

Federal Budget 2012 – SUMMARY & CONSIDERATIONS

The Federal Budget (“Economic Action Plan 2012”) was delivered on March 29, 2012 under the theme: Jobs, Growth and Long-term Prosperity.

Budget commitments are provided at a very high level and the AFN is working to access specific details on investments and cost reductions. As well, a number of programs scheduled to expire on March 31, 2012 that support and work closely with First Nations – such as the Aboriginal Justice Strategy – were not specifically referenced in the budget. This is leading to uncertainty as to the future of these initiatives and AFN will continue to seek clarity.

Additional updates and analysis will be provided as information is made available.

EDUCATION

WHAT THE BUDGET SAID

Investments to Improve First Nations Education

Economic Action Plan 2012 commits the Government to introduce legislation, and explore new funding mechanisms, for First Nations elementary and secondary education, and proposes \$275 million over three years to support First Nations education.

In Budget 2010 the Government committed to work with First Nations to develop options, including new legislation, to improve the governance framework and clarify accountability for First Nations elementary and secondary education. In 2011, the Government and the Assembly of First Nations launched a National Panel, which made a number of recommendations for reforming First Nations education in its February 2012 report.

In response to the Panel’s report, the Government will work with willing partners to introduce a First Nation Education Act and have it in place for September 2014. The purpose of this legislation is to establish the structures and standards to support strong and accountable education systems on reserve. This will set the stage for more positive education outcomes for First Nations children and youth. The Government will also work to explore mechanisms to ensure stable, predictable and sustainable funding for First Nations elementary and secondary education.

To help ensure readiness for the new First Nations education system to be outlined in legislation, this budget will invest \$100 million over three years for First Nations education to provide early literacy programming and other supports and services to First Nations schools and students, and to strengthen their relationships with provincial school systems.

To complement these investments in First Nations education programming, this budget will invest \$175 million over three years to build and renovate schools on reserve, providing First Nations youth with better learning environments. This will build on investments in on-reserve school infrastructure made as part of Canada’s Economic Action Plan between 2009 and 2011.



	2012-13	2013-14	2014-15	Total
Investments to Improve First Nations Education	\$ 45	\$ 115	\$ 115	\$ 275

CONSIDERATIONS

Strategic investment in education is critical to building healthy, prosperous, and safe communities. Education is widely recognized as the most powerful method for bringing about improvements in all social and economic domains. A considerable gap in educational achievement and inputs exists with respect to First Nations education. Funding for First Nations education has been capped at 2% since 1996, whereas transfer payments to provinces have been increasing by 4.8% annually through to 2011. This discriminatory double standard in the provision of comparable inputs has been allowed to exist

The 2012 budget commitments of \$275 million over three years indicate that the advocacy of First Nations youth, through Shannen’s Dream, and of First Nation leaders across the country are perhaps beginning to be heard. The three-year commitment is a first-step to addressing the following:

- *School Infrastructure Funding:* The investment of “\$175 million investment over three years” for school infrastructure will help support the urgent need to build and renovate First Nations schools. Since 2006, the Federal Government has spent approximately \$1.2 billion on school infrastructure. The most recent estimates indicate that 48 new First Nations schools are needed across Canada, and an additional 11 schools are in need of major renovations. It is difficult to estimate funding needs as education capital funding varies tremendously by First Nation, but 2009 estimates indicate that \$235 million is needed over a five year period.
- *Early literacy.* The investment of “\$100 million investment over three years” for early literacy programming and other supports and services to First Nations schools is a much welcomed addition to First Nation funding. A child’s early life experiences can have a lasting impact on their development and future learning success. The growth of a child from pre-conception to the age of eight is the most critical years for brain growth and development. It will be important to see how this funding gets implemented and to ensure that it supports First Nation control of First Nation Education.

It remains that the three-year commitments fall short of what is required in First Nation education in order to achieve comparable access to educational services and supports currently provided by Provincial and Territorial education systems. The historic First Nation-Crown Gathering and work on the National Panel on Education identified many key aspects of educational reform and investments that are urgently required for First Nations education, including:

- Immediate funding relief to stabilize and address immediate gaps as education reform policies are being developed
- Support regional First Nation Education Organizations to provide educational second- and third-level services that supports for First Nations schools.
- Development of a new statutory funding formula for First Nation Education that is needs-based, predictable and sustainable.
- Support for First Nation language and culture programs to be central feature of any First Nation education policy reform and funding formula.
- Urgently addressing the specific challenges for children with special needs, including adequate funding and assessment.



The 2012 budget identified a positive commitment to “explore mechanisms to ensure stable, predictable and sustainable funding for First Nations education” and we will need to be relentless in our efforts to ensure First Nations lead this process. These opportunities identified in the 2012 budget have the potential to provide the starting point for true reform and reconciliation for First Nation education as indicated by the Prime Minister at the Crown-First Nation Gathering.

SKILLS DEVELOPMENT & ECONOMIC PARTNERSHIPS

WHAT THE BUDGET SAID

Helping First Nations on Reserve Access the Labour Force

Economic Action Plan 2012 announces the Government’s commitment to improve the incentives in the on-reserve Income Assistance Program while encouraging those who can work to access training so they are better equipped for employment.

Through Economic Action Plan 2012, the Government is committing to make progress by better aligning its on-reserve Income Assistance Program with provincial systems through improved compliance with program requirements. The Government will also work with First Nations to encourage those who can work to access training and, more broadly, to improve the incentives for labour market participation in this program. Canada’s young Aboriginal population has tremendous potential for long-term success and economic prosperity, and our Government is committed to helping them achieve their full potential.

CONSIDERATIONS

First Nation citizens are poised to participate fully in the economy, building human capital and maximizing the potential of their youth. Canada should collaborate with First Nations to appropriately plan for timely investments for First Nation employment training and economic participation.

However, “aligning” income assistance rates and programs with those offered by the provinces does not take into account the needs and priorities of First Nations, nor does it ensure First Nation citizens have access to additional supports and training that are offered through other systems. An injunction was granted in New Brunswick on March 30, 2012, to prevent significant reductions to income assistance rates for First Nations to align with those set by the province.

AFN will continue advocacy in this area.

WHAT THE BUDGET SAID

Improving Economic Potential on First Nations Lands

Economic Action Plan 2012 announces the Government’s intent to explore with interested First Nations the option of moving forward with legislation that would allow private property ownership within current reserve boundaries.

The Government of Canada continues to work with First Nations to create conditions to accelerate economic development opportunities.

At the historic Crown-First Nations Gathering, the Prime Minister and the National Chief of the Assembly of First Nations agreed to launch within three months an economic task



force that would report back in a timely fashion with recommendations to further unlock the economic potential of First Nations peoples.

This work will build on steps the Government has already taken to enable interested First Nations to assume greater control over their reserve lands, resources and environment, notably through the First Nations Land Management Act. First Nations that opt in to this Act can better pursue and seize economic opportunities. This puts First Nations in more direct control of their economic development, helping them build a brighter future in which their communities are self-sufficient and prosperous.

Budget 2011 reaffirmed the Government's commitment to expand the First Nations Land Management regime by committing to reallocate up to \$20 million over two years to respond to the growing interest from First Nations leaders to participate. This allowed the Government to introduce 18 new entrants to the regime in January 2012, bringing the total number of First Nations that are operating or developing their own land codes to 56.

Some First Nations have expressed an interest in exploring the possibility of legislation that would allow private property ownership within current reserve boundaries. Economic Action Plan 2012 announces the Government's intent to explore with interested First Nations the option of moving forward with legislation that would allow for this. The Government will continue to work with First Nations to address barriers to economic development on reserve.

CONSIDERATIONS

First Nations are actively pursuing creative solutions to economic development and prosperity. Furthering specific outcomes of the Crown-First Nations Gathering, such as the First Nations led Economic Task Force and joint work to examine Barriers in the Indian Act, will create the conditions for more prosperous First Nation economies.

At the 2010 Annual General Assembly, as expressed in Resolution #44-2010, Chiefs rejected the notion of a Private Property Ownership Act, as they said it would ultimately lead to "individual privatization of indigenous collective lands and resources". As such, this initiative is surely to face vigorous and focused opposition from most First Nations and may detract from the more productive work First Nations are engaged in, to address their economic challenges.

Supporting First Nations Fishing Enterprises

WHAT THE BUDGET SAID

Economic Action Plan 2012 proposes \$33.5 million in 2012–13 to extend the Atlantic Integrated Commercial Fisheries Initiative and the Pacific Integrated Commercial Fisheries Initiative.

The Atlantic and Pacific Integrated Commercial Fisheries Initiatives are designed to integrate First Nations fishing enterprises into existing commercial fisheries. Through these and related programs, the Government has invested approximately \$700 million to provide access to commercial fisheries and business development and co-management activities for First Nations fishing enterprises. To continue promoting integrated commercial fisheries, Economic Action Plan 2012 proposes \$33.5 million in 2012–13 to the Department of Fisheries and Oceans to extend these initiatives.



	2012-13	2013-14	2014-15	Total
Supporting First Nations Fishing Enterprises	\$ 34	\$ -	\$ -	\$ 34

CONSIDERATIONS

Renewal of these programs which support commercial fishing is welcome by First Nations.

WATER INFRASTRUCTURE

WHAT THE BUDGET SAID

Economic Action Plan 2012 proposes \$330.8 million over two years to build and renovate water infrastructure on reserve and to support the development of a long-term strategy to improve water quality in First Nations communities.

Many First Nations continue to face challenges ensuring access to safe water in their communities despite significant investments by the Government to help improve water systems. Since 2006, the Government has invested around \$2.5 billion to assist First Nations in the construction, maintenance and operation of water and wastewater systems in their communities. This includes the completion of over 130 major projects and funding for the operation and maintenance of over 1,200 water or wastewater systems. The Government remains committed to improving the health and safety of First Nations communities.

Earlier this year, the Government introduced the Safe Drinking Water for First Nations Act to ensure First Nations have access to safe and reliable drinking water. This bill will allow the Government, in collaboration with First Nations, to develop federal regulations for access to safe drinking water, and to ensure the effective treatment of wastewater and the protection of sources of drinking water on reserve.

	2012-13	2013-14	2014-15	Total new
Investments to Improve First Nations Water Infrastructure	\$ 165	\$ 165	\$ -	\$330

CONSIDERATIONS:

First Nations infrastructure, especially related to water, housing, education and emergency services, require significant investment. First Nations water quality continues to be a national concern. The National Engineering Assessment released by the Federal Government on July 14, 2011 identifies that 73% of First Nation water systems are at risk—an increase from an estimated 29% in 2003. Today, 118 First Nation communities remain on boil water advisories. Access to clean drinking water is a universal human right, recently affirmed by the United Nations. Canada has a responsibility to ensure clean drinking water in First Nations communities.

The 2012 budget commitment of \$330 million over two years represents a continuation of the federal program. The two-year investment falls short of the estimated \$4.7 billion in funding required as identified by the 2011 National Engineering Assessment. First Nations must



continue to engage with the Government of Canada to develop a plan to implement the recommendations of the 2011 study and ensure a clear plan of investment.

HEALTH & WELLNESS

WHAT THE BUDGET SAID

Addressing Family Violence on Reserve

Economic Action Plan 2012 proposes \$11.9 million for the Family Violence Prevention Program in 2012–13, bringing the total budget for the program to \$30.4 million for an additional year.

The Government has taken steps to improve the lives of women and children on reserve. Budget 2010 invested \$25 million over five years to address the high number of missing and murdered Aboriginal women. In addition, legislation was introduced in 2011 to provide fairer treatment of marital property on reserve upon the dissolution of a marriage.

That said, numerous First Nations communities continue to experience family violence that threatens the ability to safely raise a family. Ensuring shelter services and violence prevention programming are available to on-reserve communities is an important element of addressing these serious security concerns.

Aboriginal Mental Health Programs

Economic Action Plan 2012 commits to working with Aboriginal communities and organizations, provinces and territories to improve the mental health and well-being of Aboriginal peoples in Canada.

Health Canada currently invests over \$100 million annually to support mental health programs and services for Aboriginal peoples through community level mental health initiatives, addiction and substance abuse treatment centres, and the National Aboriginal Youth Suicide Prevention Strategy. The Government has also provided significant support to Health Canada's Indian Residential Schools Resolution Health Support Program, which provides mental health and emotional support services to former students and their families.

Strengthening Health Care in Rural and Remote Communities

To expand the provision of primary health services to Canadians in rural and remote communities, Budget 2011 announced that the Government would forgive a portion of Canada Student Loans for new family physicians, nurses and nurse practitioners who practise in underserved rural or remote communities, including communities that provide health services to First Nations, Inuit and Métis populations.

	2012-13	2013-14	2014-15	Total
Addressing Family Violence on Reserve	\$ 12	\$ -	\$ -	\$ 12

CONSIDERATIONS

Steps to protect vulnerable citizens and create healthy and safe communities are welcome, however AFN continues to seek clarification for health and justice programs where funding was scheduled to end on March 31, 2012 and were not mentioned in the Budget.



In addition, the AFN Pre-Budget Submission identified funding shortfalls in the Non-Insured Benefits program that must be urgently addressed - \$376M for this fiscal year, and \$805M overall in five years.

RESOURCE DEVELOPMENT, REGULATIONS & CONSULTATION

WHAT THE BUDGET SAID

Increased resource development activities can also offer new opportunities for Aboriginal businesses and can generate well-paying jobs for Aboriginal peoples near their communities. There are steps the Government can take to improve consultations with Aboriginal peoples when it contemplates conduct that might affect potential or established Aboriginal or Treaty rights.

The Government will focus on four major areas to streamline the review process for major economic projects:

- Making the review process for major projects more predictable and timely.
- Reducing duplication and regulatory burden.
- Strengthening environmental protection.
- Enhancing consultations with Aboriginal peoples.

The Government will propose legislation to modernize the federal regulatory system that will establish clear timelines, reduce duplication and regulatory burdens, and focus resources on large projects where the potential environmental impacts are the greatest.

These measures will accelerate project development and directly lead to the creation of high-paying, high-quality jobs including for engineers, tradespeople and other skilled workers. The resulting economic activity will stimulate additional job creation across the country.

Major Projects Management Office Initiative

Economic Action Plan 2012 proposes \$54 million over two years to renew the Major Projects Management Office initiative.

The Major Projects Management Office initiative has helped to transform the approvals process for major natural resource projects by shortening the average review times from 4 years to just 22 months, and improving accountability by monitoring the performance of federal regulatory departments. More than 70 major projects are currently benefitting from the system-wide improvements made possible by the initiative (see map). To continue to support effective project approvals through the Major Projects Management Office initiative, Economic Action Plan 2012 proposes \$54 million over two years.

Consultation Under the Canadian Environmental Assessment Act

Economic Action Plan 2012 proposes \$13.6 million over two years to support consultations with Aboriginal peoples.

The Government is committed to consulting with Aboriginal peoples in the review of projects to ensure that their rights and interests are respected. Consultations can also facilitate discussions on how Aboriginal peoples can benefit from the economic development opportunities associated with these projects. To support consultations with Aboriginal peoples related to projects assessed under the Canadian Environmental

Assessment Act, Economic Action Plan 2012 proposes \$13.6 million over two years to the Canadian Environmental Assessment Agency.

Amending Mining Regulations

Economic Action Plan 2012 proposes \$1 million over two years to amend metal mining regulations.

Environment Canada is responsible for administering the key pollution prevention provisions under the Fisheries Act, including the associated Metal Mining Effluent Regulations. These regulations prescribe controls on the effluents and waste rock that can be deposited into certain bodies of water.

To address an existing regulatory gap and provide greater certainty for the mining industry in Canada, Economic Action Plan 2012 proposes \$1 million over two years to Environment Canada to expand Metal Mining Effluent Regulations to non-metal diamond and coal mines.

Strengthening Pipeline Safety

Economic Action Plan 2012 proposes \$13.5 million over two years to strengthen pipeline safety.

The National Energy Board is an independent federal agency established to regulate international and interprovincial aspects of the oil, gas and electric utility industries, including international and interprovincial pipelines.

To increase the number of inspections of oil & gas pipelines from about 100 to 150 inspections per year, and double from 3 to 6 the number of annual comprehensive audits to identify issues before incidents occur, Economic Action Plan 2012 proposes \$13.5 million over two years to the National Energy Board. Funding for these activities will be fully cost recovered from industry.

The Northern Pipeline Agency

Economic Action Plan 2012 proposes \$47 million over two years to the Northern Pipeline Agency.

The Northern Pipeline Agency was created as a single window regulatory body to oversee the planning and construction of a major pipeline—the Alaska Pipeline—to transport natural gas from Alaska through Canada to the lower 48 U.S. states. To carry out federal regulatory responsibilities related to the Alaska Pipeline Project, Economic Action Plan 2012 proposes \$47 million over two years to the Northern Pipeline Agency. This funding will be fully cost-recovered from industry.

Assessing Diamonds in the North

Economic Action Plan 2012 proposes \$12.3 million over two years to continue to assess diamonds in the North.

The natural resource sector in Canada's North provides significant employment and business opportunities for Aboriginal peoples and communities. The Diamond Valuation and Royalty Assessment Program, operated by Aboriginal Affairs and Northern Development Canada, ensures that Canadians and Northerners benefit from the royalties associated with diamond production in the region. To renew the Diamond Valuation and Royalty Assessment Program, Economic Action Plan 2012 proposes \$12.3 million over two years to Aboriginal Affairs and Northern Development Canada.

CONSIDERATIONS

Caution needs to be exercised in any attempts to “streamline” or accelerate the approvals of resource development, as First Nations expect that the standard of Free, Prior and Informed Consent will be adhered to by the Crown. However, the investments in Aboriginal consultation under of the Canadian Environmental Assessment Act represent a marked increase from previous levels, and hopefully this will signal real commitment to ensuring First Nation rights and title are respected and First Nations are active in the design of regulations, review of projects and approached.

PROJECTED REDUCTIONS IN DEPARTMENT BUDGETS

The budget identified \$5.2B of ongoing savings in government expenditures to be phased-in over the next three years. While amounts and targets have been identified for individual departments, the details and real impacts of these cuts have not yet been revealed, and can only be assessed over time. Below is a summary of available information for the Department of Aboriginal Affairs and Northern Development. Additional information will be provided as it is made available.

REVIEW OF THE DEPARTMENT OF ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

WHAT THE BUDGET SAID

Over the past year, the Government assessed hundreds of savings proposals put forward by government organizations. Guided by experts from outside government, organizations were asked to focus on achieving efficiencies in their operations, as well as to refocus business processes and service delivery platforms. As part of the review, organizations examined their spending from the following perspectives:

- **Operating efficiency**—To what extent are results being achieved efficiently? Can this activity be delivered at a lower cost or in a more effective way?
- **Internal services**—Are internal services (e.g. human resources management, financial management, communications) as efficient as possible? Can improvements be made to reduce any overlap and duplication?
- **Effectiveness**—To what extent is this program, activity or service achieving the expected results for which it was designed?
- **Affordability**—Is the program, activity or service a priority, and is it affordable during a period of fiscal restraint?
- **Relevance and need**—To what extent is there still a need for this program, activity or service?
- **Federal role**—To what extent is this program, activity or service consistent with the federal government’s roles and responsibilities?
- **Organizational role**—Would greater efficiencies be achieved if another department or agency, a government service provider, or the private sector delivered the program, activity or service?

Total savings under the review ramp up to roughly \$5.2 billion ongoing, representing 6.9 per cent of an aggregate review base of \$75.3 billion. This represents less than 2.0 per cent of expected federal program spending in 2016–17.



The Government will be introducing legislative and regulatory amendments required to implement the identified reductions in spending of departments, agencies and agents of Parliament. What follows is a description of the actions being taken by federal organizations to find efficiencies in their operations and re-engineer the way they do business.

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT PORTFOLIO

Aboriginal Affairs and Northern Development Canada (AANDC) is achieving savings through restructuring, operational efficiencies and changes to business processes, in order to improve service delivery to Aboriginal communities.

The Department will work with Aboriginal peoples to make it easier for them to access program funding by simplifying the application process, agreements and reporting requirements. Steps will also be taken to provide qualified recipients with more flexibility and management control, while eliminating red tape for both recipients and the Department. AANDC will continue to refocus the Department in keeping with developments such as a reduction in the backlog of specific claims and devolution of responsibilities to the Northwest Territories.

Table A1.1
Planned Savings—Aboriginal Affairs and Northern Development Portfolio
 millions of dollars

	2012-13	2013-14	2014-15	Ongoing
Aboriginal Affairs and Northern Development portfolio	26.9	60.1	165.6	165.6
Aboriginal Affairs and Northern Development Canada	24.4	55.1	160.6	160.6
First Nations Statistical Institute	2.5	5.0	5.0	5.0

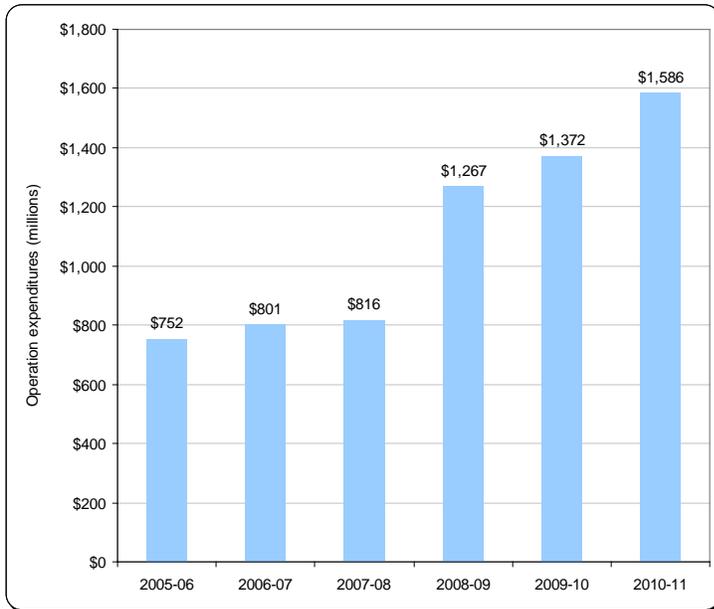
Note: Totals may not add due to rounding.

CONSIDERATIONS:

Over the last six years, AANDC operational costs (the day-to-day expenses such as salaries, rent and travel) have more than doubled from \$752 million in 2005 to \$1.6 billion in 2011 and now account for nearly one-fifth (19%) of the Department's spending.



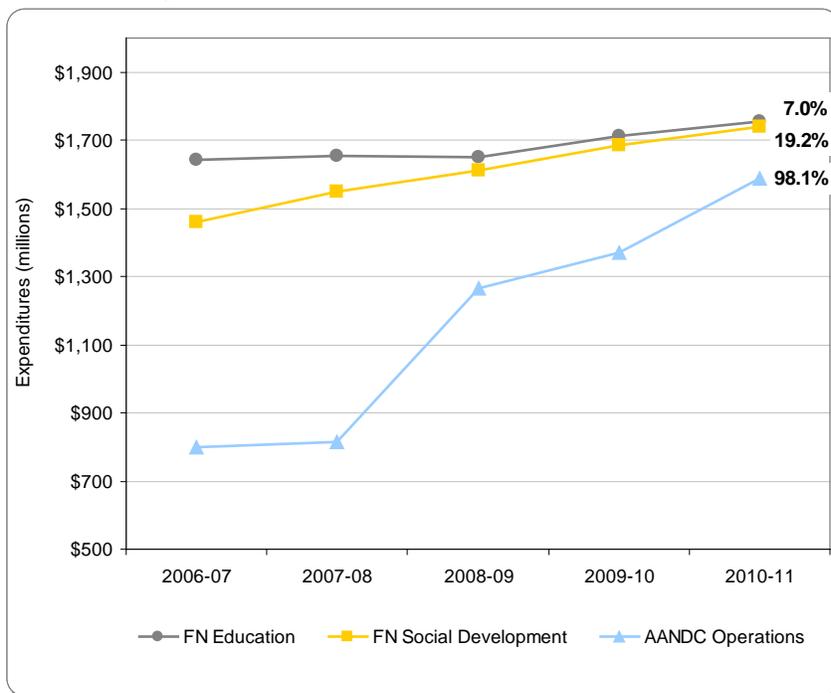
Growth in INAC's operation costs*, 2005–2011



* Expenditures adjusted to reflect 2010 dollars
 Source: Government of Canada, Public Accounts, 2005-2011

In fact, the Department's operational costs now almost match the program funding for AANDC's largest First Nation programs – education and social development. Since 2008, for every new dollar going to First Nations education, \$7.60 has gone to growing AANDC's department.

Faster growth in operations and slower growth for program funding* for First Nations communities, 2007–2010



* Expenditures adjusted to reflect 2010 dollars
 Source: Government of Canada, Public Accounts, 2005-2011

Therefore, reductions to a growing bureaucracy are needed – but First Nations want to ensure that this is not at the expense of community programs, or, compromises service standards to First Nation citizens. The 2012 Budget identified that 2.7% (or \$165.6 million) of AANDC’s total budget will be reduced within three years. It is estimated that this could lead to anywhere from 400 to 700 jobs within the Department. Further details on the exact cuts and number of jobs lost are still to be released and this analysis will be updated to reflect the latest figures.

	2012-13	2013-14	2014-15	Ongoing	Review Base	% of Review Base	% of Total Program Spending
AANDC	\$ 26.9	\$ 60.1	\$ 165.6	\$ 165.6	\$ 6,223.2	2.7%	0.06%

Through these reductions, funding for the **First Nations Statistical Institute (FNSI)** has been eliminated past this fiscal year. This will further exacerbate a gap in data analysis and planning tools for First Nation governments, policy and decision-makers. The FNSI has developed critical data analysis and population projection tools and worked directly, on a responsive basis, with First Nations and First Nation organizations on initiatives that support community-based planning, governance and accountability.

OTHER AREAS WITH POTENTIAL IMPACTS FOR FIRST NATIONS

There are a number of areas of new investment and priority in Budget 2012 that do not contain specific reference to First Nations, but could have potential for partnerships or investments in First Nation communities.

Commemorations for the Bicentennial of the War of 1812

Important commemorations for the 200th anniversary of the War of 1812 will boost tourism and allow Canadians to celebrate their history. The 200th anniversary of the War of 1812 is also an opportunity for Canadians to take pride in their history. Over the next four years, the Government’s investments will increase Canadians’ awareness of this defining moment in Canada’s history.

The 200th anniversary of the War of 1812 is just one of many events that are bringing Canadians together as the country moves closer to Canada’s 150th anniversary in 2017, which will also include celebrations around the Queen’s Diamond Jubilee.

Encouraging Participation and Healthy Communities

Economic Action Plan 2012 proposes continued support to ParticipACTION and to Le Grand défi Pierre Lavoie.

The Government recognizes the role that participation in sport plays in promoting more active lifestyles and healthier, stronger communities. Since coming to office, the Government has ensured that Canadian athletes are provided the support needed to reach the podium at every opportunity possible. This includes significant investment in high-performance sport including support to athletes, national sport organizations, and hosting of major international sporting events.

In 2015, Canada will again play host as Toronto welcomes the Americas for the Pan American and Parapan American Games. To ensure these Games are a success, the Government of Canada will invest, as its contribution, over \$450 million to give our world-



class athletes the opportunity to compete in state-of-the-art sport facilities. This significant investment will leave a lasting sport legacy for Canadians for years to come, and will bring economic prosperity throughout the Greater Toronto Area.

As announced in Budget 2011, the Government has increased its ongoing support to Special Olympics Canada to help enrich the lives of Canadians with an intellectual disability through sport and competition in Special Olympics events.

In addition, Economic Action Plan 2012 continues investments in ParticipACTION, which works with provincial and local partners to deliver community-based physical activity and fitness programs.

Support to Provinces and Territories for the Floods of 2011

Economic Action Plan 2012 proposes up to \$99.2 million over three years for permanent flood mitigation measures undertaken for the 2011 floods.

The Government is providing support to the many communities affected by recent natural disasters, and is committed to working with other levels of government to build safer and more resilient communities. The Government has worked with the provinces and territories to identify permanent mitigation measures that were undertaken for the floods of 2011.

Economic Action Plan 2012 proposes up to \$99.2 million over three years to assist the provinces and territories with the cost of permanent flood mitigation measures undertaken for the 2011 floods. The Government is also committed to discussing with the provinces and territories the development of a national disaster mitigation program, recognizing that mitigation can lessen the impact of natural disasters on vulnerable communities and reduce the costs associated with these events.

AFN Pre-budget Submissions

The AFN has participated in the federal pre-budget engagement process since 2000. Currently, submissions must be limited to 5 pages and contain no more than three priority areas of investment. However, AFN pre-budget submissions should be viewed collectively, advocating for identified First Nation needs over time.

The 2011 AFN Pre-budget submission called for the fundamental transformation of the fiscal relationship by creating stable and fair funding transfer mechanisms for First Nations. It also called to resolve the deficit in spending on First Nations education through a statutorily guaranteed fiscal framework, and critical investments in housing, water, community infrastructure and health programs.

For more information please go to www.afn.ca

FEDERAL BUDGET COMMITMENTS FOR FIRST NATIONS: 2008 – 2012					
	2008	2009	2010	2011	2012
EDUCATION & SKILLS DEVELOPMENT					
Elementary & secondary education	\$70M / 2yrs		\$30M / 2yrs		\$100M
Post-secondary education					
Education infrastructure		\$200M / 2yrs			\$175M / 3yrs
Skills Development		\$75M / 2yrs \$25*M / 2yrs \$100M / 3yrs			
HOUSING & WATER					
Housing		\$400M / 2yrs			
Water	\$330M / 2yrs	\$165M / 2yrs	\$331M / 2yrs		\$331M* / 2yrs
Infrastructure		\$150M / 2yrs	\$20M (fuel tanks)		
HEALTH AND WELLNESS					
Non-insured health benefits					
Mental health & wellness			\$199M / 2yrs (IRS health supports)		
Aboriginal health programming	\$147M / 2yrs	\$305M / 2yrs	\$285M* / 2yrs		
Family Violence					\$12M*
Missing & Murdered Women			\$10M / 2yrs		
Child Welfare	\$43M / 2yrs	\$20*M / 2yrs	\$53M / 2yrs		
Policing				\$30M*	
ECONOMIC & ENVIRONMENTAL INVESTMENTS					
Economic development framework	\$70M / 2yrs				
Fisheries					\$34M
OTHER AREAS OF INVESTMENT					
Urban Aboriginal Strategy					\$27M* / 2yrs

* Items restore / continue funding for program areas where funding was time-limited and set to expire

The **January 2012 Crown-First Nations Gathering** committed to a **renewed relationship with First Nations** and **joint work to review the structure of financial arrangements** between the federal government and First Nations. There are also commitments to work to develop solutions to **remove barriers to First Nations governance**, to enable sustainable and successful First Nations; to **respect and honour the Treaty relationship**; advance **claims resolution reflective of the principles of recognition and affirmation** directed by section 35 of the Constitution Act, 1982; pursue reform in First Nations education; and launch an **economic task force** with First Nations.

