Nations, Inuit and Métis

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

and for fulfilling the federal government's constitutional responsibilities in the North.

This broad mandate is derived largely from the *Department of Indian Affairs and Northern Development Act*, the *Indian Act*, territorial acts and legal obligations arising from section 91(24) of the *Constitution Act, 1867*. The department is responsible for administering over 50 statutes. Consequently, INAC's mandate is complex and its responsibilities encompass a broad range of services. Its portfolio necessitates working with a range of departments within the federal government; First Nations, Inuit and Métis leaders; provincial and territorial governments; circumpolar governments; and service delivery agents, as well as with the private sector and non-governmental organizations.

With respect to the department's responsibilities for Northern Development, INAC is the

For more information on INAC's responsibilities in the North, visit http://www.ainc-inac.gc.ca/ps/nap/index_e.html.

lead federal department for a region that comprises 40 percent of Canada's land mass.

The department plays a direct role in the political and economic development of the territories, including carrying out province-like responsibilities for the management of land and resources in the Northwest

Territories and Nunavut (prior to the conclusion of devolution agreements) and specific duties related to environmental protection, management of offshore oil and gas resources, and for fostering knowledge of the North through scientific investigation and technology in the Yukon, Northwest Territories and Nunavut.

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.

Established in 1991 as Canada's lead agency in the area of polar research, the Commission operates as an independent agency under the *Canadian Polar Commission Act*. It reports to Parliament through the Minister of INAC.

Indian Specific Claims Commission

The mission of the Indian Specific Claims Commission (ISCC) is to assist First Nations and Canada to settle specific claims. As a commission of inquiry, 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 INAC 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 (2005–06)

(\$ millions)	Planned Spending	Total Authorities	Actual Spending
Indian and Northern Affairs Canada	6,168.0	6,147.7	5,874.9
Canadian Polar Commission	1.0	1.0	1.0
Indian Specific Claims Commission	7.1	7.1	6.9

Total Human Resources (2005–06)

Full-time Equivalents	Planned	Actual	Difference
Indian and Northern Affairs Canada	4,195	3,966.5	228.5
Canadian Polar Commission	5	5	0
Indian Specific Claims Commission	50	46	4

Operating Environment

INAC delivers its programs in an environment characterized by: a need for horizontal co-operation within the federal government; a high level of decentralization; collaboration with provinces and territories; and increasing devolution of responsibilities for direct delivery of services.

In the North, the transfer of the remaining land and resource management responsibilities to the governments of the Northwest Territories and Nunavut, in an environment of evolving Aboriginal governance structures, requires careful management while respecting ongoing federal responsibilities.

Within the federal government, responsibility for Aboriginal programming is shared among 34 departments and agencies with total planned spending of \$9.1 billion (2005–06).

The federal government has made a commitment to improve results of programs and to enhance the federal government's transparency, accountability and reporting on Aboriginal programs. This commitment entails working with First Nations, Inuit and Métis organizations and provinces and territories to clarify roles and accountability relationships. In the January 2005 *Accountability for Results* session, the federal government committed to disclosing a detailed picture of direct federal program spending targeting Aboriginal peoples in Canada for 2004–05, which

is now captured in the Aboriginal Horizontal Framework. INAC continues to play a leadership role in coordinating efforts

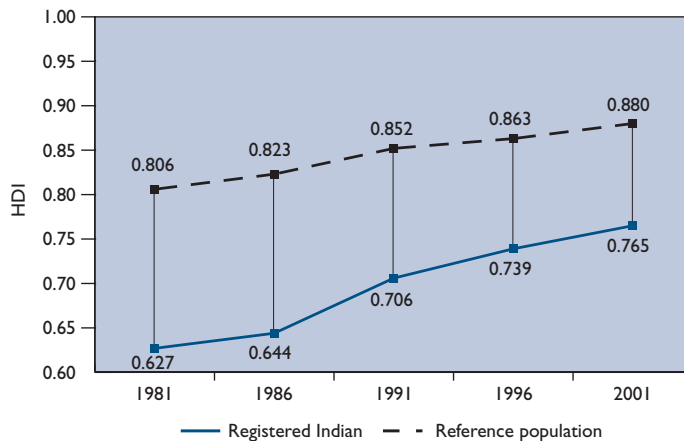
among the many federal partners committed to delivering the government's Aboriginal Agenda.

Although considerable progress has been made, much remains to be accomplished to improve the unequal socio-economic conditions that exist in many communities. The following paragraphs indicate the differences in standard of living available to Aboriginal people compared with Canadians overall.

For a more detailed explanation of the Framework and detailed schedule of programs, please see http://www.tbs-sct.gc.ca/report/govrev/05/cp-rc_e.asp.

Human Development Index (HDI)

Applying the United Nations HDI would rank the average well-being of on-reserve First Nations communities 73rd among 175 nations, while Canada overall was ranked 8th. The disparity between the registered Indian and the non-Indian population is shown in the graphic below.



Note: The reference population includes non-Aboriginal people, non-registered First Nations, Inuit and Métis. A modification of the United Nations' Human Development (HDI) developed by INAC is used to compare the education attainment, average annual income, and life expectancy of Registered Indians and other Canadians using the most recent Census data available.

Demographic Pressures

The on-reserve Status Indian population is growing at a rate of 2.3 percent per year, nearly three times the overall Canadian rate.

The on-reserve Status Indian population is young, with a median age of 22, compared with a median age of 36 for all Canadians. Over 50 percent of the on-reserve population is under 23 years old.

These demographics create pressure for additional services,

schools, housing and public infrastructure, and for increases in social services to support the high rate of new family formations. They also create pressure on the job market. Similar demographics exist among Aboriginal people in the North.

Legal Environment

The department conducts its operations and negotiations in a legal environment in constant evolution. Litigation generates court rulings at

For more information on the HDI and the Community Well-Being Index (CWB) please see http://www.ainc-inac.gc.ca/pr/ra/pub4_e.html.

every level of the judicial system that further define Aboriginal and treaty rights recognized in Canada's constitution. These court rulings may influence the content, sequence and timing of the policy agenda of the Minister and the department.

Economic Opportunities

In 2001, the unemployment rate for Aboriginal people in Canada as a whole was 18.6 percent, about three times the Canadian rate (6.5 percent). The unemployment rate for registered Indians living on reserve was even higher — 27.9 percent.

Health

In 1999, the suicide rate among First Nations was 2.1 times greater than the overall Canadian rate. Suicide accounted for 38 percent of all deaths of youths (ages 10 to 19) in First Nations.

Between 1980 and 2001, life expectancy for registered Indians increased by 10 years for men and by 8 years for women, for a life expectancy of 70 and 76 years respectively, compared with the overall Canadian life expectancy of 76 for men and 82 for women.

Education

In 2001, 35 percent of Indians on reserve had more than a high school education compared with 31 percent in 1996. This lags behind the overall Canadian rate of 55 percent in 2001.

Income Assistance

In 2003–04, 34.1 percent of those living on reserve depended on income assistance.

Facts and Figures at a Glance

Aboriginal Canada

- ☛ When the census was taken in 2001, 1,319,890 people in Canada reported having Aboriginal ancestry, which is 4.5 percent of the Canadian population.
- ☛ Status Indians living on reserve represent about 62 percent of the Status Indian population. There are 471,900 on-reserve Status Indians and 284,800 who reside off-reserve.
- ☛ In total, there are 614 First Nations communities, comprising 52 nations or cultural groups and more than 50 languages.
- ☛ About 60 percent of First Nations communities have fewer than 500 residents — only seven percent have more than 2,000.
- ☛ Overall, 35 percent of on-reserve Status Indians live in urban areas, while 45 percent live in rural areas, 17 percent in special-access areas and 4 percent in remote zones.
- ☛ The on-reserve Status Indian population is expected to increase by 49 percent between 2005 and 2021, compared with 11 percent for the Canadian population as a whole. About 40 percent of the Status Indian population is under the age of 20, compared with 24 percent of the overall Canadian population.

The North

- ☛ Canada's North occupies 40 percent of Canada's land mass.
- ☛ There are few reserves; in general, territorial governments are responsible for providing programs and services to all Northerners, including Aboriginal people.
- ☛ The three territories consist of some 96 communities, most of them home to small populations, the majority of whom are First Nations, Inuit or Métis.
- ☛ Some 92,300 residents are scattered across this area: Nunavut's population is 26,700, while there are 37,100 people in the Northwest Territories and 28,500 in the Yukon.
- ☛ The population in the North is young, with 44 percent of the population under the age of 25.
- ☛ Over half of the population of the North is Aboriginal, varying from 85 percent in Nunavut to about 51 percent in the Northwest Territories and about 23 percent in the Yukon.

Performance in Relation 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, 2006)
Indian and Northern Affairs Canada				
SO — The Government				
<p>Governance</p> <p>Fostering stronger governance through supporting legislative initiatives, programs and policies, and administrative mechanisms that foster stable, legitimate and effective First Nations governments and Inuit communities that are culturally relevant and accountable to their citizens.</p>	Ongoing	59.5	75.9	<p>Good governance in First Nations and Inuit communities is fundamental to bridging the gap in quality of life between Aboriginal and non-Aboriginal Canadians. INAC remains committed to working with First Nation governments and Inuit communities to build governance capacities in such areas as finance and administration, and negotiate with aboriginal groups to meet their self-government aspirations. As such, this year, a number of training courses and workshops were offered to build capacities and create more effective and responsible governments and four new self-government agreements became effective. See details at II.1.1.</p>
<p>Institutions</p> <p>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, to facilitate effective community governance and the efficient delivery of services.</p>	Ongoing	477.0	482.4	<p>INAC continued to work with its First Nation partners on the full implementation of the <i>First Nations Fiscal and Statistical Management Act</i> which came into effect April 2006. This act created four new national First Nations public institutions designed to provide advisory services as well as financial and statistical support to First Nations governments. In addition, a number of other local and national institutions were established. As well, the National Centre for First Nations Governance was established to support First Nations in the implementation of self-government and to assist in the development of effective day to day governance practices. See details at II.1.2.</p>
<p>Co-operative Relationships</p> <p>Building 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 common understanding regarding historic Treaty relationships; and developing legislative and administrative arrangements that reflect evolving governance capacities and relations.</p>	Ongoing	142.1	128.4	<p>The department continued to make progress addressing, through negotiations, outstanding aboriginal claims. More specifically, the department resolved 18 specific claim agreements, 1 special claim agreement, and 1 comprehensive claims and self-government agreement and made continued progress at other negotiation tables as well as with its partners in implementing 33 comprehensive land claims and/or self-government agreements signed to date. See details at II.1.3.</p>

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2006)
<p>Northern Governance</p> <p>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.</p>	Ongoing	13.8	8.7	Negotiations towards an Agreement-in-Principle on devolution in the Northwest Territories continued. Discussions to guide future devolution in Nunavut took place. See details at II.1.4.
SO — The People				
<p>Managing Individual Affairs</p> <p>Professionally managing individual First Nations affairs to ensure that the Minister's responsibilities under the <i>Indian Act</i> for Trust Funds, Membership and Estates are properly exercised.</p>	Ongoing	16.4	19.9	The department has made progress in improving its management of individual affairs. See details at II.2.1.
<p>Education</p> <p>Supports the provision of Elementary/Secondary Education services, including Special Education support services for eligible students with special needs and, provides financial support for status Indians to participate in Post-Secondary Education studies, aiming to increase levels of education, participation, achievements and employability for First Nation and Inuit students.</p>	Ongoing	1,573.5	1,618.3	This year's work focused on clarifying roles and responsibilities related to First Nation education and establishing a common strategic vision, clear goals and expected results. As a result of this work, a solid draft education policy framework was developed through joint First Nation/INAC regional dialogue sessions which took place across the country. See details at II.2.2.
<p>Social Development</p> <p>Supports the provision of: Income Assistance to meet basic needs for food, clothing and shelter to ensure the safety and well-being of individuals and families consistent with provincial programs and standards thereby helping 35 percent of on-reserve residents eligible to receive Income Assistance versus 5.5 percent among other Canadian; First Nations Child and Family Services to improve their well-being and security by serving 614 First Nations communities, helping 8776 children on reserve living in care out of parental homes through 104 First Nations Child and Family Services service agencies; Assisted Living for social support services of a non-medical nature such as in-home care, short-term respite care, foster care and institutional care to improve their well-being and security; Family Violence Program to improve safety and security, particularly of women and children at risk thereby serving 54 percent of First Nation women with reported life-threatening violence compared to 37 percent non-First Nation women, and with a current network of 35 shelters; National Child Benefit Re-investment to support low-income families with children to help prevent or reduce the depth of child poverty; and Other Social Services to build capacity for First Nations to assume responsibility for and jurisdiction over social development through policy development, program design and service delivery, to build self-reliant, sustainable, healthy and stable First Nations communities.</p>	Ongoing	1,302.1	1,351.7	Over the past year the department worked with partners to develop a draft framework to set out the path forward for a more comprehensive systematic approach to address the outstanding social issues that face First Nation communities. See details at II.2.3.

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2006)
<p>Healthy Northern Communities</p> <p>Supports improvements in the health and well-being of Northerners through grants for hospital and physician services for Indian and Inuit residents in the Northwest Territories and Nunavut, the transportation of nutritious perishable foods and other essential items to isolated northern communities (provincial and territorial) at reduced rates, the conduct of research into the sources and effects of contaminants on the Arctic food chain, and initiatives to assist Northerners to deal with broad issues such as the impacts of climate change.</p>	Ongoing	84.7	97.3	The department undertook surveys and pilot projects and conducted one point of entry review for the Food Mail Program, funded research projects to assess the impacts of contaminants on the use of traditional food and to communicate risks to Northerners, and provided extensive outreach to Northern and Aboriginal communities to increase involvement in climate change mitigation and adaptation initiatives. See details at II.2.4.
SO — The Land				
<p>Certainty of Title and Access to Land and Resources</p> <p>Supports the conversion of land to reserve status (Additions to Reserve), promotes clarity of title through surveys and negotiated agreements in order to facilitate future land transactions, and supports the implementation of land transfers under Specific and Comprehensive Claims.</p>	Ongoing	106.1	27.1	<p>In 2005–06, tools were developed to lay the foundation for a more timely ATR process in the future, including the development of a First Nation ATR Planning Workbook, and an initial ATR tracking system. A new directive was also developed to increase the period of time for which environmental site assessments remain valid; it is expected that this will significantly reduce the time required to convert land to reserve by reducing the need to update the assessments.</p> <p>In addition, a total of 57,336 square kilometres of land was transferred to First Nations and Inuit pursuant to comprehensive claims. See details at II.3.1.</p>
<p>Responsible Federal Stewardship</p> <p>Supports the discharge of federal responsibilities to First Nations, including those under the <i>Indian Act</i> and the <i>Indian Oil and Gas Act</i>, and those requiring co-operation with and co-ordination by other government departments (e.g., Environment Canada). This activity also involves the remediation of contaminated sites on lands under federal jurisdiction, and the collection and management of Indian Monies derived from land and resources activities.</p>	Ongoing	21.3	22.9	In 2005–06, the department spent significantly greater resources on assessment of contaminated sites, and there was a 19.6 percent reduction in liabilities of Class 1 and Class 2 contaminated sites. In addition, the Specific Purpose Expenditure Trust (SPET) policy was developed and made available to First Nations as an option for capital moneys management. See details at II.3.2.

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2006)
<p>First Nations Governance over Land, Resources and the Environment</p> <p>Under this activity, the department supports First Nations governance over land, resources and the environment, through legislative and regulatory development, implementation of sectoral governance initiatives such as those pursuant to the <i>First Nations Land Management Act</i> (FNLMA) and the <i>First Nations Oil and Gas and Moneys Management Act</i> (FNOGMMA), and the development of professional and institutional governance capacities.</p>	Ongoing	67.2	87.8	<p>In 2005–06, the number of First Nations interested and participating in sectoral governance initiatives continued to grow. More First Nations became operational under FNLMA, and the number of First Nations interested in joining FNLMA exceeded the number the department could accommodate. As of March 31 2006, there were 45 signatory First Nations, of which 16 are operational and 29 are developmental. A further 52 have expressed interest in joining.</p> <p>In addition, FNOGMMA came into effect in April 2006 and will provide the opportunity for additional First Nations to undertake sectoral governance initiatives in relation to oil and gas and/or moneys. Three pilot First Nations are anticipating community ratification in late 2006–07, and six other First Nations have expressed an interest in opting into FNOGMMA.</p> <p>The department also supported the development of land management skills in First Nations communities, through the piloting of the Reserve Land and Environment Management Program (RLEMP) and the establishment of the Professional & Institutional Development (P&ID) programs. See details at II.3.3.</p>
<p>Northern Lands and Resources</p> <p>Supports the sustainable development of the North's natural resources emphasizing improved environmental management and stewardship, including the clean-up of contaminated sites, expanding the knowledge base for sound decision making and improving the effectiveness of the northern regulatory environment.</p>	Ongoing	130.2	164.7	<p>The department developed and implemented remediation plans for contaminated sites, initiated regulatory improvements and supported the advancement of the Mackenzie Gas Project. See details at II.3.4.</p>

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2006)
SO — The Economy				
<p>Economic and Employment Opportunities for Aboriginal People</p> <p>Supports the expansion of existing businesses and employment opportunities and the creation of new economic development activities leading to greater employment opportunities.</p>	Ongoing	79.2	67.8	<p>The department's efforts through its partnerships over the past year have been instrumental in educating and informing employers, as well as assisting in their capacity development to recruit, retain and promote Aboriginal people within their organizations. This is opening employment opportunities and resulting in jobs for Aboriginal people.</p> <p>Initiatives in the promotion of the Procurement Strategy for Aboriginal Businesses have assisted Aboriginal businesses in enhancing their participation level in federal government procurement. This has been substantiated by the fact that the number of contracts awarded to Aboriginal businesses under open competition has steadily risen over the short term. See details at II.4.1.</p>
<p>Access to Capital and Economic Development</p> <p>Supports Comprehensive, Specific and Special Claims Settlements or resolution of claims, including statutory payments arising from legislated settlements against the Crown respecting lands and resources; and Economic Development programs to facilitate access to resources, capital and expertise, and development and implementation of economic development strategies.</p>	Ongoing	712.6	501.6	<p>The focus of the current economic development program continued to be in the area of capacity development for Aboriginal communities that will allow them to seize economic opportunities, leading to employment for community members, land and resource development, and community business development. This past year the department supported 263 projects that allowed many Aboriginal communities to act on potential economic initiatives. See details at II.4.2.</p>
<p>Community Infrastructure</p> <p>Supports the acquisition, construction and operation and maintenance of: Community Facilities such as roads, bridges, water and sewer systems, and administration offices; Education Facilities such as schools and teacherages; remediation of contaminated sites on reserve; and On-reserve Housing.</p>	Ongoing	1,227.6	1,113.6	<p>The support and assistance provided directly impacted the capacity of First Nations to manage community infrastructure, as well as to improve the performance and management of their Capital Facilities and Maintenance program.</p> <p>The department continues its implementation of its 2003 water strategy in partnership with First Nation communities. This seven part strategy is directed at the provision of clean, safe, reliable drinking water in First Nation communities.</p> <p>Investments and efforts in educational facilities helped to ensure that First Nation students are educated in facilities that meet their needs, so as to better enable learning and promote the path of education as an avenue for future success. See details at II.4.3.</p>

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2006)
<p>Northern Economy</p> <p>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 and benefiting from resource development.</p>	Ongoing	29.4	15.6	Supported northern economic development through initiatives such as the Targeted Investment Program, the Innovation and Knowledge Fund and Municipal Rural Infrastructure Fund. Completed the delivery of the Infrastructure Canada Program. See details at II.4.4.
SO — The Office of the Federal Interlocutor				
Provides capacity 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 the 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.	Ongoing	44.8	36.9	In the past year, significant progress has been made in the area of federal/provincial/Aboriginal cooperation. This was evident as they worked together to examine cross-cutting socio-economic issues that must be addressed to make meaningful progress. It has become evident to the principal parties that Aboriginal issues cannot be examined exclusively as either on or off-reserve matters. A new relationship has been formed that has resulted in a collaborative approach to developing resolution to common goals. Additionally, governments and Aboriginal leaders agree that the key to success is to focus on cross-cutting targets which would have significant impacts on socio-economic conditions in the areas of health, housing, education, and economic opportunities. See details at II.5.
Canadian Polar Commission				
SO — Increased Canadian Polar Knowledge				
To carry out its mandate, the Commission initiates, sponsors and supports conferences, seminars and meetings; helps establish a polar information network as the principal mechanism to disseminate knowledge pertaining to the polar regions; undertake and support special studies related to the polar regions; recognizes achievements and contributions related to its mandate; publishes newsletters, reports and other publications; and tables an annual report in Parliament.	Ongoing	1.0	1.0	The Commission is on track regarding communications and international participation. Some progress has been achieved on national Arctic and Antarctic science policy as Canada prepares for International Polar Year. See details at II.6.

Strategic Outcomes (SO) and Associated Program Activities (PA)	Type	Planned Spending (\$ millions)	Actual Spending (\$ millions)	Expected Results and Current Status (as of March 31, 2006)
Indian Specific Claims Commission				
SO — Fair and Impartial Hearings of Specific Claims				
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.	Ongoing	7.1	6.9	Inquiries were conducted and reports issued. Mediation services were provided. See details at II.7.

Note: Departmental Management and Administration supports each of INAC's seven Strategic Outcomes. More details are to be found in Section IV of this DPR.

Alignment to Government of Canada Outcomes

INAC's Strategic Outcomes support the following Government of Canada Outcomes.

The crosswalk between the Government of Canada's Outcomes and INAC's is shown in the following table.

Government of Canada's Outcomes	INAC Strategic Outcomes	INAC Program Activities
Economic: Strong Economic Growth	The Economy — Aboriginal People and Northerners close the economic gap	Access to Capital and Economic Development Community Infrastructure Northern Economy
	The Land — Sustainable use of lands and resources by First Nations, Inuit and Northerners	Clarity of Title to Land and Resources First Nations Governance over Land, Resources and Environment Northern Land and Resources
Social: Diverse Society That Promotes Linguistic Duality and Social Inclusion	The People — Strengthened individual and family well-being for First Nations, Inuit and Northerners	Managing Individual Affairs Education
	The Government — Good governance, effective institutions and co-operative relationships for First Nations, Inuit and Northerners	Co-operative Relationships Governance and Institutions of Government Northern Governance
	The People — Strengthened individual and family well-being for First Nations, Inuit and Northerners	Social Development
	Office of the Federal Interlocutor — Strengthened relationships with Métis, Non-Status Indians and urban Aboriginal Canadians to raise awareness of their needs and improve access to federal services with the aim of improving their socio-economic conditions	Co-operative Relations
Social: Healthy Canadians With Access to Quality Health Care	The People — Strengthened individual and family well-being for First Nations, Inuit and Northerners	Healthy Northern Communities
Economic: A Clean and Healthy Environment	The Land — Sustainable use of lands and resources by First Nations, Inuit and Northerners	Responsible Federal Stewardship
Economic: Income Security and Employment for Canadians	The Economy — Aboriginal People and Northerners close the economic gap	Economic and Employment Opportunities for Aboriginal People

Summary of Departmental Performance

Indian and Northern Affairs

Understanding INAC's performance results is further enhanced by more complete information on its environment, situation, partners, management approach, risks and challenges. Summaries of these can be found in the Reports on Plans and Priorities (RPPs) for 2005–06 and 2006–07 at <http://www.tbs-sct.gc.ca/est-pre/estime.asp>.

See RPP 2005–06 for:

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 information is updated in RPP 2006–07. It outlines:

Strategic Outcomes

Planning Context

Operating Environment

Departmental Priorities

The year 2005–06 continued to present challenges and opportunities for advancing the government's Aboriginal and northern agendas.

A number of key activities have helped improve the social and economic outcomes for Canada's First Nations, Inuit and Métis peoples, although clearly more work is needed to reduce the gap in living conditions between Aboriginal peoples and other Canadians.

In the North, Canada's three territories have been transformed in recent decades, but there is tremendous potential for further development. The increasing capacity of territorial institutions, new governance models, and effective partnerships between Aboriginal and non-Aboriginal groups are providing a solid foundation that will give Northerners greater control over the most important decisions regarding the future of their territories.

At the same time, INAC continued to meet ongoing needs and deliver upon specific obligations under the *Department of Indian Affairs and Northern Development Act* and the *Indian Act*, and pursuant to treaties, comprehensive land claims, and self-government agreements.

Provinces, territories and Aboriginal organizations have played a key role contributing to the achievements in 2005–06. These partners hold many of the levers that enable long-term progress, and it is becoming increasingly important for them to participate in developing and implementing the solutions to improve the quality of life of First Nations, Inuit, Métis and Northerners.

Recognizing that provinces, territories and Aboriginal people need to be part of the solution, the government engaged in a series of collaborative activities in 2005–06, including:

- Joint policy retreat with federal ministers and the leaders of five National Aboriginal organizations to identify long-term solutions;
- The signing of joint accords by the Government of Canada and National Aboriginal leaders to guide Aboriginal participation in the policy development process; and,
- A First Ministers Meeting with federal, provincial, territorial Ministers and Aboriginal leaders in November 2005 to identify specific targets to reduce the socio-economic disparities between Aboriginal peoples and other Canadians.

This work has informed the actions of Canada's new government to make positive advances in areas such as safe drinking water, housing and education. It has also highlighted the benefits of not allowing divergent views on jurisdiction to impede progress on important issues.

Immediate steps have been taken by the Minister to address the issue of safe drinking water in the most at-risk First Nations in the country. The new government has also entered into an historic agreement to improve First Nation education in British Columbia. The 2006 Budget provided additional funding for investments in better quality of life.

The new government has also taken early action to protect Aboriginal women's rights and is pursuing legislative initiatives in areas such as

Matrimonial Real Property and human rights protections.

In the North, international demands for new sources of oil and natural gas have resulted in a major commitment to exploration 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. Canada's participation in the upcoming International Polar Year has set the stage for a targeted science and research program to address priorities on climate change impacts and adaptation, and health and well-being of northern communities.

These early actions by the new government have provided direct benefits for First Nations, Inuit, Métis and Northerners, and have set the stage for more tangible progress.

1. Strategic Outcome — The Government

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

During the 2005–06 fiscal year, working relationships between First Nations, Inuit and northern communities and the department continued to improve. INAC staff worked collaboratively to support and assist First Nations and Inuit in the implementation and maintenance of accountability mechanisms and the development of good governance models. About 85 percent of the department's program budget was directly administered by First Nation governments, thereby, increasing the level of local decision-making over issues affecting them. Through the offering of training courses, the delivery of workshops, and the provision of advisory services, the department worked with First Nation governments and Inuit communities to increase local capacities and implement governance-related initiatives, to better focus on community priorities and to better equip them to work with other governments, investors and third parties in order to achieve their objectives.

The creation and support of local, regional and national institutions with First Nations and Inuit partners, increases the effectiveness of First Nation governments and Inuit communities. Four new institutions were established pursuant

to the *First Nations Fiscal and Statistical Management Act* (FNFSMA) which came into effect in April 2006, namely the First Nations Tax Commission, the First Nations Financial Management Board, the First Nations Statistical Institute and the First Nations Finance Authority. This legislation provides a statutory base for First Nation institutions to assist First Nations in improving the investment climate and promoting economic growth in their communities. The National Centre for First Nations Governance was also formally established to support First Nation and Inuit communities in the implementation of self-government and to assist in the development of day to day effective governance.

Land claims and self-government agreements establish the foundation of co-operative relationships regarding Aboriginal and Treaty rights, and provide certainty over rights to land and resources. Comprehensive land claims and self-government also clarify the exercise of self-government. To date, the department has achieved 20 final comprehensive claim agreements and 16 self-government agreements, covering 90 communities with approximately 70,000 members.

During the 2005–06 fiscal year, notable progress across the country was accomplished in the negotiations, conclusion and ratification of final agreements as well as implementation of different types of Agreements. One comprehensive land claim and associated self-government agreement was signed with the Carcross/Tagish First Nation. It, along with the Kwanlin Dun, Tlicho and Labrador Inuit Association Comprehensive Land Claim Agreements, all became effective during 2005–06. Eighteen specific claims and one special claim were also resolved.

Notable progress at other negotiation tables included: Framework Agreements signed with Akwesasne (Ontario and Quebec), Miawpukek (Newfoundland and Labrador) and Musqueam (British Columbia) First Nations; Agreements-in-principle signed with Anishinabek Nation (Ontario), Yale and Yekooche First Nations (British Columbia); and a Final Agreement was initialled with Nunavik Inuit (northern Quebec).

In the North, work continued in 2005–06 towards an Agreement in Principle (AIP) on devolution of province-like responsibilities in the NWT. The

department engaged in discussions to guide future devolution in Nunavut. On the circumpolar front, Canada contributed to the strengthening of linkages between Canadian Northerners and Russia by supporting a number of fora. The department also continued to support Canadian northern priorities by participating in Arctic Council initiatives.

2. Strategic Outcome — The People

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

This Strategic Outcome consists of four Program Activities — Managing Individual Affairs, Education, Social Development and Healthy Northern Communities — intended to provide a continuum of essential services throughout an individual's life. It supports the Government of Canada's commitment to providing a range and level of essential services to First Nations people living on reserves reasonably comparable to those enjoyed by other Canadians. It also supports First Nations and Inuit control, and eventual jurisdiction, over the policies, programs and services that most directly affect individual and family well-being.

During 2005–06, significant accomplishments included:

- Reduced waiting time for First Nations individuals who have applied for registration.
- Completion of a national strategy to implement a secure Certificate of Indian Status card, and issuance of 112,751 certificates.
- Funding for 15 First Nations to develop and/or implement membership codes.
- Interconnections and collaboration between First Nation educators, federal/provincial/territorial governments and other stakeholders were developed and/or strengthened which is key to developing education policy and management frameworks necessary for the establishment of clear directions, clear outcomes, a basis for decision-making and consistent means of managing education program delivery and measuring progress and results.
- Development of a Social Development Policy Framework, in partnership with the Assembly of First Nations (AFN) and other First Nations partners, that moves towards a more comprehensive,

preventative, result-oriented, and systemic approach in order to streamline the existing system through enhanced federal/provincial/territorial/First Nations coordination and efforts.

- Continued development of coordinated service delivery options with respect to early childhood development, in partnership with Health Canada, Human Resources and Social Development Canada, the Public Health Agency of Canada, and First Nations and Inuit partners.

Ongoing improvement of individual affairs, education and social development is a continuing priority.

Also in 2005–06, the department, through the multi-agency Northern Contaminants Program, funded several projects to assess the impacts of contaminants on the use of traditional food and to communicate risks to Northerners. The department conducted food price surveys in about 40 communities that use the Food Mail Program and in southern supply centres. Pilot projects in Kangiqsujuaq (Quebec), Fort Severn (Ontario) and Kugaaruk (Nunavut) continued during the year and will provide a basis for future decisions about the Food Mail Program.

In addition, a National Implementation Plan, consisting primarily of projects funded under the Northern Contaminants Program, was accepted as Canada's contribution to the Arctic Council's Arctic Monitoring and Assessment Program. The department, through the Aboriginal and Northern Community Action Program on Climate Change, funded a total of 108 projects across Canada.

Funding was announced in 2005–06 for Canada's participation in the upcoming International Polar Year. A plan has been developed for the science and research program, communications and outreach, and for training and capacity building.

3. Strategic Outcome — The Land

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

Historically, the federal government had authority over First Nations reserve lands, resources and environment, and the moneys (Indian Moneys) derived therefrom. In recognition of

First Nations' aspirations for greater control over their own lives, in 2004–05, this Strategic Outcome articulated a vision for “south of 60” — “to achieve First Nations governance over their lands, resources and environment.”

To achieve that vision, immediate, intermediate and end outcomes or goals were identified. Significant progress towards immediate outcomes has been achieved. In 2005–06, some noteworthy accomplishments against immediate outcomes included:

- Laying the foundation for a more timely Additions to Reserve (ATR) process by investing in improved planning, tracking and tools that enable First Nations to have greater access to lands and resources in the future;
- Strengthening land management skills through piloting the Reserve Lands and Environment Management Program (RLEMP) and establishing of the Professional & Institutional Development (P&ID) program; and
- Strengthening the legislative and regulatory framework for commercial and industrial development on reserves through enactment of the *First Nations Commercial and Industrial Development Act* (FNCIDA) on April 1, 2006.

In light of the progress towards achieving immediate outcomes, the department was able to begin shifting its focus towards intermediate outcomes in 2005–06. Significant accomplishments against intermediate outcomes included:

- Creating better conditions to attract investments, through the development of the *First Nations Commercial and Industrial Development Act* (FNCIDA), which came into effect on April 1, 2006;
- Promoting responsible stewardship of reserve lands by remediating contaminated sites on reserve; and
- Generating more opportunities for First Nations decision-making and control through the coming into effect of the *First Nations Oil and Gas and Moneys Management Act* (FNOGMMA), the development of the Specific Purpose Expenditure Trust (SPET) policy, and the increased interest and participation in First Nations land management under the *First Nations Land Management Act* (FNLMA).

These accomplishments set the stage for moving forward. Strengthening the ATR process was a priority identified by the Office of the Auditor General, and in response the department has developed better planning, tracking and support to First Nations that will pay off in terms of shorter time frames for finalizing ATRs.

There was also significant progress in 2005–06 towards the remediation of contaminated sites on reserve. Targets for reducing liabilities in Class 1 and Class 2 contaminated sites were surpassed almost two-fold. However, the remediation of contaminated sites on reserve lands is an ever-increasing task as more potential sites are identified and assessed each year. It is expected, therefore, that it will be a challenge to meet remediation targets in the future.

The response from *First Nations to the First Nations Land Management Act* (FNLMA), and in particular the large number of First Nations who are interested in participating, is encouraging. The department remains committed to supporting a “rolling 30” First Nations in the process and looks forward to seeing the results of those First Nations now operational under the Act. In addition, INAC is committed to supporting the entry of First Nations from Quebec into the FNLMA initiative.

Another sectoral governance initiative, the *First Nations Oil and Gas and Moneys Management Act* (FNOGMMA), also holds considerable promise. INAC will continue to work with the three pilot First Nations — Blood, Siksika (Alberta) and White Bear (Saskatchewan) — to help them realize the benefits from this legislation.

The department, as steward of northern lands, waters and natural resources, also continued its clean-up of contaminated sites in the North. The Giant Mine (Northwest Territories) project description has been finalized and implementation is pending regulatory review. The water licence and land use permit has been completed for the Colomac Mine (Northwest Territories). The remediation of Resolution Island (Nunavut) has been completed and a long-term monitoring program was initiated in 2005–06.

The department has developed reports on best practices for institutions of public government,

training needs assessments for land management boards and orientation material for boards, all aimed at improving the regulatory system in the North.

The Mackenzie Gas Project has the potential to make an important contribution in achieving sustained economic activity, strong and healthy Aboriginal and northern communities, and self-sufficiency for the North. Since the beginning of the National Energy Board hearings in January 2006 and the Joint Review Panel hearings in February 2006, the 11 signatories to the Agreement for the Coordination of the Environmental Assessment and Regulatory Review of the Mackenzie Gas Project have focussed on developing interventions that will provide valuable assessments of impacts of the project. INAC has and will continue to actively participate in the hearings to ensure that Canadian, Aboriginal and Northerners' interests are met.

Research projects are underway that will provide new and updated scientific information contributing to the assessment and regulatory review of northern energy development.

In response to concerns raised by Aboriginals and Northerners relating to potential socio-economic impacts with a project of this magnitude, the federal government has announced a \$500 million Mackenzie Gas Project Impact Fund to alleviate these pressures.

The Crown Consultation Unit continues to coordinate and facilitate consultations undertaken by federal departments with Aboriginal groups in the North and in northern Alberta to increase understanding of the project.

4. Strategic Outcome — The Economy

Increased participation by Aboriginal people and Northerners in the economy.

The department's focus was on the establishment of a sound foundation that will allow Aboriginal communities, organizations and individuals to become more active in the Canadian economy by engaging the private sector through its provision of goods and services, a skilled workforce, and the potential development of land and resources.

The Aboriginal Workforce Participation Initiative and the Procurement Strategy for Aboriginal Business have allowed the department to centre its efforts on the "demand" side — where the jobs are in the corporate sector. Successes opened opportunities to Aboriginal businesses and individuals as they fulfilled the needs of public and private organizations, which need competitive sources of products and services, as well as access to a versatile workforce. For example, last year Aboriginal businesses were successful in being awarded 5,980 contracts with the federal government that generated a quarter of a billion dollars in sales.

The Community Economic Development component of the Economic Development program continued the department's efforts building a foundation in First Nation and Inuit communities by enhancing the capacity within these communities. This enabled them to pursue specific economic development activities that have resulted in the creation of thousands of employment opportunities for community members. As well, it resulted in the expansion and establishment of over one hundred Aboriginal community businesses. Finally, the department's program supported the establishment of more than fifty resource development opportunities being capitalized on by First Nation and Inuit communities. Each of these agreements is expected to equate to employment for community people, business development and a direct stream of revenue for the community.

Efforts and support within the Community Infrastructure program area have been significant in the establishment of healthy, safe and sustainable First Nation communities. The department's support enabled First Nation communities to continue their efforts to protect and maintain the life cycle of existing assets, thus mitigating possible health and safety risks. Communities were active in addressing issues that have created high risk potable water and sewage issues in communities. Work continued to ensure assets such as housing units, educational facilities, fire protection systems, and other public buildings meet applicable codes and standards.

Once again, with additional work in the area of solid waste management systems, electrification,

and roads, First Nations have curtailed possible health and safety issues, thus creating a more comparable standard of living for Aboriginal people.

The culmination of the aforementioned efforts and results have contributed to moving closer to the ultimate goal of building the economic and community foundations necessary to close the socio-economic gap between Aboriginal and non-Aboriginal people and that will foster safe, stable and healthy First Nations and Inuit communities with a greater participation in the Canadian and global economies.

In the territories, over \$13 million was invested in priority areas such as geoscience, tourism and support for small and medium-sized enterprises through the Targeted Investment Program and the Innovation and Knowledge Fund. Plans to guide investment decisions were completed and approved in all territories. The delivery of the Infrastructure Canada Program was completed during the year, while the new Municipal Rural Infrastructure Fund was started in all three territories. Over 70 projects were funded across the North over the 2005–06 period.

5. Strategic Outcome — The Office of the Federal Interlocutor

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.

One of the fastest growing segments of the Canadian population is Aboriginal people. This is particularly true in Western and Northern Canada. The future social well-being and economic prosperity of Canada will be limited if significant progress is not made in narrowing the socio-economic gap between Aboriginal people and other Canadians. OFI's efforts over the past year have seen a breakthrough in the development of a new kind of relationship formed by federal departments, provincial governments and Aboriginal organizations. Jurisdictional issues are increasingly being put aside and a shared sense of responsibility is evident as the parties worked collaboratively in the development of joint plans focused on hard results in the areas of

education, health, housing and infrastructure, and economic development. This was evident in the efforts and results attained in OFI's eleven Tripartite processes, the twelve pilot project communities in the Urban Aboriginal Strategy and the many results accomplished in joint initiatives related to implementation of the Powley decision.

Canadian Polar Commission

Strategic Outcome — Increased Canadian Polar Knowledge

Communicating polar science to Canadians.

Strengthening Canada's presence in international circum-polar organizations.

Promotion and advocacy with respect to polar knowledge in Canada.

Demand for the Commission's publications, including two semi-annual publications (*Meridian* and the *Newsletter of the Canadian Antarctic Research Network*) and special reports, increased by approximately five percent. Media coverage of global polar science, especially of issues related to climate change and International Polar Year (IPY) in 2007–08 increased, and the Commission handled more media requests for information (interviews, permission to quote material, etc.). The number of subscribers to the Canadian Polar Information Network's Polar Science Forum increased by 13 percent over last year, to 1,300.

During the past year, the Commission reviewed the Indicators Project and decided to end the project, given the need for much more detailed information for the project to achieve its objective of tracking the state of Canadian polar knowledge.

The Commission provided advice to interdepartmental committees; managed the financial contributions of 10 federal departments and agencies from the Associate Deputy Ministers' Committee on Northern Science and Technology in support of the Canadian IPY Committee and Secretariat, and collaborated with the Northern Science and Technology Working Group, which co-ordinates northern science and technology programs and activities among federal government departments. It also continued its series of public consultation sessions on IPY.

The Commission continued to represent Canada at international meetings and on international organizations, and to lead international projects.

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.

Since its inception in 1991, the Indian Specific Claims Commission (ISCC) has gained credibility as an independent, neutral body that conducts public inquiries into specific claims disputes between First Nations and the Government of Canada. As well as conducting formal inquiries, the Commission, at the request of the government and a First Nation, provides or arranges mediation and facilitation services to help them reach an agreement with respect to any matter related to a

claim. 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.

The Commission typically completes its work on a claim, including issuing its final report, two to five years after receipt of the initial request for an inquiry. The complexity of a claim influences the duration of an inquiry. In 2005–06, the ISCC conducted 37 ongoing inquiries, of which it completed three (with reports to be issued in 2006–07); it released reports on five inquiries completed in previous reporting periods.

The Commission also worked on 26 mediation efforts, and issued reports on five mediations completed in the previous year.

Legislation to set up a new Claims Resolution Centre received Royal Assent in November 2003, but has not been proclaimed. During 2006–07, INAC will work to clarify the future role and funding of the Commission to ensure continuity of work on inquiries, and impartial and supportive mediation/facilitation services.

Section 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 cooperative relationships

What Is This Strategic Outcome About?

Helping to establish an environment that empowers First Nations and northern governments and Inuit communities, strengthens institutions, and supports cooperative intergovernmental and Treaty relationships.

Indian and Inuit Affairs

This Strategic Outcome is directed at helping First Nations governments and Inuit communities to develop effective governance and institutions. First Nations and Inuit are increasingly responsible for their own affairs: devolution has transferred administrative authority for the delivery of most programs and services, while self-government agreements are expanding law-making and political powers, and establishing new fiscal as well as political relationships.

The department is assisting First Nations and Inuit communities to strengthen their capacity in governance and financial management through a combination of legislative initiatives, administrative mechanisms and capacity development, as well as through programs and policies.

Effective governance supports First Nations and Inuit efforts to develop clear accountabilities to citizens and is also key to socio-economic development. Together, good governance and effective institutions will help First Nations and Inuit communities to benefit from economic activities; furthermore, all Canadians will benefit from healthier, more self-reliant First Nations and Inuit communities.

Institutions support First Nations and Inuit in managing resources; in providing programs and services; and in formulating, implementing and enforcing policies and regulations. The department supports institutions through funding, research and participation.

In the area of intergovernmental and Treaty relationships, federal, provincial and territorial governments are building foundations for cooperative relationships with First Nations and Inuit by negotiating and implementing land claims and self-government agreements, by exploring Treaties and by putting in place a means to identify priorities together. Negotiations fulfil constitutional obligations, address historical lawful obligations, promote mutual respect, build partnerships, help define common agendas, and reduce conflict and litigation. Agreements give First Nations and Inuit certainty over rights to lands and resources, compensation for past wrongs, and clarity for the exercise of self-government.

Northern Affairs

In the North, the changing roles of the federal and territorial governments and Aboriginal governance structures create a complex operating environment. Getting the mix right is a necessary component for progress toward this Strategic Outcome. Progress on the Aboriginal agenda and in building northern institutions has contributed to revitalization in northern Aboriginal communities and to strengthened partnerships. Further attention to supporting Northerners' capacity is essential. Northern governance also has an important international dimension in addressing transboundary issues.

Financial Resources (\$ millions)	2005-06		
	Planned Spending	Total Authorities	Actual Spending
Governance	59.5	76.6	75.9
Institutions	477.0	496.0	482.7
Co-operative Relationships	222.7	224.8	179.2
Northern Governance	13.8	18.1	8.7

Human Resources (Full-time Equivalents)	2005-06		
	Planned	Actual	Difference
Governance	47	55.4	8.4
Institutions	297	221.6	75.4
Co-operative Relationships	528	423.4	104.6
Northern Governance	58	37.1	20.9

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 nature of the department's business, that is, managing financial relationships with service delivery largely devolved to partners.

II.1.1 Program Activity

Governance

What Is This Program Activity?

Fostering stronger governance through supporting legislative initiatives, programs and policies, and administrative mechanisms that foster 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/pr/est/dpr05-06/gov_e.html for more details):

- INAC continued to work with First Nations and Inuit communities to improve government structures and practices. Over 150 governance-related initiatives were funded for such areas as by-laws, leadership, and code development in areas including leadership selection, membership, finance and accountability. In addition, approximately 75 First Nations Councils and five enforcement agencies received by-law training this year.
- The First Nations Electoral Officers Association (a professional association of officers who conduct elections in First Nations communities) was instituted.
- Four new self-government agreements became effective in 2005-06. They include agreements for the following First Nations: the Carcross/Tagish First Nation (Yukon) signed in October 2005 and effective in January 2006;

the Kwanlin Dün First Nation (Yukon) in April 2005; the Tlicho First Nation (Northwest Territories) in August 2005; and the Labrador Inuit Association (representing the Labrador Inuit) in December 2005.

- INAC continued to work on development of funding agreements that are responsive to the needs of First Nations and Inuit. As such, an evaluation of the Alternative Funding Arrangement (AFA) and Flexible Transfer Payment (FTP) funding was conducted and approved in December 2005, complete with recommendations and an action plan. A new multi-year funding agreement was developed for use by Aboriginal organizations.

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, 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/pr/est/dpr05-06/gov_e.html for more details):

- The *First Nations Fiscal and Statistical Management Act* (FNFSMA), which came into force in April 2006, established four new institutions: the First Nations Tax Commission, First Nations Financial Management Board, First Nations Statistical Institute and First Nations Finance Authority. They are designed to improve the investment climate and promote economic growth in First Nations communities, strengthen the First Nations real property tax system, provide access to capital markets that is comparable to that available to other governments, and improve the reliability and management of First Nations financial and statistical information.
- The National Centre for First Nations Governance was formally launched to support First Nations in the implementation of self-government and to assist in the development of day to day effective governance.

- The Tlicho agreement established a tripartite implementation committee, a bilateral finance committee, a renewable resources board, and a land and water board.
- The Inuit Relations Secretariat was established on April 1, 2005.

II.1.3 Program Activity

Co-operative Relationships

What Is This Program Activity?

Building 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 common understanding regarding historic Treaty relationships; and developing 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/pr/est/dpr05-06/gov_e.html for more details):

- The Treaty Relations Commission office in Manitoba was established to function as an independent and neutral office. The Commission's mandate includes engaging in public education activities to improve understanding of the treaty relationship and treaty-related issues, providing facilitation for discussing treaty issues and conducting independent research.
- Eighteen specific claims were resolved, thereby reducing outstanding lawful obligations.
- One special claim was resolved through negotiations and there is ongoing progress in negotiations in others.
- On October 22, 2005, Final and Self-government Agreements were signed with the Carcross/Tagish First Nation (Yukon); the agreements came into effect on January 9, 2006.
- On November 15, 2005, the Nunavik Inuit Land Claims Agreement was initialled and the parties commenced their respective ratification processes.
- Agreements-in-Principle (AIPs) were reached with the Anishinabek Nation (Ontario), whose Governance AIP was completed in spring 2005,

and with the Yale First Nation and the Yekooche First Nation (British Columbia).

- Framework Agreements were reached as follows: a Governance Framework Agreement was signed with the Akwesasne Nation in June 2005; a Self-government Framework Agreement was signed with the Miawpukek (Conne River) First Nation (Newfoundland and Labrador) in April 2005; a Framework Agreement was signed with the Musqueam First Nation (British Columbia) allowing that Table to move to the AIP negotiation stage.
- The department continued to work with its Aboriginal and provincial/territorial partners in implementing over 20 land claims and/or self-government agreements in place nationwide. This involved monitoring 30 implementation plans and 19 financial transfer agreements, as well as participating in 12 implementation committees.
- Justice Thomas Berger, appointed as conciliator for Nunavut Land Claim Agreement Implementation Contract negotiations in May 2005, presented his Final Report, *Nunavut Land Claims Agreement Implementation Planning Contract Negotiations for the Second Planning Period* in March 2006.
- The official constitution of the O-Pipon-Na-Piwin Cree Nation was recognized in November 2005, making it Manitoba's 63rd First Nation. The acknowledgment of O-Pipon-Na-Piwin Cree Nation as an individual First Nation comes after a lengthy process of negotiations and settles a long-standing grievance.

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/pr/est/dpr05-06/gov_e.html for more details):

- Consultations on the northern strategy, led jointly by the federal and territorial governments, were undertaken in the spring of 2005. In addition, Northern Strategy trust funds (\$40 million per territory) were established through the 2005 Budget.
- Although an AIP was not conducted, work continued towards advancing the devolution files. In the Northwest Territories, a number of issues, including resource revenue sharing associated with the fiscal imbalance issue, remained unresolved during 2005–06. As a result, negotiations toward a final agreement would commence upon completion of an AIP. Discussions took place to guide future devolution in Nunavut.
- INAC's support enabled territorial and Aboriginal representatives and organizations to participate in circumpolar fora, including the Arctic Council and its working groups.

Areas for Improvement and Lessons Learned

Governance

Funding instruments: A review of funding authorities available to the department revealed that there is a need for a multi-year Comprehensive Funding Agreement for use with recipients other than First Nations and Tribal Councils.

Intervention policy: The intervention policy review is focusing on exit strategies and the need to address capacity issues. New approaches have been developed to enhance First Nations participation in intervention processes. A revised policy will be implemented.

There is an opportunity to significantly reduce reporting requirements and improve the effectiveness of First Nations government through the development of a new grant-based program in support of comprehensive community plans, subject to robust eligibility criteria. This assessment mechanism is an essential risk management tool and would thus limit the use of this program to top-tier recipients.

Institutions

First Nations led the initiative to establish four new institutions under the FNFSMA. The First Nations Tax Commission, First Nations Financial

Management Board, First Nations Statistical Institute and First Nations Finance Authority will support sustainable and accountable First Nations through property taxation, financial management, access to private capital and statistical information. With the launch of the National Centre for First Nations Governance, a valuable resource centre and centre of expertise in First Nations governance issues has been established.

The establishment and full operation of new institutions poses significant challenges to the government and First Nations. The parties will continue to work closely to ensure that these institutions gain the capacity and establish the necessary structures to become fully operational and meet the needs of First Nation communities and organizations.

Co-operative Relationships

Addressing Aboriginal and Treaty rights is fundamental to co-operative relationships with Aboriginal people. An increased understanding of historic Treaties provides the basis for a strengthened and forward-looking partnership with First Nations, while resolution of specific claims helps to establish a foundation of respect for Treaty rights and other historical lawful obligations. By negotiating and concluding comprehensive land claims and self-government agreements, Aboriginal groups and federal and provincial/territorial governments can define their relationships instead of leaving matters to the courts to decide. The successful implementation of these agreements helps ensure co-operative relationships among all parties.

In the realm of implementation of comprehensive land claims and self-government agreements, the department has come to recognize the importance of providing a sharper focus on longer term shared objectives and measurement of these mutually-desired results. To this end, the department, in collaboration with its comprehensive land claim partners, is developing best practices in measuring and reporting on progress in achieving long term shared objectives. For example, a number of initiatives were launched to promote and establish results-based management approaches within existing implementation processes, including the delivery of results-based management workshops and the establishment of specific pilot

projects with signatories to comprehensive land claim agreements.

Northern Governance

In an era of expanding resource development, increased interest in the North and the evolving relationships between federal, northern and Aboriginal governance structures, work must continue to ensure that appropriate mechanisms are in place to facilitate ongoing dialogue and co-operation between the federal and northern governments, including Aboriginal governments in the territories. These lessons learned will help guide the political and economic development of the North.

II.2 Strategic Outcome

THE PEOPLE

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

What is This Strategic Outcome About?

Integrated interdepartmental policy development, program design and service delivery undertaken in partnership with First Nations, Inuit and other partners. Jointly developed management and accountability frameworks that include jointly agreed-upon performance indicators to support and measure effectiveness and outcomes.

Indian and Inuit Affairs

First Nations and Inuit are among the most disadvantaged groups in Canada. Research indicates that higher levels of education and economic development are most likely to produce lasting improvements in quality of life. Social and health services are also needed to support families and children who are ready to learn. Similarly, safe, stable and healthy individuals, families and communities are needed to take full advantage of economic development and employment opportunities.

This Strategic Outcome supports the national objective of ensuring First Nations and Inuit have access to a range and level of services that are reasonably comparable to those enjoyed by other

Canadians. It also recognizes the central importance of First Nations and Inuit control over policies, programs and services that directly affect their quality of life.

Activities within this Strategic Outcome address a continuum of essential services needed throughout an individual's life. Services intended to support the well-being of the individual — and the family and the community through the individual — are represented in three separate, yet interconnected circles. The management of individual affairs, from registration of births to estate planning and the fulfilment of statutory and Treaty obligations, are foundational services and form the outer circle. Social services, which ensure individuals have the necessities of life, constitute the middle circle. Education services, which promote empowerment of the individual, form the inner circle.

Northern Affairs

One challenge facing federal, provincial and territorial governments is to find the most effective means of ensuring that people living in 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.

INAC continues to work with provinces, territories and Aboriginal leadership in multi-lateral fora to improve the lives and protect the rights of women, children and families. A focus has been to provide strategic direction related to On-Reserve Matrimonial Real Property (including two responses to Cabinet Standing Committee) and ongoing gender-based analysis. The result is strengthened relationships with partners, greater information sharing, processes that facilitate ongoing collaboration, leadership in providing a supportive and inclusive work environment and the evolution of strategic direction concerning key issues for Aboriginal women, children and families.

Financial Resources (\$ millions)	2005-06		
	Planned Spending	Total Authorities	Actual Spending
Managing Individual Affairs	16.4	18.7	20.0
Education	1,573.5	1,625.3	1,619.2
Social Development	1,302.1	1,359.8	1,352.5
Healthy Northern Communities	84.7	87.0	97.3

Human Resources (Full-time Equivalents)	2005-06		
	Planned	Actual	Difference
Managing Individual Affairs	93	122	29
Education	896	881.8	14.2
Social Development	626	603	23
Healthy Northern Communities	55	57.6	2.6

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 nature of the department's business, that is, managing financial relationships with service delivery largely devolved to partners.

II.2.1 Program Activity

Managing Individual Affairs

What Is This Program Activity?

Professionally managing individual First Nations affairs to ensure that the Minister's responsibilities under the Indian Act for Trust Funds, Membership and Estates are properly exercised.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/peo_e.html for more details):

- A strategy was completed to create new compliance, monitoring and integrity measures to achieve a complete, accurate and current Indian Register and Section 11 Band lists.
- Nationally, 3,494 applications for registration as Status Indians were processed, 3,470 new applications were received and 4,022 decisions were rendered on applications. As of March 31, 2005, the Status Indian population totalled 751,747.
- In November 2005, the new Office of the Indian Registrar was created to increase productivity and quality of service to First Nations clients.
- The team-based approach to processing registration applications, implemented in February 2006, achieved a noticeable reduction in the backlog of registration files and this result is being sustained.
- A national horizontal strategy to implement a secure Certificate of Indian Status card was completed and 112,751 certificates were issued;

13,602 new Certificates of Indian Status were issued in Alberta and the National Capital Region pilot areas.

- INAC administered 11,479 trust accounts for individuals, with a value of approximately \$45 million.
- Approximately 336 Treaty payment events were held.
- Approximately 1,774 estate files were opened and 3,155 were closed.

II.2.2 Program Activity

Education

What Is This Program Activity?

Supporting the provision of: Elementary/Secondary Education services, contributing to increased levels of education for First Nations and Inuit students; funding for Special Education programming, improving the quality of education and level of support services for eligible students with special needs so that they are reasonably comparable with provincial levels of support services; and financial support for Status Indians to participate in Post-Secondary Education studies to increase levels of participation, achievement and employability.

On July 5th, 2006, INAC signed a Tripartite Agreement on Education Jurisdiction with Xweme'Ich'stn Estimxwawtxw School Squamish Nation Community, which clears the way for First Nations in British Columbia to assume control over education. This agreement now in place in British Columbia and the Mi'kmaq Education Authority in Nova Scotia can serve as models for other provinces. Multi-partite agreements in all regions are a necessary bridge to establishing a strong, culturally-relevant, First Nations school system recognized by all governments in Canada and around the world.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/peo_e.html for more details):

- Work started on a review of existing education policies and programs to address the wide range of accountability issues, including more consistent and reliable financial information on education programs and outcomes.
- Solid progress has been made, in collaboration with First Nation stakeholders to clearly articulate respective roles and responsibilities, policy objectives and expected outcomes leading to shared accountability. A draft education policy framework was developed through joint

First Nation/INAC regional dialogue sessions across the country.

- The department produced a first draft of a modernized education policy framework in close collaboration with the AFN and its affiliates which will lead to a common understanding of goals, strategies, outcomes, and roles and responsibilities.
- Solid progress has also been made in the key component of the education management framework, the performance measurement strategy with the following data management issues being addressed:
 - The collection of Nominal Roll data has been harmonized among regional offices and headquarters, an important step in improving data collection through standardization of definitions and reduction in the reporting burden.
 - The Teacher Information database has been developed and baseline data concerning the retention rates and salary gaps between teachers in reserve schools and provincial teachers were established, substantiating management and funding decisions.
 - In November 2005, the National Education Dashboard was implemented nationally, providing INAC with electronic access to information related to departmental education programs.
 - The redesign of reports for the Special Education Program resulted in simplification of the reports, alignment of data collections with performance indicators and a reduction in the reporting burden.

II.2.3 Program Activity

Social Development

What Is This Program Activity?

Supports the provision of: Income Assistance to meet basic needs for food, clothing and shelter to ensure the safety and well-being of individuals and families consistent with provincial programs and standards; First Nations Child and Family Services to improve their well-being and security; Assisted Living for social support services of a non-medical nature such as in-home care, short-term respite care, foster care and institutional care to improve their well-being and security; Family Violence Program

to improve safety and security, particularly of women and children at risk; National Child Benefit Re-investment to support low-income families with children to help prevent or reduce the depth of child poverty; and Other Social Services to build capacity for First Nations to assume responsibility for and jurisdiction over social development through policy development, program design and service delivery, to build self-reliant, sustainable, healthy and stable First Nations communities.

Highlights of results for this Program

Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/peo_e.html for more details):

- As a result of a partnership approach with Health Canada, Human Resources and Social Development Canada, the Public Health Agency of Canada, and First Nations and Inuit partners, INAC developed coordinated service delivery options with respect to early childhood development.
- In partnership with the federal/provincial/territorial/First Nations partners, INAC developed a draft Social Development Policy Framework whose goal is to move programs to a more comprehensive, preventative, accountable and systemic approach in order to streamline the existing social development programming with a focus on measurable results.
- Following publication of five national manuals on Income Assistance, First Nations Child and

In June 2001, the federal government (INAC, Health Canada, Public Safety and Emergency Preparedness Canada, then Solicitor General) announced the Labrador Innu Comprehensive Healing Strategy (LICHES). This strategy was designed as a long term solution to address the substance abuse crisis in the two Innu communities of Natuashish and Sheshatshiu, and develop new ways of looking at health services, social programs, governance, education and policing.

INAC contributed funding for basic programs and services to the Labrador Innu during 2004–05. This has allowed the communities to make progress in addressing the complex issues facing them. Both communities are building their capacity in the areas of governance and financial management. As a result of improvements in financial management, control, reporting and delivery of programs and services, both communities have moved from third-party management, and are full partners in the financial management of their futures.

Family Services, Family Violence Prevention, Assisted Living and the National Child Benefit, regional manuals are being developed to ensure program consistency.

- A flexible funding arrangement with a number of First Nations Child and Family Services agencies has allowed resources intended for in-care placements to be re-allocated towards prevention services.
- INAC and Health Canada jointly funded a research and costing project to examine policy options for long-term care. The project is being monitored by a federal/First Nations/Inuit advisory group.

II.2.4 Program Activity

Healthy Northern Communities

What Is This Program Activity?

Supports improvements in the health and well-being of Northerners through grants for hospital and physician services for Indian and Inuit residents in the Northwest Territories and Nunavut, the transportation of nutritious perishable foods and other essential items to isolated northern communities (provincial and territorial) at reduced rates, the conduct of research into the sources and effects of contaminants on the Arctic food chain, and initiatives to assist Northerners to 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/pr/est/dpr05-06/peo_e.html for more details):

- Shipments of perishable food under the Food Mail Program increased by 10 percent in 2005–06, with no increase in the rates charged. Consideration is being given to the future structure of this program.
 - Work will continue on developing a revised Northern Food Basket. In the meantime, the department continues to publish price survey results on its web site using the original Northern Food Basket.
 - In 2005–06 the Northern Contaminants Program funded a number of projects to assess levels and trends of contaminants in important traditional/country foods, assess the impact of contaminants on the use of traditional country foods and to communicate risks to Northerners.
- Results of these projects will be published in fall 2006 and presented at a Results Workshop in December 2006.
- Regarding contaminants in the food chain, Management Committee approved a Priority Action Plan in the form of Education and Communications Blueprints developed by the Territorial Contaminants Committees. The Blueprints will be reviewed and updated annually.
 - A National Implementation Plan, consisting primarily of projects funded under the Northern Contaminants Program, was accepted as Canada's contribution to the Arctic Council's Arctic Monitoring and Assessment Program. The Northern Contaminants Program also contributes to Canada's obligations under three international agreements that take action on contaminants directly impacting Canada's North. These include the Protocols on Persistent Organic Pollutants (POPs) and Heavy Metals under the United Nations Economic Commission for Europe Convention on Long-Range Transboundary Air Pollution and the Stockholm Convention on Persistent Organic Pollutants under the United Nations Environment Programme. Results of Northern Contaminants Program research have figured prominently in reports that review the effectiveness and sufficiency of these agreements and in the technical evaluation of new substances.
 - The Aboriginal and Northern Community Action Plan on Climate Change (ANCAP) (2004–07) supports the active involvement of Northerners and communities in climate change mitigation and adaptation initiatives. During the past year, the outreach to communities has been extensive: 108 projects were funded, and each community in Canada has access to information on mitigation and adaptation, either indirectly through information or directly through ANCAP's regional pathfinding network.
 - Funding was announced for Canada's participation in International Polar Year. A plan is in place for the science and research program, communications and outreach, training and capacity building, and other activities to support International Polar Year and its follow-up, from 2006–07 to 2011–12.

Areas for Improvement and Lessons Learned

Managing Individual Affairs

Increased efficiencies in the processing of applications has reduced the waiting time for First Nations individuals applying for registration. Taking into consideration the ongoing volume of new applications, the existing backlog and current levels of resourcing, there has been a gradual but noticeable reduction in the backlog of cases from a backlog of 7,939 registration files on April 1, 2005 to 6,837 files on March 31, 2006.

Training and monitoring needs to be a priority for successful delegation of authorities to regions and Indian Registration Administrators. For example, several representatives from each region attended a national Indian Registry Administrators Workshop held in Ottawa in February 2006.

In 2005–06, 15 First Nations received funding to develop/implement membership codes. It is First Nations who decide to accept the responsibilities associated with control of membership lists under Section 10 of the *Indian Act* for operation of Indian Registration Administrators in their communities. While the department can provide support through provision of training, information and funding, the decision to assume these functions rests with First Nations. Given the sometimes large number of off-reserve members of First Nations, the transfer of membership control to First Nations can be hampered by the inability of First Nations to satisfy the *Indian Act* requirement for ratification by an absolute majority of their members.

Education

Education is a key indicator of quality of life, and therefore is a priority for closing the gap in quality of life between Aboriginal peoples and other Canadians. The Canada-Aboriginal Peoples Roundtable process resulted in recommendations related to education, including: strengthening jurisdiction, control and governance; improving access to programs; strengthening relationships among all stakeholders; developing and utilizing culturally appropriate programs and curriculum; building community capacity to deliver programs; and strengthening existing accountability and performance.

Accomplishments and tangible results can only be accomplished through strong partnerships between First Nation representatives, federal/provincial/territorial governments and other key parties that can influence educational outcomes. Central to INAC's work in addressing the Auditor General's November 2004 Report was the collaborative efforts and investments required to support the development of a shared First Nation Education strategic vision as well as attainable results, balanced performance expectations and targets, credible reporting and clear roles and responsibilities. Goals for the improvement of educational outcomes can only be attained if all the key players share the same vision and contribute to the achievement of commonly pursued results. These joint efforts have proven to be successful enablers for the 2005–06 accomplishments in the different components leading to a new education policy framework and companion education management framework, to be completed in 2006–07 and 2007–08.

Social Development

Social well-being is also a key indicator of quality of life. Over the past year it has been evident that social programs on reserve have failed to provide the basic service quality, level, array, scope and delivery standards observed by provincial governments. Accordingly, Canada and First Nations partners have identified recommendations from the Canada-Aboriginal Peoples Roundtable process, including: strengthening Aboriginal control and governance; improving access to programs; building community capacity to deliver programs; and strengthening existing accountability and performance measures, all of which are key elements of the newly developed framework.

Collaborative work with other federal government departments, other levels of government and First Nations is needed to address social issues in First Nations communities. Given that approximately 14 federal government departments contribute to social development programming on reserves, greater co-ordination and integration at the federal level must be a priority.

Healthy Northern Communities

In May 2006, the Auditor General reported that the department had not made satisfactory progress in implementing the recommendation made in December 2002 to review major entry points to provide food mail service to isolated communities. One entry point had been reviewed. However, a decision to review additional entry points first requires a decision on the long-term structure, focus and funding for the program, based in part on the evidence from the Food Mail Program pilot projects.

It has been a challenge to administer much of the department's climate change work under a single program, the Aboriginal and Northern Community Action Program (ANCAP), which owes its support funding to Canada's Climate Change Plan. The impacts of climate change, both on the mitigation (energy) side and on the adaptation side, are very extensive and affect northern communities in many ways. Much has been learned through ANCAP; however, a stronger linkage with the department's mandate to address issues in communities would greatly enhance the department's ability to meet the objectives of this program and be more efficient.

The Northern Contaminants Program (NCP) Blueprints, which serve as strategic guidelines for the development of research and communications projects, are reviewed and updated annually by technical review teams and the NCP Management Committee. Similarly, NCP processes, such as the call for proposals and associated review process, are reviewed and updated annually. In 2005–06, it was recognized that NCP could maximize participation at the annual Results Workshop by co-ordinating it with the ArcticNet Annual Scientific Meeting. ArcticNet and NCP are the two largest environmental research programs in the Arctic, have complementary research agendas and engage many of the same scientists, Aboriginal partners, policy makers and Northern community members. In December 2006, the NCP Results Workshop and the ArcticNet Annual Science meetings will dovetail in Victoria, British Columbia, with plans for some joint sessions. It is hoped the new format will encourage networking between participants of the two programs and encourage a more holistic approach to Arctic research.

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?

Indian and Inuit Affairs

First Nations and Inuit 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 virtually complete authority over First Nations reserve lands, resources, environment and moneys derived therefrom (Indian Moneys). The vision of the Land Strategic Outcome (SO) is to achieve First Nations governance over their lands, resources and environment.

To achieve this vision, our focus is threefold. First, the department will pursue initiatives to clarify title to lands and resources to facilitate land transactions and enable First Nations to benefit to the maximum extent possible from economic opportunities. Efforts towards improving the timeliness of the Additions to Reserve (ATR) process, and towards continued completion and implementation of comprehensive claims agreements are means to this end.

Second, the department will continue to support sound horizontal federal stewardship in those areas of responsibility remaining with the federal government during the transition to First Nations governance. Support for effective land management through training initiatives and the maintenance of the Indian Lands Registry System (ILRS), continued implementation of the Environmental Stewardship Strategy and the remediation of contaminated sites, and support for effective management of oil and gas resources and Band moneys, all contribute to the ability of the department to discharge its federal stewardship responsibilities in relation to First Nation lands, resources and the environment.

Finally, the department will work with interested First Nations to develop the legislative tools, intergovernmental agreements, and

professional and institutional capacities necessary to enable them to assume governing authority and responsibility over their reserve lands, resources and environment. The growing number of First Nations participating in sectoral governance initiatives such as the *First Nations Land Management Act* (FNLMA), and the new *First Nations Oil and Gas and Moneys Management Act* (FNOGMMA), and the implementation of the new Professional & Institutional Development (P&ID) program will contribute to the achievement over time of greater First Nation decision-making and control over matters relating to their lands, resources and environment.

Northern Affairs

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)	2005-06		
	Planned Spending	Total Authorities	Actual Spending
Certainty of Title and Access to Land and Resources	106.1	99.0	27.1
Responsible Federal Stewardship	21.3	23.6	22.9
First Nations Governance Over Land, Resources and the Environment	67.2	90.3	87.9
Northern Lands and Resources	130.2	164.0	164.8

Human Resources (Full-time Equivalents)	2005-06		
	Planned	Actual	Difference
Certainty of Title and Access to Land and Resources	77	48	29
Responsible Federal Stewardship	38	55.2	17.2
First Nations Governance Over Land, Resources and the Environment	157	230.8	73.8
Northern Lands and Resources	341	384.2	43.2

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 nature of the department's business, that is, managing financial relationships with service delivery largely devolved to partners.

II.3.1 Program Activity

Certainty of Title and Access to Land and Resources

What Is This Program Activity?

This activity supports the conversion of land to reserve status (Additions to Reserve), promotes clarity of title through surveys and negotiated agreements in order to facilitate future land transactions, and supports the implementation of land transfers under specific and comprehensive claims.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/lan_e.html for more details):

- Pursuant to comprehensive claims settlements, a total of 57,336 square kilometres of land was transferred to First Nations and Inuit in 2005-06.
- The process for converting land to reserve status (Additions to Reserve) was enhanced in 2005-06 by establishing an initial tracking system and developing a First Nations ATR Planning Workbook. A new directive was also developed to increase the period of time for which environmental site assessments remain valid; it is expected that this will significantly reduce the time required to convert land to reserve status by reducing the need to update the assessments. These initiatives promote greater efficiencies in the process and reduce the time to finalize ATRs.

II.3.2 Program Activity

Responsible Federal Stewardship

What Is This Program Activity?

This activity relates to the discharge of federal responsibilities to First Nations, including those under the Indian Act and the Indian Oil and Gas Act, and those requiring co-operation with and co-ordination by other government departments (e.g., Environment Canada). This activity also involves the remediation of contaminated sites on lands under federal jurisdiction, and the collection and management of Indian Moneys derived from land and resources.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/lan_e.html for more details):

- The Specific Purpose Expenditure Trust (SPET) policy was developed as an option for First Nations in the management of their capital moneys.
- Expenditures on the assessment of potential contaminated sites increased significantly over the year (from \$1.3 million in 2004–05 to \$5.0 million in 2005–06), while expenditures for remediation of contaminated sites continued to rise at a constant rate (from \$9.6 million in 2004–05 to \$9.7 million in 2005–06).
- There was a reduction of 19.6 percent in liabilities of Class 1 and Class 2 contaminated sites, almost double the target of a 10 percent decrease by March 31, 2006.
- Indian Oil and Gas Canada (IOGC) collected, on behalf of First Nations, over \$271 million in royalties, bonuses and rentals for oil and gas operations on First Nations lands.
- The *First Nations Commercial and Industrial Development Act* (FNCIDA), which came into effect April 1, 2006, will allow the federal government to develop regulations for complex commercial and industrial development projects on reserves.

II.3.3 Program Activity

First Nations Governance over Land, Resources and the Environment

What Is This Program Activity?

Under this activity, the department supports First Nations governance over land, resources and the environment through legislative and regulatory development, implementation of sectoral governance initiatives such as those pursuant to the First Nations Lands Management Act and the First Nations Oil and Gas and Moneys Management Act, and the development of professional and institutional governance capacities.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/lan_e.html for more details):

- The number of First Nations involved in First Nations land management under the *First Nations Land Management Act* (FNLMA) continued to expand. There are currently 45 signatory First Nations to the Framework Agreement on First Nations Land Management, of which 18 are operational and 27 are developmental. A further 52 First Nations are interested in joining the FNLMA. The department is also working towards bijuralizing the FNLMA to allow Quebec First Nations to opt in.
- Work continues with the three pilot First Nation proponents — Blood, Siksika (Alberta) and White Bear (Saskatchewan) — under the newly enacted *First Nations Oil and Gas and Moneys Management Act* (FNOGMMA). Six other First Nations (Carry the Kettle, Sunchild, Alexander, Thunderchild, Onion Lake and Dene Tha) have expressed an interest in opting into FNOGMMA.
- The Reserve Land and Environment Management Program (RLEMP) and the Professional and Institutional Development (P&ID) program have been developed to strengthen skills and capacities within First Nations communities and governments. Sixteen First Nations are expected to be operational under the RLEMP by March 2007, with an additional 22 First Nations having completed a portion of the training. Full implementation of program authority for the P&ID program is expected by fall 2006.

II.3.4 Program Activity

Northern Lands and Resources

What Is This Program Activity?

Supports the sustainable development of the North's natural resources emphasizing improved environmental management and stewardship, including the clean-up 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/pr/est/dpr05-06/lan_e.html for more details):

- The department finalized the Giant Mine (Northwest Territories) project description

and consultations are ongoing pending regulatory review. The water licence and land use permit for Colomac Mine (Northwest Territories) was completed. The remediation at Resolution Island (Nunavut) was completed, heavy equipment demobilization is under way, and a long-term monitoring program has been initiated.

- The Nunavut Regional Office completed a strategy and plan for the clean-up of high-risk, high-priority contaminated sites on Crown Land in Nunavut.
- Research projects are under way in support of the environmental assessment and regulatory review of the Mackenzie Gas Pipeline and oil and gas activities in the Northwest Territories.
- The Industry-Government Overview Committee had regular meetings to identify and discuss issues affecting the northern mineral industry and worked collaboratively to find solutions to those issues. Two meetings were held to gain industry's support for and collaboration on departmental initiatives to improve the northern regulatory regime.
- In the Northwest Territories, 400,000 new acres were staked, equal to a minimum commitment of \$830,000 in exploration investment.
- The aeromagnetic survey project in the South Baffin area was completed during the year. The Nunavut Regional Office digitized all geoscience assessment reports received through prospecting permits and provided access to these reports to the public through an on-line portal in collaboration with the Canada Nunavut Geoscience Office.
- A number of initiatives were aimed at improving the resource management regime, such as development of reports on best practices for institutions of public government, needs assessment for board training, and orientation materials for boards.
- In Nunavut, the Jericho diamond mine projects advanced to the operations phase. The mine was commissioned in early 2006, reaching target production in the second quarter. Nunavut's first diamond mine is expected to produce 500,000 carats per year over nine years.

Areas for Improvement and Lessons Learned

A number of initiatives — some legislative and some program — were undertaken to provide

First Nations with additional tools or control in relation to the management of their lands, resources and moneys.

In the case of new legislation such as FNOGMMA and FNCIDA, the department was very successful in meeting its targets. To build on these successes, the Lands Branch conducted a debriefing exercise to identify best practices and areas for improvement in the legislative process, and made a number of observations and recommendations for the benefit of future legislative projects:

- Working in partnership with First Nations proponents is critical, from initial policy proposal through drafting and into the legislative process.
- Consultation and information sharing earlier in the process is key to success.
- The use of plain-language drafts helps ensure that the department and its partners all clearly understand the scope, purpose and intent of the project.

There was also significant progress in continued implementation of the FNLMA. Despite the high level of interest on the part of First Nations, however, the department had to limit the number of new First Nations entering the process to allow more time for those already in the process (developmental First Nations) and to accommodate the requirement for continued support to operational First Nations. INAC has commissioned a study to identify any inefficiencies or bottlenecks in the current development process and to help re-engineer/re-design the process to improve outcomes and to help First Nations vote on their land codes and individual agreements in a more timely manner.

For other program initiatives, success was mixed. While advances were made in the RLEMP, full implementation was not completed as planned because targets did not allow for factors beyond the department's control. In future, targets should more realistically reflect the budgetary and timing realities in developing a new program.

Lessons were also learned concerning improvements to the timeliness of the ATR process. First, underlying issues of systems, tools and resources must be addressed before results can be achieved. In 2005–06, the focus was on an initial tracking

system and a First Nations Planning Workbook as necessary prerequisites for a more timely ATR process. Additional resources are also needed if timelines are to be significantly shortened.

Second, while the department must assess and streamline its own part in the ATR process, the process also depends to a large extent on the timeliness of First Nations and third parties, as well as on variations in the complexities inherent to existing uses of and encumbrances upon different parcels of land. The First Nations ATR Planning Workbook, along with delivery of workshops and consultations with stakeholders (e.g., First Nations, the Federation of Canadian Municipalities) in 2005–06, were intended to reduce delays in the ATR process that are beyond the department's direct control. These efforts lay an important foundation for future improvements in the timeliness and efficiency of the ATR process.

Departmental performance against environmental stewardship in 2005–06 was also tempered by factors beyond the department's control. The reduction of 19.6 percent in liabilities in Class 1 and Class 2 contaminated sites in 2005–06 significantly exceeds the 10 percent target. However, the department's contaminated sites liability has been steadily increasing as Regions continue to update information on current sites and to assess potential sites for remediation activities, and this trend is expected to continue over the next few years.

Northern Lands and Resources

Contaminated sites: The Contaminated Sites Program (CSP) works in a dynamic northern economic, regulatory, political and social context. It is therefore incumbent on the CSP to have plans in place that are able to respond to variability. The CSP has worked extensively to adjust and improve its overall planning framework and will focus on developing a more comprehensive long-term strategy over the next year.

Regulatory improvement: Although significant progress has been made, further work is required. The department will work closely with stakeholders on issues such as further clarification of roles and responsibilities, performance standards, increasing the capacity of resource management boards, addressing funding issues, improving

appointment processes, and identifying and addressing gaps and inconsistencies in policy or legislation. When reviewing regulatory regimes, it is vital that participation by Aboriginal groups and territorial governments are adequately factored into the project timeline. Stakeholders face pressures to respond quickly to numerous consultation processes. Consultation work plans should include sufficient time to provide northern stakeholders the opportunity to review, comment and respond to proposals.

II.4 Strategic Outcome

THE ECONOMY

Increased participation by Aboriginal people and Northerners in the economy

What Is This Strategic Outcome About?

Establishing a supportive investment/business climate to enable First Nations, Inuit and northern individuals, communities and businesses to seize economic opportunities, and building the economic and community foundations necessary to increase Aboriginal and northern participation in the economy.

Indian and Inuit Affairs (Aboriginal Economic Development)

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.

Financial transfers, as part of specific and comprehensive claims settlements and economic development, assist First Nations, Inuit and Innu communities to identify and act on opportunities for economic growth. The department is investing in public sector economic development activities that will facilitate greater participation in the economy by First Nations, Inuit and Innu; increase business opportunities; and support economic development, capacity development and economic infrastructure. The department is planning to eliminate current funding programs that provided equity support for businesses and related access-to-capital initiatives in 2005–06.

Northern Affairs

Federal government support in the North is needed to build economic foundations for Northerners to truly participate in and benefit from economic opportunities. Territorial governments are responsible for province-type roles in economic development, but have limited sources of revenue and budgetary flexibility. INAC, with its mandate for regional development across the territories and for resource development in the Northwest Territories and Nunavut, is positioned to work with northern governments, industry and other key players to leverage opportunity and to improve the climate for sustainable economic growth.

Financial Resources (\$ millions)	2005–06		
	Planned Spending	Total Authorities	Actual Spending
Economic and Employment Opportunities for Aboriginal People	79.2	70.3	67.9
Access to Capital and Economic Development	712.6	535.2	501.9
Community Infrastructure	1,227.6	1,139.2	1,114.3
Northern Economy	29.4	21.7	15.6
Human Resources (Full-time Equivalents)	2005–06		
	Planned	Actual	Difference
Economic and Employment Opportunities for Aboriginal People	54	30.7	23.3
Access to Capital and Economic Development	321	244.6	76.4
Community Infrastructure	564	515	49
Northern Economy	5	13.5	8.5

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 nature of the department's business, that is, managing financial relationships with service delivery largely devolved to partners.

II.4.1 Program Activity

Economic and Employment Opportunities for Aboriginal People

What Is This Program Activity?

Supports the expansion of existing businesses and employment opportunities and the creation of new economic development activities leading to greater employment opportunities.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/eco_e.html for more details):

- Two main programs — the Aboriginal Workforce Participation Initiative (AWPI) and the Procurement Strategy for Aboriginal Business (PSAB) — support increased participation of Aboriginal people in the economy. With support from the AWPI, a conference was held in Saskatchewan to prepare participants and organizations in the co-operative development of a business plan to implement an Aboriginal Representative Workforce Strategy. There were approximately 302 participants from across Canada, including businesses and youth delegates.
- Also under AWPI, four new partnerships were established, involving one national organization and three regional organizations, focused on furtherance of employment initiatives through business development or direct hiring of Aboriginal people. Seven existing partnerships are in various stages of development.
- Under PSAB, 5,980 federal contracts worth \$244.91 million were awarded to Aboriginal businesses in 2004 (data for 2005 will be available in mid-2006).
- Federal contracts awarded by departments that were won by Aboriginal businesses increased by three percent over the previous year.
- The degree of Aboriginal participation in total Government of Canada procurement was maintained despite an overall decrease in the number and value of contracts due to a reduction in purchasing activity. Notwithstanding the reduction, the proportion of contracts awarded to Aboriginal business without reliance upon set-asides rose, indicating the increasing ability of Aboriginal businesses to compete on the open market.

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 or resolution of

claims, including statutory payments arising from legislated settlements against the Crown respecting lands and resources; and Economic Development programs to facilitate access to resources, capital and expertise, and development and implementation of economic development strategies.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/eco_e.html for more details):

- The Economic Development Program has established a foundation for potential growth in more than 500 First Nations and Inuit communities through core economic capacity building initiatives within communities. The program, complemented by the provision of financial support, has helped communities to initiate more than 280 projects directed at creating specific economic opportunities. These efforts have provided, in the first year, training for more than 500 people, which has in many cases turned into direct employment. In addition, these efforts are anticipated to generate in excess of 2,100 employment opportunities for Aboriginal community members.
- Many of these projects have stimulated the formation or expansion of more than 100 new Aboriginal businesses.
- The program has led to the establishment of more than 50 resource opportunities being capitalized upon by First Nations and Inuit communities through resource acquisition agreements in relation to the development of land and resources either under the control of communities or in the proximity of the community. Each agreement is expected to create employment for local people, business development and a direct stream of revenue for the community.

II.4.3 Program Activity

Community Infrastructure

What Is This Program Activity?

Supports the provision of funding for the acquisition, construction and operation and maintenance of: Community Facilities such as roads, bridges, water and sewer systems, and administration offices; Education

Facilities such as schools and teacherages; remediation of contaminated sites on reserve; and On-reserve Housing.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/eco_e.html for more details):

In support of the priority of “Building healthy, safe and sustainable communities”:

- INAC implemented an enhanced asset inspection process to review maintenance management plans for several critical areas of First Nations infrastructure.
- The department began implementing a Performance Measurement Framework for its Capital Facilities and Maintenance Program to assess the effectiveness of investments in protecting the health and safety of First Nations communities.
- The Capital Facilities and Maintenance Program Review is complete. INAC will share the results with First Nations, and work collaboratively with clients to implement recommendations.
- The number of high-risk water treatment systems at the end of 2005–06 was 131 out of 755 systems (or 17 percent), compared with 207 systems out of 704 (or 29 percent) at the end of 2002–03 and 178 out of 738 (or 24 percent) in 2004–05.
- However, over the year, the number of trained operators decreased from 986 out of 1,130 operators (87 percent) to 828 out of 1,019 operators (81 percent). The number of certified operators decreased from 452 out

The Government of Canada is working in collaboration with Aboriginal partners to increase supply of affordable housing and to help communities create new options, such as home ownership. In June 2005, the Lac La Ronge Indian Band, in partnership with the BMO Bank of Montreal and Indian and Northern Affairs Canada, launched an innovative housing and loan program to promote private home ownership on reserve. This unique loan program has helped First Nations families become home owners through new construction, new lease agreements as well as transfers the sale of Band units and of self-built homes. The new home owners are increasing their opportunities for financial success, and are assuming more responsibility for the care and maintenance of their homes. In addition, new lots are being approved for further construction. For more information on this particular initiative, please visit: http://www.ainc-inac.gc.ca/nr/prs/m-a2005/2-02672_e.html.

of 1,130 operators (40 percent) to 377 out of 1,019 operators (37 percent).

- There are numerous reasons for the high turnover rates of certified operators including the capability of fully trained and certified operators to secure lucrative employment elsewhere. Efforts to reverse this trend will be intensified in the future as awareness of the importance of retaining a certified operator is impressed upon Chiefs and Councils. In addition, the effects of operator turnover should be mitigated as mandatory certified operator oversight will be implemented by 2007.
- Public-Private Partnerships (P3s) were explored as an option for addressing infrastructure needs. A P3 arrangement has been structured for the construction, financing and operation of a water distribution system for a First Nation in Saskatchewan. Financing partnerships have been arranged for new home ownership arrangements in several First Nations. P3 approaches concerning the management of existing water systems are in place or under review in several other First Nations.
- INAC, Canada Mortgage and Housing Corporation, Health Canada and the Assembly of First Nations have completed a framework for a national mold remediation strategy. The main components of the strategy, currently under development, build on education and training already underway and include clarifying the responsibilities and accountabilities of all key players, increasing technical expertise among First Nations to prevent and address mold problems, assisting in the rehabilitation of the affected existing stock and improving new construction practices.
- Of the 395 education facilities on reserve, 315 (or 80 percent) fell within INAC's space standards for federally funded schools.

In support of the priority of "On-reserve housing":

- The number of new houses constructed in 2005–06 was 1,545 or 330 fewer units than in 2004–05. More money was used for renovations in order to extend the life cycle of existing housing assets and prevent more costly deterioration; the number of houses renovated was 2,550, an increase of 758 units from the previous year.

- First Nations are required to have comprehensive community housing plans that include maintenance and management plans that ensure average design life of housing is met.
- In response to the Standing Committee on Public Accounts, INAC, Canada Mortgage and Housing Corporation (CMHC) and the AFN Housing Liaison Committee ensured that Budget 2005 resources were targeted for housing construction and renovation.

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 and benefiting from resource development.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/eco_e.html for more details):

- INAC's new set of northern economic development programs was approved in May 2005. Through the Targeted Investment Program and the Innovation and Knowledge Fund, over \$13 million was invested in priority areas including geoscience, tourism, and support for small and medium-sized enterprises.
- Under the Targeted Investment Program, the Investment Plan for Nunavut was approved and announced (November 2005). The Investment Plans for the Northwest Territories and Yukon were completed and approved by the Minister in May and August 2006 respectively. Investment Plan oversight processes, involving key northern partners, were established in all three territories, and over 70 projects were funded across the North in 2005–06.
- Under the Innovation and Knowledge Fund, 28 projects across the North were approved and received funding during 2005–06.
- Delivery of the Infrastructure Canada Program was completed on March 31, 2006.
- The new Municipal Rural Infrastructure Fund started delivery in all three territories and a

bundled water and sewer project commenced in Nunavut under the Canada Strategic Infrastructure Fund.

Areas for Improvement and Lessons Learned

The department has traditionally embarked on a range of initiatives intended to increase employment, training and capacity development. INAC recognized the need to redesign its economic development programs. They are now focused on community capacity development that is fixed on generating community benefits through: greater utilization and value from community land and resources; community government revenues; employment; business development; and community infrastructure that will enhance the quality of life for community members as it relates to health, safety, housing, water and waste water, economic opportunities and education.

The department has taken meaningful steps to clarify roles and responsibilities as they relate to on-reserve housing and water; streamline delivery of federal assistance programs to support housing; improved data collection and reporting to Parliament.

Support through strategic investments in First Nations and Inuit economic development is reducing health and social costs, and has enhanced the well-being of on-reserve populations. This is contributing to regional economic stability and growth as it strengthening the broader Canadian economy.

The change in demographics, in particular the aging population, will have a major impact on the economic situation. The labour force will feel the pressures of the “Baby Boomer” retirements as more and more workers exit the labour force or look for alternative working arrangements. This has implications for the shortage of skilled workers, the need to increase post-secondary training today to fill the gaps of tomorrow, and the importance of improving the labour force participation of Aboriginal peoples.

Policies and priorities need to respond as the opportunity is real and present for Aboriginal people. Without a smart and skilled labour force, Canada is likely to slip behind in our international

trade position. The labour force will shrink or lose jobs to other countries. Canadians will not have the tools and the talents to take research and new technologies, and commercialize them at home. Therefore, efforts must continue to be on building community capacity so community businesses and members can take advantage of these opportunities.

Northern Economy

New programming for northern economic development will require continuing work with partners to monitor progress, as well as to identify opportunities for further collaboration and co-funding. Investments in northern capacity are key to the sustainability of projects and to economic growth in the longer term.

II.5 Strategic Outcome

THE OFFICE OF THE FEDERAL INTERLOCUTOR

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

What Is This Strategic Outcome About?

This Strategic Outcome addresses the importance of developing, maintaining and nurturing good relationships with key Métis and Non-Status Indian (MNSI) groups and their affiliate organizations, with urban Aboriginal people and with provincial governments, especially in western Canada. The focus 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 for public funding. 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 socio-economic needs of urban Aboriginal people.

Financial Resources (\$ millions)	2005-06		
	Planned Spending	Total Authorities	Actual Spending
The Office of the Federal Interlocutor	44.8	37.9	37.0

Human Resources (Full-time Equivalents)	2005-06		
	Planned	Actual	Difference
The Office of the Federal Interlocutor	38	42.6	4.6

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 nature of the department's business, that is, managing financial relationships with service delivery largely devolved to partners.

II.5.1 Program Activity

The Office of the Federal Interlocutor

What Is This Program Activity?

Provides capacity 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 the 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.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/of_i_e.html for more details):

With respect to Métis and Non-Status Indians:

- Tripartite negotiation processes: The Métis National Council and the Congress of Aboriginal People and their provincial affiliate organizations, as well as other prominent Aboriginal organizations, continue to demonstrate their enhanced governance capabilities through their involvement in the 11 Tripartite negotiation processes across the country. This progress is exemplified in the measures and results attained through these agreements in the area of housing, health, education, employment, business development and social justice issues.
- Bilateral agreements: The drafting of the Accords signed by the Métis National Council and the Congress of Aboriginal People with the Government of Canada speaks to the ability

of both organizations as they represent their affiliate organizations and constituents.

- Supreme Court's *Powley* decision on Métis harvesting rights: Two national and eight regional groups were funded. This has improved the membership systems, enhanced accountability through electoral and constitutional reform, and supported extensive community consultations. Multilateral forums were also established to discuss Métis harvesting and Aboriginal rights, and federal departments and agencies were engaged in developing a common policy approach.
- OFI developed an interdepartmental coordination committee focused on helping key departmental officials to better direct Government of Canada energies and resources onto the immediate priorities of MNSI people.
- OFI has entered into 44 contribution agreements related to organizational capacity development. Furthermore, during 2005-06, the requirements of each contribution agreement were achieved; immediate results that were identified and funded were actually attained. Subsequently, these Aboriginal organizations have been able to better plan and co-ordinate resources to achieve measurable results that address community needs and socio-economic priorities.

With respect to the Urban Aboriginal Strategy (UAS):

- OFI co-ordinated the second annual Urban Aboriginal Community Conference in February 2006. The conference was attended by 280 UAS community representatives from Aboriginal and non-Aboriginal organizations, as well as the three level of governments. The goal of the conference was to discuss progress and share ideas.
- Working partnerships exist in each of the 12 pilot project communities. These partnerships represent federal, provincial and municipal governments, as well as Aboriginal and non-Aboriginal organizations. The partnerships have leveraged \$23.7 million in additional funding for use in the 12 communities in achieving their socio-economic goals.
- All 12 pilot project cities have established community-based steering committees responsible for development and implementation of

community plans to address local priorities and needs.

- In the four new pilot project cities (Prince George, British Columbia; Lethbridge, Alberta; Prince Albert, Saskatchewan; and Thompson, Manitoba) in 2005–06, 38 pilot projects were funded.
- In seven of the 12 communities, including three of the four new communities, there are provincial and municipal government representatives on the UAS steering committee as full voting members. In communities where these officials were interviewed, about half strongly support the UAS and actively work in their own capacities as government officials to foster better co-ordination.
- Academia is showing a strong and continued interest in the UAS.
- The value of federal funding leveraged for the UAS through horizontal linkages with other departments was \$1.93 million.

Areas for Improvement and Lessons Learned

The approach of the Office of the Federal Interlocutor (OFI) has been to further horizontal coordination between a variety of departments, governments, private sector and Aboriginal organizations to work together to achieve common goals. OFI has embarked on this course of action in the Tripartite Negotiation Process, the Urban Aboriginal Strategy and the response to the recent Supreme Court of Canada decision in the “Powley” case. Developing strong links between results and resources will lead to better management of limited resources, a more transparent process, and the development of accepted accountability structure for all parties. Success and hard results will be achieved on many fronts, within the same time frame. For example, Aboriginal poverty and homelessness is acknowledged as the outcome of a variety of causes, including educational levels, health issues, cultural attitudes and economic barriers. A real solution

must tackle the issue on all of these levels; desired outcomes require achievements in many different areas. To achieve strategic goals, the OFI needs to share expertise and information, and work together with Aboriginal people to solve common problems.

The OFI has learned that one of the most promising approaches for collaboration is at the community level. Local organizations, governments and members of the business community must be engaged as they are often in a better position to identify how and where a particular intervention will help. Community networks contain a wealth of knowledge and expertise regarding local concerns, issues, opportunities and resources that can be extremely important in solving problems or achieving goals. The corporate knowledge and memory of a community is a critical resource for resolving local issues.

Next, the community/regional approach can legitimize difficult choices by involving organizations and citizens who are most affected by the situation they are trying to resolve. It encourages them to take personal responsibility for success as it gives them a direct stake in the project, and to seek new or innovative solutions and approaches.

If collaboration is to work, the parties must have the ability to negotiate, plan and work together as a group. Impeded access to resources is a serious barrier as financial resources are shared across a variety of programs and departments.

Linking resources more directly to results (outcomes) will help to address and identify accountabilities across the department. At the same time, because outcomes are often horizontal in nature, it would create an incentive for parties with common interests to work together. This would encourage managers from different departments and organizations to build relationships based on shared goals.

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)	2005-06		
	Planned Spending	Total Authorities	Actual Spending
Research Facilitation and Communication	1.0	1.0	1.0

Human Resources (Full-time Equivalents)	2005-06		
	Planned	Actual	Difference
Research Facilitation and Communication	5	5	0

II.6.1 Program Activity

Research Facilitation and Communication

What Is This Program Activity?

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 related to the polar regions; recognize achievements and contributions related to its mandate; publish newsletters, reports and other publications; and table an annual report in Parliament.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/cpc_e.html for more details):

For the priority “Communicating polar science to Canadians”:

- This year the Board of Directors reviewed the Indicators Project and decided that much more detailed information is required for the project to achieve its primary objective of tracking the state of Canadian polar knowledge. This would require several thousand dollars more in annual funding, an expense the Commission cannot afford given that its budget has remained static for nearly ten years. The Board therefore decided to end the Indicators Project.
- Demand for publications, represented by requests for copies of newsletters and special reports, has increased by approximately five percent. Public recognition of global polar science issues, especially those related to climate change and International Polar Year (IPY), has increased. This is reflected in more media coverage of these topics and more media requests for information from the Commission (interviews, permission to quote Commission material, etc.).
- The number of subscribers to the Canadian Polar Information Network's Polar Science Forum is now approximately 1,300, an increase of 13 percent over last year. The number of documents posted has remained approximately the same. The Researcher's Directory, the on line database of Canadian polar specialists, now contains over 2,000 listings. The Youth section of the web site was expanded, with links to the set of the film *The Journals of Knud Rasmussen* and “Sila,” an interactive learning web site about the Arctic environment.
- Two issues of each of the publications — *Meridian* and the *Newsletter of the Canadian Antarctic Research Network* — were produced.

For the priority “Strengthening Canada's presence in international circumpolar organizations”:

- The number of Canadians represented on international organizations and committees or leading projects was maintained. This year the Commission's Board of Directors chose a new Canadian council member for the International Arctic Science Committee (IASC) Council.
- With support from the Department of Foreign Affairs and International Trade, the Commission continued its series of IPY public consultations.

- The Commission continued to manage the financial contributions of ten federal departments and agencies from the Associate Deputy Ministers' Committee on Northern Science and Technology to support the Canadian national IPY Committee and Secretariat.
- The Commission provided advice to interdepartmental committees and represented Canada at international meetings and organizations.

For the priority "Promotion and advocacy with respect to polar knowledge in Canada":

- The new Board of Directors formally established as one of its two main priorities for the next three years that the Commission will study, co-ordinate and advocate for a polar science policy for Canada. Such a policy would account for current and probable future information needs, and identify priorities for Canadian polar research.
- The Commission continued its efforts on this regard by supporting the Canadian Committee for Antarctic Research. Developing the framework for a Canadian Antarctic Research Program remains a major topic for the Committee.
- The Commission continued to collaborate with the university community through the Association of Canadian Universities for Northern Studies, the Arctic Institute of North America, and the Canadian Climate Impacts and Adaptation Research Network. The Commission worked with the Association of Canadian Universities for Northern Studies, sponsoring a northern research scholarship.
- The Commission also collaborated with the Northern Science and Technology Working Group to co-ordinate northern science and technology programs and activities among federal government departments.

Areas for Improvement and Lessons Learned

The increased profile of the Canadian Polar Commission (CPC) over the past few years has raised expectations in the polar research community. The Commission finds it impossible to meet the many requests to hold meetings and conferences, undertake special studies and provide other support, such as scholarships. This is because the Commission's funding has decreased

approximately 25 percent since its creation in 1991 and has remained static for nearly ten years. For that reason, the Commission has been unable to initiate new activities, such as examining the adequacy of research infrastructure, initiating a consultative process to begin work on a national polar research strategy or hosting the IPY 2007–08 Secretariat. This year, the Board decided to discontinue work on the Indicators Project because of financial constraints. The Commission is also being increasingly forced to divert scarce resources (financial and human) to respond to administrative inquiries and reporting.

II.7 Strategic Outcome

INDIAN SPECIFIC CLAIMS COMMISSION

Fair and impartial hearings of specific claims.

What Is This Strategic Outcome About?

The Commission conducts inquiry hearings, makes recommendations and issues reports related to the resolution of specific claims between First Nations and the Government of Canada, and provides mediation and facilitation services and public education activities related to the settling of specific claims.

Financial Resources (\$ millions)	2005–06		
	Planned Spending	Total Authorities	Actual Spending
Indian Specific Claims Commission	7.1	7.1	6.9

Human Resources (Full-time Equivalents)	2005–06		
	Planned	Actual	Difference
Indian Specific Claims Commission	50	46	4

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, but has not been proclaimed. During 2006–07, INAC will work to clarify the future role and funding of the Indian Specific Claims Commission to ensure continuity of work on specific claims inquiries, and impartial and supportive mediation/facilitation services.

Highlights of results for this Program Activity are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/iscc_e.html for more details):

- In 2005–06, the Indian Specific Claims Commission (ISCC) worked on 37 ongoing inquiries and 26 mediation efforts.
- From April 1, 2005 to March 31, 2006, the Commission completed three inquiries: the Blueberry River and Doig River First Nations (Highway Right of Way IR 172) claim; the Taku River Tlingit First Nation (Wenah specific claim); and the Williams Lake First Nation (Village site) claim. Reports on each inquiry will be issued in the next fiscal year.
- In addition, the Commission released reports on five inquiries completed in previous reporting periods: the Betsiamites Band (Highway 138 and Rivière Betsiamites Bridge) claims; Cumberland House Cree Nation (Indian Reserve 100A) claim; James Smith Cree Nation (Chakastaypasin Indian Reserve 98) claim; James Smith Cree Nation (Indian Reserve 100A) claim; and James Smith Cree Nation (Treaty Land Entitlement) claim. These and all of the Commission's reports can be found on the ISCC web site at <http://www.indianclaims.ca>.
- From April 1, 2005, to March 31, 2006, the Commission issued reports on five mediations completed in 2004–05. These and all of the

Commission's reports can be found on the ISCC web site at <http://www.indianclaims.ca>.

- 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 ISCC 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 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 promote 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. These mediation services may be provided at any stage of the claims process. In a number of cases, the Commission has provided mediation/facilitation services to the specific claims process prior to the acceptance or rejection of the claim. The experience of the Commission has been that the use of mediation/facilitation services in those instances has proven to be a useful tool to support the resolution of specific claims.

Section III ■ Supplementary Information

Organizational Information

Minister	
Deputy Minister and Associate Deputy Ministers	
Strategic Outcomes	Program Activities
<p>The Government Lead Assistant Deputy Ministers: Claims and Indian Government (South) Northern Affairs (North)</p>	<p>Governance Lead Director General: Lands and Trust Services</p> <p>Institutions Lead Director General: Claims and Indian Government</p> <p>Co-operative Relationships Lead Director General: Claims and Indian Government</p> <p>Northern Governance Lead Director General: Northern Affairs</p>
<p>The People Lead Assistant Deputy Ministers: Socio-economic Policy and Regional Operations (South) Northern Affairs (North)</p>	<p>Managing Individual Affairs Lead Director General: Lands and Trust Services</p> <p>Education Lead Director General: Socio-economic Policy and Regional Operations</p> <p>Social Development Lead Director General: Socio-economic Policy and Regional Operations</p> <p>Healthy Northern Communities Lead Director General: Northern Affairs</p>
<p>The Land Lead Assistant Deputy Ministers: Lands and Trust Services (South) Northern Affairs (North)</p>	<p>Certainty of Title and Access to Land and Resources Lead Director General: Claims and Indian Government</p> <p>Responsible Federal Stewardship Lead Director General: Lands and Trust Services</p> <p>First Nations Governance over Land, Resources and the Environment Lead Director General: Lands and Trust Services</p> <p>Northern Land and Resources Lead Director General: Northern Affairs</p>
<p>The Economy Lead Assistant Deputy Ministers: Socio-economic Policy and Regional Operations (South) Northern Affairs (North)</p>	<p>Economic and Employment Opportunities for Aboriginal People Lead Director General: Socio-economic Policy and Regional Operations</p> <p>Access to Capital and Economic Development Lead Director General: Socio-economic Policy and Regional Operations</p> <p>Community Infrastructure Lead Director General: Socio-economic Policy and Regional Operations</p> <p>Northern Economy Lead Director General: Northern Affairs</p>
<p>The Office of the Federal Interlocutor Lead Assistant Deputy Minister: Office of the Federal Interlocutor</p>	<p>Office of the Federal Interlocutor Lead Director General: Office of the Federal Interlocutor</p>
<p>Departmental Management and Administration</p> <p>Program Operations: Policy and Strategic Direction Senior Assistant Deputy Minister; Socio-economic Policy and Regional Operations Senior/Associate Assistant Deputy Ministers; Claims and Indian Government Assistant Deputy Minister; Lands and Trust Services Assistant Deputy Minister; Corporate Services Assistant Deputy Minister; Northern Affairs Assistant Deputy Minister.</p> <p>Regional Operations: Lead Senior Assistant Deputy Minister: Socio-economic Policy and Regional Operations Regional Directors General (South): British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and Atlantic Lead Assistant Deputy Minister: Northern Affairs Regional Directors General (North): Yukon, Northwest Territories, Nunavut</p>	

Financial Tables

Table 1: Comparison of Planned to Actual Spending (including FTEs)

(\$ millions)	Actual 2003-04	Actual 2004-05	2005-06			
			Main Estimates	Planned Spending	Total Authorities	Actual Spending
Indian and Northern Affairs Canada						
Governance	66.8	66.5	54.6	59.5	76.6	75.9
Institutions	454.5	464.2	476.0	477.0	496.0	482.7
Co-operative Relationships	130.9	132.1	137.3	142.1	145.8	128.5
Northern Governance	11.9	10.6	13.8	13.8	18.1	8.7
Managing Individual Affairs	19.1	18.0	16.5	16.4	18.7	20.0
Education	1,538.3	1,580.2	1,562.6	1,573.5	1,625.3	1,619.2
Social Development	1,247.1	1,300.4	1,274.4	1,302.1	1,359.8	1,352.5
Healthy Northern Communities	88.0	91.8	84.9	84.7	87.0	97.3
Certainty of Title and Access to Land and Resources	44.0	16.2	106.4	106.1	99.0	27.1
Responsible Federal Stewardship	9.7	17.8	21.3	21.3	23.6	22.9
First Nations Governance over Land, Resources and the Environment	62.1	59.4	67.3	67.2	90.3	87.9
Northern Land and Resources	121.2	149.8	125.5	130.2	164.0	164.8
Economic and Employment Opportunities for Aboriginal People	75.3	71.0	79.4	79.2	70.3	67.9
Access to Capital and Economic Development	468.8	465.1	624.5	712.6	535.2	501.9
Community Infrastructure	1,109.7	1,098.8	1,150.3	1,227.6	1,139.2	1,114.3
Northern Economy	12.2	32.7	9.5	29.4	21.7	15.6
Office of the Federal Interlocutor	—	27.4	21.4	44.8	37.9	37.0
Sub-Total Budgetary	5,459.5	5,602.2	5,825.5	6,087.4	6,008.4	5,824.2
Access to Capital and Economic Development	—	—	—	—	48.5	—
Northern Economy	—	—	—	—	11.9	—
Co-operative Relationships	63.6	51.9	79.0	80.6	79.0	50.7
Sub-Total Non-Budgetary	63.6	51.8	79.0	80.6	139.4	50.7
Total Budgetary + Non-Budgetary	5,523.1	5,654.1	5,904.6	6,168.0	6,147.7	5,874.9
Less: Non-Respendable Revenue	212.6	338.2	212.4	212.4	299.7	299.7
Plus: Cost of services received without charge	64.1	63.5	68.5	68.5	68.7	68.7
Total Departmental Spending	5,374.5	5,379.3	5,760.7	6,024.1	5,916.8	5,643.9
Full-Time Equivalents	4,179	3,940	4,146	4,195	3,967	3,967

(\$ millions)	Actual 2003–04	Actual 2004–05	2005–06			
			Main Estimates	Planned Spending	Total Authorities	Actual Spending
Canadian Polar Commission						
Research Facilitation and Communication	1.0	1.0	1.0	1.0	1.0	1.0
Total	1.0	1.0	1.0	1.0	1.0	1.0
Less: Non-Responsible Revenue	—	—	—	—	—	—
Plus: Cost of services received without charge	—	—	—	—	—	—
Total Spending	1.0	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	—	6.6	—	7.1	7.1	6.9
Total	—	6.6	—	7.1	7.1	6.9
Less: Non-Responsible Revenue	—	—	—	—	—	—
Plus: Cost of services received without charge	—	—	—	0.3	0.7	0.7
Total Spending	—	6.6	—	7.3	7.8	7.6
Full-Time Equivalents	—	45	—	50	46	46

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

Table 2: Program Activities

(\$ millions)	2005-06						
	Budgetary					Non-Budgetary	
	Operating	Capital	Grants	Contributions and Other Transfer Payments	Total Gross/Net	Loans, Investments and Advances	Total
Program Activity							
Indian and Northern Affairs Canada							
Governance							
Main Estimates	6.0	—	5.6	43.0	54.6	—	54.6
Planned Spending	5.9	—	5.6	48.0	59.5	—	59.5
Total Authorities	6.9	—	5.6	64.1	76.6	—	76.6
Actual Spending	6.2	—	5.6	64.1	75.9	—	75.9
Institutions							
Main Estimates	31.1	—	307.3	137.6	476.0	—	476.0
Planned Spending	31.5	—	307.9	137.6	477.0	—	477.0
Total Authorities	35.6	—	254.1	206.3	496.0	—	496.0
Actual Spending	28.5	—	247.8	206.3	482.7	—	482.7
Co-operative Relationships							
Main Estimates	69.9	—	—	67.4	137.3	79.0	216.3
Planned Spending	74.0	—	—	68.0	142.1	80.6	222.7
Total Authorities	80.0	0.1	—	65.7	145.8	79.0	224.8
Actual Spending	62.7	0.1	—	65.7	128.5	50.7	179.2
Northern Governance							
Main Estimates	13.6	—	—	0.2	13.8	—	13.8
Planned Spending	13.6	—	—	0.2	13.8	—	13.8
Total Authorities	15.6	—	—	2.5	18.1	—	18.1
Actual Spending	6.2	—	—	2.5	8.7	—	8.7
Managing Individual Affairs							
Main Estimates	8.8	—	1.7	6.0	16.5	—	16.5
Planned Spending	8.7	—	1.7	6.0	16.4	—	16.4
Total Authorities	10.0	—	2.1	6.6	18.7	—	18.7
Actual Spending	11.3	—	2.1	6.6	20.0	—	20.0
Education							
Main Estimates	97.5	—	32.5	1,432.6	1,562.6	—	1,562.6
Planned Spending	92.5	—	32.5	1,448.6	1,573.5	—	1,573.5
Total Authorities	111.6	0.1	29.9	1,483.7	1,625.3	—	1,625.3
Actual Spending	105.5	0.1	29.9	1,483.7	1,619.2	—	1,619.2
Social Development							
Main Estimates	72.7	—	10.0	1,191.7	1,274.4	—	1,274.4
Planned Spending	69.4	—	10.0	1,222.7	1,302.1	—	1,302.1
Total Authorities	83.2	0.1	8.0	1,268.6	1,359.8	—	1,359.8
Actual Spending	75.9	0.1	8.0	1,268.6	1,352.5	—	1,352.5

2005-06							
(\$ millions)	Budgetary					Non-Budgetary	
	Program Activity	Operating	Capital	Grants	Contributions and Other	Total	Loans, Investments and Advances
Transfer Payments					Gross/Net		
Healthy Northern Communities							
Main Estimates	33.8	—	43.7	7.4	84.9	—	84.9
Planned Spending	33.6	—	43.7	7.4	84.7	—	84.7
Total Authorities	38.7	—	43.7	4.5	87.0	—	87.0
Actual Spending	49.1	—	43.7	4.5	97.3	—	97.3
Certainty of Title and Access to Land and Resources							
Main Estimates	13.4	11.8	72.8	8.5	106.4	—	106.4
Planned Spending	13.1	11.8	72.8	8.5	106.1	—	106.1
Total Authorities	15.3	11.5	69.1	3.0	99.0	—	99.0
Actual Spending	16.5	2.9	4.7	3.0	27.1	—	27.1
Responsible Federal Stewardship							
Main Estimates	7.0	—	—	14.3	21.3	—	21.3
Planned Spending	6.9	—	—	14.3	21.3	—	21.3
Total Authorities	8.0	—	—	15.6	23.6	—	23.6
Actual Spending	7.3	—	—	15.6	22.9	—	22.9
First Nations Governance over Land, Resources and the Environment							
Main Estimates	31.3	—	—	36.0	67.3	—	67.3
Planned Spending	31.2	—	—	36.0	67.2	—	67.2
Total Authorities	35.8	—	—	54.5	90.3	—	90.3
Actual Spending	33.4	—	—	54.5	87.9	—	87.9
Northern Land and Resources							
Main Estimates	111.2	—	0.7	13.5	125.5	—	125.5
Planned Spending	115.9	—	0.7	13.5	130.2	—	130.2
Total Authorities	127.3	—	1.1	35.6	164.0	—	164.0
Actual Spending	128.1	—	1.1	35.6	164.8	—	164.8
Economic and Employment Opportunities for Aboriginal People							
Main Estimates	7.1	—	—	72.3	79.4	—	79.4
Planned Spending	6.9	—	—	72.3	79.2	—	79.2
Total Authorities	8.1	—	—	62.2	70.3	—	70.3
Actual Spending	5.7	—	—	62.2	67.9	—	67.9
Access to Capital and Economic Development							
Main Estimates	43.1	—	470.9	110.5	624.5	—	624.5
Planned Spending	41.5	—	539.4	131.7	712.6	—	712.6
Total Authorities	49.3	—	353.1	132.7	535.2	48.5	583.7
Actual Spending	40.5	—	328.7	132.7	501.9	—	501.9
Community Infrastructure							
Main Estimates	96.9	11.0	68.6	973.9	1,150.3	—	1,150.3
Planned Spending	93.9	11.0	78.3	1,044.4	1,227.6	—	1,227.6
Total Authorities	110.9	10.9	78.6	938.7	1,139.2	—	1,139.2
Actual Spending	96.9	0.8	77.9	938.7	1,114.3	—	1,114.3

2005-06							
(\$ millions)	Budgetary					Non-Budgetary	
	Operating	Capital	Grants	Contributions and Other	Total	Loans, Investments and Advances	Total
Transfer				Gross/Net			
Program Activity				Payments			
Northern Economy							
Main Estimates	7.0	—	—	2.5	9.5	—	9.5
Planned Spending	7.0	—	—	22.5	29.4	—	29.4
Total Authorities	8.0	—	—	13.7	21.7	11.9	33.6
Actual Spending	1.9	—	—	13.7	15.6	—	15.6
Office of the Federal Interlocutor							
Main Estimates	6.5	—	—	14.8	21.4	—	21.4
Planned Spending	7.6	—	—	37.2	44.8	—	44.8
Total Authorities	7.5	—	—	30.4	37.9	—	37.9
Actual Spending	8.5	—	—	28.5	37.0	—	37.0
Total (INAC)							
Main Estimates	656.8	22.8	1,013.8	4,132.1	5,825.5	79.0	5,904.6
Planned Spending	653.2	22.8	1,092.6	4,318.8	6,087.4	80.6	6,168.0
Total Authorities	751.8	22.8	845.3	4,388.5	6,008.4	139.4	6,147.7
Actual Spending	684.2	4.0	749.4	4,386.6	5,824.2	50.7	5,874.9
Canadian Polar Commission							
Research Facilitation and Communication							
Main Estimates	1.0	—	—	—	1.0	—	1.0
Planned Spending	1.0	—	—	—	1.0	—	1.0
Total Authorities	1.0	—	—	—	1.0	—	1.0
Actual Spending	1.0	—	—	—	1.0	—	1.0
Indian Specific Claims Commission							
Indian Specific Claims Commission							
Main Estimates	—	—	—	—	—	—	—
Planned Spending	7.1	—	—	—	7.1	—	7.1
Total Authorities	7.1	—	—	—	7.1	—	7.1
Actual Spending	6.9	—	—	—	6.9	—	6.9

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

Table 3: Voted and Statutory Items

Vote or Statutory Item	2005-06 (\$ millions)				
	Main Estimates	Planned Spending	Total Authorities	Actual Spending	
Indian and Northern Affairs Canada					
1	Operating expenditures	568.8	564.5	604.3	567.8
5	Capital expenditures	22.8	22.8	22.8	4.0
10	Grants and contributions	4,977.9	5,243.4	5,005.3	4,909.4
15	Payments to Canada Post Corporation	27.6	27.6	40.9	40.9
20	Office of the Federal Interlocutor for Métis and non-Status Indians — Operating expenditures	5.0	5.0	8.0	6.9
25	Office of the Federal Interlocutor for Métis and non-Status Indians — Contributions	14.8	14.8	30.4	28.5
(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	—	—
(S)	Indian Annuities Treaty payments	1.4	1.4	1.8	1.8
(S)	Grants to Aboriginal organizations designated to receive claim settlement payments pursuant to Comprehensive Land Claim Settlement Acts	151.8	151.8	160.4	160.4
(S)	Grant to the Nunatsiavut Government for the implementation of the Labrador Inuit Land Claims Agreement pursuant to the <i>Labrador Inuit Land Claims Agreement Act</i>	—	—	35.9	35.9
(S)	Payments to comprehensive claim beneficiaries in compensation for resource royalties	1.5	1.5	8.7	8.7
(S)	Contributions to employee benefit plans	51.9	52.5	51.0	51.0
(S)	Payment from the Consolidated Revenue Fund of guaranteed loans issued out of the Indian economic development account	—	—	31.9	2.0
(S)	Court awards	—	—	2.5	2.5
(S)	Refunds of amounts credited to revenues in previous years	—	—	4.2	4.2
(S)	Spending of proceeds from the disposal of surplus Crown assets	—	—	0.2	0.1
	Total budgetary	5,825.5	6,087.4	6,008.4	5,824.2

Vote or Statutory Item		2005-06 (\$ millions)			
		Main Estimates	Planned Spending	Total Authorities	Actual Spending
L20	Loans and guarantees of loans through the Indian economic development account	—	—	48.5	—
L30	Loans to native claimants	36.1	36.1	36.1	22.0
L35	Loans to First Nations in British Columbia for the purpose of supporting their participation in the British Columbia Treaty Commission Process	42.9	44.5	42.9	28.7
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	79.0	80.6	139.4	50.7
	Total Department	5,904.6	6,168.0	6,147.7	5,874.9
Canadian Polar Commission					
40	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					
—	Program expenditures	—	6.4	6.4	6.2
(S)	Contributions to employee benefit plans	—	0.7	0.7	0.7
	Total Agency	—	7.1	7.1	6.9

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

Table 4: Services Received Without Charge

(\$ millions)	Indian and Northern Affairs Canada	Canadian Polar Commission	Indian Specific Claims Commission
Accommodation provided by Public Works and Government Services Canada	25.5	—	0.4
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds)	23.0	—	0.3
Workman's compensation coverage provided by Human Resources and Social Development Canada	0.6	—	—
Salary and associated expenditures of legal services provided by Justice Canada	19.6	—	—
Total 2005–06 Services Received Without Charge	68.7	—	0.7

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

Table 5: Loans, Investments and Advances (Non-Budgetary)

(\$ millions)	Actual 2003-04	Actual 2004-05	2005-06			
			Main Estimates	Planned Spending	Total Authorities	Actual Spending
Indian and Northern Affairs Canada						
Co-operative Relationships						
Loans to native claimants	36.0	23.1	36.1	36.1	36.1	22.0
Loans to First Nations in British Columbia for the purpose of supporting First Nations' participation in the British Columbia Treaty Commission process	27.6	28.8	42.9	44.5	42.9	28.7
Economic and Employment Opportunities for Aboriginal People						
Loans and guarantees of loans through the Indian Economic Development Account	—	—	—	—	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 (net)	—	—	—	—	6.6	—
Loans for the establishment or expansion of small businesses in the Yukon Territory through the Yukon Territory Small Business Loans Account (net)	—	—	—	—	5.0	—
Total (Department)	63.6	51.8	79.0	80.6	139.4	50.7
Canadian Polar Commission						
N/A	—	—	—	—	—	—
Indian Specific Claims Commission						
N/A	—	—	—	—	—	—

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

Table 6: Sources of Non-Responsible Revenue

(\$ millions)	Actual 2003-04	Actual 2004-05	2005-06			Actual Revenue
			Main Estimates	Planned Revenue	Total Authorities	
Indian and Northern Affairs Canada						
Governance						
Refunds of previous years' expenditures			0.4	0.4	0.6	0.6
Institutions						
Refunds of previous years' expenditures			0.7	0.7	1.7	1.7
Co-operative Relationships						
Refunds of previous years' expenditures			0.3	0.3	1.0	1.0
Return on investments			7.6	7.6	9.4	9.4
Northern Governance						
Refunds of previous years' expenditures			—	—	—	—
Managing Individual Affairs						
Refunds of previous years' expenditures			—	—	—	—
Education						
Refunds of previous years' expenditures			2.5	2.5	3.0	3.0
Social Development						
Refunds of previous years' expenditures			5.0	5.0	6.1	6.1
Miscellaneous revenues			—	—	—	—
Healthy Northern Communities						
Refunds of previous years' expenditures			—	—	0.1	0.1
Certainty of Title and Access to Lands and Resources						
Refunds of previous years' expenditures			—	—	0.2	0.2
Miscellaneous revenues			6.3	6.3	6.6	6.6
Responsible Federal Stewardship						
Refunds of previous years' expenditures			—	—	0.2	0.2
First Nations Governance over Land, Resources and the Environment						
Refunds of previous years' expenditures			—	—	2.2	2.2
Other non-tax revenues			—	—	0.1	0.1
Northern Land and Resources						
<i>Return on investments:</i>						
— Norman Wells Project profits			73.0	73.0	131.9	131.9
— Other			0.5	0.5	—	—
Refunds of previous years' expenditures			1.1	1.1	0.2	0.2
Adjustments of Prior Year's Payables at Year End			1.1	1.1	0.3	0.3
Canada mining			80.0	80.0	77.9	77.9
Quarrying royalties			0.2	0.2	—	—
Oil and gas royalties			28.6	28.6	14.5	14.5
Land, building and machinery rentals			—	—	0.2	0.2
Other non-tax revenues			2.9	2.9	29.5	29.5

(\$ millions)	Actual 2003-04	Actual 2004-05	2005-06			Actual Revenue
			Main Estimates	Planned Revenue	Total Authorities	
Economic and Employment Opportunities for Aboriginal People						
Refunds of previous years' expenditures			0.1	0.1	0.1	0.1
Access to Capital and Economic Development						
Refunds of previous years' expenditures			0.3	0.3	0.8	0.8
Return on investments			0.5	0.5	0.4	0.4
Community Infrastructure						
Refunds of previous years' expenditures			0.5	0.5	4.7	4.7
Return on investments			0.9	0.9	1.2	1.2
Northern Economy						
Refunds of previous years' expenditures			—	—	0.4	0.4
Office of the Federal Interlocutor						
Refunds of previous years' expenditures			—	—	0.4	0.4
Departmental Management and Administration						
Refunds of previous years' expenditures			—	—	5.3	5.3
Miscellaneous revenues			—	—	0.7	0.7
Total	212.6	338.2	212.4	212.4	299.7	299.7
Canadian Polar Commission						
N/A	—	—	—	—	—	—
Indian Specific Claims Commission						
N/A	—	—	—	—	—	—

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

Table 7: User Fees Act

2005-06							Planning Years			
User Fee	Fee Type	Fee-setting Authority	Date Last Modified	Forecast Revenue (\$000)	Actual Revenue (\$000)	Full Cost (\$000)	Performance Results	Fiscal Year	Forecast Revenue (\$000)	Estimated Full Cost (\$000)
Fees charged for the processing of requests filed under the Access to Information Act (ATIA)	Application fee	ATIA s. 11(1)(a)	1992	1,440	1,440		Response provided within 30 days following receipt of request; the response time may be extended pursuant to section 9 of the ATIA. Notice of extension to be sent within 30 days after receipt of request. The Access to Information Act provides fuller details: http://laws.justice.gc.ca/en/A-1/218072.html .	2006-07	1,500	
	Search and reproduction fees	ATIA s. 11(1)(b)	1992	3,613	3,613	1,102	On-time responses provided in 90% of requests completed during fiscal year 2005-06.	2006-07 2006-07	1,500 3,300	1,400
								2007-08 2007-08	1,500 3,000	1,500
								2008-09 2008-09	1,500 2,700	2,000
Total				5,053	5,053	1,102			4,800	1,400
Date Last Modified: Not applicable										

Policy on Service Standards for External Fees

External Fee	Service Standard	Performance Result	Stakeholder Consultation
Fees charged for the processing of requests filed under the Access to Information Act (ATIA)	Response provided within 30 days following receipt of request; the response time may be extended pursuant to section 9 of the ATIA. Notice of extension to be sent within 30 days after receipt of request. The Access to Information Act provides fuller details: http://laws.justice.gc.ca/en/A-1/218072.html .	On-time responses provided in 90% of requests completed during fiscal year 2005-06.	The service standard is established by the Access to Information Act and the Access to Information Regulations. Consultations with stakeholders were undertaken by the Department of Justice and the Treasury Board Secretariat for amendments done in 1986 and 1992.

Other Information

Although the application fee is stable from one fiscal year to another, search fees and preparation fees as well as photocopy fees have declined constantly in the last five years. As requesters become more familiar with the ATIA, they are re-scoping their requests to avoid search and preparation fees. Also, photocopy fees have gone down because some requesters (approximately 10 percent in 2005-06) now want their response on compact discs.

Table 7: User Fees Act (continued)

		2005-06				Planning Years				
User Fee	Fee Type	Fee-setting Authority	Date Last Modified	Forecast Revenue (\$000)	Actual Revenue (\$000)	Full Cost (\$000)	Performance Results	Fiscal Year	Forecast Revenue (\$000)	Estimated Full Cost (\$000)
Canada Mining	Regulatory	Territorial Lands Act	See Section B: Proposed amendments ¹	5,241	5,445	Note 1	Current service standards are set in existing legislation and regulation: CMR ² and regulation: CMR ² amendments ³	2006-07 2007-08 2008-09	5,500 5,500 5,500	Note 1
Territorial Land Use	Regulatory	Territorial Lands Act Mackenzie Valley Resource Management Act	1996	367	230	Note 1	Current service standards are set in existing legislation and regulation.	2006-07 2007-08 2008-09	230 230 230	Note 1
Territorial Lands	Regulatory	Territorial Lands Act	1996	1,732	931	Note 1	Performance standards vary depending on research, negotiations and environmental assessment decisions and are shared with clients throughout the process.	2006-07 2007-08 2008-09	930 930 930	Note 1
Frontier Lands Registration	Regulatory	Territorial Lands Act Canada Petroleum Resource Act	1988	26	88	Note 1	Standard requests to be processed within 10 working days. Requests that require additional research take additional time to process (requestor is advised of the delay at the time the request is made)	2006-07 2007-08 2008-09	88 88 88	Note 1

^{1,3} http://www.ainc-inac.gc.ca/ps/nap/min_e.html
² <http://laws.justice.gc.ca/en/t-7/c.r.c.-c.1516/182141.html>

Table 7: User Fees Act (continued)

		2005-06				Planning Years				
User Fee	Fee Type	Fee-setting Authority	Date Last Modified	Forecast Revenue (\$000)	Actual Revenue (\$000)	Full Cost (\$000)	Fiscal Year	Performance Results	Forecast Revenue (\$000)	Estimated Full Cost (\$000)
Territorial Quarrying	Regulatory	Territorial Lands Act Mackenzie Valley Land Use Regulations	2003	0	0	Note 1	2006-07 2007-08 2008-09	Permits are issued once pre-conditions are met.	0 0 0	Note 1
Territorial Water	Regulatory	Northwest Territories Waters Act Nunavut Waters and Nunavut Surface Rights Tribunal Act Mackenzie Valley Resource Management Act	1992 2002	0	10	Note 1	2006-07 2007-08 2008-09	Performance standards vary depending on research, negotiations and environmental assessment decisions and are shared with clients throughout the process.	10 10 10	Note 1
Territorial Coal	Regulatory	Territorial Lands Act	2003	0	0	Note 1	2006-07 2007-08 2008-09	Permits are issued upon completion of consultations.	0 0 0	Note 1

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.

Note 1: The fee or service triggers a series of activities related to land and resource management and the protection of the environment, all of which are controlled by the nature and scope of the resource development projects, e.g. mine development.

Table 7: User Fees Act (continued)

Policy on Service Standards for External Fees			
External Fee	Service Standard		
Performance Result	Stakeholder Consultation		
Canada Mining	Current service standards are set in existing legislation and regulation: CMR — amendments	All applications processed within set time lines.	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.
Territorial Land Use	Current service standards are set in existing legislation and regulation.	All permits were issued within the regulated time frame.	Stakeholder consultation varies. It is done through regional communications strategies and various outreach activities as well as industry specific fora.
Territorial Lands	Performance standards vary depending on research, negotiations and environmental assessment decisions and are shared with clients throughout the process.	All lease and letter patent were issued once all pre-conditions were met (e.g. environmental assessment decisions, lease negotiations).	Stakeholder consultation varies. It is done through regional communications strategies and various outreach activities as well as industry specific fora.
Frontier Lands Registration	Standard requests to be processed within ten working days. Requests that require additional research will take additional time to be processed (requestor to be advised of the delay at the time the request is made).	All standard requests were processed within the established timeline. A number of request necessitated further research which resulted in additional processing time.	Stakeholder consultation varies. It is done through regional communications strategies and various outreach activities as well as industry specific fora.
Territorial Quarrying	The issuance of a quarrying permit leads to the granting of a Land Use Permit. As such, there is no time line set in regulations to process/issue/reject a quarrying permit application.	Permits are issued once pre-conditions are met.	Stakeholder consultation varies. It is done through regional communications strategies and various outreach activities as well as industry specific fora.
Territorial Coal	Exploration permits are issued once consultations are complete.	Permits are issued upon completion of consultations.	Stakeholder consultation varies. It is done through regional communications strategies and various outreach activities as well as industry specific fora.

Table 8: Details on Transfer Payments Programs

INAC has five transfer payments programs:

Payments for First Nations, Inuit and Northerners — The Government
Payments for First Nations, Inuit and Northerners — The People
Payments for First Nations, Inuit and Northerners — The Land
Payments for First Nations, Inuit and Northerners — The Economy
Payments for Métis, Non-Status Indians and urban Aboriginal Canadians — The Office of the Federal Interlocutor

Supplementary information on Transfer Payment Programs can be found at <http://www.tbs-sct.gc.ca/est-pre/estime.asp>.

Table 9: Horizontal Initiatives

INAC is the lead department for the following four horizontal initiatives:

Labrador Innu Comprehensive Healing Strategy (LICHHS)
Urban Aboriginal Strategy
First Nations Water Management Strategy
International Polar Year

INAC is a partner in the following horizontal initiatives:

Infrastructure Canada Program (2005–06)
Youth Employment Strategy (ongoing)
National Child Benefit (ongoing)
Climate Change (2005–06 and 2006–07)
Federal Contaminated Sites Accelerated Action Plan (2005–06 to 2007–08)

Supplementary information on horizontal initiatives can be found at http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp.

Table 10: Financial Statements of Departments and Agencies

Indian and Northern Affairs Canada

Financial Statements for Indian and Northern Affairs Canada for the fiscal year ended March 31, 2006, are included in the annual report, available at http://www.ainc-inac.gc.ca/pr/fnst/index_e.html.

Canadian Polar Commission

Financial Statements for the Canadian Polar Commission for the fiscal year ended March 31, 2006, are included in the annual report, available at <http://www.polarcom.gc.ca>.

Table 11: Response to Parliamentary Committees, Audits and Evaluations for Fiscal Year 2005–06

Response to Parliamentary Committees — House of Commons Standing Committee on Public Accounts

Report 17 — Chapter 5, Indian and Northern Affairs Canada — Education Program and Post-Secondary Student Support of the November 2004 Report of the Auditor General was adopted by the Committee on June 8, 2005, and presented to the House on June 16, 2005. The department provided an updated Education Action Plan in its response, presented to the House on October 7, 2005.

<http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=8989&Lang=1&SourceId=121056>

Response to the Auditor General including to the Commissioner of the Environment and Sustainable Development (CESD)

Office of the Auditor General (OAG)

April 2005 — Chapter 6 — Development of Non-Renewable Resources in the Northwest Territories

The report made ten recommendations concerning guidance on the provision of key terms in the legislation, establishment of regulations for water, establishment of an effective process to ensure that boards have appropriate resources, holding boards accountable for managing the process, reporting and developing a clear understanding of the accountability relationship, and the establishment of effective working relationships with boards.

The department responded by indicating that it will work with boards to develop guidelines to clarify key terms and develop water standards in accordance with the needs of the communities. It has already met with a number of boards to discuss best practices and training needs for board members, and has developed a process for ongoing dialogue to resolve issues. It currently requires that boards provide information on financial performance in annual reports, including how the boards manage their responsibilities. This information will be linked to the development of strategic plans with the intent of strengthening the annual reporting process.

The department will hold bilateral discussions on roles and responsibilities with the boards; prepare an action/work plan to address the report's recommendations more fully; and request that boards increase and regularize their consultation with government on key issues. It utilizes the NWT Board Forum as a vehicle for ongoing consultation purposes.

<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20050406ce.html>

November 2005 — Chapter 7 — Meeting Treaty Land Entitlement Obligations

The report made eight recommendations concerning converting land to reserve status, the department's management of the process, and monitoring and reporting of results to Parliament.

The department's response indicated that the Minister was committed to honouring lawful obligations to First Nations and resolving outstanding grievances to the benefit of all Canadians. The department is also committed to ongoing improvements in meeting its obligations associated with Treaty land settlement agreements and will ensure that appropriate funding is available while it continues to seek the co-operation of other parties, including municipal and other government departments that have third-party interests.

<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20051107ce.html>

Annual Monitoring Exercise of the Auditor General of Canada (follow-up Audit 2005)

As part of the annual monitoring exercise of progress made in implementing recommendations in relation to past audits, the OAG publishes its findings in its annual *Departmental Performance Report* (DPR). INAC provided updated information regarding the actions being taken on OAG reports from April 2000 to November 2003 as follows:

- April 2000 (OAG) Chapter 4 — Elementary and Secondary Education (seven recommendations)
- December 2002 (OAG) Chapter 11 — Other Audit Observations — Food Mail Program (one recommendation)
- 2002 (CESD) Chapter 3 — Abandoned Mines in the North (seven recommendations)

- April 2003 (OAG) Chapter 6 — Federal Government Support to First Nations — Housing on Reserves (10 recommendations)
- November 2003 (OAG) Chapter 8 — Transferring Federal Responsibilities to the North (six recommendations) and
- November 2003 (OAG) Chapter 10 — Other Audit Observations (three recommendations).

The OAG's 2006 Status Report, Chapter 5 — Management of Programs for First Nations was also presented to the Public Accounts Committee in 2006. INAC will report on its response in the 2006–07 DPR.

http://www.tbs-sct.gc.ca/rma/dpr/04-05/OAG-BVG/OAG-BVGd45_e.asp

Annual audit of financial statements of the Government of Canada for the year ended 31 March 2006 (conducted by the Auditor General of Canada every fall).

INAC is included in the report as part of the overall report. In the conclusions of the Auditor General of Canada there were no criticisms or “matters of concern”. The Committee of Public Accounts commended the government for this achievement.

http://cmte.parl.gc.ca/cmte/CommitteeList.aspx?Lang=I&PARLSES=39I&JNT=0&SELID=e8_&COM=0#I0466

CESD, 2005 Report

Chapter 5 — Drinking Water in First Nations Communities

The CESD audited INAC and Health Canada, which provide funding and support to assist First Nations in making available to their communities access to drinking water comparable with that of other Canadians living in communities of a similar size and location.

There are no laws and regulations governing the provision of drinking water in First Nations communities, unlike other communities; therefore, there is no assurance of access to safe drinking water in First Nations communities. Although access to drinking water has improved, the design, construction, operation and maintenance of many water systems is still deficient due to inadequate water management practices and inconsistent technical support from the government.

Response to the CESD: INAC, together with Health Canada and in consultation with First Nations, will explore the options and feasibility of a regulatory regime for safe drinking water on reserves. Also, it will ensure compliance with drinking water quality standards and strengthen drinking water management practices consistent with provincial regulatory requirements and verify that all codes and standards have been complied with by April 2006.

<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c20050905ce.html>

Chapter 6 — Green Procurement

The CESD examined government-wide direction and support for green procurement: since the federal government spends \$13 billion a year for procurement of goods and services, it can achieve substantial environmental benefits from green procurement.

After ten years, the government still does not have a green procurement policy and strategy in place. Green procurement is not a high priority for procurement staff. This issue was not reflected in the government-wide review of procurement, nor was it covered as part of Sustainable Development Strategies developed by departments. PWGSC has not actively promoted green procurement. INAC does not currently have a comprehensive plan for green procurement.

Response to the CESD: INAC will work closely with PWGSC to advance green procurement.

<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c20050906ce.html>

Chapter 7 — Sustainable Development Strategies

The CESD examined government-wide direction on preparing 2004 Sustainable Development Strategies (SDS) and how well they met the government-endorsed Commissioner's March 2003 report on Sustainable Development Strategies — Making a Difference.

The committee of deputy ministers responsible for overseeing SDS had not agreed on priorities for the 2004 strategies. Therefore, departments had no direction on how to co-ordinate their strategies. There are no efforts to direct the next SDS, due in December 2006, and the committee has ceased its activities. However, there was an improvement in quality of SDS in 2004 over 2001. Departments, including INAC, have made some progress in meeting SDS commitments, and INAC has made some progress in developing a comprehensive federal community-planning strategy for First Nations.

Response to the CESD: INAC will work closely with the Privy Council Office and the Ad Hoc Cabinet Committee established by the government to implement the recommendations made by the CESD.

<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c20050907ce.html>

Chapter 8 — Environmental Petitions

The CESD examined the environmental petition process, which allows Canadians to formally present their concerns about environmental issues to federal ministers and obtain a response. The audit examined the timeliness and adequacy of departments' responses to petitions.

INAC responded to the five petitions received in 2005. The Commissioner was pleased to note that INAC has responded to all petitions on time. In 2004, the Commissioner had reported that INAC was not meeting the deadlines. The department has since responded to all outstanding petitions and set in place an internal protocol for ensuring timely response to petitions.

Response to the CESD: None

<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c20050908ce.html>

External Audits (Note: These refer to other external audits conducted by the Public Service Commission of Canada or the Office of the Commissioner of Official Languages.)

In 2005–06, no external audits were conducted by the Public Service Commission of Canada or the Office of the Commissioner of Official Languages.

Internal Audits and Evaluations

Internal Audits

Audit of the Security Program — October 2005

http://www.ainc-inac.gc.ca/pr/pub/ae/au/02-07/02-07_e.html

Audit of Post-Secondary Student Support Program — June 2005

http://www.ainc-inac.gc.ca/pr/pub/ae/au/01-15/01-15_e.html

Evaluations

Labrador Innu Comprehensive Healing Strategy Interim Evaluation — March 2006

http://www.ainc-inac.gc.ca/pr/pub/ae/ev/01-28/01-28_e.html

Evaluation of the Alternative Funding Arrangement (AFA) and Flexible Transfer Payment (FTP) Funding Authorities — December 2005

http://www.ainc-inac.gc.ca/pr/pub/ae/ev/01-21/01-21_e.html

Evaluation of INAC's Proposal-Driven Economic Development Programs — December 2005

http://www.ainc-inac.gc.ca/pr/pub/ae/ev/02-02/02-02_e.html

Evaluation of the Post-Secondary Education Program — June 2005

http://www.ainc-inac.gc.ca/pr/pub/ae/ev/01-29/01-29_e.html

Evaluation of Band-Operated and Federal Schools — June 2005

http://www.ainc-inac.gc.ca/pr/pub/ae/ev/03-03/03-03_e.html

Evaluation of the Cultural/Education Centres Program — June 2005
http://www.ainc-inac.gc.ca/pr/pub/ae/ev/03-01/03-01_e.html

Evaluation (Interim) of Treaty Related Measures — November 2005
http://www.ainc-inac.gc.ca/pr/pub/ae/ev/02-22/02-22_e.html

Evaluation of Family Violence Prevention for First Nations — June 2005
http://www.ainc-inac.gc.ca/pr/pub/ae/ev/01-26/01-26_e.html

Table 12: Sustainable Development Strategy (SDS) Implementation and Progress

Sustainable Development Strategies, prepared by federal departments and agencies under the 1995 amendments to the *Auditor General Act*, are a key element of the Government of Canada's approach to sustainable development. They provide a tool for departments to systematically consider the implementation of sustainable development into their policies, programs, legislation and operation. INAC's third SDS highlights initiatives the department has undertaken from 2004–06 that demonstrate a clear commitment to support First Nations, Inuit and Northerners in achieving sustainable communities and promoting a culture of sustainability within INAC.

Implementing and reporting on INAC's third SDS commitments and beginning SDS 2007–10 were the focus of most SDS-related activities in 2005–06.

The department completed its second progress report of SDS 2004–06 in January 2006. Key findings identified timeliness and quality of reporting as problematic: specifically, there were too many commitments, many of which were difficult to measure in terms of progress and concrete results. Moreover, the tracking and reporting system for SDS 2004–06, while a step forward, was not user friendly or clearly linked to departmental planning and reporting processes.

Despite these challenges, the report identified some successes in achieving sustainable development through its programs and operations, particularly in efforts to promote horizontal, collaborative and integrated approaches to complex issues facing Aboriginal and northern communities.

Strengthening Linkages with Other Departments and Aboriginal Organizations

The First Nations of Quebec and Labrador Sustainable Development Institute (FNQLSDI) and INAC's Quebec region established a co-operative framework to implement joint projects to promote sustainable development at the community and national level.

In British Columbia, First Nations and INAC developed a joint dialogue process (the Joint Forum) to develop policies, programs and improvement to service delivery that will better support sustainable First Nations community development. The Joint Forum works closely with approximately nine technical committees to address issues and recommendations raised at the events. The results of these dialogues are evident in improved working relationships; changes at the community level in the areas of capital, social, housing and economic development; and improved service delivery in the British Columbia region.

Comprehensive Community Planning

Comprehensive community planning (CCP) addresses the following key planning areas, all of which are inter-related and interdependent: governance, land and resources, health, infrastructure development, culture, social issues and the economy. Consideration of key planning areas through one unified process is a holistic approach that can lead to sustainable development.

Pilot projects were undertaken in INAC's Atlantic, Quebec and British Columbia Regional Offices to support First Nations in developing and implementing CCPs. Best practices obtained from the pilot projects and other regional initiatives will be used to develop a national CCP strategy as part of SDS 2007–10.

As part of the strategy renewal process, consultations were carried out with departmental regions and sectors, as well as with representatives from Aboriginal communities and organizations, to identify sustainability goals for SDS 2007–10. The results were a commitment to focus on targets that will have a long-term impact at the community level, as well as on departmental structure, policy and direction. A framework was developed, along with specific areas of focus for the next three-year period.

Table 13: Procurement and Contracting

Role played by procurement and contracting in delivering programs

The procurement and contracting activity supports the delivery of programs within INAC's headquarters and 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.

Overview of how the department manages its contracting functions

Although the departmental contract management process is decentralized, it remains mostly under the responsibility of the procurement specialists 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 departmental Responsibility Centre Managers (RCMs) have been delegated signing authorities 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). The department has a \$25,000 delegated authority for the procurement of goods.

Purchase orders, call-ups against Public Works and Government Services Canada (PWGSC) standing offers and requisitions to PWGSC are handled by dedicated procurement specialists.

Service contracts of less than \$25,000 are prepared by RCMs for issuance by procurement specialists at headquarters or in the regions. All competitive and non-competitive service contracts in excess of \$25,000 are managed exclusively by procurement specialists at headquarters and in the regions.

RCMs can use acquisition cards to buy goods up to \$5,000; for purchases over \$5,000, a requisition is processed by departmental procurement specialists.

INAC issued 4,086 goods and services contracts in 2005–06, worth \$283.2 million, not including acquisition card transactions worth \$15.6 million.

Progress and new initiatives enabling effective and efficient procurement practices

- Conducted 38,045 acquisition card (MasterCard and Visa) transactions at a value of nearly \$15.6 million, having increased the number of cards issued from 747 in 2004–05 to 836 in 2005–06.
- Issued approximately 6,400 procurements, with a potential value of nearly \$28.2 million, to Aboriginal suppliers.
- Prepared an Action Plan in response to an Internal Audit on Contracting and Purchasing.
- Implemented proactive disclosure of all contracts of \$10,000 or more on the departmental web site.
- Changed to a new version of the department's Oracle-based Enterprise Financial and Materiel Management System effective April 1, 2005.
- Served as members on the Treasury Board Advisory Committee on Contracts, the PWGSC Client Advisory Board on the Way Forward, various Way Forward commodity teams and councils, the Treasury Board Professional Development Advisory Committee and the Material Management Institute Executive Committee.

Table 14: Service Improvement

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 2005–06.

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 15: Travel Policies

Comparison to the TBS Special Travel Authorities

Indian and Northern Affairs Canada follows the TBS Special Travel Authorities

The Canadian Polar Commission follows the TBS Special Travel Authorities

The Indian Specific Claims Commission follows the TBS Special Travel Authorities

Comparison to the TBS Travel Directive, Rates and Allowances

Indian and Northern Affairs Canada follows the TBS Travel Directive, Rates and Allowances

The Canadian Polar Commission follows the TBS Travel Directive, Rates and Allowances

The Indian Specific Claims Commission follows the TBS Travel Directive, Rates and Allowances

Table 16: Storage Tanks

Status of Fuel Storage Tanks on land owned by Indian and Northern Affairs Canada

Annual Report for April 30, 2006

As required under the CEPA, Part IV, *Registration of Storage Tank Systems for Petroleum Products and Allied Petroleum Products on Federal Lands Regulations*, this report provides the information set out in Schedule II of the aforementioned regulation, updated to December 31, 2005.

The following number of aboveground storage tank systems:

Are registered with Indian and Northern Affairs Canada: 2,053;

Comply with the *Federal Aboveground Storage Tank Technical Guidelines*: 130;

Do not comply with the *Federal Aboveground Storage Tank Technical Guidelines*: 1,923.

The following number of underground storage tank systems:

Are registered with Indian and Northern Affairs Canada: 644;

Comply with the *Federal Underground Storage Tank Technical Guidelines*: 16.

Section IV ■ Other Items of Interest

DEPARTMENTAL MANAGEMENT AND ADMINISTRATION

Providing strategic departmental management

The benefits to First Nations, Inuit, Métis, Northerners and other Canadians are well-informed policy development and effective, efficient and consistent program delivery that supports the government's Aboriginal agenda.

What Is Departmental Management and Administration?

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 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.¹

Highlights of results for Departmental Management and Administration are listed below (see http://www.ainc-inac.gc.ca/pr/est/dpr05-06/dma_e.html for more details):

Regional and Program Operations

INAC is working more closely with partners to identify and define priorities, together with First Nations, Métis, Inuit and Northerners. Over the past year, the department established a number of fora and mechanisms to set strategic direction through dialogue with First Nations, Aboriginal organizations, boards established through land claims and/or legislation, and other government departments.

Regions “south of 60” have established or are in the process of establishing priority-setting sessions with First Nations. The British Columbia region held three joint planning and policy development fora (on Accountability for Results, Economic Opportunities and Sustainable Housing) in 2005–06. Manitoba, Saskatchewan, Alberta, Ontario, Quebec and the Atlantic region also conduct joint planning or priority-setting sessions. In the North, the focus on joint action has resulted in the Northwest Territories Board Forum, which works with partners in the resource management system to share information, identify common priorities and undertake collaborative action.

In addition to work in regions, the department also continues to work with provinces, territories and Aboriginal leadership in multilateral fora to improve the quality of life for Aboriginal people. The result is strengthened relationships, greater information sharing, processes that facilitate ongoing collaboration, and strategic direction and policy development set through dialogue and joint agenda development.

INAC works with other federal departments, provincial/territorial governments and Aboriginal organizations to identify and advance international human rights and environment and trade matters that have implications for Aboriginal peoples in Canada. INAC has worked with both global and local partners to develop policy grounded in research of indigenous issues and interests, such as the World Intellectual Property Organization, the United Nations Permanent Forum on Indigenous Issues and the Working Group on Indigenous Populations.

Implementation of the *Public Service Employment Act* (PSEA) and *Public Service Modernization Act* (PSMA) at INAC throughout 2005–06 is one way to ensure that INAC's staffing and human resources management processes support the department's strategic plans and priorities. INAC

¹Departmental Management and Administration aligns its structure with INAC's Program Activity Architecture. Three areas are identified; Regional Program and Operations, Litigation Management — Management, Resolution and Prevention and Litigation Management — Settlements.

employees and management trained in the PSEA and PSMA are better situated to meet key current and future operational requirements. Mandatory Staffing Delegation training for all managers and executives is another element of modernizing INAC's public service; this has contributed to high-quality people management and helps to ensure the right people are in place to provide service to Canadians.

INAC's emphasis on building a diverse and representative workforce has been successful, with representation rates for the advancement and retention of Aboriginal people and other designated groups increasing or remaining constant relative to labour market availability. In addition, the department modernized its Human Resources (HR) reporting and monitoring frameworks, and developed an ongoing comprehensive HR "dashboard" of demographic and statistical information that is shared across

the department and supports managers in regions and sectors in their HR and business planning. This work, in combination with modifications to employment performance management, contributes to a diverse workplace environment committed to improvement and learning.

INAC's work in the area of Information Management and Information Technology (IM&IT) over 2005–06 has developed a process to streamline data collection, improved co-ordination of financial and non-financial data, and stronger IM&IT planning in all sectors. An Action Plan for Reducing Data Reporting Burden was also developed, and a Data Collection Instrument Registry was implemented as the authoritative source of approved data collection instruments and related documentation. These initiatives are in place to reduce partners' reporting burden and support strategic management of information and technology.

Management of information is linked to strategic management of the department. INAC continues to make inroads towards a fully integrated cycle of planning, resource allocation, monitoring and adjustment. Initiatives to integrate financial and non-financial data and the alignment of the Chart of Accounts with the Program Activity Architecture (PAA) enable the department to

make stronger links between the "planning" and the "doing" of the department. These links between strategic and operational planning are supported by the development of Strategic Outcome, regional business and operational plans that describe how funds are being directed to priority areas. In doing so, INAC is better positioned to report clearly on results to Parliament and to Canadians.

The department began implementation of the Chief Financial Officer model with the development of a renewed financial manage-

ment framework. In doing so, the department has created an approach that will support greater consistency of financial management by regions and programs, and allow for more strategic and transparent use of resources.

INAC has undertaken an intersectoral approach to First Nations comprehensive community planning (CCP). This has increased linkages between INAC and other government departments regarding planning and program delivery, increased capacity and awareness around CCP in Aboriginal communities, and resulted in partnerships with Aboriginal organizations. National and regional workshops with First Nations have resulted in greater interest in CCP projects at the community level across Canada, with a number of CCP projects undertaken in regions; results of pilot projects were analysed and lessons learned were developed. To support work in this area, a draft comprehensive community planning strategy

In March 2006, INAC co-hosted the second Aboriginal Policy Research Conference with the University of Western Ontario and the National Association of Friendship Centres. This conference brought together over 1,250 Aboriginal and non-Aboriginal delegates from across Canada and around the world to disseminate, learn, and assess evidence-based research in order to advance policy development related to Indigenous peoples. Most notably, the United Nations' Secretariat of the Permanent Forum on Indigenous Issues and INAC organized a workshop on indigenous-specific indicators related to the United Nations eight Millennium Development Goals.

For more information about the workshop report and submitted papers, please visit <http://www.un.org/esa/socdev/unpfii/en/workshops.html>.

was developed in collaboration with key stakeholders for First Nations to realize long-term plans for sustainable communities.

Litigation Management — Management, Resolution and Prevention

INAC undertook the development of annual portfolio workplans that identify issues that may require clarification, including clarification from the courts. Clarification of key issues may, in turn, help parties to settle or prevent litigation. The department has also deepened its knowledge of its inventory of court cases by implementing an internal quarterly inventory report that details the composition and movement of cases, and by analysing the operational impacts of key cases through contingency planning.

Ongoing collaboration between litigators, legal services counsel, case managers and program/policy officials has ensured that legal positions take into account, not only the status of the law and the specificity of cases, but also INAC's overall priorities and Strategic Outcomes. A similar approach was used for assessing options for out-of-court settlements, which were integrated into the context of broader negotiations or interaction with First Nations.

Litigation Management — Settlements

Early in 2005–06, nine cases were identified as likely candidates for out-of-court settlement. Seven of these were settled, plus an additional five cases. The two that remained in negotiations at the end of the fiscal year are forecast for settlement early in 2006–07, with five other major settlement negotiations under way. INAC is seeking options to streamline settlement processes and has undertaken internal analysis and discussions with Justice Canada and central agencies on the subject.

Areas for Improvement and Lessons Learned

INAC continues to focus on implementing a fully integrated planning and reporting process. Areas of focus include strengthened process and development of Strategic Outcome (SO) Plans, streamlined reporting systems, efficient financial management tools and data management. Stronger links are being made between SO plans and operational and business plans, resource allocation and reporting on results. Another area

of focus shared by all SO Tables is performance measurement, specifically the development of useful and reasonable performance measures and targets to demonstrate results.

As part of the Action Plan for Reducing Data Reporting Burden, INAC is committed to improving the efficiency of recipient reporting through automated forms, and is working to rationalize business processes so data collection requirements are streamlined. This commits the department to applying guidelines for data collection in the planning, design, implementation and administration of INAC's policies and programs for First Nations, Inuit and recipients under Northern Affairs general application programming.

The development of internal processes that support balanced, transparent and easy-to-understand public reporting is ongoing. Public reporting requirements change as the needs of partners, other Canadians and central agencies evolve. INAC's goals for improved public reporting and corresponding timelines for achievements must reflect this evolution of reporting requirements; public reporting processes must be evaluated on an ongoing basis. Realistic short-term targets can help identify and evaluate progress over the long term.

The increased profile of Comprehensive Community Planning (CCP) amongst First Nations communities has raised expectations about support for and delivery of resources and integrated service delivery mechanisms for CCP development and implementation. Effective comprehensive community planning must be community-based and community owned, supported by improved co-ordination and integration of existing government resources and activities through regionally based processes that are developed in consultation with First Nations partners.

Meaningful information on case activity and contingent liabilities for INAC litigation is helping the department to find the most effective ways of managing and resolving litigation. In addition, further inroads have been made in interdepartmental collaboration to improve contingency planning, communications planning and the management of multi-dimensional litigation issues.

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