Docket: T1340/7008

CANADIAN HUMAN RIGHTS TRIBUNAL

B E T W E E N :

FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA and ASSEMBLY OF FIRST NATIONS

Complainants

- and -

CANADIAN HUMAN RIGHTS COMMISSION

Commission

ATTORNEY GENERAL OF CANADA
(representing the Minister of Indigenous Services Canada)

Respondent

- and -

CHIEFS OF ONTARIO and
AMNESTY INTERNATIONAL CANADA and NISHNAWBE ASKI NATION

Interested Parties

AFFIDAVIT OF DUNCAN FARTHING-NICHOL

I, DUNCAN FARTHING-NICHOL, of the Municipality of Dysart et al, in the Province of Ontario, AFFIRM that:

Introduction

1. I am employed by Indigenous Services Canada ("**ISC**") as the Director of the Litigation Management Directorate within the Child and Family Services Reform Sector. I started work in the Litigation Management Directorate in June 2021 and have been in my current role since

October 2022. I hold a Juris Doctor from Harvard Law School and a Bachelor of Arts from the University of Manitoba.

2. I am responsible for managing litigation related to the First Nations Child and Family Services Program ("**FNCFS Program**") and *An Act respecting First Nations, Inuit and Métis children, youth and families*, SC 2019, c. 24. I played a significant role in national negotiations on long-term reform of the FNCFS Program towards the draft *Final Settlement Agreement on Long-Term Reform of the FNCFS Program* ("**Draft Final Agreement**" or "**Draft FA**") negotiated between the Assembly of First Nations ("**AFN**"), Chiefs of Ontario ("**COO**"), Nishnawbe Aski Nation ("**NAN**"), and Canada. I also played a significant role in advancing the *Final Agreement on Long-Term Reform of the First Nations Child and Family Services Program in Ontario* ("**OFA**") between COO, NAN, and Canada.

3. In my capacity as Director, I have personal knowledge of the facts and matters deposed to in this affidavit. Where my information came from someone else, I identify the source of my information and I believe the information to be true. I am authorized to give evidence on behalf of Canada in regard to this proceeding.

4. Canada proposes to finalize long-term reform of the FNCFS Program by negotiating regional agreements on Program reform within a national programmatic and funding framework (the "**National Framework**"), which would be implemented nationally (outside Ontario) on April 1, 2027. The National Framework is based on the programmatic and funding framework contained in the Draft Final Agreement, with a funding enhancement for First Nation Representative Services ("**FNRS**") explained further below. Canada's negotiations with regional First Nations entities would seek to regionalize implementation of the National Framework. In regions where Canada did not succeed in concluding a regional agreement, Canada would, following approval by the Canadian Human Rights Tribunal ("**Tribunal**"), implement the National Framework on April 1, 2027 without an agreement.

5. In this affidavit, I will outline the circumstances leading to Canada's proposed National Framework, describe its primary elements, and outline the methods and basis for the calculation of the various funding streams. However, as much of the proposed National Framework was discussed and developed in the context of settlement privileged negotiations,

my evidence is necessarily limited by the application of settlement privilege. For clarity, Canada does not waive that privilege.

6. I have previously affirmed affidavits in these proceedings. On March 13, 2025, I affirmed an affidavit in these proceedings in response to a motion brought by the First Nations Child and Family Caring Society ("**Caring Society**") to compel Canada to consult with them with respect to long-term FNCFS Program reform and Jordan's Principle. A copy of that affidavit is attached as **Exhibit A**. I adopt and repeat the contents of my March 13, 2025 affidavit for the purpose of these proceedings.

7. I also affirmed four affidavits in respect of the joint motion filed with the Tribunal by COO, NAN, and Canada seeking an order approving the OFA. Those affidavits are dated (a) March 7, 2025; (b) May 15, 2025; (c) October 17, 2025; and (d) October 31, 2025.

Reform of the FNCFS Program as reflected in the proposed National Framework

8. Canada's proposed National Framework reflects and builds on extensive consultations and negotiations on reform of the FNCFS Program. It is intended to eliminate the discrimination identified by the Tribunal and prevent its recurrence.

9. As discussed below, the National Framework is informed by research commissioned, led or endorsed by the AFN, COO, NAN, and the Caring Society as well as by Canada's own research. It is also informed by new approaches, based on evidence and data, that were developed and discussed during the negotiations towards the Draft FA. The National Framework also benefitted from ISC's long experience delivering the FNCFS Program, including under the Tribunal's interim reform orders, as well as from the qualitative and quantitative information gathered through the actuals funding processes.

10. Regional agreements based on the National Framework would emphasize prevention services and the holistic well-being of First Nations children and families in Canada. They would include new funding streams that did not exist in 2016, such as post-majority support services funding and capital funding. They would provide flexibility for First Nations to choose the service delivery models that work for them. They would account for key differences in the circumstances of First Nations.

11. The National Framework includes safeguards to enable First Nations and FNCFS agencies to request additional funding if needed, and a dispute resolution mechanism to address funding disputes in a timely and efficient way. Regional agreements would accord First Nations an important oversight role in monitoring the implementation of the reformed FNCFS Program in their regions.

12. If approved, the National Framework would commit approximately $27 billion from 2027-28 to 2033-34, in addition to the OFA's funding of $6.6 billion over that same seven-year period (that funding includes the 2027-28 housing funding discussed below). By comparison, the Program's 2015-16 funding was $677 million. The total cost of the FNCFS Program was approximately $763 million in 2016-17, $838 million in 2017-18, $1.2 billion in 2018-19, $1.5 billion in 2019-20, $1.5 billion in 2020-21, $1.7 billion in 2021-22, $3.0 billion in 2022-23, $3.6 billion in 2023-24 and $3.9 billion in 2024-25.

Early consultations respecting the FNCFS Program

13. Since the Tribunal's decision in 2016 CHRT 2, the FNCFS Program has undergone incremental but extensive reforms, many of which are reflected in the National Framework. Such reforms were developed and implemented based on research and evidence and in consultation with the AFN, COO, NAN, and Caring Society.

14. Early consultations on how to reform the FNCFS Program commenced in 2016-17, when ISC engaged with First Nations leadership, communities, youth, agencies, service providers, provinces and the Yukon. Dr. Cynthia Wesley-Esquimaux, a Special Representative for the Minister of ISC (the "**Minister**") who was appointed to lead this engagement process, released her final summary report in September 2017.

15. In January 2018, the Minister hosted an emergency national meeting with provincial and territorial governments, First Nations, Inuit and Metis leaders, Elders, youth, community service organizations and advocates to address the over-representation of Indigenous children in care and chart a path towards systemic reform. Celeste McKay Consulting Inc. prepared a detailed report of the sessions on ISC's behalf, called A Report on Children and Families Together: An Emergency Meeting on Indigenous Child and Family Services. The report

included six points of action, one of which was to shift programming focus to prevention and early intervention.

16. In response to 2016 CHRT 2, Canada, the AFN, and the Caring Society agreed to establish the National Advisory Committee ("**NAC**"), a joint committee comprised of representatives from the AFN, the Caring Society and ISC, and of First Nations child and family service experts appointed by the AFN and representing the AFN's ten regions. The NAC was mandated to provide technical advice on the design and implementation of reforms to the FNCFS Program and met eight times in 2016; six times a year between 2017 and 2020; at least twice in 2021; and five times in 2022.

17. On March 2, 2018, and in response to 2018 CHRT 4, Canada entered into a Consultation Protocol with the Caring Society, the AFN, COO, NAN and the Canadian Human Rights Commission ("**Commission**"). The Consultation Protocol was intended to guide Canada's consultations with those parties respecting the development and implementation of immediate relief measures in relation to the FNCFS Program and Jordan's Principle, with the expectation that the Consultation Protocol could eventually be applied and the process expanded upon for the purpose of mid- and long-term reform. Such discussions on long-term reform flowed into the negotiations discussed below.

18. In accordance with the Consultation Protocol, Canada, the AFN, COO, NAN, the Caring Society, and the Commission also established the Consultation Committee on Child Welfare ("**CCCW**") and finalized its Terms of Reference in August 2018.

19. Between May 2018 and October 2021, the CCCW formally met approximately 23 times. In addition to these formal meetings, ISC and other members of CCCW regularly communicated to share data on claims for actual costs and to seek feedback on draft communications for Program recipients.

The Agreement-in-Principle and circumstances that led to the Draft Final Agreement

20. On December 31, 2021, following two months of intensive negotiation, these multi-year consultation efforts led to the *Agreement-in-Principle on Long-Term Reform of the FNCFS Program and Jordan's Principle* ("**Agreement-in-Principle**"), which was reached between Canada, the AFN, the Caring Society, COO and NAN (collectively, "**the AIP Parties**").

21. The Agreement-in-Principle provided a framework for negotiations of a final agreement relating to this complaint before the Tribunal. With respect to the FNCFS Program, the Agreement-in-Principle provided for a new funding approach that would have brought the FNCFS Program to a cost of approximately $20 billion over five years.

22. While the Agreement-in-Principle itself is confidential and subject to settlement privilege, a publicly available summary of the Agreement-in-Principle was previously filed with the Tribunal and is attached hereto for convenience as **Exhibit B**.

23. As previously reported to the Tribunal in the March 4, 2022 affidavit of Valerie Gideon, the reformed funding approach for the FNCFS Program agreed to in the Agreement-in-Principle draws heavily from the performance-informed budgeting approach detailed in the report *Funding First Nations child and family services (FNCFS): A performance budget approach to well-being* ("**Phase 2 report**") of the Institute of Fiscal Studies and Democracy ("**IFSD**"), which was previously filed with the Tribunal and is attached hereto for convenience as **Exhibit C**.

24. Pursuant to a commitment to incremental reform made in the Agreement-in-Principle, Canada and the AIP Parties worked collaboratively to secure a consent order from the Tribunal for ISC to begin immediately implementing certain reforms to the FNCFS Program while negotiations continued toward a final agreement on long-term reform. These immediate reforms included increased prevention funding set at $2,500 per capita and adjusted yearly for inflation, and interim funding at actual costs for post-majority support services.

25. ISC also implemented other commitments from the Agreement-in-Principle. In particular, ISC began in 2022-23 to provide funding for FNRS outside Ontario.

26. Additional Program funding from the Agreement-in-Principle was distributed in 2023-24, including top-ups to baseline funding (for information technology, results, and emergencies), household supports, and a remoteness adjustment. ISC also distributed housing funding from the Agreement-in-Principle in 2023-24 in the amount of approximately $210 million.

27. The AIP Parties began negotiating in early 2022 to entrench the Agreement-in-Principle commitments into a final agreement intended to fully resolve these proceedings. Discussions slowed in March 2023 when the AFN and Caring Society presented Canada, COO, and NAN

with the Joint Path Forward proposal for continued negotiations toward a final agreement. In the Joint Path Forward, the AFN and the Caring Society proposed bifurcation of the long-term reform negotiations so that negotiations on the FNCFS Program would be completed first and negotiations on Jordan's Principle at a later date.

28. In October 2023, ISC secured a revised negotiation mandate so that it could negotiate in accordance with the AFN and the Caring Society's request.

29. Despite this, shortly after filing a non-compliance motion with respect to Canada's implementation of the Tribunal's Jordan's Principle orders, the Caring Society advised ISC, the AFN, COO, and NAN that it would not participate in the intensive negotiations planned to reach long-term reform of the FNCFS Program. Canada, the AFN, COO, and NAN remained actively and intensively engaged in negotiations towards a final agreement for long-term reform of the FNCFS Program.

30. On July 11, 2024, the AFN, COO, NAN, and Canada reached the Draft Final Agreement. Expanding on the funding committed in the Agreement-in-Principle, the Draft Final Agreement provided for $47.8 billion in funding for a fully reformed FNCFS Program over ten years. The agreement was subject to approval by First Nations and the Tribunal.

31. Regional engagement sessions with First Nations leaders on the draft agreement were held by the AFN, COO, and NAN from July to October 2024. ISC supported the AFN, COO, and NAN in their engagement with First Nations by providing information materials to participants and attending approximately 27 engagement sessions across the country. At these sessions, ISC officials, including myself, gave presentations on the Draft Final Agreement, focused on implementation details.

32. Following the engagement sessions, ISC also attended follow-up meetings with First Nations organizations and individual First Nations, provided regional funding profiles to regional First Nations organizations, and provided detailed financial breakdowns to each First Nation for 2025-26 to ensure they had an understanding of the estimated FNCFS Program funding they would receive under the Draft Final Agreement.

33. On October 17, 2024, after two days of discussions at the AFN's Special Chiefs Assembly in Calgary, First Nations-in-Assembly voted to reject the Draft Final Agreement.

Events following the First Nations-in-Assembly's rejection of the Draft FA, and the Tribunal's direction on long-term reform of the FNCFS Program in 2025 CHRT 80

34. On October 18, 2024, the First Nations-in-Assembly adopted two resolutions – 60/2024 and 61/2024 – calling for Canada to renegotiate long-term reform of the FNCFS Program through a public negotiation process that would involve many entities, including the Caring Society and the National Children's Chiefs Commission ("**NCCC**"), a newly constituted body composed of First Nations leadership and regional technicians. Resolution 61/2024 lists substantive elements required for a new agreement.

35. On February 10, 2025, the Tribunal wrote to Canada, the AFN, COO, NAN, and Caring Society seeking the parties' views on long-term relief in respect of the FNCFS Program. On March 17, 2025, Canada provided a response to the Tribunal's February 10, 2025 letter. On March 24, 2025, the Caring Society provided a response to both the Tribunal's letter and Canada's response. On the same day, COO and NAN each indicated, by separate letters, that they took no position on Canada's March 17, 2024 letter on long-term reform outside Ontario. On March 31, 2025, the AFN provided its response to the Tribunal's February 10, 2025 letter.

36. On August 20, 2025, the Tribunal released its ruling in 2025 CHRT 80, which, among other things, directed Canada to file an evidence-based national plan on long-term reform outside of Ontario by December 22, 2025.

37. On December 15, 2025, the AFN, the Caring Society and the NCCC wrote to Canada noting, among other things, that they were not in a position to share their plan for long-term reform of the FNCFS Program before it was filed with the Tribunal on December 22, 2025. Canada replied in a letter dated December 21, 2025 to confirm openness to possible discussions with the AFN, the Caring Society and the NCCC following December 22, 2025. The letter from the AFN, the Caring Society and the NCCC is attached as **Exhibit D**. Canada's reply is attached as **Exhibit E**.

38. Canada has filed an application for judicial review in respect of 2025 CHRT 80, in *Attorney General of Canada v First Nations Child and Family Caring Society of Canada et al*, Federal Court File No. T-3594-25. While Canada has filed its plan for long-term FNCFS Program Reform outside Ontario in compliance with the Tribunal's order in 2025 CHRT 80, it does so with prejudice to the outcome of the judicial review application.

Interest expressed by First Nations and regional First Nations entities in negotiating regional FNCFS Program Reform agreements directly with Canada

39. Some First Nations and First Nations regional entities have contacted Canada conveying their interest in negotiating regional FNCFS agreements directly with Canada.

40. On October 29, 2024, Sheshatshiu Innu First Nation and Mushuau Innu First Nation wrote to Canada seeking a Labrador Innu regional agreement respecting FNCFS Program reform within the framework of the Draft Final Agreement. The Labrador Innu's letter is attached at **Exhibit F**.

41. In letters dated May 20, 2025 and August 19, 2025, the Assembly of Manitoba Chiefs ("**AMC**") wrote to Canada indicating that Manitoba First Nations were seeking to co-develop a regionally tailored agreement on long-term reform of the FNCFS Program in Manitoba. In its August 19, 2025 correspondence, the AMC included a proposal titled *Manitoba First Nations Regional Approach to Long-Term Reform of the FNCFS Program*, and stated that the AMC Chiefs-in-Assembly had passed Resolution Jan-25.01, which formally mandated the establishment of a dedicated regional negotiation table with Canada for long-term reform of the FNCFS Program. The AMC's letters and proposal are attached at **Exhibits G and H**.

42. On August 29, 2025, the British Columbia Assembly of First Nations ("**BCAFN**") wrote to Canada indicating that the British Columbia Chiefs-in-Assembly had passed BCAFN Resolution 06/2025 directing the BCAFN, in the absence of national negotiations, to advance a British Columbia-specific pathway for long-term reform of the FNCFS Program. The BCAFN's correspondence proposed a negotiation table specific to British Columbia for long-term reform of the FNCFS Program (and Jordan's Principle) to tailor solutions that meet British Columbia First Nations' needs and circumstances. The BCAFN's letter is attached at **Exhibit I**.

43. On November 21, 2025, the Treaty 8 First Nations of Alberta passed a resolution stating that a regional agreement on long-term reform of the FNCFS Program is best suited to addressing the unique needs of Treaty 8 First Nations. The resolution describes a process by which Treaty 8 First Nations will consider and potentially endorse discussions with Canada on regional long-term reform of the FNCFS Program. The Treaty 8 First Nations of Alberta's letter is attached at **Exhibit J**.

44. On December 18, 2025, the New Brunswick Assembly of First Nations ("**NBAFN**") wrote to Canada expressing a strong interest in engaging Canada in exploratory discussions toward a regional agreement for long-term reform of the FNCFS Program. The NBAFN's letter is attached at **Exhibit K**.

Canada's plan for a reformed FNCFS Program: Highlights of Canada's proposed National Framework

45. Canada intends to begin regional negotiations in January 2026. In regions in which a regional agreement has not been concluded by September 30, 2026, Canada would, with the Tribunal's approval, implement the National Framework without an agreement on April 1, 2027. That deadline reflects the importance of finalizing long-term reform of the FNCFS Program, of implementing a stable, predictable, and equitable funding regime to replace funding at actual costs (which results in uneven funding across First Nations and FNCFS service providers), and of finally realizing the vision set out in the Agreement-in-Principle. The deadlines also indicate Canada's view that the National Framework's funding approaches, which are those negotiated in the Draft FA with enhanced funding for FNRS, fully respond to the Tribunal's findings in 2016 CHRT 2.

46. The National Framework would include the following guiding principles, with the intention of discussing further region-specific principles in regional negotiations:

    a) cultural safety and well-being of First Nations children, youth, young adults, and families;

    b) substantive equality;

    c) addressing the needs of First Nations children, youth, young adults, and families;

    d) the best interests of children;

    e) prioritizing keeping children in the home;

    f) holistic and culturally-informed programming, having regard for the current realities of distinct First Nations, including historical and contemporary disadvantage and contextual differences, including remoteness;

    g) recognition of Indigenous legal traditions and principles, if applicable;

h) addressing the structural drivers that place First Nations children, youth, and families at higher risk of involvement with the child welfare system;

i) respect for the inherent right of self-government, which is recognized and affirmed by section 35 of the *Constitution Act*, *1982*, and which includes jurisdiction, in relation to child and family services;

j) respect for the right to self-determination of Indigenous peoples, which is a right recognized and affirmed in the *United Nations Declaration on the Rights of Indigenous Peoples* (the "***Declaration***");

k) that the *United Nations Declaration on the Rights of Indigenous Peoples Act* affirms the *Declaration* as a universal international human rights instrument with application in Canadian law and also provides a framework for the Government of Canada's implementation of the *Declaration*;

l) the rights in the *Declaration*, including the rights of children and youth, and the *United Nations Convention on the Rights of the Child*, including the right to be free from discrimination;

m) accountability of FNCFS service providers as well as provincial and Yukon governments to the First Nation governments they serve; and

n) guidance from First Nations-led and/or endorsed evidence.

47. The National Framework would span April 1, 2027 to March 31, 2034. Funding would be adjusted for inflation and population change in 2027-28 and 2028-29. In each of 2029-30 to 2033-34, Canada would provide at a minimum the same amount of funding as that provided in 2028-29. Program assessments would make recommendations in relation to the FNCFS Program's funding in the later part of the National Framework's term and in relation to the FNCFS Program's funding approach after March 31, 2034.

48. Under the National Framework, each regional agreement would include a regional governance scheme for the purpose of overseeing implementation of the FNCFS Program in that region.

49. Implementation of the National Framework, including implementation of successfully concluded regional agreements, would be conditional on the Tribunal (or a court) approving

the National Framework without conditions and ending the Tribunal's jurisdiction over this complaint and all associated proceedings, save for those proceedings related to Jordan's Principle.

The National Framework's reformed FNCFS funding approach

50. The National Framework is heavily informed by the Agreement-in-Principle. The National Framework's reformed approach to funding the FNCFS Program includes the following elements:

    a) Baseline funding for FNCFS agencies to deliver protection services, including least disruptive measures;

    b) Prevention funding to strengthen families, support child well-being, and avoid circumstances that would necessitate taking a child into care;

    c) Post-majority support services funding to provide supports to youth aging out care and young adults formerly in care up to their 26th birthday;

    d) FNRS funding to support First Nation Representatives as advocates for First Nations in child welfare matters;

    e) Funding for information technology, results and emergencies;

    f) Funding for household supports (referred to as "a poverty adjustment" in the Phase 2 report) to meet basic needs, particularly where those needs, if left unmet, could lead to children being taken into care;

    g) Funding adjustments to account for inflation, population changes and the increased cost of delivering child and family services in remote communities; and,

    h) Funding for capital to support the delivery of the FNCFS Program.

51. The National Framework would open for regional discussion the allocation of a region's funding between the region's First Nations and FNCFS agencies. ISC expects that funding allocations would account for the expanded role played by First Nations in recent years in delivering prevention and other child and family services.

52. IFSD's Phase 2 report did not include recommendations for post-majority support services funding or FNRS funding. ISC agreed in the Agreement-in-Principle to add those components to the reformed FNCFS Program on top of IFSD's Phase 2 recommendations. To address housing as a factor in First Nations children coming into care, the National Framework would include the final 2027-28 funding year of the $2 billion in housing funding committed to in the Agreement-in-Principle and as part of Budget 2022.

A) Baseline funding

53. Since February 1, 2018, FNCFS agencies outside Ontario have been able to submit claims to ISC for the actual costs of intake and investigations, legal fees, building repairs and child service purchase. Small agencies – agencies serving fewer than 1,000 children on reserve – have been able to submit claims to ISC for their actual operational costs. ISC also funds the maintenance expenditures of FNCFS agencies outside Ontario at their actual costs.

54. Under the National Framework, ISC would provide to each FNCFS agency an amount of baseline funding based on the FNCFS agency's operations and maintenance expenditures in 2022-23, including actual expenditures for intake and investigations, legal fees, building repairs and child service purchase (adjusted for inflation and population growth between March 31, 2023 and March 31, 2027). Fiscal year 2022-23 was the fifth full fiscal year in which FNCFS agencies could make claims at actual costs for intake and investigations, legal fees, building repairs and child service purchase (and that small agencies could make claims at actual costs for operational costs).

55. Pursuant to applicable federal-provincial and federal-Yukon agreements, Canada reimburses operations and maintenance expenditures to provincial and Yukon governments for the purpose of providing child and family services to First Nations not affiliated with a FNCFS agency (referred to herein as "**Non-Agency First Nations**"). Subject to possible reforms to federal-provincial and federal-Yukon agreements, Canada will continue to reimburse provincial and Yukon governments for the purpose of providing child and family services in First Nations not served by a FNCFS agency.

56. Claims for the actual costs of services delivered in remote communities should already account for the increased costs of delivering services in those communities. ISC would not apply the

National Framework's remoteness adjustment to baseline funding, as that funding is largely derived from claims for actual costs.

57. FNCFS agencies would be able to use baseline funding for the provision of protection services, which include child protection, least disruptive measures, maintenance and operations (including planning and reporting). If a FNCFS agency's baseline funding was insufficient to deliver least disruptive measures or to carry out statutory obligations, the FNCFS agency would, in certain circumstances, be able to submit a Service Provider Funding Adjustment Request to seek additional funding.

58. If the FNCFS agency disagreed with ISC's determination of a Service Provider Funding Adjustment Request, it would be able to bring that disagreement to the dispute resolution process under the National Framework.

B) Prevention funding

59. On February 1, 2018, Canada began funding claims from FNCFS agencies for the actual costs of prevention services.

60. In 2018-19, Canada began providing prevention funding to First Nations under the Community Well-Being and Jurisdiction Initiatives funding stream **(**"**CWJI**"**).**

61. In October 2021, in accordance with the 2021 CHRT 12 consent order, Canada made prevention funding available to Non-Agency First Nations at an annual per capita amount of $947, retroactive to 2016.

62. From 2018-19 to 2022-23, Canada provided $701 million in CWJI funding to First Nations outside of Ontario. In 2021-22, 274 First Nations outside Ontario received CWJI funding.

63. Since April 1, 2022, as committed in the Agreement-in-Principle and in accordance with the 2022 CHRT 8 consent order, Canada has funded prevention to First Nations and FNCFS agencies at a per capita amount of $2,500 per registered First Nations person resident on-reserve, on Crown land or in the Yukon, adjusted annually for inflation. The per capita amount is $2,655.62 in 2025-26.

64. This funding approach was informed by the IFSD's Phase 2 report, which proposed prevention funding to FNCFS agencies of between $800 and $2,500 per person on-reserve.[1] IFSD based that range on case studies set out in its report *Enabling First Nations Children to Thrive* ("**Phase 1**"), which is attached as **Exhibit L**. IFSD calculated the amount of $2,500 based on a case study in which funding at that level enabled the case study's agency to deliver comprehensive prevention programming, much of which served the community as a whole.

65. Under the National Framework, ISC would continue to fund prevention on the same per capita basis, with $75,000 the minimum amount provided to First Nations. Canada would discuss the division of prevention funding as part of regional negotiations. The National Framework would propose as a default that prevention funding continue to be divided between First Nations and FNCFS agencies in the same manner as in 2026-27, with the option for First Nations to adjust that allocation as they determined best to meet the needs of children and families in their communities.

66. Should a First Nation have insufficient funding to provide adequate prevention services in response to an unforeseen event, that First Nation would, in certain circumstances, be able to submit a Service Provider Funding Adjustment Request.

67. FNCFS agencies that, due to the choices of their affiliated First Nations, did not receive prevention funding would still be able to use their baseline funding to deliver least disruptive measures. Should a circumstance arise where the FNCFS agency's funding was insufficient for it to provide least disruptive measures, that FNCFS agency would be able to submit a Service Provider Funding Adjustment Request.

C) Post-majority support services funding

68. On April 1, 2022, as committed in the Agreement-in-Principle and outlined in the 2022 CHRT 8 consent order, Canada began to fund post-majority support services at actual costs in all provinces and in the Yukon. These services, funded until a young adult turns 26, support youth aging out of care and young adults formerly in care as they transition to adulthood and independence.

[1] Exhibit C, pp 158-163.

69. The 2022 CHRT 8 order to fund post-majority support services at actual costs was intended to be an interim measure until March 31, 2023. After that date, Canada was to make available funding for post-majority support services through the reformed FNCFS Program "in an evidence-informed way agreed to by the Parties."[2]

70. ISC calculated the National Framework's total funding for post-majority support services in two steps. First, ISC estimated the cost of direct services to youth and young adults. That cost was estimated as the cost to support a youth or young adult for one year, based on Statistics Canada's "one person household spending" data from 2021. ISC calculated such a cost for each region. It adjusted Statistics Canada's spending figures to remove certain expenditure categories, such as alcohol. It also reduced those figures by approximately 15% on average to account for the possible influence of remoteness.

71. ISC multiplied each region's cost to support a youth or young adult for one year by 75% of the region's forecast for the number of youth and young adults eligible for post-majority support services over the National Framework's term. The forecast was built on 2020-21 children-in-care data from the FNCFS Program's Information Management System / Data Management System (the forecast assumed that children in care in 2020-21 would remain in care until the age of majority).

72. The use of "one person household spending" data reflects the broad set of supports that might be provided under the National Framework to help a youth aging out of care or young adult formerly in care transition to independence. Included in ISC's estimates of the cost of supporting a youth or young adult are expenditures on food, living quarters, utilities, furniture, clothing, personal care, communications, transportation and education. ISC excluded the following expenditure categories as either not essential or covered by other government programs: direct health care costs to household, home entertainment equipment and services, recreational vehicles and associated services, tobacco products, alcoholic beverages and cannabis for non-medical use, games of chance and miscellaneous expenditures.

73. Regional estimates of the cost of supporting a youth or young adult for one year in 2021 ranged from approximately $34,000 to $45,000. To determine the cost of direct services over the

[2] 2022 CHRT 8 at para 172.

National Framework's term, those amounts were adjusted upward by actual inflation for 2022-23 and 2023-24 and by a 2% forecast of inflation thereafter. Applying 75% to the estimated number of youth and young adults reflected an assumption that, under the National Framework, 75% of eligible youth and young adults would access $34,000 to $45,000 worth of supports annually, adjusted for inflation.

74. As the second step in the total funding calculation, ISC estimated an amount for indirect services (such as staff salaries). ISC took the 2022-23 operations expenditures of FNCFS service providers and divided that amount by the total operations and maintenance expenditures of those service providers. That ratio estimates the organizational, administrative and other costs necessary to deliver protection services. To calculate an amount for indirect post-majority services, ISC multiplied the ratio, which averaged approximately 53% across the FNCFS Program's regions, by the total cost of direct services.

75. The National Framework's total funding for post-majority support services is the sum of these two steps (minus funding committed for post-majority support services under the OFA).

76. The National Framework would open for negotiation the allocation of a region's post-majority support services funding among the region's First Nations (and possibly FNCFS agencies). The National Framework would propose as a default allocating a region's post-majority support services funding to First Nations according to the youth and young adult population of those First Nations, while giving First Nations the flexibility to direct some or all of their funding to their affiliated FNCFS agencies.

D) First Nation Representative Services funding

77. First Nation Representatives are advocates for First Nations in matters relating to the delivery of services to their citizens by a child welfare agency. The roles and responsibilities of First Nation Representatives are defined by the First Nation, considering the unique needs of its citizens and the duties of such representatives where provided for in applicable provincial, territorial, and federal child welfare legislation. FNRS funding is intended to:

    a) support the cultural needs of First Nations children, youth, and families;

b) support connecting First Nations children, youth, and families with the lands, languages, cultures, practices, customs, traditions, ceremonies and knowledge of their First Nation and helping families access supports;

c) support repatriation of children to their communities; and

d) ensure that the rights of First Nations children and youth and the rights of First Nations are respected in the child and family services system.

78. Starting on April 1, 2022, ISC began to provide FNRS funding to First Nations outside of Ontario. Under the National Framework, a First Nation's FNRS funding would be calculated based on FNRS funding provided to First Nations in Ontario. That approach would result in significantly greater FNRS funding under the National Framework – in other words, significantly greater FNRS funding to First Nations outside Ontario – than the Draft FA's FNRS approach for First Nations outside Ontario. This funding would be adjusted for remoteness and inflation.

E) Funding for information technology, results and emergency

79. The National Framework's funding to support information technology (IT), results, and emergencies was informed by IFSD's Phase 2 Report. Consistent with IFSD's recommendations, the National Framework would calculate IT funding as 6% of baseline funding, results as 5% of baseline funding and emergency as 2% of baseline funding.[3] This funding would be adjusted for remoteness.

80. Canada would be open in regional negotiations to discussing the breakdown of a region's total IT, results and emergency funding (i.e., the total 13% of baseline funding) among these three elements. Regional evidence might suggest that a breakdown different from that proposed by IFSD would better meet a region's specific needs. Also open for negotiation would be the manner in which IT, results and emergency funding would be allocated between First Nations and FNCFS agencies. The National Framework would, as a default, break down IT, results and emergency funding as 6%, 5% and 2% of baseline funding. It would allocate by default all IT

[3] Exhibit C, pp 141, 171 and 175.

and results funding to First Nations and would split emergency funding evenly between First Nations and FNCFS agencies.

F) Funding for household supports

81. Canada's National Framework incorporates IFSD's recommendation from its Phase 2 report to provide additional funding to support service providers in assisting families to meet basic needs (this was referred to as "a poverty adjustment" in the Phase 2 report). Funding for household supports aims to enhance prevention activities by helping to address challenges stemming from poverty that could lead to a child being placed into care.

82. IFSD's Phase 2 report proposed a poverty adjustment equal to 3% to 7% of the on-reserve "poverty gap".[4] To calculate that gap, IFSD calculated the difference between each First Nation's median household income and the poverty line of the First Nation's province (that poverty line being the province's "Market Basket Measure" threshold for communities under 30,000 people). It then multiplied that difference by the number of the First Nation's on-reserve dwellings and summed across all provincial First Nations (Statistics Canada does not calculate Market Basket Measures in the territories).

83. The National Framework's total funding for household supports was calculated using the middle of the range recommended by Phase 2 (which recommended a national range of $14 million to $34 million), minus the funding for household supports included in the OFA. The National Framework would allocate an amount of household supports funding to each region based on the prevalence of poverty in that region's First Nations, as determined by the Low-Income Measure-After Tax. This funding would be adjusted annually for inflation.

84. Canada would negotiate in each region the manner in which the region's household supports funding would be allocated among the region's First Nations (and possibly FNCFS agencies). The National Framework includes a default allocation in which ISC would calculate an individual First Nation's funding for household supports first by determining the First Nation's population below the LIM-AT, and then by dividing that population by the total population of the region's First Nations below the LIM-AT. ISC would multiply that percentage by the region's total funding available for household supports in a given year.

[4] Exhibit C, pp 155-158.

G) Funding adjustments for inflation, population and remoteness

i. Inflation

85. In line with IFSD's recommendations,[5] the National Framework's inflation adjustment would be equal to the Consumer Price Index (except with respect to capital and post-majority support services funding, for which an annual adjustment has already been built into the total funding amounts). In no event would any such inflation adjustment be less than zero.

ii. Population

86. Most of the National Framework's funding components would be calculated based on population or would be adjusted annually for changes in population. A First Nation's population under the National Framework would be its Indian Registry population on reserve, on Crown land or in the Yukon. That means that the National Framework would calculate funding by reference to a First Nation's on-reserve population of persons registered under the *Indian Act*, RSC, 1985, C 1-5. The population of a First Nation would be drawn from the Indian Registration System as of September 30 of the year preceding the year in respect of which the population adjustment would apply.

87. Complete census data is not available for all First Nations (the average community-level non-response rate to the 2021 Census among First Nations was between 30% and 32%). The Indian Registry is the only nationally available, frequently updated source of data to estimate a community's on-reserve population. As of December 31, 2023, there were 526,148 registered Indians living on reserve or on Crown land across Canada. The 2021 Census counted 313,175 First Nations people (including non-registered people) living on reserve across Canada. Using Indian Registry data results in the FNCFS Program providing significantly more funding than would be the case if it used Census data.

88. IFSD's Phase 1 and Phase 2 reports relied on Census data to determine population. IFSD's Phase 3 report, however, suggested use of the Indian Registry to determine population for the purpose of calculating FNCFS Program funding. A copy of IFSD's Phase 3 report, which was

[5] A copy of IFSD's Phase 3 report, which was finalized following the development of the Draft FA, is attached to the Affidavit of Jasmine Kaur. See Affidavit of Jasmine Kaur affirmed October 2, 2025, Exhibit A, p 35.

finalized following the development of the Draft FA, is attached to the affidavit of Jasmine Kaur, affirmed October 2, 2025 in respect of the joint motion to approve the OFA.

iii. Remoteness

89. Canada and NAN undertook a significant amount of research to measure remoteness and develop methods for adjusting funding to account for the increased costs of delivering services in remote communities.

90. In 2017, NAN and Canada established the NAN-Canada Remoteness Quotient Table to advance work on a remoteness adjustment for child and family services.

91. NAN contracted with experts to support the Table's work. Those experts developed the Remoteness Quotient, which uses cost data from FNCFS agencies in Ontario to estimate the increased costs of delivering child and family services in remote communities. Reports related to the Remoteness Quotient were filed with the Tribunal in 2017 and 2019.

92. Separately, ISC developed another tool to adjust funding for remoteness called the Cost Adjustment Factor. The Cost Adjustment Factor uses national, generic data on transportation costs (based on Canada Post shipping costs) and employment costs (based on federal employment allowances under the Isolated Posts and Government Housing Directive) to determine how funding should be adjusted to account for remoteness. ISC's technical report entitled *Development of a Remoteness Cost Adjustment Factor* is attached as **Exhibit M** and a research brief entitled *Calculating the Remoteness Cost Adjustment Factor: A Primer* is attached as **Exhibit N**.

93. Both the Remoteness Quotient and the Cost Adjustment Factor use a community's Index of Remoteness score as the starting point for calculating the community's remoteness adjustment. The Index of Remoteness, which is maintained by Statistics Canada, is a relative index that assigns communities a remoteness score between 0 and 1, where 0 indicates the least remote community. The Index of Remoteness is based on a community's distance to population centers within a 2.5-hour travel time and the size of the population centers within this travel range. The latest available Index of Remoteness is the 2021 Index of Remoteness, which uses

data from the 2021 Census. IFSD's Phase 2 report acknowledges that the Index of Remoteness is a reliable scale for determining remoteness.[6]

94. Over the last few years, the NAN-Canada Remoteness Quotient Table has built on the work described above to develop the Remoteness Quotient Adjustment Factor ("**RQAF**"). The National Framework would use the RQAF to adjust the reformed FNCFS Program's funding to account for higher service delivery costs in remote communities.

95. The RQAF integrates the general estimation approach of the Cost Adjustment Factor and the child and family services-specific approach of the Remoteness Quotient. Under the National Framework, a First Nation's RQAF would be calculated as follows: [(0.709 * the First Nation's 2021 Index of Remoteness score) + (0.704 * 1 if the First Nation is not connected by all-weather road to Canada's main road network, and 0 if the First Nation is connected)] * 0.879.

96. The RQAF would apply only to First Nations with an Index of Remoteness score of 0.40 or greater. Statistics Canada has determined that a score of 0.40 represents an appropriate threshold for classifying communities as remote and non-remote. This threshold was established by identifying clusters of communities based on their 2016 Index of Remoteness scores and then determining a score above which the population in the area near a community is consistently small. A copy of Statistics Canada's report on this issue, titled *Toward a Classification of Communities by Remoteness: A Proposal,* is attached as **Exhibit O**.

97. Statistics Canada is developing improvements to the Index of Remoteness that would more fully account for the circumstances of communities that are not directly connected to the main road network by road or air, including communities connected to the main road network by ferry. Statistics Canada's improvements may be incorporated into 2026 Index of Remoteness, which will be produced using 2026 Census data.

98. The National Framework's remoteness funding adjustment would help support remote First Nations and FNCFS agencies to deliver a similar level of service as their non-remote counterparts. It is an evidence-backed approach that would result in an average adjustment

[6] Exhibit C, pp 166-167.

significantly greater than the adjustment proposed in IFSD's Phase 2 report and the 15% average adjustment proposed in IFSD's Phase 3 report.[7]

H) Funding for capital to support the delivery of the FNCFS Program

99. Since February 2022, Canada has been funding the development, purchase and construction of capital projects at their actual costs where those capital projects support the delivery of First Nations child and family services to children on reserve or in the Yukon. To December 1, 2025, Canada had approved under 2021 CHRT 41 a total of $1.4 billion in capital requests (including for capital requests in Ontario).

100. The National Framework includes capital funding to support needs assessments and feasibility studies, the purchase and construction of capital assets, the repair and renovation of existing buildings, and the lifecycle costs of owned assets.

101. ISC calculated $2.9 billion as the Draft FA's total capital funding. That amount, which includes capital funding for Ontario, is the sum of capital amounts calculated in early 2024 at the regional level.

102. To calculate a region's capital amount, ISC took the sum of:

- an estimated amount for each of the region's FNCFS agencies to build and maintain an office building;
- an estimated amount for each of the region's First Nations affiliated with a FNCFS agency to build and maintain a recreational centre, a community hall or a cultural centre; and
- an estimated amount for each of the region's First Nations not affiliated with a FNCFS agency to build and maintain an office building and a recreational centre, a community hall or a cultural centre.

103. The estimate for each building included the cost of a needs assessment and feasibility study.

104. ISC also added an amount for vehicles, calculated as approximately 7% of the total for buildings. ISC derived the 7% figure by dividing the total amount for approved vehicle requests

[7] Exhibit C, pp 166-167; See Affidavit of Jasmine Kaur, affirmed October 2, 2025, Exhibit A, p 122.

under 2021 CHRT 41 by the total amount for all approved requests under 2021 CHRT 41. In other words, 7% of all funding approved under 2021 CHRT 41 was for vehicles, which suggests that First Nations and FNCFS agencies require funding for vehicles in the neighborhood of 7% of total capital expenditures.

105. ISC subtracted from each regional amount the funding provided in 2021-22, 2022-23, and 2023-24 for FNCFS capital projects in that region under 2021 CHRT 41. The National Framework's capital funding is the sum of the resulting regional amounts, excluding Ontario's amount.

106. To estimate the costs of office buildings, recreational centres, community halls and cultural centres, ISC used its Colliers Costing Model. I am informed by Kim Solmes, acting manager in ISC's Housing and Infrastructure Service Reform Directorate, that the Colliers Costing Model is a lifecycle costing tool for which the costing study was conducted by Colliers Project Leaders, a professional services company that specializes in capital project advisory services and project management. The Costing Model includes estimates for capital construction, operations and maintenance, minor and major repairs, and replacement. It is based on data from ISC's database of approximately 37,500 ISC-funded capital assets as well as on construction industry data and other data.

107. ISC would fund capital projects under the National Framework based on proposals submitted by First Nations and FNCFS agencies. ISC would assess proposals against a standard set of criteria and use assessment scores to determine whether and in what order to fund proposals.

108. In addition, ISC would provide formula-based funding to First Nations and FNCFS agencies to operate and maintain capital projects under the FNCFS Program. This funding would also draw from the National Framework's total capital amount. The formula would consider:

    a) the estimated cost to operate and maintain each type of asset held by the First Nation or FNCFS agency;

    b) the number of each type of asset held by the First Nation or FNCFS agency;

    c) an adjustment based on the nearest city centre where materials and services would be available; and

d) an adjustment to account for the remoteness of the First Nation or FNCFS agency.

Funding to support the housing needs of First Nations children

109. The Agreement-in-Principle and Budget 2022 included $2 billion to address in part the quality and quantity of housing on-reserve as a root cause of the over-representation of First Nations children and youth in the child welfare system. This funding is intended to support the purchase, construction and renovation of housing units in their communities for the purposes of preventing First Nations children from being taken into care and of supporting reunification where housing is a barrier. ISC began to provide this funding to First Nations in 2023-24. The National Framework includes housing funding for 2027-28, the last year of the $2 billion commitment.

110. The amount of housing funding to which a First Nation is entitled is determined by a formula that uses a) the First Nation's on-reserve population count (from the Indian Registry as of December 31, 2023), b) the First Nation's 2021 Index of Remoteness score, c) the percentage of the First Nation's population living in an overcrowded dwelling (drawn from Census 2021 data), and d) a one-time $250,000 base amount.

111. The base amount of $250,000 to which each First Nation would be entitled under the National Framework was informed by the findings of the report *Cost analysis of current housing gaps and future housing needs in the First Nations,* dated July 30, 2021, by the IFSD. That report estimated a total cost of $3.3 billion to undertake needed repairs or renovations to 80,646 on-reserve housing units, which returns an average cost of $40,920. A buffer of approximately $10,000 was added to that figure to bring the average home repair cost to $50,000. This amount was multiplied by five years, which is the length of the Agreement-in-Principle's funding commitment, resulting in the base amount of $250,000 per eligible First Nation. That base amount is intended to fund all eligible First Nations, even the smallest First Nations, at a level at least sufficient to repair one home per year.

112. For clarity, this funding is not part of the reformed FNCFS Program. The funding would be administered by ISC's Capital Facilities and Maintenance Program and would complement the funding under the reformed FNCFS Program. It would also complement other housing funding provided by ISC and other federal departments.

Other National Framework long-term reform measures

113. Beyond the reformed FNCFS Program funding and housing funding, the National Framework would include other long-term reform measures to address the discrimination identified by the Tribunal. These include:

    a) the use of a flexible funding mechanism that would allow recipients, particularly First Nations, to use funding provided for one purpose (such as information technology) for a different purpose (such as prevention), and to roll over any unused funds into the subsequent year;

    b) independent program assessments led by regional governance bodies to inform future funding for the reformed FNCFS Program;

    c) Funding to support regional child and family services secretariats, which would be First Nations-led, apolitical not-for-profits established for the purpose of data collection, synthesis, best practice development, or other purposes identified in regional negotiations;

    d) the creation of a national alternative dispute resolution process to resolves disputes relating to the reformed FNCFS Program in a timely and efficient manner; and

    e) a requirement for cultural humility training for ISC employees to support implementation of the National Framework.

114. Canada would also develop national terms and conditions to enable implementation of the reformed FNCFS Program. Canada would discuss in regional negotiations possible adaptations to those terms and conditions to support the Program's regional implementation.

A) Regional governance

115. Regional governance bodies would oversee and monitor implementation of regional agreements in line with the principles and purposes of those agreements, with particular duties with respect to program assessments. Regional negotiations would discuss the size, membership, and operation of these bodies.

B) Program assessments

116. The National Framework would include program assessments to evaluate the extent to which the reformed FNCFS Program and its associated funding levels, structures, allocations, agreements, policies, and practices had improved the well-being of First Nations children, youth, and families in the region at issue. First Nations, FNCFS service providers, and other stakeholders would have the opportunity to share their input to inform the program assessments.

117. A region's first program assessment would guide the regional governance body in making recommendations to Canada for any funding or other adjustments required for the reformed FNCFS Program during the remainder of the National Framework's application. Canada would discuss in regional negotiations the timing and form of the first program assessment. A region's second program assessment would inform recommendations for Canada to consider in determining FNCFS Program funding needs beyond March 31, 2034.

118. Both the program assessment reports and the regional governance body's recommendations would be made public. Canada would be required to provide a written response confirming which of the recommendations Canada would implement. Canada would also be required to provide detailed reasons regarding its decision not to implement or to vary a recommendation proposed by the regional governance body. Canada's responses would be made public.

C) National dispute resolution process

119. Should a party disagree with Canada's decision on a recommendation following the first program assessment, or in respect of other decisions, it would be able to bring the issue to the dispute resolution process (a national process that would be implemented outside of regional agreements). The dispute resolution tribunal would hear disputes from all regions outside Ontario.

120. The dispute resolution process would also be available for First Nations and FNCFS agencies to access in the event of disputes regarding funding allocations, adjustments or denials. For example, if an FNCFS agency was denied funding under a Service Provider Funding Adjustment Request, it could request that the dispute resolution tribunal review ISC's decision to deny the request.

121. The dispute resolution process would be designed to be culturally appropriate and accessible. It would provide a fair and efficient mechanism for resolving disputes, thereby supporting the successful implementation of the reformed FNCFS Program. While the national dispute resolution process would not be addressed specifically in regional agreements, Canada would consult with regional First Nations entities on potential roles that they could play in the establishment of the dispute resolution tribunal, such as providing advice on the appointment of the dispute resolution tribunal's president.

i. Establishment of national dispute resolution process: Two-phased approach

122. Under the proposed National Framework, if approved by the Tribunal, Canada would make best efforts to ensure that the proposed tribunal was established by legislation. The required legislative process would take time to unfold. As a result, in order to ensure timely creation of the national dispute resolution tribunal, Canada would set up the tribunal via a two-phase approach outlined below.

Phase one: Order in Council process for selecting the president of the tribunal

123. In phase one, Canada would appoint an individual as president of the tribunal by an Order in Council. Upon their appointment, the president would have a mandate to establish the dispute resolution process, which would include selecting and maintaining a roster of adjudicators who would carry out the adjudicatory functions of the dispute resolution process. Canada might also seek to contract with a specialized organization to provide administrative support for the dispute resolution process.

124. The national dispute resolution process would come into effect when the president determined it was operational. Until that time, the existing appeals process under the FNCFS Program would continue to apply for complaints by First Nations or FNCFS agencies. The national dispute resolution process established by the president would continue in effect until Parliament passed and brought into force the legislation contemplated under phase two.

125. Canada would appoint the president as soon as is reasonably practicable following the National Framework's approval. Under Canada's proposed National Framework, the president of the national dispute resolution process would be a Governor in Council appointment, through an Order in Council. An Order in Council is issued by and at the discretion of the Governor in Council (i.e., the Governor General on the advice of the King's Privy Council for Canada).

Phase two: Legislating the national dispute resolution tribunal

126. If the National Framework was approved by the Tribunal, Canada would make best efforts to table legislation to establish the proposed national dispute resolution tribunal as an independent dispute resolution process in respect of the FNCFS Program. The proposed legislation would include culturally informed supports for complainants, including cultural officers to advise the tribunal and to facilitate dispute resolution processes that were culturally appropriate and accessible. The legislation would ensure the reviewability of the decisions by the Federal Court.

Conclusion

127. The FNCFS Program has undergone extensive transformation since this complaint was substantiated in 2016. Canada's proposed National Framework, inclusive of and modified by regional agreements, would continue this transformation by empowering First Nations with secure and flexible long-term funding to support their communities in the manner they determine to be most appropriate. By providing funding directly to First Nations in key areas, the National Framework would provide a strong foundation for those seeking to affirm their jurisdiction over child and family services under *An Act respecting First Nations, Inuit, and Métis children, youth and families* ("**the Act**").

128. In line with the principles under the Act, the National Framework emphasizes prevention services and seeks to advance the holistic well-being of First Nations children and families, with the overarching objective of providing the supports needed to keep children and families together.

129. I make this affidavit in support of Canada's plan on the long-term reform of the FNCFS Program, and for no other or improper purpose.

AFFIRMED by Duncan Farthing-Nichol stated as being located in the Municipality of Dysart et al, Ontario, before me at the City of Ottawa, Ontario on this 22nd day of December, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely)

Adatia, Shireen

Digitally signed by Adatia, Shireen
DN: C=CA, O=GC, OU=Jus-Jus, CN="Adatia, Shireen"
Reason: I attest to the accuracy and integrity of this document
Location: Ottawa, Ontario
Date: 2025.12.22 14:01:01-05'00'
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Shireen Sultan Adatia, Commissioner for Taking Affidavits
LSO No.: P14203

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

FarthingNichol, Duncan

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DUNCAN FARTHING-NICHOL

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This is **Exhibit "A"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

Tribunal File No. T-1340/7008

CANADIAN HUMAN RIGHTS TRIBUNAL

BETWEEN:

FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA
and **ASSEMBLY OF FIRST NATIONS**

Complainants

And

CANADIAN HUMAN RIGHTS COMMISSION

Commission

And

THE ATTORNEY GENERAL OF CANADA
(representing the Minister of Indigenous Services Canada)

Respondent

And

CHEIFS OF ONTARIO, AMNESTY INTERNATIONAL CANADA,
NISHNAWBE ASKI NATION and
FIRST NATIONS LEADERSHIP COUNCIL OF CANADA

Interested Parties

AFFIDAVIT OF DUNCAN FARTHING-NICHOL
Affirmed March 13, 2025

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Counsel for the Respondent,
the Attorney General of Canada

Tribunal File No. T-1340/7008

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Interested Parties

AFFIDAVIT OF DUNCAN FARTHING-NICHOL

I, **Duncan Farthing-Nichol**, federal public servant, of the Municipality of Dysart et al, in the Province of Ontario, **AFFIRM AS FOLLOWS:**

A. Introduction

1. I am employed by Indigenous Services Canada (**ISC**) as the Director of the Litigation Management Directorate within the Child and Family Services Reform Sector. I started work in the Litigation Management Directorate in June 2021 and have been in my current role since October 2022. I hold a Juris Doctor from Harvard Law School and a Bachelor of Arts from the University of Manitoba.

2. I am responsible for managing litigation related to the First Nations Child and Family Services Program (**FNCFS Program**) and *An Act respecting First Nations, Inuit and Métis children, youth and families*, SC 2019, c. 24. I played a significant role in national

negotiations on long-term reform of the FNCFS Program as well as in advancing the *Final Agreement on Long-Term Reform of the First Nations Child and Family Services Program in Ontario* (**Ontario Final Agreement**) between Chiefs of Ontario (**COO**), Nishnawbe Aski Nation (**NAN**), and Canada.

3. In my capacity as Director, I have personal knowledge of the facts and matters deposed to in this affidavit regarding the FNCFS Program. Where my FNCFS Program information came from someone else, I identify the source of my information and I believe the information to be true. Unless stated otherwise, the facts and matters herein deposed by me regarding Jordan's Principle are based on information and belief from Julien Castonguay, acting Assistant Deputy Minister, Jordan's Principle, First Nations and Inuit Health Branch (FNIHB), ISC and Tasha Stefanis, Director General, Jordan's Principle, FNIHB, ISC, and I believe the information to be true. I am authorized to give evidence on behalf of Canada in response to this motion.

4. In preparing this affidavit evidence, I have reviewed the First Nations Child and Family Caring Society of Canada's (**Caring Society**) notice of motion dated January 14, 2025 and amended notice of motion dated January 27, 2025, the affidavit of Katherine Quintana-James affirmed February 13, 2025 (the **Quintana-James Affidavit**), the affidavit of Amber Potts affirmed March 3, 2025 and all documents referenced in this affidavit.

5. In this affidavit, I will summarize the steps that ISC has taken since the Canadian Human Rights Tribunal's decision in 2016 CHRT 2 (the **Merit Decision**) to consult and negotiate towards long-term reforms of the FNCFS Program and Jordan's Principle to eliminate the discrimination found by the Tribunal in this complaint and prevent its recurrence. My evidence is necessarily limited by the application of settlement privilege which, for clarity, Canada does not waive. My evidence is also necessarily limited in order to comply with the page limit.

B. Overview of results and incremental reforms following the Merit Decision

6. Since the Merit Decision, the FNCFS Program has undergone extensive incremental reforms, developed and implemented based on research and evidence, and in consultation with the Caring Society, the Assembly of First Nations (**AFN**), COO and NAN. Meanwhile, Canada has continued to scale up implementation of the interim model of Jordan's Principle in line with the orders of the Canadian Human Rights Tribunal (**Tribunal**) and based on input from the Caring Society, the AFN, COO, NAN and others. While not possible to detail all of this progress within the confines of this affidavit, some examples include:

a) substantial increases to funding for the FNCFS Program, from $676.8 million in the 2015-16 fiscal year to over $3.6 billion in the 2023-24 fiscal year, as the Program shifted from a protection focus to a focus on prevention and on the well-being of children, youth, young adults and families;

b) implementation of the actual costs orders set out in 2018 CHRT 4;

c) outside the Tribunal's orders, creation of the Community Well-Being and Jurisdiction Initiatives funding stream (through which approximately $941 million flowed to First Nations from 2018-19 to 2022-23, including approximately $394 million under 2021 CHRT 12 to First Nations not served by an FNCFS agency);

d) implementation of the consent order in 2021 CHRT 12 on prevention funding for First Nations not served by an FNCFS agency;

e) in advance of a final agreement on long-term reform of the FNCFS Program, implementation of a consent order on prevention funding and post-majority support services funding under the FNCFS Program;

f) in advance of a final agreement on long-term reform of the FNCFS Program and outside the Tribunal's orders, implementation of funding for First Nation Representative Services across the country;

g) substantial increases to access to Jordan's Principle, including $8.8 billion announced since 2016 and support for 8.7 million products, services and supports for First Nations children;

h) creation of the 2018 Standard Operating Procedures for Jordan's Principle requests; and

i) creation of a requirement on all ISC staff to complete at least 15 hours annually of mandatory Indigenous cultural competency training.

7. ISC's consultative efforts have also led to negotiations, resulting in:

a) the December 31, 2021 Settlement Agreement in Principle (Compensation) to resolve compensation for the discrimination found in the Merit Decision and discrimination alleged in other proceedings. This Agreement in Principle resulted in a final $23.34 billion First Nations-led settlement. The settlement was approved by both the Federal Court and the Tribunal in 2023.[1] The claims process for members of the Removed Child and the Removed Child Family Classes opened on March 10, 2025;

b) the December 31, 2021 *Agreement-in-Principle on Long-Term Reform of the First Nations Child and Family Services Program and Jordan's Principle* (the **AIP**), between Canada, the Caring Society, the AFN, COO and NAN, which is further discussed below;

c) the draft *Final Agreement on Long-Term Reform of the First Nations Child and Family Services Program* (the **Draft Final Agreement**), conditionally approved by Canada, the AFN, COO and NAN on July 10, 2024, discussed further below;

d) the draft Ontario Final Agreement, conditionally approved by Canada, COO and NAN on February 7, 2025, and ratified by the NAN Chiefs and the Ontario Chiefs-in-Assembly on February 25 and 26, 2025 respectively; and

e) the *Trilateral Agreement in Respect of Reforming the 1965 Agreement* (**Trilateral Agreement**) between Canada, COO and NAN, which was ratified by the NAN Chiefs and the Ontario Chiefs-in-Assembly on February 25 and 26, 2025 respectively, and will come into effect on April 1, 2025.

[1] *Moushoom v Canada (Attorney General)*, 2023 FC 1533; 2023 CHRT 44.

C. Overview of consultation activities

i. The Minister's early consultations

8. From autumn 2016 to March 2017, ISC engaged with First Nations leadership, communities, youth, agencies, service providers, provinces and Yukon on how to reform the FNCFS Program. Dr. Cynthia Wesley-Esquimaux, a Special Representative for the Minister of ISC (the **Minister**) who was appointed to lead this engagement process, released her final summary report in September 2017.

9. In January 2018, the Minister hosted an emergency national meeting with provincial and territorial governments, First Nations, Inuit and Métis leaders, Elders, youth, community service organizations and advocates to address the over-representation of Indigenous children in care and chart a path towards systemic reform. Celeste McKay Consulting Inc prepared a detailed report of the sessions on ISC's behalf, called A Report on Children and Families Together: An Emergency Meeting on Indigenous Child and Family Services. The report included six points of action, one of which was to shift programming focus to prevention and early intervention.

ii. The National Advisory Committee (NAC)

10. In response to the Merit Decision, Canada, the Caring Society and the AFN agreed to re-establish the NAC as a joint committee comprised of representatives from the AFN, the Caring Society and ISC, and of First Nations child and family service experts appointed by the AFN and representing the AFN's ten regions. The NAC was mandated to provide technical advice on the design and implementation of reforms to the FNCFS Program. The NAC met eight times in 2016; six times a year between 2017 and 2020; at least twice in 2021; and five times in 2022. I am informed from a review of ISC's meeting notes, and verily believe, that discussion items included implementation of the Tribunal's orders, prevention, First Nation Representative Services, post-majority support services, a First Nations secretariat, an alternative dispute resolution mechanism, capital funding, the FNCFS Program's funding review, federal-provincial and federal-Yukon agreements, and departmental reform of ISC. The NAC also discussed the terms and conditions of the FNCFS Program.

11. The last NAC meeting was held in February 2024. I am informed from a review of ISC's meeting notes, and verily believe, that ISC officials were invited to participate as observers for part of the meeting, but were asked to leave while other members discussed a compensation update, a Phase 3 research update by the Institute for Fiscal Studies and Democracy (**IFSD**), FNCFS funding mechanisms, an update from the Expert Advisory Committee on ISC's departmental reform, and the 2023 AFN resolutions on the FNCFS Program and Jordan's Principle.

iii. Jordan's Principle Action Table (JPAT)

12. JPAT is a consultation sub-committee of the NAC. It is chaired by the AFN and includes First Nations representatives from across Canada. JPAT was created with the intent to co-develop a long-term approach to Jordan's Principle. Canada began to engage with JPAT in 2017. In 2018, the AFN, JPAT and ISC co-developed a paper entitled "Proposed Policy Options for the Long Term Implementation of Jordan's Principle" (the **Jordan's Principle Storyline**). This proposal included policy options for a long-term approach that supported First Nations control over Jordan's Principle. The AFN First Nations-in-Assembly supported the policy options via AFN Resolution 27/2018.

13. In 2022, the AFN initiated consultations with ISC to update the Jordan's Principle Storyline, which could serve as the basis of a future long-term approach. However, JPAT has not met regularly in the last few years. Following the AIP, discussed further below, the majority of discussions on long-term reform of Jordan's Principle and the FNCFS Program were re-directed to a dedicated long-term reform negotiation table involving Canada, the Caring Society, the AFN, COO and NAN.

iv. NAN-Canada Remoteness Quotient Table

14. In March 2017, NAN and ISC established the NAN-Canada Remoteness Quotient Table (the **RQ Table**) which was implemented through a consent order (2017 CHRT 7). The RQ Table developed the Remoteness Quotient Adjustment Factor to determine evidence-based funding adjustments to account for the increased costs to deliver child and family services in remote communities. Further details on the RQ Table's progress are below.

v. Choose Life Table

15. In 2017, Canada agreed to fund and participate in the Choose Life Implementation Working Group for the purpose of operationalizing the Choose Life initiative developed by NAN and Canada. The initiative is intended to support youth at risk of suicide in NAN communities in Ontario. As committed in the AIP, Canada and NAN established the Choose Life Table in 2022 to support discussions on a long-term approach to the Choose Life initiative. Canada continues to provide funding through Jordan's Principle for the Choose Life initiative while these discussions are ongoing. Despite the bifurcation of Jordan's Principle long-term reform discussions, discussed below, ISC and NAN agreed that discussions at the Choose Life Table would continue. The most recent meeting was held in mid-2024.

vi. The Consultation Protocol

16. In response to 2018 CHRT 4, Canada entered into a Consultation Protocol with the Caring Society, the AFN, COO, NAN and the Canadian Human Rights Commission (**Commission**) to guide Canada's consultations with those parties respecting the development and implementation of immediate relief measures in relation to the FNCFS Program and Jordan's Principle, with the expectation that the Consultation Protocol could eventually be applied and the process expanded upon for the purpose of mid- and long-term reform. Ultimately, discussion on long-term reforms flowed into negotiations towards the AIP and Draft Final Agreement, discussed further below. The Consultation Protocol was signed by all parties on March 2, 2018.

vii. The Consultation Committee on Child Welfare (CCCW)

17. In accordance with the Consultation Protocol, Canada, the Caring Society, the AFN, COO, NAN and the Commission (collectively the **Parties to the Complaint**) established the Consultation Committee on Child Welfare (**CCCW**) and finalized its Terms of Reference in August 2018.

18. Between May 2018 and October 2021, the CCCW formally met approximately 23 times. I am informed from a review of ISC's meeting notes, and verily believe, that discussions included implementation of the CHRT's orders and reforms, the development of recipient guides for the claims process, the process for administering claims for actual costs under the FNCFS Program, recipient communications, revised terms and conditions for the FNCFS Program, compensation, training for ISC staff, Ontario-specific implementation issues, and the retention of experts to undertake studies to inform long-term reform of the FNCFS Program.

19. In addition to formal meetings, there has been regular email communication between ISC and the other members of the CCCW, including to share data on claims for actual costs and to seek feedback on draft communications for recipients.

20. The CCCW stopped meeting following adoption of the AIP, which provided a new confidential negotiation process towards long-term FNCFS Program reform (discussed further below).

viii. <u>The Jordan's Principle Operations Committee (JPOC)</u>

21. JPOC became operational in November 2018, initially reporting to the CCCW. JPOC is comprised of First Nations regional representatives and representatives from the Caring Society, the AFN, COO, NAN and ISC. It is not a decision-making body, but a venue to consult on and discuss the operational implementation of Jordan's Principle. JPOC's mandate includes providing input and advice on Canada's implementation of Jordan's Principle.

22. JPOC meetings were initially scheduled about every six weeks, with strong attendance from all members. Following the Caring Society's December 2023 non-compliance motion regarding Jordan's Principle, operational matters became the subject of litigation and were no longer discussed at JPOC. JPOC meetings were then scheduled on an *ad hoc* basis. Since May 2024, there have been four JPOC meetings, with the most recent meeting taking place on February 25, 2025.

23. ISC routinely shares data analyses with JPOC, including monthly compliance reports and annual deep dive analyses on Jordan's Principle. These reports contain details on approvals, expenditures and the types of products, services and supports funded through Jordan's Principle.

ix. <u>The Expert Advisory Committee (EAC)</u>

24. Canada, the Caring Society, the AFN, COO and NAN agreed in the AIP that reform of ISC and any successor departments would be required to address systemic discrimination and the "old mindset" identified by the Tribunal to prevent the recurrence of discrimination. ISC and the other parties agreed to jointly establish the EAC to support the design and implementation of an independent third-party evaluation that would identify and provide recommendations to redress internal departmental processes, procedures, and practices that contribute to the discrimination identified by the Tribunal. Recommendations from the independent third-party evaluation would lead to the development of a workplan for the implementation of departmental reforms to prevent the recurrence of discrimination. The EAC would also provide advice on departmental policies, including ISC's mandatory cultural competency training and performance commitments for employees within ISC.

25. The AFN, the Caring Society and Canada sought a consent order on this commitment, which was ordered in 2022 CHRT 8. Canada, the Caring Society and the AFN worked together to identify experts from across the country. The Committee has nine core members. Eight leading experts across various fields, including individuals with lived experiences, were identified as members and subsequently contracted by ISC to carry out the EAC's work. The EAC later confirmed the nomination of a youth member, who joined the EAC in spring 2024. ISC acts as the Secretariat to the EAC to provide administrative support.

26. The EAC began to meet in April 2022. The EAC is co-chaired by the Caring Society, the AFN and ISC and has two *ex officio* members representing NAN and COO.

27. The EAC has had twelve formal meetings since April 2022, with the last formal meeting held in April 2024. In addition, there have been numerous sub-working group and *ad hoc* meetings.

28. ISC has worked in a collaborative manner with its co-chairs and the EAC members to develop an evaluation framework, a monograph (200-page literature review and synthesis report), a draft statement of work for the third-party evaluators, draft terms of reference, and a draft confidentiality agreement.

29. The EAC's terms of reference have not been ratified due to a difference of opinion between ISC, the Caring Society and the EAC members. The EAC members have sought a broad mandate, including the ability to make recommendations outside of and in advance of the third-party evaluation. There is also a disagreement related to confidentiality requirements to support information-sharing and open dialogue between the co-chairs and EAC members.

30. In the Draft Final Agreement, Canada, the AFN, COO, and NAN proposed terms of reference for the EAC with a focus on the third-party evaluation and on mandatory cultural competency training and performance commitments for ISC employees. This was in keeping with the original intent of the EAC.

31. To date, the third-party evaluation has not been launched and there are no formal EAC meetings scheduled. The EAC members, however, have been meeting without notifying or inviting ISC. ISC is currently pursuing efforts to advance the work with the EAC while managing the differing opinions on the EAC's mandate.

D. Overview of negotiations

i. <u>The AIP</u>

32. With the assistance of the late Honourable Murray Sinclair, in fall 2021, Canada, the Caring Society, the AFN, COO and NAN (collectively the **AIP Parties**) negotiated a detailed outline of a reformed FNCFS Program, high-level principles and process for long-term reform of Jordan's Principle, and commitments from Canada towards immediate reforms. These were captured in the AIP. While the AIP itself is confidential and subject to settlement privilege, publicly available information on the AIP, including a publicly available summary, was previously filed with the Tribunal in Exhibit 61 of the January 12, 2024 Affidavit of Cindy Blackstock.

33. As part of the AIP negotiations, ISC committed to immediate reforms of the FNCFS Program and measures related to Jordan's Principle. Those reforms and measures, which were incorporated into 2022 CHRT 8 on consent, include:

    a) FNCFS Program funding for prevention and post-majority support services, which began to flow in the 2022-23 fiscal year;

    b) funding for Jordan's Principle research, including a data assessment and a needs assessment from IFSD;

    c) funding for IFSD's FNCFS Program Phase 3 and non-agency First Nations research;

    d) creation of the EAC; and

    e) consultation with the Parties on mandatory cultural competency training and performance commitments for employees within ISC.

34. Though not part of 2022 CHRT 8, ISC also began in the 2022-2023 fiscal year to implement the AIP's commitment to fund First Nation Representatives Services across the country, rather than just in Ontario.

35. In the 2023-2024 fiscal year, outside the FNCFS Program, ISC began distributing to First Nations the $2 billion over five years committed in the AIP and announced in Budget 2022 to support the purchase, construction, and renovation of housing units in their communities. That time-limited funding assists First Nations in addressing housing as a cause of children coming into care and remaining in care.

36. Regarding Jordan's Principle, the AIP Parties agreed to discuss options for First Nations to take on a larger role in approving and delivering products, services and supports under Jordan's Principle. The AIP Parties also agreed that, following a needs assessment and feedback from First Nations and service providers, they would negotiate towards a long-term approach to Jordan's Principle.

37. The AIP established the foundation for long-term reform of both the FNCFS Program and Jordan's Principle. Based on this foundation, the AIP Parties engaged in negotiations starting in 2022 towards long-term reform of both Jordan's Principle and the FNCFS Program in accordance with the AIP approach.

38. The AIP Parties negotiated over the course of many months, generally meeting weekly or twice weekly. The AIP Parties also held a number of full-day and multi-day in-person negotiation sessions, such as in April 2022, August 2022 and March 2023.

ii. The Caring Society and the AFN's "Joint Path Forward"

39. On March 15, 2023, the AFN and the Caring Society proposed the *Joint Path Forward* to guide ongoing negotiations under the AIP. In it, they proposed bifurcation of the long-term reform negotiations so that negotiations on the FNCFS Program would be completed first, while negotiations on Jordan's Principle would be deferred to a later date.

40. In October 2023, ISC secured a revised negotiation mandate so that it could continue negotiations in accordance with the AFN and the Caring Society's wishes.

41. On December 19, 2023, the Caring Society filed a non-compliance motion with respect to Canada's implementation of the Tribunal's Jordan's Principle orders. The motion did not call into question Canada's compliance with the orders on the FNCFS Program. Canada took the position that, given the bifurcation of the negotiations, the Caring Society could continue as a full participating party in the negotiations on the FNCFS Program.

42. Despite this, the Caring Society progressively withdrew from those negotiations. Ultimately, on February 13, 2024, the Caring Society advised ISC, the AFN, COO and NAN that it would not participate in the ongoing negotiations on the FNCFS Program, but nonetheless expected to continue to be engaged to discuss specific topics.

43. Canada, the AFN, COO and NAN remained actively and intensively engaged in negotiations towards long-term reform of the FNCFS Program, and repeatedly invited the Caring Society to participate in the negotiations. For example, in a letter dated February 29, 2024 and in response to the Caring Society's concerns over limited resources, Canada, the AFN, COO, and NAN offered to provide a forward negotiation agenda to the Caring Society so that the Caring Society could focus its resources by identifying topics on which it would like to share its views. On March 19, 2024, the Caring Society attended an in-person negotiation session with the other AIP Parties, where it presented its positions, also published on its website, on two topics it had identified in the forward agenda.

44. Also in the February 29, 2024 letter, Canada, the AFN, COO and NAN invited the Caring Society to return as a full participant in the negotiations. However, the Caring Society would not agree to adhere to the negotiations' confidentiality, stating that it would make public its positions on long-term reform of the FNCFS Program.

45. In a March 25, 2024 letter to the Caring Society, Canada reiterated its commitment to completing a final agreement on the long-term reform of the FNCFS Program based on the parameters set out in the *Joint Path Forward*. Canada explained that because of the bifurcation of discussions on Jordan's Principle from those on the FNCFS Program, Canada did not see an impediment to the Caring Society's full participation in negotiations. Canada raised issue with the Caring Society's continued assertion that it would publicly post its positions, noting that information or positions that Canada provided to the Caring Society could be discerned by inference from the Caring Society's public statements, which would breach the confidential nature of the discussions. Canada repeated that it remained interested in an approach to sharing information with the Caring Society while abiding by its obligations to maintain settlement privilege.

46. On April 5, 2024, COO shared a draft of the Draft Final Agreement with the Caring Society on behalf of Canada, the AFN, COO and NAN, following the Caring Society's agreement to maintain settlement privilege with respect to the draft. The Caring Society returned its comments on the draft on April 22 and April 25, 2024. Canada provided a response to the Caring Society's comments on the draft on June 29, 2024.

iii. <u>The Draft Final Agreement</u>

47. On July 11, 2024, Canada, the AFN, COO, and NAN announced the Draft Final Agreement had been reached. The Draft Final Agreement, negotiated based on the AIP's evidence-informed vision for reform, was subject to approval by First Nations and the Tribunal.

48. The reforms contained within the Draft Final Agreement more than doubled the financial commitment Canada had made in the AIP. The Draft Final Agreement would have legally bound Canada to provide $47.8 billion in stable and predictable funding over ten years for a fully reformed FNCFS Program. The Draft Final Agreement was intended to be a comprehensive settlement and record of the necessary steps and actions, and the embodiment of the best efforts of Canada, the AFN, COO and NAN, to eliminate the discrimination found by the Tribunal in relation to the FNCFS Program and prevent its recurrence. It articulated a comprehensive, prevention-focused funding approach aimed at empowering First Nations to decide on and deliver services to children and families in their communities.

iv. First Nations engagement on the Draft Final Agreement

49. On July 11, 2024, the AFN provided First Nations with the Draft Final Agreement and undertook regional engagement sessions with First Nations leaders. The AFN planned a Special Chiefs Assembly for September 2024 to enable First Nations to vote on the Draft Final Agreement. On August 27, 2024, the AFN announced that it was postponing the September 2024 Special Chiefs Assembly to October 16-18, 2024, to allow Chiefs more time to consider the Draft Final Agreement.

50. ISC officials participated in approximately 27 engagement sessions across the country from July to October 2024. Other engagement sessions also took place, to which ISC was not invited.

51. Canada supported the AFN, COO and NAN in their engagement with First Nations by providing information materials to participants, such as a deck on the Draft Final Agreement and information sheets on the funding components of the reformed FNCFS Program. ISC representatives, including myself, attended the sessions and gave presentations on the Draft Final Agreement, focused on clarifying implementation details. Counsel from Justice Canada also attended the engagement sessions to assist ISC representatives in responding to legal questions that arose.

52. ISC provided funding to facilitate participation in the engagement sessions to ensure First Nations, First Nation regional organizations and others were informed about the Draft Final Agreement and had the opportunity to ask questions and provide feedback.

53. Following the AFN's engagement sessions, ISC attended follow-up in-person and virtual meetings with First Nations organizations; engaged with individual First Nations that contacted ISC directly; provided regional funding profiles; and provided detailed financial breakdowns for 2025-26 to each individual First Nation to ensure they had an understanding of their estimated FNCFS Program funding under the Draft Final Agreement in advance of the October 2024 Special Chiefs Assembly.

54. In September 2024, the AFN, with the consent of COO and NAN, proposed revisions to the Draft Final Agreement to Canada as a result of concerns raised during the engagement sessions. ISC agreed to the revisions. On October 9, 2024, the AFN released an amended Draft Final Agreement. The amended Draft Final Agreement made a number of improvements, including broadening the composition of the Reform Implementation Committee to ensure regional representation, requiring that the President of the Dispute Resolution Tribunal be a First Nations person with judicial or adjudication experience, and revising the definition of "FNCFS Service Provider" such that First Nations were not defined as service providers.

v. The Caring Society's interventions in opposition to the Draft Final Agreement

55. Despite its refusal to participate in the negotiations towards the Draft Final Agreement, the Caring Society wrote multiple opinions critiquing the Draft Final Agreement, including:

FSA Report Card (August 2, 2024)

Final Agreement Myths and Realities (August 9, 2024)

Letting Canada off the Hook (August 12, 2024)

Proposed Amendments to the Final Agreement (September 24, 2024)

56. I am advised by Lisa Legault, Director General, Program and Partnerships Branch, Child and Family Services Reform Sector, ISC, and do verily believe, that she attended engagement sessions on the Draft Final Agreement at which the Caring Society was also present, although I was not personally present at those sessions. I am further advised by Ms. Legault, and do verily believe, that in those engagement sessions, the Caring Society urged First Nations to vote against the Draft Final Agreement.

57. On August 7, 2024, the Caring Society wrote to the Minister to express concerns related to the Draft Final Agreement (filed as Exhibit A of the Quintana-James Affidavit). The Caring Society proposed a meeting with Canada, the AFN, COO, and NAN, with the assistance of a mediator, to discuss its proposed amendments to the amended Draft Final Agreement. The Caring Society followed up with a counsel-to-counsel letter on September 12, 2024, proposing a two-day meeting with Canada, the AFN, COO and NAN to discuss amendments to the amended Draft Final Agreement. The Caring Society then made a request to all Parties to the Complaint on September 19, 2024, to reconvene the CCCW for a non-confidential meeting to discuss the Caring Society's proposed changes to the amended Draft Final Agreement (Exhibit B of the Quintana-James Affidavit contains both communications).

58. On October 2, 2024, COO responded to the Caring Society on behalf of itself, the AFN, NAN and Canada. A copy of this letter is filed as Exhibit C of the Quintana-James Affidavit. COO advised that, in the view of parties to the Draft Final Agreement, the CCCW consultation process had been superseded by the AIP negotiation process, and that Canada, the AFN, COO and NAN had made repeated efforts to re-engage the Caring Society in that negotiation process. COO reiterated that the parties to the Draft Final Agreement remained willing to meet with the Caring Society for confidential discussions on the Draft Final Agreement.

59. On October 17, 2024, the Minister responded to the Caring Society's August 7, 2024 letter. A copy of the Minister's letter is filed as Exhibit A of the Quintana-James Affidavit. The Minister recognized the Caring Society's contributions in advancing reform of the FNCFS Program through the incremental progress that had been made over many years. The Minister stated that the Caring Society's proposed changes to the amended Draft Final Agreement - including retaining claims-based interim funding approaches and having the Tribunal retain its oversight of the FNCFS Program - were incompatible with the objective of developing long-term solutions for comprehensive reform. She also noted that the amended Draft Final Agreement was built on the AIP's framework to which all AIP Parties had agreed, including the Caring Society.

vi. First Nations' votes on the amended Draft Final Agreement

60. The Chiefs of COO and NAN ratified the amended Draft Final Agreement during their assemblies on October 9 and 10, 2024, respectively.

61. On October 17, 2024, after two days of discussions at the AFN's Special Chiefs Assembly in Calgary, Alberta, the First Nations-in-Assembly voted to reject the amended Draft Final Agreement. The vote was 147 in favour and 267 opposed, with one abstention.

62. On October 18, the First Nations-in-Assembly adopted two resolutions – 60/2024 and 61/2024 - calling for Canada to renegotiate the Draft Final Agreement through a public negotiation process that would include the Caring Society and the National Children's Chiefs Commission (**NCCC**), a newly constituted body to be composed of First Nations leadership. Resolution 61/2024 lists substantive elements required by the Chiefs in a new agreement, some of which go beyond the AIP's framework for reform and the scope of the complaint that underlies these proceedings. The Caring Society filed a copy of these resolutions with the Tribunal on January 3, 2025, and they were subsequently filed in evidence as Exhibit E to the March 3, 2025 Affidavit of Amber Potts.

63. On December 5, 2024, the First Nations-in-Assembly adopted Resolution 90/2024, a copy of which was filed as Exhibit D to the Quintana-James Affidavit. The Resolution stated in part that the First Nations-in-Assembly:

a) confirm that the $47.8 billion is only the floor for negotiations on long-term reform of the FNCFS Program; and

b) direct that Canada obtain a new negotiation mandate within thirty days of the resolution.

vii. Subsequent correspondence with the AFN, the Caring Society and the NCCC

64. Following the First Nations-in-Assembly's rejection of the amended Draft Final Agreement, the Caring Society, the AFN and the NCCC wrote to Canada, expressly seeking that Canada obtain a new negotiation mandate to achieve long-term reform on the terms approved by the First Nations-in-Assembly. As noted above, these terms are well outside the framework of the AIP, including, for example, indefinite Tribunal oversight. This correspondence includes:

a) An October 29, 2024 letter from the National Chief of the AFN to the Minister, expressing thanks for the "…good work that we have achieved together on this file" and calling on Canada "to obtain a new negotiation mandate aligned with the resolutions and provide the resources to advance the work". A copy of this letter is filed as Exhibit F to the Affidavit of Amber Potts and is dated October 25, 2024, although the version received by ISC is dated October 29, 2024.

b) An October 29, 2024 letter from the Caring Society's counsel to Canada's counsel, filed as Exhibit E to the Quintana-James Affidavit, stating "The Caring Society has done extensive work and is ready to engage in a new approach to negotiations set out by the rights holders in Resolutions 02 and 04, with the support of the Children's Chiefs Commission…these discussions would not be covered by settlement privilege".

c) A November 12, 2024 letter from the President of the Caring Society to the Minister, attached hereto and marked as Exhibit "**A**", discussing the AFN resolutions "to reset the negotiations".

d) A December 9, 2024 letter from the Caring Society's counsel to counsel for Canada, the AFN, COO and NAN, filed as Exhibit F to the Quintana-James Affidavit, stating the Caring Society is committed to "…achieve a negotiated settlement…"; welcoming "..the calls from leadership to reject portions of the Agreement in Principle…and the establishment of a new negotiation approach…"; and calling on Canada to "…obtain a new negotiation mandate within thirty (30) days".

e) A January 8, 2025 letter from the Caring Society's counsel to Canada's counsel, filed as Exhibit H to the Quintana-James Affidavit, "...calling on Canada to immediately obtain a new mandate and return to the negotiation table...". This was followed by a January 9, 2025 email from the Caring Society's counsel to Canada's counsel, seeking a copy of the draft agreement under discussion between Canada, COO and NAN. Canada's counsel responded on January 10 and January 14, 2025, advising that the draft agreement with COO and NAN was confidential and subject to settlement privilege, and that Canada has made every effort to work with the Parties to the Complaint to reform the FNCFS Program and reach a comprehensive, fair and equitable resolution to the complaint, informed by experts, outside of the litigation. Copies of Canada's January 10 and 14 communications are filed as Exhibit I to the Quintana-James Affidavit.

f) A January 22, 2025 letter from counsel for the NCCC to Canada's counsel, attached hereto and marked as Exhibit "**B**", advising that the NCCC was established "...with the mandate to oversee and move forward with further negotiations" and "is the new interface through which Canada will deal with AFN in relation to all matters concerning the LTR Agreements". In response, Canada's counsel wrote to the AFN's counsel on January 24, 2025, seeking clarification as to whether the NCCC's counsel now represents the AFN. The AFN's counsel responded on January 28, 2025, confirming that they remain counsel of record for the AFN and were awaiting instructions respecting long-term reforms, but that the NCCC's counsel does not represent the AFN. Canada's counsel then responded to the NCCC's counsel on February 14, 2025, advising that because the NCCC's counsel does not represent the AFN, Canada is unable to meet with them. Due to page limits, I have not attached copies of the January 24, January 28 and February 14, 2025 letters as exhibits.

g) A January 24, 2025 letter from the Chair of the NCCC to the Prime Minister, the Minister and others, attached hereto and marked as Exhibit "**C**", seeking "…further negotiations" and "…a binding letter of commitment before March 24, 2025, to secure existing commitments and to chart a pathway forward". The Minister responded by way of letter dated February 25, 2025, attached hereto and marked as Exhibit "**D**", stating that Canada "remains committed to the implementation of the Canadian Human Rights Tribunal's orders, and to ending the discrimination identified by the Tribunal and preventing its recurrence." The Minister also stated that there has been confusion regarding the role of the NCCC and whether it speaks on behalf of the AFN. The Minister encouraged the NCCC to work directly with the AFN to clarify the situation as to "whether you and the committee are the body that Canada should be working with".

h) A January 28, 2025 letter from the President and the Executive Director of the Caring Society to the Prime Minister, the Minister and others, attached hereto and marked as Exhibit "**E**", expressing their "…interest in supporting the development of a letter of commitment on long-term reform of First Nations child and family services and Jordan's Principle" to "…set the stage for negotiations".

i) A February 21, 2025 letter from the Chair of the NCCC to the Prime Minister, the Minister and others, attached hereto and marked as Exhibit "**F**", stating that the $47.8 billion commitment by Canada in the Draft Final Agreement was "in the ballpark"; alleging that "Canada's duty was to return to the negotiating table…"; and providing a chart of required expansions to the Draft Final Agreement that, in the NCCC's view, are mostly "solvable with minimal discussion".

j) A March 4, 2025 letter from the AFN National Chief to the Minister, attached hereto and marked as Exhibit "**G**", urging Canada to seek a revised mandate to negotiate a final agreement on long-term reform of the FNCFS Program and confirming AFN's support for the NCCC's "work on advancing the mandates of the First Nations-in-Assembly in relation to negotiating final agreements on long-term reform of the FNCFS Program and Jordan's Principle".

65. In addition, legal counsel for the AIP Parties have exchanged correspondence that is subject to settlement privilege and cannot be shared as evidence.

viii. Negotiations towards long-term FNCFS Program reform in Ontario

66. On October 25, 2024, Ontario Regional Chief Abram Benedict wrote to the Minister to express interest in pursuing an Ontario-specific approach to long-term reform of the FNCFS Program, based on the terms of the amended Draft Final Agreement. Starting in early January 2025, Canada engaged in intensive negotiations with COO and NAN towards such an agreement.

67. On February 7, 2025, Canada, COO, and NAN reached a draft Ontario Final Agreement. As contemplated in the Ontario Final Agreement, Canada, COO, and NAN also concluded separately a draft Trilateral Agreement with respect to reform of the 1965 Canada-Ontario *Memorandum of Agreement Respecting Welfare Programs for Indians* (the **1965 Agreement**).

68. NAN First Nations approved the Ontario Final Agreement and the Trilateral Agreement on February 25, 2025. On February 26, 2025, Ontario First Nations-in-Assembly approved both agreements, with 76 First Nations in favour, four opposed and three abstaining. That same day, COO, NAN and Canada signed the Ontario Final Agreement and the Trilateral Agreement.

E. Research, studies and external consultations

69. To support both consultation and negotiations towards long-term reform of the FNCFS Program and Jordan's Principle, ISC has financially supported research and studies in a number of areas, generally set out below.

i. Alternative Funding Methodology for FNCFS Program

70. Further to 2018 CHRT 4 and as approved by the CCCW, ISC provided funding to the AFN to contract IFSD at the University of Ottawa. IFSD was tasked with conducting an analysis of existing agency needs assessments, as well as a cost analysis of agency needs, to inform the development of an alternative funding system for the FNCFS Program. The IFSD provided its Phase 1 report on December 15, 2018, and its Phase 2 report on July 31, 2020. The IFSD's Phase 1 and Phase 2 reports informed the revised funding methodology agreed to by all AIP Parties in the AIP.

71. During negotiations towards the AIP, Canada agreed to fund additional research to inform the development of the final long-term funding approaches for the FNCFS Program. Accordingly, Canada entered into the 2022 CHRT 8 consent order noted above, requiring that Canada fund two additional IFSD studies.

72. First, Canada funded the AFN to contract IFSD to undertake Phase 3 research to model the reformed methodology and provide additional recommendations and data tools for service providers and communities. The AFN shared an interim Phase 3 report, in draft form, with Canada on March 4, 2024. It included recommendations that the reformed FNCFS funding approach include a new 3% top-up to baseline funding to cover increasing maintenance costs and that the effectiveness of splitting prevention funding between FNCFS agencies and First Nations (as opposed to providing all prevention funding to FNCFS agencies) be assessed. Canada received a further draft Phase 3 report from IFSD on March 4, 2025.

73. Second, Canada funded the Caring Society to contract IFSD to undertake needs assessments for First Nations not affiliated with a FNCFS agency. The Caring Society shared this final report with Canada, AFN, COO, and NAN on April 7, 2024. The report presents a scenario in which ISC would provide per capita funding of $3,123 for non-affiliated First Nations, based on "average per capita expenditure from [non-affiliated First Nations] questionnaire data" and another scenario in which ISC would provide per capita funding of $3,859, based on "average per capita expenditure of integrated [health and social] service providers in Quebec from questionnaire data".

ii. <u>Remoteness research</u>

74. As noted above, Canada entered into a consent order with NAN to establish the RQ Table and provide funding to NAN to conduct research and develop a remoteness quotient. The remoteness quotient was to account for the increased costs of delivering child and family services in remote communities.

75. Phase I and Phase II of the Remoteness Quotient reports were filed with the Tribunal on September 8, 2017 and March 29, 2019. In January 2020, Canada and NAN agreed to continue the RQ Table to discuss the Final Phase II RQ Report and how to address issues related to remoteness in Ontario. The RQ Table developed the Remoteness Quotient Adjustment Factor (RQAF), which was proposed as part of the Draft Final Agreement to adjust the FNCFS Program's funding to account for higher costs in remote communities across Canada. The Ontario Final Agreement will use the RQAF for that same purpose.

iii. Ontario Special Study

76. In 2017, ISC and the Government of Ontario co-funded the Ontario Special Study to review the 1965 Agreement that provides federal funding to Ontario for a suite of social services, including child and family services, to First Nations people on-reserve in Ontario. The Study was also to provide options for reform of the 1965 Agreement. The Ontario Special Study, released in 2020, recommended that Canada, Ontario and First Nation representatives begin exploratory discussions to develop proposed terms for a new or amended 1965 Agreement.

77. The AIP specified that COO and Canada would reach out to the Government of Ontario to advance discussions on a reformed 1965 Agreement. The Trilateral Agreement concluded between Canada, COO, and NAN on February 7, 2025 lays out principles for preliminary discussions with the Government of Ontario on reform of the 1965 Agreement and commits Canada to use best efforts to reach a reformed 1965 Agreement with the Government of Ontario by March 31, 2027.

iv. Jordan's Principle Research

78. ISC also provided funding to IFSD to undertake a data assessment and a needs assessment to support the AIP Parties' negotiations on long-term reform of Jordan's Principle. The data assessment, entitled *Data Assessment and Framing of an Analysis of Substantive Equality through the Application of Jordan's Principle*, is dated September 1, 2022 and was shared with the Tribunal by the Caring Society in November 2022.

79. ISC has funded the Caring Society to support IFSD's needs assessment. The IFSD needs assessment, the final report for which remains outstanding, is to include: recommendations for the development of a policy framework; review of existing programs and services; identification of gaps; costs of closing gaps to achieve formal equality and/or substantive equality across relevant program areas; recommendations for reforming the operationalization of Jordan's Principle; and financial analysis and costing of the baseline and any proposed reforms.

80. In addition, ISC has begun an internal assessment and mapping of Jordan's Principle requests to ISC federal programs through the Service Alignment Initiative, to better understand trends in and connections between ISC-funded community-based programs and Jordan's Principle requests. A preliminary analysis is expected in the summer of 2025.

v. External consultations on Jordan's Principle

81. Canada has committed to region-specific Jordan's Principle engagement and consultation work with First Nations partners outside of the Tribunal's orders. For example, in June 2024, Canada and the Assembly of Manitoba Chiefs signed a Memorandum of Understanding, committing to work together to enhance the implementation of Jordan's Principle in Manitoba, including by exploring First Nations-led delivery models. A working group was established in 2024 with representatives from Manitoba First Nations and Canada to guide this work. Terms of reference are being finalized.

82. Canada also supports and engages First Nations and service delivery organizations directly through regional consultation activities and through service coordinator gatherings related to operational matters. As part of regular operational practices, regional tables have been established with First Nations to support engagement, priority setting, planning and service delivery related to Canada's initiatives, including Jordan's Principle. The AFN has also previously hosted in-person service coordinator gatherings. Canada has participated in these and supports the continuation of these gatherings.

F. Funding to support the AIP Parties' participation in consultations and negotiations

83. Canada has provided millions of dollars in funding to the AIP Parties towards their consultation and negotiation activities, in accordance with the Consultation Protocol and later the AIP. Funds provided pursuant to the Consultation Protocol were intended to fund the AIP Parties' consultations with Canada on immediate relief, and ultimately, pending expansion of the Consultation Protocol, mid- and long-term relief. Funds that ISC provided under the AIP were intended to support the AIP Parties' negotiations with Canada towards a final agreement on long-term reform of the FNCFS Program and Jordan's Principle.

84. Through the Consultation Protocol, Canada agreed to fund the AIP Parties for the envisaged work through an agreed upon workplan. Expenses were to include disbursements for experts and legal counsel, excluding work on litigation.

85. ISC funded the AFN, COO and NAN's participation principally through annual plans and budgets submitted to ISC to support their consultation and negotiation activities. Until February 2025, ISC funded the Caring Society's participation in consultation and negotiations through uncapped reimbursement, without any annual plans or budgets. On February 6, 2025, the Deputy Minister of ISC wrote to all of the AIP parties, advising that it remains committed to fulfilling its consultation obligations, but effective immediately will no longer accept invoices for reimbursement and will instead follow the funding process set out in the Consultation Protocol. Per the Consultation Protocol, ISC will provide each party with a yearly budget forecast on an annual basis, setting out the allotment of funding for the coming year based on an agreed upon workplan. A copy of ISC's letter is attached hereto and marked as Exhibit "**H**". The Caring Society responded with a letter dated March 10, 2025, a copy of which is attached hereto as Exhibit "**I**". Also on March 10, 2025, the Caring Society filed an application for judicial review in Federal Court file T-814-25, challenging the Deputy Minister's decision.

86. From 2018-19 to 2024-25 (to December 16, 2024), the Caring Society received approximately $7.6 million from Canada towards their consultation and negotiation activities. This includes approximately $2.8 million to fund IFSD research contracts.

87. From 2018-19 to 2024-25, the AFN received approximately $26.4 million from Canada towards consultation and negotiation activities, primarily related to the FNCFS Program, including:

a) $10.3 million for Program reform and the CCCW;

b) $6.5 million for engagement and the October 2024 Special Chiefs Assembly; and

c) $8.8 million for IFSD research contracts.

88. From 2018-19 to 2024-25, COO received approximately $5.4 million from Canada towards consultation and negotiation activities, primarily related to the FNCFS Program, including:

a) $4.5 million for consultation, negotiation and engagement; and

b) $0.9 million in 2018-19 for the Ontario Special Study.

89. From 2018-19 to 2024-25, NAN received approximately $8.1 million from Canada towards consultation, policy and engagement activities, primarily related to the FNCFS Program.

90. ISC has also funded EAC members in the amount of $0.5 million.

91. In addition to the amounts above, ISC has provided funding to the AFN, COO, NAN and other partners to support the implementation of Jordan's Principle, including for their participation in the various committees noted above.

G. Conclusion

92. I make this affidavit *bona fide* and in support of Canada's position in response to the Caring Society's amended notice of motion dated January 27, 2025.

AFFIRMED before me at the)
City of Ottawa in the)
Province of Ontario)
this 13th day of March, 2025)
)

Barrister and Solicitor in and
for the Province of Ontario
LSO #: 86635B

DUNCAN FARTHING-NICHOL

First Nations Child & Family Caring Society | Société de soutien à l'enfance et à la famille des Premières Nations

fncaringsociety.com

This is **Exhibit A** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario
LSO #: 86658

November 12, 2024

Dear Minister Hajdu,

I confirm receipt of your correspondence dated October 17, 2024, and write to encourage Canada's full cooperation and participation in implementing First Nations rights holder's direction per First Nations-in-Assembly Resolutions, including Assembly of First Nations (AFN) Resolution 40/2022, *To Ensure Quality of Life to the First Nations Child and Family Services Program and Jordan's Principle*, Resolution 60/2024, *Addressing Long-Term Reform of the First Nations Child and Family Services Program and Jordan's Principle*, and Resolution 61/2024, *Meaningful Consultation on Long-Term Reform of First Nations Child and Family Services*. I would also like to use this opportunity to clarify some of the incorrect and incomplete statements in your letter.

We agree with Canada's deference to First Nations rights holders and remind Canada that the Rights holders are First Nations children, youth, families, and the Nations they belong to. On October 18, 2024, First Nations rights holders voted overwhelmingly in favour of AFN Resolutions 60/2024 and 61/2024 and directed to reset the negotiations on the draft Final Settlement Agreements on First Nations Child and Family Services and Jordan's Principle. Included in these resolutions, is express direction for a reset that includes the Caring Society in an open and transparent manner to ensure that discrimination against children, youth, and families stops and does not recur. We are ready and eager to implement the direction of First Nations leadership and we fully expect that Canada is as well. We reiterate our invitation to discuss our feedback and suggested amendments in a non-confidential setting, as aligned with First Nations-in-Assembly direction. I would also like to remind you of the Canadian Human Rights Tribunal's orders requiring Canada to consult with the Caring Society on long-term reforms. We believe this cooperation is crucial and can bring about positive change and a brighter future for First Nations children, youth and families.

Your October 17th letter makes several incorrect and incomplete statements about the Caring Society's positions and conduct, which deserve special correction. First, you suggest that the Caring Society's positions is for prevention funding to be solely directed to First Nations Child and Family Service Agencies, which is contrary to our proposed amendments that have been shared with your department and have been publicly available on our website. For the Caring Society, it's a "yes and" approach whereby First Nations are provided with sufficient capacity to deliver services if they choose, and Agencies receive adequate funding to discharge their responsibilities. Second, you imply that the Caring Society's suggestion of continuing reimbursement at

actual costs are out of alignment with the Tribunal's orders. However, to clarify, where there is insufficient evidence to project costing, such as with capital, post-majority services and tertiary prevention, it is entirely consistent with the Tribunal's orders to continue with actuals to ensure non-discrimination until such a time that sufficient data and evidence is available to project funding to ensure non-discrimination. Indeed, the draft Final Settlement Agreement (FSA) offered no evidence of how the fixed capital amounts were calculated and the calculations of other fixed amounts in Appendix 1 were also unclear or not provided.

While the Agreement in Principle (AIP) was signed in good faith by the Caring Society, we were very disappointed to see Canada breach that negotiated agreement and backsliding in compliance with the Tribunal's orders. The Caring Society left the AIP to bring the non-compliance motion to remedy Canada's discrimination, which was causing serious and, in some cases, life-ending consequences for First Nations children. The AIP was not modified to reflect the direction of AFN Resolution 40/2022, which explicitly directed Parties to seek relief at the Tribunal if necessary. Moreover, the Caring Society repeatedly expressed its desire and readiness to participate in negotiating the draft FSA outside the AIP process, however this was continuously refused by Canada.

Finally, I remind you of the Indigenous Services Canada Act, which mandates your department to support First Nations with achieving their goals of self-determination, however, Canada must not offload or underfund as a means to undermine the promises of self-determination and self-government. For instance, several First Nations delivering Jordan's Principle services to their citizens have contacted the Caring Society to report serious financial deficits flowing from Canada's long reimbursement delays, causing significant reductions and delays in providing other services. First Nations-in-Assembly have provided clear direction that safeguards must be in place to forever protect First Nations children from discrimination.

The clarifications herein are made for the record; our primary message is that we remain steadfast in our commitment to ending the discrimination found by the Tribunal and prevent its recurrence. This commitment is unwavering, and we urge Canada to share this commitment and work with us towards this shared goal.

Please confirm Canada's commitment to implementing the direction provided by First Nations-in-Assembly through AFN Resolutions 60/2024 and 61/2024 and advise when Canada will be prepared to meet with the Caring Society to discuss how we can collaborate on a path to end the discrimination and prevent its recurrence.

Respectfully,

Raymond Shingoose, President
First Nations Child and Family Caring Society

AIRD BERLIS

Scott A. Smith*
*Denotes Law Corporation
Direct: 778.371.2243
ssmith@airdberlis.com

January 22, 2025

This is **Exhibit B** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario
LSO#: 86655B

Sent by E-mail

Justice Canada
c/o Paul Vickery
50 O'Connor Street, Suite 500
Ottawa, ON K1A 0H8
E-mail: paul.vickery@justice.gc.ca

Dear Mr. Vickery:

Subject: Request for Meeting to discuss Long-Term Reform Negotiations

Liam A. Smith and I have been appointed interim legal counsel to the National Children's Chiefs Commission ("**NCCC**"). I am writing to you in relation to the January 7, 2025 letter in which you advised that Canada does not currently have a mandate to negotiate a national long-term reform agreement.

The NCCC has recently been established by the First Nations-in-Assembly, which provided the NCCC with the mandate to oversee and move forward with further negotiations in relation to the national long-term reform of the First Nations Child and Family Services Program, federal child and family services, and Jordan's Principle (the "**LTR Agreements**") on behalf of the First Nations-in-Assembly. The NCCC is the new interface through which Canada will deal with AFN in relation to all matters concerning the LTR Agreements.

In that regard, the NCCC requests that we immediately schedule a meeting with you and your client to discuss the position set out in your January 7 letter, and the path to negotiating new LTR Agreements. As you know, the Canadian Human Rights Tribunal ("**CHRT**") ordered Canada to consult with, among other groups, the AFN and the First Nations Child and Family Caring Society of Canada on the LTR Agreements. The NCCC has been mandated to undertake this work on behalf the First Nations-in-Assembly in collaboration with the AFN.

In particular, First Nations-in-Assembly directed the establishment of the NCCC in October 2024, through AFN Resolution no. 60/2024. In December 2024, the First Nations-in-Assembly approved in principle the draft terms of reference for the NCCC in AFN Resolution no. 89/2024. Both resolutions were passed by an overwhelming majority of Chiefs and proxies at the Special Chiefs Assemblies. In particular, the First Nations-in-Assembly mandated the NCCC to provide strategic direction and oversight of the negotiations for long-term reform, reporting back to the First Nations-in-Assembly. The

purpose of those negotiations is to eliminate discrimination by Canada against First Nations children and families, ensure it never happens again, promote substantive equality, and uphold First Nations' rights to self-determination.

The NCCC is comprised of: (i) one regional representative, an alternate, and their technician(s) from each of the eleven AFN regions; (ii) one regional representative, an alternate, and their technician(s) for every region not represented by AFN; (iii) an Elder or Knowledge Keeper representative; and (iv) a youth representative. All regions except for Ontario have appointed their NCCC representatives through their regional processes, and the NCCC began to convene regular meetings in December 2024.

In keeping with the sovereign will of the First Nations-in-Assembly to establish the NCCC, dialogue between the NCCC and Canada will be essential to achieving needs-based long-term reform that will eliminate the discrimination identified by the CHRT and ensure the physical, spiritual, emotional and cognitive well-being of First Nations, children, youth and families for generations to come, consistent with the honour of the Crown.

We look forward to your prompt response and to scheduling a meeting as soon as possible.

Sincerely,

Scott A Smith*
Partner
*Denotes Law Corporation

c: Liam A. Smith, Co-Counsel for the NCCC

63116965.4

January 24, 2025

Sent by e-mail

Right Honourable Justin Trudeau
Prime Minister of Canada
80 Wellington St.
Ottawa, ON K1A 0A2
E-mail: pm@pm.gc.ca

Honourable Patty Hajdu
Minister of Indigenous Services Canada
10 rue Wellington
Gatineau, QC K1A 0H4
E-mail: ministresa-ministeris@sac-isc.gc.ca

Honourable Gary Anandasangaree
Minister of Crown Indigenous Relations and Northern Affairs Canada
10 rue Wellington, Gatineau QC K1A 0H4
E-mail: gary.anandasangaree-p@rcaanc-cirnac.gc.ca

This is **Exhibit C** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario
LSO #: 84655B

Dear Prime Minister and Ministers Hajdu and Anandasangaree:

RE: Proposal to negotiate a letter of commitment in advance of March 24, 2025

I write in my capacity as Chair of the National Children's Chiefs Commission (the "**NCCC**") to propose that we work collaboratively over the next two months on a letter of commitment in relation to a national agreement on long-term reform of First Nations child and family services (**"LTR Agreement"**) and a process to address Jordan's Principle. We believe that delivering justice for all First Nations children isn't just the right thing to do – it is the necessary thing to do for our children, for our Nations, and for Canada. Doing so is also consistent with the Canadian Human Rights Tribunal's ("**CHRT**") merits decision (*First Nations Child and Family Caring Society of Canada et al v Attorney General of Canada (for the Minister of Indian and Northern Affairs*, 2016 CHRT 2) and subsequent orders.

The Chiefs, sitting together as the First Nations-in-Assembly, voted overwhelmingly on behalf of rights holders to establish the NCCC and mandated it to oversee further negotiations in relation to the LTR Agreement and Jordan's Principle, all while working collaboratively with the Assembly of First Nations Executive.

The NCCC, which is supported by skilled First Nations technical experts from across Canada, is comprised of: (i) one regional representative, an alternate, and their technician(s) from each of the eleven AFN regions; and (ii) one regional representative, an alternate, and their technician(s) for every region not represented by AFN. All regions except for Ontario have appointed their NCCC representatives through their regional processes, and the NCCC began to convene regular meetings in December 2024. The Commissioners bring considerable expertise in child and family services, Jordan's Principle, governance, inter-governmental relations, and negotiations.

We were pleased to hear the Prime Minister's remarks during Special Chiefs Assembly in December 2024 confirming that the $47.8B earmarked in the draft final settlement agreement is still there and that Canada remains committed to reaching an agreement. Similar sentiments were echoed by the Minister of Indigenous Services Canada. These remarks confirm our shared interest and duty to ensure that this generation of First Nation children grows up free of all forms of discrimination and is able to live the lives that they wish to have and that their ancestors prayed for.

Canada's public statements in the wake of the AFN Special Chiefs Assembly in October 2024 suggest that the government has questions about: (i) the scale of funding required to satisfy the orders on First Nations child and family services; (ii) whether First Nations would consider a pathway that would, at some point in the future, end the CHRT's jurisdiction; and (iii) whether First Nations outside of Ontario are ready to proceed with a negotiated settlement.

In relation to the first issue, the NCCC is committed to an evidence-informed approach. Our experts have informed us that while there is a need for capacity building funds to ensure First Nations are set up for success and some expenditures such as capital, post-majority services, and band-representative services may need to continue at actuals for a limited time because there is insufficient evidence to project future costs, the overall funding envelope that is required to end discrimination in First Nations child and family services and ensure it never happens again is in the ballpark of what Canada previously proposed. This assumes a fair and equitable distribution among regions related to relevant factors such as the rates of over-representation of First Nations children in care, including in Ontario.

The NCCC is committed to maximizing the value of every dollar to deliver measurable outcomes for our First Nation children, youth, and families. We see important opportunities to re-allocate funding in the draft final settlement agreement in ways that will more directly benefit children and improve accountability to First Nations Leadership.

In relation to the second issue, the NCCC sees a pathway that would, at some point in the future, end the CHRT's jurisdiction.

In relation to readiness, the First Nations-in-Assembly passed clear resolutions directing a reset of negotiations. The NCCC is established and is supported by skilled First Nations technical experts from across Canada. We also benefit from the evidence-based research that has been completed that can inform the way forward. We are ready to discharge the sacred responsibilities we have been entrusted with by First Nations in our respective 11 regions.

The NCCC would like to meet with you, the AFN Executive, and the Caring Society at the earliest opportunity to gauge Canada's interest in entering into a binding letter of commitment before March 24, 2025, to secure existing commitments and to chart a pathway forward to resolve the CHRT proceeding on child and family services. We would

also welcome discussions to set a pathway to address current challenges and the long-term reform of Jordan's Principle. We will send more specific proposals on how we can address the outstanding issues next week to help inform our meeting.

Sincerely,

Chief Pauline Frost
Chair, NCCC

c: NCCC

AFN Executive

Dr. Cindy Blackstock, Executive Director, Caring Society

Pierre Poilievre, Leader of the Conservative Party

Michelle Ferreri, Shadow Minister for Families, Children, and Social Development

Marilyn Gladu, Shadow Minister for Civil Liberties

Larry Brock, Shadow Minister for Justice and Attorney General of Canada

Jagmeet Singh, Leader of the NDP

Niki Ashton, Critic for Indigenous Services

Charlie Angus, Deputy Critic, Crown-Indigenous Relations

Lori Idlout, Critic, Indigenous Services

Yves-François Blanchet, Leader of the Bloc Québécois

Scott A. Smith and Liam A. Smith, interim legal counsel to the NCCC

Jenica Atwin, Parliamentary Secretary for Minister of ISC

Jaime Battiste, Parliamentary Secretary for Minister of CIRNAC

Deliah Bernard, Indigenous affairs advisor office of the Prime Minister of Canada

Ministre des Services aux Autochtones et ministre responsable de l'Agence fédérale de développement économique pour le Nord de l'Ontario

Minister of Indigenous Services and Minister responsible for the Federal Economic Development Agency for Northern Ontario

Ottawa, Canada K1A 0H4

This is **Exhibit D** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario
LSO#: 86655B

February 25, 2025

Chief Pauline Frost
National Children's Chiefs Committee
Our Children Our Way Secretariat
200-100 Park Royal South
WEST VANCOUVER BC V7T 1A2

pauline.frost@vgfn.ca

Dear Chief Frost:

Thank you for your correspondence of January 24, 2025, sent to the Right Honourable Justin Trudeau, Prime Minister, the Honourable Gary Anandasangaree, Minister of Crown-Indigenous Relations and Northern Affairs, and myself in relation to a national agreement on long-term reform of the First Nations Child and Family Services Program.

The Agreement-in-Principle on Long-Term Reform of the First Nations Child and Family Services Program and Jordan's Principle signed by the Assembly of First Nations, Caring Society, Chiefs of Ontario, and Nishnawbe Aski Nation in December 2021, was an evidence-informed approach that provided a foundation for improving the lives of First Nation children and families across the country.

Canada remained committed to a First Nations-led approach to reforming the First Nations Child and Family Services Program, and developed a fully reformed Program in the Final Agreement with the rights holder Parties to the Canadian Human Rights Tribunal's complaint. The robust framework of reforms contained within the Final Agreement would have legally bound Canada to provide $47.8 billion in stable and predictable funding over ten years for a fully reformed First Nations Child and Family Services Program that would have reduced the number of First Nation children in care and kept children connected to their families, communities, and cultures.

.../2

Canada

Canada remains committed to the implementation of the Canadian Human Rights Tribunal's orders, and to ending the discrimination identified by the Tribunal and preventing its recurrence.

There has been confusion regarding the role of the National Children's Chiefs Committee and whether you and the committee are the body that Canada should be working with, as the Assembly of First Nations has yet to clarify their role in relation to long-term reform of the First Nations Child and Family Services Program. Attached is the most recent correspondence from the Assembly of First Nations' counsel indicating that they are awaiting instructions on this issue. I would encourage the National Children's Chiefs Commission to work directly with officials from the Assembly of First Nations with respect to long-term reform of the First Nation Child and Family Services Program to clarify this situation.

Yours sincerely,

The Honourable Patty Hajdu, P.C., M.P.

Encl.

January 28, 2025

Right Honourable Justin Trudeau
Prime Minister of Canada
80 Wellington St.
Ottawa, ON K1A 0A2
E-mail: pm@pm.gc.ca

Honourable Patty Hajdu
Minister of Indigenous Services Canada
10 rue Wellington
Gatineau, QC K1A 0H4
E-mail: ministresa-ministeris@sac-isc.gc.ca

Honourable Gary Anandasangaree
Minister of Crown Indigenous Relations and Northern Affairs Canada
10 rue Wellington, Gatineau QC K1A 0H4
E-mail: gary.anandasangaree-p@rcaanc-cirnac.gc.ca

This is **Exhibit E** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario
LSO#: 86635B

Dear Prime Minister and Ministers Hajdu and Anandasangaree:

Subject: First Nations Child and Family Services and Jordan's Principle

Recognizing your commitment to the Truth and Reconciliation Commissions Calls to Action, numerous resolutions from First Nations rights holders which prioritize First Nations child and family services and Jordan's Principle, and correspondence from the National Children's Chiefs Commission (NCCC) inviting you to co-develop a letter of commitment to set the stage for negotiations to address the requirements set out in the Canadian Human Rights Tribunal (CHRT) decisions in *First Nations Child and Family Caring Society et al v. Attorney General of Canada T1340/7008*, we write to express our interest in supporting the development of a letter of commitment on long-term reform of First Nations child and family services and Jordan's Principle.

We currently stand at a pivotal moment to ending discrimination through long-term reform of First Nations child and family services and Jordan's Principle. The Caring Society remains deeply committed to reforming child and family services and we are dedicated to achieving long-lasting solutions that are in the best interests of First Nations children for generations to come.

We are greatly encouraged by the direction First Nations-in-Assembly have provided, including clear direction to establish the National Children's Chiefs Commission to oversee negotiations on First Nations child and family services and Jordan's Principle in collaboration with Assembly of First Nations Executive Committee. First Nations leadership have entrusted the NCCC with the sacred work of ensuring an inclusive,

transparent, and evidence-based approach that will lead to better results for their children and families. First Nations across Canada are ready to begin negotiations and we hope Canada will take measures to do so as well.

Developed through First Nations-driven research with the Institute of Fiscal Studies and Democracy (IFSD), the groundwork has been laid and we have an evidence-informed approach to reforming First Nations child and family services and Jordan's Principle. The IFSD and First Nations have developed a vision for child and family services that includes a change in structure and resources to an outcome-based approach based on well-being for thriving First Nations children and transformation of organizational strategy, people, processes, and systems. First Nations rights holders have affirmed that the approach to child and family services must be one that is needs-based and prioritizes substantive equality, best interests of the child, culturally appropriate and distinct community circumstances. With these evidence-informed solutions and the support of skilled First Nation technicians and leaders across Canada, the Caring Society is confident that we can progress quickly to develop a reformed approach that is in the best interests of First Nations children and families.

Through good faith negotiations and respect for First Nations rights holders, we can chart a pathway forward to resolve the CHRT proceedings. While litigation remains an option, the Caring Society believes that negotiation is a preferred pathway. We invite your government to return to the negotiation table to achieve a national agreement on long-term reform of First Nations child and family services and a process to address Jordan's Principle. We are willing to make history together. This is a key moment for you to show your deep commitment to advancing reconciliation with First Nations so we welcome your response to our invitation to work on a letter of commitment to be completed by March 15, 2025 that will set a pathway to more detailed negotiations on long term reform.

Respectfully,

Raymond Shingoose
President, First Nations Child & Family Caring Society

Cindy Blackstock
Executive Director, First Nations Child & Family Caring Society

CC:
National Children's Chiefs Commission
AFN Executive

February 21, 2025

Sent by e-mail

Right Honourable Justin Trudeau
Prime Minister of Canada
80 Wellington St.
Ottawa, ON K1A 0A2
E-mail: pm@pm.gc.ca

Honourable Patty Hajdu
Minister of Indigenous Services Canada
10 rue Wellington
Gatineau, QC K1A 0H4
E-mail: ministresa-ministeris@sac-isc.gc.ca

Honourable Gary Anandasangaree
Minister of Crown Indigenous Relations and Northern Affairs Canada
10 rue Wellington, Gatineau QC K1A 0H4
E-mail: gary.anandasangaree-p@rcaanc-cirnac.gc.ca

This is **Exhibit F** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario
LSUC#: 86358

Dear Prime Minister and Ministers Hajdu and Anandasangaree:

RE: Follow-up to the NCCC's January 24, 2025 letter proposing to negotiate a letter of commitment in advance of March 24, 2025

I write in my capacity as Chair of the National Children's Chiefs Commission ("**NCCC**") to follow up with you in relation to the NCCC's January 24, 2025 letter proposing that we work collaboratively on a letter of commitment in relation to a national agreement on long-term reform of First Nations child and family services ("**LTR Agreement**") and a process to address Jordan's Principle.

In our January 24 letter, the NCCC highlighted our views that: (i) the overall funding envelope which is required to end discrimination in First Nations child and family services and ensure it never happens again is in the ballpark of the $47.8B that Canada previously proposed; (ii) there is a pathway that would, at some point in the future, end the Canadian Human Rights Tribunal's ("**CHRT**") jurisdiction; and (iii) the NCCC is ready, willing, and able to immediately proceed with completing negotiation of a national LTR Agreement.

We closed our letter by requesting a meeting with you, the AFN Executive, and the Caring Society at the earliest opportunity to discuss entering into a binding letter of commitment before March 24, 2025.

The purpose of this letter is to provide you with additional details about what is needed, from the NCCC's perspective, to finalize the LTR Agreement. In this regard, we have enclosed a table which outlines: (i) the ten high-level, outstanding issues with the LTR Agreement which must be addressed before the LTR Agreement is finalized; (ii) Canada's position on each outstanding issue, as set out in the draft LTR Agreement; (iii) the NCCC's proposal on how to resolve each outstanding issue; and (iv) the NCCC's view on whether

each outstanding issue can be readily resolved. The NCCC proposes to use the enclosed table to guide our discussions to develop a binding letter of commitment which secures existing commitments and charts a pathway forward to resolving the remaining outstanding issues in relation to the LTR Agreement.

The enclosed table confirms the NCCC's view that *a* national LTR Agreement is within reach, and merely requires Canada to return to the negotiation table to work with the NCCC, the AFN Executive, and the Caring Society in good faith to deliver the justice that all First Nation children and families deserve.

The honour of the Crown is paramount in these negotiations. Canada has constitutional and statutory duties, which have been affirmed by the Supreme Court of Canada and enshrined in an *Act respecting First Nations, Inuit and Métis children, youth and families* and the *United Nations Declaration on the Rights of Indigenous Peoples Act* to act honourably, negotiate in good faith, and avoid conduct that undermines reconciliation. This includes respecting the inherent right of self-determination as expressed through First Nations-in-Assembly. Canada cannot unilaterally impose solutions or adopt an intransigent approach, especially when addressing the systemic discrimination the CHRT has determined is occurring here.

Canada's recent conduct in this matter disregards the CHRT's orders, the principles of reconciliation, statutory duties, and the victims' right to participate in the design and implementation of an effective remedy. In particular, Canada's termination of consultations after the First Nations-in-Assembly declined to endorse the draft Final Settlement Agreement raises serious concerns. The First Nations-in-Assembly, exercising their inherent rights, identified legitimate shortcomings with that agreement. Canada's duty was to return to the negotiating table, not to unilaterally end the process.

The NCCC is deeply concerned that Canada's current approach risks perpetuating the injustices that the CHRT's orders, statutory duties, and reconciliation itself are meant to remedy. A return to good-faith negotiations, grounded in the honour of the Crown and a genuine commitment to collaboration, is urgently needed.

We have asked our officials to follow up with your offices to schedule a meeting between us as soon as possible.

Sincerely,

Chief Pauline Frost
Chair, NCCC

c: NCCC

AFN Executive

Dr. Cindy Blackstock, Executive Director, Caring Society

Mark Carney, Candidate for Liberal Leader and Prime Minister

Chrystia Freeland, Candidate for Liberal Leader and Prime Minister

Pierre Poilievre, Leader of the Conservative Party

Michelle Ferreri, Shadow Minister for Families, Children, and Social Development

Marilyn Gladue, Shadow Minister for Civil Liberties

Larry Brock, Shadow Minister for Justice and Attorney General of Canada

Jagmeet Singh, Leader of the NDP

Niki Ashton, Critic for Indigenous Services

Charlie Angus, Deputy Critic, Crown-Indigenous Relations

Lori Idlout, Critic, Indigenous Services

Yves-François Blanchet, Leader of the Bloc Québécois

Scott A. Smith and Liam A. Smith, interim legal counsel to the NCCC

Jenica Atwin, Parliamentary Secretary for Minister of ISC

Jaime Battiste, Parliamentary Secretary for Minister of CIRNAC

Deliah Bernard, Indigenous affairs advisor office of the Prime Minister of Canada

Outstanding issue	Canada's position on the FSA	NCCC's proposal to resolve outstanding issue	Solvable with Minimal Discussion	Elevated Levels of Discussion Potentially Required
1. Funding commitments	1. $47.8 B over 10 years	1 (a) The overall funding envelope required to end discrimination in First Nation child and family services and ensure it never reoccurs exists in the ballpark of the $47.8 B Canada announced.	✓	
		1 (b) Review of funding in draft FSA for governance. Some of these funds can be moved to the front lines.	✓	
		1 (c) Funding commitments that speak to distinct First Nations circumstances, that will include but are not limited to, remoteness issues, capacity building, actual and science-based needs, start-up funding for new agencies	✓	
	2. Annual claim-and	2 (a) Capital and post-majority all actuals for another 5 years, subject to review. Recognition that actuals during COVID-19 are not accurate. There are still knowledge gaps on required expenditures which may lead to marginal increases in funding envelope.	✓	
	3. Subject to annual appropriations and other approval processes required by Canada	3. Funding provided through guaranteed process such as statutory measures or special purpose statements (i.e. not subject to annual appropriations or other federal approval processes).	✓	
	4. Canada not required to provide any funding after 10-year term expires	4. Clarification that the funding responsibility does not disappear at the 10 year mark. Canada's obligation is to ensure the discrimination is eliminated and does not re-occur.	✓	
	5. The funding methodology does not eliminate the discrimination	5. (a) Use of FNIGC's measuring-to-thrive framework (see report) as a starting point; needs-based funding approaches that prioritize substantive equality, and which address any adverse effects related to per capita funding approaches consistent with the CHRT's funding principles, including substantive equality, best interests of the child, culturally appropriate, distinct community circumstances		✓
		5 (b) Creation of pools of funding for regional approaches and capacity building	✓	
		5 (c) First Nations and Agencies can use surpluses for capacity building based on a exemption and they can become eligible for the capacity building fund as well. This will reduce the exposure for Canada and ensure dispersed funds are able to be put to use. Funding must be sufficient to meet the principles of the Agreement and other legislative and regulatory requirements that are consistent with the principles of this Agreement (e.g., the Language Act).	✓	
	6. Rolled on per capita and Indian Registry System (IRS) population-based funding model, similar to the one deemed discriminatory by the CHRT. Prevention services were capped at an arbitrary amount based on inappropriate study - ~$2,000	6. First Nations and Agencies provide services to children and families wherever they reside (as per C-92 minimum standards). IRS does not capture the entire population served. Funding must not rely solely on the per capita formulae, especially those tied to the IRS. Parties must work towards a population framework, such as a First Nations-led census, to estimate the actual population served.	✓	
	7. Does not apply to First Nation children and families off-reserve	7. Extension of services of similar levels to those children who are First Nations who have been forced off-reserve due to lack of housing and services. See also 9(d).		
2. CHRT's jurisdiction	CHRT jurisdiction ends, including CHRT orders. Dispute Resolution Tribunal does not have jurisdiction to order Canada to fund new components or increase funding for existing ones	Stage 1: CHRT baseline orders stay in place and CHRT retains jurisdiction until the later of: (i) 5 years; or (ii) the Dispute Resolution Tribunal is established to monitor implementation of the FSA to ensure discrimination stops and never happens again.	✓	
			✓	
		Stage 2: Upon CHRT jurisdiction ending, Dispute Resolution Tribunal has ability to issue legally binding orders that require Canada to take additional measures (including providing additional funding) and make systemic changes if FSA measures are insufficient to end discrimination and ensure it never happens again. First Nations legal orders and laws must be recognized and incorporated into the dispute resolution process.		✓
3. Governance	1. No decision-making role for Chiefs	1. Collapse all proposed committees in the FSA into a National Body composed of the chiefs	✓	
	2. Membership in National Secretariat is limited to AFN, CCO, and NAN	2. National technical secretariat, which includes NAC and SAC, to provide its support to the National Body (many of these entities already exist - those do the actual implementation work)	✓	
	3. Reform Implementation Committee members appointed by parties and required to carry out work in confidential process	3. Regional technical secretariats to support work of National technical secretariat	✓	
	4. Continues to rely on ISC to administer program and deliver funds	4. This will add to administrative costs. The Nations have existing organizations that can be engaged to support delivery	✓	
4. Departmental reform	The Expert Advisory Committee is bound by confidentiality and was not sufficiently independent of ISC.	Canada's internal accountability mechanisms needs to be reviewed (accountability framework). The work of the EAC in reforming ISC and developing an accountability framework must be transparent and independent.		✓
5. Accountability measures	1. Canada requires FNCFS agencies to co-develop child and community well-being plan with the affiliated First Nation to be submitted to ISC under a deadline and subject to annual updates. There are also provisions that allow ISC to trigger audits, annual reporting, and funding reviews	1. Agreement should respect accountability processes that already exist between First Nations and Agencies and rights to develop an accountability framework including development of planning and measurement provisions that at minimum, ensures the nations are informed of agency activities, promote reciprocal accountability, consistent with the Act.	✓	
	2. Canada has a facultative option to report to First Nations and the Reform Implementation Committee on an agency's compliance with the terms in its funding agreement.	2 (a) See 1, above. Accountability measures in Agreement must also recall that ISC, not Agencies, also hold liable for discrimination. Reforms must ensure that ISC is accountable to rights holders.	✓	
		2 (b) The Honour of the Crown extends to provincial governments as well on this issue. There can be no actual long-term reform without imposing accountability to Nations from other service providers (ie. provinces and territories for non-delegated Nations)		✓
	3. The Reform Implementation Committee, which is confidential, is the sole entity charged with making recommendations to Canada and is also responsible for overseeing and monitoring the implementation of the reforms. It is staffed by ISC.	4. National Secretariat/Regional-FNIGC - hold ISC accountable for data collected to ensure compliance. Need solid program evaluation focused on ISC compliance. Governance mechanisms must operate openly and transparently	✓	
6. Regional variations	Regional variations for Ontario only	1. Agreement must recognize and allow for funding that matches distinct community circumstances		✓
		2. Cultural appropriateness		
		3. Allocation for children's needs above IRSD funding.		
		4. Regional Secretariats. ISC will respect regional processes in the governance, administration and delivery of First Nations child and family services as determined by First Nations rights holders, consistent with C92	✓	
7. C-92, treaty, and self-government	Funding will not be less than what would be provided for services funded under the FSA	1. Canada required to recognize the right to jurisdiction, and Crown responsibilities. Canada must ensure that any agreement (C-92, treaty, or self-government agreement) signed with First Nations discharges Canada's obligation to stop the discrimination and ensure it does not reoccur		
		2. Must recognize different pathways to jurisdiction.		
		3. Canada cannot contract out of its human rights obligation.		
		4. Canada must discharge its Honour of the Crown		
8. Confidentiality	1. Information from FSA implementation must be kept confidential.	1. AFN & 5. The starting principle for long-term reform must be openness and transparency. All negotiations and information relating to implementation of an Agreement should be, to the maximum extent possible, transparent. Transparency ensures accountability. Transparency and accountability, together, help end discrimination and prevent its reoccurrence.	✓	
	2. Confidentiality extends to discussions and communications surrounding negotiations according to the agreement in principle			
9. Definitions and Principles	Principles did not include the Honour of the Crown, intergenerational equity	Add to the Principles and definitions.	✓	
10. Term	Proposal: Canada confirms that the Honour of the Crown applies to the negotiation of long-term reform and the implementation of the ultimate agreement	This should be an evergreen agreement with a statutory basis. It is understood Canada has standard procedures for financial commitments in place. Treaty is by definition not a standard operating procedure.	✓	

OFFICE OF THE NATIONAL CHIEF

Assembly of First Nations

BUREAU DU CHEF NATIONAL

Assemblée des Premières Nations

This is **Exhibit G** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario
LSO #: 86635B

March 4, 2025

The Honourable Patty Hajdu, P.C., M.P.
Minister of Indigenous Services
10 Wellington Street
Gatineau, QC K1A 0H4

Dear Minister:

On behalf of the Assembly of First Nations (AFN), I write to you again to urge the Government of Canada to seek a revised mandate to negotiate a Final Agreement regarding the long-term reform of the First Nations Child and Family Services (FNCFS) Program.

As you are aware, the First Nations-in-Assembly provided the AFN with several new mandates on long-term reform by way of resolution in October and December of 2024. These mandates direct a new process for pursuing reform, including a new governance and oversight structure. The resolutions additionally call for extensive engagements, revised negotiation processes, and funding principles to be embedded in the process and revised Draft Agreement. Through these resolutions, we once again call on Canada to obtain a new negotiation mandate aligned with the resolutions, and to provide resources to advance the work.

We also want to be clear that the AFN supports the National Children's Chiefs Commission (NCCC) in its work on advancing the mandates of the First Nations-in-Assembly in relation to negotiating Final Agreements on long-term reform of the FNCFS Program and Jordan's Principle. We therefore also call on Canada to duly consider the NCCC's recent correspondence and take the necessary measures to facilitate the NCCC's critical role in long-term reform, as directed by the Chiefs.

We must continue to collaboratively advance this necessary and critical work for the benefit of First Nations children and families. I trust you remain committed to these efforts and would appreciate an update on the Government of Canada's mandate at your earliest convenience.

50 O'Connor Street, Suite 200, Ottawa, Ontario K1P 6L2 • 50, rue O'Connor, Suite 200, Ottawa (Ontario) K1P 6L2
Tel. / Tél.: 613-241-6789 • Fax / Téléc.: 613-241-5808 • www.afn.ca

Head Office / Siège Social
46 Irene Roundpoint Lane Akwesasne, Ontario K6H 0G5 • 46, voie Irene Roundpoint Akwesasne (Ontario) K6H 0G5
Fax / Téléc.: 613- 932-0415

Megwetch,

Cindy Woodhouse Nepinak
National Chief

Cc: AFN Executive Committee
National Children's Chiefs Commission

Services aux Autochtones Canada
Indigenous Services Canada

Sous-ministre
Deputy Minister

Ottawa, Canada
K1A 0H4

February 6, 2025

This is **Exhibit H** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario
LSO#: 86635B

National Chief Cindy Woodhouse Nepinak
Assembly of First Nations
50 O'Connor Street, Suite 200
OTTAWA ON K1P 6L2
NationalChief@afn.ca

Raymond Shingoose
President, First Nations Child and Family Caring Society
350 Sparks Street, Suite 202
OTTAWA ON K1R 7S8
info@fncaringsociety.com

Regional Chief Abram Benedict
Chiefs of Ontario
468 Queen Street East, Suite 400
TORONTO ON M5A 1T7
Orc.benedict@coo.org

Grand Chief Alvin Fiddler
Nishnawbe Aski Nation
100 Back Street, Unit 200
THUNDER BAY ON P7J 1L2
afiddler@nan.ca

Dear Parties:

This letter is to inform you of how Indigenous Services Canada will be using the principles from the Consultation Protocol entered into by all parties on March 2, 2018 to ensure oversight in the payment of consultation-related activities.

Canada remains committed to fulfilling its consultation obligations pursuant to 2018 Canadian Human Right's Tribunal 4, and as outlined in the Consultation Protocol. Effective immediately, invoices for a Party's consultation related work, including legal fees, will no longer be accepted for reimbursement. As per paragraph 24 of the Consultation Protocol, Indigenous Services Canada will provide each party with a "yearly budget forecast on an annual basis setting out the allotment of funding for the

.../2

Canada

coming year, based on an agreed upon workplan." We would suggest that for the time being, the consultation workplan focus on matters pertaining to the implementation of the Tribunal's existing orders on the First Nations Child and Family Services Program. In line with Indigenous Services Canada's obligation for financial oversight, Parties may be asked to report on expenditures annually for the Department to ensure that expenditures are not related to litigation.

I invite you or your officials to contact Lisa Legault, Director General, Child and Family Services Reform Sector, via email at lisa.legault@sac-isc.gc.ca, and Liliana Gutierrez, Acting Director General, First Nations and Inuit Health Branch, via email at liliana.gutierrez@sac-isc.gc.ca to schedule a meeting to develop the consultation workplan.

Yours sincerely,

Gina Wilson

This is **Exhibit I** to the Affidavit of **Duncan Farthing-Nichol**, affirmed before me on March 13, 2025

A Barrister and Solicitor in and for the Province of Ontario

March 10, 2025

Gina Wilson
Deputy Minister
Indigenous Services Canada
10 Wellington Street
Gatineau, QC K1A 0H4

Re: Funding for consultation regarding implementation of the Canadian Human Rights Tribunal's Orders, pursuant to 2018 CHRT 4

I am writing in response to your letter received at 7:23 PM Eastern Time on February 6, 2025 informing the Assembly of First Nations (AFN), Chiefs of Ontario (COO), Nishnawbe Aski Nation (NAN) and the First Nations Child and Family Caring Society of Canada (Caring Society) that ISC has unilaterally decided that "effective immediately" it will no longer accept invoices for consultation-related work for reimbursement. Without making any concrete proposal regarding how ISC will uphold its obligations under the Tribunal's orders, your letter requests that the parties contact the two Director Generals to establish a consultation workplan. Your letter also purports to limit consultation-related activities to the implementation of the Tribunal's existing orders on the First Nations Child and Family Services Program (FNCFS), despite the fact that the letter was sent in the midst of Tribunal-assisted mediation regarding the implementation of the Tribunal's orders on Jordan's Principle (Tribunal-assisted mediation is ongoing). Your letter also states that ISC may ask for unspecified annual reports related to ensuring that expenditures are not related to litigation.

Despite the Caring Society's surprise with Canada's unilateral decision changing ISC's practice, dating back to April 2018, of reimbursing the Caring Society's consultation related work, we are providing the workplan below to ensure that the parties' important work regarding the Tribunal-assisted mediation related to Jordan's Principle may continue uninterrupted.

In order to streamline matters, I request that you identify one official (and an alternate to contact during that employee's leave) in your office who has the authority to process and approve the Caring Society's invoices related to this workplan. Since ISC unilaterally changed what was an efficient payment process to a cumbersome one, whereby separate invoices had to be issued to the FNCFS Program and Jordan's Principle, there have been significant payment delays and concerns related to client-solicitor privilege as ISC demands more detail on Caring Society legal invoices. Before these measures were introduced, ISC payments were efficient and professionally managed. However, since October of 2024, ISC has been chronically late paying invoices, with some payments remaining outstanding for over 100 days. There are currently four outstanding invoices, three of which are over 65 days late and the remaining is over 35 days late.

Workplan Part One: Tribunal-assisted mediation regarding consultations under 2025 CHRT 6

On November 21, 2024, the Tribunal issued a letter decision granting a non-compliance motion brought by the Caring Society regarding Jordan's Principle in part and granting a cross-motion brought by Canada in part. The letter decision directed consultations between the parties in a manner of the parties' choosing to propose options for implementing a large number of remedial measures to address the issues identified in the decision. In December 2024, Canada advised that its preferred forum for addressing these issues was in Tribunal-assisted mediation with Member Harrington, who had been assigned by the Tribunal Chairperson to assist the parties in September 2024 in advance of the motion and cross-motion being argued.

The parties have met in twelve plenary sessions with the mediator since January 9, 2025, with more meetings scheduled for March and April 2025 and beyond. The Caring Society has also had six caucus sessions with the AFN, COO, NAN and the Canadian Human Rights Commission to discuss proposals and counterproposals related to the items under discussion.

The parties are presently discussing the following items pursuant to the Tribunal's orders:

1. Objective criteria to be used to identify urgent Jordan's Principle requests;
2. Definition of "no access to basic necessities" for the purposes of urgent Jordan's Principle requests;
3. Objective criteria and guidelines for cases involving caregivers and children fleeing from domestic violence (a category the Tribunal has included in the definition of urgent cases);
4. Guidelines for coordination between Jordan's Principle and other emergency services meant to support fire evacuation, including how to triage and respond to multifaceted requests that involve Jordan's Principle and other services;
5. Objective criteria to determine who is a "qualified professional" with relevant competence and training to identify urgent cases;
6. Guidelines on when the determination clock [for deciding requests] starts to run, in keeping with 2017 CHRT 14 and 2017 CHRT 35;
7. Interim practical and operational solutions supported by a rationale and available evidence to redress the hardship imposed on individuals and families (requestors) by reimbursement and payment delays;
8. Solutions to reduce and eventually eliminate the backlog that are efficient, effective and can work within government context; and
9. Options supported by rationale and available evidence in regards to timelines for non-urgent Jordan's Principle requests.

Canada has provided at least one round of proposals on all the items above except item #7 (payment timelines). Some of the items have involved multiple rounds of exchanges of proposals between the parties (items #1, #2, #3 and #5). At the present pace, discussions on these nine items can be anticipated to extend into the spring.

In addition to the items above, 2025 CHRT 6 also requires the parties to consult regarding:

10. Sufficiency of resources, including funding, for First Nations organizations receiving and/or determining and/or funding Jordan's Principle requests;
11. Development of an effective mechanism for referring First Nations children and families with Jordan's Principle requests to other services (including a culturally appropriate streamlined risk management system to ensure requestors referred to First Nations for Jordan's Principle services have their needs met in a timely manner and without barriers); and
12. Establishment of an interim independent, non-complex but effective, credible, national Jordan's Principle complaints mechanism.

The Caring Society counsel working on the Tribunal-assisted mediation and their associated hourly rates payable to the Caring Society for its non-profit purposes, are as follows:

Caring Society Counsel

a.	Sarah Clarke (Clarke Child & Family Law):	$505.00/hr
b.	David Taylor (Conway Baxter Wilson LLP):	$460.00/hr
c.	Kiana Saint-Macary (Conway Baxter Wilson LLP):	$235.00/hr
d.	Conway Baxter Wilson Articling Student:	$185.00/hr

The Caring Society has already incurred expenses of $85,906.43[1] related to the Tribunal-assisted mediation in January 2025 and $66,182.20[2] related to the Tribunal-assisted mediation in February 2025, for a total of $152,088.63, payable to the Caring Society for its non-profit purposes. We are addressing these months together with this workplan, given that your letter was received prior to the billing related to work in January 2025 being complete, and as work was underway for February 2025.

[1] Caring Society: $14,640.00; Clarke Child & Family Law: $34,767.22; Conway Baxter Wilson LLP: $36,499.21.
[2] Caring Society: $13,910.00; Clarke Child & Family Law: $27,481.69; Conway Baxter Wilson LLP: $24,790.51.

350 Sparks Street, Suite 202, Ottawa ON K1R 7S8 | 613 230 5885 | info@fncaringsociety.com @CaringSociety CaringSociety fncaringsociety

This is broken down as follows:

	January Hours	February Hours	Total Hours
Caring Society Staff	54	63.5	117.5
Sarah Clarke	58.44	45.4	103.84
David Taylor	54.5	26.9	81.4
Kiana Saint-Macary	26.8	40.7	67.5
Articling Student	4.9	-	4.9

The amounts for January and February 2025 also include travel-related expenses for Ms. Clarke ($1,418.43 in January 2025 and $1,574.18 in February 2025).

Based on the progress to this point, the Caring Society projects monthly expenditure on Tribunal-assisted mediation (including time preparing and reviewing proposals, caucus sessions with the AFN, COO, NAN and Commission, plenary sessions with all parties and the mediator, and discussions with community experts) to be $91,800. This figure is calculated as follows:

Item	**Amount**
Caring Society Staff Time	$14,000
Clarke Child & Family Law Fees	$31,500 (est. 55 hours for Ms. Clarke)
Conway Baxter Wilson LLP Fees	$35,000 (est. 45 hours each for Mr. Taylor and Ms. Saint-Macary)
Travel	$1,500 (Ms. Clarke, Toronto -> Ottawa)
Subtotal	$82,000
12% provision for unexpected work volume/travel	$9,800
Total	**$91,800.00**

Given the pace of the Tribunal-assisted mediation, a provision should be made for a total of $540,000.00 on account of future work, payable to the Caring Society for its non-profit purposes. This is additional to the $152,088.63 attributable to work in January and February 2025, and which should be funded irrespective of these workplan discussions.

To satisfy any concerns on ISC's part regarding the funds going towards consultation and in order to enable ISC to keep track of expenditures in the mediation envelope, we propose to continue providing monthly invoice summaries to a single point of contact at ISC.

Workplan Part Two: Supporting Canada in its ongoing activities to fully implement the Tribunal's orders

The Consultation Protocol dated March 2, 2018 contains several provisions regarding the importance of supporting Canada in its ongoing activities to immediately implement the full meaning and scope of the Tribunal's orders, including:

- Article 2(c): The objectives of the parties in pursuing the consultations contemplated by this Protocol are as follows [...] To ensure that all the parties work in a cooperative fashion to assist Canada in ensuring that it ceases its discriminatory practices and reforms the FNCFS Program and *1965 Agreement* to reflect the findings in the *Decision*, and ceases applying its narrow definition of Jordan's Principle and takes measures to immediately implement the full meaning and scope of Jordan's Principle;

- Article 8(a): The Parties agree to engage in good faith consultations with Canada on immediate relief measures, to the extent of their respective interests, mandates and constituencies. Without limiting the generality of the foregoing [...] The Caring Society will promote the interests of First Nations families and children as well as FNCFS Agencies;

- Article 9: The Complainants, Interested Parties and the Commission each agree to work with their respective constituencies to facilitate consultations on the development and implementation of immediate relief measures, to the extent possible given the urgency of these measures.

- Article 10: The other Parties will jointly review Canada's proposed policy changes, strategies, standards and communication materials to help ensure that Canada complies with the Tribunal's Decision and

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Rulings, and that the policies are in keeping with the best interests of the child under the United Nations Convention on the Rights of the Child, including as interpreted by the UN Committee on the Rights of the Child in General Comment #11, and the United Nations *Declaration on the Rights of Indigenous Peoples*. Alternatively, the Parties can offer alternatives where Canada's proposed policies, strategies, standards and/or communication materials fall short of compliance or meeting the best interests of First Nations children and their families.

- Article 22: Canada will provide the Complainants and Interested Parties with sufficient and adequate funding to ensure that their organizations can fully participate in the implementation of the Consultation Protocol, and in the consultation process itself, which includes the involvement of their respective legal counsel.

For Caring Society staff, this work includes:

i. Communicating with Jordan's Principle requesters experiencing delays, disruptions or denials related to requests for products, services or supports from ISC pursuant to Jordan's Principle CHRT orders (including misidentification of urgent requests, requests for supporting documents, determination delays and reimbursement delays, and escalations to headquarters);
ii. Escalation of individual and, on occasion, group requests to ISC's attention;
iii. Communication with requesters providing information on the Jordan's Principle appeals process;
iv. Technical guidance to FNCFS Agencies and to First Nations regarding implementation of the Tribunal's orders;
v. Participation in committees, including the Jordan's Principle Operations Committee; and
vi. Seeking legal advice from counsel regarding application of the Tribunal's orders.

Caring Society counsel periodically provide advice regarding the items above.

If legal counsel are called upon, they provide advice at the following rates:

a. Sarah Clarke (Clarke Child & Family Law): $505/hr
b. David Taylor (Conway Baxter Wilson LLP): $460/hr

For 2025, the Caring Society has submitted invoices totaling $42,770 ($21,360 January; $21,410 February), payable to the Caring Society for its non-profit purpose.[3] The Caring Society staff hours are broken down as follows:

	January Hours	February Hours	Total Hours
Caring Society Staff	42	45	87

The Caring Society projects a need for monthly funding of $19,500, payable to the Caring Society for its non-profit purpose, to support staff work related to the Consultation Protocol activities noted above related to First Nations families, First Nations service providers and FNCFS Agencies, which includes provision for an approximate average of 3.5 hours of legal advice per month.

Future Activities (consultations on long-term reform of the FNCFS Program and of Jordan's Principle)

This workplan does not address long-term reform regarding either the FNCFS Program or Jordan's Principle. As you know, the Tribunal is currently seized of a motion regarding Canada's refusal to engage in further consultations following the First Nations-in-Assembly's decision to reset negotiations on the Revised Final Settlement Agreement regarding the FNCFS Program in October 2024. ISC's refusal to negotiate is particularly puzzling given that paragraph 379 of the draft Final Settlement Agreement on FNCFS specifically provided for choice by First Nations-in-Assembly. Furthermore, the Tribunal issued directions in November 2024 and January 2025 regarding Canada's conduct respecting Jordan's Principle. The parties just received further research regarding FNCFS reform and completion of research to inform long-term reform for Jordan's Principle is expected soon.

The Caring Society proposes to revise this workplan upon the completion of the Jordan's Principle research or the Tribunal's decision on the motion noted above.

[3] Per the description of work appended to the invoices, the January and February invoice total includes Tribunal-assisted mediation, such that some of this amount is reflected in the mediation-related information noted above.

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Single Point of Contact

As indicated, the Caring Society requests one point of contact for funding related to consultation activities. The experience in 2024 regarding divided responsibilities was administratively challenging for the Caring Society and, it seemed from our experience, for ISC. Given that this correspondence has come from your office, it seems to us that it would be practical for an official in your office or in the office of Associate Deputy Minister Kovacevic to be responsible for discussions regarding the Caring Society's consultation funding.

I look forward to receiving a response by Friday, March 21, 2025.

Sincerely,

Cindy Blackstock, Ph.D.
Executive Director, First Nations Child & Family Caring Society

Copy to: Michelle Kovacevic, Associate Deputy Minister
Lisa Legault, Director General
Liliana Gutierrez, Acting Director General

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This is **Exhibit "B"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

Digitally signed by Adatia, Shireen
DN: C=CA, O=GC, OU=Jus-Jus, CN="Adatia, Shireen"
Reason: I attest to the accuracy and integrity of this document
Location: Ottawa, Ontario
Date: 2025.12.22 14:43:08-05'00'
Foxit PDF Editor Version: 13.1.6

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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

Executive Summary of Agreement-in-Principle on Long-Term Reform

The Agreement-in-Principle on Long-Term Reform of the First Nations Child and Family Services (FNCFS) Program and Jordan's Principle ("Agreement-in-Principle on Long-Term Reform"), was signed December 31, 2021 by the following "Parties":

- Assembly of First Nations
- First Nations Child and Family Caring Society
- Chiefs of Ontario
- Nishnawbe Aski Nation
- Government of Canada

On this page

- Update: July 2023
- Overview
  - Purpose
  - The FNCFS Program
  - Amount
  - Next Steps
  - Immediate Measures
- Details

- Recipients of FNCFS Funding
- Funding Mechanisms
- Reformed CFS Funding Approach
- Elements of the Reformed CFS Funding Approach
- Provisions Specific to Remote Communities and Nishnawbe Aski Nation (NAN)
- Main Ontario-Specific Provisions
- National First Nations Secretariat
- Jordan's Principle
- Funding Review
- Reform of Indigenous Services Canada
- Implementation
- Consent Orders Sought from the Tribunal
- Dispute Resolution

Update: July 2023

In the discussions leading up to the Agreement-in-Principle on Long-Term Reform, a key aim was to enable First Nations and their authorized service providers to provide services that are:

- predictable
- evidence-informed
- based on the distinct needs and circumstances of their communities, children, youth, young adults and families

Research is underway to inform the development of a longer-term funding approach that recognizes these distinct needs and circumstances.

The Agreement-in-Principle on Long-Term Reform anticipated that:

- a final settlement agreement on long-term reform of the FNCFS Program ("final settlement agreement") would be complete by November 30, 2022
- a fully reformed FNCFS Program would be implemented April 1, 2023

However, these timelines no longer apply as the Parties continue to discuss and work towards a final settlement agreement.

Some of the funding and other reforms under the Agreement-in-Principle on Long-Term Reform, such as the immediate measures including prevention, post-majority support services and First Nations Representative Services, were implemented starting on April 1, 2022. Learn more:

- Post-majority support services
- First Nations Representative Services

Other reforms have not yet been implemented, including funding for information technology, results, emergencies, poverty, and remoteness.

Overview

The executive summary of the Agreement-in-Principle on Long-Term Reform below contains timelines that were originally agreed upon when it was signed in December 2021. Because a final settlement agreement is still being discussed and worked on by the Parties, some of the timelines listed in the executive summary are no longer applicable. Those timelines are identified below.

Purpose

The purpose of the Agreement-in-Principle on Long-Term Reform is to provide a framework for reform of the First Nations Child and Family Services Program (the "FNCFS Program"), for improved implementation of

Jordan's Principle, and to reform Indigenous Services Canada to prevent the recurrence of discrimination. These reforms aim to satisfy the Canadian Human Rights Tribunal ("the Tribunal") orders regarding discrimination perpetrated by Canada in its FNCFS Program and its narrow application of Jordan's Principle. The reforms, designed to be in the best interest of First Nations children, youth, young adults and families, also aim to ensure that the discrimination they have experienced is not repeated. The reforms will also respect and conform to First Nations jurisdiction based on the inherent right to self-determination, recognized and affirmed by section 35 of the *Constitution Act, 1982*.

The FNCFS Program

Indigenous Services Canada provides funding to First Nations child and family services agencies, which are established, managed and controlled by First Nations and delegated by provincial authorities to provide prevention and protection services. The Program also provides funding to First Nations for the delivery of culturally appropriate prevention and well-being services for First Nation children and families on reserve and in the Yukon, and will fund First Nations Representative Services.

Amount

The Agreement-in-Principle on Long-Term Reform dedicates $19.807 billion over five years for reforming the FNCFS Program and for major capital relating to the FNCFS Program and Jordan's Principle. The Parties recognize that this amount does not include all program funding, such as for the implementation of Jordan's Principle.

Next Steps

In 2022, the Parties will undertake to negotiate and seek to conclude a final settlement agreement that will set out the details of long-term reform of the FNCFS Program, establish a path forward for reformed implementation of Jordan's Principle, and consider other initiatives to reform Indigenous Services Canada.

Immediate Measures

Canada will also implement the CHRT's orders to fund First Nations, FNCFS agencies and Jordan's Principle service providers for the purchase and construction of capital assets to assist in delivery of child and family services, First Nations Representative Services and Jordan's Principle services, and to support capital needs assessments and feasibility studies.

On **April 1, 2022**, Canada will begin funding:

- Prevention based on a formula that multiplies $2,500 by the on-reserve First Nations population and the First Nations population in the Yukon (to be allocated among agencies and First Nations);
- First Nation Representative Services based on a formula that multiplies $283 by the First Nations population on-reserve and in the Yukon (or $332.9 million over five years for First Nations in Ontario - funded to First Nations);
- The actual costs of post-majority support services to former children in care up to and including the age of 25, or the age for post-majority services specified in the applicable provincial or Yukon legislation (whichever age is greater), and
- The National Assembly of Remote Communities (NARC) over a five-year period.

Details

The following describes the contents of the Agreement-in-Principle on Long-Term Reform, to be implemented by April 2023. [1]

Recipients of FNCFS Funding

First Nations and FNCFS service providers (which are organizations – most often FNCFS agencies – that provide FNCFS) will receive the funding. First Nations and FNCFS service providers will use the funding to deliver child and family services to First Nations children, youth and families on-reserve and in the Yukon.

Funding Mechanisms

Indigenous Services Canada will distribute funding to the recipients using block and flexible funding mechanisms. These mechanisms will allow the recipients to move funding across expenditure categories in order to meet the real needs of the children, youth and families they serve, and to roll over unused amounts into future years. Flexible funding will be available to recipients until they are able to transition to a block funding mechanism.

Reformed CFS Funding Approach

The Agreement-in-Principle outlines a reformed funding approach for the FNCFS Program (the "Reformed CFS Funding Approach"). The Reformed CFS Funding Approach draws from the work by the Institute of Fiscal Studies and Democracy ("IFSD") in its reports *Enabling First Nations Children to Thrive* ("Phase 1") and *Funding First Nations Child and Family Services (FNCFS): A performance budget approach to well-being* ("Phase 2"). IFSD's upcoming work, *Research for the Modeling of a Well-being Focused Approach for First Nations Child and Family Services Through Performance Budgeting*

("Phase 3"), will inform adjustments to the Reformed CFS Funding Approach as well as supports to transition First Nations and FNCFS service providers to the Reformed CFS Funding Approach.

Elements of the Reformed CFS Funding Approach

Until such time that a permanent arrangement is in place in April 2023 [1], funding will be provided to those who are currently delivering the services, so that children, youth and families will not experience service disruptions in 2022-23. Meanwhile, the IFSD's Phase 3 work will inform a mid- to long-term strategy for transitioning to the reformed funding approach, which may include changing who receives the funding and delivers the services, in a way which ensures that children, youth and families do not experience service disruptions.

- **Baseline Funding for FNCFS Service Providers:** Baseline funding is provided based on the 2019-2020 expenditures of the FNCFS Program. Baseline Funding will increase year over year to reflect inflation and population growth.
- **Prevention:** Funding for prevention activities is provided based on a formula that multiplies $2,500 by the First Nations population on-reserve and in the Yukon. Prevention funding will be allocated between First Nations and/or FNCFS service providers that deliver prevention services.
- **First Nation Representative Services (previously known as Band Representative Services):** Funding for First Nation Representative Services is provided to each First Nation based on a formula that multiplies $283 by the First Nations population on-reserve (with the exception of First Nations in Ontario) and in the Yukon (for First Nations in Ontario, see *Main Ontario-Specific Elements*).

- **Information Technology:** Additional top-up funding for information technology is provided in an amount equivalent to 6% of Baseline Funding.
- **Results:** Additional top-up funding for results is provided in an amount equivalent to 5% of Baseline Funding. This supports the implementation of the Measuring to Thrive framework premised on well-being indicators in relation to child, family and community outcomes.
- **Emergency Fund:** Additional top-up funding for an emergency fund is provided in an amount equivalent to 2% of Baseline Funding. This fund will support responses to unanticipated circumstances affecting or related to the provision of FNCFS.
- **Poverty:** Additional top up funding is provided to address poverty gaps.
- **Post-Majority Support Services:** Additional funding is provided for post-majority support services for youth aging out of care and young adults formerly in care, up to and including the age of 25 or the age for post-majority services specified in the applicable provincial or Yukon legislation (whichever age is greater).
- **Capital:** Additional top up funding is provided for the purchase and/or construction of capital assets needed to support the delivery of FNCFS and/or Jordan's Principle services to First Nations children, youth or families on-reserve or in the Yukon, and for needs assessments and feasibility studies for such capital assets.

Additional investments over and above the $19.807 billion may be required in order to achieve long-term reform, informed by measures including but not limited to, periodic funding reviews, IFSD Phase 3 and future First Nations authorized research, including needs assessments for First Nations that are not served by an FNCFS agency.

Provisions Specific to Remote Communities and Nishnawbe Aski Nation (NAN)

- **Remoteness Funding:** The Agreement-in-Principle recognizes the barriers that impact remote First Nation communities, including governance issues and increased costs associated with remoteness. Canada will index funding to account for the increased costs of delivering child and family services in remote communities. The indexing will apply to Baseline Funding and to additional top-up funding for prevention, information technology, results, the emergency fund and poverty. Canada will collaborate with First Nations to develop a methodology to account for remoteness costs on a national basis, building on the Remoteness Quotient Adjustment Factor (RQAF) methodology developed by the NAN-Canada Remoteness Quotient Table.
- **National Assembly of Remote Communities (NARC):** Canada will fund a NARC-Canada Remoteness Table to develop a First Nations-sighted, evidence-based statistical model to estimate the increased costs associated with remoteness and in relation to providing child and family services in remote communities across the country. Canada will continue discussions with Nishnawbe Aski Nation about how to test different approaches to addressing the needs of remote communities with a sample of remote communities from across the country.
- **Remoteness Secretariat:** Nishnawbe Aski Nation and Canada will establish a dedicated Remoteness Secretariat with the primary responsibility for addressing remoteness issues. Canada will provide funding to this Secretariat. The Remoteness Secretariat will collect and analyze data in support of the NARC-Canada Remoteness Table, serve as a hub for best practices, and disseminate research and tools to

assist First Nations and FNCFS service providers in accounting for remoteness issues including increased costs.

- **Choose Life:** Canada will continue to fund Choose Life, which is an important suicide prevention program funded through Jordan's Principle for youth in Nishnawbe Aski Nation communities, at least at current funding levels before the Final Settlement Agreement is concluded. Long-term funding for Choose Life will be agreed upon in the Final Settlement Agreement. To inform long-term funding and reform of Jordan's Principle, Nishnawbe Aski Nation and Canada will formalize a high-level dialogue through a Choose Life Table based on agreed upon Terms of Reference.

Main Ontario-Specific Provisions

- **First Nation Representative Services:** Canada will begin to flow funding of $332.9 million over five years on April 1, 2022, to First Nations or to service providers that First Nations indicate should receive the funding. No First Nations Representative Services program will be funded in an amount lower than its highest annual funding amount between 2019-2020 and 2020-2021. Funding for First Nations Representative Services at actual costs will end on March 31, 2023. [1]
- **Capital:** Canada will provide funding to First Nations for the purchase and/or construction of capital assets to support the delivery of First Nation Representative Services or prevention activities to First Nations children, youth or families on-reserve. Canada will also fund needs assessments and feasibility studies for such capital assets.
- **1965 Canada-Ontario Agreement.** Canada and the Chiefs of Ontario will determine an approach to reforming the 1965 Agreement (this approach will include reaching out to the Government of Ontario). Regardless of the 1965 Agreement's status, FNCFS agencies and service

providers in Ontario will benefit from the Reformed CFS Funding Approach to the same extent as FNCFS agencies and service providers outside Ontario.

National First Nations Secretariat

An independent and technical Secretariat function will be established to assist First Nations and FNCFS service providers through data collection, analysis, and operational support. The Secretariat will share research and tools to help in the transition to the Reformed CFS Funding Approach. The Secretariat is not necessarily envisioned as one organization, but rather could be a network that builds on existing First Nations regional and national capacity.

Jordan's Principle

Canada will take urgent steps to implement the measures set out in a work plan to improve outcomes under Jordan's Principle, based on ISC's compliance with the Tribunal's orders. The work plan specifically includes commitments to:

- Identify, respond to and report on urgent requests;
- Develop and implement Indigenous Services Canada internal quality assurance measures, including training on various topics, a complaint mechanism, and an independent office to ensure compliance;
- Ensure privacy is protected, that least intrusive approach is used, and for the parties to engage the Privacy Commissioner;
- Ensure that professional recommendations are respected, and that clinical case conferencing only takes place where reasonably required to ascertain needs;
- Ensure that reapplications and/or cessation or disruption in funding, and/or payment procedures do not negatively impact First Nations

children;

- Increase national consistency and standards, especially with respect to group requests, develop and implement tracking to achieve this, and provide for re-review;
- Increase specificity and personalization in denial rationales with prompt communication to requestor;
- Implement "Back to Basics" approach and culture change to determination of Jordan's Principle requests; and
- Identify mechanisms for off-reserve capital where required to provide safe, accessible, confidential, and culturally- and age-appropriate spaces to support the delivery of Jordan's Principle and confirmed through needs assessments and feasibility studies, in the course of negotiating Final Settlement.

The Parties will discuss options for First Nations to take on a larger a role in approving and delivering services, products and supports under Jordan's Principle. Following a needs assessment and feedback from First Nations and service providers, the Parties will develop an implementation approach for long-term reform of Jordan's Principle.

Funding Review

An effective periodic funding review will help in determining future funding needs for the FNCFS Program to address ongoing discrimination and prevent its recurrence.

Reform of Indigenous Services Canada

An Expert Advisory Committee will support the design of an independent expert evaluation to identify and provide recommendations to redress internal departmental processes, procedures and practices that contribute to the discrimination identified by the Tribunal. These measures will be

complemented by mandatory staff training, revisions in performance metrics for staff that affirm non-discrimination, and other reforms recommended by the evaluation and/or Expert Advisory Committee.

Implementation

On **April 1, 2023** [1], Canada will fully implement long-term reform of the FNCFS Program, including the Reformed CFS Funding Approach. Canada will therefore cease to fund actual expenditures as of that date.

Consent Orders Sought from the Tribunal

By March 31, 2022, the Parties will bring a joint motion to the Tribunal to, among other things:

- Require Canada to fund prevention as of April 1, 2022, based on a formula that multiplies $2,500 by the First Nations population on-reserve and the First Nations population in the Yukon;
- Require Canada to fund post-majority support services at actual costs;
- Require Canada to assess the resources required to provide assistance to families and/or young adults in identifying supports for needed services for high needs Jordan's principle recipients past the age of majority;
- Require Canada to consult with the parties to implement the mandatory cultural competency training and performance commitment for Indigenous Services Canada employees;
- Require Canada to fund research through the IFSD; and
- Declare that the term for compensation eligibility for removed children and their caregiving parents or grandparents will begin January 1, 2006, and end March 31, 2022.

By November 30, 2022 [1], after the Final Settlement Agreement is signed, the Parties will bring a joint motion to the Tribunal for an order implementing long term reform measures and for a final order resolving the complaint in the CHRT process and ending the Tribunal's jurisdiction as of December 31, 2022. [1]

Dispute Resolution

An interim dispute resolution mechanism, led by an "Eminent First Nations Person" (meaning a First Nations person well known to have expertise in the area of dispute resolution), will resolve disputes related to the Tribunal's orders, major capital, or the Agreement-in-Principle between now and the time the Final Settlement Agreement is signed. The Final Settlement Agreement will include a final dispute resolution mechanism.

Selected Items to be Determined Prior to the Final Settlement Agreement:

- The subset of indicators from IFSD's Measuring to Thrive framework that Indigenous Services Canada will report to Parliament;
- Potential funding for regional technical secretariats as described under the Reformed CFS Funding Approach;
- The allocation of prevention funding between First Nations and FNCFS service providers;
- Planning and accountability measures between First Nations and FNCFS service providers to facilitate the capacity of FNCFS agencies and First Nations to undertake this work;
- Funding for an independent and non-political regional and national network of First Nations children and youth in care and young adults formerly in care;
- The scope of capital asset categories and collaboration on drafting a major capital guide and an accountability mechanism for major capital

projects;

- As noted above, the form of a binding and enforceable dispute resolution process that shall be First Nations-led, culturally-appropriate and funded by Canada;
- Steps involved for First Nations and FNCFS service providers to qualify for block funding;
- How to ensure non-discrimination in Canada's provision of FNCFS and Jordan's Principle in year 6 and beyond; and
- Positive measures to reform Indigenous Services Canada to prevent the recurrence of discrimination.

Footnotes

1 The executive summary of the Agreement-in-Principle on Long-Term Reform contains timelines that were the originally agreed upon timelines from when it was signed in December 2021. Because a final settlement agreement is still being discussed and worked on by the Parties, some of the timelines listed in the executive summary are no longer applicable.

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This is **Exhibit "C"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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DN: C=CA, O=GC, OU=Jus-Jus, CN="Adatia, Shireen"
Reason: I attest to the accuracy and integrity of this document
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Date: 2025.12.22 14:43:20-05'00'
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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
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Funding First Nations child and family services (FNCFS): A performance budget approach to well-being

Institute of Fiscal Studies and Democracy
at the University of Ottawa

Funding First Nations child and family services (FNCFS): A performance budget approach to well-being

Institute of Fiscal Studies and Democracy
at the University of Ottawa

July 31, 2020

Jonathan Thompson
Director, Social Development
Assembly of First Nations
55 Metcalfe Street, Suite 1600
Ottawa, ON K1P 6L5

Dear Mr. Thompson,

Pursuant to contract no. 20-00513-001, the Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa is pleased to submit the report: *Funding First Nations child and family services (FNCFS): A performance budget approach to well-being.*

We trust that this report meets the expectations set out in the terms of reference for this project.

We are grateful for the support of the Assembly of First Nations, the National Advisory Committee, and the First Nations Child and Family Caring Society, as well as to our consulting experts. We especially wish to thank the First Nations child and family services agencies, their leadership, and their staff for their exceptional work.

Yours sincerely,

Kevin Page
President & CEO

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Funding First Nations child and family services (FNCFS): A performance budget approach to well-being

Helaina Gaspard, Ph.D.

This report was prepared under the supervision of Kevin Page, President & CEO of the Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa.

With contributions by Sahir Khan, Azfar Ali Khan, Mostafa Askari, Aimeric Atsin, Vivian Liu, and Alex Reeves.

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We wish to recognize the efforts of Statistics Canada's Centre for Indigenous Statistics and Partnerships, Social, Health and Labour Statistics Field, for clarifying availability and applicability of data.

Dedication

This report is dedicated to First Nations children and their futures and to John Loxley, Ph.D., FRSC. Dr. Loxley was a professor of economics at the University of Manitoba. A scholar, teacher and advisor in international finance, international development and community economic development, Dr. Loxley was also highly regarded for his work on Indigenous economic development and the funding of First Nations child and family services. Dr. Loxley passed away in July 2020 and his collaboration on this report would prove to be among his final research projects. The authors wish to recognize Prof. Loxley's life and career and dedicate this report in his memory. John Loxley's contribution will carry on in the lives of the First Nations children that he held so dear.

Table of Contents

Glossary of Acronyms....XIV
Glossary of Definitions....XIV
EXECUTIVE SUMMARY XVII
INTRODUCTION 1
Context....1
Our approach 5
The current state 5
The cost of doing nothing 10
PART I: INDIGENOUS SERVICES CANADA (ISC) EXPENDITURE AND OUTCOME ANALYSIS 21
Introduction....21
ISC's current expenditures....22
Piikani Child and Family Services....30
An alternative approach to performance....36
PART II: MEASURING TO THRIVE PERFORMANCE FRAMEWORK....39
Introduction....39
Kw'umut Lelum....40
Carrier Sekani Family Services....45
Applying the framework....48
Supporting software....49
"Measuring to Thrive" software application....52
Building well-being into performance....57
The human development ecosystem....58
Child well-being today: The shift towards prevention and early intervention....59
Indigenous perspectives on well-being....60
Performance budgeting and performance measurement....62
Performance measurement in child welfare....63
Data collection....65
Performance framework justification....66
Sub-strategic outcome: Child well-being....68
Sub-strategic outcome: Family well-being....92
Sub-strategic outcome: Community well-being....98
Applications....106
Data on First Nations in Canada: Current state....106
Analyzing the gaps: What is missing?....107
Feasibility and criticality of data collection....110
Connection to the Measuring to Thrive framework....112
Connection to the Government of Canada's Expenditure Management Architecture....113
Elements of the Horizontal Initiatives Guide....114
Detailed Checklist Based on the Horizontal Initiatives Guidance Document....116
PART III: FUNDING APPROACH....117
Introduction....117
Performance budgeting....117
Performance budgeting in health and social services....121
Post-secondary education....121
Health in developing contexts....124
Performance funding in child welfare....125
Funding approach....126
Splatsin....128

Funding foundations 131
Overview of funding approaches 133
Block funding approach 136
Building a funding approach 138
Funding architecture 139
Information technology (IT) 141
Capital 141
Poverty 155
Yorkton Child and Family Services 156
Prevention 158
Mi'kmaq Child and Family Services 158
The Child and Family All Nations Coordinated Response Network (ANCR) 161
Kanikanapit—Miluelinun mahk mamu miluelimun (Mashteuitsch) 162
Geography 163
Awasis 164
Native Child and Family Services 168
Results funding 170
Emergency funding 171
Dakota Ojibway Child and Family Services 172
Secretariat 176
Application of the funding approach 177
FNCFS survey 177
Funding approach scenarios 185
PART IV: TRANSITION 189
Introduction 189
Managing change and transition 189
Clear plan/strategy 190
Communication 191
Phased-in approach 192
Leadership/support 194
Plan for challenges 195
Considerations for FNCFS transition strategy 196
Linkages to the performance framework 199
Service delivery 199
Funding practices 203
Lessons from Tennessee 205
Operating, programming and capital considerations 206
Governance 209
Nogdawindamin 210
Transition support: First Nations-led secretariat 214
Data and evidence 215
Operational supports and programming 215
Secretariat structure and governance 217
The way forward 220
Lessons from West Region Child and Family Services' block funding pilot 222

PART V: ASSESSMENTS OF NEED FOR FIRST NATIONS UNAFFILIATED TO A FNCFS AGENCY 225
Introduction 225
Need-assessment 227
Esquimalt Nation 229
First Nation W 237
Resources 245
Considerations for transition 247
CONCLUSION 249
Recommendations 250
BIBLIOGRAPHY 251
APPENDIX 283

Glossary of Acronyms

AFN Assembly of First Nations
CFS Child and Family Services
CHRT Canadian Human Rights Tribunal
CIC Children in Care
FNCFS First Nations Child and Family Services
FNIGC First Nations Information Governance Centre
FNIHB First Nations and Inuit Health Branch
IFSD Institute of Fiscal Studies and Democracy
INAC Indigenous and Northern Affairs Canada
ISC Indigenous Services Canada
NAC National Advisory Committee
TBS Treasury Board of Canada Secretariat

Glossary of Definitions

Assembly of First Nations (AFN)
National body that advocates on behalf of First Nations in Canada.

Child and Family Services (CFS)
Services provided by governmental or non-governmental organizations to support the well-being of children and their families.

Canadian Human Rights Tribunal (CHRT)
Tribunal mandated to apply the Canadian Human Rights Act and hears cases related to discrimination.

First Nations Child and Family Services (FNCFS)
Indigenous Services Canada (ISC) program that funds prevention and protection services with the aim of supporting the safety and well-being of First Nations children and families living on-reserve.

First Nations Information Governance Centre (FNIGC)
Non-profit organization that receives its mandate from the AFN's Chiefs in Assembly. Working with its regional partners, FNIGC conducts data-gathering initiatives to put together culturally relevant portraits of the lives of First Nations peoples and their communities.

First Nations and Inuit Health Branch (FNIHB)
A branch of Indigenous Services Canada (ISC) responsible for health care and related services in First Nations and Inuit communities.

Institute of Fiscal Studies and Democracy (IFSD)
Canadian research institute in public finance and state institutions at the University of Ottawa.

Indigenous Services Canada (ISC)
Government of Canada department responsible for supporting self-determination of Indigenous peoples, as well improving access to services for Indigenous communities. Formerly, Indigenous and Northern Affairs Canada (INAC).

Indigenous and Northern Affairs Canada (INAC)
See Indigenous Services Canada (ISC).

National Advisory Committee (NAC)
Mandated to assist in reforming FNCFS policies and programs on-reserve by supporting First Nations leaders and agencies, as well as the Minister of ISC. The NAC is comprised of a national Chair, three representatives of the federal government, one representative of the AFN, one representative of the Caring Society, ten regional representatives (one from each AFN region), one youth representative, and one Elder(s) representative.

Treasury Board of Canada Secretariat (TBS)
Advises the Treasury Board committee of ministers with regards to how the government spends money on programs and services, and how public money is managed.

Executive Summary

Introduction

With the endorsement of the National Advisory Committee (NAC), the Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa was asked by the Assembly of First Nations (AFN) and the Caring Society to define a **funding approach** and **performance measurement framework** for First Nations child and family services, with funding support from Indigenous Services Canada (ISC).

The purpose of this project is to present stakeholders with a funding **structure**; a means of developing **evidence** to understand the well-being of children, families and communities; and a range of scenarios to **cost** the proposed approach. There are four parts to this work:

1. **Expenditure analysis and funding impacts:** Defining the existing baseline of FNCFS program allocations, expenditures and their impacts, including CHRT-mandated funding.

2. **Performance framework:** Defining a measurable future state from which to build a funding approach for thriving children.

3. **Funding approaches:** Identifying and analyzing approaches to funding that support improved outcomes for children.

4. **Transition plan:** Defining approaches and considerations in moving to a new system of performance and funding focused on thriving children.

Context for change

Supporting the well-being of First Nations children, families, and communities is the principal goal of this work. The current state is a challenging point of departure, with disparities in poverty, access to potable water flowing from a tap, health outcomes, the effects of intergenerational trauma, food sovereignty, safe and suitable housing, and broadband connectivity. Well-being is holistic and connected to an individual's environment and their community. Fostering well-being means considering the many contextual factors and considerations that shape children, families, and communities.

An Act respecting First Nations, Inuit, Métis children, youth and families, commits to reconciliation, substantive equality, and the well-being of

Indigenous children, youth, and families. Read through the lens of its preamble, the Act is an opportunity to restructure and resource First Nations child and family services (FNCFS) to deliver better results for children, families and communities with commitment to substantive equality, a culturally informed approach and the best interests of the child.

There is an opportunity to address the challenges associated to the protection system that the Canadian Human Rights Tribunal (CHRT) found to be discriminatory and underfunded in its rulings. A child's contact with the protection system has long-term consequences and increases their likelihood of interacting with social services such as the welfare system, the criminal justice system etc. later in life. These systems are corrective measures, often addressing downstream effects of risks that had the potential for mitigation. Independently costly to run, these systems are designed as final backstops to social challenges rather than addressing the *causes of the causes*. The current system invests in reactionary measures rather than proactive ones, that end up being more costly and less effective (see The cost of doing nothing).

This project seeks to reset the structure, funding, and governance of the current FNCFS system to mitigate and address the causes of contact with the protection system.

Phase 2 approach

This work is developed from the ground-up, with collaboration and insight from FNCFS agencies, First Nations, and experts. Twelve in-depth case studies, a survey on FNCFS expenditures, three expert roundtables, and supplementary research and analysis from Canada and the United States, form the foundation of this work.

The existing funding gaps in the FNCFS system were well-defined by the Phase 1 project, *Enabling First Nations Children to Thrive*. With the participation of 76% of FNCFS agencies, gaps in funding for prevention, poverty, information technology, and capital were identified.

This project (Phase 2) builds on the findings from Phase 1. With the goal of holistic well-being, Phase 2 proposes a performance framework (Measuring to Thrive) and a need-based block funding approach (Table 1).

BLOCK FUNDING APPROACH:

Resources are allocated based on a combination of previous financial data (to fund maintenance and protection) and need (e.g. population size, geography, poverty level, etc.).

Funds are provided for general purposes identified under terms and conditions in a contribution agreement or a statute. Service providers have flexibility to adjust allocations (e.g. operations and capital, protection and prevention).

The capacity to "carry forward" money (ability to move monies forward if not spent, in a current year, like the 10-year grant) and access to emergency funding, as provided, are consistent and additive to a block funding approach.

Emergency funds would be available should a service provider—due to an exceptional increase in service demands (e.g. protection requests, an increase in health-related issues)—be unable to meet the needs of their communities with pre-defined revenues.

In the proposed approach, risk is managed to empower service providers to act in the best interest of children, families, and communities.

TABLE 1: Current state and proposed future state comparison of the FNCFS program.

Current state	Proposed future state
▪ Funding driven by children in care	▪ Funding driven by indicators of well-being
▪ Top-down; formula-based funding with ad-hoc supplements	▪ Bottom-up budgeting complemented by need and performance components
▪ Mixed governance model	▪ First Nation control (*An Act respecting First Nations, Inuit and Métis children*)

Performance framework

The Measuring to Thrive framework marks a departure from the current state of performance measurement for the FNCFS program. From four output-based measures focused on protection, to seventy-five indicators that capture the well-being of a child, their family, and their community environment (Figure 1). Understanding a child's environment is integral to their well-being. How can a child be well if their housing is not safe and

secure? If potable water is not readily available? If the effects of trauma and addictions impact their communities? Measuring to Thrive connects children, families, and communities to capture a holistic vision of well-being. Thriving First Nations children need thriving First Nations communities.

FIGURE 1: Current state and proposed future state comparison of performance measures.

Current state FNCFS performance measures

1) Percentage of First Nation communities offering family support services aimed at keeping families together.

2) Percentage of First Nations children on-reserve, in care.

3) Percentage of First Nation children entering care for the first time.

4) Percentage of children in care placed with a family member.

Proposed future state: **Measuring to Thrive**

FAMILIES
(6 indicators)

Performance area	Sample measures of indicators
Wellness and social engagement	• Families reporting livable income to meet needs • Families demonstrating social engagement through participation in cultural traditions, teachings and ceremonies • Incidents of family violence

CHILDREN
(42 indicators)

Performance area	Sample measures of indicators
Safety	• Incidences of child sexual abuse • Number of moves in care • Rates of family reunification
Cognitive development	• Children achieving basic numeracy and literacy targets
Social relationships	• Youth reporting ties to elders • Youth reporting ties to siblings, extended family, friends
Emotional, cultural and spiritual well-being	• Children/youth reporting eating traditional foods • Children/youth reporting pride in Indigenous identity
Physical health and well-being	• Children/youth reporting regular physical activity • Percentage of teenage births

COMMUNITY
(27 indicators)

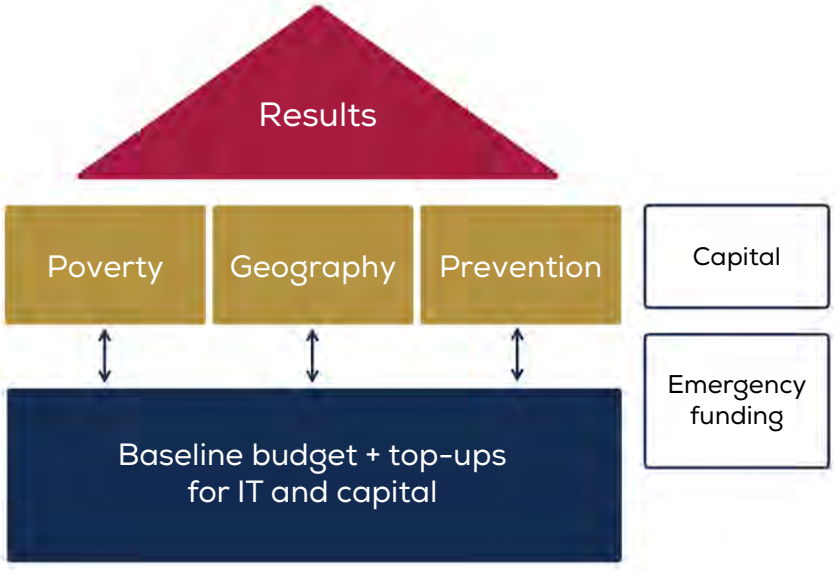
Performance area	Sample measures of indicators
Basic needs	• Households with drinking water flowing from tap for consumption, bathing and other uses • Households with internet connectivity • Community employment rate
Community services and engagement	• Community spaces for gatherings • Community controls and runs health services
Wellness	• Rates of violent crime • Rates of chronic health conditions
Education	• Community offers and controls elementary education • High school graduation rates

The approach in Measuring to Thrive is a manifestation of the Treasury Board of Canada Secretariat's Policy on Results and *Guide to Departments on the Management and Reporting of Horizontal Initiatives.*[1] By collecting data on the *causes of the causes* that inform well-being, the measurement framework is a results-based tool to plan, monitor, and assess the performance of policies and programs, against the goal of thriving First Nations children, families, and communities. The horizontal view adopted in the framework is an expression of the interrelated criteria of wellness.[2] This type of integrated performance framework could be considered by provinces and unaffiliated First Nations to capture and track well-being in communities.

Funding approach

To deliver on the desired goal expressed in Measuring to Thrive, a funding approach that is informed by need with latitude for service providers to act in the best interests of those they serve is necessary. A bottom-up funding approach was designed as a block transferred budget with components addressing gaps in need, including prevention, poverty, geography, IT, capital, with supplements for the shift to a results-focused approach (Figure 2).

FIGURE 2: Proposed funding approach overview.



[1] Treasury Board of Canada Secretariat, "Guide to Departments on the Management and Reporting of Horizontal Initiatives," *Government of Canada*, updated May 17, 2018, https://www.canada.ca/en/government/system/finances/horizontal-initiatives-database/guide-departments-management-reporting-horizontal-initiatives.html.

[2] A cloud-based application for data collection, tracking, and reporting has been developed by IFSD for use by FNCFS agencies and First Nations.

The funding approach is connected to the Measuring to Thrive framework and is intended to provide FNCFS agencies with the resources necessary to deliver the programs and services needed for thriving First Nations children, families, and communities. The approach is consistent with the Act that commits to fiscal arrangements to support the delivery of FNCFS to secure long-term positive outcomes,[3] as well as the efforts on devolved fiscal relations for First Nations.

Spending implications

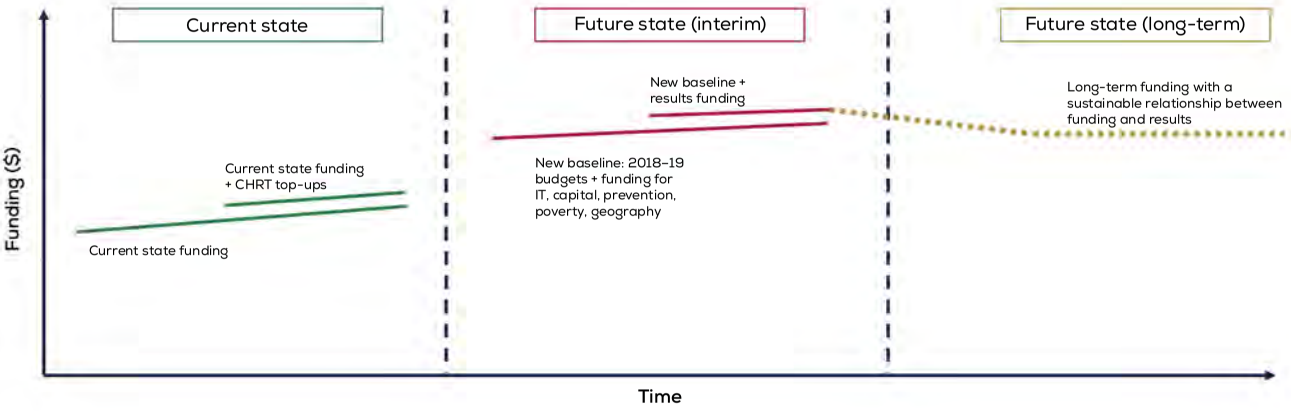
Children, families and communities have needs. Some may need more support than others for various reasons. Professionals and communities should have the tools, resources, and flexibility with which to employ them to address the *causes of the causes* of need. The choice of tools should not have adverse fiscal consequences, when accountable decisions are made for the well-being of children, families and communities.

Working to improve well-being means increasing resources to prevention services, while maintaining support for protection services. Over the long-term, we expect the relationship between spending and results to change (Figure 3). There is well-established research that demonstrates the long-term benefits of early investment in child well-being, including better health, social and cognitive development, and even parental benefits. This and other research support a business case[4] for significant investment in prevention to mitigate potential negative downstream effects such as incarceration, homelessness, and lost opportunities, which can result in significant financial and social costs.

[3] *An Act respecting First Nations, Inuit and Métis children, youth and families*, c. 24, s. 20 (2)(c), last modified July 14, 2020, https://laws.justice.gc.ca/eng/acts/F-11.73/page-1.html.

[4] A business case provides a justification for undertaking a project with relevant supporting evidence.

FIGURE 3: Modelling an adjustment to current state funding to achieve long-term goals, with a sustainable relationship between funding and results.



For the 2018–19 fiscal year, FNCFS agencies reported total expenditures of approximately $1.7B (through the IFSD survey) which may include supplementary funding from CHRT-mandated payments.

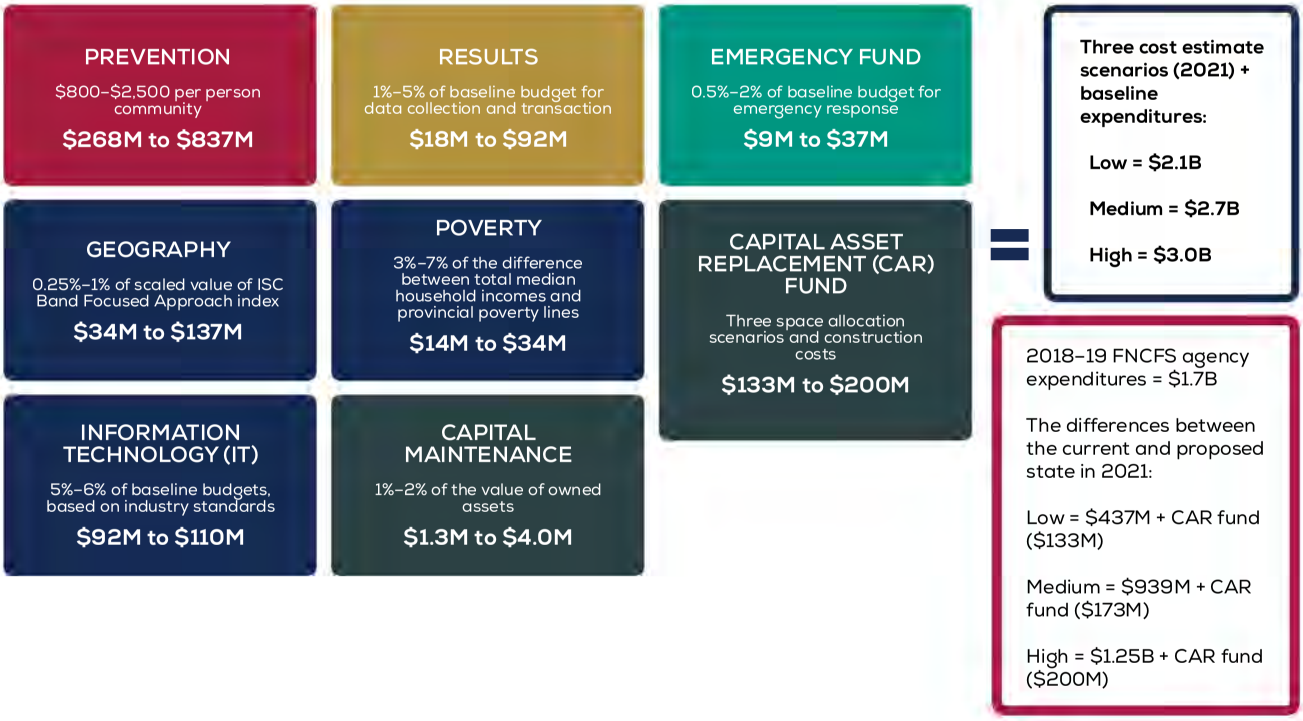
With 2018–19 FNCFS expenditures as a baseline, the approach adjusts the baseline budget by adding components to reflect the First Nations served, to support the Measuring to Thrive performance framework, grown by the standard factors of inflation and population (Table 2).

TABLE 2: Funding approach components and their applications.

Component	Quantification
Results	▪ Funding to support goals in the Measuring to Thrive framework. Percentage of baseline budget.
Prevention	▪ Per capita allocation, $800, $2,000 or $2,500 by population on-reserve.
Geography	▪ Factor increase to baseline budget, using ISC's weighted remoteness quotient.
Poverty	▪ Household basis; relative to provincial poverty line; Census 2016 data.
Capital	▪ Percentage (e.g. 2%) of total value of capital assets for capital maintenance. ▪ Application-based fund for major capital projects, e.g. new building, extensive renovation, etc.
IT	▪ Percentage top-up to baseline budget of 5% to 6% based on industry standards for not-for-profit service organizations.
Emergency funding	▪ Percentage top-up to baseline budget to address unanticipated circumstances related to CFS, that affect demand for an agency's core services.

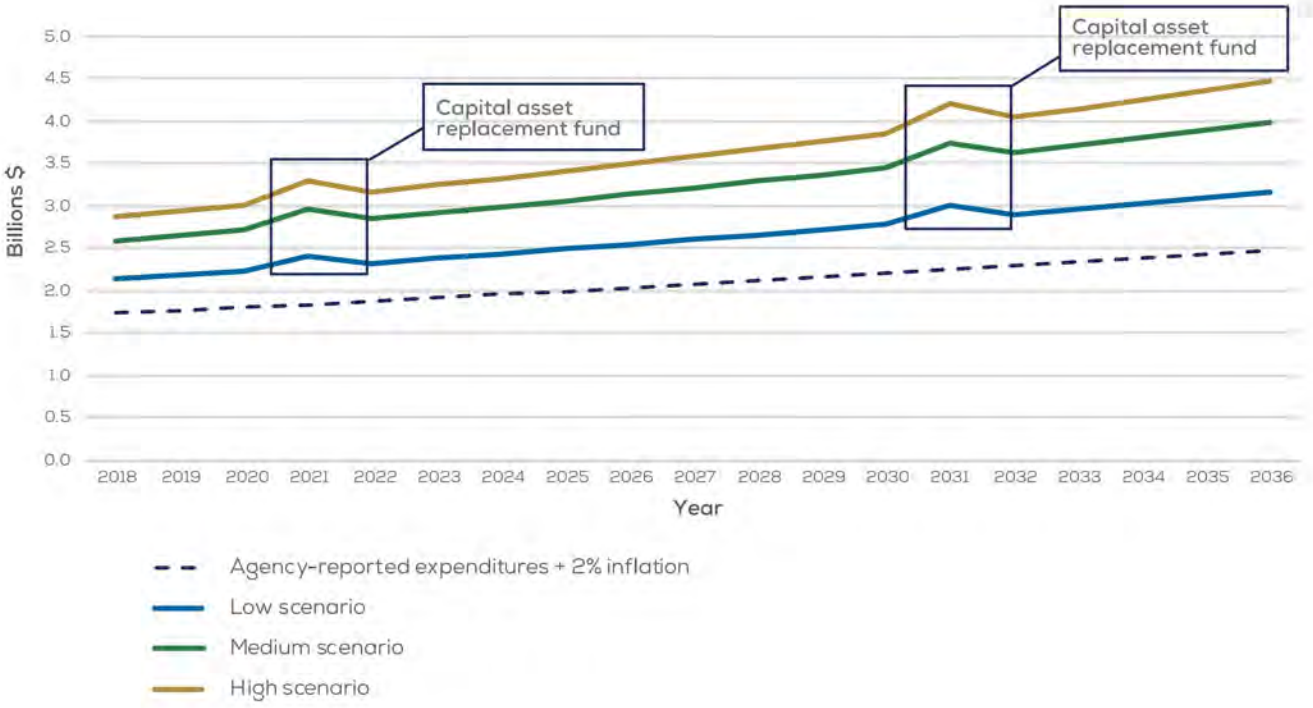
To model the funding approach, three scenarios are proposed, based on low, medium and high points in the ranges associated to each of the cost factors (Figure 4).

FIGURE 4: Cost estimate overview of the proposed funding approach.



The proposed funding approach represents an increase in overall system costs between $437M and $1.25B in 2021, depending on the selected scenario, plus capital asset replacement fund investments (Figure 5).

FIGURE 5: Total estimated system costs (low, medium and high scenarios), 2018–2036 (with Statistics Canada's constant population scenario and 2% inflation).



The performance framework and funding approach are directionally consistent with the Act, seek to address CHRT findings, and propose a way forward focused on the well-being of First Nations children, families, and communities.

Challenges

Change is difficult. Transitioning to a bottom-up funding approach and performance framework informed by the lived realities of First Nations children, families and communities will impact existing practices. It will take great effort to shift the system from one focused on protection to one focused on well-being, which includes child safety. This transition from a protection-based fee-for-service model to a block funding approach that supports both protection and prevention will require a new system structure, a results-focused performance framework, and related governance practices.

Data availability, access, and collection will take time to develop. There will be challenges along the way. Shifting from the current to future state system will require an openness to collaboration, in-course adjustments, unforeseen challenges, data-driven approaches, and learning.

To support the transition from the current to future state, a First Nations-led secretariat is proposed. With a dual mandate to support data collection and analysis and operations, the secretariat will be a resource for FNCFS agencies and First Nations.

Resourcing for substantive equality in outcomes will require investment. The new funding and performance architectures represent fundamental changes to the way FNCFS is funded, as well as its accounting for results through the Measuring to Thrive framework, and accountability is reoriented to a dual dynamic between ISC and FNCFS agencies and First Nations.

Recommendations

Pursuant to the findings in this report, the following four recommendations are made:

1. Adopt a results framework for the well-being of children, families, and communities, such as the Measuring to Thrive framework.

2. Budget for results with a block funding approach that addresses gaps and is linked to the results framework.
   a. Undertake a full assessment of current capital stock.

3. Establish a non-political First Nations policy and practice secretariat to support First Nations and FNCFS agencies to transition to First Nations governance.

4. Establish a group of FNCFS agencies and First Nations willing to be early adopters of the new performance and funding approach to model implementation.

Introduction

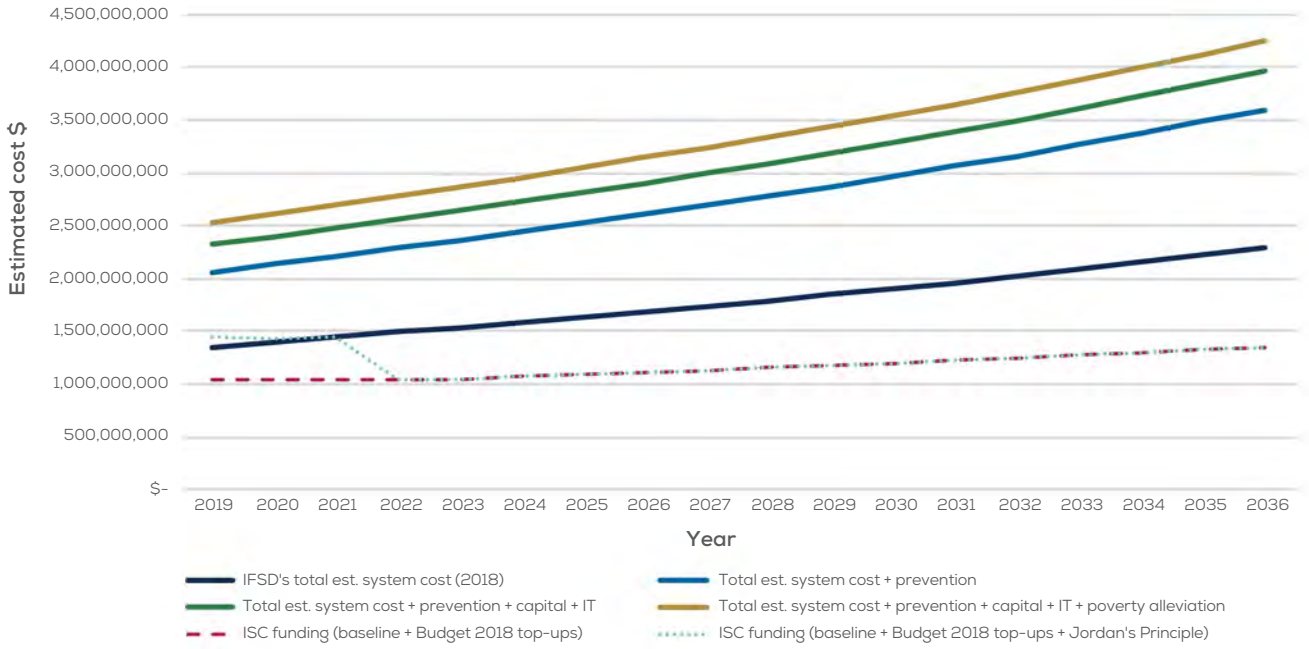
Context

With the endorsement of the National Advisory Committee (NAC), the Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa was asked by the Assembly of First Nations (AFN) and the Caring Society to define a **funding approach** and **performance measurement framework** for First Nations child and family services, with funding support from Indigenous Services Canada (ISC).

This report (Phase 2) builds on the findings and recommendations of IFSD's Phase 1 report, *Enabling First Nations Children to Thrive*. Accepted by NAC in February 2019, the Phase 1 report was produced as a response to Canadian Human Rights Tribunal (CHRT) (2018) orders 408, 418 and 421, related to the discriminatory funding approach applied by Canada for First Nations child and family services (FNCFS) agencies. The report highlighted funding shortfalls in prevention, capital and IT, as well as contextual and funding structure challenges.

With the participation of 76% of FNCFS agencies, IFSD was able to construct a bottom-up portrait of expenditures, expenditure relationships, and gaps in FNCFS agency operating budgets. The representative data sample demonstrated a near perfect correlation between the number of children in care and the size of an agency's total budget. The existing funding structure has shaped the system. Funding is principally linked to protective services (with exception to the supplementary CHRT-mandated funding). The strength of the relationship between the number of children in care and agency budgets made it a reliable means of estimating the total cost of the FNCFS system, based on the average annual cost of a child in care estimated at $63,000. The total system cost was estimated and projected out to 2036, with various combinations of assumptions (see Figure 6).

FIGURE 6: Phase 1 First Nations child and family services cost estimate scenarios.



The data suggested that expenditure patterns did not follow provincial lines, and that spending, and outcomes were not meaningfully shaped by funding formulas. The characteristic that most shaped agency expenditures was the year-round road accessibility of the First Nations served by the agency. If an agency served at least one First Nation without year-round road access, its budget was twice that of its peers, and travel costs were five times as high.

Phase 1 analysis developed the first known national baselines of the FNCFS program through agencies' actual expenditures.

Using the baselines from Phase 1, this report proposes an alternative funding structure and performance framework to redefine FNCFS through holistic well-being. IFSD's role was to find the optimal and sustainable combination of inputs and outputs to deliver desired outcomes. This required contributions from FNCFS agencies and experts, First Nations, and other data and analysis.

The purpose of this project is to present stakeholders with a funding **structure**; a means of developing **evidence** to understand the well-being of First Nations children, families and communities; and a range of scenarios to **cost** the proposed approach. There are four parts to the Phase 2 project:

1. **Expenditure analysis and funding impacts:** Defining the existing baseline of FNCFS program allocations, expenditures and their impacts, including CHRT-mandated funding.

2. **Performance framework:** Defining a measurable future state from which to build a funding approach for thriving children.

3. **Funding approaches:** Identifying and analyzing approaches to funding that support improved outcomes for children.

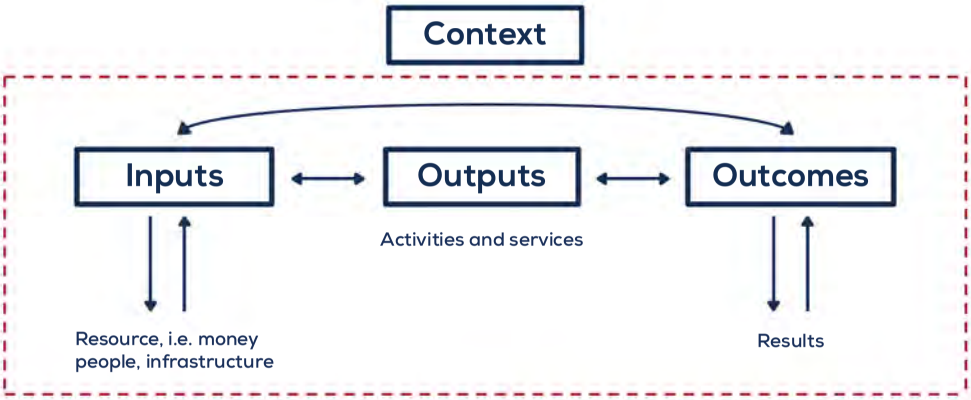
4. **Transition plan:** Defining approaches and considerations in moving to a new system of performance and funding focused on thriving children.

This work was undertaken with consideration of a changing federal context. The pre-amble of *An Act respecting First Nations, Inuit and Métis children, youth and families* commits the federal government to "engaging with Indigenous peoples and provincial governments to support a comprehensive reform of child and family services that are provided in relation to Indigenous children". There is an opportunity to leverage these legislative commitments to reset the course on FNCFS, reorienting funding and performance to a holistic vision of well-being.

The proposed funding approach responds to the requirement in the Act to determine fiscal arrangements that address long-term positive outcomes, substantive equality, and needs. Designed and built from the bottom-up, this funding approach and performance measurement framework capture a critical mix of resources and structures for thriving First Nation children, families, and communities, as expressed by those working and living in communities.

Effective program design, implementation, and delivery requires an explicit connection among resources (inputs), activities (outputs) and results (outcomes). This is a complex undertaking that required data, contributions from FNCFS agencies and other experts, as well as cost-benefit analysis. Changes in inputs will translate into changes in activities with impacts on results (all informed by context) (Figure 7). The challenge is optimizing inputs and activities for sustainable, positive results. More inputs do not automatically translate into better outcomes.

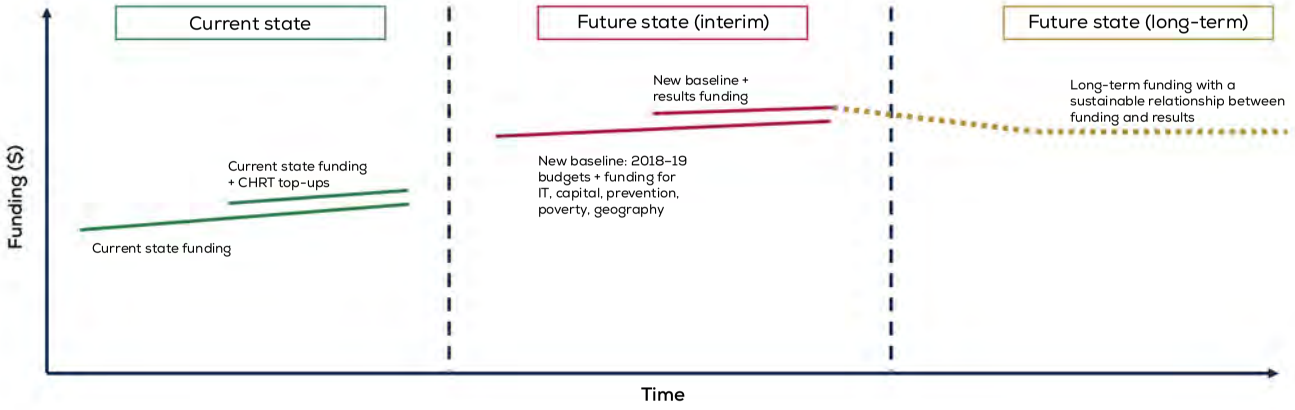
FIGURE 7: Standard performance framework overview.



This work is about changing the funding structure (*how money moves*), aligning performance measurement to desired outcomes (*evidence for decision-making*) and supporting the change through governance (*operational support and accountability*), to support well-being.

In the short-term, the approach requires an increase and redirection of resources to prevention and well-being services. It does not mean reducing the need for child and family services and protective services. Over the long-term, it is expected that the relationship between spending and results will change, with less investment generating positive, more sustainable outcomes (see Figure 8).

FIGURE 8: Modelling an adjustment to current state funding to achieve long-term goals, with a sustainable relationship between funding and results.



Our approach

IFSD's approach to this project is collaborative and informed by OCAP® principles. As an affiliate of the University of Ottawa, IFSD is guided by ethical research guidelines respecting Indigenous Peoples and complies with the Tri-Council Policy Statement on Ethical Conduct for Research Involving Humans in all of its work.

This report and its findings are informed by the contributions of FNCFS agencies, First Nations, experts, and secondary sources of data. Twelve in-depth case studies, a survey on FNCFS expenditures, three expert roundtables, and supplementary research and analysis form the foundation of this work.

As is its usual practice, IFSD updated its stakeholders monthly on the project's progress with email notices and full updates posted to the FNCFS project website.[5]

All information shared during this project has the consent and participation of participating FNCFS agencies and communities. Any financial data shared through the FNCFS survey has been aggregated and anonymized to protect the privacy of agencies and the communities they serve. In addition to its regular updates to NAC and monthly updates to stakeholders, IFSD participated in joint update meetings with AFN, Caring Society and ISC.

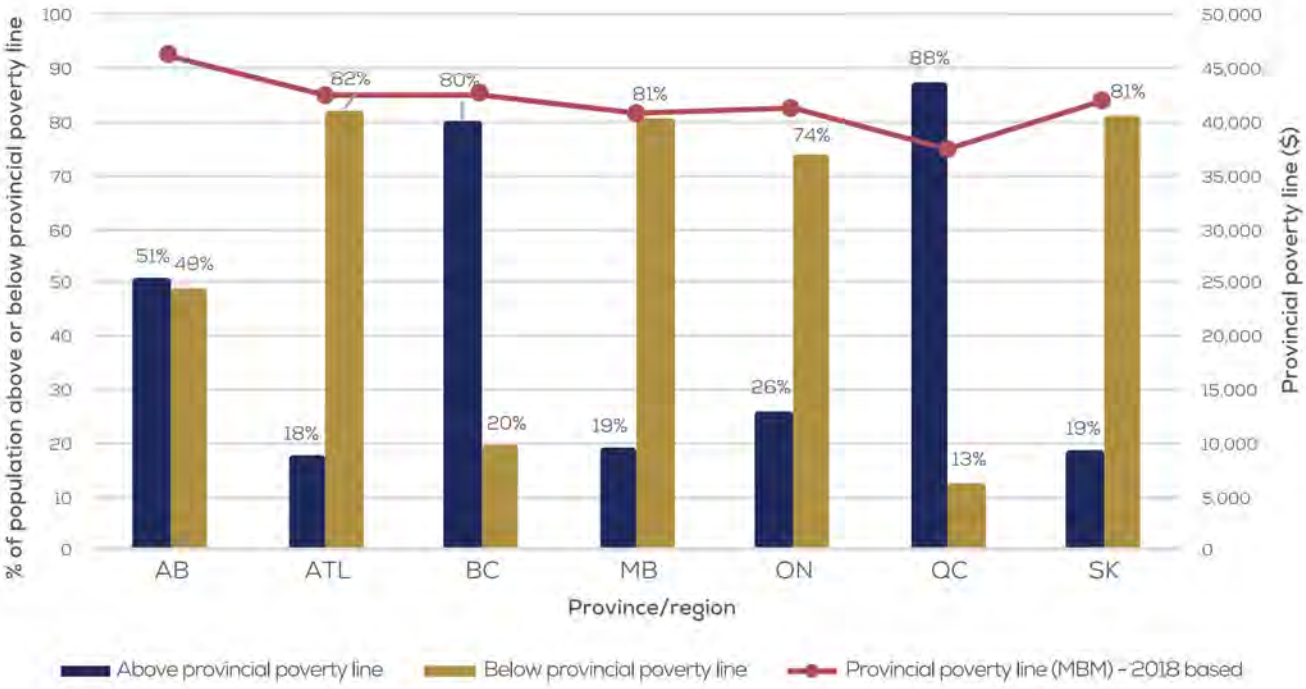
The current state

Supporting the well-being of First Nations children, families, and communities is the principal goal of this work. The current state is a challenging one.

The majority (60%) of First Nations on-reserve have total median household incomes below their respective provincial poverty lines (see Figure 9 and Appendix A).

[5] FNCFS project website: www.ifsd.ca/fncfs.

FIGURE 9: Total median household incomes on-reserve, relative to provincial poverty lines (n=591).



Source: Statistics Canada, 2016 Census and "Report on the second comprehensive review of the Market Basket Measure."

First Nations report poorer perceived mental and physical health than the non-Indigenous population (see Figures 10A and 10B and Appendix B).

FIGURE 10A: Disparity in perceived health between First Nations peoples and the non-Indigenous population in Canada (age-standardized rate, 2011–2014).

FIGURE 10B: Disparity in perceived mental health between First Nations peoples and the non-Indigenous population in Canada (age-standardized rate, 2011–2014).

Source: Statistics Canada, Table: 13-10-0099-01 Health indicator profile, by Aboriginal identity and sex, age-standardized rate, four year estimates.

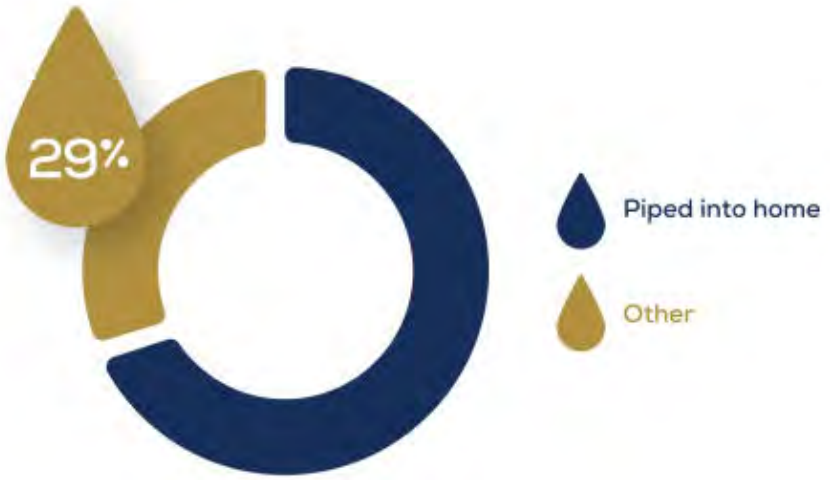
Nearly three-quarters of dwellings on-reserve are in need of repair (see Figure 11 and Appendix C).

FIGURE 11: Statistics Canada estimates of dwellings in need of repair (Census 2016).

Source: Statistics Canada, 2016 Census, Catalogue no. 98-400-X2016164.

Twenty-nine percent of First Nations do not have water piped to their households (see Figure 12 and Appendix D).

FIGURE 12: Regional Health Survey estimates of main water supply in First Nations households (RHS 2015–2016).



Source: First Nations Information Governance Centre (FNIGC), "National Report of the First Nations Regional Health Survey Phase 3: Volume One," (March 2018): 32.

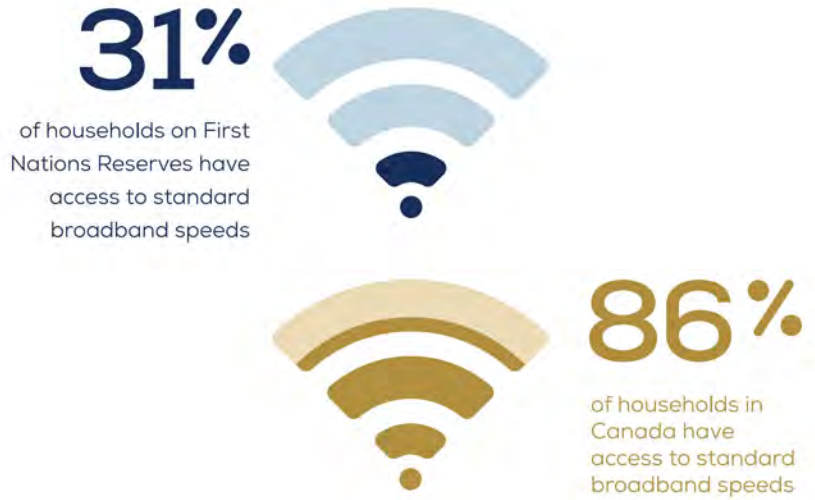
Nearly 50% of First Nations on-reserve report food insecurity (see Figure 13 and Appendix E).

FIGURE 13: FNFNES and Statistics Canada estimates of prevalance of food insecurity.

Sources: First Nations on-reserve estimate: First Naitons Food, Nutrition and Environment Study (FNFNES), November 2019, "Draft Comprehensive Technical Report"; Canada: Statistics Canada, Household food security by living arrangement, Table 13-10-0385-01.

Nationally, less than one-third (31%) of households on-reserve have access to standard broadband speeds (see Figure 14 and Appendix F).

FIGURE 14: Percentage of households with access to government-standard broadband speeds (50/10/unlimited).

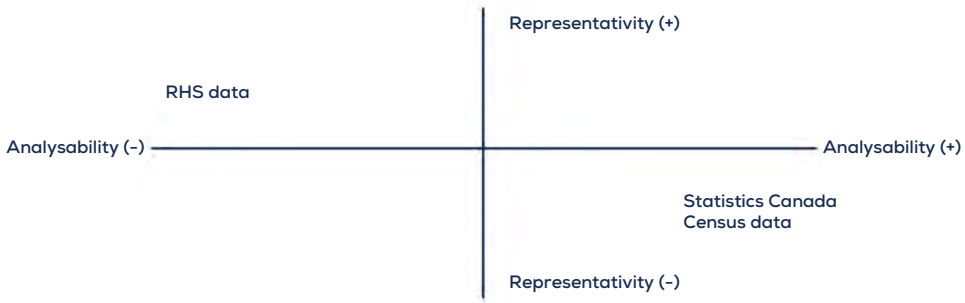


Source: Canadian Radio-television and Telecommunications Commission, "Communications Monitoring Report 2019."

These characteristics indicate an inequitable point of departure for many First Nations living on-reserve. Service gaps and a reduced network of voluntary supports can compound impacts (see Appendix G). The holistic well-being of First Nations children and families means also supporting the well-being of communities.

There are limitations in availability and granularity of data consistently available for First Nations communities. There are existing gaps in data. Publicly accessible data tends to be available (e.g. housing, access to potable water, broadband access, etc.) but aggregated, which limits its applicability for decision-support in specific domains. Granular data may be available at the level of the individual agency or First Nation, but is not always readily available, comparable or consistently captured (i.e. loss of time series) (see Figure 15).

FIGURE 15: Representativity and analyzability of data sources.



The cost of doing nothing

First Nations child and family services (FNCFS) do not exist in a vacuum. Programs and services are delivered in often complex environments, with the realities of poverty and intergenerational trauma impacting approaches and results. To promote the well-being of children, families, and communities, a holistic approach is needed. This approach is different than the protection-focused system currently in place.

The most commonly cited source of contact for Indigenous children is neglect.[6] Neglect is often connected to contextual risks, e.g. poverty, limited housing, etc. that can be mitigated. These risks should be mitigated for good reason. Phase 1 of IFSD's, research, *Enabling First Nations Children to Thrive*, found that children in care (CIC) is an exceedingly strong predictor of agency budget and overall system cost. Contact with the protection system is known to increase lifelong vulnerabilities for individuals, with broader societal implications. The Midwest Study (United States) has demonstrated that former foster care youth have worse outcomes in nearly every measured outcome (when compared to youth without contact with the foster system), including a higher likelihood of experiencing homelessness; higher levels of unemployment; a higher likelihood of incarceration; higher rates of mental and physical illness; as well as hampered educational attainment.[7]

A child's contact with the protection system has long-term consequences and increases their likelihood of interacting with social services such as the welfare system, the criminal justice system etc. later in life. These systems are corrective measures, often addressing downstream effects of risks that had the potential for mitigation. Independently costly to run, these systems are designed as final backstops to social challenges rather than addressing the *causes of the causes*. The current system invests in reactionary measures rather than proactive ones, that ends up being more costly and less effective.

When the potential downstream costs associated with a child's contact with the protection system, the true costs extend beyond the singular child to issues such as homelessness, incarceration, substance misuse, etc. Mitigating the risks associated to protection can have longer-term benefits to the individual and their community. The cost of staying the

[6] Nico Trocmé et al., "Differentiating Between Child Protection and Family Support in the Canadian Child Welfare System's Response to Intimate Partner Violence, Corporal Punishment, and Child Neglect," *Int J of Psychology* 48, no. 2, (2013): 130-131.

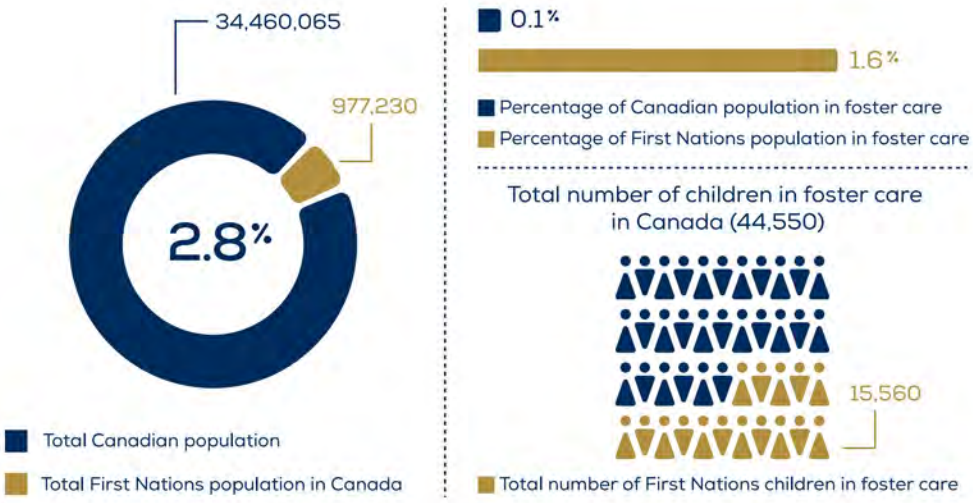
[7] Mark E. Courtney et al., "Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 26," (Chicago, IL: Chapin Hall at the University of Chicago, 2011): 1-117; James Heckman, "There's more to gain by taking a comprehensive approach to early childhood development," *The Heckman Equation*, (2016).

course is higher fiscally and socially than reducing risk factors through targeted interventions in the early years of a child's life.

Costs associated to contact with the protection system are not all linear. Based on existing research (see Figure 17), inferences of costs associated to contact with protective services (across the general population on an annual basis) include: direct costs (of operating the FNCFS system) and indirect costs (downstream challenges associated to contact with the protection system), and potential cost avoidances (costs that could be mitigated by addressing inequitable points of departure in many First Nation communities). This is an illustration and not meant to be an exhaustive list of associated costs. Nor is this meant to represent the experiences of all First Nations children in contact with the protection system. The general case is represented, based on existing research that suggests the costs and challenges associated to protection can be substantive for individuals and communities.

First Nations represent approximately 3% of Canada's total population but make up 1.6% of all children in care (relative to 0.1% of the general population). First Nations children are overrepresented relative to their demographic weight of the population (Figure 16).

FIGURE 16: Statistics Canada's estimates of First Nations children in care.

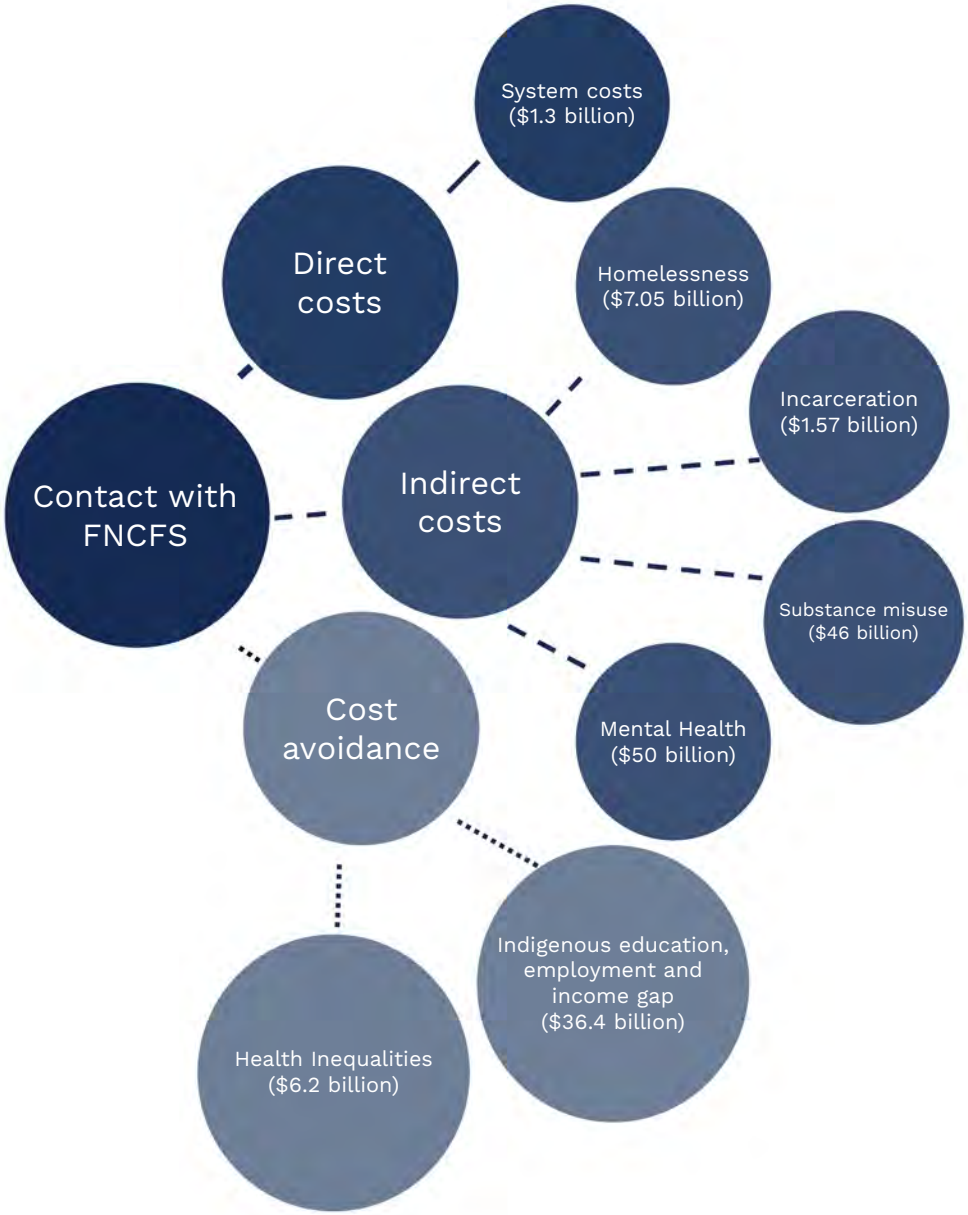


Source: Statistics Canada, "Data Products, 2016 Census," January 3, 2018.

A FNCFS system that emphasizes the well-being of children, families and communities would invest early to mitigate risks rather than paying for corrective measures later on. The costs of inaction can be summarized in four categories: 1) Homelessness and Socio-Economic Health Disparities; 2) Mental Health Issues and Substance Misuse; 3) Contact with corrective services/incarceration; and 4) Educational attainment and lost opportunity costs (Table 3).

The current FNCFS system is largely driven by protection and maintenance, where service providers are reimbursed in a fee-for-service model. The model restricts funding uses, often beyond costs associated to the delivery of protective services. Relying solely on protective services drives a range of costs that are direct, indirect, and avoidance in nature. Agency professionals have long recognized this challenge and seek ways of working around the system to deliver needed programming on the ground that mitigates risk for children.

FIGURE 17: Inferred annual costs associated with contact with the protection system across the general population.[8]



There are known prevention-focused models that emphasize early intervention that suggest upfront investment yields better results over the long-term. Realizing the financial savings to the public treasury would require a shift from the current protection-based approach to one that is focused on well-being. This would require a fundamental change in program goals/orientation and in funding approach. However, such a change would enable communities and service providers to redirect funding to address the root causes of a child's contact with protective services.

The CHRT rulings and *An Act respecting First Nations, Inuit and Métis children, youth and families*, provide an important opportunity to reset a system that has neglected, disadvantaged and discriminated against children for decades. An approach that aims to realize better outcomes for children and families does not eliminate the need for protective services, but rather, shifts (and enhances) resources and program activities towards the root causes of contact with the protection system. Children, their families and the nation's public finances would all be beneficiaries of this fundamental change in strategy.

[8] System costs: IFSD, "Enabling First Nations Children to Thrive," (2018): 9.

Homelessness: Canadian Alliance to End Homelessness, "The State of Homelessness in Canada 2016," Canadian Observatory on Homelessness Press, Paper #12, (2016): 60.

Incarceration: Office of the Parliamentary Budget Officer, "Update on Costs of Incarceration," Government of Canada, (2018): 7.

Substance misuse: Canadian Center on Substance Use and Addiction & University of Victoria, "Canadian Substance Use Costs and Harms 2015-2017," (2020): 1-4.

Mental health: Mental Health Commission of Canada, "Making the Case for Investing in Mental Health in Canada," (2013): 1.

Indigenous education, employment and income gap: Social Determinants Science Integration Directorate Public Health Agency of Canada, "The Direct Economic Burden of Socioeconomic Health Inequalities in Canada: An Analysis of Health Care Costs by Income Level," Health Promotion and Chronic Disease Prevention in Canada: Research, Policy and Practice 36, no. 6 (2016).

Health inequalities: Diana Kulik et al., "Homeless youth's overwhelming health burden—A review of the literature," Paediatric Child Health 16, no. 6, (2011): 44.

TABLE 3: Downstream costs associated to contact with the protection system.

Social challenges	Disproportionate impact of the social challenge within Indigenous communities	Relationship between social challenge and child welfare services	Overall magnitude of the problem and associated costs in Canada
Homelessness and Socio-Economic Health Disparities	▪ Indigenous Peoples account for 28–34% of the homeless population, compared to their demographic weight of 4.3% of the general population.[9] ▪ Indigenous peoples use emergency shelters at a rate 11x higher than non-Indigenous peoples.[10]	▪ In North America, homeless individuals are between 10–40 times more likely to have been involved with child welfare services (CWS).[11] ▪ A 2017 study published by the Canadian Observatory on Homelessness found that almost 60% of youth who had experienced homelessness had been in contact with child protection services during their lives. Thus, "youth experiencing homelessness are 193 times more likely to have been involved with the CWS than the general public."[12] ▪ A study of homeless youth in BC reported that 46% of all participants and 70% of Indigenous participants had been a part of the CWS.[13] Furthermore, those that are more likely to experience early vs late onset of homelessness (before 25) are more likely to be Indigenous, have not finished high school and had been involved in the CWS. ▪ *Without a Home* study uncovered that while a high percentage of youth first became homelessness before they were 16 (40%), young people with a history of being in foster care or group homes were almost twice as likely to experience early homelessness as those who were not in care (52.5% vs. 27%).[14] ▪ Many of the Midwest Study (United States) participants (individuals who had previously interacted with the foster care system) at age 26 still experienced repeated episodes of homelessness (14.5%) or couch surfing (24.5%); 35% of participants who reported couch surfing, reported at least four episodes. Further, one third of the young adults who had been homeless had been homeless for at least a month.[15]	▪ Over 235,000 Canadians experience homelessness, and on any given night there are 35,000 who are homeless.[16] ▪ In 2013, the estimated cost of homelessness in Canada was $7.05 billion.[17] ▪ The average monthly cost of housing someone in a shelter bed was $1,932.[18] ▪ In a Canadian study, it was found that homeless populations visit the emergency department on average 2.1 times per year for an annual cost of $1,464 per person. Comparatively, the cost for the non-homeless population was 13% the cost for homeless participants. Further, when admitted to the hospital the annual cost of hospitalization for homeless persons was $2,495 per year, as compared to $524 per year for the housed population.[19] ▪ In 2005, 74% of homeless youth in BC reported having at least one chronic medical condition.[20] ▪ A Canadian study showed that 22.9% of prisoners were homeless at the time of being incarcerated. Furthermore, there is a high likelihood of becoming homeless following discharge (32.2% of respondents).[21] ▪ Examining the annual cost homeless people with mental illnesses generate for society, a study found that (excluding medications) the costs per person were $56,000 per year in Canada's 3 largest cities, and approximately $30 000 in smaller cities like Moncton, New Brunswick.[22] ▪ Socio-economic health inequalities carry a heavy economic burden estimated at least $6.2 billion annually. Further, Canadians in the lowest income group account for 60% of this cost ($3.7 billion).[23]

Footnotes for table can be found on page 18

Social challenges	Disproportionate impact of the social challenge within Indigenous communities	Relationship between social challenge and child welfare services	Overall magnitude of the problem and associated costs in Canada
Mental Health Issues and Substance Misuse	▪ Due to contextual factors, including colonialism and more difficult access to health services, First Nations and Inuit communities experience significantly higher rates of mental health challenges as compared to the general population.[24] ▪ Much of the data analysis has focused on the higher rates of suicide within the Indigenous population. ▪ Statistics Canada found that between 2011 and 2016, the suicide rate among First Nations people was three times higher than among the non-Indigenous population. Furthermore, the suicide rate was around twice as high for First Nations people living on reserve than among those living off reserve.[25] ▪ Among Indigenous peoples, suicide rates and disparities were highest for youth and young adults (15–24 years).[26] ▪ In 2017, the House of Commons Standing Committee on Indigenous and Norther Affairs found that levels of psychological distress for First Nations adults living on reserve is generally higher than the general Canadian population (40% as compared to 33%).[27]	▪ When looking specifically at young Indigenous people who struggle with addiction, a study of two cities in BC found that 65% of the youth had been involved in the CWS, and that many of these individuals experienced negative health outcomes.[28]	▪ A 2020 study by the Mental Health Commission of Canada found that the cost from mental health problems and illnesses to the Canadian economy is at least $50 billion per year.[29] ▪ Estimated cost of substance abuse in Canada in 2017 was $46.0 billion; lost productivity costs accounted for $20.0 billion, health care costs accounted for $13.1 billion, criminal justice costs accounted for $9.2 billion and other direct costs accounted for $3.6 billion.[30]

Footnotes for table can be found on page 18

Social challenges	Disproportionate impact of the social challenge within Indigenous communities	Relationship between social challenge and child welfare services	Overall magnitude of the problem and associated costs in Canada
Contact with corrective services/incarceration	▪ In 2016, Indigenous peoples represented approximately 5% of the overall Canadian population, but 23.1% of the total offender population.[31] ▪ In 2019, Indigenous women accounted for 41.4% of all federally incarcerated women.[32] ▪ Since 2010, the population of white inmates has decreased by 23.5%, whereas the Indigenous population has increased by 52.1%.[33] ▪ Research shows that Indigenous offenders are less likely to receive parole, and more likely to have parole revoked for minor infractions.[34] ▪ Indigenous offenders account for a disproportionate number of self-inflicted injuries (52% of all incidents) and 39% of all incidents of attempted suicide over the past 10 years.[35]	▪ A 2001 study conducted by the AFN, Correctional Service Canada and Department of Justice, demonstrated Aboriginal inmates had a more extensive history within the CWS. ▪ The study found that 48% of Aboriginal inmates were placed for adoption by the province (relative to 11% of non-Indigenous inmates), further, 82% of Indigenous inmates were places in foster care (relative to 63% of non-Indigenous inmates).[36] ▪ The cyclical nature of involvement in these systems is highlighted by a study of gang affiliation which found that a key pathway into gang life is multiple out-of-home placements in child welfare and correctional facilities. Of 41 youth in the Prince Albert gang project, 31 had spent most of their childhood and adolescence in child welfare and youth justice facilities.[37]	▪ The average cost of incarceration per inmate in 2016–2017 was $114,587/year or $314/day (96% of costs are associated with custody).[38] ▪ The total operating expenses associated with custody in 2016–2017 was $1.57 billion.[39]

Footnotes for table can be found on page 18

Social challenges	Disproportionate impact of the social challenge within Indigenous communities	Relationship between social challenge and child welfare services	Overall magnitude of the problem and associated costs in Canada
Educational attainment and lost opportunity costs	▪ Based on the 2016 census, 92% of non-Indigenous young adults (20–24) have at least a high school certificate; 75% of First Nations adults living off reserve have completed high school; and 48% of First Nations young adults living on reserve have completed high school.[40] ▪ A pilot microsimulation study done in collaboration of the Canadian Centre for Statistics and Statistics Canada demonstrated that by eliminating the education gap between Indigenous and non-Indigenous people in Saskatchewan, one could reduce the number of people who come into contact with the criminal justice system. They found that if the current educational attainment gap is left unaddressed the number of contacts with police would increase by 27% between 2011 and 2036 (this would result from a 58% increase in the number of Indigenous peoples coming into contact with the police, and a 14% decrease in non-Indigenous populations contact with the police). However, a 25% progressive reduction in the education gap between 2011 and 2036 would result in only a 25% increase in the number of people coming into contact with police; a 50% progressive reduction would result in a 22% increase; and a 100% progressive reduction would result in a 17% increase.[41]	▪ A study in BC suggested that only 51% of youth in care graduated six years after starting grade 8, compared to 89% of the general population of youth. ▪ The educational attainment gaps persisted in Midwest study participants, even at the age of 26. When compared to data from the National Longitudinal Study of Adolescent Health (Add Health), Midwest Study (United States) participants were three times more likely to not have a high school diploma or GED. Add Health participants were also six times more likely to have a post-secondary degree, and nine times more likely to have a degree from a four-year school.[42] ▪ Furthermore, at age 26, only 46% of Midwest study participants were currently employed, compared to 80% of the Add Health study participants.[43] ▪ Of Midwest Study participants who did have employment income, the median annual earnings of their group were over $18,000 lower than the Add Health peers.[44]	▪ A report by the Centre for the Study of Study of Living Standards estimated, if the Indigenous education attainment gap and related gaps for employment rates and income by level of employment were closed, Canada's GDP would be $36.4 billion greater.[45]

Footnotes for table can be found on page 18

FOOTNOTES FOR TABLE 3

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[33] Office of the Correctional Investigator, "2018–2019: Annual Report," (June 2019): 65.

[34] Office of the Correctional Investigator, "2018–2019: Annual Report," (June 2019): 65.

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[44] Mark Courtney et al., "Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 26," (Chicago, IL: Chapin Hall at the University of Chicago, 2011): 36.

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Part I: Indigenous Services Canada (ISC) Expenditure and Outcome Analysis

Introduction

As part of the Phase 2 research project, IFSD asked ISC to provide historical information on resources, programming, and results associated to the department's mandate and functions. This request was made to establish an understanding of the current state of financial information, particularly as it related to results and outcomes for First Nations children, families, and communities. The analysis undertaken on this data was not designed to provide an assessment of the practices of ISC but rather to ensure that design considerations would be novel and additive and not simply replicate past practices.

Publicly available data, e.g. public accounts, estimates, on ISC's expenditures was aggregated and did not have the detail necessary for the intended portrait. Accordingly, a request for information was submitted to the Deputy Minister of ISC on August 26, 2019 (Appendix H). In September 2019, ISC provided a list of FNCFS agencies in a PDF document. IFSD worked with NAC regional representatives and phoned the agencies on the list to confirm they aligned to the desired sample population of agencies.[46] Certain agencies notified IFSD that they did not belong in the sample because they did not receive federal funding. The final sample was determined to be 112 FNCFS agencies.

The request for information submitted at the end of August 2019 remained outstanding in October 2019. The office of the Chief Financial, Results and Delivery Officer (CFRDO) assumed a coordinating role for the request in October 2019. IFSD and the CFRDO's team met on several occasions to ensure IFSD's request was clear and that the data would be fairly interpreted. With the CFRDO's office coordinating the request, an Information Sharing Agreement was developed and executed in March 2020, that covered elements such as privacy and data security. All outstanding data in IFSD's original request (if it was available) was transferred in March 2020 following the signature of the agreement.

ISC provided IFSD with spending information for fiscal years 2014–15 to 2018–19 and projected spending for fiscal years 2020–21 to 2022–23.

[46] In this project, agencies include both delegated and non-delegated agencies serving communities on First Nations reserves who receive federal funding for their protection and/or prevention activities. This excludes agencies that are exclusively provincially funded.

Comprehensive program expenditure and performance information were provided in machine readable format. The purpose of defining the current expenditure baseline was to connect resources with results, a purpose for which this data did not appear to be designed.

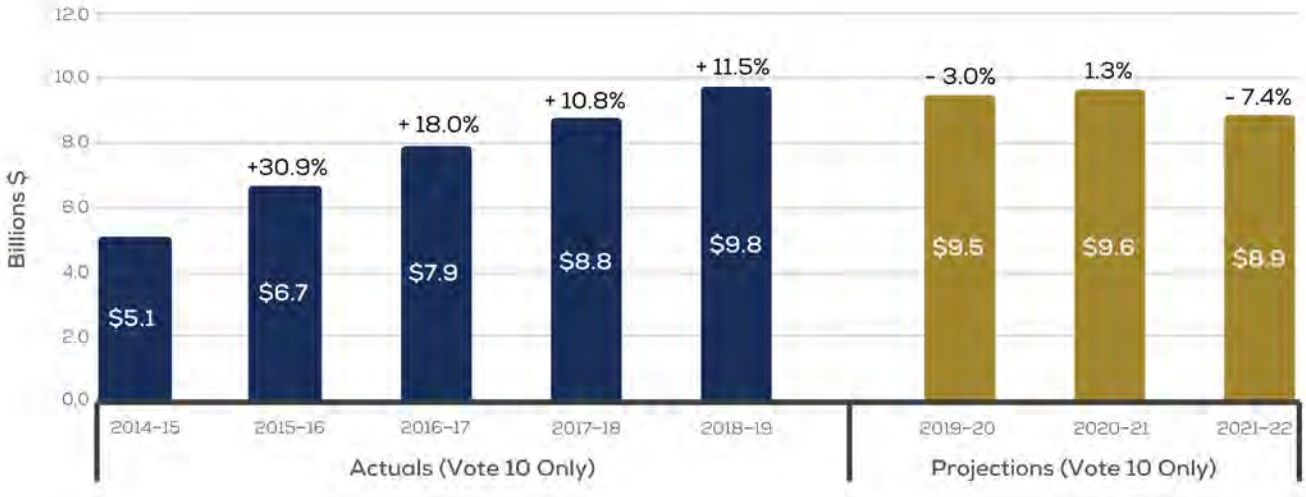
ISC's current expenditures

IFSD is accountable for analysis associated to ISC's data published in this report. All data provided by ISC is only shared in aggregate and non-identifiable formats. IFSD has taken its best efforts to consult with ISC for clarification and information associated to the data provided, as required.

Analysis of the data provided by ISC for fiscal years 2014–15 to 2018–19 is presented below by program, funding approach, and other clustering. Analysis of ISC expenditures on a per capita basis was not undertaken given that the expenditures could not be reconciled clearly to the population those dollars were intended to target. The data provides a baseline spending portrait to understand expenditure areas and the ways in which funding flows.

Since 2014–15, ISC's departmental spending[47] has increased. Prior to 2015, health and related funding resided outside of ISC (hence the approximately 31% increase in overall spending in 2015–16) (see Figure 18 and Figure 19). After 2019, overall expenditures are projected to decrease.

FIGURE 18: Total ISC spending by fiscal year with projected spending.



Sources: Indigenous Services Canada (ISC), Institute of Fiscal Studies and Democracy (IFSD).

Note: FNIHB for fiscal year 2014–15 is not included.

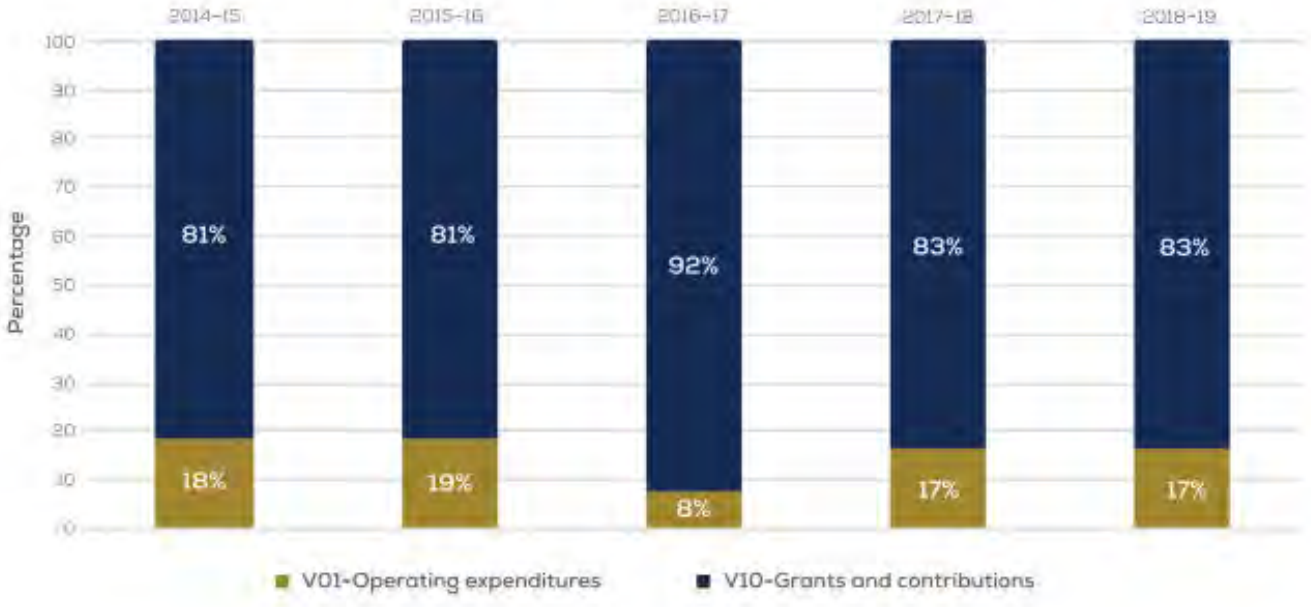
[47] Departmental spending includes grants and contributions, i.e. funding associated to program expenditures appropriated in 'vote 10' by Parliament. These expenditures do not include the department's internal operating expenditures appropriated in 'vote 1.'

FIGURE 19: Year-over-year percentage change for total ISC spending.

Sources: Indigenous Services Canada (ISC), Institute of Fiscal Studies and Democracy (IFSD).
Note: First Nations Inuit Health Branch (FNIHB) expenditures excluded in fiscal year 2014–15, which explains the 31% increase in fiscal year 2015–16.

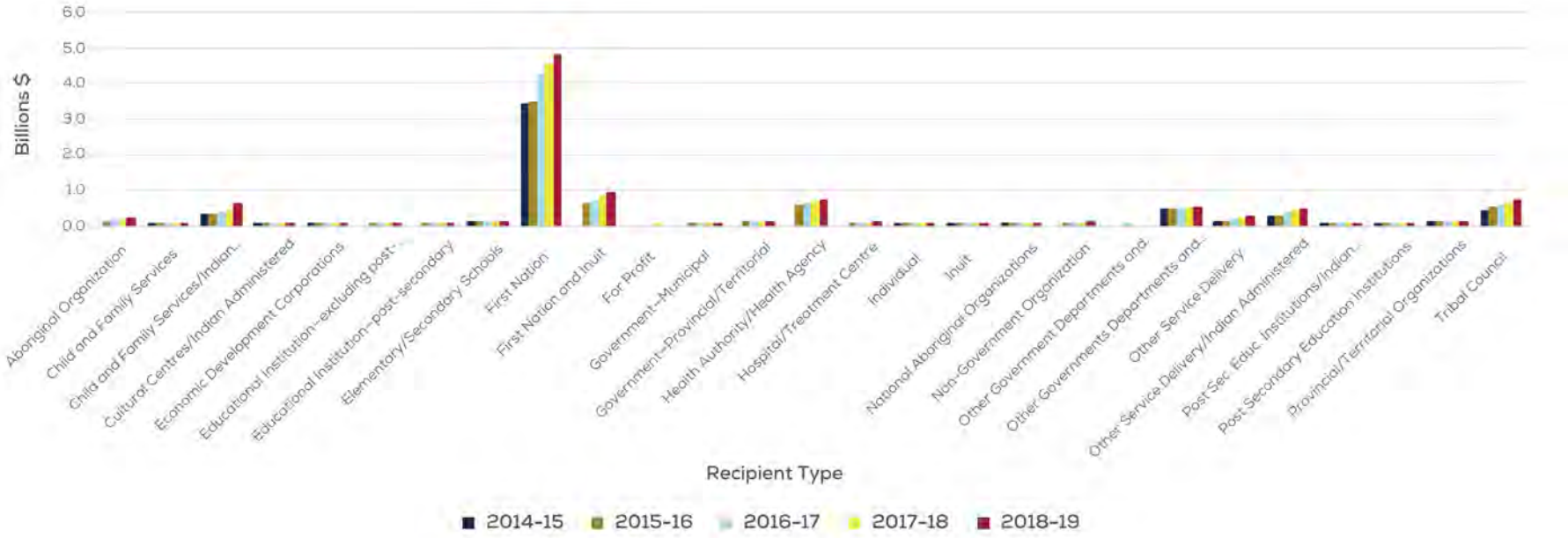
On a percentage basis, the majority of ISC's expenditures are allocated to grants and contributions (vote 10), i.e. transfers to recipients. Less than 20% of ISC's total costs are allocated to operating expenditures (vote 1) (see Figure 20).

FIGURE 20: Percentage of Vote 1 and Vote 10 total spending by fiscal year.



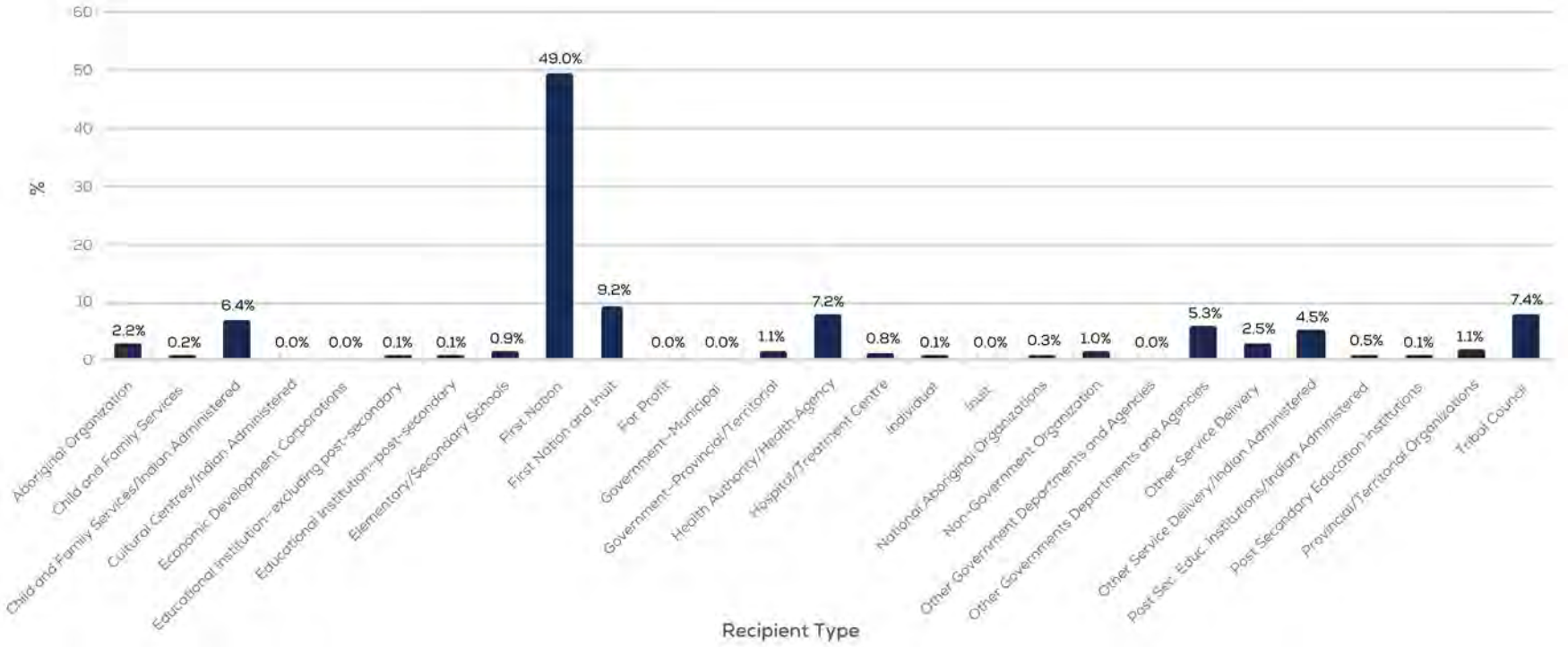
This expenditure pattern is consistent with ISC's role allocating funding for service delivery to various recipients (rather than delivering the services itself). The majority of recipients of ISC funding are First Nations and First Nations and Inuit (see Figure 21), with nearly half of all spending allocated to First Nations in fiscal year 2018–19 (see Figure 22).

FIGURE 21: Total spending by recipient type by fiscal year.



Sources: Indigenous Services Canada (ISC), Institute of Fiscal Studies and Democracy (IFSD).

FIGURE 22: Distribution of total ISC spending by recipient type, 2018–19.



Sources: Indigenous Services Canada (ISC), Institute of Fiscal Studies and Democracy (IFSD).

Current First Nations recipient spending is focused on: infrastructure capacity and development; education; social development; and government and institutions of government (see Figure 23).

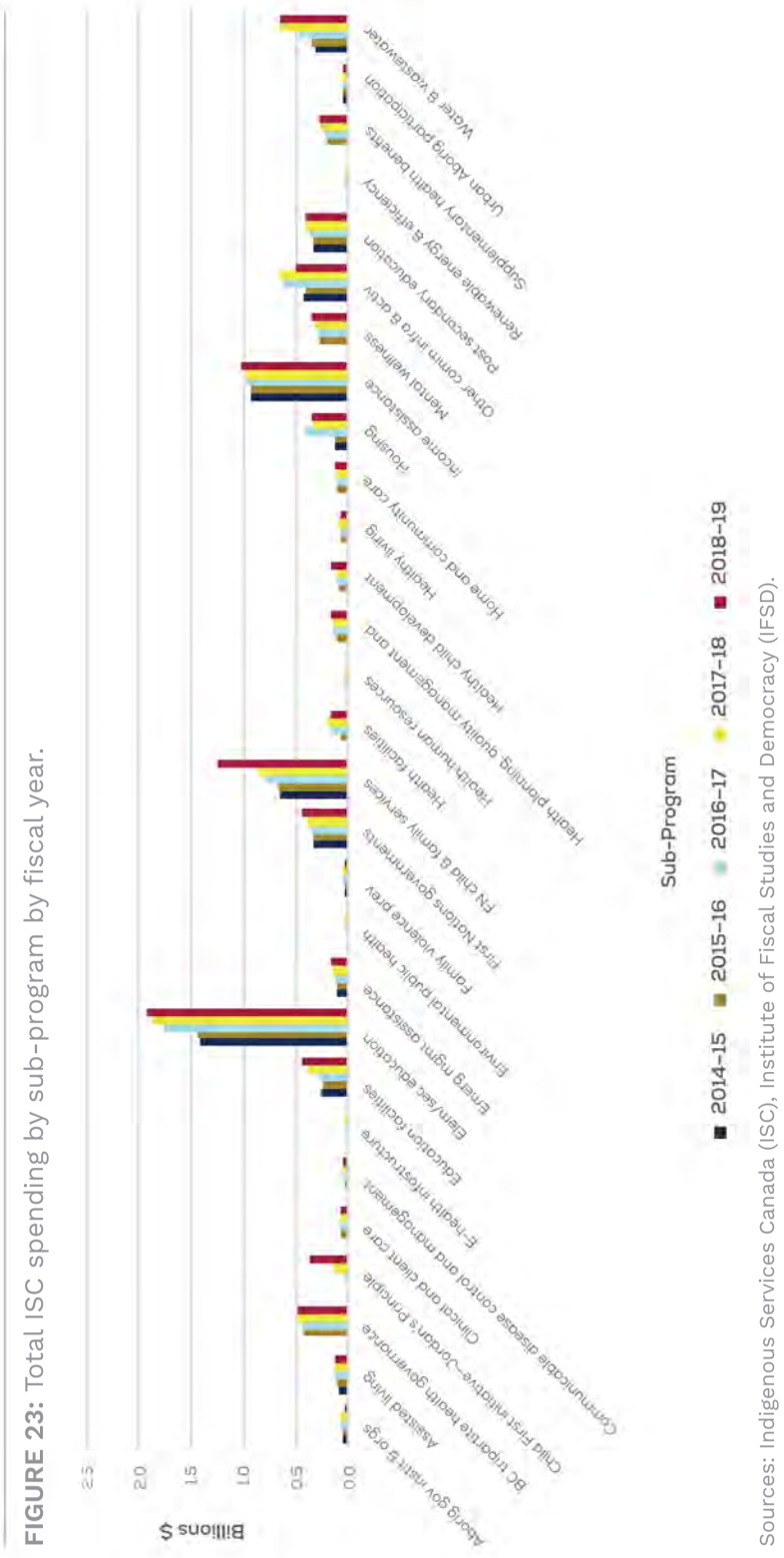


FIGURE 23: Total ISC spending by sub-program by fiscal year.

Sources: Indigenous Services Canada (ISC), Institute of Fiscal Studies and Democracy (IFSD).

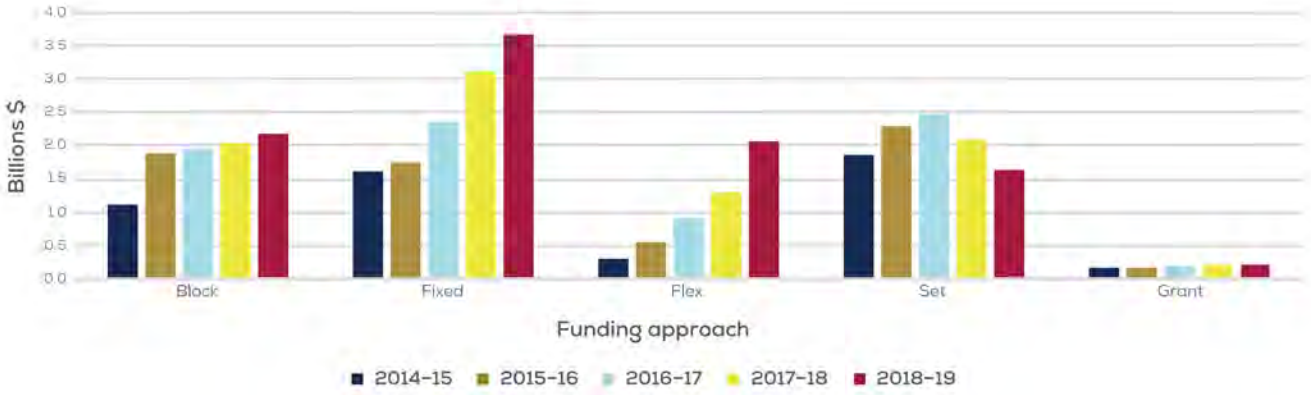
The conditions attached to funding can be just as important as the amount of the allocation (see Table 4). Since 2014–15, set and fixed funding have decreased, as flex funding increased between 2017–18 and 2018–19 (see Figure 24). Fixed funding remains the approach governing the largest funding amount. This suggests that most funding uses are pre-determined with limited latitude for recipients.

TABLE 4: Overview of funding contribution approaches.[48]

Contribution approach	Description
Grant	▪ Transfer payment based on agreement. ▪ Must report on results, but not required to account for spending. ▪ Recipient must meet "eligibility and other entitlement" criteria. ▪ Duration is flexible.
Set	▪ Funds used for a defined purpose. ▪ Any unused funds must be returned at the end of the fiscal year (no carry forward option). ▪ Note: this approach has been limited since April 1, 2018 and used only as needed, e.g. risk management.
Fixed	▪ Funds determined by reliable estimates (annual basis). ▪ Carry forwards are possible; cost-overruns are the responsibility of the recipient. ▪ Approach applied to a defined purpose or program and must be (re)issued annually.
Flexible	▪ Funds can be reallocated between cost categories within a program area. ▪ Carry forwards are possible, as long as the agreement is not in its final year. ▪ Requisite capacity and relationship with department are required for this minimum two-year agreement.
Block	▪ Funds are moveable between a block of programs (so long as objectives are achieved). ▪ Unspent funds can be kept and used within the same program block. ▪ Recipient must meet "readiness assessment criteria," for this contribution.

[48] Indigenous and Northern Affairs Canada, "Funding approaches," *Government of Canada*, updated April 16, 2018, https://www.aadnc-aandc.gc.ca/eng/1322746046651/1322746652148?=undefined.

FIGURE 24: Total ISC spending by funding approach by fiscal year.

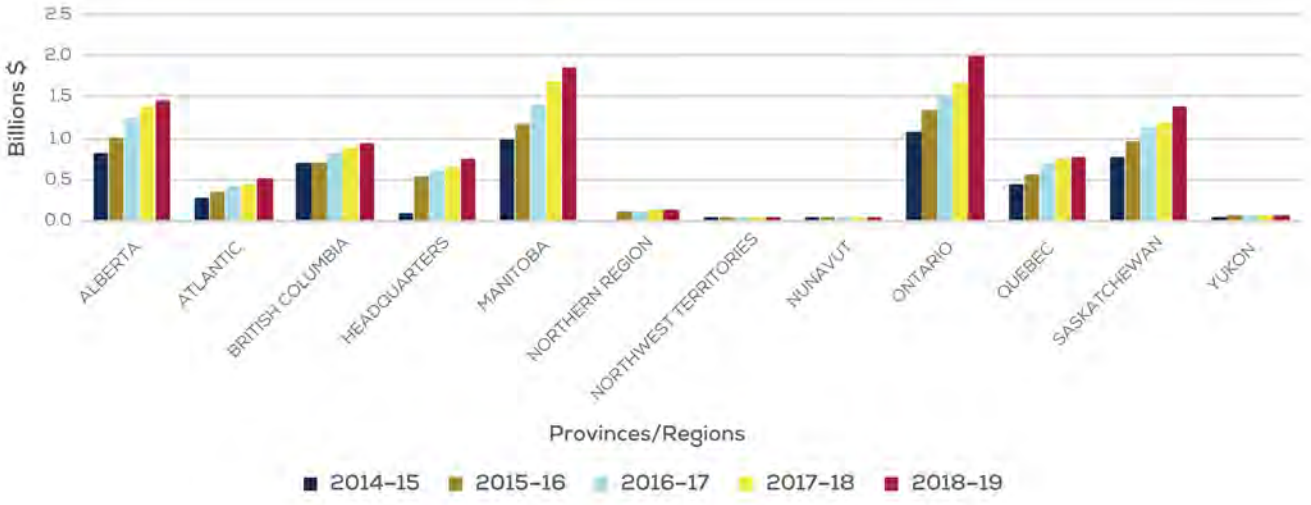


Sources: Indigenous Services Canada (ISC), Institute of Fiscal Studies and Democracy (IFSD).

Notes: Undefined funding approaches are excluded.

On a provincial and regional basis, ISC's expenditures have increased, with Manitoba, Ontario, Alberta and Saskatchewan, receiving the highest total investments, between fiscal years 2014–15 and 2018–19 (see Figure 25). The regional variances may be attributable to different geographic/remoteness contexts, poverty, and related contextual factors that tend to be captured in the Community Well-Being Index.[49]

FIGURE 25: Total ISC spending by region by fiscal year.

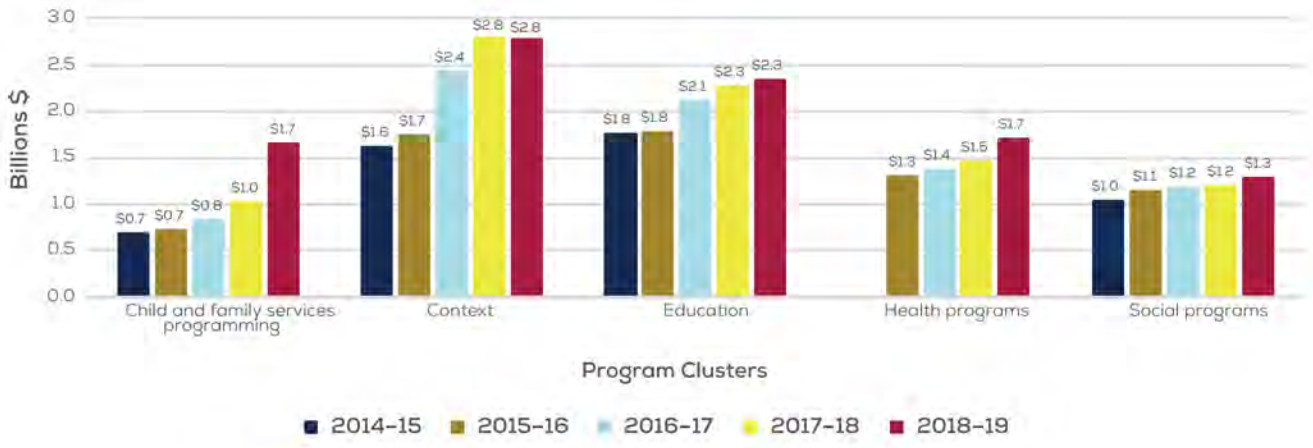


Sources: Indigenous Services Canada (ISC), Institute of Fiscal Studies and Democracy (IFSD).

[49] The Community Well-Being Index tracks the wellness of First Nations communities across four indicators: education, labour force activity, income and housing. The data comes from the Census and the National Household Survey. See Indigenous Services Canada, "Community Well-Being Index," *Government of Canada*, updated May 24, 2019, https://www.sac-isc.gc.ca/eng/1100100016579/1557319653695.

To help to understand spending trends, IFSD developed policy clusters (child and family services programming; context; education; health programs; social programs, see Appendix I for definitions) (Figure 26). The data suggests that overall ISC spending across program areas has been consistent, with exception to the increases in child and family services and health spending.

FIGURE 26: Total ISC spending by cluster by fiscal year.



Sources: Indigenous Services Canada (ISC), Institute of Fiscal Studies and Democracy (IFSD).

The significant 48% increase in FNCFS program spending in 2018–19 is attributed to the CHRT-mandated payments (the FNCFS program spending is projected to decrease by 9% in 2019–20) (see Figure 27). Case study analysis suggests that the CHRT payments have had immediate impacts on programming and operations. The supplementary investments, however, are one-time payments and not guaranteed beyond the next fiscal year. This reality puts progress on prevention programming and practices at risk.

PIIKANI CHILD AND FAMILY SERVICES ALBERTA

Piikani CFS serves a significant on-reserve population. With the supplementary funding from CHRT, it has bolstered its prevention services and prevention-focused approach. Piikani CFS's shift in focus is a testament to the impact of funding when paired with latitude for action on the ground.

Context

Piikani Child and Family Services (CFS) was established through a negotiated tripartite agreement in 1999–2000 and was delegated in 2001. From a small team of five staff, it has grown to 22. All staff serving in Piikani are Blackfoot, which helps to reduce turnover.

Piikani CFS serves the Piikani Nation. For over five years, the community was under third-party management with major debt. There were no homes built between 1995 to the mid-2000s, which is telling of the challenges, as most of its membership resides on reserve. Economic opportunity and development remain a challenge without external capital investment. While the community has worked to manage its financial challenges, the community-level trauma of residential schools within 10 km of the reserve remains, and is expressed in various forms, namely through addictions.

Piikani CFS has adopted a prevention-focused approach to its care with resources acquired through the Canadian Human Rights Tribunal (CHRT) rulings on First Nations child and family services.

Programming

Piikani CFS has leveraged supplementary funding from CHRT to develop its prevention programming and associated tools (in 2018, funding was just over $1 million). In the last two years, there has been a downward trend of the number of children in care in the agency with the prevention funding increase. Permanent placements in foster care have also decreased as kinship care increases.

While children in care numbers have decreased and kinship arrangements increased, it remains a challenge to find foster parents and kinship arrangements on-reserve. There is a resource gap in housing and other areas, which limits the ability of homes to meet the provincial foster home standards required. This reality is a function of the broader contextual challenges that Piikani Nation must manage.

Bolstered with supplementary resources, Piikani CFS has worked to address the *causes of the causes* of contact with the protection system, e.g. poverty. Given the trends in protection placements, Piikani CFS considers the approach to be successful. Prevention funding allows for increased flexibility in approaches to support children in families (instead of always reverting to protection to unlock funding).

One of its prevention focused programs, has been the development of a Piikani cultural connection application. The app was designed to promote cultural connections and continuity for children, especially for those living with foster families off-reserve. A cultural conduit, the app is a point of access to Piikani's culture, language and history.

Prevention programming increases have highlighted capital needs, especially to support programming and to continue to house all staff in a single building.

Governance

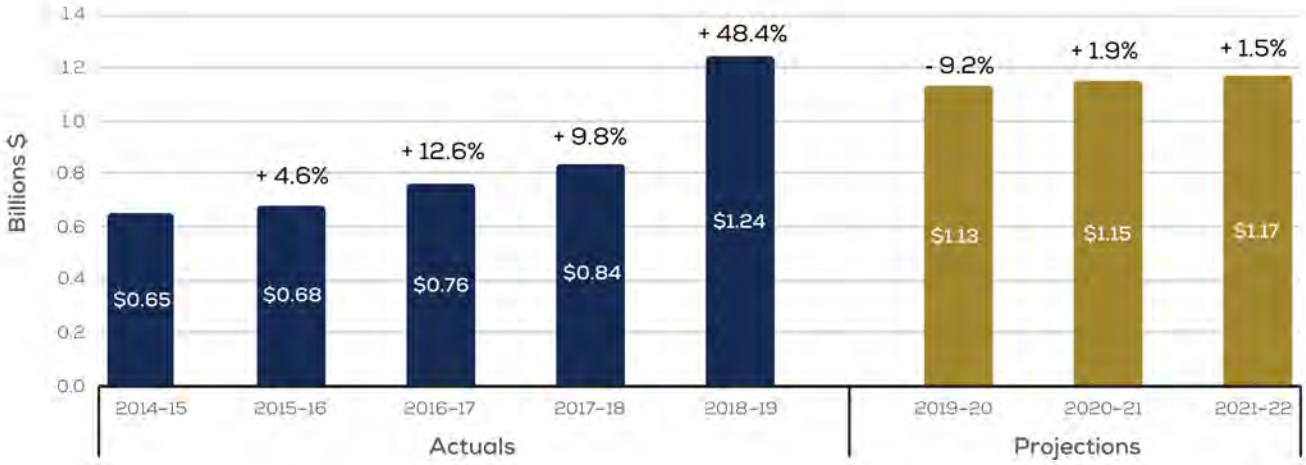
Piikani CFS is incorporated, an arrangement that supports Piikani CFS' independence. Governed by a board of directors with representation from the Band Council, Piikani CFS follows Alberta's provincial CFS laws. All data is collected and controlled by the Province of Alberta (Piikani CFS has had to request its own data). Data is protection-focused, with limited data on prevention (if any).

Lessons and Considerations

Even in the short-term, supplementary CHRT funding has had impacts on refocusing resources and activities from protection to prevention. Piikani CFS has altered the orientation of its organization, to focus in a meaningful way, on prevention and the *causes of the causes* of protection.

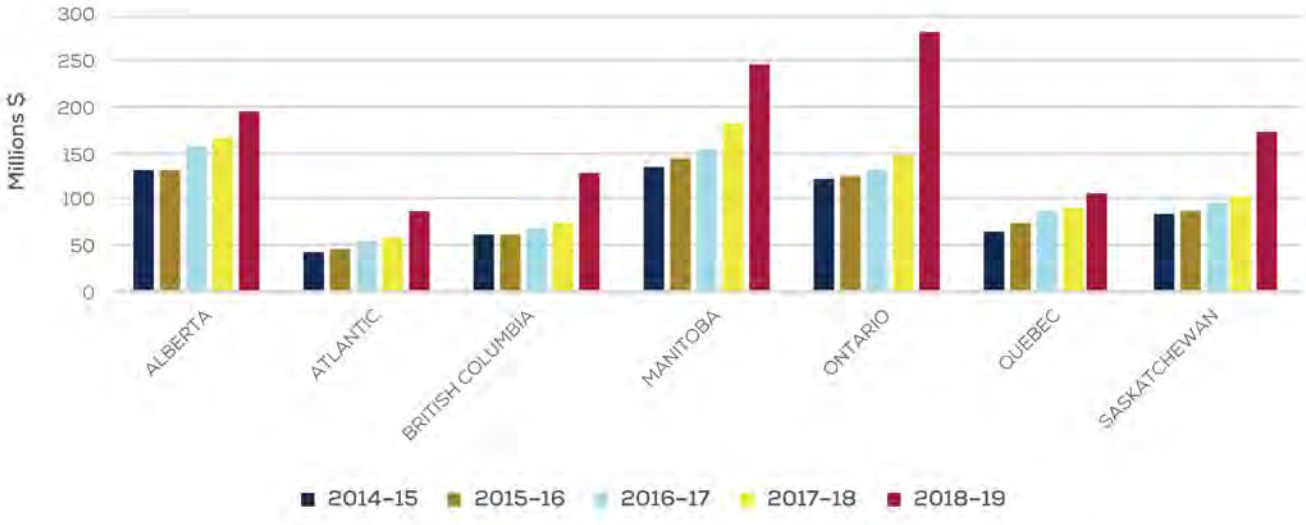
The crucial lesson from this experience is the expediency with which funding changes can influence activities and operations on the ground. Piikani CFS's work in shifting its practice to focus increasingly on prevention with supplementary funding, is a testament to the impact of funding when paired with latitude for action on the ground.

FIGURE 27: FNCFS spending by fiscal year with projected spending.



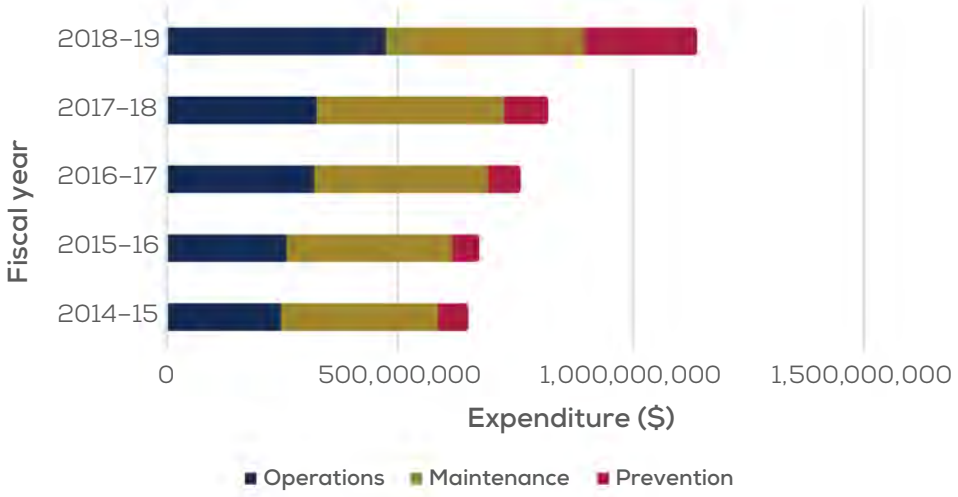
On a provincial and regional basis, similar trends for the FNCFS program are exhibited (see Figure 28). Total funding generally increases on an incremental basis, with a significant increase in fiscal year 2018–19 for all provinces and regions with exception to Quebec, which exhibits a smaller comparative increase relative to fiscal year 2017–18.

FIGURE 28: FNCFS spending by province/region by fiscal year.



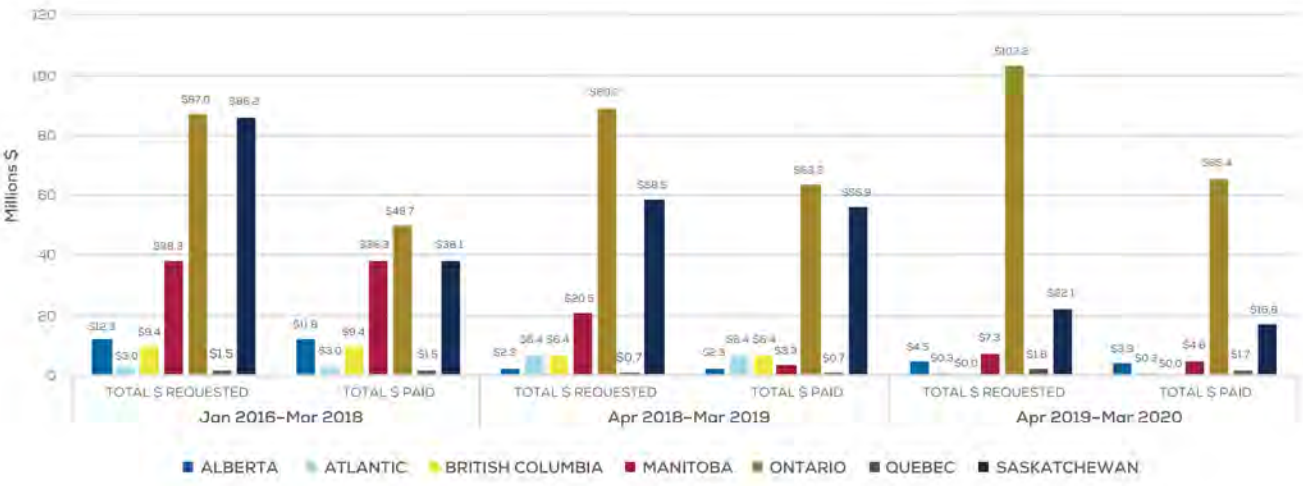
FNCFS program-level data was provided separately to IFSD in October 2019. This data is used for illustrative purposes only, as there are some minor differences with the program data and the ISC provided dataset (see Figure 29). The program information is useful in depicting the shift in allocations between maintenance (payments for children in care), protection and prevention from fiscal year 2014–15 to 2018–19. Relative to the other fiscal years, overall spending increased in 2018–19, notably in prevention.

FIGURE 29: Total FNCFS spending by category by fiscal year.



CHRT-related spending is captured at the program level by ISC but is not separately coded. The supplementary funding mandated by CHRT was application-based and transferred to recipients through the FNCFS program. For a portrait of requested CHRT spending, IFSD obtained a breakdown prepared by program specialists in ISC. Most CHRT-related requests came from Ontario and Saskatchewan. A subset of the requested funds was provided to recipients. This breakdown is illustrative only (see Figure 30).

FIGURE 30: CHRT funding—overview.



Results-focused evaluations of the impact of CHRT spending are not available through ISC. The framework used to capture applications of CHRT spending was input-focused, limiting understanding of the short-term impacts of the supplementary investments. IFSD attempted to supplement the data gap on CHRT spending to FNCFS agencies through

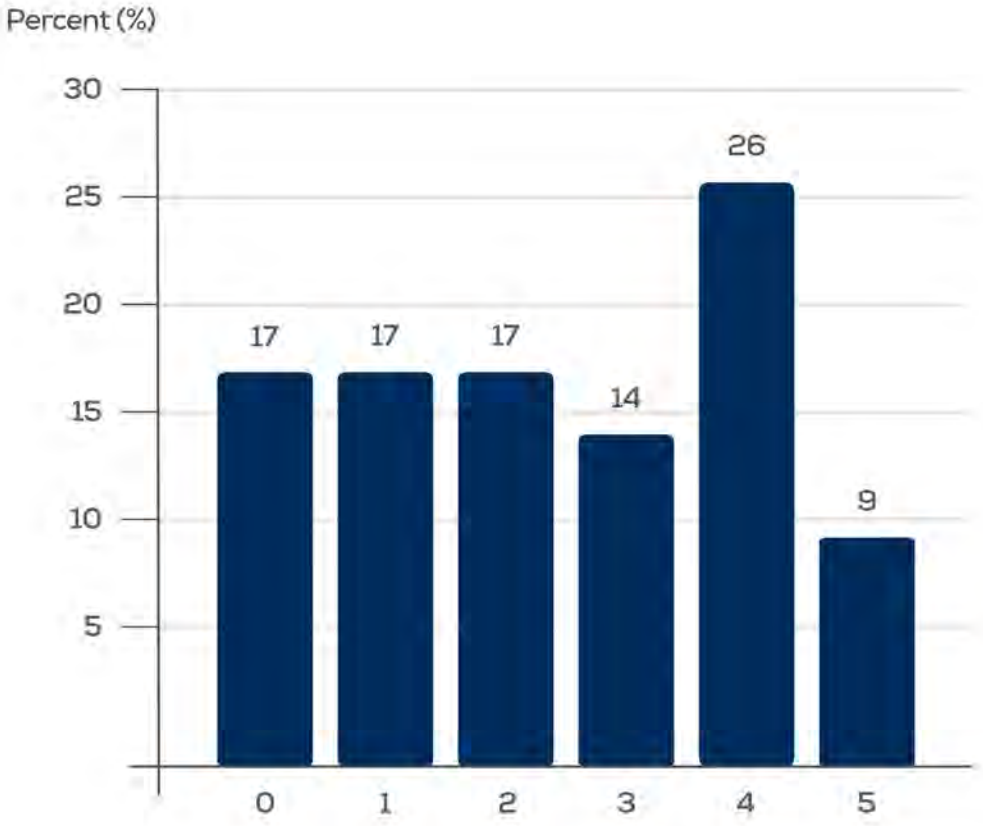
its 2019 FNCFS survey (see Application of the approach). For those agencies that requested and received CHRT funding, most applied funds to salary top-ups (to align to provincial salary scales), prevention programming, operating, and capital needs.

A well-formed public sector performance architecture will connect data through inputs (i.e. resources), outputs (i.e. program activities) and outcomes (i.e. results for stakeholders). Most tracking associated to ISC's program is based on inputs and outputs in an architecture that aligns to programs and aggregated at a national level. However, the current data architecture does not connect *results* at the level of First Nations with resource allocation. For example, four performance indicators are associated to the FNCFS program. All four are focused on inputs and outputs:

1. Percentage of First Nation communities offering family support services aimed at keeping families together.
2. Percentage of First Nations children on-reserve, in care.
3. Percentage of First Nation children entering care for the first time.
4. Percentage of children in care placed with a family member.

Across all programming activities, ISC tracks 115 separate indicators between fiscal years 2014–15 and 2018–19. Over this period of time, 10 of the 115 performance indicators (approximately 8.6%) had five years of continuously recorded data. As depicted in Figure 31, approximately 35% of indicators have four or more years of data. In contrast, just over half (51%) of indicators have two years or less of recorded data. Among indicators, there are instances (approximately, 20%) where there is a gap between one or more years between recorded data points. Half of those indicators missing data, exhibit a gap of two or more years.

FIGURE 31: Chart 1: ISC outcomes data by number of data points (%).



Approximately half of the indicators (49%) had associated measures. For instance, one measure on water and water systems tracked: "% of on-reserve public water systems financially supported by Indigenous Services Canada that have low risk ratings". The remaining fifty-eight indicators had targets that were to be determined, not applicable, or blank.

The financial data provided by ISC allowed for a number of observations. It provided a better understanding of the amount of funding, the approach through which funding was allocated, and offered clarity on recipient type. There are limitations to the data and opportunities to improve the connection between resource allocation and results. The lack of continuity in indicators and data collection limits analysis beyond the aggregate level of the program. Outcomes cannot be tied to recipients, regions, rural v. urban areas, etc. to improve resource application.

An alternative approach to performance

This report proposes an alternative approach to performance measurement, rooted in Treasury Board policy. The current policy and its predecessor, the Policy on Management, Resources and Results Structures, has been implemented in an uneven manner across Government of Canada departments. It often appears that reporting on results is oriented towards external reporting to Parliament, rather than for the purposes of managing to outcomes. Implementing a results-focused framework for linking expenditures to outcomes (not only inputs and outputs), requires departmental commitment in that it requires the performance architecture and information to support the department's allocation of resources and the management of results.

In the public sector, linking resources and results can be challenging due to actors often conflating attribution of performance outcomes with reporting on results. For instance, Environment Canada measures the weather daily but is not accountable for the forecast. Measuring results does not imply a direct accountability for the outcome. Instead, results measurement is about generating evidence for improved decision-making.

While the implementation of results policy has been uneven across the Government of Canada, there are federal initiatives with a results framework that connect outcomes and expenditures, with an evidence-driven approach. The National Crime Prevention Strategy (NCPS), within the National Crime Prevention Centre, invests in crime prevention strategies by targeting the risk factors that lead to criminal activity. The initiative is premised on early intervention to reduce crime by addressing risk factors. The program's structure allows programming dollars to be allocated to the initiatives that work. This ability to directly align funding to practices is not always an option.

To assess its results, the NCPS logic model[50] defines results-oriented indicators, such as increasing the sense of security of users of facilities and reducing hate-motivated crime in community facilities. These targets are examples of how to define programmatic outcomes, by identifying the long-term intention of the investment and linking resources and results through evaluation.

[50] Public Safety Canada, "2017–2018 Evaluation of the National Crime Prevention Strategy," last modified September 20, 2018, https://www.publicsafety.gc.ca/cnt/rsrcs/pblctns/2017-18-rprt-vltn-ncps/index-en.aspx#a01.

To apply the principles of results-oriented measurement to FNCFS, the Measuring to Thrive framework was developed in consultation with agency leadership and experts to build an evidence-focused understanding of the holistic well-being of children, families and their communities. This framework will help to define two-way accountability between the federal government as funder and the agency as service provider. As with the cases of New Zealand and Scotland[51] who have published well-being budgets and regularly track progress, performance-based budgeting requires a focus on results rather than only inputs and outputs.

[51] Helaina Gaspard and Emily Woolner, "Budgeting for Well-Being," *Policy Magazine* 2020, https://policymagazine.ca/budgeting-for-well-being/.

Part II: Measuring to Thrive performance framework

Introduction

As a new and improved performance framework, Measuring to Thrive[52] will offer perspective on the well-being of First Nations children, families, and communities (see Figure 32), in keeping with the legislatively defined principles of **substantive equality**, the **best interests of the child**, and a **culturally-informed approach**. The intent of Measuring to Thrive is to provide FNCFS agencies with a portrait of the people they serve and the context in which they operate to support enhanced decision-making and eventually, to better inform funding approaches (see Appendix J for the full framework).[53]

What you measure, you manage. This framework is a tool to promote better understanding of community in order to ensure an agency has the resources required to meet the needs of the people it serves. Measuring to Thrive is a vision to promote better results for children; it is not about measuring an agency's individual performance.

[52] Agency leadership and experts convened for a roundtable on February 21, 2020 in Ottawa at the Institute of Fiscal Studies and Democracy (IFSD), to refine a measurement framework based on the work of First Nations child and family services (FNCFS) agency leadership in 2018.

[53] The Children's Health and Well-being Measure (CHWM) is a 62 multiple choice question survey, with three open ended questions to help to assess the spiritual, emotional, physical and mental health of Indigenous children. Administered via tablet in five First Nations communities in Ontario, the survey results have helped to develop community portraits of children's wellness and the delivery of services and resources of children in need. Focused exclusively on children's health and wellness the CHWM was not designed to assess child, family and community holistic well-being.

KW'UMUT LELUM
BRITISH COLUMBIA

The dashboard agency: It's about outcomes, not about band-aids.

A focus on outcomes must be accompanied by clear lines of accountability, requisite human capital, IT and data resources.

Context
Kw'umut Lelum serves nine First Nations in British Columbia. With populations below 2,000 per community, close collaboration and engagement is facilitated. Working closely with band councils, Kw'umut Lelum works to address service gaps and not duplicate services in its communities.

The agency's appreciation for relevant data focused at the level of the child and their community, supports the development of needs-based programs built from the bottom-up. In the last two years, Kw'umut Lelum has undergone organizational shifts to build and integrate a new outcomes-focused data system. From budgets to programs, Kw'umut Lelum is building real-time portraits of its communities, their needs and what works for them.

Operating
Kw'umut Lelum had a substantive shift in its operations in 2018, with prevention funding that changed internal structures and practices. From the hiring of prevention workers for each First Nation served, to the development of a data team, the agency finally had the resources to orient its practice toward holistic well-being.

The way Kw'umut Lelum frames its challenges is rooted in a life-cycle perspective. When considering access to services, it is not only about counting which services are there an which are not, but also about barriers to access and the appropriateness of those services for communities. This nuance is an important one. Connecting context to inputs, outputs and outcomes, from the ground-up, facilitates a different way of delivering a mandate.

To build this perspective, Kw'umut Lelum began collecting quantitative and qualitative data in an integrated database. This approach helps the agency track the progress of an individual child and also understand how they, their family and community are faring together. Linking contextual information about

communities to the experiences of the individual paints a clearer portrait of the ways in which services, environment and resource allocation interact.

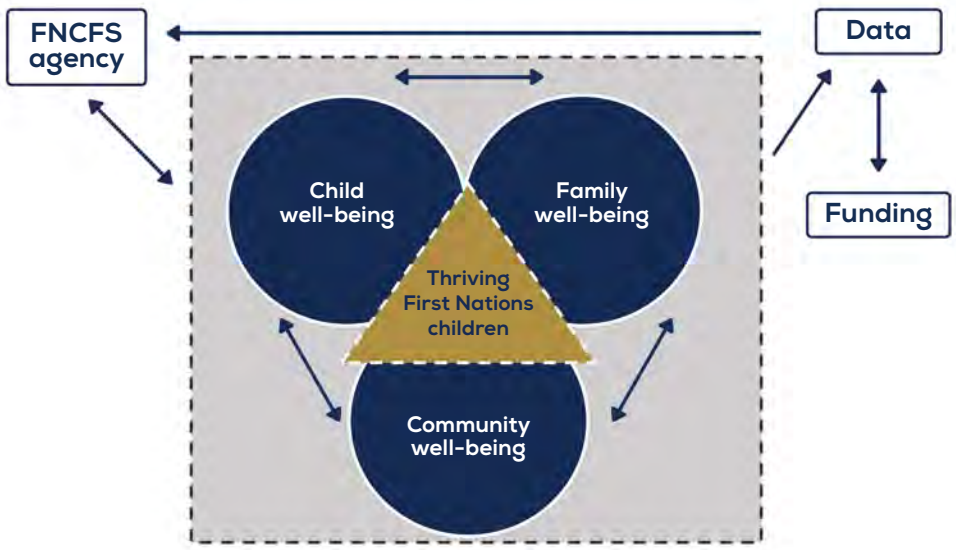
The evidence generated from the data is very useful for budget and resource planning. With an enriched perspective, budgets can be aligned to need, and verified through consultations and regular assessments with chiefs and communities. Budget allocations, especially on well-being and prevention matters are determined with input from the senior management team, the board of directors, and community consultations.

Kw'umut Lelum has three points of accountability in its organization: to their board of directors, to band management, and to the communities and their front-line staff. The system of accountability promotes cross-collaboration, connections to and knowledge of communities.

Lessons and Considerations

Change such as the type Kw'umut Lelum has introduced in the last two years does not come easily. Organizational change needs confidence building leadership and a cohesive senior team. Change may not suit everyone equally and some staff may choose to leave. Agencies should be prepared with a well communicated plan to deliver the change and be open to adjusting in-course to meet unexpected circumstances.

FIGURE 32: Measuring to Thrive framework's holistic conception of well-being.



WHAT WE HEARD

1. Context matters: The experiences and needs of individual agencies and their communities differ, e.g. urban, rural, remote, etc. ***The measurement framework must abstract to a common collective vision of well-being.***

2. Culture is key: Culture, language and land are crucial elements of belonging. Opportunities for children and families to connect with their community are important. ***The measurement framework must be read through the lens of individual cultural practices, traditions and languages.***

3. Safety is an element of well-being: Safety is not an independent goal of FNCFS, it is an important element of overall child well-being. ***Safety must be a measure within child well-being.***

4. Measuring what matters: FNCFS agencies recognize the value of collecting and using their own meaningful data for improved decision-making and funding approaches. ***Measuring what matters will take time and will require a period of testing and adjustment to refine the approach.***

5. Capacity requirements: Agencies require internal capacity and support to leverage data collection and analysis that reflects them. ***A third-party independent and trusted custodian of the data should be established to support this need, along with resources internal to agencies.***

The vision in Measuring to Thrive is expressed through three interrelated elements: the well-being of communities, families and children. Measuring to Thrive is meant to be read in the spirit of holistic well-being. As such, it is meant to be informed by the unique cultural practices, traditions and Indigenous languages integral to thriving First Nations and their communities (see Figure 33).

FIGURE 33: Measuring to Thrive framework overview.

FAMILIES
(6 indicators)

Performance area	Sample measures of indicators
Wellness and social engagement	▪ Families reporting livable income to meet needs ▪ Families demonstrating social engagement through participation in cultural traditions, teachings and ceremonies ▪ Incidents of family violence

CHILDREN
(42 indicators)

Performance area	Sample measures of indicators
Safety	▪ Incidences of child sexual abuse ▪ Number of moves in care ▪ Rates of family reunification
Cognitive development	▪ Children achieving basic numeracy and literacy targets
Social relationships	▪ Youth reporting ties to elders ▪ Youth reporting ties to siblings, extended family, friends
Emotional, cultural and spiritual well-being	▪ Children/youth reporting eating traditional foods ▪ Children/youth reporting pride in Indigenous identity
Physical health and well-being	▪ Children/youth reporting regular physical activity ▪ Percentage of teenage births

COMMUNITY
(27 indicators)

Performance area	Sample measures of indicators
Basic needs	▪ Households with drinking water flowing from tap for consumption, bathing and other uses ▪ Households with internet connectivity ▪ Community employment rate
Community services and engagement	▪ Community spaces for gatherings ▪ Community controls and runs health services
Wellness	▪ Rates of violent crime ▪ Rates of chronic health conditions
Education	▪ Community offers and controls elementary education ▪ High school graduation rates

The vision in Measuring to Thrive is meant to be universal. No matter where you reside, there can be agreement on the highest order elements that indicate thriving communities, families and children. While Measuring to Thrive is a common expression of well-being, individual agencies will deliver their mandates in the best interests of the communities they serve. This means that remote, rural, urban, large and small agencies may have differing needs and approaches to their practice, but may find unity in the pursuit of well-being for thriving children, families and communities.

Ideally, the Measuring to Thrive framework receives strong and broad-based support and is used in part or in full as a common tool for data development and tracking among federally funded FNCFS agencies. As proposed and agreed during the roundtable, it would be imperative for FNCFS agencies and for their communities to have any data collected through this framework transferred to a neutral, reliable and trusted third-party who would be a custodian of the data. This data would belong to FNCFS agencies and their communities. An institution such as the First Nations Information Governance Centre (FNIGC) could be leveraged or an agency similar in style to the University of Chicago's Chapin Hall, could be established in Canada to securely house, analyze and support FNCFS agencies in the collection and application of their data. Over time, as increased amounts of data are collected and analyzed, the data's predictive value would improve making it a helpful planning tool.

In the current state of FNCFS, there is a lack of alignment between social policy and financial resources. Social policy research and FNCFS agencies have repeatedly emphasized the importance of prevention-focused approaches to care that empower children, families and communities, rather than focusing on protection. Approaches taken by FNCFS agencies in pursuit of the well-being of their communities are numerous. There are, however, established gaps in their regular funding in areas such as prevention, capital and information technology. Poverty is a critical gap to address and was used euphemistically to capture the challenging contexts in which many FNCFS agencies operate. Such challenges include limited housing and housing in need of major repairs, access to potable water from the tap, access to broadband, etc.

FNCFS agencies do not operate in a vacuum but are influenced by the realities of the communities they serve. Ensuring that financial resources are aligned to the realities of their circumstances is necessary to support the well-being of communities. Achieving alignment between policy and resources requires people, processes and data to deliver operations and promote accountability.

As active organizations in a network of services in their communities, FNCFS agency activities are ideally focused on investing in people and collaborating to support the development of capable human beings. Inter-relationality is paramount, as individuals are wholly well with a sense of community.

In the Measuring to Thrive framework, **community** is a network of belonging and support; **family** is a collection of people who may have blood relations that support each other almost every day; **child** is a young person on a journey to adulthood.

CARRIER SEKANI FAMILY SERVICES BRITISH COLUMBIA

Empower your staff to deliver the best programming, informed by your own data, evidence and cultural approach, to build a trusted organization focused on well-being. Scale matters. Large and sophisticated agencies have the resources for such activities as research and communications that drive results and community connectedness. No matter an organization's size, its growth has to be paired with change management and resources in IT infrastructure, human resources, and capital assets.

Context

Carrier Sekani Family Services (CSFS), is a large prevention-focused organization serving eleven First Nations from three offices in and around Prince George, Vanderhoof, and Burns Lake, as well as Health Centres on-reserve in north central British Columbia. The agency's life cycle model (from cradle to grave), informed by its own research, extends across health and social programs and services. From intensive family preservation to telehealth initiatives, CSFS has empowered its staff to innovate, try, fail, and succeed, in support of the people and communities they serve.

Operations and Programs

Working cohesively as an organization, CSFS seeks to design its services to strengthen capacity in communities, and to support the development of happy and healthy children and families. There is no 'wrong door' in at CSFS. Staff are well connected and freely collaborate within the organization. An individual or family in need of support will find a wrap-around approach to services.

Strong leadership, research and policy are pillars of CSFS's integrated approach. Senior executives are credited with creating an environment that empowers staff, making them feel accountable for the organization and its outcomes. Managers run business lines in the organization, with latitude to solve problems and innovate to meet community needs. The organization has developed a Terms of Reference, unique to each First Nation, outlining its process for integrated care meetings.

CSFS's over 200 staff are regularly convened for meetings (typically, virtually), in which updates are shared and ideas discussed. Complex care clients/patients are reviewed at monthly integrated care meetings. The regular contact and awareness reinforce the integral role staff play in the operation. Staff retention is high.

CSFS's research program is a defining element of the agency. Current research in health, psychology, social services, etc. is paired with internal data and evidence to build policies and programs that support outcomes. Staff value the relationship they describe as 'symbiotic' with the research team, as they engage in 'true collaboration,' in their work. The research team maintains connection to community through a Research Advisory Board made up of knowledge holders from each member nation.

There are direct linkages between research and programming at CSFS. Programs such as, the Intensive Family Preservation Program are informed by research on traditional child rearing and traditional laws. The youth program, Walk Tall, was shaped by research and findings from the Youth Suicide Project. Following ten years of research, the Family Law Program was established to support families. Mediators associated to this program are trained through a specialized course, delivered in partnership with the University of Northern British Columbia for which university course credits are earned.

An in-house curriculum, "Our Way," was developed define a culturally informed approach to services, specific to the eleven First Nations CSFS serves. The approach has become very popular in the organization and even outside of it, with paid training.

The emphasis on data, evidence and evaluation is built-in to new initiatives and programs. Services are accredited with the highest recommendation possible in audits. For example, Youth Services, a relatively new department is building in community consultations and evaluations with participating members into their practice from the outset. This work encourages in-course corrections by adjusting practices to meet needs.

This theme of informed, accountable and empowered staff extends across the agency. There is a focus on care with social workers carrying an average of eight cases. This changes the dynamic of care, with social workers able to focus on people instead of paperwork. The agency's vision is core to staff retention; the organization doesn't just respond to crises; they work with families to build better futures. Staff feel valued, contribute ideas, engage in research, build programs and policies from the ground-up.

Outward Facing Connections

Serving eleven communities and a large staff, CSFS has built a Communications Team that runs social media accounts, a YouTube page and contests. The team helps to share stories and practices for well-being in the communities. They share information, promote events, and encourage awareness of CSFS.

The community engagement goes beyond a one-way transfer of information to focus on development. CSFS contracts the Nicola Valley Institute of Technology to run customized training programs. With training funded by CSFS, community members can pursue human resource training and social work training and work for the agency. CSFS's presence in communities is constant, and not exclusively associated to protection problems. By investing in communities, CSFS benefits from their engagement and trust.

Conscious that service offerings differ in community and in cities, CSFS is working to foster a similar continuum of services. Programming tends to be more extensive in communities, while many members are moving into urban centres. The continuity of service is important to CSFS, and they are extending their capacities to meet their community members wherever they reside. Infrastructure, such as CSFS's electronic medical record, provides real time access to the same information throughout the territory, helping staff to support patients wherever they are accessing services.

In the last two years, CSFS has expanded its programming offerings with funding from CHRT rulings. The growth while exciting, highlighted the importance of pairing change with requisite IT infrastructure, human resources, and capital assets. Responding to the concerns of managers who had lengthy hiring waits and a need for space, was critical to sustaining morale in changing circumstances.

Lessons and Considerations

Major growth can be exciting and challenging. When circumstances change, it is imperative that staff are supported and are actively engaged in change management. Technical, human and infrastructure resources should be commensurate to mandate and grow/change with priorities.

Research, data and evidence can be powerful tools to inform and enhance policies and programming. While not all agencies will have a research directorate, emulating program-level evaluation practices, data tracking and in-course adjustments can yield benefits by capturing and applying learnings in future decisions.

A cohesive and high-functioning organization is built on trust and the contributions of its members. CSFS has nurtured an environment that creates a supportive space for staff to innovate, with accountability for outcomes.

Applying the framework

On a quarterly basis, data on the indicators in the Measuring to Thrive framework would be collected. Data will come from various sources, including case files from the agency, as well as external publicly accessible data, e.g. Regional Health Survey, Statistics Canada, etc. Any data to complete the framework will not identify individuals. Measuring to Thrive is designed to collect information in aggregate to protect the privacy of individuals.

As the agency completes the framework, the data would be accessed by the third-party custodian (i.e. First Nations-led secretariat) responsible for scrubbing and analyzing the data. On a quarterly basis, researchers from the third-party will meet with agency leadership to discuss the analysis and potential applications on the ground.

Transitioning to a data collection and monitoring system that supports FNCFS agencies is not expected to be seamless. There will be a period of transition where testing and further refinement will be essential. It is expected that in order to get to the best possible version of Measuring to Thrive, revisions through use will be necessary. Testing the framework is the only way to ensure it reliably reflects the realities of FNCFS agencies and their communities.

FNCFS agencies have an opportunity to leverage the information (data); heart (stories); and resource needs (funding) of their communities to support them. There are four parts to the Measuring to Thrive framework:

1. Support improved decision-making by collecting relevant data aligned to a common vision;

2. Ensure data is good quality and connected to the realities and stories on the ground;

3. Ensure agencies have the capacity and support required to collect and analyze the data;

4. Inform resource allocation moving forward to promote a results-focused approach and allocative efficiency.

Taken together, the parts of the Measuring to Thrive framework can encourage a culture of accomplishment within FNCFS agencies wherein measurement is a tool to promote holistic well-being, supported through requisite resources.

Supporting software

FNCFS agencies will have their own case management systems to track their activities. Often, the data collected in these systems aligns to provincial requirements for child and family services and may not connect to overall holistic well-being of the child, family and community. IFSD has collaborated with software developers to build a complementary tool for FNCFS agencies to collect data and track their progress in alignment to the Measuring to Thrive framework (see the Measuring to Thrive software application details below).

There are other software providers, such as RedMane Technology,[54] that can offer agencies cloud-based solutions to data collection and integration with case management tools. A Chicago-based company, RedMane has offices in Vancouver and works with several FNCFS agencies across Canada. Its self-described expertise are in social service-oriented tools, including the mCase platform,[55] with capacity for systems integration, and off-the-shelf software implementation.

[54] See RedMane Technology's website, https://www.redmane.com/.

[55] See RedMane Technology's mCase platform, https://www.redmane.com/mcase/.

FNCFS agencies will have options and resources on how best to pursue their data collection and analysis in connection to the Measuring to Thrive framework.

Consistent, national data collection is possible. The United States and Australia—both federations with state-level governments involved in the provision of social policy—have national data collection practices on children in contact with the protection system, their experiences in care, and their transition out of care. Australia's data is principally an aggregation of child-level data, with additional sources. The United States has different databases, associated to the child's contact with the protection system. The Adoption and Foster Care Statistics (AFCARS) database collects information on care placement and adoptions. States are required to provide the information twice a year. Data for the National Child Abuse and Neglect Data System (NCANDS) database is voluntary for states, whereas information for the National Youth Transition database is collected through a mandated state-administered survey (see Table 5). The practice of regular, national data collection on child protection is possible, even in federal states. A national authority is often integral in defining the requirement or in orchestrating the aggregation.

TABLE 5: National data collection in child welfare in the United States and Australia.

Jurisdiction	Primary data sources	Data collected	Data custodian
United States	*Adoption and Foster Care Statistics (AFCARS)*: Collects information from Title IV-E agencies[56]	Case-level information on children in foster care[57]	United States Children's Bureau
	National Child Abuse and Neglect Data System (NCANDS): Data are submitted voluntarily by the states	Child welfare outcomes and characteristics of child maltreatment[58]	
	National Youth in Transition survey: States administer the survey to cohorts of youth at ages 17, 19 and 21[59]	Outcomes of youth currently in or recently aged out of foster care	
Australia	*Child Protection National Minimum Data Set/National Child Protection Data Collection*: Extracted from state and territory child protection administrative data sets[60]	Information on[61]: ▪ belonging and identity ▪ care planning ▪ connection to family, culture and community ▪ education ▪ health ▪ participation in decisions ▪ safety, stability and security of children and young people in care ▪ social and recreational needs ▪ training and support for careers ▪ transition from care	Australian Institute of Health and Welfare
	National survey of children in out-of-home care: Data are collected by the state/territory departments[62]		

[56] National Child Abuse and Neglect Data System, "Adoption and Foster Care Statistics (AFCARS)," accessed on July 27, 2020, https://cwoutcomes.acf.hhs.gov/cwodatasite/methodology.

[57] Children's Bureau An Office of the Administration for Children and Families, "Adoption & Foster Care Statistics," updated October 24, 2019, https://www.acf.hhs.gov/cb/research-data-technology/statistics-research/afcars.

[58] U.S. Department of Health & Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau, "Child Maltreatment 2018," accessed on July 27, 2020, https://www.acf.hhs.gov/sites/default/files/cb/cm2018.pdf#page=10.

[59] National Youth in Transition Database, "Highlights from the NYTD Survey: Outcomes reported by young people at ages 17, 19, and 21 (Cohort 2)," Data Brief #7, (November 2019), https://www.acf.hhs.gov/sites/default/files/cb/nytd_data_brief_7.pdf.

[60] Australian Institute of Health and Welfare, "Child Protection Australia 2018–19," Child welfare series, no. 72, cat. No. CWS 74, (Canberra: AIHW, 2020), https://www.aihw.gov.au/getmedia/3a25c195-e30a-4f10-a052-adbfd56d6d45/aihw-cws-74.pdf.aspx?inline=true.

[61] Child Family Community Australia, "Children in Care: CFCA Resource Sheet," Australian Government, updated September 2018, https://aifs.gov.au/cfca/publications/children-care.

[62] Australian Institute of Health and Welfare, "National survey of children in out-of-home care 2018," Australian Government, updated March 1, 2020, https://www.aihw.gov.au/about-our-data/our-data-collections/national-survey-children-out-of-home-care-2015-1.

"MEASURING TO THRIVE" SOFTWARE APPLICATION

To deliver on results-focused outcomes for thriving children a web-based online system is being developed to capture outcome data from each CFS agency and to report the collected results. The current working name for this performance framework is "Measuring to Thrive". **It is important to note that all elements of the system are customizable, including branding. The IFSD logo was merely included as a placeholder in this mock-up.**

Technical Architecture

The solution is entirely "cloud-based" and designed and built to run on the Microsoft Azure cloud platform. All critical elements such as the application, web and database servers are located in Canadian data centres.

Database Technology

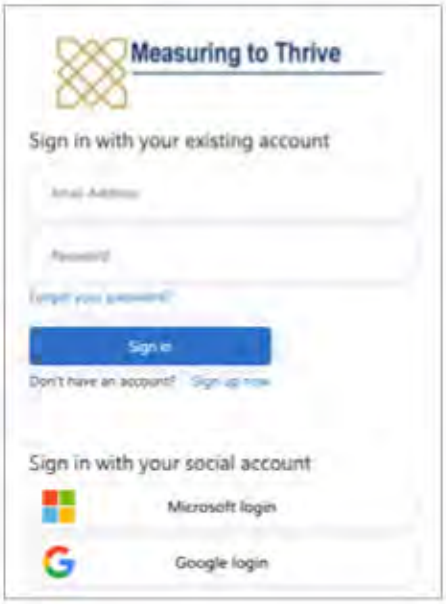
The system is built using the Microsoft Cosmos DB service (MS-SQL). The database can be easily configured to scale up and down to maximize cost efficiencies while still allowing for performance growth as demands require.

Application Server Technology

The application uses modern open-source technologies (Node.js) and is configured to only permit authenticated encrypted connections (HTTPS exclusively).

Application Analytics and Monitoring

The system leverages Azure's sophisticated Monitoring and Alerting features to provide administrators with relevant and timely information regarding the system's health and performance. All data gathered is automatically anonymized in a manner that preserves user privacy.



Identity & Access Management

The system permits an authorized user to login leveraging a Microsoft or Google ID or another email account of their choosing. The underlying technology uses Azure Active Directory B2C (AAD B2C)—a cloud-based identity and access management solution that can scale to hundreds of millions of identities.

Data Residency

All core application code as well as all sensitive application data and reported outcomes are stored exclusively on Canadian servers.

Data Model Overview

Agencies

There are 100+ First Nation Child and Family Services agencies in Canada. One record will exist for each agency and will contain descriptive information such as Agency Name, Address, etc. Each agency can have multiple user identities associated with it for secure login and data entry purposes. Agency records are setup and maintained by the system operator—not individual agencies.

Users

Each agency may have more than one individual who is permitted to login and view, enter or edit appropriate outcome data for an agency's communities. Each user will have a unique identity linked to an authoritative third-party provider such as a Microsoft or Google ID or a user selected email address linked to an Azure Active Directory B2C Local Account.

Bands

For the purposes of this performance reporting system each First Nation corresponds to a federally recognized Band—each of which has a unique Band Number. Each Band can be associated with one or more Reserves (Communities). Band records are setup and maintained by the system operator not individual agencies.

Reserves

For the purposes of this performance reporting system each community corresponds to a federally recognized Reserve—each of which has a unique Reserve Number. Each Reserve is associated with a Band. Each agency is responsible for one or more reserves (communities). Data entry (input) will occur at the reserve level of granularity. Reserve records are setup and maintained by the system operator not individual agencies.

Key Performance Indicators and Hierarchy

Indicators are grouped into a hierarchy illustrated below.

Component	Description
Strategic outcome	Broad but distinct societal areas of focus to achieve the strategic outcome.
Performance areas	The lenses through which progress on strategic outcomes can be understood.

As an example: The overarching goal is "*Enabling First Nations Children to Thrive*".

The overarching goal is made up of three Strategic Outcomes: Child and Youth Well-being, Family Well-being, and Community Well-being.

As a further example, the Child and Youth Well-being Strategic Outcome consists of five Performance Areas: Safety; Cognitive development; Social relationships; Emotional, cultural and spiritual well-being; Physical health and well-being

The Safety Performance Area breaks down to distinct Indicators:

- Number of serious injuries or deaths; Recurrence of child protection concerns after ongoing protection services; Child abuse (excluding sexual abuse); Child sexual abuse; Rate of family reunification; Timeliness of customary care; Percentage of children with kin and/or Indigenous families within their community; Quality of caregiver and youth relationship; Regular opportunities for relational connections to community; Out of home placement rate; Number of moves in care

KPI Definitions & Effective Dates

The system defines the Indicator name, data types, formula, description, etc. Since the Indicators in use will likely need to evolve over time, indicators include effective dates to dictate when they go live in the system and when they are retired from use. The data entry interfaces as well as reporting leverage effective dates to filter for relevant Indicators.

Periods

It has been decided that Government of Canada (GoC) financial years and fiscal quarters will be the basis of the application's calendar. GoC fiscal quarters are defined as: Q1 = April–June; Q2 = July–September; Q3 = October–December; Q4 = January–March.

Outcomes (Indicator Data)

Outcomes are the measurements of KPIs that are entered into the system. This is the most granular level of data in the application.

- Indicators for Child and Youth Well-being and Family Well-being will be reported by each agency for each reserve they serve on a quarterly basis.
- Indicators for Community Well-being will be entered by the system operator for each reserve on an annual basis using authoritative data from sources such as Statistics Canada, ISC, or other sources.

Record Level Security

All data entry and reporting in the system is filtered and secured such that only relevant data is visible/accessible to users based on their roles. In particular, it should be noted an agency user is only able to see the Bands and Reserves they serve and not the Bands and Reserves of other agencies.

Roles

The system envisions different roles for Agency and System Operator personnel with each having access to different privileges, capabilities and visibility over data. It is possible for a single user identity to have more than one role assigned. Specifically, while Agency staff will typically only have the "User" role assigned, System Operator personnel may have either "Administrator", or "Data Manager", or both "Administrator" and "Data Manager" assigned.

Administrator Role
The role of Administrator is assigned to System Operator personnel. This role will manage the general application settings and branding, updating the KPI definitions and associated hierarchy and maintaining text elements such as the help files, Terms of Use, etc.

Data Manager Role
The role of Data Manager is assigned to System Operator personnel. This role has three primary functions:

1. Create or edit Agency records and manage Agency License Keys for user onboarding;
2. Create or edit Band and Reserve records;
3. Enter or Edit Community Well-being data as required. Also, occasionally enter or edit Child and Youth Well-being & Family Well-being Outcomes data as required to support Agency personnel.

User Role
The role of User is assigned to an Agency User associated with a specific Agency. Each user will have a unique login that permits them to:

1. View/Enter/Edit data for Child and Youth Well-being as well as Family Well-being outcomes for each of their agency's reserves.
2. View/Select and export historical outcomes data for their reserves (including Child and Youth Well-being, Family Well-being as well as Community Well-being) for presentation or further analysis using tools such as Microsoft Excel.

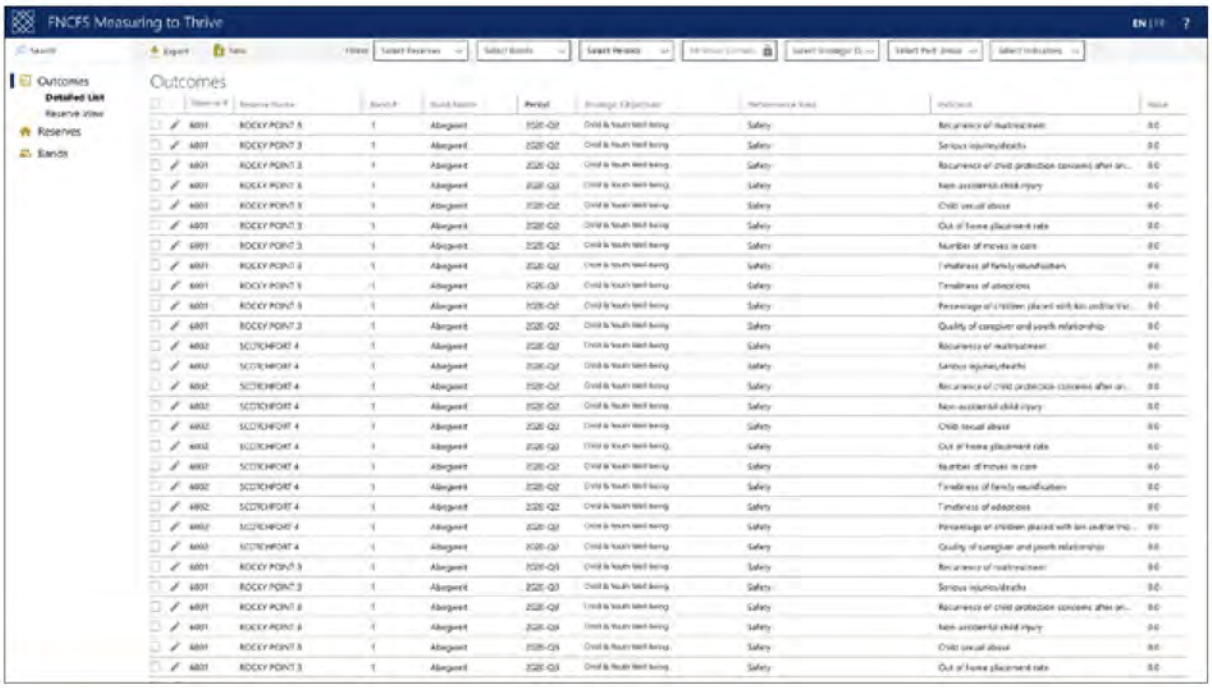
User Interface/Experience (UI/UX)
The system is developed to support modern desktop browsers. The nature of the performance reporting system is "information dense". As such, the application is designed/optimized to be accessed primarily via desktop-grade web browsers. While the application can work with mobile devices, such as tablets, the experience may be suboptimal.

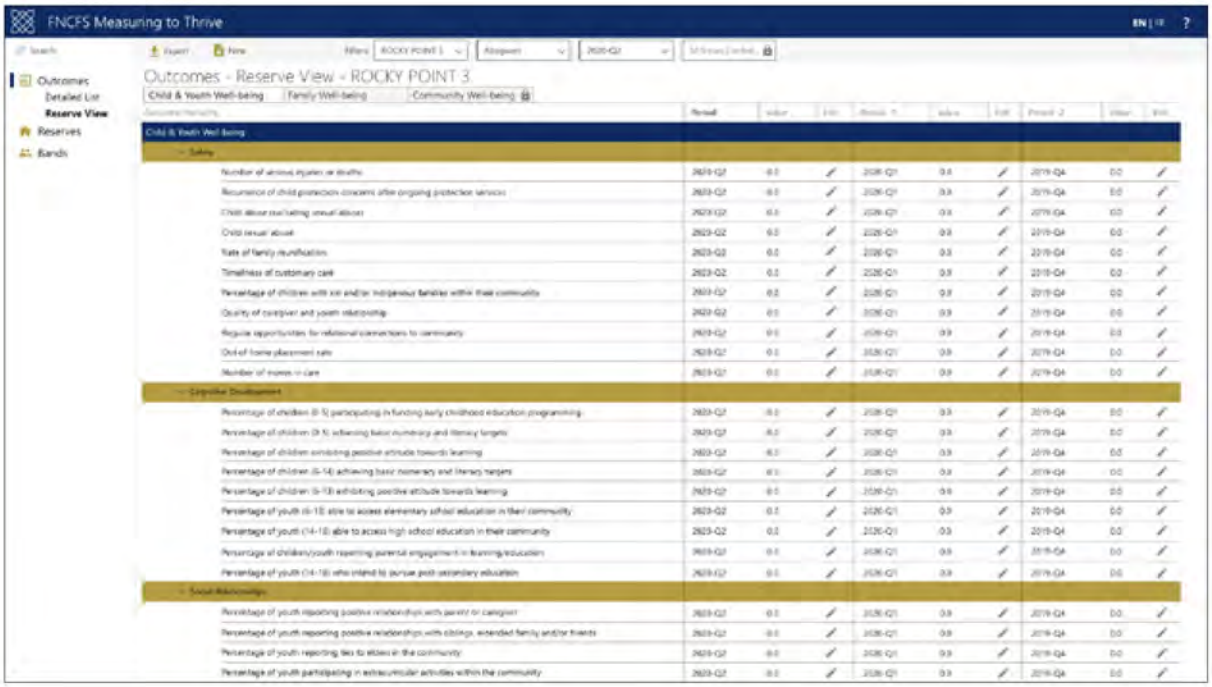
English or French User Experience
The application permits any user to operate the system in English or French and dynamically switch between the languages via a toggle.

Dynamic filters
The application is very "data dense" and thus the UI employs a series of filters to allow selection of a subset of Agencies, Bands, Reserves, Indicators and Outcomes, in addition to "Time-based" filters for desired periods, to efficiently isolate desired historical records as required.

Screenshots

The screenshots shown below illustrate the initial mockup of a user's experience of Outcomes both as a Detailed List view and a Reserve View. Please note the data shown is only a placeholder—not actual outcomes.





Building well-being into performance

While the concept of well-being has received increasing attention from scholars and practitioners, both from states and international organizations, the issue of citizen well-being originally gained momentum during the 1970s. The child well-being indicator movement grew out of the broader recognition of social indicators of well-being. As a result, in 1979, UNICEF launched the State of the World's Children reports and the World Bank published a World Atlas on the Child. That year, Child Trends was established by the Foundation for Child Development to monitor child well-being. The OECD also started producing reports on family demography and education during this time.

The importance of measuring and tracking child well-being in particular is clearly articulated in the relevant literature as being imperative to ensuring thriving futures, both for individual children and for society as a whole. As reported by the World Health Organization (WHO), "The early child period is considered to be the most important developmental phase throughout the lifespan (…) What happens to the child in the early years is critical for the child's developmental trajectory and life course."[63]

Originally, the intent of child well-being indicators was to monitor children's survival[64] and to protect children from the most severe and pressing risks to safety. Hence, these national social indicator systems focused on sounding alarms to focus attention upon pressing problems that needed to be rectified and included very few positive indicators.

Over time, the concept of child well-being expanded to address a broader range of competencies.[65] In recent decades, a theoretical shift has occurred in understanding the development of children's needs and behaviours and how to support optimal development.[66]

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[63] World Health Organization, "Social determinants of health: Early child development", World Health Organization, (2019), https://www.who.int/social_determinants/themes/earlychilddevelopment/en/.

[64] Asher Ben-Arieh, "The child indicators movement: Past, present, and future," *Child Indicators Research* 1, no. 1 (2008): 3–16.

[65] D. S. Rychen, and Salganik, L. H. (Eds.), "Key Competencies for a Successful Life and a Well-Functioning Society," (Ashland, OH: Hogrefe and Huber Publishers: 2003).

[66] Reed W. Larson, "Toward a psychology of positive youth development," *American psychologist* 55, no. 1 (2000): 170; Richard M. Lerner and Peter L. Benson, "Developmental assets and asset-building communities: Implications for research, policy, and practice," Vol. 1, *Springer Science & Business Media*, (2003); Richard M. Lerner and Laurence Steinberg, "The scientific study of adolescent development," *Handbook of adolescent psychology* 2 (2004): 1–12; Peter L. Benson and Peter C. Scales, "The definition and preliminary measurement of thriving in adolescence," The Journal of Positive Psychology 4, no. 1 (2009): 85–104; Peter C. Scales, Peter L. Benson and Eugene C. Roehlkepartain, "Adolescent thriving: The role of sparks, relationships, and empowerment," Journal of youth and adolescence 40, no. 3 (2011): 263–277.

This new conceptual approach is explicitly strengths-based, focusing on cultivating children's assets, positive relationships, beliefs, morals, behaviours, and capacities to give children the resources they need to grow successfully across the life course.

There has also been a shift from an adult perspective on child well-being towards a child-focused perspective, with broad acceptance for children's subjective perspectives on their own well-being and for children as reporters as a preferred method of assessing their well-being. In the future, children will likely be increasingly active participants in measuring and monitoring their well-being.[67] Positive indicators have been used to describe the competencies, skills, behaviours, and qualities, as well as the relationships and social connections, which foster healthy development across the domains of a child's life.

THE HUMAN DEVELOPMENT ECOSYSTEM

Inherent in the relationship between individual and collective well-being is the concept of a human development ecosystem. Urie Bronfenbrenner, founder of the US federal program Head Start and one of the world's leading scholars on the impact of public policy on child development, has called this interdependence of individuals and societies the "Ecosystem of Human Development".[68] As a reflection of this multidimensional approach to child welfare, many theoretical approaches to family and community well-being have since adopted Bronfenbrenner's Ecological Systems Theory as a underlying basis for intervention.

According to this theory, child development is comprised of four layers of systems which interact in complex ways and can both affect and be affected by an individual child. Later, Bronfenbrenner added a fifth dimension comprising an element of time. In this conception, the microsystems in a developing child's life (family, school, peers) are proximal contexts which directly influence an individual child and their development. In other words, these are "activities, roles, and interpersonal relations experienced by the developing person in a given setting with particular physical and material characteristics"[69] at the innermost level. These microsystems, however, are nested and affected by broader contexts (exo- and macrosystems).

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[67] Asher Ben-Arieh, "The child indicators movement: Past, present, and future," *Child Indicators Research* 1, no. 1 (2008): 3–16.

[68] Urie Bronfenbrenner, "Ecological systems theory," *Annals of child development*, 6, (1989): 187–249; Urie Bronfenbrenner, "Developmental ecology through space and time: A future perspective" (1995) cited in P. Moen & G. H. Elder, Jr., (Eds.), "Examining lives in context: Perspectives on the ecology of human development," (Washington, DC: American Psychological Association): 619–647.

[69] Bronfenbrenner, (1979): 22.

Bronfenbrenner's approach emphasizes the influence of complex relationships within various levels in the environment on a child's development. In the practice of child and family services, these insights reflect the importance of a holistic approach to well-being that includes consideration of a child's context. As a result of these insights, Bronfenbrenner has been described as a pioneer in the study of child and youth care.[70]

As documented in an OECD report[71] on child welfare, there are two prominent strands in the literature on child well-being. The "developmentalist perspective," emphasizes the detrimental effects of costly outcomes, using indicators such as sickness and poverty. The "child rights perspective," by contrast, tends to focus on positive or strength-based measures of child well-being.

CHILD WELL-BEING TODAY: THE SHIFT TOWARDS PREVENTION AND EARLY INTERVENTION

According to the United States' Children's Bureau, in the last fifty years there has been an increased focus on prevention services in child welfare. The change in approach recognizes the contextual factors that impact a child's well-being and the important roles that communities, intervention services, and others play in child safety and wellness.[72] In the 1990s, the United States began funding family support services more intensively to help reduce abuse and neglect. From counselling to in-home assistance programs, the funding recognized the value of prevention-focused interventions for children, families and communities.[73] The downstream social and financial costs of contact with the protection system outweigh the costs of early intervention (see The cost of doing nothing).

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[70] Jacqueline Barnes, Ilan Barry Katz, Jill E. Korbin, and Margaret O'Brien, *Children and families in communities: Theory, research, policy and practice*, Vol. 10, John Wiley & Sons, 2006; Larry K. Brendtro, "The vision of Urie Bronfenbrenner: Adults who are crazy about kids," *Reclaiming children and youth* 15, no. 3 (2006): 162; M. Cole (1979), *Preface*, in U. Bronfenbrenner, *The Ecology of human development: Experiments by nature and design*, Cambridge, MA: Harvard University Press; Phyllis Moen, Glen H. Elder Jr., and Kurt Lüscher, *Examining lives in context: Perspectives on the ecology of human development*, American Psychological Association, (1995): 1–11; Alan R. Pence, Conclusion, in A. R. Pence (Ed.), *Ecological research with children and families: From concepts to methodology, Teachers College Press*, (1988): 222–226; Richard M. Lerner, Foreword, in U. Bronfenbrenner (Ed.), *Making human beings human: Bioecological perspectives on human development*, Thousand Oaks, CA: Sage, (2005): ix–xxvi.

[71] OECD, "Chapter 2: Comparative child well-being across the OECD" in *Doing Better for Children*, (2009), https://www.oecd.org/social/family/43570328.pdf, p. 24.

[72] United States Children's Bureau, "Child Maltreatment Prevention: Past, Present, and Future," *Issue Brief* July 2017, accessed on July 27, 2020 https://www.childwelfare.gov/pubPDFs/cm_prevention.pdf.

[73] United States Children's Bureau, "Child Maltreatment Prevention: Past, Present, and Future," *Issue Brief* July 2017, accessed on July 27, 2020 https://www.childwelfare.gov/pubPDFs/cm_prevention.pdf.

INDIGENOUS PERSPECTIVES ON WELL-BEING

Insofar as First Nations child well-being is discussed within the context of health, social determinants of health are often mentioned. Social determinants of health refer to the living and working conditions which exert an influence over health outcomes. Oftentimes, these relate to an individual's place in society, such as income, education or employment. Other examples of social determinants of health for First Nations adults living in First Nations communities in Canada include community wellness, education, labour force characteristics, personal health practices, health services, culture, and the physical environment.

Similarly, the framework proposed by Finlay, Hardy, Morris, and Nagy (2009) suggest that, in Canada, Aboriginal status, early life, education, employment and working conditions, food security, health care services, housing, income and its distribution, social safety net, social exclusion, as well as unemployment and employment security are identified as social determinants of health.[74] Other determinants of health among First Nations peoples include colonization, globalization, migration, cultural continuity, access, territory, poverty, self-determination, disempowerment, and a lack of control over one's destiny.[75]

According to the Cultural Framework developed by the First Nations Information Governance Centre (FNIGC), health and well-being in a First Nations context can be defined comprehensively as the total health of the total person in the total environment. FNIGC references work by traditional teacher, Jim Dumont (2005), who defines total health as: "all aspects and components of health and well-being seen as integrally interconnected with one another within an inclusive, inter-related and interactive web of life and living." The total person encompasses "all dimensions of personhood—understood to be body, mind, heart and spirit." Total environment refers to "a healthy connection and relationship with the living environment—this being constituted of the land and the natural, cultural, structural/material, political, historical, behavioural, community, family and everyday living environment."[76]

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[74] Judy Finlay, et al., "Mamow Ki-ken-da-ma-win: A Partnership Approach to Child, Youth, Family and Community Well-being", *International Journal of Mental Health and Addiction* 8, no. 2, (December 30, 2009): 245–257.

[75] Judy Finlay et al., 2009; Darcy Hallett, Michael J. Chandler, and Christopher E. Lalonde, «Aboriginal language knowledge and youth suicide,» *Cognitive Development* 22, no. 3 (2007): 392; Malcolm King, Alexandra Smith, and Michael Gracey, «Indigenous health part 2: the underlying causes of the health gap,» *The Lancet* 374, no. 9683 (2009): 76–85; Chantelle AM Richmond, and Nancy A. Ross, «The determinants of First Nation and Inuit health: A critical population health approach,» Health & place 15, no. 2 (2009): 403–411.

[76] First Nations Information Governance Centre, "National Report of the First Nations Regional Health Survey Phase 3: Volume Two", (2018): 8, https://fnigc.ca/sites/default/files/docs/fnigc_rhs_phase_3_volume_two_en_final_screen.pdf.

According to McCubbin et al. (2013),[77] Indigenous well-being denotes a relational perspective which emphasizes 'the collective' over 'the individual' as a distinct entity. Hence it is closely tied to culture and spirituality, as well as to social and emotional, physical, subjective and economic well-being.[78]

In Canada, FNIGC has conducted the Regional Health Survey (RHS) of Aboriginal populations since 1997. The RHS collects information of on-reserve and northern First Nations communities based on Western and traditional understandings of health and well-being.[79] The Government of Canada also employs the Community Well-Being Index, which measures socio-economic well-being for individual communities across Canada. It includes 4 components: education, labour force activity, income and housing.[80]

For an overview of well-being initiatives in Australia, Canada, New Zealand, and the United States, see Appendix K. A review of the approaches suggests commonality among Indigenous peoples in holistic perceptions of health and well-being. There are, however, differences in the framing and approaches that individual countries adopt when engaging on Indigenous health.

[77] Laurie D. McCubbin et al., "Relational well-being: An indigenous perspective and measure," *Family Relations: An Interdisciplinary Journal of Applied Family Studies* 62, no. 2, (March 4, 2013): 354–365.

[78] Simon Colquhoun and Alfred Michael Dockery, "The link between Indigenous culture and wellbeing: Qualitative evidence for Australian Aboriginal peoples," (2012); Cynthia Ganesharajah, *Indigenous health and wellbeing: the importance of country*, Native Title Research Unit, Australian Institute for Aboriginal and Torres Strait Islander Studies, 2009; Romy Greiner et al., *Wellbeing of Traditional Owners: conceptual and methodological approach*, No. 416-2016-26218. 2005; Vicki Grieves, "Indigenous Well-Being in Australian Government Policy Contexts," *AlterNative: An International Journal of Indigenous Peoples* 3, no. 1, (June 1, 2006): 4–25; Erika Bockstael and Krushii Watene, "Indigenous peoples and the capability approach: taking stock," *Oxford Development Studies* 44, no. 3 (July 2016): 265–270; Jon C. Altman, "Economic development and Indigenous Australia: contestations over property, institutions and ideology," *Australian Journal of Agricultural and Resource Economics* 48, no. 3 (September 20, 2004). Ricardo Godoy et al., "The effect of market economies on the well-being of indigenous peoples and on their use of renewable natural resources," *Annual Review of Anthropology*, 34 (November 25, 2005): 121–138.

[79] FNIGC, "Our work. About RHS," accessed July 17, 2020, https://fnigc.ca/our-work/regional-health-survey/about-rhs.html.

[80] Indigenous Services Canada, "Community Well-Being Index," accessed July 27, 2020, https://www.sac-isc.gc.ca/eng/1100100016579/1557319653695.

Performance budgeting and performance measurement

Performance measurement frameworks underpin a well-functioning performance-based budgeting system. A well-articulated performance measurement framework aligns desired outcomes to resources, to evaluate the impact of a program in achieving these results over time.

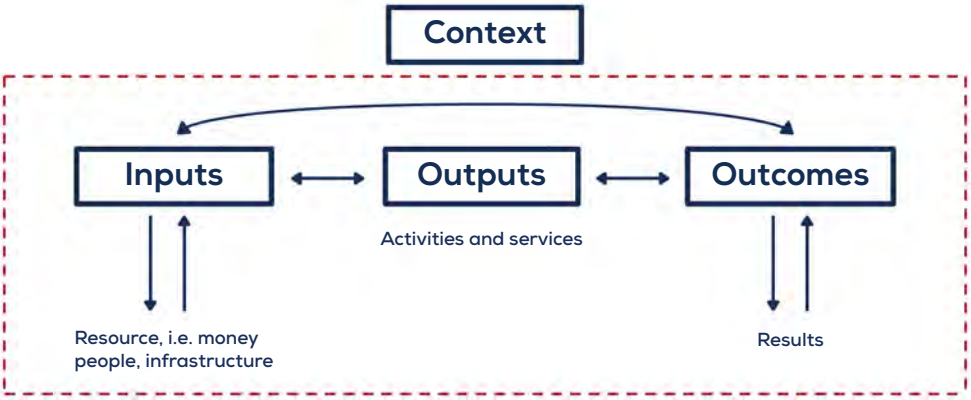
Effective management requires an explicit connection among resources (inputs), activities (outputs) and results (outcomes). IFSD's role is to find the optimal and sustainable combination of inputs and outputs to deliver desired outcomes. This is a complex undertaking that requires data, contributions from FNCFS agencies and other experts, as well as cost-benefit analysis.

An effective performance measure framework will maintain a clear connection between structures, incentives, and results-tracking. Although the implementation of a performance measurement framework for a large-scale program can be administratively challenging, it is undoubtedly a crucial component of sound financial management and clear accountability. Changes in inputs will translate into changes in activities with impacts on results, all of which are informed by context (see Figure 34).

A performance framework is a means through which to establish accountability and conduct regular evaluations and reviews of performance to ensure that resources and funding are optimally allocated and aligned towards the realization of the desired strategic outcome. If there is a well-functioning governance and management system supporting the FNCFS performance measurement framework then an evidence-based answer to the fundamental question of the progress in the welfare of First Nations children may be ascertained.

FNCFS, like any service, does not occur in a vacuum. First Nations children often have disadvantaged points of departure (housing, poverty, health, etc.). Recognizing these contextual realties and resourcing (in human, financial, and infrastructure terms) to mitigate them, is necessary to support FNCFS agencies in their work. Simply throwing money at the system will not necessarily generate better results for children, families and communities.

FIGURE 34: Standard performance framework overview.



Based on the literature on child welfare at the individual, familial, and community levels, many experts and practitioners now recognize the multiple dimensions of child well-being rooted in social ecosystems, as well as the importance of utilizing results-based frameworks to promote these attributes. Building from this research detailed earlier in this section, the performance measurement framework is intended to provide a measurable outcome-based framework that will underpin a results-focused FNCFS funding approach across Canada.

The long-term and medium-term outcomes and results are captured at the top of the performance measurement framework by the 'thriving First Nations children' outcome with child well-being, family well-being and community well-being sub-strategic outcomes.

The performance elements and programs supporting each sub-strategic outcome are the basis for linking activities, budgetary inputs and short-term performance indicators with the long-term and medium-term outcomes at the strategic and sub-strategic outcome level.

Thus, the performance measurement framework is the means by which we are able to link short-term resource allocations with long-term performance outcomes and better understand the current state along with the progress being made towards the attainment of the long-term outcomes being sought.

The challenge is optimizing inputs and activities for sustainable, positive results. More inputs do not automatically translate into better outcomes. Some of the key definitions inherent to the performance measurement framework are illustrated in the figure below.

PERFORMANCE MEASUREMENT IN CHILD WELFARE

The long-term strategic outcome being sought is thriving First Nations children. This strategic outcome is broken down into three sub-strategic outcomes that

represent broader but distinct societal areas of focus that will help to achieve the strategic outcome. The three areas of focus are child well-being, family well-being and community well-being (see Figure 35) Sub-strategic objectives associated with the four areas of focus are detailed in Table 6.

FIGURE 35: Strategy map overview of the Measuring to Thrive framework.

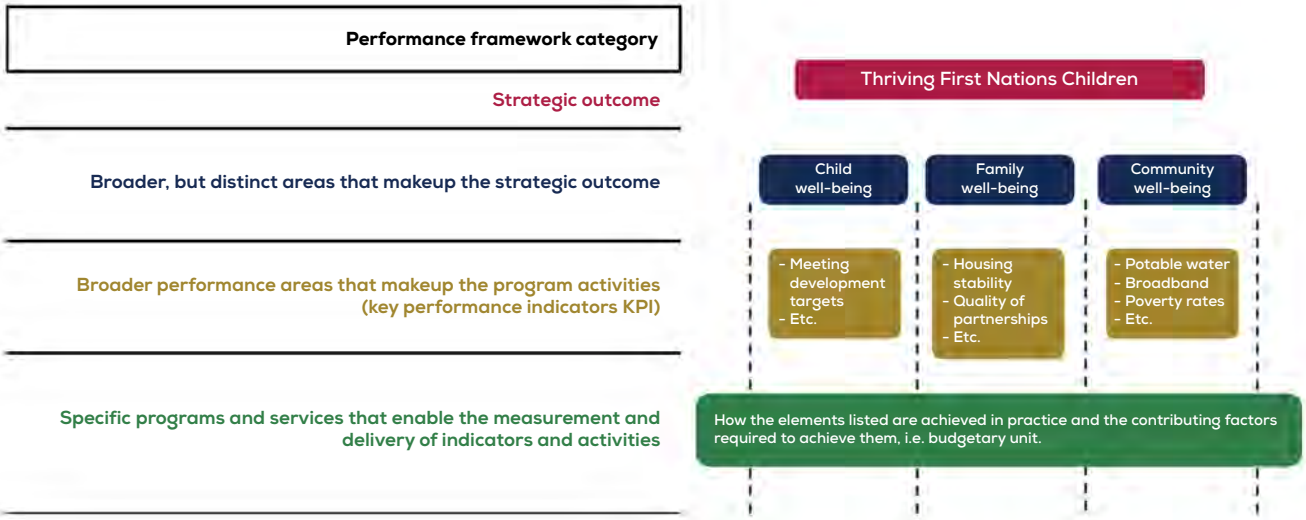


TABLE 6: Strategic outcome definitions of the Measuring to Thrive framework.

Strategic outcome	Definition
Child well-being	**Purpose:** Children reach their full developmental potential and have a sense of hope, belonging, purpose and meaning. **Definition:** Child well-being is a multi-dimensional concept that is influenced by a child's interaction with the environment. It includes cognitive, social, psychological/emotional, cultural/ spiritual and physical development and wellness. These interdependent components provide the foundation for a child to reach their full developmental potential and for children to feel positive about life and have a sense of hope, belonging, purpose and meaning.
	Purpose: Child safety, a crucial component of child well-being. Children are protected from harm and achieve permanency in their living situation. **Definition:** Protecting children from harm and abuse will always be at the core of an agency's mandate. While it is preferable to preserve the family unit, this is not always an option for some children. An agency must not only be equipped to respond to these cases, but also ensure that children achieve permanency in their living situation as swiftly as possible to avoid further disruption. Child safety refers to preventing and responding to cases of child maltreatment (including physical abuse, sexual abuse, physical neglect, emotional maltreatment and exposure to domestic violence). For children placed in out-of-home care, this also includes permanency and stability in their new living arrangement.

Family well-being	**Purpose**: Families enjoy a safe, stable environment in which to foster healthy familial relationships. **Definition:** Family well-being is a relational concept, referring to the interactions between family members but also affected by the larger environments in which parents and children exist. Within the family unit, well-being comprises family self-sufficiency, meaning the labour force participation of caregivers and the ability of the family to meet basic needs, and family health and social factors, meaning the mental and physical well-being of caregivers and family protective factors.
Community well-being	**Purpose:** Reliable public infrastructure, access to basic needs, and resources and services to foster safe, stable, thriving communities. **Definition:** Community well-being is the combination of social, economic, environmental, cultural, and political conditions identified by individuals and their communities as essential for the fulfilment of their full potential. This dimension of well-being is determined by a community's access to basic needs (potable water, access to suitable housing, broadband connectivity, the presence of community infrastructure, and overall community poverty level). In addition to these aspects, community well-being is also affected by health and social services provision among band councils and community agencies, as well as by broader indications of public safety and community health, such as rates of suicide, rates of illicit drug use, rates of heavy drinking, BMI rates, rates of chronic conditions, and rates of violent crime.

DATA COLLECTION

The successful implementation of a performance measurement strategy requires routine collection of data both at baseline and over time. Data can be administrative (e.g. it is already collected through program files), primary performance data (e.g. specialized for the individual program), or secondary data (e.g. data that applies to the program but has been collected but for other purposes). It is also important to identify:

- The frequency of data collection (how often will it be collected?);
- The responsibility for data collection (who is responsible?);
- Baseline information (what is the current state?);
- Targets (what is the goal?), and;
- Timelines (when does the data need to be collected?).

Building a system for results means building-in data for better decision-making and the ability to adjust practices for mid-course corrections. Data is a tool for agencies and communities to improve planning and resource allocation. In order for data to be an effective tool for informed decision-making, the following requirements are necessary:

- Data collected must be relevant to mandate and desired outcomes;
- Analysis must include context/point of departure;
- Agencies will be assessed against themselves;

- Data richness and applications for predictability will improve with time;
- Data handling must follow OCAP principles, and;
- Only aggregate data is shared publicly.

As will be expanded in the discussion of the application of the framework, the issue of concern in this report is not the lack of data collected on First Nations in Canada (indeed it is the case that many First Nations groups are extensively surveyed) but rather that the quality of data, mainly in terms of granularity, does not allow for sufficient performance measurement at the level of the child welfare agency. As the majority of this data information cannot be analyzed at the level of individual First Nations communities, it does not enable strategic planning and results-tracking over time.

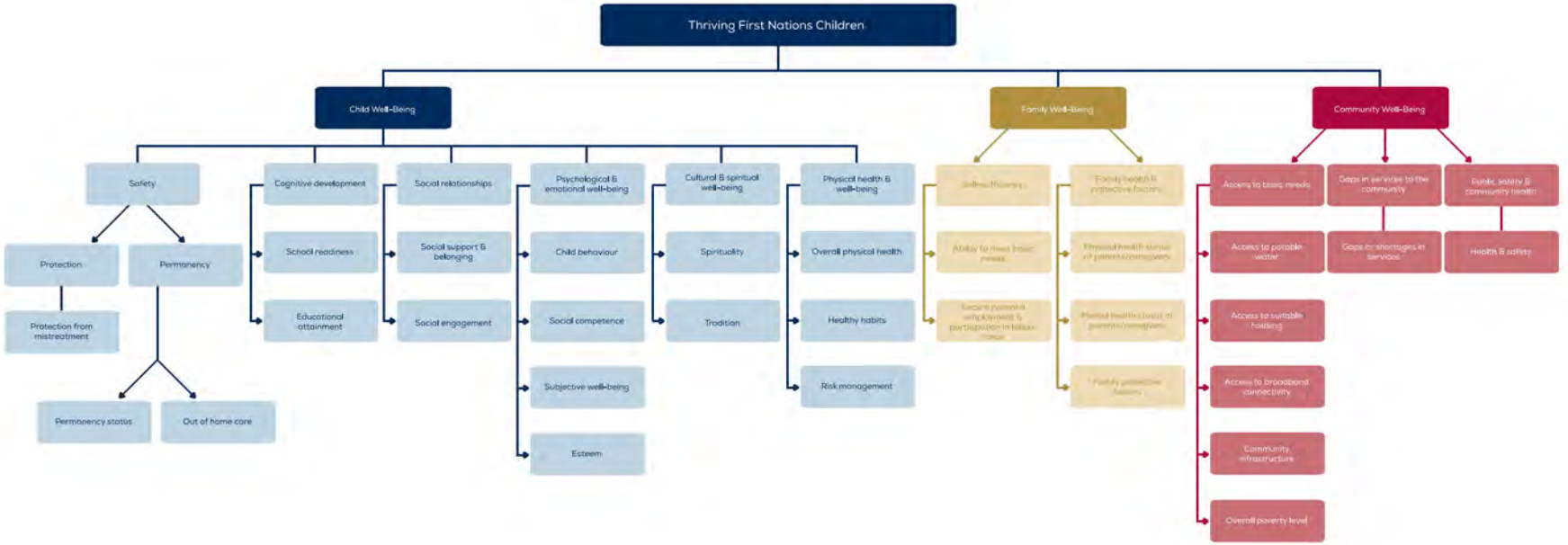
Performance framework justification

Achieving the strategic outcome of *Enabling First Nations Children to Thrive* is built on three sub-strategic outcomes: child well-being, family well-being and community well-being (see Figure 36). These sub-strategic outcomes are divided into performance areas, and each performance area consists of proposed measures and indicators to evaluate progress in performance areas. Performance areas, measures and indicators have all been developed with aforementioned theoretical and Indigenous perspectives of well-being in mind. The following section provides a justification for these components of a performance framework that is focused on thriving First Nations children (see Table 7).

TABLE 7: Strategy map components.

Component	Description
Strategic outcome	The overarching goal, to which all activities contribute. It is measurable and represents an end-state or maintenance of an end-state.
Sub-strategic outcomes	Broader but distinct societal areas of focus to achieve the strategic outcome.
Performance areas	The lenses through which progress on sub-strategic outcomes can be understood.
Measures	Means of assessing progress in performance areas.
Indicators	The variables measured. They can be qualitative or quantitative, and should be valid, reliable, affordable, available and relevant.
Activities	The actions or processes undertaken to achieve outcomes. It includes the “how” of achieving outcomes, such as targeted programs or direct front-line services.
Inputs	The resources required (both financial and non-financial) to support activities.

FIGURE 36: Mapping the Measuring to Thrive framework.



SUB-STRATEGIC OUTCOME: CHILD WELL-BEING

Child well-being is a multifaceted concept, for which there is no consensus on measurement. Depending on contextual factors such as family, community, and socio-political considerations, child well-being requires consideration of multiple dimensions influenced by a child's environment.[81]

To improve well-being, it must be understood through a holistic lens. Pollard and Lee[82] cite Columbo's (1986) definition of child well-being as a useful one: "A multidimensional construct incorporating mental/psychological, physical, and social dimensions." The definition is useful as it encapsulates several spheres of influence on a child's and adolescent's well-being at individual and environmental levels. In line with the multi-dimensional approach to defining child well-being, Asher Ben-Arieh, notes that child well-being encompasses quality of life in a broad sense. It refers to a child's economic conditions, peer relations, political rights, and opportunities for development. Most studies focus on certain aspects of children's well-being, often emphasizing social and cultural variations. Thus, any attempts to grasp well-being in its entirety must use indicators on a variety of aspects of well-being.[83]

Consistent in the literature on measuring child well-being is the need to conceptualize and develop indicators that focus on strengths as opposed to deficits, as this is how "we discover the core elements of well-being that enable children to flourish and thrive."[84] In a literature review on child well-being and how it is studied, Amerijckx and Humblet[85] understand the multidimensional nature of child well-being across 5 axes:

- Positive vs. negative (e.g. strengths-based approaches as opposed to deficit-based approaches to conceptualizing child well-being)
- Objective vs. subjective (e.g. others' perceptions of child well-being, as opposed to the child's perception of their own well-being)
- State vs. process (e.g. child's well-being in present day, versus well-being over a longer period of time/lifetime/life trajectory; also referred to as the "developmentalist" vs. the "child rights" perspectives)

[81] Gaëlle Amerijckx and Perrine Claire Humblet, "Child Well-Being: What Does It Mean?," *Children & society* 28, no. 5, (2014): 404–415; Jonathan Bradshaw, Petra Hoelscher, and Dominic Richardson, "Comparing child well-being in OECD countries: Concepts and methods," (2007): 1–117; Simon Chapple and Dominic Richardson, "Doing better for children," vol. 168 (OECD, 2009): 1–192; Elizabeth L. Pollard and Patrice D. Lee, "Child Well-being: A Systematic Review of the Literature," *Social Indicators Research* 61, no. 1, (January 2003): 59–78.

[82] Pollard and Lee, "Child Well-being: A Systematic Review of the Literature."

[83] Asher Ben-Arieh and Ivar Frønes, "Indicators of Children's Well being: What should be Measured and Why?," *Social Indicators Research* 84, no. 3 (December 2007): 249–250.

[84] Pollard and Lee, "Child Well-being: A Systematic Review of the Literature."

[85] Amerijckx and Humblet, "Child Well-Being: What Does It Mean?."

- Material vs. spiritual (e.g. well-being in terms of financial, health, educational and family resources or lack thereof, as opposed to non-material aspects of well-being)
- Individual vs. community (e.g. the extent to which a collective group matters for an individual's well-being)

The dimensions of child well-being are interdependent; growth in one area is highly dependent on well-being in other areas, and all of it is connected to the well-being of their family and community. If we were to direct our attention to the individual, however, what does a thriving child look like? What contributes to child well-being in the here and now, and what is important to ensuring children grow into thriving adults? Based on a review of academic and grey literature, five dimensions have been identified as essential for child well-being:

1. Safety
2. Cognitive development
3. Social relationships
4. Emotional, cultural and spiritual well-being
5. Physical health and well-being

The following review defines each dimension of child well-being, key measures and indicators to evaluate progress in each dimension, and evidence to support why these matter for child well-being.

SAFETY

Ensuring that children are safe, especially those who face immediate threat to their health and safety, will always be at the core of a child welfare agency's mandate. Child abuse and neglect (also referred to as child maltreatment in the literature) is generally defined by the Canadian Child Welfare Research Portal as "acts of commission or omission by a parent or other caregiver that result in harm, potential for harms, or threat of harm to a child," and includes "physical abuse, sexual abuse, physical neglect, emotional maltreatment and exposure to domestic violence."[86]

[86] Canadian Child Welfare Research Portal, "Child Abuse & Neglect," accessed July 27, 2020, https://cwrp.ca/child-abuse-neglect.

Abuse in the early years of life can have detrimental effects on future health and well-being and can disrupt early brain development.[87] As the WHO notes, "maltreated children are at increased risk for behavioural, physical and mental health problems, such as: perpetrating or being a victim of violence, depression, smoking, obesity, high-risk sexual behaviours, unintended pregnancy, and alcohol and drug misuse" in adulthood.[88] These consequences may extend into further health problems, such as chronic disease and sexually transmitted infections.[89] Poor outcomes resulting from child maltreatment also present major costs to society.

Upholding the rights of children and promoting their well-being across the life course is essential to ensuring that they thrive. Child safety, which includes preventing and responding to cases of child maltreatment, as well as achieving permanency, safety and stability for children who have been placed in out-of-home care, is a fundamental component of child well-being. In this performance framework, the concept of child safety has been divided into two key dimensions:

1. Protection
2. Permanency

The following review examines key measures and indicators that should be used to evaluate progress in each dimension, and evidence to support why these matter in order for children to thrive.

PROTECTION

Measure: Protection from all forms of maltreatment

Central to the work of a child welfare agency is to protect children from harm and abuse. The Canadian Child Welfare Research Portal identifies five primary forms of maltreatment: physical abuse, sexual abuse, physical neglect, emotional maltreatment and exposure to domestic violence.[90] The indicators for this measure include:

- Recurrence of maltreatment
- Recurrence of child protection concerns in a family after ongoing protections services were provided
- Serious injuries/deaths
- Non-accidental child injury
- Child sexual abuse

[87] World Health Organization, "Child maltreatment," June 8 2020, https://www.who.int/news-room/fact-sheets/detail/child-maltreatment.

[88] World Health Organization, "Child maltreatment."

[89] World Health Organization, "Child maltreatment."

[90] Canadian Child Welfare Research Portal, "Child Abuse & Neglect."

Why these indicators matter

Children who have been maltreated are at increased risk of recurrence of maltreatment.[91] Research has found that compared to children who had not been previously maltreated, children who had been were nearly six times more likely to experience it again.[92]

While any case of maltreatment is serious, there is consensus in the literature that chronic maltreatment is associated with more negative outcomes.[93] In a prospective study examining outcomes of chronic child maltreatment, researchers found that the number of maltreatment reports predicted negative childhood outcomes in a linear fashion. In other words, the more often a child was maltreated, the greater the number of negative outcomes later in life. Chronic maltreatment may be especially alarming for outcomes related to suicidal behaviour. The same study found that "suicide attempts before age 18 showed the largest proportionate increase with repeated maltreatment."[94] The recurrence of child protection concerns in a family after ongoing protections services were provided is not only important to protect the well-being of children and prevent chronic abuse; it is also an indicator of how effective child welfare services are at preventing maltreatment.[95]

As Jaffee and Maikovich-Fong[96] summarize, compared to both non-maltreated children and children experiencing transitory maltreatment, those who have experienced chronic maltreatment exhibit more behavioural issues. Compared to non-maltreated children, chronically maltreated children have more difficulties with peers, aggressive, delinquent and withdrawn behaviour, internalizing symptoms, and decreased prosocial behaviour. Compared to children experiencing transitory maltreatment, they show more externalizing problems, lower

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[91] Nick Hindley, Paul G Ramchandani, and David PH Jones, "Risk factors for recurrence of maltreatment: a systematic review," *Archives of disease in childhood* 91, no. 9 (2006).

[92] Hindley, Ramchandani, and Jones, "Risk factors for recurrence of maltreatment: a systematic review."

[93] Ann S. Masten and Margaret O'Dougherty Wright, "Cumulative risk and protection models of child maltreatment," *Journal of Aggression, Maltreatment & Trauma* 2, no. 1 (1998): 7–30; M. Jonson-Reid, P. L. Kohl, and B. Drake, "Child and adult outcomes of chronic child maltreatment," *Pediatrics* 129, no. 5 (May 2012): 839–845; Diane DePanfilis and Susan J Zuravin, "Epidemiology of child maltreatment recurrences," *Social service review* 73, no. 2 (1999); Oliver G White, Nick Hindley, and David PH Jones, "Risk factors for child maltreatment recurrence: An updated systematic review," *Medicine, Science and the Law* 55, no. 4 (October 2015): 259–277.

[94] Jonson-Reid, Kohl, and Drake, "Child and adult outcomes of chronic child maltreatment."

[95] Hindley, Ramchandani, and Jones, "Risk factors for child maltreatment recurrence: An updated systematic review."

[96] Sara R. Jaffee and Andrea Kohn Maikovich-Fong, "Effects of chronic maltreatment and maltreatment timing on children's behavior and cognitive abilities," *Journal of Child Psychology and Psychiatry* 52, no. 2 (2011): 184–194.

levels of ego resilience, higher rates of juvenile offending, increased levels of anxious and depressed behaviours, increased levels of aggressive behaviours, depression, and symptoms of post-traumatic stress, as well as decreased levels of interpersonal and coping skills.

Leading researchers in the field of child development have found that exposure to strong, frequent and/or prolonged adversity, such as chronic abuse, parental substance abuse, or exposure to violence, can elicit a toxic stress response. This type of stress can have a profound effect on the architecture of the developing brain, which "can have potentially permanent effects on a range of important functions such as regulating stress physiology, learning new skills, and developing the capacity to make healthy adaptations to future adversity."[97]

Though rare, serious injuries and deaths are an important indicator to prevent these tragedies from occurring in the future and to evaluate whether the child welfare system is appropriately responding to cases of maltreatment. Research in this area of child welfare has shown that previous reports of child maltreatment is a risk factor for child deaths,[98] further substantiating indicators of recurrence as an important measure of child safety.

In summary, protecting the safety and rights of children is at the core of a child welfare agency's work. Indicators highlight the importance and effectiveness of an agency's ability to prevent subsequent cases of maltreatment from occurring, which have a major impact on a child's ability to thrive in the present and in the future.

Measure: Emergency mental health

Another important measure to consider when it comes to protecting children is providing effective services when they may be a harm to themselves. Emergency mental health refers to when children are in crises and are at risk of harming themselves in any way, or contemplate, attempt, or commit suicide. The indicators for this measure include:

- Suicidal ideation
- Suicide attempts
- Suicide rate
- Self-harm related behaviour

[97] Jack P Shonkoff et al., "The lifelong effects of early childhood adversity and toxic stress," *Pediatrics* 129, no. 1 (January 2012): e232–e246.

[98] Melissa Jonson-Reid, Toni Chance, and Brett Drake, "Risk of Death Among Children Reported for Nonfatal Maltreatment," *Child Maltreatment* 12, no. 1 (February 1, 2007): 86–95.

Why these indicators matter

The rate of suicide among First Nations people is three times higher than the rate among non-Indigenous people.[99] The suicide rate among First Nations living on-reserve have been found to be twice as high as those living off-reserve, and the highest rates are among youth aged 15 to 24 compared to other age groups.[100]

Risk factors for youth suicide include socio-economic disadvantage, parental psychopathology such as depression and substance use disorders, family history of suicidal behaviour, parental discord and separation, a history of physical and/or sexual abuse during childhood, and dysfunctional parent-child relationships.[101] Furthermore, suicidal behaviour within families, personality traits such as low self-esteem, external locus of control and hopelessness, and mental health disorders such as affective disorder, substance abuse and antisocial behaviours are considered risk factors for youth suicide.[102] From an Indigenous perspective, a review of the literature found that depression, having a friend attempt or commit suicide, substance or alcohol abuse, having a psychiatric disorder and experiencing childhood abuse were the strongest predictors of attempting suicide.[103]

The impacts of multigenerational trauma stemming from negative experiences in the residential school system have been associated with a history of suicidal thoughts and attempts.[104] Furthermore, given the contextual challenges facing First Nations communities, including poverty and intergenerational trauma, First Nations children coming into contact with the child welfare system are likely exposed to one or even several of these risk factors. Implementing effective services that promote mental health among Indigenous children more generally and in crises is integral to their safety and ability to thrive.

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[99] Mohan Kumar and Michael Tjepkema, "Suicide among First Nations people, Métis and Inuit (2011–2016): Findings from the 2011 Canadian Census Health and Environment Cohort (CanCHEC)," *Statistics Canada* (June 28, 2019), https://www150.statcan.gc.ca/n1/en/pub/99-011-x/99-011-x2019001-eng.pdf?st=r08g1Ngf.

[100] Mohan Kumar and Michael Tjepkema, *Suicide among First Nations people, Métis and Inuit (2011–2016): Findings from the 2011 Canadian Census Health and Environment Cohort (CanCHEC).*

[101] Annette L. Beautrais, "Risk Factors for Suicide and Attempted Suicide among Young People," *Australian & New Zealand Journal of Psychiatry* 34, no. 3 (June 1 2000): 420–436.

[102] Beautrais, "Risk Factors for Suicide and Attempted Suicide among Young People."

[103] Henry G Harder et al., "Indigenous youth suicide: a systematic review of the literature," *Pimatisiwin: A Journal of Aboriginal and Indigenous Community Health* 10, no. 1 (2012): 125–142.

[104] B. Elias et al., "Trauma and suicide behaviour histories among a Canadian indigenous population: an empirical exploration of the potential role of Canada's residential school system," *Soc Sci Med* 74, no. 10 (May 2012): 1560–1569.

PERMANENCY

Measure: Permanency status

In situations where children require out-of-home care, the primary goal is for them to eventually be reunified with their families, although this is not always possible. In any case, achieving a permanent or stable living situation is important for healthy child development and well-being. The indicators to assess performance for this measure include:

- Out-of-home placement rate
- Number of moves in care
- Timeliness of successful family reunification or adoption

Why these indicators matter

A stable and permanent living situation is essential for healthy development and establishing more secure and strong relationships with caregivers, which in turn impact a child's ability to thrive. As Trocmé and colleagues note, "a stable placement experience can assist children in out-of-home care to develop and maintain family, peer, and community relationships while separated from their families."[105] Stability promotes fewer school changes and thus stronger relationships with peers, as well as more consistent access to community services and activities.[106]

Multiple moves in care are associated with various negative outcomes among children. Instability may elicit a toxic stress response, which can result in developmental delays and behaviour problems. In turn, this can propagate a negative cycle of displacement and worsening attachment disorders.[107] Children who experience ongoing separation from both their biological and foster families may develop an inability to form trusting relationships with adults, which can lead to "persistent rage, chronic depression, asocial and antisocial behaviour, low self-concept, and chronic dependency."[108] It is not surprising that unstable placements in foster care, characterized by placement frequency and episodic foster care, have been associated with increased rates of mental health service utilization.[109]

[105] Nico Trocmé et al., "National Child Welfare Outcomes Indicator Matrix (NOM)," *Centres of Excellence for Children's Well-Being: Child Welfare*, (June 2009): 1–8.

[106] Joseph M. Price et al., "Effects of a foster parent training intervention on placement changes of children in foster care," *Child Maltreatment* 13, no. 1 (February 1 2008): 64–75.

[107] Yvon Gauthier, Gilles Fortin, and Gloria Jéliu, "Clinical Application of Attachment Theory in Permanency Planning for Children in Foster Care: The Importance of Continuity of Care," *Infant Mental Health Journal* 25, no. 4 (July 1, 2004).

[108] Gauthier, Fortin, and Jéliu, "Clinical Application of Attachment Theory in Permanency Planning for Children in Foster Care: The Importance of Continuity of Care."

[109] David M. Rubin et al., "Placement Stability and Mental Health Costs for Children in Foster Care," *Pediatrics* 113, no. 5 (May 2004): 1336–1341.

As Trocmé and colleagues[110] describe, the out-of-home placement rate is not necessarily a negative indicator, as some children may need to be removed from their living situation to ensure their safety. However, at an aggregate level, the out-of-home placement rate can indicate the effectiveness of preventative child welfare services and the well-being of children in the community as a whole.

In summary, as a last resort, children may need to be removed from their homes to address cases of chronic child maltreatment. Measuring the child welfare system's ability to achieve permanency in their living situation is important for the well-being of the child and future outcomes.

Measure: Out-of-home care

In addition to achieving stability in a child's living situation, it is also important to consider the characteristics of the living situation and their impact on child well-being. The indicators for this measure include:

- Children placed with kin and/or Indigenous families in their community
- Quality of caregiver and youth relationship

Why these indicators matter

In the event that children must be removed from their homes and families, placing them with "kin" is the preferred option in many jurisdictions. According to the Canadian Child Welfare Research Portal, kinship care refers to "children placed out-of-home in the care of extended family, individuals emotionally connected to the child, or in a family of similar religious or ethno-cultural background."[111] Compared to foster children, children in kinship care have displayed better outcomes with respect to behavioural development and mental health functioning.[112]

Kinship care has become increasingly popular as it promotes continuity and connection to a child's culture and community. This may buffer the traumatic experience of being separated from one's parents by offering a sense of familiarity and belonging with extended family.[113] This has been regarded as especially important in the Indigenous context given

[110] Nico Trocmé et al., *National Child Welfare Outcomes Indicator Matrix (NOM)* (Centre of Excellence for Child Welfare, 2009).

[111] Canadian Child Welfare Research Portal, "Kinship Care," accessed July 27 2020, https://cwrp.ca/kinship-care.

[112] Marc Winokur, Amy Holtan, and Deborah Valentine, "Kinship care for the safety, permanency, and well-being of children removed from the home for maltreatment," *Cochrane Database of Systematic Reviews*, no. 1 (January 21 2009).

[113] Pamela Gough, "Kinship care," *Centre of Excellence for Child Welfare*, Faculty of Social Work, University of Toronto (Toronto, ON, 2006): 1–4.

the policies and practices that have used child removal as a tool for assimilation in the past. In a First Nations community in Manitoba, one study found that kinship care provided a link between culture and traditions, promoted a child's connection with their caregiver and community (which enhanced the connection to their culture and ability to speak their Indigenous language), and participants reported improved school performance and fewer behavioural issues.[114] Studies have also suggested an association between kinship care and placement stability, i.e. fewer moves in care.[115]

To understand the well-being of children who have been removed from their homes, it is also important to understand the quality of their relationships with their caregivers. Establishing secure, trusting and positive relationships with their caregiver is essential for healthy development, impacting outcomes across the life course.

COGNITIVE DEVELOPMENT

Cognitive development refers to "the construction of thought processes, including remembering, problem solving, and decision-making, from childhood through adolescence to adulthood."[116] Healthy cognitive development is important for a child's trajectory, and is often measured in relation to educational outcomes.

Measure: School readiness

Among children approaching school age, one important measure of development is school readiness. According to Engle and Black, school readiness is defined as "a broad set of skills that affect children's ability to learn in school: physical health, motor skills, self-care, emotional and behavioural regulation, social skills, communication skills, pre-academic skills, attention, and curiosity and motivation to learn."[117] Based on this definition, healthy growth in all dimensions of well-being are important for school readiness. The indicators of language and cognition to measure academic school readiness are chosen in accordance with

[114] Alexandra Wright, Diane Hiebert-Murphy, Janet Mirwaldt, and George Muswaggon, "Factors that contribute to positive outcomes in the Awasis Pimicikamak Cree Nation kinship care program," accessed on July 27, 2020, https://cwrp.ca/sites/default/files/publications/en/AwasisFinalReport.pdf.

[115] Gary S Cuddeback, "Kinship family foster care: A methodological and substantive synthesis of research," *Children and youth services review* 26, no. 7 (2004): 623–639; Gretchen Perry, Martin Daly, and Jennifer Kotler, "Placement stability in kinship and non-kin foster care: A Canadian study," *Children and Youth Services Review* 34, no. 2 (February 2012): 460–465; Winokur, Holtan, and Valentine, "Kinship care for the safety, permanency, and well-being of children removed from the home for maltreatment."

[116] Encyclopedia of Children's Health, "Cognitive Development," accessed July 27, 2020, http://www.healthofchildren.com/C/Cognitive-Development.html.

[117] Patrice L. Engle and Maureen M. Black, "The Effect of Poverty on Child Development and Educational Outcomes," *Annals of the New York Academy of Sciences* 1136, no. 1 (2008): 243–256.

Brownell et al.,[118] that "the types of skills assessed in this domain are the strongest predictors of subsequent school performance and educational attainment". It is important to note, however, that there are several non-cognitive indicators of school readiness; these are conceptualized in other dimensions of child well-being in the performance framework.

Helpful indicators include:

- Basic literacy score;
- Basic numeracy score;
- Interest in literacy and numeracy score;
- Advanced literacy score;
- The number of 3 and 4-year-olds participating in funded early years education

Why these indicators matter

Gaps in school readiness at school entry are indicative of suboptimal development and characterized by the child's socioeconomic environment. For example, children of mothers with low educational attainment made up 32% of children entering school lacking printing and writing skills, as opposed to 8% of children with mothers who had a bachelor's degree or higher.[119] Similar gaps are also seen in proficiency in literacy and math, and disadvantaged children are also more likely to exhibit behavioural problems.[120] What is more, these gaps tend to widen as opposed to shrink as the child proceeds through formal schooling and are predictive of future school performance and educational attainment.[121] Heckman's work suggests that, "most of the gaps at age 18 that help to explain gaps in adult outcomes are present at age five."[122]

Participation in early childhood education is a well-evidenced intervention to enhance school readiness, especially among children from disadvantaged backgrounds. Ensuring that children are better prepared when entering school aims to improve educational achievement—a key factor in social mobility and escaping poverty.[123] As Shonkoff states, "high quality early childhood programs designed to

[118] Marni D. Brownell et al., "A population-based analysis of factors that predict early language and cognitive development," *Early Childhood Research Quarterly* 35 (2016): 6–18.

[119] Lynn A Karoly, M Rebecca Kilburn, and Jill S Cannon, *Early childhood interventions: Proven results, future promise* (Rand Corporation, 2005).

[120] Karoly, Kilburn, and Cannon, *Early childhood interventions: Proven results, future promise.*

[121] Engle and Black, "The Effect of Poverty on Child Development and Educational Outcomes."

[122] James J. Heckman, "Schools, Skills, and Synapses," Econ Inq 46, no. 3 (Jun 2008): 289.

[123] Engle and Black, "The Effect of Poverty on Child Development and Educational Outcomes."

produce positive effects on educational achievement and later work-force participation offer an important, unrecognized infrastructure for addressing the stress-related roots of social class disparities in health."[124]

Measure: Educational attainment

Another important measure of cognitive development from childhood into adolescence is educational attainment. Indicators chosen for this measure include:

- Literacy and numeracy test scores (middle childhood)
- Positive attitudes towards learning/school
- Youth who intend on going to post-secondary school (e.g. trades, university, college)

Why these indicators matter

Educational attainment is important for child well-being, particularly in the context of a child's socio-economic trajectory. Literacy and numeracy scores tell us how well the child is performing in school and are a gauge of cognitive functioning.[125] Academic success also has a reciprocal effect on a child's attitude towards learning (often referred to as academic self-concept).[126] Learning begets learning, and academic achievement and motivation to learn are key factors to a high level of educational attainment.

This is important, as educational attainment often translates into levels of skill and ability in society, which are linked to a host of outcomes in adulthood.[127] More obvious impacts of low education are reduced rates of employment and earnings. Failure to complete high school is linked to higher rates of welfare dependency and criminality.[128] Educational attainment is also a determinant of participation in the Canadian labour market, especially for Indigenous people.[129] For example, in 2009, 82% of adults aged 25 to 64 with post-secondary qualifications were employed,

[124] J. P. Shonkoff, W. T. Boyce, and B. S. McEwen, "Neuroscience, molecular biology, and the childhood roots of health disparities: building a new framework for health promotion and disease prevention," *Jama* 301, no. 21 (Jun 3 2009): 754.

[125] Nico Trocmé et al., *National Child Welfare Outcomes Indicator Matrix (NOM)* (Centre of Excellence for Child Welfare, 2009).

[126] Frédéric Guay, Herbert W Marsh, and Michel Boivin, "Academic self-concept and academic achievement: Developmental perspectives on their causal ordering," *Journal of educational psychology* 95, no. 1 (2003): 124–136.

[127] James J. Heckman, "Schools, Skills, and Synapses," *Econ Inq* 46, no. 3 (Jun 2008): 289.

[128] Karoly, Kilburn, and Cannon, *Early childhood interventions: Proven results, future promise.*

[129] Melisa Brittain and Cindy Blackstock, *First Nations child poverty: A Literature Review and Analysis* (First Nations Children's Action Research and Education Service, 2015): 1–175; Statistics Canada, "Aboriginal people and the labour market," updated March 16, 2017, https://www150.statcan.gc.ca/n1/daily-quotidien/170316/dq170316d-eng.htm.

compared to 55% of those with less than a high school education.[130] Indeed, employment rates are higher for Indigenous people with post-secondary credentials.[131]

PSYCHOLOGICAL AND EMOTIONAL WELL-BEING

Psychological and emotional well-being in childhood includes the ability to self-regulate emotions; healthy self-esteem, which is affected by the presence of optimism, hope, resilience and looking to the future; as well as their own perceptions of their mental health and well-being. According to the WHO, "mental health is a state of well-being in which an individual realizes his or her own abilities, can cope with the normal stresses of life, can work productively and is able to make a contribution to his or her community."[132] Promoting psychological health and well-being in childhood is an important pathway to good mental health in adulthood.

Measure: Child behaviour

Child behaviour is a good measure of how children are faring psychologically and emotionally, particularly with respect to self-regulation. Indicators chosen for this measure include:

- Anxious and fearful behaviour
- Aggressive behaviour
- Hyperactivity and inattentive behaviour

Why these indicators matter

As Trocmé describes, "abused and neglected children are at high risk of developing emotional and behavioural problems at home, school, and in the community," and experience decreased placement stability.[133] This lack of stability may only reinforce behavioural and emotional problems. Therefore, child behaviour is an important measure to monitor in the context of children who are in contact with the child welfare system so that they can be referred to appropriate early intervention services.

Behavioural issues among children are associated with socioeconomic disadvantage and have been linked to worse outcomes in adulthood. For example, research has found an association between attention deficit

[130] Statistics Canada, "Educational Attainment and Employment: Canada in an International Context," (February 2012), https://www150.statcan.gc.ca/n1/en/pub/81-599-x/81-599-x2012008-eng.pdf?st=bfdP0Wao.

[131] Karen Kelly-Scott and Kristina Smith, *Aboriginal peoples: Fact sheet for Canada*, Statistics Canada, 2015, accessed July 27, 2020, https://www150.statcan.gc.ca/n1/en/pub/89-656-x/89-656-x2015001-eng.pdf?st=7uLuA-8L.

[132] World Health Organization, "Mental Health: Strengthening our Response," 2018, https://www.who.int/news-room/fact-sheets/detail/mental-health-strengthening-our-response.

[133] Nico Trocmé et al., *National Child Welfare Outcomes Indicator Matrix (NOM)* (Centre of Excellence for Child Welfare, 2009).

problems and poor labour outcomes in adulthood, such as lower rates of employment, lower earnings and worse jobs.[134] Conduct disorders in childhood, which include antisocial behaviours such as disobedience, tantrums, fighting, destructiveness, lying and stealing, increase the likelihood of violence, criminality, poor relationships, and poor mental health.[135]

This incurs significant societal costs as well.[136] Scott and colleagues[137] found costs for individuals with conduct disorder in childhood to be 10 times higher than for those with no problems, the bulk of which were associated with criminality, extra educational support, out of home care and state benefits. Another study examining physical health in adulthood among children who displayed childhood aggression found a direct and positive link to the use of medical services, "as well as medical visits due to lifestyle-related illnesses and injuries, with indirect paths through educational attainment."[138]

Measure: Social competence

There are varying definitions of social competence, but it can generally be described as "involving the personal knowledge and skills which persons develop in order to deal effectively with life's many choices, challenges and opportunities."[139] More specifically, it involves the quality of interactions and relationships. Indicators chosen for this measure include:

- Communication skills
- Prosocial and helping behaviour
- Social intelligence

[134] Martin Knapp et al., "Economic outcomes in adulthood and their associations with antisocial conduct, attention deficit and anxiety problems in childhood," *Journal of mental health policy and economics* 14, no. 3 (2011): 137–47.

[135] Jonathan Hill and Barbara Maughan, *Conduct disorders in childhood and adolescence* (Cambridge University Press, 2001).

[136] Stephen Scott et al., "Financial cost of social exclusion: follow up study of antisocial children into adulthood," *Bmj* 323, no. 7306 (Jul 2001): 191–195; Renee Romeo, Martin Knapp, and Stephen Scott, "Economic cost of severe antisocial behaviour in children—and who pays it," *British Journal of Psychiatry* 188, no. 6 (2006): 547–53.

[137] Stephen Scott et al., "Financial cost of social exclusion: follow up study of antisocial children into adulthood," *Bmj* 323, no. 7306 (Jul 2001): 191–195.

[138] E. Temcheff et al., "Predicting adult physical health outcomes from childhood aggression, social withdrawal and likeability: a 30-year prospective, longitudinal study," *Int J Behav Med* 18, no. 1 (Mar 2011).

[139] Heejeong Sophia Han and Kristen Mary Kemple, "Components of Social Competence and Strategies of Support: Considering What to Teach and How," *Early Childhood Education Journal* 34, no. 3 (2006): 241–46.

Why these indicators matter

While skills related to achievement outcomes in school are undoubtedly important for future success, James Heckman, a Nobel Laureate in Economics, argues that equal attention must be paid to the development of noncognitive skills that are relevant for participation in the workforce and in society, which include those such as socioemotional regulation, personality factors, motivation, perseverance, and the capacity to collaborate with others.[140]

This was demonstrated in Heckman's research on the General Education Development (GED) testing program in the United States, which is a series of cognitive tests that high school dropouts can take to determine if they meet the minimum academic standard of high-school graduates. They found that although they have similar test scores to regular high school graduates, GED recipients have earnings that compare to high school dropouts.[141] Heckman and his colleagues conclude that "the GED surplus of cognitive skills is not outweighed by the GED deficit in noncognitive skills."[142]

The importance of noncognitive skills for success in adulthood is bolstered by Heckman and others' work in the field of early childhood intervention among disadvantaged children. Take, for instance, the Perry Preschool Project, which aimed to improve intellectual and social development among African American children at risk for school failure. Upon initial follow-up, the program was considered a failure as it did not appear to boost IQ compared to non-participating children. However, they did have higher achievement test scores, and upon follow-up at age 40, participating children had higher rates of high school graduation, higher earnings, higher percentages of home ownership, lower rates of welfare assistance, fewer out-of-wedlock births and fewer arrests compared to non-participating children.[143] Heckman attributes many of these differences to the development of noncognitive skills in these programs, contributing to social success.

[140] James J. Heckman, "Skill Formation and the Economics of Investing in Disadvantaged Children," *Science* 312, no. 5782 (2006): 1900–1902.

[141] James J Heckman and Yona Rubinstein, "The importance of noncognitive skills: Lessons from the GED testing program," *American Economic Review* 91, no. 2 (2001): 145–149.

[142] James J Heckman, Jora Stixrud, and Sergio Urzua, "The Effects of Cognitive and Noncognitive Abilities on Labor Market Outcomes and Social Behavior," *Journal of Labor Economics* 24, no. 3 (2006): 411–482.

[143] James J. Heckman, "Skill Formation and the Economics of Investing in Disadvantaged Children," *Science* 312, no. 5782 (2006): 1900–1902.

As Denham[144] concludes, in the context of academic outcomes, there is a strong body of evidence linking social-emotional competence to improved attitudes towards school and higher educational achievement. By contrast, those who have not developed in this area have weaker relations with peers and teachers. This decreases interest in school and persists into later years of learning, which can lead to dropping out.

Measure: Subjective well-being

Subjective well-being among children has emerged as an important measure, which has largely stemmed from the United Nations Convention on the Rights of the Child, in which children are assured rights as individuals, and that their views are important and must be taken into consideration.[145] Indicators chosen for this measure include:

- Self-reported happiness/life satisfaction
- Self-reported mental health

Why these indicators matter

Indicators like self-reported happiness and mental health distinguish the concept of "well-becoming" into adulthood from "well-being" among children in the present. In light of the recognition that children's rights are human rights, it is important to study and understand well-being from the child's experience and perspective. Huebner and colleagues[146] describe life satisfaction as "a person's subjective, global evaluation of the positivity of her/his life as a whole or with specific life domains," that can "encompass judgements ranging from very negative to neutral to very positive."

These indicators may complement understanding of other indicators important to child well-being. While there is a large body of evidence highlighting associations between life satisfaction and well-being outcomes among adults, the extent to which this is relevant for children is still being studied. Emerging research has found life satisfaction to be a mediating factor on how stressful life events influence parenting behaviour and problem behaviour among adolescents.[147]

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[144] Susanne A. Denham, "Social-Emotional Competence as Support for School Readiness: What Is It and How Do We Assess It?," *Early Education and Development* 17, no. 1 (2006): 57–89.

[145] Asher Ben-Arieh, "Where Are the Children? Children's Role in Measuring and Monitoring Their Well-Being," *Social Indicators Research* 74, no. 3 (December 2005): 573–596.

[146] E. Scott Huebner, Shannon M. Suldo, and Robert F. Valois, "Children's Life Satisfaction," in *What Do Children Need to Flourish? Conceptualizing and Measuring Indicators of Positive Development*, ed. Kristin Anderson Moore and Laura H. Lippman (Boston, MA: Springer US, 2005): 41.

[147] E. Scott Huebner, Shannon M. Suldo, and Robert F. Valois, "Children's Life Satisfaction," in *What Do Children Need to Flourish? Conceptualizing and Measuring Indicators of Positive Development*, ed. Kristin Anderson Moore and Laura H. Lippman (Boston, MA: Springer US, 2005): 41.

Measure: Esteem

Esteem is an important part of psychological and emotional well-being. Many components of esteem are captured in the First Nations Mental Wellness Continuum Framework, where metal wellness is defined as:

> *...a balance of the mental, physical, spiritual, and emotional. This balance is enriched as individuals have: PURPOSE in their daily lives whether it is through education, employment, care-giving activities, or cultural ways of being and doing; HOPE for their future and those of their families that is grounded in a sense of identity, unique Indigenous values, and having a belief in spirit; a sense of BELONGING and connectedness within their families, to community, and to culture; and finally a sense of MEANING and an understanding of how their lives and those of their families and communities are part of creation and a rich history.*[148]

As Dumont and Provost note, "research has shown that individuals with high self-esteem or a high feeling of control will adopt active coping strategies focused on problems, whereas individuals with low self-esteem will adopt passive-avoidant coping styles focused on emotions."[149] Low self-esteem has been associated with mental health issues such as anxiety and depression.[150] Indicators chosen for this measure include:

- Sense of purpose
- Optimism and hope
- Resilience
- Confidence
- Agency

Why these indicators matter

Fostering resilience among disadvantaged children is a complementary approach to mitigating risk factors to promote well-being. In practical terms, it will never be possible to remove all risks; therefore, cultivating psychological resilience and coping strategies offers a strengths-based method to navigating stress and adversity, in turn promoting better outcomes.[151]

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[148] Health Canada, "First Nations Mental Wellness Continuum Framework: Summary Report," (Health Canada, Assembly of First Nations Ottawa, ON, 2015).

[149] Michelle Dumont and Marc A. Provost, "Resilience in Adolescents: Protective Role of Social Support, Coping Strategies, Self-Esteem, and Social Activities on Experience of Stress and Depression," *Journal of youth and adolescence* 28, no. 3, (1999): 343–363.

[150] Dumont and Provost, "Resilience in Adolescents: Protective Role of Social Support, Coping Strategies, Self-Esteem, and Social Activities on Experience of Stress and Depression."

[151] John Harvey and Paul H. Delfabbro, "Psychological resilience in disadvantaged youth: A critical overview," *Australian Psychologist* 39, no. 1 (2011).

Scholars have recognized the importance of these indicators given the effects of intergenerational trauma on mental health among Indigenous peoples. For example, self-esteem and optimism are important protective factors for depressive symptomology among Aboriginal youth;[152] a desire to contribute to one's community and believing in one's self have also been found to improve mental health among Indigenous youth.[153]

SOCIAL RELATIONSHIPS

Social relationships in both early childhood and adolescence are widely regarded as one of the most important factors for healthy development and well-being in childhood through to adolescence. In the earliest years of life, it is argued that the quality of relationships and parenting carries the heaviest weight among the factors that drive healthy development.[154] Establishing warm, secure and responsive relationships with caregivers are key to establishing a child's confidence to play, socialize and explore their environment, which is what propels development.[155]

Measure: Social support and belonging

As defined by Cohen, "social support refers to a social network's provision of psychological and material resources intended to benefit an individual's ability to cope with stress."[156] This is especially important for the well-being of vulnerable children that face many different adversities in life. Indicators chosen for this measure include:

- Youth who report positive relations with their parents
- Youth who report 5 or more close friends
- Youth who report positive relations with siblings and extended family
- Youth who report positive relations with non-family adults
- Youth who report strong ties with elders in the community

Why these indicators matter

As children progress into adolescence, strong social relationships continue to be an important protective factor as individuals navigate major developmental changes. Strong social relationships, or lack thereof, have been tied to several aspects of well-being. For example, in

[152] Megan E. Ames et al., "The Protective Role of Optimism and Self-esteem on Depressive Symptom Pathways Among Canadian Aboriginal Youth," *Journal of Youth and Adolescence* 44, no. 1 (2015): 142–52.

[153] Joanna Petrasek MacDonald et al., "A review of protective factors and causal mechanisms that enhance the mental health of Indigenous Circumpolar youth," *International Journal of Circumpolar Health* 72, no. 1 (2013).

[154] James J Heckman, "The Economics of Inequality: The Value of Early Childhood Education," *American Educator* 35, no. 1 (2011).

[155] Lori G Irwin, Arjumand Siddiqi, and Glyde Hertzman, "Early child development: a powerful equalizer" (Human Early Learning Partnership (HELP) Vancouver, BC, 2007).

[156] Sheldon Cohen, "Social Relationships and Health," *The American Psychologist* 59, no. 8 (2004): 676–684.

a population-based study on young Canadian adolescents, Gadermann[157] and colleagues found that social relationships such as belongingness with peers and adults at school and connection with adults at home were the strongest predictors of life satisfaction. Research has also found positive associations between social relationships and physical and psychological well-being by promoting healthier lifestyles, better self-esteem, and a greater sense of purpose and internal locus of control.[158]

Social support can also act as a protective factor when it comes to the impact of stress on health, as supportive, responsive relationships have been found to be a major factor in preventing the effects of toxic stress on the developing brain.[159] Dumont and Provost[160] summarize research on how this may apply to preadolescents and adolescents, noting a link between low social support satisfaction and mental health issues such as anxiety, depression, sleep disturbances, and interpersonal sensitivity. When faced with adversity and instability, social support and positive relationships with parents can act as a buffer against poor outcomes,[161] and attachment to parents are associated with psychological well-being particularly in adolescence.[162] Socially isolated people have been found to have higher mortality rates, are more likely to commit suicide, have higher rates of tuberculosis, accidents and psychiatric disorders.[163]

Social support has also been found to moderate the relationship between socioeconomic status and academic performance. Malecki and Demaray[164] found that socioeconomic status and support from parents,

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[157] Anne M. Gadermann et al., "A Population-Based Study of Children's Well-Being and Health: The Relative Importance of Social Relationships, Health-Related Activities, and Income," *Journal of Happiness Studies* 17, no. 5 (2016): 1847–1872.

[158] Peggy A. Thoits, "Mechanisms Linking Social Ties and Support to Physical and Mental Health," *Journal of Health and Social Behavior* 52, no. 2 (2011): 145–61.

[159] "Toxic Stress," Harvard University, n.d., accessed July 27, 2020, https://developingchild.harvard.edu/science/key-concepts/toxic-stress/; Michelle Dumont and Marc A. Provost, "Resilience in Adolescents: Protective Role of Social Support, Coping Strategies, Self-Esteem, and Social Activities on Experience of Stress and Depression," *Journal of youth and adolescence* 28, no. 3, (1999): 343–363.

[160] Michelle Dumont and Marc A. Provost, "Resilience in Adolescents: Protective Role of Social Support, Coping Strategies, Self-Esteem, and Social Activities on Experience of Stress and Depression," *Journal of youth and adolescence* 28, no. 3, (1999): 343–363.

[161] Heather Sandstrom and Sandra Huerta, "The Negtive Effects of Instability on Child Development: A Research Synthesis," *Urban Institute*, (2013).

[162] Shyamala Nada Raja, Rob McGee, and Warren R. Stanton, "Perceived attachments to parents and peers and psychological well-being in adolescence," *Journal of Youth and Adolescence* 21, no. 4 (1992): 471–485.

[163] James S. House, Karl R. Landis, and Debra Umberson, "Social relationships and health," *Science* 241, no. 4865 (1988): 540–545.

[164] Christine Kerres Malecki and Michelle Kilpatrick Demaray, "Social Support as a Buffer in the Relationship between Socioeconomic Status and Academic Performance," *School Psychology Quarterly* 21, no. 4 (2006): 375–395.

teachers, classmates, close friends and the school was significantly associated with grade point average.

Measure: Social engagement

Related to social engagement, Cohen defines social integration as "participation in a broad range of social relationships,"[165] which includes both behavioural and cognitive components. Indicators chosen for this measure include:

- Youth who report some involvement, participation or contribution within the community
- Youth who participate in extracurricular activities

Why these indicators matter

Participation in social activities is important for developing social competence and skills and is linked with fewer behavioural problems and higher self-esteem.[166]

In the Indigenous context, a review by MacDonald found that community and culture were cited as the most common protective factors for mental health among Indigenous youth, which included things like healthy relationships with family and community members.[167]

CULTURAL AND SPIRITUAL WELL-BEING

It has been recognized by Indigenous scholars, practitioners, and the Pan American Health Organization that solutions to persisting health and socioeconomic inequities among Indigenous peoples must go beyond the social determinants of health to include Indigenous knowledges and ways of being. This includes language, culture, spirituality, connection to the land, and self-determination.[168] Indigenous children are born into a history of colonialism and attempts of forced assimilation, which is considered to be at the root of widespread health and socioeconomic disparities. The impacts of these policies and practices has resulted in intergenerational trauma and a loss of culture and language among

[165] Sheldon Cohen, "Social Relationships and Health," *The American Psychologist* 59, no. 8 (2004): 676–684.

[166] Michelle Dumont and Marc A. Provost, "Resilience in Adolescents: Protective Role of Social Support, Coping Strategies, Self-Esteem, and Social Activities on Experience of Stress and Depression," *Journal of youth and adolescence* 28, no. 3, (1999): 343–363.

[167] Joanna Petrasek MacDonald et al., "A review of protective factors and causal mechanisms that enhance the mental health of Indigenous Circumpolar youth," *International Journal of Circumpolar Health* 72, no. 1 (2013).

[168] Margo Lianne Greenwood and Sarah Naomi de Leeuw, "Social determinants of health and the future well-being of Aboriginal children in Canada," *Paediatrics & Child Health* 17, no. 7 (August 2012): 381–384; Commission of the Pan American Health Organization on Equity and Health Inequalities in the Americas, "Just Societies: Health Equity and Dignified Lives," PAHO (Washington, D.C., 2019).

Indigenous communities.[169] As King and colleagues note, "the definition of indigeneity is…inherently social….[and] being isolated from aspects of this identity is widely understood to have a negative effect on Indigenous health."[170] As such, culture has become an important determinant of Indigenous well-being, and experts emphasize that it must be at the core of all efforts to improve well-being among children.

Measure: Spirituality

Spirituality is a broad term and has not been generally defined from an Indigenous perspective. Fleming and Ledogar[171] discuss Indigenous spirituality through the lens of two conceptual frameworks. The first is enculturation, which involves "the degree of integration *within* a culture"; the second, is cultural spiritual orientations, "which distinguishes between cultural and spiritual *orientations* and tribal spiritual *beliefs*". Indicators chosen for this measure include:

- Sense of belonging to cultural group
- Pride in Indigenous identity
- Sense of connection to the land
- Participation in spiritual practice/knowledge/ceremony

Why these indicators matter

While considered an important dimension of child well-being more generally, expert academics, practitioners and agencies have stressed the importance of cultural and spiritual well-being among First Nations children. One of the effects of colonial policies and practices of assimilation that First Nations children are born into is "the systemic devaluing of Indigenous identity," as well as the loss of a connection to the land—a core element of Indigenous culture and spirituality.[172] The importance of restoring the connection to one's Indigenous culture and identity is emphasized in relation to mental health outcomes and resilience.[173] In a study examining suicide rates among First Nations

[169] Margo Lianne Greenwood and Sarah Naomi de Leeuw, "Social determinants of health and the future well-being of Aboriginal children in Canada," *Paediatrics & Child Health* 17, no. 7 (August 2012): 381–384.

[170] Malcolm King, Alexandra Smith, and Michael Gracey, "Indigenous health part 2: the underlying causes of the health gap," *Lancet* 374, no. 9683 (Jul 4 2009): 77.

[171] John Fleming and Robert J. Ledogar, "Resilience and Indigenous Spirituality: A Literature Review," *Pimatisiwin* 6, no. 2 (Summer 2008): 47–64.

[172] Malcolm King, Alexandra Smith, and Michael Gracey, "Indigenous health part 2: the underlying causes of the health gap," *Lancet* 374, no. 9683 (Jul 4 2009): 77.

[173] Mohan Kumar and Tjepkema, "Suicide among First Nations people, Métis and Inuit (2011–2016): Findings from the 2011 Canadian Census Health and Environment Cohort (CanCHEC)," Last modified July 27, 2020; Lisa Wexler, "The importance of identity, history, and culture in the well-being of indigenous youth," *The Journal of the History of Childhood and Youth* 2, no. 2 (2009): 267–76.

youth in British Columbia, researchers[174] found that among communities where cultural continuity was preserved through avenues such as securing land claims, were self-governing, had band-administered education, police, fire and health services as well as cultural facilities within the community had lower suicide rates than communities where these factors were less present. This is an interesting strengths-based example where in-group variability was examined (and not just compared to the non-Indigenous population). Other studies have yielded similar results, with Indigenous spirituality acting as a protective factor against alcohol abuse and suicide.[175]

Measure: Tradition

Passing tradition on to Indigenous children is another component recognized as important for cultural identity and well-being. Indicators chosen for this measure include:

- Speaks traditional language
- Eats traditional foods

Why these indicators matter

Language is considered to be at the core of identity and how culture is passed down from generation to generation. Available statistics indicate that young children are learning to speak their heritage language as a second language.[176] Although they have persisted through colonization, preservation of Aboriginal languages is of particular importance as they are not spoken anywhere else in the world.[177] Though there is limited research on the association between knowledge of traditional Indigenous language and health outcomes, one study found that First Nations who had high levels of language knowledge had significantly lower rates of suicide than those with lower levels and for non-Indigenous youth. In fact, "youth suicide rates effectively dropped to zero in those few communities in which at least half of the band members reported a conversational knowledge of their own "Native" language."[178] Researchers identified language as the strongest cultural continuity factor contributing to this difference.

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[174] Michael J. Chandler and Christopher Lalonde, "Cultural Continuity as a Hedge against Suicide in Canada's First Nations," *Transcultural Psychiatry* 35, no. 2 (1998): 191–219.

[175] Fleming and Ledogar, "Resilience and Indigenous Spirituality: A Literature Review."

[176] Statistics Canada, "Census in Brief: The Aboriginal languages of First Nations people, Métis and Inuit," Last modified April 3, 2019, https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016022/98-200-x2016022-eng.cfm.

[177] Malcolm King, Alexandra Smith, and Michael Gracey, "Indigenous health part 2: the underlying causes of the health gap," *Lancet* 374, no. 9683 (Jul 2009): 76–64.

[178] Darcy Hallett, Michael J. Chandler, and Christopher E. Lalonde, "Aboriginal language knowledge and youth suicide," *Cognitive Development* 22, no. 3 (2007): 392.

Traditional foods are also tied to Indigenous culture and connection to the land and are relied upon for well-being. One of the many effects of colonization is poor nutrition habits that have been passed down through generations. As Wilton Littlechild,[179] a Cree Nation Chief, describes, this stems from the residential school system where food was inadequate or used as a means of punishment. Furthermore, loss of land and access to traditional foods has meant that healthy food choices, especially among rural and isolated First Nations, are expensive and often unavailable.[180] This has, in part, led to disproportionately high rates of chronic diseases related to lifestyle factors such as type 2 diabetes and obesity.[181] As MacIvor and Napoleon[182] note, traditional food gathering not only promotes a healthier diet, but also more exercise and a connection to one's Indigenous identity.

PHYSICAL HEALTH AND WELL-BEING

Physical health and well-being constitute another important pillar supporting development in other dimensions and overall child well-being. Physical health does not equate to merely the absence of illness and disease; it goes beyond this definition to include the presence of healthy habits and behaviours that promote well-being now and in the future. This includes good maternal health and parenting knowledge for a healthy start in the earliest years of life, eating a healthy diet, being physically active, having a good sleeping routine, and reducing participation in risky behaviour as a child progresses into their adolescent and teenage years.

Measure: Overall physical health

Ensuring a healthy start in life lays the foundation for health and well-being across the life course. This measure aims to capture factors that promote healthy growth and development in the early years, which can have implications for health across the life course. The indicators chosen for this measure include:

- Low birth weight
- Breastfed for at least 6 months
- Children living with a disability or chronic illness

[179] Wilton Littlechild, "Indigenous peoples must look to the past to nourish our children," *The Globe and Mail* April 19, 2018, https://www.theglobeandmail.com/opinion/article-indigenous-peoples-must-look-to-the-past-to-nourish-our-children/.

[180] Wilton Littlechild, "Indigenous peoples must look to the past to nourish our children."

[181] Onowa McIvor and Art Napoleon, "Language and culture as protective factors for at-risk communities," *International Journal of Indigenous Health* 5, no. 1 (2009): 6–25.

[182] McIvor and Napoleon, "Language and culture as protective factors for at-risk communities."

Why these indicators matter

In addition to adequate nourishment and uptake of antenatal care services, maternal health status and health behaviours influence development in utero. Low birthweight is also an important indicator of maternal health status and poverty.[183] Risk factors for low birthweight include smoking, alcohol or drug use during pregnancy, infection during pregnancy, insufficient weight gain during pregnancy, and young or older maternal age.[184] Low birthweight has been associated with a number of poor outcomes, including cognitive and language development impairments, decreased academic achievement, and increased risk of chronic illnesses later in life.[185] It is important to monitor maternal health status and behaviours that influence healthy physical development of children to identify opportunities for early intervention.

Also critical to health in infancy is exclusive breastfeeding, which is not only important for nourishment, but also for protection against infection, cognitive development and developing a secure attachment to the child's primary caregiver.[186] Adequate maternal and child nutrition before and after birth is influential in promoting physical growth and brain development, which has consequences for language-cognitive and social-emotional development, and ultimately, for future health and socioeconomic outcomes.

In addition to maternal health status and behaviours, another important indicator of overall physical health and well-being of children is the presence of a disability or chronic illness. As Kim and colleagues summarize, "children with chronic health conditions often experience pain, fatigue, and emotional distress and other problems that may affect their well-being."[187] An epidemiologic survey of 3,294 children in Ontario found that children with both chronic illness and associated disability

[183] Clare L. Cutland et al., "Low birth weight: Case definition & guidelines for data collection, analysis, and presentation of maternal immunization safety data," *Vaccine* 35, no. 48 Pt A (2017): 6492–6500.

[184] Stanford Children's Health, "Low Birth Weight," n.d., accessed on July 27, 2020, https://www.stanfordchildrens.org/en/topic/default?id=low-birthweight-90-P02382.

[185] Cutland et al., "Low birth weight: Case definition & guidelines for data collection, analysis, and presentation of maternal immunization safety data."

[186] Lori G. Irwin, Arjuman Siddiqi and Clyde Hertzman, "Early child development: a powerful equalizer," *World Health Organization*, (2007), http://www.who.int/social_determinants/resources/ecd_kn_report_07_2007.pdf; Ruth A Lawrence, "Supporting breastfeeding/early childhood social and emotion development," *Breastfeeding* (2008); J. W. Anderson, B. M. Johnstone, and D. T. Remley, "Breast-feeding and cognitive development: a meta-analysis," *Am J Clin Nutr* 70, no. 4 (October, 1999): 525–35; Cesar G Victora et al., "Breastfeeding in the 21st century: epidemiology, mechanisms, and lifelong effect," *The Lancet* 387, no. 10017 (2016): 475–90.

[187] Jiseon Kim et al., "Symptoms and quality of life indicators among children with chronic medical conditions," *Disability and health journal* 7, no. 1 (2014): 96–104.

were at three times greater risk of experiencing psychiatric disorders.[188] Learning and behavioural disabilities have been associated with a higher risk of school difficulties, criminality, higher medical needs, difficulty establishing emotional relationships, and employment challenges as adults.[189] Therefore, providing accessible, effective and timely support for children experiencing disability or chronic illness is important to promote well-being.

Measure: Healthy habits

Establishing healthy habits is important for growth and development. Moreover, reinforcing a healthy lifestyle in childhood and adolescence increases the likelihood that these behaviours will continue into adulthood. The importance of measuring healthy habits in the context of child well-being has been primarily explored among adolescents, as this is a time when children are gaining more independence and autonomy in their lifestyle choices.[190] The indicators chosen for this measure include:

- Eating habits
- Level of physical activity
- Sleep habits

Why these indicators matter

Healthy habits, which include things such as levels of exercise, a healthy diet and sleep hygiene, lay an important foundation for development among children, as well as for future outcomes in adulthood. Establishing patterns of regular physical activity and a healthy diet are important for preventing obesity and chronic illnesses such as type 2 diabetes and promoting healthy body image.

Measure: Risk management

Preventing and managing risky behaviours among children and adolescents is very important as this may influence many different domains of well-being. The indicators chosen for this measure include:

- Teenage birth rate
- Percentage who report using illicit drugs in the last month
- Percentage who report binge drinking in the last month
- Smoking in the last month

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[188] David Cadman et al., "Chronic Illness, Disability, and Mental and Social Well-Being: Findings of the Ontario Child Health Study," *Pediatrics* 79, no. 5 (1987): 805–813.

[189] Alex Wright, Diane Hiebert-Murphy, and Gwen Gosek, "Supporting aboriginal children and youth with learning and/or behavioural disabilities in the care of aboriginal child welfare agencies," *Faculty of Social Work*, University of Manitoba, (2005).

[190] Kathleen Mullan Harris, Rosalind Berkowitz King, and Penny Gordon-Larsen, "Healthy Habits among Adolescents: Sleep, Exercise, Diet, and Body Image," in *What Do Children Need to Flourish? Conceptualizing and Measuring Indicators of Positive Development,* ed. Kristin Anderson Moore and Laura H. Lippman (Boston, MA: Springer US, 2005).

Why these indicators matter

Early prevention of risky behaviour such as alcohol, tobacco and illicit drug use or unprotected sex is important, as these problem behaviours can manifest in youth and extend into adulthood. For example, a study of 727 Indigenous adolescents in the United States found that those who began drinking at an earlier age (i.e. 11–13 years old) were at a much greater risk of developing problem drinking than those who started later.[191] Adolescence is a time when risky behaviours tend to occur at the same time and are associated with "increased risk of poor educational attainment, future morbidity and premature mortality."[192] This is true of the Indigenous context as well, where high rates of binge drinking among adolescents "has been identified as a leading case of adolescent morbidity and mortality consequent to violence, falls, suicide, drowning, motor vehicle accidents, and risky sexual behaviour."[193]

SUB-STRATEGIC OUTCOME: FAMILY WELL-BEING

As stated above, there is a vast literature documenting the integral relationship between child well-being and family well-being. As summarized by Newland (2015), many studies have demonstrated child well-being as being predicated on family well-being and parenting quality.[194] Throughout the relevant literature, family well-being denotes that a family has the capacity to care for children and fulfill their basic developmental, health, educational, social, cultural, spiritual, and housing needs. Similarly, Newland (2015) defines family well-being as a relational concept, referring to the interactions between family members but also affected by the larger environments in which parents and children exist. Within this research, family well-being comprises two sub-components: Family Self-Sufficiency (parental employment and a family's ability to meet basic needs) and Family Health and Protective Factors (parental mental and physical well-being and family protective factors).

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[191] Jacob E. Cheadle and Les B. Whitbeck, "Alcohol Use Trajectories and Problem Drinking Over the Course of Adolescence: A Study of North American Indigenous Youth and Their Caretakers," *Journal of Health and Social Behavior* 52, no. 2 (2011): 228–45.

[192] R.R. Kipping et al., "Multiple risk behaviour in adolescence," *Journal of Public Health* 34, no. suppl_1 (2012): i1–i2.

[193] Sherry H. Stewart et al., "Hopelessness and Excessive Drinking among Aboriginal Adolescents: The Mediating Roles of Depressive Symptoms and Drinking to Cope," *Depression research and treatment* (2011).

[194] Kieran McKeown, Jonathan Pratschke and Trutz Haase, "Family Well-Being: What Makes A Difference?" (October 2003)*;* Lisa A. Newland, "Supportive family contexts: promoting child well-being and resilience," *Early Child Development and Care* 184, no. 9–10 (2014): 1336–1346; Yvonne Rafferty, Kenneth W Griffin and Dimitra Robokos, "Maternal depression and parental distress among families in the Early Head Start Research and Evaluation Project: Risk factors within the family setting," *Infant Mental Health* J. 31, no. 5, (September 2010): 543–569*;* Lori A. Roggman, Lisa K. Boyce and Mark S. Innocenti, *Developmental parenting: A guide for early childhood practitioners* (Baltimore: Paul H. Brookes Publishing, 2008).

SELF-SUFFICIENCY

Families' overall level of self-sufficiency is typically measured in terms of economic resources. This aspect of family life is frequently cited as a crucial determinant of child thriving. The indicators selected as the measures of this indicator include:

- Secure parental employment and labour force participation, and;
- Ability to meet basic needs, including transportation, housing and utilities, food, clothing, childcare and other necessary expenses.

Self-sufficiency is among the most cited factors in the literature on family well-being. Many studies have found that low parental income and economic hardships cause increased economic pressure in families, which adversely impacts parental mental health, conflict between parents/caregivers, parent-child interactions and parenting practices, as well as cognitive, academic, and socioemotional outcomes in children. Indeed, when parents are lacking the skills and resources necessary to be self-sufficient, they are more likely to struggle to provide adequate support and educational assistance for their children.[195] Families in chronic and persistent poverty are especially prone to challenges with self-sufficiency and may require additional support to reach this objective.[196] In the context of First Nations, risks to self-sufficiency are often more pronounced than in the rest of Canada. For many First Nations households, life choices can be severely compromised by high food costs, poor availability of healthy food, low income, and/or high housing and heating costs.

FAMILY HEALTH AND PROTECTIVE FACTORS

In addition to the immediate financial needs captured in the self-sufficiency component, there is the equally important consideration of health status of parents and/or caregivers, as well as the degree of protective factors within the family unit. As a result, we have classified the measures in this sub-strategic outcome as follows.

- Physical health status of parents or caregivers;
- Mental health status of parents or caregivers, and;
- Family protective factors.

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[195] Erik Jacobson, "Examining Reading Comprehension in Adult Literacy," *Adult Basic Education and Literacy Journal* 5, no. 3 (2011): 132–140; Jacqueline, Lynch, "Print literacy engagement of parents from low-income backgrounds: Implications for adult and family literacy programs," *Journal of Adolescent & Adult Literacy* 52, no. 6 (2009): 509–521.

[196] Diana D. Coyl, Lori A. Roggman, and Lisa A. Newland, "Stress, maternal depression, and negative mother–infant interactions in relation to infant attachment," *Infant Mental Health Journal: Official Publication of The World Association for Infant Mental Health* 23, no. 1–2 (2002): 145–163; Yvonne Rafferty, Kenneth W Griffin and Dimitra Robokos, "Maternal depression and parental distress among families in the Early Head Start Research and Evaluation Project: Risk factors within the family setting," *Infant Ment Health* J. 31, no. 5, (September 2010): 543–569.

Parental physical and mental health

Parental mental and physical health are necessary conditions for maintaining a stable and positive family environment. Parents who are suffering from poor mental health will likely have a negative impact on the entire family system, including co-parents, children, as well as other networks outside of the family such as work and social support systems.[197] Mental health disorders, combined with the daily challenges of parenting, can cause parents to feel overwhelmed by the demands of everyday life. Moreover, parents suffering from subclinical mental health issues (e.g. distress, mild depression, anxiety, stress, fatigue, somatic symptoms) rarely seek treatment for their conditions.[198] Under these conditions, parents have been found more likely to resort to inappropriate coping devices, such as avoidance or drug/alcohol use, as a way of managing the challenges in their lives.[199]

These persistent conditions of heightened levels of stress, combined with low levels of social support, are particularly problematic for families.[200] Conversely, when parents use appropriate emotion regulation, stress management, and support-seeking strategies, they tend to exhibit more positive physical and mental health, decision making, job performance and stability, parenting skills, and social relationships.[201] Markers of positive parental mental health, including life satisfaction, positive mood, and efficacy, are related to better individual and family

[197] Lisa A. Newland, Diana D. Coyl, and Harry Freeman, "Predicting preschoolers' attachment security from fathers' involvement, internal working models, and use of social support," *Early Child Development and Care* 178, no. 7–8 (2008): 785–801; Michael J. Mackenzie et al., "Spanking and child development across the first decade of life," *Pediatrics* 132, no. 5 (2013): e1118–e1125; Donald, Sawyer, John A. Gale and David Lambert, "Rural and Frontier Mental and Behavioral Health Care: Barriers, Effective Policy Strategies, Best Practices," Waite Park, MN: *National Association of Rural Mental Health*. (2006).

[198] Rebecca Giallo et al., "Psychological distress of fathers attending an Australian early parenting service for early parenting difficulties," *Clinical Psychologist* 17, no. 2 (2013): 46–55.

[199] Joanne Nicholson, Elaine M. Sweeney and Jeffrey L. Geller, "Focus on women: mothers with mental illness: I. The competing demands of parenting and living with mental illness," *Psychiatric Services* 49, no. 5 (1998): 635–642.

[200] Diana D. Coyl, Lisa A. Newland and Harry Freeman, "Predicting preschoolers' attachment security from parenting behaviours, parents' attachment relationships and their use of social support," *Early Child Development and Care* 180, no. 4 (2010): 499–512.

[201] Diana D. Coyl, Lori A. Roggman, and Lisa A. Newland, "Stress, maternal depression, and negative mother—infant interactions in relation to infant attachment," *Infant Mental Health Journal: Official Publication of The World Association for Infant Mental Health* 23, no. 1–2 (2002): 145–163; Carolyn A. McCarty and Robert J. McMahon, "Mediators of the relation between maternal depressive symptoms and child internalizing and disruptive behavior disorders," *Journal of family psychology* 17, no. 4 (2003): 545; Delphine Nelis et al., "Measuring individual differences in emotion regulation: The Emotion Regulation Profile-Revised (ERP-R)," *Psychologica Belgica* (2011); Lisa A. Newland, "Supportive family contexts: promoting child well-being and resilience," *Early Child Development and Care* 184, no. 9–10 (2014): 1336–1346.

functioning.[202] It is essential that parents who have mental health issues be treated properly if they are to be self-sufficient and resilient.[203]

Parental physical health is an equally important component of family well-being which impacts parent–child interactions and child well-being.[204] Parental health behaviours and management strategies are related to parental mental health and family functioning (e.g. family interactions, outcomes, roles, self-sufficiency, and parent involvement), all of which impact children's life outcomes.[205] Finally, parents also serve as "the primary gatekeepers of their children's health", therefore making choices about their child's healthcare, nutrition, physical activity, mental healthcare, and physical and emotional environments.[206]

Family protective factors

The last component of family well-being in this research is family protective factors, which consist of family resilience, social connections, knowledge of parent and child development, concrete support in times of need, and developmental parenting and attachment. Many child welfare and family support systems have emphasized the importance of protective factors in preventing negative outcomes for children. These factors can mitigate risk and promote healthy development of children and families such as strengths that help buffer and support families at risk. These risk factors include stressful conditions such as maternal psychiatric disorders, family violence, persistent poverty, and substance use. Increasing the strength of protective factors is an effective prevention and intervention strategy to offset risk exposure and promote enduring gains.[207]

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[202] Diana D. Coyl, Lori A. Roggman, and Lisa A. Newland, "Stress, maternal depression, and negative mother–infant interactions in relation to infant attachment," *Infant Mental Health Journal: Official Publication of The World Association for Infant Mental Health* 23, no. 1–2 (2002): 145–163.

[203] Lisa A. Newland, "Supportive family contexts: promoting child well-being and resilience," *Early Child Development and Care* 184, no. 9–10 (2014): 1336–1346; Joanne Nicholson, Elaine M. Sweeney and Jeffrey L. Geller, "Focus on women: mothers with mental illness: I. The competing demands of parenting and living with mental illness," *Psychiatric Services* 49, no. 5 (1998): 635–642.

[204] Anne Case and Christina Paxson, "Parental behavior and child health," *Health affairs* 21, no. 2 (2002): 164–178.

[205] Rebecca Giallo et al., "Psychological distress of fathers attending an Australian early parenting service for early parenting difficulties,"; Rhona Hogg et al., "Parenting support for families with young children—a public health, user-focused study undertaken in a semi-rural area of Scotland," *Journal of clinical nursing* 22, no. 7–8 (2013): 1140–1150; Newland, 2014; Kristina Ziegart, "Maintaining families' well-being in everyday life." *International Journal of Qualitative Studies on Health and Well-Being* 6, no. 2, (May 2011).

[206] Case & Paxson, (2002): 164.

[207] Joan E. Zweben et al., "Enhancing family protective factors in residential treatment for substance use disorders," *Child welfare* 94, no. 5, (2015): 145–166.

Strengthening Families™, developed by the Center for the Study of Social Policy (CSSP), identifies five protective factors: (1) parental resilience; (2) social connections; (3) Knowledge of parent and child development; (4) Concrete support in times of need; and (5) social and emotional competence of children. Many child welfare systems have used the CSSP framework to develop strength-based intervention initiatives.[208] Strengthening Families is a research-informed approach to improve family well-being, enhance child development, and reduce the likelihood of child abuse and neglect.[209] This framework is widely used as an intervention in many child welfare agencies to reduce child maltreatment and foster positive relationships between parents and children.

According to the CSSP:

> Protective factors act as a counterweight to risk factors. They buffer the impact of what the researchers call "toxic stress". Risk factors, it turns out, are not very predictive of future events. And we cannot get to good outcomes for children only by focusing on reducing risk. The protective factors in the Strengthening Families framework both protect against risk and promote positive outcomes.[210]

Strengthening Families is also consistent with the shift in the child welfare sector from a protection to a prevention-based system in its emphasis on a changed relationship with parents. As summarized by the CSSP:

> Programs and service providers in these systems sometimes see parents as irrelevant to their work, or worse, as obstacles to achieving the outcomes we all want for children. But we know that children grow up in families, not programs—and we cannot achieve good outcomes for children without engaging their parents as partners.[211]

Finally, Strengthening Families is aligned with developmental science and emphasizes the importance of nurturing and responsive relationships in the critical period of early childhood. The CSSP clearly references the

[208] Charlyn Harper Browne, "The Strengthening Families Approach and Protective Factors Framework: Branching Out and Reaching Deeper," *Washington, DC: Center for the Study of Social Policy*, (2014); Child Welfare Information Gateway, "Protective Factors Approaches in Child Welfare," (2014).

[209] Center for the Study of Social Policy (CSSP), "Strengthening families. A protective factors framework," Accessed on July 27, 2020, https://cssp.org/wp-content/uploads/2018/08/ProtectiveFactorsActionSheets.pdf.

[210] Center for the Study of Social Policy (CSSP), "Strengthening Families 101," (2018), https://cssp.org/resource/strengtheningfamilies101/.

[211] Center for the Study of Social Policy (CSSP), "Strengthening Families 101," (2018), https://cssp.org/resource/strengtheningfamilies101/.

effects of traumatic experiences in children, which can "carry into the rest of a young person's life."[212]

Parental resilience refers to the ability of parents to manage stress (either parental or general life stressors) and for the parents and the family to function well when faced with challenges, adversity, and trauma. According to the CSSP, it has been frequently demonstrated that how parents respond to stressors is more significant to determining the outcomes for themselves and for their children than the stressor itself.[213]

Second, social connections refer to parents' constructive and supportive relationships with family members, friends, neighbours, co-workers, community members, and service providers, which provide emotional, informational, and spiritual support. These connections have been associated with positive parental mood, positive perceptions and responsiveness of parents towards children, as well as parental satisfaction, sense of competence, and reduced anger, anxiety and depression.

Third, knowledge of parenting and child development, simply an adequate understanding of child development and parenting strategies that support physical, cognitive, language, social and emotional development, contribute to emotionally available parents and caregivers who recognize and respond to the needs of children, and who interact with them in an affectionate, sensitive, and nurturing manner. This type of care allows children to develop a bond of secure attachment towards their parents or caregivers and, in turn, to develop a sense of trust, safety, self-confidence, and security.[214]

Fourth, concrete support in times of need refers to strategies and resources which parents can utilize during exceptionally trying times, such as job losses, home foreclosure, acute poverty (e.g. inability to pay for basic necessities), substance abuse, or other family trauma. As summarized by the CSSP, when parents are able and willing to navigate through and access health care and social service resources offered in their community, they are taking a critical step towards improving their circumstances and "learning to better manage stress and function well."[215]

[212] Center for the Study of Social Policy (CSSP), "Strengthening Families 101," (2018), https://cssp.org/resource/strengtheningfamilies101/.

[213] Center for the Study of Social Policy (CSSP), "Strengthening families. A protective factors framework," Accessed on July 27, 2020, https://cssp.org/wp-content/uploads/2018/08/ProtectiveFactorsActionSheets.pdf.

[214] Center for the Study of Social Policy (CSSP), "Strengthening families. A protective factors framework," Accessed on July 27, 2020, https://cssp.org/wp-content/uploads/2018/08/ProtectiveFactorsActionSheets.pdf.

[215] Center for the Study of Social Policy (CSSP), "Strengthening families. A protective factors framework," Accessed on July 27, 2020, https://cssp.org/wp-content/uploads/2018/08/ProtectiveFactorsActionSheets.pdf.

Finally, developmental parenting, a term coined by Roggman et al.,[216] encompasses a set of parenting practices meant to be developmentally appropriate and adjusted as children's needs and skills change. Roggman and others have found that developmental parenting includes four key components: affection, responsiveness, encouragement, and teaching.[217] More recently, Newland expanded that list to include engagement, appropriate discipline, and supportive co-parenting.[218] In general, developmental parenting is described as responsive and sensitive to children's needs in order to foster positive attachment relationships with parents and caregivers in infancy and early childhood, which are a crucial conditions to facilitate of child well-being.[219] Indeed, both the quality of parenting and the quality of parent–child relationships are extremely important for children's well-being.[220] High-quality parenting is characterized as being developmentally appropriate, consistently with a child's needs, and adjusted as those needs change in order to foster well-being.[221]

SUB-STRATEGIC OUTCOME: COMMUNITY WELL-BEING

Community well-being is the broadest domain of well-being utilized in this research project, encompassing many contextual factors which can enable or constrain a child's thriving. Poverty has known impacts on development, a matter highlighted in Phase 1.[222]

As Liebenberg and Hutt-Macleod attest, "Reducing the number of children in care will depend in large part on providing families and communities the resources required to heal so that they are better

[216] Lori A. Roggman, Lisa K. Boyce and Mark S. Innocenti, *Developmental parenting: A guide for early childhood practitioners* (Baltimore: Paul H. Brookes Publishing, 2008).

[217] Lori A. Roggman, Lisa K. Boyce and Mark S. Innocenti, *Developmental parenting: A guide for early childhood practitioners* (Baltimore: Paul H. Brookes Publishing, 2008).

[218] Lisa A. Newland, "Supportive family contexts: Promoting child well-being and resilience," *Early Child Development and Care* 184, 9–10, (2014): 1336–1346.

[219] Mari Broberg, "Young children's well-being in Finnish stepfamilies," *Early Child Development & Care* 182,3/4, (February 22, 2012): 401–415; Michael J. Lawler, Phillip R. Shaver and Gail S. Goodman "Toward relationship-based child welfare services" *Children and Youth Services Review* 33, no. 3, (March 2011): 473–480; Tim McDougall, "Mental health problems in childhood and adolescence" *Nursing Standard* 26, no. 14, (2011): 48–56.

[220] Lisa A. Newland, "Supportive family contexts: Promoting child well-being and resilience," *Early Child Development and Care* 184, 9–10, (2014): 1336–1346.

[221] Catherine S. Tamis-LeMonda et al., "Fathers and mothers at play with their 2- and 3-year-olds: Contributions to language and cognitive development," *Child development* 75, no. 6 (2004): 1806–1820; Rebecca P. Newland et al., "The family model stress and maternal psychological symptoms: Mediated pathways from economic hardship to parenting," *Journal of Family Psychology* 27, no. 1 (2013): 96; Roggman et al. (2008).

[222] IFSD, "Enabling First Nations Children to Thirve," (2018), http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive_February%202019.pdf.

able to care for children."[223] However, the importance of community well-being denotes a focus beyond simply reducing the number of children in care. Rather, a community focus shifts the objective towards promoting substantive equality and wellness for children, families, and communities to have a chance for healthy development. As Bronfenbrenner explained, "Children don't grow up in programs. They grow up in families and in communities."[224]

The community capacity-building framework proposed by Liebenberg and Hutt-Macleod (2017) demonstrates how development at the community level is critical to well-being in general, including that of children.

The definition of community well-being employed in this research is derived from the University of Minnesota's Earl E. Bakken Center for Spirituality & Healing, as "the combination of social, economic, environmental, cultural, and political conditions identified by individuals and their communities as essential for them to flourish and fulfill their potential."[225] While the factors inherent in community well-being in an Indigenous context are numerous, for the purposes of this research, these have been limited to three sub-components. The components of community well-being are as follows:

- A community's access to basic needs;
- The gaps in service provision to communities, and;
- Public safety and community health.

ACCESS TO BASIC NEEDS

Access to basic needs in a community will comprise five key indicators: access to potable water, access to suitable housing, access to broadband connectivity, proximity and presence of community infrastructure, and overall poverty level. These components have been included in numerous studies and surveys documenting Indigenous well-being in Canada.

Access to potable water

Firstly, access to potable water is widely recognized as a fundamental condition for human health, and the lack of access to safe drinking water and adequate sanitation is one of the greatest threats facing vulnerable populations in the world. Indigenous teachings in particular demonstrate

[223] Linda Liebenberg and Daphne Hutt-Macleod, "Community development approaches in response to neoliberalism," *The Routledge Handbook of Global Child Welfare* (2017): 47.

[224] Center for the Study of Social Policy, "Strengthening Families 101," (2018), https://cssp.org/resource/strengtheningfamilies101/.

[225] University of Minnesota, Early E. Bakken Center for Spirituality and Healing, "What is community well-being?" Accessed on July 27, 2020, https://www.takingcharge.csh.umn.edu/enhance-your-well-being/community/what-community-well-being.

that water has various meanings and uses for people including a "...home for living beings, a life-enriching cleansing agent, an element of interconnection, and a symbol of both strength and softness."[226] As documented by Sanderson, the meaning attached to water among First Nations is that of being: "life; ...sacred; ...power; ...our first medicine; and, water connects all things."[227]

In Canada, providing safe drinking water to First Nations on reserves is a significant issue. As Bharadwaj and Bradford note, many reserve communities in Canada live with long-term drinking water advisories and high-risk water systems, and experience health and water quality below that of non-reserve populations.[228] The Government of Canada's federal department of Indigenous Services Canada provides data on long-term drinking water advisories in First Nations communities, which refer to water advisories which have been in effect for more than 12 months.[229] As of July 27, 2020, there were 30 short-term drinking water advisories and 61 long-term drinking water advisories on public systems on reserves.

The Parliamentary Budget Officer in Canada has estimated that the government would have to invest a minimum of $3.2 billion in capital investment to bring First Nations water systems up to the standards of comparable non-Indigenous communities in order to eliminate boil-water advisories.[230] When this estimate was released in 2017, it was found that the government was spending only 70 per cent of what is needed to end boil water advisories on First Nations Reserves within five years.

Access to suitable housing

Access to suitable housing is an equally important basic need. According to Statistics Canada, 'housing suitability' refers to whether a private household is living in suitable accommodations according to the National

[226] Lalita Bharadwaj and Lori Bradford, "Indigenous Water Poverty: Impacts Beyond Physical Health", in Heather Exner-Pirot, Bente Norbye and Lorana Butler (eds.), "Northern and Indigenous Health and Health Care," (Saskatoon, Saskatchewan: University of Saskatchewan, 2018).

[227] Cheryl Darlene Sanderson, "Nipiy Wasekimew/Clear Water: The Meaning of Water from the Words of the Elders—The Interconnections of Health, Education, Law and the Environment," (Burnaby, BC, Faculty of Education, Simon Fraser University, 2004), 93.

[228] Lalita Bharadwaj and Lori Bradford, "Indigenous Water Poverty: Impacts Beyond Physical Health", in Heather Exner-Pirot, Bente Norbye and Lorana Butler (eds.), "Northern and Indigenous Health and Health Care," (Saskatoon, Saskatchewan: University of Saskatchewan, 2018). Available from: openpress.usask.ca/northernhealthcare.

[229] Indigenous Services Canada, "Ending long-term drinking water advisories," last modified February 17, 2020, https://www.sac-isc.gc.ca/eng/1506514143353/1533317130660.

[230] Parliamentary Budget Officer, "Budget sufficiency for First Nations Water and Wastewater Infrastructure," (December 7, 2017), https://www.pbo-dpb.gc.ca/web/default/files/Documents/Reports/2017/FN%20Water/FN_Water_EN.pdf.

Occupancy Standard (NOS); that is, whether the dwelling has enough bedrooms for the size and composition of the household.[231] Statistics Canada has recently devoted greater attention to measuring housing needs in Canada through the new Canadian Housing Survey in 2018. Access to suitable housing can also be determined through the core housing need metric developed by the Canada Mortgage Housing Corporation (CMHC).

According to the CMHC,[232] core housing need is a situation in which:

1. Major repairs are required and residents do not have the means to move to a good unit in their community;

2. There are not enough bedrooms for the residents, and they do not have the means to move, and;

3. The current home costs more than the residents can afford, and they do not have the means to make a move or find an available affordable home in their community.

As defined by the CMHC,[233] a household is defined as:

- Its housing is unacceptable (does not meet one or more of the adequacy, suitability or affordability standards), and;
- Acceptable alternative housing in the community would cost 30% or more of its before-tax income.

Affordable, stable housing in a safe, supportive neighbourhood is essential for a healthy family life.[234] There is a substantial body of research linking adequate housing to indicators of human health.[235] Recent guidelines released by the WHO, for instance, highlights that improved housing conditions lead to better standards of health and overall well-being.[236]

[231] Statistics Canada, "Housing suitability," *Census of Population*, 2016, last modified January 3, 2019, Retrieved from: https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage029-eng.cfm.

[232] Canada Mortgage Housing Corporation (CMHC), (2019), "Understanding core housing need". Retrieved from: https://www.cmhc-schl.gc.ca/en/data-and-research/core-housing-need.

[233] Canada Mortgage Housing Corporation (CMHC), (2019), "Understanding core housing need". Retrieved from: https://www.cmhc-schl.gc.ca/en/data-and-research/core-housing-need.

[234] Kevin James Swick and Reginald D. Williams, "An analysis of Bronfenbrenner's bio-ecological perspective for early childhood educators: Implications for working with families experiencing stress," *Early childhood education journal* 33, no. 5 (2006): 371–378.

[235] Xavier Bonnefoy, "Inadequate housing and health: an overview," *International Journal of Environment and Pollution* 30, 3/4 (2007): 411–429; Lauren Taylor, "Health policy brief. Housing and Health: An Overview of the Literature," *Health Affairs*, June 7, 2018, https://www.healthaffairs.org/do/10.1377/hpb20180313.396577/full/.

[236] United Nations, "Better housing means better health and well-being, stress new WHO guidelines," *UN News*, November 27, 2018, https://news.un.org/en/story/2018/11/1026811.

In this report, the WHO demonstrates that a healthy home is one that provides a safe, comfortable and hygienic environment, as well as a psychological sense of home through a feeling of belonging, security, and privacy.

In Canada Indigenous People are far less likely than non-Indigenous Peoples to live in such a home, particularly those living on reserves.[237] According to recent data, approximately 20% of Indigenous People lived in a dwelling in need of major repairs in 2016, and 18.3% of Indigenous People lived in housing that was crowded.[238]

Families experiencing homelessness often report a loss of parental control, and are more likely to experience domestic or community violence and an increase in fear and anxiety.[239] Poor housing has also been linked to the spread and chronic occurrence of viruses and bacteria[240], and the increased prevalence of unintentional injuries.[241] Moreover, housing instability is associated with decreased family engagement in children's early school-related activities and poor early school attendance, and children who experience homelessness during their infancy, toddler, or preschool years tend to have poorer early academic outcomes overall.[242] Housing improvements linked with improved health include renovations, relocation, and energy efficiency projects.

Access to broadband

Broadband connectivity has been associated with numerous community benefits and has been recognized as a pressing issue for Aboriginal communities.[243] According to Benkler, internet connectivity is necessary infrastructure to contribute to "high and sustainable economic growth

[237] Statistics Canada, "Census in brief: The housing conditions of Aboriginal people in Canada," October 25, 2017, https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016021/98-200-x2016021-eng.cfm.

[238] Statistics Canada, "Census in brief: The housing conditions of Aboriginal people in Canada," October 25, 2017, https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016021/98-200-x2016021-eng.cfm.

[239] Kevin James Swick and Reginald D. Williams, "An analysis of Bronfenbrenner's bio-ecological perspective for early childhood educators: Implications for working with families experiencing stress," *Early childhood education journal* 33, no. 5 (2006): 371–378.

[240] James Krieger and Donna L. Higgins, "Housing and health: time again for public health action," *American journal of public health* 92, no. 5 (2002): 758–768.

[241] Dawn Lee Garzon, "Contributing factors to preschool unintentional injury," *Journal of pediatric nursing* 20, no. 6 (2005): 441–447.

[242] Fantuzzo, John, et al., "A population-based inquiry of homeless episode characteristics and early educational well-being," *Children and Youth Services Review* 35, no. 6 (2013): 966–972.

[243] Rob McMahon et al., "Putting the 'last-mile' first: Re-framing broadband development in First Nations and Inuit communities," *Centre for Policy Research on Science and Technology (CPROST)*, Simon Fraser University, (December 3, 2010), http://www.sfu.ca/cprost/tacs.html.

and to core aspects of human development."[244] As acknowledged by the Government of Canada, broadband is "a critical tool for Aboriginal people as broadband infrastructure can improve health and safety, increase social well-being and provide economic development opportunities and growth for Aboriginal communities".[245] Today, only about 24% of households in Indigenous communities have access to broadband connections of 50/10 Mbps.[246] As a result of these recognized benefits, since early 2011, Indigenous Services Canada (formerly, Indian and Northern Affairs Canada (INAC)) was developing an Aboriginal connectivity strategy, while other federal departments including Industry Canada are creating a comprehensive National Digital Strategy. In some cases, broadband infrastructure has been framed as a component of indigenous self-determination.[247] There is general consensus that broadband infrastructure is an integral component of a thriving community, from a tool for cultural preservation and language learning to service delivery in health care and education.[248]

Presence of community infrastructure

The inclusion of the presence and proximity of community infrastructure is consistent with the definition of community well-being developed by the Earl E. Bakken Center for Spirituality & Healing as being based on three factors: Connectedness (e.g. social support, civic engagement), livability (e.g. housing, transport), and equity (e.g. basic needs are met, equality of opportunity).[249]

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[244] Yochai Benkler, *Berkman Centre for Internet & Society at Harvard University*, (2010).

[245] Indigenous Services Canada, "Connectivity and Partnerships," *Government of Canada*, accessed on July 27, 2020, https://www.sac-isc.gc.ca/eng/1343229993175/1533643807551.

[246] Innovation, Science and Economic Development Canada, "High-Speed Access for All: Canada's Connectivity Strategy," *Government of Canada*, accessed on July 27, 2020, https://www.ic.gc.ca/eic/site/139.nsf/eng/h_00002.html.

[247] Javier Mignone and Heather Henley, "Impact of information and communication technology on social capital in aboriginal communities in Canada," *Journal of Information, Information Technology, and Organizations* 4, (2009): 127–145.

[248] Cynthia J. Alexander et al., "Inuit cyberspace: The struggle for access for Inuit Qaujimajatuqangit." *Journal of Canadian Studies* 43, no. 2, (December 22, 2009): 220–249; Susan O'Donnell et al., "Information and communication technologies (ICT) and remote and rural First Nations communities: An overview," Paper presented at the Canadian Communication Association annual conference, Montréal, QC, (June, 2010), http://nparc.cisti-icist.nrc-cnrc.gc.ca/npsi/ctrl?action=shwart&index=an&req=15703733&lang=en; Susan O'Donnell et al., "Information and communication technologies to support health and wellness in remote and rural first nations communities: Literature review," (Fredericton, NB: *National Research Council*, 2010); David Falconer, "Rural and remote broadband access: Public policy issues," *Journal of Policy Engagement* 1, no. 3, (2009): 15–20; Centre for the Study of Living Standards, "The contribution of broadband to the economic development of first nations in Canada," Accessed on July 27, 2020: http://www.csls.ca/reports/csls2013-04.pdf.

[249] University of Minnesota, Early E. Bakken Center for Spirituality and Healing, "What is community well-being?" Accessed on July 27, 2020, https://www.takingcharge.csh.umn.edu/enhance-your-well-being/community/what-community-well-being.

The Earl E. Bakken Center for Spirituality & Healing makes reference to numerous studies showing the positive effects of community spaces and services for community well-being, including transportation systems, health and social service centres, public safety and emergency services, parks, recreation, and arts centers, and government and legal institutions. Research shows that community infrastructure is essential to fostering services, facilities, and networks which increase quality of life and reducing poverty.[250] Investments in many Indigenous communities in hard and soft infrastructure are necessary to promote quality of life for community members. This can also help to attract people to the community and can act as a disincentive to out-migration.[251]

Community infrastructure is also significant to the degree that it promotes safety and security among neighbourhoods which, in turn, promote safety within families.[252] Safe neighbourhoods contain resources which support family activities and community health and connections, including parks, sidewalks or walking paths, libraries, and community centers.[253] Neighbourhood safety can create opportunities for children to learn social customs, develop feelings of confidence in their communities, and build interpersonal relationships with peers.[254]

Poverty

Overall poverty is included as a component of community well-being. According to Gustavsson and MacEachron, "there is little disagreement about the association of poverty with child welfare involvement."[255] The negative effects of poverty are often complex and self-reinforcing:

> children can be hungry, be living in substandard housing or be homeless, be unsupervised while a parent works or is meeting

[250] Laurel Rothman, "Strong Neighbourhoods Task Force Research Product Two: The Role of Community Infrastructure in Building Strong Neighbourhoods," *Service Association of Toronto*, (February 14, 2005), http://3cities.neighbourhoodchange.ca/files/2011/05/2005-Strong-Nhoods-TF-Role-of-Community-Infrastructure-in-Strong-Nhoods.pdf.

[251] National Aboriginal Economic Development Board, "Recommendations on northern infrastructure to support economic development," (January 2016), http://www.naedb-cndea.com/reports/recommendations-on-northern-infrastructure.pdf.

[252] National Center on Parent, Family, and Community Engagement (NCPFCE), "Family well-being," (2013).

[253] Mary Kay Kenney, "Child, family, and neighborhood associations with parent and peer interactive play during early childhood," *Maternal and Child Health Journal* 16, no. 1, (April 2012): 88–101; Sharon Kingston et al., "Parent Involvement in education as a moderator of family and neighborhood socioeconomic context on school readiness among young children," *Journal of Community Psychology* 41, no. 3, (February 25, 2013): 265–276.

[254] Martha Boethel, "Readiness: School, Family, & Community Connections," *National Center for Family & Community Connections with Schools*, (2004).

[255] Nora Gustavsson and Ann E. MacEachron, "Poverty and Child Welfare, 101 Years Later," *Social Work* 55, no. 3, (July 2010): 279–280.

> other responsibilities, be truant from failing schools, lack medical care, or have a caretaker with untreated mental illness or substance abuse.[256]

Parental or familial experiences of poverty have been associated with numerous detrimental effects to child well-being, including emotional and behavioral problems as well as further disruptions in schools and to friendships. Poverty is also associated with poor early childhood development and is a risk factor for family breakdown, both of which have been linked to poor educational performance in children. Moreover, economically distressed areas often experience higher reports of child maltreatment, correlated with inadequate housing and single parenthood.[257] Finally, community poverty has also been linked to health disparities and language development in children.[258]

Community connections and cultural safety

Consideration of community connections and cultural safety to assess social cohesiveness and cultural attachment are important elements of community well-being. Cultural safety refers to social environments and practices which recognize, respect, and honour diverse cultural identities.[259] A measurement of cultural safety is important given that the harmful effects of racism and colonialism experienced by people from non-dominant cultures can affect stress levels, health status, and even life expectancy.[260] As Czyzewski notes, colonialism can be understood as a social determinant of health among Aboriginal populations.[261] Cultural safety also refers to an approach to service delivery that respectfully engages families to select the most individually appropriate path to well-being.[262] The prevalence and use of traditional languages within a First Nation will be used as a proxy to determine cultural connections within a community.

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[256] Nora Gustavsson and Ann E. MacEachron, "Poverty and Child Welfare, 101 Years Later," *Social Work* 55, no. 3, (July 2010): 279–280.

[257] Nora Gustavsson and Ann E. MacEachron, "Poverty and Child Welfare, 101 Years Later," *Social Work* 55, no. 3, (July 2010): 279–280; Brenda D. Smith, Emma Sophia Kay and Tracy D. Pressley, "Child maltreatment in rural southern counties: Another perspective on race, poverty and child welfare," *Child Abuse and Neglect* 80, (2018): 52–61.

[258] Caitlin A Farrell et al., "Community Poverty and Child Abuse Fatalities in the United States," *Pediatrics* 139, no. 5, (2017): 2.

[259] Robyn Williams, "Cultural Safety—What Does It Mean for Our Work Practice?," *Australian and New Zealand Journal of Public Health* 23, no. 2, (1999): 213–214.

[260] David H. Chae et al., "Discrimination, Racial Bias, and Telomere Length in African American Men," *American Journal of Preventive Medicine* 46, no. 2: 103–11.

[261] Karina Czyzewski, "Colonialism as a Broader Social Determinant of Health," *The International Indigenous Policy Journal* 2, no. 1 2(1), Chapter 3 "Social Determinants of Health Among First Nations, Inuit, and Métis," *Journal of Obstetrics and Gynaecology Canada* 35, no. 6, (June 2013): S13–S23.

[262] Jessica Ball, "Supporting Young Indigenous Children's Language Development in Canada: A Review of Research on Needs and Promising Practices," *Canadian Modern Language Review/La Revue Canadienne Des Langues Vivantes* 66, no. 1: 19–47.

Applications

Successful implementation of a performance framework depends on relevant, timely and high-quality data. The following section examines the current state of data on First Nations in Canada, where gaps in data exist, and what is needed to support a performance framework that focuses on a future state of thriving First Nations children.

DATA ON FIRST NATIONS IN CANADA: CURRENT STATE

While there is a vast amount of information collected on First Nations, it is largely uncoordinated and carried out in a piecemeal fashion across various federal departments, agencies, regions and organizations by both Indigenous and non-Indigenous groups (see Table 8).[263] Oftentimes, data is not collected frequently enough to be used for planning and operations, nor is it sufficient to answer relevant questions due to gaps in coverage for First Nations living on-reserve (for example, Statistics Canada's Aboriginal Peoples Survey only collects data from First Nations living off reserve, Métis and Inuit). Some surveys fail to separate First Nations identity from the general population, with inconsistency in how Indigenous identity is defined (e.g. self-identified, Status Indian, etc.). Certain efforts have also been critiqued for using culturally inappropriate indicators[264] and focusing on secondary issues (e.g. disease prevalence) as opposed to root causes of ill-health and well-being.[265] Furthermore, First Nations communities are often unable to use this data for planning purposes as it is aggregated to provincial and national levels.

There have been some efforts to address these challenges. For example, the First Nations Information and Governance Centre (FNIGC) was established in 2010, and works mainly to develop and administer national First Nations surveys in collaboration with Regional Partners.[266] One of their larger initiatives is the First Nations Regional Health Survey (RHS), which gathers information on health and well-being from over 250 First Nations communities. The RHS has filled important data gaps for First Nations peoples living on reserve and in northern communities, and as a First Nations-led initiative, includes culturally appropriate indicators on a holistic set of outcomes. FNIGC also houses the First Nations Data Centre, which

[263] Shelley Trevethan, "Strengthening the Availability of First Nations Data," (January 30, 2019), https://www.afn.ca/wp-content/uploads/2019/05/NCR-11176060-v1-STRENGTHENING_THE_AVAILABILITY_OF_FIRST_NATIONS_DATA-MAR_25_2019-FINAL_E.pdf.

[264] Trevethan, *Strengthening the availability of First Nations data.*

[265] Kate McBride, "Data Resources and Challenges for First Nations Communities: Document Review and Position Paper," *The Alberta First Nations Information and Governance Centre*, accessed on July 27, 2020.

[266] First Nations Information Governances Centre, "Frequently Asked Questions," accessed on July 27, 2020, https://fnigc.ca/about-fnigc/frequently-asked-questions.html.

provides data access to researchers, policymakers and other stakeholders on a pay-per-use basis. Census data can offer broad coverage of certain indicators at the level of the individual First Nation but may not always be considered representative.

TABLE 8: Available data and application considerations for the Measuring to Thrive framework.

Data source	Types of data collected	Limitations for FNCFS purposes
Statistics Canada	*Census* ▪ Demographic and family characteristics ▪ Education, labour and income outcomes ▪ Household and dwelling information ▪ Language, mobility and migration	▪ Aggregated to give national level overview ▪ Conducted every 5 years ▪ Indigenous indicator self-identified ▪ Indicators are not always culturally relevant
First Nations Information and Governance Centre (FNIGC)	*Regional Health Survey (RHS)* ▪ Health, well-being and social determinants on children, youth and adults *Early Childhood, Education and Employment Survey (REEES)* ▪ Early childhood education and development ▪ Youth employment and education ▪ Adult employment and education ▪ Labour-market conditions *Community Survey* ▪ Environment ▪ Shelter, infrastructure and housing ▪ Food security and employment ▪ Early childhood development and education ▪ Health and social services ▪ First Nations identity ▪ Justice and safety ▪ First Nations governance	▪ Administered to only a sample of First Nations communities and/or sample of the population ▪ RHS and REEES data aggregated to give national level overview (and cannot always be disaggregated to community level) ▪ Some communities cannot access data due to confidentiality concerns ▪ No clear timeline for further data collection and reporting
Indigenous Services Canada (ISC)	▪ Broadband connectivity profiles ▪ Boil water advisories ▪ Population and profile data on individual First Nations	▪ Can be difficult to access ▪ Data can be outdated (e.g. most recent publicly available data from ISC on connectivity in First Nations communities is from 2013) ▪ No aggregation of data

ANALYZING THE GAPS: WHAT IS MISSING?

Among the most significant challenges to the success of this project are the gaps in high-quality data pertaining to First Nation communities. To align what data currently exists to what is required for supporting a FNCFS performance framework, two dimensions of data source quality were considered: accessibility of data and granularity of data (see Figure 37).

Data accessibility, as the name suggests, refers to the ability to access or retrieve the data stored in a database. Publicly accessible (e.g. housing, access to potable water), data tends to be aggregated, which limits its applicability for decision-support in specific domains. Conversely, granular data refers to the degree of detail and specificity of data, in this case whether data can be divided into Frist Nations and family units. As data is more subdivided, it is more granular. Granular data can be aggregated or disaggregated to allow for different scopes of analysis. If data is not granular, it becomes very difficult to analyze clearly. Granular data may be available at the level of the individual agency or First Nation, but is not always readily available, comparable or consistently captured (i.e. loss of time series).

In the current state, there is limited consistent information and data available on the overall performance of the FNCFS system. What is known, is that the system is underfunded, the system incentivizes the placement of First Nations children in protection, and there is no commonly used results-focused framework. One of the immediate priorities with respect to transition to an alternative funding approach, is the adoption of a commonly supported and used performance framework rooted in the goal of thriving First Nations children, families and communities.

The draft diagram below plots the indicators from the performance framework based on their current-state accessibility and granularity. Several indicators are accessible but insufficiently granular (bottom right quadrant). This suggests that while there is aggregate data at the level of a First Nation, a province or region, the data may not have the necessary detail to measure the indicator defined in the performance framework. For instance, there may be data at the level of the First Nation on alcohol and drug misuse, but that data may not be available for the individual child. Even though individual data will not be shared, it is a useful internal metric for agency decision-support and planning for the child and family. The mismatch between accessibility and granularity is not insurmountable. It will require agency action with requisite resources.

The upper right quadrant is both accessible and sufficiently granular. Most of this data relates to child safety, as it is expected that agencies already collect this information at the level of the individual child for their case files. It is anticipated that while this data will not be made public at the level of the individual, the aggregated data can be a reliable source of information to assess overall outcomes for children and families in a community. Some community level data is also included, as it can be accessed from public sources at the level of the First Nation. Such data includes housing suitability and access to potable water to fulfill certain indicators. The two community well-being indicators

related to infrastructure and health and social services in the bottom left corner are deemed both insufficiently granular and insufficiently accessible because the data does not tend to exist. It would be up to individual communities or agencies to collect or produce this data.

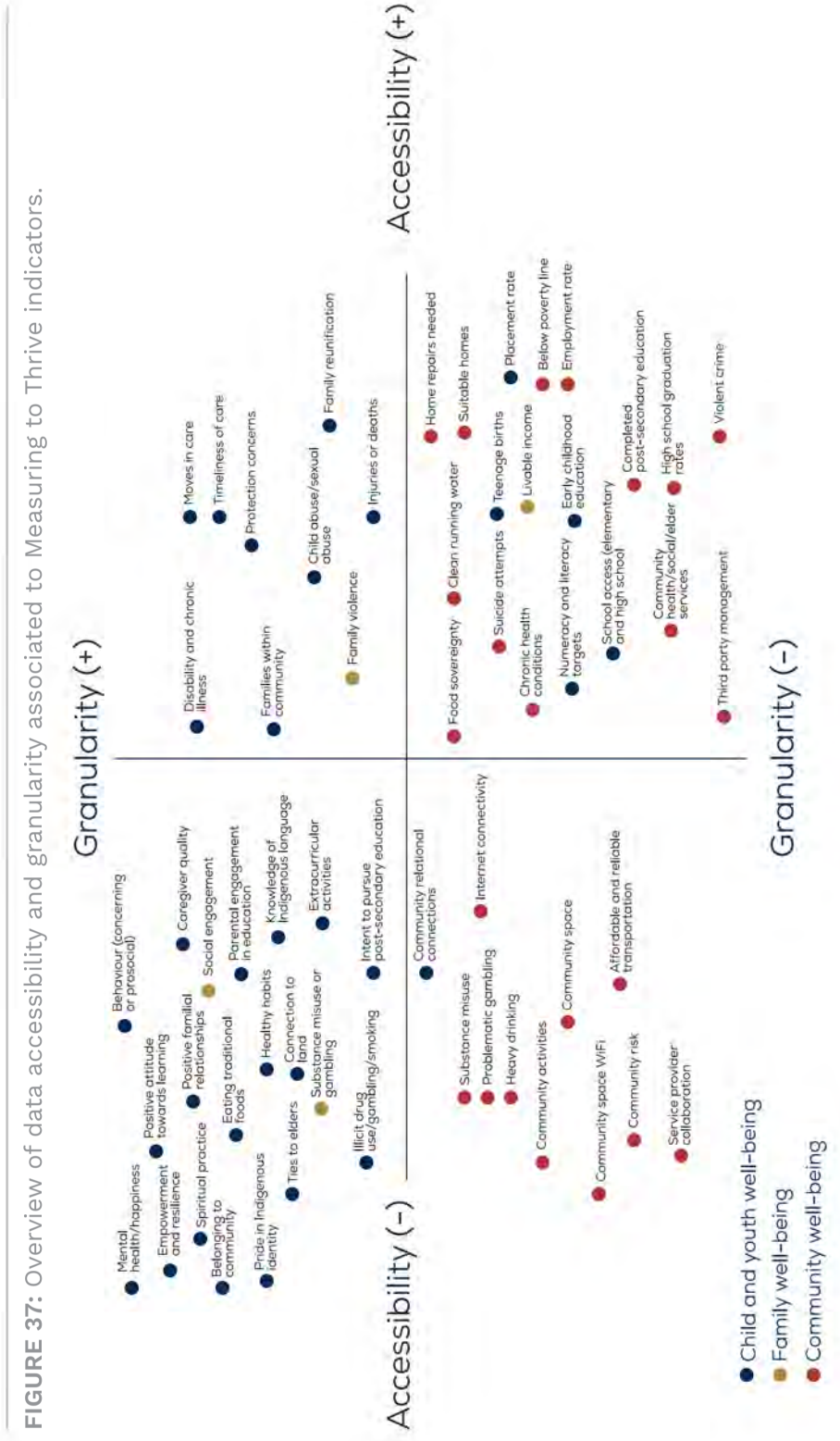


FIGURE 37: Overview of data accessibility and granularity associated to Measuring to Thrive indicators.

FEASIBILITY AND CRITICALITY OF DATA COLLECTION

Given the large gaps that exist, analysis was undertaken to determine the feasibility of obtaining data, and the criticality of it to understand progress to achieving sub-strategic and strategic objectives. This was evaluated using the following criteria:

TABLE 9: Defining feasibility of access and criticality of data for the Measuring to Thrive framework.

	Feasibility	Criticality
1	Easy to access: Data source is already publicly available or very core to agency mandate AND is available at the sufficient level of granularity to fulfil the indicator.	Data is imperative to assessing whether or not the sub-strategic and strategic outcomes are being achieved.
2	Somewhat easy to access: Data is likely not publicly available but close enough to agency mandate that they could reasonably collect it.	Data is somewhat essential to assessing whether or not the sub-strategic and strategic outcomes are being achieved.
3	Difficult to access: Data is not collected by agency and outside of agency mandate, would require external cooperation.	Data is not essential to assessing whether or not the sub-strategic and strategic outcomes are being achieved.

In this configuration, a *Feasible* coding (green) applies to data that is already being captured or an agency could easily collect the data. A *Somewhat Feasible* coding (yellow) describes data that may not exist publicly, nor is it likely being captured by agencies, but of which a request falls within an agency's mandate and the data could be feasibly collected by an agency. Finally, a *Difficult* coding (red) indicates some challenge in accessing the data as it falls outside of a typical agency's mandate and may require collaboration with a third party to capture the information (see Table 9).

Determining the criticality of collecting data on a particular indicator was based on findings from the literature on what is needed to ensure child well-being. Consideration was also given to whether the indicator measured the child's immediate health and safety or well-being more generally, whereby ones related to safety took precedence.

CHILD WELL-BEING

Child well-being is a multi-dimensional concept, and data is required from several different areas in order to holistically understand how a child is faring. In terms of feasibility, the majority of indicators were categorized as somewhat easy to access, meaning that social workers could likely collect this information through assessments with the child

and family. This is with the exception of indicators related to school performance, such as numeracy and literacy scores. In cases like these, there may be opportunities for collaboration with external entities on a community-by-community basis. For example, agencies may collaborate with school boards to collect information on educational achievement outcomes and behavioural issues in the classroom. Likewise, if early intervention programs such as Aboriginal Head Start On-Reserve are delivered within an agency's community, there may be potential to share data on maternal health and early childhood development outcomes.

The child well-being sub-strategic program is the most comprehensive of the four sub-strategic programs and consists of cognitive development, social relationships, psychological & emotional well-being, cultural & spiritual well-being and physical health and well-being performance elements. Cognitive development is supported by school readiness and educational attainment programs. Social relationships is supported by social support & belonging and social engagement programs. Psychological and emotional well-being is supported by child behaviour, social competence, subjective well-being and esteem programs. Cultural and spiritual well-being is supported by spirituality and tradition programs. Physical health and well-being are supported by overall physical health, healthy habits and risk management programs.

FAMILY WELL-BEING

The family well-being sub-strategic outcome consists of self-sufficiency and family health & protective factors performance elements. Self-sufficiency is made up of ability to meet basic needs programs and secure parental employment and participation in labour force programs. Family health and protective factors are made up of physical health of parents/caregivers programs, mental health of parents/caregivers programs and family protective factors programs.

In terms of feasibility, most of these indicators are somewhat easy to access, meaning that social workers could reasonably collect this information through assessments with the child and family. Some indicators referring to family health and protective factors, such as illicit drug use, and symptoms of anxiety and depression and thoughts of suicide and self-harm among caregivers, are presumably feasible to be collected by the agency (and to some extent are already being collected) as these are central to the mandate of agencies and critical to achieving sub-strategic and strategic outcomes.

COMMUNITY WELL-BEING

The community well-being sub-strategic outcome consists of access to basic needs, gaps in services to the community and public safety & community health performance elements. Access to basic needs

has a heavy focus on community infrastructure and looks at access to potable water, suitable housing, broadband connectivity and community infrastructure. It also looks at programs that address the overall poverty level. Gaps in services to the community is made up of programs that seek to address gaps or shortages in services. Public safety and community health consist of health & safety and educational attainment programs.

In terms of feasibility, most of these indicators qualify as relatively easy to access, with the exception of community infrastructure and public safety and community health indicators, as these will require collaboration with external organizations are not within the core mandate of child welfare agencies.

CONNECTION TO THE MEASURING TO THRIVE FRAMEWORK

It is clear that there are several gaps and challenges to utilizing First Nations data more broadly and at the level required by FNCFS agencies. The need to create a more coordinated and standardized approach to managing First Nations data to support an FNCFS performance framework raises the question of which entities and institutional relationships can be developed to collect and store this data. To that end, the example of Chapin Hall at the University of Chicago provides a useful parallel.

Chapin Hall, an independent organization affiliated with and located on the campus of the University of Chicago, engages in extensive partnerships with communities to share information and data on performance indicators of child welfare agencies. Chapin Hall serves as a steward of administrative data from a number of public agencies regularly. These data are used with the express permission of the source agency; for purposes approved by the source agency; and to benefit the source agency and the individuals and families the source agency serves.

One example of a key partnership is with the state of Tennessee, which introduced performance-based contracting (PBC) in child welfare to promote timely permanency for children in 2006. In this model, providers are financially incented to promote the permanent placement of children and are benchmarked against their own performance. The state pays for a result and bills providers that do not meet their agreed targets. Underpinning Tennessee's PBC model is data collected by providers and aggregated by Chapin Hall, which provides expertise on data analysis and performance, as well as in evaluating results and adjusting the program as needed.

Through its frequent use of high-quality reliable data and working partnerships across sectors, systems, and programs, Chapin Hall advances evidenced-based policy and funding solutions to address the complex needs of children, families, and communities. A First Nations-led secretariat is proposed to support First Nations and agencies to transition to a future state with a results approach focused on child, family, and community well-being.

Availability of data needed to benchmark and evaluate if outcomes among First Nations children are improving is scarce, and much of it will need to be collected by FNCFS agencies and providers. It is recognized that collection, analysis and management of the data will require an institutional capacity that is not currently present among all FNCFS agencies. Adequate funding for establishing this infrastructure, stakeholder buy-in and ownership over all aspects of performance measurement and strategic planning will be essential. Allowing communities to define their own success, establishing a positive, no-fault culture around measurement and tying it to an opportunity to improve (as opposed to viewing it as an assessment of performance) must also be integrated.

Connection to the Government of Canada's Expenditure Management Architecture

The Treasury Board of Canada Secretariat has set many standards and requirements for evaluation in the federal government, including the *Policy on Results* (2016)[267] and the *Directive on Results* (2016),[268] the latter of which contains Mandatory Procedures for Evaluations and Standards for Evaluation. The *Policy* replaced three Treasury Board policies, including the *Policy on Evaluation*. TBS continues to demonstrate functional leadership in implementing, using and developing evaluation practices across the federal government. This *Policy on Results* in particular is intended to allow the federal government to move towards performance-informed budgeting in the future.[269]

[267] Treasury Board of Canada Secretariat, "Policy on Results," July 1, 2016, https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=31300.

[268] Treasury Board of Canada Secretariat, "Directive on Results," (July 1, 2016), https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=31306.

[269] Derek Armstrong, "Performance (-informed) Budgeting in the Government of Canada," *Treasury Board of Canada Secretariat*, October 2018, https://fmi.ca/wp-content/uploads/2019/04/en-presentation-derek-armstrong-to-fmi-oct-25-pd.pdf.

Prior to this, the Secretariat had established a guiding document on performance measurement strategies in the federal government.[270] As explained in this guide, performance measurement is a results-based management tool used to plan, monitor, and assess the performance of policies and programs in relation to their progress against explicit benchmarks and goals. In general, the purposes of performance measurement are two-fold: first, to support ongoing program monitoring, and second, to support and facilitate effective evaluation. More specifically, performance measurement allows governments and evaluators to:

1. Monitor and assess program effectiveness;

2. Evaluate the economy and efficiency of programs to determine the value of results in relation to expenditures;

3. Enhance accountability and transparency in the delivery and spending on programs, and;

4. Facilitate strategic program planning to improve its effectiveness and achieve intended results.[271]

ELEMENTS OF THE *HORIZONTAL INITIATIVES GUIDE*

The complexity and breadth of the system-wide approach to FNCFS is evident when considering the contextual influences on well-being. Adhering with the guidance set out in the *Guide to Departments on the Management and Reporting of Horizontal Initiatives* would be beneficial with respect to achieving a successful outcome.

The *Horizontal Initiatives Guide* promotes the management and reporting on horizontal initiatives by:

- Clarifying the definition of a horizontal initiative
- Outlining appropriate governance (First Nations-led)
- Describing the roles and responsibilities of lead and partner departments and agencies
- Setting out the process for their management and reporting
- Prescribing reporting requirements for Parliament and to TBS

[270] Treasury Board of Canada Secretariat, "Supporting effective evaluations: A guide to developing performance measurement strategies," September 29, 2010, https://www.canada.ca/en/treasury-board-secretariat/services/audit-evaluation/centre-excellence-evaluation/guide-developing-performance-measurement-strategies.html.

[271] Treasury Board of Canada Secretariat, "Supporting effective evaluations: A guide to developing performance measurement strategies," September 29, 2010, https://www.canada.ca/en/treasury-board-secretariat/services/audit-evaluation/centre-excellence-evaluation/guide-developing-performance-measurement-strategies.html.

1. *Does FNCFS meet the criteria for a horizontal initiative?*

The performance measurement framework Measuring to Thrive meets the definition of a horizontal initiative. The performance measurement framework is holistic as it seeks to address the root causes in the system that have prevented First Nations children from thriving. This performance measurement framework covers protection, mental health, physical health, education and infrastructure to name a few of the areas of focus. The funding associated to meet the goas of this framework will implicate ISC and other departments.

2. *Appropriate governance for the FNCFS performance measurement framework*

Having established that the Measuring to Thrive framework meets the definition of a horizontal initiative it is important to outline appropriate governance. The following steps should be taken as part of the roadmap towards the implementation of the framework:

a. The appointment of a senior-level First Nation oversight committee
    i. Responsible for data collection, monitoring of indicators and spending, resolution of disputes, timing of meetings and agenda, liaison and ongoing reporting and engagement with key stakeholders and central agencies, communication strategies etc.
b. Establish appropriate subordinate bodies for the sub-strategic outcomes
c. Ensure governance deals with simple issues and roadblocks
d. Ensure that the oversight committee reports high-risk, high-impact issues to the First Nations-led secretariat and/or other appropriate body

The establishment of appropriate and effective governance is critical towards success of this horizontal initiative.

3. *Establish the roles and responsibilities of lead and partner departments and agencies*

Building off the need for appropriate governance it is important that the roles and responsibilities of the lead and all partner agencies/entities are clearly identified to ensure that there is system-wide coordination and synergies with all the moving parts of the performance measurement framework. Alignment and a system-wide view of the effectiveness and efficiency (i.e. value-for-money) of the totality of operations will demonstrate fiscal probity and stewardship with respect to Measuring to Thrive.

4. *Setting out the Process for the Management and Reporting of the Horizontal Initiative*

In order to be successful, the process for managing and reporting of this horizontal initiative requires a shared understanding of:

- The outcomes anticipated
- The indicators of success
- The activities required
- The capacities needed for execution

This shared understanding underscores the importance of ensuring there is accountability for data collection, analysis and reporting. The FNCFS performance measurement framework is horizontal and measures progress in strength-based approaches and overcoming contextual barriers. Given the current data gap in understanding system-wide performance, the initial priority must be to establish a baseline of performance and financial data in the current state. This will help to clearly identify the scope of the challenge as well as being able to identify a medium-term to long-term performance roadmap that will help to measure and report on the success of the funding formula and the performance measurement framework moving forward. First Nations are best positioned to gather, analyze and report on data relevant to well-being.

5. *Prescribing Reporting Requirements for Parliament and to TBS*

Given the importance of the FNCFS funding approach and performance measurement framework it is critical that the oversight committee establish clear evaluation and reporting requirements to Parliament to be able to provide an evidence-based and transparent evaluation of what has been successfully achieved and what gaps remain. Regular reporting and evaluations on performance and the resources allocated to realize this performance will provide a high-quality evidence-based assessment on the progress towards the Vision of *Enabling First Nations Children to Thrive*.

DETAILED CHECKLIST BASED ON THE HORIZONTAL INITIATIVES GUIDANCE DOCUMENT

For a detailed checklist that applies the guidance in the *Guide to Departments on the Management and Reporting of Horizontal Initiatives* to the FNCFS performance measurement framework, see Appendix L. The purpose is to provide a quality assurance best practice checklist for the implementation of the renewed FNCFS system.

Part III: Funding approach

Introduction

The idea of using public money to solve public problems has a long history. As Schick (1966) explains, "Budgeting always has been conceived as a process for systematically relating the expenditure of funds to the accomplishment of planned objectives."[272] OECD research suggests that performance budgeting has been practiced in many different countries since the 1960s, but was adopted more widely by OECD countries beginning in the 1990s.[273] Among OECD countries, impetus for adopting performance budgeting practices include: a financial crisis, growing pressure to reduce public expenditure, or a change in political administration.[274]

Performance budgeting changes often accompany other reforms, instigated by other events. Denmark and Sweden introduced performance budgeting following spending control policies in reaction to the economic crises of the 1980s and 1990s. Nearly a decade later in South Korea, the rapid deterioration of public finances after the Asian financial crisis triggered ambitious wide-ranging reform of the budget process. The United Kingdom's changes in 1997 included public sector management reforms and changes to the budget process.[275] Performance budgeting requirements can be codified in legislation, established through formal policy guidelines, or use a mix of both.

Performance budgeting

One of the most popular definitions of performance budgeting comes from Schick's writings in the OECD. Distinguishing between a broad (standard) definition and a strict (limited) definition of performance budgeting, Schick explains that:

> Broadly defined, a performance budget is any budget that presents information on what agencies have done or expect to do with the money provided to them. Strictly defined, a

[272] Allen Schick, "The Road to PPB: The Stages of Budget Reform," *Public Administration Review* 26, no. 4 (1966): 244.

[273] OECD, "OECD good practices for performance budgeting," last modified May 10, 2019, https://doi.org/10.1787/c90b0305-en.

[274] OECD, "OECD good practices for performance budgeting," last modified May 10, 2019, https://doi.org/10.1787/c90b0305-en.

[275] Austria also implemented 'Gender Budgeting' as part of its comprehensive performance budgeting reforms in 2009 and 2013.

> performance budget is only a budget that explicitly links each increment in resources to an increment in outputs or other results. The broad concept views budgeting in presentational terms, the strict version views it in terms of allocations. Many governments satisfy the broad definition, few satisfy the strict definition.[276]

More recently, according to Page (2016), performance budgeting is a term that describes how performance information (on outputs and outcomes) is used in the budget process. It is a form of budgeting that relates funds allocated to measurable results. Resources can be related to results in a direct or indirect manner.

Governments use performance information (management & budgeting) for four reasons

- Improve decision making in budget process (allocation)
- Improve efficiency
- Achieve savings (fiscal prudence)
- Improve transparency and accountability[277]

According to the OECD, performance budgeting is:

> The systematic use of performance information to inform budget decisions, either as a direct input to budget allocation decisions or as contextual information to inform budget planning, and to instil greater transparency and accountability throughout the budget process, by providing information to legislators and the public on the purposes of spending and the results achieved.[278]

Typically, adopting a performance budgeting approach, "implies a shift in the focus of budgeting, away from management of inputs and towards a focus on the results of spending and the achievement of policy objectives."[279]

Performance budgeting takes a wide variety of forms, which the OECD classifies as presentational, performance informed, managerial and

[276] Allen Schick, "The performing state: Reflection on an idea whose time has come but whose implementation has not," *OECD Journal on Budgeting* 3, no. 2 (2003): 72–95.

[277] Kevin Page, "Performance Budgeting & Legislative Budget Offices," (presentation, World Bank GN-PBOs, Washington DC, June 6–9, 2016).

[278] OECD, "OECD best practices for performance budgeting," *OECD Public Governance Committee Working Party of Senior Budget Officials* (November 23, 2018), https://one.oecd.org/document/GOV/PGC/SBO(2018)7/en/pdf.

[279] OECD, "OECD best practices for performance budgeting," *OECD Public Governance Committee Working Party of Senior Budget Officials* (November 23, 2018), https://one.oecd.org/document/GOV/PGC/SBO(2018)7/en/pdf.

direct. In this classification, each form of performance budgeting represents a progressively stronger link between performance measurement and budgetary decision making. The 2018 survey results showed that countries were more or less equally divided between the first three approaches. None reported using "direct" performance budgeting, which directly links budget allocations to performance measures. This highlights the inherent limitations of such a technocratic approach, given the political nature of the budget, as well as the many conceptual and practical problems in relating resource allocations and outcomes in the public sector.

The approaches to performance budgeting classified by the OECD are as follows[280] (see Table 10: *Summary of approaches to performance budgeting*.):

1. Presentational performance budgeting: budget document and outputs, outcomes and performance indicators are presented separately. The approach may be useful to demonstrate alignment of spending to declared priorities, but tracking is a challenge because performance and spending data are not connected.

2. Performance-informed budgeting: budget document is presented on a program basis, linking expenditures to programme performance. This is the most commonly adopted approach among OECD countries.

3. Managerial performance budgeting: organizational approaches to performance budgeting changes are tracked, to focus on managerial impact.

4. Direct performance budgeting: spending and results are directly linked in reporting. The approach clearly demonstrates how resource allocation impacted performance.

[280] OECD, "OECD best practices for performance budgeting," *OECD Public Governance Committee Working Party of Senior Budget Officials* (November 23, 2018): 7–8, https://one.oecd.org/document/GOV/PGC/SBO(2018)7/en/pdf.

TABLE 10: Summary of OECD approaches to performance budgeting.[281]

Type of performance budgeting	Main purposes in the budget process	Link between performance information and funding	Planned or actual performance
Presentational	Accountability and public discussion of policies.	No Link: The information does not play a role in spending decisions.	Performance Targets and/ or Performance Results
Performance-informed budgeting	Planning and/or Accountability. The weight given to performance information depends on particular circumstances.	Indirect Link: There is no automatic linkage between performance and funding levels.	Performance Targets and/ or Performance Results
Managerial performance budgeting	Planning and/or Accountability. The weight given to performance information depends on particular circumstances.	Indirect Link: There is no automatic linkage between performance and funding levels.	Performance Targets and/ or Performance Results
Direct performance budgeting	Resource Allocation and Accountability.	Direct Link: Explicit link between budget allocations to units of performance.	Performance Results

Performance budgeting is an integral component of a transparent and accountable public sector. It is also an important companion to what is the more popular practice of political budgeting; that is the collection of government revenue and the expenditure of such sums against the spending priorities of a given public entity. The OECD describes this as a 'performance ecosystem'.[282] Performance budgeting can be viewed as a passive reporting process to meet statutory or regulatory obligations (e.g. parliamentary appropriations) or decision support that is part of the broader fiscal ecosystem of a government and its constituent parts.

[281] OECD, "OECD best practices for performance budgeting", *OECD Public Governance Committee Working Party of Senior Budget Officials*, (2018); OECD, "OECD good practices for performance budgeting," last modified May 10, 2019, https://doi.org/10.1787/c90b0305-en; Kevin Page, "Performance Budgeting & Legislative Budget Offices," (presentation, World Bank GN-PBOs, Washington DC, June 6–9, 2016).

[282] OECD, "OECD best practices for performance budgeting," (2018).

The budgetary system of a government begins with the political platform of the winning party in a general election and culminates with the Public Accounts. For performance budgeting and performance management systems to be successful, they must be seen as integral to a range of financial and operational elements of a government's budgetary system, including:

- Strategic planning at both national and sector levels;
- Medium-term budget frameworks;
- Spending reviews;
- Individual performance appraisal, as part of human resource management;
- Performance-based contracting and payment systems;
- Ex-ante and ex-post programme evaluation, and;
- Performance audit.[283]

Effectively, this means that the process by which funding is initially allocated, re-allocated and, potentially, cut, must be integrate performance information as part of the decision-support criteria of government.

Performance budgeting in health and social services

Performance budgeting approaches have been applied to many policy areas in the health and social services sector in the past few decades. The following will provide a brief discussion of these applications to post-secondary education in advanced economies (Australia, Canada, and the United States (US)) and in the health sector for developing economies.

POST-SECONDARY EDUCATION

Outcomes-based funding, or performance-based funding, is broadly defined as the linking of public funding (either from the national or subnational government) for post-secondary and tertiary institutions to institutional performance based on identified outcomes.[284] Higher education outcomes-based funding, particularly in the US, has seen two basic phases. The first phase, implemented in Tennessee in the late 1970s, tied additional funding to specific student outcomes such as graduation rates. This contrasted with enrollment being the sole

[283] OECD, "OECD best practices for performance budgeting," (2018).

[284] Mary B. Ziskin et al., "Outcomes-Based Funding: Current Status, Promising Practices and Emerging Trends," *Higher Education Quality Council of Ontario*, 2014, http://www.heqco.ca/SiteCollectionDocuments/Outcomes-Based%20Funding%20ENG.pdf.

driver of funding. Throughout the 1990's, similar practices spread to other US states as part of a broader political drive towards public sector accountability to taxpayers.

The second phase, implemented in recent years, has seen much tighter integration of funding, operations and stakeholder outcomes. The Council of Ontario Universities provides an overview of performance-based funding (PBF) in post-secondary education and presents three basic types of PBF:[285]

1. *Output/outcomes-based funding formulas (or payment for results):* This model links funding formulas to outputs such as increasing the number of students who attain credit and degree completion milestones.

2. *Performance set-asides:* This model allocates a percentage of higher education funding for PBF where funds may be drawn from either the base funding or from additional sources. Institutions compete for shares of the performance fund by producing results that meet or exceed certain targets.

3. *Performance contracts:* This model involves agreements between states and individual institutions in which a certain level of funding or a regulatory provision is guaranteed if the institution meets specific goals.

Ontario

The Wynne government introduced more conditions to post-secondary funding, and increasingly tied the funding of Ontario colleges and universities to performance outcomes. In 2019, the new Ford government announced in its first budget that the small proportion of post-secondary funding that had been linked to institutional performance in recent years, namely 1.4% for universities and 1.2% for colleges, would increase to up to 60% in the next 5 years. The first year of the new agreements will reportedly tie 25% of funding to these outcomes, and this will rise annually until 2024–25.[286] While graduation and employment rates are already used to gauge performance,[287] the extent of the change would be quite significant for institutions that had seen little change in their operating model for decades.

[285] Council of Ontario Universities, "Performance-based funding." (December 2013), https://cou.ca/wp-content/uploads/2013/12/COU-Background-Paper-Performance-Based-Funding.pdf.

[286] CBC, "Funding for Ontario colleges and universities to be tied to 'performance outcomes'," April 11, 2019, https://www.cbc.ca/news/canada/toronto/ontario-colleges-university-performance-funding-budget-1.5094751.

[287] CBC, "Funding for Ontario colleges and universities to be tied to 'performance outcomes'," April 11, 2019, https://www.cbc.ca/news/canada/toronto/ontario-colleges-university-performance-funding-budget-1.5094751; CBC 2019, "How the Ford government will decide on university, college funding," https://www.cbc.ca/news/canada/toronto/ontario-doug-ford-university-college-post-secondary-grants-1.5121844.

United States

Performance funding for post-secondary institutions is widely adopted in the US. In fact, such approaches are currently in place in approximately 40 US states.[288] There are a number of common performance indicators that aid in the development of benchmarks and performance evaluation across organizations:

- Course completion or achieving a certain threshold number of credit hours;
- Successful transfers to other institutions;
- The number of degrees awarded;
- Premiums for low-income students; and
- Premiums for production of STEM degrees.

With its first year of operation in 2011–2012, Tennessee is the first state to base 100% of higher education funding on course completion and other performance indicators. Tennessee is a leading adopter of performance budgeting for post-secondary institutions but it's lead is being followed by other US states.

Australia

In 2019, in response to the recommendations of an expert panel for performance-based funding,[289] the Government of Australia announced the implementation of PBF to university funding from the Commonwealth Grant Scheme (CGS).[290] Beginning in 2020, funding for bachelor-level institutions would grow with population growth in the 18–64-year-old age bracket, contingent on universities meeting specified performance targets.

In 2020, the amount of PBF (1.36% of CGS funding, in line with population growth), more than $80 million per year, would be added to a university's maximum basic grant amount. According to the Department of Education, Skills and Employment, universities will continue to be able to access CGS funding of around $7 billion per year without any reference to their performance, and more than $17 billion per year in funding for higher education and research in total. The government of

[288] TV Ontario, "Evaluating Performance-based Funding," October 3, 2019, https://www.tvo.org/video/evaluating-performance-based-funding.

[289] Government of Australia, Department of Education, Skills and Employment, "Final report for performance-based funding for the Commonwealth Grant Scheme," June 2019, https://docs.education.gov.au/system/files/doc/other/ed19-0134_-_he-_performance-based_funding_review_acc.pdf.

[290] Government of Australia, Department of Education, Skills and Employment, "The future of Australian universities focuses on achievement," October 2, 2019, https://ministers.education.gov.au/tehan/future-australian-universities-focuses-achievement.

Australia has announced that it will continue to ensure the PBF model is fit for purpose, with reviews scheduled in 2020 and 2023.[291]

The Australian approach is relatively limited when compared to that of Tennessee. It will be useful to see if Australia's very gradual approach leads to the type of outcome-based budgeting and the accompanying results that performance budgeting aims to achieve.

HEALTH IN DEVELOPING CONTEXTS

PBF, or pay-for-performance (P4P) is also applied to health financing, according to the World Health Organization[292]. Often targeted to low- and middle-income countries, P4P is defined as fee-for-service-conditional-on-quality, where health providers are, at least partially, funded on the basis of meeting performance targets. More specifically, the WHO, defines the model as follows:

- Incentives are directed only to providers, not beneficiaries;
- Awards are purely financial; and
- Payment depends explicitly on the degree to which providers achieve certain pre-established verified performance indicators.[293]

Performance-based financing conditions payment for performance on output indicators and adjusted by quality measures. Design of performance budget model are adapted to be country specific but they tend to explicitly link financing to results based on the delivery of select reproductive, maternal, newborn, and child health, usually with formal verification. Operating models tend to feature autonomy, strengthened accountability, and empowered frontline providers and facility managers.

The WHO has identified a number of lessons from the implementation of performance budgeting models. The causes of poor performance are often complex. Performance budgeting must be part of a larger transformation, as it alone will not generate outcomes. The existing service delivery structure will influence how providers respond to incentives in a new budgeting system.[294]

[291] Government of Australia, Department of Education, Skills and Employment, "The future of Australian universities focuses on achievement," October 2, 2019, https://ministers.education.gov.au/tehan/future-australian-universities-focuses-achievement.

[292] WHO, "Performance-based financing," accessed on July 27, 2020, https://www.who.int/health_financing/topics/performance-based-financing/en/.

[293] WHO, "Performance-based financing as an instrument to introduce strategic purchasing to move towards universal health coverage". Accessed on July 27, 2020, https://www.who.int/health_financing/topics/performance-based-financing/universal-health-coverage/en/.

[294] WHO, "Main lessons on performance-based financing (PBF) programmes to date," accessed on July 27, 2020, http://www9.who.int/health_financing/topics/performance-based-financing/lessons/en/.

PERFORMANCE FUNDING IN CHILD WELFARE

Much like performance budgeting in post-secondary education, the United States has been an innovator in performance funding for child welfare and family services. The change first occurred at the state level (and was therefore varied from one state jurisdiction to the other). The change was the result of three factors; one fiscal change and two shifts in the provision of child welfare services. Many US states have constitutional amendments requiring balanced budgets. This has forced difficult rationing of resources and the integration of funding allocation and results. On the child welfare and family services side, the rapid growth in privatization child and family services, and second, federal government accountability efforts.

At the state level, particularly in the late 1980s and 1990s, many state and local governments began to respond to rising numbers of children in foster care and concern over the costs of child welfare service. At the same time, there was increasing pressure to meet federal performance standards under the Child and Family Service Review (CFSR) process established under the Adoption and Safe Families Act (ASFA).[295] The ASFA in 1997 explicitly established outcome expectations with respect to the delivery of child welfare services in the areas of child safety, timely permanency, and well-being.[296]

These changes drove fiscal reforms in child welfare, from traditional fee-for-service payment arrangements towards managed care by child welfare authorities. Prior to this shift, most contracts were largely fee-for-service arrangements, in which the provider was paid by the state or county for delivering specific services; similar to much of the Canadian FNCFS system. While fiscal pressures, in Canada, are not dominant features of the funding environment, there are similar drivers of change including: concerns over (culturally relevant) performance standards, the number of children in foster care and the long-term consequences (and costs) of a system that does not drive results for First Nations children and families.

[295] Quality Improvement Center on the Privatization of Child Welfare Services, "Examples of Performance based contracting in child welfare services", *Quality Improvement Center on the Privatization of Child Welfare Services (QIC PCW) on behalf of the Children's Bureau, US Department of Health and Human Services*, 2009, https://www.fox.temple.edu/cms/wp-content/uploads/2012/09/Performance-Based-Contracts-in-Child-Welfare.pdf.

[296] *An Act to promote the adoption of children in foster care*, Public Law 105-89, November 19, 1997, https://www.govinfo.gov/content/pkg/PLAW-105publ89/pdf/PLAW-105publ89.pdf.

Funding approach

The current steady-state funding model for FNCFS is a fee-for-service model, in which agencies are reimbursed for maintenance costs for children in protective services. The principle driver in the current model is children in care. Given the nature of the funding model, there is a near perfect correlation between the size of an FNCFS agency's budget and the number of children in care. As the number of children in care increases, so too does an agency's budget. While this approach may provide regularity and predictability of funding for specific services (i.e. maintenance), it is rigid and limits the ability of agencies to address the needs of the people they serve without engaging the protection system.

Following various rulings of the Canadian Human Rights Tribunal (CHRT) that found the FNCFS system to be discriminatory and inadequately funded, the current model has been supplemented by Tribunal mandated funding for retroactive payments, as well as wellness/prevention focused programming. The funding structure itself, however, has remained intact, with exception to the supplementary CHRT-mandated funding. For many, the supplementary CHRT funding has enabled the development of new programming and services tracks, the renovation of buildings, and hiring new staff. These are positive developments from the increased funding, but the funding is short-term in focus and does not solve the underlying challenge of the system.

To work toward the well-being of children, families and communities, an alternative funding approach that recognizes the need for flexible applications of funding and that addresses funding gaps is necessary. Children, families and communities have needs. Some may need more support than others for various reasons. Professionals and communities should have the tools and resources necessary to address the *causes of the causes* of need (e.g. poverty, intergenerational trauma, etc.). The choice of tools or means of delivering on this mandate should not have averse fiscal consequences, when accountable decisions are made for the well-being of children, families and communities.

The pre-amble of *An Act respecting First Nations, Inuit and Métis children, youth and families* commits the federal government to "to engaging with Indigenous peoples and provincial governments to support a comprehensive reform of child and family services that are provided in relation to Indigenous children."[297]

[297] Government of Canada, "An Act respecting First Nations, Inuit and Métis children, youth and families," *Justice Laws Website*, Date modified: June 26, 2020, https://laws.justice.gc.ca/eng/acts/F-11.73/index.html.

Informed by its work with FNCFS agencies, community leaders, experts, and stakeholders, IFSD is presenting a funding architecture to reform the funding structure for FNCFS, to promote thriving First Nations children, families and communities. The funding approach is designed to address gaps identified by the CHRT and FNCFS agencies, while aligning the approach to commonly held goals of well-being. The goals, defined in the Measuring to Thrive framework, align to the three core principles that frame *An Act respecting First Nations, Inuit and Métis children, youth and families* (section 9): acting in the best interest of the child; substantive equality of services; the importance of cultural continuity.

Affirming the right to self-governance (section 18(1)), the Act provides a platform for those interested Indigenous governing bodies to assume jurisdiction in child and family services. Whether through an existing FNCFS agency or through the development of an alternative structure, the planning, delivery, and ongoing assessment of child and family services requires resources. Section 20(2) of the Act requires a coordination agreement to exercise the jurisdiction. The federal Minister responsible for the Act, the province, and the Indigenous governing authority, are required to coordinate, among other matters, "fiscal arrangements, relating to the provision of child and family services by the Indigenous governing body, that are sustainable, needs-based and consistent with the principle of substantive equality in order to secure long-term positive outcomes for Indigenous children, families and communities and to support the capacity of the Indigenous group, community or people to exercise the legislative authority effectively" (Section 20 (2)(c)).

The proposed funding approach responds to the Act's commitment to determine fiscal arrangements that address long-term positive outcomes, substantive equality, and needs. Designed and built from the bottom-up, this funding approach captures a critical mix of resources and structures for thriving First Nation children, families, and communities, as expressed by those working on the ground.

SPLATSIN
BRITISH COLUMBIA

"A commonsense approach to care."

Splatsin is an important case study given that it is the only FNCFS agency with full jurisdiction. This case highlights the utility of flexibility in operations for achieving desired results. While Splatsin achieves its operational flexibility from the Splatsin First Nation's (formerly Spallumcheen First Nation) jurisdiction and bylaw for child and family services, others could use block funding, i.e. funding with flexibility in use/application, to achieve similar latitude in decision-making.

Context

Splatsin Stsmamlt Services (formerly the Spallumcheen Child Welfare Program) is an organization of Talkstaltn neglmucw (social workers) and family support workers who are responsible for carrying out the community's stsmamlt (child) and family service program. Currently, they are the only First Nation child and family services (FNCFS) agency with full jurisdiction, i.e. child and family services (including protection) in the First Nation.

Splatsin is the most southern tribe of the Secwépemc Nation, the largest Interior Salish speaking First Nation in Canada whose aboriginal territory stretches from the BC/Alberta border near the Yellowhead Pass to the plateau west of the Fraser River, southeast to the Arrow Lakes and to the upper reaches of the Columbia River.

The Splatsin First Nation's bylaw governing child and family services, extend to any member of the band anywhere in the world *(A By-Law for the Care of Our Indian Children: Spallumcheen Indian Band By-Law #3).*[298] Jurisdiction was negotiated in 1980, following much effort and demonstrations known as the "Indian Child Caravan." The Splatsin people were no longer willing to accept the high rates of removal of their children from their community by the state. The chief at the time, Chief Christian, who had himself experienced the challenges associated to being in care, led the negotiations and was instrumental in asserting jurisdiction.

"We lay awake at night thinking about how we can do things better. How do we know we're doing better?"

The community's jurisdiction in child and family services confers flexibility in programming approaches to meet the needs of the community.

Splatsin First Nation—Overview

Splatsin First Nation's history was described as challenging by members of the community. The reserve has been segregated by hydro and rail projects, which displaced members of the community. There is a difficult history with the ramifications of residential schools and the racism experienced by community members. Substance misuse challenges, especially, alcoholism, have burdened the community. When young people from Splatsin find success outside of the First Nation, often they tend not to return.

[298] The bylaw asserts self-determination and jurisdiction and defines practices for child and family services interventions in Splatsin First Nation.

Splatsin understands the relationship between positive economic development and the benefits that it can bring to its people. Splatsin has recently liaised with the University of Victoria for entrepreneurial training for the First Nation to create a tourism event on-reserve. With many tourists and tour buses traveling through the area, Splatsin is working with the community to create industry close to home. The tourism event would include a visit to the community centre with dancing, drumming, and art; a general authentic experience for the visitor. For the agency, the initiative is an opportunity to assist in providing the community purpose, meaning and practical skills.

Programmatic and operational considerations

Splatsin adopts a "common sense approach" to child and family services. Their mandate, equal parts protection and family preservation, is guided by the needs of their community. Operating under their own law, Splatsin has the latitude and flexibility to manage its child and family services program based on the best interests of the child and family. Seeing as they are not aligned to any laws or procedures other than their own, Splatsin can make decisions to address the *causes of the causes* of contact with the protection system (e.g. poverty, parents in need of modelling/support, food security, housing, etc.) in their work. For many staff, this encourages creativity and innovation in their work. Further to this, workers consistently facilitate family visits and family involvement in community events. The comprehensive "wrap-around family support" programming that is offered is a cornerstone of the program and an integral element to addressing the multi-generational effects of the Canadian residential schooling system and the Sixties Scoop. The unique practices of the Splatsin program were developed to address the multi-factorial nature of historical and continued settler-colonial traumas.

With 12 full-time equivalent staff, Splatsin considers its role to be a supporting one for the community. The protection process in the community does not use mainstream assessment tools; rather it relies on knowledge of the family and its unique circumstance (a benefit of being a small and engaged agency). When a call is placed to the agency, Splatsin staff evaluate and propose one of four courses of action: no action or referral, support services, a voluntary care agreement or the removal of the child. Unique to Splatsin, the Band Council (as defined in the bylaw), will be contacted by the program immediately in the rare case of a removal; once Council is notified a "hearing" involving the family, program staff and Council occurs within seven days. At that time Council either concurs with the removal plan or alternate arrangements are made to ensure protection of the child and support of the family. The Band Council can by law, direct the agency's actions in child and family services, although in practice the program and Band Council typically come to consensus and agree with each action plan.

If a child is in care, Splatsin manages the case, as kinship arrangements are not supported at this time (to mitigate risks of unknown or unspoken traumas within families). Splatsin makes every attempt to place children with extended family but believes that it is good practice to remain attached to the child and extended family to ensure all are getting the support they need.

Splatsin spends significant effort and resources identifying foster parents, working with them, and keeping close account of how the child is doing in his/her respective placement. For instance, a Splatsin social worker may accompany foster parents to medical assessments. The regular interface between child, social worker and foster parent is only achievable due to the small case load of Splatsin social workers.

To maintain constant and regular connections to family and the community, if a child is in care, Splatsin, if able, practices a co-parenting approach. In this model, through prior agreement, the child has regular and ongoing contact with their biological parents and community while in care, e.g. weekend visits, special events.

Splatsin, while at times not 'popular' in the community, is perceived to be a reliable and trusted organization. Beyond its child and family services work, the agency contributes actively to after-school and summer programs, which serves as prevention-style programming without naming it as such. Splatsin helps to build a safe and nurturing environment for children and youth, that is open to all children (not only those involved in child and family services). Serving a small community, Splatsin staff have come to know their people well and share a vision for building a stronger community.

Governance

Splatsin's governance arrangement is particular to the Splatsin legislation. The Splatsin Band Council acts as a board of directors with decision making authority on individual cases and has input regarding the agency's operations. The Band Council can approve or reject a voluntary care agreement or the removal of a child. Although it is not common that the Band Council overrides the Splatsin program's recommendation, it is possible. At times, the Band Council offers contributions or ideas on the management of cases. These suggestions can be additive, if there is community knowledge the agency may not have.

To enable jurisdiction, the Band Council carries a substantive liability insurance policy, as it is legally accountable for Splatsin children in care.

Lessons and considerations

Jurisdiction in child and family services can increase flexibility in operations but also results in ultimate legal accountability for children in care.

Splatsin's governance arrangement has the potential for complications with the involvement of Band Council in decision-making. For some, this is a testament to community care, but it also risks political interference or complexities, if for instance, a Band Council member's family was involved (which in these situations the Council member must declare conflict and recuse themselves from proceeding). While the approach may work in Splatsin, it may not be universally applicable, as it is dependent on the judgement and discretion of Band Councillors and compliance to the By-law and the program's policy and procedures. The role of the agency director is central in this approach and requires dispassionate professionalism. The agency director must have the confidence and respect of the community but must also maintain their professional obligations.

Splatsin's approach in its small community is informed by on-the-ground perspectives for needs-based decision-making. Block funding as a mechanism could offer similar decision-making latitude to agencies without jurisdiction or those seeking jurisdiction.

WHAT WE HEARD

There is general consensus on the funding approach architecture by the expert roundtable.[299] The approach is designed to close gaps and provide agencies with the flexibility required to meet the needs of those they serve.

1. You cannot have the same quantum and structure of resources and expect different results.

2. Data and good governance can promote accountability. Build capacity to **convert data into evidence** for better decision-making.

3. A funding model should focus on **holistic well-being** and break-down silos between operating entities in a community, e.g. CFS, health.

Funding foundations

Any funding approach should have a desired goal or defined purpose. In this case, the proposed funding approach is intended to promote thriving First Nation children, families and communities. Whether through an existing FNCFS agency or in support of a band council repatriating its jurisdiction in CFS, this funding approach is designed to align to the desired goals defined in the Measuring to Thrive framework.

Moving from the current state to the proposed future state means shifting the basis on which funding is allocated, how need is defined, and the source of governance and control (see Table 11).

TABLE 11: Current state and proposed future state comparison of the FNCFS program.

Current state	Proposed future state
▪ Funding driven by children in care	▪ Funding driven by indicators of well-being
▪ Top-down; formula-based funding with ad-hoc supplements	▪ Bottom-up budgeting complemented by need and performance components
▪ Mixed governance model	▪ First Nation control (*An Act respecting First Nations, Inuit and Métis children*)

[299] On April 15, 2020, practitioners and experts convened to review and debate an alternative funding approach for First Nations child and family services. This approach is informed by agencies and the communities they serve. The funding approach architecture is designed to address gaps identified in Phase 1, *Enabling First Nations Children to Thrive*, and reflects the lessons from case studies for this work.

Changing a funding approach will not by itself, immediately change the system or the results it delivers. Short-term changes however, have resulted from agencies who were able to quickly capitalize on the CHRT funds. The transition process will be gradual and will require agencies and communities to adapt to changing practices. Shifting from the current state to the proposed funding approach will require collaboration and in-course adjustments, to address unforeseen challenges. Stakeholders will learn from one another, as the proposed data-driven approach supports an enhanced planning and accountability environment.

As this work is informed by agency participation, feedback, and their own evidence, we can have confidence in the bottom-up budgeting approach informed by Phase 1. Through the contribution of 76% of FNCFS agencies, *Enabling First Nations Children to Thrive* had the necessary representative data to identify and scope the gaps in the existing system. Agencies identified prevention, geography/remoteness, capital, and IT as principal funding gaps. Framing these gaps is poverty and related issues such as housing shortages and quality, access to potable, etc. To build a funding approach that responds to the needs of agencies, their mandates, and crucially, the people they serve, the Phase 1 gaps are built-in to the proposed funding approach.

TABLE 12: Funding approach components.

Factor	Definition
Poverty	Capturing household poverty (relative to provincial poverty line) on-reserve; euphemistic capture of inequity on-reserve.
Prevention	Per capita by total community population (not only children, 0–18 years); three potential per capita rates based on existing models.
Geography	Road access and proximity to service centre; 2x budget increase when at least one community does not have year-round road access.
Capital	Variance in need of fixed assets among agencies to deliver on community mandates; general need for investment.
IT	Substantive gaps in the hardware and software used by agencies; need for investment to raise overall functionality and extend capacity.
Results	Funding to close gaps identified in the Measuring to Thrive framework.

Identifying and closing funding gaps are critical steps in working toward the goal of thriving children, families and communities. How funding moves to recipients is just as important as the amount of resources. In the current state, funding is closely aligned to specific activities. In the proposed funding approach, service providers would be funded in a block. This means that their total budget would be clearly defined at

the start of the fiscal year to facilitate planning and resource allocation (see Table 12). The total block would grow at least by standard growth factors (i.e. population (for prevention) + inflation) every year. After five years, the entire funding approach would be evaluated and revisited to ensure that agencies can deliver on their mandates to meet the needs of children, families and communities.

Agencies will not be alone in this journey. Stakeholders proposed the establishment of a secretariat to support agencies in their transition to the proposed funding approach. With differentiated needs and points of departure, the secretariat will be designed as with a dual mandate as an evidence developing centre and a centre for operational/organizational support. Staff will help agencies identify challenges and remedies for operating matters, and will assist with the development and training of a core data team, as needed. Alternatively, the agency can pay the secretariat an annual fee to outsource its data collection and monitoring work.

At the five-year mark, agencies, with the support of the secretariat, can determine if the measurement framework demonstrates the need for further investment. The secretariat will support measurement and monitoring for agencies and service providers on a regular basis, from the start of the alternative funding approach.

OVERVIEW OF FUNDING APPROACHES

There are two main types of funding:

1. Prospective: service delivery agencies receive payments to deliver services;

2. Retrospective: service delivery agencies are reimbursed for specific activities.

Within these two main funding types, various mechanisms exist to deliver resources to agencies. For child and family services, commonly identified mechanisms include: fee-for-service; block funding; and performance-based contracts (a variant of block funding).

The difference between the two clusters of mechanisms is the way the funding transfer is calculated. In the fee-for-service model, the allocation is retrospective. Revenue and cash flow are the same, since the rules by which the service provider is transferred money is about process, not about outcomes. With a fee-for-service model, the unit cost of service is unknown as it depends on the number of cases, making revenue unknown because revenue is driven by unit cost. Fee-for-service can limit service providers in the effectiveness of

their services. The funding mechanism does not offer an incentive to perform better. Instead, it creates a tension between meeting needs and improving services.

Block funding and the performance-based contracting approach are prospective, separating revenue and cash-flow. While the total revenue allocation (or total budget) is known at the beginning of the fiscal year, the way the revenue flows to recipients can differ. For instance, with performance-based contracting, revenue flow is determined by the terms of a contract. With block approaches, the service provider has the freedom to set the number of units and unit cost, enabling them to adjust practices to work within their revenue. In block approaches, service providers bear the risk of operating within defined revenue parameters. However, they benefit from the flexibility of delivery on their terms. This funding approach can incentivize improved outcomes and efficiency (assuming adequate funding).

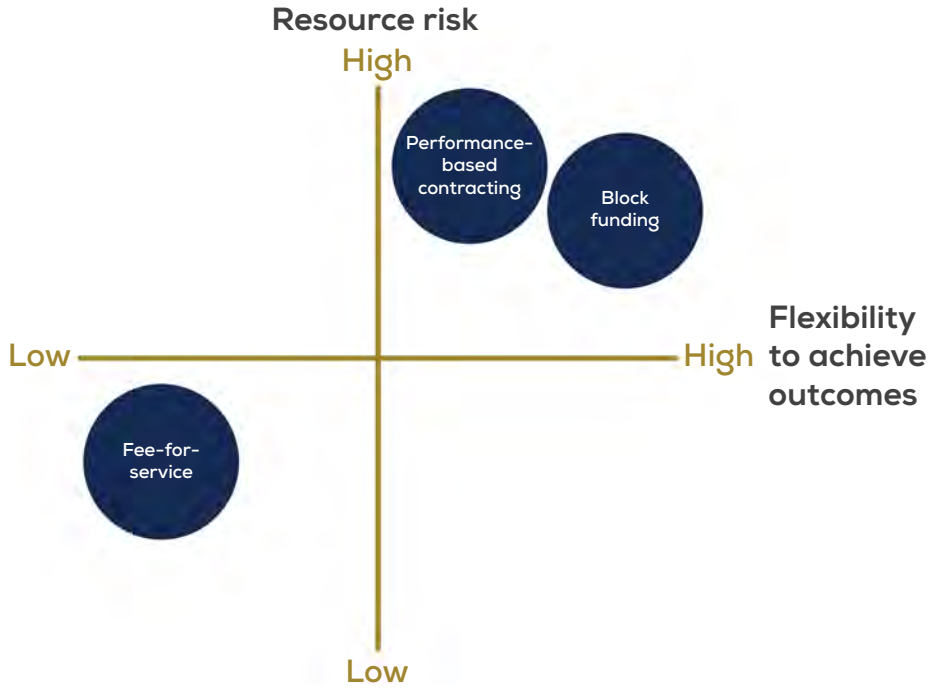
As with any policy question, there are trade-offs in funding mechanisms. Resource guarantees and flexibility in delivery vary among the two funding types (and their associated mechanisms) (see Figure 38).

TABLE 13: Funding mechanism descriptions.

Funding mechanism	Case study	Description
Fee-for-Service	Current funding mechanism for FNCFS	Required resources are provided by payment for specific activities by unit cost or by population served. Funding may be consistent but there is limited flexibility in delivery as reimbursement is defined for specific allowable activities.
Block Funding	West Region's Child and Family Services Center block pilot funding program	Resources are allocated based on a combination of previous financial data and need. A set funding amount is allocated, leaving the service provider to determine its best uses. While flexibility in approach is promoted, the service provider bears the risk of operating within the set funding amount.
Performance-based contracting (variant of block funding)	State of Tennessee child welfare program	Resources are disbursed by achieving pre-established goals. Goals are defined through a service provider's past performance. This approach promotes flexibility in delivery but requires the service provider to meet expectations to receive funding.

Retrospective funding approaches (e.g. fee-for-service), tend to offer better resource guarantees (as funded activities are clearly defined), but tend to limit flexibility in delivery (since fundable activities can be restricted). Prospective approaches (e.g. block funding, performance-based contracting) by contrast, tend to offer greater flexibility in delivery (as service providers can allocate resources as needed), but service providers are required to work within established resource parameters (supplementary resources may not be guaranteed) (see Table 13).

FIGURE 38: Trade-offs in resource risk and flexibility in achieving outcomes.



There is no perfect approach to funding social policy, but there are acceptable trade-offs that support FNCFS agencies in best serving their children, families and communities. Identifying the critical mix of resources required and leveraging lessons from other cases and jurisdictions has informed the approach proposed here. As a new approach is implemented, collaboration between Canada, First Nations, and NAC will be essential to assess progress and adjust the approach as required.

BLOCK FUNDING APPROACH

Resources are allocated based on a combination of previous financial data (to fund maintenance and protection) and need (e.g. population size, geography, poverty level, etc.).

Funds are provided for general purposes identified under terms and conditions in a contribution agreement or a statute. Service providers have flexibility to adjust allocations (e.g. operations and capital; protection and prevention).

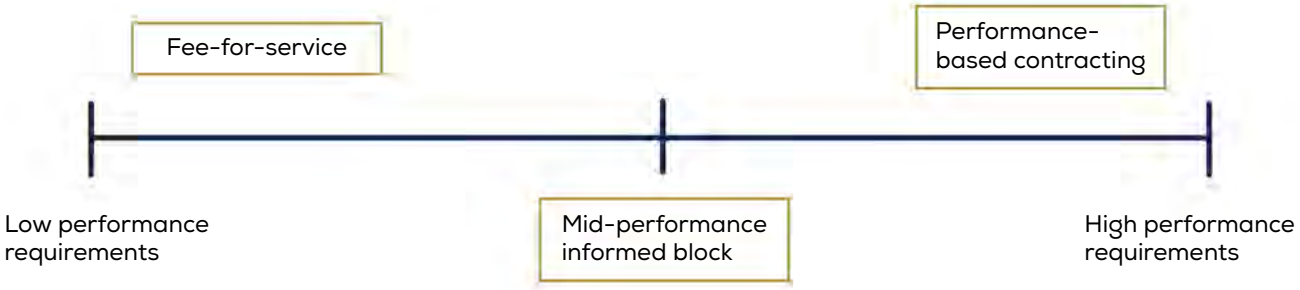
The capacity to "carry forward" money (ability to move monies forward if not spent, in a current year, like the 10-year grant) and access to emergency funding, as provided, are consistent and additive to a block funding approach.

Emergency funds would be available should a service provider—due to an exceptional increase in service demands (e.g. protection requests, an increase in health-related issues)—be unable to meet the needs of their communities with their pre-defined revenues.

In the proposed approach, risk is managed to empower service providers to act in the best interest of children, families, and communities.

The proposed funding approach integrates a block transfer of funds with allocation based on population, need, and budget top-ups. The block approach is distinct from the fee-for-service model currently in place, and the performance-based contracting approach, well-defined by the case of Tennessee. If these two funding approaches were considered on a performance continuum (see Figure 39), Tennessee would be on the high-end of performance, where funding is contingent on the delivery of predetermined results. The performance-based contracting approach uses both a carrot and stick approach to encourage results: if the service provider performs well and efficiently, it can keep the money it saves (carrot); but if the service provider does not deliver on its agreed-upon targets, their budget is reduced (stick). At the other end of the spectrum is the current state, fee-for-service model, without a performance framework. This approach allocates funding for specific activities, without consideration of overall results.

FIGURE 39: Funding mechanisms on a performance continuum.



The proposed funding approach sits at the performance midpoint between performance-based contracting and a fee-for-service model. It is designed as a multi-year (five year) block transfer, allocated annually to agencies. The results-focused program is intended to maximize flexibility in delivery and to meet needs in communities.

The proposed funding approach would guarantee a baseline amount of funding for service providers, which would serve to fund protection and maintenance. This funding floor would be set based on 2018–19 budgets with top-ups for funding gaps. Transferred as a block, service providers would be required to work within defined revenue parameters, allocating resources to best meet the needs of their communities. As service providers, agencies would bear the risk of ensuring funding is well allocated to achieve desired results. They would also benefit from being able to run their organizations to support the well-being of those they serve, however that may be best achieved.

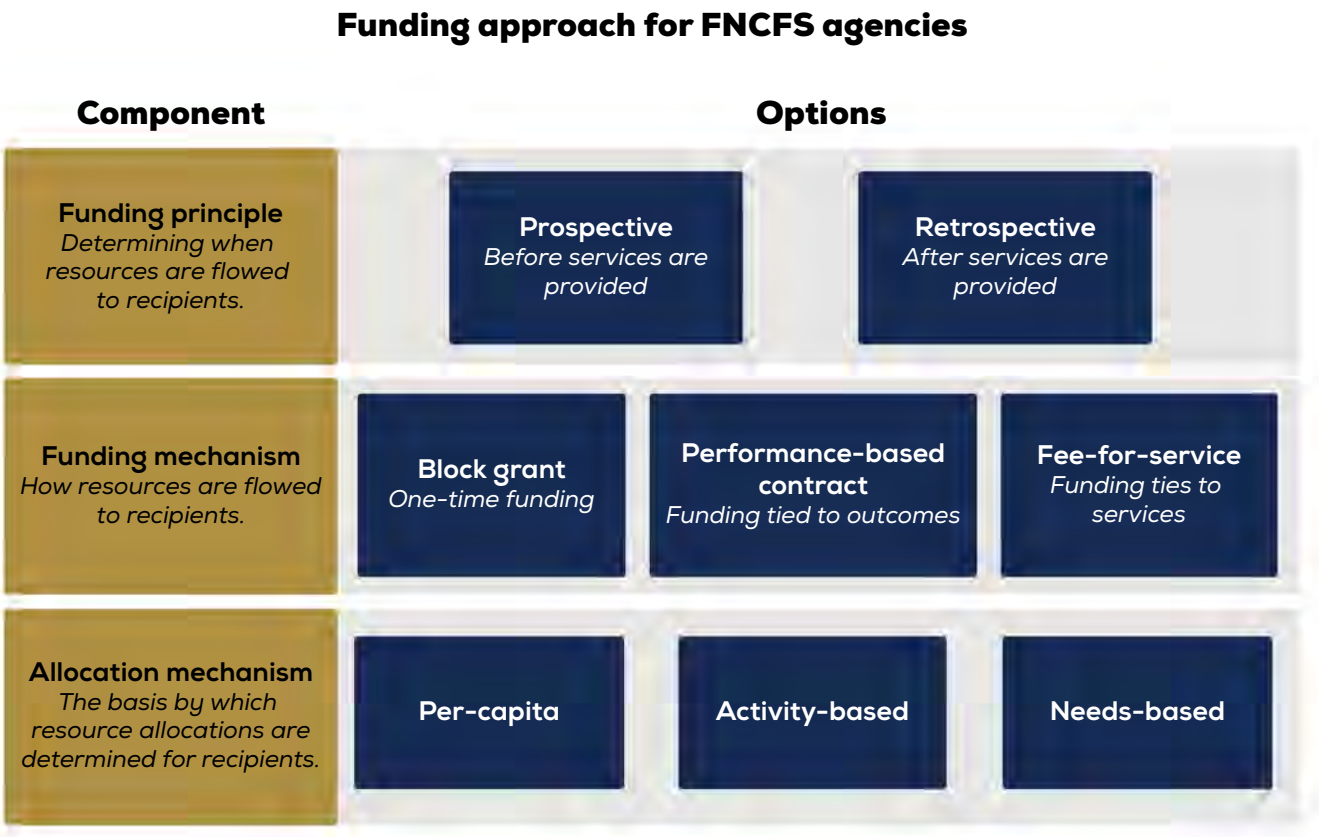
In the current fee-for-service funding arrangement, the federal government as funder is exposed to the risk of an increase in the number of children in care, since that is the means through which services are funded. In principle, the service provider is not incentivized to alter their approach to a more efficient one because they would risk losing their funding. In this environment, agencies spend time working around the system, rather than having a system that works for them and those they serve. In the proposed model, the number of children in care is no longer driving budgets. Service providers would receive their revenues in a known block, guaranteed. If they do not spend all of the money in their block in one fiscal year, they can redirect funds to improve performance, e.g. increase prevention measures). The federal government would act as insurer of last resort, with emergency funds available should an agency—due to an exceptional increase in service demands (e.g. protection requests, an increase in health-related issues)—be unable to meet the needs of their communities with their pre-defined revenues. In the proposed approach, risk is managed to empower service providers.

The risk sharing rate would be assessed on a case-by-case basis. Overages associated to demonstrated increases in demand (for specific services, e.g. protection) would be covered in full. With increased demonstrated need, e.g. higher than usual number of children in care, service providers would be eligible to have any budget overages covered by an emergency fund. The emergency fund is for exogenous factors, outside of the control of the service provider. The emergency fund will not cover operational matters, e.g. mismanagement, poor use of funds, etc.

Building a funding approach

A new funding approach to FNCFS will require consideration of the funding principle, the funding mechanism and the allocation mechanism. Combinations of options are possible and require consideration based on the desired results for the funding system (see Figure 40).

FIGURE 40: Overview of funding component options.



In the current state of FNCFS, there is a lack of alignment between social policy and financial resources. Social policy research and FNCFS agencies have repeatedly emphasized the importance of prevention-

focused approaches to care that empower children, families and communities, rather than focusing on apprehension. Approaches taken by FNCFS agencies in pursuit of the well-being of their communities are numerous. Achieving alignment between policy and resources requires people, processes and data to deliver operations and promote accountability.

FNCFS agencies do not operate in a vacuum but are influenced by the realities of the communities they serve. Ensuring that financial resources are aligned to the realities of their circumstances is necessary to support the well-being of communities.

Funding architecture

This approach should be read holistically. The individual parts alone are not sufficient to contribute to an FNCFS system that promotes thriving children, families, and communities. The current funding approach is not working and can be replaced with a future-focused results driven approach that empowers those delivering services in communities.

At the five-year mark, the Measuring to Thrive framework and the funding approach will be reviewed in full. This first review will help to determine if funding levels are sufficient and if any adjustments are necessary to meet the goals of the framework. At the ten-year mark, the framework will have collected a sufficient amount of data and converted it into evidence to determine if the overall structure of funding and measurement supports better results for children, families, and communities. The baseline budget contains protection funding, a core element of FNCFS agency activity.

A two-step process is proposed to achieve an alternative funding approach:

1. **Interim:** Input based; adjustments for gaps in poverty, geography and prevention, with baseline budget top-ups for capital, IT and results. Designed to support FNCFS agencies as they transition from the current state to a future state focused on thriving First Nations children, families and communities.

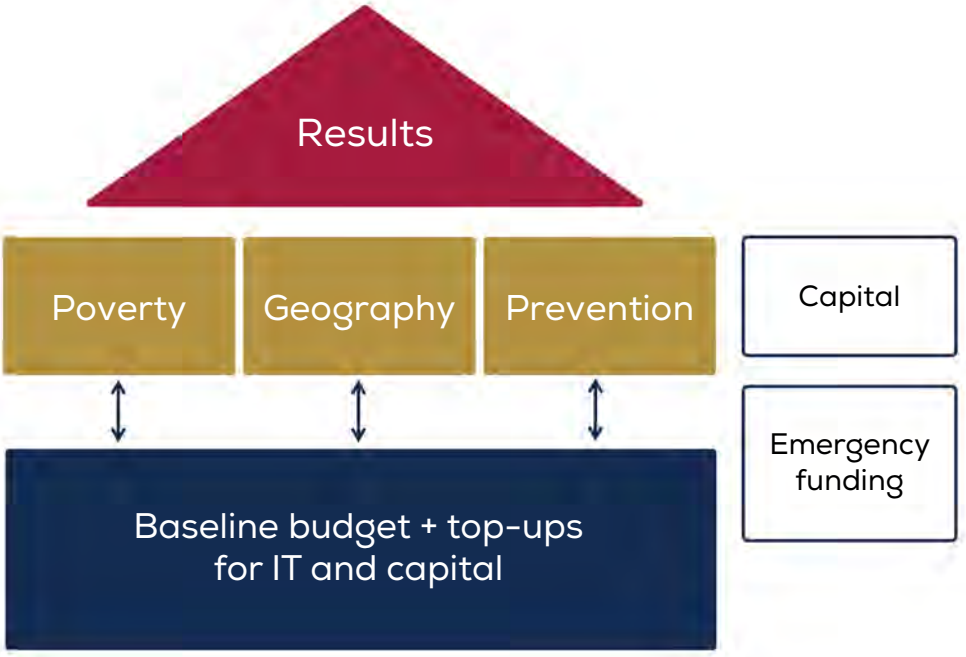
2. **Long-term:** Results-based top-up on the current baseline to drive substantive equality in services and outcomes; budget baseline variance among agencies connected to community, family and child well-being, captured through a measurement framework. Designed to reflect realities on the ground.

Working to improve well-being means allocating additional resources to prevention and well-being services (rather than just protection). It does not imply a reduction in need for child and family services. With the needs-based supplement, a budget should not shrink unless need decreases or population numbers change substantively.

For the proposed funding approach, IFSD recommends a block approach to funding, with a combination of allocation approaches meant to capture needs on the ground, based on demographic and economic changes. Standard growth factors, i.e. inflation and population, will be applied to the overall approach.

The funding approach is premised on an architecture that will be described below (see Figure 41). For each of the funding components, i.e. poverty, geography, capital, information technology (IT), and prevention, a range of cost estimates will be presented. As with any cost estimation or modelling exercise, there is no single answer, but a variety of scenarios that stakeholders may wish to consider as they negotiate within the parameters of the funding architecture. The most important element is the needs-based architecture built from the bottom-up based on the contributions of agencies. The architecture should be treated as a whole, although there are scales or ranges of approaches possible within each of the components that create the whole.

FIGURE 41: Proposed funding approach overview.



The baseline of the approach is FNCFS agencies' total reported expenditures for 2018–19 in the FNCFS survey (see Appendix M for the questionnaire). The budgets are considered sufficiently representative of actual agency expenditures, which covers protection and maintenance (as the current model is a fee-for-service approach) with requisite CHRT-enabled additions to support the development of various programming and capital needs, e.g. prevention, programming space, etc. The baseline is the budget component notionally allocated to protection and maintenance costs. With the full budget transferred as a block, the service provider will have latitude to allocate resources as appropriate.

The baseline expenditures increase by inflation every fiscal year. The supplementary funding is added to the inflation-adjusted baseline each fiscal year. Since the supplements are calculated on the baseline expenditure, they are also growing with inflation.

INFORMATION TECHNOLOGY (IT)

There is substantial variance in the hardware, software and technical capacities of FNCFS agencies. To propel those agencies that are excelling with various uses of technology, and to support those that require a refresh, an investment of 5–6% of an agency's total baseline budget is recommended. The range represents the industry standard for IT-related expenditures in not-for-profit service organizations, based on Phase 1 research.[300]

CAPITAL

A range of capital needs were expressed among FNCFS agencies in Phase 1. For some, entirely new buildings were required as existing ones were derelict or unusable for child and family-focused programming. Others required retrofits or more space to develop specific types of wellness-oriented programming. For others still, fleets of vehicles are required to transport children and families for visits, appointments, and related services.

Beyond the variance in capital needs, it is important to recognize the particularities of property on-reserve. An agency may be a part of a band council organization, a tribal council, or an independent organization operating on-reserve. Some agencies have offices in urban centres, even if they primarily serve clients on-reserve, while others will have at least one office in every First Nation community served. With the

[300] IFSD (2018), *Enabling First Nations Children to Thrive*, 2018, 97–101, http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive_February%202019.pdf.

variety of organizational arrangements, capital project funding can be an opportunity and a tangle of jurisdictions and politics.

Beyond the various capital needs for child and family services programming, **there is a broader infrastructure needs-assessment required among First Nations communities.** With the results-based funding structure for the FNCFS program proposed in this approach, a needs-based mechanism to allocate funding for the lifecycle costs of capital assets that includes both the initial capital disbursement, ongoing maintenance expenditures, future recapitalization and capital asset replacement outlays, is proposed.

To support need and the best interests of children, families and communities, a two-track approach to capital funding for FNCFS is recommended.

Track one: For agencies that own their assets, an annual capital maintenance is proposed in the range of 1% to 2% of the value of the assets (e.g. building), based on Treasury Board standards. This supplement is to ensure agencies have funds available for basic asset maintenance to extend the useable life of the asset. If an agency rents their facilities or if they are owned/operated by a band council or property manager, the maintenance of the asset is assumed to be at the owner's expense. An assessment of existing agency assets is required to determine the accurate value of capital maintenance funding.

Track two: A capital asset replacement fund should be established. It is suggested that this fund be appropriated by Parliament exclusively for capital projects for child and family services (i.e. ring-fenced funding). This will enable agencies to apply for funding, or to collaborate with band council or tribal council partners for major capital projects, such as buildings, wellness programming centres, etc.

There are three estimates for the value of the capital fund, based on findings from Phase 1.[301] The estimates are representative of the cost to rebuild a main office structure for FNCFS agencies using Altus Group (2018) construction costs on a square footage basis. The space requirements are estimated in three ways:

> Scenario 1: Full-time equivalent (FTE) space requirements, per Government of Canada space allocations for employees, with average for non-responding agencies;

[301] IFSD (2018), *Enabling First Nations Children to Thrive*, 2018, 94–97, http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive_February%202019.pdf.

Scenario 2: Agency estimated square footage of main office, with FTE equivalents (#1) for non-responding agencies;

Scenario 3: Agency estimated square footage of main office, with average square footage for non-responding agencies.

The range of the estimates for capital asset replacement fund in 2021 is $133M and $200M. Such an application-based fund could be funded every decade with service providers making the case for replacement or augmentation of their facilities based on a template, such as is presented in Appendix N. The amount of the once-a-decade capital fund is currently notional but could be better substantiated after the capital asset review.

To roughly estimate the value of capital maintenance needs, a percentage of the value of the capital asset fund is calculated between 1% and 2%. This calculation is illustrative, to book an estimated cost of capital maintenance until a needs assessment is undertaken.

The new results-based funding structure for the FNCFS program requires an appropriate mechanism to allocate funding for the lifecycle costs of capital assets that includes both the initial capital disbursement, ongoing maintenance expenditures and any future recapitalization outlays.

Effective capital asset investment strategies make better use of assets through alignment with strategic goals and all relevant business drivers during decision-making processes. This section will outline the preferred mechanism for capital allocation funding that will support the renewed FNCFS performance measurement framework.

A capital asset must meet all of the following criteria:

- Has been acquired, constructed, developed or bettered with the intention of being used on a continuing basis (not just in the year of acquisition).
- Is held for use in the production, supply or rental of goods and services, for administrative, academic or research purposes.
- Is not intended for sale in the ordinary course of operations.
- Is usually repaired and not replaced, when damaged.
- Has a useful life expectancy extending over 1 year under normal use.
- Is valued at an amount greater than a materiality threshold that is established on an organization by organization basis. For example, the Directive on Accounting Standards: GC 3150 Tangible Capital Assets dictates that all assets with a per-item cost greater than $10,000 must be capitalized.

Life-cycle cost refers to all the costs associated with an initiative over its life cycle, which would be the costs from initial conception until the end the program or the disposal of the asset. There are generally four phases in life-cycle costing, which are described differently depending on whether the project is an asset or a program.

An asset's life-cycle cost has the following four phases:[302]

1. **Planning:** This phase is composed of defining requirements, selecting options and planning, which can include research, design and prototyping.

2. **Acquisition:** This phase is composed of acquiring a capital asset or improving an existing capital asset. The phase could also include coordination and support activities, such as those performed by the project management office.

3. **Sustainment and operations:** This phase continues throughout the asset's useful life.

4. **Disposal and remediation:** This phase includes clean-up costs which would be subtracted from the residual value of the asset.

FNCFS CAPITAL ASSETS

The capital asset base of FNCFS agencies can effectively be broken down into two primary asset classes (buildings and vehicles) that effectively serve three distinct needs, as well as a catch all other asset category that would capture any unforeseen capital needs that may arise in the future. The following lists these needs:

- Vehicles: Protection and other transportation needs
- Building: Programming office space needs
- Building: Administration office space needs
- Other

With respect to the renewed funding model, it is proposed that the maintenance for these asset classes will also be included in the capital top-up for capital expenditures. Effectively, this means that the lifecycle cost for FNCFS assets will be accounted for in the capital allocation funding mechanism.

It should be noted that some agencies lease their facilities, rather than own. It is assumed that, in the case of leased facilities, landlords would

[302] Treasury Board of Canada Secretariat, "Guide to Cost Estimating," last updated June 4, 2019, https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=32600&section=html.

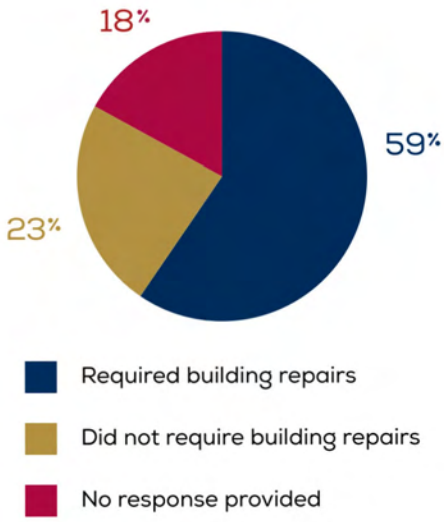
be accountable for lifecycle capital budgeting which would avoid the need for additional facilities funding for such agencies.

Phase 1 findings: Capital

As part of its Phase 1 survey, IFSD attempted to better understand the nature and condition of the assets underlying agency operations.

The survey of 104 FNCFS agencies found that most agencies rented their office space. In terms of the condition of the assets, the following chart summarizes the survey response results, with nearly 60% reporting a need for repairs (see Figure 42):

FIGURE 42: Building repair requirements among agencies (2017–18).



In addition, during the course of the Phase 1 workshops, agencies expressed concerns with respect to the suitability of their facilities with respect to a transition towards a greater focus on prevention-based programming.

Given the lack of data and evidence around the capital asset base of FNCFS agencies, IFSD attempted to estimate the aggregate building (main office) replacement values for the FNCFS agencies utilizing three scenarios as a means to quantify a one-time capital top-up.

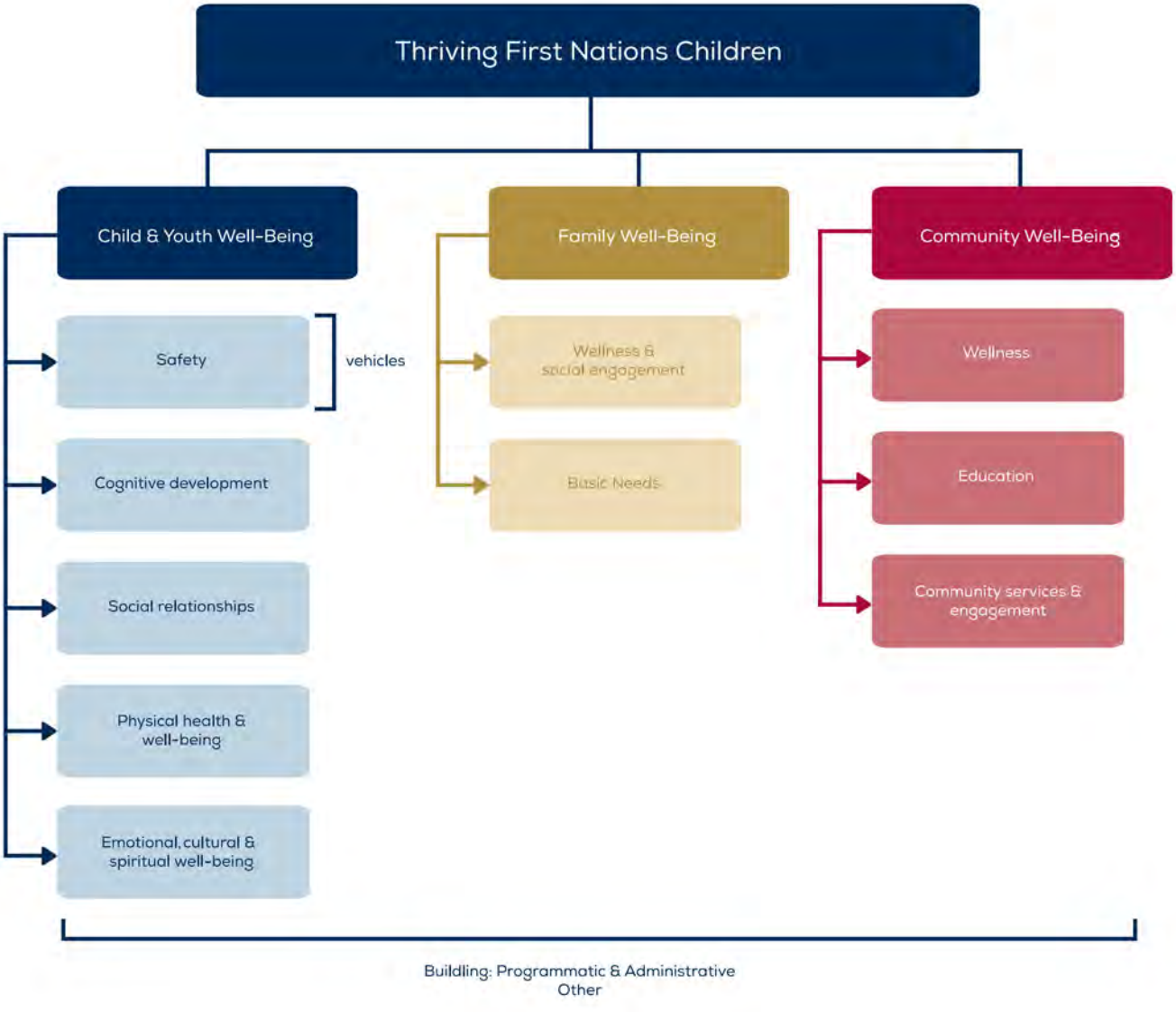
Once the required space allocation was determined, the cost for construction and fit-out was applied to each of the office space scenarios using the 2018 Canadian Cost Guide (Altus Group) with median construction costs for commercial, Class B office building, under five stories with surface parking and related Class B interior fit out costs. Regional indices were applied to estimate costs for each metropolitan area.

The building replacement value was then calculated for each scenario. The aggregate building replacement value ranged from approximately $117M under Scenario 1 to $175M in Scenario 3. With a larger sample of agencies for this work, the estimates were adjusted using the publicly available data. An average capital replacement cost per agency was estimated for each scenario, and then multiplied by 112 for adjustment to the current sample ((Scenario ($)/104 (number of agencies in Phase1))*112).

Alignment of FNCFS Asset Classes to the Renewed FNCFS Performance Measurement Framework

The high-level performance measurement framework for FNCFS is as follows (see Figure 43):

FIGURE 43: Alignment of FNCFS asset classes to the Measuring to Thrive framework.



The alignment of the asset classes to the performance measurement framework is relatively straightforward.

The vehicles are aligned to the Child and Youth Well-Being sub-objective and specifically to the Protection measure that is part of the Safety performance area. The vehicles are used to transport children and youth at risk into protective custody and other prevention activities. The service level component is to ensure that there is an adequate number of vehicles to cover the population and geographic area of the FNCFS agency in question and that the vehicles are in satisfactory working condition so that no children or youth are at risk of harm.

The building is needed to ensure that there is sufficient office space for both the administrative staff and the programmatic office staff and their programmatic service requirements. The service level component is to simply ensure that the building is in good condition. Typically, a Facility Condition Index (FCI) is used to assess the condition of the building.

As FNCFS transitions towards the new funding model and performance measurement framework it is highly recommended that FNCFS agencies review their holistic capital needs as they move towards providing more prevention-oriented programming relative to protection programming. As such, a one-time review of the adequacy of capital needs (building, vehicle and other) is highly recommended to provide an objective evidence-based data foundation with respect to the condition, service levels and needs from the capital infrastructure in order to realize the outcomes from the new Thriving Children performance measurement framework. The benefit of this needs analysis is that *it does not build off historic activity*; instead, it is aligned to the *future outcomes* and direction of FNCFS programming as it transitions to the new performance measurement framework.

With respect to vehicles, in the future it is hoped that there would be a reduced need for protection services as FNCFS agencies start to reap the benefits from an increased emphasis on prevention programmatic services that address the root causes preventing First Nations children from thriving.

The other asset category is a catch all category in the event that any other assets that meet the definition of a capital are required in order to realize Thriving Children outcomes in the future.

Need-based considerations in determining the appropriate capital allocation mechanism

The ideal approach is to ensure that the capital allocation mechanism is aligned to the needs underlying the Thriving Children performance

measurement framework. The linkage between capital assets/capital outlays and how their performance will contribute towards the realization of the Thriving Children strategic outcomes is central towards the renewed FNCFS performance-based funding model.

As noted earlier, the two asset classes serve three primary needs of the Thriving Children performance measurement framework. Specifically, the buildings are needed to provide office space for programmatic services and the administrative function. The vehicles are used for protection, prevention, and other services for First Nations children.

Principal needs-based considerations are as outlined in the following table (see Table 14):

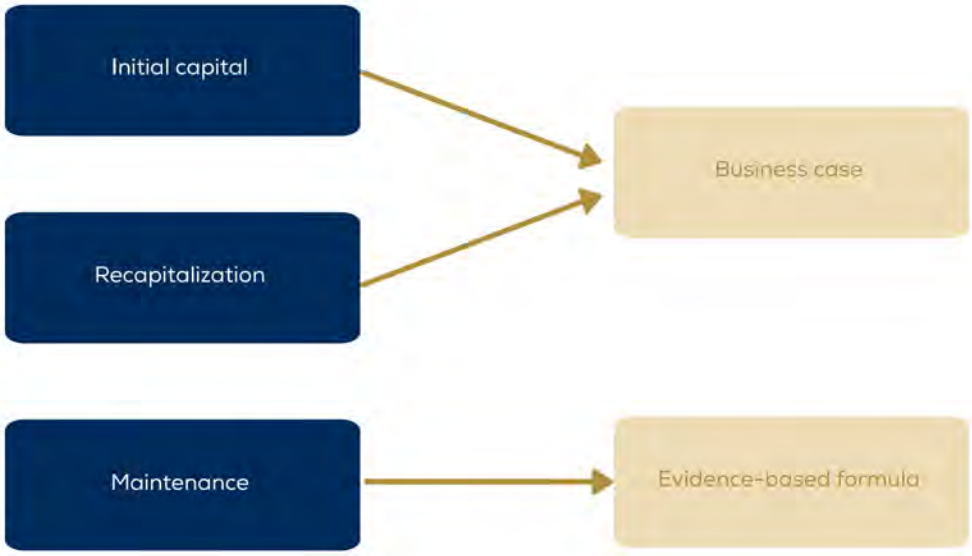
TABLE 14: Need-based considerations in determining capital asset type and allocation.

Capital asset type	Need-based considerations
Building	▪ A one-time review of the adequacy of spacing might be required to reflect the transition towards an increased emphasis on prevention over protective programming ▪ Office space required for prevention programmatic services that are sufficient to meet the prevention needs of the population of children being served in the community ▪ Office space required for protection programmatic services that is sufficient to meet the protection needs of the population of children based on the prevalence of abuse and violence in the local community ▪ Office space required for administrative space that meets the needs of the administrative staff
Vehicle	▪ The appropriate vehicle fleet size to meet the protection, prevention and other needs of the FNCFS community ▪ Key factors that would influence the protection, prevention and other needs include the average annual number of children in protection, the geographic size and remoteness of the local community
Other	▪ Any other capital request would need to be clearly tied into the outcomes articulated in the child and youth well-being, family well-being and community well-being Thriving Children performance measurement framework

The proposed capital allocation funding mechanism

As noted, the annual capital allocation funding mechanism needs to provide for the lifecycle costs of the capital asset that includes the initial capital outlay, annual maintenance as well as any future recapitalization outlays. The recommended capital allocation mechanism for outlays is as follows (see Figure 44):

FIGURE 44: Proposed capital allocation funding approach.



As noted in the diagram there are two means by which FNCFS agencies are allocated funding for capital. These two means are necessary to reflect the fundamental difference in nature between periodic capital spending and annual maintenance operations spending.

A business case[303] will be required for the purchase of a new building (or major upgrade to an existing building), new vehicle or other asset purchase. These are major capital purchases and as such FNCFS agencies will be required to complete a business case to justify the initial capital outlay as well as any expected future recapitalization, if applicable. The business case will need to articulate the justification for the capital purchase by clearly articulating the service level contributions from the asset towards realizing the child/youth well-being, family well-being and community well-being outcomes. An annual capital fund will need to be established from which FNCFS agencies will be able to access capital requirements once the business case has been completed, reviewed and approved.

An annual evidence-based formula will be utilized to provide for the annual operating maintenance costs for buildings, vehicles and other capital assets. The annual maintenance capital top-up will have to reflect generally accepted benchmarks and best practices for buildings as well as vehicles.

[303] A business case provides a justification for undertaking a project with relevant supporting evidence.

Building maintenance best practice benchmark

According to the Treasury Board Secretariat (TBS),

> The informal rule of thumb is that a minimum 2% of what it would cost to rebuild an asset is what should be invested annually for its maintenance and repair. Assuming that a built asset will last about 50 years, an additional 2% should be invested in capital projects that renew the life of the asset. The rule of thumb for a minimum level of annual investment to maintain real property in good condition is therefore thought to be 2% of replacement value.[304]

As mentioned, this is a "rule of thumb," and TBS states that asset recapitalization rates should be determined for individual assets, taking into account risk. Accounting practices vary by municipality, and several reports stress the importance of standardizing the calculation of replacement values. This is a complicating factor in consistent determination of asset recapitalization rates.

The Canadian Infrastructure Report Card states that the capital reinvestment rate for buildings should range from 1.7–2.5%. A report on Department of Defense infrastructure states that "consistent with the *Canada First* Defence Strategy and TBS targets, the Department has committed to a yearly recapitalization rate of 2.5% of realty replacement cost," with an additional "2% for maintenance and repair."[305]

However, a 2002 report for the City of Ottawa surveyed a variety of municipalities and found that, while there was consensus around a roughly 2% number for major repairs and maintenance (plus 2% for ancillary minor repairs and maintenance), "none of the organizations canvassed have been successful in establishing a rate at this level."[306]

For FNCFS agencies, it would therefore be reasonable to have an annual building maintenance funding allocation capital of 2% of the building replacement value that reflects the majority position of the industry standards.

[304] Treasury Board of Canada Secretariat, "Guide to the Management of Real Property," https://www.canada.ca/en/treasury-board-secretariat/services/federal-real-property-management/guide-management-real-property.html.

[305] Office of the Auditor General of Canada Government of Canada, "Chapter 5—Real Property—National Defence," October 23, 2012, https://www.oag-bvg.gc.ca/internet/English/parl_oag_201210_05_e_37349.html#d2ref.

[306] The City of Ottawa, "Best Practices Guide Planning Re-investment in Real Property CONTRIBUTION RATE STUDY CRG File 02-165," https://app06.ottawa.ca/calendar/ottawa/citycouncil/csedc/2004/09-21/ACS2004-CRS-RPR-0023_CAM%20Strategy%20For%20Bldg%20%20Park%20Assets_Annex%20A.pdf.

Vehicle maintenance best practice benchmark

The maintenance vehicle costs proposed in this report are based on the Corporate Fleet Services Annual report—2019 that was mandated by TBS as part of the National Joint Council Rates and Allowances guidelines.[307]

The following table indicates Canadian average expenses by cost component as calculated in the current study, in dollars per kilometre, before rounding up to the nearest half-cent (see Table 15):

TABLE 15: Vehicle-associated costs.

Cost component	Cost (dollars/km)
Depreciation	$0.188
Interest	$0.017
Acquisition Sales Tax	$0.039
Registration	$0.007
Insurance	$0.082
Fuel	$0.111
Preventative Maintenance	$0.049
Repairs	$0.018
Tires	$0.013
Miscellaneous	$0.007
Maintenance Sales Tax	$0.011

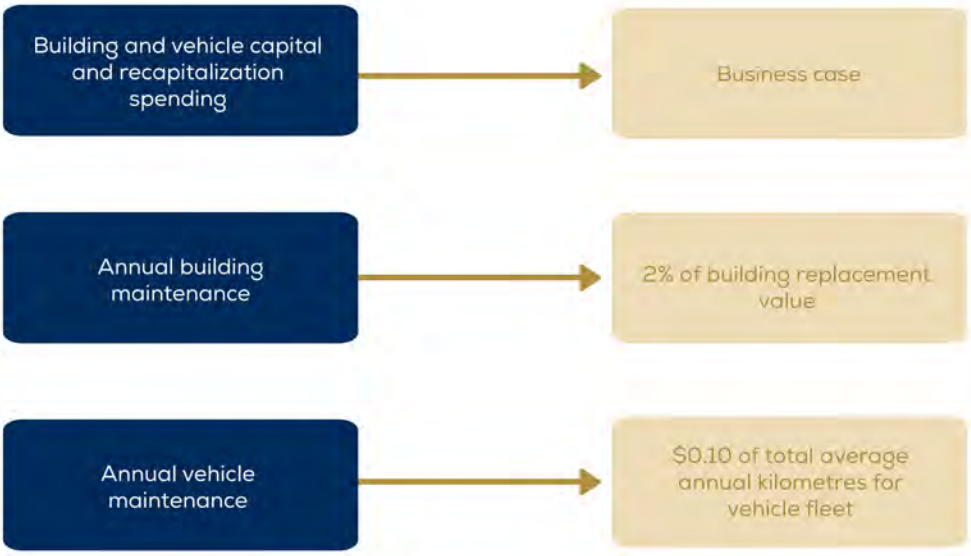
The methodology underlying the report classifies preventative maintenance, repairs, tires, miscellaneous expenses and maintenance sales tax as the key variable components of vehicle maintenance. The total of these components is $0.098 per kilometre.

For FNCFS agencies, it would therefore be appropriate to round up and allocate $0.10 per average annual kilometres travelled to provide for the annual vehicle maintenance funding allocation.

Based on the analysis above, the following is the preferred capital funding allocation mechanism to complement the FNCFS funding model (see Figure 45):

[307] Corporate Fleet Services, "Reimbursement for Business Use of Personal Vehicles Model Year 2019," (November 2018), https://www.njc-cnm.gc.ca/s3/d711/en.

FIGURE 45: Preferred capital funding allocation approach.



With respect to establishing the appropriate amount for the annual capital fund, the challenge is that there is inadequate high-quality data available to provide an evidence-based assessment of the annual capital fund for the needs of the FNCFS agencies. As previously mentioned, a capital needs assessment is highly recommended to provide the evidence base with respect to the capital requirements that are aligned to the new Thriving Children performance measurement framework.

As noted, capital is made up of buildings and vehicles. Buildings typically have a 25–30 year life cycle and vehicles typically have an average useful life of 8 years.

Proposed transition funding allocation mechanism

It would be ideal to apply the preferred capital funding allocation mechanism from day one. However, this will not be possible as many FNCFS agencies do not have accurate and objective data that would support the building replacement value in calculating the annual building maintenance.

In addition, there has not been a proper needs analysis completed that would identify the building, vehicle and any other capital needs of FNCFS agencies as they transition towards the new performance measurement and funding framework. It is highly recommended that such a needs analysis be undertaken in order to provide evidence-based support for the preferred capital allocation lifecycle costs that consist of both capital and maintenance outlays.

As a result, there is a need to establish a reasonable basis for allocating capital in the interim until such a point that a capital needs analysis is completed.

In order to determine a reasonable interim basis for allocating capital, the IFSD performed a limited outreach survey to a select number of FNCFS agencies to estimate their percentage of annual expenditures allocated to capital asset maintenance. In addition, the IFSD reviewed the underlying Phase 1 data on total budget amounts and repairs and maintenance expenditures (excluding IT related costs). The purpose of the outreach and review of the Phase 1 data was to try and better understand the actual maintenance outlays of FNCFS agencies that would help to inform the interim basis for allocating capital in the new funding model.

The results of the survey and review of Phase 1 data underscored the high variability and unpredictability of the data with respect to building maintenance expenditures.

This variability highlights the unpredictability of the expenditures given that the qualitative feedback received by the IFSD noted that many agencies are typically underfunded with respect to capital maintenance expenditures but then in any given fiscal year these expenditures might be significantly higher as they perform a catch-up to try and remediate the underfunding of prior years.

Accordingly, there are two options available to allocate building maintenance on an interim basis prior to the completion of a capital needs analysis:

1. Allocate building maintenance on a percentage of the total operating budget.

2. Allocate building maintenance based on the 2% industry standard that is applied to the best estimate building replacement value estimated by IFSD in the Phase 1 Enabling Children to Thrive Report.

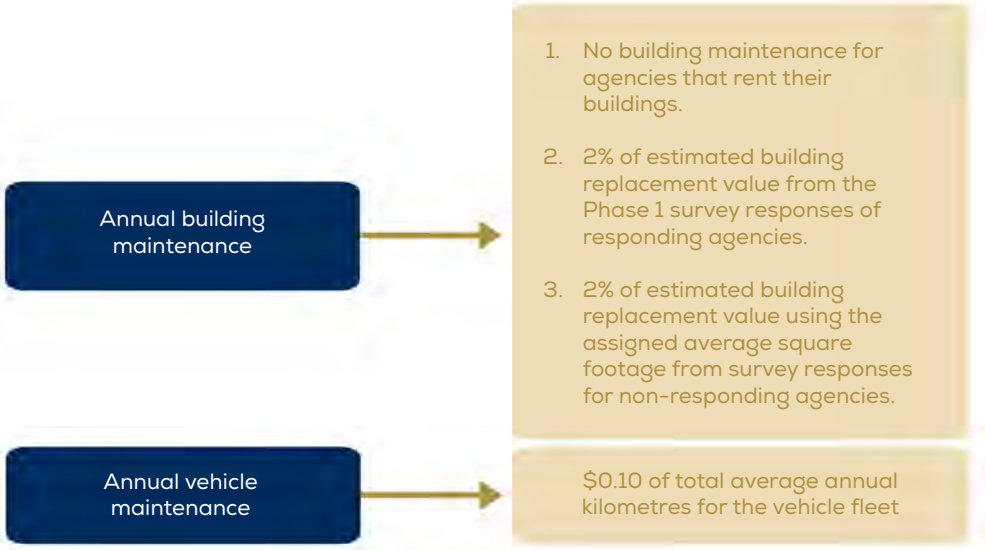
IFSD would recommend option 2 as it best approximates a fair and representative building maintenance allocation from the industry benchmarking best practice research.

Vehicle maintenance can utilize the preferred capital allocation mechanism. The average annual kilometres is easily established by dividing the odometer reading of the total kilometres by the age of the car. The average annual kilometres would then apply a rate of $0.10 per kilometre to allocate annual vehicle maintenance. For example, in 2020 if

an FNCFS agency had a 2017 vehicle with an odometer reading of 80,000 kilometres this would translate into 20,000 average annual kilometres. The annual vehicle maintenance for this vehicle would be $2,000 calculated at $0.10 of the 20,000 average annual kilometres.

The following is the proposed interim basis to allocate annual building and vehicle maintenance for FNCFS agencies (see Figure 46):

FIGURE 46: Allocation of annual building and vehicle maintenance.



The process to implement the capital allocation funding mechanism

1. Establish the capital asset replacement fund valued between $133M–$200M.
2. Obtain Parliamentary approval for the capital asset replacement fund.
3. Formalize the business case process to access capital asset replacement fund.
4. Apply the recommended building replacement value model to determine interim annual building maintenance allocation for FNCFS agencies that own their buildings.
5. Each FNCFS agency to provide inventory of vehicle fleet with the age of each vehicle and the total kilometre odometer ready to determine annual vehicle maintenance allocation.
6. FNCFS capital needs analysis to be initiated to establish capital needs requirements in support of the renewed FNCFS Measuring to Thrive performance framework.

Framework for completing capital purchase business cases

Business cases will be required to justify capital expenditures for initial capital outlays and any future recapitalization. As noted, these expenditures are typically for buildings and the office space needed to provide administrative, protection and prevention services as well as the vehicles needed in order to provide protection services by transporting First Nations children from their place of residence to a safe and secure environment.

It is recognized that as the FNCFS community transitions to a new funding model with the increased emphasis on prevention programmatic services that the existing office space might be insufficient and that additional capital outlays might be required.

Vehicle replacements would be expected periodically as the existing vehicle fleet for an agency ages and reaches a point where the purchase of a new vehicle is more cost effective than maintaining the older vehicle.

IFSD has developed a capital request form template modelled on TBS's business case template form.[308] A simplified version of the TBS business case template offers guidance on the information and evidence typically required to complete an independent assurance and review of capital purchases (Appendix N).

POVERTY

Poverty was used euphemistically to capture the challenging contexts in which many FNCFS agencies operate. Such challenges include limited housing and housing in need of major repairs, access to potable water from the tap, access to broadband, etc. Addressing this gap is one way of enhancing an agency's ability to address the basic needs, e.g. first and last month's rent, diapers and other necessities, that have been sources of neglect and the entry of children into care. Various agencies have expressed challenges stemming from poverty that could have been mitigated with adequate flexible funding, rather than placing the child in care.

[308] Treasury Board of Canada Secretariat, Government of Canada, "Business Case Template," accessed on July 27, 2020, https://www.canada.ca/en/treasury-board-secretariat/services/information-technology-project-management/project-management/business-case-template.html.

YORKTON CHILD AND FAMILY SERVICES (YELLOW THUNDERBIRD LODGE) SASKATCHEWAN

This case is a useful example of the implications of a mismatch between agency mandate and funding. Funding is a tool that can enable and constrain activities. Reliable and consistent funding sources are crucial for planning, program and policy development. In the context of a child and family, a missed opportunity for early and constructive intervention may result in more problematic and costly cases in the future.

Context

At the service of fourteen First Nations, Yellow Thunderbird Lodge (Yorkton Child and Family Services), is a large agency serving a large population in often challenging environments. An agency focused on prevention, finds itself having to place children in protection to unlock funding to manage addressable problems.

Operating

Poverty, low income, high unemployment and limited educational attainment contribute to complex programming environments with ramifications for communities. Yellow Thunderbird's approach attempts to address the results of these contexts, e.g. child hunger, neglect, but cannot consistently access the resources needed through child and family services. The agency attempts to offer interventions and supports without apprehension, but often finds no other means of unlocking resources. With a lack of housing and overcrowding in many of its communities, bed bugs and cockroaches become problematic. There have been instances where children have been placed in protection in order to unlock funding to fumigate.

"ISC is keeping our children at risk." The funding that does flow has limited flexibility in uses and applications. If the agency does ask for special funding, the approvals and steps required take time, and when a response is eventually provided, it is often too late to intervene meaningfully for the children at risk. Response times tend to far exceed established timelines. There are struggles with shifts in interpretations of claims, making special requests for funding gambles. The result is inconsistent funding which makes planning a challenge.

Lessons and considerations

Funding is a tool that can enable and constrain activities. Reliable and consistent funding sources are crucial for planning, program and policy development. When working to serve communities with complex challenges, staff on the ground are often best placed to respond in the best interests of the child and family. Actively working to foster prevention-focused services is a challenge when funding flows reliably for protection.

The community or communities served by an agency were assessed separately, as poverty levels can differ. Not every agency will receive a supplement for poverty, if the median household incomes of the communities served are above their provincial poverty line. While being at the poverty line does not imply a living wage, it is one metric to ensure that basic needs can be provided when faced with more substantive levels of community-level poverty.

The value of the poverty supplement was calculated on a household basis by First Nation. Using Statistics Canada Census 2016 data,[309] the difference between the total median household income of a First Nation and their provincial poverty line[310] was calculated. For First Nations with total median household incomes at or above their respective provincial poverty lines, a value of $0 was assigned. That difference was then multiplied by the number of dwellings on-reserve to obtain an estimate of the cost to close the poverty gap on a household basis in the First Nation. The cost to close the poverty gap at an agency level was calculated by tabulating the differences between total median household incomes and the provincial poverty line for all First Nations served by the agency.[311] To allocate the poverty supplement to FNCFS agency budgets, a range of 3% to 5% of the agency-level cost to close the poverty gap was modelled.

To model a hypothetical poverty calculation, consider the case of Agency Y.

Agency Y serves First Nations A and B. Total median household incomes on-reserve are $20,000 for First Nation A and $25,000 for First Nation B. There are 500 households in First Nation A and 1,000 households in First Nation B. The provincial poverty line is $30,000.

To determine the poverty supplement for Agency Y, the following calculations are made:

[309] IFSD recognizes that not all First Nations participate in the Census. If no 2016 Census data was available for a First Nation served by a FNCFS agency, an average total median household income and average number of residences were assigned to estimate if a poverty supplement would be applied.

[310] Provincial poverty lines are based on the mixed basket measure (MBM) for individual provinces, in regions with populations below 30,000. Poverty is calculated at the household level, using median income. Source: Statistics Canada https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2020002-eng.htm.

[311] The cost to raise all First Nations across Canada to their respective provincial poverty lines would cost roughly half a billion dollars ($494M). Debates on the merits of a universal basic income or guaranteed income supplement have been ongoing and will not be resolved through child and family services.

Difference between total median household income and provincial poverty line
First Nation A: $30,000–$20,000 = $10,000
First Nation B: $30,000–$25,000 = $5,000

Difference between total median household income and provincial poverty line x number of households
$10,000 * 500 = $5,000,000
$5,000 * 1,000 = $5,000,000

Tabulated estimate to close poverty gap for First Nations served by Agency Y
$5,000,000 + $5,000,000 = $10,000,000

Value of poverty supplement for Agency Y (modelled at 3%, 5% and 7%)
$10,000,000 * 3% = $300,000
$10,000,000 * 5% = $500,000
$10,000,000 * 7% = $700,000

PREVENTION

There is broad consensus on the importance of wellness programming. The rationale behind funding prevention or early intervention programs is that is it more effective and less costly to address the conditions that lead to social problems later in life, rather than waiting for these problems to arise and having to invest in programs to mitigate their impacts on individuals and communities.

MI'KMAQ CHILD AND FAMILY SERVICES PRINCE EDWARD ISLAND

Prevention starts with knowing the people that you serve.

MCFS provides a useful "control" to learn about the value of prevention services in the context of child and family well-being. The case demonstrate that programming is not only about children, but about their parents, families and communities. Defining and tracking well-being is essential to better understanding how children, families and communities are faring. Simply staying out of protection does not equate to well-being.

Context

Mi'kmaq Child and Family Services (MCFS) is a prevention-focused agency established in 2007. With the province of Prince Edward Island covering protection services, MCFS is mandated to deliver

prevention services to two First Nations on the island. Prevention activities include supporting families when a child protection worker is present, ensuring just treatment during apprehensions, working with families in contact with the protection system, and delivering programming to meet a variety of community needs.

With a prevention-only mandate, the organization highlights the sobering challenges of finding what works in communities that struggle with poverty, trauma, and history.

Programming

Prevention starts with knowing the people that you serve.

MCFS staff have offices in community and work formally and informally to keep a pulse on happenings whether or not there are protection concerns. Prevention work is rooted in empirical research that is tailored to meet the needs of a community. For instance, MCFS has evolved its programming to include resources for safe practices for children online, parenting workshops, etc. The flexibility of MCFS's approach is essential to delivering responsive and timely programming to meet needs.

From dropping in at home to running group sessions, MCFS has built trust with its communities over time. Building trust and confidence takes time. Building the program from scratch required time and patience so that community members were comfortable to seek out the agency for support (rather than the agency reaching out to them). Such trust can be fragile and can be easily disrupted by changes in politics or other events.

With a prevention mandate, MCFS's experience demonstrates that protection or prevention alone cannot change a community. Child and family services is not only about children, but about their parents, families and communities. When parental, familial or community level trauma exists, it may be normalized or silenced as a coping mechanism. Prevention programming must then extend beyond the child to build an environment that promotes their well-being. *There is contention between struggles within the community and a desire to keep children in their homes. If a family or community is unhealthy, what good does it do to keep the child in it?*

Demonstrating that an increase in prevention dollars leads to a reduction in protection cases may be positive, but just because is not entering protection, it does not imply their well-being. Qualifying well-being and defining baselines that include families and

communities, is essential to understanding the mix of resources and programming needed to support holistic wellness in communities.

Governance

Band Councils can influence the operations of agencies, especially if funding flows through them. In some instances, the withholding of funds or decisions can be tacit tools to constrain or inform the operations and decisions of entities, such as FNCFS agencies.

As Band Councils control most operations and activities on reserve, they can also shape perspectives of services through the provision or withholding of various incentives. The politics on-reserve can at times be challenging.

Resource struggles may become more of a reality with *An Act respecting First Nations, Inuit and Métis children, youth and families* in effect. Band Councils may consider agencies a challenge to their opportunity to access and share resources destined for child and family services.

There is considerable evidence to support that from both a social and economic standpoint the rate of return of these programs is high. James Heckman, a scholar who researches how to redress childhood inequality, views start at birth interventions as achieving the best economic and social gains. Heckman concludes that early childhood programs can break the cycle of poverty for multiple generations, and that investing in high-quality early childhood education not only helps disadvantaged children but also delivers better outcomes for society.[312]

A more recent 2020 study, that looks at the benefits of social programs in the US found that, when accounting for "fiscal externalities" (the indirect ways programs affect the government's budget, arising from how programs change the choices that participants made) many social programs are ultimately profitable for taxpayers.[313] These findings are echoed in the Canadian context, with a report by the Mental Health Commission of Canada finding that return on investment ratios are between $1.80 to $17.07 for every dollar invested in parent education and family support programs which improve the outcomes for people living with mental illnesses.[314]

[312] James J Heckman, "The Economics of Inequality: The Value of Early Childhood Education," *American Educator* 35, no. 1 (2011).

[313] Seema Jayachandran, "Social Programs Can Sometimes Turn a Profit for Taxpayers," *The New York Times*, July 10, 2020, https://www.nytimes.com/2020/07/10/business/social-programs-profit.html?referringSource=articleShare.

[314] Mental Health Commission of Canada, "Making the Case for Investing in Mental Health in Canada," (2010): 22.

THE CHILD AND FAMILY ALL NATIONS COORDINATED RESPONSE NETWORK (ANCR) WINNIPEG, MANITOBA

ANCR has the ability to focus resources and support on a case at the initial point of contact with the child and family. Their funding approach provides flexibility to enable this approach.

The Child and Family All Nations Coordinated Response Network (ANCR) is responsible for all intake and emergency child and family services in Winnipeg, including providing after-hours intake services for twenty agencies. Governed by a board of directors (with membership appointed by Manitoba's four child welfare authorities), ANCR is a provincially incorporated not-for-profit agency, dedicated to serving All Nations in the city.

Fully provincially funded, ANCR receives its funding quarterly.[315] *The nature of its funding allows the flexible application of resources to areas of need, especially for preventive services.* ANCR can focus resources and support on a case at the initial point of contact with the child and family. In 2018–19, family support services cost roughly $530,000. The model is sustainable financially because ANCR will not typically provide the services for as lengthy a period as other agencies. With a total budget of approximately $15 million, ANCR's main expense category is *salaries and benefits* for nearly 200 staff members (a mix of full-time and part-time). This costs structure is consistent with ANCR being a service-based organization.

ANCR's role as a service provider is unique, as it can, at once, intervene for preventive services, apprehend when necessary for protection, and refer a case to a more appropriate agency to ensure the child and family are receiving the best available care. Early intervention approaches have demonstrated success, when considering that over 75% of the over 450 families per year that receive early intervention supports do not go any further in the protection system.

As Winnipeg's Indigenous population continues to grow, agencies like ANCR will play a central role in providing urban-based culturally appropriate services, while working with children and families to connect them to the most relevant long-term solution.

[315] ANCR's funding has not been adjusted, e.g. for inflation, cost of living, etc. since 2007. The only funding changes have been through program changes.

To support agencies to collaborate with other partners in the band council, tribal council, or community, and to foster the development of child and family services focused wellness programming, a prevention supplement on a per capita basis will be applied. For each person in the communities served by the agency, a $800, $2,000 or $2,500 per capita investment will be applied to their budget. These per capita amounts represent a spectrum of actual programming, based on Phase 1 research.[316] Agencies such as Mashteuitsch have developed high levels of coordination and collaboration on their prevention programming, linking child and family services to health and wellness.

KANIKANAPIT—MILUELINIUN MAHK MAMU MILUELIMUN (MASHTEUITSCH)
QUEBEC

The importance of structure to manage contextual realities.

The clear distinction in roles between elected community leadership and agency management and professionals supports a results-oriented culture based on data, evidence and evaluation.

Context
With a fused mandate of health and social services, *Kanikanapit—Milueliniun mahk mamu miluelimun*, emphasizes well-being and ensuring that the First Nation it serves is thriving. In 2008, a major mental health crisis forced a shift in thinking in health and social services. With high suicide and protection rates, the organization and its community made a strategic decision to focus on prevention. Since that time, protection cases have decreased, and multi-disciplinary prevention programming has extended to elders, families, and the community at large. Social workers, the physician, dietician, healthy lifestyle coordinator, etc. collaborate to build and deliver holistic wellness focused programming.

Operations
The centre benefits from a professional band council organization in which there is a separation between elected and bureaucratic officials. With regular election cycles, the stability of the professional bureaucracy at the band council promotes continuity and expertise. This structure enables directors, such as the director of the health and social services centre, to manage

[316] IFSD, *Enabling First Nations Children to Thrive*, 2018, 89–94, http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive_February%202019.pdf.

their portfolio and liaise with other directors with limited political interference.

Data and evidence play a critical role in demonstrating relevance and generating operational independence from elected officials. The centre's data system is aligned to its program architecture. This allows the centre to track client uptake and changing needs across health and social services. Paired with the evaluation of its programs, the centre has a real-time understanding of happenings in the community, with the ability to respond to address needs.

To maintain the culture of strategic planning and performance for improved community outcomes, the centre invests in its staff. Latitude in action and decision-making comes from competent and reliable staff. Maintaining and developing the talents of high-performers, is integral to the success of the centre. Engaging staff in planning and strategic decision-making, offers a sense of empowerment and accountability for outcomes. Especially in challenging circumstances or moments of major change, a committed and reliable team can work to manage change.

Lessons and considerations

Politics is an inescapable contextual reality. While politics can enable action, they may also constrain it. Service providers can mediate contextual challenges with evidence for planning, programming, and decision-making. Building tools and practices for the collection and analysis of relevant, informative, data is an important first step for existing and new service providers.

Breaking down programming silos with collaborative program development for prevention activities can help to improve scope, the resource base, and uptake in the community. Collective action for holistic well-being is more likely to yield community-level sustainable benefits than siloed actions.

GEOGRAPHY

The location of communities served by agencies impact costs, human resource pools, and service delivery. Phase 1 and Phase 2 analysis indicated that an agency that serves at least one community without year-round road access has a budget about twice the size of those serving communities with year-round road access. In child and family services, remoteness has been regularly identified as an issue but has not been consistently addressed. Analysis of agency budgets suggests that remoteness is being tacitly compensated (those that are more

remote or serve First Nations not accessible by road tend to have larger overall budgets). However, the allocations appear arbitrary in that the statistical connection between agency budgets and their associated remoteness score, in ISC's Band Focused Approach[317] is relatively low.

AWASIS
MANITOBA

"It's not just what we see as not being there."

Poverty coupled with remoteness is not just an economic condition but one that pervades all aspects of family and community life. Without more and flexible resources, child and family services are forced to focus on crisis response rather than better long-term outcomes for children and families.

Context

Following the lobbying efforts of Northern Manitoba Chiefs, Awasis was established in 1983. The original intention of delivering FNCFS through Awasis, was to eventually, devolve the services to First Nations for community-level delivery. While some First Nations have established their own agencies, Awasis remains the primary conduit of service delivery for eleven First Nations, especially in remote First Nations in Northern Manitoba. Often, the agency's staff is the only regular service in the community. Staff are "always in crisis management mode," trying to be many things to many people in underserviced areas. This reality focuses the agency's efforts on crisis response instead of being able to focus on the rebuilding of communities.

Operations and Programming

An observer can easily see markers of poverty such as, housing shortages, a lack of infrastructure. A holistic view of poverty, however, is about what cannot always be 'seen.' Poverty, as described by Awasis, is "not just what *we* see as *not* being there." Emotional, spiritual, mental, and physical impoverishment are challenges in community healing that not may be readily visible and influence the agency's work.

[317] ISC's Band Focused Approach uses the same data as Statistics Canada's Remoteness Index. ISC's approach is more nuanced as it cross-references and adds the band name and number. In some cases, a remoteness score weighted by band population is calculated when the band is comprised of more than one Census sub-division (CSD). If however, one CSD contains multiple bands, each band retains its own remoteness score.

Awasis's operations are shaped by its context. With the majority of First Nations served in remote areas, the agency often lacks basic infrastructure to undertake its work. Information technology (IT) infrastructure and broadband connectivity do not always exist. This can make contact with different resources nearly impossible. *"We want to do great things, but we also need the tools to enable us to do them."* A tool as basic as internet access for Skype can be revolutionary for a community.

Staffing is also a challenge, as employees can be difficult to retain in remote areas. Often, staff can be early in their careers and while well-intentioned, they may not have the experience necessary to address the complex challenges in Awasis's communities. The ideal would be to have staff and resources to invest heavily upstream, instead of repairing downstream.

To rebuild communities, Awasis emphasizes a 'two-eyed' approach: Western skills and technologies, paired with traditional knowledge, language and cultural practices. The approach combines the best of both to build capacity and resiliency in communities.

Capacity and resiliency take time and resources to build. The Family Enhancement Program is connected to the approach. Designed to support families, the program addresses the causes of contact with the protection system, and will reconnect children with their community (if they are in care). The Elders Council is a new addition to support planning, program development and delivery, especially in family enhancement. Elders on the council are selected by their respective communities and will even intervene in moments of crisis as trusted community members. Especially when staff are not regularly present in remote or difficult to access communities, Elders play a supporting role.

Lessons and considerations

Agencies and communities confront a variety of challenges, that can be amplified or complexified by their context. Remote and isolated communities require supplementary resources to deliver programming due to limited complementary services and infrastructure gaps.

A holistic conception of poverty, beyond what can be 'seen', is a point of departure to reconceptualize the scope and breadth of early intervention and investment. Community-focused and dedicated to capacity and resiliency building, ensuring there is a resource base for prevention can support longer-term change.

In the proposed funding approach, remoteness is compensated in the baseline expenditure for consistency and clarity in the allocation. Professor John Loxley (University of Manitoba) led analysis for this project on existing approaches for compensating remoteness, e.g. NAN remoteness exercise, Statistics Canada's Remoteness Index, etc. (Appendix O). The assessment considers the suitability of various approaches and remoteness compensation practices in the United States and Australia, for application to FNCFS. For national applicability, Loxley concludes that ISC's Band Focused Approach or Statistics Canada's Remoteness Index would be the most reliable scales for determining remoteness. The amount of compensation, however, would be arbitrary, as no reliable standard exists.

Agency remoteness was assigned using the scores in ISC's Band Focused Approach. For agencies serving more than one First Nation, the remoteness score was determined by weighting all associated First Nations scores by population (Census 2016 population data was used for consistency with the dataset). A compensation scale for remoteness was developed by IFSD using three scales to provide different options for the remoteness budget adjustment and a polynomial profile to ensure that the scale remains progressive. The scales change the relative importance of remoteness in terms of budget needs. As the scale increases, those agencies that serve more remote communities receive proportionally more funds for remoteness than the less remote agencies.

Three options are provided as available data does not provide enough information to help us choose a specific scale:

Original remoteness index to the power 1.1: original remoteness index$^{1.1}$
Original remoteness index to the power 1.2: original remoteness index$^{1.2}$
Original remoteness index to the power 1.3: original remoteness index$^{1.3}$

There are three scales and three reference points. Each scale provides a different range of budget adjustments. In total, there are nine options for remoteness budget adjustment.

To define the supplementary funding allocation for remoteness, the agency with the lowest remoteness index (considered the least remote agency) was set as the reference point against which all other remoteness was measured.

Formula:

$$\text{Ratio} = \frac{\text{Agency's Remoteness Index}}{\text{Remoteness Index of the Reference Point}}$$

Remoteness compensation (dollars) was calculated relative to the reference point using three factors: 0.25%, 0.5% and 1%. The factor is multiplied by the ratio calculated from the equation above. That percentage is the percentage increase of the agency's budget to compensate for remoteness relative to its total reported expenditures.

To illustrate, we use the case of Agency Z:

Remoteness score: 0.5
Total budget: $10M
Remoteness index of the reference point: 0.06

Ratio = 0.5/0.06
Ratio = 8.3

Note: Agency Z is 8.3X more remote (on a population weighted basis) than the reference point agency.

Compensation based on three arbitrary factors multiplied by the Ratio:
Scenario A, 0.25% of reference: 0.25*8.3 = 2.1%
Scenario B, 0.5% of reference: 0.5*8.3 = 4.15%
Scenario C, 1.0% of reference: 1*8.3 = 8.3%

The values of the three remoteness compensation scenarios for Agency Z's $10M budget are:

Scenario A: $10,000,000*2.1% = $210,000
Scenario B: $10,000,000*4.15% = $415,000
Scenario C: $10,000,000*8.3% = $830,000

Thus, Agency Z's remoteness compensation is suggested to range from $210,000 to $830,000, based on the assumptions used.

Case studies and consulting experts raised a number of considerations related to geography. While some agencies and the communities they serve may be within commutable distance to a service centre by road, those roads may be dangerous (e.g. not maintained), or accessible in a limited way based on weather. When service access is at risk or the ability for children in care to return to their communities for visits, there must be consideration given to agencies in these situations. Furthermore, public transit is limited, if available at all to those working or residing on-reserve. It will be necessary to consider and respond to these realities or equip agencies with the resources and flexibility to find solutions.

When it comes to FNCFS, attention tends to be focused on-reserve (Canada funds FNCFS on-reserve only and in the Yukon). Demographically, however, Indigenous peoples are the fastest growing group in the country, and they tend to reside in urban centres. There is a cost to delivering services in urban centres, e.g. rent tends to be more expensive (Toronto, Vancouver), staff salaries may have to be higher to be more competitive, etc. This is a reality for agencies such as Native Child and Family Services in Toronto, who are regularly faced with climbing costs because of their location.

NATIVE CHILD AND FAMILY SERVICES TORONTO, ONTARIO

Funding diversification for the liberty to practice.

Funding diversification provides latitude for practice. Funding mechanisms are also important. The opportunity for a block-funding approach in FNCFS would promote cohesive responses to child and family services, reducing the siloed billing practices in place. With the growth in urban Indigenous populations there is a case to revisit how urban agencies and agencies serving urban communities are being resourced to deliver on their mandates.

Context

From one main office and 18 satellite offices and with 285 staff, NCFS delivers culturally-informed child and family services, including prevention and protection, to Indigenous Peoples in Toronto, those passing through Toronto, and across Canada.

With a history of prevention, Native Child and Family Services had to work for 18 years for a protection mandate from the Province of Ontario. Originally established as a prevention organization in Toronto, NCFS learned early on that its funding sources had to be diverse, to build their practice culturally-informed practice.

Operations and programming

NCFS is a service delivery organization (with registered charity status). Their core funding comes from their role as a service provider. Other organizations pay them to deliver services because they're good at what they do, e.g. the Early ON (formerly 'early years') is delivered by NCFS.

The organization actively seeks to demonstrate the impact of its service model for funders and for its own internal planning.

NCFS's program evaluation model is connected to program development. Its initiatives and programs are grounded in best practices and existing literature, informed by Indigenous well-being. Once the program is delivered, clients are surveyed, regular follow-ups are undertaken, and services are adjusted based on these findings.

NCFS's structure requires and enables creativity. The funding structure from multiple sources enables NCFS to work through the prevention angle, finding resources to deliver in the best interests of the child, and to build its practice with long-term vision. For instance, NCFS's board of directors encouraged the agency to buy, not rent its space. Owning space provides the liberty to practice in a culturally relevant way. From smudging on-site, to building lodges, owning space meant a freedom to practice in the best interests of the children and family served, without being beholden to government check boxes.

While core funding is stable, resources to build responsive, bottom-up programming is dependent on securing funding from grants and donors. Senior leadership is responsive and regularly seeks out 10%–15% of their overall funding to ensure needs-based programming can be developed and delivered.

Operating as an urban agency, NCFS is faced with the challenges of housing shortages and homelessness, mental health and addictions. To address the challenges, the agency breaks down operational silos by leveraging resources to address a broad-spectrum of programs and services, rather than distinguishing between protection and prevention, and their respective funding sources.

The urban environment can be a draw for staff, but also imposes constraints. The cost of living in Toronto can reduce the relative competitiveness of salaries, and can increase the cost of doing business from real estate to parking (limiting the practicality of needed vehicle fleets). While NCFS is not constrained by funding streams and protection-focused fee-for-service budgeting, its funding diversification requires it to be a competitive leader in child and family services.

As urban Indigenous populations increase, so too will the demand for Indigenous-focused services. Prior to CHRT funding, NCFS was not a regular recipient of federal funding (beyond program funding for the delivery of the urban Aboriginal Head Start program). As

demographics shift, the reality that Indigenous People may have a connection to a band or reserve, may have multiple, or may not have any at all and will still seek out services will have to be addressed.

Lessons and considerations
Define your core functions and deliver them well.

Funding diversification provides latitude for practice. While not all service providers will have NCFS's diverse resource base, the lesson that funding mechanisms influence activities is important. The opportunity for a block-funding approach in FNCFS would promote cohesive responses to child and family services, reducing the siloed billing practices in place.

Urban Indigenous populations are growing and will require culturally informed services. Resourcing these activities is a constant challenge. As the CHRT highlighted discriminatory practices in federal underfunding of FNCFS, there is a case to revisit how urban agencies and agencies serving urban communities are being resourced to deliver on their mandates.

Access to service tools, such as broadband were also considered. Communities closer to urban centres may be more likely to have access to reliable broadband with workable download and upload speeds. There are many however, who do not have regular or reliable access. Broadband is not only a tool for connectivity, but a conduit for expanded opportunities for services and programming. From telemedicine, to consultations with experts such as nutritionists and psychologists, broadband represents an opportunity to build existing capacity and to scale services as required. As with any tool, broadband can be a useful addition if agencies and communities have connections to providers to leverage the connectivity.

RESULTS FUNDING

The Measuring to Thrive framework represents a set of trackable indicators that guide the goal of thriving First Nations children, families and communities. The framework is a tool to help to identify need. Used as a program performance tool, Measuring to Thrive will guide relevant data collection to better understand realities of communities and eventually, to support and anticipate their needs. The federal government committed in the preamble of *An Act respecting First*

Nations, Inuit, and Métis children, youth and families, to funding FNCFS consistent with the principle of substantive equality.

It is expected that a two-year transition period will be necessary for a fully functional framework. In that period, the secretariat will work closely with agencies to determine what data is already available, what data will have to be collected and how, and in what way need should be monitored and quantified. Data from reliable sources, e.g. Statistics Canada, will be leveraged to populate the Measuring to Thrive framework wherever possible, especially for community-level indicators. Working with the secretariat, agencies can leverage the data as evidence for decision-making to determine the types of intervention necessary, e.g. budgetary top-up, access to organizational support, etc.

The utility of the framework is that it can help individual agencies identify where they have need or if they are operating well within the parameters of their budget. In public finance, more money is not always the answer. More effective and efficient application of resources in a well-designed program can yield results. FNCFS agencies will have to establish performance targets to align their activities to desired results.

Results funding will be allocated to agencies as a percentage of their baseline expenditures. The supplement is modelled at 1%, 3% and 5% of total 2018–19 expenditures. The value of the top-up is anticipated to support hiring one or more staff. Complemented by supplements in IT and supported by the secretariat, FNCFS agencies are expected to be sufficiently resourced to transition to capturing data through the Measuring to Thrive framework.

EMERGENCY FUNDING

FNCFS is an essential service, that must continue to operate in regular and crisis situations. Emergency situations tend to increase demand on social services such as child and family services (Appendix P). The funding will be available to support responses to unanticipated circumstances related to CFS, that affect demand for an agency's core services. This could be a suicide crisis in a community or support to respond to a natural disaster or pandemic, in so far as the expenditures are directly linked to child and family services. Dakota Ojibway Child and Family Services in Manitoba has a well-developed emergency response plan.

DAKOTA OJIBWAY CHILD AND FAMILY SERVICES MANITOBA

"At no time will children be left at risk."

Key Lessons Learned from DOCFS' emergency response:

1. *Be prepared: a business continuity plan/emergency plan that includes communication with band councils and tribal councils can determine and pre-plan how you will collaborate and collectively face an emergency.*
2. *Empower staff: crisis situations are fluid and require changing responses. Staff should have input in planning, clear direction and latitude to act in the best interest of the children, families and communities they serve.*
3. *Have access to financial resources: to procure goods and services, money is necessary. There's much uncertainty in a crisis and having reserve funds (or access to funds) is crucial for expeditious action and response.*
4. *Connect: work closely and ongoingly with your communities and leadership to respond to the needs of children, families and communities.*

"At no time will children be left at risk."

Dakota Ojibway Child and Family Services (DOCFS) is not a novice when it comes to emergency response. From floods, to ice storms, to now, a pandemic, the agency has responded to protect the most vulnerable in the eight First Nations communities it serves. An integral component of a broader Tribal Council structure, DOCFS works collaboratively with other organizations (e.g. health, education) and community-based offices. Daily directors' calls and constant contact coordinate actions and response to changing circumstances across the Tribal Council.

DOCFS wants kids and families to be healthy and safe. Emergencies don't stop this drive; they amplify it. CFS is an essential service, and DOCFS remains available 24/7 during a crisis (as it would in regular times). As concerns for the safety and well-being of children and families can increase during emergencies, DOCFS' actions in emergency response extend beyond the physical safety of children, and includes food security, supplies and educational resources.

Be prepared

DOCFS' business continuity plan (BCP), which serves as a roadmap for the agency's action in a crisis to fulfil its core mandate and maintain (at least) their basic operations.

In one half-day, DOCFS' entire business continuity plan (BCP) apparatus can be mobilized, as staff are pre-briefed and familiar with their responsibilities. Staff have pre-assigned roles and areas of action for which they are responsible in an emergency. This enables the organization to keep a measure of consistency when faced with unexpected crises.

DOCFS' model is premised on strong linkages to the eight communities that it serves. With trust between DOCFS and its community offices and employees, the agency depends on the local First Nation's collaboration and support to understand need on the ground, and to ensure an appropriate response. Each of the eight communities served have their own emergency operating plans for local-level actions. From back-up staffing plans to operating plans, each community has a pre-planned approach to managing CFS when in crisis response mode.

There are plans in place, but staff members are expected to solve problems and find solutions.

Empowered leadership; empowered people

As emergency response ramps up, there is significant pressure on senior management to orchestrate the initial response. For example, senior staff worked from 8am to 11pm to define and implement the initial crisis management approach to COVID-19.

Senior leadership and the DOCFS board encourage flexibility in crisis response. They are known to create space for employees' ideas to respond to community needs. Emergencies are fluid and DOCFS staff must adjust its actions accordingly and in real time.

Various ad-hoc teams emerge in crises to address changing needs. For example, in the response to COVID-19, a holistic wellness team was created to develop resources for the distribution of reliable information and to connect people with the services they need. This small team of six people leverages outside resources, such as extra physicians and mental health experts, and develops their own tools to support the overall pandemic response.

The main concern among communities is food security. Families can be big and as communities enter lock-down, not everyone

can access needed supplies in time. DOCFS stepped in as a procurer of essential food items and supplies for delivery through local community offices. The items are distributed without cost to recipients in need through the local office. In an emergency situation, DOCFS will assist any community member in need (although their child focus is primarily, children in care). This initiative, orchestrated in conjunction with community-based staff, demonstrates the importance of connectivity and trust between agencies and people, especially in a time of emergency response.

To mobilize the required resources, an agency needs ready money.

Always have ready money

DOCFS emphasizes the importance of advocacy for their agency. From the Tribal Council's Chief to ISC to outside resources, DOCFS advocates to 'anyone who will listen,' to ensure their organization and children in care have what they need. Building a reserve fund and practicing active resource-development are ongoing. This helps to ensure that when a crisis hits, there is some flex in the budget.

When faced with a crisis, there is the added stress of uncertainty and delay in cost recovery. Until a state of emergency is enacted by the Tribal Council, resources commensurate to an emergency will not flow. In the context of COVID-19, ISC has indicated that agencies can keep track of costs associated to the pandemic response.

The fact remains however, that agencies and communities need ready money to act and respond in an emergency. For instance, at DOCFS, expenses for COVID-19 have been paid through expense accounts, cheques, corporate credit cards and personal credit cards. When it comes to major expenses, the executive director checks with ISC regional staff for the approval of the expense in advance, to mitigate any uncertainty of reimbursement. From basic food supplies, to educational resources for children in care, staff overtime, IT supplements, and beyond, agencies must be able to maintain their core operations to keep children and families safe, while supporting an emergency response. Unexpected circumstances can require unexpected resources.

As an alternative funding approach for CFS is being developed, options for emergency funding are being considered. Combinations of funding mechanisms are being explored to propose tools to respond to immediate needs, as well as to address the underlying challenges that influence crisis management. DOCFS is a helpful example of a well-coordinated agency that leverages resources beyond its organization to respond in a timely and decisive manner in the face of emergencies.

With the proposed block funding approach, agencies will operate within predefined revenue parameters, with a supplement to achieve the results defined in the Measuring to Thrive framework. Should demand for its services change due to exogenous factors, however, agencies will have recourse to supplementary funding. This funding is like an insurance policy triggered if factors external to the organization change. Such factors include, increase in the number of protection demands, increase in the number of prevention services requests, etc.

This insurance funding is distinct from the needs-based supplement to achieve results. Results-focused funding is designed to support an agency's performance to help it sustain or enhance its program and service offerings. The insurance for increased demand, by contrast, is funding to address changes to baseline operating requirements. Should this increased demand last longer than one fiscal year, the agency may require a revision to its baseline budget. This makes relevant data collection crucial for service providers, as it links to its overall organization, activities, and funding alignment. Relevant data can be analyzed as useful evidence for better decision-making.

There are two proposed options to manage emergency funding. One option is to have an annual supplement between 0.5% and 2% to agencies' baseline budget. It would be incumbent upon agencies to manage this funding, building their own emergency reserves when the funding is not needed. Should a top-up be applied to agencies' budgets, there would be no further recourse to the federal funder for emergency provisions in child and family services (unless there were exceptional circumstances, unmanageable with regular funding).

The second option is to establish an emergency fund. This fund would be appropriated exclusively to respond to changes in demand and emergencies, with funding ring-fenced within the department. In order to trigger the release of funds, a set of criteria defined in legislation would have to be met. Similar to legislation in various jurisdictions (Appendix Q), emergency provisions are triggered for instance, when a disaster is declared. Once declared, resources would flow to the parties in need to fulfill their mandates.

To determine the amount of money allocated to the emergency fund, whether appropriated by statutory or non-statutory means, various models exist. Jurisdictions such as Mexico, appropriate a portion (0.4%) of the country's annual total budget to disaster relief and prevention funds. The state of Utah determines the allocation to its disaster funds relative to other state appropriations. Other states, such as North Dakota and California appropriate a set amount of money every one or two fiscal years for disaster relief. The value of the emergency fund is proposed to range from 0.5% to 2% of FNCFS agency baseline expenditures.

The emergency fund would have to be created, and preferably, defined in legislation. The emergency fund's appropriation could be covered by statute, where Parliament would only approve the expenditure by vote once. After which time, e.g. five years, ten years, the money in the fund would automatically be appropriated, without requiring another parliamentary vote. Alternatively, the emergency fund could be endowed by non-statutory means. This would require Parliament to appropriate the value of the fund annually. In principle, if the fund is covered in legislation, there may be few reasons for Parliament to refuse the expenditure. There is however, the risk that the appropriation is not approved and the emergency fund may not have the requisite resources.

SECRETARIAT

The secretariat will be designed as a First Nations-led dual-mandate organization. As the trusted third-party among stakeholders, the secretariat would be a neutral expert organization governed by a board of directors. The secretariat would be a centre for best practices, operational support and results-funding allocation.

As an independent data and operations-focused organization, the secretariat would be well positioned to lead annual data collection on interim progress with the proposed funding approach, even during transition. The secretariat should lead assessments on funding applications and interim results. The CHRT-mandated supplementary payments suggest that change in programming and operating practices are possible, even within a fiscal year. To this end, the secretariat could support national data collection efforts on how resource allocation and programming have changed with the new funding approach.

These annual evaluations are distinct from the data to be collected for the Measuring to Thrive framework, as it will be operational in nature. Annual evaluations will be designed to assess funding impact in the short-term, in preparation for a medium-term evaluation of the funding approach at the three-year mark of transition. Then, at year five, a full evaluation of the funding approach and the results tracked in the Measuring to Thrive framework will be undertaken.

The full external evaluation at year five of the proposed funding approach will assess the connection between resources and results. Has the change in funding structure supported better results for children and families? Have allocated resources been commensurate to achieving desired outcomes? Has the Measuring to Thrive framework effectively captured changing realities for First Nations? These and other questions should be addressed as the full funding approach and its associated resource profile are reconsidered in connection to long-term goals.

Funding for the secretariat is estimated at $3M per year (grown with inflation), to support operations (see the Transition section for a full discussion of the secretariat).

Application of the funding approach

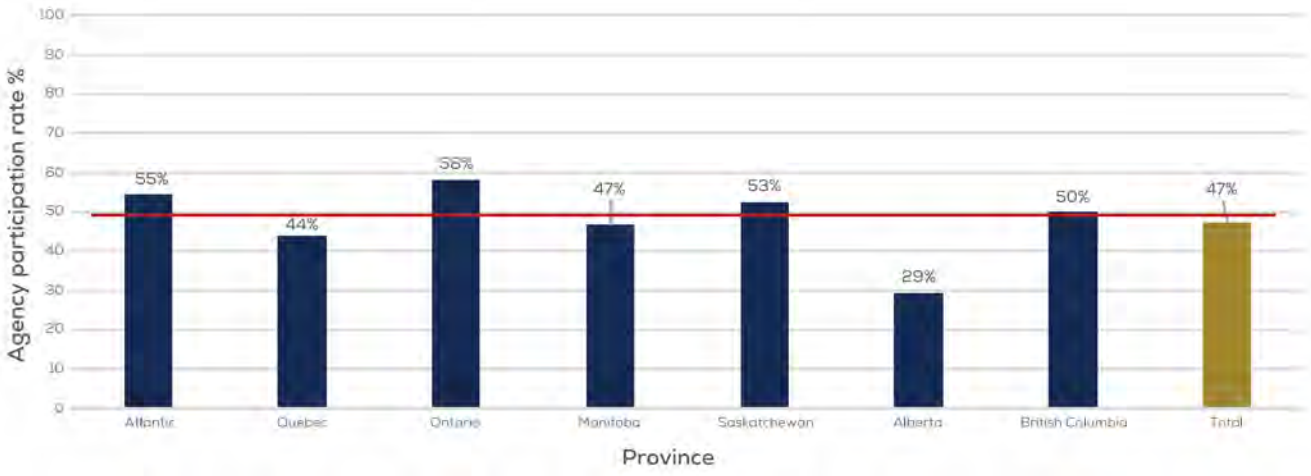
The proposed estimates of agency funding levels were developed using 2018–19 FNCFS agency reported expenditures and informed by industry standards.

As with any estimation exercise, there is no single estimate, rather a range of estimates dependent on various combinations of scenarios.

FNCFS SURVEY[318]

In fall 2019, a seven-question survey was released to FNCFS agencies (Appendix M). The survey was designed to capture expenditure and revenue information, CHRT funding requests, and performance measurement practices for fiscal year 2018–19. The survey was released as a fillable PDF to agency directors with an accompanying explanatory note on the survey and its application. Of the 112 FNCFS agencies on IFSD's list, 53 completed the survey, an overall 47% response rate (see Figure 47).

FIGURE 47: Agency survey participation rate by province (n=112).



Note: Atlantic includes New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

[318] All FNCFS agency-associated data in this section's figures are from IFSD's 2019 FNCFS survey.

The participating agencies are generally representative of the broader sample population across population clusters (Figure 48), geographic zone[319] (Figure 49), and road accessibility of all First Nations served (Figure 50).

FIGURE 48: Percentage of FNCFS agencies by on-reserve population cluster, ISC 2018 population data (n=112).

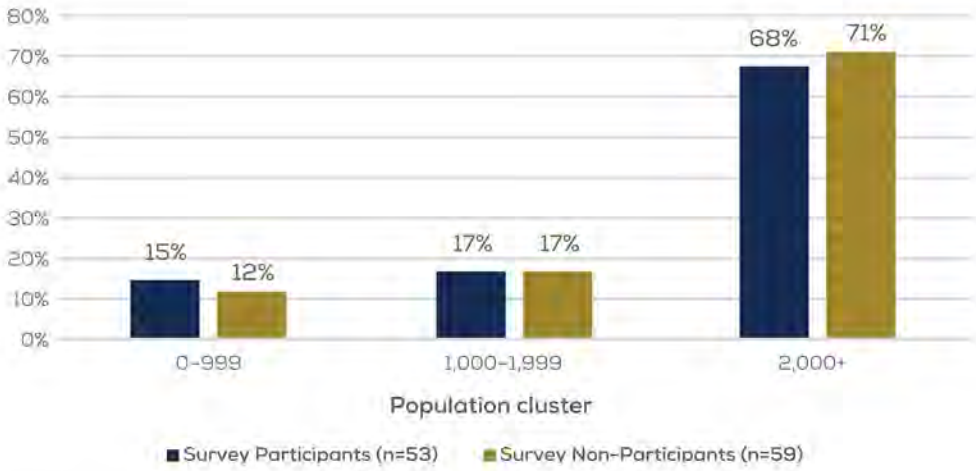
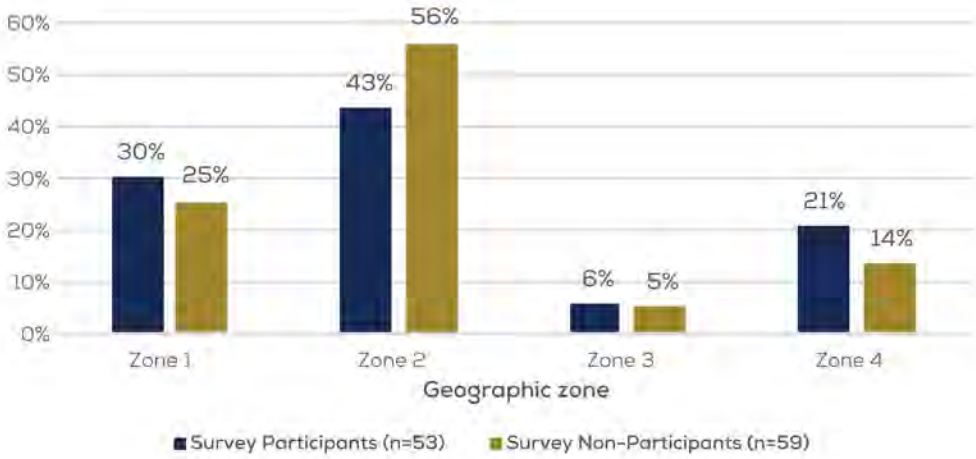


FIGURE 49: Percentage of FNCFS agencies by geographic zone (n=112).



[319] Geographic zone refers to a First Nation's distance to a service centre and associated mode(s) of transportation.

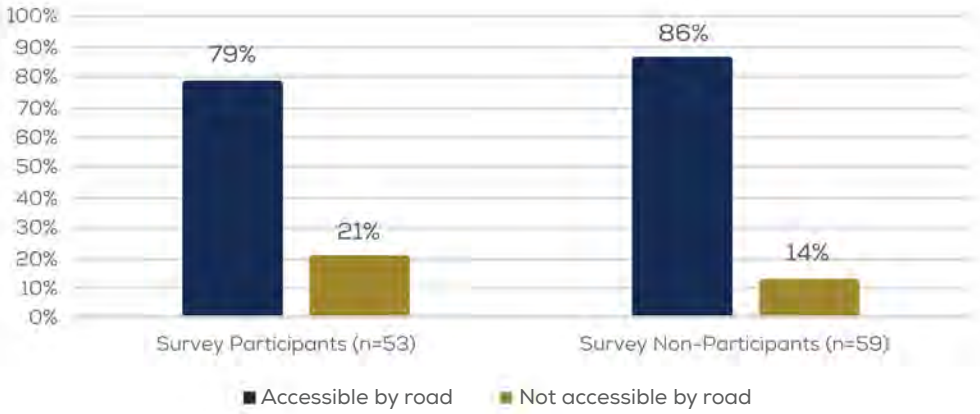
Zone 1: First Nations located within 50 km of a service centre.

Zone 2: First Nations located between 50–350 km of a service centre.

Zone 3: First Nations located over 350 km from a service centre.

Zone 4: First Nations with air, rail or boat access to service centre.

FIGURE 50: Percentage of FNCFS agencies by survey participation and road accessibility (n=112).

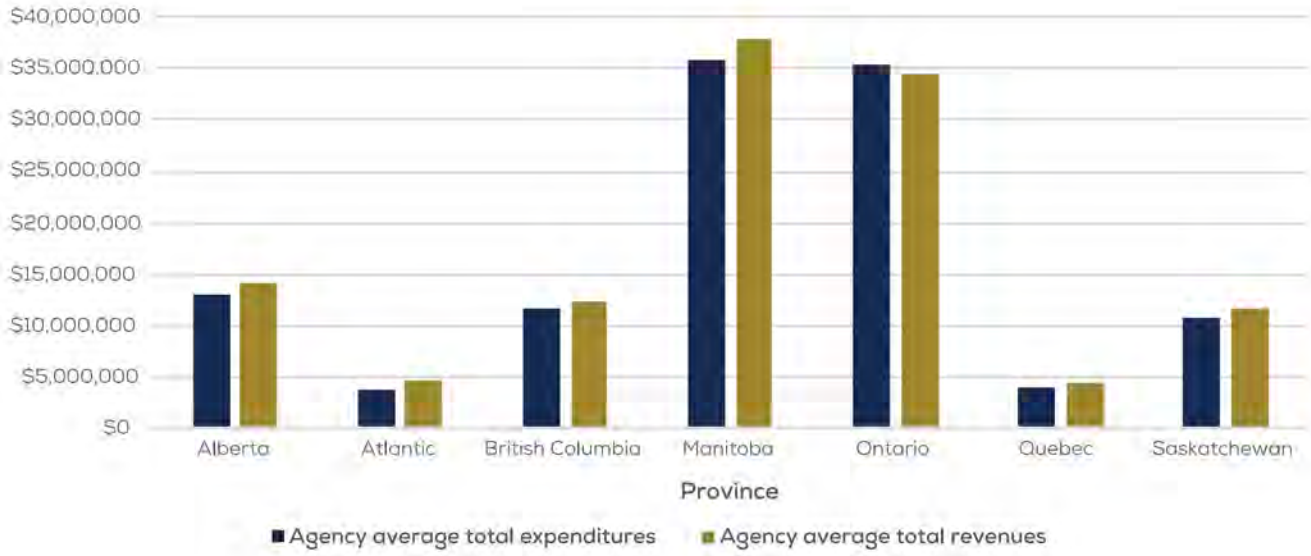


Responding FNCFS agencies reported average expenditures of $15M and average revenues of $16M (Table 16). The slightly higher revenues may be explained by the CHRT-supplementary payments or unspent revenues at the time of reporting. Manitoba and Ontario FNCFS agencies reported the highest overall revenues and expenditures (Figure 51). The size of the population served and the geographic profiles of the First Nations served may help to explain the higher average revenues and expenditures.

TABLE 16: Overview of FNCFS survey findings.

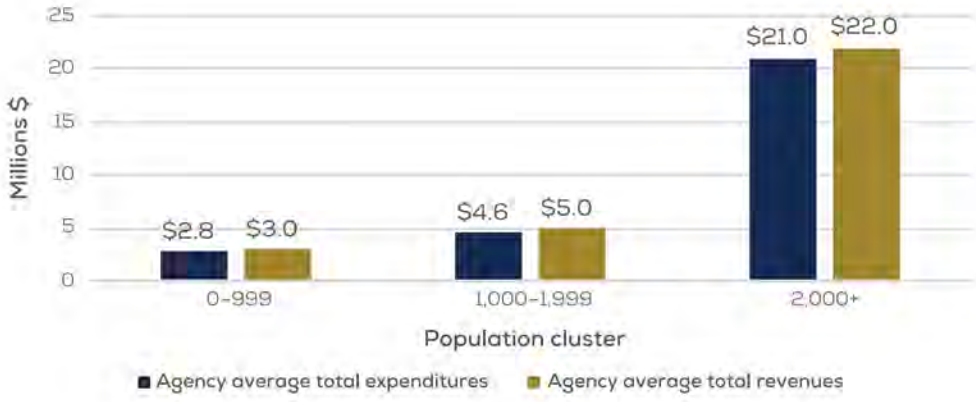
Total number of survey responses	57
Total number of useable survey responses	53
Average expenditure (n=53)	$15,462,653
Average revenue (n=53)	$16,217,900

FIGURE 51: Agency average total expenditures and revenues by province/region (n=53).



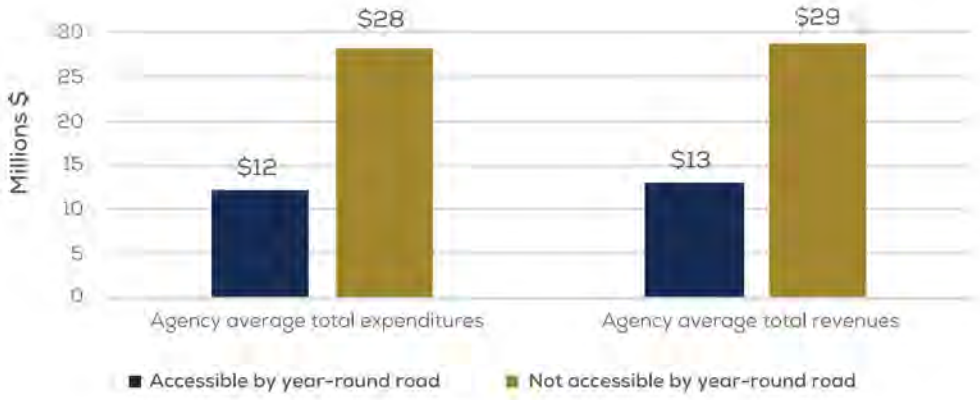
Greater variance in average agency budgets is displayed when the data is sorted by population cluster (Figure 52). Agencies serving larger total populations report larger average total expenditures and revenues.

FIGURE 52: Agency average total expenditures and revenues by on-reserve population cluster, ISC population 2018 (n=53).



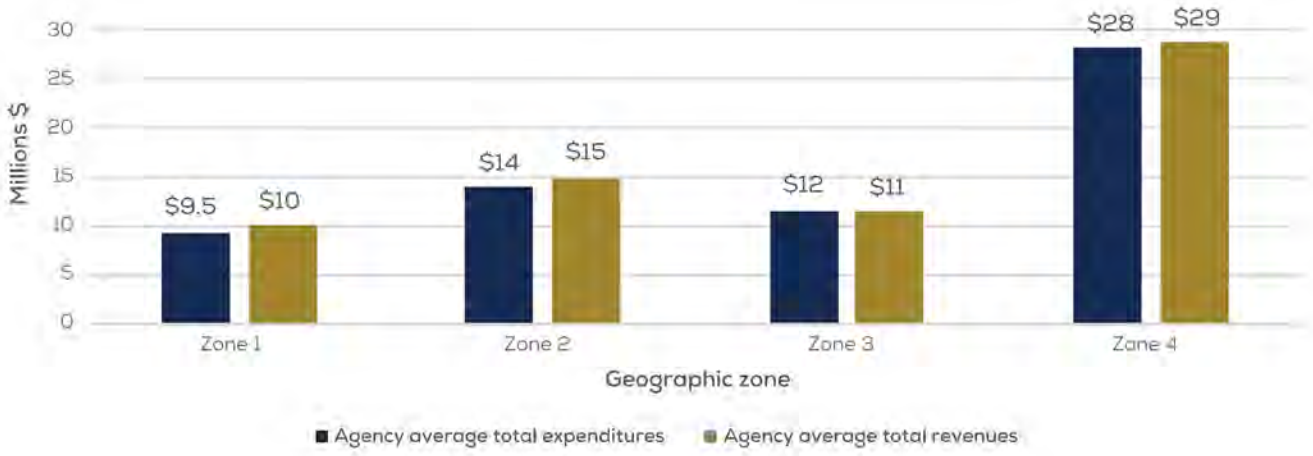
Agencies serving at least one First Nation without year-round road access report expenditures and revenues at least twice as high as those agencies serving First Nations with year-round road access (Figure 53).

FIGURE 53: Average agency total expenditures and revenues by road accessibility (n=53).



When sorted by the most distant geographic zone[320] of the First Nations served, agency average expenditures and revenues are highest for zone 4, consistent with the findings on road accessibility (Figure 54).

FIGURE 54: Average agency total expenditures and revenues by geographic zone (n=53).



On a per capita basis, agencies serving First Nations generally below their respective provincial poverty lines report higher revenues and expenditures than those above their respective provincial poverty lines (Figure 55). Possible explanations may include higher numbers of children in care (as poverty and neglect are a cause of contact with protective services) and the geographic location of agencies (the more remote, the costlier to deliver services).

[320] Geographic zone refers to a First Nation's distance to a service centre and associated mode(s) of transportation.

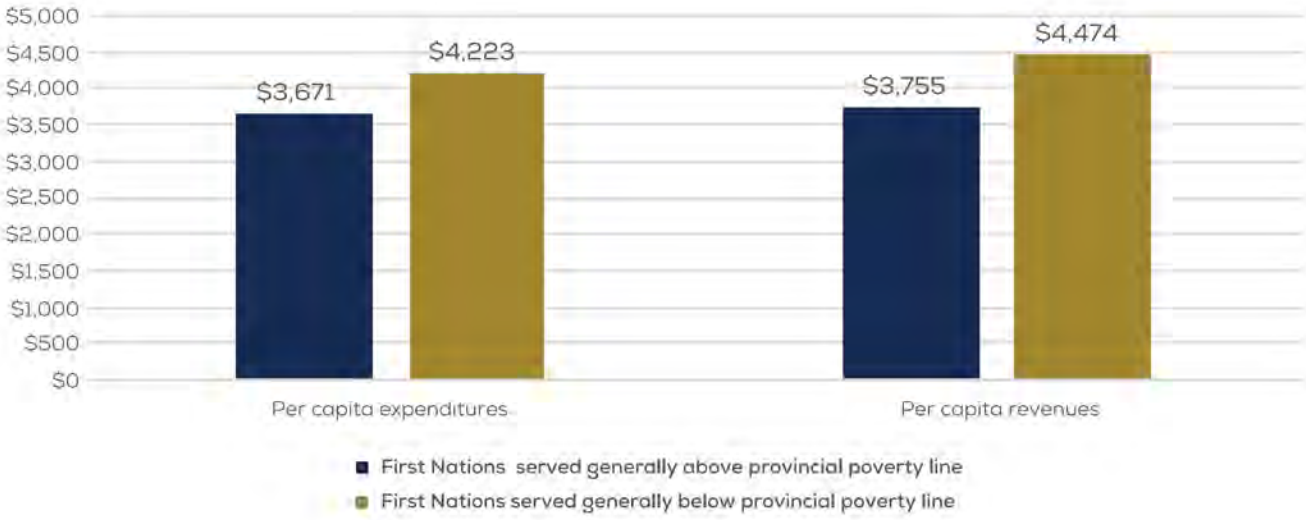
Zone 1: First Nations located within 50 km of a service centre.

Zone 2: First Nations located between 50–350 km of a service centre.

Zone 3: First Nations located over 350 km from a service centre.

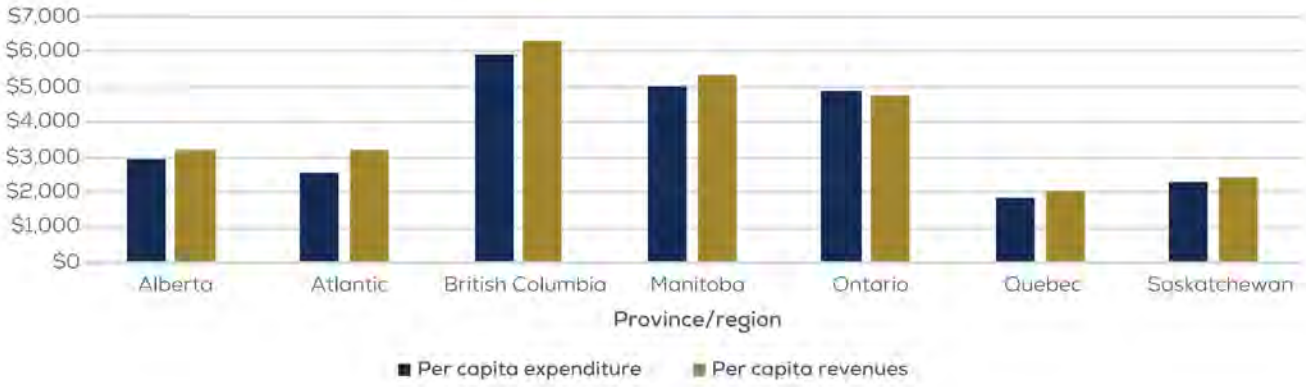
Zone 4: First Nations with air, rail or boat access to service centre.

FIGURE 55: Average per capita expenditures and revenues by poverty level (n=52).



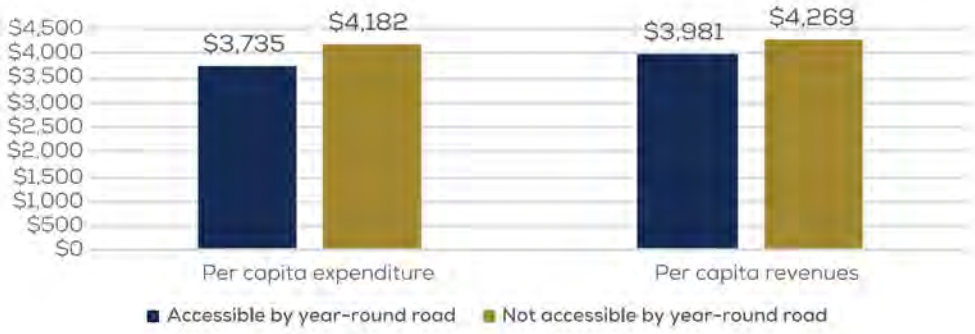
British Columbia's FNCFS agencies have the highest and Quebec's the lowest per capita expenditures and revenues when compared to their peers (Figure 56).

FIGURE 56: Average agency per capita expenditures and revenues by province/region (n=53).



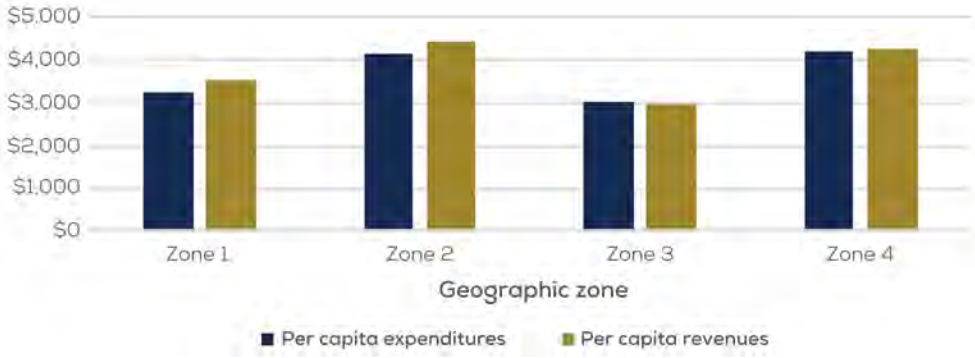
Consistent with previous findings on road accessibility, per capita expenditures and revenues for FNCFS agencies serving at least one First Nation without year-round road access are slightly higher than those accessible by year-round road (Figure 57).

FIGURE 57: Agency average per capita expenditures and revenues by year-round road accessibility (n=53).



By geographic zone[321], the highest per capita expenditures are exhibited by zone 4, whereas the highest per capita revenues are in zone 2 (Figure 58). FNCFS agencies with their most remote agency in zone 3 exhibit the lowest per capita expenditures.

FIGURE 58: Average agency per capita expenditures and revenues by geographic zone (n=53).



The majority (81%) of FNCFS agencies requested CHRT-mandated funding (Figure 59). Of the requesting agencies, those in British Columbia, Manitoba and Ontario reported receiving the supplementary funding (Figure 60).

[321] Geographic zone refers to a First Nation's distance to a service centre and associated mode(s) of transportation.

Zone 1: First Nations located within 50 km of a service centre.

Zone 2: First Nations located between 50–350 km of a service centre.

Zone 3: First Nations located over 350 km from a service centre.

Zone 4: First Nations with air, rail or boat access to service centre.

FIGURE 59: Percentage of FNCFS agencies requesting CHRT funding (n=52).

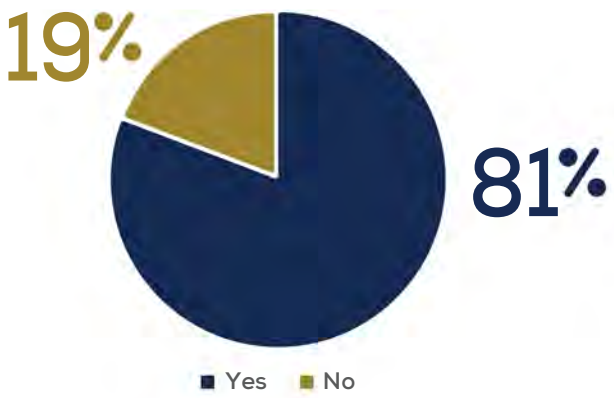
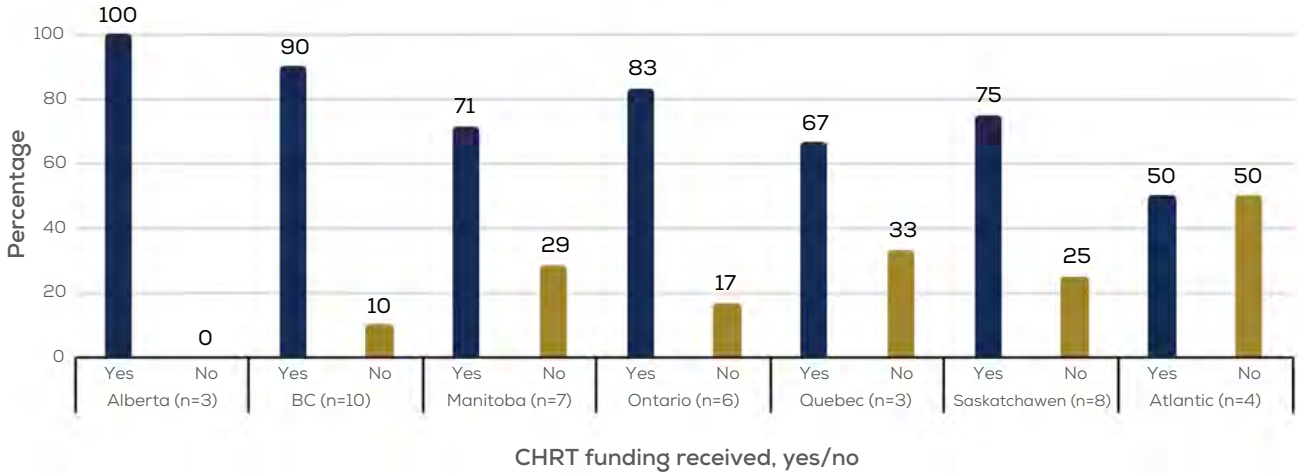


FIGURE 60: Percentage of agencies that received CHRT funding, by province (n=41).



There is a slight variance between the intended CHRT funding applications and the actual ones (Figure 61). Most of the CHRT funding was applied to capital and operating costs among agencies, with several others reporting program and prevention applications (Figure 62).

FIGURE 61: Proposed applications of CHRT funding, percentage basis, multiple responses possible (n=42).

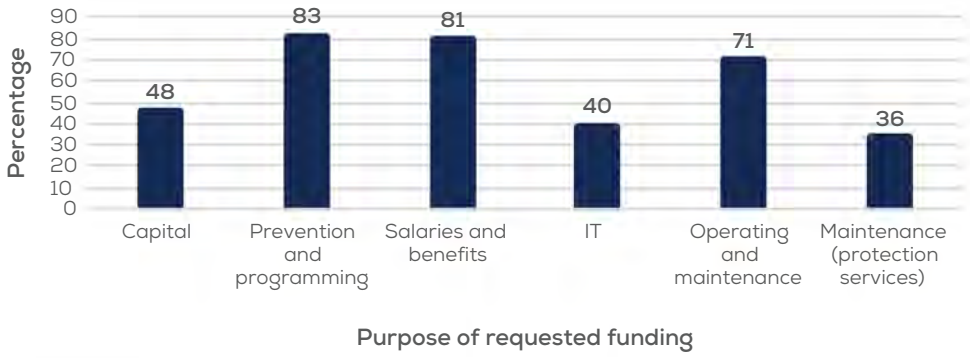
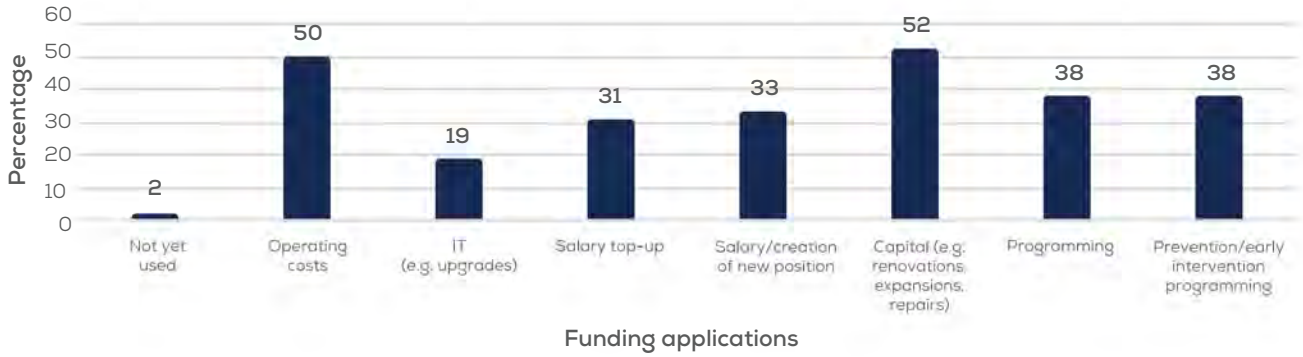


FIGURE 62: Actual applications of CHRT funding (more than one response possible) (n=42).



Over three-quarters of FNCFS agencies report collecting data at the program-level and approximately two-thirds on spending. The data is most frequently applied to budgeting and program development, and funding requests.

Funding approach scenarios

The proposed funding approach is designed to address identified gaps in FNCFS agency operations clearly. An agency or recipient should be able to easily understand the contributing components of their funding allocation. With 2018–19 FNCFS expenditures as a baseline, the approach adjusts the baseline budget by adding components to reflect the First Nations served and to support the Measuring to Thrive performance framework (Table 17).

The current expenditure baseline likely includes expenditures across funding components. The implementation of the funding approach will require an assessment of current capital stock, i.e. structures and vehicle fleets, existing IT infrastructure, to ensure there are adequate provisions and not an overcompensation for pre-existing expenditures on these budgetary components.

TABLE 17: Funding approach components and their applications.

Component	Quantification
Results	▪ Funding to support goals in the Measuring to Thrive framework. Percentage of baseline budget.
Prevention	▪ Per capita allocation, $800, $2,000 or $2,500 by population on-reserve.
Geography	▪ Factor increase to baseline budget, using ISC's weighted remoteness quotient.
Poverty	▪ Household basis; relative to provincial poverty line; Census 2016 data.
Capital	▪ Percentage (e.g. 2%) of total value of capital assets. ▪ Application-based fund for major capital projects, e.g. new building, extensive renovation, etc.
IT	▪ Percentage top-up to baseline budget of 5% to 6% based on industry standards for not-for-profit service organizations.
Emergency funding	▪ Percentage top-up to baseline budget to address unanticipated circumstances related to CFS, that affect demand for an agency's core services.

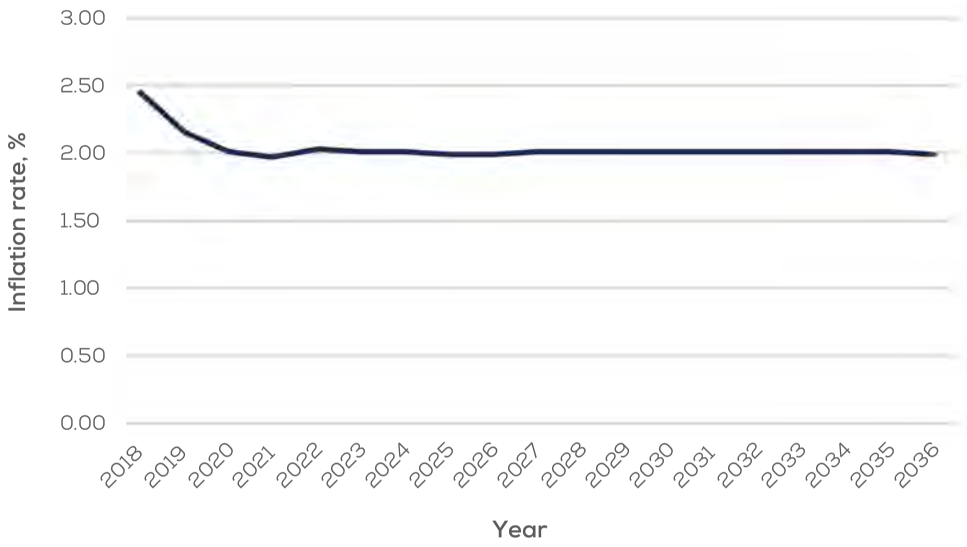
To model the funding approach, three scenarios are proposed, based on low, medium and high points in the ranges associated to each of the cost factors. To estimate the total system cost into the future, standard growth factors of inflation and population are applied. A standard 2% inflation is used (Figure 63) and Statistics Canada's constant population scenario[322] (for projections) are applied to the estimates.

The funding approach is premised on an existing baseline to cover protection and maintenance costs associated to safety. For new and emerging agencies, a different mix of resources may be required to support the needs of their communities. If no previous data on protection is available, estimates on the proportion of children that may have contact with the protection system can be estimated using findings from Phase 1.[323] Building from the proportion of the population served estimated to require protection services, the average cost per child in care of $63,000 could be applied to estimate a new agency's baseline budget for protection and maintenance activities.

[322] The constant population scenario assumes that the probability of giving birth estimated in 2011 remains constant among Indigenous Peoples until 2036. There are other population projection scenarios. The second scenario has birth rates converging moderately to reach half of the general population rate by 2036. The third scenario assumes complete convergence with the general population's birth rate by 2036. The constant scenario is adopted in this work for cost-estimating purposes. For more information: https://www150.statcan.gc.ca/n1/pub/91-552-x/2015001/section06-eng.htm.

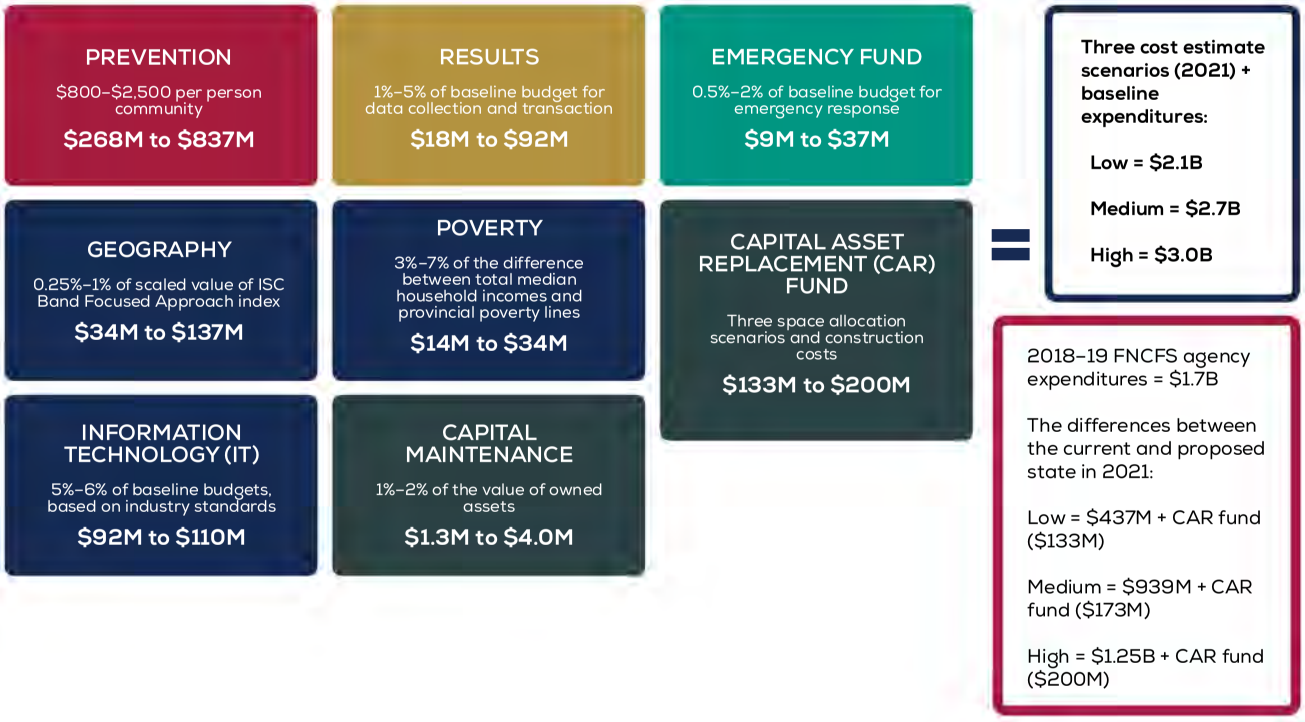
[323] IFSD, *Enabling First Nations Children to Thrive*, 2018, p. 63, Table 6 and p. 67, Table 9, http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive_February%202019.pdf.

FIGURE 63: IFSD inflation forecast (2018–2036).



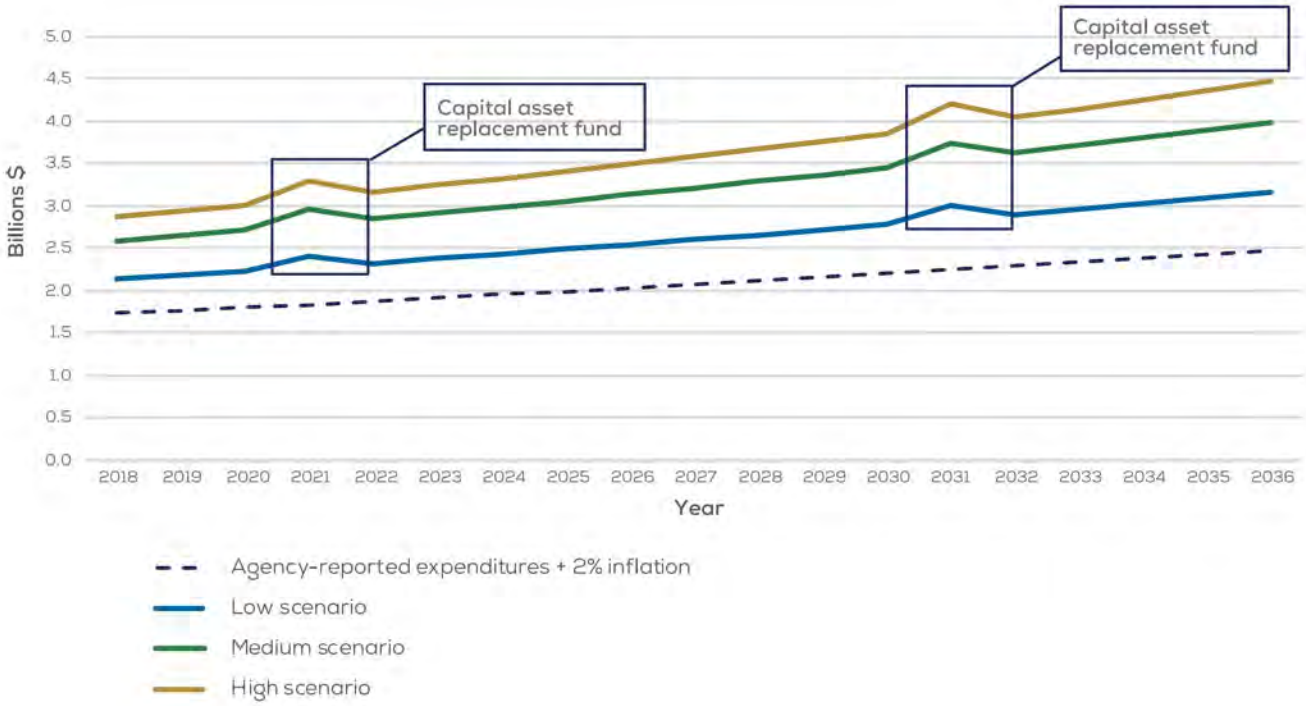
The proposed approach is modelled for 2021 using the constant population scenarios (Figure 64). The proposed funding approach represents an increase in overall system costs between $437M and $1.25B in 2021, depending on the selected scenario, plus capital asset replacement fund investments.

FIGURE 64: Cost estimate overview of the proposed funding approach.



The estimates are then projected out to 2036 with inflation and population (constant population scenario) as growth factors (Figure 65).

FIGURE 65: Total estimated system costs (low, medium and high scenarios), 2018–2036 (with Statistics Canada's constant population scenario and 2% inflation).



The performance framework and funding approach are directionally consistent with the Act, seek to address CHRT findings, and propose a way forward focused on the well-being of First Nations children, families, and communities.

Part IV: Transition

Introduction

IFSD's December 2018 report *Enabling First Nations Children to Thrive*, focused a great deal of analysis on the current state of operations, governance and funding for First Nations child and family services. The Phase 2 effort has focused on a future-state design based on desired outcomes, measurement and a new approach to funding. Designing the future state has been a bottom-up collaborative effort with First Nations agencies and the communities they serve. The exercise has been augmented by case studies from First Nations wise practices and international comparative analysis.

However, success in achieving a future-state vision for the benefit of First Nations children, families and communities can only be implemented with *change* and *transition* management strategies that are built on: credible strategies and plans, effective communications, phased/gated approaches, leadership and on-going support.

MANAGING CHANGE AND TRANSITION

The literature on organizational change and transition tends to coalesce around the idea that change is difficult. The US Department of Health and Human Services, Administration for Children and Families defines organizational change as "changes in child welfare agency policies, procedures, and practices resulting from the implementation of the Systems of Care initiative."[324] Implementing this kind of change can be difficult for an individual or a small enterprise, but the larger the organization gets, the more difficult change is to successfully realize. This is largely due to what Romanelli and Tushman discuss as the grounded inertia that develops in large organizations that becomes engrained over years and becomes extremely difficult to break free.

Understanding change is one of the keys to realizing successful transitions. Gray separates two types of change: incremental and discontinuous. The former occurs during periods of relative stability and slowly over time, while the latter occurs in a state of disequilibrium, often involving radical changes. With discontinuous change the organization leader is paramount but cannot do it alone and the executive team at the top needs to be central as well for successful

[324] US Department of Health and Human Services, "Systems and Organizational Change Resulting from the Implementation of Systems of Care," (November 2010): 32.

large-scale change. Discontinuous change requires innovative approaches to the development of people by linking people's motivation and skills to the change agenda.[325] It is important to understand these different types of change as Romanelli and Tushman argue for successful meaningful change to occur it must be sufficiently radical to break the grounded inertia of organizations.[326]

While managing change is very difficult, there are generally some key points the literature agrees are part of an approach for successful transition. These can broadly be summarized as having a clear plan/strategy, good communication, using a gradual or phased in approach, the importance of good leadership, and planning for and adapting to the unforeseen.

CLEAR PLAN/STRATEGY

For any kind of change to be successful there must be a clear, coherent and communicable plan for what the change is and what it will entail. Sirkin, Keenan and Jack contend that while change is indeed difficult, the real challenges usually stem from disagreements on what goals/results the change is seeking to realize.[327] Therefore, the most important starting point is having broad-based buy-in and agreement on what the change is seeking to accomplish and how this will be accomplished/measured.

Change cannot be seen as something where a policy is simply implemented and the outcome is improved results—it takes a comprehensive plan/approach to enable a environment conducive to success. Ostroff suggests that a plan usually has three major phases: identify performance objectives; set priorities; and roll out the program. He suggests engaging stakeholders ahead of time at workshops and discussing transition by asking questions such as: "Does the process have any redundant steps? Are there handoffs that should be eliminated? Are there steps that should be added? Which ones should be automated?"[328] It helps to have some tangible results that can be achieved early to point to success for continued buy-in even if it is not the ultimate goal. He also suggests it is important to "sow the seeds

[325] Jo Ellen Gray, "Discontinuous Change: Leading Organizational Transformation," *Academy of Management Perspectives* 9, no. 2 (1995): 77–80.

[326] Elaina Romanelli and Michael Tushman, "Organizational Transformation as Punctuated Equilibrium," *The Academy of Management Journal* 37, no. 5 (October 1994): 1141–1166.

[327] Harold L. Sirkin, Perry Keenan, and Alan Jackson, "The Hard Side of Change Management," *Harvard Business Review*, October 1, 2005, https://hbr.org/2005/10/the-hard-side-of-change-management.

[328] Frank Ostroff, "Change Management in Government," *Harvard Business Review*, May 1, 2006, https://hbr.org/2006/05/change-management-in-government.

of change in fertile grounds."[329] Start with top performers, those most willing to adopt changes and those positioned most well for success so they can set an example and pull others along showing how it is done and that it is both possible and worthwhile.

One of the biggest challenges to improvements in organizations as laid out by Johnson and Austin is the lack of evidence-based organization culture within various public and social services agencies. These authors lay out three main strategies for doing so: "(a) agency-university partnerships to identify the data to support evidence-based practice, (b) staff training (in the agencies and on campuses) that features problem-based learning approaches to support the introduction and utilization of evidence-based practice, and (c) the modification of agency cultures to support and sustain evidence-based practice."[330]

All of these various experiences and approaches outline the absolute importance of beginning with a clear plan that is broadly agreed on with end goals in mind. While the process is an important part of the change, it is only with the goal of producing results and this must be where the focus lays.

COMMUNICATION

Realizing successful organizational change is difficult, and this is largely because it is complex and is often done against forces of organizational inertia. Baines argues that the type of systemic organizational change that is discussed here cannot be treated as an apolitical set of policy tools, but instead effective communication must be utilized to ensure those affected by the change will realize the broader implications of the proposed transition.[331] Changes in funding approaches have been used throughout the OECD in a variety of sectors masked in the cloak of performance or productivity but often with the main goals targeted at cutting spending in one way or another. Nelson argues that one of the keys to success for transitioning to program-based budgeting for the City of Indian Well was actually using this change to promote transparency and accountability. Beyond achieving other goals, by having funding tied to clearly stated metrics and making the information publicly available, the entire process was demystified, and residents and policymakers welcomed the shift rather than resisting it.[332]

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[329] Frank Ostroff, "Change Management in Government," *Harvard Business Review*, May 1, 2006, https://hbr.org/2006/05/change-management-in-government.

[330] Michelle Johnson and Michael J. Austin, "Evidence-Based Practice in the Social Services," *Administration in Social Work* 30, no. 3 (September 25, 2006): 75–104.

[331] Donna Baines, "Pro-Market, Non-Market: The Dual Nature of Organizational Change in Social Services Delivery," *Critical Social Policy* 24, no. 1 (February 1, 2004): 5–29.

[332] Kristen Nelson, "Transitioning to Program-Based Budgeting," *Alliance for Innovation*, August 2017, https://www.transformgov.org/articles/transitioning-program-based-budgeting.

Communication is the first key to successful change outlined by Kezar as she says it is important to begin by mobilizing, which she suggests includes; "develop initial awareness of the need for change (data); create vision; galvanize support for change through discussion; mobilize leadership and collective action."[333] This communication is key to winning over stakeholders. Ostroff concludes there will be many stakeholders and theoretically you need to speak to and convince all of them, but to be effective you should focus your energy and resources on the biggest, most important, most directly implicated ones who can act as leaders in pulling in the rest. His findings suggest that usually around one quarter of stakeholders will be receptive to change, one quarter resistant and about half on the fence.[334] Thus, while beginning with a sound strategy and plan is the most important first step, effectively communicating this plan becomes just as important for successful transition.

PHASED-IN APPROACH

Intense occupational stress has a clear negative correlation to organizational change. The more stressed organizations are in general, the less willing they will be to change and hence less successful they will be at effectively implementing changes.[335] Newman looks at the case of ex-Soviet countries following the end of the Cold War. Communism disappeared quickly, but it took time for new mechanisms to take hold in its place as there were so many structural and foundational changes going on around the entire system which inhibited effective change happening quickly. These major changes are what she refers to as institutional upheaval, characterized by fundamental change to norms, values, and assumptions underlying economic activity. Major changes like this are difficult to accomplish until the institutional context becomes predictable and stable which must include a "social consensus [...] about the new values, norms, and assumptions that will underpin economic activity."[336]

Successful change must be sufficiently radical to break away from organizational inertia. Romanelli and Tushman found "supportive results [which] showed that (1) a large majority of organizational transformations were accomplished via rapid and discontinuous change over most or all domains of organizational activity, [and] (2) small changes in strategies,

[333] Adrianna Kezar, "Bottom-Up and Top-Down Change," 1, https://www.usf.edu/atle/steer/events/change-theory-handouts.pdf.

[334] Ostroff, "Change Management in Government."

[335] Maria Vakola and Ioannis Nikolaou, "Attitudes towards Organizational Change: What Is the Role of Employees' Stress and Commitment?," *Employee Relations* 27, no. 2 (January 1, 2005): 160–74.

[336] Karen Newman, "Organizational Transformation during Institutional Upheaval," *The Academy of Management Review* 25, no. 3 (July 2000): 616.

structures, and power distributions did not accumulate to produce fundamental transformations."[337] Each step of the change process must be something that is proactively planned for and managed. This means creating readiness within the organization, not simply waiting for change to be welcomed with open and ready arms.

Part of the gauging of readiness is assessing how much change the organization is ready for and how quickly. This should also be an ongoing assessment with constant monitoring as the change is implemented. The Council of Ontario Universities suggests this should often take a phased-in approach that, for PBF for example, sees a smaller percentage of funding being tied to performance at first that grows over time. Other cases have used a 'learning year' where you can work with providers to model what the new approach would have looked like had it been implemented. Another method has been a funding protection mechanism so that in any individual case funding can only shift by a limited amount in any given year. It can be beneficial to have user-friendly modeling tools to allow providers to estimate and plan for changes in funding.[338]

For the City of Los Angeles' transition to performance-based budgeting this took the form of a phased in approach along with pilot programs for two city departments. As the program develops and depending on political realities as it progresses these two departments can be used as blueprints for expansion. The plan consists of seven performance-based budget elements, and for the phased-in approach only the first two will be implemented with the following five left as options for future planning. The two were 1- redefining the city's organization structure around outcomes and 2- creation of a performance measurement process. The two pilot projects implement all seven budget elements to show what that would look like in practice to make broader decisions about the final five steps moving forward. They foresee needing a dedicated full-time equivalent (FTE) position as well as existing positions throughout departments to help with the ongoing transition process.[339]

Looking at the United Kingdom National Health Service, McNulty and Ferlie ask, 'do large scale changes work?' What they found was fairly complex as trying to change everything at once often does not work and

[337] Elaina Romanelli and Michael Tushman, "Organizational Transformation as Punctuated Equilibrium," *The Academy of Management Journal* 37, no. 5 (October 1994): 1141.

[338] Council of Ontario Universities, "Performance-Based Funding," December 2013, https://www.deslibris.ca/ID/241617.

[339] Harvey Rose Associates, LLC, "Blueprint for a Transition to Performance-Based Budgeting for the City of Los Angeles (Los Angeles, CA) | Government Innovators Network," (2011), https://www.innovations.harvard.edu/opex/reports/blueprint-transition-performance-based-budgeting-city-los-angeles-los-angeles-ca.

can have adverse consequences. Meanwhile incremental change can be held back by the existing parts of the organization which are still working in the old ways. Ultimately incremental change is seen as best when it is done in a way to have change in blocks sufficient enough to break organizational inertia, without trying to force through too much at once and creating unproductive stress.[340]

LEADERSHIP/SUPPORT

Strong and competent leadership starting from the top is a key success factor for effective organizational change. In a public sector context, Hornstein posits that this means political support from upper levels of government first, but also important is effective leadership throughout the rank and file as well. This leadership must foster creativity, partnerships and empowerment.[341] Tams argues successful change starts at the top—the CEO must be fully invested and a champion of the change. Ramanelli and Tushman had findings that similarly demonstrated successful transformations were heavily influenced by CEOs.[342] Leadership is key to institutionalizing the change and ensuring it is meaningful and lasting. To do so Kezar suggests leaders must "disseminate results; review; commit; persist."[343]

The Council of Ontario Universities have also found that beyond leadership at the top, it is important to provide transitional support at the ground level for successful change to be realized.[344] To do so Lawler and Foster argue data should be managed by a party outside of the providers as providers might lack skills, technology, methodology etc. to do so and it can add an extra burden during transition. It is important and necessary to lay out strict guidelines for the program relating to monitoring, reporting etc. However, once implemented having flexibility and latitude is important for keeping the end goals in sight rather than focusing on the process. Acknowledge perverse incentives and try to account for them.[345]

[340] Terry McNulty and Ewan Ferlie, "Process Transformation: Limitations to Radical Organizational Change within Public Service Organizations," *Organization Studies* 25, no. 8 (October 1, 2004): 1389–1412.

[341] Henry Hornstein, "Successes and Potential Obstacles to Change Management in the Public Service," (November/December 2010).

[342] Romanelli and Tushman, "Organizational Transformation as Punctuated Equilibrium."

[343] Kezar, "Bottom-Up and Top-Down Change," 1.

[344] Council of Ontario Universities, *Performance-Based Funding.*

[345] Patrick Lawler and Jessica Foster, "Making Performance-Based Contracting Work for Kids and Families," *Community Development Investment Review*, (April 2013): 142, https://www.frbsf.org/community-development/files/making-success-work-kids-families.pdf.

PLAN FOR CHALLENGES

Organizational change is often centred on some form of funding approach. When actors within the organization hear of change the first thing they will consider is 'am I going to lose funding/resources as part of this change?' Therefore, it is important to be open about these types of challenges and part of this will be the possibility of unforeseen costs in the implementation process of change. The Council of Ontario Universities reports that one of the gaps that exists in transition literature is the degree of unexpected costs associated with data tracking, developing learning capacity, initiatives to import performance and results evaluations.[346] Some states have used a "stop-gap" or "stop-loss" mechanism for the first year of transition to ensure that no providers are less well-off due to change implementation and any unforeseen costs which helps create a soft landing.[347] Similarly the Ontario Ministry of Advanced Education and Skills Development suggests that, as transition can be so costly colleges should receive one-time funding for restructuring costs associated with new funding formulas.[348]

There will inevitably be many challenges and concerns, and any resistance to change must be listened to and effectively addressed, argues Hornstein, not ignored.[349] No one will be under any illusions that any attempt at change will be perfect either with the new policy or with the transition process. It will be beneficial to all to openly address any perceived weaknesses, perverse incentives, extra costs, additional efforts required etc. in order work toward solutions collectively. Rather than have issues build up quietly and fester, developing responses to them head on will maximize successful change and transition.

Finally, the literature highlights two important considerations: formal organizational structure depicting how the plan ought to look like, and the informal organization design, how it actually looks in practice. This basically suggests that a perfect plan can be drawn up with an expert communication strategy for an ideally phased in approach, but in practice the transition will be met with unexpected challenges. It is important to keep the 'ideal' version plan in mind, while remaining flexible and having contingencies built in throughout. Keys to a successful approach for doing so include developing an administrative system for delegating duties, establishing oversight mechanisms and using metrics to report on performance.[350]

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[346] Council of Ontario Universities, *Performance-Based Funding*.

[347] Janice Friedel et al., *Performance-Based Funding: The National Landscape*, 2013.

[348] Ontario Ministry of Advanced Education and Skills Development, "College Funding Model Reform Consultation Summary: What We Heard," July 2016, 21.

[349] Henry Hornstein, "Successes and Potential Obstacles to Change Management in the Public Service," (November/December 2010).

[350] OpenStax, "Organizational Structures and Design," in *Principles of Management* (OpenStax, 2019), https://opentextbc.ca/principlesofmanagementopenstax/chapter/organizational-structures-and-design/.

Considerations for FNCFS transition strategy

A review of the key success factors for the effective management of change provides some guidance for the transition strategy for a new performance framework, approach to measurement and funding models for FNCFS. Credible strategies and plans, effective communications, phased/gated approaches, leadership and on-going support will all be key components to a successful implementation. However, any approach to transition would have to be done in the context of First Nations needs and aspirations. It will be incumbent on First Nations' leadership and child welfare professionals to take the lead on transition and to integrate the findings of transition management research with their own wise practices and traditions.

Transition to the proposed future state is rooted in the vision expressed in the *Measuring to Thrive* framework. This approach emphasizes holistic well-being through children, families, and their communities. The focus on results is a departure from the current state that is segmented by activity streams (i.e. maintenance, protection, prevention). In the Measuring to Thrive vision, holistic well-being is pursued by recognizing need and contextual realities are not neatly segmented into policy areas. Instead, they must be understood and addressed as interconnected elements informing outcomes.

Funding approaches incentivize action. The current FNCFS system is driven by protection, with agency budgets correlating near perfectly with the number of children in care. It stands to reason that changing funding parameters would influence operations, programming, governance, and eventually, results. On an interim basis, there is evidence of such change with the supplementary investments from the CHRT ruling. Many agencies are enhancing prevention programming, building their staff teams, and developing evaluation and quality assurance practices. Elements of a future state have emerged from the CHRT exercise.

Transitioning from the current state to the proposed future state will require changes in performance measurement, funding practices, and governance. The future state represents a significant change in practice for agencies, First Nations and ISC. Built from the bottom-up with attention to need and realities on the ground, the proposed future state is informed by practice and lived experiences.

While the transition from the current to the future state will not happen overnight, there are contextual factors that will enable change. The CHRT's initial and subsequent rulings have driven change on an interim basis by increasing funding and requiring system reform. Complementing the openings provided by the CHRT are the legislatively defined

principles of substantive equality, a culturally informed approach, and the best interests of the child encapsulated in *An Act respecting First Nations, Inuit and Métis children*, on which to build change in the provision of child and family services. With the current context enabling change, First Nations, FNCFS agencies, ISC, and provincial governments have an important opportunity to take decisive action to chart a path forward for thriving First Nations children, families, and communities, rooted in holistic well-being.

TABLE 18: Transition considerations for FNCFS.

Organization	Immediate action (3–6 months)	Short-term action (6–9 months)	Medium-term action (9–12 months)	Long-term action (1 year +)
Agency Type 1	▪ Engage First Nations served ▪ Select team (or prepare to hire staff if required) to implement Measuring to Thrive framework ▪ Collect past 5–7 years of expenditure and program data for review and preparation for transition	▪ Consider serving as transition pilot agency ▪ Identify capital assets (for recommended needs assessment) ▪ Mock-up internal assessment of new funding approach, i.e. estimate new budget ▪ Determine data availability and requirements for Measuring to Thrive data needs ▪ Review human resource plans and necessary changes for new funding approach	▪ Begin regular data collection for Measuring to Thrive framework ▪ Prepare for fiscal year with new funding arrangement and reporting structure ▪ Note challenges in transition ▪ Collaborate with secretariat	▪ Note and suggest changes to Measuring to Thrive framework ▪ Support other agencies and First Nations transitioning to new approach ▪ Collaborate with secretariat
Agency Type 2	▪ Engage First Nations served ▪ Plan hiring for Measuring to Thrive framework integration ▪ Identify needs (human resources, contextual factors) to support transition ▪ Begin collecting expenditure and program data for review	▪ Consider serving as transition pilot agency ▪ Mock-up internal assessment of new funding approach, i.e. estimate new budget ▪ Determine data availability and requirements for Measuring to Thrive data needs ▪ Review human resource plans and necessary changes for new funding approach	▪ Identify capital assets (for recommended needs assessment) ▪ Prepare for fiscal year with new funding arrangement and reporting structure ▪ Note challenges in transition ▪ Collaborate with secretariat	▪ Begin regular data collection for Measuring to Thrive framework ▪ Note and suggest changes to Measuring to Thrive framework ▪ Collaborate with secretariat

Organization	Immediate action (3–6 months)	Short-term action (6–9 months)	Medium-term action (9–12 months)	Long-term action (1 year +)
Agency Type 3	▪ Begin collecting expenditure and program data for review	▪ Engage First Nations served ▪ Identify needs (human resources, contextual factors) to support transition ▪ Collaborate with secretariat	▪ Mock-up internal assessment of new funding approach, i.e. estimate new budget ▪ Determine data availability and requirements for Measuring to Thrive data needs ▪ Review human resource plans and necessary changes for new funding approach ▪ Collaborate with secretariat	▪ Identify capital assets (for recommended needs assessment) ▪ Prepare for fiscal year with new funding arrangement and reporting structure
Agency Type 4	▪ Begin collecting expenditure and program data for review	▪ Engage First Nations served ▪ Identify needs (human resources, contextual factors) to support transition	▪ Mock-up internal assessment of new funding approach, i.e. estimate new budget ▪ Collaborate with secretariat	▪ Review human resource plans and necessary changes for new funding approach ▪ Prepare for fiscal year with new funding arrangement and reporting structure ▪ Identify capital assets (for recommended needs ▪ Collaborate with secretariat
ISC	▪ Launch capital needs assessment ▪ Define recommendation for funding approach change ▪ Explore data architecture change for FNCFS within the department	▪ Support recommendation for funding approach change through cabinet ▪ Office of the Chief Financial, Results, and Delivery Officer and FNCFS program teams to guide architecture change within department ▪ Reset internal practices to align to new funding structure; adjust HR structure as needed ▪ Work collaboratively with pilot FNCFS agencies to implement new funding approach	▪ Prepare for interim evaluation of funding approach and data collection practices ▪ Liaise with pilot FNCFS agencies on interim progress of results framework and data collection ▪ Prepare for transition to new funding approach for first fiscal year	▪ Evaluate funding approach and results framework
Secretariat	▪ ISC to fund establishment of secretariat ▪ NAC as board of directors, to hire executive director of secretariat	▪ Engage with NAC as feedback mechanism/ advisory board ▪ Hire staff ▪ Define work plan for supporting agencies and First Nations	▪ Work collaboratively with pilot FNCFS agencies to monitor Measuring to Thrive framework results ▪ Engage in operational support activities	▪ Adjust activities as needed ▪ Receive and assess initial/draft results from Measuring to Thrive framework

Linkages to the performance framework

As a new and improved performance framework, Measuring to Thrive will offer perspective on the well-being of First Nations children, families, and communities, in keeping with the principles of **substantive equality**, the **best interests of the child**, and a **culturally-informed approach**. The Measuring to Thrive framework is intended to connect evidence, to funding, and outcome assessment. Designed to initially define a baseline for First Nations and FNCFS agencies, the framework will pinpoint challenge areas, and offer an evidence-focused means of readjusting their plans and priorities. The framework is intended to define two-way accountability between the federal government as funder and the agency as service provider.

This approach aligns to the Treasury Board's policy on results and marks a significant change from current practices. Rather than reporting on inputs, such as the number of children in care or the number of times a child moves in care, the framework will focus on how children, families and communities are faring through contextually-relevant and culturally informed indicators. Rather than collecting information and reporting on program basis (and largely on inputs), the Measuring to Thrive framework captures information at the level of the individual child, family and community and aggregates the findings to understand overall well-being.

Adapting to this performance approach will require major reform within ISC's approach to program management. Performance indicators and programs would no longer be understood in silos, but as an integrated whole. For FNCFS agencies and First Nations, there would be requirements to adopt data collection practices, connecting qualitative and quantitative information from various sources. FNCFS agencies and First Nations would not be alone in this journey. Through the consultation process, NAC and the project working group, it is recognized that some agencies and First Nations already collect and analyze their own data and may be prepared to adapt to the new approach with ease. Others, however, will require additional support and resources. A First Nation-led secretariat, with a mandate for data collection, analysis and operational support, will be a critical source of information, analytical tools and knowledge, available to work with agencies and First Nations in transitioning to this new approach.

Service delivery

FNCFS protective and prevention services are primarily delivered by agencies with varying mandates and levels of delegation (for interventions and removal). Jurisdictions governing CFS tend to define

functions and parameters of service delivery in legislation.[351] Agency staff tend to be social work professionals with the skills and training for the specialized care at times needed by children, families, and communities.

There are existing networks of practice in social work, provincial legislation, and codes of ethics that help to guide actions and decisions. At the provincial level, Colleges of Social Workers are the regulatory bodies that govern the profession, with other associations engaging in advocacy. For instance, in British Columbia, the British Columbia College of Social Workers (BCCSW) oversees the practice of social work, through an entry to practice exam, regulations (standards of practice and a code of ethics), a Continuing Professional Development Programs and processing complaints against Registered Social Workers.[352] The British Columbia Association of Social Workers (BCASW) supports members, works to strengthen social work practices, and advocates for social justice. At a national level, the Canadian Association of Social Workers (CASW) has a Code of Ethics and guidelines for ethical practice. CASW also assesses the credentials of social workers trained abroad, and offers professional development opportunities, and resources for social workers, among other responsibilities.[353]

One of the primary aims behind the professionalization of social and health services is improving the quality of care received by clients, for this reason different measures including clinical guidelines are implemented.[354] Broadly, research demonstrates that properly developed evidence based guidelines minimises potential harms.[355] Researchers have also demonstrated the benefits of evidence-based practice (EBP) within Child Welfare Services, and how social workers could implement an EBP framework.[356]

In the United States (US), there is a history of partnerships between the US Children's Bureau, state child welfare agencies and schools of social work within public and private universities. These partnerships

[351] See for instance, *Ontario's Child, Youth and Family Services Act;* Saskatchewan's *The Child and Family Services Act;* Alberta's *Child, Youth and Family Enhancement Act;* and British Columbia's *Child, Family and Community Services Act.*

[352] BC College of Social Workers, "A Summary of the Differences Between Membership with the BCASW and Registration with the BCCSW," accessed on August 12, 2020, https://bccsw.ca/wp-content/uploads/2019/06/Chart-of-BCASW-and-BCCSW-May-28-2019.pdf.

[353] CASW, "What we do," accessed on August 11, 2020, https://www.casw-acts.ca/en/about-casw/what-we-do.

[354] Steven Woolf, "Potential benefits, limitations, and harms of clinical guidelines," *BMJ*, vol 318, (February 20, 1999): 527.

[355] Steven Woolf, "Potential benefits, limitations, and harms of clinical guidelines." (1999): 527.

[356] Richard Barth, "The Move to Evidence-Based Practice : How Well Does it Fit Child Welfare Services?," *Journal of Public Child Welfare* 2, vol. 2 (2008): 145–171.

have led to the development and professionalization of public child welfare services.[357] The federal government has committed to increasing the number of social workers within public child welfare services. The underlying belief is that employing more qualified social workers will improve service delivery.[358] When assessing the US approach, research has found that "children whose caseworker held a social work degree were more likely to have their situations investigated, to have their abuse substantiated, to be placed in the home of a relative, to have fewer moves during foster care, to experience more visits with family while in care, and to be placed in adoptive homes."[359] A 2012 study found that social workers reported knowing more about community resources, and felt more skilled at creating service plans than their non-social worker counterparts. The same study found that within agencies, retention rates after three years were significantly higher for social workers than for non-social workers.[360]

The benefits of professional delivery of CFS are established, but not free of bias. Research demonstrates the influence of racial bias in professional decision-making. One study suggests that "race is a primary determinant of the difference in decision-making outcomes among child welfare professionals and collaborating systems."[361] Furthermore, families of colour express the need to have people who look like them representing their voices in child welfare decision-making.[362] Some social work associations, such as the National Indian Child Welfare Association (NICWA), focus on representing racialized communities. NICWA's programming centres around structural risks and strengthening the holistic well-being of American Indian/Alaska Native children in the US.[363]

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[357] Maria Scannapieco, Rebecca L. Hegar, Kelli Connell-Carrick, "Professionalization in public child welfare: Historical context and workplace outcomes for social workers and non-social workers," *Children and youth Services Review*, 34, (2012): 2170.

[358] Maria Scannapieco, Rebecca L. Hegar, Kelli Connell-Carrick, "Professionalization in public child welfare: Historical context and workplace outcomes for social workers and non-social workers," *Children and youth Services Review*, 34, (2012): 2171.

[359] Barbee et al., (2009) cited in Maria Scannapieco, Rebecca L. Hegar, Kelli Connell-Carrick, "Professionalization in pubic child welfare: Historical context and workplace outcomes for social workers and non-social workers," *Children and youth Services Review*, 34, (2012): 2172.

[360] Maria Scannapieco, Rebecca L. Hegar, Kelli Connell-Carrick, "Professionalization in pubic child welfare: Historical context and workplace outcomes for social workers and non-social workers," *Children and youth Services Review*, 34, (2012): 2174–2176.

[361] Keva Miller, Katharine Cahn, E. Roberto Orellana, "Dynamics that contribute to racial disproportionality and disparity: Perspectives from child welfare professionals, community partners, and families," *Children and Youth Services Review*, no. 34, (2012): 2202.

[362] Keva Miller, Katharine Cahn, E. Roberto Orellana, "Dynamics that contribute to racial disproportionality and disparity: Perspectives from child welfare professionals, community partners, and families," (2012): 2206.

[363] NICWA, "Our Work," accessed on August 11, 2020, https://www.nicwa.org/our-work/.

Scholars also point to valuing different forms of knowledge and expertise as crucial elements of successful community empowerment work.[364] This approach emphasizes the value of experienced local people in providing CFS. There are also studies that highlight the success of community approaches in child welfare.[365] David Este, among others, has written on the value of cultural competency within the social work field.[366] He notes that most theoretical approaches and practice models are Eurocentric, and hence deny the social and cultural experiences of racialized groups.[367] An approach centered around cultural competency recognizes that the values, beliefs and norms of the community receiving services must be taken into account.[368] The Canadian Association of Social Workers national code of ethics endorses emphasizing cultural competency at the individual and organizational level.[369]

Given the realities of racial disparities within the social services sector,[370] and the overrepresentation of Indigenous children within the child welfare system; it is critical that best practices in child and family services be adapted to the Indigenous communities they are serving. A community building approach in the context of FNCFS, would help advance the principle of cultural continuity as elaborated in *An Act respecting First Nations, Inuit and Métis children, youth and families*.

There are several Canadian educational institutions that deliver social work programs that emphasize bringing together different forms of expertise to ensure that Indigenous communities are served by culturally competent professional social workers. For instance, the Faculty of Social Work within the University of Manitoba offers a Master of Social Work—Indigenous Knowledges Program.[371] This program ensures that social work education, as well as practice skills are rooted in Indigenous

[364] Brown et. al., 2002 cited in Alexandra Wright, "A Review of Best Practices in Child Welfare," accessed on August 11, 2020, page 16, http://www.phoenixsinclairinquiry.ca/exhibits/exhibit42.pdf.

[365] Alexandra Wright, "A Review of Best Practices in Child Welfare," accessed on August 11, 2020, page 17, http://www.phoenixsinclairinquiry.ca/exhibits/exhibit42.pdf.

[366] David Este, "Cultural Competency and Social Work Practice in Canada: A Retrospective Examination," *Canadian Social Work Review* 24, no. 1, (2007): 94.

[367] David Este, "Cultural Competency and Social Work Practice in Canada: A Retrospective Examination."

[368] David Este, "Cultural Competency and Social Work Practice in Canada: A Retrospective Examination," 94.

[369] David Este, "Cultural Competency and Social Work Practice in Canada: A Retrospective Examination," 94.

[370] Keva Miller, Kathatine Cahn, E. Roberto Orellana, "Dynamics that contribute to racial disproportionality and disparity: Perspectives from child welfare professionals, community partners, and families," 2201–2207.

[371] University of Manitoba, "MSW-IK Program," *Faculty of Social Work*, accessed on August 11, 2020, https://umanitoba.ca/faculties/social_work/programs/fort_garry/943.html.

ways of knowing and being. One of the objectives of the program is "[t]o maintain a close connection with Indigenous communities and agencies in the delivery of the program."[372] Laurentian University also has an accredited degree in Indigenous Social Work (which can lead to registration and licensing from the provincial social work body). The program includes two field education placements and focuses on Anishnaabe traditional teachings.[373]

Other institutions, like Yellowhead Tribal College and the University nuhelot'įne thaiyots'į nistameyimâkanak Blue Quills, also use educative approaches to ensure the cultural competence of community social workers.[374] The Yellowhead Tribal College was established by the Yellowhead Tribal Council and operates in Treaty 6 territory to serve its four member nations. The college offers an Indigenous Social Work Diploma. The program is founded on Indigenous knowledge that also examines Western concepts and approaches.[375]

As agencies and First Nations continue to engage in and explore the delivery of FNCFS, professional practice to support children, families and communities, legal liability for practice, and the centrality of cultural context should be carefully considered.

Funding practices

The proposed changes to the funding architecture are intended to enhance practice on the ground, through sustainable, reliable, flexible and consistent funding. The approach would also benefit the federal government as funder, by enabling a longer-term planning horizon, with the allocation and reporting of public funding tied to results. Effective outcomes for First Nations children, families, and communities are not incompatible with sound public finance practices and are, in fact, underscored in the business case for the proposed approach. Case studies will highlight the benefits of new funding approaches as well as the strategic consideration of transition to a future state.

[372] University of Manitoba, "MSW-IK Program," Faculty of Social Work, accessed on August 11, 2020, https://umanitoba.ca/faculties/social_work/programs/fort_garry/943.html.

[373] Laurentian University, "Indigenous Social Work," accessed on August 11, 2020, https://laurentian.ca/program/Indigenous-social-work.

[374] University nuhelot'įne thaiyots'į nistameyimâkanak Blue Quills, "Diploma of Social Work," accessed on August 11, 2020, http://www.bluequills.ca/social-work/.

[375] Yellowhead Tribal College, "Indigenous Social Work Diploma," accessed on August 11, 2020, https://ytced.ab.ca/programs-courses/programs/indigenous-social-work/.

West Region Child and Family Services (WRCFS) block pilot in the early 1990s, offers important lessons on transition, the value of leveraging internal data for planning and practice development, and the importance of addressing the *causes of the causes* in child and family services for better results and improved alignment of resources to outcomes.

Existing funding policies and guidelines impeded WRCFS from delivering services that could mitigate risk to children, and, where children did come into care, promote cultural and relationship permanency for the children. Based on the analysis that WRCFS had done on children in care and historical spending patterns, WRCFS believed that it was feasible to move to a block fund. It was the Agency's position that with the ability to be more flexible, there were some immediate savings that could be realized in maintenance spending, thereby leaving funds that could be diverted for prevention/alternative programs and services without additional funds.

While there were risks involved, the Agency's analysis and risk mitigation strategies indicated that the benefits of capping maintenance were greater than the risks. The WRCFS pilot project began in fiscal year 92/93. Initially to run for one year, the pilot project was renewed on an annual basis until fiscal year 10/11.

The first and second quarter of the first fiscal year were devoted primarily to transitioning the Agency operations and staffing to what was envisioned as possible under a block funding arrangement. During the first six months of this first year, the Agency collected, reviewed, and analyzed data about the children in care and the costs of child maintenance in prior years.

The block fund allowed the Agency to expand the definition of children-in-care to include children *in need* of care, and so provide robust family support services aimed at keeping children in their own home. Without the flexibility offered by the block funding, such family support services would not have been possible.

It was one of the key advantages of block funding that the Agency was able to provide services to address child safety concerns without having to place the child in formal out of home care. With the provision of the various community prevention and regional programs, as well as individual supports provided to a family and/or child, the Agency was able to reduce the children in care through reunification back with family, reducing the length of time a child spent in out of home care, and/or avoiding placement in care in the first instance.

With the move to block funding of maintenance, WRCFS agreed to cap maintenance and manage child maintenance expenditures within a set block of money. The agency succeeded in diverting funds to alternative preventive programs and services, with a determination to ensure child safety was upheld.

To achieve the change in practice, considerable changes in attitude, policy, and practice at all levels of the agency were required. Equally, or perhaps more, critical to success was the need to have community engagement and support in making this shift (see Appendix R for a more detailed assessment of the WRCFS experience).

Lessons from Tennessee

The State of Tennessee's approach to child welfare is premised on the goal of timely permanency for children (either through family reunification or adoption). By reducing the length of stay of a child in care, there are improved outcomes for the child and lower associated costs.

To achieve the goal of permanency, Tennessee adopted a performance-based contracting (PBC) model. In this model, providers are financially incented to promote the permanent placement of children and are benchmarked against their own performance. The state pays for a result and bills providers that do not meet their agreed targets.

There are three core components to the PBC model:

1. Reduce the length of stay of a child in care;
2. Increase rates of permanency;
3. Reduce rates of re-entry of children into the protection system.

Since its initial implementation in 2006, Tennessee's PBC model has proven to be cost-neutral for the state and has promoted a reduction in the number of children in care.

Tennessee's child welfare system is comprised of state-run apprehension services supplemented by a network of providers. The providers undertake all maintenance, placement, family-support and care services post-apprehension or contact with the child welfare system.

To help to ease the transition process, Tennessee paid providers a higher per diem rate per child to help the providers adapt to the change. Once transition was complete, per diems were standardized.

Operating, programming and capital considerations

The foremost concern of any agency in transition will be to the well-being of the children, families and communities in need of their support. Agencies and First Nations have different points of departure based on their individual contexts, geographies, political realities, etc. Transition would be informed by these realities, with the experiences of each agency and First Nation different than that of others.

Agency size, budget, and mandate complexity inform activities and approaches. Consistently, FNCFS agencies have demonstrated adaptability to changing circumstances in communities and in resource/funding changes. This adaptability is informed by the scale and circumstances of the agency. This suggests that: operational sophistication/complexity and agency size and/or mandate complexity appear to be primary factors in managing change. Operational consistency, i.e. knowing your 'business' and having existing policies, practices and procedures, can help to navigate change. Agency complexity, i.e. having a multi-faceted mandate or serving a large population, will inform the resources required to manage change.

Recognizing that there are different points of departure, an agency's **size** (based on the total population served) and its **operational complexity** will shape its management of transition. Based on the series of case studies developed for this report, four typologies of agencies are identified (Figure 66).

FIGURE 66: Agency typologies based on size and operational complexity.

An agency may have one or all of the characteristics in the category. The typologies are meant to be illustrative and not exhaustive, to capture core considerations in transition. Large agencies tend to have above average total budgets, which means higher numbers of staff, and typically, a degree of operational flexibility, owing to scale, to reallocate resources based on changing circumstances. Furthermore, large agencies tend to bring various services in-house for cost-savings and efficiency. From finance and human resource expertise, to quality assurance departments, large agencies tend to exhibit operational independence. By contrast, small agencies will have a higher fixed cost of doing business, as their expenses cannot be spread across a larger population. To this end, some smaller agencies have expressed the utility of leveraging back-office supports from their band councils. From human resource support to space, small agencies may not need or have the flexibility in their budgets to acquire a complete suite of internal structures and services.

Transition for large and small agencies must be clearly defined in financial, performance and governance terms. It is expected, however, that any change in funding approach and performance framework would require notice, clear information, consultation, and a phased approach. Agencies and First Nations cannot be expected to change courses instantly on child and family services, but as the cases of WRCFS and the State of Tennessee suggest, transition with appropriate pre-planning, data, and leadership can be successful.

While the way large and small agencies may manage their operations and manage changes may differ, there are common lessons from the case studies that are universally applicable. Resources and time are necessary to undertake impact analyses and plan the human, financial, and governance implications of changing a funding approach and performance structure. Unforeseen challenges, such as the COVID-19 pandemic, natural disasters, or mental health crises, can impact planning. While these challenges cannot always be foreseen, strategies for risk management and resiliency building can be additive for agencies and First Nations. As the case of DOCFS demonstrates, an emergency plan for the mobilization of human and financial resources can be applicable to various emergency and unanticipated situations.

In normal and exceptional times, agency staff are essential to delivering mandates and navigating complex circumstances. Carrier Sekani Family Services (CSFS) has empowered its staff to innovate, test, fail and succeed in their programming and services. While not all agencies will be large enough to sustain a communications department, CSFS depends on outreach across various platforms to engage communities and staff in agency activities. During transition, regular, consistent and clear communication with staff and First Nations will be essential. When faced with their own internal changes, Mashteuitsch engaged staff in regular planning sessions. Their working groups that required the integration and collaboration of various sectors and departments, carried into the new organizational model.

Leadership is an essential component of operational success and transition. Agencies that have competent, respected leaders tend to build cohesive staff teams. The culture the leader helps to instill in the organization can motivate and encourage staff. Executive directors seldom promote their own work. Their staff however, are quick to remind that their leadership style is a decisive factor for the agency's culture.

Transitioning to a model that leverages data and evidence for decision-making requires leadership and vision. Kw'umut Lelum's experience demonstrated that a *focus on outcomes must be accompanied by clear lines of accountability, requisite human capital, IT and data resources*. The agency's appreciation for relevant data focused at the level of the child and their community, supports the development of needs-based programs built from the bottom-up. From budgets to programs, Kw'umut Lelum is building real-time portraits of its communities, their needs and what works for them, through an outcomes-focused data system.

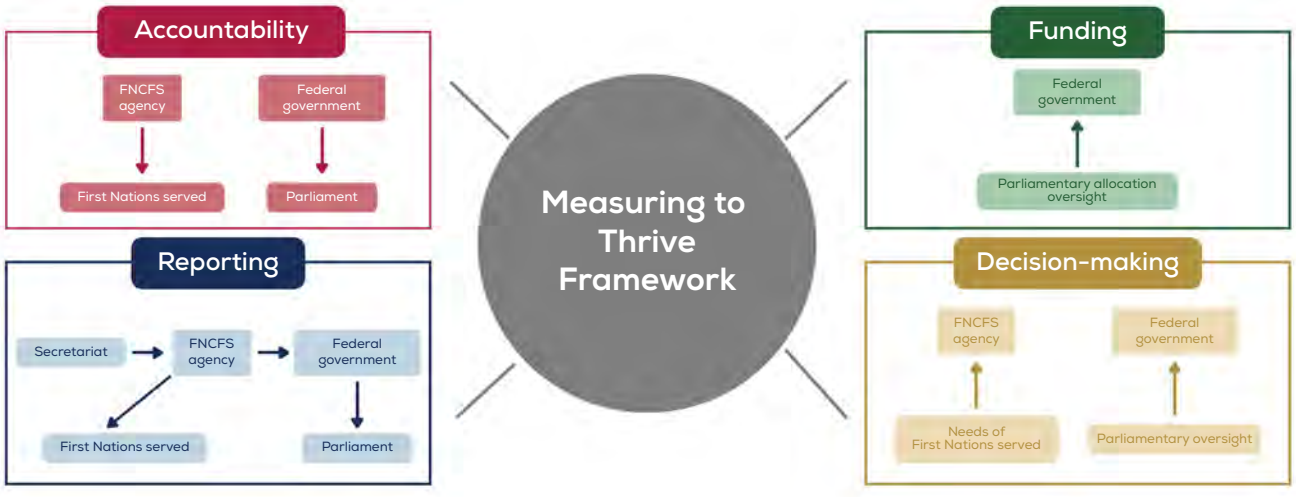
Governance

Transitioning to a bottom-up funding approach and performance framework informed by the lived realities of First Nations children, families and communities, will impact existing governance and accountability practices (Figure 67).

For the federal government, accountabilities for funding and its associated reporting obligations to Parliament will remain consistent. What will change are internal linkages among results for children, families, and communities, and funding for FNCFS. The FNCFS program will no longer be siloed, but understood horizontally with connections between the core elements of the framework.

In the current state, most First Nations and FNCFS agencies follow provincial child welfare laws, especially, for protective services. The majority (if not all) funding for FNCFS on-reserve comes from the federal government. Ontario's agencies are an outlier, with funding governed by the Ontario 1965 Agreement. While provinces are not expected to be immediately impacted by funding and performance framework changes, they may benefit from leveraging the integrated approach.

FIGURE 67: Governance overview.



The engagement of First Nations and band councils in transition is inextricably linked to its success. Various case study agencies identified practices and approaches to engage First Nations, particularly during times of change. WRCFS, for instance, introduced regular briefings on its block pilot and built community-based teams, to support prevention activities.

NOGDAWINDAMIN
ONTARIO

Nurture your community; plant the seed of wellness.

Nogdawindamin is a large agency, with strong reporting and evaluation practices, that focuses on prevention across policy areas. The agency demonstrates a professional approach to administration, with strong leadership. Its data-driven approach is an integral component of its model. Engaging with communities is essential for sustainability, programming relevance, and for building trust in the organization.

Context

Established in 1990 as a prevention-focused service organization, Nogdawindamin expanded in 2017 to become a fully provincially designated First Nation child and family services (FNCFS) (Society) agency. Culture informed its founding, with grandmothers rallying to put forth a community-focused vision of wellness by strengthening families through their communities.

The tradition of strong community engagement continues today. Nogdawindamin has grown its practice to leverage the knowledge of elders and community leaders to support the seven First Nations it serves.

Nogdawindamin has worked to close service gaps in child welfare by deterring families from entering the child protection system. Their prevention-focused approach extends beyond child and family services and includes neo-natal care, children's mental health, and cultural programming. The agency has a large quality assurance department that employs 12 staff, it is performance-focused with interval reporting, program-level data, and regular impact and outcome assessments.

Nogdawindamin's success can be characterized by:

1. Professional planning and administration;
2. Community engagement;
3. Space for action (non-interference).

Nogdawindamin in brief

Nogdawindamin's mandate extends across a large geographic area to reach the seven First Nations it serves. The differentiated contexts of these communities require different approaches and considerations in the provision of prevention and protective services.

Programming

Culture as a moral compass

Nogdawindamin considers itself a support organization for communities, as they work to develop their programming. Communities engage on their terms, with some prepared to take on substantive roles, and other's smaller ones. While some First Nations-run their programs, others prefer Nogdawindamin to run them as they do not have the capacity. In its approach to program development, Nogdawindamin works directly with communities to understand needs and takes a collaborative approach to assist to build their capacity.

In Nogdawindamin, culture is considered a tool to help the organization walk with people, to let them know that the agency is there and available anytime they might need help. The approach is about empowering children and families by giving them options, tools, and support.

The Anishnaabe Audziwin Cultural Service Team and Elder Council exemplify the approach. The team intervenes by self-referral or referral by a worker and performs a variety of roles from supporting in times of crisis to ceremonies. Initially established in September 2009, with three employees and a $250,000 budget, the program today has grown to 33 employees and a $2.5 million budget. The program's growth reflects the community uptake of the approach. Similarly, the Elder Council is composed of a team of elders who work across 600 km to support and provide guidance as needed.

Jurisdiction and self-determination are carefully guarded by Nogdawindamin. Resources from CHRT (and other sources) have supported Nogdawindamin's prevention-focused approach to care. With the extra resources, Nogdawindamin can stretch conceptions of risk and foster care prevention, to work in the best interest of the child. The trust of communities is high, which enables the approach.

The challenge, however, is that the current funding approach is piecemeal and must sometimes be renegotiated and reinterpreted as staff change in government departments.

Operating

Nogdawindamin has built a quality assurance department for its organization. The team plays an integral role by supporting organizational cohesiveness, using data to ensure programs and

policies are meeting needs, aligning to budgets, and informing short-, medium- and long-term planning.

Data is collected from programs and activities for internal use and analysis to improve policy, planning, and program development. Just as the agency has two parts to its mandate, the quality assurance department has two branches:

1. Prevention: focused on impact assessment and ongoing alignment on service objectives and outcomes.
2. Protection: focused on compliance, auditing, and the application of pre-existing policies.

The focus on data and alignment of activities to organizational goals has facilitated the linkage between expenditures and services. Nogdawindamin regularly leverages the alignment of its charter of accounts to program activities to substantiate its expenditures and disputes on resources with funders. When it comes to protection, children in care undergo quarterly, multi-service assessments to better identify services and supports required for children. Through the process of reviewing and auditing psychotropic medication, enhanced and specialized services have been developed. The result has been a reduction in the prescription of psychotropic medications for children.

Information technology (IT) planning has been central to the organization's growth. As Nogdawindamin expanded, it consciously ensured its hardware and software grew in tandem to meet needs and integrate into operations.

Governance

Nogdawindamin's operations are the responsibility of the Executive Director and nearly 355 hundred staff. The Executive Director maintains regular governance and accountability practices with the First Nations served. Quarterly reports are shared with communities that include service updates and details related to child welfare and well-being. Assist's in the role of regional gatherings for collaboration on services. There is a regular collaboration with First Nation communities and departments of the North Shore Tribal Council, e.g. health, social, etc. to leverage resources and build stronger programming.

The board of directors that oversees Nogdawindamin's activities has played an important role at critical moments for the organization. When Nogdawindamin wanted to assume child welfare designation, the board required that a substantive

prevention budget be maintained to approve the protection mandate. There is always at least one member of the board of directors with a 25-year corporate memory, to help to guide the organization in its decision-making. All directors serve two-year terms and can be re-elected. Board members are appointed and are from the North Shore First Nation Communities and have Indigenous life experiences, which along with their corporate and community knowledge, is instrumental in navigating community politics.

As a result of Nogdawindamin's mandate coming from the communities, the agency has benefited from, a natural trust that affords space for action, without political interference from elected officials. Politicians trust administrators and their competencies at Nogdawindamin and recognize that the burden of accountability for the well-being of children in care resides with the organization.

Lessons and considerations

Nogdawindamin is a large agency, that serves seven communities, with culture as its moral compass, and a budget reflective of its scope and mandate. The robustness of its internal operations would be difficult to replicate without the scale and staff.

The lessons to take away from Nogdawindamin—irrespective of agency or community size—are threefold:

1. A professional administration, with strong leadership dedicated to responsive planning, is crucial for meeting challenges and addressing changes. Data is a crucial component of the approach, with a clear conception of what happens financially and operationally in the organization.
2. Engaging communities is essential for sustainability and the relevance of programming and support. Fostering well-being starts with understanding the people you serve and meeting them on their terms.
3. The space for action is expanded through confidence building. Trust in the organization and its people is essential, especially in matters as personal as child and family services.

The politics of any community can influence its operations. Band councils have different laws and electoral practices, with some changing every two years and others every four years. This can sometimes make it challenging to reconcile faster moving political cycles with medium-term oriented change management strategies. The frequency

of political change and associated decisions can alter relationships and perspectives on various programs and services on-reserve, including FNCFS. While there are agencies that have exhibited strong working relationships with their band councils, other agencies have expressed negative impacts from band council politics, for various reasons, e.g. mistrust of protective services, interest in managing finances, etc. There is a spectrum of relationships between First Nations, band councils, and FNCFS agencies. With *An Act respecting First Nations, Inuit and Métis children* in force, First Nations, band councils, and FNCFS agencies are entering a new dynamic phase of their relationships. In the context of this report, the focus remains on substantive equality, the best interests of the child, and a culturally-informed approach, to support holistic well-being.

Transition support: First Nations-led secretariat

The secretariat will be designed as a First Nations-led dual-mandate organization with responsibilities for data collection, analysis and operational support. It is proposed that such a secretariat be funded by ISC for the benefit of FNCFS agencies and communities.

As the trusted third-party among stakeholders, the secretariat would be a neutral expert organization governed by a board of directors. The secretariat would serve FNCFS agencies and First Nations. Independent from government, the secretariat will not play an advocacy role but rather one focused on evidence generation and operational support (e.g. programming, offering drafting support for child and family services laws for First Nations, etc.)

The secretariat would be a centre for best practices and operational support. With two main branches of activity: 1) data/evidence and 2) operations and programming, the secretariat will serve as a centre of excellence for First Nations and FNCFS agencies in Canada.

Leveraging the proven model and experience of the Center for State Child Welfare Data which resides in Chapin Hall at the University of Chicago, the secretariat will work with service providers to turn data into evidence and to support operational matters. Rather than simply transposing the US approach, a First Nations-led secretariat would be informed by practice and lived experiences of Canadian First Nations and the practitioners that support them.

The secretariat will have an executive director that oversees operations, a director of evidence for child and family services, and a director for operational supports and programming. Each director will have three to

five staff, with the addition of extra research and analysis support should it be necessary. Should the secretariat be affiliated to an existing entity such as the FNIGC or a university, it could leverage the existing overhead services (e.g. IT services, accommodations, libraries, etc.). It is proposed that a budget of $3 million per annum be set aside for the secretariat and funding provided by ISC.

The board of directors for the secretariat could be NAC or a sub-committee of NAC, with one agency/practitioner representative from each region, one representative from AFN, one representative from the Caring Society, and one from ISC. The board of directors would ensure the transparent operation of the secretariat and fulfillment of its mandate. It would be expected that the board convene quarterly to review progress, practices, and support the executive director in the discharge of their mandate.

DATA AND EVIDENCE

The secretariat would be responsible for supporting the application of the Measuring to Thrive framework. Agencies and their communities will have differing approaches and desired means of achieving the commonly defined goals of well-being. The secretariat will be positioned to support agencies who wish to build their data monitoring and reporting capacities, as well as to support those who have data that needs to be turned into evidence for decision-making. Working directly with agency staff to understand context and current matters, it is expected that a collaborative working relationship would be developed. Agencies would be collaborating with known partners in the secretariat.

It is recognized that agencies have different case management tools and data collection methods in place. The secretariat's role will be to help agencies determine what exists, what can be used, and what changes to data collection practices would best work for them. The Measuring to Thrive framework is about agencies and communities journeying together toward the *North Star* of well-being. It is anticipated that service providers will set their own internal targets relative to the overall Measuring to Thrive framework. Paths and approaches may differ, but all are striving for the same destination.

OPERATIONAL SUPPORTS AND PROGRAMMING

The purpose of this branch would be to support a service provider's internal operations and programming practices.

As an operational resource, the secretariat staff would serve as a 'tiger team' for agencies who need or desire organizational expertise. From

process improvement to job advertisements, the operational side of this unit will be available free of charge for agencies. Especially in the early years of funding approach transition, it is expected that the secretariat will be a crucial resource. For this reason, former agency leadership and experts in management would be helpful resources that the secretariat may wish to retain for the benefit of agencies.

The secretariat will work to develop an inventory of programs and practices that agencies across the country can leverage for their own organizations. From prevention program toolkits to staff training practices, the secretariat would collect the best approaches available, quantify the resources required (human, financial, capital), and would work with agencies who wish to adapt, adopt or implement them. This growing inventory would be a platform for agencies to connect with each other and to learn from each other's experiences. With a well-developed online platform, agencies and First Nations can collaborate and exchange with ease.

Similar to the Center for State Child Welfare Data at Chapin Hall at the University of Chicago, data experts would work with agencies to unpack the trends of the information they are collecting and determine ways of applying the findings to enhance their decision-making.

The information shared by agencies in the 2019 FNCFS survey, indicated that most of the CHRT funding received were applied to prevention programming, capital investments, and salaries and benefits. With the funding supplements for prevention, capital, IT, poverty, and geography now built-in to the funding approach, it is expected that agencies should have the resources they need to discharge their mandates and do more work focused on well-being. With the overall growth of the budget with inflation and population, an agency's revenue parameters will be known and defined to enable an agency to allocate its resources how it sees fit. Agencies will also be able to keep any unused revenue and reapply it to other initiatives or future fiscal years. There should be enough room in the budget to support an agency in the delivery of their mandate and to close known gaps in funding.

The results funding applied to agency budgets would supplement efforts, offer some resources to build or launch a new program, or to serve as one of several contributors to an agency's initiative. **The results top-up is not designed to be a replacement for the core budget.** This funding is for special projects or initiatives to help an agency achieve the goals in the Measuring to Thrive framework. The evidence generated through the agency's data collection and liaison activities with the secretariat can support these activities.

For the first five years of the new funding approach, as agency's transition to block funding, and engage in data collection, a 1% to 5% results top-up to agency total budgets is recommended. This funding supplement would be designed to support agencies as they build data collection and evidence analysis capacity and develop new programming and initiatives to support them in achieving the results of the Measuring to Thrive framework. These additional resources are consistent with *An Act respecting First Nations, Inuit and Métis children, youth and families* to enable service providers to deliver on the core principles of the legislation: to act in the best interest of the child, to promote substantive equality, and to foster cultural continuity.

At the five-year mark, the funding approach will be reviewed in full.[376] With data collection associated to the Measuring to Thrive framework, agencies, communities, and stakeholders will have generated evidence to trace the impact of funding on outcomes for children, families and communities. With such evidence in hand, the nature of the results funding can be revisited on an informed basis.

SECRETARIAT STRUCTURE AND GOVERNANCE

The secretariat would join a network of organizations that provide various operational and data supports at national and regional levels to First Nations and supporting organizations (Table 18).

From child and family services to health and social supports, the organizations offer different combinations of programming, governing and data capacity, funded principally by the federal and/or provincial governments. The First Nations Health Authority (FNHA) in British Columbia is an organization without direct peers, as it is accountable for distributing funding for health services to First Nations in the province.

[376] A five-year cycle was chosen for the full evaluation to provide a runway for implementation of the new approach. The five-year period is regularly adopted as it crosses standard political cycles (with elections every four years).

TABLE 19: Regional First Nations supporting organizations.

Organization	Mandate	Stakeholders/clients	Governance	Funding source(s)
Manitoba Southern First Nations Network of Care	Mandated by First Nations in Southern Manitoba and through *The Child and Family Services Authorities Act (CFSAA)*. Along with the three other Child and Family Services (CFS) Authorities, they are responsible for the "establishment and management of a province-wide service delivery system. This includes ensuring that services are delivered to Southern First Nation Citizens throughout the province, as well as people who choose the Southern Network."[377]	Ten member FNCFS agencies.[378]	Overseen by a Board of Directors comprised of eight members.[379] Operations are run by the CEO and Management Team.[380]	Manitoba provincial government.[381] Project funding from Indigenous Services Canada,[382] and certain initiatives, including "Restore the Sacred Bond," are funded through private investors.[383]
First Nations of Northern Manitoba Child and Family Services Authority	Supporting and empowering FNCFS agencies in Northern Manitoba with the overarching aim of enhancing family well-being.[384]	Seven member FNCFS agencies.	Governed by a board of directors comprised of ten members from the areas that each of the seven agencies serve. Operations are run by the CEO.[385]	Principally funded by the Province of Manitoba, as well they special project funding from ISC.
British Columbia First Nations Directors Forum	To address child and family services issues that impact First Nations communities.[386]	British Columbia's FNCFS agencies.	The organization is composed of Executive Directors of British Columbia's FNCFS agencies.[387]	Funding is provided by the BC Ministry of Children and Family Development (MCFD).[388] Technical support is provided by the Caring for First Nation Children Society.
Saskatchewan First Nations Family and Community Institute (SFNFCI)	A non-profit organization formed in June 2007, to build capacity within organizations serving child and family services based on First Nation values.[389]	Professional services provided to their members comprised of sixteen of the seventeen FNCFS Agencies in Saskatchewan. The institute also works closely with First Nations Group Homes in Saskatchewan.[390]	Overseen by a Board of Directors comprised of nine members (6 representing the 17 First Nations CFS Agencies in Saskatchewan and 3 from other disciplines).[391] The organization's staff support program and service delivery. Along with providing training and support, SFNFCI undertakes research, has working groups on different issues, including income assistance and prevention.[392]	SFNFCI receives funding from the Saskatchewan Ministry of Social Services and Indigenous Services Canada.[393]

Organization	Mandate	Stakeholders/clients	Governance	Funding source(s)
First Nations of Quebec and Labrador Health and Social Services Commission	A not-for-profit organization that aims to support the First Nations of Quebec in planning and delivering culturally appropriate and preventive health and social services programs (they act as a technical advisor).[394] Their services fall into four categories: accompaniment, training, tools, and information management.[395]	FNQLHSSC works regularly with First Nations political authorities and regional organizations. Additionally, they work with representatives from the federal and provincial government. They are also called to address the media as part of their mandate, to help educate audiences on the experiences of First Nations in Quebec.[396]	Governed by a Board of Directors composed of seven members who are elected by their General Assembly. The powers and duties of FNQLHSSC and its Board of Directors must be ratified by the Assembly of First Nations of Quebec-Labrador (AFNQL).	Federal departments including ISC and Employment and Social Development Canada, with other funds from the Government of Quebec, as well as private partners.[397]

[377] Southern First Nations Network of Care, "About the Southern First Nations Network of Care," accessed on July 16, 2020, https://www.southernnetwork.org/site/about.

[378] Southern First Nations Network of Care, "Our Member Agencies," accessed on July 16, 2020, https://www.southernnetwork.org/site/member-agencies-child-family-services-manitoba-ontario.

[379] Southern First Nations Network of Care, "Board of Directors," accessed on July 16, 2020, https://www.southernnetwork.org/site/board-of-directors#top.

[380] Southern First Nations Network of Care, "Executive & Management," accessed on July 16, 2020, https://www.southernnetwork.org/site/executive-management.

[381] Manitoba Government, *The Child and Family Services Authorities Act (CFSAA)*, s. 24(d), https://web2.gov.mb.ca/bills/37-3/b035e.php.

[382] Southern First Nations Network of Care, "Annual Report 2018–2019," (2018): 64.

[383] Restoring the Sacred Bond Initiative, "Investors," accessed on July 20, 2020, https://www.restoringthesacredbond.ca/site/investors.

[384] First Nations of Northern Manitoba Child and Family Services Authority, "About Us," accessed on July 16, 2020, https://www.northernauthority.ca/about_us.php.

[385] First Nations of Northern Manitoba Child and Family Services Authority, "Board of Directors," accessed on July 16, 2020, https://www.northernauthority.ca/board.php.

[386] First Nations in BC Knowledge Network, "First Nations Directors Forum," accessed on July 16, 2020, https://fnbc.info/org/first-nations-directors-forum.

[387] First Nations in BC Knowledge Network, "First Nations Directors Forum," accessed on July 16, 2020, https://fnbc.info/org/first-nations-directors-forum.

[388] First Nations in BC Knowledge Network, "First Nations Directors Forum," accessed on July 16, 2020, https://fnbc.info/org/first-nations-directors-forum.

[389] Saskatchewan First Nations Family and Community Institute, "Annual Report 2019–2020," (2020), 2.

[390] Saskatchewan First Nations Family and Community Institute (SFNFCI), "Members," accessed on July 21, 2020, http://www.sfnfci.ca/pages/members.html.

[391] Saskatchewan First Nations Family and Community Institute, "Board of Directors," accessed on July 16, 2020, http://www.sfnfci.ca/pages/board-of-directors.html.

[392] Saskatchewan First Nations Family and Community Institute, "Annual Report 2019–2020," (2020).

[393] See 2019–2020 financial statements in annual report.

[394] FNQLHSSC, "A service offer for you," accessed on May 20, 2020, https://services.cssspnql.com/en.

[395] FNQLHSSC, "2016–2017 Annual Report," page 7, https://www.cssspnql.com/docs/default-source/default-document-library/rap_annuel_aga_2017_eng_web.pdf?sfvrsn=2.

[396] FNQLHSSC, "2016–2017 Annual Report," page 12, https://www.cssspnql.com/docs/default-source/default-document-library/rap_annuel_aga_2017_eng_web.pdf?sfvrsn=2.

[397] FNQLHSSC, "2018–19 annual report," https://files.cssspnql.com/index.php/s/c9lhxO43NNh86JN.

Across the dimensions of stakeholders/clients; mandate; governance; and funding source, existing organizations provide services focused on programming, operating and practice supports, with elements of advocacy in their work. Organizations including FNQLHSSC, Southern First Nations Network of Care, First Nations of Northern Manitoba CFS Authority, BC Directors Forum, SFNFCI, play integral roles in their regions in the provision of programming and operating support.

The secretariat is intended to solely focus on data collection and analysis for evidence generation, and operational support to FNCFS agencies and First Nations. A small and focused organization, the secretariat should be seen to be a neutral organization, of modest scale, that complements the work of existing FNCFS entities.

With the new measurement framework, the secretariat is intended to play a specific role linking data collection and analysis to programming and operating supports. It is at this area of intersection that the secretariat can play an additive role. The national scope of the organization reflects the findings from the Phase 1 report that provincial borders and funding approaches did not have significant bearing on the activities and results the organization. Contextual factors such as geography, poverty, etc. had more influential roles, and exhibit similar results across the country.

It is recommended that the secretariat be established as soon as the alternative funding and performance approach are approved. This will ensure the secretariat is in place to support agencies as they transition their funding and operations.

The way forward

The new funding and performance architectures represent fundamental changes to the way FNCFS is funded, as well as its accounting for results through the Measuring to Thrive framework, and accountability is reoriented to a dual dynamic between ISC and FNCFS agencies and First Nations.

Should First Nations, FNCFS agencies, and their associated organizations such as AFN and Caring Society agree to the new approach, they may begin advocacy efforts. If there is agreement within ISC, the proposal may be brought forth to cabinet. Should there be political will from the Prime Minister, there are opportunities to expedite the consideration and approval of the approach.

Implementing new funding and performance structures for FNCFS will require a series of steps within the federal apparatus. While the steps are being described at the ministerial and cabinet levels, there are public service roles in ISC and central agencies to support those steps with impartial analysis and recommendations. The general steps are as follows:

1. ISC's Minister and Deputy Minister must bring forward a Memorandum to Cabinet (MC) outlining the required policy, program, funding, and legislative considerations associated to the new architecture. The MC must receive the attestation of ISC's Chief Financial Officer.

2. The MC would first be considered by Cabinet Committee on Operations for scheduling and coordination purposes. The schedule may include inter-departmental meetings that involve ISC officials and their central agency counterparts.

3. The MC would be then be submitted to a policy committee of Cabinet (i.e. Cabinet Committee on Reconciliation) for policy approval to seek a Committee Recommendation (CR). It would then be considered by the Prime Minister and Finance Minister for funding approval (i.e. funding note or Budget).

4. The CR and funding note would then prepare the MC for consideration by full Cabinet.

5. With Cabinet approval, an announcement of the policy, program and funding shifts may occur.

6. Treasury Board approval of the changes to program structures and authorities (i.e. the right of the department to move funding between activities) is required. This may trigger consequential changes within ISC to accommodate the new program structure and its associated performance framework.

7. Any additional funding increase would have to be included in an appropriations bill, via the Estimates process, subject to parliamentary approval. At this stage, there may be additional considerations by parliamentary committee (e.g. Standing Committees on Indigenous and Northern Affairs, Finance). Supply bills go through the same process as other government bills in the Senate with one exception, they are not customarily sent to committee for study.[398]

[398] Senate of Canada, "Procedural Notes, Number 15," last updated June 4, 2019, https://sencanada.ca/en/about/procedural-references/notes/n15/.

8. Once the appropriations have been approved, funding will move from the Consolidated Revenue Fund to the fiscal framework and to the reference levels of ISC, subject to the authorities granted by Treasury Board and approved by Parliament.

The length of time for this process could be many months following a typical schedule of an unfunded MC or it could be a matter of several weeks, when associated to a Budget '2-pager' and related announcement. The timing is heavily dependent on the prioritization of the proposal by the Prime Minister and Cabinet. It should be considered that in a minority parliament context, legislative change and financial appropriations are not always granted, and in some instances, can be considered matters of confidence.

Lessons from West Region Child and Family Services' block funding pilot

The new approach will require adaptation and implementation among FNCFS agencies. As the experiences with the WRCFS and State of Tennessee suggest, transition requires credible strategies and plans, effective communications, phased/gated approaches, leadership and on-going support.

Beginning in 1990, WRCFS began looking at the feasibility of options to provide services more in keeping with the cultural context and the values, mission, and goals and objectives of the Agency. The Agency began compiling/collecting data to take a proactive and predictive approach to the possible implementation of block funding. To determine the feasibility of the Agency moving to a block funding of maintenance, it was essential to look at the profiles and prior spending of children in care. The Agency reviewed child in care data for the prior three years. There was some data from earlier years, but it was not robust and/or reliable. A spreadsheet was developed that could collect data about every child in care, and the costs related to their care. The agency expended substantial effort in developing plans, leveraging its internal data, and liaising with its communities.

West Region anticipated full transition to the block would require up to three years. Throughout the transition period, WRCFS identified and addressed procedures and program policies that required adjustment to meet the new approach. The organizational shift required changes at operational levels, such as finance, and practice levels, such as programming and service delivery.

To transition its PBC model into practice in 2006, Tennessee consulted with its existing networks of providers on the new funding approach. The state then selected its top-5 performing providers to serve as test cases for the transition. Tennessee made it clear that PBC was non-negotiable and that it would be the state's new approach to child welfare. All providers would be required to move to the model during a four-year phase-in or no longer be eligible to contract with the state.

A critical ingredient in this process was leadership at both the state and provider levels. When PBC became the new normal for Tennessee, providers were given notice that they would have up to four years to transition to the new system. At the outset, the state spent a year dialoguing, consulting and engaging with providers to prepare them for the new funding model. This was not easy, as it would require a complete shift in mindset for the providers. The state knew the approach was final; there was no going back as PBC was court mandated. Those providers that made the shift early on grasped the potential of the approach and are continuing to thrive.

The shift in the child welfare program structure was gradual. The incremental transition allowed different types of agencies to prepare and join the new system at a time appropriate for them within the four-year transition period. This was important because the providers in Tennessee's network come in a variety of sizes and levels of technological and service sophistication. Most of the providers are not-for-profit, with approximately one-third established as private for-profit entities. There is not one single typical provider-type in the network. Tennessee does, however, have specific baseline requirements for providers to be considered for the network, which take the form of service provision, certain capital requirements, etc.

The heterogeneity of the providers was reflected in the performance model: Tennessee's providers would be benchmarked against themselves. To determine how a provider's performance would be assessed, the state considered the provider's performance from the three years prior to its transition to PBC. As the program progressed, the data available for benchmarking increased, and Tennessee could reassess performance targets for providers on a two-year basis. *The state was not asking providers for the impossible, they were just asking that the provider beat their own track records.* This would enable each provider to reflect their unique context in the baseline that would serve as the departure point for performance measurement under the new approach.

It is anticipated that the transition from the current to future states should take approximately five years. Once the federal apparatus has

integrated the changes, agencies willing and able to begin transition will be invited to do so. As in the case of Tennessee, the early adapters offer lessons and practice models to those that follow. Moving first toward the change will require a solid understanding of organizational practices and processes, regular communication and engagement with First Nations, and motivated leadership and staff to support the transition. It is expected that agencies transitioning first will benefit from supplementary supports from the secretariat.

FNCFS agencies and First Nations will have different points of departure. As described in earlier sections of this chapter, there are various considerations and risks to mitigate. With appropriate planning and an expectation to address unforeseen challenges, the transition—while it may not be easy—will benefit generations to come.

Part V: Assessments of need for First Nations unaffiliated to a FNCFS agency

Introduction

It is estimated that 170 First Nations are unaffiliated to a FNCFS agency, most of which are in British Columbia. Approximately 60% of First Nations unaffiliated to a FNCFS agency have total median household incomes above their respective provincial poverty lines (Figure 68). The populations of unaffiliated First Nations tend to be small, with the majority (62%) of 2019 populations below 500 people on-reserve (Figure 69).

FIGURE 68: Percentage of First Nations above/below their respective provincial poverty lines (Census 2016).

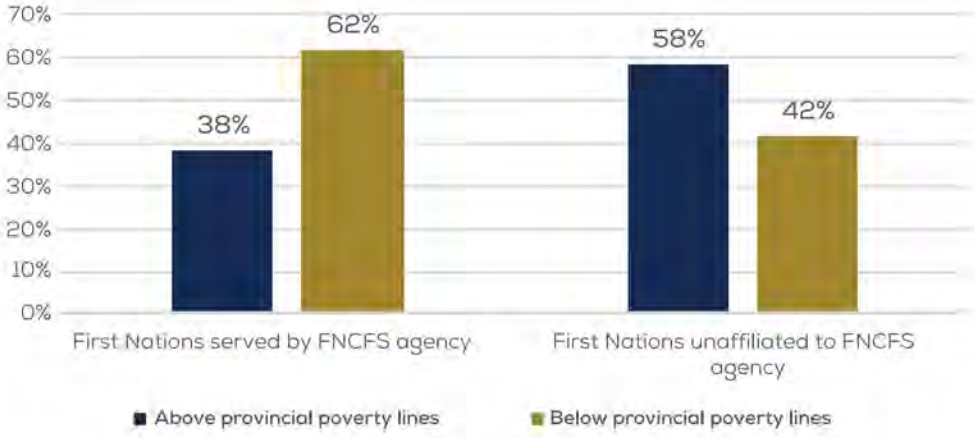
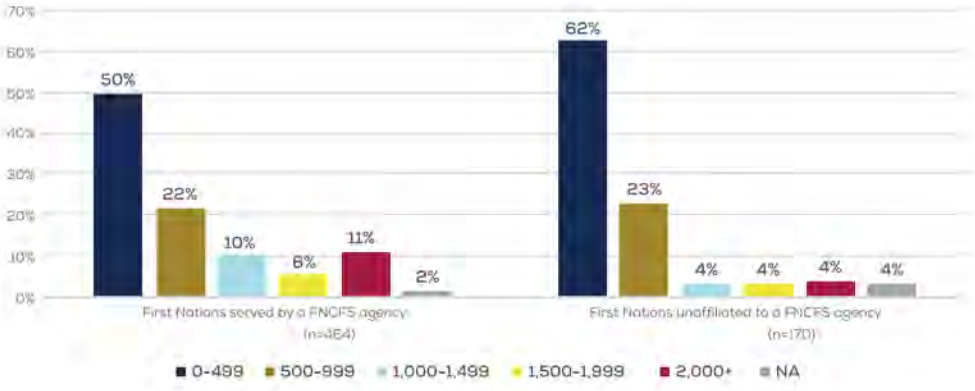
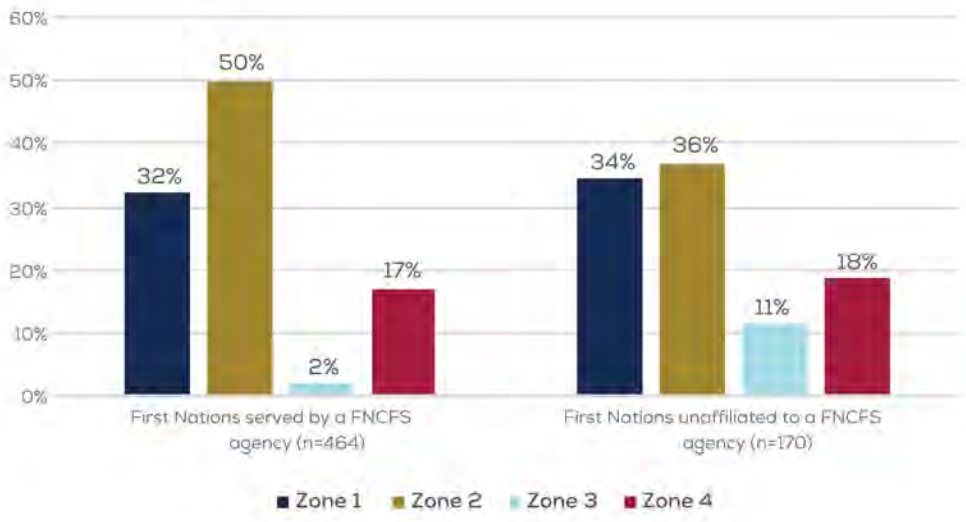


FIGURE 69: Distribution of First Nations by 2019 ISC on-reserve population by cluster.



The majority of First Nations served and unaffiliated to a FNCFS agency reside in geographic zones[399] 1 and 2. There are similar proportions of affiliated and unaffiliated First Nations in zone 4 (Figure 70).

FIGURE 70: Distribution of First Nations by geographic zone.



Prevention services in CFS, as with health, should be community-level initiatives. Promoting wellness is not the work of a single entity or organization, but a community expression of how they care for their own members. For some First Nations, this means working with a delegated or undelegated FNCFS agency. For others, this vision includes various program streams run by the community. The provision of CFS is not about band councils versus FNCFS agencies (although, it is recognized that these challenges exist in various communities).

As with any service, there is variability in need based on the distinct and desired approach of each First Nation. Some unaffiliated First Nations are contemplating jurisdiction in protection the context of the *An Act respecting First Nations, Inuit and Métis children, youth and families*, while others prefer to focus exclusively on prevention services with protection provided by the province. Variability in provincial CFS laws may also influence a First Nation's approach. British Columbia has various levels of delegation associated to prevention and protection services, offering a range of levels at which First Nations may choose to engage. Quebec commonly fuses health and social service provision in communities, encouraging an integrated approach among services.

[399] Geographic zone refers to a First Nation's distance to a service centre and associated mode(s) of transportation.

Zone 1: First Nations located within 50 km of a service centre.

Zone 2: First Nations located between 50–350 km of a service centre.

Zone 3: First Nations located over 350 km from a service centre.

Zone 4: First Nations with air, rail or boat access to service centre.

Need-assessment

There is sufficient variability in the desired approaches of unaffiliated First Nations to warrant a need-assessment tool. This tool could take the form of a survey for those First Nations seeking supplementary funding to grow their CFS-focused activities. While federal resources have not typically been directed to unaffiliated First Nations for CFS, there is an opportunity for targeted investments. Such investments would be consistent with the view that CFS is about the well-being of children, families and communities, and not exclusively protection.

As detailed in the cases of unaffiliated First Nations below, efforts on CFS vary based on resources and community structures. In the case of Esquimalt, CFS-focused programming is a challenge to design and develop as their current resource mix does not allow for such targeted programming. Prevention programming in Esquimalt is focused broadly on wellness. By contrast, First Nation W (anonymized at the request of the First Nation), has rebalanced resources to develop housing-oriented programming in support of CFS.

With the variance in current programming and resourcing among unaffiliated First Nations, a detailed need-assessment could support informed resource allocation. By developing a better understanding of current state practices and contexts, federal funding could be allocated on a case-by-case basis to respond to the variety and changing circumstances of unaffiliated First Nations. While the contexts and needs of First Nations served by a FNCFS agency are similarly dynamic, it is the agency's responsibility to ensure community connections and responsive programming suitable to the needs of communities served.

With circumstances favouring CFS reform, it is advisable to undertake a need-assessment survey of unaffiliated First Nations with the following components:

1. Context:
   a. Tell us about your community and the people you serve.
   b. Tell us about what child and family services focused services and programming work well and which work less well.
   c. What do you think your community needs to be better meet the needs of children and families?

2. Organization overview:
   a. Tell us about your governance structure.
   b. Are there one or more organizations involved with children and families?
   c. How do organizations work together?

3. Programming overview:
   a. Tell us about the programs and services provided by your community.
   b. How do you align resources (human, financial, infrastructure) to your programming priorities?
   c. Are there program gaps or future directions/considerations for programs and services?

4. Resources and allocation:
   a. Do you have the resources (human, financial, infrastructure) necessary to provide programming for child and family services?
   b. Has your community requested CHRT-mandated funding for prevention or other programming?
      i. If yes, was it received?
      ii. If not, why?

5. Data and performance:
   a. How does your community make programming decisions?
   b. How does your community determine what programming works?

6. Other considerations:
   a. Challenges/obstacles faced or overcome by your community
   b. Wise practices to share

Building from these six questions, a mix of quantitative and qualitative data would be collected. Assuming a participation rate of at least 50% of unaffiliated First Nations, representative of the broader group of 170 First Nations, the data returned could be analyzed and returned to First Nations for further consultation. To determine how best to build a course forward should be an exercise specific to individual First Nations.

ESQUIMALT NATION
BRITISH COLUMBIA

Governance Structure and Resources

Esquimalt Nation has a small population with 171 residents on-reserve,[400] near Victoria, British Columbia (BC). An urban Nation, Esquimalt occupies 44-acres on southern Vancouver Island and is a member of the Coast Salish language group. The Nation is adjacent to the Songhees Nation, the Township of Esquimalt, and the Town of View Royal, and is in close proximity to the City of Victoria. Located near an urban centre, members benefit from access to transport, walkability, and various provincial services.

Even with its proximal location, employment is a concern for the community. With housing shortages and the by-products of intergenerational trauma, cyclical challenges of poverty and welfare are even more pronounced.

Governed by a Chief and a Council (comprised of five members), monthly meetings are held to discuss strategic planning and the development of the Nation. There have been efforts in recent years to help to define the Nation as a centre for resources and support, rather than a crutch or source of handouts for members. The focus on empowerment and motivation of members, has for instance, introduced criteria for accessing social assistance and offering more supports for building resiliency and wellness from the ground up.

Esquimalt has struggled to have its resources meet its ambitions. To fund its programming, Esquimalt depends on various project-based funding sources. In this context, available funding tends to drive its activities (instead of activities being funded based on need). Developing own-source revenue has proved challenging (e.g. lease of land for parking), having to navigate timelines of bureaucracies of different orders of government.

Historical Treaty and Current-Relationship with the Crown

The Esquimalt Nation is one of the signatories to the Douglas Treaty in the 1850s. A key provision in the treaty granted the Nation the right: “to continued use”, the “liberty to hunt over

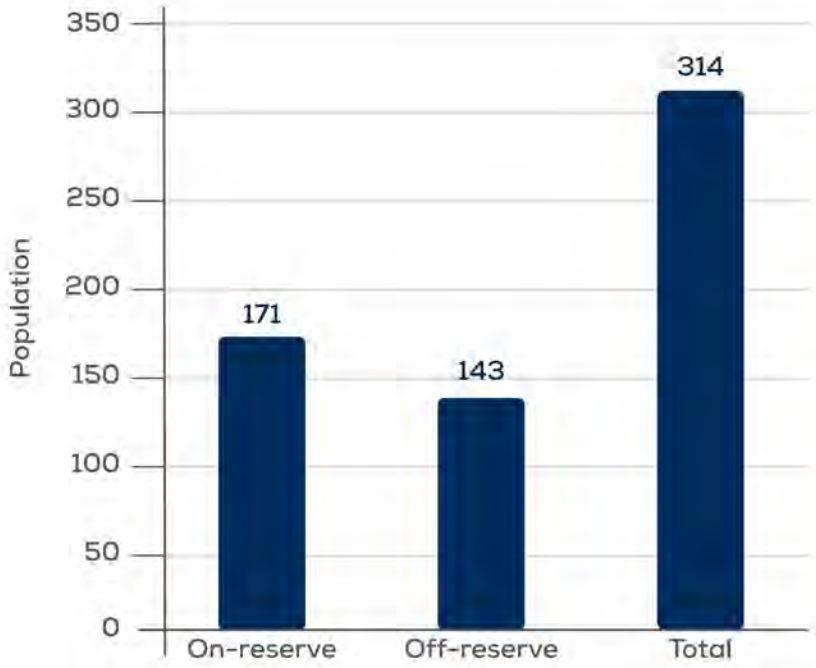
[400] Indigenous Services Canada, “Registered Population, Esquimalt,” June, 2020, https://fnp-ppn.aadnc-aandc.gc.ca/FNP/Main/Search/FNRegPopulation.aspx?BAND_NUMBER=644&lang=eng.

unoccupied lands", and "to carry on their fisheries as formerly."[401] The issue of access to resources as they were "formerly" is a preoccupation for Esquimalt, as defining that practice with urban development, and forest and fisheries management is a complex challenge.[402] Efforts continue to advocate for the recognition and implementation of treaty rights. The Government of British Columbia reports ongoing work on land and resource issues with Esquimalt Nation outside the British Columbia treaty process.[403]

Esquimalt's physical resources are constrained by the small size of their reserve territory. Alongside their land, some off-reserve resources are shared with the Songhees Nation, including the West Bay property, the Rock Bay property and Water Lot A (Plumper Bay). With regards to financial interests, they have the James Bay trust, and a few business interests including Salish Sea Marine Services.[404] With respect to water and sanitary services, Esquimalt Nation has a servicing agreement with Town of View Royal and Capital regional District.

Population

FIGURE 1: Esquimalt membership Population, 2018



Source: Esquimalt Land Use Plan, 2018.

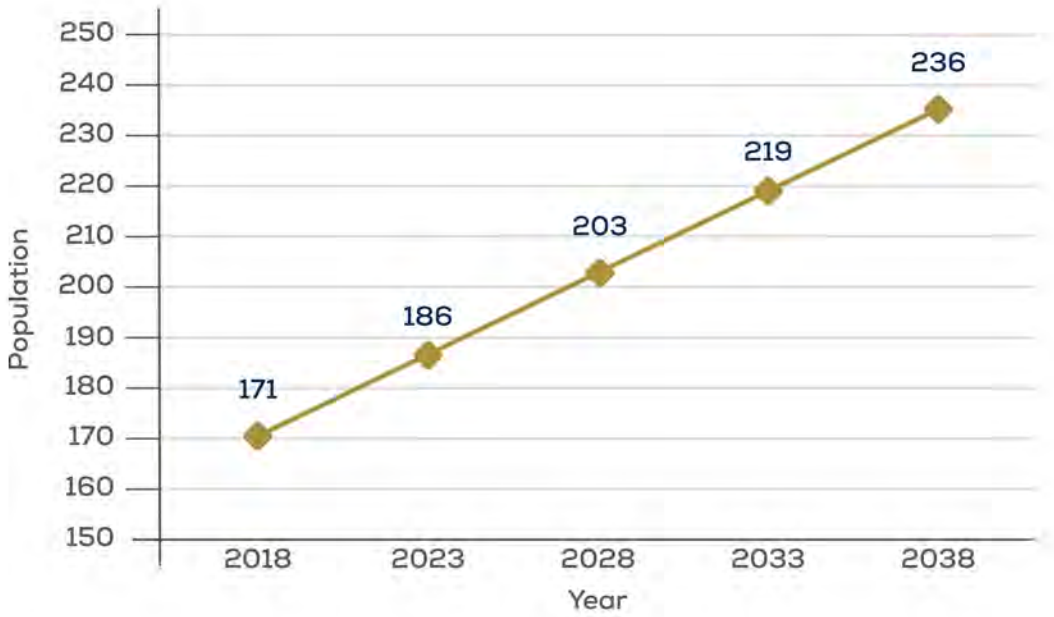
[401] Esquimalt Nation, "Esquimalt Nation Land Use Plan," March, 2018: 7.

[402] Esquimalt Nation, "Esquimalt Nation Land Use Plan," March, 2018: 7.

[403] Government of British Columbia, "Esquimalt First Nation," Accessed on: July 2, 2020, https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/consulting-with-first-nations/first-nations-negotiations/first-nations-a-z-listing/esquimalt-first-nation.

[404] Esquimalt Nation, "Esquimalt Nation Community Plan," (March 31, 2013): 10.

FIGURE 2: On-Reserve Population Projections of Esquimalt Nation 2018–2038



Source: Esquimalt Land Use Plan, 2018.

On-Reserve population was 171 in 2018, with 143 off-reserve members, 122 members living in other areas, and 21 living on other reserves for a total of 314 members.[405] Approximately 60% of the membership population is under the age of 20.[406] Estimates project the on-reserve population to grow to 236 by 2038.[407] One of the goals Esquimalt Nation outlined in their 2018 Land Use Plan is to expand housing units on-reserve to create opportunities for off-reserve members to return to the Nation's territory.

Financial profile

The Nation successfully entered into a ten-year grant with Indigenous Services Canada (ISC), after meeting various criteria and developing their own financial administration law. Beyond revenues from ISC, other sources include various federal and provincial departments, as well as the First Nations Health Authority (FNHA) (see Figure 4 for an overview of revenue sources).[408]

In 2019, Esquimalt Nation received the majority of their revenues from the Government of Canada ($17,600,796.00). As indicated in Figure 5, over three quarters of Esquimalt's expenditures target settlement trusts and fund activities. There is no comparable spending area, with only economic development far behind at 5% of overall spending.

[405] Esquimalt Nation, "Esquimalt Nation Community Plan," (March 31, 2013): 14.

[406] Esquimalt Nation, "Esquimalt Nation Community Plan," (March 31, 2013): 14.

[407] Esquimalt Nation, "Esquimalt Nation Land Use Plan," (March, 2018): 14.

[408] Esquimalt Nation, "Esquimalt Nation Community Plan," (March 31, 2013): 11.

This expenditure is associated to the Cadboro Bay Settlement.[409] The agreement requires the net proceeds to be held in a trust for the benefit of the members of the Nation but allowed for a one-time payment to each member that was alive as of November 20, 2017 of $10,000.[410] Given the median household income in Esquimalt is $45,267,[411] these payments represent approximately, a 20% increase in transitory income for individuals in the community.

Administrators are concerned with current revenues relative to the cost of living near Victoria. When it comes to funding allocations, some are determined using factors including population size and land base. Such an approach does not capture the different cost of living in different communities, e.g. it is more expensive to live in or near Victoria than in Nanaimo. Esquimalt finds itself challenged by revenue sources, as they constrain decision making on internal allocation of resources (see Table 1).

TABLE 1.

Fiscal year	Revenues	Expenditures	Population	Per capita revenue	Per capita expenditure
2018	$6,943,476.00	$5,664,844.00	ISC On-Reserve N=171	$40,605.12	$33,127.74
			Esquimalt Total Membership N=314	$22,112.98	$18,040.90
			Government of BC N=324	$21,430.48	$17,484.09
2019	$29,673,621.00	$18,765,776.00	ISC On-Reserve N=171	$173,529.95	$109,741.38
			Esquimalt Total Membership N=314	$94,501.98	$59,763.62
			Government of BC N=324	$91,585.25	$57,919.06

Sources: Esquimalt Nation Audited Financial Statements for the Year Ended March 31, 2019, ISC/INAC (2020), Esquimalt Land Use Plan (2018), Government of British Columbia.

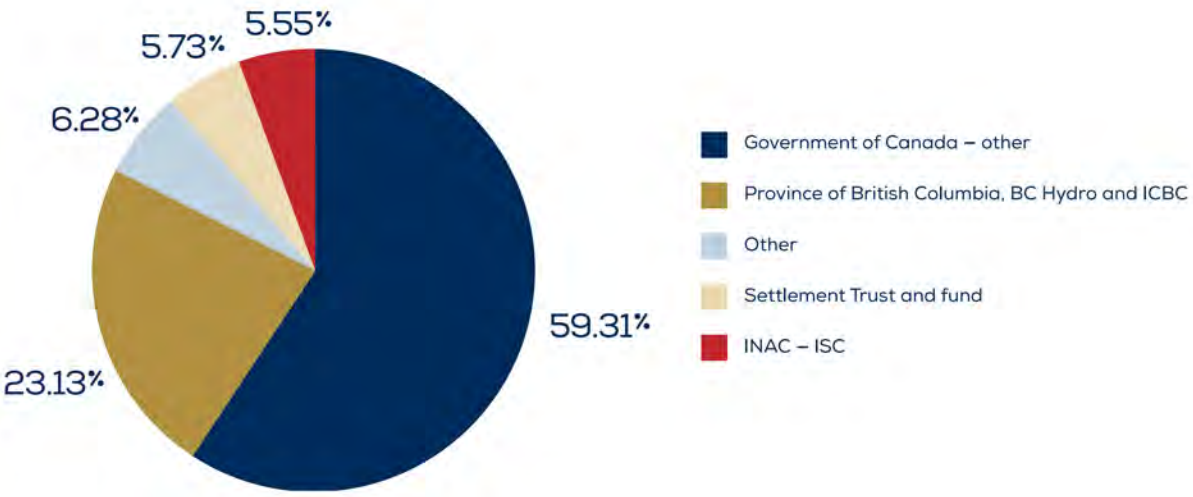
[409] On May 23, 2018, the Government of Canada settled with the Esquimalt and Songhees Nations for compensation in respect to certain lands known as the 'Chekonein Treaty Lands' (Cadboro Bay). Each Nation received a settlement payment of $17,500,000. Esquimalt Nation received a net amount of $16,370,396 after legal and other charges.

[410] Esquimalt Nation Audited Financial Statements for the Year Ended March 31, 2019: 19.

[411] Statistics Canada, "Total Income," *Census of Population*, 2016, May 3, 2017.

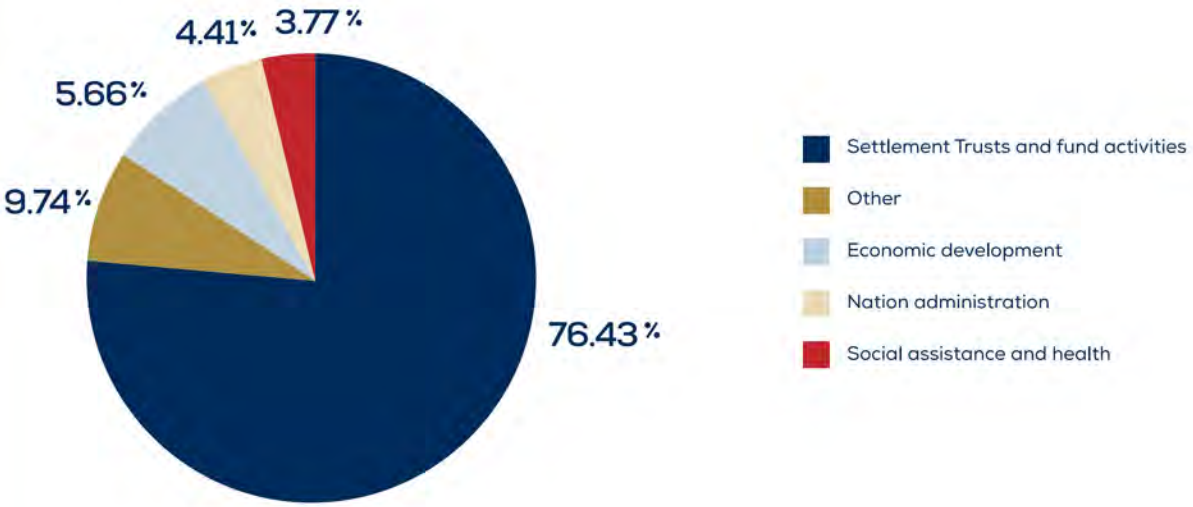
Revenues and Expenditures, 2019

FIGURE 3: Revenue Sources, Esquimalt Nation, 2018/2019



Source: Esquimalt Nation Audited Financial Statements for the Year Ended March 31, 2019.

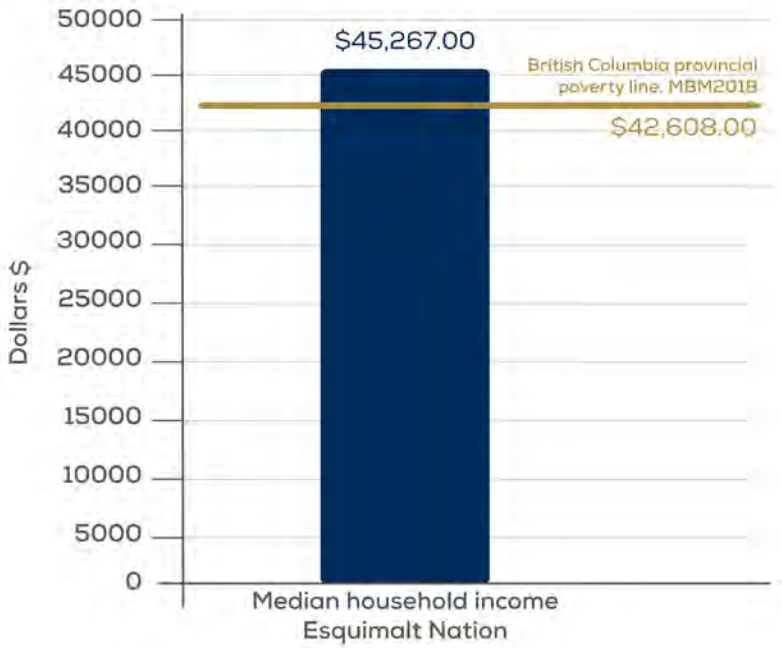
FIGURE 4: Expenditure Sources, Esquimalt Nation, 2018/2019



Source: Esquimalt Nation Audited Financial Statements for the Year Ended March 31, 2019.

The Esquimalt Nation has a median household income of $45,267,[412] which is $2,600 above the provincial poverty line $42,608 (see Figure 3).[413]

FIGURE 5: Esquimalt Nation median household income



Sources: Statistics Canada, 2017 and Djidel et al., 2020.

The current state: Child and family services (CFS)

Esquimalt Nation's prevention-focused activities target parents and their children. From parenting groups to empower parents with young children through a combination of cultural practices and developmental goals, to after school clubs to engage school-aged children, Esquimalt staff work to connect and build trust with their community.

Benefitting from a small population on-reserve, Esquimalt staff can observe and monitor children and families who may need extra support. Referrals are made and resources are brought in to support children and families as required. With services that extend to the Nation's full membership, Esquimalt has worked to build a complement of community-based staff, including a community health nurse, clinical counsellor, and family support worker. Retention rates among staff are high, which helps to promote stable programming.[414]

[412] Statistics Canada, "Total Income," *Census of Population*, 2016, May 3, 2017.

[413] Statistics Canada, "Market Basket Measure 2018-base, Report on the second comprehensive review of the Market Basket Measure," *Statistics Canada*, February 24, 2020.

[414] One full-time director is dedicated to internal capacity and skills development to support continuous staff improvement.

Current program offerings do not target child and family services directly but focus instead on overall well-being of the community. For instance, many youths were struggling with anxiety and high school completion. In response, Esquimalt started a group for young people to support their social and emotional health. While still early in the initiative, benefits including youth engagement have been noted by staff. With youth showing up, staff have the opportunity to monitor and find ways of supporting their well-being. Protection services in Esquimalt are delivered by the Ministry for Child and Family Development (MCFD), with involvement of the Nation. It is important to note that the Nation follows its own practice with respect to CFS and has not ratified a formal agreement with the province as provider of protection services.

At the time of writing, Esquimalt Nation had approximately 15 children in care. Ideally, children in care would be placed within the community. This, however, has not been practical due to housing shortages and overcrowding in the community. It has subsequently been a challenge designating healthy families for foster services on-reserve.

South Island Wellness, a third-party organization, is designated to provide basic support services to Esquimalt Nation Peoples in contact with the protection system. Esquimalt does not pay this provider directly; it receives funding from Canada for its services. There appears however, to be a lack of clarity as to the outcomes of the organization's services and role. Much of its impact appears dependent on the person designated to the community. Greater community-based child and family services supports are necessary.

With the current revenue generation and allocation challenges, it appears impractical that Esquimalt take on child and family services. In order to deliver a fully or even partially delegated child and family services mandate, Esquimalt would require financial and human resources to design, build and deliver the community's needed services.

Funding for child and family services

Esquimalt's entire administration is composed of 19 staff (a mix of full-time, part-time and casual personnel). Half of the staff is dedicated to programming design and provision across all services areas from health to environment. With the small team, staff have many roles and often are unable to focus exclusively on an issue or program area.

Program funding contributes to the multiple areas of focus and competing priorities. There are 32 different projects that fund personnel services. Applied for and delivered on an ad-hoc basis, long-term planning becomes a challenge when funding is not guaranteed beyond the life of the project or program. When submitted proposals, vague descriptions are often included to maximize staff latitude in delivering programming on-reserve that meets the needs of the community. This multi-source funding makes developing and delivering specific programs, e.g. child and family services, a challenge. The funding structure spreads resources thinly across a number of areas, instead of focusing on specific issues.

The future state vision

Long-term planning has been difficult without consistent funding sources. The Nation lacks internal processes and the people necessary to support long-term planning. Often, planning is reactive to the funding source. The goal tends to be to obtain multi-year grants, even if the Nation does not have expertise in the area. In an effort to maximize revenues, program coherence and consistency can suffer. Esquimalt recognizes that long-term planning is an area in need of action, that must connect community needs to available resources.

Esquimalt's experience building prevention programming is an important reminder that consistent funding with flexibility for the service provider is essential for the consistent delivery of services. Esquimalt is an example of how to build broad-based programming for maximum uptake. A potential next step for the Nation is to build the discussed connections between its programming inputs and community-level results.

FIRST NATION W

Context

This case study examines an anonymous First Nation that has become a self-governing modern treaty nation. The modern treaty era began after the Supreme Court of Canada *Calder* decision in 1973. This decision recognized Aboriginal rights and led to the Comprehensive Land Claims Policy.[415] Upon coming into effect, the Treaty has enabled the transfer of land and self-government jurisdiction to the First Nation.

Now established as a treaty nation, the First Nation is no longer a band under the *Indian Act*. Instead, it now maintains government-to-government relationships at both the provincial and federal levels of government. The First Nation has law-making authority on lands under their direct control and ownership. As a modern treaty nation, this law-making authority is how the First Nation differentiates itself from other communities in Canada.

The Treaty provides that the parties (Canada, the province, and the First Nation) will negotiate and attempt agreement on a Fiscal Financing Agreement (FFA). The First Nation receives block funding through the FFA and raises own source revenue through economic development and taxation. The Treaty also allowed for a total rewiring of governance, enabling the First Nation to align its structure and practices to their traditional way of knowing. Since the implementation of the Treaty, the way the First Nation undertakes its business is fundamentally different and rooted in its conception of community well-being. From the running of government to programming, actions and initiatives are rooted in their unique culture and practices.

The First Nation has a small membership population, with more than 50% of members living off-lands. Given the size of the community, there is little aggregate health and social data available.

The First Nation is located within proximity to a large Canadian population centre. Members tend to be fairly young, with roughly three in every four members being under the age of 40. The staff know their people. The community is actively working on healing and cannot keep up with the demand for services.

The current state: Child and family services (CFS)

The First Nation's Members are resilient, but the impacts of intergenerational trauma are still felt by some members of the community. Some individuals still struggle with poverty, and financial challenges/financial management, as well as with addictions, poverty, abuse, and lateral violence. Some parents may not have the skills needed to raise a child because they may not have had a healthy script to follow or model to emulate. Knowledge on raising children may be missing in families affected by residential schools, and intergenerational

[415] Government of Canada, "Treaties and agreements," last modified September 11, 2018, https://www.rcaanc-cirnac.gc.ca/eng/1100100028574/1529354437231#chp4.

trauma. The aim of the government is to deliver family empowerment programming, but it does not reach every individual.

In the First Nation, 4.8% of children are in contact with the provincial child and family services with open files. The First Nation has managed to keep these children in the community. There are other children outside of the First Nation that are a challenge to track and support.

Provincial CFS is delegated to remove children in need of protection in the First Nation. An enduring challenge, however, is that children may be removed from struggling parents who could succeed with extra support. The First Nation prioritizes wrap-around services to families and children in challenging circumstances. Provincial CFS has been notionally supportive of the approach and role but has offered little in regular resources to finance these services. The First Nation uses its own resources to fill in gaps in CFS programming for its children and families.

Earlier this year, there was an important turning point for Child and Family Services in the First Nation. A child from the First Nation was placed outside of the community in what was considered an unacceptable placement. To protect the best interests of the child, the First Nation mobilized by renting a house near their lands and staffed the home with people the children needing support knew and trusted. The actions taken by the First Nation helped to stabilize the situation and provided opportunities for family reunification and wrap-around services.

Providing Temporary & Flexible Support

The First Nation has recently begun developing a more detailed proposal for respite homes for children and families on-lands. One support home is in operation that can house up to five children (there are currently four children in the home). This safe, secure and known environment is close to the community and is led by the 'den mother.' The current den mother is a very well-known, well-respected and trusted member of the community. Two full-time staff live in the home 24 hours a day. The staff are instrumental in fostering a safe and comfortable environment. They engage in family and community-oriented activities from cooking, playing, visiting with family, taking part in cultural activities at school, etc.

The home is currently funded through the First Nation's budget allocations and some contributions from the provincial CFS. The First Nation is working to secure funding to build data tracking on their wrap-around prevention services, to better understand results over time.

The levels of child protection delegation the First Nation chooses to take on will depend on the community's comfort with assuming the responsibility of these kinds of services. The First Nation will consult with Members to understand what the community's vision for child protection reform is before undertaking a jurisdictional switch away from provincial CFS.

Funding for child and family services

The First Nation emphasizes the importance of wrap-around services and funds them through budget allocations. The First Nation has not assumed jurisdiction on child protective services, which means that it continues to be the province's responsibility. The First Nation has chosen to collaborate with provincial CFS in the delivery of child protection services to ensure the well-being of the community's children. While the First Nation continually attempts to expand its CFS services, little provincial support is available and federal support is non-existent. The First Nation uses its own source revenue to support the large majority of prevention and family support programming.

There is some funding on an activity basis that comes from provincial CFS. The Province transfers roughly $40,000 annually to the First Nation for a family empowerment worker to prevent contact with provincial CFS. This amount, however, only covers roughly half of the salary associated with this position. The Province also contributes in a piecemeal fashion to the community's respite home with $2,000 per month for rent (total monthly rent is $3,000) and through payments to caregivers. Payment for caregivers is calculated at the foster parent rate per child, based only on the length of stay ($900/month), on a case by case basis.

The unpredictability of the funding at foster parent rates (as it is based on contact with the protection system) limits the reliable development of CFS services in the First Nation. The ad-hoc payments may cover the costs of children in the support home (instead of out-of-community care), but limit recruitment, staff retention, and do not cover the hidden costs of operating CFS services and trying to obtain funding. This makes staff retention and remuneration a challenge. Also, the funding based only on children who are already in the system significantly affects the ability to fund prevention services designed to keep families from reaching the point of breaking down and needing more extensive service.

The First Nation is seeking stable funding to cover its current initiatives, as well as proposed initiatives, including a new housing proposal to ensure children can stay in the community when they need a short-term alternate care arrangement (see Table 1). The costs described in the table below are for personnel costs only and would address core needs, not an expansion of the program.

TABLE 1.

Community Health Centre Housing Proposal			
Type of housing	**Description**	**Staffing requirements**	**Overall estimate**
Level 1	Community Member's Home: can support up to 3 children if needed	Caregiver at a rate of $25/hour for 16 hours; overnight 8 hours $20/hour	$860.00/daily $313,900/yearly
Level 2	Respite in six-plex on-lands: staffed home which can support 3 children	2 people per 8-hour shifts per 24 hours	$1,200.00/daily $438,000.00/yearly
Level 3	Respite house off-lands: staffed home which can support 3 children	2 people per 8-hour shifts per 24 hours	$1,200.00/daily $438,000.00/yearly
Level 4	Short term support: Emergency support home on-lands Community member's home which can support 2 children	Depending on need for additional support: 24-hour option available to caregiver	$1,200.00/daily $438,000.00/yearly

Considerations for future planning

Prevention oriented approaches to child and family services are focused on holistic well-being and early intervention to reduce or eliminate the need for child protective services. In First Nations, prevention approaches are informed by culture and community practices, regularly engaging families and the broader community in healing and resiliency building.

There are many positive examples of First Nations child and family services agencies prevention activities that have demonstrated positive results for children and their families.[416] A report by the British Columbia Representative for Children and Youth, highlighted how "inequitable and inconsistent funding arrangements between the B.C. government and Delegated Aboriginal Agencies (DAAs) have resulted in significant differences in the level and types of support available for B.C.'s Indigenous children, depending on where in the province they live and which DAA serves them." In turn, these funding issues have limited the capacity of DAAs to offer culturally-based prevention services.[417]

Crucially, prevention services help to limit avoidable contact with the protection system, which tends to have negative long-term effects for children. The Midwest Evaluation of the Adult Functioning of Former Foster Care Youth (known as the Midwest Study) has documented outcomes of youth in care relative to a nationally representative sample of youth in the United States. Across nearly every outcome measured, such as high school

[416] IFSD, "*Enabling First Nations Children to Thrive*," (2018), http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive_February%202019.pdf.

[417] Representative for Children and Youth, "Delegated Aboriginal Agencies: How resourcing affects service delivery," (March 2017): 3.

completion rates, receipt of food stamps, arrests, employment rates, etc. youth formerly in care were worse off than their counterparts.[418]

These negative long-term trends are reflected in Canadian studies. The Canadian Observatory on Homelessness found that 60% of youth who had experienced homelessness had previous contact with the child protection system and were 193 times more likely to have had contact with protection than the general population.[419] In a 2001 study, Correctional Service Canada found that two-thirds of incarcerated Indigenous Peoples had contact with the protection system at some point in their lives, compared to one-third of non-Indigenous inmates.

There is a case for the regular funding of prevention-oriented programs, especially for young people in challenging contexts associated with poverty, social difficulties, etc. For many First Nations, mitigating the effects of contextual factors such as poverty and inter-generational trauma are integral components of prevention programming. The work of Nobel-prize winning economist James Heckman is well-known for demonstrating the economic and social benefits of early intervention programs for children.[420]

From long-term cost benefits to improved cognitive development of children and even enhanced parenting, there are many reasons to focus on prevention services. West Region Child and Family Services had a block-funding pilot that enabled the agency to shift its funding to prevention services. Studies of the pilot found that the rates of children in care declined from 10.5% to 5.2% throughout the pilot, credited to the substantive budgetary shifts to prevention programming.[421] Supporting the development of healthier children, families and communities is possible and can be fostered through a number of programming styles and initiatives.

As the First Nation contemplates the future design and delivery of CFS, it may wish to consider existing models of service delivery. There are several First Nations health and social services centres in Quebec that fuse the delivery of health and social services with positive results for communities. The arrangement can promote increased collaboration and resource-sharing in the community to leverage funding and other resources for program delivery and evaluation. In other instances, First Nations may deliver a subset of prevention

[418] M. Courtney et al., "Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 23 and 24," (Chicago, IL: Chapin Hall at the University of Chicago, 2009); M. Courtney et al., "Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 26," (Chicago, IL: Chapin Hall at the University of Chicago, 2011).

[419] Amy Dworsky, Laura Napolitano, and Mark Courtney, 2013, "Homelessness During the Transition from Foster Care to Adulthood," American journal of public health 103 Suppl 2, no. Suppl 2; Rachel Rosenberg and Kim Youngmi, Journal of public child welfare, "Aging out of Foster Care: Homelessness, Post-Secondary Education, and Employment," 12, no. 1 (2018): 99–115.

[420] James J Heckman et al., "An Analysis of the Memphis Nurse-Family Partnership Program," (National Bureau of Economic Research, 2017); James J, Heckman, "The Economics of Inequality: The Value of Early Childhood Education." *American Educator* 35, no. 1 (2011).

[421] See also, ISC, "Implementation Evaluation of the Enhanced Prevention Focused Approach in Manitoba for the First Nations Child and Family Services Program," December 14, 2015, https://www.aadnc-aandc.gc.ca/eng/1431520132322/1431520217975.

programming initiatives to complement or support other services, with protection delivered by a provincial ministry or third-party. There is also the option of a First Nation child and family service agency unique to the community. With 113 FNCFS agencies serving several First Nations, there is a well-developed network of practice to consult.

The cost of prevention and protection services can vary based on location, mandate and other contextual factors. In its Phase 1 study that costed the FNCFS system, IFSD estimated (based on actual models) that per capita expenditures for prevention should range from $800 to $2,500 across the entire community. At $800, programming is principally youth-focused and may not be CFS focused. At $2,500 per person, a full lifecycle approach to programming can be possible with linkages between health, social and development programming.[422] The cost of prevention may appear significant, but it expected to reduce expenditures over time associated with the social challenges listed above.

The First Nation's current per capita CFS expenditure estimates align to previous findings for communities unaligned to an FNCFS agency (ranging from $500 to $1,000 based on the population source). As the First Nation contemplates its next steps in CFS, it may wish to consider increasing its per capita budget to expand its resources for program and service delivery. IFSD estimated that the average cost of a child in care to be $63,000 per year. With opportunities for prevention program that have demonstrated positive results, there are various options for supporting the well-being of children, families and communities through wrap-around holistic services.

TABLE 2.

Population estimate	per capita CFS spending
2019 Membership Population (N=491)	$795.01
2016 Census (N=750)	$520.46
ISC (N=388)	$1,006.05

In brief, the First Nation may wish to consider three common options for the delivery of CFS:

1. Through *An Act respecting First Nations, Inuit and Métis children, youth and families*,[423] negotiate jurisdiction for protection delegation in the First Nation or seek to establish a delegated FNCFS agency for the First Nation;
2. Continue to work with provincial CFS for protection services, with the First Nation to seek delegation for all services prior to, during and post-removal;
3. Maintain the current course and seek out more regular and reliable funding for CFS-focused prevention services.

[422] IFSD, "*Enabling First Nations Children to Thrive*," 2018, http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive_February%202019.pdf, p. 89–94.

[423] Government of Canada, "*An Act respecting First Nations, Inuit and Métis children, youth and families*," *Justice Laws Website*, Date modified: June 26, 2020, https://laws.justice.gc.ca/eng/acts/F-11.73/index.html.

The future state vision

The First Nation is focused on improving quality of life for all members. Their holistic approach to family and community well-being is the driving force behind the health and social services' centre's approach to CFS in the First Nation.

The First Nation values a united community where children are supported by those around them. One of their principal goals is to ensure that children remain within their community where they can access support for families, elders, and the First Nation's Members, and grow up with a sense of understanding of the community's tradition and cultural values.

The aim of the health and social services centre in the First Nation is always to support families to remain intact and supported and that if outside care is required, families and children are able to access supportive and culturally sensitive resources. The vision of the First Nation is one of wellness, community strength, and resilience, which define how the centre responds to crises. The community health and social services centre is mandated to support families to remain intact and supported and that if outside care is required, families and children can access supportive and culturally sensitive resources.

The community health and social services centre is also concerned with ensuring consistency in the social workers who are working with the community. The preference of the community health and social services centre would be to have one provincial CFS social worker support the First Nation rather than multiple social workers coming in and out of the community. Overall, the aim is to ensure strong working relationships with the provincial CFS while ensuring culturally-informed child welfare practices.

The First Nation is best placed with regards to safeguarding community well-being, and given their knowledge of their members and their core values, they are most effective at making decisions on how to meet the needs of their community's children.

The First Nation's Prevention Services

Child Psychologist and Nurse Practitioner

The First Nation has contracted a child psychologist for three days a week (a full-time psychologist would not be enough by staff estimates). The psychologist works with parents and children to address the significant mental health and well-being gaps in the community. To help to fill the mental health service gap, a nurse practitioner collaborates with the psychologist and they are able to collaborate to provide mental health assessments and medications as well as long term mental health support on the First Nation's lands. Working in a culturally safe way, this team is able to ensure services are accessible, timely and trauma informed.

Community Family Empowerment Program

The First Nation's Members are able to access a family empowerment worker who acts as an advocate and systems navigation support (supervised visitation services, referrals to counselling, treatment, food bank, ceremonies, etc.). The program aims to decrease interactions with provincial CFS through prevention services and reconnect separated families. The program is partially funded by the provincial CFS.

Daycare

A free program for member children, the daycare offers wrap-around youth-focused education. There are important differences in the teaching approach of the daycare versus those in local school boards. Daycare programming connects learning to the community, its people, and its practices. The First Nation's language and culture are woven into the early childhood curriculum in a meaningful way. Children attending local schools build resiliency and confidence. When children make the move to mainstream schools, they often lose those positive attributes in a change described as "shocking." Children appear to perform well in learning and personal development on-Lands, but trends indicate that outcomes change when in a non-local school setting.

Post-Secondary Educational Services and Other Services

The First Nation pays the full cost of tuition and living expenses for any of their Members who attend post-secondary education in Canada. HSS also offers a variety of other programs to help support community members, including an Elders program, justice support program, community nursing, and so forth.

Resources

The human and financial resources necessary for unaffiliated First Nations will vary based on their desired CFS-related programming. In the case of Esquimalt Nation, CFS-oriented expenditures could not be extricated from the overall programming spending baseline because they do not exist as a separate line-item. In First Nation W, depending on the population source used, current per capita expenditures on CFS-focused programming range from approximately $520 to $1,000 per member. For comparison, Phase 1 estimates for base-level prevention programming for an unaffiliated First Nation was approximately $800.

Conditions on programming funding to First Nations can impact their flexibility in need-focused expenditure. Esquimalt Nation highlighted that their programs are driven by funding sources, rather than program need driving funding. With over thirty sources of funding for programs, Esquimalt Nation often finds itself developing programs to respond to funding opportunities. To support the design and development of a CFS prevention programming stream, reliable funding should be allocated. The regular funding can be built into planning to allocate human and financial resources to desired programming goals.

First Nation W experiences similar resource limitations for CFS. The First Nation actively seeks opportunities in its existing budget to fund CFS activities, especially those focused on housing. Working with some funding from the province, First Nation W expressed the challenges of inconsistent funding for CFS programming, especially, when tied to provincial support payments for children in care. While the resources are welcome to take care of their children, the resources are irregular as they are connected to a child in protection.

The unaffiliated First Nations consulted in this project exhibit the challenges of attempting to design and deliver programming when resources are inconsistent. Not all unaffiliated First Nations may wish to design and deliver their own CFS programming. For those that may prefer pre-developed programs, the Martin Family Initiative's Early Years program can be an option.

The Early Years (EY) program was a pilot project, originally launched in Ermineskin Cree Nation, designed to improve maternal and child health outcomes for Indigenous women who are either pregnant or have newborn babies. The program underscores the importance of the initial years of life in shaping the structures and functions of the brain. Conducting comprehensive early childhood programming in a culturally appropriate manner for Indigenous children and families is a core component of EY programming.

The project's community-based approach emphasizes Indigenous knowledge and cultural values in the context of child well-being. Through weekly visits and group gatherings, trained EY Visitors from the community support pregnant women and their families by promoting healthy prenatal activities and guiding development in early childhood.[424] EY Visitors assist families by providing sensitive and competent caregiving, developing visions for their future, planning subsequent pregnancies, and continuing their education or securing employment.[425]

Since its implementation, participants and staff have reported the central role played by the EY program in the communities. Participants are gaining new and valuable knowledge, which has often fueled their motivation to make behavior changes that build strong foundational relationship with their children. The program has also provided them with strategies and coping mechanisms to constructively deal with new and ongoing challenges.[426]

EY was inspired by other established evidence based and culturally tailored home-visiting programs like the Family Spirit Program of Johns Hopkins Centre for American Indian Health.[427] There is considerable evidence that suggests investments in early intervention programs like EY have high social and economic rates of return. James Heckman, concluded that birth to-five programs can have an up to an annual 13% return on investment.[428] According to Heckman, one of the greatest sources of disadvantage is the quality of parenting a child receives, thus returns to early childhood programs are highest for disadvantaged children who receive lesser parental investment in their early years.[429] The EY program addresses this issue by providing parents with the strategies and competencies necessary to help raise children effectively. Leveraging community resources, the EY program is a potential program option designed from best practices that First Nations affiliated and unaffiliated to a FNCFS agency may wish to adopt.

[424] The Early Years, "The Early Years Principles," 2020: http://earlyyears.themfi.ca/index.php/the-martin-family-initiative/what-we-do/.

[425] The Early Years, "Deeply Rooted Community Mind," 2020: http://earlyyears.themfi.ca/index.php/the-early-years-difference/.

[426] The Early Years, "Deeply Rooted Community Mind," 2020: 25, http://earlyyears.themfi.ca/index.php/the-early-years-difference/.

[427] Johns Hopkins Bloomberg School of Public Health, "Family Spirit," 2020: https://www.jhsph.edu/research/affiliated-programs/family-spirit/.

[428] Jorge Luis García, James Heckman, Duncan Leaf, María Prados, "Quantifying the life-cycle benefits of a prototypical childhood program," *National Bureau of Economic Research*, June 2017; James Heckman, "There's more to gain by taking a comprehensive approach to early childhood development," *The Heckman Equation*, 2016.

[429] Heckman, James J. "The Economics of Inequality: The Value of Early Childhood Education." *American Educator* 35, no. 1 (2011): 55.

Considerations for transition

For First Nations unaffiliated to a FNCFS agency to transition to a future state with resource opportunities for regular prevention programming, an informed portrait of the current state is necessary. Leveraging the Measuring to Thrive framework, unaffiliated First Nations would gain a holistic perspective of well-being in their community. By leveraging its own data on the well-being of children, families, and the community, unaffiliated First Nations could develop improved planning tools for their own programming in CFS and beyond.

The Measuring to Thrive framework is not about FNCFS agency performance. It is designed so that any service provider or community can leverage the framework to generate a better understanding of the people they serve and the context in which they operate. Consider for instance the case of First Nation W that has limited health and social data on its own community members. The horizontal and integrated perspective from the Measuring to Thrive framework could offer a source of community-relevant data connected to health and well-being.

To transition from the current to a future state will require clarity on the desired outcome. In the case of FNCFS agency, the commonly expressed objectives were resource consistency and sufficiency to support well-being among First Nations through their programs and services. For unaffiliated First Nations, goals and programming needs will differ based on context and community vision. To support the approaches of First Nations, program-focused resources on a case-by-case basis may be the most practical and expeditious way forward to funding prevention in unaffiliated First Nations.

To support an informed transition to a desired future state, it is recommended that:

1. A detailed need-assessment be undertaken with unaffiliated First Nations to scope their desired community programming goals and better understand current resources and resource needs;

2. The Measuring to Thrive or similar holistic performance framework be adopted for use by First Nations to develop their own data for evidence, analysis and decision-making;

3. Variability in First Nation approaches to CFS-focused prevention programming be an accepted characteristic of transition and long-term operation.

Conclusion

There is context for change in FNCFS with the commitments to substantive equality, the best interests of the child, and a culturally informed approach, in *An Act respecting First Nations, Inuit and Métis children, youth and families*. In its rulings, the CHRT has found the current protection-focused system to be discriminatory and underfunded.

The long-term negative consequences of contact with the protection system increase the likelihood of interactions with social services in the welfare system, the criminal justice system, etc. later in life. These corrective systems have downstream social and fiscal costs.

This work seeks to reset the structure, funding and governance of the current FNCFS system to mitigate and address the causes of contact with the protection system. Developed from the ground-up, this work is built on collaboration and insight from FNCFS agencies, First Nations, and experts, twelve in-depth case studies, a survey on FNCFS expenditures, three expert roundtables, and supplementary research and analysis from Canada and the United States.

Leveraging findings from the Phase 1 report, *Enabling First Nations Children to Thrive*, this report:

1. Undertook a review of ISC's current expenditures and associated program measures.

2. Developed the Measuring to Thrive framework, with a horizontal and holistic view of well-being, informed by TBS's best practices on results tracking.

3. Proposed a funding approach designed as a block and supplemented with components for prevention, poverty, geography, IT, capital and results, to address gaps and to align to the Measuring to Thrive framework.

4. Identified considerations for transition to move from the current to future state, with the support of a First Nations-led secretariat.

Recommendations

Pursuant to the findings in this report, the following four recommendations are made:

1. Adopt a results framework for the well-being of children, families, and communities, such as the Measuring to Thrive framework.

2. Budget for results with a block funding approach that addresses gaps and is linked to the results framework.
   a. Undertake a full assessment of current capital stock.

3. Establish a non-political First Nations policy and practice secretariat to support First Nations and FNCFS agencies to transition to First Nations governance.

4. Establish a group FNCFS agencies and First Nations willing to be early adopters of the new performance and funding approach to model implementation.

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Appendix A: Poverty

The State of Poverty in First Nation Communities in Canada

Poverty is a complicated and multifaceted issue that is often misunderstood as a simple lack of income. One of the most recognizable measures of poverty, the World Bank's thresholds for extreme and moderate poverty ($1.90 USD and $3.10 USD per day, respectively) are examples of poverty measures that fail to consider how factors beyond income and expenditure contribute to quality of life.[1] A more complete definition of poverty describes the phenomenon as the lacking of resources necessary to provide the goods essential to life such as food, clean water, shelter and clothing.[2] In the sense of a developed country, this may extend itself to the ability with which one can access education and other standard services like health care. As such, the thresholds for poverty set by the World Bank would fail to capture the vast majority of poverty in developed countries like Canada. A more appropriate indicator of poverty for developed countries would resemble the United Nation's Multidimensional Poverty Index (MPI), which considers a broad range of contributing factors. Included in the MPI are measures of health, education, and standard of living further broken down into nutrition, child mortality, years of schooling, school attendance, cooking fuel, sanitation, drinking water, electricity, housing, and assets.[3] Taking these indicators into account, it is apparent that the Indigenous population of Canada is disproportionately impoverished relative to the rest of the country.

Poverty is an overbearing condition that is highly disruptive to human life. This is especially true for families, and even more so for children. Poverty in utero and early childhood have been shown to pose significant challenges, setting children up for lifelong disparities in health.[4] At any stage of development, poor children are more likely to notice lesser physical health than non-poor children by most measures.[5] The health of poor children has also been noticed to worsen with age and time spent in poverty. The root of this is not necessarily that poor children lack the resources to improve their health, but they are instead subject to more negative health shocks that compound and worsen over time.[6] The effects of poverty are noticeably cumulative beyond the scope of health, as "children can be hungry, be living in substandard housing or be homeless, be unsupervised while a parent works or is meeting other responsibilities, be truant from

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[1] The World Bank, "Poverty: Overview," April 16, 2020, https://www.worldbank.org/en/topic/poverty/overview.
[2] World Vision Canada, "What is poverty? It's not as simple as you think," (October 18, 2019), https://www.worldvision.ca/stories/child-sponsorship/what-is-poverty.
[3] United Nations Human Development Programme. "The 2019 Global Multidimensional Poverty Index (MPI)." *Human Development Reports*, (2019), http://hdr.undp.org/en/2018-MPI.
[4] Charles P Larson, "Poverty during pregnancy: Its effects on child health outcomes," *Paediatrics & child health* 12, no 8, (2007).
[5] Jeanne Brooks-Gunn and Greg J. Duncan, "The effects of poverty on children," *The future of children* 7, no. 2, (Summer-Autumn 1997).
[6] Janet Currie and Mark Stabile, "Socioeconomic Status and Child Health: Why is the Relationship Stronger for Older Children?," *American Economic Review* 93, no. 5 (12, 2003): 1822.

failing schools, lack medical care, or have a caretaker with untreated mental illness or substance abuse."[7]

Moreover, there is a growing body of research that indicates a strong relationship between poverty and child abuse.[8] Overall, the conditions poverty creates are not conducive to a positive environment that fosters growth and development in children. A positive environment early in childhood is crucial not only for the health of a child, but for shaping the abilities, capabilities, and development of children, ultimately producing better outcomes in education and adult life.[9]

As a developed country, most Canadian children and families live beyond the reaches of poverty. However, it has been estimated that around 60% of Indigenous children living on-reserve are in poverty compared to the 17% of non-Indigenous children in Canada that live in poverty.[10] While poverty is devastating for all children, Indigenous children in Canada are disproportionately impoverished. Given the impacts of poverty on children and the prevalence of Indigenous children in poverty, agencies like First Nations Child and Family Services (FNCFS) may be interested in the overall incidence of poverty in First Nation communities, how it compares to the general population, and its overall impact on Indigenous children and families. By improving the understanding of these issues, it may be possible to guide policy in a manner that improves a variety of outcomes for Indigenous children and families for generations.

The remainder of this brief will examine data from the *2016 Census of Population* (Census) on median total household income. To determine the overall degree of poverty in First Nation communities, median household income was examined for 591 First Nation communities across Canada and compared to provincial poverty lines. The unweighted average of median total income of First Nation community households before and after-tax is shown in Table 1.

[7] Gustavsson, Nora and Ann E. MacEachron, "Poverty and Child Welfare, 101 Years Later," Social Work 55, no. 3 (07, 2010): 279.
[8] Leroy H Pelton, "The continuing role of material factors in child maltreatment and placement," *Child Abuse & Neglect* 41, (2015): 30-39.
[9] James J Heckman, "The Economics of Inequality: The Value of Early Childhood Education," *American Educator* 35, no. 1, (2011): 31-35.
[10] David MacDonald and Daniel Wilson, "Shameful Neglect: Indigenous Child Poverty in Canada," Canadian Centre for Policy Alternatives, 2016: 14.

Table 1.

Province	Unweighted Median HH income	
	Unweighted Average of Median Total Income of First Nation Households	Unweighted Average of Median After-Tax Income of First Nation Households
Alberta	$48,612	$47,384
British Columbia	$45,267	$42,738
Manitoba	$33,759	$33,495
New Brunswick	$33,693	$33,245
Newfoundland and Labrador	$77,397	$73,728
Nova Scotia	$31,915	$31,462
Ontario	$42,343	$41,652
Prince Edward Island	$45,888	$44,608
Quebec	$61,963	$60,059
Saskatchewan	$34,924	$34,620

Source: Statistics Canada, (2017)

Comparisons between average median income for First Nation communities made to the provincial poverty lines are calculated by using the Mixed Basket Measure (MBM). The MBM estimates the income necessary to lead a decent life by calculating a weighted average of the cost of purchasing essential items like shelter, clothing, and food, among others, for a family of four in a given region.[11] This measure provides a more accurate method of describing poverty than other measures commonly used in Canada like the Low-Income Measure (LIM) and Low-Income Cut-Off (LICO). The LICO has not been updated since 1993 except to adjust for inflation and does not include expenditures on transportation and communication technology.[12] As such, the LICO would not be appropriate for measuring poverty in a country that is as reliant on technology and communication infrastructure as Canada is in 2020.

On the other hand, the LIM uses a poverty threshold that is 50% of the median household income. While useful for establishing a relative measure of poverty, the LIM is highly sensitive to changes and variations in economic conditions.[13] The MBM separated by province is both a robust measure of relative and absolute poverty, as it indicates the ability to access a basket of goods deemed necessary to lead a decent life in a given region. For this brief, MBM cutoffs have been calibrated to communities with less than 30,000 inhabitants to allow for realistic comparisons to the conditions in First Nation communities. Provincial poverty lines based on the 2018 MBM are listed in Table

[11] Samir Djidel, Burton Gustajtis, Andrew Heisz, Keith Lam, Isabelle Marchand and Sarah McDermott, "Report on the second comprehensive review of the Market Basket Measure," *Statistics Canada*, (February 24, 2020), https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2020002-eng.htm.
[12] Alain Noë. "How do we measure poverty?," *Policy Options*, (November 9, 2017), https://policyoptions.irpp.org/magazines/november-2017/how-do-we-measure-poverty/.
[13] Noël, 2017.

2. All three territories are excluded from this analysis due to a lack of data necessary for calculating their respective poverty lines.

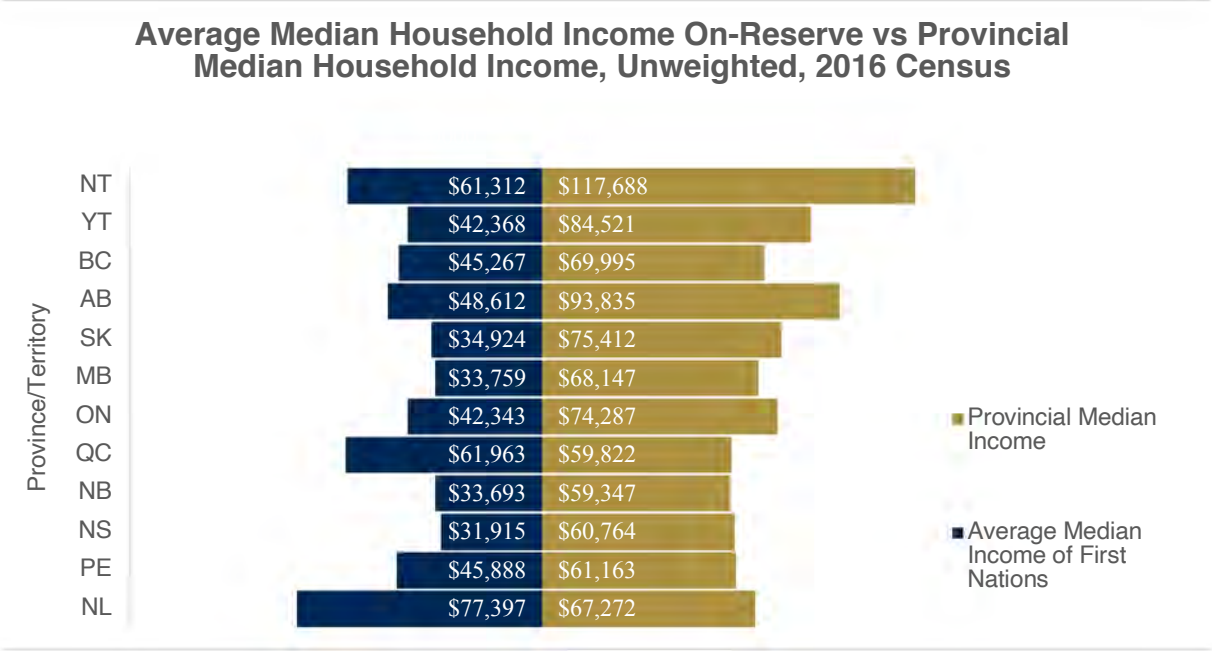
Table 2.

Province	Provincial Poverty Line (MBM, Based 2018)
Alberta	$46,158
British Columbia	$42,608
Manitoba	$40,780
New Brunswick	$42,284
Newfoundland and Labrador	$42,926
Nova Scotia	$42,494
Ontario	$41,250
Prince Edward Island	$42,283
Quebec	$37,397
Saskatchewan	$42,003

Source: Djidel et al., 2020.

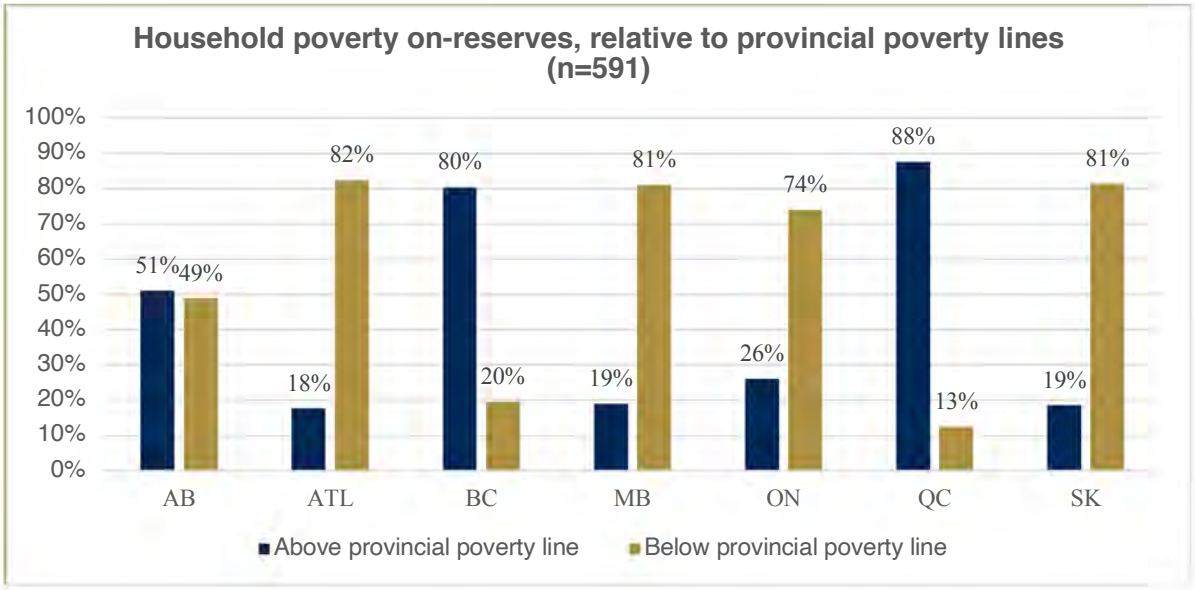
Before analyzing poverty, it is important to note that, in general, there are income disparities amongst the First Nation and general populations of Canada. Figure 1 shows both provincial median household income and the average median household income of First Nation communities in each province. Only First Nation community households in Quebec (4% above) and Newfoundland and Labrador (15% above) have average median household incomes that exceed that of their respective provinces. Among the remaining provinces and territories that are below provincial median household income, the size of gaps ranges from 54% below provincial median household income in Saskatchewan to 25% below provincial median household income in PEI. When considering poverty as the ability of a household to afford an MBM basket, the sizeable gaps in median household income suggest that Indigenous households are likely less able to afford the MBM basket than non-Indigenous households in the same province.

Figure 1.



Source: Statistics Canada, 2017.

Figure 2.



Source: Statistics Canada, 2017.

Analyzing Poverty Gaps

There is significant variation in the distribution of First Nation communities above and below poverty lines across provinces [Figure 2]. Notably, 100% of First Nation communities in New Brunswick and Nova Scotia have median household incomes that fall below the provincial poverty line. On the other hand, 100% of First Nation

communities in Prince Edward Island and Newfoundland and Labrador have median household incomes above their provincial poverty line. While observing the absolute proportions of First Nation communities falling below or above the provincial MBM defines the incidence of poverty, it may be impacted by outlier communities possessing median household incomes that are comfortably above the provincial poverty line. By removing all communities with median household incomes above the provincial poverty line and observing only the average of median household income for those communities that fall below the provincial poverty line, poverty gaps are sizeable.

By removing communities with median incomes above provincial poverty lines, the severity of poverty in the poorest First Nation communities across the country becomes more apparent. The gaps between average median household income and provincial poverty lines vary from a 12% gap in Quebec to 25% gaps in both British Columbia and Manitoba.

Discussion

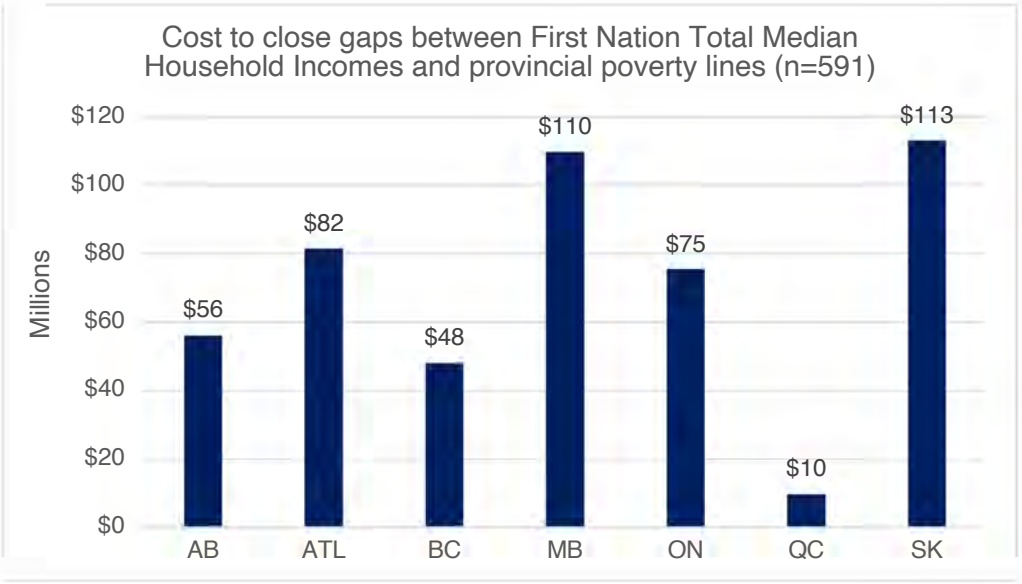
Poverty is the condition of lacking the resources necessary to access items that are essential to living a decent life. Data from the 2016 Census show that poverty is both prevalent and severe in many First Nation communities in Canada. Across all Canadian provinces, only two provinces (PEI and Newfoundland and Labrador) had no First Nation communities with median incomes below the provincial poverty line. First Nation communities in those provinces only make up 6 of the 591 (1%) First Nation communities analyzed in this brief. Overall, 52% of First Nation communities have median household incomes that fall below their provincial poverty line. These results suggest that large portions of the First Nation population in Canada live in poverty and are unable to access the items necessary to live decent lives by standards set within their provinces.

If eliminating poverty in First Nation communities is an objective, it could prove extremely costly to do so. Estimates of the cost to eliminate poverty in each province have been calculated in the table below by taking the average median household poverty gap in each community, multiplying by the estimated number of homes falling below the poverty line, and summing across provinces. This shows just how resource-intensive it could be for governments to eliminate poverty in First Nation communities. For example, in any scenario, it will cost over $100 million to close poverty gaps in Manitoba or Saskatchewan alone. To eliminate poverty in First Nation communities across the country, it would cost somewhere between roughly $490 million (see Figure 5).

It is worthwhile to note that, since poverty is a multifaceted issue extending far beyond income and consumption, investing in the most impoverished First Nation

communities in ways other than lump-sum transfers will likely be the most effective way to alleviate poverty. For example, by expanding existing infrastructure for water and broadband, more essential services may become available to these communities. By doing so, it may be possible to improve the quality of life in First Nation communities.

Figure 5.



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Appendix B: Health

Health Disparities between Indigenous and non-Indigenous Populations of Canada

Health is a broad and subjective term that is generally difficult to measure. Health is often measured by examining the incidence of certain conditions, perceived health, and life expectancy. Across North and South America, Indigenous people are consistently disadvantaged across all measures of health.[1] Some of the disparity in health for Indigenous Canadians has been justly attributed to the lasting and pervasive impacts of colonialism and the intergenerational trauma that has followed.[2] Moreover, another source of disparity in health may stem from income differentials. Average income is lower in Indigenous populations across North America than other demographics.[3] A more profound understanding of the roots of health disparities for Indigenous Canadians can be found by examining the lasting effects of colonialism and environmental degradation, areas in which Indigenous peoples, particularly in Canada, are disproportionately impacted.[4]

It is also important to note that Indigenous Canadians, particularly those living in remote environments, face unique challenges in accessing essential health services. In remote communities, health care services can be of lesser quality than in mainstream Canadian society. A report from the Auditor General of Canada in 2015 revealed that nursing stations in remote First Nation communities in Ontario and Manitoba had severe deficiencies and lacked the capacity to provide essential health services to their communities.[5] The report also found that the majority of nurses employed by these stations, while often registered with provincial regulatory bodies, had failed to complete all of Health Canada's mandatory training programs. Moreover, traditional First Nation medical customs and practices are not permitted to influence local health practices, leaving many communities to choose between sub-standard biomedical practices and underfunded cultural medicine.[6] Given the systemic and geographic barriers impeding access to medical care in many First Nation communities, disparities in health outcomes from the rest of the population are to be expected, and likely to persist.

The remainder of this brief will examine several health indicators and outcomes for the First Nation, Métis, and Inuit populations compared to the non-Indigenous identity population of Canada. The most recent health indicator profile from Statistics

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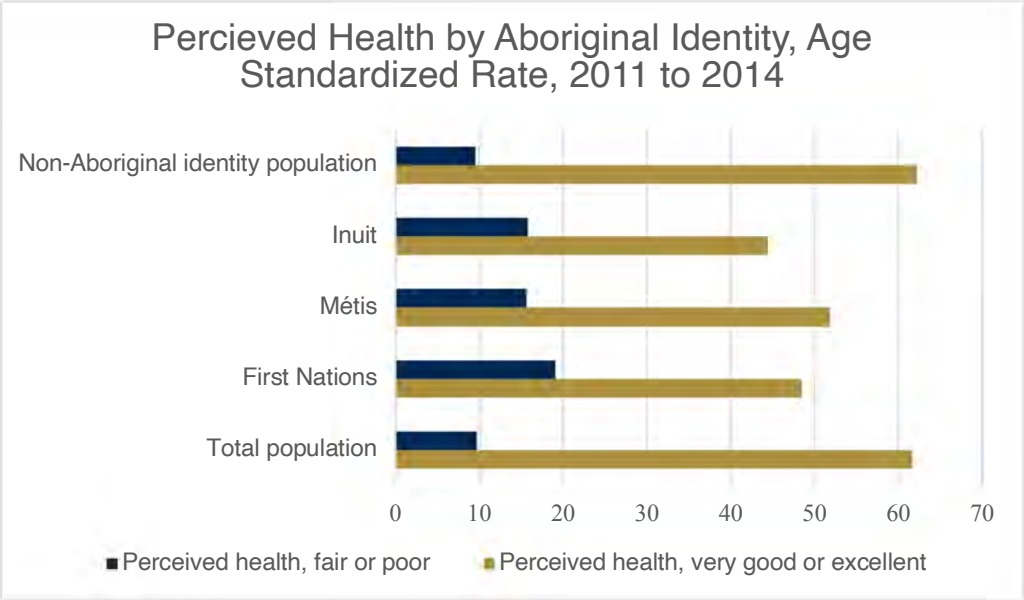
[1] Pan American Health Organization (PAHO), "Just Societies: Health Equity and Dignified Lives. Executive Summary of the Report of the Commission of the Pan American Health Organization on Equity and Health Inequalities in the Americas," (Washington, D.C.: PAHO; 2018): 10.
[2] Amy Bombay, Kim Matheson, and Hymie Anisman, "Intergenerational trauma." *Journal de la santé autochtone*, 5 (2009): 6-47.
[3] PAHO, 2018: 47.
[4] Charlotte L. Reading and Fred Wien, "Health Inequalities and Social Determinants of Aboriginal Peoples Health." *National Collaborating Centre for Aboriginal Health*, 2009; PAHO, 2018: 28.
[5] Office of the Auditor General of Canada, "Report 4 – Access to Health Services for Remote First Nations communities," *2015 Spring Reports of the Auditor General of Canada*, (2015).
[6] Richard Matthews, "The cultural erosion of indigenous people in health care," *CMAJ : Canadian Medical Association journal = journal de l'Association medicale Canadienne* 189, no 2 E78–E79: (2016).

Canada presents data broken down by Indigenous identity on access to care, incidence of chronic conditions, smoking and alcohol usage, self-reported health, body mass index, and life expectancy. For almost every indicator, the Indigenous population groups exhibit worse outcomes than both the Non-Indigenous identity population and the total population. While this data, published by Statistics Canada in 2016, is relatively old, they reveal consistently large gaps in health. Considering large portions of these health disparities originate from structural barriers[7], the differences in health between the Indigenous and general populations in Canada are unlikely to have changed drastically by 2020.

Self-Reported Health

Figure 1.



Source: Statistics Canada (2016)

Self-reported measures of health have been demonstrated to be reliable and stable predictors of actual health.[8] In Canada, Indigenous populations are more likely to report age-standardized rates of fair or poor health (19.1 for First Nations, 15.6 for Métis, 15.8 for Inuit) and less likely to report very good or excellent (48.5, 51.8, 44.4) than the non-Indigenous population (9.5 poor/fair, 62.2 very good/excellent) [Figure 1].[9] Similarly, Indigenous identity populations are less likely to report very good or excellent mental health (61.3, 63.7, 59.6) and more likely to report fair or poor mental health (10.8, 8.7, 6.8) than non-Indigenous Canadians (72.7, 5.7). Moreover, Indigenous

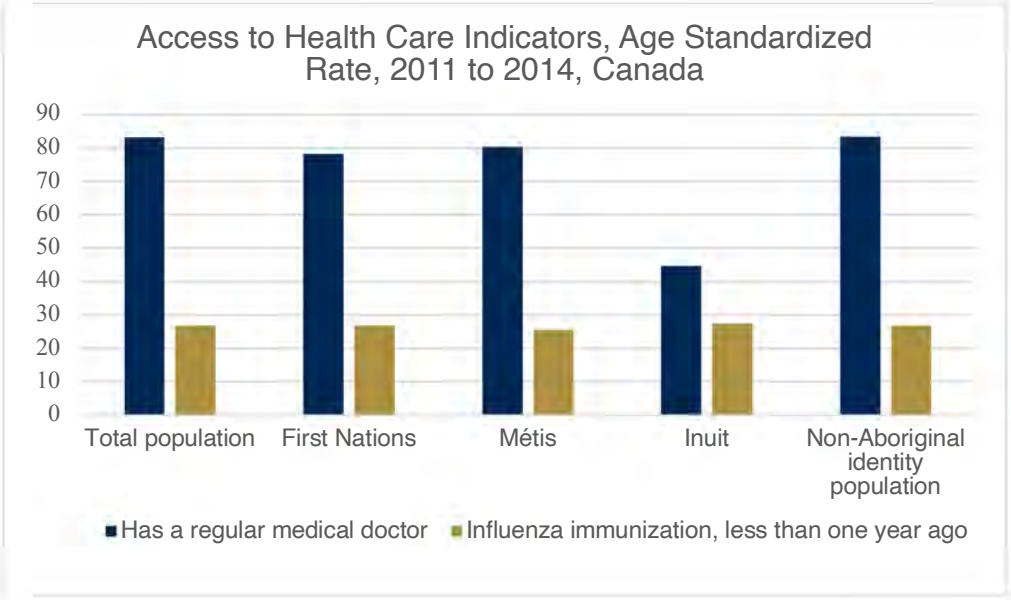
[7] See Reading and Wien, (2009).
[8] Seppo Miilunpalo, Ilkka Vuori, Pekka Oja, Matti Pasanen, and Helka Urponen, "Self-rated health status as a health measure: the predictive value of self-reported health status on the use of physician services and on mortality in the working-age population," *Journal of clinical epidemiology* 50, no. 5 (1997): 517.
[9] Statistics Canada, “Health indicator profile, by Aboriginal identity and sex, age-standardized rate, four-year estimates,” 13-10-0099-01, (December 9, 2016).

identity populations reported lower overall age-standardized rates of life satisfaction (88.6, 91.6, 87.9) than the non-Indigenous population (93.1).[10]

Access to Health Care

Consistent with the access to care hypothesis, the Indigenous population has less access to health care than the general population. While having access to a regular to a medical doctor is relatively close between First Nations (78.2), Métis (80.4), and non-Indigenous Canadians (83.4), the Inuit population lags considerably behind in this indicator with an age-standardized rate of only 44.8. However, the Inuit population is more likely to have received influenza immunization in the last year (27.4) than all other Indigenous population (26.9, 25.5) groups and the non-Indigenous population (26.9) [see Figure 2] .

Figure 2.



Source: Statistics Canada (2016).

Health Conditions

The Indigenous population groups in Canada are more likely to report one of the health conditions reported in Figure 3 than the non-Indigenous population. The only exception is high blood pressure, where the Inuit population (13.2) is slightly less likely to report an issue compared to the non-Indigenous population (13.3). In fact, when it comes to reporting respiratory problems, diabetes, asthma, and arthritis, Inuit Canadians experience these conditions in frequencies only slightly above the non-Indigenous

[10] Statistics Canada, "Health indicator profile, by Aboriginal identity and sex, age-standardized rate, four-year estimates," 13-10-0099-01, (December 9, 2016).

population. First Nation and Métis Canadians report these conditions in much greater frequencies than the Inuit population.

Figure 3

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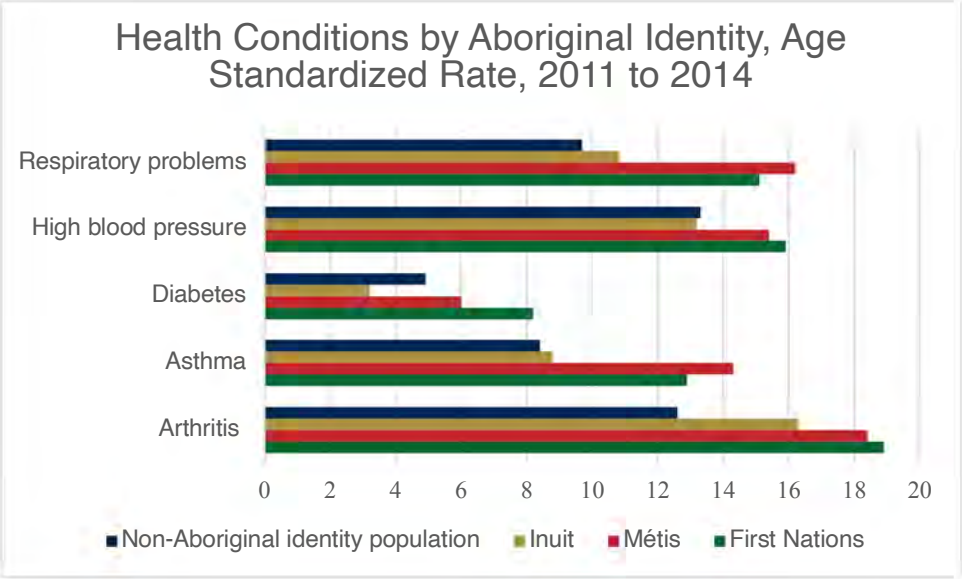
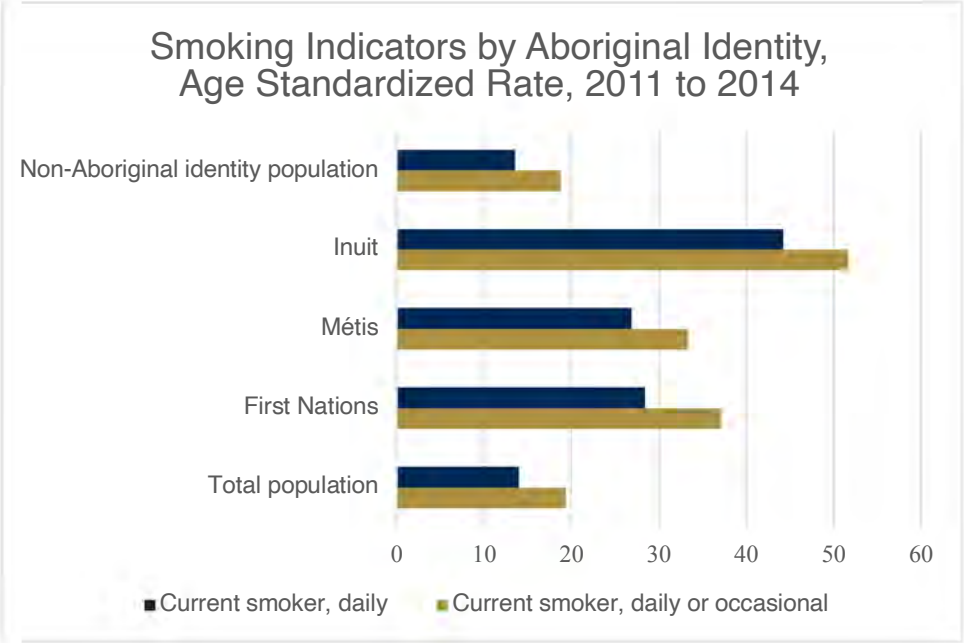


Source: Statistics Canada (2016)

Smoking and Alcohol Use

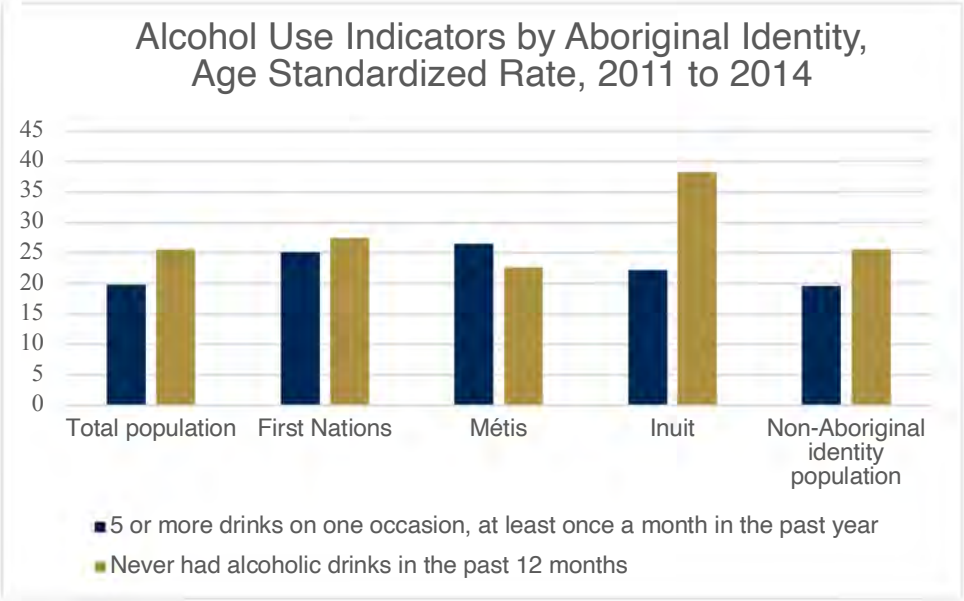
Some of the disparity in health conditions like high blood pressure and respiratory problems may stem from the increased frequency of smoking and alcohol use amongst the Indigenous population groups. Each of the Indigenous population groups reports being a daily smoker (28.4, 26.9, 44.2) in frequencies at least twice as great of that in the non-Indigenous population (13.5) [Figure 4]. Indigenous population groups are also more likely to be exposed to second-hand smoke at home (11.3, 8, 8.9) compared to the non-Indigenous population (5.1). In terms of alcohol use [Figure 5], Indigenous population groups were more likely to have reported consuming five or more drinks on one occasion in a given month (25.1, 26.5, 22.2) compared to the non-Indigenous population (19.6). However, First Nations and Inuit Canadians (27.4, 38.2) were each more likely to have not drunk alcohol in the previous year than non-Indigenous Canadians (25.5).

Figure 4.



Source: Statistics Canada (2016).

Figure 5.

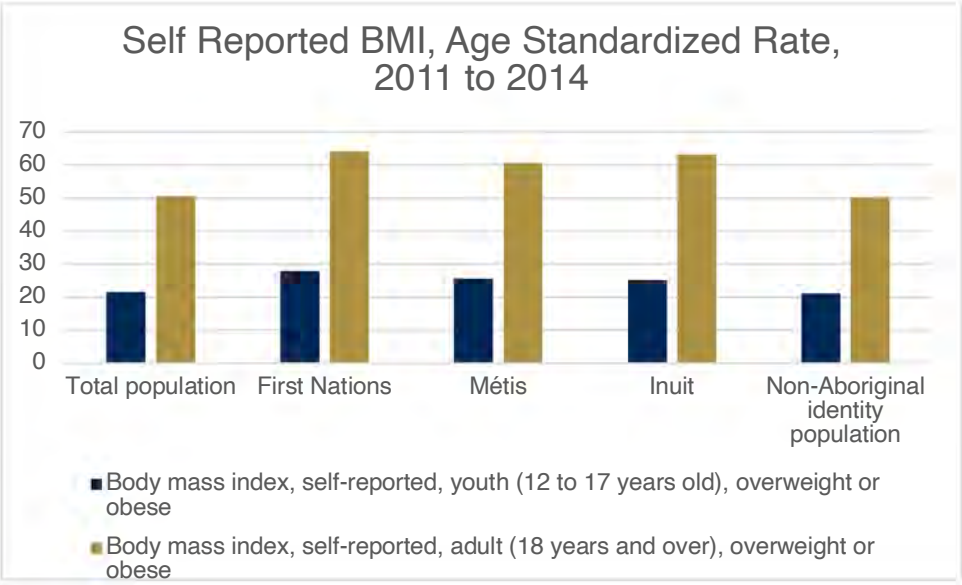


Source: Statistics Canada, 2016.

Body-Mass Index

Age-standardized rates of self-reported body mass index (BMI) suggest that both Indigenous youth (age 12 to 17 years) and adults (age 18 years or greater) are more likely to be overweight or obese than the non-Indigenous segment of the population. Of Indigenous adults, First Nation adults reported age-standardized rates of overweight/obese BMI of 64.2, Métis reported 60.6, and Inuit reported 63.2 compared to the 50.2 reported by non-Indigenous adults. Across all populations, youth report lower rates of overweight/obese BMI, although the overall trend is the same, with Indigenous youth reporting higher rates (27.9, 25.5, 25.1) than non-Indigenous youth (21.2) [Figure 6].

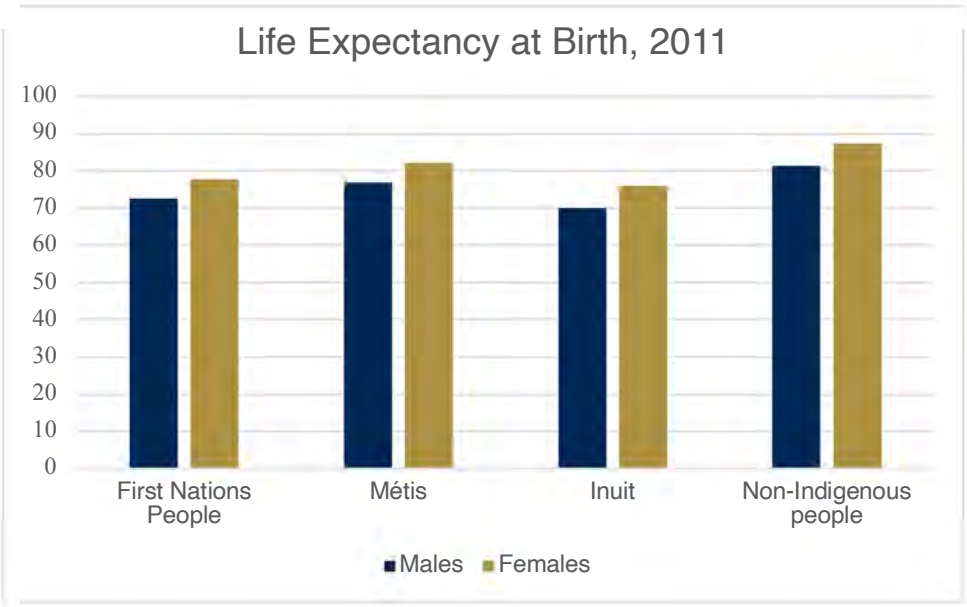
Figure 6.



Source: Statistics Canada, 2016.

Life Expectancy

Figure 7.

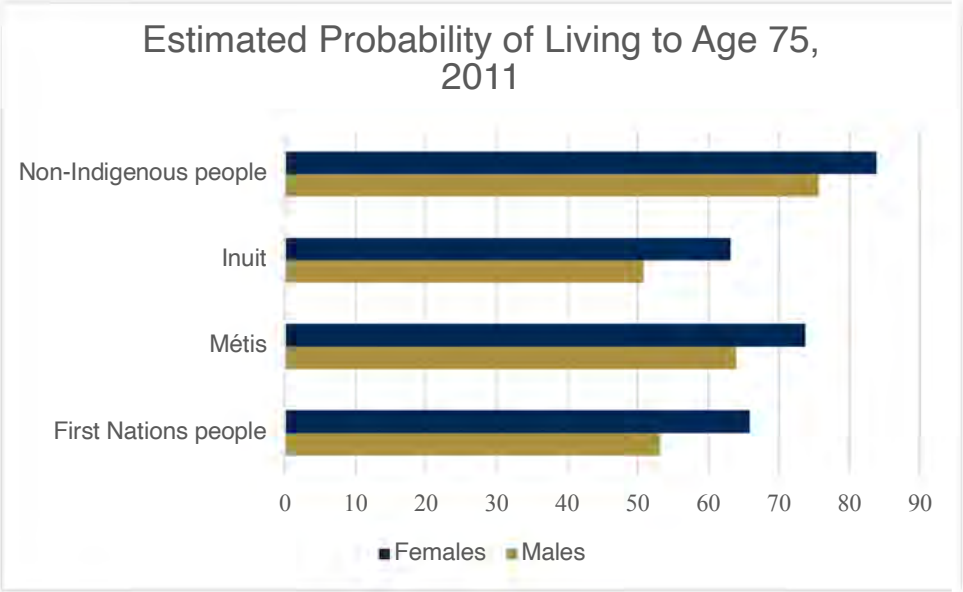


Source: Tjepkema, Bushnik, and Bougie, 2019.

Life expectancy is a common way of measuring the health of a community or group of people by observing trends in mortality. Life expectancy at birth encapsulates the health of a population across all age groups to estimate the expected life span of an individual at birth.[11] Given that health is influenced by several factors including access to clean water, housing quality, income, and education, it is unsurprising that the Indigenous population groups have lower life expectancies for both males and females than non-Indigenous populations [Figure 7].

[11] Statistics Canada, "Life expectancy," September 28, 2016.

Figure 8.



Source: Tjepkema, Bushnik, and Bougie, 2019.

In 2011, life expectancy for men was 72.5 years for First Nations, 76.9 years for Métis, and 70 years for Inuit.[12] However, for men in First Nations, it was estimated that in 2011, the probability of living to age 75 was 53.2%, 64% for Métis men communities, and 50.8% for Inuit men [see Figure 8]. Comparatively, life expectancy for non-Indigenous men was 81.4 for non-Indigenous men with a 75.7% chance of living to age 75. Females in Indigenous population groups fair slightly better in terms of life expectancy, with 77.7 years for First Nations, 82.3 years for Métis, and 76.1 for Inuit. First Nations, Métis, and Inuit women have probabilities of 65.9%, 73.8%, and 63.1%, respectively, of living to age 75 [see Figure 8]. Non-Indigenous women still fair much better with a life expectancy of 87.3 years and an 83.8% probability of living to at least 75 years of age.

Discussion

Overall, health indicators like life expectancy suggest that there are disparities in health between Indigenous population groups and non-Indigenous Canadians. This is supported by data for health outcomes, which almost always produce negative results for Indigenous Canadians relative to the non-Indigenous segment of the population. While these are important results, data used for this brief is dated, with most measures of health being reported from nearly a decade ago. While there is more recent data available for Canadians in general, this data is not available at the level of Indigenous identity, rendering comparisons between Indigenous and non-Indigenous segments of the Canadian population extremely difficult. Although it is not difficult to imagine that

[12] Michael Tjepkema, Tracey Bushnik and Evelyne Bougie, "Life expectancy of First Nations, Métis and Inuit household populations in Canada," *Statistics Canada Health Reports*, (December 18, 2019: 5..

health disparities persist in 2020, more recent data is necessary to fully understand the current nature of disparities.

From a policy perspective, what is important to take away from this brief is that there have been disparities in health between Indigenous and non-Indigenous Canadians that have persisted throughout the history of this country. While this brief has explored some of the potential underlying reasons as to why disparities exist, such as the use of alcohol and prevalence of smoking, more research is necessary to uncover the true impacts of other causes of differential health outcomes. Among the list of things that may be key contributors are access to clean and safe water, housing and overcrowding in living conditions, and access to quality health care. By better understanding the causes of differential health outcomes, policy can be guided to alleviate differences and promote the health of all Canadians.

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Appendix C: Housing

The State of Housing in First Nation Communities

Access to safe, secure, and affordable housing plays a critical role in personal stability and overall quality of life. Studies have shown that access to housing is a socioeconomic indicator of both physical and mental health.[1] As people living in a developed economy, the majority of Canadians typically have access to adequate housing. First Nation communities in Canada, however, still notice overcrowding, poor states of repair, inadequate infrastructure, and issues relating to the affordability of housing. Of homes on-reserve, only three quarters are considered adequate for living by First Nation housing managers.[2] The Assembly of First Nations (AFN) has consistently expressed concern with the living conditions in First Nation communities. Mould contamination, lack of infrastructure, and obstacles to accessing housing programs are commonplace for on-reserve First Nation communities.[3]

The *2016 Census of Population* (Census) is the most recent source of Canadian housing data. An assessment of Census data reveals that there are disparities in living conditions between on- and off-reserve communities. The remainder of this brief will examine the Census data and analyze key housing areas where disparities between Indigenous populations and the general population exist. This brief will also explore disparities between on- and off-reserve populations in Canada.[4] Two particular variables that will be examined from the 2016 Census data are the number of dwellings in need of repair and the number of persons per room in a given dwelling. The number of dwellings in need of repair categorizes dwellings as one of "regular maintenance needed," "minor repairs needed," or "major repairs needed." This measure provides an approximation of the quality of housing amongst the population segments of interest. Persons per room categorizes dwellings as "1 person or fewer per room" or "more than 1 person per room." The latter is subdivided into "more than 1 person but less than 1.50" and "1.50 persons or more." The persons per room variable estimates the degree of overcrowding in the populations of interest.

Dwellings in Need of Repair

Observing the general population (the population of Canada, regardless of Indigenous identity or geography), the Census data estimates 22,933,440 (66.6%) people live in dwellings that require regular maintenance, 9,227,860 (26.8%) live in

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[1]Kathryn MacKay and John Wellner, “Housing and health: OMA calls for urgent government action, housing-supportive policies to improve health outcomes of vulnerable populations,” *Ontario Medical Association Health Promotion*. (July 2013); Lisa Garnham and Steve Rolfe, "Housing as a social determinant of health: evidence from the Housing through Social Enterprise study," (2019), 41.

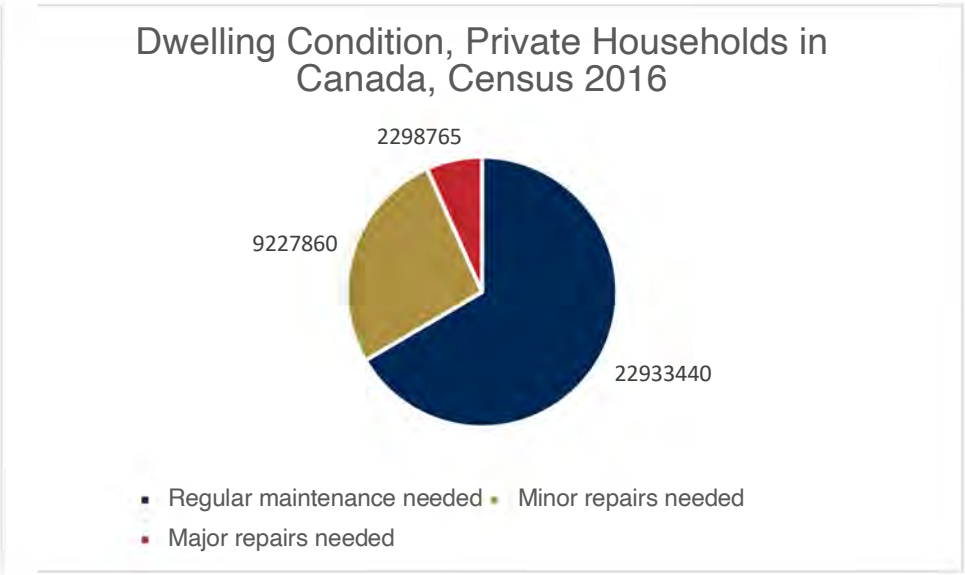
[2] Indigenous and Northern Affairs Canada (INAC), “Evaluation of On-Reserve Housing,” (January 2017).

[3] Assembly of First Nations (AFN), “Fact Sheet – First Nations Housing On-Reserve,” (June 2013).

[4] “Aboriginal identity” is defined as an amalgamation of the 2016 census responses “First Nations (North American Indian),” “Métis,” “Inuk (Inuit),” “Multiple Aboriginal responses,” and “Aboriginal responses not included elsewhere.”

dwellings that require minor repairs, and 2,298,765 (6.7%) live in dwellings that require major repairs [Figure 1.].[5]

Figure 1.

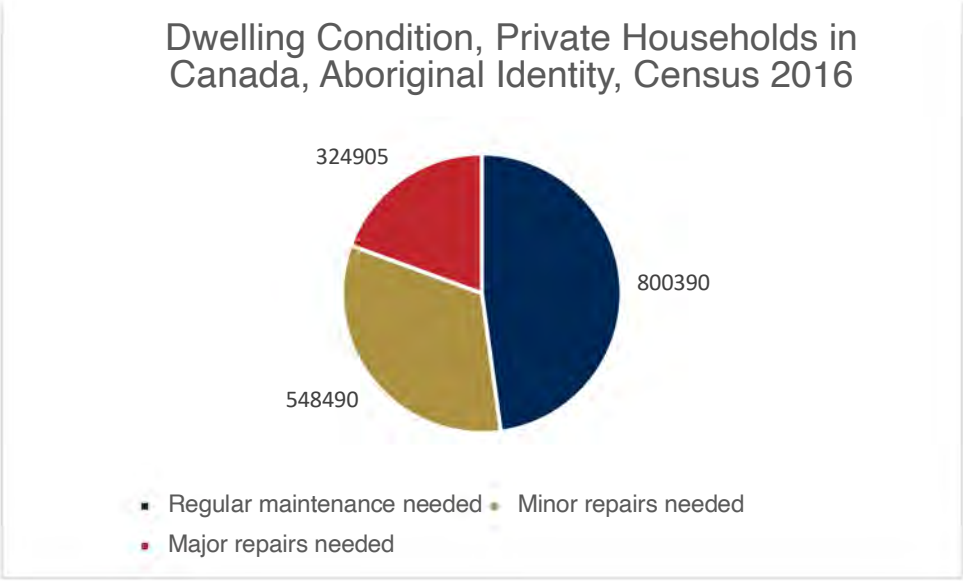


Source: Statistics Canada.

By contrast, the Census estimates that of Canadians with Indigenous identity 800,390 (47.8%) live in dwellings that require regular maintenance, 548,490 (32.8%) live in dwellings that require minor repairs, and 324,905 (19.4%) live in dwellings that require major repairs [Figure 2].[6]

[5] Statistics Canada. 2017, "Aboriginal Identity, Dwelling Condition, Registered or Treaty Indian Status, Residence by Aboriginal Geography, Age and Sex for the Population in Private Households of Canada, Provinces and Territories, Census Metropolitan Areas and Census Agglomerations, 2016 Census - 25% Sample Data," *2016 Census*. 98-400-X2016164, Modified 2019-06-17.
[6] Statistics Canada, 98-400-X2016164.

Figure 2.

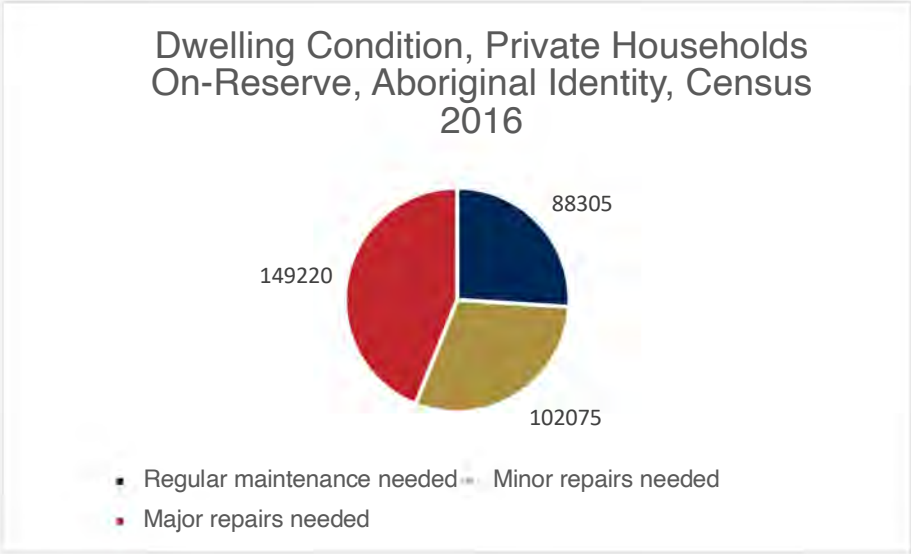


Source: Statistics Canada

Overall, the Census estimates that roughly half of Indigenous-identifying Canadians live in a dwelling in need of some type of repair (minor or major), while only one-third of the general population lives in a dwelling of similar conditions. When considering Canadians of Indigenous identity who live on-reserve, the Census estimates that 88,305 (26%) live in dwellings that require regular maintenance, 102,075 (30%) live in dwellings that require minor repairs, and 149,220 (44%) live in dwellings that require major repairs [Figure 3].[7] That is to say that the Census estimates three-quarters of Indigenous identity Canadians living on-reserve live in households that require some degree of repair.

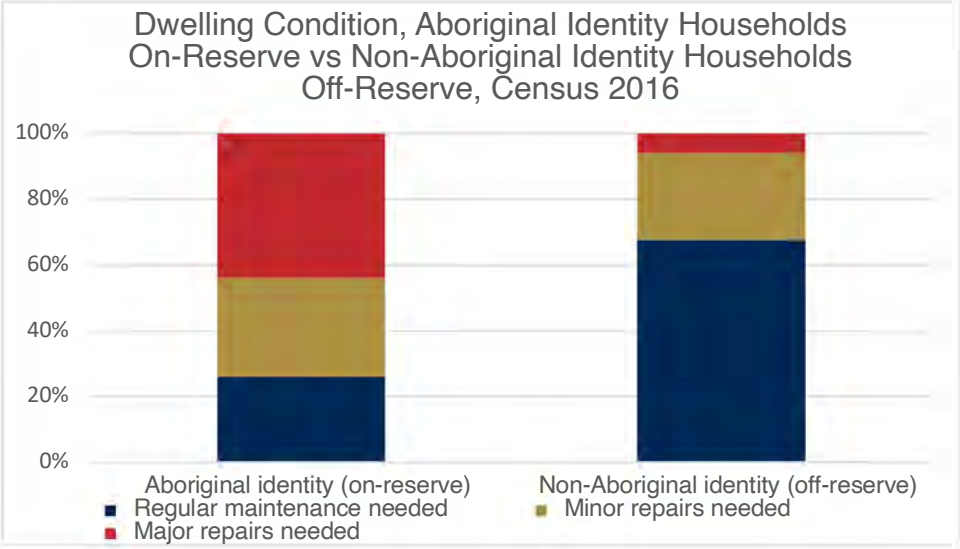
[7] Statistics Canada, 98-400-X2016164.

Figure 3.



Source: Statistics Canada.

Figure 4.



Source: Statistics Canada.

The differences in estimated dwelling conditions are between the Indigenous identity population living on-reserve, and the non-Indigenous identity population living off-reserve are compared in Figure 4. The Census approximates that 22,105,415 (68%) non-Indigenous identity Canadians residing off-reserve live in dwellings that require regular maintenance, while 8,670,250 (26%) live in dwellings that require minor repairs, and 1,969,855 (6%) live in dwellings that require major repairs [see Figure 4].[8] The Census estimates suggest that the population living on-reserving and reporting

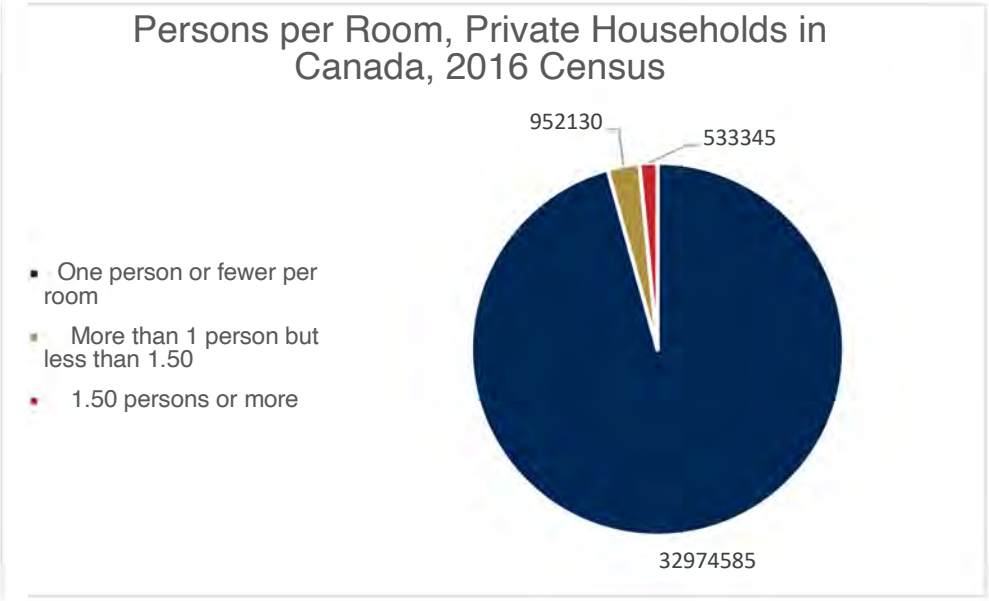
[8] Statistics Canada, 98-400-X2016164.

Indigenous identity are more than twice as likely than those of non-Indigenous identity living off-reserve to reside in a dwelling requiring some degree of repair.

Persons per Room

The Census estimates that in the general Canadian population 32,974,585 (95.7%) people live in dwellings the have 1 person or fewer per room, 952,130 (2.8%) live in dwellings with more than 1 person but less than 1.5, and 533,345 (1.5%) live in dwellings with more than 1.5 people per room [Figure 5].[9]

Figure 5.



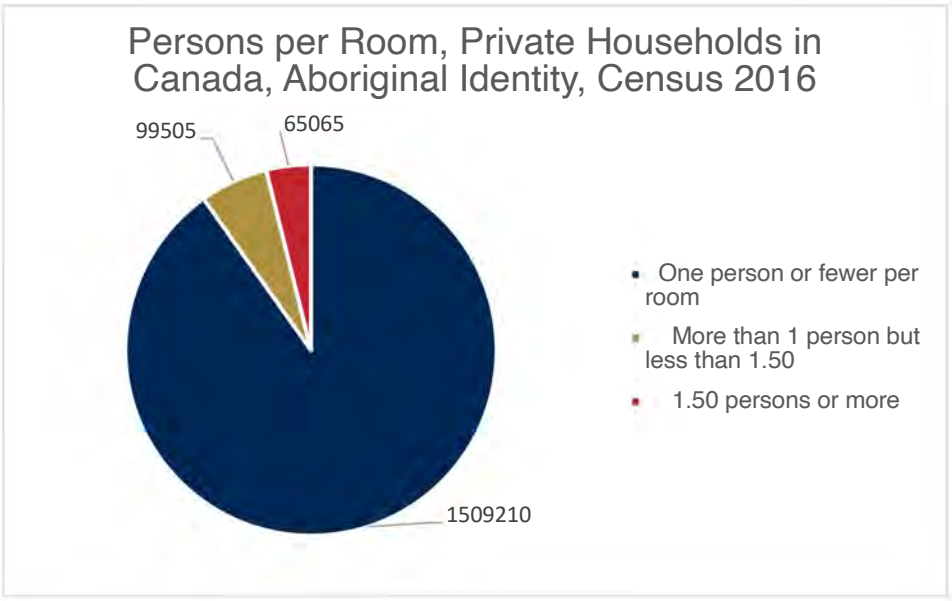
Source: Statistics Canada

The Census estimates that of Canadians with Indigenous identity 1,509,210 (90.2%) live in dwellings with 1 person or fewer per room, 99,505 (5.9%) live in dwellings with between 1 and 1.5 persons per room, and 65,065 (3.9%) live in dwellings with more than 1.5 persons per room [Figure 6].[10] The estimates suggest that roughly 9.8% of the Indigenous identity population live in dwellings with more than one person per room, while 4.3% of the general population live in dwellings with more than one person per room.

[9] Statistics Canada. 2017, "Aboriginal Identity, Number of Persons per Room, Registered or Treaty Indian Status, Housing Suitability, Residence by Aboriginal Geography, Age and Sex for the Population in Private Households of Canada, Provinces and Territories, 2016 Census - 25% Sample Data," *2016 Census,* 98-400-X2016163. Modified 2019-06-17.

[10] Statistics Canada, 98-400-X2016163.

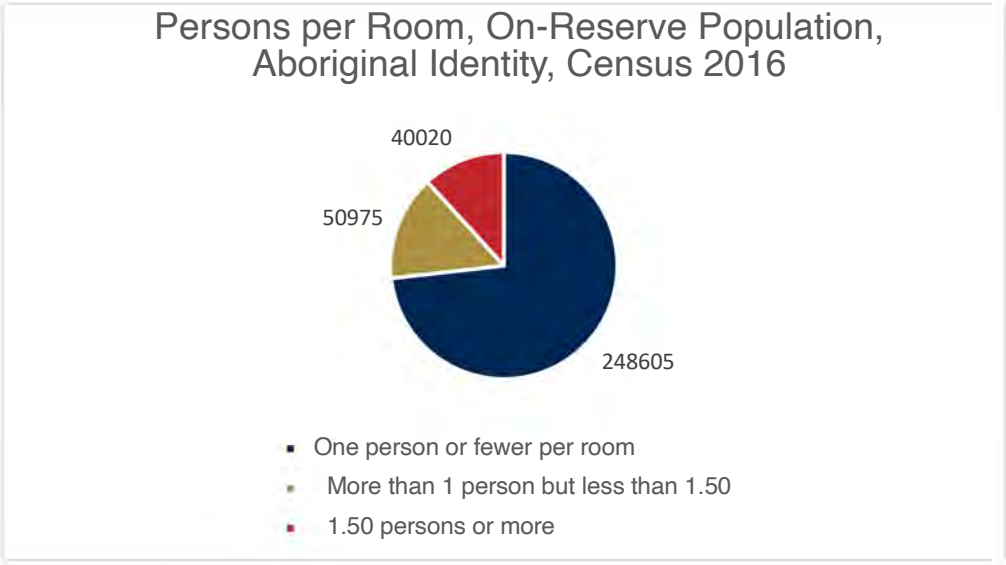
Figure 6.



Source: Statistics Canada

As was the case with the repair of dwelling, variation in persons per room becomes more pronounced when observing the estimation of the Indigenous identity population who also live on-reserve. The Census estimates that of those with Indigenous identity who also live on-reserve 248,605 (73%) live in dwellings with 1 person or fewer per room, 50,975 (15%) live in dwellings with between 1 and 1.5 persons per room, and 40020 (12%) live in dwellings with more than 1.5 persons per room [Figure 7].[11]

Figure 7.

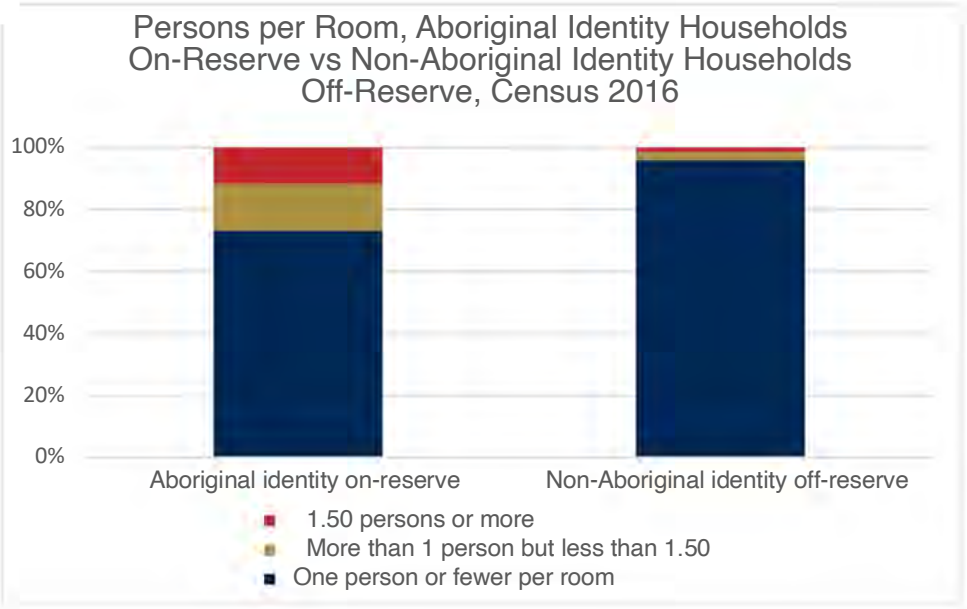


Source: Statistics Canada.

[11] Statistics Canada, 98-400-X2016163.

Inequalities are apparent when comparing the Indigenous identity population living on-reserve with the non-Indigenous identity population living off-reserve. The Census estimates that of non-Indigenous identity Canadians living off-reserve, 31,425,775 (96%) live in dwellings with 1 person or fewer per room, 851,920 (3%) live in dwellings with more than 1 person but less than 1.5 persons per room and 467,825 (1%) live in dwellings with more than 1.5 persons per room [Figure 8].[12] Overall, Indigenous identifying Canadians living on-reserve are about eight times more likely than non-Indigenous identifying Canadians living off-reserve to live in crowded conditions of more than one person per room in a household.

Figure 8.



Source: Statistics Canada.

Discussion

Studies have shown that access to safe, secure, and affordable housing is a socioeconomic indicator of both physical and mental health while also being a contributor to overall well-being. The vast majority of Canadians live in homes that are of acceptable repair and are not overcrowded. The same cannot be said for the segment of the population living in First Nation communities. Estimates from the *2016 Census of Population* suggest that there exist disparities in housing quality and living conditions between Indigenous identity Canadians and the rest of the population. Notably, the Census estimates suggest that the population living on-reserve and reporting Indigenous identity are more than twice as likely than those of non-Indigenous identity living off-reserve to reside in a dwelling requiring some degree of repair and

[12] Statistics Canada, 98-400-X2016163.

about eight times more likely to live in crowded conditions. These estimates speak to the concerns of groups like AFN regarding the living conditions on-reserve in Canada. Nevertheless, the Census only produces an estimate of living conditions. Conducting more comprehensive surveys and collecting data on housing at a larger scale and a greater degree of granularity may allow for more concrete conclusions about the state of housing in First Nation communities in Canada to be drawn.

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Statistics Canada. 2017. "Aboriginal Identity, Number of Persons per Room, Registered or Treaty Indian Status, Housing Suitability, Residence by Aboriginal Geography, Age and Sex for the Population in Private Households of Canada, Provinces and Territories, 2016 Census - 25% Sample Data." *2016 Census.* 98-400-X2016163. Modified 2019-06-17. [https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/dt-td/Rp-eng.cfm?TABID=2&LANG=E&A=R&APATH=3&DETAIL=0&DIM=0&FL=A&FREE=0&GC=01&GL=-1&GID=1334853&GK=1&GRP=1&O=D&PID=110518&PRID=10&PTYPE=109445&S=0&SHOWALL=0&SUB=0&Temporal=2017&THEME=122&VID=0&VNAME=&VNAMEF=&D1=0&D2=0&D3=2&D4=0&D5=0&D6=0]

Appendix D: Water

The State of Access to Water in First Nation Communities

Water is an essential part of human life to which many Canadians enjoy safe, secure, and regular access. Canada is home to the third-largest supply of renewable fresh water in the world, with 103,899 m^3 per capita.[1] With access to a vast supply of water, the majority of Canadians avoid the consequences of consuming contaminated water, which include preventable conditions like cholera, diarrhea, dysentery, hepatitis A, and polio.[2] Studies have shown that drinking contaminated water is associated with a 5 to 7% lower likelihood of reporting good health and a 4% higher probability of reporting a health condition or stomach problem.[3] Despite the ubiquity of water found in Canada and the global understanding of the vital role water plays in human well-being, there remain significant gaps in the ability to access water in First Nation communities across the country. Access to safe and clean drinking water has been recognized internationally by the United Nations General Assembly as a human right since 2010.[4] The lack of access to water in First Nation communities has been seen internationally as Canada failing to uphold its commitments under the *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP), while also failing to uphold its legal obligations under treaties like the *International Covenant on Economic, Social, and Cultural Rights* (ICESCR).[5] Canada has been urged in recent years by the United Nations Committee on Economic, Social, and Cultural Rights to fulfill its commitment to ensure safe drinking water and sanitation for First Nations while also promoting their active participation in water planning and management.[6]

The ability to access water is often viewed as a binary topic in that one either can or cannot access water safely. However, access to water is a multi-dimensional issue that relies on several components. The Center for Disease Control and Prevention (CDC), the United Nations International Children's Emergency Fund (UNICEF) and the World Health Organization (WHO) have adopted a method of assessing access to water based on the incidence of "improved drinking water sources," which encapsulates the complexities of access to water. Examples of improved drinking water sources include: piped household water connection, public standpipe, borehole, protected dug well, protected spring, and rainwater collection.[7] Among unimproved drinking water sources are: unprotected dug well, unprotected spring, surface water (river, dam, lake, pond, stream, canal, irrigation channel), vendor-provided water (cart with small tank/drum,

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[1] Statistics Canada, "Human Activity and the Environment 2016: Freshwater in Canada," (2017), https://www150.statcan.gc.ca/n1/pub/16-201-x/16-201-x2017000-eng.htm.

[2] World Health Organization (WHO), "Drinking-water," (2020), https://www.who.int/news-room/fact-sheets/detail/drinking-water#:~:text=Key%20facts,at%20least%20a%20basic%20service..

[3] Melanie O'Gorman, and Stephen Penner, "Water infrastructure and well-being among First Nations, Métis and Inuit individuals in Canada: what does the data tell us?," *Environmental Science and Pollution Research* 25, no. 33 (February 8, 2018): 33041.

[4] United Nations (UN), "Resolution adopted by the General Assembly on 28 July 2010," (August 3, 2010).

[5] Human Rights Watch (HRW), "Make it Safe: Canada's Obligation to End the First Nations Water Crisis," (2016).

[6] United Nations Committee on Economic, Social and Cultural Rights, "Concluding observations on the sixth periodic report of Canada," E/C.12/CAN/CO/6, (March 23, 2016), paragraph 44.

[7] Centers for Disease Control and Prevention (CDC), "Assessing Access to & Sanitation," (June 22, 2017).

tanker truck), bottled water, and tanker truck water.[8] One may technically have access to water if the only means of doing so is through bottled or trucked water. However, this method of accessing water is inconvenient, expensive for individuals, and environmentally unsustainable. That is why such methods are considered unimproved sources of drinking water by the CDC, UNICEF, and WHO. Likewise, having access to water by a pipe through community water systems, although convenient, neglects that such water may be unsafe for daily use if the source water is highly contaminated or if the treatment facility is poorly monitored.

At the federal level, Canada has failed to adopt similar standards for access to water. Health Canada does employ the *Guidelines for Canadian Drinking Water Quality*, designed to direct the focus of water quality regulation for provinces and territories.[9] Quality of water, while essential, is only part of the story. When judging access to water, it is also important to consider how individuals get their water, and whether or not quality water is easily accessible. Canadians learned this through the tragedy in Walkerton, Ontario, after nearly half of the community fell ill, and seven people died from an E. coli outbreak in the summer of 2000.[10] In the wake of the Walkerton tragedy, it became incumbent upon the provinces and territories to regulate water quality within their jurisdictions. In the early 2000s, provincial governments adopted a multi-barrier approach to protecting the drinking water supply, which includes source water protection, water treatment, water monitoring, and on-going water supply management for communities in their jurisdiction.[11] The multi-barrier approach ensures that Canadians not only have water that is easily accessible but also safe for daily use.

First Nation communities, however, do not benefit from the multi-barrier strategy to water supply protection and are at a disadvantage in terms of the way water quality is regulated. Since on-reserve communities are considered Crown land, and thus under the direct control of the federal government, they do not benefit from the protection afforded to non-reserve communities by provincial water quality standards. In practice, it is the First Nation chiefs and band council that are responsible for providing services, including water systems, on-reserve through a budget provided by the federal government.[12] This system has the federal government cover a portion of the operations and maintenance costs for First Nation public water systems, leaving a 20 percent gap to be filled by First Nation communities themselves, regardless of the community's ability to contribute necessary funds.[13] While there was a framework for regulating the

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[8] CDC, 2017.
[9] Government of Canada, "Drinking water quality in Canada," (2019), https://www.canada.ca/en/health-canada/services/environmental-workplace-health/water-quality/drinking-water.html.
[10] CBC News, "Inside Walkerton: Canada's worst-ever E. coli contamination," (May 10, 2010), https://www.cbc.ca/news/canada/inside-walkerton-canada-s-worst-ever-e-coli-contamination-1.887200#:~:text=Canada's%20worst%2Dever%20outbreak%20of,in%20the%20local%20water%20system.
[11] Dan Walters, Nicholas Spence, Kayli Kuikman, and Budhendra Singh, "Multi-Barrier Protection of Drinking Water Systems in Ontario: A Comparison of First Nation and Non-First Nation Communities," *International Indigenous Policy Journal* 3, no. 3 (2012): 1.
[12] HRW, 2016.
[13] HRW, 2016.

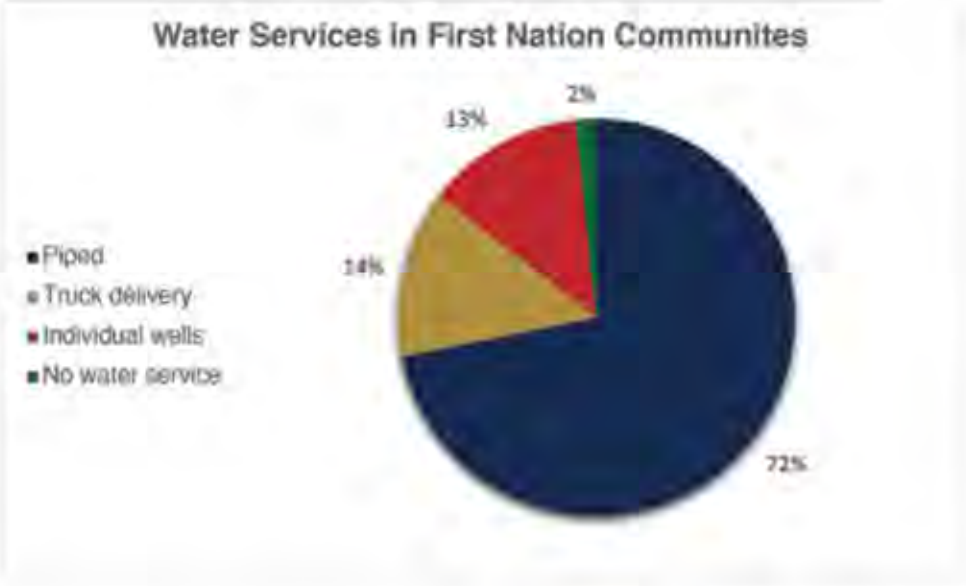
quality of the water supply in First Nation communities set forth by Indigenous and Northern Affairs Canada (INAC) in 2013, such measures are largely symbolic as they do not impose legally binding obligations for community water systems to reach a certain threshold for water quality.[14] The INAC framework was criticized by leaders in First Nation communities for failing to consult with the communities themselves appropriately.[15]

By contrast, a given non-reserve water system is subject to strict regulations and standards controlled by all levels of government. At the federal level, Health Canada's Water and Air Quality Control Bureau conducts research and development for community water systems.[16] Since the Walkerton tragedy, it has been the provincial government's responsibility to oversee day-to-day regulation of water quality. Municipal governments are to oversee the day-to-day operation of water treatment facilities.[17] While off-reserve communities have their water systems monitored by each level of government in some capacity, First Nation communities are responsible for operating, maintaining, and even funding portions of their water systems with little external aid. Given the governance gap, any disparities that may arise between First Nation communities and the general population in terms of access to water are unsurprising.

The issue of access to water in Canada has been poorly informed due to gaps in data collection and availability on the subject. The most notable effort to gather data on water quality, availability, and overall risk was undertaken by Neegan Burnside Limited at the direction of INAC and was published in 2011. The purpose of this survey was to highlight deficiencies in First Nation water and wastewater systems, identify water needs for each community, and guide infrastructure projects for the following decade.[18] Through a survey of 571 First Nation communities and 807 water systems, data was collected in addition to a risk level analysis conducted per INAC guidelines.[19]

[14] Indigenous Services Canada (ISC), "Safe Drinking Water for First Nations Act," (June 23, 2017).
[15] HRW, 2016.
[16] Government of Canada, 2019.
[17] Government of Canada, 2019.
[18] Neegan Burnside ltd, "National Assessment of First Nations Water and Wastewater Systems," (April 2011): 1.
[19] Neegan Burnside ltd, 1.

Figure 1.



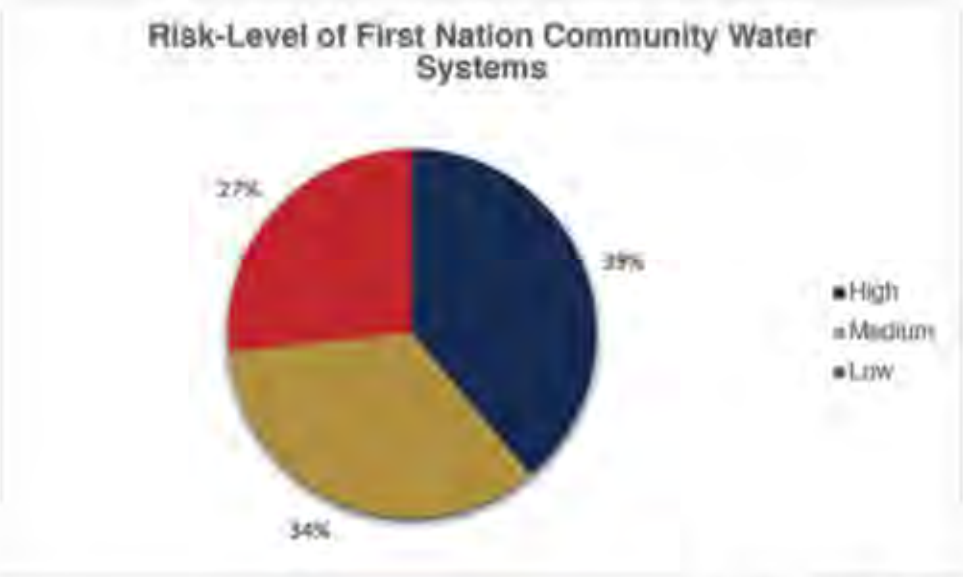
Source: Neegan Burnside Ltd. (2011)

Of the homes in the 571 First Nation communities that participated in the study: 72% (81,026) of homes are piped, 13.5% (15,451) of homes receive on truck delivery, 13% (14,479) of homes are serviced by individual wells, 1.5% (1,880) of homes are reported to have no water service.[20] The report demonstrates that over one-quarter of homes in First Nation communities were getting their water from what the CDC, UNICEF, and WHO would consider to be unimproved drinking water sources. Moreover, these results suggest that thousands of homes in First Nation communities lack the basic infrastructure necessary to access water easily, if at all.

For the 807 First Nation community water systems, risk was calculated as a weighted average of source (10%), design (30%), operations (30%), reporting (10%), and operators (20%).[21]

[20] Neegan Burnside ltd, 4.
[21] Neegan Burnside ltd, 16.

Figure 2.



Source: Neegan Burnside Ltd. (2011)

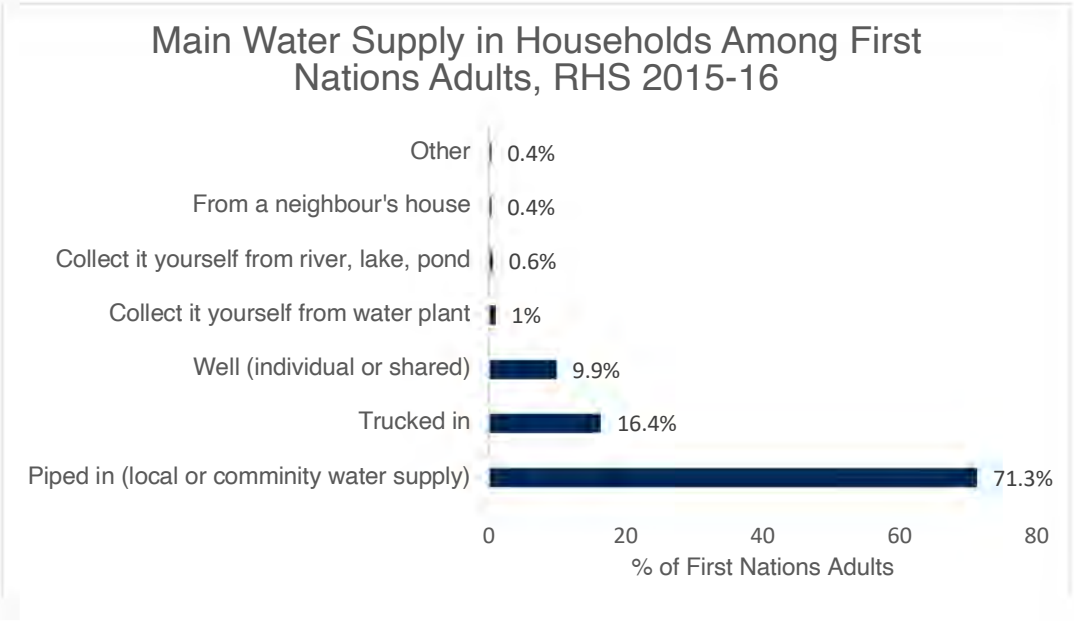
Of the 807 water systems inspected: 314 (39%) were high overall risk, 278 (34%) were medium overall risk, and 215 (27%) were low overall risk.[22] Notably, while high overall risk was the most common risk level amongst on-reserve water systems, this categorization represents roughly one-quarter of the on-reserve population.[23] In general, small water systems are of a higher risk level than large water systems due to the lack of resources available to operate on the same scale.[24] The authors also note that the overall risk of a given system increases with the degree of community remoteness.[25]

Beyond the Neegan Burnside report, publicly available data regarding access to water in First Nation communities was also documented by the First Nations Information Governance Centre (FNIGC) through the First Nations Regional Health Survey (FNRHS, or RHS for short), most recently published in March 2018. The latest iteration is a cross-sectional survey of 23,764 individuals within 253 First Nation communities conducted between March 2015 and December 2016 (a 78.1% response rate). Of these responses, 76.1% were considered useable for the final analysis.[26] The focus of the RHS is broad but does contain a section devoted to access to water in First Nation communities. In terms of methods of accessing water, the 2015-16 RHS findings were similar to that of the Neegan Burnside report in 2011 [Figure 3]: 71.3% of surveyed First Nation adults reported the primary source of water supply in their household to come from piped-in water, 16.4% reported trucked in water as the primary source of water supply, 9.9% reported using either an individual or shared well, while the remaining

[22] Neegan Burnside ltd, 16.
[23] Neegan Burnside ltd, 36.
[24] Neegan Burnside ltd, 36.
[25] Neegan Burnside ltd, 19.
[26] First Nations Information Governance Centre (FNIGC), "National Report of The First Nations Health Survey Phase 3: Volume One," Ottawa, (March 2018): 13.

2.4% reported other ways of getting water, including collecting it themselves from a water plant, river, lake, pond, or from a neighbour's house.[27]

Figure 3.



Source: FNIGC RHS 2015-16

Additionally, the RHS found that 72.5% of First Nation adults consider their primary water source to be safe for year-round drinking, an improvement from 64.2% in the 2008-2010 survey while finding no statistically significant differences among urban, rural, and remote communities in terms of drinking water perception.[28] The overwhelming majority of surveyed First Nation adults had access to both cold and hot water from the tap (97.9% and 97.4%, respectively), according to the RHS.[29] The RHS found that 77.9% of those who considered their water safe for year-round drinking reported having water piped in from local or community water supply, compared to 54.4% of those who did not consider their water safe for year-round drinking.[30] Overall, the results from the RHS suggest that having access to water from a tap does not mean that water is necessarily safe for daily use. As a result, individuals who cannot trust water from a tap will explore other alternatives, like trucked or bottled water, which are considered to be unimproved sources of drinking water by the CDC, UNICEF, and WHO.

In the time since the Neegan Burnside report and 2015-16 RHS were published, the government of Canada has invested billions of dollars in infrastructure projects to

[27] FNIGC, 32.
[28] FNIGC, 32.
[29] FNIGC, 30.
[30] FNIGC, 32.

end all long-term drinking water advisories (L-T DWA) on public systems on-reserves.[31] The federal government has made progress towards this goal. When the mass infrastructure projects began in November 2015, there were 105 L-T DWAs on public systems on-reserves across the country.[32] Since then, the federal government has funded 441 projects to repair, upgrade, or build infrastructure, 59 supporting projects and initiatives, and 74 feasibility studies and projects in the design phase.[33] The infrastructure expansion project has helped resolve 88 L-T DWAs and is projected to reach its goal of eliminating such advisories by March 2021.[34]

Despite the progress of the federal government's project, significant challenges towards First Nation community drinking water will persist upon the project's completion. The approach of the federal government's infrastructure spending is focused solely on ending long-term drinking water advisories on public systems on-reserve. This approach neglects the nearly 500 non-public drinking water systems on-reserve that, rather than being the responsibility of the federal government, these are the responsibility of the owner, operator, or other stakeholders.[35] Another potential problem with the approach taken by the federal government is that the infrastructure projects may ultimately be temporary solutions, and that long-term drinking water advisories may be replaced by more frequent and persistent short-term drinking water advisories (S-T DWA). As of July 24, 2020, there are 45 S-T DWAs across the country, not including DWAs in British Colombia and within the Saskatoon Tribal Council. [36] Additionally, previous research suggests that large-scale infrastructure projects, like the one currently being undertaken by the federal government, have been mostly unsuccessful due to the high cost of water treatment plants relative to the small population bases they will serve.[37] A proposed solution to this problem is a more holistic water system improvement, focusing on watershed and groundwater protection as part of a multi-barrier approach similar to that adopted by the provinces following the Walkerton tragedy.[38]

Access to water is a critical component of human health, and a fundamental human right recognized internationally that is absent from First Nation communities across Canada. Despite recent efforts from the federal government, there still exist significant legal, regulatory, and logistical challenges impeding the expansion of access to water. Of particular concern is the gap in regulation and governance of water quality between on- and off-reserve communities. Harmonizing the regulation of water quality

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[31] Indigenous Services Canada (ISC), "Ending long-term drinking water advisories," (February 17, 2020), https://www.sac-isc.gc.ca/eng/1506514143353/1533317130660.
[32] ISC, 2020.
[33] ISC, 2020.
[34] ISC, 2020.
[35] Indigenous Services Canada (ISC), "Long-term advisories affecting water systems not financially supported by the Government of Canada South of 60," (April 18, 2019), https://www.sac-isc.gc.ca/eng/1516134315897/1533663683531.
[36] Indigenous Services Canada (ISC), "Short-term drinking water advisories," (May 25, 2020), https://www.sac-isc.gc.ca/eng/1562856509704/1562856530304.
[37] Robert J Patrick, "Uneven access to safe drinking water for First Nations in Canada: Connecting health and place through source water protection," *Health & place* 17, no. 1 (2011): 387.
[38] Patrick, 387.

to the provincial level may allow for improved outcomes in access to safe and clean water. Additionally, a lack of recent and relevant data on access to water in First Nation communities obstructs the degree to which conclusions can be drawn on the subject. As such, one thing to take away from this brief is the need for rigorous, granular, and regular data collection on access to water not only for First Nation communities but for the general population. By doing so, it may be possible to guide policy in a manner that alleviates disparities in access to water for all Canadians.

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Appendix E: Food Insecurity

Food Sovereignty and Security in First Nation Communities

Food insecurity is defined as inadequate or insecure access to food due to financial constraints.[1] This measure ranges from marginal to severe, based on the intensity of the situation. In practice, marginal food insecurity may resemble a household running out of food before there is money to buy more while, in extreme cases, severely food insecure households may go days without eating due to lack of food or money for food.[2] Like many measures of poverty, food insecurity is a clear mark of a general inability to afford or have access to items necessary to live a decent life. A primary contributor to any level of food insecurity is food sovereignty, defined as: "the right of peoples to healthy and culturally appropriate food produced through ecological and sustainable methods, and their right to define their food and agriculture systems."[3] The main difference between food security and food sovereignty is that the former describes an outcome while the latter describes a process.

Given that, in many cases, it is easier to quantify an outcome, the vast majority of the existing literature is focused on food security. There is a large and growing body of research that outlines the consequences of food insecurity on human health and well-being. One study from 2005 to 2017 found that Canadian adults suffering from food insecurity were more likely to die prematurely than food-secure adults, with those suffering from severe food insecurity dying on average nine years earlier than food-secure adults.[4] Other studies notice less severe consequences stemming from food insecurity, such as inadequate nutrient intake in adults.[5]

For children, however, particularly of school-age (5-17 years), studies have been unable to associate food insecurity with the same dietary compromise noticed in adults.[6] Hypothesis for this phenomenon are varied but are mainly since children, be it through school, friends, extracurricular activities, or work, have other ways of supplementing their nutrition. However, food-insecure children are less likely to meet expectations in school in both reading and mathematics when compared to their food-secure counterparts.[7] Moreover, the hunger that stems from persistent food insecurity can have

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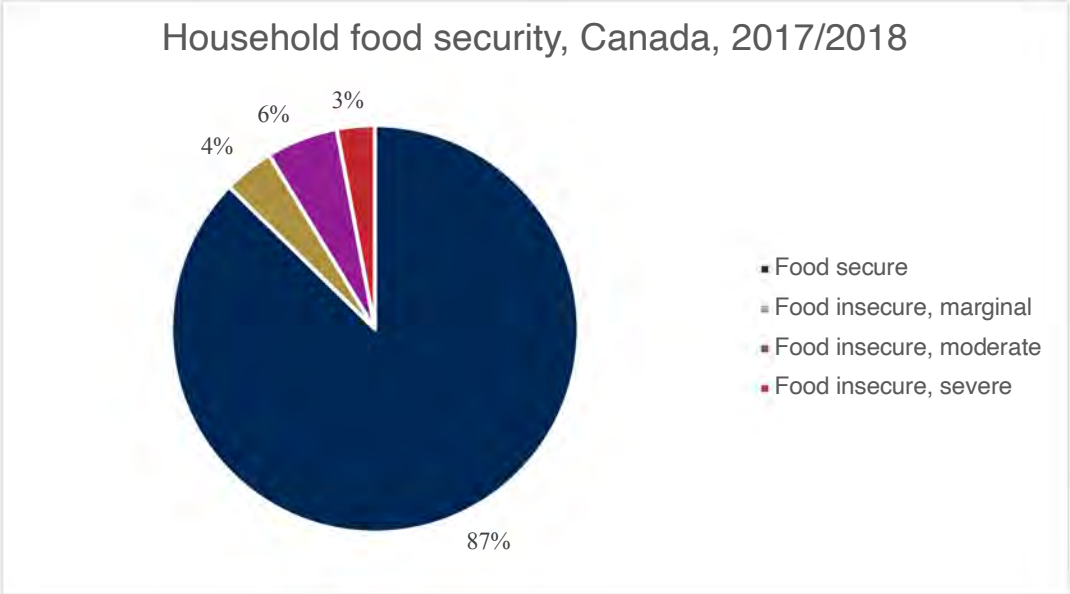
[1] Valerie Tarasuk and A. Mitchell, "Household food insecurity in Canada," *Research to identify policy options to reduce food insecurity (PROOF)*, (2020), https://proof.utoronto.ca/wp-content/uploads/2020/03/Household-Food-Insecurity-in-Canada-2017-2018-Full-Reportpdf.pdf.
[2] Tarasuk and Mitchell, 2020.
[3] This definition comes from Food Secure Canada's website: https://foodsecurecanada.org/who-we-are/what-food-sovereignty
[4] Fei Men, Craig Gundersen, Marcelo L. Urquia and Valerie Tarasuk, "Association between household food insecurity and mortality in Canada: a population-based retrospective cohort study," *CMAJ* 192, 3, (January 20, 2020): E53-60.
[5] Sharon Kirkpatrick and Valerie Tarasuk, "Food Insecurity is Associated with Nutrient inadequacies among Canadian Adults and Adolescents," *The Journal of Nutrition*, 138, no 3, (2008): 604-612.
[6] Kirkpatrick and Tarasuk, 2008; Jayanta Bhattacharya, Janet Currie, and Steven Haider, "Poverty, food insecurity, and nutritional outcomes in children and adults," Journal of health economics 23, no. 4 (2004): 839-862.
[7] Erin L. Faught, Patty L. Williams, Noreen D. Willows, Mark Asbridge, and Paul J. Veugelers. "The association between food insecurity and academic achievement in Canadian school-aged children." *Public Health Nutrition* 20, no. 15, (2017): 2778-2785.

particularly disastrous consequences for children. Children that are consistently hungry children have been shown to experience a greater prevalence of chronic conditions and asthma when compared to children who are never hungry.[8]

In Canada, food insecurity is an issue that impacts millions of families and children every day. While roughly 87% of Canadian households are considered food secure, 13% (1.8 million) of households experienced some degree of food insecurity in 2017/2018.[9] Of Canadians who experienced food insecurity, 569,500 households were marginally food insecure, 817,400 were moderately food insecure, and 429,400 were severely food insecure [Table 1].

Figure 1.



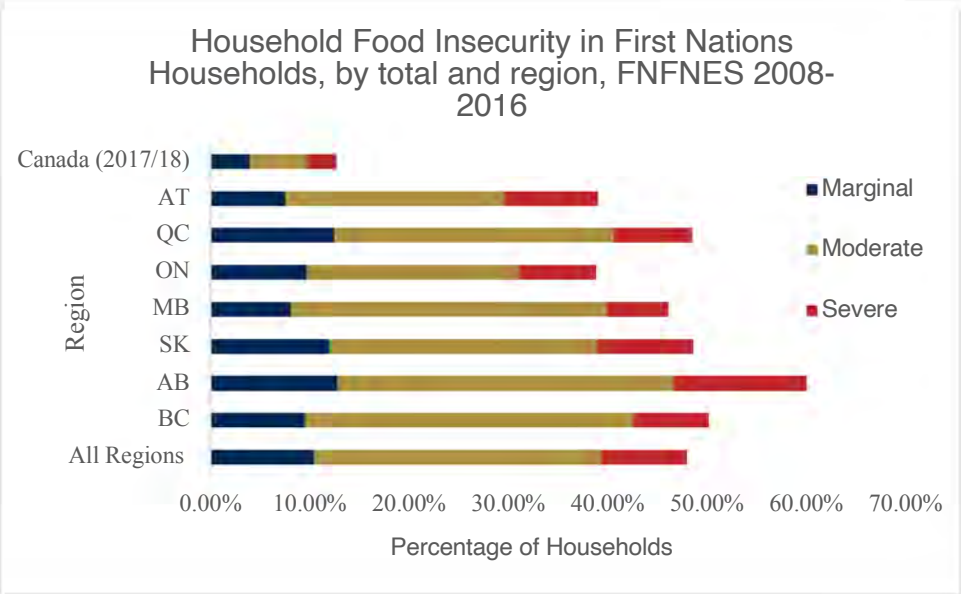
Source: Source: Statistics Canada, Table 13-10-0385-01.

Recently published First Nations Food, Nutrition, and Environment Study (FNFNES) suggests that Indigenous communities suffer from food insecurity to a significantly greater degree than the general Canadian population. The Study, which observed a large number of variables in 92 First Nations representative of 11 ecozones below the 60th parallel,[10] found that 47.9% of households in First Nation communities experienced some degree of food insecurity.[11] Regionally, food insecurity rates in First

[8] Sharon Kirkpatrick, Lynn McIntyre, and L. M. Potestio, "Child Hunger and Long-Term Adverse Consequences for Health," Archives of Pediatrics & Adolescent Medicine 164, no. 8 (August, 2010): 754.
[9] Statistics Canada, “Household food security by living arrangement,” Table 13-10-0385-01.
DOI: https://doi.org/10.25318/1310038501-eng
[10] Because the Study took place in First Nation communities below the 60th parallel, data from this Study is unavailable for the Territories.
[11] Laurie Chan, Malek Batal, Tonio Sadik, Constantine Tikhonov, Harold Schwartz, Karen Fediuk, Amy Ing, Lesya Marushka, Kathleen Lindhorst, Lynn Barwin, Peter Berti, Kavita Singh and Olivier Receveur, “First Nations Food, Nutrition & Environment Study: Final Report for Eight Assembly of First Nations Regions: Draft Comprehensive Technical Report," *Assembly of First Nations, University of Ottawa, Université de Montréal*, (2019): 66.

Nation communities are highest in Alberta at 60%, while the lowest rate of food insecurity is found in First Nation communities in Ontario at 38.8%.[12] Figure 2 outlines the food insecurity findings of the Study by region throughout data collection (2008-2016), compared to the most recently available rate of food insecurity for the Canadian population.

Figure 2.



Source: Chan et al., 2019 and Source: Statistics Canada, Table 13-10-0385-01.

Since Chan et al. focuses on First Nation communities below the 60th parallel, food insecurity in Indigenous communities in the Territories is not reported. Nevertheless, Food insecurity is a significant issue in Canada's Territories. Statistics Canada data shows that in 2017/2018, each of the three Territories experienced elevated levels of food insecurity relative to the general Canadian population [Figure 3].[13] Food insecurity is prominent in Nunavut, with only 43.1% of households considered to be food secure.[14] These results outline that there does exist an issue of food insecurity in the Territories. However, Statistics Canada observes all households. If data were available in only Indigenous communities, the results would likely be more pronounced, particularly in Yukon and Northwest Territories.

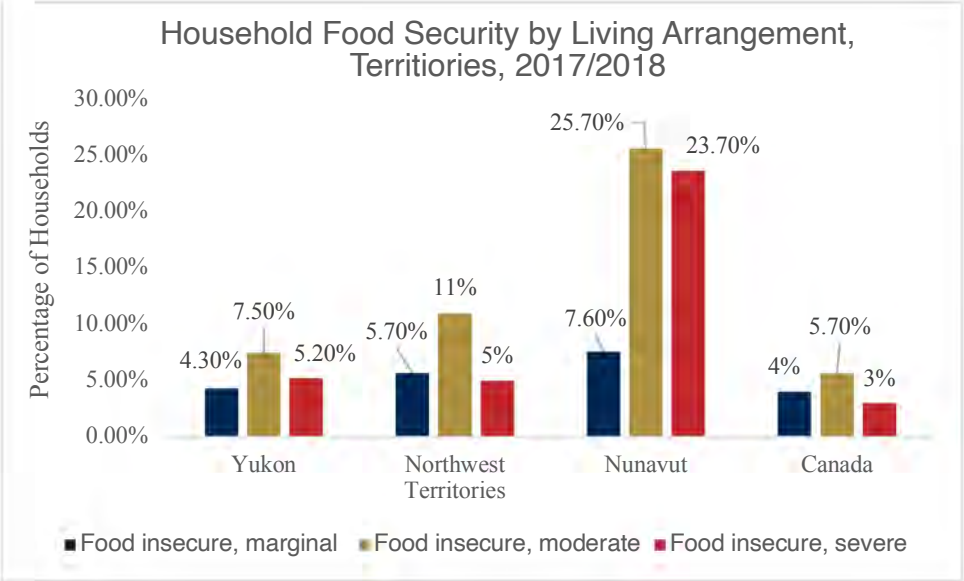
Food insecurity in each FNFNES region is more pronounced when observing households with and without children [Figure 4]. Across all regions, the prevalence of food insecurity is heightened within households that have children compared to those without. When only considering households with children, Alberta still notices the

[12] Chan et al., (2019): 66.
[13] Statistics Canada has indicated that portions of this data set should be used with caution.
[14] Statistics Canada, Table 13-10-0385-01.

highest proportion of food insecurity, with 64% of households, while the lowest proportion is found in Atlantic Canada with 44%. The highest proportion without children is in Alberta at 45%, while the lowest is in Ontario with 27%. Given the potential mental and physical health challenges food insecure children have demonstrated, these figures are particularly alarming. The outcomes for First Nation households with children are worse than the comparable general population. Food security for households with children less than 18 in the general population is displayed in Figure 5.

Households with children under 18 years old in the general population of Canada demonstrate lower levels of food insecurity than the total population, with 11.7% of such households demonstrating food insecurity.[15] These results, combined with the differences noticed between households with and without children from Figure 4, suggest that having children in First Nation communities may jeopardize food security.

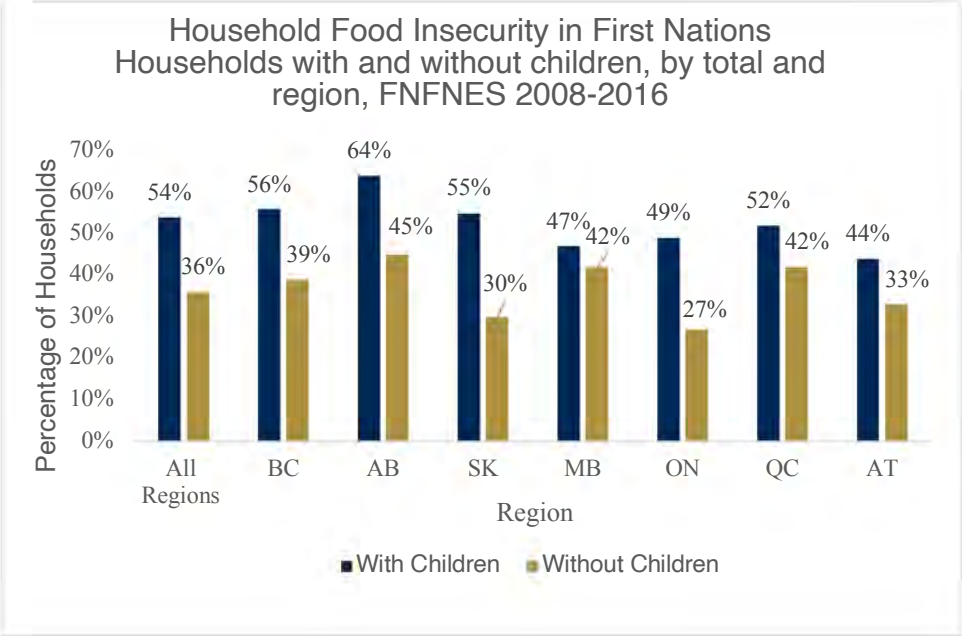
Figure 3.



Source: Source: Statistics Canada, Table 13-10-0385-01.

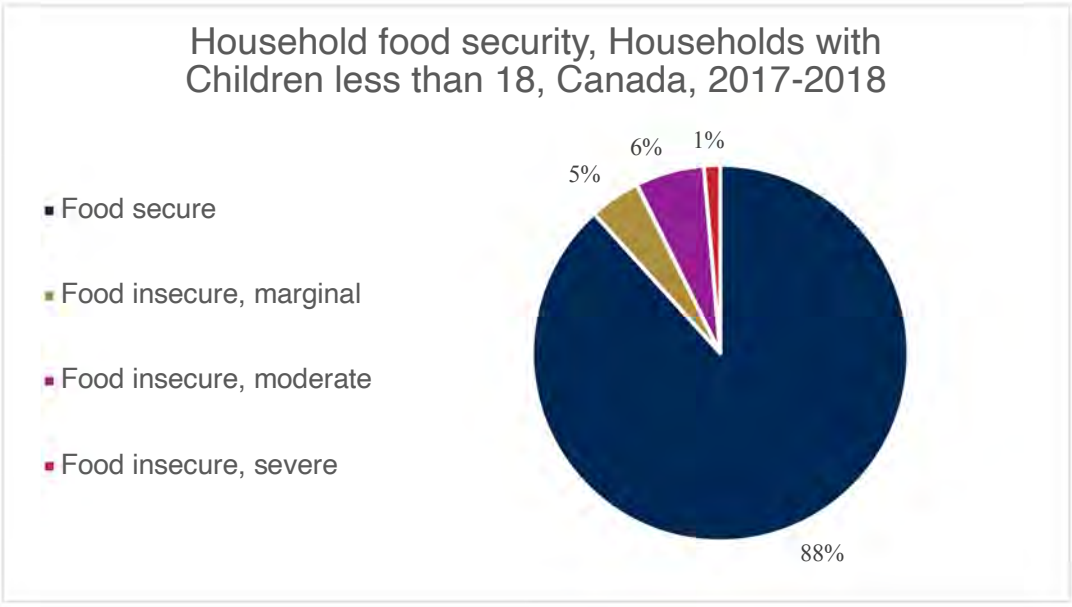
[15] Statistics Canada, Table 13-10-0385-01.

Figure 4.



Source: Chan et al., 2019.

Figure 5.



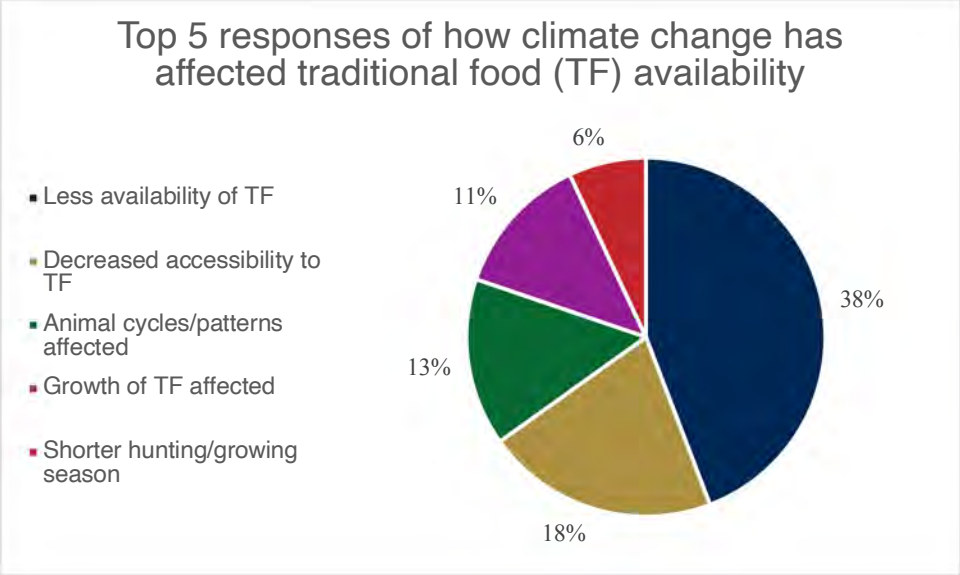
Source: Statistics Canada, Table 13-10-0385-01.

Alongside the findings of food insecurity, FNFNES also found diets of many First Nation adults to be nutritionally inadequate, likely a consequence of the elevated levels of food insecurity. One of the primary causes of food insecurity in First Nation communities appears to be a decline in food sovereignty, as traditional food access is failing to meet current needs. The process of food sovereignty is crucial to a people's cultural identity and plays a pivotal role in establishing and maintaining food security in

any society. In the context of First Nations and Indigenous peoples in Canada, food sovereignty comes in the form of consumption and cultivation of traditional foods. Among FNFNES respondents, traditional food was generally preferred to store-bought, is of higher nutritional quality, and has been shown to improve diet quality in First Nation adults significantly.[16]

However, over half of the adults participating in the study report that traditional food is becoming scarce and more difficult to harvest.[17] Respondents reported climate change and industry-related activities as primary drivers of traditional food scarcity. Climate change particularly has impacted traditional First Nation foods through environmental degradation and negative impacts on animal spawning and migratory patterns. The top 5 responses of how climate change has impacted traditional food availability are displayed in Figure 5. Regardless of the cause of the reduced availability of traditional foods, 43% of the FNFNES participants worried that traditional food supplies would run out before they could get more, and 47% had previously experienced a shortage in their traditional food supply.[18] The threat posed to Indigenous food sovereignty may have persistent and negative impacts on food security in many cases, particularly in isolated or remote communities where it is costly to import food.

Figure 6.



Source: Chan et al., 2019.

Food security remains a serious issue in Canada, particularly in First Nation communities. Among the most likely to be at risk of food insecurity are First Nation households with children. Given the severe health consequences, food insecurity and hunger pose to children and adults, investigating policy options to promote food security

[16] Chan et al., 2019: 8.
[17] Chan et al., 2019: 8.
[18] Chan et al., 2019: 53-54.

in Indigenous communities may be of particular interest to agencies like FNCFS. From a policy perspective, food security is negatively related to healthcare usage in Canada. This result suggests that by improving food security in Canada, the strain and costs borne by the healthcare system could be reduced.[19]

To achieve the goal of food security, it is important to encourage a food sovereignty approach that is both relevant and culturally sensitive to the segments of the population at the greatest risk, like the Indigenous population of Canada. An important consideration is the pressing need for data on food security and food sovereignty at an appropriate granularity. Without the work of Chen et al., there would be very little data on food security in First Nation communities. Since FNFNES focused on First Nation communities below the 60th parallel, gaps in data are still present for Indigenous communities in the Territories. A meaningful next step would be to replicate and improve upon the FNFNES to include even the most remote communities in the northern parts of the country. By conducting such a survey in more frequent intervals, policy can be directed effectively and appropriately to address the process of food sovereignty and improve food security outcomes in First Nation communities.

[19] Valerie Tarasuk, Joyce Cheng, Claire de Oliveira, Naomi Dachner, Craig Gundersen and Paul Kurdyak, "Association between household food insecurity and annual health care costs," *CMAJ* 187, no. 14, (October 6, 2015).

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Tarasuk, Valerie, Joyce Cheng, Claire de Oliveira, Naomi Dachner, Craig Gundersen and Paul Kurdyak. “Association between household food insecurity and annual health care costs.” *CMAJ*, 2015: DOI:10.1503/ cmaj.150234

Appendix F: Broadband Access

The State of Broadband Service in First Nation Communities

In the last two decades, the global economy has rapidly digitalized in the developed world. This digitalization has been driven significantly by increasing technological progress that has allowed for tasks that were once highly time- and resource-intensive to become relatively routine. Likely the most important phenomenon that has contributed to digitalization is the increased availability and penetration of broadband connectivity technologies across the world. Broadband itself refers to high-speed Internet that is always on and faster than the traditional dial-up method of accessing the Internet.[1] While there are many types of broadband technologies, among the most common in Canada today include digital subscriber lines (DSL), fibre optic cable, broadband over powerlines (BPL) and Low-Earth Orbiting satellites. Broadband connectivity is defined as access to Internet services that support inbound (or download) data transmission rates of 1.5 megabits per second (Mbps) or more.[2] The ubiquity of broadband technologies found in modern society allows individuals and businesses alike to access the Internet with ease and has contributed significantly to the expansion of modern economies. One study suggests that a 10% increase in broadband service would lead to a 1.2 to 1.4 percentage point increase in per capita GDP growth in a given economy.[3] In Canada, broadband access has played an even more crucial role in the development of rural areas by decreasing regional disparities and promoting economic viability. From 1997 to 2012, it is estimated that broadband expansion accounted for a 1.17 percentage point per year increase in service employment in rural areas.[4]

Having understood the economic implications of expanding access to broadband, the Government of Canada and the Canadian Radio-television and Telecommunications Commission (CRTC) have set out to improve connectivity across the country. In 2016, the CRTC proclaimed broadband access Internet service to be considered a basic telecommunications service for all Canadians.[5] It was also established that 50 Mbps download by 10 Mbps upload speeds with unlimited data options to be the new standard for internet connectivity in Canada.[6] These speeds were chosen based on what would be necessary for Canadians to take full advantage of cloud-based software applications, multiple government services, online learning

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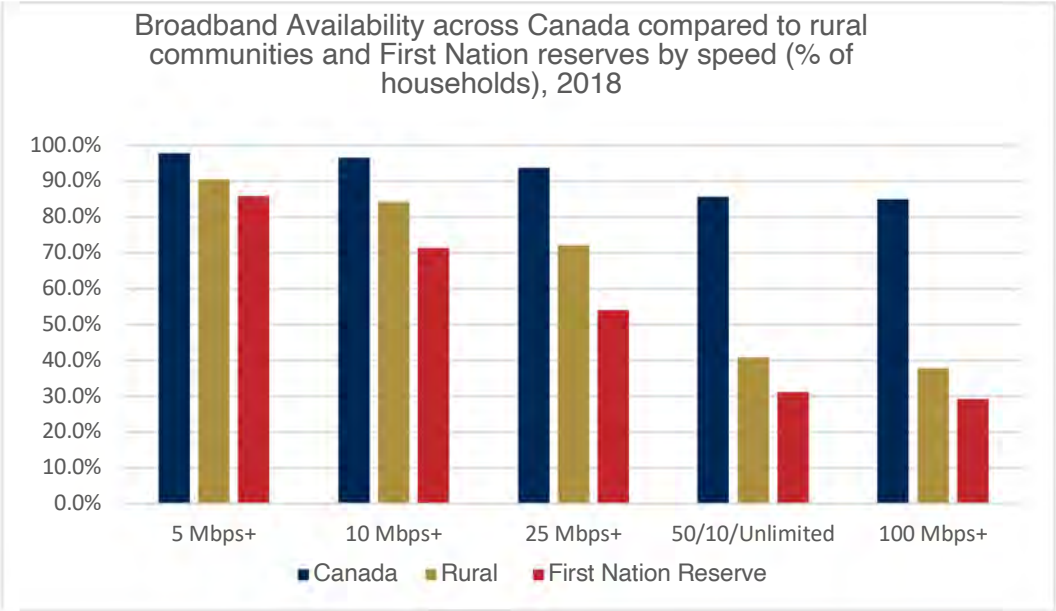
[1] Federal Communications Commission, “Types of Broadband Connections,” (June 23, 2014), https://www.fcc.gov/general/types-broadband-connections.
[2] Centre for the Study of Living Standards, “The Contribution of Broadband to the Economic Development of First Nations in Canada,” (2013).
[3] Christine Zhen-Wei Qiang, Carlo M. Rossotto, and Kaoru Kimura, "Economic impacts of broadband," *Information and communications for development 2009: Extending reach and increasing impact 3*, (2009): 45.
[4] Olena Ivus and Matthew Boland, "The Employment and Wage Impact of Broadband Deployment in Canada," *The Canadian Journal of Economics* 48, no. 5 (12, 2015): 1803-1830.
[5] Government of Canada, “CRTC establishes fund to attain new high-speed Internet targets,” (December 21, 2016), https://www.canada.ca/en/radio-television-telecommunications/news/2016/12/crtc-establishes-fund-attain-new-high-speed-internet-targets.html.
[6] Government of Canada, 2016.

resources, and high-definition video streaming, all while supporting multiple users.[7] As of 2018, availability of the target 50/10/unlimited (50 Mbps download, 10Mbps upload, unlimited data option) reached 85.7% of Canadian households.[8] However, only 40.8% of rural households had access to broadband at such speeds, a significantly lower proportion than the 97.7% of urban households with 50/10/unlimited access.[9]

When it comes to broadband access at the government's target range for speed, the most disenfranchised segment of the population is easily those who live on First Nation reserves. Figure 1 shows the availability of broadband at various speeds across Canada, in rural communities, and on First Nation reserves.

Figure 1.



Source: CRTC, 2020.

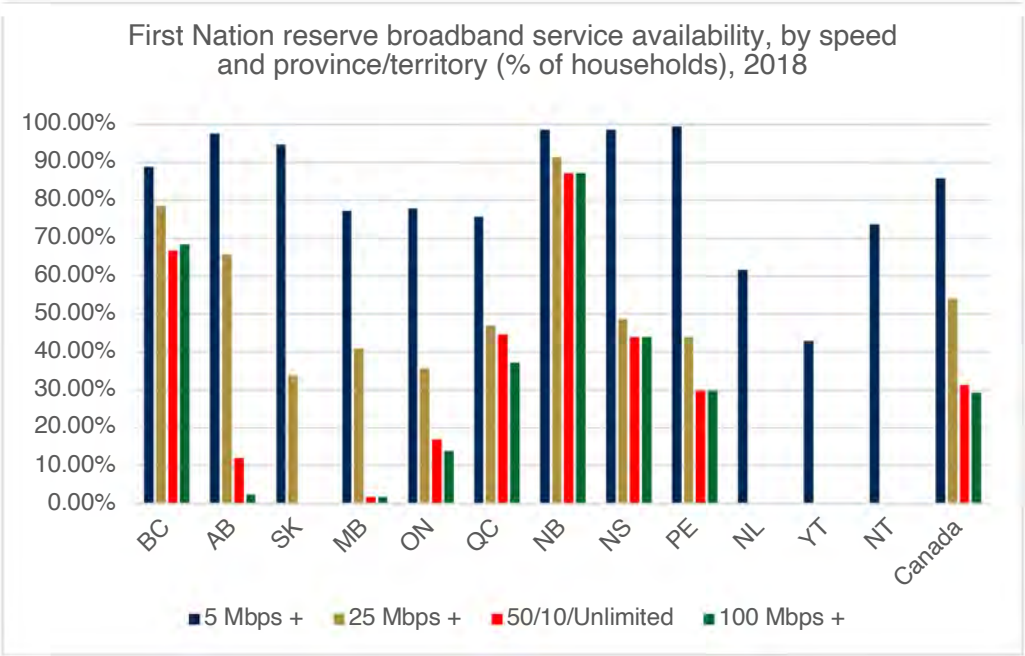
While significant portions of the on-reserve population have access to broadband (roughly 85% with access to 5 Mbps+ download and 71% with access to 10 Mbps+ download), at each progressively faster speed they lag behind both rural and Canadian populations. In terms of the government standard of 50/10/unlimited, only 31.3% of First Nation reserves had access to broadband that met the target as of 2018.[10] Notably, this service was entirely inaccessible to First Nation communities in Saskatchewan, Newfoundland and Labrador, Yukon, and Northwest Territories.[11] With participation in the modern Canadian economy requiring faster speeds and more data availability,

[7] Government of Canada and Innovation, Science and Economics Development Canada (ISED), "High-Speed Access for All: Canada's Connectivity Strategy," 2019.
[8] Canadian Radio-television and telecommunications Commission (CRTC). "Communications Monitoring Report 2019," 2020.
[9] CRTC, 2020: 274.
[10] CRTC, 2020: 281.
[11] CRTC, 2020: 282.

expanding government standard broadband access is necessary to help develop on-reserve First Nation communities.

Among First Nation reserves, there is substantial variation in the quality of accessible broadband options available across provinces [Figure 2]. One province that has performed well in providing access to broadband has been New Brunswick, with over 98% of First Nation reserve households having access to downstream broadband speeds of at least 5 Mbps, 91% with access to speeds at least 25 Mbps, 87% reaching the government standard of 50/10/unlimited, and 87% also having access to 100 Mbps or greater.[12]

Figure 2.



Source: CRTC, 2020.

For a province with vast topographical and geographical diversity, British Columbia also fairs well in delivering broadband access to First Nation reserves with roughly 89% of First Nation reserve households having access to download speeds of 5 Mbps or higher, 78.5% of households with access to 10 Mbps or greater, 66.7% reaching the government target of 50/10/unlimited, and 68.5% able to access at least 100 Mbps.[13]

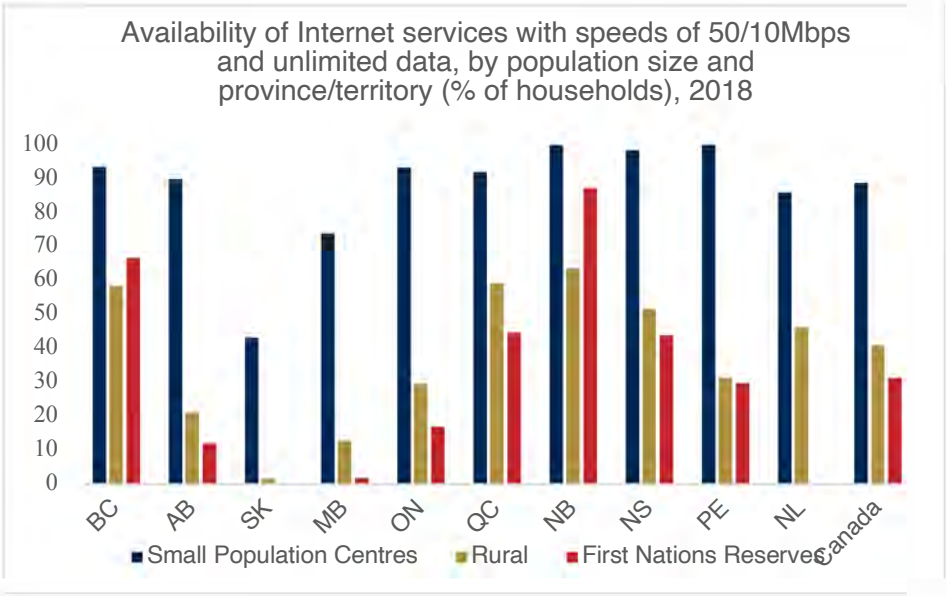
Amongst the remaining provinces and territories, there is a significant drop-off in available internet speeds after 5 Mbps. Six provinces (Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, and Prince Edward Island) have greater than 75% of First Nation reserve households able to access 5 Mbps download speeds, but less than

[12] CRTC, 2020: 282.
[13] CRTC, 2020: 282.

50% able to access download speeds of 25 Mbps.[14] Furthermore, the fact that 31.3% of households on First Nation reserves have access to the government target speeds for broadband appears to be skewed upward by a few outlier provinces with acceptable rates of access to broadband. Only four provinces (British Columbia, Quebec, New Brunswick, and Nova Scotia) have greater than 30% of their households on First Nation reserves able to access 50/10/unlimited broadband.[15] Communities on First Nation reserves outside of those four provinces will undoubtedly struggle to utilize services deemed necessary for success in a digitalized economy.

Even when comparing First Nation reserves to small population centres and rural communities, there are gaps in the availability of the government standard 50/10/unlimited broadband [Figure 3]. Small population centres across the country fair relatively well in their access to standard broadband, with 88.7% of such population centres meeting standard broadband availability. There are four provinces (Alberta, Manitoba, Ontario, and Newfoundland and Labrador) who have greater than 70% of small population centres able to meet the government standard for broadband, but less than 25% of First Nation reserves able to do the same. By comparison, only two of those provinces with greater than 70% of small population centres able to access 50/10/unlimited (Alberta and Manitoba) fail to provide the same service to 25% of rural communities.[16]

Figure 3.

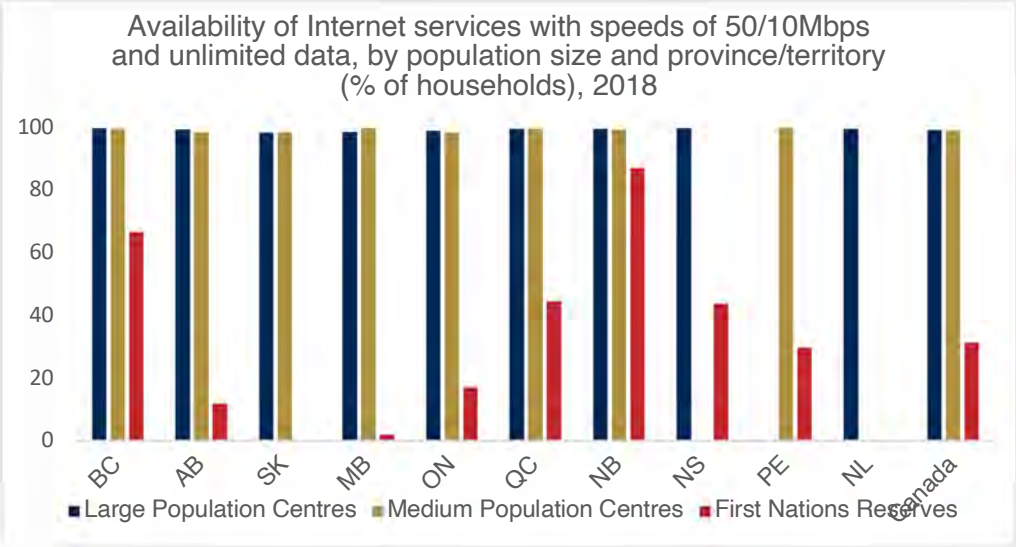


Source: CRTC, 2020.

[14] CRTC, 2020: 282.
[15] CRTC, 2020: 282.
[16] CRTC, 2020: 284.

Inequities in Broadband access are even more drastic when comparing First Nation reserves to Large and Medium population centres [Figure 4]. All provinces in Canada can provide greater than 98% of their large and medium population centres with access to 50/10 broadband with an unlimited option. Naturally, high tech infrastructure is more likely to be built first in larger communities, given that there will be more individuals and businesses to service relative to small and urban population centres. However, this fails to explain why First Nation reserves lag so far behind population centres of similar size. While it is developing slowly, the government of Canada is currently working on infrastructure projects that will see almost all Canadians able to access 50/10 connectivity sometime between 2026 and 2030.[17]

Figure 4.

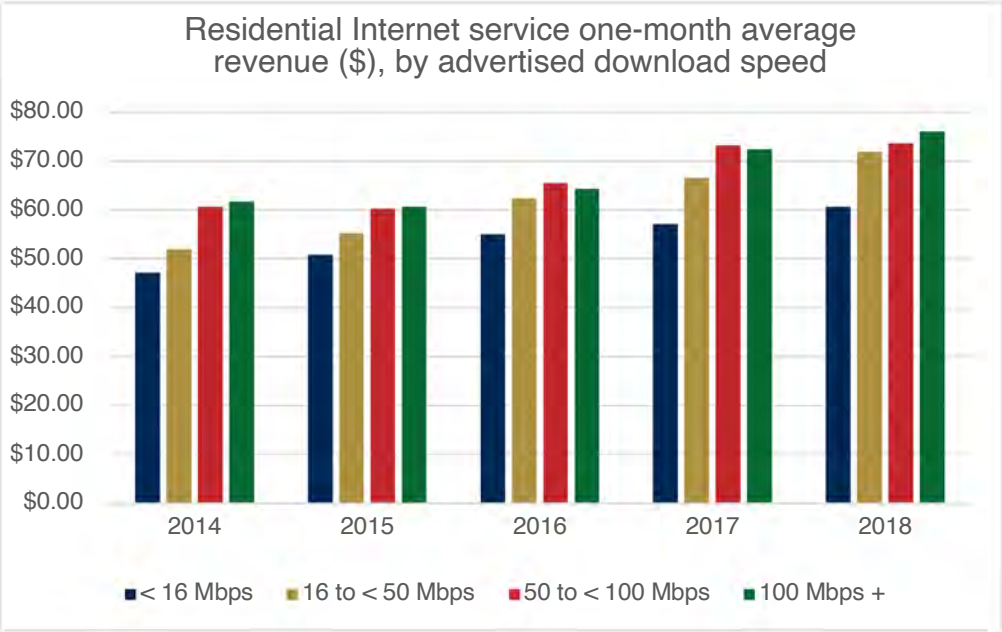


Source: CRTC, 2020.

While broadband is becoming increasingly more available to consumers, it is not becoming any less expensive to use. For residential Internet service, the one-month average revenue per user in 2018 ranged from $60.71 for advertised download speeds of less than 16 Mbps to $76.09 for advertised download speeds at or exceeding 100 Mbps [Figure 5]. This equates to Internet service costing somewhere between $728 and $913 per user per year.[18]

[17] Government of Canada and ISED, 2019.
[18] CRTC, 2020: 261.

Figure 5.



Source: CRTC, 2020.

Average one-month revenue for residential Internet service per user for speeds that meet the government standard of 50/10 was $73.64, which translates to roughly $880 per year for one user. While these figures may vary across regions and service providers, accessing the Internet may be expensive for households. Given that 40% of First Nation communities have median household incomes that fall below their respective provincial poverty lines[19], it may be difficult for residential broadband usage to gain traction on certain First Nation reserves even when they have the ability to access government standard speeds.

While the cost of the current technology will continue to be an obstacle for penetration of broadband in First Nation communities, large population centres will continue to adopt the most recent broadband technologies. Most notably, the new 5th Generation (5G) wireless network will revolutionize Canada's largest cities in the coming decades. In January, 2020 Rogers, a major Canadian wireless provider, would launch its 5G network in downtown Vancouver, Toronto, Ottawa, and Montreal, before expanding into over 20 more markets by the end of the year.[20] On June 11, 2020, Bell announced the launch of its 5G network in Toronto, Montreal, Edmonton, Calgary, and Vancouver. Theoretically, this network would initially provide theoretical peak download speed of up to 1.7 Gbps[21] At its peak, the 5G network is expected to improve

[19] See IFSD brief on the State of Poverty in First Nation Communities.
[20] Reuter "Rogers begins roll out of 5G network in major Canadian cities", Jan 15, 2020

[21] Bell Canada, "The best just raised the bar. Canada's largest 5G network is here," June 11, 2020.

connectivity, reduce latency, and expand upon the bandwidth currently available on 4G networks. Specifically, the Bell network expects to increase download speeds six-fold, at 1000 times greater capacity and provide latency three times lower than their 4G network.[22] Ultimately, 5G will power the upcoming generation of technology, which will almost certainly include innovations in smart cities, autonomous driving, and telehealth, among others.

As previously mentioned, the Canadian government plans on delivering broadband of 50/10/unlimited to all Canadians by 2030.[23] The government of Canada has made it clear that the 50/10 speed target is a minimum and that the infrastructure they plan to use is generally scalable to speeds comparable to 5G (roughly 1 gigabit per second).[24] However, scaling technologies to support faster speeds will require additional investment and time. As such, it is unlikely that Canadians in isolated communities will be receiving the benefits of 5G technologies at the same rate as the rest of the country. While all Canadians should have 2020 standard broadband by 2030, the simultaneous adoption of 5G networks across the country may cause the technological gap between urban and rural communities to persist and perhaps widen.

Although the progress may be slow, expanding access to broadband is an opportunity for the Canadian government to empower First Nation communities in today's increasingly digital economy. With significant technological changes happening all the time, expanding broadband infrastructure is critical for keeping these communities connected with the rest of the world. Broadband expansion is vital for accessing growing online industries like e-learning, telehealth, and work-from-home that will play significant roles in the post-COVID-19 economy. By expanding access and penetration of broadband, keeping in mind the issue of affordability, it will be possible to expand these vital services to even the most remote communities in Canada. In doing so, quality of life has the potential to improve substantially in First Nation communities across the country.

Broadband: Canada-US Comparison

The following table compares Canada to the US in terms of Indigenous population and geography. It is important to observe how other nations are handling the issue of access to broadband in Indigenous communities, as Canada should aim to be a leader in the way we treat all of our citizens.

Country	Broadband Availability
Canada	In 2018, the availability of 50/10 services reached 85.7% of households. 50/10 availability only reached 31.3% of First Nation households.

[22] Bell Canada, 2020.
[23] Government of Canada and ISED, 2019.
[24] Government of Canada and ISED, 2019.

	The plan for broadband expansion will see 90% of Canadians connected by 2021, 95% of Canadians connected by 2026, and the hardest-to-reach Canadians by 2030.
USA	In 2018, 94.4% of Americans had access to the FTC minimum 25/3 standard. On Tribal lands, this number is 72.3%. The lowest available speeds in 2018 (10/1) 97.4% of the US population had access. On Tribal lands, this number is 86.9%.[25]

[25] Federal Communications Commission, "2020 Broadband Deployment Report," April 24, 2020.

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Qiang, Christine Zhen-Wei, Carlo M. Rossotto, and Kaoru Kimura. “Economic impacts of broadband.” Information and communications for development 2009: Extending reach and increasing impact 3 (2009): 35-50.

Appendix G: Voluntary Sector

Volunteerism and Philanthropic Giving in First Nation Communities

The non-profit, volunteer and grant-making sectors of the economy exist to provide beneficial services to communities beyond the scope of for-profit business and government. These organizations are critical to the well being of Canadians as they build social capital, provide solutions to economic, social, environmental, and cultural challenges while forging connections between citizens.[1] Organizations in the non-profit and volunteer sectors rely on the support of charitable donations, grant-making, and volunteer work. For instance, in 2013, it was estimated that the hours contributed by volunteers stood at 1.96 billion in Canada, equating to the work of nearly one million full-time, year-round jobs.[2] Raising funds is particularly valuable to this sector, with the activity of fundraising accounting for 9% of all volunteer hours in Canada for 2013.[3] The voluntary sector, non-profits, and grant-making contribute immensely to the Canadian economy. The value of volunteer time in 2017 was estimated at $55.9 billion and exceeded $87 billion when considering the economic activity of non-profits.[4] More recently, in 2018, charitable donations from Canadians totalled close to $10 billion, coming from 5.3 million individual donors [Table 1].[5]

Grant-making allows agencies to expand their service offerings beyond what may have been initially possible. In Alberta, philanthropic activity has been revolutionary for many charities. From 2004 to 2013, oil- and gas-related companies raised roughly $325 million for the United Way in Alberta.[6] The Children's Aid Foundation of Canada (CAFC) is another mainstream grant-maker to Canadian causes. CAFC works with 74 child- and youth-serving agencies across Canada, in addition to their founding partner, the Children's Aid Society of Toronto.[7] Agencies can have one of two relationships with CAFC. Partner agencies are organizations that the Foundation is working with or funding through a CAFC Flagship Initiative or on a Co-Design Initiative. An agency may also be a Grantee, or an organization receiving funds from the Foundation outside of Flagship Initiatives to help children, youth, and families. Grant-makers like CAFC are critical to the provision of child and family services in Canada.

For First Nation Child and Family Services, the time of volunteers combined with charitable donations and grants can considerably supplement agency activities. There is

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[1] Katehrine Scott and Marilyn Struthers, "Pan-Canadian Funding Practices in Communities: Challenges and Opportunities for the Government of Canada," *Canadian Council on Social Development*, June 2006.
[2] Maire Sinha, "Spotlight on Canadians: Results from the General Social Survey, Volunteering in Canada, 2004 to 2013," *Statistics Canada*, June 18, 2015.
[3] Ibid.
[4] The Conference Board of Canada, "The Value of Volunteering in Canada," (April 5, 2018): 11, https://volunteer.ca/vdemo/Campaigns_DOCS/Value%20of%20Volunteering%20in%20Canada%20Conf%20Board%20Final%20Report%20EN.pdf
[5] Statistics Canada, "Summary of charitable donors," Table 11-10-0130-01.
[6] Calgary Herald, "Oilpatch has created tradition of philanthropy," May 14, 2014: https://calgaryherald.com/business/oilpatch-has-created-tradition-of-philanthropy
[7] Children's Aid Foundation of Canada, "Our Partners and Grantees," 2020: https://www.cafdn.org/about-us/our-partners/#1503771544647-d76c406c-9835.

no shortage of individual charities that have committed themselves to improving outcomes in Indigenous communities. Save the Children Canada has used their *Ayamitah* (Let's Read Together) program to deliver 230,000 books to First Nation educational organizations, communities, and literacy programs throughout Alberta and Saskatchewan since 2008.[8] The Canadian Red Cross has engaged in the prevention of violence, bullying, and abuse while focusing on the process of reconciliation and diversity in First Nation communities across Canada.[9] Moreover, the United Way of Calgary[10] and Winnipeg[11] each donate roughly $2 million annually to local Indigenous charities that aid individuals who face intergenerational trauma.

Table 1.

Summary of charitable donors, 2018	Number
Number of tax filers	27,394,970
Number of donors	5,324,280
	Years
Average age of donors	55
	Dollars
Average donations, donors aged 0 to 24 years	400
Average donations, donors aged 25 to 34 years	880
Average donations, donors aged 35 to 44 years	1,340
Average donations, donors aged 45 to 54 years	1,720
Average donations, donors aged 55 to 64 years	2,060
Average donations, donors aged 65 years and over	2,600
Total charitable donations	9,952,505,000
Median donations	310
Median total income of donors	61,940
75th percentile total income of donors	95,760

Source: Statistics Canada, Table 11-10-0130-01.

[8] Save the Children Canada, Ayamitah 'Let's Read Together'," 2020, https://www.savethechildren.ca/what-we-do/canada-programs/education/lets-read-together/.
[9] Canadian Red Cross, "Ensuring responsibility and accountability in making communities safe," 2020, https://www.redcross.ca/how-we-help/violence-bullying-and-abuse-prevention/first-nations-metis-and-inuit-communities
[10] United Way Calgary and Area, "Indigenous Strategy," 2020, https://calgaryunitedway.org/impact/indigenous-strategy/
[11] United Way Winnipeg, "Indigenous Leadership," 2020, https://unitedwaywinnipeg.ca/indigenous-leadership/

While volunteer and charity work have certainly improved recently in Indigenous communities, there appear to be persistent gaps in grant-making for Indigenous causes. In their seminal paper on the subject of volunteerism and philanthropic giving in First Nation communities, Cindy Blackstock and Samantha Nadjiwan found that less than 10% of funds for the voluntary sector on reserve come from philanthropic foundations.[12] However, since the Blackstock and Nadjiwan paper was published in 2003, little work has been done to measure the level of grant-making to Indigenous communities and causes across Canada.

A 2010 study by the Circle on Philanthropy and Aboriginal Peoples in Canada explored some of the explanations for gaps in grant-making to Indigenous communities and causes. They found that among First Nation communities and charities servicing these communities, there is apprehension in applying for grants. Many charities are unaware that they are eligible for grants and are intimidated by the thought of approaching the private sector for financial support.[13] Moreover, the common myth that federal funding is adequate for First Nation communities has been perpetuated, potentially being a cause for lack of grants to Indigenous communities.[14] Lastly, given the historical variability of funding, many charitable organizations are cautious in their grant-making approach out of fear that the federal government may reduce funding if a large influx of grants to First Nation communities were to manifest.[15]

Although there are many potential underlying causes for gaps in funding and wide-spread apprehension from grant-makers to contribute to Indigenous communities and charities, a rigorous effort to quantify these gaps has not been conducted since Blackstock and Nadjiwan's work in 2003. In a non-Canadian context, Native Americans in Philanthropy and Candid partnered to produce a study in the United States that observed the overall contributions of large U.S. foundations to Native American communities and causes. By examining the tax returns of grant-makers and non-profits, the study provides an approach that could be applied to Indigenous communities in Canada to understand the nature of grant-making. One of the relevant results from the American study, the evolution of grants and grant dollars given to Native American communities and causes, is shared below in Figure 1.

From 2002 to 2016, large U.S. grant-making foundations gave, on average, 0.4% of total annual funding to Native American communities and causes, despite Native Americans making up roughly 2% of the American population.[16] These results suggest

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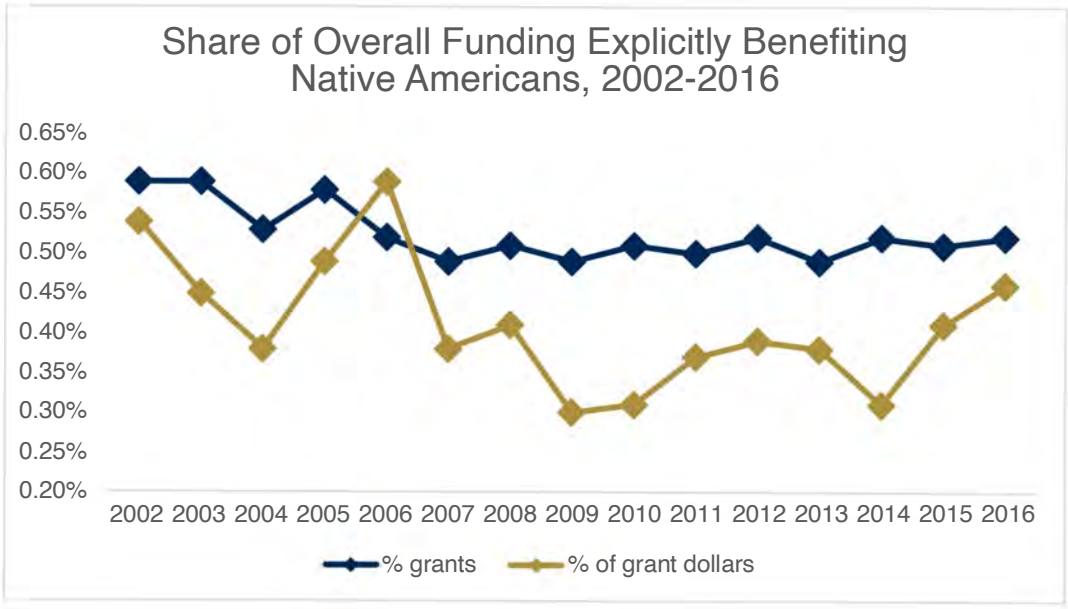
[12] Cindy Blackstock and Samantha Nadjiwan, "Caring Across the Boundaries, Promoting Access to Voluntary Sector Resources for First Nations Children and Families," (2003): Figure 8, p. 43.
[13] The Circle on Philanthropy and Aboriginal Peoples in Canada, "Aboriginal Philanthropy in Canada: A Foundation for Understanding," 2010, http://caid.ca/AboPhiCan2010.pdf
[14] Ibid.
[15] Ibid.
[16] Candid and Native Americans in Philanthropy, "Investing in Native Communities: Philanthropic Funding for Native American Communities and Causes," (2019): 14.

that Native American charities are generally underfunded relative to the proportion of the population they comprise. However, given the challenges that face Indigenous populations in North America stemming from the enduring effects of colonialism, Indigenous populations may require more funding than their composition of the population suggests. Of large grant-making foundations, 20% gave to Native American communities and causes, with the majority of grant dollars going to program support and roughly 15% for operating support.[17] Notably, funding for Native American causes dropped during and in the years following the 2008 financial crisis. Given the current economic downturn stemming from the COVID-19 pandemic, there may currently be a similar reduction taking place in grant-making to Indigenous communities and causes.

Figure 1.



Source: Candid and Native Americans in Philanthropy, 2019.

While this study does not relate to the case of philanthropic giving to Indigenous communities in Canada, it does outline the trend of Indigenous charities being underfunded relative to the population Indigenous people represent in North America. Replicating this study in a Canadian context would inform the issue of gaps in grant-making to Indigenous communities in this country. Observing the trend over time could additionally provide insight on how certain events, like a change in government or pandemic, impacts the contribution of grants to Indigenous communities and causes.

Given the size and economic importance of the volunteer, non-profit, and grant-making sectors, an increased presence of such organizations could conceivably improve outcomes in several areas in Indigenous communities across Canada.

[17] Candid and Native Americans in Philanthropy, "Investing in Native Communities: Philanthropic Funding for Native American Communities and Causes," (2019): 14.

However, since the report from Cindy Blackstock and Samantha Nadjiwan found that less than 10% of funds raised on reserves came from philanthropic foundations in 2003[18], little research on the voluntary sector on-reserve has been made publicly available. By replicating Native Americans in Philanthropy and Candid's study from 2010, gaps in grants provided to Indigenous communities and causes relative to those servicing other causes can be identified. A deeper understanding of this issue can guide policymakers and inform grant-providing foundations of the necessary course of action to alleviate these disparities. By improving the quantity and concentration of grants provided to Indigenous communities while simultaneously promoting the efficient use of such funds, disparate outcomes in areas like access to water and housing, development of infrastructure, and incidence of poverty can all be ameliorated to the benefit of Indigenous Canadians.

[18] Cindy Blackstock and Samantha Nadjiwan, "Caring Across the Boundaries, Promoting Access to Voluntary Sector Resources for First Nations Children and Families," (2003): Figure 8, p. 43.

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Appendix H: Request for Information to the Deputy Minister of ISC

IFSD
IFPD

Dr. Jean-François Tremblay
Deputy Minister
Indigenous Services Canada (ISC)
10 rue Wellington
Gatineau, QC K1A 0H4

August 23, 2019

Dr. Tremblay:

IFSD is pleased to continue its collaboration with the Assembly of First Nations (AFN) and the Caring Society on First Nations child welfare. Following the acceptance of IFSD's report, *Enabling First Nations Children to Thrive* by the National Advisory Committee (NAC), IFSD was asked to undertake a follow-on study to identify options and plans for a change in structure and resources in First Nations Child and Family Services (FNCFS) to transition agencies to an outcome-based approach based on well-being for thriving First Nations children.

To ensure this work is complete, a full and accurate portrait of federal expenditures is required. In Part 1 of this study, we have been asked to:

1) Undertake a full allocation and expenditure analysis for the FNCFS program;
2) Assess the impact of Canadian Human Rights Tribunal (CHRT)-mandated spending on FNCFS agency results;
3) Assess current performance indicators and the results of current spending.

To complete our work, we are submitting the request for information appended to this letter. All requested information relates to appropriated expenditures from the current and previous fiscal years. We understand from previous work that such information can be made available in Excel.

I thank you and your team for your attention to this request. IFSD's analysis is to be submitted in mid-October to AFN and the Caring Society. We are working under tight timelines; your department's collaboration in collecting and sharing this analysis by September 13, 2019 will be integral to completing this work.

Yours sincerely,

Kevin Page
President & CEO

IFSD
IFPD

Description	Fiscal year(s)	Required details
List of current FNCFS agencies	N/A most recent available	– First Nation(s) served by agency – Province – Identify which First Nations do not have agencies (served by provincial protection services)
ISC national spending overview	ACTUAL 2014-15 2015-16 2016-17 2017-18 2018-19 PLANNED 2019-20 2020-21 2021-22	– Funding by province (dollars) – Major program categories (dollars) – Internal services (dollars) – Total spending by contribution approach (i.e. fixed, flexible, block, set or agreement with band council)
FNCFS program breakdown	ACTUAL 2014-15 2015-16 2016-17 2017-18 2018-19 PLANNED 2019-20 2020-21 2021-22	– Funding by recipient (dollars) – Funding by province (dollars) – Contribution approach for each transfer/grant/allocation (i.e. fixed, flexible, block, set or agreement with band council) – Program-activity-level code and associated performance indicators and results
CHRT investments	ACTUAL 2017-18 2018-19 PLANNED 2019-20 2020-21 2021-22	– Funding by recipient (dollars) – Funding by province (dollars) – Contribution approach for each transfer/grant/allocation (i.e. fixed, flexible, block, set or agreement with band council) – Associated performance indicators and results

Appendix I: Policy Clusters

Policy cluster	ISC programs
Context	1) Education facilities 2) Emergency management and assistance 3) Environmental public health 4) Gov. and institution of gov. 5) Health infrastructure 6) Health facilities 7) Housing 8) Indigenous governance and capacity 9) Other community infrastructure and activities 10) Infrastructure and capacity 11) Water and wastewater
Child and family services programming	12) FN child and family services 13) Family violence prevention 14) Child first (Jordan's principle) 15) Healthy child development
Other (social and health programming)	16) E-health infostructure 17) Education 18) FN and Inuit primary care 19) Health human resources 20) Health planning and quality 21) Healthy living 22) Home and community care 23) Income assistance 24) Mental wellness 25) Social development 26) Supplementary health benefits 27) Supplementary health benefits for FN and Inuit
EXCLUSION	Urban Aboriginal Participation (as focus of analysis is on-reserve)

Appendix J: Measuring to Thrive Framework

Strategic objective	Performance area	Indicator name	Indicators	Detailed indicator explanation	Associated outcome
Child and youth well-being	Safety	Injuries or deaths	Number of serious injuries or deaths	Though rare, serious injuries and deaths are an important indicator to prevent these tragedies from occurring in the future and to evaluate whether the child welfare system is appropriately responding to cases of maltreatment.	Children are free from severe physical danger and harm
		Protection concerns	Recurrence of child protection concerns after ongoing protection services	The recurrence of child protection concerns in a family after ongoing protections services were provided is not only important to protect the well-being of children and prevent chronic abuse; it is also an indicator of how effective child welfare services are at preventing maltreatment.	
		Child abuse (excluding sexual)	Child abuse (excluding sexual abuse)	Children who have been maltreated are at increased risk of recurrence of maltreatment. Research has found that compared to children who had not been previously maltreated, children who had been were nearly six times more likely to experience it again.	
		Child sexual abuse	Child sexual abuse	Exposure to strong, frequent and/or prolonged adversity, such as chronic abuse, parental substance abuse, or exposure to violence, can elicit a toxic stress response. This type of stress can have a profound effect on the architecture of the developing brain, which can have potentially permannet damaging effects.	
		Family reunification	Rate of successful family reunification (i.e. no re-entry into care)	A stable and permanent living situation is essential for healthy development and establishing more secure and strong relationships with caregivers, which in turn impact a child's ability to thrive. Research has demonstarted that in general, a child's family is the best way to deliver this environment.	Children are connected to their families and Indigenous communities
		Timeliness of care	Timeliness of customary care	Unstable placements in foster care, characterized by placement frequency and episodic foster care, have been associated with increased rates of mental health service utilization.	
		Families within community	Percentage of children with kin and/or Indigenous families within their community	Compared to foster children, children in kinship care have displayed better outcomes with respect to behavioural development and mental health functioning.	
		Caregiver quality	Quality of caregiver and youth relationship	To understand the well-being of children who have been removed from their homes, it is also important to understand the quality of their relationships with their caregivers. Establishing secure, trusting and positive relationships with their caregiver is essential for healthy development, impacting outcomes across the life course.	
		Community relational connections	Regular opportunities for relational connections to community	Stability promotes fewer school changes and thus stronger relationships with peers, as well as more consistent access to community services and activities	
		Placement rate	Out of home placement rate	While the out of home placement rate is not necessarily a negative indicator, as some children need to be removed from dangerous living situations, at an aggregate level, the out-of-home placement rate can indicate the effectiveness of preventative child welfare services and the well-being of children in the community as a whole.	
		Moves in care	Number of moves in care	Multiple moves in care are associated with various negative outcomes among children. Instability may elicit a toxic stress response, which can result in developmental delays and behaviour problems. In turn, this can propagate a negative cycle of displacement and worsening attachment disorders.	
	Cognitive development	Early childhood education	Percentage of children (0-5) participating in funding early childhood education programming	Participation in early childhood education is a well-evidenced intervention to enhance school readiness, especially among children from disadvantaged backgrounds. Ensuring that children are better prepared when entering school aims to improve educational achievement – a key factor in social mobility and escaping poverty.	Children and youth exhibit positive attitudes toward learning and are supported in their educational development
		Numeracy and literacy targets (0-5)	Percentage of children (0-5) achieving basic numeracy and literacy targets	Educational attainment is important for child well-being, particularly in the context of a child's socio-economic trajectory. Literacy and numeracy scores tell us how well the child is performing in school and is a gauge of cognitive functioning.	
		Positive attitute toward learning (children)	Percentage of children exhibiting positive attitude towards learning	Academic success also has a reciprocal effect on a child's attitude towards learning (often referred to as academic self-concept). Learning begets learning, and academic achievement and motivation to learn are key factors to a high level of educational attainment.	
		Numeracy and literacy targets	Percentage of children (6-14) achieving basic numeracy and literacy targets	Most of the gaps that are seen at age 18 are already present at age five. Gaps tend to widen as opposed to shrink as the child proceeds through formal schooling and are predictive of future school performance and educational attainment.	
		Positive attitute toward learning	Percentage of children (6-13) exhibiting positive attitude towards learning	Academic success also has a reciprocal effect on a child's attitude towards learning (often referred to as academic self-concept). Learning begets learning, and academic achievement and motivation to learn are key factors to a high level of educational attainment.	
		Elemntary school education access	Percentage of youth (6-13) able to access elementary school education in their community	Educational attainment often translates into levels of skill and ability in society, which are linked to a host of outcomes in adulthood. More obvious impacts of low education are reduced rates of employment and earnings. Failure to complete high school is linked to higher rates of welfare dependency and criminality.	
		High school education access	Percentage of youth (14-18) able to access high school education in their community	Educational attainment is a determinant of participation in the Canadian labour market, especially for Indigenous people. Employment rates are higher for Indigenous people with post-secondary credentials	
		Parental engagement in education	Percentage of children/youth reporting parental engagement in learning/education	Parental enagement in their child's learning/education has a large impact on how well children perform and remain enagged in education. Children of mothers with low educational attainment made up 32% of children entering school lacking printing and writing skills, as opposed to 8% of children with mothers who had a bachelor's degree or higher.	
		Post-secondary education	Percentage of youth (14-18) who intend to pursue post-secondary education	Employment rates are higher for Indigenous people with post-secondary credentials.	
	Social relationships	Positive relationships (parents/caregiver)	Percentage of youth reporting positive relationships with parent or caregiver	In the earliest years of life, it is argued that the quality of relationships and parenting carries the heaviest weight among the factors that drive healthy development. Establishing warm, secure and responsive relationships with caregivers are key to establishing a child's confidence to play, socialize and explore their environment, which is what propels development.	Children and youth develop positive relationships with family and friends and are connected to their Indigenous communities
		Positive relationships (siblings, extended family, friends)	Percentage of youth reporting positive relationships with siblings, extended family and/or friends	As children progress into adolescence, strong social relationships continue to be an important protective factor as individuals navigate major developmental changes. Strong social relationships, or lack thereof, have been tied to several aspects of well-being.	
		Ties to elders	Percentage of youth reporting ties to elders in the community	Social relationships such as belongingness with peers and adults at school and connection with adults at home were the strongest predictors of life satisfaction. Research has also found positive associations between social relationships and physical and psychological well-being by promoting healthier lifestyles, better self-esteem, and a greater sense of purpose and internal locus of control	
		Extracurricular activities	Percentage of youth participating in extracurricular activities within the community	Participation in social activities is important for developing social competence and skills and is linked with fewer behavioural problems and higher self-esteem.	
		Chronic concerning behaviour	Percentage of children/youth exhibiting chronic concerning behaviours	Behavioural issues among children are associated with socioeconomic disadvantage and have been linked to worse outcomes in adulthood. For example, research has found an association between attention deficit problems and poor labour outcomes in adulthood, such as lower rates of employment, lower earnings and worse jobs. Conduct disorders in childhood, which include antisocial behaviours such a disobedience, tantrums, fighting, destructiveness, lying and stealing, increase the likelihood of violence, criminality, poor relationships, and poor mental health.	Children and youth are mentally and socially well
		Prosocial behaviour	Percentage of children/youth exhibiting prosocial behaviour	There is a strong body of evidence linking social-emotional competence to improved attitudes towards school and higher educational achievement. By contrast, those who have not developed in this area have weaker relations with peers and teachers. This decreases interest in school and persists into later years of learning, which can lead to dropping out.	
		Mental health	Percentage of children/youth reporting mental health problems	Scholars have recognized the importance of these indicators given the effects of intergenerational trauma on mental health among Indigenous peoples. For example, self-esteem and optimism are important protective factors for depressive symptomology among Aboriginal youth; a desire to contribute to one's community and believing in one's self have also found to improve mental health among Indigenous youth.	

	Emotional, cultural and spiritual well-being	Happiness	Percentage of children/youth reporting happinness	Emerging research has found life satisfaction to be a mediating factor on how stressful life events influence parenting behaviour and problem behaviour among adolescents.	
		Belonging to community	Percentage of children/youth reporting belonging to community	Community and culture were cited as the most common protective factor for mental health among Indigenous youth, which included things like healthy relationships with family and community members.	Children and youth are connected to land, culture, and tradition
		Pride in indigenous identity	Percentage of children/youth reporting pride in Indigenous identity	The importance of restoring the connection to one's Indigenous culture and identity is emphasized in relation to mental health outcomes and resilience.	
		Connection to land	Percentage of children/youth reporting sense of connection to land	In a study examining suicide rates among First Nations youth in British Columbia, researchers found that among communities where cultural continuity was preserved through avenues such as securing land claims, were self-governing, had band-administered education, police, fire and health services as well as cultural facilities within the community had lower suicide rates than communities where these factors were less present.	
		Spiritual practices	Percentage of children/youth reporting participation in spiritual practices and traditional ceremonies	Many studies have demonstarted Indigneous spirituality acting as a protective factor against alcohol abuse and suicide.	
		Knowledge of Indigenous language	Percentage of children reporting knowledge of Indigenous language(s)	One study found that First Nations who had high levels of language knowledge had significantly lower rates of suicide than those with lower levels and for non-Indigenous youth. Researchers identified language as the strongest cultural continuity factor contributing to this difference.	
		Eating traditional foods	Percentage of children/youth reporting eating traditional foods	Loss of land and access to traditional foods has meant that healthy food choices, especially among rural and isolated First Nations, are expensive and often unavailable. This has, in part, led to disproportionately high rates of chronic diseases related to lifestyle factors, such as type 2 diabetes and obesity. Research shows that traditional food gathering not only promotes a healthier diet, but also more exercise and a connection to one's Indigenous identity.	
	Physical health and well-being	Disability and chroinc illness	Percentage of children/youth living with disability or chronic illness	An epidemiologic survey of 3,294 children in Ontario found that children with both chronic illness and associated disability were at three times greater risk of experiencing psychiatric disorders. Learning and behavioural disabilities have been associated with a higher risk of school difficulties, criminality, higher medical needs, difficulty establishing emotional relationships, and employment challenges as adults.	Children and youth are physically well
		Healthy eating	Percentage of children/youth reporting healthy eating habits	A healthy diet lays an important foundation for development among children, as well as for future outcomes in adulthood.	
		Physical acitivty	Percentage of children/youth reporting regular physical activity	Establishing patterns of regular physical activity and a healthy diet are important for preventing obesity and chronic illnesses such as type 2 diabetes and promoting healthy body image.	
		Healthy sleep habits	Percentage of children/youth reporting healthy sleep habits	Healthy habits include sleep hygeine espeically among adolescents, as this is a time when children are gaining more independence and autonomy in their lifestyle choices.	
		Teenage births	Percentage of teenage births	Teen pregnancy can lead to a variety of health problems and is also linked to critical social issues such as poverty, poor education, risky behaviours that lead to poor health issues, and child welfare. It also imposes financial costs that can be financially devastating to families.	Youth exhibit regular positive decision-making
		Illicit drug use	Percentage of youth who reported using illicit drugs in the past month	Early prevention of risky behaviour such as alcohol, tobacco and illicit drug use or unprotected sex is important, as these problem behaviours can manifest in youth and extend into adulthood. For example, a study of 727 Indigenous adolescents in the United States found that those who began drinking at an earlier age (i.e. 11-13 years old) were at a much greater risk of developing problem drinking than those who started later.	
		Gambling	Percentage of youth who reported gambling in the past month	Gambling can become problematic and when it does it can have a serious impact on the physical, emotional and financial health of the individual who gambles, as well as their family and community.	
		Smoking	Percentage of youth who reported smoking in the past month	Those who start smoking as youth often carry the habit which also often worsens over time into adult life. Smoking is highly addictive and becomes not only a costly daily habit financially but can also lead to major costs including health, exposes those around them to health concerns, and have been linked to negative social impacts as well.	
Family well-being	Wellness and social engagement	Livable income	Percentage of families reporting livable income to meet needs	Families in chronic and persistent poverty are especially prone to challenges with self-sufficiency and may require additional support to reach this objective. For many First Nations households, life choices can be severely compromised by high food costs, poor availability of healthy food, low income, and/or high housing and heating costs.	Families have the money they need to live
		Empowerment and resilience	Percentage of families reporting feelings of empowerment and resilience	Self-sufficiency is among the most cited factors in the literature on family wellbeing. Many studies have found that low parental income and economic hardships cause increased economic pressure in families, which adversely impacts parental mental health, conflict between parents/caregivers, parent-child interactions and parenting practices, as well as cognitive, academic, and socioemotional outcomes in children.	Families exhibit social wellness
		Social engagment	Percentage of families demonstrating social engagement through participation in cultural traditions, teachings and ceremonies	Positive associations between social relationships and physical and psychological well-being by promoting healthier lifestyles, better self-esteem, and a greater sense of purpose and internal locus of control. When these positive relationships are associated with cultural rpactices and traditions it has compound positive reinforcing effects on well-being.	
		Family violence	Percentage of families reporting incidents of family violence	Children who witness domestic violence are at higher risk of commiting violent acts in the future. Witnessing or experiencing family violence can also lead to long-term physical and mental health issues.	
		Substance misuse	Percentage of families reporting substance misuse	Substance misuse can lead to a variety of serious health issues both physical and mental and has drastic negative impacts on outcomes regarding employment, income and general well-being.	
		Gambling (family)	Percentage of families reporting problematic gambling	Individuals that gamble are more likely to become adicted to it which can lead to low self-esteem, stress-related disorders, anxiety, poor sleep and apetite, substance misue problems as well as depression.	
	Basic needs	Clean running water	Percentage of households with drinking water flowing from tap for consumption, bathing and other uses	Access to potable water is widely recognized as a fundamental condition for human health, and the lack of access to safe drinking water and adequate sanitation is one of the greatest threats facing vulnerable populations in the world. Clean, accessible, and sustainable drinking water is a basic necessity of life, and indispensable for meeting national and international standards of health, justice, equality, and responsibility.	Households have basic needs
		Food sovereingty	Percentage of households reporting food sovereignty	Proper nutrition is key to both physical and mental health and development. When households do not have enough food and must seek help in attaining food they often lack adequate nutrition and this can also lead to feelings of anxiety depression and low self-worth	
		Home repairs needed	Percentage of homes in need of major repairs	Inadequate, unsuitable, and unaffordable housing has been linked to chronic health conditions such as asthma and poor mental health. Poor housing has also been linked to the spread and chronic occurrence of viruses and bacteria, and the increased prevalence of unintentional injuries.	
		Suitable homes	Percentage of suitable homes	Housing improvements linked with improved health include renovations, relocation, and energy efficiency projects. For children, housing improvements were associated with a decrease in respiratory illnesses and lower rates of school absenteeism. For adults, long-lasting improvements in mental health have been demonstrated.	
		Internet connectivity	Percentage of households with internet connectivity	Broadband connectivity has been associated with numerous community benefits, and has been recognized as a pressing issue for Aboriginal communities. In some cases, broadband infrastructure has been framed as a component of indigenous self-determination. broadband infrastructure plays an important role in community development, and that Indigenous communities can access unique benefits from broadband infrastructure.	
		Below poverty line	Percentage of households below the provincial poverty line	Parental or familial experiences of poverty have been associated with numerous detrimental effects to child wellbeing, including emotional and behavioral problems as well as further disruptions in schools and to friendships. Poverty is also associated with poor early childhood development and is a risk factor for family breakdown, both of which have been linked to poor educational performance in children.	
		Employment rate	Community employment rate	Self-sufficiency is among the most cited factors in the literature on family wellbeing. Many studies have found that low parental income and economic hardships cause increased economic pressure in families, which adversely impacts parental mental health, conflict between parents/ caregivers, parent-child interactions and parenting practices, as well as cognitive, academic, and socioemotional outcomes in children.	

Community well-being	Community services and engagement	Community space	Presence of community space for gathering (Y/N)	Community infrastructure is essential to fostering services, facilities, and networks which increase quality of life and reducing poverty. Particularly in Aboriginal communities, investments in transportation, energy, and telecommunications infrastructure is most strongly connected to creating economic benefits by supporting industrial growth and re-investment in additional economic infrastructure.	Communities offer services and space in support of well-being
		Community activities	Community activities contribute to the development of capable human beings through cultural teachings, traditions, and values (Y/N)	Community activities and gatherings are important for building social trust, belonging, and well-being.	
		Community space wifi	Percentage of community spaces with free public wifi	Broadband connectivity has been associated with numerous community benefits, and has been recognized as a pressing issue for Aboriginal communities. Wifi is crucial for connectivity, education, and services. Publicly available wifi in community spaces can be an important resource.	
		Community health services	Community offers and controls health services (Y/N)	Long term economic growth also relies on community infrastructure that supports a diversified economy and good quality of life for community members. Assets such as education infrastructure; health care infrastructure; water, wastewater and solid waste disposal; and housing infrastructure, enhance quality of life in communities which increases the potential of a business to attract workers and acts as a disincentive to out-migration of community members.	
		Community social services	Community offers and controls social services (Y/N)	Safe neighbourhoods contain resources which support family activities and community health and connections, including parks, sidewalks or walking paths, libraries, and community centers. Neighbourhood safety can create opportunities for children to learn social customs, develop feelings of confidence in their communities, and build interpersonal relationships with peers.	
		Community elder services	Community offers and controls elder services (Y/N)	Programming and infrastructure available to support elder services in-community.	
		Service provider collaboration	Community service providers collaborate and connect for improved service delivery (Y/N)	Community infrastructure is significant to the degree that it promotes safety and security among neighbourhoods which, in turn, promote safety within families.	
		Affordable & reliable transportation	Percentage of community benefitting from affordable and reliable transportation	Particularly in Aboriginal communities, investments in transportation, energy, and telecommunications infrastructure is most strongly connected to creating economic benefits by supporting industrial growth and re-investment in additional economic infrastructure	
		Third party management	Community is under third-party management (Y/N)	Recipient funding agreement is managed by a federally-appointed third-party manager.	Community is financially independent
		Community risk	Community's risk rating	Risk and associated mitigation measures of recipients and their initiatives.	
	Wellness	Suicide attempts	Rates of reported suicide attempts	The rate of suicide among First Nations people is three times higher than the rate among non-Indigenous people. The suicide rate among First Nations living on-reserve have been found to be twice as high as those living off-reserve, and the highest rates are among youth aged 15 to 24 compared to other age groups.	Community exhibits wellness
		Substance misuse	Rates of reported substance misuse	Substance misuse can lead to a variety of serious health issues both physical and mental and has drastic negative impacts on outcomes regarding employment, income and general well-being.	
		Problematic gambling	Rates of problematic gambling	Individuals that gamble are more likely to become adicted to it which can lead to low self-esteem, stress-related disorders, anxiety, poor sleep and apetite, substance misue problems as well as depression.	
		Heavy drinking	Rates of reported heavy drinking	High rates in communities of heavy drinking are associated with negative physical and mental health impacts, developing other substance misuse issues, elevated levels of assault, crime and lower levels of employment and income.	
		Chronic health conditions	Rates of chronic health conditions	Chronic health conditions can negatively influence family life as both those suffering as well as family members can experience strong emotions of guilt, anger, sadness, fear, anxiety and depressed mood. They can have long term medical complication, increased costs and lead to substance misuse.	
		Violent crime	Rates of violent crime	Vilent crime can lead to premature death, or cause serious injuries, placing a toll on health services. People who survive violent crime also suffer depression, anxiety and may continue to enduring physical and metal pain and suffering. Exposure to violent crime can also lead to increased crime rates in a negative spiral.	
	Education	Elementary education	Community offers and controls elementary school education	Educational attainment is important for child well-being, particularly in the context of a child's socio-economic trajectory. When it is provided by the community within the community, the education can be tailored to provide a sense of belonging to children who will grow up appreciating their culture.	Community supports and offers education
		Secondary education	Community offers and controls secondary school education	Learning begets learning, and academic achievement and motivation to learn are key factors to a high level of educational attainment. Providing education within the community and instilling a sense of belonging is key in these formative teenage years which are often the most difficult growing up as well.	
		High school graduation	Rates of high school graduation	Failure to complete high school is linked to higher rates of welfare dependency and criminality. Elevated high school graduationrates lead to higher earnings, higher percentages of home ownership, lower rates of welfare assistance, fewer out-of-wedlock births and fewer arrests.	
		Completed post-secondary education	Rates of completed post-secondary education	Employment rates are higher for Indigenous people with post-secondary credentials.	

Appendix K: Well-being Initiatives in Canada, United States, Australia and New Zealand

Jurisdiction	Health Framework	National Initiatives	Results
Australia	According to the Australian Indigenous Health InfoNet[1] (which is principally funded by the Australian Department of Health), a holistic understanding of health is adopted by the Aboriginal and Torres Strait Islander peoples. Aboriginal health moves beyond physical well-being of an individual, and considers social, emotional, and cultural well-being of the whole community; therefore, health is seen in terms of the whole-life-view. The aim of health care services should be to support individuals achieving their full potential as human beings, as well as bringing about the total well-being of their communities. Similarly, according to the Australian Institute of Health and Welfare[2] (2018), for Aboriginal and Torres Strait Islander	The National Aboriginal and Torres Strait Islander Social Survey (NATSISS)[3] was conducted from September 2014 to June 2015 (a total of 11,178 Aboriginal and Torres Strait Islander peoples took part). The Western Australian Aboriginal Child Health Survey (WAACHS)[4], a large and comprehensive survey undertaken in 2005, measured the health, well-being, and development of Western Australian Aboriginal and Torres Strait Islander children. In 2007, with the aim of reducing disparities among Aboriginal and Torres Strait Islander people, the Government of Australia launched the *Closing the Gap*[5] strategy. The strategy is focused on addressing	Healthdirect (2018)[7] (a publicly funded national health information service) found that many Indigenous Australians experience poorer health than other Australians. Compared to their non-Indigenous counterparts, Indigenous peoples of Australia are more likely to suffer from respiratory diseases, mental health problems, cardiovascular disease, diabetes and other chronic conditions.[8] Furthermore, within Indigenous populations, certain diseases (and their resulting conditions), for instance trachoma (a bacterial infection of the eye) and rheumatic heart disease, continue to occur at high rates. These same diseases are now virtually

[1] Australian Indigenous Health InfoNet, "Aboriginal and Torres Strait Islander concept of health," accessed July 28, 2020, https://healthinfonet.ecu.edu.au/learn/cultural-ways/aboriginal-and-torres-strait-islander-concept-of-health/.
[2] Australian Institute of Health and Welfare, "Indigenous health and wellbeing," *Government of Australia*, 2018, https://www.aihw.gov.au/getmedia/110ef308-c848-4537-b0e7-6d8c53589194/aihw-aus-221-chapter-6-2.pdf.aspx.
[3] Australian Bureau of Statistics, "4720.0 - National Aboriginal and Torres Strait Islander Social Survey: User Guide, 2014-15," last updated July 24, 2020, https://www.abs.gov.au/ausstats/abs@.nsf/PrimaryMainFeatures/4720.0.
[4] Telethon Kinds Institute, "WA Aboriginal Health Survey (WA)," accessed on July 28, 2020, https://www.telethonkids.org.au/our-research/aboriginal-health/waachs/#:~:text=Aboriginal%20Health-,WA%20Aboriginal%20Child%20Health%20Survey%20(WAACHS),and%20Torres%20Strait%20Islander%20children.
[5] Australian Indigenous Health InfoNet, "Closing the Gap," accessed July 28, 2020, https://healthinfonet.ecu.edu.au/learn/health-system/closing-the-gap/.
[7] Health Direct, "Indigenous Health," last updated March 2020, https://www.healthdirect.gov.au/indigenous-health.
[8] Health Direct, "Indigenous Health," last updated March 2020, https://www.healthdirect.gov.au/indigenous-health.

	Australians, a conception of good health is more than the absence of illness; rather, it is a holistic concept that includes physical, social, emotional, cultural, spiritual and ecological well-being, at both the individual and community levels. The emphasis is on interconnectedness and recognising the impacts of social and cultural determinants on health.	disadvantages relating to life expectancy, child mortality, access to early childhood education, educational achievement, and employment outcomes. The targets are: • By 2018, halve the gap in child mortality; halve the gap in reading, writing and numeracy; halve the gap in employment, and; close the gap in school attendance • By 2020, halve the gap in year 12 attainment • Ensure 95% of Aboriginal and Torres Strait Islander four-years-olds are enrolled in early childhood education by 2025 • By 2031, close the gap in life expectancy.[6]	unknown in the non-Indigenous population.[9] Though alcohol, tobacco and illicit substances are widely used by Australians generally, substance use does play a significant role in the health and life-expectancy gaps experienced between Indigenous and non-Indigenous populations in Australia.[10]
Canada	The aim of the Canadian government is to recognize and strengthen the cultural distinctiveness of Indigenous Peoples in Canada. Indigenous Services Canada promotes the First Nations Mental Wellness Continuum Framework[11]. The	Indigenous Services Canada, First Nations and Inuit Health Branch, Health Canada, Assembly of First Nations, as well as independent provincial health authorities (e.g. FNQLHSSC in QC, FNHA in BC) all provide services to Indigenous peoples in Canada.	The Public Health Agency of Canada (2018)[15] has documented several health inequalities present among Indigenous peoples in Canada. First Nations, Inuit, and Metis populations regularly demonstrate behaviours less favourable to health (e.g. smoking and

[6] Australian Indigenous Health InfoNet, "Closing the Gap," accessed July 28, 2020, https://healthinfonet.ecu.edu.au/learn/health-system/closing-the-gap/.
[9] Health Direct, ''Indigenous Health,'' last updated March 2020, https://www.healthdirect.gov.au/indigenous-health.
[10] Health Direct, ''Indigenous Health,'' last updated March 2020, https://www.healthdirect.gov.au/indigenous-health.
[11] Indigenous Services Canada, "First Nations Mental Wellness Continuum Framework - Summary Report," *Government of Canada*, last modified January 27, 2015, https://www.sac-isc.gc.ca/eng/1576093687903/1576093725971.
[15] Public Health Agency of Canada, "Key Health Inequalities in Canada: A National Portrait," August 2018, https://www.canada.ca/content/dam/phac-aspc/documents/services/publications/science-research/key-health-inequalities-canada-national-portrait-executive-summary/hir-executive-summary-eng.pdf.

	framework, developed jointly by the First Nations and Inuit Health Branch (FNIHB), the Assembly of First Nations (AFN), and Indigenous mental health leaders from various First Nations non-government organizations, is aimed at supporting First Nations mental wellness in a way that is rooted in culture and comprised of several layers and elements. The framework views mental wellness as "a balance of the mental, physical, spiritual, and emotional." Further it states: "[t]his balance is enriched as individuals have: purpose in their daily lives whether it is through education, employment, care giving activities, or cultural ways of being and doing; hope for their future and those of their families that is grounded in a sense of identity, unique indigenous values, and having a belief in spirit; a sense of belonging and connectedness within their families, to community, and to culture; and finally a sense of meaning and an understanding of how their lives and those of their families and communities are part of creation and a rich history."[12] The framework further asserts a coordinated, and comprehensive approach to whole health (physical, mental, emotional, spiritual, social, and	The Aboriginal Peoples Survey (APS)[14] is a survey conducted nationally to estimate the social and economic conditions of First Nations people living off reserve, Métis and Inuit. The APS aims to identify the specific needs of these Aboriginal groups. The results of the APS are crucial to informing policy and programs designed to improve the well-being of Aboriginal peoples.	high alcohol consumption), negative health outcomes (e.g. life expectancy and self-reported mental health), and structural impediments to health (developmental vulnerability in early childhood, household food insecurity, and working poverty).

[12] Indigenous Services Canada, "First Nations Mental Wellness Continuum Framework - Summary Report," *Government of Canada*, last modified January 27, 2015, https://www.sac-isc.gc.ca/eng/1576093687903/1576093725971.

[14] Statistics Canada, "Aboriginal Peoples Survey (APS)," *Government of Canada,* last modified August 17, 2017, https://www.statcan.gc.ca/eng/survey/household/3250.

	economic well-being). This approach "respects, values, and utilizes First Nations cultural knowledge, approaches, languages, and ways of knowing."[13]		
New Zealand	The New Zealand Ministry of Health sets the direction for Māori health. Their goal is to increase access in the sector to achieve equitable health access and improve outcomes for Māori. He Korowai Oranga, the Māori Health Strategy, a component of the New Zealand Health Strategy,[16] is the overarching framework which guides the government in the health and disability sector to achieve desirable health outcomes for Mâori. The goal of He Korowai Oranga is Pae Ora is healthy futures.[17] Pae Ora (healthy futures) is the government's vision for Māori health; this extends to mauri ora (healthy	The New Zealand government has implemented Te Kupenga (The Maori Social Survey), which collects information on a variety of well-being indicators for Māori in New Zealand. This survey provides key statistics on four areas of Māori cultural well-being: wairuatanga (spirituality), tikanga (Māori customs and practices), te reo Māori (the Māori language), and whanaungatanga (social connectedness). The survey was conducted initially in 2013 and repeated in 2018.[18] The Ministry of Health also publishes statistical publications on Maori health.[19]	The New Zealand Ministry of Health (2018) reports confirm that Maori health inequity is a persistent issue.[21] The Maori population display disparate and negative outcomes across several indicators of health status, including life expectancy, disability, major causes of death, cardiovascular disease, cancer, respiratory disease, diabetes, infectious disease, immunization, suicide and intentional self-harm, interpersonal violence, oral health, mental health, infant health and unintentional injury. In 2013, life expectancy at birth was 73.0 years for Māori males and 77.1 years for Māori females; it was 80.3 years for non-Māori males and 83.9 years for non-Māori females.

[13] Indigenous Services Canada, "First Nations Mental Wellness Continuum Framework - Summary Report," *Government of Canada*, last modified January 27, 2015, https://www.sac-isc.gc.ca/eng/1576093687903/1576093725971.

[16] Ministry of Health—Manatū Hauora, "New Zealand Health Strategy: Future direction," Wellington: *Ministry of Health*, (2016).

[17] Ministry of Health—Manatū Hauora, "He Korowai Oranga," last updated July 26, 2019, https://www.health.govt.nz/our-work/populations/maori-health/he-korowai-oranga.

[18] Stats NZ – Tatauranga Aotearoa, "Te Kupenga," last updated May 6, 2016, http://archive.stats.govt.nz/tekupenga#gsc.tab=0.

[19] Ministry of Health—Manatū Hauora, "Māori health data and stats," last updated April 23, 2018, https://www.health.govt.nz/nz-health-statistics/health-statistics-and-data-sets/maori-health-data-and-stats.

[21] Ministry of Health—Manatū Hauora, "Ngā mana hauora tūtohu: Health status indicators," last updated August 2, 2018, https://www.health.govt.nz/our-work/populations/maori-health/tatau-kahukura-maori-health-statistics/nga-mana-hauora-tutohu-health-status-indicators.

	individuals), whānau ora (healthy individuals), and wai ora (healthy environments). For Maori, the He Korowai Oranga (meaning "The Cloak of Wellness") Health Strategy signifies the protective cloak and mana o te tangata (the cloak that embraces, develops and nurtures the people physically and spiritually). In the weaving, of a korowai there are strands called whenu or aho. These strands symbolize all the different people in the strategy who work together to make Maori healthy.	In November 2016, the Government of New Zealand conducted the Waitangi Tribunal Health Services and Outcomes Inquiry (Wai 2575) to gather claims and concerns relating to health services and outcomes of Maori people. In June of 2018, there were around 198 claims seeking to participate in the inquiry.[20] The historical and contemporary claims cover a range of issues relating to the New Zealand health system and specific health services and outcomes, with special attention being paid to health equity, primary care, disability services and Māori health providers.	Irrespective of age, in 2013, Māori had a higher disability rate than non-Māori. Looking at total cancers in 2010-2012, cancer registration rates are significantly higher for Māori adults aged 25 and over, as compared to non-Māori adults. The total-cancer mortality rate was over 1.5 times higher among Māori adults than among non-Māori adults. Māori adults were approximately 1.5 times as likely as non-Māori adults to report having a high or very high anxiety or depressive disorder.[22]
United States	The Department of Health and Human Services' Indian Health Service (IHS) provides federal health services to American Indians and Alaska Natives.[23] The IHS website discusses Behavioral Health, focusing on the necessity of self-determination and holistic frameworks for health. They state "[t]he importance of integrated perspectives that include cultural and traditional practices and community-wide healing	The U.S. government does not implement a separate survey with a specific focus on American Indian or Alaska Natives. Statistics on health are tracked by the Center for Disease Control National Center for Health Statistics, the Office of Minority Health within the Health and Social Services Department, and the Substance Abuse	The IHS (2019) reports that the American Indian and Alaska Native people have long experienced disparity in health status relative to other Americans.[29] American Indians and Alaska Natives' life expectancy at birth is 5.5 years lower than the U.S. all races population

[20] Ministry of Health—Manatū Hauora, "Wai 2575 Health Services and Outcomes Kaupapa Inquiry," last updated June 23, 2020, https://www.health.govt.nz/our-work/populations/maori-health/wai-2575-health-services-and-outcomes-kaupapa-inquiry.
[22] Ministry of Health—Manatū Hauora, "Ngā mana hauora tūtohu: Health status indicators," last updated August 2, 2018, https://www.health.govt.nz/our-work/populations/maori-health/tatau-kahukura-maori-health-statistics/nga-mana-hauora-tutohu-health-status-indicators.
[23] Indian Health Service, "About IHS," accessed June 28, 2020, https://www.ihs.gov/aboutihs/.
[29] Indian Health Services, "Indian Health Disparities," (October 2019).

	and wellness must not be underestimated." [24] The IHS also employs a Tribal Self-Governance Program, which "recognizes that tribal leaders and members are in the best position to understand the health care needs and priorities of their communities." [25] The IHS acknowledges that health issues facing Urban Indians "are exacerbated (…) because of the lack of family and traditional cultural environments." [26]	and Mental Health Services Administration.[27] The HSS Office of Minority Health and the CDC announced a new initiative in 2017 to gain a better understanding of health issues in American Indian and Alaska Native communities. In 2017, the CDC conducted interviews in 11 states with significant proportions of American Indians and Alaska Natives, through the Behavioral Risk Factor Surveillance System (BRFSS).[28] These States include Alaska, Arizona, Minnesota, Montana, Nebraska, New Mexico, North Carolina, North Dakota, Oklahoma, South Dakota, and Wisconsin.	(73.0 years to 78.5 years, respectively).[30] American Indians and Alaska Natives also face elevated mortality rates in several categories including chronic liver disease and cirrhosis, diabetes mellitus, unintentional injuries, assault/homicide, intentional self-harm/suicide, and chronic lower respiratory diseases.[31]

[24] Indian Health Services, "Behavioural Health," accessed July 28, 2020, https://www.ihs.gov/newsroom/factsheets/behavioralhealth/
[25] Indian Health Services, "Tribal Self-Government," (July 2016), https://www.ihs.gov/newsroom/factsheets/tribalselfgovernance/
[26] Indian Health Services, "Urban Indian Health Program," (October 2018), https://www.ihs.gov/newsroom/factsheets/uihp/
[27] Substance Abuse and Mental Health Services Administration, "American Indian and Alaska Native (AI/AN): Tribal Affairs," last updated April 23, 2020, https://www.samhsa.gov/behavioral-health-equity/ai-an.
[28] Centers for Disease Control and Prevention, "Behavioral Risk Factor Surveillance System," last updated November 5, 2019, https://www.cdc.gov/brfss/index.html
[30] Indian Health Services, "Indian Health Disparities," (October 2019).
[31] Indian Health Services, "Indian Health Disparities," (October 2019).

Appendix L: Detailed Checklist on Horizontal Initiatives

ESTABLISHING THE HORIZONTAL INITIATIVE	
Checklist Item	
Identify the lead department and all partner departments	☐
Prepare a Memorandum to Cabinet for approval as a horizontal initiative	☐
Establish timelines	☐
Identify funding levels and outcomes sought	☐

GOVERNANCE	
Checklist Item	
Establish a senior-level Oversight committee	☐
Establish terms of the Oversight committee including reporting, evaluations etc.	☐
Oversight committee responsible for results and resource frameworks	☐
Oversight committee responsible for data collection and consolidation	☐
Oversight committee responsible for monitoring of indicators and spending	☐
Oversight committee responsible for reporting content and frequency	☐
Oversight committee responsible for unforeseen issues and course corrections	☐
Oversight committee responsible for resolution of disputes	☐
Oversight committee responsible for liaison and engagement with central agencies	☐
Oversight committee responsible for coordinating horizontal evaluations and audits	☐
Oversight committee responsible for timing of meetings and agenda	☐
Oversight committee responsible for communication strategies	☐

ROLE & RESPONSIBILITIES OF LEAD DEPARTMENT	
Checklist Item	
Coordinating the MC and TB submission process if applicable	☐
Providing administrative support to the oversight committee and other governing bodies	☐
Identifying a secretariat within the department of sufficient capacity to manage coordination efforts	☐
Coordinating the development and maintenance of the performance measurement framework, including the structured inventory of activities with inputs from partner departments	☐
Coordinating the collection of financial and non-financial information from partner departments	☐
Ensuring that performance measures are populated with actual and meaningful performance data, and that data consistency standards are met	☐
Communicating the format and frequency of the submission of financial information required for consolidated reporting	☐

Coordinating the public reporting of the Child Welfare initiative via the Departmental Plan and Departmental Results Report	☐
Coordinating the preparation of any required horizontal initiative reports	☐
Collecting and storing data for the initiative in a manner that supports subsequent audits and evaluations	☐
Coordinating liaison with central agencies, notably in the event that a high-impact issue arises	☐

ROLE & RESPONSIBILITIES OF PARTNER DEPARTMENTS	
Checklist Item	
Participate in establishing the governance structure and the financial parameters for the horizontal initiative	☐
Provide a complete list to the lead department of their activities that are components of, or linked to, the horizontal initiative	☐
Provide information on relevant departmental activities a required by the Oversight committee to implement their respective activities that are components of the horizontal initiative, in order to contribute to the achievement of the shared outcome	☐
Collect and provide to the department financial and non-financial performance information on all their activities that are components of the horizontal initiative	☐

MANAGEMENT AND REPORTING OF THE HORIZONTAL INITIATIVE	
Checklist Item	
Develop common understanding of departmental roles and responsibilities	☐
Provide a clear and measurable understanding of the successful achievement of Thriving First Nations Children	☐
Develop a shared understanding of the outcomes anticipated, indicators of success, activities required and the capacities needed to execute	☐
Ensure there is a robust process and system in place for the management, collection and transparent reporting of data to Parliamentarians and the public	☐
Ensure alignment of each shared outcome with a performance indicator, a target and target date, a data source and verification of data availability	☐
Clear articulation of the linkage of performance indicators to the achievement of outcomes	☐
A disaggregation of each shared outcome by theme	☐
A listing of activities linked to each theme, including whether funding is for a new program or is incremental to an existing program	☐
The identification of activities by department	☐
Relevant performance indicators for all activities and related baselines and targets for clear tracking of progress and for use in any evaluation	☐
Coordinating liaison with central agencies, notably in the event that a high-impact issue arises	☐

REPORTING REQUIREMENTS FOR PARLIAMENT & TBS	
Checklist Item	
Facilitate assessment of progress toward stated outcomes	☐
Facilitate decisions on renewal of the initiative and new areas of focus	☐
Facilitate decisions on adjustments to resource allocation	☐
Facilitate reporting to central agencies and Parliament	☐
Reporting should strive to be consistent, comprehensive and easy to understand	☐
Reporting should improve horizontal decision-making	☐
Reporting should share information with stakeholders on progress, successes and challenges	☐
Reporting should provide transparent performance reporting to Canadians	☐
Reporting should disseminate lessons learned	☐
Reporting should provide a means to compare the consolidated status of the horizontal initiative with the ultimate plan or outcomes	☐
The oversight committee should determine frequency, level of detail and audience for progress reports with the exception of any related statutory, parliamentary or ministerial requirements	☐
Progress reports should facilitate early detection of horizontal issues and be understandable to the target audience	☐
The consolidated report of summary information to Parliament and Canadians is carried out in departmental plans and departmental results reports of the lead department based on a consolidation of inputs from all participating departments and agencies	☐

Appendix M: IFSD's 2019 FNCFS Survey Questionnaire

IFSD
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Letter to FNCFS Agency leadership
Re: Phase 2 – Outcome based funding approaches for FNCFS

September 19, 2019

Dear colleagues,

The Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa is pleased to continue its collaboration with the Assembly of First Nations (AFN) and the Caring Society on First Nations child welfare. Following the acceptance of IFSD's report, *Enabling First Nations Children to Thrive* by the National Advisory Committee (NAC), IFSD was asked to undertake a follow-on study to identify options and plans for a change in structure and resources in First Nations Child and Family Services (FNCFS) to transition agencies to an outcome-based approach based on well-being for thriving First Nations children.

Project overview
There are four parts to this project:

1) Expenditure analysis and funding impacts: Defining the existing baseline of FNCFS program allocations, expenditures and their impacts, including CHRT-mandated funding.
2) Performance framework: Defining a measurable future state from which to build a funding approach for thriving children.
3) Funding approaches: Identifying and analyzing approaches to funding that support improved outcomes for children.
4) Transition plan: Defining approaches and considerations in moving to a new system of performance and funding focused on thriving children.

IFSD's ask to FNCFS agencies
To make this possible, we need your support and collaboration. The knowledge and data you share and the insight you provide are invaluable to this work. There are two ways FNCFS agencies will be asked to participate:

1) Survey: IFSD is requesting **input from all FNCFS agencies** for this project through a **short survey** on CHRT funding and performance this fall. You will receive a short questionnaire (fillable PDF) via email on September 19, 2019 and will be asked to complete the questions no later than October 16, 2019. Should it be preferred, IFSD would be pleased to schedule a phone call, Skype or FaceTime call to complete the questionnaire with you.

2) Case studies: IFSD is seeking approximately 12 FNCFS agencies from different provinces and with different characteristics (e.g. geographic location, size, etc.) to serve as representative/model agencies for the project. These FNCFS agencies will be asked for regular input throughout the project. Monthly contact via email or phone is anticipated for follow-ups on project progress or to help to inform IFSD on specific project matters. Leadership from the case study FNCFS agencies will be invited to Ottawa for two workshops between December 2019 and April 2020.

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Participation and data
Throughout this project, the different characteristics among agencies will be taken into account to ensure that analysis and planning considers their differentiated points of departure, experiences and needs. For instance, small agencies and large agencies may require different transition plans; funding approaches may require refinement for remote agencies; etc.

IFSD's approach to this project is collaborative and informed by OCAP® principles. As an affiliate of the University of Ottawa, IFSD is guided by ethical research guidelines respecting Indigenous Peoples and complies with the Tri-Council Policy Statement on Ethical Conduct for Research Involving Humans in all of its work. All information shared during this project with the consent and participation of the agencies will be anonymized and shared back to protect the privacy of agencies and the communities they serve.

All data shared by communities electronically with IFSD will be held on a password protected cloud-storage system (OneDrive), accessible only to IFSD staff engaged in this project. Any locally held data will be stored on IFSD research laptops only. Any physical copies of data or data shared on USB keys will be kept in a locked cabinet in a locked office at IFSD's offices.

As is its usual practice, IFSD will update its stakeholders monthly on the project's progress. Updates will be released via email and posted to the project website (www.ifsd.ca/fncfs).

Having had the opportunity to meet many of you and the pleasure of visiting some of your agencies and communities, we are delighted to have the opportunity to collaborate with you again.

With best wishes,

Helaina Gaspard, Ph.D.
Director, Governance & Institutions
helaina.gaspard@ifsd.ca
(613) 983-8461
www.ifsd.ca/en/fncfs

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QUESTIONNAIRE FOR FNCFS AGENCIES

Agency name:

First and last name:

Position:

Email: Phone:

---

1. What were your FNCFS agency's total expenditures ($) for fiscal year 2018–19?
2. What were your FNCFS agency's total revenues ($) for fiscal year 2018–19?
3. Did you request CHRT-mandated funding? **(If no, go to question 4).** ◯ yes ◯ no
   a. If yes, what amount was requested ($)?
   b. Did you receive the amount ($) requested? ◯ yes ◯ no
   c. Why did you request funding? Select all that apply:
      i. Maintenance ◯
      ii. Capital ◯
      iii. Prevention and programming services ◯
      iv. Salaries and benefits ◯
      v. Operating and maintenance ◯
      vi. Information technology (IT) ◯
   d. How was the funding used?
   e. What were the results of the supplementary investments?

4. Do you collect data (qualitative or quantitative) on (select all that apply):
   a. Program performance ○
   b. Spending outcomes ○
   c. Other (please describe) ○

5. If you do collect data, how is it used (select all that apply)?
   a. Budgeting ○
   b. Program development ○
   c. Funding requests ○
   d. Other (please describe) ○

6. When you prepare your agency's budget, do you align spending to desired outcomes? For instance, if your goal is to improve child well-being, do you allocate funding to programs or activities specifically designed to promote that goal?

7. May IFSD contact you to discuss your FNCFS agency's work further? ○ yes ○ no

Thank you for completing this questionnaire. Kindly return the completed form to helaina.gaspard@ifsd.ca by October 16, 2019.

Appendix N: Capital Asset Business Case Template

STRATEGIC CONTEXT	
Organization Name	*Detail the name of the organization requesting the capital investment*
Organizational Overview	*To build a strong rationale for a proposed investment, the current environment needs to be described. The organizational overview of the sponsoring agency should include:* – *Mission* – *Strategic vision, goals, and service objectives* – *Current activities and services, including key stakeholders and clients* – *Organizational structure (high level)* – *Existing capacity—financial and human resources*
Problem/ Opportunity Statement	*Express the problem or opportunity to which your agency or First Nation is responding.*
Strategic Fit	*To make a robust case for change, the business case should demonstrate how the proposed investment fits within the agency's or First Nation's broader strategic context and contributes toward its goals and objectives, e.g. successful family reunifications, fewer re-entries into protection. This subsection maps the investment proposal to the organizational framework.*
Drivers for Change	*Identify the drivers that have triggered the investment proposal, e.g. increased demand for services or demand for additional services. Both internal, e.g. organizational reprioritization, and external drivers of change, e.g. mental health crisis, should be identified and clearly linked to the business need.*
ANALYSIS AND RECOMMENDATION	
Options Analysis	*Identify, describe, and explore every possible option that can address the business need. The list should demonstrate due diligence in exploring options.*
Performance Alignment	*Define the evaluation criteria and alignment of the capital request to the Thriving Children Performance Measurement Framework that will be used for screening and analysis of the options and will ultimately determine an overall recommendation.*
Lifecycle Cost for Each Option	*Provide a complete description of the costs. Projected costing estimates should be based on total cost of ownership, which includes*

	ongoing costs over the course of the investment's life cycle as well as potential compliance costs for stakeholder groups.
Cost-Benefit Analysis for Each Option	*Based on the costs established for each option, describe how those costs are weighed against the benefits. Conduct the cost-benefit analysis for each option taking into account costs, benefits, and risks.*
Risk Analysis for Each Option	*Identify the risks and conduct a risk assessment for each option, along with the development of a risk response. Risks may include challenges of working in remote areas, or the investment's importance to the agency's operations. A useful tool for assessing the risk and complexity of a project is the Treasury Board Project Complexity and Risk Assessment (PCRA).*
JUSTIFICATION & RECOMMENDATION	
Identify the Recommended Option	Present the recommendation in a straightforward manner, clearly stating why the agency or First Nation will benefit by focusing its investment on one particular option.
Deciding Factors	*Identify the deciding factors (financial, strategic, and outcome-related) for selecting the preferred option.*
Forecasted Performance Impact of Recommended Option	*Present the contribution of the requested capital item towards the realization of outcomes and service levels required from the Thriving Children Performance Measurement Framework.*
Lifecyle Cost / Funding Formula Impact of Recommended Option	P*resent the lifecycle cost for the requested capital item and specifically identify the cost implication to the funding framework over the lifecycle of the capital asset.*
Risk Mitigation Measures of Recommended Option	*Illustrate why the identified risks are acceptable. Narrative may be included to further contextualize the key factors supporting the overall risk assessment, which include impact, probability, outcomes, and so forth. A useful tool is the Treasury Board PCRA.*

Appendix O: Quantifying Geography and Remoteness for First Nations Child and Family Services Agencies

Dr. John Loxley and
Raina Loxley

Quantifying Geography and Remoteness for First Nations Child and Family Services Agencies

Prepared for the Institute for Fiscal Studies and Democracy

Dr. John Loxley and Raina Loxley[1]

[1] Dr. John Loxley is a Professor of Economics at the University of Manitoba. Raina Loxley is an epidemiologist and public health researcher in Toronto.

Table of Contents

1. IMPORTANCE OF REMOTENESS FOR FIRST NATIONS CHILD WELFARE FUNDING....4

2. THE INSTITUTE FOR FISCAL STUDIES AND DEMOCRACY FINDINGS ON REMOTENESS....5

3. HOW AND HOW WELL IS REMOTENESS ACCOMMODATED IN EXISTING FUNDING MODELS? 5

4. POTENTIAL APPROACHES TO MEASURING REMOTENESS AND THEIR STRENGTHS AND WEAKNESSES: CANADA 7

4.1 USING THE STATISTICS CANADA CONSUMER PRICES INDEX TO MEASURE COSTS OF REMOTENESS....7
4.2 REMOTENESS AND THE WEN:DE REPORT....8
4.3 INAC BAND SUPPORT FUNDING REMOTENESS INDEX....8
4.4 STATISTICS CANADA ON RURALITY AND REMOTENESS....11
4.5 THE 2017 STATISTICS CANADA REMOTENESS INDEX....12
4.6 THE NAN REMOTENESS QUOTIENT (RQ) EXERCISE....13
4.7 THE COMMUNITY WELL-BEING INDEX....15

5. POTENTIAL NON-CANADIAN APPROACHES TO MEASURING REMOTENESS AND THEIR STRENGTHS AND WEAKNESSES....16

5.1. AUSTRALIA....16
5.2. THE USA....17

6. AN ALTERNATIVE NEEDS-BASED FUNDING APPROACH FOR FNCFS....18

6.1. BASELINE FUNDING....19
6.2. THE REMOTENESS ADJUSTMENT....19
6.3. THE ALLOCATION OF PREVENTION FUNDING....25

7. CONCLUSION....26

1. Importance of remoteness for First Nations child welfare funding

Operating in a remote location can potentially have several serious implications for the budgets of and quality of service provided by First Nations child welfare agencies. Staffing and travel costs are the two factors mainly affected by geographic location but each has a number of dimensions. On the staffing side, one can generally expect costs to increase over those in non-remote locations because a salary premium is probably required to attract people to more remote locations. To begin with, the cost of living is generally much higher and salaries need to compensate for this. Access to services normally taken for granted in cities, such as restaurants, entertainment, social and medical facilities, is often severely restricted in remote places and staff may need a financial incentive to accept this. Staff costs are likely to be higher for the bread and butter aspects of child welfare, such as visiting families and children at risk, visiting foster children and families, and meeting with fellow agency staff and local boards may also require more staff time. Where remoteness dictates multi-agency arrangements, this compounds the additional expense. So salary costs are likely to be higher for a number of different reasons, each related to remoteness.

Additional travel costs will be incurred to visit children and families at risk and in care. The cost of gas and vehicle maintenance are generally higher in remote places and if roads are non-existent, flying can become very expensive. Taking families and children into centres where services are available is generally more expensive the more remote the agency.

Inadequate provision for remoteness will, inevitably, reduce the quality of service provided to children and families, by reducing available staff, impeding necessary travel or limiting access to services through broadband.

All of this has long been acknowledged. It was flagged as a major issue by the Joint National Policy Review of First Nations Child and Family Services in 2000 (McDonald, Ladd et al., 2000). It was raised again in the Wen:De (FNCFCS, 2004; FNCFCS, 2005a; FNCFCS, 2005b) report and in subsequent evaluations of the Enhanced Prevention Focused Approach (EPFA) of the Department of Indian and Northern Affairs, Canada (INAC)[2] (INAC, 2010; INAC, 2013; INAC, 2014).[3] It also featured prominently in the Canadian Human Rights Tribunal on Child Welfare (CHRT 2, 2016). Some provision has generally been made to compensate for remoteness in funding models, so the principle is long recognized and the issues that remain are

[2] The federal department responsible has undergone a number of name changes over the years and is currently Indigenous Services Canada (ISC).
[3] Evaluations were conducted in Alberta (2010), Saskatchewan and Nova Scotia (2013) and Manitoba (2014) and remoteness seems to have been an issue in all but Nova Scotia.

the method of providing for remoteness and the size of that provision. In 2018, the department announced that it would be studying the issue and made a presentation on the topic to the Canadian Economics Association annual conference (ISC, 2018), but nothing more seems to have come of this.

In what follows we examine different approaches to measuring remoteness that have been put forward in Canada and elsewhere, but first we examine the findings of the Institute for Fiscal Studies and Democracy (IFSD) on the relationship between remoteness and cost of providing First Nation child and family services.

2. The Institute for Fiscal Studies and Democracy Findings on Remoteness

In 2018 the IFSD conducted a survey of First Nation child and family service agencies across Canada to ascertain their needs and how these might influence the costs of providing services. The survey was conducted following the findings of the CHRT that First Nation child welfare services were underfunded and First Nation children discriminated against. It was commissioned by the Assembly of First Nations with direction from and strategic support of the National Advisory Committee on First Nations Child and Family Services (NAC) (IFSD, 2018).

The study concluded that the single most important driver of agency budgets was the number of children in care (CIC) (IFSD, 2018, p. 9), which is not surprising given the bias of funding models towards taking children into care as opposed to preventing child apprehension, as found by the CHRT (CHRT 2, 2016). The study also found that agency costs increased if at least one community it served had no or limited year-round road access, and budgets of such agencies were found to be more than twice the average annual budget of those agencies with all-year road access; they had two times more staff and their travel costs were five times higher (IFSD, 2018). This supports the argument made above (in section 1) on the importance of remoteness which, following the Wen:De reports (Section 4.1), the IFSD defines as distance from city centres providing child welfare services.

3. How and how well is remoteness accommodated in existing funding models?

Remoteness is accounted for differently in child welfare funding models across Canada. The following draws on information submitted to the CHRT on the First Nations Child and Family Services (FNCFS) Funding Formula Template in 2016 by former Indian and Northern Affairs Canada (INAC) (INAC, 2016a; INAC, 2016b). This shows that the Manitoba child welfare funding model accounts for remoteness by providing 5% of salaries, benefits and operating costs for agencies north of the 53rd parallel and southern remote and isolated communities. Manitoba agencies also received $11,500 per direct service worker, supervisor and executive directors annually, for travel related costs.

Although not covered by the Funding Formula Template, the Ontario model also allocates 5% of funding for remoteness, but only on the socio-economic factors which account for 50% of the budget so, in effect, remoteness accounts for only 2.5% of the total budget (Loeppky and Loxley, 2017, p. 39).

Quebec agencies receive a salary adjustment per professional, adjusted in increments depending on the remoteness of the region, ranging from $8,487, to $13,207, in 2016. An additional $3,057 is provided to service delivery staff to account for travel in remote areas. The 2015-16 FNCFS Funding Formula Template (INAC, 2016a, p. 13) makes explicit provision for increases in salaries and travel for remoteness in Quebec of $292,752 which is equal to 9.95% of total funding for an agency servicing 1,000 children. No other province receives such a high amount for remoteness and the logic for this is not obvious, as on remoteness measures in use by INAC (see 4.2 below), the average remoteness of Quebec agencies is actually a little less than that of Manitoba agencies (FNCFCS, 2005b, p. 108 and 129).

Funding to compensate agencies for remoteness in Saskatchewan is allocated as a fixed amount on a recipient by recipient basis and varies by agency.[4] Travel expenditures are provided at $11,500 per direct service worker, supervisor or agency ED annually and in some cases, a remoteness amount is included in the travel cost. Again, this is allocated on a recipient by recipient basis.

Provision for remoteness was built into tri-partite discussions with some recipients of the EPFA (which replaced Directive 20-1), Saskatchewan, Quebec and Manitoba, but not with all. In the 2011 evaluation of the Alberta EFPA, lack of provision for remoteness was raised as a central issue and it was explained that 'First Nations and the Province did not flag remoteness during the discussion to develop the formula; therefore, it was not included' (INAC, 2010, p. viii).

PEI calculates travel costs as $12,000 per direct service worker, supervisor and ED annually and in some cases includes a remoteness amount on a recipient by recipient basis (INAC, 2016b, Annex B).

There is no direct provision for remoteness in the child welfare funding models of British Columbia, Alberta, New Brunswick, Nova Scotia and Newfoundland. Agencies in these provinces receive $11,500 per direct service worker, supervisor and ED annually, for travel related costs (as in Manitoba and Saskatchewan), but this is consistent across agencies regardless of geographical location. The INAC costing models also stipulate that additional funding can be

[4] In the 2016 budget, an amount of $1.5 million is provided for remoteness, all of it under the heading of 'Enhancement' but no further explanation is given for this (INAC, 2016a, Annex C).

provided to agency Boards of Directors to account for remoteness and/or multi-site agencies (INAC, 2016b, Annex B).

In 2016, INAC stated that it does not currently provide funding for remoteness in regions other than Quebec, Manitoba and Saskatchewan 'as the Department did not have sufficient data and information on which to base calculations for funding' (INAC, 2016b, Appendix B, p. 17).

Since 2018 there is no single funding formula as agencies have been billing the department for many actual expenditures. There is, no doubt, some inertia or hysteresis in receipts of funding which will carry forward provisions for remoteness made in the past.

4. Potential approaches to measuring remoteness and their strengths and weaknesses: Canada

There are a number of possible indicators of remoteness that might be used in developing budgets for child welfare agencies, so the question arises as to how to differentiate between them. Moazzami (2018, pp. 2-3) offers sound advice when he suggests that indicators should:

1. be developed for the specific issue or policy under consideration;
2. be based on service centres relevant to the type of service being measured;
3. allow for the assessment of the impact of various policy measures in the area under consideration;
4. be based on theoretical consideration and any proxies used should be sensible;
5. allow for periodic updating and monitoring;
6. be easy to calculate and intuitively appealing;
7. assign different degrees of remoteness, and not just remote or not remote, as costs will differ by degree;
8. give a stable ranking of communities by location for long term planning.

These considerations should be borne in mind when reviewing the following list of possible remoteness measures.

4.1 Using the Statistics Canada Consumer Prices Index to Measure Costs of Remoteness

It has been suggested by Indigenous Services Canada (2018) that the CPI could be a potentialdata source for measuring the costs of remoteness. The CPI however, does not include people living on reserves (Statistics Canada, 2020a). While it does provide data for 15 cities in Canada, it qualifies their usefulness by stating that 'These estimates should not be interpreted as a measure of differences in the cost of living between cities. The indexes provide price comparisons for a selection of products only, and are not meant to give an exhaustive comparison of all goods and services purchased by consumers. Additionally, the shelter price concept used for these indexes is not conducive to making cost-of-living type comparisons between cities.' (Statistics Canada, 2019a). Only 3 of the 15 cities are located in relatively remote areas. Statistics Canada goes on to explain why data for other cities are not available, arguing that basket weights for goods consumed would be 'quite small' and that price changes in less populated areas generally follow those in populated areas. Above all, 'the CPI aims to

measure price change not price levels' (Statistics Canada, 2019b, p.22). The CPI, therefore, is not useful for our purposes.

4.2 Remoteness and the Wen:De Report

In 2004 the First Nations Child and Family Caring Society (FNCFCS) undertook a review of Directive 20-1, the funding formula for all First Nation Child and Family Service agencies in Canada except Ontario. This review was ultimately published by the FNCFCS as three volumes of Wen:De (FNCFCS, 2004; FNCFCS, 2005a; FNCFCS, 2005b). Directive 20-1 drew on a remoteness factor developed by INAC, which classified agencies according to their distance from service centres, degrees of latitude and year round road access. This factor ranged from 0 to 1.9 (CHRT 2, 2016, p. 127) rising with remoteness. It was used to compensate agencies for the higher cost of remoteness by adjusting three components of the funding formula: the amount of money paid per band, the amount paid per agency and the amount paid per child.

Child welfare agencies recognized the need for remoteness payments but believed the amount being paid was deficient and its calculation based on service centres did not reflect the true costs of accessing child welfare services which were only really available in city centres (FNCFCS, 2005a). Wen:De therefore recommended an increase in the remoteness factor of between 3% for least remote and 8% for most remote agencies. It also recommended replacing service centres, which were really business centres, with cities in which child welfare services were available (FNCFCS, 2005b).

In 2005, INAC revised its remoteness factor, simplifying it. While it assigned each agency to a city, it continued to classify remoteness and in turn determine funding, based on service centres.

4.3 INAC Band Support Funding Remoteness Index

The INAC Band Support Funding (BSF) program is used by the Federal government to determine transfer payments for individual First Nations to facilitate service delivery and allocation of funds according to individual community needs and priorities. The BSF formula last updated in 2005, takes into consideration geographic location of the First Nation, cost of transportation and services through two concurrent indices: a remoteness index and an environmental index. "Both indices are derived based on a combination of the remoteness classification and the environmental classification of a First Nation" (ISC, 2016). The incorporation of these indices in the BSF model is designed to "offset against additional expenditures attributable to geographic location", and could therefore be used similarly in child welfare funding models (ISC, 2016).

The BSF remoteness index incorporates transportation costs and shipping costs for each First Nation, based on the distance to the nearest service centre by the shortest practical route. The BSF defines a service centre as "the nearest community to which a First Nation can refer to gain access to government services, banks and suppliers", including health services, community and social services and environmental services (INAC, 2005). Since the index is based on transportation costs, it is designed to compensate for the increased challenge faced by communities that do not have year-round road access and require fly-in, rail, boat or ice-road transportation.

The environmental index "relates the geographic location of the band to the local climate" and the associated costs of service delivery for members. This includes additional staffing related costs and additional costs for utilities such as electricity and heating associated with the local climate.

Each community is given a numerical score on both the remoteness index and the environmental index, calculated by combining the two measures. Communities are categorized into 4 geographic zones, based on distance to the nearest service centre. Zones 1, 2 and 3 have year-round access by paved or gravel road, including access by vehicular ferry. Communities requiring special access via air, rail or boat are classified as Zone 4 and further sub divided into 7 sub-zones.

Geographic Zones are determined as follows:

Zone 1: First Nations located within 50 km of a service centre.
Zone 2: First Nations located between 50-350 km of a service centre.
Zone 3: First Nations located over 350 km from a service centre.
Zone 4: First Nations with either air, rail or boat access to the service centre.
Zone 4 is further subdivided into to the following sub-zones, according to their distance directly measured from the service centre:

0: distance < 50 km (classified as Zone 2)
1: 50 < distance < 160 km
2: 160 < distance < 240 km
3: 240 < distance < 320 km
4: 320 < distance < 400 km
5: 400 < distance < 480 km
6: distance < 480 km

Communities are also categorized for into the following environmental classifications:

A: geographic location < 45˚ latitude
B: 45˚ latitude < geographic location < 50˚ latitude
C: 50˚ latitude < geographic location < 55˚ latitude

D: 55˚ latitude < geographic location < 60˚ latitude
E: 60˚ latitude < geographic location < 65˚ latitude
F: geographic location > 65˚ latitude

Each community is thus assigned a geographical zone (1, 2, 3, 4.0-4.6) and an environmental classification (A-F), which are combined to result in a corresponding numerical score on the remoteness index, ranging from 0.0-1.85. The index however, is not continuous, but rather yields a discrete score for each combination of geographical zone and environmental classification.

Manitoba and Quebec have the highest average remoteness factor (0.43 and 0.425 in 2006) (FNCFCS, 2005b) while Ontario, BC and Manitoba have the highest number of communities in Zone 4, with 31, 31 and 19 respectively (INAC, 2005).

The BSF indices have several strengths. Firstly, the measure can be applied consistently across the whole country. By incorporating both geographical location and environmental or climatic conditions, the BSF remoteness index provides a comprehensive measure of the costs associated with remoteness. The index has been used widely in a number of other areas, suggesting a potential suitability to child welfare funding models as well. For example, Sharpe and Lapointe (2011) use a simplified version of the INAC measure to investigate the relationship between remoteness and educational attainment, labour market performance and economic outcomes. Due to the small number of communities in Zone 3 (only 10), they collapsed that Zone into Zone 2, creating a dummy variable with 3 categories. They did not however, take into consideration the environmental index in their exercise.

There are several weaknesses in the BSF indices. The use of discrete scores, and more specifically the categorical classification of communities by geographical location is one such limitation. The geographical index uses only 4 zones, and the range of distance to nearest service centre within each zone is quite large (i.e. communities 50km from a service centre by paved or gravel road and communities 349km from a service centre by paved or gravel road, are both classified as Zone 2). As such, there may be large variations in distance, transportation time and costs, between communities classified within the same geographic zone.

Furthermore, the geographical zones used in BSF model are based on the distance to the closest service centre for each First Nation, which is not necessarily where the community or agency prefers to access services. More specifically, these indices are limited by considering the distance to service centres, rather than city centres, which have previously been determined to align more closely with locations that can provide adequate support and where agencies are likely to actually access services (FNCFSC, 2005a). In general, the BSF indices were not designed specifically for child welfare funding, explaining some of these weaknesses.

4.4 Statistics Canada on Rurality and Remoteness

Statistics Canada measures the degree of remoteness by classifying the 5,162 census subdivisions (CSDs) of the 2016 census as urban or rural areas. In 1996 it defined urban areas as having a minimum population of 1000 and population densities of 400 or more people per square kilometer, while rural areas are places of 1000 people or less or have densities of less than 400 people per square kilometer. This definition has been carried forward into its 2017 Remoteness Index, dealt with below. In a 2002 report they classify CSDs in Canada as urban or rural with different degrees of rurality or remoteness depending on the extent of commuting flows from rural and small town centres to large urban areas with populations in excess of 10,000. Commuting flows serve as a proxy for access to various urban services (Moazzami, 2018, p. 6). On the strength of these flows all CSDs in Canada are classified as urban or rural and assigned a Statistical Area Classification Type (SACtype) from 1 to 8 signifying their degree of rurality or remoteness, as in Table 1.

Table 1: CSDs in Canada by degree of Rurality or Remoteness

SACtype	Nature of CSDs	Urban/Rural
1	CSDs within CMAs and CAs	Urban
2	CSDs within CMAs and CAs	Urban
3	CSDs within CMAs and CAs	Urban
4	CSDs outside CMAs and CAs with a strong metropolitan influence zone. => 30% commuting	Rural close to Urban
5	CSDs outside CMAs and CAs :moderate influence zone: at least 5% but <30% labour commuting	Rural limited access to Urban
6	CSDs outside CMAs and CAs: weak influence: more than 0% but < 5% labour commuting	Remote Rural
7	CSDs outside CMAs and CAs with no commuting and a small employed labour force	Very Remote Rural
8	Census subdivision within the territories, outside of census agglomeration	Very Remote Rural

Though useful in measuring rurality and remoteness, these measures have not had widespread applicability, perhaps because they do not directly address the types of services available in different CSDs and CMAs. Certainly, they do not appear to have been put to any use in child welfare policy. The general approach has, however, found limited reincarnation in Statistics Canada's 2017 Remoteness Index.

4.5 The 2017 Statistics Canada Remoteness Index

This 2017 exercise produced a Canadian index of remoteness (RI) and an ancillary set of accessibility measures to selected services, though the primary focus was on remoteness. Three requirements were laid down for the remoteness measure; that it cover the whole of Canada in a detailed way, hence it uses census subdivisions (CSDs); that it would be a continuous, as opposed to a categorical measure and that it be based on physical proximity, rather than economic, cultural or social distance (Alasia et al., 2017, p. 8). Furthermore, the measure should be transparent and not overly complex. The measure arrived at is a remoteness index value for each CSD ranging from 0 to 1, where "0" represents the most accessible area and "1" represents the most remote area.

The remoteness index draws on the gravity model combining proximity to multiple points of service (agglomeration) and their population sizes. Population centres are, therefore the reference point and are defined by Statistics Canada as consisting of at least 1,000 people and a density of 400 or more people per square kilometer and are a proxy for availability of services. Travel cost was used as an indicator of proximity, as opposed to travel distance or time, and cost was calculated by using the most accessible and least expensive travel option between two locations. CSDs were divided into those that connected to a population centre through the national road and ferry network and those that did not. There were 149 in 2011, the base year of the census data, that did not have a national road or ferry connection (Alasia et al., 2017, p.9). For road travel, an average cost of $0.17 per km was applied to all CSDs irrespective of location. For CSDs without regular service by air or boat, a linear model was used to convert linear distances into costs (Moazzami, 2018, p. 11).

The accessibility measures use the same gravity model as used in the remoteness index but measure travel time between CSDs as opposed to cost of travel from CSDs to population centres and population size is replaced by total revenue for different types of business (Alasia, et al., 2017, p. 5). There is a high degree of correlation between the remoteness measures and the accessibility measures, stressing that ‘population counts represent a reasonable approximation for accessibility to basic services across Canada’ (ibid).

The remoteness index (RI) has been used in relation to health, mortality and premature deaths in Canada (Statistics Canada, 2019e). It was also used in the calculation of the Nishnawbe Aski Nation (NAN) Remoteness Quotient (RQ) exercise for Ontario child welfare and has the potential for being used to allocate prevention dollars in child welfare across regions or across Canada as a whole.

It is to be noted, however, that the RI and associated accessibility measures were not developed specifically with child welfare services in mind. The definition of a population centre used (population of 1000 and 400 persons per square kilometer) does not tell us anything about the types of service that might be available for child welfare and their availability in remote communities. The gross revenue measure in the accessibility index suffers from the same weakness.

There are other perceived problems in using the RI. In general, using cost based on travel time makes the index very unstable, as travel time changes daily and seasonally depending on road (e.g. winter roads) and weather conditions (Moazzami, 2018, p. 11). Applying the same average road cost to all CSDs seems also to defeat the purpose of the exercise given that costs in remote areas are clearly higher than those in non-remote areas, so the RQ underestimates the true travel cost in more remote areas.

In addition, both the RI and the accessibility measure are ordinal measures that can be used to rank communities by relative remoteness/accessibility but cannot "measure the differences in the costs of service provision related to the degree of remoteness" (Moazzami, 2018, p. 14).
The RI and the accessibility measure are actually quite difficult to estimate and hence are not as transparent as the originators promised.

4.6 The NAN Remoteness Quotient (RQ) Exercise

The NAN Remoteness Quotient (RQ) Exercise estimated how much the budgets of three NAN agencies would have to increase to allow them to deliver the same level of service as that provided by agencies in non-remote communities in Ontario (Wilson and Barnes, 2019). Calculating the RQ involves a number of discrete steps:

First the Statistics Canada Remoteness Index (RI) (Alasia et al., 2017) was assigned to each agency. As demonstrated, this is a relative measure of the ability to reach population centres within a reasonable amount of time, with a range of 1 for most remote to 0 for least remote. A reference point of 'non-remote agencies' was then determined against which the characteristics of the remote agencies were measured. This consisted of the 10 agencies with the highest percentage of the Indigenous population in the agency's geographic region with remoteness indices at or below the median Ontario remoteness index of 0.118. The unit costs of providing different services were then calculated for the reference agencies as well as for those deemed 'remote' and the proportion of cost differences associated with remoteness was estimated using regression analysis.

The RI for each agency was then multiplied by the proportion of cost differences associated with remoteness to generate the Remoteness Coefficient (RC). The RC was derived, therefore, partly

by geographic remoteness and partly by increased costs of remoteness. It provides an estimate of the incremental costs due to remoteness of providing child welfare services relative to the reference standard of service.

A Remoteness Quotient (RQ) measuring additional funding required to offset higher remoteness costs was then derived by summing all the RQs to 100 and expressing individual RQs as a proportion. 'The RQ represents how a fixed pool of funding would be distributed if the distribution considered nothing but relative remoteness costs' (Wilson and Barnes, 2019, p 10). Theoretically, RQs could be used in other contexts such as in allocating scarce prevention funding.

The exercise estimated remoteness coefficients (RCs) of 1.68 for Tikinagan, 1.59 for Payukotayno and 1.47 for Kunuwanimano. This suggests that additional funding was required in each of these communities to address remoteness, by 68%, 59%, and 47%, respectively (Wilson and Barnes, 2019, pp. 7-8). The remoteness quotients (RQs) suggested that between them, the three NAN agencies should receive about 30% of any funds that might be made available in Ontario to address remoteness (11.7% to Tikinagan; 10.2% to Kunuwanimano; and 8.1% to Payukotayno).

The main strengths of the NAN Remoteness Quotient exercise are that it was commissioned specifically by a First Nations organization in Ontario to address the remoteness compensation issue for its agencies, which is clearly an important one in Ontario. The exercise was in fulfilment of rulings of the CHRT and covered all child welfare agencies in the province, not just those of First Nations. For NAN agencies the financial costs of remoteness were specifically estimated so remoteness calculations could be used to estimate budget short falls.

There are several limitations of the NAN approach. It draws on the 2017 Statistics Canada Remoteness Index the deficiencies of which were pointed out earlier. The reference point for non-remote agencies excludes Toronto, the reason given (Wilson and Barnes, 2019, p. 15) is that Toronto has 'a low First Nation percentage of the population'. But in terms of remoteness in Ontario, Toronto should really be ground zero and hence been included in the reference agencies. This speaks to a weakness in the methodology chosen.[5]

The model yields very wide confidence intervals around the regression parameter for remoteness. For example, the RC for Tikanagan was calculated to be 1.80, suggesting a need for an increase in funding of 80% for remoteness. But the confidence interval was between 1.44 and 2.42 which means that 19 times out of 20, the increase needed would be between 44% and 142%.

[5] It should also be noted that Toronto has a much higher count of Indigenous People than the Government allows for. See Our Health Counts Study (Rotondi, O'Campo, O'Brien, et al., 2017).

This is a result of the small sample used for the calculation, but it raises questions about the practical applicability of the regression parameter (Cooke, 2019).

There are also unresolved questions about the costing approach. For costs such as transport and services to foster families, remote costs exceed those of the reference point agencies, resulting in a need to increase funding for the remote agencies. Salary related costs are, however, higher for the reference group than for the remote agencies. The study accommodates this by inverting salary costs and again, adding them to remoteness costs, on the grounds that lower salaries reflect lack of training, lower qualifications or budget constraints, all of which would be eased by higher remoteness funding. This is controversial empirically and methodologically.

While each of the agencies is treated as a separate entity, each also covers several communities with different degrees of remoteness. Tikanagan covers more than 30 communities, most in Zone 4 with no year-round access by road but Saugeen is in Zone 2 with road access and is only a two-hour drive from Toronto. Taking an agency wide measure as the NAN RQ does, inevitably hides these differences in remoteness.

The Remoteness Quotient (RQ) model was developed specifically for NAN and for Ontario and was not 'intended to provide a one-size-fits-all solution' (CHRT 2, 2016, p. 10). The remoteness coefficients and remoteness quotients derived cannot be applied to other regions or to Canada generally. The authors argue, however, that the model 'is capable of application in other jurisdiction, assuming equivalent data are available in these jurisdictions' (Wilson and Barnes, 2019, p. 10).

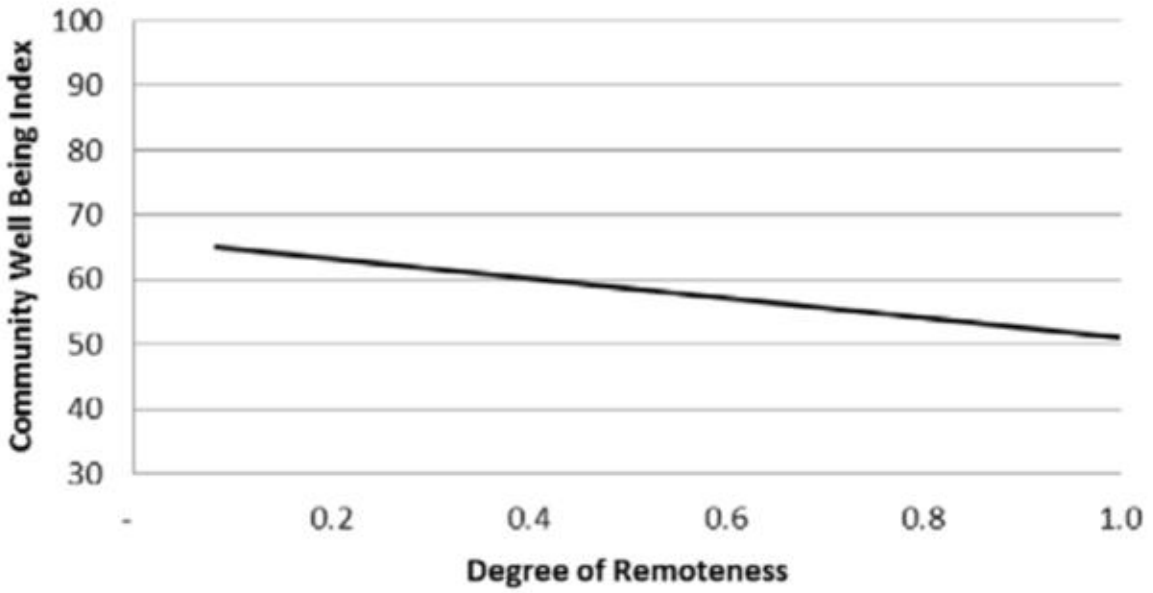
4.7 The Community Well-Being Index

The Community Well-Being Index (CWBI) was developed in 2004 to enable comparison of the well-being of First Nations relative to the rest of society and over time (AANDC, 2006). It is based on Statistics Canada census data at the level of CSDs so the most recent data available is for 2016. The Index is a blend of four socio-economic measures of well-being: income, education, housing and labour force. It ranges from 1 to 100, demonstrating improved well-being the higher the score. A strength of the CWBI is that it is available over a number of censuses dating back to 1991, though with some inevitable issues of comparability. It also enables comparison of other datasets collected at the level of the CSDs (Drawson et al., 2017).

The weaknesses are that it does not directly address the availability of data on child welfare in different communities and it also excludes some important indicators of well-being such as 'physical and emotional health, cultural continuity and environmental conservation' which are not included in the census (Penney et al., 2012, pp. 6-7) and others that are in the census such as the use of local languages (ISC, 2019). The CWBI uses measures of monetary income and paid

employment which do not capture the importance of subsistence and communal or family activities in many First Nation and Inuit communities, activities that improve welfare but which do not involve money. It also may not adequately capture the high cost of living in northern and remote communities due to high shipping or air transport costs (Penney et al., 2012). Notwithstanding these limitations, it could, potentially, be used as an indicator of remoteness as there appears to be a moderate negative correlation between higher remoteness and lower community well-being, as Chart 1 shows.

Chart 1: Trend Line for First Nations Remoteness and Community Well Being Index



Source: Indigenous Services Canada, 2018.

5. Potential non-Canadian approaches to measuring remoteness and their strengths and weaknesses

5.1. Australia

The Accessibility/Remoteness Index of Australia (ARIA) is a purely geographical approach to defining remoteness. It has gone through several iterations since its formation in 1998 and the current versions, ARIA+ and ARIA ++, each offer a continuous index with values ranging from 0 (high accessibility) to 15 (high remoteness). Australia is divided into areas of one square kilometre each and the road distance from each is then calculated to the nearest Service Centres in five size categories based on population size (Hugo Centre, 2020). The greater the road distance, the higher the Index score. The smaller the closest service centre again, the higher is the Index. Thus, an ARIA+ or ARIA++ score is available for each square kilometer in Australia

based on the two variables of road distance to service centres and the population size of those centres.

The five categories of service centre are as follows:

Category 1: Population 1,000 to 4,999:
Category 2. 5,000 to 17,999
Category 3: Population 18,000 to 47,999:
Category 4: 48,000 to 249,999 and
Category 5: Greater than 250,000 (Moazzami, 2018, p. 4).

The calculated remoteness indices are classified into the following five classes:

Major Cities of Australia: Index between 0 and 0.2
Inner Regional Australia: Index >0.2 to 2.4
Outer Regional Australia: Index >2.4 to 5.92
Remote Australia: Index >5.92 to 10.53
Very Remote Australia: Index >10.53 to 15 (Moazzami, 2018, p.5).

While having some similarity with the Statistics Canada Remoteness Index, ARIA does not directly measure the cost of travel. From the point of view of the current exercise, it shares a common weakness in that it says nothing about the ability of service centres to provide child welfare services. General weaknesses pointed out by Moazzami (2018), are that differences in road conditions and road quality which might affect access to service centres, are not allowed for; neither is the fact that not everyone has access to transport. Finally, the cut off points of degrees of remoteness 'are rather arbitrary and can lead to different shares of people in remote areas' (Moazzami, 2018, p. 5).

5.2. The USA

In the USA, four Frontier and Remote Areas (FAR) levels have been developed to capture the degree of remoteness of rural areas at higher or lower population levels, depending on accessibility to different types of goods and services (Cromartie, Nulph, and Hart, 2012). These FARs are defined by the time it takes to travel by car to nearby Urban Areas, measured at the 1x1 kilometer grid level. It includes travel on all Federal, State, and county paved roads.

Level One FAR rural and urban areas are those with up to 50,000 people that are 60 minutes or more by car from an urban area of 50,000 or more people.

Level Two FAR rural and urban areas are those with up to 25,000 people that are 45 minutes or more by car from an urban area of 25,000-49,999 people and 60 minutes or more from an urban area of 50,000 or more people.

Level Three FAR rural and urban areas are those up to 10,000 people that are 30 minutes or more by car from an urban area of 10,000-24,999, 45 minutes or more from an urban area of 25,000-49,999 people, and 60 minutes or more from an urban area of 50,000 or more people.

Level Four FAR are rural areas that are 15 minutes or more by car from an urban area of 2,500-9,999 people, 30 minutes or more from an urban area of 10,000-24,999 people, 45 minutes or more from an urban area of 25,000-49,999 people, and 60 minutes or more from an urban area of 50,000 or more people (Cromartie, Nulph, and Hart, 2012).

Commentators on the methodology have pointed out that some states, such as Alaska, Wyoming, or New Mexico have few urban areas with populations of over 50,000. Others have argued that travel times by road are highly seasonal. Provision does seem to be made, however, for travel by means other than roads in the one-hour time frame. As is the case with other measures of remoteness which rely heavily on population centres, the size of population may not be an accurate measure of the types and range of services available and there is some arbitrariness in the choice of times and sizes of population (Federal Register, 2014).

6. An Alternative Needs-Based Funding Approach for FNCFS

The IFSD (2020), has proposed an alternative needs-based approach to the funding of child welfare. This approach starts with baseline funding and adjusts it for circumstantial effects, such as geography and poverty. Table 2 suggests how this might be done and what follows elaborates on this.

Table 2: An Alternative Needs-Based Funding Approach for FNCFS

Allocation of Prevention Dollars

1. According to Community Well Being Index or
2. Local Needs Analysis: weight of 50% to low income families, 25% lone parent families, 25% to number of Indigenous children and/or
3. NAN Remoteness Coefficient

Remoteness Adjustment to Baseline Funding

1. INAC Remoteness 4. No road access.
2. Stats Can SAC Types 6-8 or 7-8
3. Stats Can 2017 Remoteness Index ≥ 0.6.
4. NAN Remoteness Quotient

Baseline Funding

Guaranteed Minimum Operating Grant to Fulfill Core Functions

A function mainly of:
- Children in Care
- Children moving to permanency
- Investigations Completed
- Ongoing Protection Cases

6.1. Baseline funding

Baseline Funding would provide a guaranteed minimum operating grant to enable agencies to fulfill core functions, driven mainly by the number of children in care but also by the number of children moving to permanency, the number of investigations completed and the number of ongoing protection cases. The data requirements for these are not onerous and should be readily available across the country. These factors are already built into the current Ontario model and in 2016-17 for Indigenous agencies were proportioned among factors driving volume as follows: children in care, 46.9%; on-going protection 28.6%; children moving to permanency, 21.6% and investigations, 2.9% (Loeppky and Loxley, 2017. p.47). These proportions could be determined in the model based on data for more years and for agencies elsewhere. They could also be set to try to influence where agencies spend their dollars.

Over time, as more data becomes available, factors outlined in Appendix 1 of the IFSD's Measuring to Thrive Framework (IFSD, 2020), such as those dealing with wellness, safety and basic needs, could be built in as more comprehensive determinants of baseline funding. In addition to baseline funding there would be a financial adjustment for remoteness (the geography component).

6.2. The Remoteness Adjustment

Ideally, for reasons of equity and consistency, there should be one remoteness adjustment factor for the whole country and this should reflect the importance of road access, given IFSD's previous analysis of factors driving agency costs. There would appear to be four possible candidates for this adjustment, ruling out the Australian and USA approaches for which appropriate data is not readily available:

i. INAC's remoteness measure in Band Support Funding and the Band Classification Manual;
ii. Statistics Canada's Rurality and Remoteness Measures;
iii. Statistics Canada's 2017 Remoteness Index and

iv. NAN's Remoteness Quotient.

What follows reviews the suitability of each for inclusion in the Alternative Needs-Based Funding Approach.

INAC's approach is well established and the necessary geographical data for each First Nation is on-line and can be cross-checked against the remoteness measures which are also available on-line. It has been widely used in research and provided that community geographical profiles are updated regularly on-line, as they appear to be, then the fact that the Band Classification Manual was last issued only in 2005 is not an impediment to its use. Although it is not a continuous measure, it has several degrees of differentiation which compensate to some extent for lack of continuity: zones 1, 2 and 3 have year-round access by a paved or gravelled road, each differently distanced from service centres and each with six degrees of latitude. Geographic Zone 4 covers First Nations with either air, rail or boat access to service centres, has 7 sub-zones (from 0 to 6) and again each has 6 categories by degrees of latitude. The Remoteness Index ranges, therefore, from 0 to 0.7 for the three zones with road access and from 0.1 to 1.85 for Zone 4. If we adjust Zone 4 for overlap with Zone 3, the range of the Remoteness Index is reduced in that Zone to between 0.45 and 1.85.

If INAC's remoteness measure in Band Support Funding is to be used in preparing needs-based budgets, then adjustment have to be made for the provision of services for child welfare in cities rather than service centres. Wen:De made such adjustments for all but Ontario and found that this had a relatively modest impact on remoteness funding, constituting only 2.6% of additional money sought for remoteness. The reason for that is that almost 80% of changes in remoteness on this account affected agencies in Zones 2B and 2C which are not very remote. Only 6 agencies in BC had adjustments leaving them in Zone 4 i.e., in centres without road access and these were probably using services in cities anyhow. Access to appropriate centres for child welfare services continues to be an issue and building city access into remoteness measures, where appropriate, is an exercise still needing to be conducted, preferably with agencies stating where they actually use services, but it will not significantly alter average remoteness or average funding for remoteness.

The second possible approach, Statistics Canada's Rurality and Remoteness Measures, are also not continuous measures. Of the eight Statistical Area Classification Types, two (7 and 8) relate to census divisions without road access and hence fit the IFSD's requirement neatly, while a third (6) covers communities with a very low degree of commuting. This measure is census based and hence available only every five years. The data is subject to incomplete enumeration as a number of First Nations did not participate in either the 2011 census or the 2016 census, which does not invalidate national or regional level indicators but can pose problems at the level of the CSD (Statistics Canada, 2019c). There is a convenient on-line categorization of First

Nations and Tribal Councils according to their appropriate CSDs (Statistics Canada, 2019d) which uses information from what was Aboriginal Affairs and Northern Development Canada and is, presumably, updated as First Nation data changes. There does not, however, appear to be a readily available categorization of First Nations by SACtype, so which communities fit into types 6-8 or 7-8 is not accessible. Furthermore, Statistics Canada itself seems to have moved away from this measure towards use of the Remoteness Index.

The third approach, Statistics Canada's 2017 Remoteness Index (RI) is a continuous measure and it appears that communities with an index of 0.6 and higher lack all-round road access, so it could in principle be used to check the cost drivers that IFSD has laid out. It is also moderately positively correlated with INAC's remoteness measure[6], so it could act as a reasonable replacement. The index is available on-line for all CSDs (Statistics Canada, 2020b) and the location of First Nations by CSDs is available from AADNC.[7] The RI is census-based and hence subject to the same limitations as Statistics Canada's Rurality and Remoteness Measures. As was shown in section 4.4 the way travel costs are arrived at also tends to underestimate the degree of remoteness. Nevertheless, it is likely to become the benchmark for measuring remoteness in Canada.

Finally, the NAN Remoteness Quotient differs from the others in that it provides a dollar amount to compensate for remoteness, which is precisely what is needed in calculating IFSD's remoteness adjustment to base-line funding. Given the small sample size, however, the range of possible compensation becomes huge as shown earlier and this is obviously problematic for public policy. If the overall methodology is acceptable, however, then the confidence interval would suggest parameters for negotiating compensation for remoteness. The big question about methodology remains the treatment of costs, such as salaries, which are lower than those incurred in reference agencies. From the point of view of IFSD's needs-based funding approach, the main problem with the NAN RQ is its purely Ontario basis. This would not exclude it being used for estimating child welfare funding needs in Ontario; after all, Ontario has had its own funding system since 1965. But it would be costly and time consuming to apply it nationally.

At the national level, this would leave only two realistic options: INAC's remoteness measure in Band Support Funding and Statistics Canada's 2017 Remoteness Index (RI). It should be emphasized that none of the four possible approaches, and neither of the preferred options, specifically build the provision of child welfare services into their measurement of remoteness using, at best, generic 'service centres' or, in the case of the NAN exercise, none at all. As noted above, an adjustment was made for this in Wend:De (FNCFCS, 2005b) for INAC's remoteness

[6] The correlation coefficient between INAC's remoteness measure and Stat Can's 2017 measure is 0.63 for a sample of 60 First Nations chosen at random from BC, Alberta, Saskatchewan, Manitoba, Ontario and Quebec.
[7] The list of First Nations by CSDs was made available by AADNC/AANDC on 7 May, 2020 in a document 'INSTAT-2016 CSD to Band Linkage' but it can also be found at Statistics Canada 2019b.

measure measuring distance to cities, but Ontario was not included in this exercise. No such adjustment has been made for Statistics Canada's 2017 RI, and neither is one expected.

Whatever their other imperfections, the two preferred measures of remoteness would not directly identify the offsetting compensation required in dollar terms (as the NAN RQ does). What they would do is point to which agencies would require compensation and the relative scale of that requirement based on the size of the remoteness factor. Salaries, travel and other costs in the baseline budget affected by remoteness would still need to be adjusted.

One way of doing that is to convert INAC's remoteness coefficients into % increases in budgets, covering all items, not just salaries. This is the way the coefficients were used and, pre Wen:De, ranged from a budget increase of 0.08 for a remoteness of 0.8 (about the lowest) to 19% for a remoteness of 1.85 (the highest) (FNCFCS, 2005b, p. 25). We could approximate this approach and orders of magnitude by multiplying the remoteness coefficients by 10 to assign a budget weight, as in Table 3.

Table 3: INAC Measures and Shares

Remoteness Index							Budget Weight of Remoteness Index						
Zone 4	A	B	C	D	E	F	Zone 4	A	B	C	D	E	F
2	0.45	0.55	0.63	0.74	0.81	0.87	**2**	4.5	5.5	6.3	7.4	8.1	8.7
3	0.65	0.75	0.82	0.95	1.03	1.10	**3**	6.5	7.5	8.2	9.5	10.3	11.0
4	0.80	0.92	1.00	1.04	1.23	1.30	**4**	8.0	9.2	10.0	10.4	12.3	13.0
5	0.95	1.10	1.18	1.35	1.44	1.53	**5**	9.5	11.0	11.8	13.5	14.4	15.3
6	1.10	1.25	1.35	1.65	1.75	1.85	**6**	11.0	12.5	13.5	16.5	17.5	18.5

Thus, the most remote agencies would have their baseline budgets increased by a maximum of 18.5% and the rest would receive graduated compensation depending on their remoteness measure. The geometric mean of the budget weights is 9%. If the Wen:De proposals to increase remoteness by between 3% for the least remote and 8% for the most had been adopted by the federal government, which they were not, then the budget weight increases would range from 7.5% to 26.5%, with a geometric mean of 14%.

The rationale for adjusting baseline budgets by these two items rests on the argument that while agencies frequently cite insufficient provision for remoteness, their claims for additional required compensation tend, as Wen:De pointed out, to be inflated. Wen:De therefore provided estimates of the additional amount needed to compensate for remoteness more accurately (3-8%). Under Directive 20-1, provision for remoteness, though inadequate, was built into the budget formula in a per cent fashion, so that each and every time baseline budgets increased, the dollar amount

allocated for remoteness increased proportionally. What was not provided for under Directive 20-1 was the additional amount estimated to be needed in Wen:De. So, by the time EPFA was introduced, baseline budgets already had an amount included that provided for remoteness. The EPFA then either added an explicit further amount (Saskatchewan, Manitoba and Quebec), or it didn't (Alberta) but all provinces, even those that never 'graduated' to EPFA, would have had some remoteness provision built into their CFS agency budgets because of hysteresis. Adding the per cent increases recommended by Wen:De makes some provision for the original inadequacy of the INAC adjustment.

The Stats Canada Remoteness Index could be similarly adapted to indicate budget adjustments (Table 4). The most remote agencies could possibly have an index of 100. In line with the INAC numbers above, this would entitle them to an increase in their baseline budget of 18.5%. The least remote agency qualifying for compensation would have an index of 60, entitling it to a budget increase of 4.5%. We might then have a relationship between this measure of remoteness and budget increases as in Table 4 column 2. This would give a geometric average increase in base-line budget of 10.3%.

Table 4: Statistics Canada 2017 Remoteness Index

1. Index	2. % Baseline Budget Increase: INAC	3. % Baseline Budget Increase Wen:De
100	18.5	26.5
90	15.0	22.0
80	11.5	16.5
70	8.0	11.5
60	4.5	7.5

The Wen:De recommended increases for remoteness could also be built in, giving column 3 in the table, with increases ranging from 7.5% to 26.5%, with a geometric mean of 15.3%. This would be very straight forward to apply with base-line budget increases being proportionate within the decile.

Yet another way of adjusting expenditures would be to take existing remoteness agreements negotiated by unions with provincial governments and averaging remoteness allowances against average salaries in First Nations. In the case of Manitoba, The Manitoba Government and General Employees' Union (MGEU) has negotiated a Remoteness Allowance for those working for the provincial government in the north of the province in First Nations the remoteness of which lies between 0.1 and 1.35 on INAC's measure, pretty much the extremes, and between 0.4 and 0.9 on Stats Canada's 2017 measure.

The allowance provides for both single workers and those with dependents. The bi-weekly rates can be seen in Table 5 below (Manitoba and MGEU, 2016). Taking the average salary of social workers in CFS in Northern Manitoba to be around $70,000, and the remoteness allowance is equivalent to an average of around 12% for those with dependents and 7% for those without, or between $7,700 and $4,500. While the allowance is about double that currently built into the Manitoba costing model, and closer to that built into the Quebec model, it is significantly less than the remoteness recommended by the NAN report. The idea would be that these allowances are designed to offset the higher cost of living in remote areas and the % increases could either be applied to individual First Nations or, as is current practice, averaged across the board. Unfortunately, we do not have similar data for other provinces, but at least the Manitoba data suggests orders of magnitude.

Indigenous Services Canada (2018) has suggested that in revisiting remoteness, the National Joint Council (NJC, 2019) Directives on isolated posts allowances might be a useful source of data. These outline allowances the federal government will pay for its workers in isolated posts. Compared with the MGEU allowances, the rates are very generous. For example, the most remote First Nation workplace in Manitoba, Tadoule Lake, would compensate $26,868 in environmental and living cost allowances for a worker with dependents and $16,721 for a single worker or between 24% and 38% of a salary of $70,000. The least remote First Nation, Grand Rapids, would compensate $6,063 for a worker with dependents and $3,638 for a single worker, or between 5% and almost 9% of a salary of $70,000. This compares with MGEU rates of between 8% and 14% for Tadoule Lake and 3% and 5% for Grand Rapids. Since salaries in child welfare are generally supposed to stay in line with provincial salaries, using NJC allowances for remoteness would not be appropriate.

We are left, therefore, with recommending using budget adjustments suggested by the INAC remoteness measure, the 2017 Statics Canada RI or by the rates negotiated by the MGEU for Manitoba. These suggest budget adjustments for remoteness of averages between 10 and 15% on baseline budgets and ranges of between 7.5% and 26.5%.

Table 5: Remoteness Allowances on First Nations: Manitoba

First Nation	Bi-Weekly Allowance		% Ave Salary		Remoteness Measure	
	Dependent	Single	Dependent	Single	INAC	Stats Can
Berens River	294.00	168.57	10.9%	6.3%	0.82	0.4091
Bloodvein	298.38	171.39	11.1%	6.4%	0.22	0.7313
Dauphin River	196.10	139.15	7.3%	5.2%	0.22	0.7700
God's Lake Narrows	348.32	200.26	12.9%	7.4%	1.35	0.7100

God's River	352.84	199.82	13.1%	7.4%	1.35	0.7186
Grand Rapids	141.00	87.15	5.2%	3.2%	0.22	0.6647
Ilford	377.31	216.01	14.0%	8.0%	0.60	0.6224
Island Lake	324.52	185.39	12.1%	6.9%	1.18	0.5994
Lac Brochet	382.71	219.53	14.2%	8.2%	1.04	0.7362
Little Grand Rapids	312.77	177.37	11.6%	6.6%	1.00	0.4086
Poplar river	298.94	171.92	11.1%	6.4%	1.00	0.8969
Norway House	281.18	160.76	10.4%	6.0%	0.22	0.6877
Oxford House	341.69	195.48	12.7%	7.3%	1.35	0.7012
Pukatawagan	227.15	139.52	8.4%	5.2%	0.74	0.7261
Red Sucker lake	346.54	198.77	12.9%	7.4%	1.35	0.4651
St Theresa Point	324.52	185.39	12.1%	6.9%	1.18	0.5994
Shamattawa	370.86	215.33	13.8%	8.0%	1.04	0.7362
Tadoule lake	388.59	223.67	14.4%	8.3%	1.04	0.9075
York Landing	374.87	218.36	13.9%	8.1%	0.60	0.6044
Average	**314.86**	**182.83**	**11.7%**	**6.8%**	**0.87**	**0.6681**

Correlation Coefficients			
G to I	**G to J**	**H to I**	**H to J**
0.61	0.00	0.58	0.05

The third tier of the Alternative Needs-Based Funding Approach for FNCFS is the addition of prevention funding, which has grown in importance since the introduction of the EPFA and which plays a key role in IFSD's approach

6.3. The Allocation of Prevention Funding

There are three candidates for allocating funding for prevention between agencies/communities. The NAN Remoteness Quotient has been used precisely for that purpose, showing how much of Ontario prevention dollars should accrue to NAN agencies. If it were decided to use the NAN RQ for funding allocation generally among child welfare agencies, then it might as well be used for this portion of the Alternative Needs-Based Funding Approach. As we have argued, however, it is unlikely to become a model for the rest of Canada.

Another option is to allocate any new prevention funding according to weights assigned to local needs, using low income families, lone parent families and the number of Indigenous children as proxies for local needs, as recommended for Ontario (Loeppky and Loxley, 2017, p. 56). Recognizing the importance of poverty as a driver of child welfare problems, this approach gave a weight of 50% to low income families. A weight of 25% was given to lone parent families, on

the grounds that their prevalence might go some way towards explaining the incidence of neglect, and the number of Indigenous children, the population at risk, was also given a weight of 25%. For each agency each of the three sets of data was weighted accordingly and summed up across all agencies. The contribution of each agency to this total would then determine its share of Prevention funding within the budget for Indigenous agencies only. The weights could be adjusted for each of the three measures of local need if desired. Furthermore, other variables could be added so that a number of measurements of need listed in IFSD's Measuring to Thrive Framework, Appendix 1, could be drawn upon (IFSD, 2020). These broaden the definition of need and wellness at the personal, family and community level.

The third possible way of allocating prevention dollars would be using the Community Well-Being Index. Covering four socio-economic measures of well-being: income, education, housing and labour force, this index is more comprehensive than either of the first two and, unlike the NAN RQ measure, is national in scope. It is readily available on-line and has extensive coverage of communities (ISC, 2019). The idea would be to concentrate prevention dollars in those communities with low CWBIs. This could be achieved by taking the CWB score for each First Nation and subtracting it from 100[8]. The resulting number would then be expressed as a per cent of the sum of all such numbers for First Nations and this would represent the share of prevention funds accruing to each community. There could be variations on this approach if the resulting allocation was felt to be in some way deficient.

7. Conclusion

The need to provide funding to offset the higher cost of operating in remote places has long been accepted in the child welfare community of Canada. Remoteness has, however, not been systematically or consistently built into funding models. Since 2018 it is no longer clear that funding models as such continue to exist for federally supported child welfare, but up to that point remoteness funding was provided only to agencies operating in three provinces and the amount provided varied greatly and seemingly, irrationally, between them. In proposing a new funding model for the whole of Canada, the IFSD makes provision for baseline expenditures to be adjusted for remoteness and this paper has examined ways in which it might be done.

Of the many available ways of addressing the costs of remoteness, two are identified for possible use. The first is the long-standing INAC remoteness measure used in Band Support Funding and the second is Statistics Canada's 2017 Remoteness Index (RI). Either one would allow First Nation child welfare agencies operating in different degrees of remoteness to be compensated rationally. There would, however, still be a degree of arbitrariness in arriving at the average

[8] The CWBI for each agency is subtracted from 100 to deal with the fact that numbers closer to 100 represent higher levels of wellbeing and we are seeking instead to calculate the depth of need.

compensation to be paid. Earlier work on remoteness and a recent collective agreement provision in Manitoba suggest that compensation for remoteness might sensibly be within the average range of 10% to 15% of baseline budgets.

Having built such a provision into the alternative needs-based funding model proposed by IFSD, there would then be a need to allocate whatever funds are available for prevention activities. This paper proposes using either a Local Needs Analysis or the Community Well Being Index for this purpose. For Ontario, a case can be made to use the NAN Remoteness Exercise to determine both remoteness funding and allocation of prevention dollars. There are, however, technical issues in how it is put together and in the precision of its guidance for policy. Also, the NAN model would not be easily applied nationally.

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Appendix P: Emergency funding for COVID-19: Responses and support to Indigenous Peoples

Emergency funding for COVID-19:
Responses and support to Indigenous Peoples

Helaina Gaspard
Laura Fernz

SUMMARY
The pandemic has sent economies into recession, is stressing health systems and the people they serve. In response, the Government of Canada has introduced a variety of interim measures to ease the immediate financial pain caused by the pandemic.

While all economic sectors and people have been in some way affected by the pandemic, vulnerable populations or populations with pre-existing social and economic challenges may be more severely burdened. Indigenous Peoples, and especially, First Nations living on-reserve with overcrowded housing, limited access to social and health services, and higher incidences of child and family services interventions, are at greater risk of ramifications.

Recognizing the particular challenges, Indigenous Services Canada (ISC) announced $305 million for the Indigenous Community Services Fund on March 26, 2020. This funding is to be distributed across groups of Indigenous Peoples, with 65% of the funding attributed to First Nations.

When considering three parameters for assessing resource allocation and distribution (allocation, flow and speed), the announced funding falls short. While funding will flow principally to First Nations communities, there is no definition of targeted people or services. Without a plan, the impact of emergency funding may be limited.

Precedents exist to better allocate and distribute funding in crisis situations. Four broad approaches to distributing emergency funding can be defined (see Appendix 1 for more detail), each with its own trade-offs in allocation, flow and speed. These approaches have clear targets and intentions, e.g. immediate financial relief allocated directly to a recipient, or long-term disaster mitigation planning. To address needs in an emergency and to build resiliency for the next unexpected situation, funding targets, approaches and amounts will differ.

There are models of planned and targeted emergency response. Consider for instance, Dakota Ojibway Child and Family Services (DOCFS), based in Manitoba (see Appendix 2 for the case study). The organization has a well-developed business continuity plan that can be actioned in one half-day. From staff roles to connections with other branches of the Tribal Council, DOCFS works to fulfill the emergency needs of the people they serve from the procurement and delivery of food to personal items.

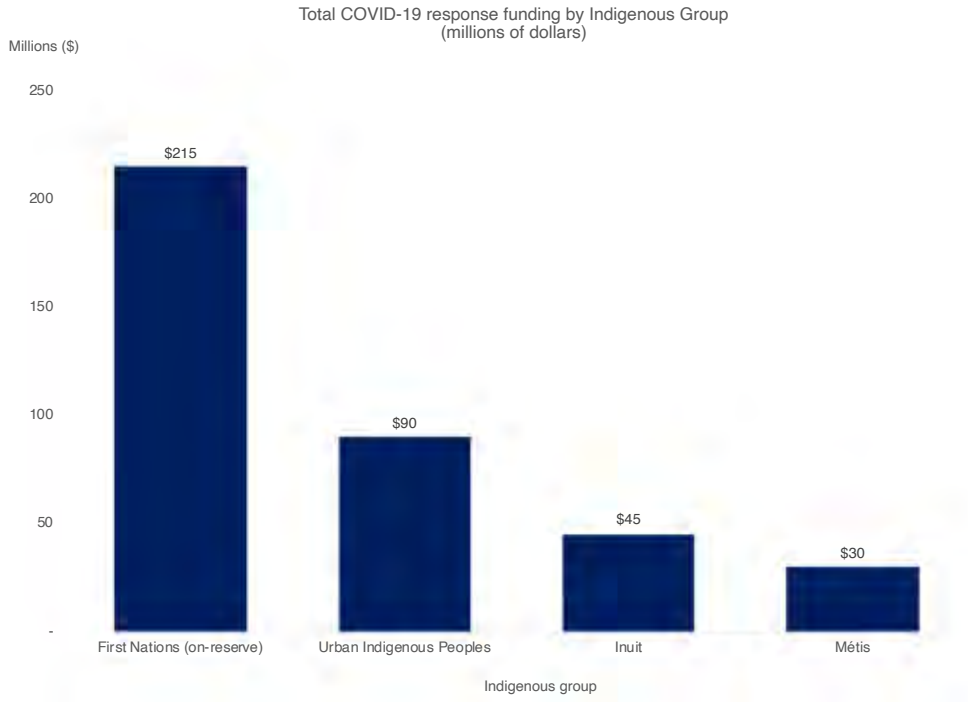
Emergency funding is a tool that should have clearly defined purposes to reach those in need in moments of crisis. Allocating funding is one step, getting it to work is another.

Introduction

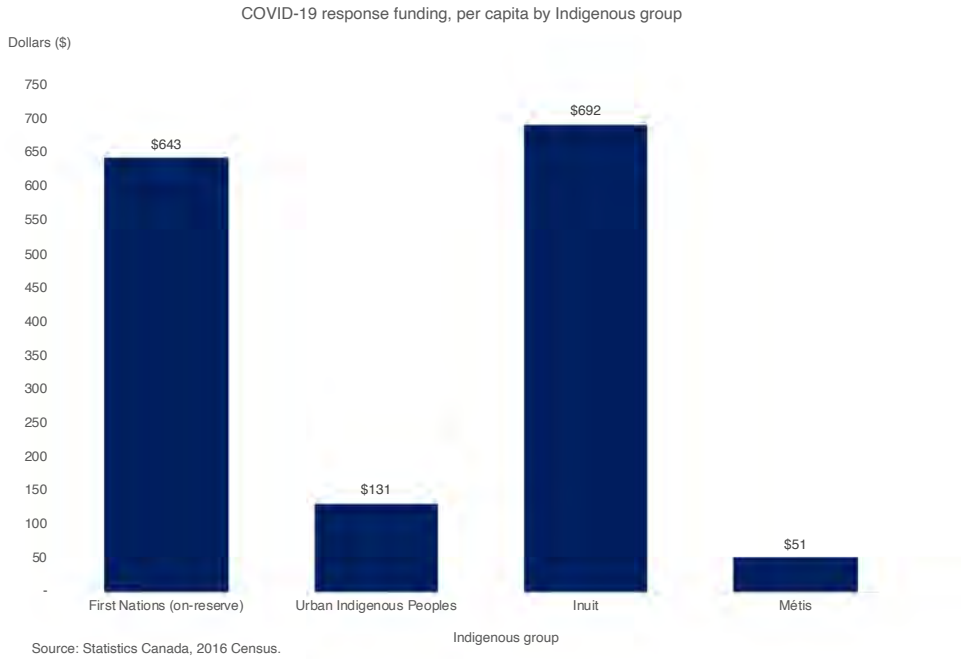
The pandemic has sent economies into recession and is stressing health systems and the people they serve. In response, the Government of Canada has introduced a variety of interim measures to ease the immediate financial pain caused by the pandemic.

While all economic sectors and people have been in some way affected by the pandemic, vulnerable populations or populations with pre-existing social and economic challenges may be more severely burdened. Indigenous Peoples, and especially, First Nations living on-reserve with overcrowded housing, limited access to social and health services, and higher incidences of child and family services interventions, are at greater risk of ramifications.

Recognizing the particular challenges, Indigenous Services Canada (ISC) announced $305 million for the Indigenous Community Services Fund on March 26, 2020. This funding is to be distributed across groups of Indigenous Peoples, with 65% of the funding attributed to First Nations. In mid-April, nearly $307 million was announced for Aboriginal businesses, largely made available through Indigenous financial institutions through short-term interest free loans, and non-repayable contributions. On May 21, 2020, another $75 million was allocated to urban Indigenous Peoples (above the original allocation of $15 million).

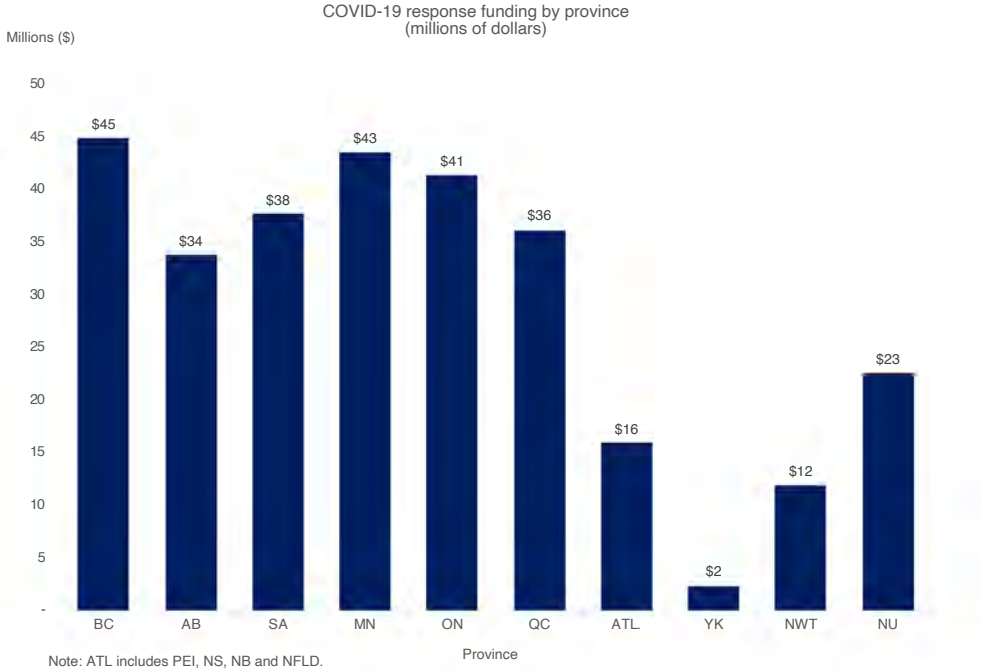


To provide a rough comparative basis on which to understand the funding, per capita calculations suggest that First Nations on-reserve receive approximately $645 per person, Inuit receive approximately $700, with Métis and Urban Indigenous Peoples receiving substantively less on a per capita basis:



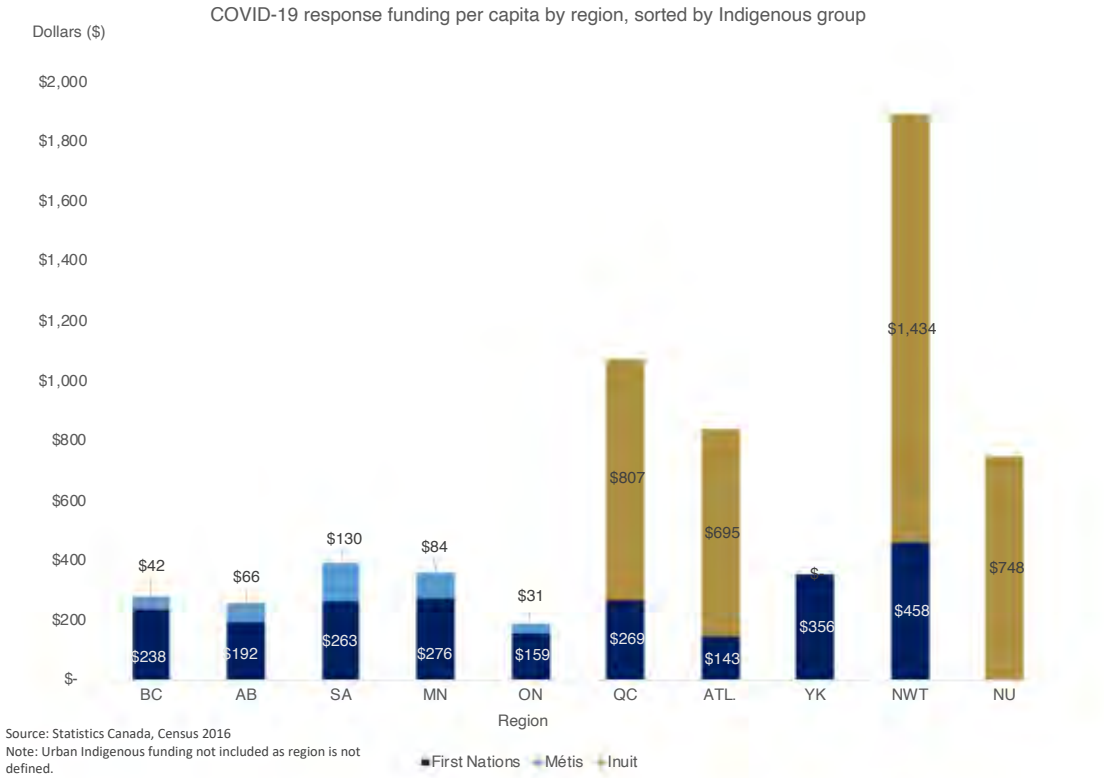
Source: Statistics Canada, 2016 Census.

Most of the total funding (approximately $290 million or 92%) is being allocated on a regional basis. Since funding for urban Indigenous services is proposal-based, there is no defined regional association (until the funding is allocated).



Note: ATL includes PEI, NS, NB and NFLD.

On a per capita basis, Northwest Territories receive the highest per capita funding amounts and Ontario receives the lowest.



At the time of writing, ISC had not released information on if and when allocated resources have flowed to participants. For the funding allocated by proposal, the deadline for proposals was April 13, 2020.

Beyond the dollar amounts, there are three principal considerations on resources:

1) The way in which funding is **allocated** (i.e. who gets what)
2) The way in which funding **flows** (i.e. how money moves to recipients)
3) The **speed** with which funding is distributed (i.e. when it flows to recipients)

Allocation

ISC defines *population*, *remoteness* and *need* as three parameters for distributing funding to First Nations. ISC can be credited with identifying relevant factors for funding with some detail on how the allocations will be made. Each self-governing First Nation will receive a base amount of $50,000 with adjustments for their on-reserve population (based on Census 2016 data), as well as for remoteness, and for their Community Wellbeing Index score. The application, however, of the remoteness and wellbeing factors remain unclear. Furthermore, there is no further publicly available information on the principles for allocating funding among all other First Nations. This is an

important gap for the allocation of hundreds of millions of dollars. Inuit Regional Corporations will receive funding based on a funding formula agreed to by the Inuit Tapiriit Kanatami (ITK) Board of Directors. Funding for Métis will flow through "existing mechanisms" with a "standard distribution model" to determine the amount received on a regional basis.

Flow

On the matter of funding flows, ISC defined different means of moving money based on recipient group. For instance, First Nations dollars will flow directly to communities, whereas funding for Inuit will flow based on an allocation determined by ITK and regional Inuit land claims organizations. In the case of Métis and Urban Indigenous funding, eligible parties can apply for funding.

There is a helpful distinction to be made between emergency response funding to ease the immediate shock/pain of a pandemic, versus the longer-term funding that is meant to support development in communities.

In the current circumstances, it may be helpful to ensure funding flows to recipients as quickly and as efficiently as possible to ensure their basic needs are being met, especially in challenging circumstances.

Speed

The speed with which funding reaches recipients is closely connected to how it flows. ISC has defined different means through which Indigenous Peoples will receive support: directly through their First Nation, through a land-based organization, or by applying for funding.

The most efficient funding receipt will likely be among First Nations. It can be expected that funding will move with relative ease to First Nations (as mechanisms and agreements already exist), and that the band council structures in place should generally be able to put funding into practice. The slowest funding by contrast, may be funding allocated through the call for proposals for those providing services to Indigenous Peoples in urban centres or off-reserve.

Re-thinking emergency funding

There are four principal models that emerge when considering approaches to delivering emergency funding across jurisdictions: application-based temporary assistance; direct transfers to persons; medium- to long-term grants; and third-party managed funding (see Appendix 1).

There are considerations for each of these funding approaches, that may be suitable to responding to different types of crises or particular moments over the course of a crisis and its recovery.

IFSD
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APPENDIX 1

Approach	Description	Allocation	Flow	Speed	Examples
Application-based temporary immediate assistance funding	Upon approval of an application, payouts are made over a short period of time to qualifying individuals, businesses or communities to offset economic impacts of an emergency. Most of these funds emerge in response to an emergency, although there are examples of pre-existing funds, including Australia's Disaster Recovery Payment and Crisis Payment.	Allocations are based on a set of qualifying principles connected to the emergency or the recipient, e.g. percentage of total income, minimum wage, etc. The total size of the fund (available resources), is typically capped.	Direct support to recipients, upon approval of qualifying application.	Funds may be created quickly, but governments typically rely on the robustness of their existing infrastructure, e.g. online tax portals, service centres, to deliver the monetary relief. The speed of delivery is determined by the state of pre-existing infrastructure.	CAN: Covid-19 Economic Response plan ($105 billion allocated); divided into various programs including Canada Emergency Response Benefit ($24 billion: $2,000 per month for up to 4 months to all eligible recipients) and the Wage Subsidy Program (~$71 billion: 75% of weekly renumeration paid to a maximum of $847 per employee).[1]

[1] "Canada's COVID-19 Economic Response Plan," Government of Canada, last updated on April 7, 2020, https://www.canada.ca/en/department-finance/economic-response-plan.html#wage_subsidies .

					AUS: Disaster Recovery Payment[2] (pre-existing fund) ($1,000 for eligible adults, and 400$ for eligible children who have been directly affected by a major disaster either in Australia or overseas). Crisis Payment (pre-existing fund)[3] eligibility is based on being qualified for an income support payment, being in Australia when the claim is submitted, and being in severe financial hardship due to extreme life changes which include a natural disaster not covered by the Disaster Recovery Payment – for instance in the Covid-19 case of a National Health Emergency[4]. The amount an individual receives is equivalent to one week's pay at their existing income support payment rate. You can ordinarily receive up to 4 payments over 12 months, or exceptionally during the National Health Emergency you can receive 2 payments in a 6-month period.

[2] "Disaster Recovery Payment," Australian Government – Disaster Assist, last updated April 16, 2020, https://www.disasterassist.gov.au/Pages/disaster-recovery-payment.aspx.
[3] "Crisis Payment," Australian Government, last updated September 25, 2019, https://www.servicesaustralia.gov.au/individuals/services/centrelink/crisis-payment/who-can-get-it.
[4] "Crisis Payment – National Health Emergency (Covid-19)," Australian Government, last updated April 20, 2020, https://www.servicesaustralia.gov.au/individuals/services/centrelink/crisis-payment/who-can-get-it/crisis-payment-national-health-emergency-covid-19.

Direct Transfer to Persons	Direct **one-time** payout to qualifying individuals. No application is necessary. The funding approach typically emerges during a crisis.	The allocation is typically fixed and determined by the funder.	Automatic direct transfer to qualifying persons (no application required).	Direct transfers to persons can flow quickly, assuming pre-existing infrastructure is available.	CAN: Covid-19 Increase to the GST/HST credit amount (based on net income: $443-$886 per individual, $580-$1,160 per married couple, $153-$306 per child under the age of 19, or $290-$580 for the first eligible child of a single parent)[5] AUS: $750 one off Economic Support Payment[6]

[5] COVID-19 Increase to the GST/HST credit amount," Government of Canada, last updated on April 1, 2020, https://www.canada.ca/en/revenue-agency/services/child-family-benefits/covid-19-gsthstc-increase.html .
[6] "A $750 one off Economic Support Payment," Australian Government, last updated March 12, 2020, https://www.servicesaustralia.gov.au/individuals/news/750-one-economic-support-payment .

Medium to Long-Term Assistance Grants	Grants are pre-established (not an emergency response). The structure of the grant is typically set out in legislation, and oftentimes will provide for two tracks of funding. The first track is funding that targets emergency mitigation and building resilience in communities. The second track is funding that can be accessed during a crisis and allows for greater ease in accessing resources during an emergency.	Funding is allocated based on actuals, with requisite proof of expenses.	For most of these grants, federal funds are only dispensed when the financial capacity of the other orders of government, insurance payouts, etc. are exhausted. Furthermore, they require long-term agreements between the parties, with a cost-sharing formula defined in legislation.	The main weakness of this response mechanism is the speed at which communities receive funds. This form of funding is almost entirely retrospective.* Though there may be a timeline with respect to eligible expenses (e.g. up to 12 months after the emergency), there is no set timeline as to when reimbursements will be received by applications. Once agreements are put into place, how quickly funding will flow will be dependent on the structures of the other orders of government and their mechanisms to distribute funds to recipients. This model is impractical for communities that have limited reserve funds; they may not have the capital needed to front the cost of expenses and services while waiting for reimbursements,	CAN: Disaster Financial Assistance Arrangements,[7] Emergency Management Assistance for Activities on Reserve,[8] Disaster Mitigation and Adaptation Fund[9]

* Note: In certain instances, major capital investments may be pre-approved.

[7] "Guidelines for the Disaster Financial Assistance Arrangements," Public Safety Canada, last updated on February 2, 2019, https://www.publicsafety.gc.ca/cnt/mrgnc-mngmnt/rcvr-dsstrs/gdlns-dsstr-ssstnc/index-en.aspx . Program administered through Public Safety Canada that provides disaster relief through provincial and territorial governments. The aim of the program is to assist provincial government with the costs of disaster relief (when the costs exceed what would reasonably expected for the province to bear on their own).

[8] "Contributions for Emergency Management Assistance for Activities on Reserve: Terms and Conditions," Application requirements and assessment criteria, INAC, last updated on April, 4, 2019, https://www.aadnc-aandc.gc.ca/eng/1386012167936/1386012273685. The EMAP is aimed at assisting on-reserve First Nations communities through emergency management. One of the main project objectives is to work with emergency partners and to help with the remediation of critical infrastructure and community assets impacted by emergency events.

[9] "Disaster Mitigation and Adaptation Fund," Infrastructure Canada, last updated May 9, 2019, https://www.infrastructure.gc.ca/dmaf-faac/index-eng.html. "A national merit-based program that will invest $2 billion to support large-scale infrastructure projects to help communities better manage the risks of disasters triggered by natural hazards."

				potentially putting them in a precarious situation.	US: FEMA Public Assistance & Individual Assistance,[10] Hazard Mitigation Grant Program[11] AUS: Disaster Recovery Funding Arrangements – used to fund Emergency bushfire support for primary producers[12]

[10] "Understanding Individual Assistance and Public Assistance," FEMA, last updated January 15, 2018, https://www.fema.gov/news-release/2018/01/15/understanding-individual-assistance-and-public-assistance. Following a Presidential Major Disaster Declaration, FEMA provides two main programs to help with recovery: one is targeted to individuals and households, and the other is for state and local governments (as well as certain non-profits).The first program, Individual Assistance, provides direct assistance to families and individuals who have suffered disaster related losses. The second program, Public Assistance, can help state and local governments get reimbursed for up to 75 percent of eligible costs following disaster-related damage (eligible expenses include emergency protective measures, debris removal, and infrastructure repairs or replacement).

[11] "Hazard Mitigation Grant Program," FEMA, accessed April 6, 2020, https://www.fema.gov/hazard-mitigation-grant-program. Following a Presidential Major Disaster Declaration, HMGP helps communities implement hazard mitigation measures (the key objective of the grant is to enact mitigation measures that reduce the risk of loss of life and property from future disasters).

[12] "Emergency bushfire support for primary producers," Australian Government, last updated on January 22, 2020, https://www.agriculture.gov.au/ag-farm-food/bushfires/primary-producers. $100 million in emergency grants has been committed; up to $75,000 is available to farmers, fishers and foresters located in declared bushfire disaster areas.

Funding to Third Parties (non-governmental support agencies)	During an emergency, a third-party is mobilized to provide relief services, with government funding.	Third-parties typically receive funding by applying for grants or entering into service agreements with government.[13] Contribution agreements are also possible in an emergency, where a government will flow funds directly to the organization to provide relief services.[14]	Funding is utilized and potentially dispersed to individuals through the third-party.	The speed at which third-parties can deliver relief services or disburse funds is dependent on their pre-existing infrastructure.[15]	CAN: Regional agreement between ISC and the Red Cross to assist during flood evacuations in First Nations communities.[16]* For instance, the Red Cross has received grants to help with wildfires in British Columbia,[17] and they have also signed a 5 year agreement with ISC to provide services for evacuees in Manitoba on ISC's behalf.[18] In New Brunswick the $900 Workers Emergency Income Benefit is being administered by the Red Cross.[19]

[13] Canadian Red Cross, *Annual Report 2010-2011*, (2011), page 25.
[14] "Canadian Red Cross welcomes the Government of Canada support to wildfire recovery," Canadian Red Cross, last updated July 23, 2017, https://www.redcross.ca/about-us/media-news/news-releases/canadian-red-cross-welcomes-the-government-of-canada-support-to-wildfire-recovery.
[15]KPMG, *May 2016 Wood Buffalo Wildfire : Post-Incident Assessment Report (Prepared for Alberta Emergency Management Agency,* (May 2017), page # 26 & 98. "[Red Cross'] electronic fund transfers more efficient than the Province's debit cards" & "while the Red Cross was an effective fundraiser, it did not necessarily have all of the supporting infrastructure to disburse the funds to organizations and individuals who needed it to address their response and recovery needs"
*Note: S. 3.4.2.7. of the *On-Reserve Emergency Management Plan* states "At the request of an on-reserve First Nation, INAC, or province or territory, a non-government organization (e.g. the Canadian Red Cross) or other Indigenous organization, may support the management of an emergency. Once identified, these entities become part of the First Nation's emergency planning process, and should have clearly defined roles and responsibilities outlined within the First Nation's all-hazards emergency management plan, in order to develop an integrated emergency management structure and processes/procedures with all stakeholders." Source: "Indigenous and Northern Affairs Canada (INAC) National On-reserve Emergency Management Plan," Government of Canada, last updated June 7, 2017, https://www.sac-isc.gc.ca/eng/1324572607784/1535123607689.
Additionally, the AFN and the Canadian Red Cross signed an MOU on May 23, 2007. This MOU included four areas of sharing expertise, including emergency management. The Canadian Red Cross has also had an operations branch on the Blood reserve for around 12 years. Source: "Indigenous Engagement," Canadian Red Cross, accessed on April 23, 2020, https://www.redcross.ca/donate/other-ways-to-donate/major-donations/major-donations-in-western-canada/major-donations-in-alberta/indigenous-engagement.
[16] "Flooding in First Nations communities," Government of Canada, last updated on October 31, 2019, https://www.sac-isc.gc.ca/eng/1397740805675/1535120329798 .
[17] "Canadian Red Cross welcomes the Government of Canada support to wildfire recovery," Canadian Red Cross, last updated July 23, 2017, https://www.redcross.ca/about-us/media-news/news-releases/canadian-red-cross-welcomes-the-government-of-canada-support-to-wildfire-recovery.
[18] "Manitoba 2014 Flood Recovery," Indigenous and Northern Affairs Canada, last modified January 7, 2020, https://www.aadnc-aandc.gc.ca/eng/1411758562651/1411758732957.
[19] "New Brunswick," Canadian Red Cross, last updated on April 20, 2020, https://www.redcross.ca/in-your-community/new-brunswick.

When an emergency or unexpected event occurs, such as COVID-19, there may be an immediate need to have financial resources flow directly to persons. In such instances, a direct transfer to persons is useful to help to address an individual's basic needs. The money tends to be easily accessible and can be used virtually, immediately. That funding however, is short-term and serves to ease immediate burdens. It does not provide means to build resilience for future situations. This approach is expeditious and direct.

Resilience and emergency management planning are best developed through medium- and long-term grants. This type of funding enables jurisdictions to look back on an emergency and leverage the lessons to build response plans and the infrastructure required to mitigate the challenges of future events. While the long-term impact of such funding can be beneficial, it is only useful when a jurisdiction has tools for planning and capacity development. There must also be an existing set of resources which the jurisdiction can leverage to meet its needs, as much of the funding is reimbursed. This approach allocates funding for longer-term development but on retrospective timelines.

Third-party managed funding offers a hybrid approach, where service providers have the procedures and practices required to deliver funding and services in response to an emergency in an expedited fashion. For an immediate on-the-ground response, this approach may respond to considerations of speed, allocation and flow, as the third-party is the sole interlocutor with the funder (government) and can deliver a broad response.

When considering approaches to emergency funding, a mix of direct transfers and third-party managed funding tend to be best for immediate responses and service delivery. Grants with application-based proposals for funding are best suited to build resilience, capacity and infrastructure for the medium- to long-term. Irrespective of the approach or mix of approaches selected, pre-existing preparedness and response structures influence an individual's, community's and government's ability to address crises.

In a 2018 study, the House of Commons Standing Committee on Indigenous and Northern Affairs produced the report, "From the Ashes: Reimagining Fire Safety and Emergency Management in Indigenous Communities." The report emphasized the gaps in funding and the challenges in ensuring the timely and reliable delivery of resources for emergency response. These findings echoed a 2013 report by the Auditor General, which deemed the budget of the Emergency Management Program to be insufficient.

While the Standing Committee's report focused exclusively on fire safety and emergency management, the broader takeaways are clear: there is a lack of preparedness among communities, who due to infrastructure and health considerations, tend to be more vulnerable to the ramifications of emergencies. Appropriate crisis

response alone, is not a solution. Crisis mediation is dependent on pre-existing structures, practices and preparedness to organize a response and mitigate risk.

Dakota Ojibway Child and Family Services (DOCFS) provides an array of mandated, early intervention and prevention programs to address the community, families and children's needs, with input from the Local Child and Family Services Committees across eight First Nation communities in Manitoba. In emergencies from floods to COVID-19, DOCFS activates their business continuity plan (BCP), to ensure services are provided. Their case highlights practices that can be emulated and the challenges of organizing broad-scale responses in often uncertain and changing circumstances.

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APPENDIX 2

CFS and emergency preparedness and response: The case of DOCFS

By the numbers

DOCFS serves 8 First Nations (plus 3 urban offices)
DOCFS employs 220 staff

In 18 days of crisis response (March 13-31, 2020) DOCFS spent:

- $106,346 in emergency items for 8 communities, e.g. personal protective equipment, baby formula, diapers, food bank items, cleaning supplies
- $1,745 in transportation costs to move the items to the 8 communities
- $45,085 in IT to equip staff to work remotely

Total = $153,176 (and counting as the pandemic continues)

The message: emergency response requires preparedness through appropriate planning, well-trained staff, and financial resources.

Lessons from DOCFS' emergency response:

1) Be prepared: a business continuity plan/emergency plan that includes communication with band councils and tribal councils can determine and pre-plan how you will collaborate and collectively face an emergency.
2) Empower staff: crisis situations are fluid and require changing responses. Staff should have input in planning, clear direction and latitude to act in the best interest of the children, families and communities they serve.
3) Have access to financial resources: to procure goods and services, money is necessary. There's much uncertainty in a crisis and having reserve funds (or access to funds) is crucial for expeditious action and response.
4) Connect: work closely and ongoingly with your communities and leadership to respond to the needs of children, families and communities.

"At no time will children be left at risk."

Dakota Ojibway Child and Family Services (DOCFS) is no novice when it comes to emergency response. From floods, to ice storms, to now, a pandemic, the agency has responded to protect the most vulnerable in the eight First Nations communities it serves. An integral component of a broader Tribal Council structure, DOCFS works

collaboratively with other organizations (e.g. health, education) and community-based offices. Daily directors' calls and constant contact coordinate actions and response to changing circumstances across the Tribal Council.

DOCFS wants kids and families to be healthy and safe. That doesn't stop during an emergency; it amplifies. CFS is an essential service, and DOCFS remains available 24/7 during a crisis (as it would in regular times). As concerns for the safety and well-being of children and families can increase during emergencies, DOCFS' actions in emergency response extend beyond the physical safety of children, and includes food security, supplies and educational resources.

Be prepared

DOCFS' business continuity plan (BCP), which serves as a roadmap for the agency's action in a crisis to fulfil its core mandate and maintain (at least) their basic operations.

In one half-day, DOCFS' entire business continuity plan (BCP) apparatus can be mobilized, as staff are pre-briefed and familiar with their responsibilities. Staff have pre-assigned roles and areas of action for which they are responsible in an emergency. This enables the organization to keep a measure of consistency when faced with unexpected crises.

DOCFS' model is premised on strong linkages to the eight communities that it serves. With trust between DOCFS and its community offices and employees, the agency depends on the local First Nation's collaboration and support to understand need on the ground, and to ensure an appropriate response. Each of the eight communities served have their own emergency operating plans for local-level actions. From back-up staffing plans to operating plans, each community has a pre-meditated approach to managing CFS when in crisis response mode.

There are plans in place, but people are expected to solve problems and find solutions.

Empowered leadership; empowered people

As emergency response ramps up, there is a real pressure on senior management to orchestrate the initial response. Senior staff were working from 8am to 11pm to define and implement the initial crisis management approach to COVID-19.

Senior leadership and the DOCFS board encourage flexibility in crisis response. They are known to create space for employees' ideas to respond to community needs. Emergencies are fluid and DOCFS staff must adjust its actions accordingly, in real time.

Various ad-hoc teams emerge in crises to address changing needs. For instance, in the response to COVID-19, a holistic wellness team was created to develop resources for the distribution of reliable information and to connect people with the services they need. This small team of six people leverages outside resources, such as extra

physicians and mental health experts, and develops their own tools to support the overall pandemic response.

The main concern among communities is food security. Families can be big and as communities enter lock-down, not everyone can access needed supplies in time. DOCFS stepped in as a procurer of essential food items and supplies for delivery through local community offices. The items are distributed without cost to recipients in need through the local office. In an emergency situation, DOCFS will assist any community member in need (although their child focus is primarily, children in care). This initiative, orchestrated in conjunction with community-based staff, demonstrates the importance of connectivity and trust between agencies and people, especially in a time of emergency response.

To mobilize the required resources, an agency needs ready money.

Always have ready money

DOCFS emphasizes the importance of advocacy for their agency. From the Tribal Council's Chief to ISC to outside resources, DOCFS advocates to 'anyone who will listen,' to ensure their organization and children in care have what they need. Building a reserve fund and practicing active resource-development are ongoing. This helps to ensure that when a crisis hits, there is some flex in the budget.

When faced with a crisis, there is the added stress of uncertainty and delay in cost recovery. Until a state of emergency is enacted by the Tribal Council, resources commensurate to an emergency will not flow. In the context of COVID-19, ISC has indicated that agencies can keep track of costs associated to the pandemic response.

The fact remains however, that agencies and communities need ready money to act and respond in an emergency. For instance, at DOCFS, expenses for COVID-19 have been paid through expense accounts, cheques, corporate credit cards and personal credit cards. When it comes to major expenses, the executive director checks with ISC regional staff for the approval of the expense in advance, to mitigate any uncertainty of reimbursement. From basic food supplies, to educational resources for children in care, staff overtime, IT supplements, and beyond, agencies must be able to maintain their core operations to keep children and families safe, while supporting an emergency response. Unexpected circumstances can require unexpected resources.

As an alternative funding approach for CFS is being developed, options for emergency funding are being considered. Combinations of funding mechanisms are being explored to propose tools to respond to immediate needs, as well as to address the underlying challenges that influence crisis management. DOCFS is a helpful example of a well-coordinated agency that leverages resources beyond its organization to respond in a timely and decisive manner in the face of emergencies.

Appendix Q: Social Services Post-emergency: Considerations for Disaster Relief Funding

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Social services post-emergency: Considerations for disaster relief funding

Evaluating the role of social services post-emergency

When considering how to adequately scale-up social services to respond to emergency situations, the primary determinant of success is whether social services agencies have sufficient pre-emergency to ensure comprehensive service delivery. Though one-time crisis payments can help service providers fill unexpected gaps, allocating sufficient and consistent long-term funding will ensure that service providers are able to build their capacity and resilience, in turn permitting them to develop comprehensive emergency management plans. Service providers, such as First Nation child and family services agencies have unique expertise on the needs of their communities, making their capacity for emergency response and important stabilizing factor in crisis situations.

The COVID-19 pandemic has brought to the fore how underlying inequities, and insufficient social protections can make communities vulnerable to emergency situations, and quickly aggravate the impacts of a crisis. For instance as of June 2020, the Navajo Nation, one of the largest Indigenous reservations in the US, faces a death rate of 177 per 100,000, higher than any single US state.[1] Up to 40% of Navajo households do not have running water, further, many families live in hogans (one-room homes); therefore, implementing self-isolation and sanitation measures can be challenging.[2] As Fawn Sharp the President of the National Congress of American Indians states, "the failure to fund us has left us incredibly vulnerable."[3]

Canada's First Nations face similar challenges with poverty, especially on-reserve. Median household incomes of First Nations in most provinces are below their respective provincial poverty lines. Poverty is at the root cause of various challenges, including contact of First Nations children with the child protection system.[4] The effects of poverty can be aggravated by emergency situations, making it crucial for recovery to consider the reliability and availability of social services to support communities and their recovery.

[1] Nina Lakhani, "Navajo nation reinstate lockdown as Covid-19 cases surge near reservation," June 18, 2020, https://www.theguardian.com/us-news/2020/jun/18/navajo-nation-coronavirus-lockdown-arizona.
[2] Wahleah Johns, "A Life on and Off the Navajo Nation," *The New York Times*, May 13, 2020, https://www.nytimes.com/2020/05/13/opinion/navajo-nation-coronavirus.html?referringSource=articleShare.
[3] Simon Romero and Jack Healy, "Tribal Nations Face Most Severe Crisis in Decades as the Coronavirus Closes Casinos," *The New York Times,* May 13, 2020, https://www.nytimes.com/2020/05/11/us/coronavirus-native-americans-indian-country.html.
[4] First Nations Child & Family Caring Society of Canada, "Information Sheet First Nations Child Poverty: A Literature Review and Analysis" (December 2019), https://fncaringsociety.com/sites/default/files/chapter_5_information_sheet_2.pdf.

Greater reliance on social services following an emergency situation

Increase in Financial Insecurity

Of substantiated child maltreatment investigations in Canada, 33% involved families receiving social assistance or other benefits.[5] Socio-economic status is also a large determinant of ability to recover from the emotional, physical and economic difficulties associated with natural disasters.[6] Studies have demonstrated that in certain regions natural disasters can increase food poverty by 3.6 percentage points, capacities poverty by 3 percentage points, and assets poverty by 1.5 percentage points.[7] Additionally, food insecurity puts pressures on other social services including the healthcare system.[8]

Increase in Domestic Violence and Child Abuse

Exposure to intimate partner violence as the primary category of maltreatment accounted for 34% of substantiated child maltreatment investigations in Canada.[9] Moreover, increased financial stress, coupled with other stresses in the wake of an emergency leads to an increase in both child abuse,[10] and domestic violence.[11]

A study of the July 2004 floods in Whakatane, New Zealand demonstrated that in the weeks following the floods New Zealand Police and Victim Support reported a doubling in the number of callouts they received.[12] Women's Refuge (an organization that operates shelters for women fleeing violence) experienced a tripling of its workload immediately after the flood, as did Work and Income New Zealand with respect to their domestic violence work.[13] Women's Refuge reported that they did not receive additional support. During the peak of the flood, due to the shelters being over-capacity, each support worker had at least 3 families staying in their homes.[14]

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[5] Public Health Agency of Canada, "Canadian Incidence Study of Reported Child Abuse and Neglect," (2008): 5.
[6] Mary Rooge, "The Future is Now: Social Work, Disaster Management, and traumatic Stress in the 21st Century," *Journal of Social Service Research,* 30, no. 2 (2004): 4. For example, low-income housing is more likely to be located in disaster-prone areas, such as floodplains.
[7] Rodriguez-Orrefia et al. (2010) in Marcela Tarazona & Jose Gallegos, "Recent Trends in Disaster Impacts on Child Welfare and Development 1999-2009," *Global Assessment Report on Disaster Risk Reduction* (2011) : 8. Rodriguez-Oreggia looked at the impact of natural disasters at the Municipal level in Mexico.
[8] Valerie Tarasuk and Lynn McIntyre, "A basic income, not expanded food charity, is critical as the pandemic plunges more Canadians into deprivation," *Policy Options,* last updated April 28, 2020, https://policyoptions.irpp.org/magazines/april-2020/food-banks-cant-adequately-address-covid-19-food-insecurity/. In 2017-2018 there were more than 4.4 million Canadians living in food-insecure households, and that number is set to climb in the wake of COVID-19. Severely food-insecure adults in Canada use more than twice the amount of health care dollars.
[9] Public Health Agency of Canada, "Canadian Incidence Study of Reported Child Abuse and Neglect," (2008): 3.
[10] Laura Daughtery and Wendy Blome, "Planning to Plan: A Process to Involve Child Welfare Agencies in Disaster Preparedness Planning," *Journal of Community Practice,* 17, no. 4 (2009): 486. "Child abuse reports were disproportionably higher in the months following Hurricane Hugo and the Lorna Prieta Earthquake in 1989"
[11] Rosalind Houghton, "Everything Became a Struggle, Absolute Struggle': Post-flood Increase in Domestic Violence in New Zealand" in n *Women, Gender and Disaster: Global Issues and Initiatives* (Los Angeles: Sage Publications, 2009): 102.
[12] Ibid: 105.
[13] Ibid: 104.
[14] Rosalind Houghton, "Everything Became a Struggle, Absolute Struggle': Post-flood Increase in Domestic Violence in New Zealand" in n *Women, Gender and Disaster: Global Issues and Initiatives* (Los Angeles: Sage Publications, 2009): 106-107.

Furthermore, the literature points to a link between economic recessions and an increase in child abuse. Though overall child abuse has been declining over the decades, there were visible spikes in neglect following the 1990-1991 and 2001 recessions.[15] Though according to the *National Child Abuse Neglect Data System* data, substantiated child maltreatment rates continued to decline in the US after the 2008 recession, scholars caution that that the decline may be the result of several other factors including the downsizing of the Child Welfare System (CWS) due to fiscal constraints faced by states.[16] A study of four geographically disparate pediatric hospitals in the US uncovered an almost two-fold increase in abusive head trauma in the wake of the 2008 recession.[17] Moreover, another study found a correlation between reported maltreatment and the rising rates of unemployment in the US; for every percentage point increase in state-level unemployment there was an increase in child abuse reports (0.5 increase per 1000 children).[18] Additionally, researchers highlight a lag in reporting (child abuse reports increased the year after unemployment rose).[19] The full economic and social impacts of COVID-19 cannot yet be fully known, however, doctors are already expressing concern over increased cases of suspected child abuse.[20]

Psychological Impacts of Disasters

As agencies are helping mitigate the physical impacts of a disaster, they must also consider the mental health impact of these events, and how they may lead to greater reliance on social services. Three of the most common mental health problems an individual may develop in the wake of disasters are PTSD, anxiety and depression.[21] Levels of mental illness in survivors of Hurricane Katrina were almost twice as high as estimates for this population in years prior to the hurricane.[22] Whether or not an individual develops these mental health problems is dependent on the effectiveness of individual coping behaviour, as well as received social support.[23]

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[15] Katherine Sell et al., "The Effect of Recession on Child Well-Being: A Synthesis of the Evidence by PolicyLab, the Children's Hospital of Philadelphia." *PolicyLab: Research Insitute at the Children's Hospital of Philadelphia* (2010): 27.

[16] Katherine Sell et al., "The Effect of Recession on Child Well-Being: A Synthesis of the Evidence by PolicyLab, the Children's Hospital of Philadelphia." *PolicyLab: Research Insitute at the Children's Hospital of Philadelphia* (2010): 30.

[17] Ibid : 29.

[18] Ibid : 29.

[19] Ibid : 29.

[20] Julie Bosman, "Domestic Violence Calls Mount as Restrictings Linger: 'No Once Can Leave,'" *The New York Times,* May 15, 2020, https://www.nytimes.com/2020/05/15/us/domestic-violence-coronavirus.html?referringSource=articleShare.

[21] Tim Wind, Maureen Fordham, & Ivan Komproe, "Social capital and post-disaster mental health," *Global Health Action,* 41 no. 1 (2011): 1-3.

[22] 2006 GAO report cited in Laura Daughtery and Wendy Blome, "Planning to Plan: A Process to Involve Child Welfare Agencies in Disaster Preparedness Planning," *Journal of Community Practice,* 17, no. 4 (2009): 485.

[23] 2006 GAO report cited in Laura Daughtery and Wendy Blome, "Planning to Plan: A Process to Involve Child Welfare Agencies in Disaster Preparedness Planning," *Journal of Community Practice,* 17, no. 4 (2009): 485. Many scholars have pointed to social capital as an explanation for differences in disaster mental health outcomes across affected groups of people and places.

Children in care are particularly vulnerable to ongoing mental health issues that may be aggravated post-disaster. After being a victim of domestic violence (46%), and having few social supports (39%), having mental health issues is the third most frequently noted concern for primary caregivers (27%).[24] Along with caregivers, children also struggle with their own mental health post-disaster (of particular concern for children in care is the fact that displacement is one of the largest aggravating factors).[25] Studying children and youth recovery post-floods, one study reported 30% of adolescents in grades 4-12, and 9% of children in K-3 failing to recover, and requiring a referral to additional mental health services.[26] Furthermore, 84% of children who had to evacuate reported harm, compared to only 15% of those who did not evacuate.[27] Finally, when assessing mental health needs post-disaster it is important to note that symptoms may not manifest themselves till months or even years later, and may increase with time instead of decreasing[28]; this is particularly true of children who may experience sleeper effect (appear to be coping well during a disaster but develop problems later on).[29]

A national survey conducted by the Centre for Addiction and Mental Health in Canada looking at the impact of COVID-19 on mental health and substance use shows that in the 7 days prior to the survey of the adults between the age of 18-60+, 25.5% experienced moderate to severe anxiety; 23.7% engaged in binge drinking; 23.2% felt lonely; and 20.4% felt depressed.[30] This preliminary survey helps demonstrate that it is likely that the pandemic will have long-term and even widespread impacts on mental health well-being, and addiction recovery.

Impacts of Covid-19 on Social Services

Consistent with what has been documented in previous emergencies, early reporting suggests that the COVID-19 pandemic has led to an increase in domestic violence. In Southern Jianli County, China, police reported triple the amount of domestic violence calls in February.[31] As the pandemic continued to spread across the world, other countries reported similar experiences as China. In Spain, in the first two weeks of lockdown measures, the emergency number for domestic violence received 18% more calls, and in early April nationwide France saw a 30% spike in domestic violence.[32] In

[24] Public Health Agency of Canada, "Canadian Incidence Study of Reported Child Abuse and Neglect," (2008): 5.
[25] Larry Drumm & John Stretch, "Identifying and Helping Long Term Child and Adolescent Disaster Victims," *Journal of Social Service Research,* 30 no. 2 (2004): 100.
[26] Ibid: 101.
[27] Larry Drumm & John Stretch, "Identifying and Helping Long Term Child and Adolescent Disaster Victims," *Journal of Social Service Research,* 30 no. 2 (2004): 100.
[28] 2006 GAO report cited in Laura Daughtery and Wendy Blome, "Planning to Plan: A Process to Involve Child Welfare Agencies in Disaster Preparedness Planning," *Journal of Community Practice,* 17, no. 4 (2009): 486.
[29] Larry Drumm & John Stretch, "Identifying and Helping Long Term Child and Adolescent Disaster Victims," *Journal of Social Service Research,* 30 no. 2 (2004) : 96.
[30] CAMH, "COVID-19 National Survey Dashboard," accessed on June 3, 2020, https://www.camh.ca/en/health-info/mental-health-and-covid-19/covid-19-national-survey.
[31] Nathan Vanderklippe, "Domestic Violence Reports Rise in Cina Amid COVID-19 Lockdown," *The Globe and Mail,* March 29, 2020, https://www.theglobeandmail.com/world/article-domestic-violence-reports-rise-in-china-amid-covid-19-lockdown/.
[32] Amanda Taub, "A New Covid-19 Crisis: Domestic Abuse Rises Worldwide," *The New York Times,* April 6, 2020,

Canada, the Minister for Women and Gender Equality consulted with frontline organizations and uncovered a 20-30% increase in rates of gender-based violence and domestic violence in some regions of the country.[33]

As noted above, an increase in domestic violence is linked to an increase in child abuse cases. Furthermore, natural disasters can overwhelm child welfare agencies, and lead to additional challenges. Early feedback from key stakeholders in the child welfare sector suggests that resources and capacity are under considerable pressure during the COVID-19 pandemic, and agencies are struggling to provide services and support clients.[34] Child protection workers are having to rely on virtual meetings, and only undertake face-to-face meetings when critical.[35] Alongside with providing continuity of service for children already in care, child welfare agencies must prepare themselves for an increase in abuse cases post-emergency.[36] In 2018, the Centers for Disease Control and Prevention identified family social isolation as one of the leading risk factors for child maltreatment.[37] The WHO organization published a leaders statement expressing their concerns about children being exposed to an increased risk of violence while measures to contain COVID-19 are in place.[38]

However, given the distinct nature of this pandemic and the strict social isolation measures being imposed by governments, another concern for child welfare agencies is that abuse is going unreported. While some doctors are reporting an increase in suspected child abuse cases,[39] hospitals in other jurisdictions are reporting that fewer children are coming in, which can be a troubling sign that children are not getting the help they need.[40] With children removed from community services and schools due to self-isolation, children may be isolated from potential sources of help (teachers, other family members, neighbours, etc.). Certain initiatives advocated by family violence

https://www.nytimes.com/2020/04/06/world/coronavirus-domestic-violence.html.

[33] Raisa Patel, "Minister says COVID-19 is empowering domestic violence abusers as rates rise in parts of Canada," April 27, 2020, https://www.cbc.ca/news/politics/domestic-violence-rates-rising-due-to-covid19-1.5545851.

[34] Fecteau 2020 and Kelley and Hansel 2020 in Policy Bench, Fraser Mustard Institute for Human Development, ''Child Welfare and Pandemics Literature Scan'' (University of Toronto : 2020) : 11.

[35] Idil Mussa, "Ottawa agencies joining forces to protect kids from abuse," *CBC News,* May 11, 2020, https://www.cbc.ca/news/canada/ottawa/child-advocates-in-ottawa-meet-virtually-to-keep-kids-safe-1.5558104.

[36] 2006 GAO report cited in Laura Daughtery and Wendy Blome, "Planning to Plan: A Process to Involve Child Welfare Agencies in Disaster Preparedness Planning," *Journal of Community Practice,* 17, no. 4 (2009): 486. "Child abuse reports were disproportionably higher in the months following Hurricane Hugo and the Loma Prieta Earthquake in 1989 (Curtis, Miller, & Berry, 2000)."

[37] Child Welfare COVID Resources, "Latest News and Resources on Child Welfare and COVID," accessed on June 3rd, 2020, https://childwelfarecovid.org/. This website was put together through a collaboration of NGOs, including advocacy groups to assess the effects of COVID-19 on children and families in contact with the child welfare system.

[38] World Health Organization, "Joint Leaders' statement – Violence against children: A hidden crisis of the COVID-19 pandemic," last updated April 8, 2020, https://www.who.int/news-room/detail/08-04-2020-joint-leader-s-statement---violence-against-children-a-hidden-crisis-of-the-covid-19-pandemic.

[39] Julie Bosman, "Domestic Violence Calls Mount as Restrictings Linger: 'No Once Can Leave,'" *The New York Times,* May 15, 2020, https://www.nytimes.com/2020/05/15/us/domestic-violence-coronavirus.html?referringSource=articleShare.

[40] Raisa Patel, "Minister says COVID-19 is empowering domestic violence abusers as rates rise in parts of Canada," April 27, 2020, https://www.cbc.ca/news/politics/domestic-violence-rates-rising-due-to-covid19-1.5545851.

experts to help address domestic violence, such as code words or hand signals can be communicated electronically, and may be adapted to help children (the difficulty being young children who may not be able utilize these tools).[41] Child advocates in Ottawa are working with school boards to try and formulate questions to still be able to gauge student well-being even though school has moved online.[42] In Ottawa, a special task force comprised of the children's hospital, the police service, the Children's Aid Society and Ottawa Public Health has been assembled to better pinpoint cases and continue to provide support to at-risk children.[43] Chapin Hall, an independent policy research institution, affiliated with the University of Chicago, focusing on child welfare, has put together an information sheet for providers to facilitate conversations with families with the aim of identifying family stresses and needs.[44]

Further, for parents and children already involved in the CWS, the pandemic has led to delay in crucial advancements in their cases. For instance, visits with biological parents may be halted or moved online, which can significantly hamper successful reunification. Forming secure attachments between parents and children is key to successful reunification. Newly reunified families, as well as those on the verge of reunification are having to deal with the additional stresses and pressures of the pandemic (not being able to take children to activities for respite, financial and employment concerns, and so forth).[45] Additionally, resources like mental health counselling, addiction and peer support groups for parents are either on pause or moving online which can obstruct access to parents who rely on these services not only for their own well-being but also to be in compliance with their reunification plan. Finally, court closures and hearing postponements also lead to delays in reunification.[46] It is clear that social isolation has put new pressures on parents, and those involved in the CWS who were experiencing vulnerabilities prior to the pandemic are now in an even more precarious position with increased stresses and fewer supports.

For older youth who are getting ready to transition out of the CWS, the pandemic poses significant challenges. Under normal circumstances, youth already face significant risks when aging out of care; COVID-19 is only aggravating these risks. A March 2020 survey conducted by the Foster Club, an organization dedicated to providing a peer support network for children and youth in foster care, found that older foster youth reported housing instability (39.6% were force to move or fear losing housing since the start of the pandemic), food insecurity (27.6% were in crisis or very low in food), and insufficient

[41] Canadian Women's Foundation, "Signal for Help," accessed on June 3, 2020, https://canadianwomen.org/signal-for-help/.
[42] Ibid.
[43] Ibid.
[44] Chapin Hall, "Practice Bulletin: Conversations with Families to Recognize Needs," (May 2020), https://www.chapinhall.org/wp-content/uploads/families-needs.pdf.
[45] Child Welfare COVID Resources, "Latest News and Resources on Child Welfare and COVID," accessed on June 3rd, 2020, https://childwelfarecovid.org/.
[46] Ibid.

financial resources (18% in crisis, and 32.8% less than a week of money to pay basic needs).[47] Youth also reported increased mental health concerns and feelings of isolation.[48]

Countries across the world are already implementing measures to increase the capacity of social services during the COVID-19 pandemic. In Italy, as domestic violence reports began to rise in March following lockdown measures being introduced, the government told local authorities they could requisition hotel rooms to be used as temporary shelters for those fleeing domestic violence.[49] In Canada, the Prime Minister announced $40 million in funding to Women and Gender Equality Canada; $30 million is specifically for the immediate needs of shelters and sexual assault centers. Of those funds, Indigenous Services Canada is set to receive $10 million to help fund the 46 emergency shelters on reserves and in Yukon.[50] Additionally, the Ontario government is providing $200 million in social services relief funding to better support municipalities and organizations that administer social services.[51] Further, the Ontario government has put in place a moratorium on youth aging out of care.

Children receiving services through children's aid society, customary care arrangement, or voluntary youth services agreement will continue to receive their current level of support throughout the pandemic even if they turn 18. Likewise, children who turn 21 and are receiving support through the continued care and support for youth program will have their support sustained throughout the outbreak.[52] The Manitoba government is putting in place several measures to better support the CWS. They are extending support to all youth currently in care who turn 18 between March 20 and September 30, by extending foster care placements, and ensuring that those who choose to move out of foster care continue to receive financial support. Youth who have already exited care and chose to transition to an "Agreement with a Young Adult" will continue to receive assistance during this timeframe regardless of their age (typically these agreements are only available to those under the age of 21). Further, the government is extending foster home and residential care licences for 60 days, and has activated a mutual aid agreement with child welfare authorities to offer additional support.[53] Finally, the Ontario

[47] Child Welfare COVID Resources, "Latest News and Resources on Child Welfare and COVID," accessed on June 3rd, 2020, https://childwelfarecovid.org/.
[48] Ibid.
[49] Amanda Taub, "A New Covid-19 Crisis: Domestic Abuse Rises Worldwide," *The New York Times,* April 6, 2020, https://www.nytimes.com/2020/04/06/world/coronavirus-domestic-violence.html.
[50] Status of Women Canada, "Supporting women's shelters and sexual assault centres during COVID-19," last updated May 1, 2020, https://cfc-swc.gc.ca/fun-fin/shelters-refuges-en.html.
[51] Government of Ontario, "Ontario Protecting the Most Vulnerable During COVID-19 Crisis," last updated March 23, 2020, https://news.ontario.ca/opo/en/2020/03/ontario-protecting-the-most-vulnerable-during-covid-19-crisis.html.
[52] Kenneth Jackson, "Ontario government issues moratorium on youth aging out of care during pandemic," *APTN News,* March 26, 2020, https://www.aptnnews.ca/national-news/ontario-government-issues-moratorium-on-youth-aging-out-of-care-during-pandemic/.
[53] Victoria Gibson, "Domestic violence organizations laud new funding, but call for more supports as COVID-19 escalates risk" *iPolitics,* April 16, 2020, https://ipolitics.ca/2020/04/16/domestic-violence-organizations-laud-new-funding-but-call-for-more-supports-as-covid-19-escalates-risk/.

government is providing up to $1.5 million of funding to the Children's Aid Foundation of Canada's COVID-19 Youth Support Fund.[54]

Planning for recovery

Importance of Long-Term Service Delivery

It is clear that providing expanded social services post-disaster is critical to help communities recover, and measures should target the root causes of why families interact with the CWS including poverty, increased levels of domestic violence, and lack of mental health support. There are examples of jurisdictions implementing short term mitigation efforts aimed at addressing socio-economic vulnerabilities, including Canada who announced $100 million to support food banks and other community food programs in light of COVID-19.[55] However, considerable evidence demonstrates the need for medium and long-term investments, in conjunction with immediate relief measures. For instance, Women's Refuge reported that violence did not return to a 'normal' level, but rather there was a second surge in reporting 5 months after the disaster, when social services agencies withdrew from the community.[56]

Therefore, when discussing support to social services it is important that long-term investments are put into place. Measures that can be implemented to bolster social services delivery include service fee waivers for immediate individual relief and social funds for longer term community recovery.[57] For instance, in Australia, following the bushfires, the government announced $76 million to provide distress counselling and mental health support for individuals, families and communities.[58] Recently, the Alberta government announced $53 million in mental health supports to respond to COVID-19.[59] Additionally, post-disaster, FEMA provides funding directly to local mental health providers to help with recovery services and program development.[60]

When examining the role of agencies, it is advised that they areengaged at every stage, including planning before a disaster. This requires a high degree of coordination between government, non-government organizations and the private sector. Furthermore, effective natural disasters systems must give programs the flexibility to

[54] Government of Ontario, "COVID-19 action plan: protecting vulnerable Ontarians," last updated April 28, 2020, https://www.ontario.ca/page/covid-19-action-plan-protecting-vulnerable-ontarians.
[55] Valerie Tarasuk and Lynn McIntyre, "A basic income, not expanded food charity, is critical as the pandemic plunges more Canadians into deprivation," *Policy Options,* last updated April 28, 2020, https://policyoptions.irpp.org/magazines/april-2020/food-banks-cant-adequately-address-covid-19-food-insecurity/.
[56] Rosalind Houghton, "Everything Became a Struggle, Absolute Struggle': Post-flood Increase in Domestic Violence in New Zealand" in n *Women, Gender and Disaster: Global Issues and Initiatives* (Los Angeles: Sage Publications, 2009): 107.
[57] Renos Vakis, "Complementing Natural Disasters Management: The Role of Social Protection," *Social Protection: The World Bank*, February 2006: 13.
[58] "Australian Government Mental Health Response to Bushfire Trauma," Australian Government : Department of Health, last updated January 20, 2020, https://www.health.gov.au/health-topics/emergency-health-management/bushfire-information-and-support/australian-government-mental-health-response-to-bushfire-trauma.
[59] Emily Mertz, "Kenney pledges $53M in mental health funding as Alberta sees no new COVI-19 deaths," Global News, last updated April 15, 2020, https://globalnews.ca/news/6821578/alberta-health-hinshaw-coronavirus-april-15/.
[60] Thom Curtis, Brent Miller & Helen Berry, "Changes in Reports and Incidence of Child Abuse Following Natural Disasters," *Child Abuse & Neglect,* 24, no. 9 (2000): 1158.

adjust and scale up easily so as to respond to crises in a timely manner (this requires adequate funding and resource allocation prior to the crisis). [61] Finally, some argue that post-disaster, when rebuilding physical and social infrastructure, it is an opportunity to focus on accessibility and integrate the needs of vulnerable populations in the planning phase.[62] Coupled with measures to better support child welfare agencies, these longer term measures are aimed at relieving the acute stresses families may be feeling post-emergency so as to fulfill the overarching aim of better protecting children in and out of care.

Budgeting for disasters

The overarching principle when considering how to finance emergency situations is that you should adequately fund social services so that they have the capacity to scale up efficiently during a disaster. Prior to COVID-19, shelters and sexual assault services in Canada were already over-capacity. Farrah Khan, who sits on the federal advisory council dedicated to preventing and combatting gender-based violence, stated that the social safety net for victims was not strong prior to the pandemic, and this greatly aggravated the current situation.[63]

With regards to approaches to budgeting for disasters, the World Banks argues that prevention is cheaper than cure, and that robust social safety nets can help mitigate crises by reducing the vulnerability of households. They further state that "when operating in a country already, [safety nets] can be relatively easy to scale up in the event of a shock and scale down by altering the targeting and transfer levels; they therefore can transition from short term to longer term rehabilitation after a shock."[64]

When discussing the financing options for a safety net, the World Bank emphasizes that there are many options, however they highlight the revolving disaster funds in Mexico (FONDEN) as particularly innovative.[65] FONDEN is funded through the Federal Expenditure Budget which requires that, at the beginning of the fiscal year, no less than 0.4 of the annual federal budget should be available to FONDEN, FOPREDEN and the Agricultural Fund for Natural Disasters.[66] In 2011, the 0.4% requirement represented around US$800 million, and this has become the standard budget appropriation for these programs. Furthermore, the law stipulates that if the appropriation is insufficient,

[61] Renos Vakis, "Complementing Natural Disasters Management: The Role of Social Protection," *Social Protection: The World Bank*, February 2006: 7.
[62] Ibid: 14-15. For instance looking at designing buildings that are more accessible for people living with disabilities.
[63] Victoria Gibson, "Domestic violence organizations laud new funding, but call for more supports as COVID-19 escalates risk" *iPolitics,* April 16, 2020, https://ipolitics.ca/2020/04/16/domestic-violence-organizations-laud-new-funding-but-call-for-more-supports-as-covid-19-escalates-risk/.
[64] Social Protection & Labor: The World Banks, "Natural Disasters: What is the Role for Social Safety Nets," (2011): 97.
[65] Social Protection & Labor: The World Banks, "Natural Disasters: What is the Role for Social Safety Nets," (2011): 100.
[66] The World Bank, "FONDEN: Mexico's Natural Disaster Fund – A review," (2012): ix.

additional resources must be transferred from other programs and funds (including the oil revenue surplus).[67]

Another example of how to build a resiliency fund is the State of Utah's "Disaster Recovery Fund."[68] The Disaster Recovery Fund is funded through a restricted account in the General Fund, based on a set calculation roughly equal to the lesser of 25% of the General Fund surplus (after transfers to other accounts) or 6% of the General Fund appropriation amount for the fiscal year in which the surplus occurs.[69] The legislature also has a formula to replace any funds that have been appropriated within the last 10 fiscal years.[70]

Financing disasters through statewide disaster accounts that receive funds from general fund revenues is an approach adopted by numerous states.[71] However, in order to determine the amount allocated to the disaster account, states take different approaches; for example, Alaska typically budgets to cover the costs of two state-declared disasters ($2 million) and two federally-declared disasters (totalling $5-6 million), whereas North Dakota and California establish funding amounts in statute.[72] Ultimately, though there is a wide variety of ways to construct an emergency budget, the consensus is that creating a strong social safety net before the advent of a crisis leads to more resilient communities that are better equipped to adapt to changing circumstances. In the long-term, properly funding robust social services can be less costly overall, and help mitigate some of the impacts of disasters.

Recommendations

1. As part of the recovery package, federal and provincial governments should consider additional resources to address anticipated social service demands.
    - Rather than one-time crisis payments, these should be longer term investments targeting gaps in current social services networks.
2. Social services organizations should be encouraged to develop emergency budgets, and given the tools necessary to do so.

[67] The World Bank, "FONDEN: Mexico's Natural Disaster Fund – A review," (2012): ix.
[68] Utah State Legislature, "Section 603 State Disaster Recovery Restricted Account," last updated May 14, 2019, https://le.utah.gov/xcode/Title53/Chapter2A/53-2a-S603.html.
[69] Utah State Legislature, "Section 314: Deposits related to the Wildland Fire Suppression Fund and the Disaster Recovery Funding Act," last updated May 9, 2017, https://le.utah.gov/xcode/Title63J/Chapter1/63J-1-S314.html?v=C63J-1-S314_2017050920170509.
[70] Ibid.
[71] United States Government Accountability Office, "Budgeting for Disasters : Approaches to Budgeting for Disasters in Selected States," (2015) : 9.
[72] United States Government Accountability Office, "Budgeting for Disasters : Approaches to Budgeting for Disasters in Selected States," (2015) : 11-12. "North Dakota's Disaster Relief Fund receives an appropriation of $22 million every 2 fiscal years or each biennial budget cycle, while California's Disaster Response- Emergency Operations Account receives an annual appropriation of $1 million at the beginning of each fiscal year, consistent with the state's budget cycle."

3. A proactive response is favoured over a reactive one; therefore, social services providers should be part of every stage of emergency planning. All three levels of government should be consulting social services providers to have a better sense of vulnerabilities within their communities prior to emergency situations.
4. Additional research and discussion is needed on the potential for the development of a program for emergency support for social services (similar to the rationale underpinning EI for the labour market; Fiscal Stabilization for provincial governments etc).

Funding Mechanisms for Disaster Budgeting

Form of Funding*	Example of Fund	Explanation of Funding Formula
Set percentage from the federal expenditure budget	Mexico's Natural Disaster Fund: Two Complementary Budget Accounts – FONDEN (Program for Reconstruction) and FOPREDEN (Program for Prevention)	FONDEN is funded through the Federal Expenditure Budget which requires that, at the beginning of the fiscal year, no less than 0.4% of the annual federal budget should be available to FONDEN, FOPREDEN and the Agricultural Fund for Natural Disasters.[73] In 2011, the 0.4% requirement represented around US$800 million, and this has become the standard budget appropriation for these programs. Furthermore, the law stipulates that if the appropriation is insufficient, additional resources must be transferred from other programs and funds (including the oil revenue surplus).[74]
Set percentage from the General Fund or other Surpluses	Utah's Disaster Recovery Fund	Calculation is based on the lesser of either the 25% of the General Fund revenue surplus amount, or 6% of the total of the General Fund appropriation amount. There is an additional amount added which is equal to the lesser amount of 25% of the General Fund revenue or the amount necessary to replace any amount appropriated from the State Disaster Recovery Restricted Account within 10 fiscal years before the fiscal year in which the surplus occurs.[75]

* Some funds blend two or more forms of financing, and so the individual examples are organized based on their primary source of financing.
[73] The World Bank, "FONDEN: Mexico's Natural Disaster Fund – A review," (2012): ix.
[74] Ibid.
[75] Utah State Legislature, "Section 314: Deposits related to the Wildland Fire Suppression Fund and the Disaster Recovery Funding Act," last updated May 9, 2017, https://le.utah.gov/xcode/Title63J/Chapter1/63J-1-S314.html?v=C63J-1-S314_2017050920170509

Portion of other sources of revenue	Norway Sovereign Wealth Fund (Government Petroleum Fund)	Established by the legislature in the 1990s to regularly transfer capital from the government's petroleum revenue to the fund. The first capital transfer was made in 1996. In 1998, the ministry decided to invest 40% of the fund in equities and set up the Norges Bank Investment Management to manage the fund. In 2007, the Ministry of Finance decided to increase the fund's share of equity investments from 40 to 60%.[76]
	State of Florida's Department of Environmental Protection Established a Disaster Contingency Account	Funded through user fees on Florida's state parks.[77]
Set Funding Amount in Statute	State of North Dakota's Disaster Relief Fund	Appropriation of $22 million every 2 fiscal years (or each biennial budget cycle) – funds come from the revenue of the state's share of oil and gas taxes.[78]
	State of California's Disaster Response-Emergency Operations Account	Annual appropriation of $1 million at the beginning of each fiscal year (initial general revenue appropriation of $20 million).[79]
Set Funding Amount Based on Previous Cost of Disasters	State of Alaska	Budgets to cover the costs of two state-declared disasters ($2 million) and two federally-declared disasters (totalling $5-6 million).[80]
	Contingency Fund for California's Department of Forestry and Fire Protection	Receives appropriation based on the average emergency cost of the past 5 years.[81]

[76] Norges Bank Investment Management, "The History," accessed on May 12th, 2020, https://www.nbim.no/en/the-fund/the-history/.
[77] United States Government Accountability Office, "Budgeting for Disasters : Approaches to Budgeting for Disasters in Selected States," (2015) : 12.
[78] Ibid: 10.
[79] Ibid: 27.
[80] Ibid.
[81] Ibid.

Using Operating Budgets of Relevant Agencies	State of West Virginia	Division of Homeland Security and Department of Military Affairs and Public Safety (Emergency Management branch) use their regular operating budget to cover disaster costs.[82]
Funding Transfers	State of Indiana	Special finance board can authorize a transfer of funds from one agency to another if an agency's budget cannot cover the cost of an unexpected disaster.[83]

[82] United States Government Accountability Office, ''Budgeting for Disasters : Approaches to Budgeting for Disasters in Selected States,'' (2015): 12.
[83] Ibid : 13.

Appendix R: West Region Child and Family Services (WRCFS) Case Study Elsie Flette, Former Executive Director, WRCFS

West Region Child and Family Services (WRCFS) Block Funding Pilot
Elsie Flette, former Executive Director, WRCFS

Key Lessons Learned - Existing funding policies and guidelines impeded the agency from delivering services that could mitigate risk to children, and, where children did come into care, promote cultural and relationship permanency for the children. With the move to block funding of maintenance, WRCFS agreed to cap maintenance and manage child maintenance expenditures within a set block of money. The agency succeeded in diverting funds to alternative preventive programs and services, with a determination to ensure child safety was upheld.

To achieve the change in practice, considerable changes in attitude, policy, and practice at all levels of the Agency were required. Equally, or perhaps more, critical to success was the need to have community engagement and support in making this shift.

WRCFS's block pilot offers important lessons on transition, the value of leveraging internal data for planning and practice development, and the importance of addressing the causes of the causes in child and family services.

Context for change

The First Nations served by WRCFS shared the historic and systemic injustices of First Nations across Manitoba, and, like others, were dealing with the results of colonization, residential school, racism, and poverty. The historical involvement of child welfare with First Nations has left deep feelings of distrust toward child welfare.

The effect of this was reflected in the reasons for children coming into care at WRCFS: inadequate housing, lack of food security, unemployment, addictions, domestic violence, and family support system breakdown. This put families at risk, leading to protection and safety concerns for the children. The mistrust of families towards child welfare involvement made family engagement a challenge.

There was increasing concern, shared by leadership, community members, families, and Agency staff, about the rising numbers of children in care, the lack of culturally responsiveness ways to support and assist families, and the placement of children in out-of-home, out-of-family, and out-of-community care. Maintenance costs of keeping children in care were escalating annually.

Expenditures to maintain children in out-of-home placements were disproportionate to the funds available for support to families and/or prevention initiatives. In 91/92, the only funds being received for prevention was a $300,000 grant for Services to Families (STF). This compared to the $2,654,443 cost for children in care for the same year. The lack of funding for prevention initiatives and alternative service approaches contributed to the increasing number, and rising cost, of children in care.

Chart 1:1: *91/92 Distribution of WRCFS funding for maintenance costs and STF funding.*

An Agency review of cases identified several situations where the provision of the kind of supports given to foster parents could sufficiently mitigate the risk to child safety to allow the child to remain at home. This might include services such as the provision of parent aides, mentors, special needs for a child, day care, housing assistance, transportation, counselling, and emergency assistance (food, baby formula, diapers, transportation, etc.).

The limited options available to respond to families at risk to mitigate the risk factors, and the practise of removing children from their homes as the only option for child safety, too often resulted in disruption and destruction to families and communities.

More than legislative barriers, it was existing funding policies and guidelines that impeded the Agency from delivering services that could mitigate risk to children, and, where children did come into care, promote cultural and relationship permanency for the children.
Making the case for a change

Examination of the Agency's operation and service delivery model highlighted the costs of maintenance, which made up the largest portion of the Agency's funding. With some changes in the funding 'rules', the Agency could implement a new / revised service delivery model that would better meet the needs of children, families, and communities.

Making the case for a pilot
With a pilot project that allowed for a different process to administer the federal maintenance stream of funding, changes could be made in a timely and effective way, and perhaps model and test an approach that could be helpful to inform the national policy review tasked with making recommendations about the funding of FNCFS agencies. A pilot project could allow exceptions to be made within existing Treasury Board authorities, allowing for space to 'do things differently' within an accelerated time frame.

Beginning in 1990, WRCFS began looking at the feasibility of options to provide services more in keeping with the cultural context and the values, mission, and goals and objectives of the Agency. The Agency began compiling/collecting data to take a proactive and predictive approach to the possible implementation of block funding.

In 91/92 (the year prior to the start of the pilot project), 90% of the total federal funding for children in care and services to families went to pay the cost of supporting 177 children in out of home placements, at an average annual cost of $15,000 per child in care.
Services to Families, a grant fund of $300,000, was to provide support services to families at risk. These services included the provision of homemakers, parent aides, and emergency assistance, to serve nine First Nations, with an on-reserve child population (0-18) of 1691[1], and an estimated 60% (340) family units receiving some type of service from the Agency (see chart 2:1).[2]

Chart 2:1: Allocation of Service to Family and Maintenance funding

The average amount of family support service funding available per family at risk per year was $882. Based on an average of 3 children per family, this was about $296/child per year ($882/3). In 91/92, the average cost for WRCFS for a child in care was $15,000. Chart 2:2 illustrates this difference.

[1] *Population figures from INAC.*
[2] *Assuming on average 3 children / family (1691/3) =564 family units*60%=340 families receiving service from WRCFS. The assumption of three children per family comes from INAC and has been used to calculate family size/units.*

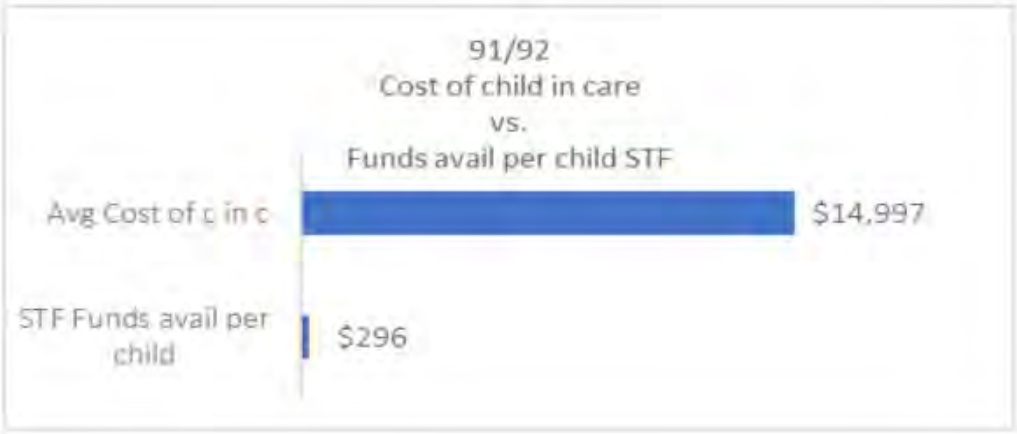

Chart 2:2: Annual average cost of child in care vs. annual funds available for child in family at risk

Poverty is a key driver for children entering care, and most of the families at risk receiving services from WRCFS were on social assistance. In 91/92, the average per diem for a child age 0-11, on social assistance, was about $4.30. The average maintenance per diem paid to a foster home for a child age 0-11 was $41/diem, almost ten times the amount paid to the parent on social assistance. In addition, the foster parent (and the child) had access to additional supports.

For 91/92	
Child pop on-reserve 0-19	1691
Avg # of children in care	177
% of child pop in care	10%
Total mtce costs	$2,654,443
Avg cost per year per child in care	$ 14,997
Avg cost per day per child in care	$ 41
Child pop not in care	1514
# of family units (3 children/family)	564
60% with services	338
STF funds available	$ 300,000
STF per year per family	$ 887
STF per month per family	$ 74
STF per week per family	$ 18
STF per day per family	$ 3
STF per day per child	$ 1

Table 2:3 Comparison of funding for child in care and a child in own home

To determine the feasibility of the Agency moving to a block funding of maintenance, it was essential to look at the profiles and prior spending of children in care. The Agency reviewed child in care data for the prior three years. There was some data from earlier years, but it was not robust and/or reliable. A spreadsheet was developed that could collect data about every child in care, and the costs related to their care.

The Agency collected detailed data about children in care to get a good understanding of the children in care and the costs associated with that care. Given that maintenance funding related solely to children in care, the information was vital to assessing feasibility for block funding, making short- and longer-term projections on maintenance spending, and assessing the risk of moving towards a block fund of maintenance.

The review of maintenance expenditures and children in care included:

- Collecting and analyzing data to get a profile of the children in care
- Reviewing and analyzing maintenance expenditures for prior years
- Reviewing the purpose and the premises for the expenditures
- Examining the who, what, where, when, and why of maintenance expenditures
- Examining where savings might be found that could be diverted to alternative preventive programming
- Developing detailed budgets, how spending might be controlled, and looking at strategies to have funds to divert to alternative preventive programming

This provided a detailed overview of the children in care and associated maintenance costs, giving the Agency baseline data from which to make budget projections for ongoing costs for children in care and comparisons to future years. Table 2:4 lists the data collected and Table 2:5 gives examples of the type of analysis possible.

Child Personal Info	Child Admission to care Info	Child placement info (most recent)	Maintenance expenditures	Agency Staff
Name	New admission / date	Type of placement	Funder	Guardianship agency
Birthdate/Age	Re-admission / date	Primary Caregiver name	Care Level	Supervising Agency
Gender	Date of prior discharge from care	Placement address	Approved Per diem breakdown	Worker
Indigenous Status	Primary reason for admission / re-admission	Indigenous Status of primary caregiver	Approved Special need costs	Supervisor
Treaty #	Secondary reason for admission / re-admission	Member FN of primary caregiver	Support Costs	
Member FN - child	Reason for prior discharge	Relationship of primary caregiver to child	Per diem breakdown	
Expense FN		Placement priority match	High Needs Medical - primary	
Legal Status (CFS)			Mtce expenditures past year	
Legal Status Expiry			Mtce expenditures YTD	
Bio mother name			Special rate expiry date	
Bio mother Indigenous status			Paid dayscare – past year	
Bio mother Treaty #			Paid dayscare - YTD	
Bio mother Member FN			Non-pay dayscare – past year	
Bio mother Address			Non-pay dayscare - YTD	
Bio father name				
Bio father Indigenous status				
Bio father Treaty #				
Bio father Member FN				
Bio father Address				
Guardian mother name				
Guardian mother Indigenous status				
Guardian mother Treaty #				
Guardian mother Member FN				
Guardian mother Address				

Table 2:4: Data collected for every child in care

1	Total number of children in care	22	#of males/ females
2	#by funder	23	#inf Age groups of C in C
3	%of c in c total by FN	24	#of PW
4	%of c in c from each FN	25	#of TW
5	#in kinship placements	26	#of VSG
6	#in home community	27	#of VPA
7	#in other culturally connected placement	28	#of UA
8	#in group home placements	29	#of AWOL
9	Group homes being used	30	#of PW
10	Per diems paid	31	#of docket
11	#in institutions	32	#admitted in any time period
12	#in hospital	33	#discharged in any time period
13	#in Independ Living	34	#re-admitted in any time period
14	#in transition (18+)	35	Time period between discharge and readmit
15	#in non-pay care type	36	Total paid days care
16	#in Emergency placments	37	Cost of paid days care
17	#in Correctional facility	38	Total non pay days care
18	#in 3rd party FH	39	#speical needs funding
19	#in hotel	40	Cost of special needs funding
20	#off reserve	41	#per level of care
21	#out of province	42	Comparison of per diem costs

Table 2:5: Types of analysis possible

Collecting data on each child in care was used to answer key questions and identify significant trends to assist in making accurate spending projections; setting out metrics to measure ongoing feasibility and effectiveness of actions taken; determining necessary budget cycles and budgeting accurately; monitoring expenditures; and being accountable and transparent in reporting to staff, leadership, community CFS committees, and funders.

To effectively manage a block funding arrangement, it was important to know what contributed to the monthly variations and if spikes or drops in case counts were one-time events or part of a trend. Based on the analysis of the maintenance and child in care data, projections were made where the anticipated savings might be, and setting the priorities and the timing for developing alternative and/or preventive programs and services.

Identifying and managing risks

As part of the consideration of block funding federal maintenance, the Agency undertook a risk assessment prior to completing a strategic service plan, and prior to meeting with INAC to propose the pilot project. The Agency wanted some certainty that making the move to block funding was realistic and feasible, and that risks could be adequately mitigated.

Table 2:6 provides a summary of the risk factors, the risks involved, and the risk mitigation strategies that were considered.

Engaging in the pilot project had its risks, risks that would impact services to children and families. Contingency plans were developed to address degrees of ‘what ifs’, including a ‘worst case scenario. The overarching question for these contingency plans was: what if this does not work and the Agency cannot successfully implement a revised service delivery model? What if a significant deficit is created? What if the volume and price of maintenance expenditures is greater than projections and the Agency does not have funds to pay the maintenance costs of children in care and/or must discontinue the prevention programs?

Assuming the pilot project would have an impact on all the Agency’s operations, and to predict and mitigate potential risk, a strategic service plan was completed. This included a summary of community profiles, an environmental scan (SWOT), the core areas of focus, articulation of the strategies to be implemented to achieve stated goals and objectives, and the metrics to measure hoped for outcomes. This provided a potential baseline for evaluating the pilot project, and a blueprint for transition.

Table 2:6 WRCFS: Risk Assessment of a Block Funding Approach re. federal Child Maintenance Funding

("Maintenance" refers to costs related to children in care)

	Risk Factor	Risk Involved	Risk Mitigation Strategies
1	There was risk in moving to cap maintenance and subsequently having maintenance costs exceed what was in the fund and being unable to pay required costs for children in care, resulting in deficits and/or lack of services to children in care. This would result in an inability to generate savings in maintenance expenditures and thus not being able to divert funds to preventive/alternative programming.	Under the Block Fund arrangement, Prevention and Alternative programs were dependent on funds being diverted from the block fund. It was understood that maintenance of children in care had the first draw on the block fund. Under a block funding arrangement, maintenance would be capped, unlike the current reimbursable of actual maintenance expenditures. This would be a significant change in the budgeting, expenditures, and monitoring of maintenance costs. Should the block fund be totally expended for maintenance costs, there would be no funds to divert to preventive programming. Thus, there would be 'pain with no gain' in moving to block funding. The funding for Prevention programs that became operational was dependent on deferred funds being available on an ongoing basis. Those programs would be able to continue operating only if funds continued to be available from the block fund, dependent then on the Agency being able to contain/manage maintenance costs. Maintenance was an area where the Agency could not completely predict costs. One could not know with certainty how many children would be coming into care, when, and what their per diems would be. Nor could the Agency refuse to take a child into care. Maintenance costs could escalate quickly, and without close monitoring and questioning of assumptions predicating	Rigorous pre-pilot data collection and analysis, to get detailed profiles of the children in care over the past 3 years, and to establish baselines for future evaluation and analysis. Making projections about current and future maintenance expenditures based on evidence. Determine the level of financial risk Agency was prepared to take. Prepare detailed budgets for all the areas of maintenance expenditures and conduct, at a minimum, monthly financial reporting on actual expenditures. Flag over/under expenditures and make necessary adjustments in a timely manner. Establishing clear policies for maintenance expenditures (levels of payments; under what conditions/criteria; internal approval processes); include the social work staff and finance staff in the development of the policies. Provide in-service training for staff about the policies. Undertake sound program development for all prevention programs, particularly for those programs that would require multi-year funding. Implement prevention programming in an orderly, planned, phased-in fashion. Limit year one to short term prevention programs, while planning and preparing for the implementation of longer-term programs. Seeking possible revenue sources for ongoing funding and/or partnerships for prevention programs established

		expenditures, managing the block fund would be difficult.	with the block fund that would decrease the dependence on the block fund. Setting up review and evaluations of prevention programs to make sure the programs were effective and efficient, met targets, and operated within budgets.
2	There was a risk that a change in INAC staff, at HQ and/or at the Regional office, and/or a change in federal policy and/or ministerial support for the pilot project could result in a move to abruptly and/or unilaterally terminate or alter the block funding arrangement.	Reversing support for a baseline in the block fund could result in the block fund being reduced based on declining maintenance expenditures - this would directly impact on deferral of funds to prevention programs, thereby curtailing and/or eliminating any prevention programming. Adjustments to increase block would be resisted by INAC. INAC would change key provisions and/or terms and conditions of the agreement.	Willingness on part of WRCFS to walk away from the table if the terms and conditions required by INAC could not be mutually agreed to. Continuing to build on the positive working relationship with key INAC staff at the Manitoba Region and at HQ in Ottawa. Involving Regional INAC staff in the working group to transition, and participation by INAC in regular review sessions. Willingness to provide INAC staff with all reasonable requests for information on spending, progress, etc. To the extent possible, planning for future renewals/extensions of the pilot project, including discussions on what might follow should the pilot project show positive outcomes.
3	INAC would take a limited interpretation of a surplus policy and not permit deferral of funds to future years.	The pilot project agreement was premised on the deferral of unspent maintenance funds to prevention programming. It was important for INAC to recognize and support program development over time. Good management of a block fund required planning for future years, and a deferral of annual funds for that purpose was necessary.	Work in cooperation with INAC to regularly provide information on program development and plans for deferred revenue. Maintain records of expenditures, for both maintenance and prevention programs, and share these with INAC staff.
4	Commencing the pilot project under a one-year term, with possible year by year renewals, and with no firm commitment that the block funding could/would	Ongoing negotiations with INAC could prove to be unsuccessful, and Agency would need to operate with a block fund that was inadequate and/or revert to the pre-pilot method of funding maintenance. Given the changes made to work	See mitigation strategies under #3. Keep Agency Board of Directors/Chiefs fully informed and engage them in negotiations with INAC and federal political leaders.

	become an ongoing funding approach for WRCFS should the pilot project prove successful.	within a block fund, this would create both a funding pressure and disruption in services.	Collect data and prepare regular output and outcome results.
5	Expectations and benchmarks set by INAC would be unrealistic / not achievable and not in line with Agency own benchmarks.	Unrealistic benchmarks would result in outcomes not being met and jeopardizing ongoing block funding. Withdrawal of INAC support in the transition process to the block fund arrangement, including mutual agreement on the amount of the block fund, the base line funding, and the terms and conditions for the pilot project.	Take a proactive approach in setting Agency determined outcomes and seek to achieve mutual agreement on outcomes.
6	Inaccurate / insufficient data being collected and/or available to the Agency.	The Agency did not have well established data collection capacity. Without good data and financial records, it would be difficult to manage within a block fund. Data would be crucial, not only for tracking expenditures, but to track programs outcomes.	Improvement of data collections already in use. Development of data collection tools for data not currently collected but necessary for the pilot project. Reviewing electronic data collections methods and upgrading where needed. Sharing the data analysis with staff and linking this to their own job satisfaction. Education and training for staff about the value of data collection.
7	Loss and/or lack of skilled, competent, and committed management staff. Resistance from staff to implement a block funded approach.	Without competent Finance and Management staff, it would be a difficult to control expenditures and bring about the necessary internal changes to work within a block fund. Going into the pilot project, the Agency had a competent, experienced Finance Director who shared the enthusiasm for the potential in block funding, and two finance maintenance clerks who understood how the block fund was to work. Other key management staff were experienced and competent and committed to the pilot project idea. Should one or more of these individuals	Implementing cross-training of finance staff. Reviewing and updating the succession plan for key finance and management personnel. Involving staff in planning committees, review processes. and regular updates about the progress on negotiations. Celebrating achievements and regularly reviewing lessons learned with staff. Management recognition of demands on staff and creating an environment/process for staff share and provide feedback and input.

		leave the employ of WRCFS in the early stages of the block fund, it could lead to disruption and financial instability. There were not a lot of individuals that the Agency could immediately look to internally that understood what the internal impact of the block was on admin and finance system and that could administer the block fund with a short learning curve. Recruitment of skilled staff was often a challenge, given the rural location of the Agency. Management of a block fund required a major change in office procedures – from workers role in setting rates, approval of the rate by supervisors, admin systems, and finance policies and procedures. Expenditure for each child needed to be tracked closely, and changes in trends or child profiles needed tracking. Staff needed the knowledge and the willingness to make the needed changes on short notice. Staff had been working under a system where maintenance was reimbursed on actuals, with over expenditures reconciled at year end. Questioning expenditures was generally limited to determining if the expenditure would/could be reimbursed. The block funding approach would require scrutiny of all expenditures, which could cause resentment from staff. Staff cooperation would be important. If staff were resistant to the changes, implementation would be more challenging. The	Creating a positive work environment for staff, including staff recognition and team building events. Education sessions for staff, to inform about the pilot project and the hoped-for outcomes, highlighting the anticipated benefits this could have for children and families. Providing staff with results of analysis of children in care, and the demonstrating to them how this was useful and helpful in their role as front line staff Provide opportunities for FAQs. Getting staff feedback on new forms or new processes being suggested, to avoid a duplication of paperwork and unnecessary administrative requirements on front line staff.

		changes necessary would affect the staff: the service delivery model would change; there would be changing expectations on staff in how to address the needs of children from a different perspective; would almost certainly be some glitches and/or unforeseen things that would occur during transition and in particular in the beginning year of the pilot that would require working through; staff job responsibilities would change. Staff are an important voice in the community and community engagement would become more challenging if staff were actively / passively opposed.	
8	Non-acceptance and/or resistance to the change by leadership, and/or the community CFS committees	Agreement and participation to the pilot project arrangement, from key community partners and leadership, was critical to the success in making these changes effectively and achieving the hoped-for outcomes.	Presentations to leadership and the Board of Directors about the pilot project and the hoped-for outcomes for the pilot project. Regular briefings for the leadership and involvement of leadership at negotiating tables. Developing / updating a presentation package for staff to use in informing the community CFS Committees and setting up a formal process that provided for regular input and feedback from the CFS Committees. Providing orientation and ongoing training for CFS committee members.
9	Strained or deteriorating relationship with the Province of Manitoba.	The pilot project was with INAC and the block fund arrangement was limited to federal maintenance. Manitoba was aware / informed of the pilot project, but MB was not a key partner in the pilot project. However, Manitoba was a key partner in the tripartite arrangements that had been agreed to in transferring service delivery responsibility on reserve to FNCFS, and as MB determined the maintenance rates/guidelines	Including the Province in updates, and where appropriate, in discussions with INAC. Formally planning to include the Province in completing quality assurance reviews. Including an evaluation process as part of the terms and conditions of the pilot project.

	that INAC followed, and had overall responsibility for the operation of all CFS agencies under provincial legislation, it was important for WRCFS to maintain a good relationship with the Province so that any changes would be mutual, and WRCFS would not be left without participation in any discussion between the Province and INAC.	

Negotiating and implementing the block pilot

The consensus at the Agency was to proceed to negotiate[3] for a pilot project that would test a block funding of federal child maintenance. There was optimism that with a different approach to the allocation and funding "rules" of maintenance funds, it would be possible financially support a service model that promoted preventive services and programs, rather than child removal, as the first response to child protection and safety.

Concern about escalating costs and rising numbers of children in care was shared by both WRCFS and INAC, and it was common ground where discussions could begin. The Agency considered these shared concerns to be motivating factor for both parties.

Based on the analysis that WRCFS had done on children in care and historical spending patterns, WRCFS believed that it was feasible to move to a block fund. It was the Agency's position that with the ability to be more flexible, there were some immediate savings that could be realized in maintenance spending, thereby leaving funds that could be diverted for prevention/alternative programs and services without additional funds.

While there were risks involved, the Agency's analysis and risk mitigation strategies indicated that the benefits of capping maintenance were greater than the risks.

Continuing with a 'child only' focus on programs/expenditures and/or child protection would not address the fundamental shift that the Agency felt was necessary to achieve better outcomes for children over the long run. Therefore, INAC was requested to agree to permit the Agency to expand the thinking of what child protection included.

The Agency wanted to implement ways of improving child well-being and protecting children that would recognize and incorporate the importance of supporting families and family well-being and playing a key role in community well-being.

The Agency wanted considerable flexibility in determining how to allocate and/or expend the maintenance funds beyond the provincial maintenance guidelines. To be successful, the Agency would need to carefully plan, track, and monitor expenditures and be accountable and transparent to stakeholders.

The Agency looked at the options and scenarios of block funding, the risks involved, the feasibility of achieving desired outcomes, what changes would be needed throughout the Agency to implement a block funded approach, and what assets the Agency had that would contribute to a successful pilot project.

[3] The parties involved in the negotiation were management representatives from WRCFS and INAC Regional Office. On a few occasions, INAC HQ participated in the meetings. Sign off on positions and agreements came from INAC HQ and from WRCFS Executive Director.

Within a larger context of wanting to provide services to children and families in a way that was consistent with the Agency's values, vision, goals, and objectives, there were some common objectives. Both WRCFS and INAC wanted a way that would provide the Agency with increased flexibility; ensure accountability; provide predictability in costing out accurate budget projections; and allow for improved administrative ease.
The WRCFS proposal for block funding maintenance had the potential to meet all three of these shared objectives. In addition, such a pilot could be done within existing TB authorities.[4]
Agreement was reached on five principles that would guide the negotiations:

1) ***Cost Neutral***
   Block funding was to be *"cost-neutral"* – that is, this was not a cost saving exercising. It would not cost INAC more to block fund maintenance, but it would not cost less. On an annual basis, a review of the block fund needed to compare costs to similar agencies not on block funding, and to project what the costs at WRCFS would have been if maintenance funding had continued a reimbursement basis.

2) ***Block Amount/ Base***
   The initial block would be a base amount, and the block fund would not decrease past that level.

3) ***Surplus/ Deficit***
   The Agency would retain any surplus in the block fund at end of the FY and be able to: divert the funds to prevention/alternative services/programs, and/or defer spending to future years, and/or set up a contingency fund for child maintenance costs for future years.

4) ***Exceptional Circumstances***
   Exceptional circumstances that came up over the course of the pilot project, that were not present when the initial block was set, could be considered as an increase to the block fund in the following fiscal year. These costs would be annualized.

5) ***One-time only costs***
   Exceptional circumstances that came up that were one-time only events would be funded in the same fiscal year. The Agency would not be expected to fund these costs from the block fund. The costs would be invoiced to INAC for reimbursement. Example: flooding; political standoff, inquests).

Based on the cost-neutral principle, regular reviews would occur to project what the costs might have been if WRCFS had remained on the pre-pilot maintenance

[4] *INAC did have TB authority to enter pilot projects. Both Regional Office and HQ were involved in the agreement discussions and approvals.*

arrangement. The Block fund was to adjust for these increases. If projections indicated that the WRCFS costs, without a block fund, would have seen a decrease, any decrease would not go below the baseline of 92/93.
The Agency could secure other sources of revenue for programs without a reduction in the block fund.

WRCFS and INAC would meet quarterly to review progress and expenditures; WRCFS to provide quarterly statement of maintenance costs. Quality Assurance reviews of services to children to be regularly completed during the pilot project.

The WRCFS pilot project began in FY 92/93. Initially to run for one year, the pilot project was renewed on an annual basis until FY 10/11.

Maintenance funding: Pre-block funding	**Maintenance funding: Block funding**
Annual allocation for maintenance based on prior year actual expenditures.	Initial Block fund determined using prior year actual mtce expenditures, plus 8% volume increase, plus 3% price increase; provisions in the agreement for exceptional circumstances; provision for ongoing adjustments for cost of living; Provision to re-base.
Annual Agreement	Annual Agreement
Maintenance was funded under a Contribution Agreement, with approved expenditures reimbursed upon receipt of monthly billings from Agency.	Block fund provided under a Flexible Funding Arrangement (FFA). The Agency was provided with a pre-determined block fund for the fiscal year, paid to the Agency on a quarterly basis.
Working capital advance equivalent to 1-2 months of actual mtce expenditures. Reconciled at year end. Rolled over from year to year. Might be adjusted from time to time to reflect rising maintenance costs.	Block funding sent to Agency at beginning of each quarter.
Using provincial maintenance guidelines, rates, and processes, Agency pays maintenance costs and provides details of expenditures by child to INAC for reimbursement.	Agency pays maintenance costs using required provincial guidelines but able to use own policies and rates for non-statutory payments. Agency keeps detailed records and data for internal use.
Agency invoices INAC for the monthly maintenance expenditures. INAC reviews invoice and reimburses allowable expenditures.[5] Turnaround time varies and can be up to 3-6 months.	Agency sends INAC a quarterly report of expenditures for children in care (this was changed to annual report during the term of the pilot project.
Expenditures that INAC considered ineligible were 'crossed off', and in the absence of a formal dispute resolution process, the Agency and INAC jointly reviewed the decision. Generally, these were resolved in favor of the Agency and costs were reimbursed. This process was lengthy and time	Agency and INAC cooperate in adjustments to Block Fund and/or in re-basing of the block fund.

[5] *Provincial guidelines were used by INAC, as per federal policy, to determine eligible expenses*

consuming, and the delays in resolution and reimbursement often resulted in cash flow issues for the Agency.	
Over expenditures are reconciled through the PAYE process. This was a lengthy process, and with over-expenditures frequently in the $400K to $800K range, it created cash flow pressures.[6]	Over expenditures are Agency responsibility unless they fall within the provisions for adjustments to the block fund.
Annual audits include audit of maintenance expenditures.	Annual audit of the Block Fund includes child in care costs, alternative and preventive programming costs.
Where Agency actual costs are less than the allocated amount, the Agency cannot 'keep' the money.	Agency can defer annual surplus for use in later years and/or set up a contingency fund for child in care costs.
Where there are year-end surpluses (reimbursables received exceed actual costs), surplus amount deducted from first quarter maintenance in the new year (unless arrangement made for a gradual repayment over the FY).	See above.
Maintenance funds cannot be used for operations.[7]	Agency has flexibility between operations and block funds, with provision that statutory child maintenance requirements are met.

Table 3:2: Comparison of pre-block and block funded federal maintenance

Implementing the block pilot

The pilot project began in FY 92/93 and the first and second quarter of the first FY were devoted primarily to transitioning the Agency operations and staffing to what was envisioned as possible under a block funding arrangement. During the first six months of this first year, the Agency collected, reviewed, and analyzed data about the children in care and the costs of child maintenance in prior years.

To align with the Agency service priorities for improving services to children and families that focused on a community-based model to support child, family, and community well-being, and to reduce maintenance costs and divert funds to preventive programs, the Agency focused on two areas:

1) Reducing group home/institutional placements in favor of community based and/or Indigenous special needs foster homes.

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[6] *The PAYE process resulted in continued under-reporting of the actual maintenance expenditures since the government budget cycle required submissions from departments much earlier. The Agency frequently started a fiscal year with the maintenance allocation in the contribution agreement less than the actual expenditures in the prior year. Occasionally the Regional office was able to do a budget adjustment mid-year, which was helpful in resolving cash flow issues for both parties, and in ensuring somewhat more accurate allocations for next fiscal year.*

[7] *Operations funding under Dir 20-1 did not adjust for the growing workload in administering maintenance.*

2) Reducing expenditures for treatment costs by establishing a treatment/counselling capacity within the Agency, to provide culturally sensitive and culturally competent services to families and children within their home communities and/or geographic area.

It is important to recognize that effective preventive programs could not be developed and implemented 'overnight'. Careful planning, jointly with community engagement, was important to get community support and improve the achievement of positive outcomes for the initiatives.

Summary of Expenditures	92/93	93/94	94/95	95/96	96/97	97/98	98/99
Operations	1,654,366	1,618,881	1,721,986	1,721,986	2,027,033	2,027,032	2,049,326
Maintenance Billings	2,394,744	2,073,287	1,874,846	1,977,936	2,031,975	2,353,967	2,575,968
Prevention Services from Block	504,067	886,960	974,813	858,236	1,071,070	1,299,461	973,152
Total Block Expenditures	2,898,811	2,960,247	2,849,659	2,836,172	3,103,045	3,653,428	3,549,120
Surplus (Deficit) from Block	47,621	- 13,815	96,773	110,260	- 306,613	- 856,996	- 752,688
Offset STF Grant	300,000	300,000	300,000	300,000	225,000	75,000	-
FY Total Surplus (Deficit)	347,621	286,185	396,773	410,260	- 81,613	- 781,996	- 752,688
Cumulative Surplus (Deficit)	347,621	633,806	1,030,579	1,440,839	1,359,226	577,230	- 175,458

Table 5:1: Expenditures Summary 92/93 to 98/99

While possible to do projections in planning for child maintenance costs, an Agency does not have full control over this. Intervention is needed when a child is at risk and an Agency must respond. Where an Agency has options to child apprehension in order to keep a child safe/protected, it can begin to address and/or have some control over admissions to care. The ability under the block funding to develop these kinds of options is an important factor in reducing the number of children in care, the days care provided, and even the cost of care. It is one of the greatest advantages in having a block approach – assuming that the block fund is adequate in the first instance, and that there are mechanisms to increase a block fund under certain circumstances. The principles of being cost neutral and of having a baseline are critical.

Rethinking supports for children in need of protection

The block fund allowed the Agency to expand the definition of children in care to include children *in need* of care, and so provide robust family support services aimed at keeping children in their own home. Without the flexibility offered by the block funding, such family support services would not have been possible.

It was one of the key advantages of block funding that the Agency was able to provide services to address child safety concerns without having to place the child in formal out of home care. With the provision of the various community prevention and regional programs, as well as individual supports provided to a family and/or child, the Agency was able to reduce the children in care through reunification back with family, reducing the length of time a child spent in out of home care, and/or avoiding placement in care in the first instance.

Supports provided to at risk families and/or to a child at home or in out of home care, that were not part of the usual child maintenance allowable billable payments, were now provided through the block fund provisions. Alternative programming included policies and activities that provided support to children in care, in addition to the usual maintenance costs. To name a few examples: tutoring for a child; therapy /counselling not covered by other funders such as FNIHB; increased support for youth moving to independent living; participation in ceremonies, powwows and other cultural events; computers; clothing needs, and so on. The types of costs/supports could now be provided to a child who remained in own home placement.

Engaging communities as partners
A key Agency objective was to build capacity in each community. This included developing human resource capacity in each community; expanding child care resources in each community; building a base of programs accessible to the community; partnering with Chief and Council to secure facilities and space for meetings and events; delivering/supporting a variety of programming in the community; opening up training events to community members.

The 'core' of this approach was the community-based team (CBT). A community-based team (CBT) was established at each community, with the complement of staff determined by the population and/or service demands/needs of the community. Over time, these teams were strengthened and enhanced and, for the larger/busier sites, included at least one clerical support staff as part of the team.

A community CFS committee was established in each community. Members were appointed by Chief and Council, and included Elders, a representative from Chief and Council, and representatives from other community programs, such as Education, Health, Police, Income Assistance, Housing, Addictions Services, Day Care, and Economic Development. The Committees were trained and resourced by WRCFS. Coordination and support of the CFS Committee became the responsibility of the CBT supervisor.

The CFS Committee had a key role in the planning of prevention programs for their respective community, and in making recommendation for regional programs. They assisted the CBT in securing resources for families in need, advocated for families, and, where appropriate participated in family conferencing and case planning with families.

A two-year training initiative for CFS Committee members was regionally developed and delivered with the Agency assigning a staff person dedicated to this initiative. Subsequent ongoing training for the Committee members was done primarily by the community team supervisor, with occasional regional training events. Committee members were eligible for consideration for conferences and third-party training events.

The regional training brought tougher CFS Committee members from all nine First Nations and became a forum for sharing experiences and knowledge, increasing awareness of the needs of the families in the community and how the community might support these families in caring for their children. The training provided to the community CFS committees became an important factor towards improved community engagement, which began to reverse the historical negative perception towards CFS.

Financial planning and management
The Agency developed detailed methods of monitoring, controlling, and projecting expenditures, and budgeting and allocating funds. This was critical to effective management of a block fund. A planning and budget cycle included community, staff, management, and Board in finalizing the annual Operational Plan and accompanying annual budgets.

Initially, the pilot project agreement called for WRCFS and INAC to meet quarterly to review progress and expenditures, with WRCFS providing quarterly statements of maintenance costs. In fact, this happened sporadically during the first two year of the pilot, and then became an annual audit and program report being submitted to INAC. There was, however, a good working relationship with INAC, and frequent contact, verbal updates, and issues management occurred.
The Management Team reviewed expenditures at monthly management meetings to stay on top of over/under expenditures. Expenditures were closely monitored, and issues flagged. Detailed financial records with respect to children in care were maintained for Agency use.
The Finance Team followed up on any adjustments made to the block fund based on provisions of the FFA and the Pilot Project Agreement. Adjustments were done for the following fiscal year and were annualized.

Adjustments made for exceptional circumstances were included in the following fiscal year. Depending on the circumstance, this adjustment might be a one-time only adjustment, or it might be annualized into the block fund. One-time only costs would be approved as they occurred and upon Agency request. Funds would be paid to the Agency apart from the block fund as a one-time cost.

Based on the cost-neutral principle, regular reviews were done to project what the costs might have been had WRCFS continued on the pre-pilot maintenance arrangements. If projected costs under the pre-pilot arrangement indicated a decrease to the block fund, the 92/93 block amount was to be the baseline. If the projected cost was an increase, a re-basing of the block was to occur.

When re-basing was complete, calculations showed that the Agency had realized considerable savings for the government under the block arrangement. This is an important factor to include in any future block funding arrangements, so that the process and timing of re-basing is clear. Had re-basing occurred regularly, the Agency might

have had additional funds for increased prevention programming. However, capacity to deliver increased programming, particularly human resource capacity, would have to be considered.

Data
Key areas of children in care data and maintenance expenditures were collected and analyzed on a regular basis. Relevant monthly child in care data was provided to each worker and supervisor for review at monthly team meetings. Monthly data was reviewed by senior finance and management staff.

The Agency developed a number of templates for worker use that assisted in standardizing expenditures, collecting data, and controlling expenditures. Data on the movement and profiles of children in care – admissions, re-admissions, discharges, aging-out of care, intakes, special needs, ages etc. – was collected and analyzed in order to identify shifts or spikes in expenditures and profiles. This data provided important metrics for evaluating outcomes. Evaluations and reviews were part of WRCFS's block experience.

Program, financial and practices evaluations were built-into the agency's monthly and annual operations, using data collected to track the block experience. In 1999, Dr. Brad Mackenzie of the University of Manitoba undertook a five-year review of the initiative. A subsequent cost-benefit analysis followed in 2005, as Directive 20-1 was being introduced, eliminating WRCFS's block pilot and changing the agency's funding dynamics. WRCFS's innovation with the block was recognized in 1998 with the Peter T. Drucker Foundation Award for "Innovation in a Canadian Non-Profit," for its work to build best practices for children.

Conclusion
With the move to block funding of maintenance, WRCFS agreed to cap maintenance and manage child maintenance expenditures within a set block of money. The agency succeeded in diverting funds to alternative preventive programs and services, with a determination to ensure child safety was upheld.
To achieve the change in practice, considerable changes in attitude, policy, and practise at all levels of the Agency were required. Equally, or perhaps more, critical to success was the need to have community engagement and support in making and this shift.

WRCFS's block pilot offers important lessons on transition, the value of leveraging internal data for planning and practice development, and the importance of addressing the *causes of the causes* in child and family services.

IFSD
IFPD

Institute of Fiscal Studies and Democracy at the University of Ottawa |
Institut des finances publiques et de la démocratie à l'Université d'Ottawa

This is **Exhibit "D"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

December 15, 2025

By Email

The Honourable Mandy Gull-Masty
Minister of Indigenous Services Canada
10 rue Wellington, Gatineau, QC K1A 0H4

Dear Minister,

Re: Next Steps to Advance Long-Term Reform of First Nations Child & Family Services

We are writing jointly on behalf of AFNQL Regional Chief Francis Verreault-Paul, Chief Pauline Frost of the National Children's Chiefs Commission (NCCC), and Dr. Cindy Blackstock of the First Nations Child & Family Caring Society. We wish to thank you for taking the time to meet recently with Chief Frost and Regional Chief Verreault-Paul in person, and for meeting virtually with Dr. Blackstock and Regional Chief Verreault-Paul. We appreciate your willingness to hear directly from First Nations leadership and advocates who have worked on this file for many years.

We are encouraged to hear that you intend to take this file in a new direction—one grounded in meaningful collaboration and focused on bringing real, lasting solutions to First Nations children, youth, and families. We welcome this shift and agree that the central task now is addressing Canada's longstanding discriminatory conduct in the First Nations Child & Family Services program and in Jordan's Principle and ensuring it does not recur.

We are writing to ensure that our common positions and expectations are clear before entering into any discussions regarding the resolution of the Canadian Human Rights Tribunal (CHRT) complaint. Ensuring that all parties have a shared understanding at the outset is essential to any good-faith engagement.

1. Our plan will be filed with the Tribunal on December 22, 2025.
As discussed, we are not in a position to share or pre-disclose our plan before it is formally filed with the CHRT on December 22, 2025. This reflects the significant contributions First Nations and their experts have made to a First Nations led plan, as well as Canada's repeated submissions before the Tribunal that it would not collaborate with the NCCC, Caring Society and AFN and would be submitting its own plan.

2. We are open to discussions with Canada after December 22, contingent on clear written commitments.
Following the filing of our plan, we would welcome discussions with Canada on next steps, conditional on receiving written confirmation from Canada that:

- It has a clear mandate to work collaboratively with the Caring Society, the NCCC, and the AFN to permanently cease its discriminatory conduct, and

- Litigation will continue concurrently to ensure First Nations children and families remain fully protected throughout any engagement.

It is also essential that Canada recognize the decisions of First Nations-in-Assembly and make every reasonable effort to implement them. These are not optional directions; they reflect the rights, priorities, and authority of First Nations.

3. Canada must recant its unilateral operational bulletins and commit to co-development of its policies in alignment with the Tribunal's orders going forward.
Canada's unilateral issuance of operational bulletins and policy directions—without co-development or consent—has harmed First Nations children and families and significantly eroded trust. To move forward, Canada must:

- Withdraw or formally recant its unilateral operational bulletins, and
- Commit to working collaboratively with the NCCC, AFN, and the Caring Society on any ISC policy, bulletin, directive, or operational change that affects First Nations children, families, or service providers.

We believe these are reasonable expectations and foundational steps to rebuilding trust. A meaningful show of good faith from Canada—particularly on the commitments described above—would demonstrate that the intent to move in a new direction is genuine.

We look forward to receiving your written confirmation of Canada's mandate and commitments and to continuing this work together in a way that upholds the rights, dignity, and safety of First Nations children and families.

Sincerely,

Regional Chief Francis Verreault-Paul,
AFN Portfolio Holder, FNCFS & Jordan's Principle,

Chief Pauline Frost,
Chair, National Children's Chiefs Commission

Cindy Blackstock, PhD
First Nations Child and Family Caring Society

CC: National Chief and Executive, Assembly of First Nations
National Children's Chiefs Commission
Julia Carbone, Indigenous Services Canada

This is **Exhibit "E"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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SHIREEN SULTAN ADATIA
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LSO No. 14203P

December 21, 2025

Chief Pauline Frost
Chair
National Children's Chiefs Commission

Regional Chief Francis Verreault-Paul
Portfolio Holder, First Nations Child and Family Services and Jordan's Principle
Assembly of First Nations

Cindy Blackstock
Executive Director
First Nations Child and Family Caring Society of Canada

Dear Chief Pauline Frost, Regional Chief Francis Verreault-Paul, and Cindy Blackstock:

I am writing to thank you for your letter of December 15, 2025 and for taking the time to meet with me on December 4, 2025 and December 10, 2025.

I appreciated the opportunity to hear your perspectives and to discuss the ongoing work related to the reform of the First Nations Child and Family Services Program. As I shared during our discussions, it is important to me that reform be driven by First Nations and grounded in an inclusive approach—one that respects regional approaches while operating within a coherent national framework.

While I valued our dialogue and found it constructive, the decision not to share draft proposed plans or jointly speak publicly in advance of December 22 is a decision that I will respect. I have to reiterate that it would have been a great opportunity for us to demonstrate a public facing commitment and to stand together—united—for our children. My intent in raising this is not to dwell on process challenges, but to underscore the importance of transparency and shared understanding in serving communities, leadership, families, and the children who await our decisions.

…/2

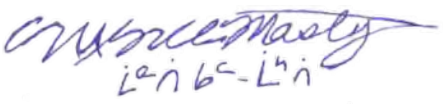
My objective remains meaningful collaboration and lasting solutions for First Nations children, youth, and families—solutions grounded in sound policy, legal obligations, and, most importantly, the lived realities of communities incorporating their unique and diverse culture and language across all First Nations. As Minister of Indigenous Services, I take this responsibility seriously. Our experience working regionally with rightsholders, including with the Chiefs of Ontario and Nishnawbe Aski Nation, has demonstrated the potential of approaches that respect First Nations' right to self-determination while building practical, durable systems. I believe our process has to be respectful of the requests from communities to determine what next step they take.

In that spirit, I want to be clear about my approach. I respect the authority and role of the Tribunal. I believe in ensuring that communities have the freedom to choose the path they wish to follow.

I am open to further discussions with the Assembly of First Nations, the Caring Society, and the National Children's Chiefs Commission following the submission to the Tribunal on December 22, 2025.

I remain committed to advancing this work in a way that respects First Nations leadership, restores confidence in the process, and delivers meaningful, lasting change for children and families.

Yours sincerely,



The Honourable Mandy Gull-Masty, P.C., M.P.

This is **Exhibit "F"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

October 29, 2024

The Hon. Patty Hajdu
Minister of Indigenous Services Canada
Mail Stop 2738BH
10 Wellington St.
Gatineau, Quebec
K1A 0H4

By Email: ministresa-ministeris@sac-isc.gc.ca

Re: Request to Negotiate a Regional Agreement on FNCFS

Dear Minister Hajdu,

We are writing to request the negotiation of a Labrador Innu regional agreement on First Nations Child & Family Services (FNCFS).

We supported the AFN's proposed Final Agreement on long-term reform in FNCFS. We were disappointed that it was not ratified at the AFN.

We seek a path forward for Labrador Innu that is based on the proposed AFN agreement and allows Canada and our two First Nations to move forward with clarity and certainty, supporting a good path for our children, youth and families.

Our two First Nations are the only First Nations in Labrador, and our situation is distinctive:

- In 2020, our joint organization Innu Nation brought a human rights complaint against ISC because of our exclusion from some of the CHRT funding at that time (CHRC 2020-0734). We were able to reach a successful resolution of that complaint last year, that ensured our inclusion. Yet without a final agreement in the AFN matter, we are left hanging again.

- Innu Nation has given notice of our intention to exercise jurisdiction in child and family services under the *Act respecting First Nations, Inuit and Métis children, youth and families*. We are working actively on our law. Our intention is that a regional FCNFS agreement would be eventually replaced by our Coordination Agreement when ready.

- An Inquiry into our treatment in the child protection system is underway, in which your government is actively participating. It is a crucial process of truth and

reconciliation, and the sense of moving forward that could have been achieved with the AFN's agreement needs to be achieved in another way.

Innu were left out of any prevention funding or services until 2016-17. Since then, we have grown our prevention services, primarily through our joint organization, the Innu Round Table Secretariat (and partly through services delivered by SIFN and MIFN directly). Ensuring adequate funding to continue growing these services to meet the needs of Innu families is an important priority, especially as we build towards the exercise of full Innu jurisdiction.

We welcome the opportunity to discuss further details with your officials. While we know that some non-financial details of the agreement will be hard to replicate in a regional model, and may need to change, we are confident that terms could be efficiently determined that meet the needs of all parties, while preserving our allocation.

Our people have been through the worst of the child protection system and we are not going back. We call on Canada to walk with us as we continue to move forward.

We look forward to hearing from you. Please include our lawyer Judith Rae in all correspondence on this matter: jrae@oktlaw.com.

Nin,

Chief Eugene Hart
Sheshatshiu Innu First Nation

Chief John Nui
Mushuau Innu First Nation

Cc: Lisa Legault, Director General CFS Reform, Indigenous Services Canada
Geoff Cole, Regional Director General (Atlantic), Indigenous Services Canada
Grand Chief Simon Pokue, Innu Nation
Deputy Grand Chief Chris Rich, Innu Nation
Germaine Benuen, Executive Director, Innu Round Table Secretariat
Amanda Rich, Prevention Agency Director, Innu Round Table Secretariat
Judith Rae, Olthuis Kleer Townshend LLP

This is **Exhibit "G"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
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Assembly of Manitoba Chiefs
EMPOWERING OUR NATIONS

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www.manitobachiefs.com

May 20, 2025

The Right Honourable Mark Carney
Prime Minister of Canada
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2
Email: mark.carney@parl.gc.ca

Dear Prime Minister Carney,

Re: Manitoba First Nations Ready to Negotiate Final Settlement Agreement on CFS Compensation and Long-Term Reform

I write on behalf of the Assembly of Manitoba Chiefs (AMC), representing the sovereign First Nations of Manitoba, to follow up on your commitment made during the April 25, 2025 Assembly of First Nations (AFN) Virtual Forum. We appreciated your recognition of the Chiefs of Ontario-Canada Final Settlement Agreement on Child and Family Services (CFS) compensation and long-term reform, and your stated commitment to extend similar regionally negotiated agreements to other First Nations across the country.

A regional based agreement represents a new pathway forward—one grounded in restitution, systemic reform, and a distinctions-based approach to resolving long-standing injustices created by the discriminatory CFS system. First Nations in Manitoba are prepared to engage in negotiations that will similarly address historic and ongoing harms, while laying the foundation for a sustainable, First Nations-led CFS system that reflects our rights, values, and jurisdiction.

The AMC has been at the forefront of CFS advocacy and transformation in Manitoba. The harm inflicted on our children and families by federal and provincial systems of apprehension and underfunding is well documented. Despite decades of advocacy and reports—including those of the Truth and Reconciliation Commission, the National Inquiry into Missing and Murdered Indigenous Women and Girls, and the Manitoba Aboriginal Justice Inquiry—the systems responsible for child and family well-being remain fragmented and chronically under-resourced.

First Nations in Manitoba are united in our call for a comprehensive regional final settlement agreement that addresses:

- Full and fair compensation for all impacted children, families, and Nations;
- Long-term sustainable funding for First Nations jurisdiction and service delivery;
- Investment in Nation-led prevention and family wellness models;
- The systemic discrimination identified in the Canadian Human Rights Tribunal's 2016 CHRT 2 decision and subsequent orders, along with measures to prevent such discrimination from occurring in the future; and
- Recognition and affirmation of inherent jurisdiction consistent with the United Nations Declaration on the Rights of Indigenous Peoples and our Treaty relationship.

We request that your government begin a formal engagement process with the leadership in Manitoba to co-develop a regionally tailored agreement. We are ready to move forward in good faith and with urgency. We ask that your office direct Indigenous Services Canada Minister Mandy Gull-Masty and relevant federal departments to initiate discussions with our regional First Nations leadership. Manitoba First Nations are prepared to name negotiators and convene preparatory discussions as soon as your government is ready.

We look forward to your response and to working in partnership to finally address the intergenerational harm inflicted by Canada's child welfare system and to support the restoration of First Nations children to their families, communities, and Nations.

Sincerely,
ASSEMBLY OF MANITOBA CHIEFS

Grand Chief Kyra Wilson

cc: Honourable Mandy Gull-Masty, Minister of Indigenous Services
Honourable Sean Fraser, Minister of Justice and the Attorney General of Canada

This is **Exhibit "H"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
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August 19, 2025

Honourable Mandy Gull-Masty
Minister of Indigenous Services Canada
10 Wellington St.
Gatineau QC K1A 0H4
Email: mandy.gull-masty@parl.gc.ca

Dear Minister Gull-Masty,

Re: Proposal on Regional Approach to Long-term Reform of the First Nations Child and Family Services program

As a follow up to my letter to Prime Minister Mark Carney dated May 20, 2025, regarding a regional based agreement approach on long term reform of the First Nations Child and Family Services (FNCFS) program, please find attached the AMC proposal on *Manitoba First Nations Regional Approach to Long-term Reform of the FNCFS program*.

The Canadian Human Rights Tribunal (CHRT) has ruled that Canada's First Nations Child and Family Services (FNCFS) Program discriminates against First Nations children by providing inequitable funding and failing to reflect the distinct needs of First Nations. Canada has a legal and moral obligation to comply with the CHRT's orders and fully eliminate this discrimination.

While Canada has initiated long-term reform of the FNCFS Program as part of its efforts to address this inequity, it must ensure these reforms result in equitable, sustainable funding and prevention-focused, culturally appropriate services that uphold First Nations jurisdiction, laws, and the well-being of our children and families. To be effective, this work must be done in true partnership with First Nations in Manitoba, recognizing that a national, one-size-fits-all approach often fails to meet the unique needs, priorities, and circumstances of each Nation.

This proposal is to support First Nations in Manitoba to lead the development of a regionally tailored agreement on long-term reform of the FNCFS Program. The proposal identifies the mechanisms and processes to address the ongoing systemic discrimination in the FNCFS program in Manitoba, assisting and leading to the restoration of First Nation jurisdiction over children and families.

We look forward to beginning discussions with you and to working in partnership with Canada to address and come to a mutual understanding and formal agreement for the well-being of First Nation children and families in Manitoba.

Sincerely,
ASSEMBLY OF MANITOBA CHIEFS

Grand Chief Kyra Wilson

cc: The Right Honourable Mark Carney, Prime Minister of Canada

Attach.

Proposal

Manitoba First Nations Regional Approach to Long-term Reform of the First Nations Child and Family Services Program

Abinoojiyag Bigiiwewag
First Nations
Family Advocate Office
"Bringing Our Children Home"

Prepared for:
Minister Mandy Gull-Masty
Indigenous Services Canada

Submitted by:
Carol McCorrister
Executive Director
Assembly of Manitoba Chiefs
August 1, 2025

Assembly of Manitoba Chiefs
EMPOWERING OUR NATIONS

Contents

Executive Summary 1

Profile of the Assembly of Manitoba Chiefs and the First Nations Family Advocate Office 1

Canada's Obligations to Reform the First Nations Child and Family Services Program 3

AMC Mandates Related to Reform of the FNCFS Program 4

Proposal 6

Purpose and Objectives 6

Rationale 7

Workplan (Timelines to be determined)..... 8

Budget 10

Executive Summary

This proposal advances a First Nations-led process to develop a Manitoba-specific agreement on the long-term reform of the First Nations Child and Family Services (FNCFS) Program. Grounded in the jurisdiction, laws, and mandates of Manitoba First Nations, the proposal reflects a clear and urgent path forward — one that responds to Canada's legal obligations, national precedent, and political commitments.

In Manitoba, First Nations children remain overrepresented in the child welfare system, with recent data confirming that approximately 80% of children in care are First Nations. Despite participation in the national reform process, many of Manitoba First Nations' priorities remain unaddressed, and no clear mechanism has been provided to resume national negotiations. In response, the AMC is advancing a regional process that supports First Nations in developing their own legal, policy, and funding frameworks — led by First Nations, for First Nations.

First Nations in Manitoba have repeatedly identified the need for regional approaches to child and family services reform, backed by over a decade of coordinated work. Despite participation in national processes, many Manitoba-specific priorities remain unaddressed, and no mechanism exists to resume national negotiations. In contrast, Canada finalized an Ontario-specific agreement in early 2025 and, during the federal election campaign, Prime Minister Carney pledged to support regionally led negotiation tables.

In this context, the AMC proposes the creation of two complementary bodies:

- A Regional Negotiation Table, to engage directly with Canada and Manitoba on long-term reform; and
- A First Nations-led Expert Table, to coordinate legal, policy, and governance work in support of Nation-specific pathways.

This process will uphold First Nations jurisdiction, support law development, and enable coordinated negotiation with Canada on sustainable funding, culturally grounded prevention models, and systemic change.

The AMC is requesting $1,271,992.50 to support the implementation of this Nation-led process, including operational costs for the Expert Table and Regional Negotiation Table.

This proposal offers Canada a concrete opportunity to act — and to meet its obligations under the *United Nations Declaration on the Rights of Indigenous Peoples*, the Truth and Reconciliation Commission Calls to Action, the MMIWG Calls for Justice, the CHRT rulings, Bill C-92, and the UNDA Action Plan. It ensures that reform in Manitoba is not delayed, denied, or imposed — but led by First Nations, on First Nations terms.

Profile of the Assembly of Manitoba Chiefs and the First Nations Family Advocate Office

The Assembly of Manitoba Chiefs (AMC) is the political and technical coordinating body for the 63 First Nations in Manitoba. Established in 1988 by First Nations leadership, AMC operates under a Constitution that affirms the inherent rights of First Nations to self-determination, self-government, and jurisdiction over

their own laws, lands, and institutions. AMC exists to support First Nations-led advocacy and action on shared priorities, while fully respecting the authority and autonomy of each individual First Nation, including:

- Promote, preserve, and protect Aboriginal and Treaty rights for First Nation people in Manitoba;
- Preserve and enhance the rights and freedoms of First Nations in Manitoba as distinct peoples;
- Strengthen and restore the foundations of First Nations cultures, traditions, languages, economies, and societies;
- Affirm First Nation rights as peoples to exercise and practice self-determination and self-government;
- Protect the integrity and authority of each First Nation's customs, laws, and practices; and
- Preserve and enhance the role and equal participation of First Nation women within political, economic and social spheres of First Nation governments and organizations.

The AMC is governed by the Chiefs-in-Assembly, which provides all direction through resolution. The Grand Chief, elected by the Chiefs-in-Assembly, serves as the principal spokesperson for AMC and is guided by the Executive Council of Chiefs (ECC) between Assemblies.

The AMC has also established Councils, including the Women's Council, the Knowledge Keepers Council, the Two-Spirit and LGBTQQIA+ Council, and the Youth Council. The Women's Council is currently responsible for, among other things, children and family matters, the implementation of Jordan's Principle, and work related to the Missing and Murdered Indigenous Women and Girls and Two-Spirit and LGBTQQIA+. The Chiefs-in-Assembly has also created a number of standing and special Chiefs Committees to address specific issues of relevance to Manitoba First Nations, and Task Forces, including a Chiefs Task Force on Health and a Chiefs Task Force on Jordan's Principle.

One of the most significant expressions of AMC's commitment to restoring First Nations jurisdiction over children and families is the creation of the First Nations Family Advocate Office. In June 2014, the AMC Chiefs-in-Assembly endorsed Resolution JUN-14.01, which accepted the Bringing Our Children Home Report. The report outlined ten recommendations to address the child welfare crisis in Manitoba, including the establishment of the First Nations Family Advocate Office (FNFAO).

The FNFAO officially opened its doors on June 1, 2015, in ceremony, and was gifted the Anishinaabemowin name *Abinoojiyag Bigiiwewag* — "Our Children Are Coming Home." The FNFAO works directly with parents, grandparents, extended family, and care providers to challenge systemic racism and discriminatory practices in the Manitoba child welfare system. Using First Nations laws, knowledge, and traditions, the FNFAO aims to bring more children home and restore family and Nation-based care systems.

The FNFAO's core activities include striving to:

- Reduce the number of First Nations being apprehended;
- Facilitate family reunification and increased access;
- Aid families navigating the CFS system;
- Provide wholistic and culturally appropriate services to address the individual and family's spiritual, emotional, mental, and physical wellbeing; and
- Advocate for children and families to receive proper service both in and outside of their Nations.

The FNFAO works outside of the current Manitoba child welfare system, understanding that our work cannot empower a provincial system that continues to fail First Nations citizens. Instead, the FNFAO works diligently to empower First Nation families and Nations under the broader mandate of the AMC.

The AMC Women's Council provides the FNFAO with key mandates to build upon and maintain the cultural respect and honour of First Nations women, and to establish strategies to improve the health, economic, education and social status of First Nations women, children, youth and families in Manitoba. In addition, the AMC Women's Council informs the FNFAO's approach on matters such as MMIWG2S+, child welfare, domestic violence, gender equity and more which continue to impact AMC member First Nations on and off-reserve.

Canada's Obligations to Reform the First Nations Child and Family Services Program

Canada has longstanding legal and political obligations to reform the First Nations Child and Family Services (FNCFS) Program. These obligations arise from court rulings, international and domestic human rights commitments, and Canada's own policy decisions and public promises. Together, they form a clear mandate: Canada must end systemic discrimination in child welfare, respect First Nations' jurisdiction, and support the development of First Nations-led systems of care.

Canadian Human Rights Tribunal (CHRT) Rulings
In 2016, the CHRT found that Canada's funding and delivery of First Nations child welfare services was racially discriminatory, violating the *Canadian Human Rights Act*. The CHRT ordered Canada to immediately cease its discriminatory practices and issued a series of compliance rulings, many of which remain outstanding. These rulings establish a legal obligation to ensure equitable, needs-based funding and to recognize First Nations' control over child and family services.

Truth and Reconciliation Commission Calls to Action
The Truth and Reconciliation Commission's Calls to Action establish a national framework for redressing the intergenerational harm caused by residential schools — with specific attention to child welfare. Calls to Action 1 through 5 explicitly call on Canada to:

- Reduce the number of Indigenous children in care;
- Ensure culturally appropriate services for Indigenous families;
- Fully implement Jordan's Principle to ensure equitable access to services without delay;
- Provide adequate, needs-based funding for prevention, care, and community-led approaches; and
- Commit to meaningful reform of the child welfare system in collaboration with Indigenous Peoples.

Importantly, Call to Action 43 calls on all levels of government to fully adopt and implement the *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP) as the framework for reconciliation. Together, these Calls to Action create a direct obligation for Canada to reform the FNCFS Program in accordance with both First Nations jurisdiction and international human rights standards.

The *United Nations Declaration on the Rights of Indigenous Peoples*
The UNDRIP, which Canada affirmed without qualification in 2016 and enshrined in federal law through its *United Nations Declaration on the Rights of Indigenous Peoples Act* (UNDA) in 2021, establishes minimum standards for the survival, dignity, and well-being of Indigenous Peoples globally. It affirms that Indigenous Peoples have the right to self-determination, including the right to develop and control their own social and child welfare systems, in accordance with their laws, customs, and institutions. Relevant articles include:

- Article 4: affirms Indigenous Peoples' right to self-government in matters relating to their internal and local affairs.
- Articles 18 and 19: require states to consult and cooperate with Indigenous Peoples through their own representative institutions to obtain their free, prior, and informed consent (FPIC) before adopting measures that may affect them.
- Article 23: affirms the right of Indigenous Peoples to develop and administer health, housing, and other social programs affecting them through their own institutions.
- Article 7 and Article 21: call for an end to state practices that lead to family separation and poor social conditions, and require measures to improve the well-being of Indigenous children.
- Article 31: protects the right of Indigenous Peoples to maintain, control, protect, and develop their cultural heritage and traditional knowledge — including child-rearing practices, family systems, and intergenerational transmission of care.

These provisions directly support the right of First Nations in Manitoba to restore and exercise full jurisdiction over child and family services.

The UNDA Action Plan, released in 2023, commits Canada to work with Indigenous Peoples to reform child and family services law and policy in alignment with UNDRIP. Measures 2.2, 2.1, 3.1, 3.6, and 4.5 provide a clear policy foundation for First Nations to exercise jurisdiction, develop their own laws, and be fully supported to implement culturally grounded child and family systems. The Manitoba regional approach outlined in this proposal is consistent with these commitments and offers a concrete mechanism for implementation.

National Inquiry into Missing and Murdered Indigenous Women and Girls (MMIWG)
The MMIWG Calls for Justice identify child welfare as a key pathway into systemic violence, family separation, and intergenerational trauma. Calls 1.7, 7.2, 12.3, 12.5, and 16.2 specifically call on Canada to support First Nations jurisdiction over child welfare, fund preventative and wraparound supports, and end the cycle of state apprehension that disproportionately affects First Nations women, girls, and 2SLGBTQQIA+ people.

An Act Respecting First Nations, Inuit and Métis Children, Youth and Families (Bill C-92)
Passed in 2019, Bill C-92 affirms the inherent right of Indigenous Peoples to exercise jurisdiction over child and family services. It establishes national principles such as cultural continuity, substantive equality, and best interests of the child — and allows First Nations to bring forward their own laws and care systems, with or without agreements with Canada and the provinces.

Political Commitment to Regional Negotiation
In February 2025, Canada signed a region-specific agreement with First Nations in Ontario, marking a shift away from national-only approaches. During the 2025 federal election campaign, on April 25, 2025, national Liberal leader Mark Carney pledged, during a federal election forum hosted by the AFN, his support of continuing the long-term reform of the child and family services program by returning to the negotiation table, including regional approaches.[1]

AMC Mandates Related to Reform of the FNCFS Program

While Canada has a clear obligation to reform the FNCFS Program in alignment with the rights of AMC member First Nations, the AMC has consistently participated in good faith in the national process led by the Assembly of First Nations (AFN) and other regional organizations. Manitoba First Nations reviewed and

[1] https://www.youtube.com/watch?v=rOwlKbLkJlg AFN hosts federal election forum with Liberal Leader Mark Carney – April 25, 2025.

responded to the national Final Settlement Agreement (FSA), proposed detailed amendments, and actively participated in Chiefs-in-Assembly decisions on the way forward. Despite this, many of the priorities identified by First Nations in Manitoba remain unaddressed, and no clear path has been provided to resume national negotiations.

In October 2024, the AFN Special Chiefs Assembly passed Resolutions 60/2024 and 61/2024 rejecting the national FSA and directing the creation of a National Children's Chiefs Commission (NCCC) to oversee future negotiations. However, four months later, on February 26, 2025, Canada, COO, and NAN finalized an $8.5 billion Ontario-specific agreement without the involvement of the NCCC or other regional representatives. As of June 18, 2025, Canada has not confirmed its intention to re-engage in a national negotiation process.

In this context, the AMC Chiefs-in-Assembly have mandated AMC to support a Manitoba-specific approach to long-term reform. This includes the establishment of a First Nations-led Expert Table, the pursuit of a regional negotiation table with Canada, and coordination of legal, policy, and technical supports — all grounded in the jurisdiction, laws, and priorities of First Nations in Manitoba. The AMC Constitution affirms that each First Nation retains full authority over its own laws, customs, and practices, including in matters related to children and families. AMC's role is not to direct or replace First Nations governance, but to provide a coordinated space — when mandated by resolution — for shared advocacy, technical support, and regional action in support of First Nations' self-determined approaches to child and family services.

The AMC has long held a clear mandate from its member First Nations to advance the reform of the First Nations Child and Family Services (FNCFS) Program in a manner that affirms First Nations jurisdiction and supports Nation-led solutions.

In 2017, AMC and Canada entered into a Memorandum of Understanding to:

- Participate in discussions to improve the well-being of First Nations children, youth, and families;
- Address priority areas identified by First Nations in Manitoba for child welfare reform outcomes; and
- Discuss matters related to the inherent jurisdiction of First Nations over their children and families.

That same year, the AMC Chiefs-in-Assembly passed Resolution 16.08, directing AMC to conduct regional engagement sessions on the implications of the CHRT rulings. This led to the development of the Keewaywin Engagement Report (2017), which identified 14 recommendations to guide FNCFS reform.

From August to October 2018, AMC conducted Phase II engagements with 15 First Nations, resulting in the *Keewaywin: Our Way Home* report. These discussions reinforced the need for First Nations to reclaim jurisdiction through their own laws and care systems, building on what already exists in their First Nations.

In 2022, with guidance from Elders and Knowledge Keepers, AMC completed the Sovereign Nations Family Laws, a foundational legal resource to support First Nations in restoring jurisdiction in child and family matters.

In April 2024, the AMC Chiefs-in-Assembly passed Resolution Apr-24.13, which:

- Directed the establishment of a First Nations-led Expert Table, with representation from Canada and Manitoba, to engage in discussions on child welfare reform affecting First Nations jurisdiction;
- Directed the AMC Women's Council to guide and oversee the creation of a Tripartite Table, including the development of Terms of Reference, a work plan, and composition; and

- Mandated the Women's Council to provide regular updates to First Nations Leadership on the progress of these discussions.

In February 2025, the AMC Executive Council of Chiefs passed Resolution Jan-25.01, formally mandating the establishment of a dedicated regional negotiation table with Canada for long-term reform of the FNCFS Program. This table is to focus on Manitoba-specific needs and ensure the direct participation of First Nations in developing reform agreements that reflect their unique circumstances. The AMC is in the process of identifying First Nations representatives for the regional table.

On May 20, 2025, the AMC Grand Chief Kyra Wilson requested, via correspondence to Prime Minister Mark Carney that the Canadian government begin a formal engagement process with the leadership in Manitoba to co-develop a regionally tailored agreement. This was followed on May 26, 2025, by correspondence to the Minister of Indigenous Services Canada, Mandy Gull-Masty, requesting the establishment of a dedicated regional negotiation table with federal and provincial representation to address child welfare reform in a manner that affirms First Nations jurisdiction and self-determination.

Proposal

This proposal puts forward a First Nations-led process to develop a regionally tailored agreement on long-term reform of the FNCFS Program in Manitoba. The approach is grounded in the jurisdiction, laws, and priorities of Manitoba First Nations and reflects resolutions passed by the AMC Chiefs-in-Assembly.

To advance this work, the AMC is proposing the establishment of a dedicated Regional Negotiation Table with Canada and Manitoba, supported by a First Nations-led Expert Table that will guide technical and policy development, engagement, and coordination. Together, these tables will ensure that the reform process is driven by First Nations and reflects the diversity of legal and governance systems across the province.

The AMC is requesting $1,271,992.50 to support the implementation of this Nation-led process, including operational costs associated with the Regional Negotiation Table and the Expert Table. The First Nations-led Expert Table will include representation from:

- 5 First Nations representatives;
- 2 representatives from First Nations Child and Family Services Authorities/Agencies;
- 3 Elders;
- 3 Youth; and
- 3 Subject Matter Specialists.

Purpose and Objectives

The purpose of this initiative is to support Manitoba First Nations in leading the development of a regionally tailored agreement on long-term reform of the FNCFS Program. This work responds to the urgent need to address ongoing systemic discrimination, restore First Nations jurisdiction over children and families, and ensure that reforms are grounded in the laws, values, and governance systems of each First Nation.

Through the establishment of a First Nations-led Expert Table and a Regional Negotiation Table with Canada and Manitoba, this initiative will provide a structured, coordinated, and rights-affirming process for advancing reform. It will enable Manitoba First Nations to co-develop sustainable, culturally grounded child and family services systems that reflect the diversity of Nations across the province.

The following objectives will guide this work:

- Advance the development of a Manitoba-specific agreement on long-term reform of the FNCFS Program that is informed, led, and approved by First Nations in Manitoba.
- Establish a Regional Negotiation Table that enables direct engagement between First Nations, Canada, and Manitoba on funding, policy, and jurisdictional matters.
- Support the recognition, affirmation, and implementation of First Nations jurisdiction through Nation-led capacity-building, law development, and governance processes.
- Address systemic discrimination in child and family services by developing measures aligned with the Canadian Human Rights Tribunal's CHRT 2 decision and subsequent orders.
- Develop long-term, sustainable funding approaches that support prevention, family wellness, and Nation-based service delivery.
- Ensure that all processes are accountable to First Nations leadership, guided by resolutions of the AMC Chiefs-in-Assembly and grounded in the rights affirmed in UNDRIP, the TRC Calls to Action, the MMIWG Calls for Justice, and Treaty relationships.

Rationale

Manitoba First Nations have expressed their readiness to move forward with a regionally tailored agreement that reflects their distinct laws, governance systems, and longstanding work on child and family services reform. This direction is grounded in formal mandates from AMC's leadership — most notably Resolution Jan-25.01, passed by the AMC Executive Council of Chiefs in February 2025, which mandates the establishment of a dedicated regional negotiation table with Canada to advance long-term reform of the FNCFS Program.

This resolution builds on a decade of work and earlier mandates, including Resolution 16.08 (2017), which initiated CHRT-driven regional engagement, and Resolution Apr-24.13 (2024), which directed the creation of a First Nations-led Expert Table to advance reform through Nation-based legal and governance frameworks.

Canada now has both a precedent, through its February 2025 Ontario-specific agreement, and a political commitment made publicly by Prime Minister Carney during the 2025 federal election to support regionally led negotiation tables. In this context, AMC's call for a region-specific process is not only reasonable. It is timely and necessary.

Manitoba's current child welfare structure, including the FNCFS Program and the provincial delegated authority system, has resulted in a model where First Nations deliver services without true control and decision-making authority. While reform efforts are being advanced by federal and provincial governments, it is critical that First Nations in Manitoba lead these conversations. Federal and provincial governments must support, not direct, the path forward.

The need for regional reform on the FNCFS Program is evident from the ongoing number of First Nations children in care, confirmed in September 2025 by the Manitoba Minister of Families when she released the Manitoba Families Annual Report, which informed as of "*March 31, 2024, the reported number of children*

in care was 8,919" and 91% (or 8,116) were Indigenous.[2] 6,314 (or 69%) were in foster homes.[3] The "*Caseloads, by* (CFS) *Authority, as at March 31, 2024*" totalled 10,167.[4]

Based on the Manitoba Families Annual Report there were, as of March 31, 2024, 8,116 Indigenous children in care. The report identifies a total of 7,701 children in care with the Northern Authority and Southern Authority.

- Northern Authority 2,863
- Southern Authority 4,241
- Total 7,101

These numbers provide an approximate number of First Nation children in care of 7,101, which represents 80% (7,101 / 8,919) of the total children in care. The approximate number of First Nation children in care of 7,101 does not reflect any First Nation child who may be in care with the General Authority or Metis Authority.

The AMC, under the direction of its Chiefs-in-Assembly, has engaged constructively and consistently in national efforts to achieve long-term reform of the First Nations Child and Family Services (FNCFS) Program. This includes participation in Chiefs-in-Assembly discussions on the Final Settlement Agreement (FSA), submission of detailed amendments, and alignment with the AFN resolutions rejecting the draft FSA. Despite these efforts, no clear national re-engagement process has emerged, and key Manitoba-specific priorities remain unresolved.

This proposal builds on more than a decade of foundational work — including the Keewaywin Engagement Reports, the Sovereign Nations Family Laws, and the work of the First Nations Family Advocate Office — to advance a Manitoba-specific pathway for reform.

AMC's position remains that Manitoba First Nations cannot rely solely on national processes to protect their rights. While national rulings from the Canadian Human Rights Tribunal (CHRT) are important, they do not address the ongoing implementation gaps, regional service inequities, and systemic failures that continue to harm children and families in Manitoba. The creation of the NCCC was intended to provide regional input into long-term reform negotiations. However, Canada has not returned to the table with the NCCC, and no national re-engagement process has been confirmed. In the meantime, Manitoba First Nations face some of the highest rates of service denials, delays, and underfunding in the country, as documented in AMC's Jordan's Principle Knowledge Translation Engagement Report (2024) and Implementation Report (2022).

The proposed Manitoba-led regional process is a practical, rights-affirming step forward — aligned with Canada's commitments under UNDRIP, the TRC Calls to Action, the MMIWG Calls for Justice, Bill C-92, the CHRT rulings, and the UNDA Action Plan. It will allow First Nations to lead the reform process on their own terms, at their own pace, and in accordance with their own laws and governance systems — while giving Canada a credible, coordinated pathway to meet its legal and policy obligations for AMC member First Nations.

Workplan (Timelines to be determined)

[2] https://www.gov.mb.ca/fs/about/annual_reports.html - see page 108. CIC numbers do not include CIC with Peguis CFS.
[3] 346 CIC in private group homes, own-agency group homes, and residential treatment centres; 2,186 CIC in Places of Safety, Out-of-Province as well as Independent Living placements
[4] Ibid., see page 111.

#	Activity	Description	Timing
1	**Project Start**	Workplan encompasses 24 months of activities. Start contingent on Canada's funding commitment.	Month 0 (Pending funding)
2	**AMC Women's Council Meeting**	AMC Women's Council meets to appoint 16 First Nation reps to the First Nations-led Expert Table and approve the Table's Terms of Reference, Workplan, and Budget.	Month 1
3	**Joint Review Meeting**	AMC Women's Council meets with Expert Table to review Terms of Reference and Workplan and identify co-chairs. (in-person meeting)	Month 1
4	**AMC Chiefs Engagement**	AMC Leadership and technicians meet with Expert Table to discuss child welfare reform, including: a. Long-term reform of federal FNCFS program b. Strategies to restore First Nations jurisdiction via capacity building and law development c. Other issues identified by Leadership	Month 2
5	**Review of Past Reports**	Expert Table reviews past AMC engagement reports to identify and resolve objectives in Item #3, including consultation with federal/provincial reps. FNCFS program reform prioritized. (on-line meeting)	Month 3–5
6	**Progress Review**	AMC Leadership and technicians meet with Expert Table to discuss progress and documentation toward child welfare reform. (in-person meeting)	Month 5
7	**Draft Agreement Review (Women's Council)**	Expert Table Chair presents draft FNCFS program agreement to AMC Women's Council for review and recommendations. Includes selection of Regional Negotiation Team members.	Month 6
8	**Draft Agreement Review (Chiefs in Assembly)**	AMC Women's Council presents draft FNCFS program agreement to AMC Chiefs in Assembly for review and recommendation to elevate to the Regional Negotiation Table.	Month 7
9	**Negotiations Begin**	Regional Negotiation Table begins negotiation with Canada on long-term FNCFS program reform.	Month 8
10	**Ongoing Expert Table Work**	Expert Table continues work on items 4(b) and 4(c): jurisdiction restoration and law development. (in-person and online meetings)	Month 8-9
11	**Review by Women's Council (Negotiation Update)**	Regional Negotiation Table Chair presents draft FNCFS agreement to AMC Women's Council for review and recommendation.	Month 10

#	Activity	Description	Timing
12	**Chiefs in Assembly Review**	AMC Women's Council presents an updated draft of the FNCFS agreement to the AMC Chiefs-in-Assembly for review and recommendation.	Month 12
13	**Progress Update (Expert Table)**	Expert Table Chair updates AMC Women's Council on progress of items 4(b) and 4(c). (in-person meeting)	Month 10
14	**Final Chiefs in Assembly Report**	AMC Women's Council presents progress on items 4(b) and 4(c) to AMC Chiefs-in-Assembly for further mandated action.	Month 12

Budget

Item	Details	Cost
Salaries		
Project Manager	1 position @ $90,000	$90,000.00
Senior Policy Analyst	1 position @ $85,000	$85,000.00
Administrative Specialist	1 position @ $55,000	$55,000.00
M.E.R.C	15.50%	$35,650.00
Total	Personnel	**$265,650.00**
Oversight- AMC Women's Council		
Catering	$200 x 5 meetings	$1,000.00
Travel	$500 x 15 members x 5 meetings	$37,500.00
Honorarium	$300 x 15 members x 5 meetings	$22,500.00
Materials and Supplies	$100. x 5 meetings	$500.00
Total	Women's Council meetings	**$61,500.00**
First Nations-led Expert Table		
Travel	$500 x 16 members x 8 meetings	$64,000.00
Honorarium	$300 x 16 members x 8 meetings	$38,400.00
Catering	$200 x 8 meeting	$1,600.00
Materials and Supplies	$100 x 8 meetings	$800.00
Total	in-person meetings	**$104,800.00**
Engagement with First Nations Leadership (2-day meeting)		
Travel	2 reps x 63 First Nations	$140,000.00
Venue		$10,000.00
Catering		$20,000.00

Item	Details	Cost
A/V and Tech		$8,000.00
Honorarium	$500 x 5 Elders/ Knowledge Keepers	$5,000.00
Professional	facilitator	$16,000.00
Ceremony	Drum and Tabacco	$16,000.00
Total	2x 2-day meetings	**$215,000.00**
AMC Chiefs-in-Assembly		
1-day meeting	Travel, venue, catering	$130,000.00
Total	1 day meeting x 3	**$390,000.00**
Other Expenses		
Legal Fees	contract	$60,000.00
Negotiation	travel fees	$60,000.00
Total		**$120,000.00**
Admin fees	total x 15%	$115,042.50
Grand Total		**$1,271,992.50**

This is **Exhibit "I"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

Digitally signed by Adatia, Shireen
DN: C=CA, O=GC, OU=Jus-Jus, CN="Adatia, Shireen"
Reason: I attest to the accuracy and integrity of this document
Location: Ottawa, Ontario
Date: 2025.12.22 14:44:25-05'00'
Foxit PDF Editor Version: 13.1.6

A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

BRITISH COLUMBIA ASSEMBLY OF FIRST NATIONS

Prince George Office
1004 Landooz Road
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V6P 6G5
Tel: 778-945-9911
Fax: 778-945-9916
Toll Free: 1-833-381-7622

August 29, 2025

Honourable Mandy Gull-Masty
Minister of Indigenous Services
House of Commons
Ottawa, Ontario K1A 0A6
VIA EMAIL - mandy.gull-masty@parl.gc.ca

RE: Long-Term Reform of the First Nations Child and Family Services Program

Dear Honourable Mandy Gull-Masty:

Congratulations on your election as Member of Parliament for Abitibi-Baie-James-Nunavik-Eeyou and appointment as Minister of Indigenous Services Canada.

As you are aware, on October 18, 2024, First-Nations-in-Assembly passed AFN Resolution 60/2024 which rejected the Final Settlement Agreement and called on Canada to return to the negotiating table.

Furthermore, during the AFN Virtual Forum held on April 25, 2025, Prime Minister Mark Carney explicitly committed to coming back to the table to negotiate long-term reform and end discrimination in First Nations Child and Family Services. This has not occurred. In light of Canada's unwillingness to renegotiate a National agreement, BC Chiefs-in-Assembly passed BCAFN Resolution 06/2025 directing the BCAFN to advance a BC-specific pathway for long-term reform. We are writing to seek Canada's commitment to establishing a BC-specific negotiation table for the long-term reform of First Nations Child and Family services and Jordan's Principle – following the precedent set by the recent $8.5 billion Ontario Final Agreement signed by Canada, Chiefs of Ontario, and Nishnawbe Aski Nation in February 2025. However, if there is an opportunity for a negotiation pathway for a national agreement, we encourage Canada to consider BC specific solutions and variations that meet BC First Nations' needs and circumstances. First Nations in BC face distinct realities that require tailored solutions.

Today, First Nations in BC continue to face delay in the full exercise of their inherent jurisdiction while First Nations children and families continue to experience harm in the existing child welfare system. *An Act respecting First Nations, Inuit and Métis children, youth and families (2019)* clearly establishes that the inherent right of jurisdiction over children and families is held by First Nations. Within this context, First Nations in BC have unique circumstances which distinguish them from other regions that need to be addressed, and we will continue to address this important work through our Tripartite working group table.
As you are aware, in 2016, the Canadian Human Rights Tribunal (CHRT) ruled that past and

current child welfare practices in First Nations communities have gravely impacted – and continue to impact – First Nations children, their families, and their communities via the racially discriminatory underfunding of the FNCFS Program and the design, management, and control of the FNCFS Program. As stated in the ruling, the reformation of the FNCFS program and the long-term relief associated with it must be grounded in the best practices identified by First Nations experts, the specific needs of First Nations communities and of First Nations Agencies, the National Advisory Committee on child and family services, and the parties. Without question, the CHRT identifies this as an obligation to First Nations communities across Canada – not just Ontario. Given the BCAFN's role as an interested party in recent CHRT deliberations, our association with the AFN – which holds intervenor status in the original decision, and our function as a representative body in BC, it is imperative that the BCAFN – alongside First Nations communities and agencies in BC – be at the table throughout the reformation of the FNCFS program within BC.

We continue to assert that BC First Nations must be recognized as governments and rights holders in all aspects of a BC-specific agreement or BC specific chapter to a national agreement. Fundamentally, the long-term reform of First Nations Child & Family Services and Jordan's Principle must recognize the distinct realities faced by First Nations in BC. Additionally, in accordance with the *Declaration on the Rights of Indigenous Peoples Act*, the free, prior and informed consent of First Nations in B.C. must be sought throughout the development of any regional addendums to the national agreements negotiated by the National Children's Chiefs Commission and throughout the negotiation of a B.C.-specific agreement.

The BCAFN calls on Canada to stay true to its commitments and take all steps necessary to ensure First Nations children and families in BC are adequately supported, and to immediately engage in good faith discussions with BC First Nations on long-term reform of the FNCFS. We look forward to seeing that the issues we have identified here are addressed through productive and meaningful work together. We are hopeful to reach a place where the ongoing discrimination against First Nations children through the FNCFS program will end, while also recognizing and upholding our inherent rights as First Nations to care for and protect our children and families.

We are happy to meet to discuss these concerns at any time.

On behalf of the British Columbia Assembly First Nations (BCAFN),

Regional Chief Terry Teegee
CC: National Chief Cindy Woodhouse
VIA EMAIL - cwoodhouse@afn.ca

This is **Exhibit "J"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

Digitally signed by Adatia, Shireen
DN: C=CA, O=GC, OU=Jus-Jus, CN="Adatia, Shireen"
Reason: I attest to the accuracy and integrity of this document
Location: Ottawa, Ontario
Date: 2025.12.22 14:44:34-05'00'
Foxit PDF Editor Version: 13.1.6

A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

Treaty 8 First Nations of Alberta

To Protect, Promote, Bring to Life, Implement, and Sustain the True Spirit and Intent of Treaty No. 8 "as long as the sun shines, the grass grows, the rivers flow and until such time as Yidah should reverse"

MAILING ADDRESS
PO Box 25579 RPO West Drive Thru
Edmonton, AB T5T 7E7 www.treaty8.ca

SUB OFFICE
11620-168 St. NW (*Back Entrance*)
Tel: (780) 444-9366 Fax: (780) 484-1465

Sovereign Nations of Treaty No.8 Chiefs Meeting
Resolution
November 21,2025

WHEREAS:

A. The needs of Treaty 8 First Nations are very distinct, as they include the reality of the trauma and challenges arising from the unprecedented number of residential schools that were located in Treaty 8 territory;
B. The agreements reached and discussions held on long-term reform of child and family services for other regions in Canada may not fit the unique needs of Treaty 8 First Nations, as one size does not fit all Indigenous peoples; and
C. A regional agreement is best suited to address the unique needs of Treaty 8 First Nations.

BE IT RESOLVED THAT:

1. The Chiefs of the Sovereign Nations of Treaty No.8 supports engaging in phase 1 exploratory discussions with Treaty 8 First Nations and Treaty 8 Delegated Child and Family Services Agencies.
2. The Chiefs of the Sovereign Nations of Treaty No.8 authorizes its representatives to engage in these exploratory discussions.
3. Phase 2 begins with a proposal to the twenty-two (22) Chiefs of Treaty 8 Alberta to decide on furthering a formal discussion with Indigenous Services Canada about regional long-term reform of child and family services.
4. Phase 2 will initiate a formal regional agreement table on long-term reform of child and family services, and, that such an agreement is tailored to the needs of Treaty 8 First Nations.

Motion moved: Chief Wilfred Hooka-Nooza

Motion seconded: Chief Raymond Powder

All in favor: Carried

Effective Immediately: November 21, 2025

Certified:

Jamie Koe
Chief Administrative Officer

This is **Exhibit "K"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

Dec 18, 2025

Minister Gull-Masty
House of Commons
Ottawa, ON
K1A 0A6

via email: mandy.gull-masty@parl.gc.ca

Dear Minister,

Following discussions with the Wolastoqey Chiefs on December 8, 2025, at the Wolastoqey Nation New Brunswick (WNNB) board meeting, as well as individual conversations with various Mi'kmaq Chiefs, there is a strong interest in engaging Canada in exploratory discussions toward a regional agreement for the long-term reform of the First Nations Child and Family Services Program.

The Chiefs would like to meet with you, Minister Gull-Masty, or your officials in the new year to determine the feasibility of moving forward with this initiative.

Could we please schedule a date and time for this meeting?

Woliwon,

Joanna Bernard
Regional Chief
New Brunswick Assembly of First Nations

cc Lisa Legault, Director General for Indigenous Services Canada

New Brunswick
Regional Office of AFN

1671, rue Principale Street
Madawaska Maliseet First Nation, NB
E7C 1W6

Tel.: 506.737.7018
Courriel/Email: jbernard@afn.ca

This is **Exhibit "L"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

Digitally signed by Adatia, Shireen
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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

ENABLING FIRST NATIONS CHILDREN TO THRIVE

Report to the Assembly of First Nations pursuant to contract no. 19-00505-001

Institute of Fiscal Studies and Democracy
at the University of Ottawa
December 15, 2018

December 15, 2018

Jonathan Thompson
Director, Social Development
Assembly of First Nations
55 Metcalfe Street, Suite 1600
Ottawa, ON K1P 6L5

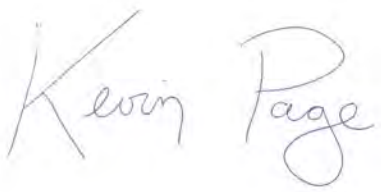
Dear Mr. Thompson,

Pursuant to contract no. 19-00505-001, the Institute of Fiscal Studies and Democracy at the University of Ottawa is pleased to submit the report: *Enabling First Nations Children to Thrive*.

We trust that this report meets the expectations set out in the terms of reference for this project.

We are grateful for the support of the Assembly of First Nations, the National Advisory Committee, and the First Nations Child and Family Caring Society, as well as to our expert panel and reviewers. We especially wish to thank the First Nations child and family services agencies, their leadership and their staff for their exceptional work.

Yours sincerely,



Kevin Page
President & CEO

ENABLING FIRST NATIONS CHILDREN TO THRIVE

Helaina Gaspard, Ph.D.

This report was prepared under the supervision of Kevin Page, President & CEO of the Institute of Fiscal Studies and Democracy (IFSD). The author wishes to acknowledge the contributions of Sahir Khan, Azfar Ali Khan, Janoah Willsie, Taylor Rubens-Augustson, Xin (Vivian) Liu, Salma Mohamed, Eli Dzik, and Stephanie Seiler.

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CONTENTS

EXECUTIVE SUMMARY 7
INTRODUCTION 15
CURRENT STATE 18
METHODOLOGY 33
Approach 33
Research Ethics 33
Research Design 34
Participation 38
Analysis 42
Agency characteristics 43
Costing 59
Inflation 59
Population scenarios 60
Children in care 62
Current state 66
FUTURE STATE 69
Poverty 72
Prevention 81
Capital 94
Information technology 97
Salaries 102
FUNDING STRUCTURE FOR THE FUTURE OF FNCFS AGENCIES 107
CONCLUSION: RECOMMENDATIONS AND FUTURE RESEARCH DIRECTIONS 122
WORK CITED 124
APPENDIX 135

EXECUTIVE SUMMARY

In January 2016, the Canadian Human Rights Tribunal (CHRT) ruled that First Nations children were being discriminated against in the child welfare system. Overrepresented in a system that incentivized the placement of children in care, First Nations children and agencies were deemed to be underfunded relative to their needs. Through subsequent orders in 2018, the CHRT ordered analysis of the complete costs of the First Nations child welfare system based on the needs of First Nations agencies. Canada states that it is committed to implementing these orders.

As the complainants in the case, the Assembly of First Nations (AFN) and the First Nations Child and Family Caring Society of Canada requested that the Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa produce a response to CHRT (2018) orders 408, 418, and 421. IFSD engaged with AFN as the project contract holder and with the National Advisory Committee on First Nations Child and Family Services (NAC)[1] for directional and strategic support. Pursuant to the orders, IFSD was asked to:

1. Develop reliable data collection, analysis and reporting methodology for analyzing the needs of First Nations Child and Family Services (FNCFS) agencies, in alignment with the Canadian Human Rights Tribunal (CHRT) rulings on discrimination against First Nations children in care (CIC).

[1] The National Advisory Committee (NAC) is a committee established after the publication of the First Nations Child and Family Services Joint National Policy Review Final Report in 2000 in order to fulfill the recommendations made by the report. The committee consisted of Aboriginal Affairs and Northern Development Canada (AANDC) employees (what today has been divided into Indigenous Services Canada and Crown Indigenous Affairs), First Nations child and family services (FNCFS) agency staff and AFN representatives. After the CHRT decision in January 2016, the NAC was reconvened to monitor the reform of the FNFCS program. NAC's current terms of reference are available here: https://www.afn.ca/wp-content/uploads/2017/05/NAC-Final-Terms-of-Reference.pdf The current NAC is comprised of representatives from the federal government, representatives from the AFN, representatives from the First Nations Child and Family Caring society, regional representatives (generally from a FNCFS agency), a youth representatives and an elder representative. NAC is functionally managed by AFN (i.e. it convenes the meetings and can enter into contracts on behalf of NAC). In the context of this project, NAC served as a board of directors offering perspective and strategic advice (without interfering in the research, analysis and delivery of the project).

2. Provide technical expertise to analyze agency needs, provide strategic advice on how best to monitor and respond to actual agency needs from fiscal and governance perspectives, with an approach informed by understanding, existing research, the contractor's own research and analysis of assessments done by agencies and communities.

3. Analyze the needs assessments completed by agencies and communities, create a baseline definition of agency resource inputs and outputs and identify missing data, complete a cost analysis and prepare a final report.

Analysis and Findings

1. IFSD reviewed existing needs assessments completed by agencies and communities. IFSD's analysis concluded that this information was not collected and completed in a systematic manner and would not support the development of costing and performance assessments (see Appendix A).

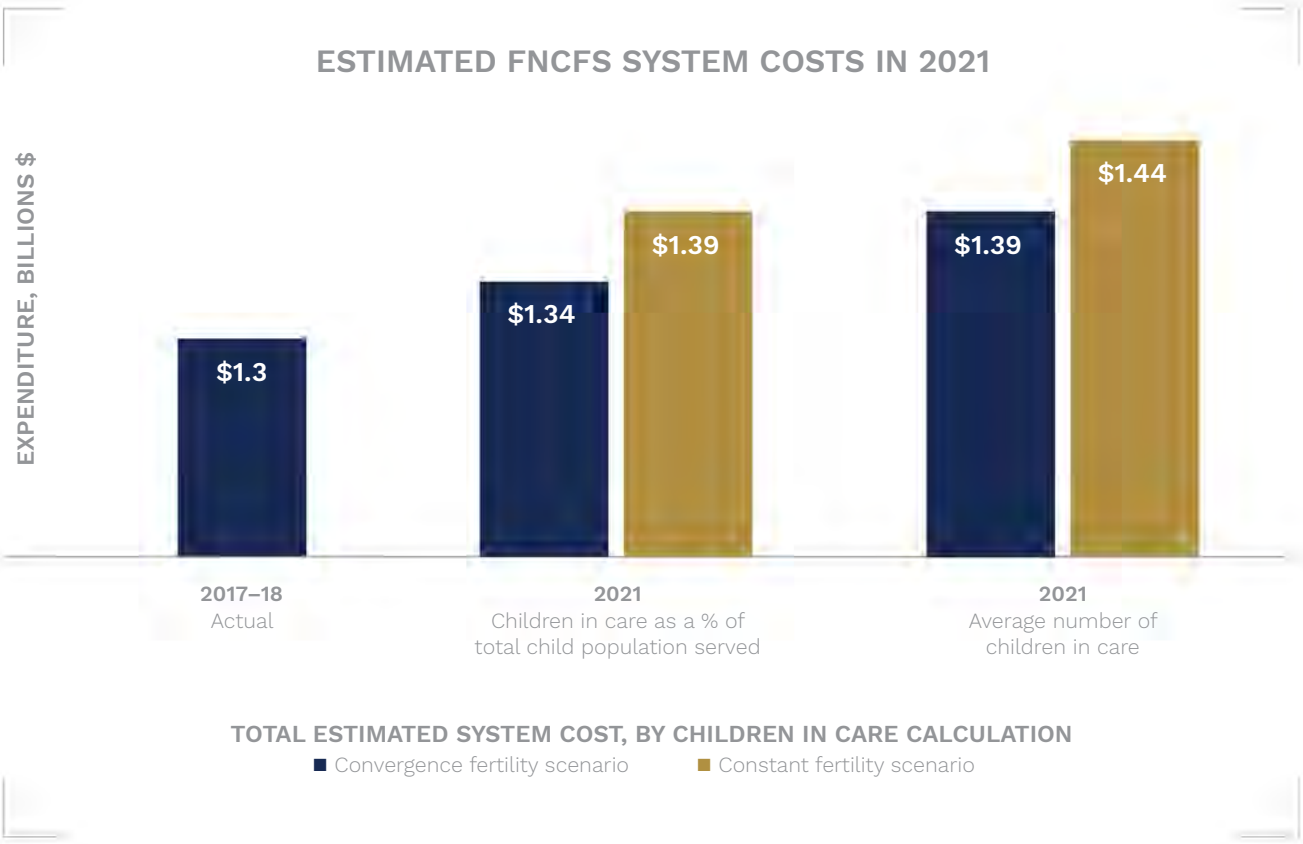
2. IFSD undertook its work, to understand agency needs, through primary data collection from May 2018 to June 2018, with consultations with agency directors and experts throughout the project. The data collection instrument was a 105-question survey covering various details from agency finances to employees to caseloads. IFSD is privileged to have learned from a representative 76% of FNCFS agencies.

3. Key observations and findings from the IFSD FNCFS Survey include:
   - Agency characteristics: These transcend provincial boundaries and funding formulas. An agency serving remote communities in Ontario shares characteristics similar to those serving remote communities in British Columbia.
   - Budgets: While most agencies do not run deficits, they emphasized need for investment in capital and people. Agency budgets are most tightly correlated with children in care (unsurprising, given the structure of the current system).
   - Employees: Most agencies (62%) cannot remunerate their employees at provincial salary levels. Agencies noted the regular over-extension of staff beyond their defined duties.

- Capital and information technology (IT): Nearly 60% of agencies indicated a need for capital repair and investment. Agency IT, funded on average at 1.5%, is severely underfunded when compared to the industry standard of approximately 5–6%.
- Governance and Data Capacity: While some agencies use internal data to improve their planning, programming and decision-making, significant data gaps exist in aligning inputs and outputs to better understand short-, medium-, and long-term outcomes for children and families that interact with the FNCFS system.

4. The most significant cost driver of the current system is the number of children in care, which correlates tightly to agency total budgets.

5. Costing models, based on the average cost of a child in care, suggest that under a no-policy change assumption, inflation and population alone would drive a total system cost increase of between **$40 million to $140 million** by 2021, depending on the population scenario assumptions used, from $1.3 billion in 2017–18.



6. IFSD undertook benchmark analysis to highlight specific gaps related to spending on prevention, capital and IT. These spending gaps would be in addition to baseline adjustments highlighted above for inflation and population which would ensure budgets are appropriately adjusted for demand and price going forward.
   - Prevention: Funded per capita across the total population served, from $800–$2,500 per person, prevention program costs estimates for 2019 range from **$224 million to $708 million**. These costs would be on-going in nature and subject to changes in population and inflation.
   - Capital: A *one-time* capital investment of **$116 million to $175 million**, with a recommended further budgeting of a 2% annual recapitalization rate, for a facility equivalent to the agency's headquarters.
   - IT: *Annual* expenditure of 5–6% of total budget, pursuant to industry standards, with a cost in the range of **$65 million to $78 million** per annum.

7. First Nations communities face systemic issues which add significant case complexity for child welfare workers. These issues include intergenerational trauma related to residential schools, higher incidences of inadequate housing, substance misuse, poverty, among others. Until these issues are addressed through an array of prevention type programs, incidences of child protection for First Nations Peoples will remain above those of non-First Nations. There is a cost to closing these gaps.
   - Median household incomes in 44% of First Nations communities served by FNCFS agencies fall below their provincial poverty line. *Raising those households only* to their respective provincial poverty line would require an **annual expenditure of $205 million**. For comparative purposes, raising the same households to median household incomes of their provinces would require an annual expenditure of about $2.6 billion.

8. Agency workers and independent experts consulted by IFSD have started to map a new system to support children, families and communities. Moving beyond a narrow focus on *protection* of children, to a vision of *enabling children to thrive*, the proposed approach would align results (outcomes) to activities (outputs) and required resources (inputs), across safety, child well-being,

family well-being and community well-being. This vision is focused on changing outcomes for children by empowering agencies, communities and families, and understanding progress through relevant and regular data collection on indicators connected to desired results (see Table A).

Recommendations

The current protection-focused system does not produce adequate results for children and families, fails to recognize the contextual challenges that lead to disadvantaged starting points for many communities, significantly underfunds prevention, has important gaps in capital and IT spending, struggles to remunerate employees relative to provincial levels, and falls short on data collection and analytics required to identify and support wise practices.

In this context, IFSD makes a number of recommendations:

1. It is recommended that block transfers be used to fund the FNCFS program to provide flexibility in allocation and accountability to stakeholders.

2. It is recommended that contextual issues such as poverty, be recognized and addressed through policy, programs and funding.

3. It is recommended that prevention be funded on a per capita basis for the total population served by the agency (not only children) at a rate of $800–$2,500 per person.

4. It is recommended that there be a one-time capital investment, and a benchmark recapitalization rate of a minimum 2% per annum (of asset base) added to agency budgets.

5. It is recommended that IT be funded at a rate of 5%–6% of total annual budgets, consistent with industry practices.

6. It is recommended that:
   - Social workers be remunerated at levels comparable to provincial salary levels.

- A study be undertaken to assess why FNCFS agencies are unable to remunerate their employees at provincial levels.
- A study on case complexity be undertaken, with consideration of differing community contexts when determining reasonable caseload levels.
- FNCFS employees have access to professional support and development, including leave for compassion fatigue.

7. It is recommended that a secretariat dedicated to results-oriented data be established to support FNCFS agencies in their work.

8. It is recommended that a FNCFS resource centre be established as a platform for knowledge sharing and collaboration among FNCFS agencies in support of their common mandates.

Recommendations for Further Research

IFSD has three recommendations with respect to next-steps to further the work undertaken in this study:

1. Establish a performance framework to underpin the FNCFS system across Canada.

2. Develop a range of options with regards to the funding models that would support an enhanced performance framework.

3. Transition to a future state in full consideration of data, human capital and governance requirements.

A Note of Thanks

IFSD wishes to thank the members of NAC for their on-going feedback and support of this work. We are grateful for the support of Dr. Cindy Blackstock and the Caring Society, Jonathan Thompson, Martin Orr and AFN.

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We thank the leadership and staff of FNCFS agencies for the incredible work that they do in saving lives of children in difficult and disadvantaged environments. The strong survey response rate and robustness of results was entirely dependent on the trust, participation, and support of FNCFS agencies and their leadership. IFSD is grateful for their confidence and for the knowledge and insight they shared.

TABLE A
FNCFS FUTURE STATE OVERVIEW

		DESCRIPTION	CURRENT STATE (2018)	FUTURE STATE		
			Protection	Protection	Prevention	Other
PERFORMANCE ATTRIBUTES	INPUTS	**Resources** (financial, human resources, information technology (IT), capital, etc.)	▪ $1.3B system-wide cost ▪ $12M average agency budget ▪ $63K per child in care ▪ Salaries—62% of agencies unable to compensate at provincial levels ▪ IT spending at approx. 1.5% of budget	▪ System-wide costs increasing up to $1.44B by 2021 ▪ By 2036, total system costs are estimated, based on population, to range from $1.6B–$2.8B	▪ Per person prevention spending should range from $800-$2,500 ▪ Total prevention cost estimates range from $224M–$708M in 2019	▪ $205M/year (to provincial poverty lines) ▪ $2.6B/year to provincial median household incomes ▪ IT spending should be 5%–6% of total annual budget, approximately $65M–$78M ▪ One-time capital investment from $116M–$175M, with a 2% annual recapitalization rate
	OUTPUTS	**Program activities**	▪ Activities are overwhelmingly linked to keeping children safe ▪ Funding essentially tied to putting children in care	▪ Status quo activities though with recognition of alternative models (e.g. kinship care)	▪ Services aimed at supporting the child, their family and community	▪ Services aimed at addressing the root causes of child welfare issues (e.g. poverty, intergenerational trauma, addiction) in communities
	OUTCOMES	**Results** (desired and realized)	▪ Safe children		▪ Thriving children	

INTRODUCTION

In January 2016, the Canadian Human Rights Tribunal (CHRT) ruled that First Nations children were being discriminated against in the child welfare system. Overrepresented in a system that incentivized the placement of children in care, First Nations children and agencies were deemed to be underfunded relative to their needs. Through subsequent orders in 2018, the CHRT ordered analysis of the complete costs of the First Nations child welfare system based on the needs of First Nations agencies. Canada states it is committed to implementing these orders.

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IFSD undertook its work from April 2018 to December 2018 with a focus on understanding agency needs through primary data collection from May 2018–June 2018, with consultations with agency directors and experts throughout the project. IFSD is privileged to have learned from a representative 76% of all FNCFS agencies. This final report offers a complete overview of the project's methodology, findings, and proposed future state based on agency needs.

Draft findings of this report have been presented to NAC since July 2018. The draft findings were subject to feedback from NAC members and agency stakeholders, as well as IFSD's continuing review process.

As a result of this on-going process, in this final version of the report, there are changes to protection (total system costs), prevention, capital, technical and poverty cost estimates. The forecast total system costs are lower than in draft submissions.

Drafts are subject to revisions for three reasons: 1) feedback from NAC and stakeholders; 2) methodological refinements; and 3) on-going quality assurance and independent tests.

The overall narrative of the findings has not changed. The current protection-focused system does not produce results for children and families, prevention is comparatively underfunded, and there are important gaps in information technology (IT) spending. Contextual challenges such as poverty, inadequate housing, lack of access to potable water, broadband internet, intergenerational

trauma, etc. contribute to a disadvantaged starting point for many First Nations communities.

This report has been revised to remove agencies not on Indigenous Services Canada's (ISC) list provided to IFSD in April 2018 at the outset of this project (although some agencies were included in previous versions of analysis). This final report focuses on the self-reported data shared by FNCFS agencies and is supplemented with benchmarks and related data where appropriate.

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CURRENT STATE

Child Welfare

In Canada and around the world, child welfare is an evolving concept in constant flux, protecting the rights of children, while at the same time, upholding the rights of parents and the family. According to the Canadian Child Welfare Research Portal, child welfare is "a set of government and private services designed to protect children and encourage family stability," with a central focus on "safeguard[ing] children from abuse and neglect."[2]

The origins of child welfare in Canada date back to the late 19th century, where the first child protection organization was established in Toronto.[3] This emerged in response to an increasing number of impoverished children, propagated by the rise of industrialization and urbanization. Comprehensive social welfare programs were not yet in place, and Herbert and Albert (2013) describe how "growing numbers of homeless, destitute children in urban centres, greater juvenile crime, and changes in child-labour practices pressured governments to respond to the plight of children."[4] In other words, the establishment of Canada's child welfare system was largely a response to growing issues of child neglect.[5]

In 1893, the first piece of legislation related to child protection was passed in the province of Ontario, which "made the abuse of children an indictable offence...promoted foster care, gave children's aid societies guardianship power, and established the office of the superintendent of neglected children."[6] This was in line with the British doctrine parens

[2] Canadian Child Welfare Research Portal, 2011, "Frequently Asked Questions (Faqs)," http://cwrp.ca/faqs

[3] Jim Albert and Margot Herbert, "Child Welfare," in *The Canadian Encyclopedia*, Historica Canada, 2013; Karen Swift and Marilyn Callahan, 2002, "Problems and Potential for Canadian Child Welfare," Waterloo, ON: Wilfrid Laurier University, Partnerships for Children and Families Project.

[4] Albert and Herbert, 2013.

[5] Swift and Callahan, 2002; Katherine Schumaker, "An Exploration of the Relationship between Poverty and Child Neglect in Canadian Child Welfare," (2012); Public Health Agency of Canada, "Canadian Incidence Study of Reported Child Abuse and Neglect—2008: Major Findings," (Ottawa:2010).

[6] Albert and Herbert, 2013.

patraie, whereby the government held the authority to care for children who were deemed neglected and unable to care for themselves.[7] This allowed for government intervention in the private home, shifting the relationship between the family and the state. Child welfare organizations began to appear country-wide, often drawing from other jurisdictions' legislative policy to form their own.[8] The child welfare system has evolved over time, with notable legislative changes such as the introduction of mandatory reporting of suspected child abuse and neglect.

Canada's current system for child welfare and family services (for all children living off-reserve) is decentralized, with responsibility falling under provincial and territorial jurisdictions. With the exception of Ontario, Manitoba and Quebec, provincial child welfare services are a program of the provincial department of social services.

In Ontario, child protection is delivered through children's aid societies that are licensed by the province. These agencies receive their funding through transfer payments from the provincial government. In Manitoba, child protection agencies fall under one of four authorities: two First Nations authorities, one Metis authority and one general authority. These authorities oversee and distribute funding to the agencies. In Quebec, child protection is delivered through a network of integrated social services and health and youth centres. These centres deliver a broad range of services to children in their catchment areas.

Although the provinces' provision of child welfare services may slightly differ in organization, they benefit from more integrated systems of care. Constitutionally, provinces are accountable for providing the bulk of social services, e.g. health care, education, child care, etc. to their populations. This existing network of services may facilitate access of children in contact with the protection system to other types of provincial services, and may enable staff to leverage related services. The integration of the child protection service into the broader provincial bureaucracy benefits from the existing state apparatus of the province, through financial and human resources, its broader services, such as

[7] Swift and Callahan, 2002.

[8] Neil Gilbert, Nigel Parton, and Marit Skivenes, "Child Protection Systems: International Trends and Orientations," OUP USA, 2011; Swift and Callahan, 2002.

collective agreements, employee benefit and pension plans and its program offerings, e.g. prevention services.

By contrast, FNCFS agencies are principally funded by the federal government and are meant to mainly serve on-reserve populations. Whether by geography or funding, these agencies report that their ability to access and leverage resources from other sectors is limited.[9] Provincial and First Nations child welfare agencies have different starting points with repercussions for services, especially in often disadvantaged contexts on-reserve.

While direct comparisons between First Nations and provincial agencies may be difficult with their differing points of departure, it is even challenging to accurately compare provincial child welfare services. Given that each province and territory have their own child welfare legislation and different approaches to surveillance and reporting, using data to understand the current state of Canada's most vulnerable children and families has been complex. For example, the definition of a child varies depending on province or territory, ranging from 16 to 19 years of age, as does the definition of maltreatment.[10] Variances in

[9] The voluntary sector (including both people and donations) can supplement agency activities, particularly among non-FNCFS agencies. In Ontario for instance, the Ontario Association of Children's Aid Societies (OACAS) notes that volunteers play a significant role in Ontario child welfare services (Ontario Association of Children's Aid Societies, Volunteering in child welfare: It takes a community to keep kids safe, April 20, 2017). A 2017 survey conducted by the organization recorded volunteer involvement in children's aid societies in the province, finding that the median number of volunteers per agency was 111 (based on data from 28 reporting agencies) (Ontario Association of Children's Aid Societies, "Volunteer Services Program Survey Report, Fiscal Year 2016–2017", June 2018).

These volunteers performed a number of roles from driver, to mentor and tutor, to event and administrative support. In total, these volunteers supported agencies with a median of 20,325 hours of their time (based on data from 14 reporting agencies). To give some meaning to the hours, if these volunteers were paid at the Ontario minimum wage, their contribution would be upwards of $300,000 per agency.

Significant gaps remain in the study of the voluntary sector on-reserve. Cindy Blackstock and Samantha Nadjiwan's 2003 report, "Caring Across the Boundaries, Promoting Access to Voluntary Sector Resources for First Nations Children and Families," found that less than 10% of funds raised on-reserves (outside of government funding) came from philanthropic foundations. A study by the Circle on Philanthropy and Aboriginal Peoples in Canada (2011) found that these trends persist, with only 6% of Canadian grant making foundations giving grants to Aboriginal beneficiaries or causes (see https://pfc.ca/2016/07/partnering-indigenous-communities/). It is challenging to quantify the value of shelters, food banks, etc. to the work of child and family services agencies that receive federal, provincial and philanthropic funding off-reserve.

The reasons for these funding differences and their causes merit closer attention. As FNCFS agencies take on increasing roles as resource and programming centres, the repercussions of a limited or non-existent voluntary sector may be important.

[10] Gilbert, Parton, and Skivenes, 2011.

expenditure reporting, in definitions of what comprises child protection services, and in outcomes measurement make inter-provincial comparisons difficult.

As Fallon and colleagues note, "the lack of comparability of provincial and territorial data has hindered the ability of governments and social service providers to improve policies and programs that address the needs of maltreated children."[11] To address this issue, experts and service providers across the country collaborated to produce the 1998 Canadian Incidence Study of Reported Child Abuse and Neglect (CIS-1998)—the first, national report on child maltreatment incidence. Two additional reports (one in 2003 and 2008) have since been released. While the CIS provide critical insight into the reasons children enter into care, data on the outcomes of children within and exiting the system would provide a better understanding of how the system performs as a whole. For those in the system, metrics such as school performance and meeting standard health and development targets are important indicators of well-being that are not consistently captured. When a child exits the welfare system, their education, job and health indicators would be helpful in assessing outcomes. Rather than capturing outcomes, output metrics such as the number of children in care and the number of kinship placements are measured. The data is useful but is limited in understanding the full picture of child welfare, notably the results for children.

First Nations Child and Family Services

Canada has constitutional obligations for the welfare of First Nations people living on-reserve—a population that is continuing to grow. Changing outcomes for children and families means recognizing and addressing the contextual disparities of these communities.

Collectively, Canada's Indigenous Peoples are worse-off than the non-Indigenous population in health indicators such as life expectancy, infant

[11] Sheila Kamerman, Shelley Phipps, and Asher Ben-Arieh, *From Child Welfare to Child Well-Being: An International Perspective on Knowledge in the Service of Policy Making*, vol. 1 (Springer Science & Business Media, 2009).

mortality, suicide mortality, chronic disease, alcohol and tobacco use,[12] and have lower rates of educational attainment[13] and employment.[14] In many First Nations communities these challenges are related to intergenerational trauma, substance misuse, inadequate housing, access to potable water, and access to broadband internet, impacting populations and their outcomes on-reserve.

One of the most striking repercussions of these contexts—amplified by a funding model that incentivizes the placement of children in care—is the disproportionate number of First Nations children in care. First Nations child welfare services on-reserve are funded—and up until the 1950s were delivered—by the federal government. According to Statistics Canada, First Nations People represent just under 3% of the total Canadian population, yet First Nations children make up 35% of those in care (see Figure 1).[15] These estimates of First Nations children in care may be under estimations, with agencies reporting higher rates of children in care in this analysis (see Figure 2, Figure 3 and Table 6).

[12] Public Health Agency of Canada, 2018, *"Key Health Inequalities in Canada: A National Portrait."*

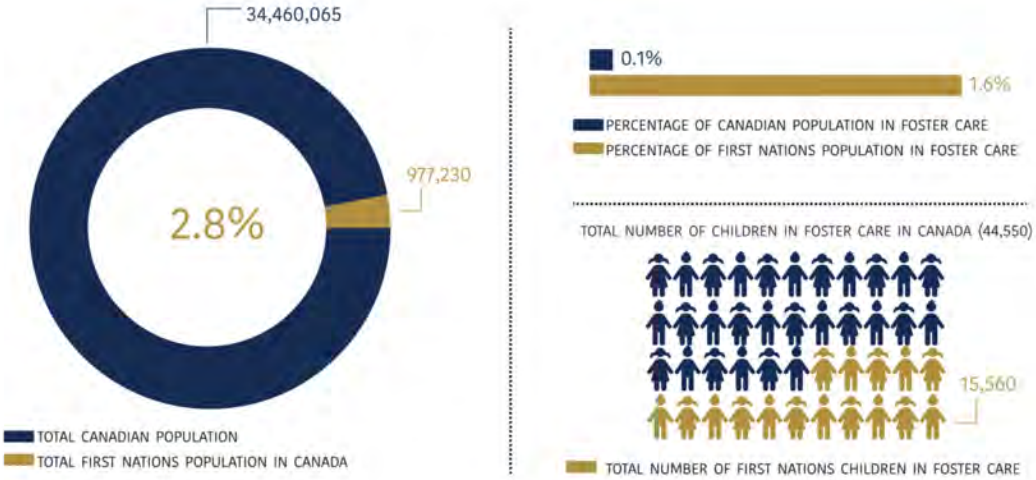
[13] Statistics Canada, "Education in Canada: Key Results from the 2016 Census," https://www150.statcan.gc.ca/n1/en/daily-quotidien/171129/dq171129a-eng.pdf?st=7_7gZfq7.

[14] Karen Kelly-Scott and Kristina Smith, *Aboriginal Peoples: Fact Sheet for Canada* (Statistics Canada, 2015).

[15] Statistics Canada, "Data Products, 2016 Census," January 3, 2018, http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/index-eng.cfm.

FIGURE 1

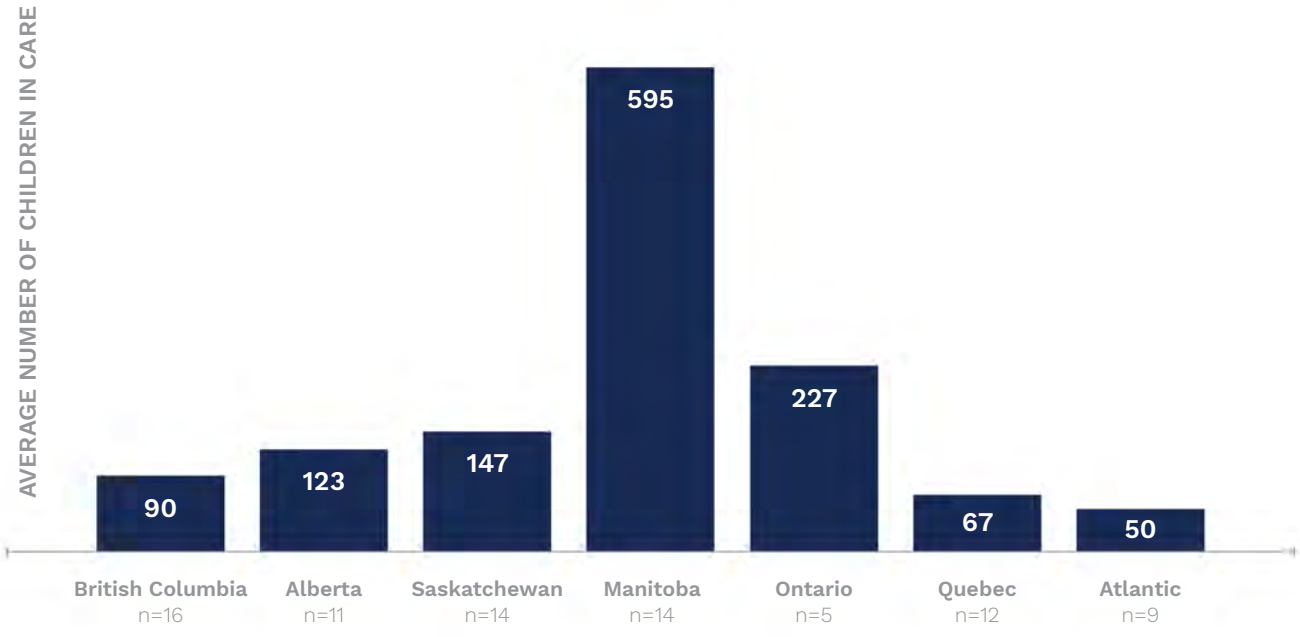
STATISTICS CANADA'S ESTIMATES OF FIRST NATIONS CHILDREN IN CARE



Source: Statistics Canada, "Data Products, 2016 Census," January 3, 2018.

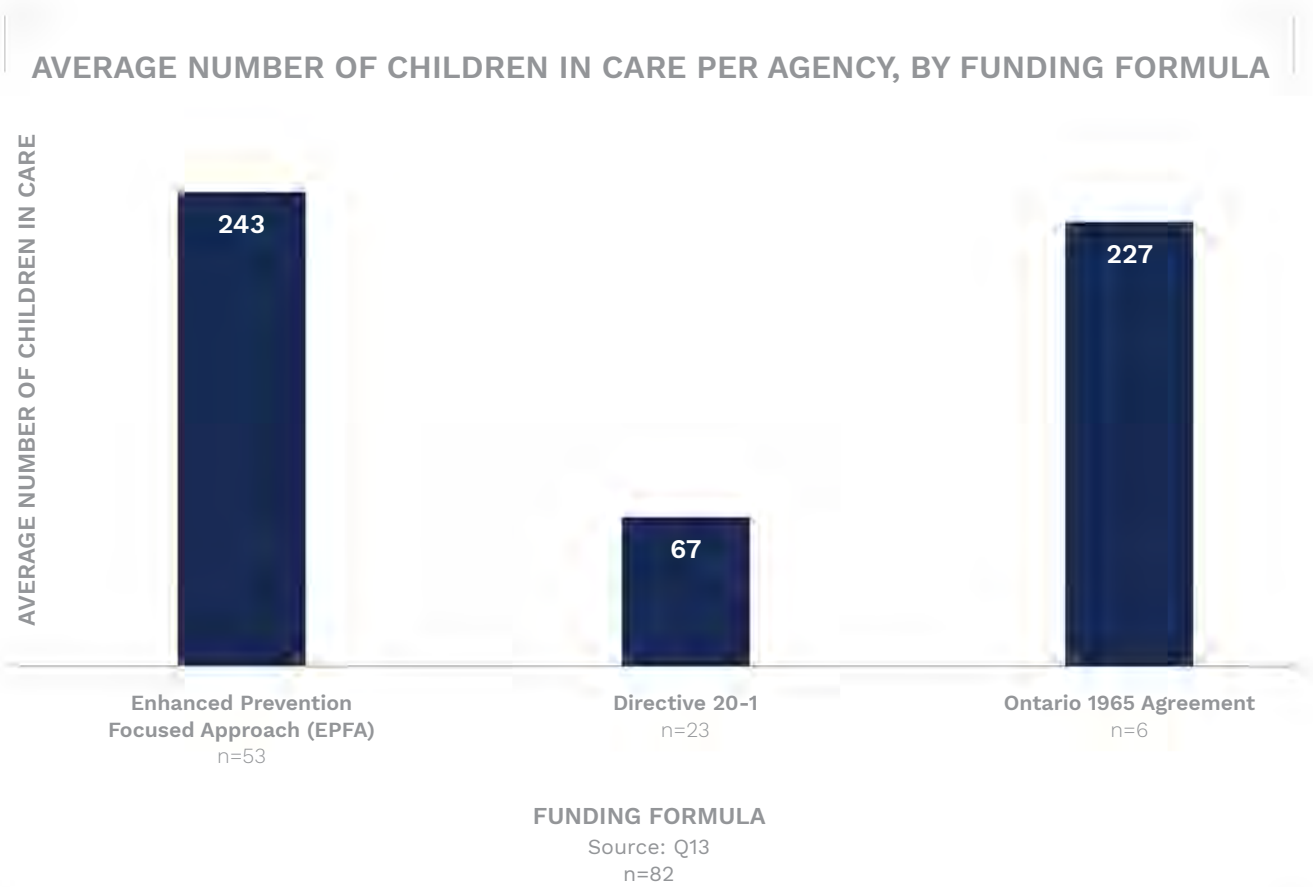
FIGURE 2

AVERAGE NUMBER OF CHILDREN IN CARE PER AGENCY, BY PROVINCE



Source: Q13
n=82

FIGURE 3



Details and data to support better decision-making in child welfare are sparse at the national level, especially when it comes to First Nations children. For instance, there has been no national study in nearly ten years on why children enter into care. The last CIS that tracked this information was completed in 2008, leaving an important gap in understanding of current trends in child welfare.[16] While another study is expected, no CIS had been released at the time of this report's publication.

FNCFS agencies are often required to deliver more than protection services focused on child safety. These agencies are often the first and/or only point of contact for their communities when it comes to social, health and related services. FNCFS agencies are regularly extended

[16] Public Health Agency of Canada, "Canadian Incidence Study of Reported Child Abuse and Neglect—2008: Major Findings," Ottawa, 2010.

beyond their typical child safety mandates, may serve as a platform for connecting with other services, or they may find ways of providing some of those services themselves.

Important to understanding the emergence of First Nations child welfare services in Canada is the legacy of the Indian Act. First enacted in 1876, the Act gave the federal government authority over status Indians in Canada and the land reserved for Indians.[17] Under the Indian Act, the government forcibly removed generations of First Nations children from their homes to attend government-funded residential schools.[18]

First Nations communities were deeply impacted by the residential school policy. The schools were often located far from children's parents and communities, with little to no child-parent contact allowed.[19] At the schools, children were forbidden to speak their traditional languages and were instructed according to white customs and norms. The experience of residential schools had devastating impacts on First Nations children who returned to their communities. As a FNCFS agency representative from Quebec explains, "those who were forced to attend these schools expressed feelings of alienation, many could no longer speak their native language, family members were not familiar, [Indigenous] traditions and customs were alien to them, and social relationships were lacking."[20]

The removal of children from their families interrupted healthy family development. The abuse and trauma children experienced at residential schools had lasting effects on generations of First Nations communities. Those who survived residential schools, separated from their parents and having suffered trauma at the hands of adults during their formative years, lost the opportunity to grow up with healthy parental role models. Deprived of the right to learn from their own people in their youth and adolescence, many survivors struggled as adults in raising their own

[17] Cindy Blackstock, 2011, "The Canadian Human Rights Tribunal on First Nations Child Welfare: Why if Canada wins, equality and justice lose," *Children and Youth Services Review,* 33: 187–194.

[18] J. Milloy, *A national crime: The Canadian government and the residential school System—1879 to 1986* (Winnipeg: University of Manitoba Press, 1999).

[19] C.Blackstock, N. Trocmé, M. Bennett, 2004, "Child Maltreatment Investigations Among Aboriginal and Non-Aboriginal Families in Canada," *Violence Against Women,* Vol. 10, No. 8.

[20] IFSD FNCFS Survey, 2018.

children.[21] As a FNCFS agency representative from British Columbia explains, "there were no services offered to the parents who lacked parental skills as a result of the intergenerational syndrome of the residential schools and the cycle of removal would start over."[22] The repercussions of the residential school system led to an increased need for child welfare services in First Nations communities.

The Sixties Scoop

In the 1950s, an amendment to the Indian Act allowed provincial and territorial governments to begin providing child welfare services on reserves, and the federal government was expected to pay for these services.[23] Government intervention, however, perpetuated a negative cycle of separating First Nations children from their families: "the people did not have a choice but to accept services from a system whose alien concepts and standards frequently conflicted with those of native people," explains a FNCFS agency representative from Ontario, "and this conflict tended to create and perpetuate problems and needs."[24]

Many government social workers had little to no understanding of the systemic discrimination facing First Nations. In many cases, the struggles of First Nations families were perceived as signs of parental negligence and not recognized as the consequences of colonialism.[25] Language barriers, a lack of consideration for Indigenous cultural and social norms, a lack of community consultation in services or procedure, and a lack of focus on prevention characterized the government approach to child welfare services at this time. In some instances, children were removed from homes due to devastating misunderstandings, as one agency representative from British Columbia explains: "Social Workers would walk into a home unannounced and go directly for the kitchen where they would see what food was available. When the social workers did not see any store-bought food, they assumed that the children were being

[21] C. Blackstock, M. Bennett, R. De La Ronde, 2005, "A Literature Review and Annotated Bibliography on Aspects of Aboriginal Child Welfare in Canada: 2nd Edition," First Nations Research Site of the Centre of Excellence for Child Welfare, http://cwrp.ca/sites/default/files/publications/en/AboriginalCWLitReview_2ndEd.pdf.

[22] IFSD FNCFS Survey, 2018.

[23] C. Blackstock, 2011.

[24] IFSD FNCFS Survey, 2018.

[25] C. Blackstock, 2011.

starved. Most of the families canned, dried, salted and stored their foods in cellars that were not attached to the house."[26] This example illustrates how a lack of understanding of First Nations customs could have serious consequences for families.

Children separated from their families and communities were often placed in the care of non-Indigenous families. Some children were sent to residential schools, which started to be used as substitutes for foster homes.[27] In some tragic cases, children died in government care.[28] The mass removals of children from their communities during this period became known as the "Sixties Scoop", though the practices continued well into the next decade. Child welfare was traumatizing for many First Nations communities.

The Development of FNCFS Agencies

In response to the Sixties Scoop, First Nations began establishing their own child welfare services. From the 1970s onwards, there was an emergence of First Nation agencies whose dedicated focus was child and family welfare (see Figure 4). Having previously existed as prevention and community support groups, agencies began expanding their mandates to include child welfare. Inter-tribal amalgamation and increasing self-determination led to the growth of larger advocacy and governance groups that began taking on more services related to child welfare.[29]

[26] IFSD FNCFS Survey, 2018.

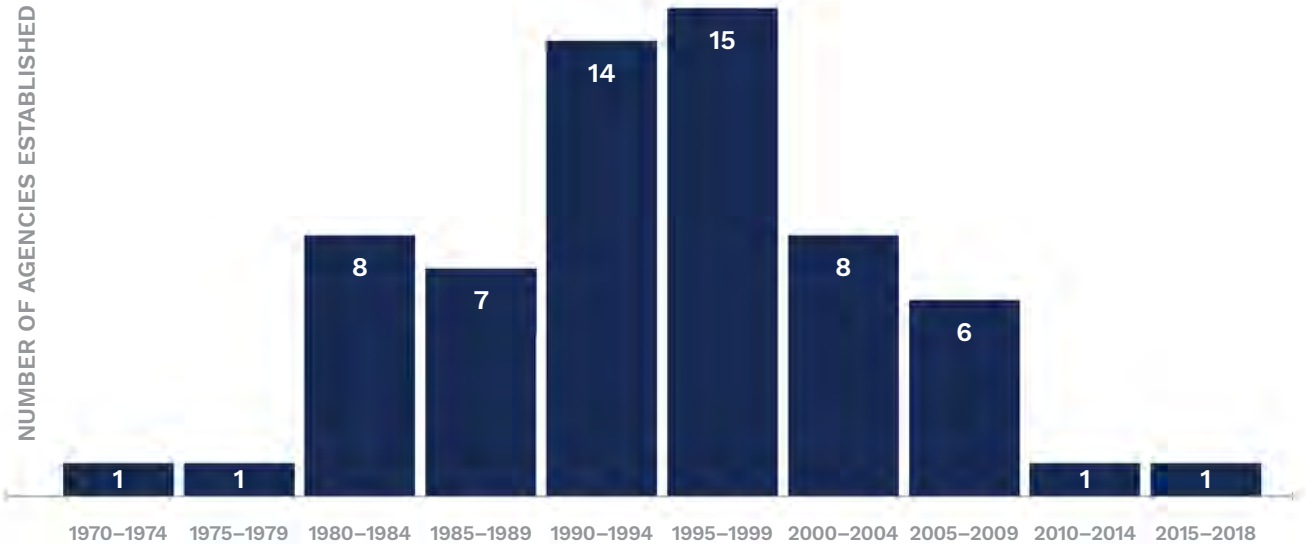
[27] C. Blackstock & N. Trocmé, "Community based child welfare for Aboriginal children," in Michael Ungar (ed.), *Handbook for working with children and youth: Pathways to resilience across cultures and contexts* (Thousand Oaks: Sage Publications, 2005).

[28] IFSD FNCFS Survey, 2018.

[29] IFSD FNCFS Survey, 2018.

FIGURE 4

NUMBER OF FIRST NATIONS CHILD AND FAMILY SERVICES AGENCIES ESTABLISHED BY FOUR-YEAR INTERVALS



Source: Q18
n=62

In 1988, the federal government put a moratorium on the creation of FNCFS agencies to develop a universal funding formula. Two years later in 1990, Directive 20-1 was established to cover all provinces and territories (except for Ontario, which remained under the Ontario 1965 Agreement).[30] Following the implementation of Directive 20–1, the number of FNCFS agencies continued to expand, but First Nations raised concerns that the funding structure was inadequate for meeting child

[30] Caring Society, n.d. Pre-Tribunal Timeline: History of First Nations Child and Family Services Funding, https://fncaringsociety.com/pre-tribunal-timeline-history-first-nations-child-and-family-services-funding.

In 1965, the first funding agreement for First Nations child and family welfare was established between the Province of Ontario and the federal government as a cost-sharing agreement in which the federal government reimbursed the province for the provision of First Nations child and family welfare services at a rate of 93% of costs. Known as the 1965 Agreement, the Memorandum of *Agreement Respecting Welfare Programs for Indians* is still in effect today.

welfare needs on reserves.[31] The criticism was echoed, notably, in the 2008 report of the Auditor General.[32]

In 2007, the federal government began implementing the Enhanced Prevention Focused Approach (EPFA) in several provinces, which was designed to address the shortcomings of Directive 20–1. It was introduced on a rolling basis in Alberta in 2007-08, Saskatchewan and Nova Scotia in 2008–09, Quebec and Prince Edward Island in 2009–10 and Manitoba in 2010–11.[33] It was expected that British Columbia, New Brunswick, Newfoundland and Labrador and Yukon, would eventually transition to EPFA. Many agencies are still concerned that the amount and structure of EPFA funding are insufficient for meeting their needs.[34] All three formulas however, tend to require that children enter into care in order to unlock funding (see Table 1).[35]

[31] Caring Society, n.d.

[32] Canada, The May 2008 Report of the Auditor General of Canada to the House of Commons (Ottawa, 2008).

[33] Aboriginal Affairs and Northern Development Canada, Aboriginal Affairs and Northern Development Canada's Role as a Funder in First Nations Child and Family Services (Ottawa, 2013).

[34] Caring Society, n.d.

[35] An opinion on liability insurance was requested by NAC to better understand the legal implications of an agency seeking its own jurisdiction in child and family services, i.e. developing its own laws and no longer being subject to provincial laws de facto (because no federal law exists on the matter). Alexander Holburn and Associates, LLP was retained and provided an opinion on the matter (see Appendix B). The firm's review found that not all provincial legislation requires FNCFS agencies to carry liability insurance, although others require it as a condition for delegation. Even though provinces may delegate child protection duties to FNCFS agencies, in the case of a breach, the province remains liable for non-delegated duties. If full responsibility for child welfare services are assumed by a First Nations government, then that government will assume the whole of the legal duty with respect to the delivery of child welfare services. There would be a potential increase in exposure liability, as the First Nation government would no longer be able to rely on the statutory immunity for negligence, and the costs of insuring the operations may increase to reflect the increase in exposure claims. For agencies that are covered, premiums range from $5,000 for a small organization to $100,000 for a larger organization. The average premium in Canada is around $20,000 for $5,000,000 coverage, with Aon Reed Stenhouse as the most common provider.

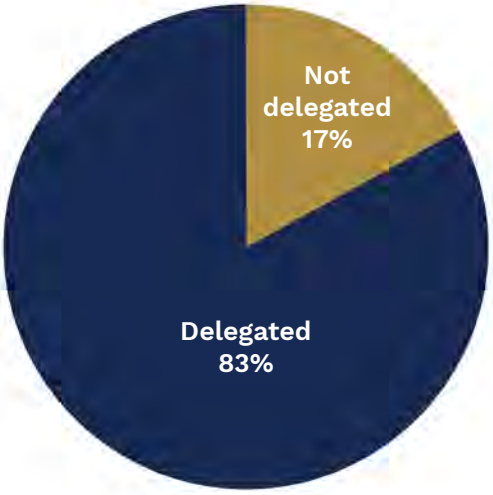
TABLE 1
EXISTING FNCFS FUNDING ARRANGEMENTS

FUNDING FORMULA	DESCRIPTION
Directive 20–1	A funding arrangement introduced in 1990 to fund First Nations child and family services for on-reserve populations. It includes funding for operational expenses and the maintenance of children in protection. It does not include built-in funding for prevention. It is still the active funding agreement in British Columbia, New Brunswick, Newfoundland and Labrador, and Yukon.
Enhanced Prevention Focused Approach (EPFA)	A funding arrangement introduced in 2007 which includes funding for operations and maintenance, similar to Directive 20-1, as well as funding for prevention programs. It is the active funding agreement in Alberta, Manitoba, Nova Scotia, PEI, Quebec and Saskatchewan.
Ontario 1965 Agreement (The Memorandum of Agreement Respecting Welfare Programs for Indians of 1965)	The funding agreement between the federal and Ontario governments signed in 1965. The agreement establishes a cost-sharing arrangement where ISC reimburses the Ontario government for approximately 93% of the cost of delivering child and family services on-reserve in the province.

FNCFS agencies define their mandates as providers of protection and prevention services for the well-being and safety of children in the community. A majority of the agencies (83%) that participated in the survey were child-protection delegated (Figure 5). In the survey, agencies highlighted their work supporting families by strengthening the family unit and working to keep children with their families in the community. Agencies reported strengthening communities by providing holistic, community-based approaches to child welfare that engage supportive networks of community members and leadership. In their work, agencies emphasized the promotion of cultural approaches to build strong, proud and healthy First Nations communities of children and adults. Approximately 60% of agencies perceive their relationships with their communities positively, although there is variation among provinces (Figure 6).

FIGURE 5

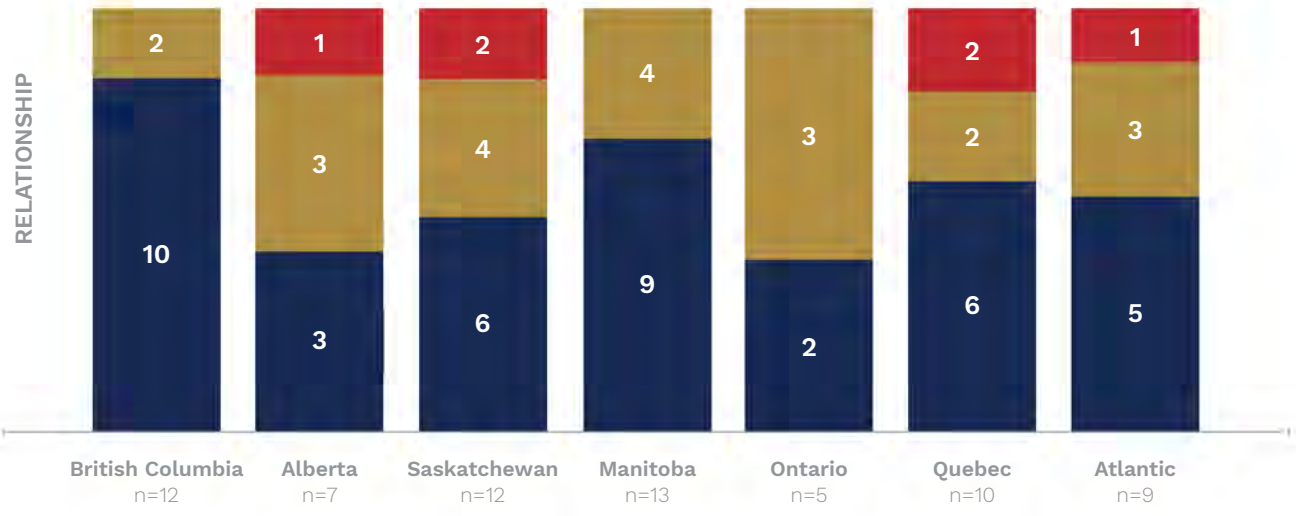
AGENCIES WITH CHILD-PROTECTION DELEGATION



Source: Q15
n=76

FIGURE 6

AGENCIES' PERCEIVED RELATIONSHIP WITH THEIR COMMUNITIES, BY PROVINCE



■ Positive relationship with their communities ■ Ambiguous relationship with their communities
■ Negative relationships with their commmunities

Source: Q96
n=68

For First Nations not affiliated with a FNCFS agency, the province provides protection services on-reserve and is reimbursed by the federal government. For instance, in Alberta, the federal and provincial governments established the Arrangement for the Funding and Administration of Social Services, a bilateral agreement signed in 1991 that provides for the reimbursement by the federal government for social services on-reserve. In British Columbia, a similar bilateral agreement called the British Columbia Service Agreement arranges for the federal government to reimburse the province for child welfare services in 72 First Nations communities.[36]

In its rulings, the CHRT found the federal government's FNCFS program to be discriminatory to children on-reserve because of inequitable funding levels for child welfare services. Following the CHRT orders, the federal government began increasing its prevention funding. In Budget 2016, the federal government committed $634.8 million over five years to reform and strengthen the FNCFS program, with ISC reporting $71.1 million for 2016–17.[37] Budget 2018 committed an additional $1.4 billion over six years.[38] With the February 2018 order from the CHRT, the federal government began funding the program at its actual cost. This however, is meant to be an interim solution until the federal government reforms the FNCFS program funding structure.

This report commissioned in response to the CHRT proceeds in two parts. Part 1 defines a baseline financial and program activity understanding of the current FNCFS system from agency-reported data. Part 2 defines a future-state program based on agency need and informed by consultations with agencies and experts.

[36] Caring Society, 2016, "Federal Funding for First Nations Child and Family Services: Funding Arrangements for Provinces and Territories. Information Sheet," https://fncaringsociety.com/sites/default/files/Prov%20and%20Territory%20description.pdf.

[37] ISC, "First Nations Child and Family Services," November 30, 2018, https://www.sac-isc.gc.ca/eng/1100100035204/1533307858805.

[38] Canada, Budget 2018, https://www.budget.gc.ca/2018/docs/plan/chap-03-en.html#Ensuring-That-Indigenous-Children-Are-Safe-and-Supported-Within-Their-Communities.

METHODOLOGY

Approach

RESEARCH ETHICS

The design of the research project and its instruments were developed in collaboration with NAC with input from FNCFS agencies. IFSD had the opportunity to visit agencies to learn from their staff and communities in 2017 (in conjunction with analysis being undertaken by IFSD at the request of NAC on agency operating characteristics). These visits were instrumental in building a better understanding of the current FNCFS system on-reserve, from a front-line perspective. The knowledge shared by agencies and communities during these visits helped to inform IFSD's development of the data collection instrument and thinking on an alternative funding model for FNCFS agencies.

Building on its previous work, IFSD's approach to this project was collaborative and informed by OCAP® principles. As an affiliate of the University of Ottawa, IFSD is guided by ethical research guidelines respecting Indigenous Peoples and complies with the Tri-Council Policy Statement on Ethical Conduct for Research Involving Humans in all of its work. Pursuant to article 2.2 on the legal accessibility of information requested for this study and article 2.5 that exempts program evaluation and assessments of organizational performance from review, IFSD did not require Research Ethics Board review for its work.

All information collected from this survey, with the consent and participation of the agencies, has been shared back to participating agencies (via monthly updates) and NAC in an anonymized and aggregated format to protect the privacy of agencies and their communities. All results of this project will only be shared in an anonymized and aggregated format.

A physical copy of the data collected for this project is stored in a locked cabinet at the IFSD office. Electronic copies of data are maintained locally on IFSD research laptops only.

RESEARCH DESIGN

Following IFSD's review of FNCFS agency need assessments (see Appendix A), it was determined that current information available through the assessments and financial statements was insufficient and inconsistently collected to complete the analysis required by the CHRT orders. IFSD determined that it would develop its own data collection instrument aligned to the CHRT orders, and that accounted for federal financial and program activity architectures. The data collection instrument was a 105-question survey developed from April to May 2018. The instrument was designed as an online survey on the SurveyMonkey platform, accessible via weblink.

The instrument was reviewed by methodological experts[39] and by NAC and was then translated into French. Both English and French versions of the tool were made accessible to agencies to complete. All information requested from agencies was organizational in nature and related to the fulfilment of professional duties. No confidential or secret information was requested. For an overview of the survey questions, see Table 2 and the complete instrument in Appendix C.

The instrument was designed to complete a census of organizations. ISC provided IFSD with a list of 104 FNCFS agencies in April 2018 to contact for this project. Only data from the listed agencies that participated in this project is included in this report.[40]

[39] Professors Scott Bennett and John Loxley reviewed the instrument and provided feedback to refine the tool prior to its release to FNCFS agencies.

[40] Additional agencies contacted IFSD to participate in this project. Their data was directionally consistent with that of the 104 agencies on ISC's list. In previous drafts of this analysis, the additional agencies were included. However, for methodological consistency, they were removed from this analysis as they were not on the original list provided by ISC.

TABLE 2
OVERVIEW OF THE 2018 IFSD FNCFS SURVEY

CATEGORY	SURVEY QUESTIONS
AGENCY DETAILS Contact details for survey, location of agency and community/ies served; community accessibility; catchment and satellite office details; children in care; child population served; mandate, history and agency services and programs.	1–21
BUDGET AND FINANCES Total and program specific budgets (e.g. prevention, protection); budgetary changes.	22–41
CAPITAL ASSETS Capital expenditures and assets; nature of building occupancy (lease/own); details on agency headquarters (e.g. square footage, building materials); repair requirements and estimated costs.	42–54
TECHNICAL PROFILE Investments, satisfaction with and need for information technology (e.g. hardware, software, cloud-based infrastructure).	55–58
OPERATING AND MAINTENANCE The costs of doing business, e.g. legal and related fees.	59–65
EMPLOYEE DETAILS Salaries and benefits; salary ranges; personnel and retention.	66–75
Small agencies; remoteness; travel costs; gaps in service.	76–83
CASELOAD Understanding case complexity; average cases per employee and employee category.	84–91
GOVERNANCE AND DATA COLLECTION Agency management and accountability practices; community engagement; performance measurement.	92–105

Each FNCFS agency was invited to send two representatives to Ottawa to attend one of five workshops at IFSD to complete the survey (one workshop was hosted in Saskatoon, with logistics coordinated by the Saskatchewan First Nations Family and Community Institute). All travel, accommodation and incidental expenses were covered for the two participants by IFSD. Participants were not remunerated or incentivized to participate in the research process.

The two-day workshops were designed to work with agencies to complete the survey and enhance consistency in interpretation of questions (see Appendix D for a sample agenda and Appendix E for definitions used in the survey). A future state exercise was hosted on

the second day of each workshop, to better understand the agencies' perspectives on future need and vision for an improved FNCFS structure (see Appendix F for summaries). Convening agency leadership was fruitful for exchanges, knowledge sharing and network building. Participant evaluations of the workshops were positive (see Appendix G for the evaluation summary) and helped to improve future sessions.

Agency outreach was central to IFSD's efforts. FNCFS agency executive directors were first contacted via email by Kevin Page on May 1, 2018 using contact information provided by ISC and included a letter of endorsement from NAC (see Appendix H). A second email was sent to executive directors on May 3, 2018 by Helaina Gaspard, inviting agencies to attend one of four workshops scheduled in Ottawa (a fifth workshop in June was added to accommodate agencies who could not attend a May workshop) (see Appendix H). To follow-up on the invitation, IFSD contacted all agencies at least once by phone, first on May 4, 2018, and followed-up at least once with an email reminder, first sent on May 9, 2018.

IFSD is grateful to agency leadership and NAC whose efforts enhanced outreach on a regional basis. As a trusted leader and member of NAC, Cindy Blackstock recorded a promotional video that was shared with agencies and other stakeholders on May 8, 2018, to provide information about the project and to encourage agency participation.[41] Agencies unable to accommodate any of the workshop dates were given the option to complete the survey online remotely, with the support of IFSD staff (eleven agencies completed the survey remotely).

In total, 70 agencies[42] attended one of the five workshops in Ottawa and one workshop in Saskatoon (Table 3). Only IFSD staff were on-site to support agencies in their work in both English and French, with interpreters on-site for select sessions.

[41] A website (www.ifsd.ca/fncfs) was developed for the project that included monthly updates (that were also sent to stakeholders) and related information, including the video.

[42] Two agencies that participated in the workshop were subsequently removed from the analysis for methodological consistency (see footnote 41).

TABLE 3
WORKSHOP DATES AND LOCATIONS

DATE	LOCATION
May 14–15, 2018	Ottawa
May 17–18, 2018	Ottawa
May 22–23, 2018	Ottawa
May 24–25, 2018	Ottawa
May 30–31, 2018	Saskatoon
June 4–5, 2018	Ottawa

During the workshops, agencies were invited to complete the survey using the SurveyMonkey platform in English or in French. There were technical challenges with the platform during the first workshop that were corrected for all other workshops (participants from the first workshop were invited to submit an electronic or paper copy of the survey). Following the first workshop, minor refinements were made to the survey thanks to agency feedback. There were no losses to data integrity or aggregability with those changes.

When completing the survey, agencies were asked to report with information from fiscal year 2017–2018, referring to baseline funding levels. Agencies were asked to omit any supplementary funding from the CHRT orders to capture the typical or steady state of operations. In order to develop a future state model for agencies based on need, it was important to have a complete understanding of their point of departure, with potentially anomalous funding removed. To supplement responses, participants were encouraged to provide context to give meaning to the data they shared. Upon completion of the survey, a copy of the submission was returned to participants.

All submitted surveys were reviewed for completion by IFSD. Unanswered questions and unclear responses were flagged and compiled into a single reference document or email for each participating agency. Agencies were contacted at least twice (once by email and once by phone) to clarify the flagged questions. Follow-ups began in mid-May 2018 (following the first workshop) and continued into early July. Agencies were asked to submit their supplementary information or clarification, and approximately one third of the follow-up emails received responses. A final reminder was sent on July 13, 2018 and substantive data collection efforts ended

on July 31, 2018. As a census of a population, data collection remained open to any agency willing to participate but IFSD's outreach for survey participation ended.

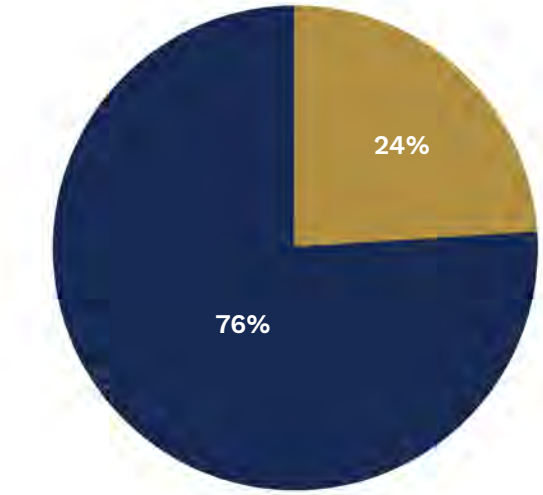
With substantive data efforts complete, IFSD reached out one final time in October 2018 to all twenty-five non-responding agencies first by phone and then via email. The agencies were asked to provide four key pieces of information about their organization to ensure they were represented in the sample: 1) the number of children in care; 2) the agency's total budget (all sources of funds); 3) total federal funding only; 4) federal allocation for protection and prevention. A total of five agencies provided these details. There was one agency that requested to participate through a shortened survey of approximately 20 questions.

PARTICIPATION

This project's total sample population was 104 agencies. The final participation rate was 76%, with 79 of 104 agencies participating in the Survey (Figure 7). All ten provinces are well represented with over 50% of agencies in each province taking part in the survey (see Figure 8). It should be noted that participation per question varies, i.e. not all participating agencies answered all questions.

FIGURE 7

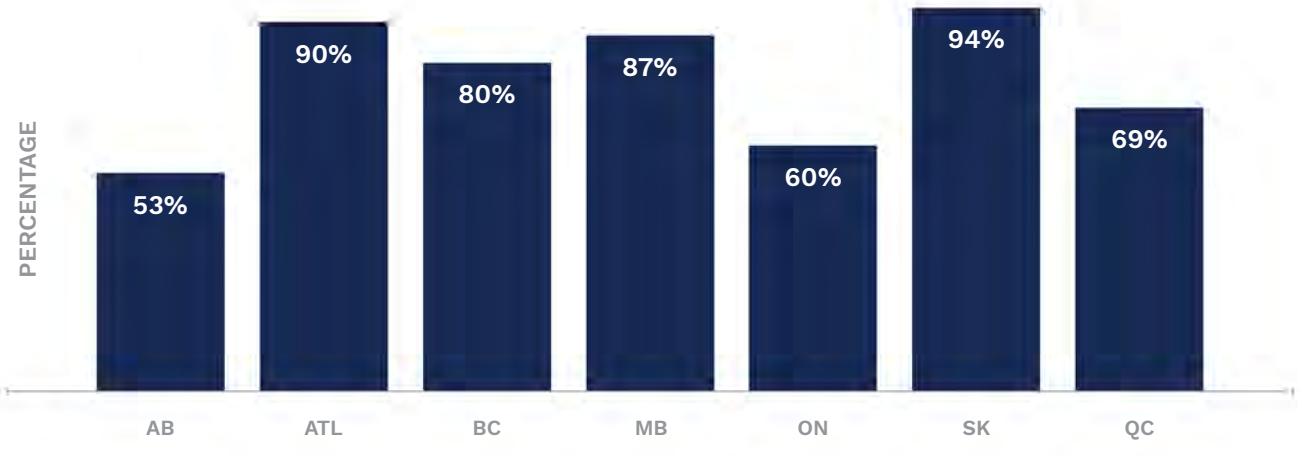
NATIONAL AGENCY SURVEY PARTICIPATION



n=104

FIGURE 8

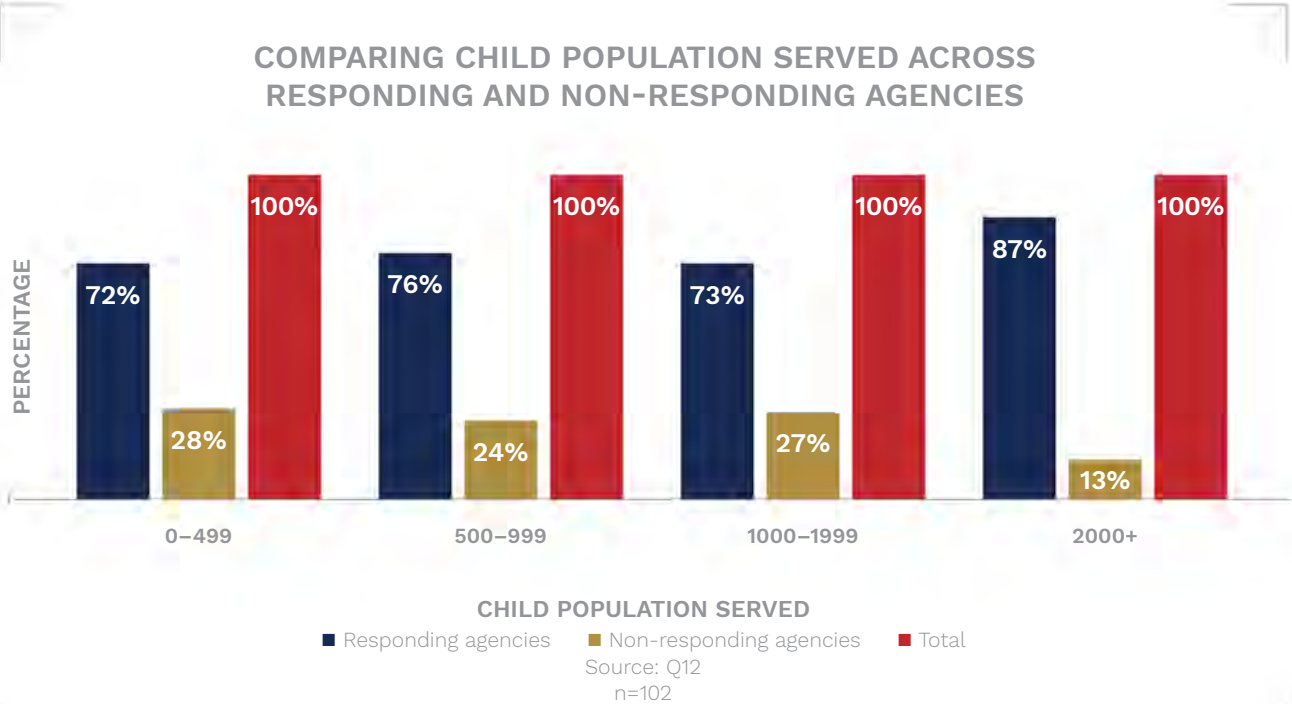
AGENCY SURVEY PARTICIPATION RATES, BY PROVINCE



PROVINCE

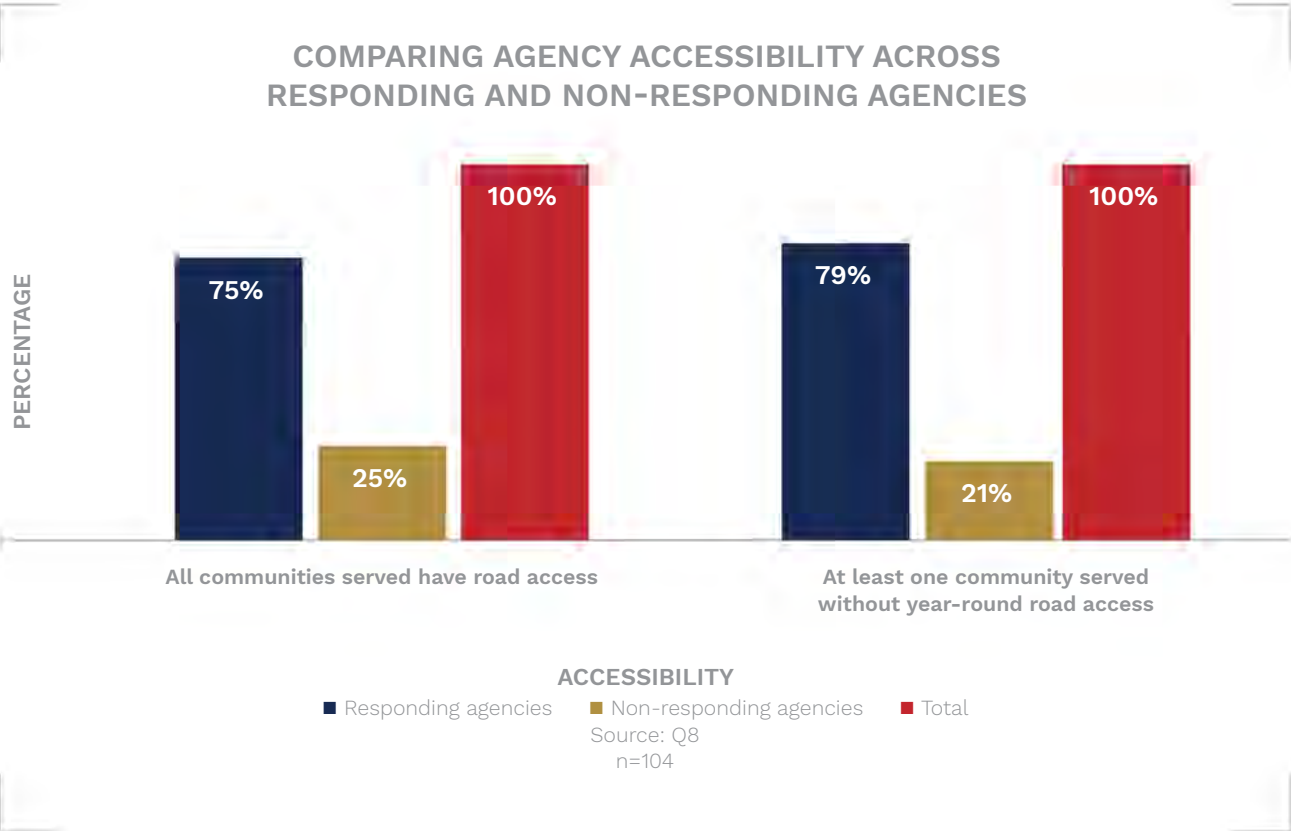
ATL = NB, NFL, NS, & PEI
Source: Survey
n=104

FIGURE 9



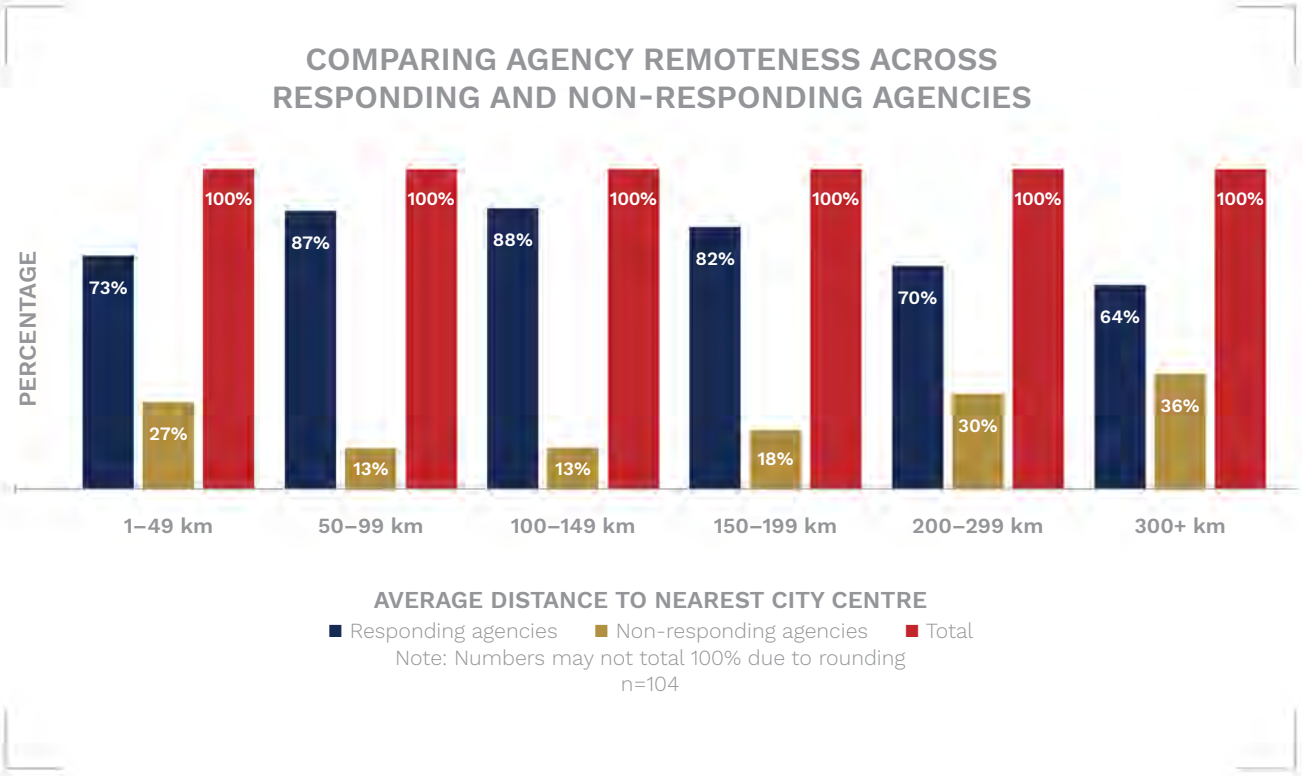
Source: Q12
n=102

FIGURE 10



Source: Q8
n=104

FIGURE 11



The limitation of any census of organizations such as this one is the imperfect response rate. However, the response rate of 76% as well as the provincial and typological representations of the agencies in the responding population helps to ensure that there is no major bias in representation. There can be, but there is sufficient publicly available information to help to assess the extent of the potential data gap.

The reliability of the sample was tested by sorting non-responding agencies into the three typologies using publicly available data. The data used included total child population served from Statistics Canada, as well as distance calculations using agency headquarters addresses and community locations. When assessed against the total potential sample in each of the three typologies, over 50% of each potential population is included in this project's sample (see Figure 9, Figure 10, Figure 11). For these reasons, the sample is considered representative. For an independent expert opinion from Professor Scott Bennett on the reliability of the data and the project's methodology, please see Appendix I.

ANALYSIS

Following the workshops, IFSD began coding all survey data in June 2018. A spreadsheet was designed to facilitate the entry of quantitative and qualitative responses. Using hardcopies of the survey, IFSD research assistants entered quantitative and qualitative data into the spreadsheet. Each entry was checked at least once by another research assistant. Following the initial data entry, the more complex qualitative questions were coded and integrated into the master spreadsheet. The master data set was spot-checked by a third research assistant, selecting questions and half of responding agencies at random to ensure completeness, consistency in coding, and accuracy. The master data file was finalized in early August 2018.

To make sense of the data, analysis was undertaken in three steps. First, data was assessed to better understand agency characteristics. This analysis tabulated for instance, the number of agencies that required building repairs and the number of agencies reporting service gaps. Once this overview was complete, analysis of characteristics continued by sorting data by different variables to better understand what impacted agency expenditures. Clustering agencies by total child population served, remoteness and accessibility of communities served offered insight into what drives expenditures for agencies. These three typologies were helpful in understanding trends in agency expenditures influenced by different characteristics (see Table 4). Second, correlations were run to understand the strength of relationships between variables. The strongest cost driving relationship in the data is the number of children in care to total agency budgets. Given the current funding arrangement, the strength of the relationship is not surprising as the system incentivizes the placement of children in care to unlock funding. The third step of the analysis was the cost estimation of the current and future states (see the Costing section of this report for a detailed discussion).

TABLE 4
TYPOLOGY DEFINITIONS

TYPOLOGY	DEFINITION	FINDINGS
Total child population served	The total population of persons 0–18 years of age within the agency's catchment area (i.e. in communities served).	Notwithstanding overall funding shortfalls, there are variances in expenditures and trends when agencies are assessed by population served. Analysis suggests that variances are largely driven by remoteness and accessibility.
Remoteness	Remoteness was determined as distance to a city centre, because analysis from Wen:de (2005) suggested that agencies must send clients to a city centre (Statistics Canada definition) to access services. The remoteness calculation for each agency was determined as an average of the distance of the communities they serve to the closest city centre.	Remote agencies exist across populations served, provinces, and budget ranges. Average number of staff and travel costs generally trend upward with remoteness; this is reflected in average budgets.
Accessibility	Agencies were clustered based on the communities that they serve. Agencies serving at least one community without year-round road access were grouped, and agencies serving only communities with year-round road access were grouped.	Agencies with at least one community without year-round road access have higher average budgets, staff, children in care and substantially larger travel budgets. Limited road access represents approximately 20% of the population.

AGENCY CHARACTERISTICS

Agency data was clustered to assess if agency characteristics could help to identify expenditure trends. This approach was helpful in demonstrating that agency characteristics were more representative than provincial or funding formula groupings (i.e. agency characteristics cross provincial boundaries and funding formulas). When data was sorted by province and by funding formula, there were limitations in the explanatory value of trends.

While average budgets by province varied, agencies in Ontario reported higher average budgets than their peers using other funding formulas. This however, may be a function of the size of the Ontario agencies and the geography that they cover (Figure 12 and Figure 13).

Most agencies did not report a deficit in fiscal year 2017–2018, whether sorted by province or funding formula (Figure 14 and Figure 15). This does not necessarily imply sufficient funding, but may indicate that agencies are operating nearly exclusively within planned authorities.

FIGURE 12

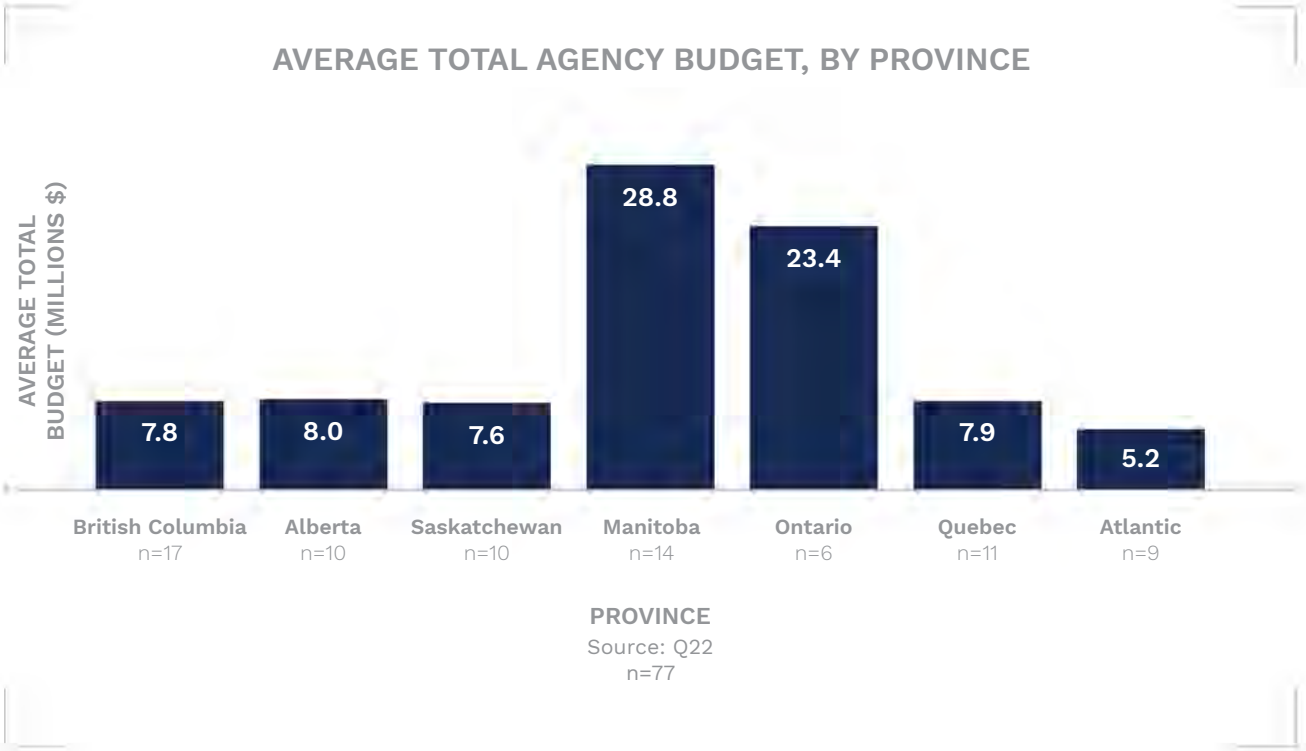


FIGURE 13

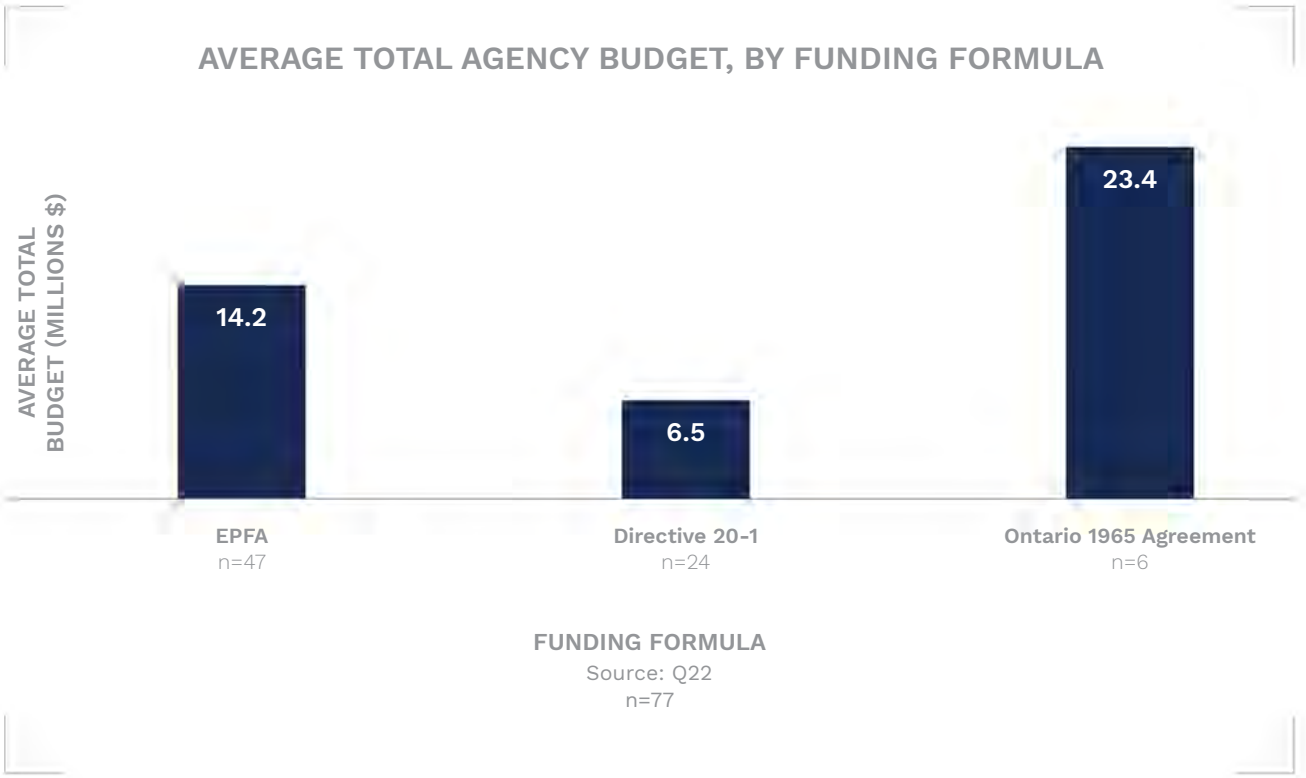


FIGURE 14

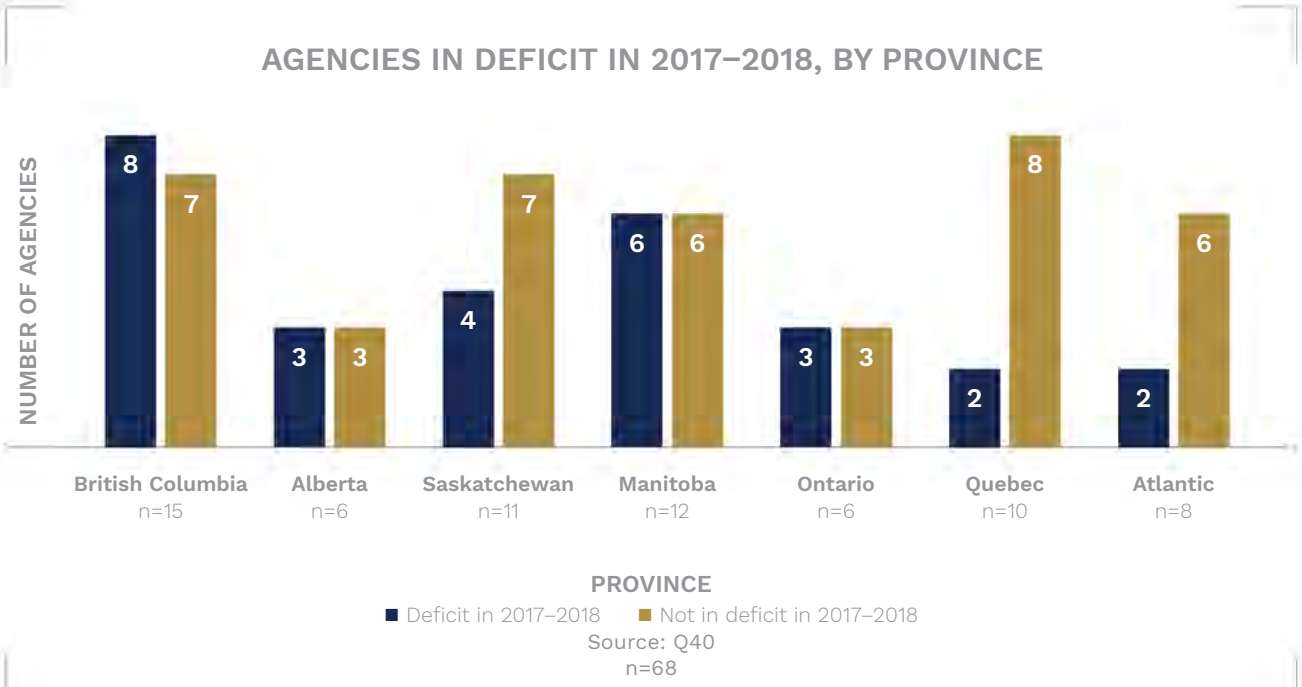
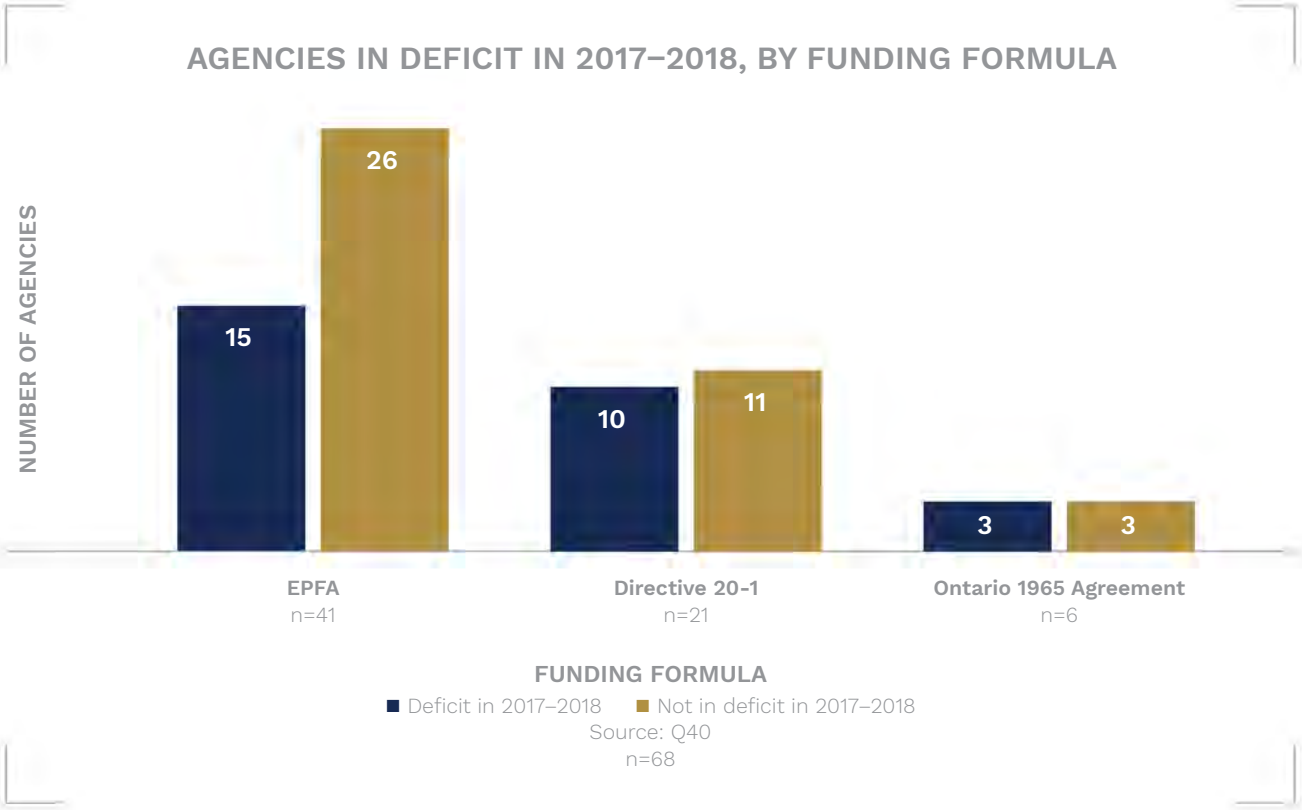


FIGURE 15



Provinces, although they can offer insight into the legislation governing child and family services, are not indicative of inherent characteristics of agencies. Similarly, clustering by funding formula is not helpful in deciphering agency characteristics. Characteristics such as geographic location (remote versus near an urban centre) or total population of children served are independent of provincial borders and funding formulas. An agency serving remote communities in Ontario under the 1965 Agreement can exhibit similar expenditure trends to an agency serving a similar community in British Columbia under a modified version of Directive 20–1.

POPULATION SERVED

There is some variance in average agency budgets by child population served as reported by agencies (Figure 16). Average agency budgets trend upwards with population served using Statistics Canada's custom catchment data (Figure 17).

FIGURE 16

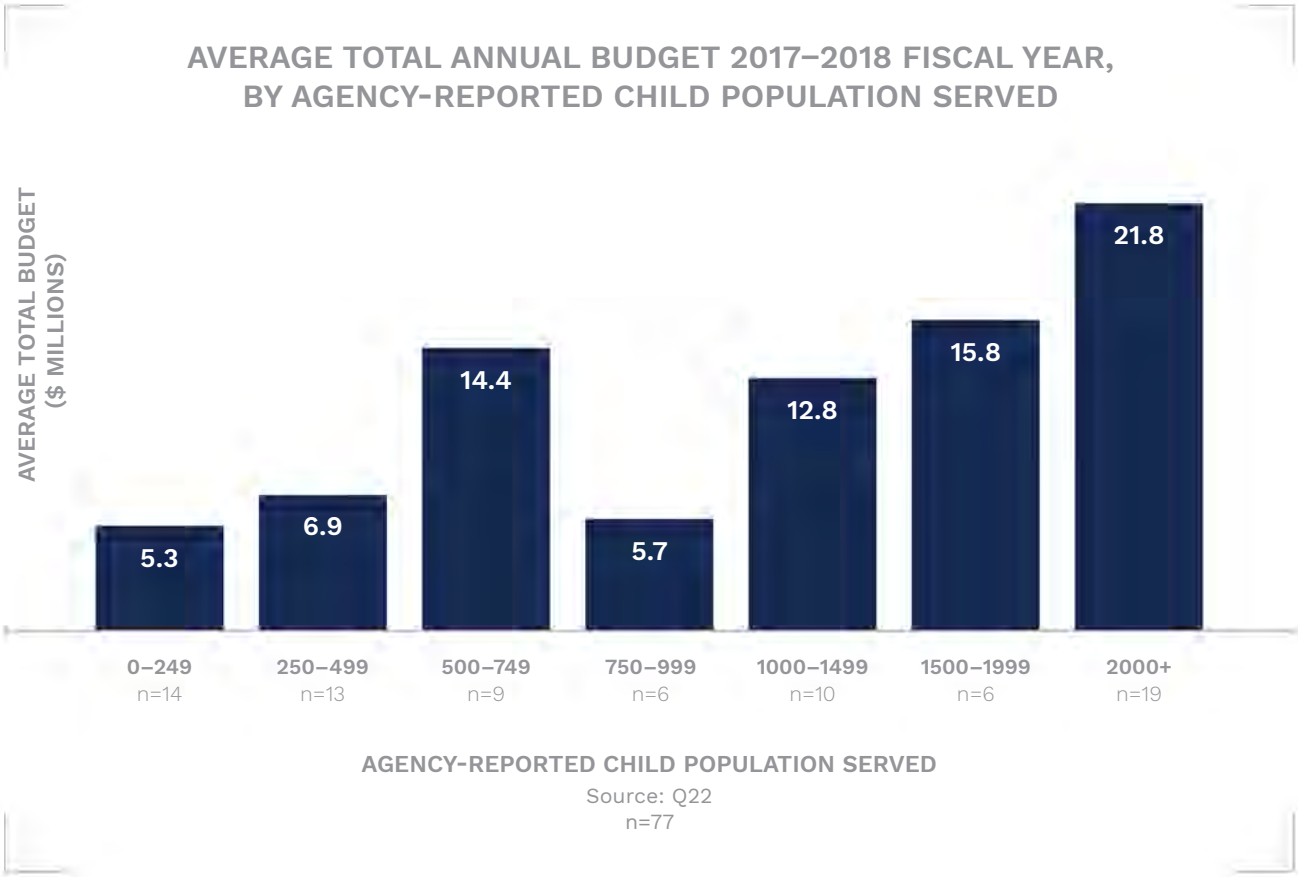
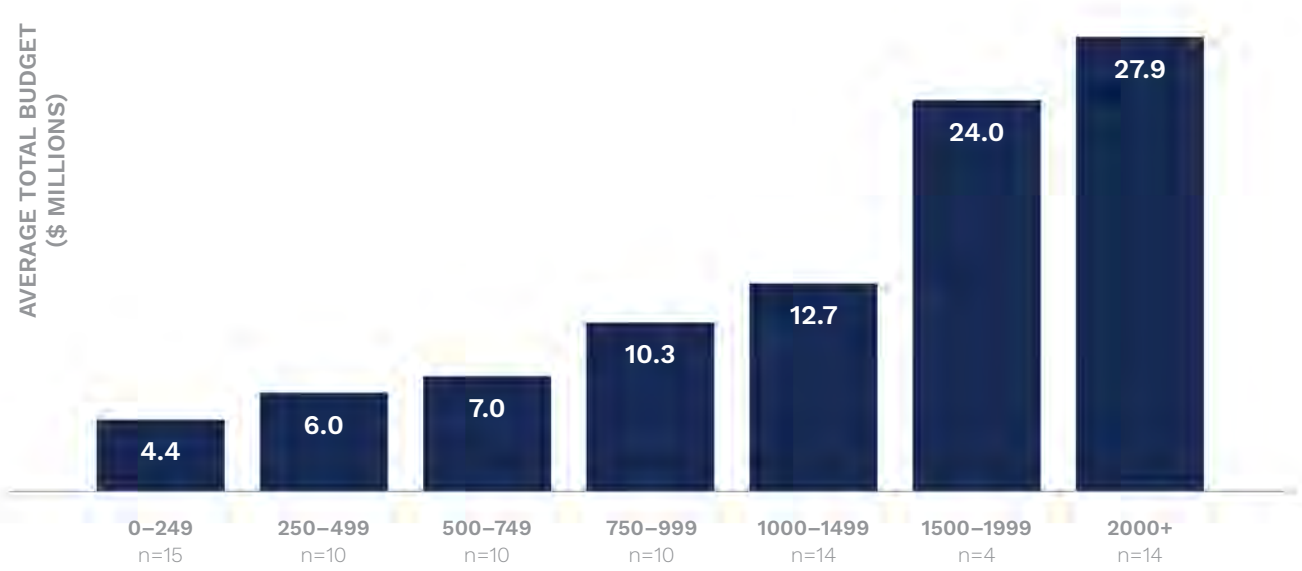


FIGURE 17

AVERAGE TOTAL ANNUAL BUDGET 2017–2018 FISCAL YEAR, BY STATISTICS CANADA'S CUSTOM CATCHMENTS OF CHILD POPULATION SERVED



Source: Q22
n=77

There is some variance in the relationship between number of children in care and the size of the child population served whether sorted by agency self-reported (Figure 18) or using Statistics Canada's custom catchment data (Figure 19).

FIGURE 18

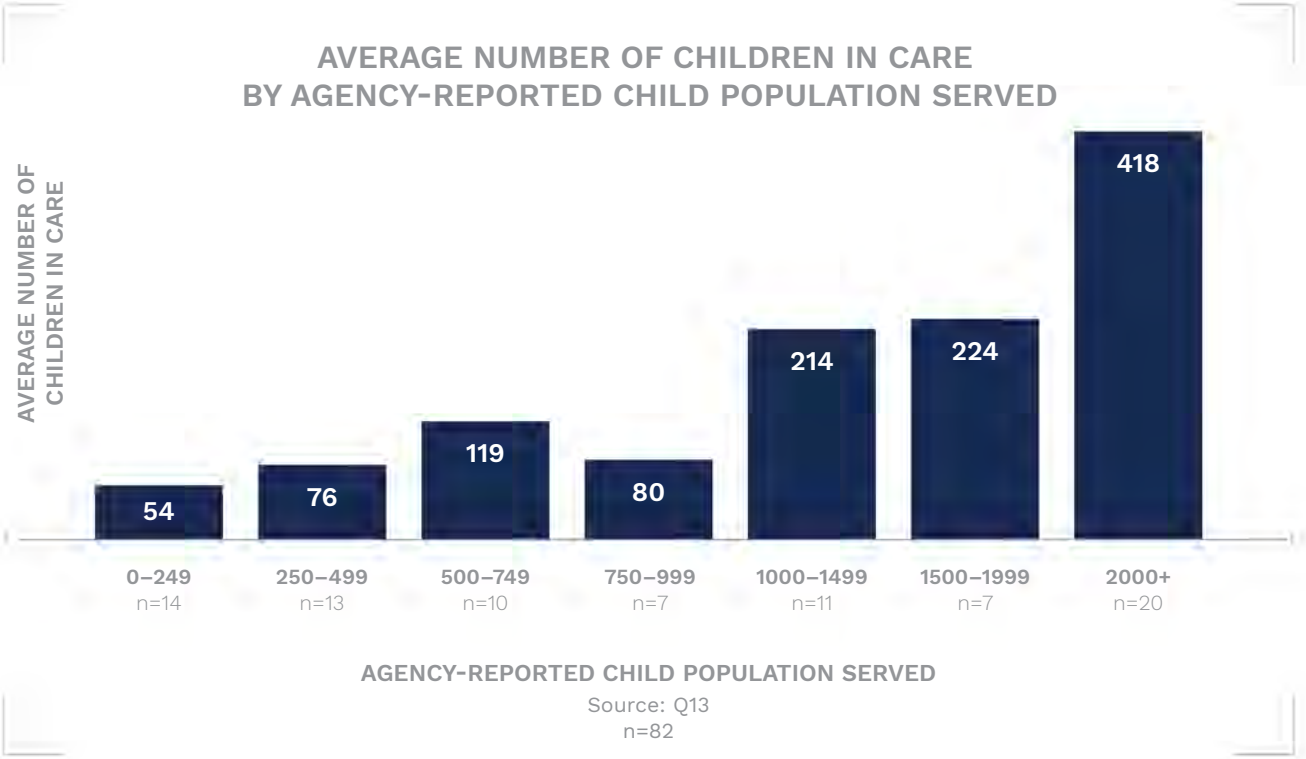
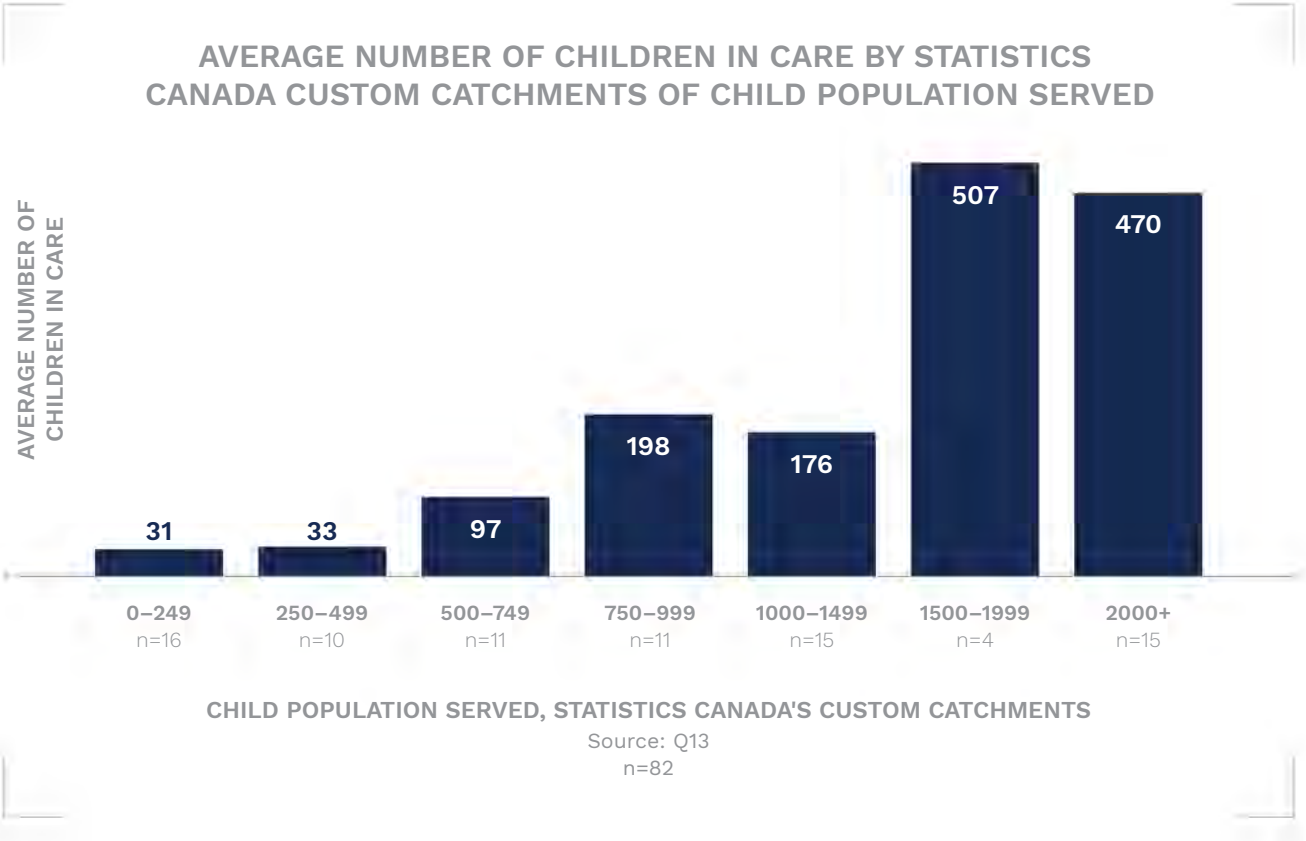


FIGURE 19



There is variance in agency travel costs when analyzed by child population served whether self-reported (Figure 20) or using Statistics Canada's custom agency catchments (Figure 21).

FIGURE 20

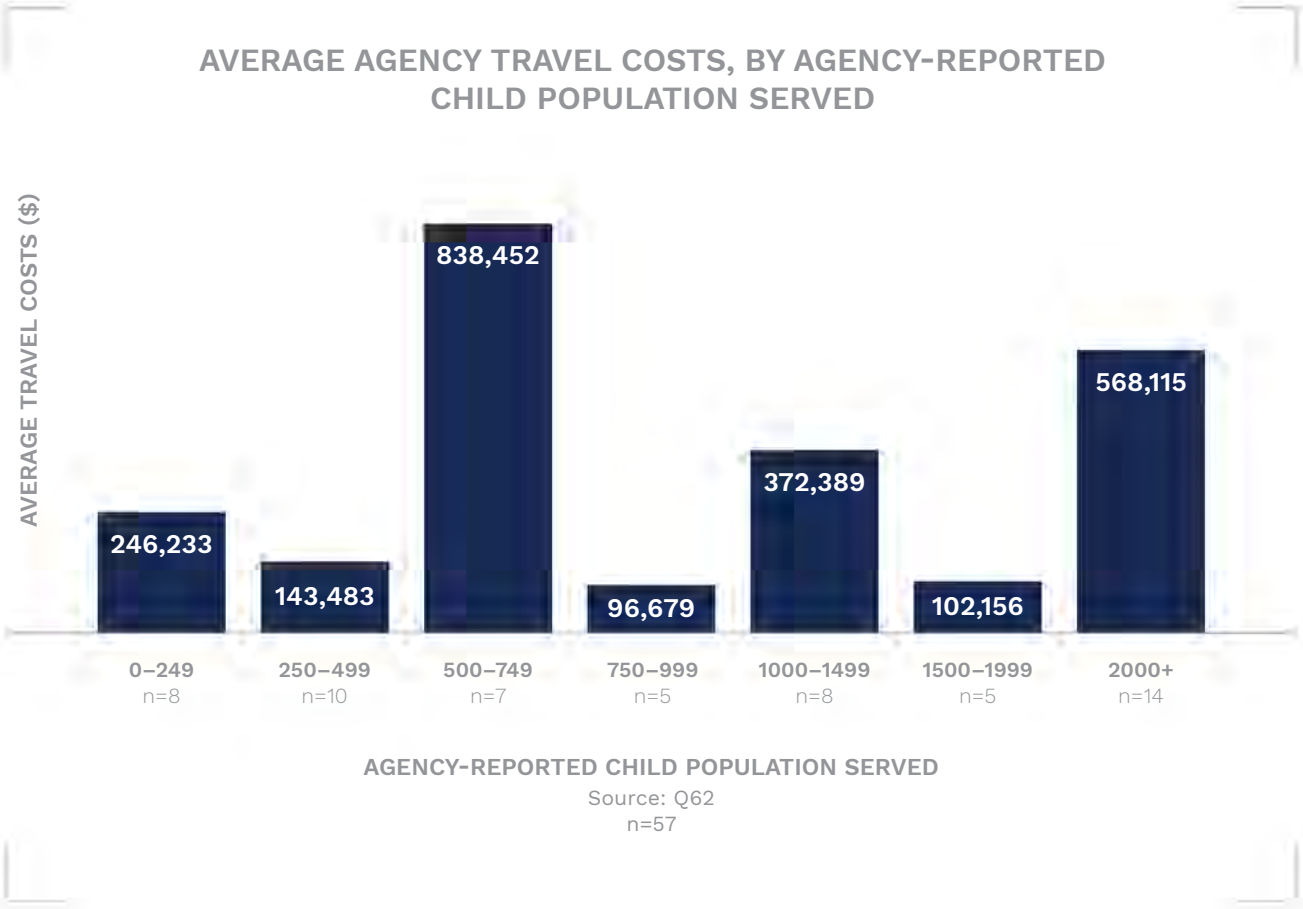
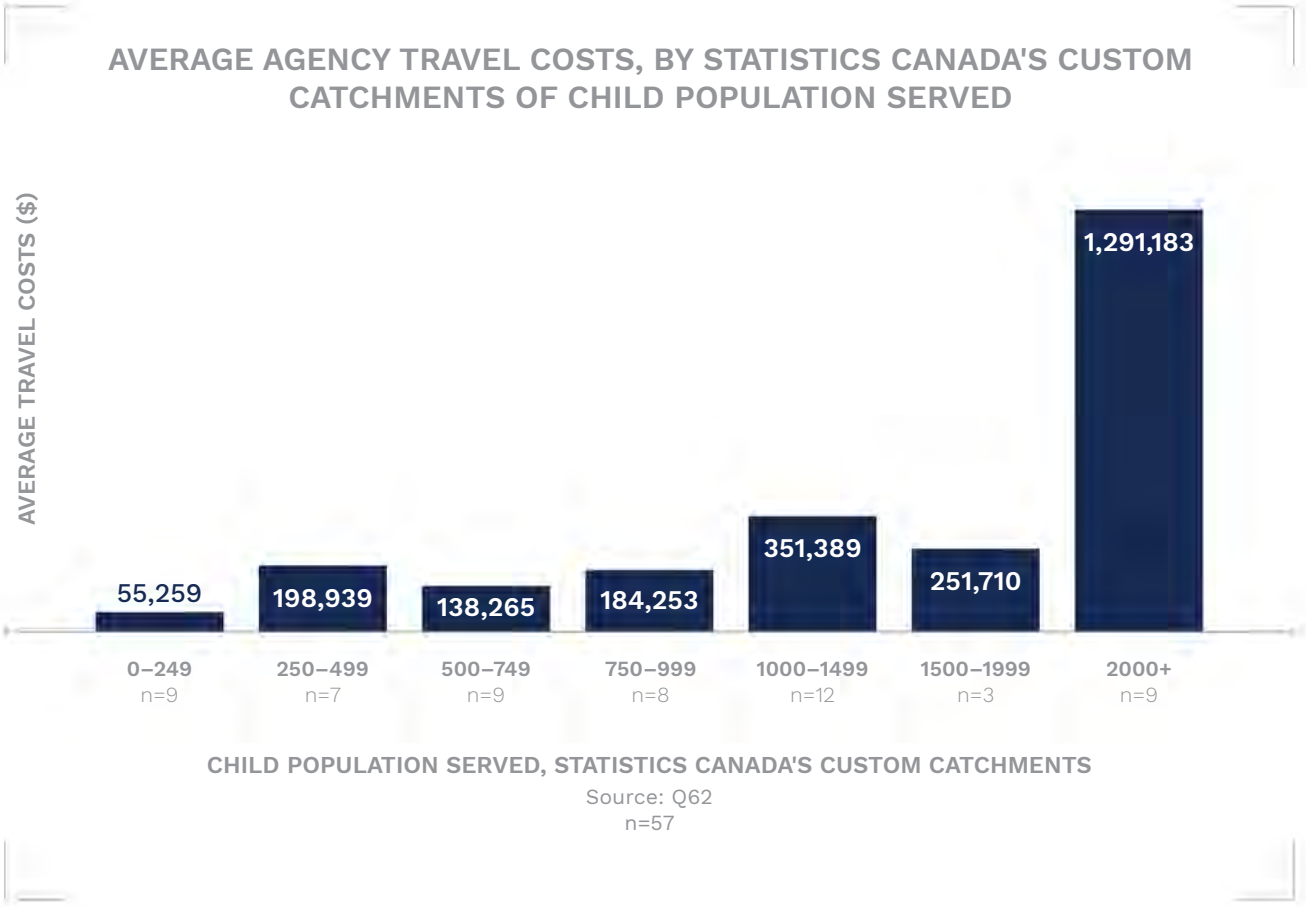


FIGURE 21

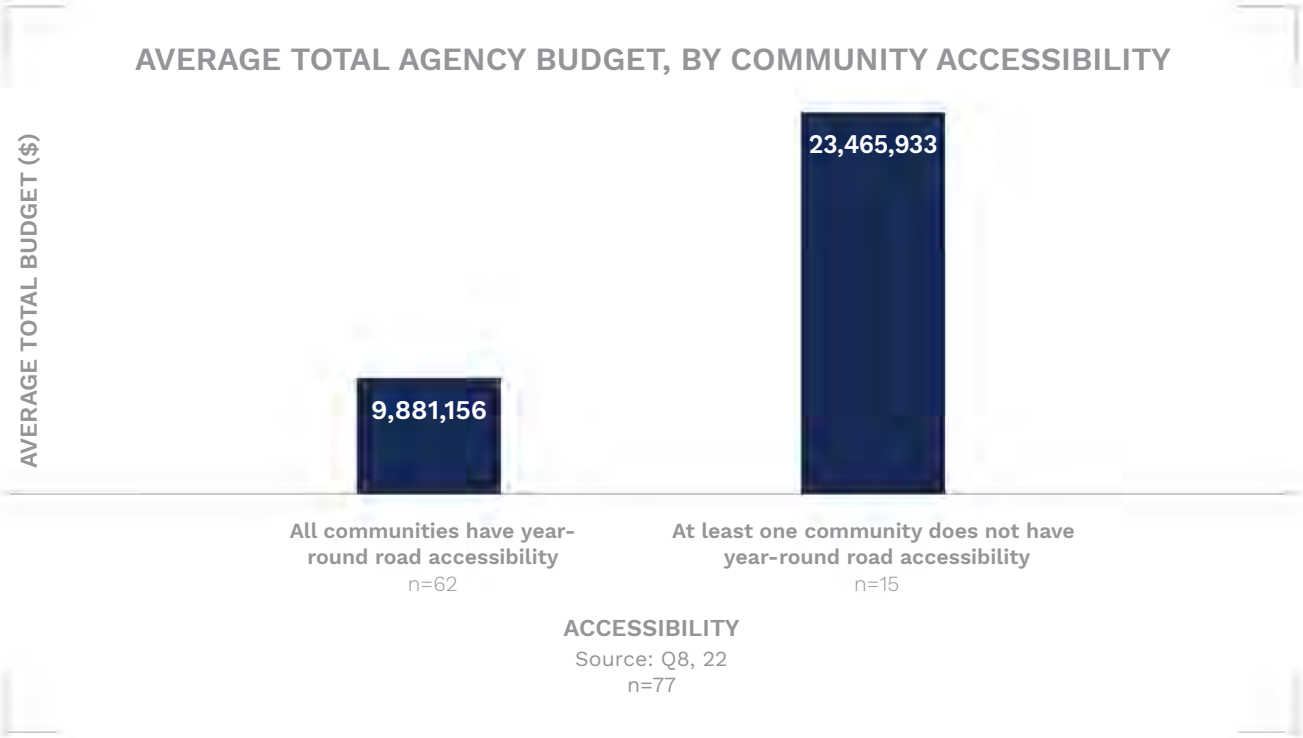


ACCESSIBILITY

Agencies were clustered based on the communities that they serve. Agencies serving at least one community without year-round road access were grouped, and agencies serving only communities with year-round road access were grouped.

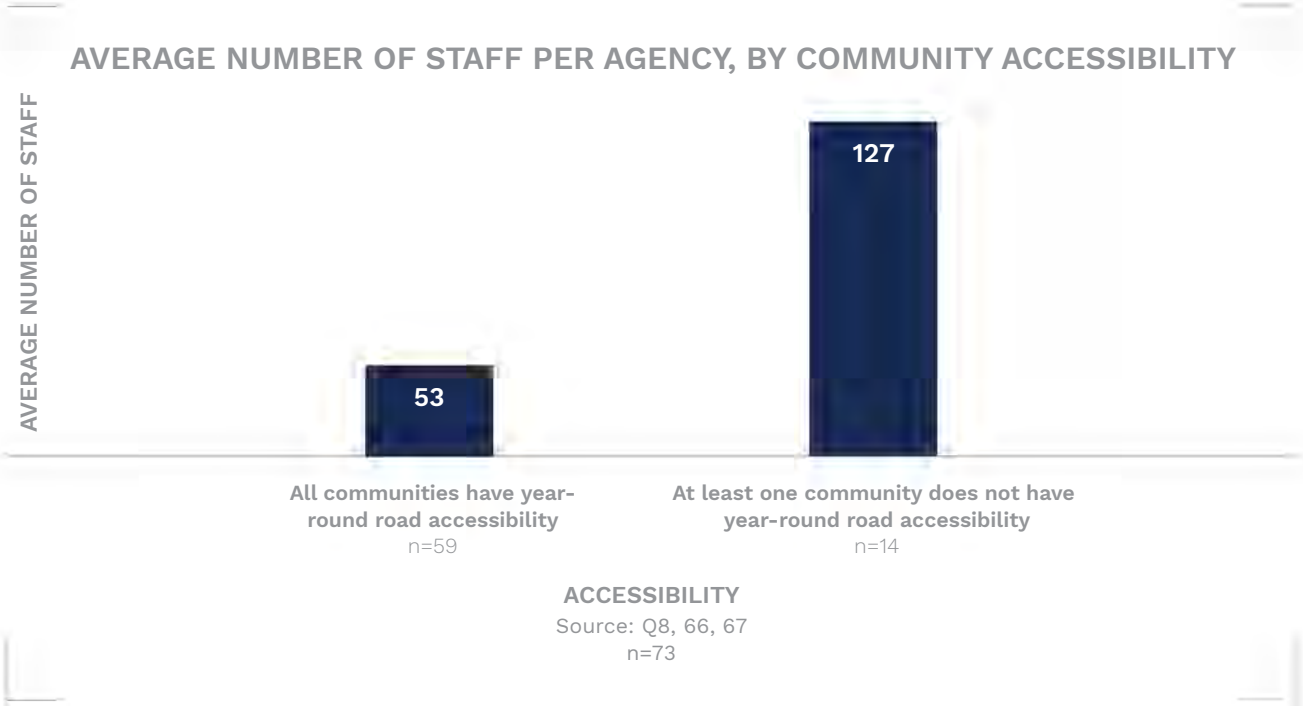
Agencies with at least one community without year-round road access have more than twice the average annual budget than those with all-year road access (Figure 22).

FIGURE 22



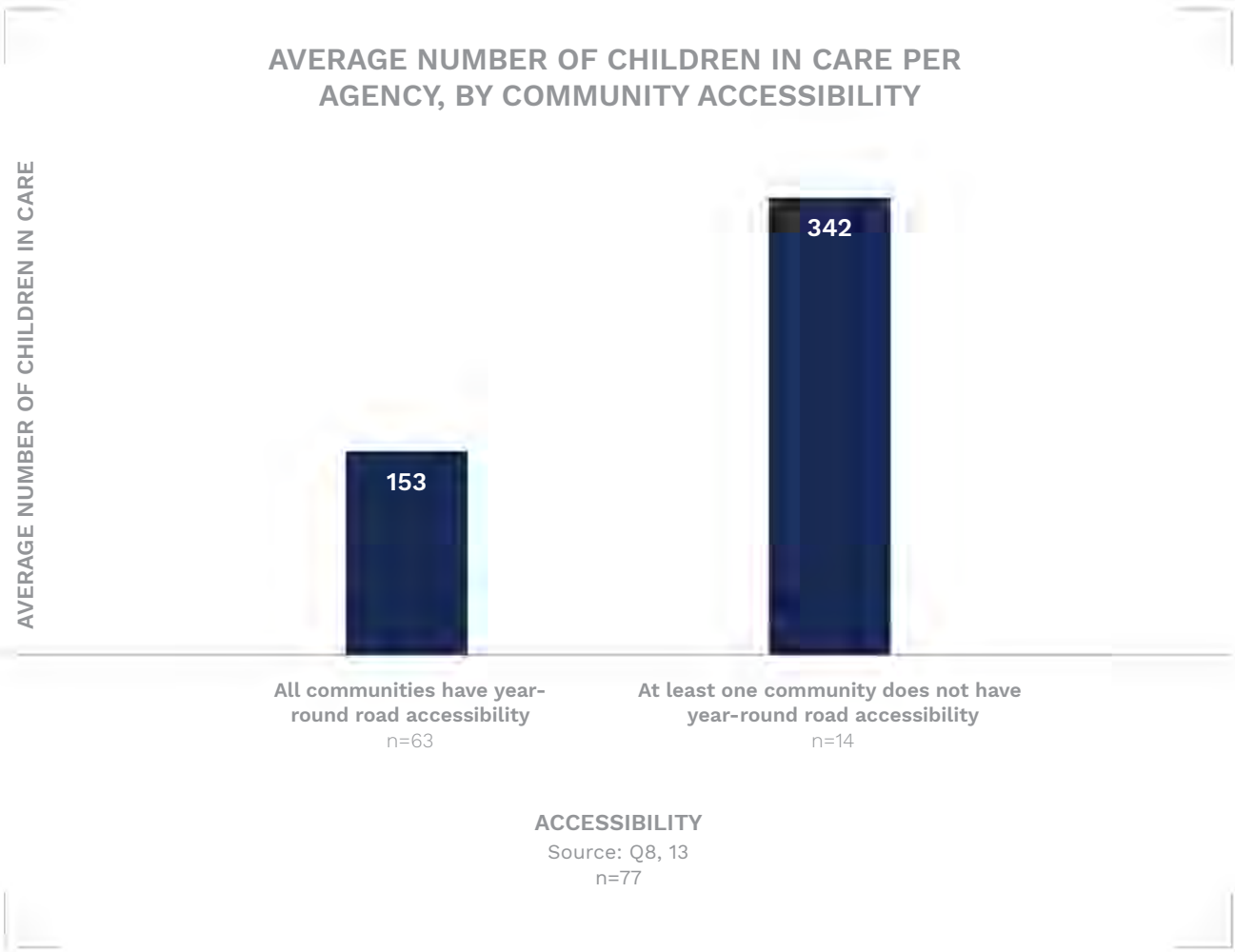
Agencies with at least one community without year-round road access have on average, approximately two times more staff than agencies with all-year road access (Figure 23).

FIGURE 23



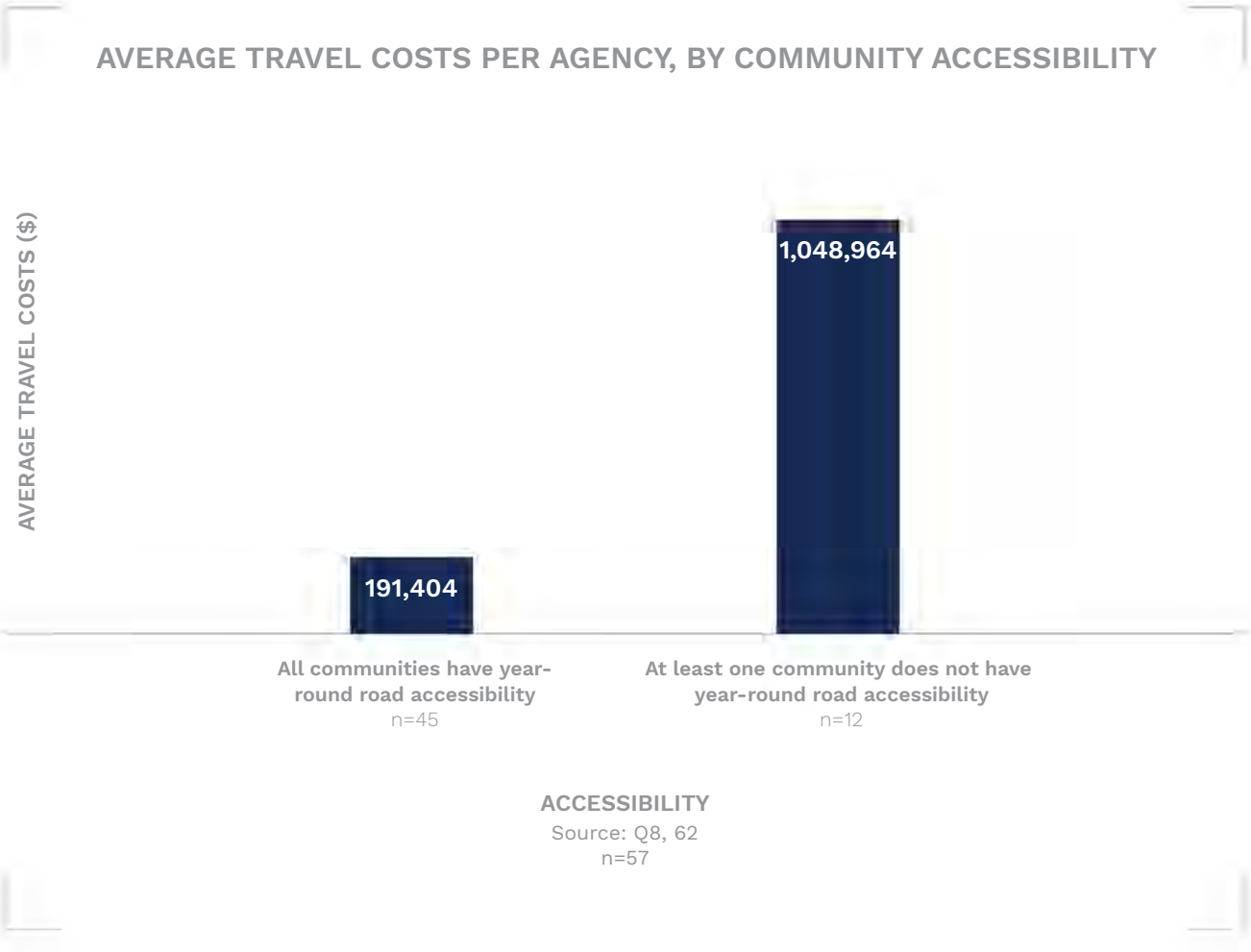
Agencies with at least one community without year-round road access have on average, more than twice the number of children in care than agencies with all-year road access (Figure 24).

FIGURE 24



Agencies with at least one community without year-round road access have on average, travel costs over five times greater than agencies with all-year road access (Figure 25).

FIGURE 25



Agencies with at least one community without year-round road access have higher average budgets, staff, children in care and substantially larger travel budgets.

REMOTENESS (DISTANCE TO CITY-CENTRE)

Remoteness was determined as distance to a city centre, because analysis from Wen:de has suggested that agencies must send clients to a city centre to access services. The remoteness calculation for each agency was determined as an average of the distance of the communities they serve to the closest city centre.

Average budget by remoteness varies among agencies (Figure 26). There is a slight upward trend in average number of staff per agency as distance from a city-centre increases (Figure 27). There is no relationship between the average number of children in care and their remoteness profile (Figure 28). Travel costs generally trend upwards as distance from a city-centre increases (Figure 29). Remote agencies exist across populations served, provinces, and budget ranges.

FIGURE 26

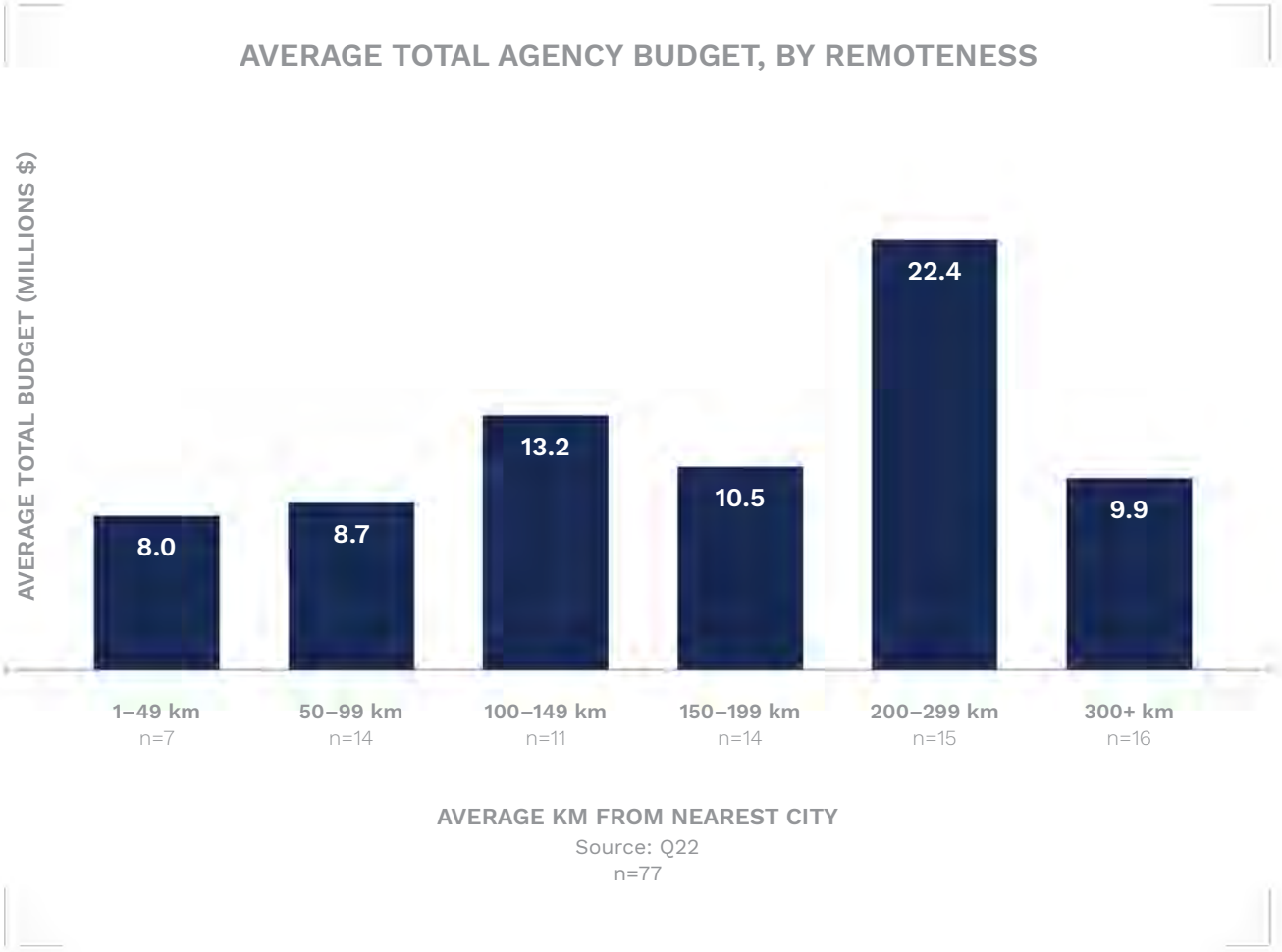


FIGURE 27

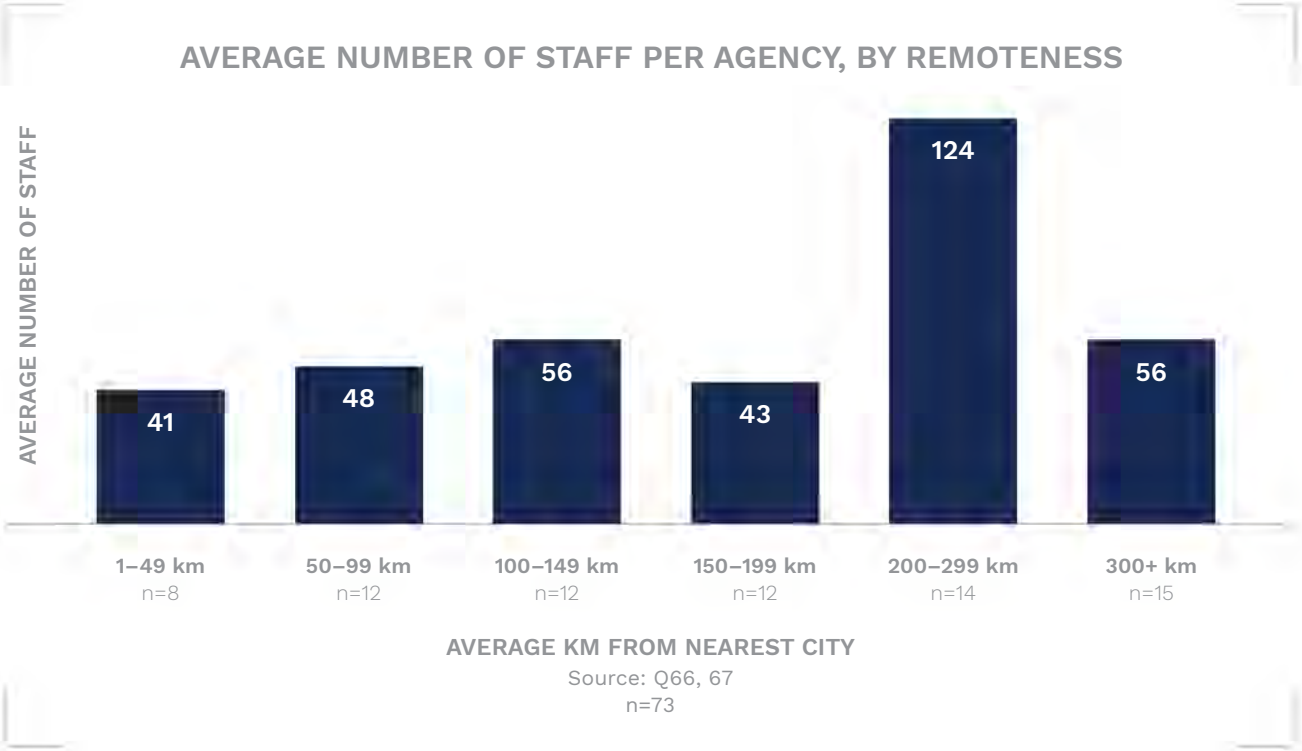


FIGURE 28

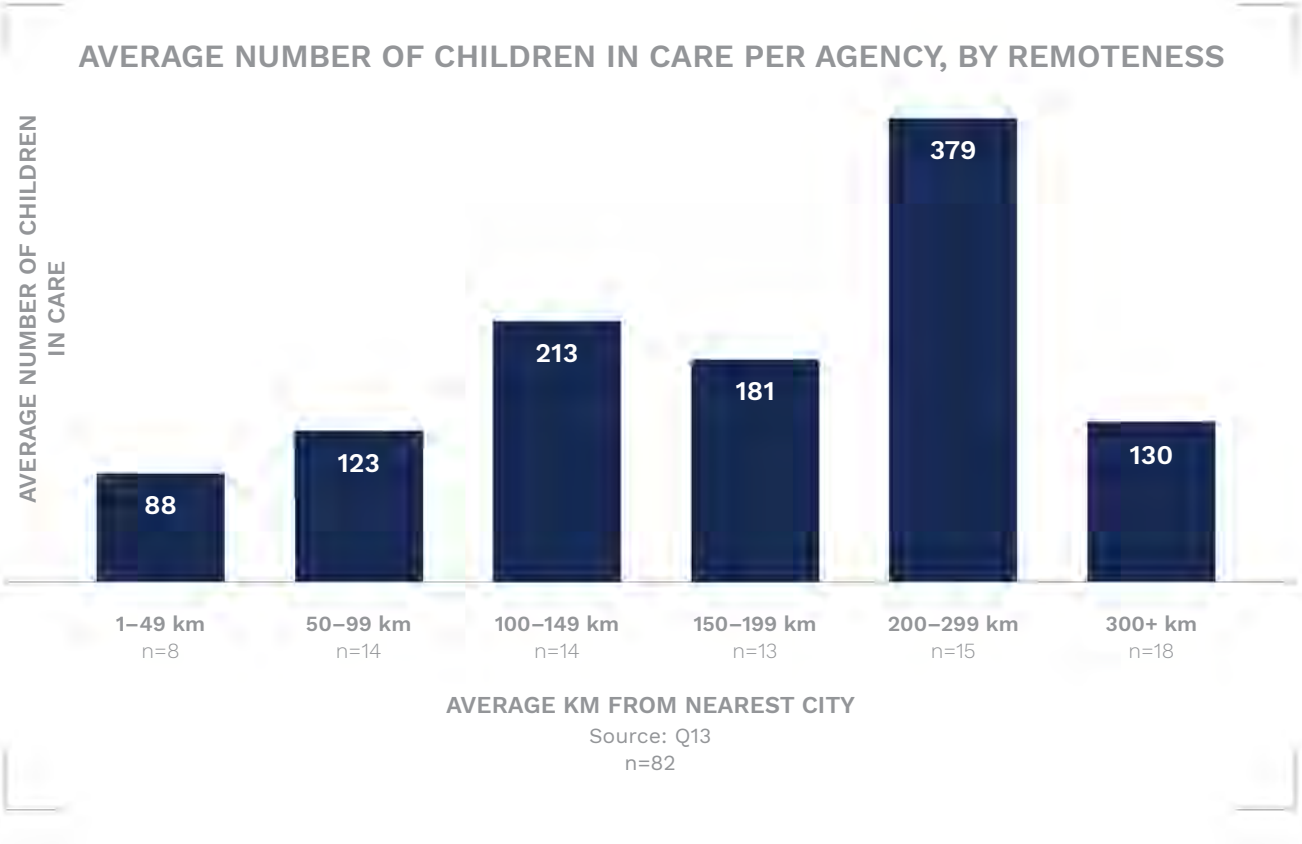
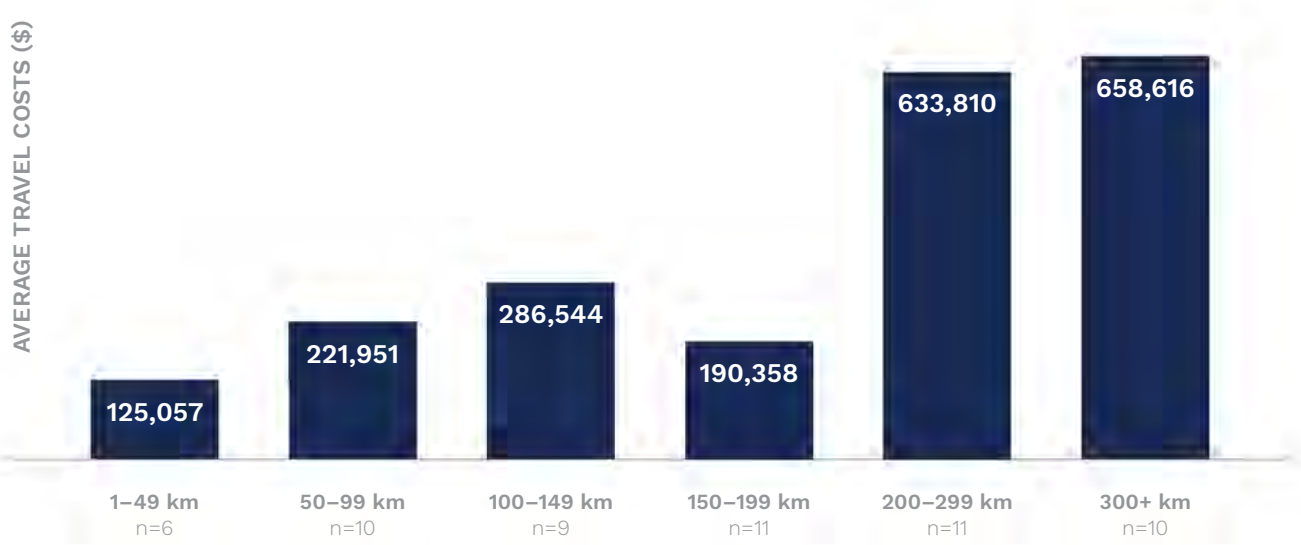


FIGURE 29

AVERAGE TRAVEL COSTS PER AGENCY, BY REMOTENESS



AVERAGE KM FROM NEAREST CITY

Source: Q62
n=57

Clustering agencies by relevant typology was necessary to understand trends and to assess if specific characteristics influenced agency expenditures. The data suggests that agencies serving at least one community with limited road access have increased overall expenditures. By contrast, it is only travel costs that increase significantly when agencies are 200 km or more from a city centre. Analysis by typology suggests that the total population of children served is a useful indicator of resource requirements for agencies that are not remote and that are accessible year-round by road, as expenditures generally trend upwards with larger populations. Agencies with at least one community without year-round road access have higher average budgets, staff, children in care and substantially larger travel budgets. Remoteness, beyond serving as an indicator for service gaps, has limited explanatory value with respect to agency expenditures.

Correlations were run to explore associations between independent and dependent variables in the data set (Table 5). Calculations were run between these variables in each of the three typologies (total child population served, remoteness, accessibility) and for the total population. The correlations were undertaken to explore potential cost drivers and to determine which variables drive agency expenditures. Running correlations across typologies and the general population provided a test of reasonableness to determine if cost driving relationships were the same or differed among types of agencies. When clustered by typology, the strength of the relationships between the variables was mixed.

TABLE 5
INDEPENDENT AND DEPENDENT VARIABLES TESTED IN CORRELATIONS

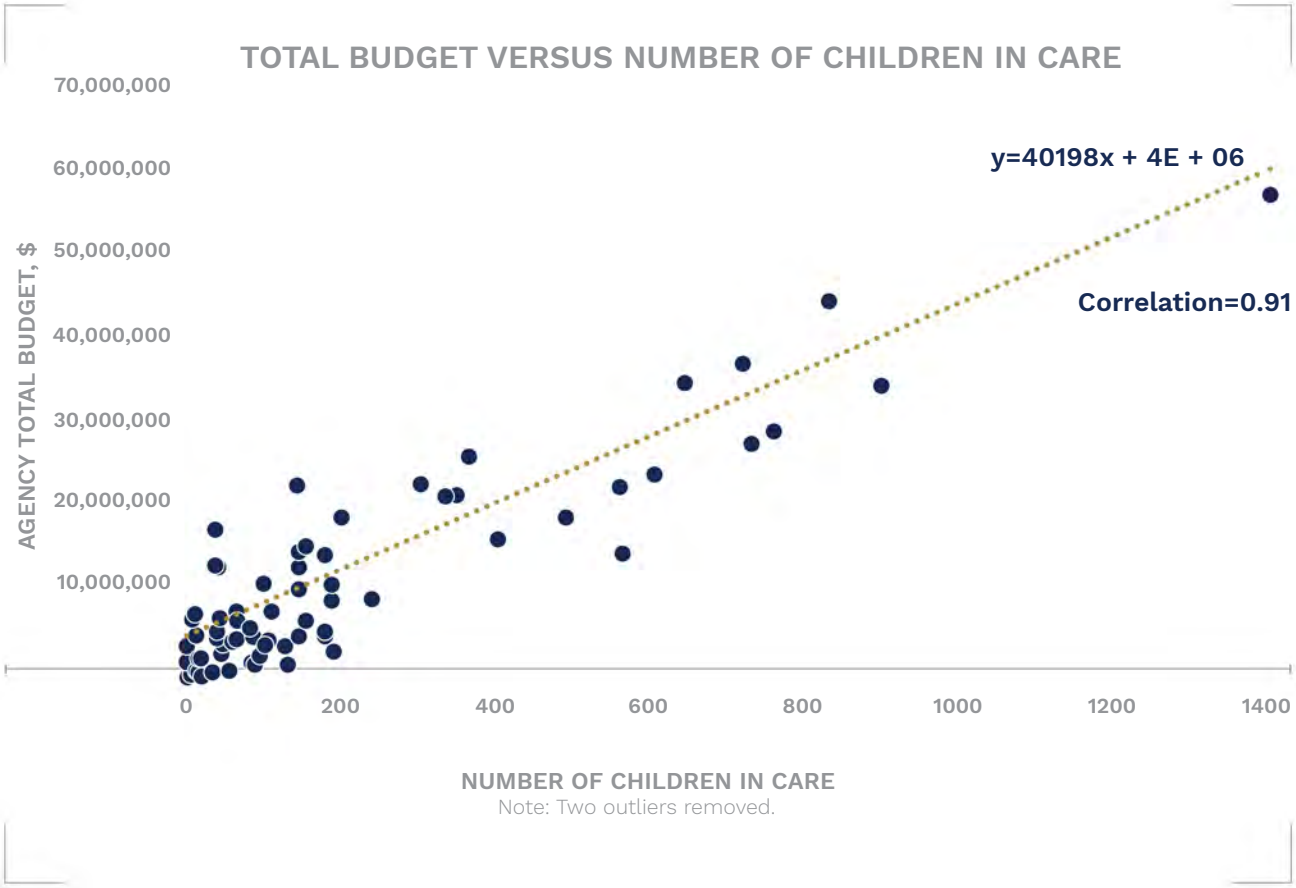
INDEPENDENT VARIABLES	DEPENDENT VARIABLES
▪ Remoteness (distance to city center) ▪ Accessibility (by year-round road to communities served) ▪ Child population served ▪ Number of offices ▪ Number of communities served ▪ Children in care	▪ Total budget ▪ Staff total ▪ Salary and benefits expenditures ▪ Professional or contract services expenditures ▪ Travel expenditures ▪ Overhead and other expenditures ▪ Repairs and maintenance expenditures ▪ Protection and maintenance program expenditures ▪ Prevention program expenditures

Across typologies and the general population, there was no consistently strong relationship other than that between total budget and children in care. This result suggests that regardless of agency characteristics, children in care is what drives budgets. This also suggests that as an indicator of total costs, the number of children in care is a reliable way of estimating the total cost of the current system. The result confirms that the system operates as designed by unlocking funding when a child is placed in protection.

The number of children in care correlates tightly with total budget (see Figure 30). Total budget was used to test expenditure behaviour as it should be independent of the source of funds. This approach permits an assessment of cost behaviour independent of individual provincial agreements. With the strength of the relationship, children in care is used as the cost driver because it is by far, the most reliable cost driver to forecast the baseline funding requirement, i.e. protection focused. Children in care, while it serves as a forecasting baseline, represents the

minimum baseline of funding required to ensure that children are safe. Additional programing requirements, tied to desired outcomes, are built from this base scenario.

FIGURE 30



IFSD's analysis provided a financially-driven description of the program's current state, presented a means of organizing agencies by typology, and defined key program activities of agencies and the challenges and opportunities therein. The data confirmed what stakeholders may have intuitively known: the current program structure is underfunded, reinforces protection, and does not deliver results. An improved prevention-focused future state is desired but will require a structural change in funding and a holistic vision of child well-being.

Costing

The cost estimations in this project are designed to provide a baseline profile of financial and operational characteristics of FNCFS agencies based on the current program and to estimate needs-based supplementary expenditures for a desired future state. The future state models derive from agency consultations and expert counsel (from a roundtable hosted by IFSD) on improving child, family and community well-being among First Nations.

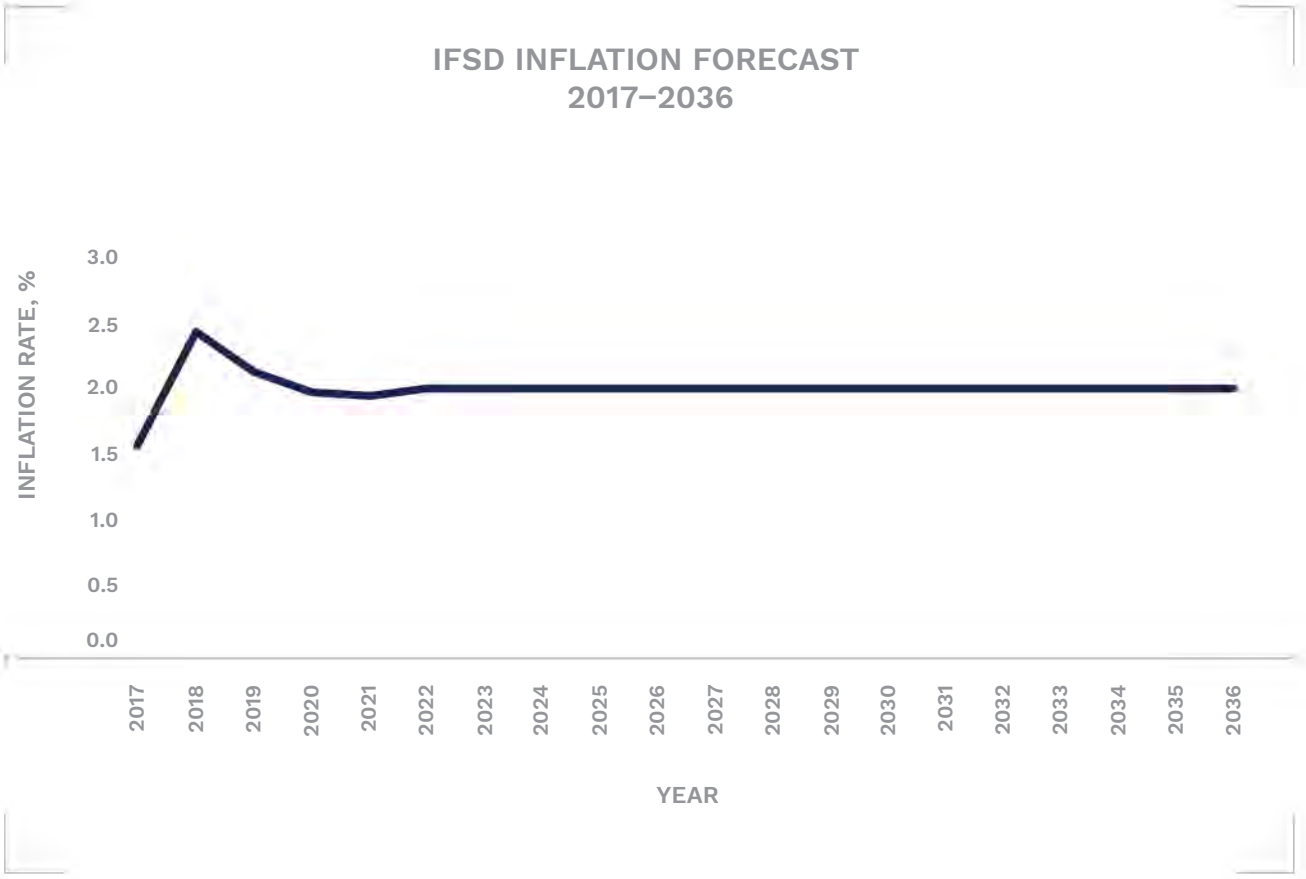
A costing is an estimate of the financial resources required for an activity over time, based on a series of assumptions about independent variables, such as population growth. A costing does not produce a single number, but rather a range of estimates based on a variety of scenarios. As an estimate, a costing is not absolute but is meant to be indicative of future expenditure requirements based on current trends and assumptions about the future. For this project, two sets of cost estimates are produced: 1) a baseline profile of the current program's costs into the future; 2) estimates of needs-based expenditures for an alternative program model focused on well-being.

For each of these cost estimates, population and inflation are applied as growth factors. Widely used, population and inflation changes are applied to existing program costs to estimate their costs into the future. For cost models in this project, two population growth scenarios and three inflation assumptions are used to present a range of possible costs.

INFLATION

Inflation is the rate at which the price of a basket of goods and services is projected to increase overtime, reflecting the decrease in purchasing power of a currency. IFSD's inflation forecast, holding steady at 2% to 2036 is used in this project's calculations (see Figure 31). Other agencies, such as the Bank of Canada and the Parliamentary Budget Office have similar long-term inflation forecasts. Scenarios with inflation at 2%, 2.5% and 3% were calculated to illustrate cost impacts, should the inflation rate change. Inflation was applied to program costs and compounded over time.

FIGURE 31



POPULATION SCENARIOS

Custom population projections were requested from Statistics Canada to project the population growth of First Nations in Canada for all ages and for the 0–18 age group. Statistics Canada produces a total of five scenarios for these population projections,[43] two of which are used for cost estimates in this project. The convergence scenario assumes that gradually, the fertility rate of First Nations will converge to that of the general population (see Appendix J). This implies a decline in the First Nation population over time. Deemed the 'reference' scenario, all other scenarios differ from this (the convergence scenario) by only one element. The constant scenario is also used (see Appendix J). This scenario assumes that the fertility rate among First Nations does not converge with that of the general population. This implies that the First Nations population is expected to grow over time. Sharing similar slight

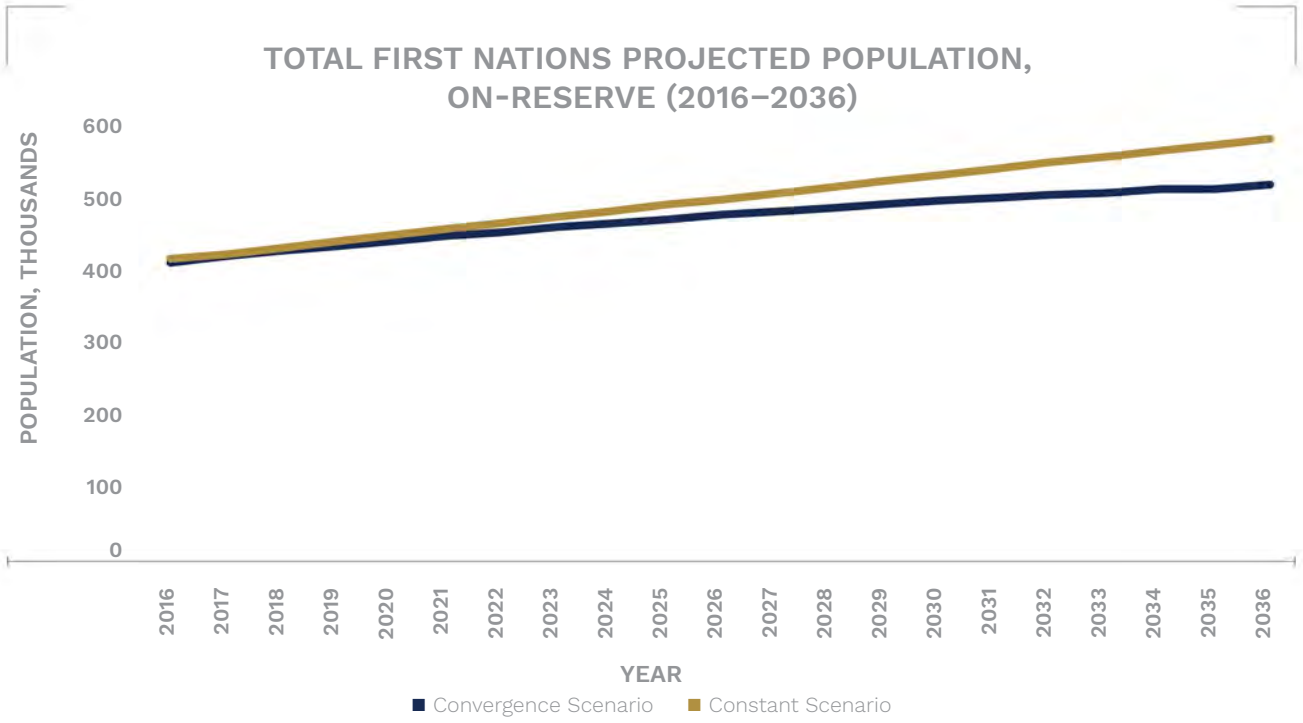
[43] Detailed descriptions of Statistics Canada's scenarios are available here https://www150.statcan.gc.ca/n1/pub/91-552-x/2015001/section06-eng.htm.

upward trends, the convergence scenario trends downward as the constant scenario grows the population into 2036 (Figure 32).

As with the general First Nations population projection on-reserve, the 0–18 population initially increases in both the convergence and constant scenarios. The convergence scenario however, trends steeply downward as the constant scenario trends upward (Figure 33).

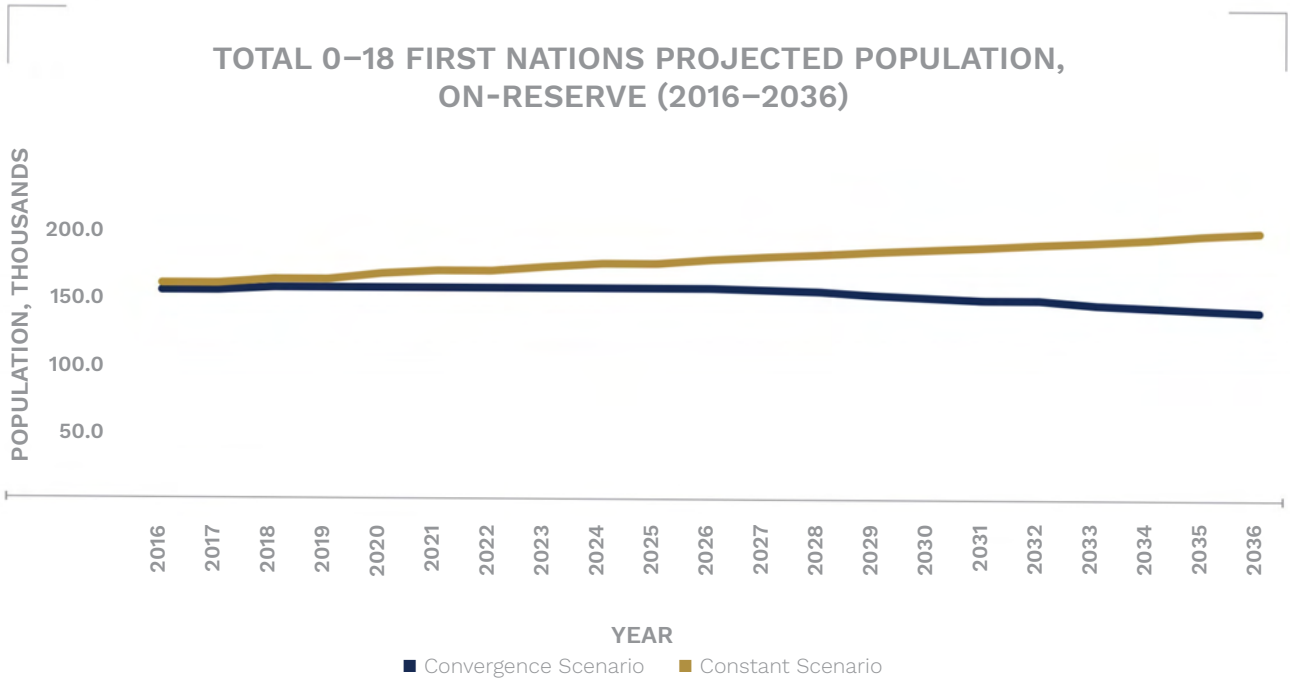
Total populations and projections were provided at five-year intervals. Growth rates were interpolated on an annual basis (see Appendix J) in order to estimate yearly program costs. The total population growth rates were applied to current total agency catchment populations to estimate the costs of prevention funding per capita. The agency catchment populations were a custom tabulation developed with Statistics Canada's census data. For the child population in the custom catchments, the 0–19 population was used. This slight difference between the catchment and 0–18 population projection age group is a function of the census data that was used in the custom catchment tabulations.

FIGURE 32



Source: Statistics Canada (2015), Projections of the Aboriginal Population and Households in Canada, 2011 to 2036.

FIGURE 33



Source: Statistics Canada (2015), Projections of the Aboriginal Population and Households in Canada, 2011 to 2036.

The only instance in which the 0–18 growth rate is applied to the 0–19 age group is when the number of children in care is being imputed for 22 non-responding agencies in the children in care calculations (see Table 6). In all other instances, when calculating future numbers of children in care, the 0–18 growth rate is applied to current numbers of children in care, that covers the 0–18 age group. The 0–18 category however, makes up most of the 0–19 age group, and is hypothesized to have sufficiently similar growth trends over time. Thus, the groups are considered sufficiently similar to apply the 0-18 growth rate onto the 0–19 population base from 2016.

CHILDREN IN CARE

The number of children in care reported by agencies participating in the survey was 15,786 for fiscal year 2017–2018. To estimate the projected number of children in care for the entire system (including non-responding agencies) and to project the number of children in care in future years, two calculations of children in care were undertaken. One approach uses the agency self-reported number of children in care and

assigns the average children in care for non-responding agencies. The other approach calculates the rate of children in care as a percentage of the child population served, and applies that rate to non-responding agencies by using their Statistics Canada defined total child population served. Two different estimates of children in care are produced (see Table 6).

TABLE 6
OVERVIEW OF CHILDREN IN CARE ESTIMATE CALCULATIONS

	ESTIMATED NUMBER OF CHILDREN IN CARE (2017–18)	DEFINITION	ESTIMATED TOTAL SYSTEM COST ($63,136.87/CIC)
Average number of children in care	20,032	▪ Using only data from agencies that reported their children in care (CIC) (n=82, CIC=15,786), an average number of children in care was calculated (15,786/82 = 193). ▪ The imputed average number of children in care (193) was applied to 22 non-responding agencies, for a total of 4,246 children in care (193 x 22 = 4,246). ▪ The estimated system total children in care was calculated as follows: (15,786 + 4,246) = 20,032.	$1.27B
Children in care as a % of total child population served	19,252	▪ Using only data from agencies that reported their children in care (n=80, CIC=15,664) and having Statistics Canada's custom agency catchments of total child population served for those agencies (n=80, total child population served=91,285), a rate of children in care of 17.2% was calculated by dividing children in care by the total child population served ((15,664/91,285) x 100% = 17.2%). ▪ For agencies that did not report their children in care (n=22), the rate of 17.2% was applied to Statistics Canada's custom agency catchments of total child population served for twenty-two agencies (18,615 x 17.2% = 4,681). ▪ Among agencies who reported their children in care (n=82), two agencies did not have custom agency catchments of total child population served as they were deemed incompletely enumerated by Statistics Canada, meaning that data collection on-reserve was not permitted or interrupted. For these two agencies, the average number of children in care (193) was assigned (193 x 2 = 386). ▪ The estimated system total children in care was calculated as follows: 15,664 + 3,202 + 386 = 19,252.	$1.22B

Projections of children in care up to 2036 were estimated using four approaches that combine the two approaches for estimating the total number of children in care (described in Table 6 above) and the convergence and constant population growth scenarios from Statistics Canada (discussed in the population scenarios section). Table 7 provides a summary of the four combinations used to estimate future numbers of children in care on an annual basis. The growth rates were interpolated from custom population projections from Statistics Canada for the 0–18 age group. The custom agency catchment data to identify the total child population served uses the 0–19 age group, due to the limitations of census age categorizations (the 0–18 age group is considered sufficiently representative of the 0–19 group for reasonable application of the growth rate).

Using the convergence scenario, the number of children in care increases until roughly 2026 before declining. Using the constant scenario, the number of children in care increases (see Figure 34 and Figure 35). For the complete children in care estimates, see Appendix K.

TABLE 7
DATA AND ASSUMPTION COMBINATIONS FOR ESTIMATING PROJECTIONS OF CHILDREN IN CARE (CIC)

Average number of CIC + CONVERGENCE population scenario	Average number of CIC + CONSTANT population scenario
CIC as a % of total child population served + CONVERGENCE population scenario	CIC as a % of total child population served + CONSTANT population scenario

FIGURE 34

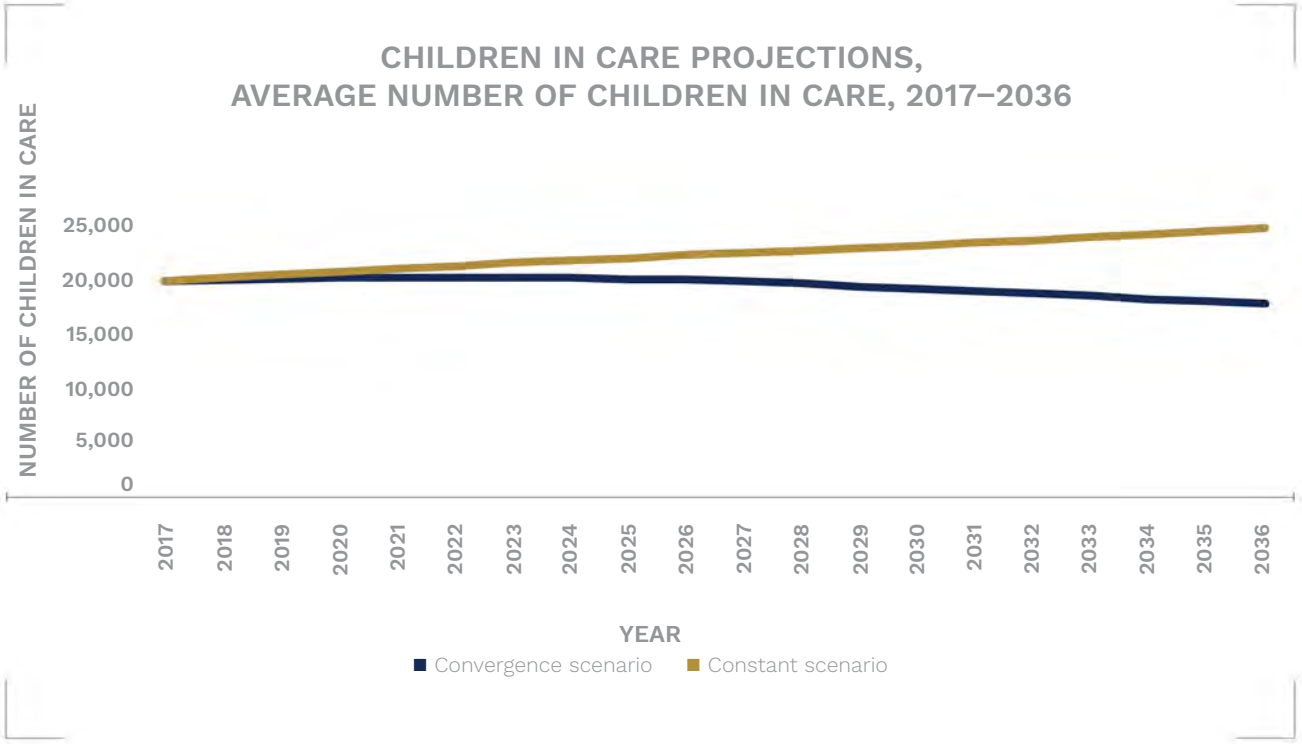
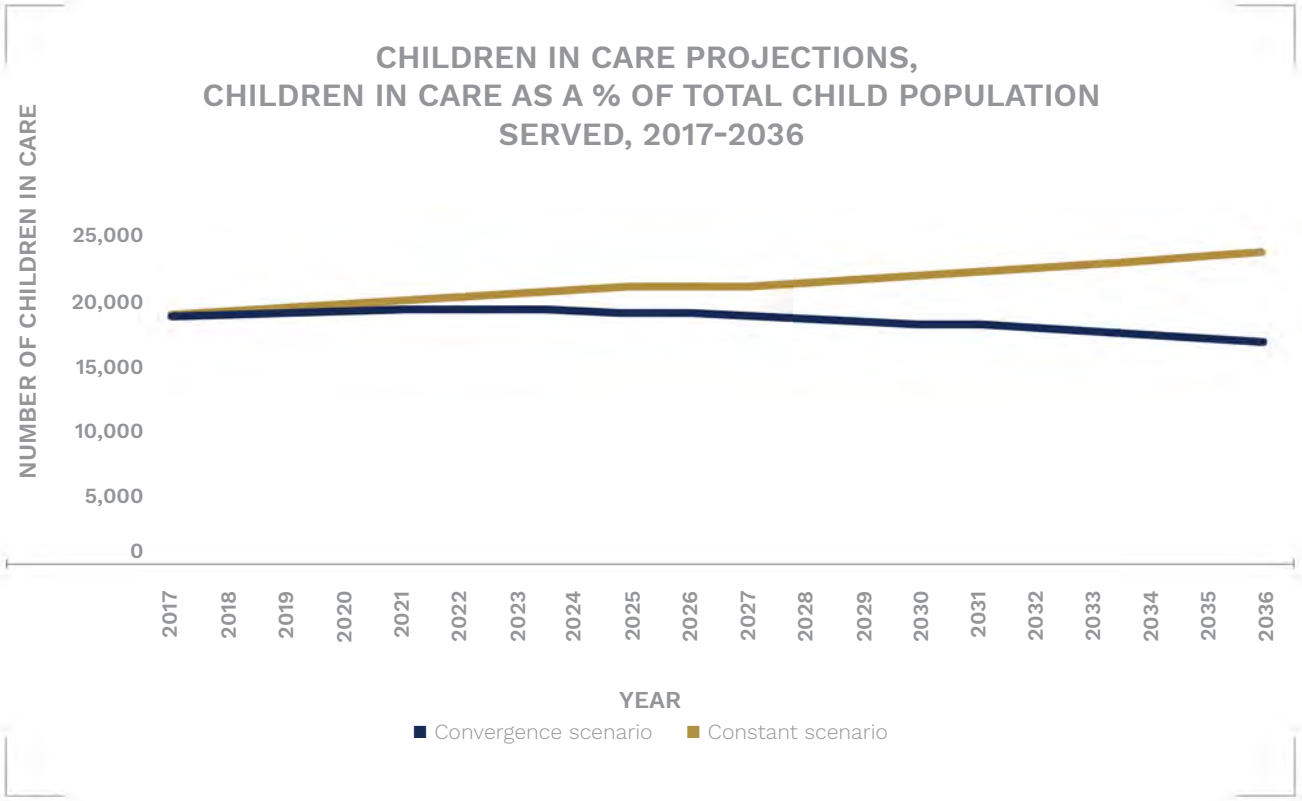


FIGURE 35



CURRENT STATE

With estimates of children in care, the total costs of the current FNCFS program can be estimated into the future using the per capita cost of a child in care with population and inflation as growth factors.

To calculate total program costs, the following formula was used:

TOTAL COST = POPULATION X (AVERAGE COST X INFLATION)
Example:
Population = 100 children in care
Average cost = $500 per child in care
Inflation = 2%
Total cost = 100 (500 x 1.02)
Total cost = $51,000

In the current FNCFS system, approximately $1.3 billion was spent this year with poor results for First Nations children, families and communities (see Table 8). The baseline cost of the current system was calculated using survey data. Total budgets were tabulated for all responding agencies (n=77, $965 million). For those agencies that did not respond, the average budget of approximately $12 million ($965 million/77) was imputed. To estimate the total cost of the current system, the budgets of the responding agencies, plus the value of the non-responding agencies (n=27) were tabulated, with a system cost estimated at $1.3 billion.

TABLE 8
CURRENT SYSTEM EXPENDITURE OVERVIEW

TOTAL BUDGET (N=77) All sources of funds, rounded	**$965,000,000**
Estimated total system cost, rounded (n=104)	$1,300,000,000
Average budget per agency (n=77) All sources of funds, rounded	$12,000,000
Total children in care (n=82)	15,786

FIGURE 36

RATIO OF FEDERAL PROTECTION VERSUS PREVENTION EXPENDITURE

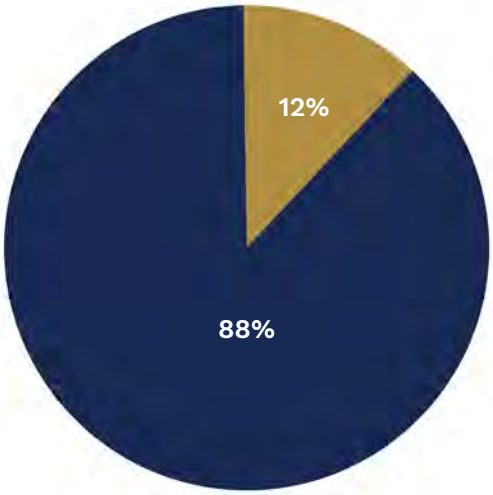


TABLE 9
CURRENT SYSTEM AVERAGE EXPENDITURES

AVERAGE COST/CIC (N=76), ROUNDED	$63,137
Average prevention (federal only)/per capita (total population served) (n=55), rounded	$416

The current FNCFS program's incentive to place children in care is reflected in federal funding allocations with 88% of federal funding dedicated to protection versus 12% of federal dollars allocated to prevention (see Figure 36). On a per capita basis, federal prevention spending across an agency's catchment population (all ages, not only children) is approximately $416 (Table 9).

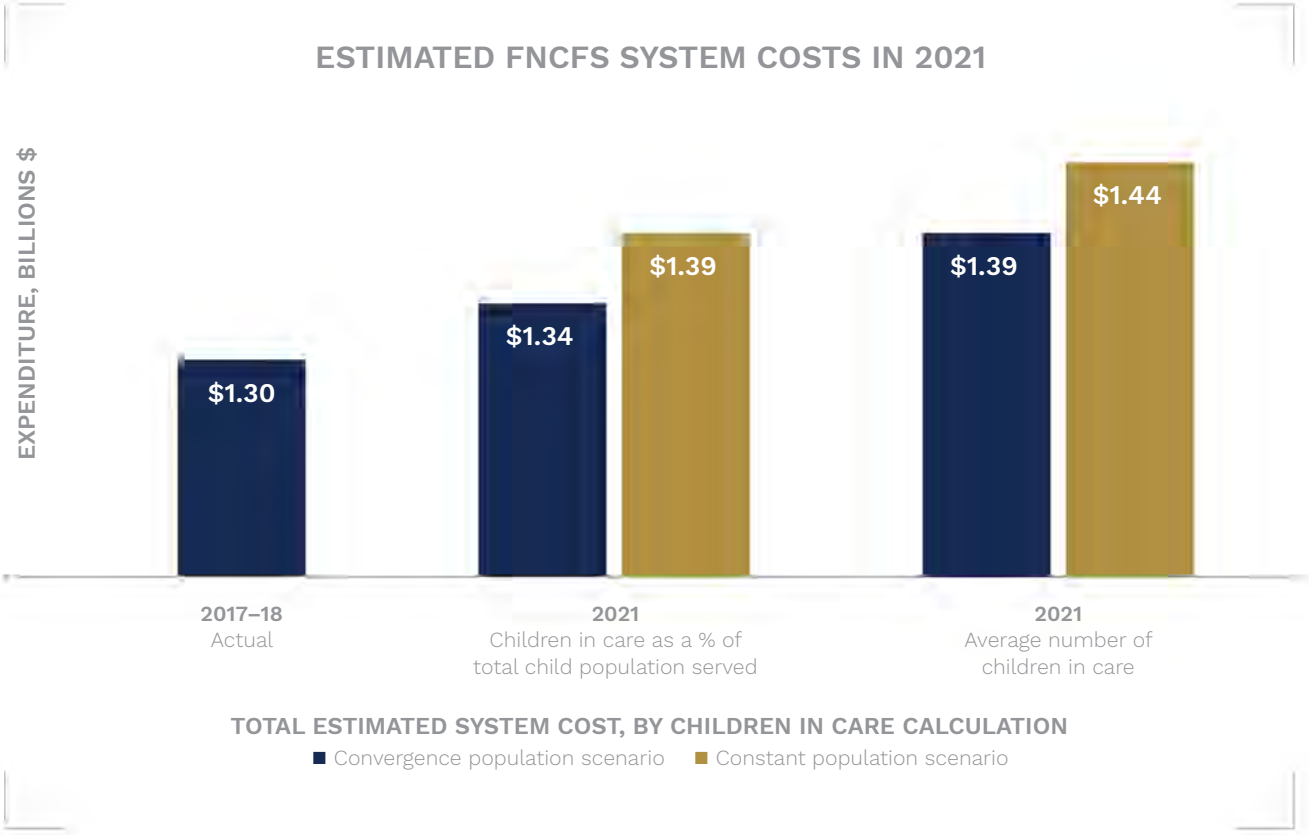
In the current program state, system-wide agency expenditures are expected to increase due to demographic and inflationary pressures. To estimate the total cost of the current FNCFS system in future years, the average cost of a child in care adjusted for population and inflation is used. As a function of total budget, the average cost of a child in care was determined by dividing the total budget by the reported number of children in care (using only data from agencies that answered both

questions (n=77, $965 million/15,786 CIC). With the strength of the relationship between children in care and total agency budget, it is the most reliable driver of cost for the current system.

Assuming no program changes, the cost of the FNCFS system is estimated by taking the current per capita cost of a child in care, approximately $63,137, and multiplying by inflation and population. See Appendix L for an overview of the total system cost using four estimates of projected numbers of children in care and three inflation scenarios (2%, 2.5% and 3%). These models provide a range of potential scenarios, reflecting that a costing does not produce a single number, rather a range based on hypothetical contextual changes (i.e. population and inflation, for this report).

Net annual increases over the next three years range from $40M to $140M (see Figure 37). The ranges result from the four children in care projection scenarios. If the program and its structure remain the same, system-wide expenditure needs will continue to increase over time without any commensurate improvements in outcomes for First Nations children.

FIGURE 37



FUTURE STATE

ENABLING CHILDREN TO THRIVE

There was consensus among agencies, experts and existing research that the holistic well-being of children, families and communities was crucial to improve outcomes for children. Through research from existing literature, consultations with agencies during workshops and an expert roundtable[44] a future normative state for agencies was developed, rooted in the vision *enabling children to thrive.*

A normative state is premised on a restructuring of the current system to fund for outcomes. This requires a new funding model that enables agencies to drive outcomes as opposed to the current model that funds inputs and outputs, with an incentive to place children in care to unlock funding.

The message from agencies and experts was clear: FNCFS is not only about safety, it is about well-being. There are contextual challenges connected to poverty, inadequate housing, access to potable water and, intergenerational trauma, among others that disadvantage First Nations communities and future outcomes for children. FNCFS agencies are not alone the solution; they are one important part of the holistic network of service, care and infrastructure needed to support well-being. With 44% of households in communities served by FNCFS agencies below their provincial poverty line, there are broader challenges that remain and that must be addressed.

An emphasis on children thriving does not eliminate the safety role that agencies will have to continue to play, but refocuses the agency's role to encompass additional services that target multiple, interdependent components of a child's environment which are shaped by the social determinants of health. Equipping FNCFS agencies with the resources and tools to combat issues broader than protection (i.e. the "causes

[44] IFSD convened experts in child welfare, Indigenous health, substance misuse, and performance measurement in November 2018 for a one and a half-day roundtable on refining a normative state of FNCFS. The roundtable built on the desired goals of agencies shared during the workshops. The experts worked with IFSD to develop a series of goals, indicators, and required resources for communities and agencies to frame a new way forward for FNCFS agencies that are focused on well-being of children, families, and communities.

of the causes" which drive children into care) is what can make a sustainable difference for outcomes of at-risk children, their families and communities.

The path to a future state informed by context and focused on well-being must include families and communities (see Figure 38). To this end, funding gaps related to poverty, prevention, capital and technology must be addressed.

FIGURE 38

LINKING SAFETY, CHILD, FAMILY AND COMMUNITY WELL-BEING

FUTURE STATE OVERVIEW

Poverty

In this report, poverty is used euphemistically as a marker of the contextual inequities and disadvantaged starting points of many First Nations people living on-reserve. Challenges such as inadequate housing, lack of potable water, limited access to broadband internet, intergenerational trauma, food security, etc. influence people, communities and the organizations that serve them. While not directly within the mandate of FNCFS agencies, these contextual matters contribute to the substantively inequitable point of departure for First Nations children, families and communities and the work of agencies.

An improved funding model and outcomes-based performance structure for FNCFS agencies will not solve broader contextual challenges or repair all existing service gaps. For instance, over half of responding agencies reported being unable to access services at reasonably commutable distances (Figure 39), and a majority of all agencies reported significant service gaps in mental health services, addiction treatment centres, and medical specialists for their communities (Figure 40).

This next section is designed to highlight specific challenges related to poverty through the lenses of household income, with connections to child welfare. Gaps in housing, water and broadband internet access are highlighted as they are impediments to any sustainable progress. While costing these specific gaps are beyond the scope of this project, these and other gaps are highlighted as critical directions for future studies and needs assessments.

FIGURE 39

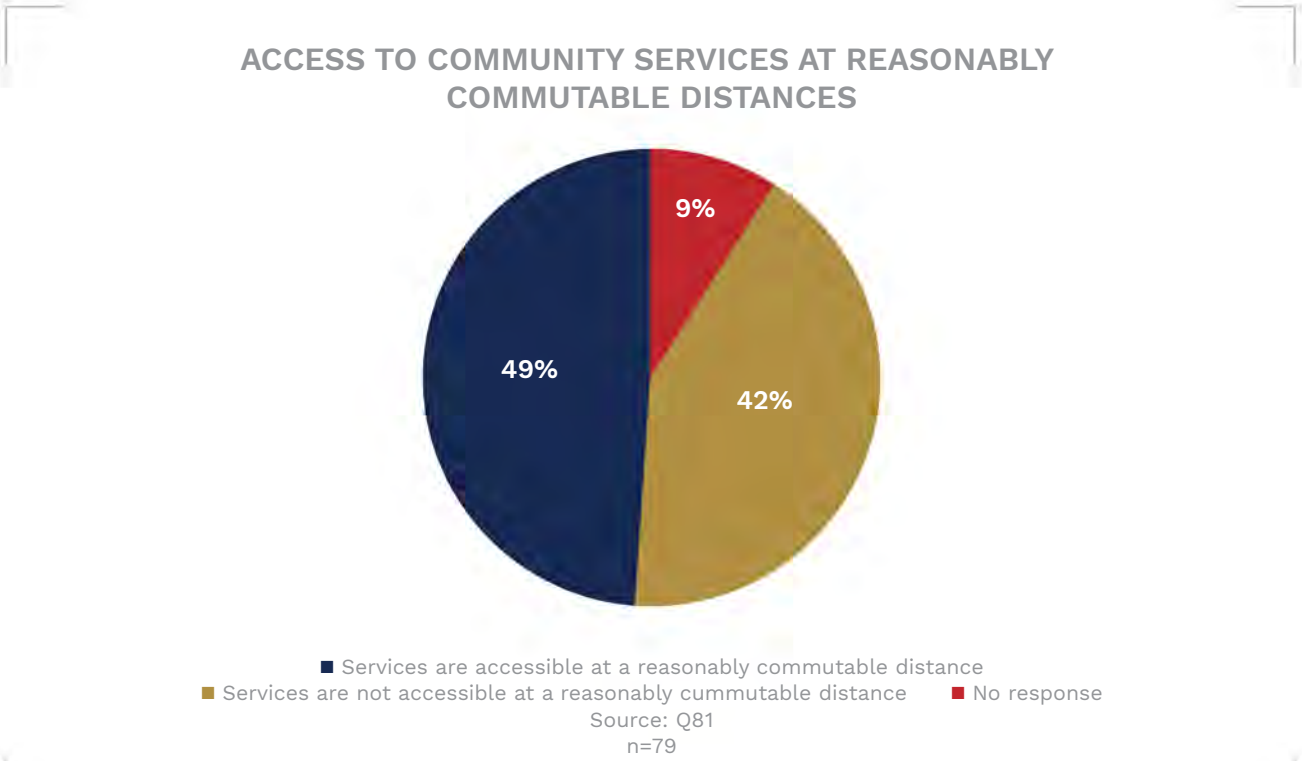
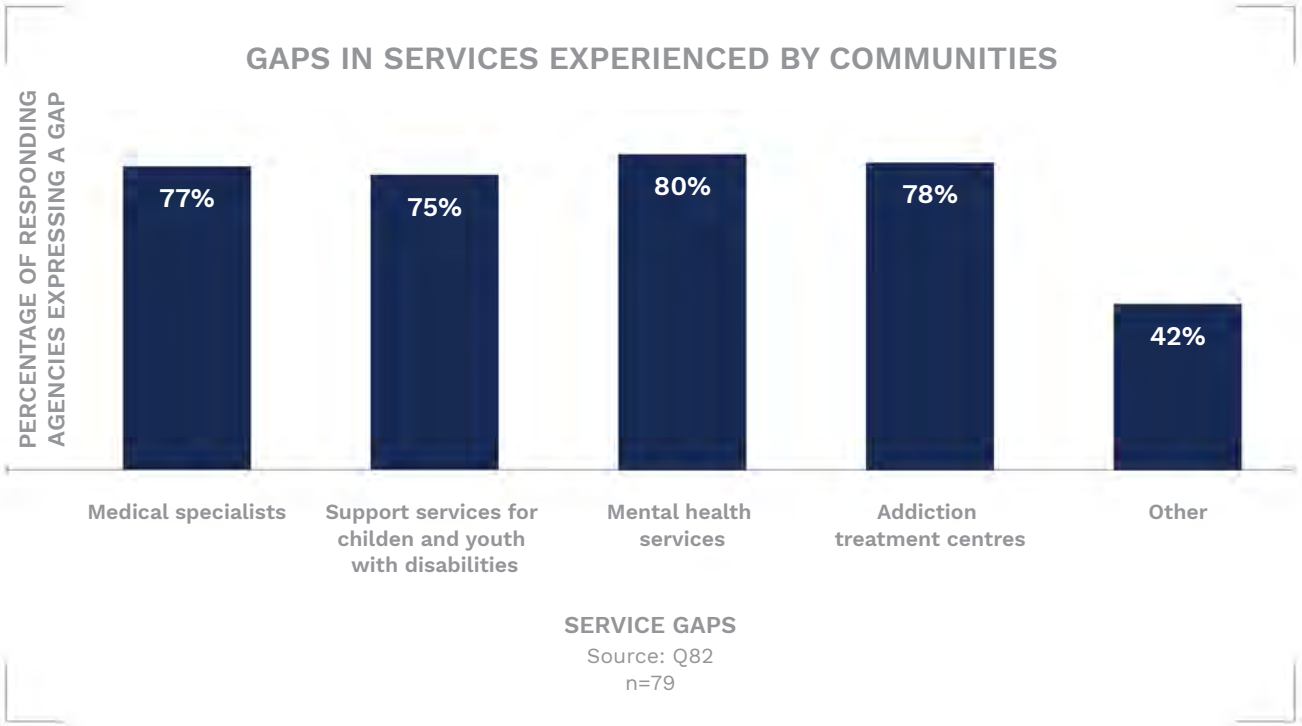


FIGURE 40



POVERTY AND CHILD WELFARE

As Gustavsson and MacEachron (2010) assert, "there is little disagreement about the association of poverty with child welfare involvement."[45] Individual poverty levels—and increasingly, community poverty levels—have been repeatedly linked with a multitude of negative child welfare outcomes. Precisely identifying poverty's repercussions can be difficult, as its influence is broad, and its ramifications can vary.

From a national perspective, nearly half of all households on-reserve (44%) served by FNCFS agencies are below their provincial poverty line (see Figure 41 and Figure 42). Using Statistics Canada's "Official Poverty Line," known previously as the "Market Based Measure," household poverty was assessed on a provincially-defined basis (with variation by population size).[46] The median household income was compared to that of their provincial poverty line. Populations in Saskatchewan and New Brunswick have more households on-reserve below than above their provincial poverty lines.

[45] Nora Gustavsson and Ann E. MacEachron, "Poverty and Child Welfare, 101 Years Later," *National Association of Social Workers* (2010), 279.

[46] Agency specific catchments were tabulated by Statistics Canada and assume that on-reserve populations are exclusively First Nations. While Household Median Total Income is not divided by Aboriginal identity, the specificity of the catchment assumes that all respondents are on-reserve First Nations. The provincially-specific Mixed Basket Measure is available for urban and rural areas. For this report, the measure applied was that for a population under 30,000, since most communities have populations below 10,000. Excluded exclusively from the household median income analysis is Toronto-based Native Child and Family Services. The urban agency serving off-reserve populations was an outlier relative to the other 103 agencies. For reliability and specificity of the analysis, the outlier was removed.

FIGURE 41

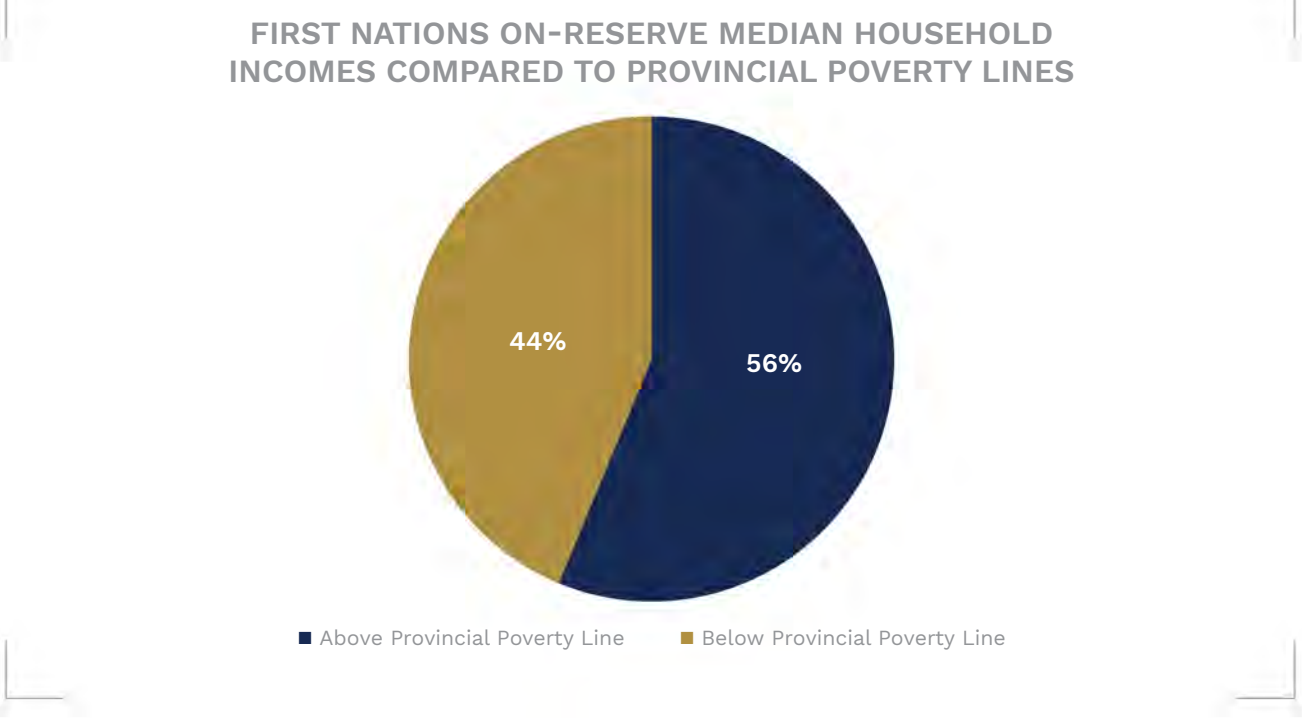
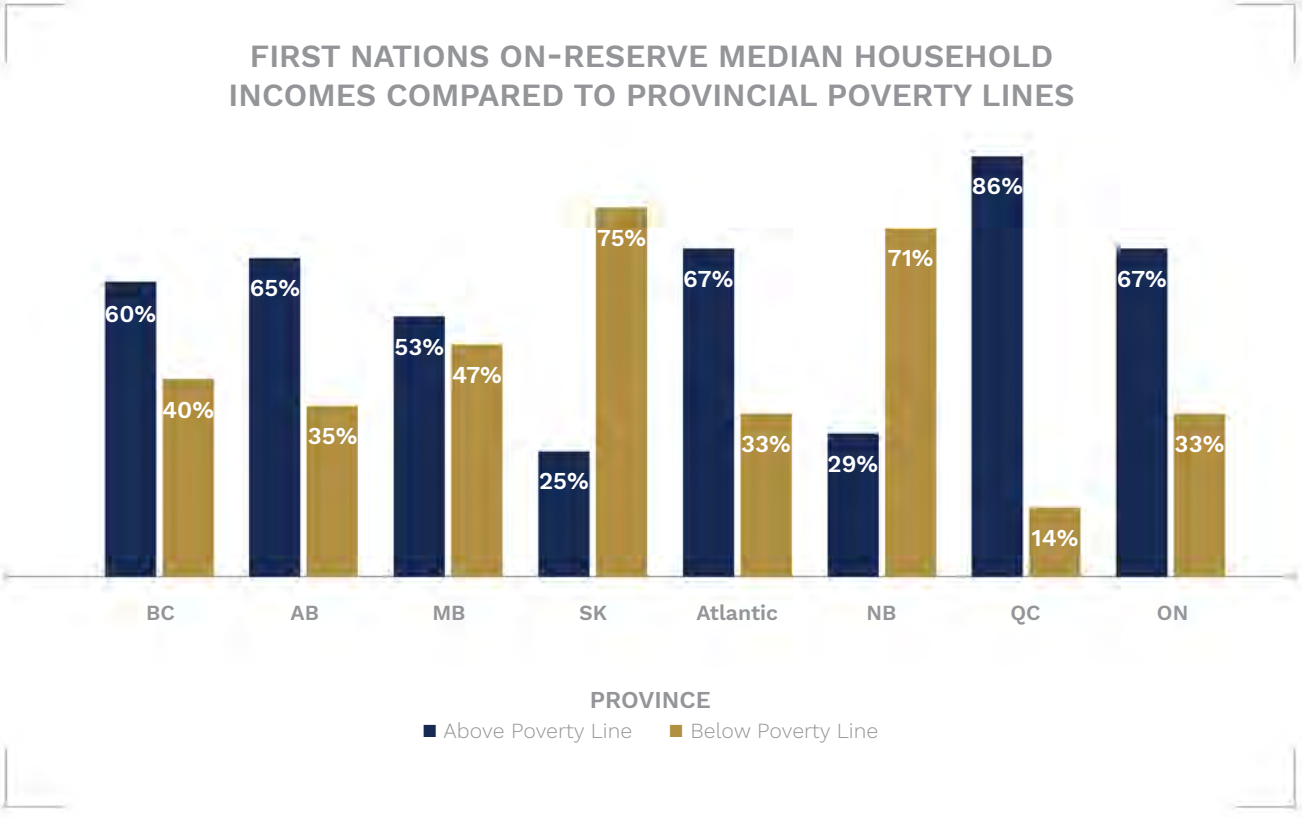


FIGURE 42



A household is considered to be in poverty if it does not have enough money to buy a specific basket of goods and services that allows it to meet its basic needs and achieve a modest standard of living in its community. As this measure is based on having or not having enough money to purchase a fixed basket of goods and services, it is an absolute measure of poverty.[47]

An estimated $205M investment is needed just to raise all households on-reserve to their provincial poverty lines (by comparison, the gap to raise these households to the median household income of their provinces is roughly $2.6B).

Typical child welfare systems are not always effective at addressing overarching issues such as poverty. Rather, they function to address the immediate needs of children and families interacting with the system, with intervention often times targeting the symptoms of the issue rather than the issue itself.[48]

The current FNCFS program is safety-focused, with an emphasis on placing children in care. This approach—while designed to ensure children's lives are not endangered—fails to address challenges to the holistic well-being of children and families, and not addressing their underlying causes. Designing public policy to address a 'problem' (like child safety) is different than designing policy to address the "broader social inequalities from which problems stem,"[49] with for instance, a focus on well-being.

There is a strong association between poverty and child abuse and neglect.[50] In addition to a lack of material resources, the stress of living in poverty can lead to issues with child safety and to the "accumulation of negative life experiences that contribute to increases in risk factors such as depression, low self-esteem, or substance abuse," which can lead to challenges in the family's ability to properly protect and nurture

[47] Statistics Canada, "Mixed Basket Measure," November 27, 2015, https://www150.statcan.gc.ca/n1/pub/75f0002m/2014003/mbm-mpc-eng.htm.

[48] Gustavsson and MacEachron, 2010.

[49] David Berridge, "Theory and explanation in child welfare: education and looked-after children," *Child and Family Social Work,* Vol 12 (2007), 8.

[50] L. H. Pelton, 2015, "The Continuing Role of Material Factors in Child Maltreatment and Placement," *Child Abuse Neglect,* 41 (Mar 2015).

their children.[51] The challenge of intergenerational trauma may only be compounded in these instances.

When a parent or family is living in poverty, the impacts on the child can be cumulative: "children can be hungry, be living in substandard housing or be homeless, be unsupervised while a parent works or is meeting other responsibilities, be truant from failing schools, lack medical care, or have a caretaker with untreated mental illness or substance abuse."[52] The stressors that exist for children living in poverty can lead to emotional and behavioral problems as well as further disruptions in schools and to friendships.[53]

Poverty is also associated with poor early childhood development and is a risk factor for family breakdown, both of which have been linked to poor educational performance in children.[54] While the primary aim of child welfare services is to protect the child from further maltreatment and abuse, many of these programs do not address poverty as a root cause of these outcomes.

Economically distressed areas experience higher rates of child maltreatment reports, that often correlate with inadequate housing and single-parenthood.[55] Community poverty has also been linked to health disparities and language development in children.[56] Naturally, this implies that interventions at the level of the community are critical for children's development, especially in disadvantaged circumstances.[57]

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[51] Vandna Sinha, et al., "Understanding the investigation-stage overrepresentation of First Nations children in the child welfare system: An analysis of the First Nations component of the Canadian Incidence Study of Reported Child Abuse and Neglect," *Child Abuse and Neglect* (2008), 823.

[52] Gustavsson and MacEachron, 2010.

[53] Masten, Miliotis, Graham-Bermann, Ramirez, and Neemann "Children in homeless families: risks to mental health and development," *Journal of Consulting and Clinical Psychology,* Vol 62, No. 3 (1993), 335.

[54] Berridge, 2007, p. 1; Patrice L. Engle and Maureen M. Black, "The Effect of Poverty on Child Development and Educational Outcomes," *Annals of the New York Academy of Sciences* 1136, no. 1 (2008).

[55] See for instance Gustavsson and MacEachron, 2010; Brenda D. Smith, et al., "Child maltreatment in rural southern counties: Another perspective on race, poverty and child welfare," *Child Abuse and Neglect,* 80 (2018), 52–61.

[56] CA Farrell, EW Fleegler, MC Monuteaux, et al. "Community Poverty and Child Abuse Fatalities in the United States," *Pediatrics,* Vol. 139, No. 5 (2017), 2.

[57] Alice K Butterfield, James L Scherrer, and Katarzyna Olcon, 2017, "Addressing Poverty and Child Welfare: The Integrated Community Development and Child Welfare Model of Practice," 60, no. 2; Gordon Jack, "Child Protection at the Community Level," 13, no. 6 (2004).

Housing:

The link between housing and improved health and well-being is well established.[58] On First Nations reserves however, access to and the quality of housing have been persistent problems. In 2016, 44.2% of First Nations people living on-reserve lived in a home that needed major repairs.[59] An earlier study suggested that 94% of First Nations had waiting lists for housing and that for 30% of those on the lists, the wait was four to six years.[60] Waitlists for housing far exceed the capacity of First Nations to build new homes.[61]

While there is agreement that a housing shortage exists on-reserves, the number of units needed is often debated. There is no federal legislation that addresses housing on-reserve, although the federal government retains accountability. It is currently ISC that provides some funding for on-reserve housing through the First Nation On-Reserve Housing Program, with an annual budget of $143 million.[62]

The literature suggests that policies have thus far neglected to address the multigenerational impact of poverty as well as the need to focus on community aspects of poverty. Without a focus on creating greater equality within communities, the child welfare system will continue to support one-off interventions that do not address the root causes of poor outcomes for children.[63]

[58] World Health Organization, 2018, "WHO Housing and Health Guidelines," S.1.1.

[59] Statistics Canada, 2017, "Census in Brief: The housing conditions of Aboriginal people in Canada."

[60] Assembly of First Nations, 2013, "Fact Sheet—First Nations Housing On-Reserve."

[61] Senate of Canada, 2015, Standing Committee on Aboriginal Peoples, "Housing on First Nations Reserves: Challenges and Successes," p. 6.

[62] ISC, 2018, "First Nation On-Reserve Housing Program."

[63] Pickett, Kate and Richard Wilkinson, "The Ethical and Policy Implications of Research on Income Inequality and Child Well-being," *Pediatrics,* Vol. 135, No. 2 (2015), 39.

Water:

The problems with access to safe-drinking water on-reserve are well-documented and long-standing. The federal government is legally and financially responsible for First Nations drinking water on-reserve. The *Safe Drinking Water for First Nations Act* came into effect in 2013, and allows the federal government to develop regulations surrounding: access to safe, clean, and reliable drinking water; effective treatment of wastewater; and protection of sources of drinking water on First Nations lands. First Nations are responsible for the design, construction, and operation of their water systems (though this process is overseen by ISC).[64] First Nations split construction, operation, and maintenance costs 20/80 with ISC.[65]

A 2017 report by the Parliamentary Budget Officer suggested that 560 First Nations were served by 807 drinking water systems,[66] with water delivered to reserves through three principal means: piped systems (72%), water truck deliveries (13.5%), and individual water wells (13%).[67] Long- and short-term water advisories abound. ISC reports 66 current long-term drinking water advisories (lasting longer than 12 months)[68] and 42 short-term advisories (which last less than 12 months).[69] Federal approaches and policies on water have not accounted for the diversity of water management challenges on-reserve,[70] nor for the jurisdictional confusion on roles and responsibilities.[71]

Reliance on social services was also found to be linked to involvement with protection services. Evidence suggests that bias exists within the system when the child welfare system is involved with First Nations families. Further analysis using data from the CIS-2008 study found

[64] T. Simeone, and Troniak, S., 2012, Library of Parliament, "Legislative Summary of Bill S-8: The Safe Drinking Water for First Nations Act," p. 2.

[65] Simeone and Troniak, 2012.

[66] Office of the Parliamentary Budget Officer, 2017, "Budget Sufficiency for First Nations Water and Wastewater Infrastructure," p.4.

[67] Office of the Parliamentary Budget Officer, 2011.

[68] ISC, 2018, "Ending long-term drinking water advisories."

[69] ISC, 2018, "Short-term drinking water advisories."

[70] C. Gulli, 2015, "Why can't we get clean water to First Nation reserves? (interview with Dr. Lalita Bharadwa)" Maclean's.

[71] Simeone and Troniak, 2012.

that "the weight that workers assigned to caregiver substance abuse, housing problems, and presence of a lone caregiver when substantiating neglect [differs] for First Nations and non-Aboriginal children."[72] In order to meet the needs of First Nations families, child welfare services must be equipped to address these factors that disproportionately affect First Nations and influence the ability to care for children.[73]

Broadband:

The internet is a critical communication tool, especially for remote communities. There is a recognized lack of access to broadband on reserves, but the severity of the problem is difficult to diagnose given the lack of quantitative data. ISC (then AANDC) tracked broadband access for First Nations on its website, but the site has not been updated since 2012.[74] At the time, most First Nations had some access to broadband, but many were not operating at CRTC established minimum speeds.[75] In 2013, a report by the Centre for the Study of Living Standards estimated that 30% of reserves did not have access to broadband.[76] The Assembly of First Nations adopted a resolution calling for greater broadband access on reserves in 2008.[77] Ten years later, there may be consensus among First Nations, government officials and legislators that broadband access is an issue, but no decisive action has been taken.[78] Broadband access is more than an issue of internet connectivity, but one of access to services that connect to health, education, and well-being.

It is recommended that contextual issues such as poverty, be recognized and addressed through policy, programs and funding.

[72] Vandna Sinha, Stephen Ellenbogen, Nico Trocmé, 2013, "Substantiating neglect of first nations and non-aboriginal children," Children and Youth Services Review. Volume 35, Issue 12.

[73] Vandna Sinha, et al., 2008, 821.

[74] ISC, 2012, "Connectivity for Aboriginal and Northern Communities in Canada."

[75] ISC, 2012, "Connectivity for Aboriginal and Northern Communities in Canada."

[76] Centre for the Study of Living Standards, 2013, "The Contribution of Broadband to the Economic Development of First Nations in Canada," p.19.

[77] Assembly of First Nations, 2008, "Resolution no. 16/2008."

[78] See meetings no. 121–123, 126–128 of the Standing Committee on Indigenous and Northern Affairs. These meetings form part of a study on northern infrastructure which discusses, but does not fully elaborate on, reserve broadband access.

Prevention

Preventive child welfare services are a continuum of services from public education campaigns for the general population, to targeted programs for at risk populations, to intensive family preservation programs to assist families in crisis. Preventive care can address the physical and mental health of the child, can teach good parenting practices, can address underlying causes of neglect such as poverty and can counsel and support a family in crisis. More than a clinical approach to care, prevention programs and initiatives are designed to heal, and to promote the development of life skills. Preventive care can keep children out of the protection system, can support their reunification with their family (in an improved environment) after protection, and can also support children who are not in the protection system.

Programs such as Carrier Sekani Family Services' Intensive Family Preservation Services are designed to support families in crisis and provide them support to keep them together. This 28-day program includes in-home counselling and crisis intervention, the direct support of a clinician for 10 hours a week, as well as the ability to access support 24 hours a day, 7 days a week. The outcomes for children participating in the program have been positive. In 2016–17, of 66 participating cases, 61 have resided with their parents, 3 resided with extended family, and only 2 resided in foster care.[79]

When there are no options other than protection, Nisichawayashik Cree Nation Family and Community Wellness Centre developed an alternative to the placement of children in care. At their Nelson House (Manitoba) location, the Centre introduced the *Intervention and Removal of Parents Program* beginning in 2002. Novel at the time, the Centre worked to encourage a Band Council Resolution requiring the removal of anyone causing harm to children from a home on-reserve. As the landlord of all homes on-reserve, the Band Council could refuse tenancy to anyone harming children. The Centre could then keep children in need of protection in their homes with a member of their extended family or with an emergency worker. The approach flipped the traditional protection model on its head: instead of removing children from their

[79] Carrier Sekani Family Services, *2017 CSFS Annual General Assembly,* 2017, http://www.csfs.org/uploads/CSFS%2027th%20Annual%20AGA%20Booklet%20WEB.pdf.

home, parents were removed and were forced to face trauma as would their children being placed in foster care, not knowing where they were going or who would care for them. Since 2013, rates of children in care at the Nelson House location have declined from 167 to 114 in 2017.[80] According to the Centre, with the Removal of Parents Program and an integrated approach to family care, the agency has been able to reunify families 85% of the time.[81]

At its core, preventive care is about holistic, wrap-around services and support for a community in order to build social trust, that educates, and promotes health and wellness on multiple levels. Kanaweyimik Child and Family Services in Saskatchewan encourages a holistic approach to well-being by facilitating monthly inter-agency meetings with key service providers including those in health, social development, education, justice, members of the Royal Canadian Mounted Police (RCMP) as well as Kanaweyimik and band officials. The objective of these meetings is to improve services to community members by creating effective partnerships and awareness of what services are offered by various service providers.[82] Prevention oriented programs extend beyond reactions to concerns for child safety and are meant to encompass a broader community perspective.

As an approach to child and family services, prevention departs from the current protection-oriented model by focusing on families and their preservation, as well by addressing and attempting to mitigate contextual challenges that can lead to the need for protection. With prevention, the goal is healing and with a focus on building tool sets to improve the likelihood of positive results for families and children into the future. While not a panacea, a prevention-focused approach is an important step in managing the contextual challenges that impact overall well-being.

Current data on prevention suggests that enhanced prevention services helps to reduce the number of children in care. The number of children

[80] Nisichawayashik Cree Nation Family and Community Wellness Centre, *Annual Report 2016–17,* 2017, http://www.ncnwellness.ca/wp-content/uploads/AnnualReport_2017_web.pdf.

[81] Helaina Gaspard, 2018, "Wise Practices from Within: Approaches to First Nations Child Welfare," Institute of Fiscal Studies and Democracy http://www.ifsd.ca/en/blog/last-page-blog/approaches-first-nations-child-welfare#_ftn9.

[82] Ibid.

in care alone however, is not a sufficient indicator of improvement. Ideally, evaluations of impacts of prevention programming would be connected to results for children in the medium- and long-terms. Indicators of a child's results could include a child's school success, social relationships etc. Linking desired outcomes to data and budgets would be an important step in better understanding results for children, resource requirements, and would enable agencies to improve their program and strategic planning.

The case of West Region Child and Family Services (WRCFS) in Manitoba provides lessons on the importance of prevention programing. In 1992, WRCFS entered into a block funding agreement with the federal government. This provided the agency with flexibility to determine how funds would be spent and enabled WRCFS to develop community-focused programming for parenting, violence prevention, etc. The funding model shifted WRCFS's model to one focused on prevention, even in instances of child protection (with an emphasis on extended family placements). In a 1994 evaluation of the then pilot program, Dr. Brad Mackenzie found that the approach was working well. WRCFS had a well-developed cost-analysis tracking mechanism connected to its services to families and children, better informing its planning practices.[83] For instance, children in care planning emphasized treatment to identify and address challenges. Mackenzie's report recommended that the block funding approach be maintained for WRCFS and even extended as an option to other agencies.[84]

In a subsequent study, Mackenzie estimated savings from prevention focused services to be $21 million dollars by 2005. Rates of children in care declined at WRCFS from 10.5% to 5.2% over the span of the pilot block funding program. The focus on prevention is credited with the results.[85] in 2013–2014, many of those programs had to be cancelled due to a change in funding formulas[86] in which WRCFS lost its block funding

[83] Brad Mackenzie, 1994, "Evaluation of the Pilot Project on Block Funding for Child Maintenance West Region Child and Family Services, Final Report," p. 104.

[84] Ibid, p. 106.

[85] ISC, "Implementation Evaluation of the Enhanced Prevention Focused Approach in Manitoba for the First Nations Child and Family Services Program," December 14, 2015, https://www.aadnc-aandc.gc.ca/eng/1431520132322/1431520217975.

[86] Manitoba agencies moved to the Enhanced Prevention Focused Approach (EPFA), implemented from 2010–2013 https://www.aadnc-aandc.gc.ca/eng/1431520132322/1431520217975.

and saw a significant reduction to its ability to provide prevention services. Rates of children in care began to increase following the end of the pilot, after having been on the decline.

Evidence on outcomes of youth who have aged out of care provides a compelling argument that efforts to enhance prevention services and approaches to children and families in crisis should be actively pursued.

Numerous studies from other countries, like the United States, have demonstrated an association between experience in foster care and a host of poor outcomes in adulthood, including lower high school completion and employment rates, lower income, and higher rates of homelessness, poor mental health, substance abuse and criminality. There is a gap however, in Canadian studies on outcomes of children in care (with much less information available on First Nations children).[87]

One of the more well-known studies examining longitudinal outcomes of youth who have aged out of foster care is the Midwest Evaluation of the Adult Functioning of Former Foster Care Youth (the "Midwest Study"). Since 2001, researchers have documented outcomes of 763 former foster youth in the states of Illinois, Iowa and Wisconsin, on a variety of indicators including relationships with family of origin, physical and mental well-being, education, employment, involvement in the criminal justice system, etc.[88] Compared to a nationally representative sample of young adults who participated in the National Longitudinal Study of Adolescent Health (the "Add Health Study"), results show that former foster care youth fare much worse in nearly every outcome measured, such as high school completion rates, receipt of food stamps, employment rates, median income, arrests, incarceration, etc.[89]

Foster care experience has also been found to be a strong risk factor for homelessness. Often lacking social support and receiving little to no financial assistance or guidance when transitioning out of care

[87] Laura Gypen, Johan Vanderfaeillie, Skrallan De Maeyer, Laurence Belenger, and Frank Van Holen, "Outcomes of Children Who Grew up in Foster Care: Systematic-Review," *Children and Youth Services Review* 76 (2017): 74–83.

[88] M. Courtney et al., "Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 23 and 24," (Chicago, IL: Chapin Hall at the University of Chicago, 2009); M. Courtney et al., "Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 26," (Chicago, IL: Chapin Hall at the University of Chicago, 2011).

[89] Ibid.

(sometimes as young as 18 years old), these youth face significant housing challenges compared to the general population who are typically supported by parents beyond this age.[90]

In a study published in 2017, the Canadian Observatory on Homelessness found that nearly 60% of youth who had experienced homelessness had been in contact with child protection services at some point in their lives, and that "youth experiencing homelessness are 193 times more likely to have been involved with the child welfare system than the general public".[91] Risk of homelessness among this subgroup has been associated with multiple moves while in care, a history of running away, presence of a mental health disorder, a history of physical abuse, and being male.[92]

Much less is known about the long-term outcomes of First Nations adults who have aged out of care. A 2001 study by Correctional Service Canada found that approximately two-thirds of incarcerated Indigenous Peoples had entered protective care at some point in their childhood, compared to one-third of non-Indigenous inmates.[93] Based on information provided by the RCMP, news sources report that young Indigenous women in foster care are at high risk of becoming victims of sexual violence and trafficking, contributing to the missing and murdered Indigenous women and girls crisis.[94] Limited empirical data on First Nations youth who have aged out of care impedes the ability to reach firm conclusions; however, it is not unreasonable to assume that this subpopulation is exhibiting similar, if not worse outcomes than the general population given the disadvantaged starting point of many communities.

[90] Amy Dworsky, Laura Napolitano, and Mark Courtney, 2013, "Homelessness During the Transition from Foster Care to Adulthood," *American journal of public health* 103 Suppl 2, no. Suppl 2; Rachel Rosenberg and Kim Youngmi, Journal of public child welfare, "Aging out of Foster Care: Homelessness, Post-Secondary Education, and Employment." 12, no. 1 (2018): 99–115.

[91] N. Nichols et al., "Child Welfare and Youth Homelessness in Canada: A Proposal for Action," (Toronto: Canadian Observatory on Homlessness Press, 2017).

[92] Dworsky, Napolitano, and Courtney, 2013.

[93] S. Trevethan, S. Auger, and J.P. Moore, "The Effect of Family Disruption on Aboriginal and Non-Aboriginal Inmates," (Ottawa: Correctional Service Canada, 2001).

[94] P. Palmater, "Foster Care System One of the Paths to Murdered and Missing Indigenous Women," *The Canadian Broadcasting Corporation (CBC),* 2018.

The results of prevention and early intervention programming in education and early childhood development provide compelling evidence to support increased prevention funding. Early intervention does not have a fixed definition but is rather a broad concept to describe various approaches to improving developmental outcomes in early childhood.[95] The delivery of early intervention programs can be as varied as the groups which they target and the outcomes they intend to influence. Programs can be administered by delivery services directly to the child, parent, or both. It may be professionally trained staff or community members delivering the programming in the home, at a centre or at some combination of the two. No matter how it is delivered, in children who are at risk for suboptimal development, intervening in the most critical, sensitive years of growth offers a window opportunity to improve a child's developmental trajectory and future outcomes.[96]

Outcomes, especially in social areas, can be difficult to assess, but education, health, and family well-being can be useful proxies in understanding changes in a community. A well-established home-visiting intervention that has shown to improve a variety of outcomes for both new mothers and their children is the United States' based Nurse-Family Partnership (NFP).

Analysis by Heckman and colleagues (2017),[97] suggests that at two years of age, statistically significant treatment effects were found "on home environments, parenting attitudes, and maternal mental health", and at six years of age, the NFP yielded improvement in cognitive development. This analysis also examined mediating program factors that were linked to treatment effects and found that improvements in maternal mental health as well as enhancing parenting skills as a result of participating in the NFP by age two were key drivers of positive childhood outcomes.[98] Programs such as the Martin Family Initiative's Early Years program combine early intervention for both mothers and children with activities

[95] Jack P. Shonkoff, Andrew S Garner, "The Lifelong Effects of Early Childhood Adversity and Toxic Stress," Pediatrics (2011): peds. 2011–663; Lynn A. Karoly, M. Rebecca Kilburn, and Jill S. Cannon, *Early Childhood Interventions: Proven Results, Future Promise,* Rand Corporation, 2005.

[96] Phillips and Shonkoff, 2011.

[97] James J Heckman et al., "An Analysis of the Memphis Nurse-Family Partnership Program," (National Bureau of Economic Research, 2017).

[98] Heckman et al., 2017.

such as home visiting and centre-based early childhood education (or preschool).

While it is clear that child welfare is not something that can be approached in isolation of its context, it is also unrealistic for FNCFS agencies to bear the responsibility of addressing all elements impacting well-being. In this sense, it is essential that lateral initiatives that address substantive equality and reconciliation (e.g. the Spirit Bear Plan and Touchstones of Hope) are realized. It is inevitable that families will encounter hardship or conflict at some point. What can make the difference of whether or not children are apprehended by protection services is the degree to which their families have social support and resources within community to help navigate through a crisis and foster resilience.

The federal government is spending significant resources in a number of critical areas for First Nations health and social programming, with a subset of these programs oriented toward prevention. There are few, if any performance measures focused on outcomes. The majority are focused on outputs, without consideration of targets connected to well-being and the results the programs generate. Following a special request, ISC produced the data table in Appendix M and shared it with IFSD on December 14, 2018. The program spending breakouts were collected by program staff, since public data is unavailable. Without connecting activities to outcomes, it is nearly impossible to assess the results of the current program and their connections to the well-being of children. The future state in child welfare should include a clear and trackable means to assessing the results of programming.

Prevention was the focus of experts and agencies, and consistently defined as the most significant funding gap that agencies are facing. The gap in prevention funding is a challenge and is connected to the system's current funding structure that incentivizes the placement of children in care.

Shifting to a prevention-focused approach will require increased investment and a change in funding structure, such that agencies have the ability to allocate resources to meet community need. To cost-estimate an increase in prevention funding for FNCFS agencies, benchmarks of current prevention spending were identified and a range

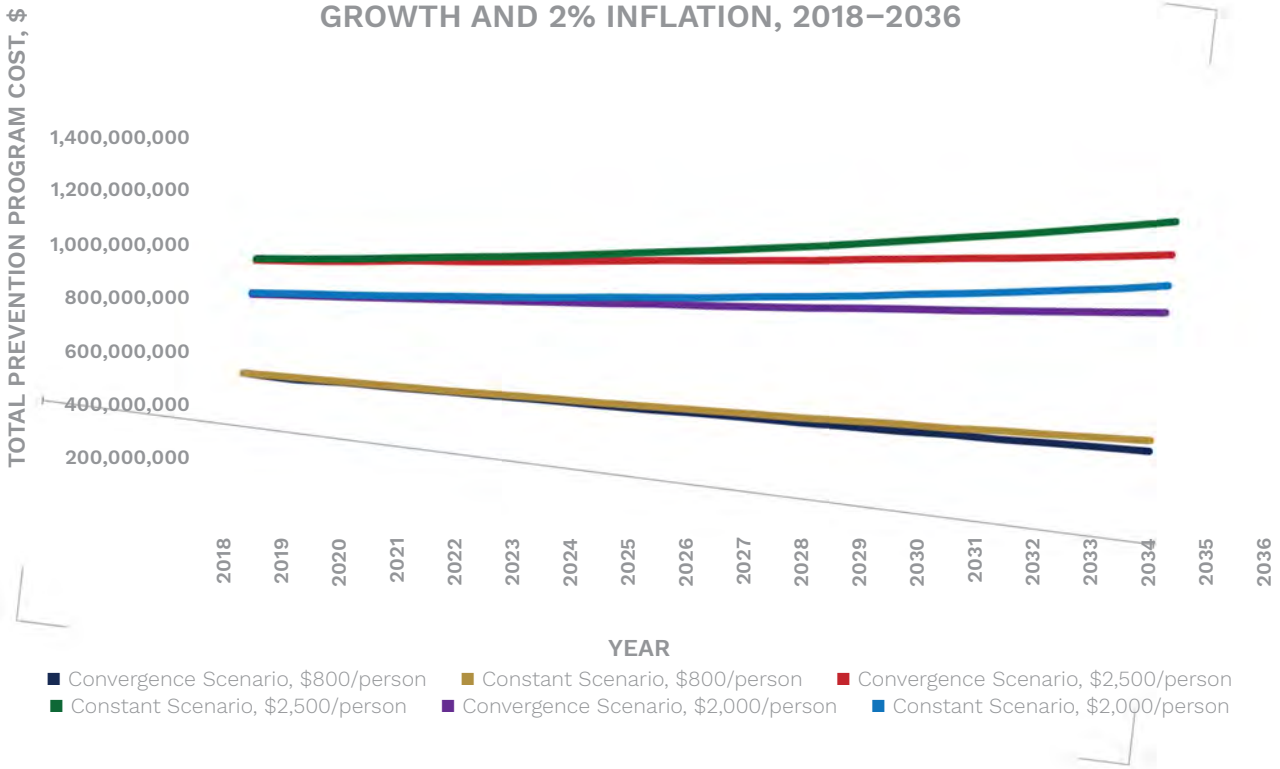
of per capita investments in prevention were defined: $800, $2,000 and $2,500.

The per capita costs are based on current prevention services and actual spending described in the case studies below. The prevention cost estimates are premised on the assumption that prevention should target the entire population in the agency's catchment and not only the child population served.

Cost estimates for increased prevention funding were calculated based on Statistics Canada's custom tabulations of on-reserve populations within FNCFS agency catchments. In this analysis, the two agencies serving incompletely enumerated reserves were not included in the calculation, as no total population data was available.

FIGURE 43

PREVENTION COST ESTIMATE WITH POPULATION GROWTH AND 2% INFLATION, 2018–2036



Prevention cost scenarios were estimated using the three benchmark costs $800, $2,000, and $2,500, agency catchment populations, and inflation at 2%, 2.5% and 3% to present a range of possible

circumstances (see Appendix N for an overview of prevention cost calculations). On a per capita basis, the total prevention cost estimate for 2019 ranges from $224 million to $708 million. Overtime, prevention costs are projected to increase based on population growth and inflation (Figure 43).

Profile 1[99]—$800 per person (and $2,000 per person)

In October 2017, a First Nation community appointed a Prevention Coordinator. Chief and Council made the decision to fund the position after the community decided they needed help with social challenges. The role, complemented by one prevention worker, was designed to support the community, work through intergenerational issues and break cycles.

"Not waiting for things to happen, but working so that things don't happen."

A former social worker, the Coordinator has 10 years of experience working as a consultant and trainer for the provincial ministry of social services.

The community's population is mixed with both traditional and Western educated people. This provides community-based resources the Coordinator can leverage in their work, e.g. facilitators, educators, etc. All instructors in prevention programming come from the community.

Current program offerings for youth include drama and acting, bead work, drumming and singing. Prevention programming extends beyond youth and includes programming for parents, such as the young fathers hunting program, parenting courses, and suicide assistance.

"It's okay to say that you need help."

[99] The participant requested that the name of the First Nation and their name be withheld.

It has taken time for the Coordinator to build trust with the community. The community is under the child welfare jurisdiction of the provincial ministry, which fostered initial concerns that the Coordinator was a conduit for protection services only. While at times, community members may be hesitant to reach out to the Coordinator for help, they are even more hesitant to phone provincial social services. The combination of a personalized approach and regular programming however, has helped the Coordinator to build relationships with community members and organizations, like the school. For instance, the Coordinator will reach out directly to parents if their child is underperforming at school or will congratulate others when their child is doing well.

"What do you want for your children when they grow up?"

To build confidence in prevention programming and to break the stigma of taking part in prevention activities, the Coordinator ensures it's known that training is open to all community members. It's not only "prevention" families that are invited to attend activities.

The community is now exploring prevention related programs, such as community "safe houses," on-reserve so that children in trouble have a safe place in community to stay if their parents are being taken away or need time heal.

Prevention is not just about keeping children out of care, it's about working with families to build healthy communities. Regular life challenges like divorce, grief, depression, suicide, etc. can be amplified when communities face internal challenges. The prevention programming in the community is designed to reach as close to 100% of the population as possible, whether through personal contact or through program participation.

The need for prevention programming in the community is greater than the funds available for the Coordinator. The Coordinator and their team regularly volunteer their time to drive community members to various meetings and appointments, take them on hunting trips, etc.

For a team with two people, the Coordinator and prevention worker appear to take on a variety of roles in the community from social worker, to counsellor, to personal support worker.

When asked what funding would be required to achieve a suitable level of programming to meet the needs of the community, the Coordinator estimated a cost of $500,000 per year or $2,000 per community member. This estimate provided the third scenario for the prevention funding estimates of this study. The estimate was deemed to be reasonable, falling within the $800–$2,500 per capita spending range identified from different agencies.

By the numbers:
On-reserve population = 250
Total funding = $200,000 (from ISC)
Per capita funding on-reserve only = $200,000/250 = $800 per person
Funding covers:

- 2 salaries
- Programming (e.g. buses, vehicles to visit parents, shuttle service)
- Snacks for youth attending after-school activities
- Teachers/facilitators
- Special excursions (e.g. laser tag)
- Family integration and connection activities

Profile 2—$2,500 per person
K'wak'walat'si Child and Family Services
'Namgis First Nation

K'wak'walat'si Child and Family Services (KCFS), serves the 'Namgis First Nation and the village of Alert Bay on Cormorant island off the coast of British Columbia (First Nation and non-First Nation communities live side-by-side). Since 2007, not a single child has been placed in care. This success has been largely credited to the introduction of comprehensive prevention programming.

"Prevention is a no-brainer."

The community is older, which is attributed to increasing rates of urbanization, with young people and families moving in search of employment opportunities. The small size of the community, both geographically and population-wise, has facilitated the development of a community-based model to prevention programming.

"Care is NOT an option."

Following unexpected changes in 2005, a new Director (a former social worker) was hired. Taking charge, the Director combined existing programs (and eventually, introduced new ones) and formed the 'Namgis Community Service. Combining services meant combining resources from all federal sources and from the province. The decision integrated programs and services to focus on holistic well-being. Programming is guided by four principles: belonging, mastery, independence and generosity.

The focus of the agency is "better serving families."

While the primary focus of prevention is early childhood and adolescence to build resilience, much of the programming does not just target the child—it targets the entire community. The agency offers a variety of programs, including community-based activities and family support, legal support, victim services, social work, and social assistance. The active learning style initiatives range from education on fetal alcohol syndrome and brain development to emergency homes for respite.

When a crisis arises, the agency plays the role of facilitator, focusing on family and community ownership. Working with the family, the agency provides information, resources, support and food. Families coming together and owning their own solutions is considered to be the best course of action to move forward.

"It's not about what works outside, it's what works for them [families]"

The agency focuses on building capacity by leveraging partnerships with several sectors of the community, including schools, healthcare services and the police. This is to ensure that everyone "speaks the same language" when it comes to child and family well-being and to promote consistency and solidarity in the approach. For example, KCFS maintains a close relationship with local schools, sharing knowledge and working together to identify root causes of family problems, their impacts on the child, and the best course of action to support the child and their family. These partnerships also ensure that staff at KCFS know where to turn when certain resources that are needed are not accessible within the community.

"Be the community, not the ministry."

Given the long history of removal of First Nations children from their families, feelings of distrust towards the Ministry are widely prevalent in the community. This is especially relevant for families struggling to cope with mental health issues, addictions, and poverty. However, persistently engaging in the community and displaying compassion and respect for families has over time established a more trusting relationship between families and child welfare services. In times of crises, allowing families to take authority and ownership over their decisions moving forward has been influential in developing trust. Fear of using child welfare services as a resource for help when family issues arise seems to be declining.

The biggest obstacle to providing services and programming has been the issue of recruiting and retaining qualified staff, such as social workers. As a result, the Director and the small team at KCFS have taken on a number of roles to support programming.

By the numbers:
Population of the island = 900
Total funding = $2,307,115 (federal and provincial governments)
Per capita funding = $2,563.46 (rounded to $2,500)
Funding covers: all agency programs and services

The case for prevention is clear from both FNCFS agency cases and from existing research. The unanimity from agencies and experts on the importance and need for a focus on prevention services and funding to match cannot be overemphasized.

It is recommended that prevention be funded on a per capita basis for the total population served by the agency (not only children) at a rate of $800–$2,500 per person.

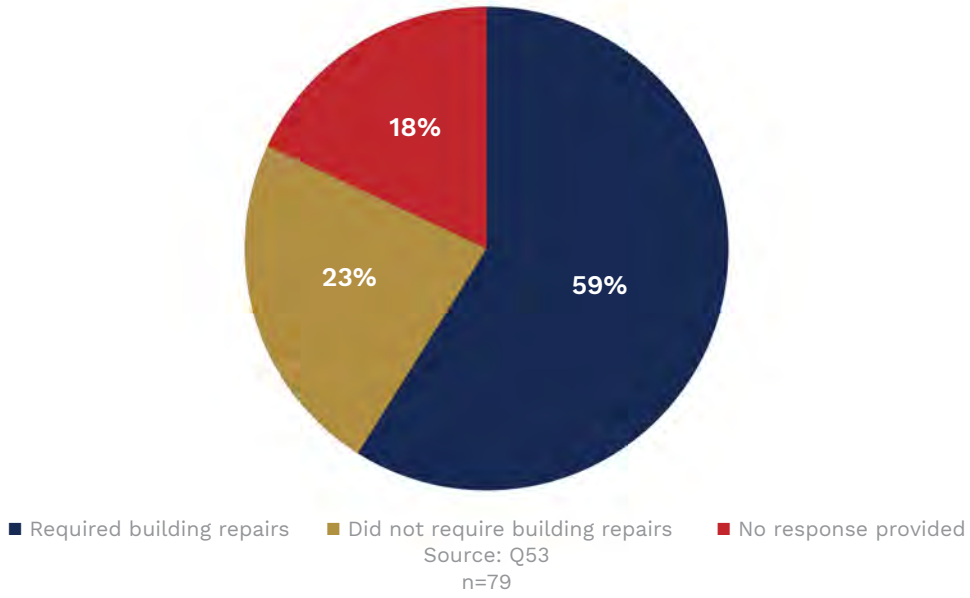
Capital

The IFSD-FNCFS Survey sought to better understand the nature and condition of the assets underlying agency operations. The survey found that the large majority of agencies rented their facilities and had relatively modest asset bases. Agencies, especially those more remotely located, tended to also have vehicles as part of their asset mix.

When respondents were asked to identify whether or not they needed building repairs, 59% of agencies reported requiring building repairs (Figure 44). Further, during the various workshops held by IFSD, agencies also expressed concern about the suitability of their facilities for program needs, particularly prevention programming.

FIGURE 44

BUILDING REPAIR REQUIREMENTS AMONG AGENCIES (2017–18)



Source: Q53
n=79

With approximately 88% of federal funding for FNCFS agencies associated with protection, it is expected that facilities reflect this orientation. The desired future state of FNCFS agencies is prevention-focused. To this end, a reconsideration of facilities is necessary to support the shift in activities.

The FNCFS space footprint was costed as a one-time capital investment under three scenarios:

- Scenario 1: Federal space allocations only
- Scenario 2: Survey reported headquarters square footage + federal space allocations for non-responding agencies
- Scenario 3: Survey reported headquarters square footage + average square footage (based on survey reporting) for non-responding agencies

It should be noted that the costs to construct and fit-out the office space requirements for the FNCFS agencies is largely based on the *current state* space requirement. It is assumed that such an analysis would be used as a *baseline* to consider the space requirements of a future program activity structure.

In Scenario 1, the first step was to allocate space per full-time equivalent (FTE) based on the assumption that agencies had an average of 15% of leadership workers and 85% fixed workers. In the case of the Government of Canada federal space allocation approach, the following square feet of office space were applied to each category of agency worker: leadership worker (153 sq. ft./worker) and fixed worker (48 sq. ft./worker) for total agency FTEs based on Government of Canada Workplace 2.0 Fit-up Standards. Non-responding agencies were assigned an average of 64 FTEs.

In Scenario 2, the survey responses were used to estimate the required costs to build equivalently sized office space. Using the square footage of headquarters office space reported in the survey, on average square footage of 95.7 sq.ft./FTE was calculated. Non-responding agencies were assigned office space allocations based on the Government of Canada standards.

In Scenario 3, the survey responses were used (as in Scenario 2), with non-responding agencies assigned average square footage based on survey reporting.

Once the required space allocation was determined, the cost for construction and fit-out was applied to each of the office space scenarios using the 2018 Canadian Cost Guide (Altus Group) with median construction costs for commercial, Class B office building, under five storeys with surface parking and related Class B interior fit-out costs.[100] Regional indices were applied to estimate costs for each metropolitan area.[101]

[100] According to the Altus Group: "The costs assume base building construction only, including mechanical and electrical services, washrooms, and finishing of ground floor entrance lobby and elevator lobbies to upper floors. The cost of tenant partitioning and finishes, with the exception of ceiling and column finishes, are excluded. The cost of finishing this space can fluctuate depending on the density of partitioning and the quality of finishes. Costs assume standalone buildings and are not representative of a component within a mixed use building" (Altus Group 2018, p. 14–15).

[101] See Altus Group, "2018 Canadian Cost Guide," p. 11 and 13.

TABLE 10
ESTIMATED REQUIRED CAPITAL INVESTMENT

SCENARIO 1 Federal space allocations	**SCENARIO 2** Survey reported square footage + federal space allocations	**SCENARIO 3** Survey reported square footage + average square footage (based on survey reporting)
$116,797,983	$151,708,061	$175,251,101
NB: Based on industry standards, a minimum 2% annual recapitalization rate should also be included.		

With various repair needs of FNCFS agencies and new infrastructure requirements for changing activities, the three one-time capital investment scenarios were modelled. Costs range from approximately $116 million to $175 million to rebuild agency headquarters.

It is recommended that there be a one-time capital investment, and a benchmark recapitalization rate of a minimum 2% per annum added to agency budgets.

Information technology

Information technology (IT) has become a crucial element in the successful operations of modern organizations. It supports mission critical processes ranging from service delivery to finance to governance. Properly applied, technology has the potential to transform organizations and way the people inside them work.

Adequate investments are necessary to maximize the benefits technology can offer, as is an understanding of the risks and opportunities created by emerging technologies such as the cloud, big data and much more.

An examination of the IT spending of FNCFS agencies was undertaken via the survey (see Table 11) to understand the current state and how it compares to sector benchmarks.

There are certain commonly used benchmarks related to IT spending. These include IT spending as a percentage of revenue/budget and IT spending per employee.

Spending as a percentage of revenue/budget

Overall, businesses appear to spend between 4–6% of their revenue on IT, and this range is recommended by CIO Magazine:

- The average small company (less than $50 million in revenue) spends 6.9% of their revenue on IT
- Mid-sized companies (between $50 million—$2 billion) spend 4.1%
- Larger companies (over $2 billion) spend a relatively small 3.2%

Data from the Deloitte Insights November 2017 CIO Insider report citing "Deloitte 2016–2017 Global CIO Survey" (n=747) corroborates the ranges published by CIO Magazine and puts the education and non-profit sector at an average of 5.77% with an average of 3.28% across all sizes and industries.

The tenth annual "Non-profit Technology Staffing and Investments Report" published by NTEN in May 2017 focused specifically on technology in non-profits (n=259). NTEN found, across all sizes of non-profits, technology accounted for 5.7% of annual budgets on average.[102] Additionally, they found that smaller non-profits had higher spending as a percentage of their total budget.

IT spending per employee

IT spending per employee can also vary significantly from sector to sector and across company size. Nonetheless, the consensus of several credible sources suggests that a value of at least USD 10,000 per employee would not be unusual.

- Gartner indicated that average IT spend (USD) per employee rose from $12,724 to $13,164 in 2013.
- The all-industries average from IDC's US IT Budget Benchmarks program, which collects multiple IT statistics across all industries (excluding government and education), is just under USD 9,900 per employee.

[102] NTEN reported on operating budgets. Since FNCFS agencies are primarily service organizations with operations accounting for most of their costs, the technology spend was imputed as a percentage of the total budget.

- CIO Magazine surveys report mid-sized companies spend USD 13,100 per employee on IT. Large companies spend USD 11,580 per employee.

TABLE 11
AVERAGE TECH SPENDING REPORTED BY AGENCIES

Average tech spend per full-time equivalent (FTE) N=37	$3,731.41
Average tech spend as % of total budget N=37	1.5%

As technology transforms how and where organizations can conduct operations, technology-related spending has steadily risen over time. Failure to make adequate investments can hamper productivity, security and even staff retention. The IFSD FNCFS Survey data indicates that, on average, agencies are not investing/spending adequately on technology versus industry benchmarks. Agencies surveyed cover the entire spectrum from very current technology with major upgrades in the past 12 months to those who have not seen updates in more than five years.

The survey results are also supported through anecdotal evidence, acquired through the workshops, such as the age of tools used by agency staff. Many of the workshop participants were using significantly older versions of productivity software, operating systems and dated hardware—some of which are no longer even updated or supported by the manufacturer.

At the other extreme, one agency described how they equipped staff with state-of-the-art tools such as Microsoft Surface tablet computers for use in the field to directly enter case notes. This has resulted in significant productivity gains as social workers no longer have to transcribe hand written notes upon returning to the office.

Agencies were asked to estimate the required one-time capital investment to bring their technology platform to a state where it can fully support their requirements. This was an attempt to understand the size of the investment gap to modernize the current technology platform to meet agency needs. However, agencies responding to these questions estimated requirements well below industry averages at 2.8% of their annual budget or an estimated $303,600 investment. While it is possible that these numbers accurately reflect agency needs, it is more

likley that respondents may not have had a full understanding of their IT requirements. Few respondents, if any, were technology specialists.

The emergence of cloud computing represents one of the largest transformations IT has experienced in a generation. This has created tremendous opportunities and introduced new risks that must be considered.

Cloud spending/adoption is rapidly expanding across most organizations in the broader economy. The use of cloud technologies offers numerous benefits including, but not limited to, reduced need for capital, quicker deployments, continuously upgraded solutions, as well as better alignment of capacity with demand. Further, cloud-based tools can lessen the dependency on IT resource supporting the agencies.

Agencies were asked to “describe any cloud-based technology services (such as Office 365) currently in use by your agency or under consideration by your agency.” Only 40% of agencies indicated they were using or considering cloud-based technologies. Microsoft Office 365 was the most commonly cited cloud service in use, but others included disaster recovery, online backup and accounting software.

Many survey responses included statements indicating that cloud would not be considered. This may indicate a lack of knowledge regarding the opportunities offered by the cloud or concerns regarding perceived risks of the cloud.

Significant strides have been made in recent years by cloud offerings in Canada. Major organizations, such as Microsoft, now operate multiple data centres on Canadian soil easing concerns over data residency issues. Additionally, major providers have obtained and maintain advanced certifications for the security and privacy of their offerings and facilities.

One of the greatest impacts the cloud is having on IT spending is the shift from capital expenditures to operating expenses. Cloud services are typically offered on a subscription basis charged on either an annual or monthly basis. This allows an organization to tightly align technology service consumption with demand. This fundamental shift requires a different approach to IT budgets. Traditional, capital intensive, IT budgets and associated depreciation are shifting to a more flexible operating

expense orientation. While some agencies may be slow in adopting cloud technologies, any revised funding model should consider this new budgeting reality.

Many major technology vendors offer exceptional discounts to non-profits. These companies include Microsoft, Google, Amazon, Adobe, and many more. TechSoup Canada operates a website to help non-profits take advantage of offers from many of these vendors. Additionally, major vendors host additional offers on their own sites. Discounts are particularly compelling for their cloud offerings.

With most sectors targeting 4–6% it is clear that (when combining the capital plus operating and maintenance spending) agencies appear dramatically below normal investment levels, reporting average IT spending at 1.5% of total budgets, or approximately $3,730 per employee in fiscal year 2017–2018. There may be a number of causes to the lower level of spending by FNCFS agencies. It is possible that benchmark levels of expenditures are not contemplated in the planning cycle or that available funds are diverted to program activities that may be deemed a higher priority. The risk to the agencies of chronic underspending is not just the loss of productivity but also the risk that case management itself is inadequately supported by agency infrastructure.

When estimating required IT investment for FNCFS agencies, funding was calculated as a percentage of reported total budget. This approach was considered to be the most reliable based on the consistent available industry benchmarks for IT spending for the education and not-for-profit sectors. Two scenarios were used to estimate required annual IT budgets: 5% and 6% (the rounded industry average). The average total budget of approximately $12 million was used for agencies that did not provide a total budget and for non-participating agencies.

TABLE 12
ESTIMATED REQUIRED TECHNOLOGY INVESTMENT

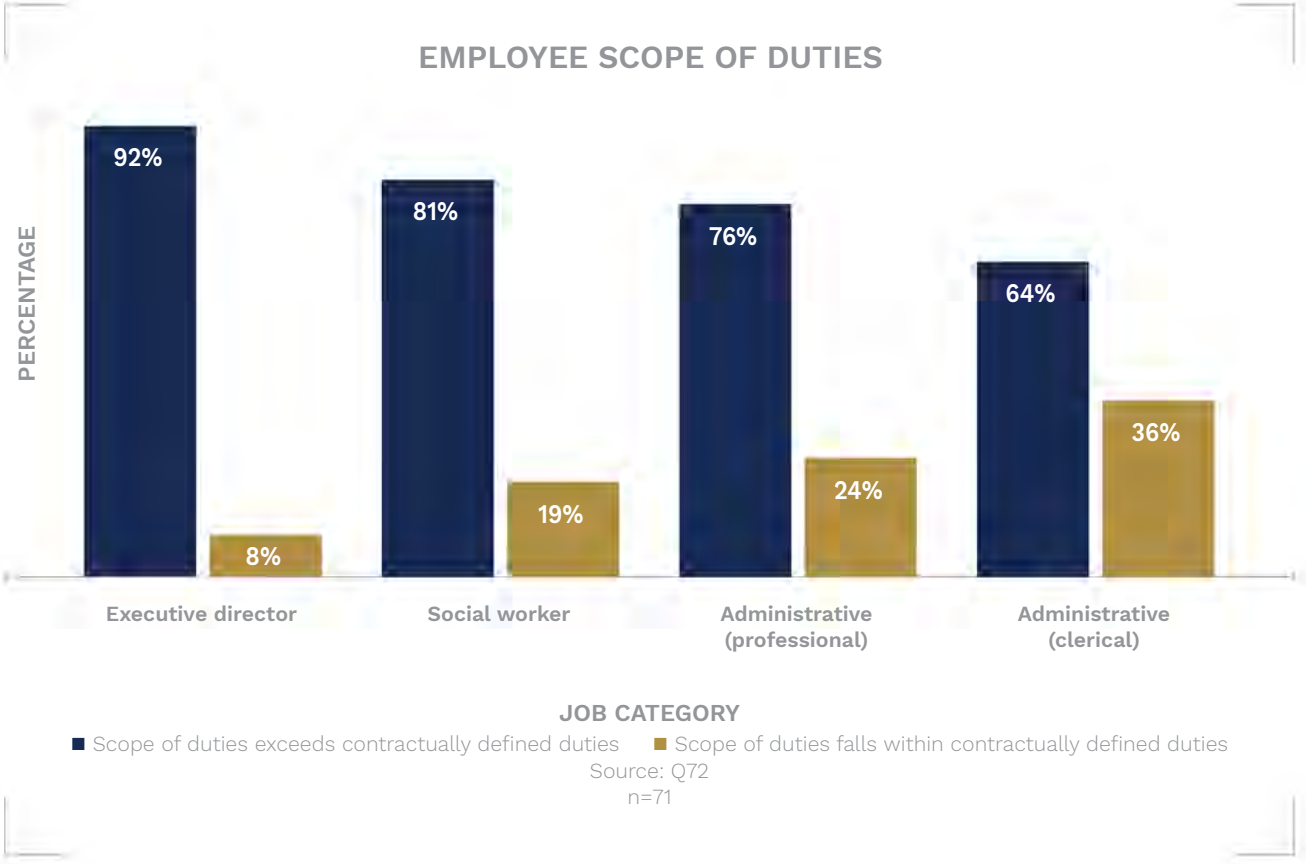
PERCENTAGE OF TOTAL BUDGET	ESTIMATED ANNUAL IT COSTS
5%	$65,143,213
6%	$78,171,855

It is recommended that IT be funded at a rate of 5%–6% of total annual budgets, consistent with industry practices.

Salaries

During workshops and visits to agencies, experiences and anecdotes were shared with examples of agency staff going above and beyond their duties, often without compensation. In the survey, agencies reported that the scope of duties of their employees exceeded those that were contractually defined. This trend was most prominent among executive directors and social workers (see Figure 45), with 92% and 81% respectively, reportedly exceeding their agreed duties.

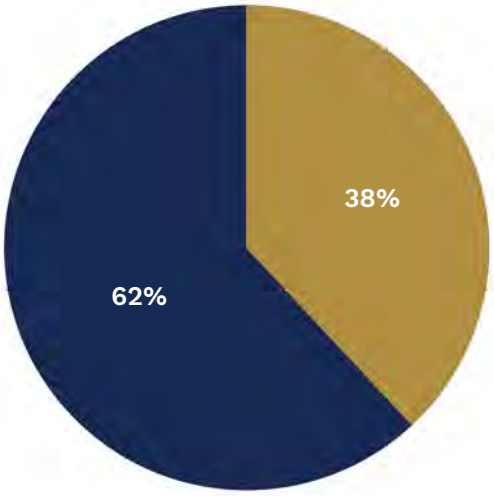
FIGURE 45



Beyond the extended duties, 62% of agencies reported being unable to remunerate employees at provincial salary levels (see Figure 46). The two exceptions were Alberta and the Atlantic region, which reported greater numbers of agencies able to remunerate at provincial salary levels than those that could not.

FIGURE 46

AGENCIES' ABILITY TO REMUNERATE STAFF AT PROVINCIAL SALARY LEVELS



Source: Q74
n=69

These findings raise two matters for further consideration. First, is the issue of pay equity. FNCFS agencies are not compensating their employees at provincial salary levels. The reasons for this difference in pay merit further study. Second, employees are exceeding their contracted duties and hours of work. This may point to issues of case complexity and the different resource profiles required to address them.

The matter of case complexity has been raised by the Canadian Association of Social Workers (CASW)[103] in their 2019 pre-budget submission, calling for a caseload study to collect national data and to begin to develop national standards on reasonableness of caseloads. CASW's proposed study would seek to better understand cases through their complexity and apply that measure to determine appropriate caseloads for social workers.[104]

[103] The Canadian Association of Social Workers (CASW) was established in 1926 to set professional standards of practices for social workers in Canada. Its mission today is to "promot[e] the profession of social work in Canada and advances social justice," through activities such as professional development and training, advocacy, resource development, etc.

[104] Canadian Association of Social Workers' Pre-Budget Submission to the Standing Committee on Finance, "Supporting Social Workers for Better Social Outcomes," 2018 (for the 2019 Pre-Budget Consultation).

A 2017 study[105] by the CASW interviewed current and previous social workers from child protection services. The results suggest that an unmanageable workload was a common reason for leaving (46%), along with stress, compassion fatigue or vicarious trauma (45%) and the emotional toll of their work (34%). Pay and benefits were causes to leave for fewer than 20% of respondents.[106] Of those still working in the field, unmanageable workload was frequently identified as an issue (75%) and was also reported to be the most significant challenge. Emotional toll of the work (63%) and a lack of resources to address compassion fatigue (56%) were also cited as critical challenges,[107] with 54% of respondents wishing they had the resources to address the fatigue.[108]

The CASW findings on employees overburdened by workloads and fatigue parallel IFSD FNCFS Survey findings of overworked FNCFS employees. While salary ranges between provinces and FNCFS agencies may vary, the most important challenge faced by social workers appears to be the issue of workload, making case complexity a matter in need of further study. It may be likely that the challenge of a social workers role is only compounded by the complexities of the community and environment in which they do their work. Social workers serving FNCFS agencies face not only the challenges of families in crisis, but also those of their communities, such as poverty and intergenerational trauma. It is not only First Nations communities that experience these challenges, but they are disproportionately affected relative to the general population. Beyond the contextual challenges, a lack of related services and resources (e.g. mental health workers, specialists, child psychologists, etc.) makes a social worker's job more difficult by not being able to access or refer their clients to the services required. Anecdotally, FNCFS agencies have shared that

[105] The purpose of this survey was to explore the issues, challenges and barriers that social workers experienced in their practice, their working conditions, their reasons for leaving the child welfare field, sources of job satisfaction and trends in de-professionalism. Conducted in 2017, the survey contained 35 questions that were predominantly closed-ended, with some opportunity for qualitative responses. It was divided in three parts: (1) information on participant characteristics, completed by all respondents and also by social workers who had never worked in child welfare; (2) completed by social workers who had previously worked in child protection and currently worked in a different social work role; (3) completed by social workers currently working in child welfare. A total of 3,258 social workers across the country responded; (1,389 to part two and 1,438 to part three). Since the total number of social workers in Canada is unknown, calculating the response rate was not possible. Over 10% of CASW members responded to the survey.

[106] Canadian Association of Social Workers, 2018, *Understanding social work and child welfare: Canadian survey and interviews with child welfare experts,* chart 7.

[107] Ibid, chart 13.

[108] Ibid, chart 15.

their social workers and staff sometimes have to be "all things, to many people."

The importance of assessing caseload through the lens of case complexity is highlighted well in the 2013 testimony of Sylvain Plouffe, former director of the Centre de Jeunesse de l'Abitibi-Témiscamingue.[109] In a nearly perfect comparative case, M. Plouffe's agency served two communities: one First Nations (East, characterized by Lac Simon) and one non-First Nations (West, characterized by Val d'Or). The differences in the communities' experiences were striking and connected to their social and economic contexts.

In Lac Simon, there were approximately 380 reported cases of substantiated abuse or neglect for every 1,000 children, whereas Val d'Or had only 35 cases per 1,000 children (see Table 13). Reflective of their case rates, Lac Simon and surrounding communities registered higher rates of negligence, substance misuse, housing overcrowding and unemployment relative to neighbours in non-First Nations communities such as Val d'Or. Compared to the East, the West had lower case rates which M. Plouffe speculated, may be linked to the paper mill in the West, which generated more opportunity for employment among members of the community and thus lead to lower rates of poverty.

TABLE 13
OVERVIEW OF THE CENTRE DE JEUNESSE DE L'ABITIBI-TÉMISCAMINGUE CHRT PROFILE

	VAL D'OR (NON-FIRST NATION)	LAC SIMON
Staff (not necessarily all front-line workers)	**200 (approx.)**	**20 (approx.)**
Cases per 1,000	35	380
Staff : population	1:205	1:75

[109] Testimony before the Canadian Human Rights Tribunal, (2013) (statement of Sylvain Plouffe, director general of the Centre Jeunesse de l'Abitibi-Témiscamingue).

The social workers serving the communities in the East and West had the same training and the same pay, but their contexts differed. Communities such as Lac Simon required more resources, especially staff, to support the more complex needs. M. Plouffe and his team were able to secure a federal block funding grant to hire local prevention-focused staff and develop programming to respond to the community challenges in the East.

The case of the Centre de Jeunesse de l'Abitibi-Témiscamingue and the research undertaken by the CASW, suggest that case complexity merits attention, especially in First Nations contexts. With challenges and needs that may outstrip standard agency service offerings, FNCFS agencies require supplementary prevention-focused services to address the needs of their communities that may range from poverty, to substance misuse. The matter of salaries is not only about equity, but about the need to consider the complexity of the issues that staff address in different communities.

It is recommended that:

- **Social workers be remunerated at levels comparable to provincial salary levels.**
- **A study be undertaken to assess why FNCFS agencies are unable to remunerate their employees at provincial levels.**
- **A study on case complexity be undertaken, with consideration of differing community contexts when determining reasonable caseload levels.**
- **FNCFS employees have access to professional support and development, including leave for compassion fatigue.**

FUNDING STRUCTURE FOR THE FUTURE OF FNCFS AGENCIES

A funding structure is not only about financial allocations; it's about the ways in which money can be used as a tool to incentivize or alter outcomes. Both governance (including performance, reporting, and accountability) and the value of the allocations must be considered. Internal consistency that aligns inputs, outputs, and outcomes is necessary for accountability to communities and stakeholders. As a foundation for a performance framework it is critical that, resources and activities are connected to the desired outcomes for First Nations children.

In the current FNCFS system, agencies are funded for children in care with limited control and flexibility over how to allocate and spend their money. Placing a child in care represents a nearly guaranteed means of unlocking resources required for the child, incentivizing their placement in care. The current funding structure fails to account for the contextual challenges with which agencies must grapple in their work. Further, for FNCFS agencies there is little connection between the resources that they expend and the outcomes that they are trying to achieve. This mis-match is fundamental to effective budget and performance management in virtually any public administration context. Beyond the challenging socio-economic context for First Nations communities, for FNCFS agencies, there exist pronounced funding gaps in prevention, capital, and information technology, that impact operations and results.

Moving beyond the current system requires an alternative structure. Funding in this new structure should be allocated in blocks and align to the activities of agencies, in the areas of: protection and maintenance, prevention, capital, operating, data and governance. The approach to block funding is one where resources are allocated to specific activity areas through a grant-style allocation.

Working with experts convened to build on the future vision defined by agencies, overviews of FNCFS service delivery and services to First Nations children, families and communities through the lenses of indicators (i.e. what to measure), activities (i.e. programs or services), and inputs (i.e. required resources) was developed (see Table 14). These

overviews emphasize the connections between outcome definition and measurement, related activities and required resources.

As a point of departure, this mix of indicators, activities and resources was developed recognizing the heterogeneity of agencies and their communities. Instead of defining a single approach that combines results definition with activities and resources, the experts defined a framework that can be applied in a variety of circumstances and to varying degrees.

Importantly, the framework recognizes the often substantively unequal point of departure experienced by FNCFS agencies working in their communities and the layers of holism that must be nurtured around the core agency mandate of protection. In the framework, from both the perspectives of agencies as service delivery organizations and that of services to communities (including children and families), there are four streams of activity to consider: safety, child well-being, family well-being, and community well-being. While an agency may not be solely accountable for the outcomes of the people that they serve, their work has broader impacts and should be understood, evaluated, and resourced accordingly. Consider for instance, using school success as an indicator of child well-being or the number of moves a child experiences in care to better understand how they are faring in their care placement.

TABLE 14

RESULTS-BASED OVERVIEW OF A DESIRED FNCFS SYSTEM

INDICATORS	CHILD SAFETY	CHILD WELL-BEING	FAMILY WELL-BEING	COMMUNITY WELL-BEING
Service Delivery, FNCFS Agencies	▪ Child injury (non-accidental) ▪ Child sexual abuse ▪ Staff qualifications (based on activities and services) ▪ Retention rates of staff ▪ Staff vacancies	▪ School success (understand how a child is doing) ▪ Staff qualifications (based on activities and services) ▪ Retention rates of staff ▪ Moves in care (understand how a child is doing) ▪ Staff vacancies	▪ Housing stability ▪ Mental health and rates of substance misuse ▪ Staff qualifications (based on activities and services) ▪ Retention rates of staff ▪ Rates of removal of children ▪ Rates of reunification ▪ Rates of reunification breakdown ▪ Staff vacancies	▪ Proportion of children placed in community resources ▪ Staff qualifications (based on activities and services) ▪ Retention rates of staff ▪ Agency responsiveness ▪ Quality of staffing/activities ▪ Perception of care and services ▪ Staff vacancies
Services for First Nations children, families, communities	▪ Substantive equality ▪ Number of non-voluntary interventions ▪ Perceived coercion in interventions ▪ Non-accidental child injuries (observable and non-observable) ▪ Child sexual abuse ▪ Suicides ▪ Suicide attempts ▪ Self-harm related behaviour ▪ Feeling hope, belonging, purpose and meaning	▪ Substantive equality ▪ Vocabulary (indicator = total word count) ▪ School success ▪ Social/relationships ▪ Well-equipped schools ▪ Awareness/fluency of Indigenous language(s) ▪ Feeling hope, belonging, purpose and meaning	▪ Substantive equality ▪ Time and quality of family time/interaction ▪ Number and quality of partnerships (service partnerships and social support) ▪ Honouring of family rituals and traditions (frequency/regularity) ▪ Feeling hope, belonging, purpose and meaning	▪ Substantive equality ▪ Access to clean water ▪ Food security ▪ Adequate housing ▪ Number of community members to teach Indigenous languages ▪ Self-determination over system (i.e. policing, health, recreation, etc.) ▪ Community rates of substance misuse ▪ Community rates of trauma and psychological distress ▪ Access to services within community (education, health, social services) ▪ Access to broadband and connectivity tools ▪ Feeling hope, belonging, purpose and meaning

ACTIVITIES	CHILD SAFETY	CHILD WELL-BEING	FAMILY WELL-BEING	COMMUNITY WELL-BEING
Service Delivery, FNCFS Agencies	▪ Programs for prevention of child sexual abuse ▪ Programs for infant injuries (i.e. shaken baby syndrome)	▪ Child support services ▪ Trauma support services for victims of sexual abuse	▪ Family support services (i.e. for kids at risk)	▪ Out of family home-based care ▪ Residential programs for adolescents ▪ Programming for transitions out of care – adult services or independently ▪ Stakeholder engagement
Services for First Nations children, families, communities	▪ Trauma-based interventions for sexual abuse ▪ Culturally-informed practice ▪ Teaching and revealing healthy behaviours of community ▪ Partnering children and elders	▪ Activities (clubs/camps/ libraries etc) ▪ Special needs programs ▪ Play spaces ▪ Support programs for foster siblings and pets (keeping siblings together; nurturing relationships)	▪ Development of collaborative networks of care/integrated resources (social services, housing, trauma/mental health) ▪ Maternal-child interaction interventions ▪ Father-child programs	▪ Programming/activity options for children ▪ Opportunities to engage in community activities ▪ Community wellness (i.e. addressing history)

INPUTS (RESOURCES)	CHILD SAFETY	CHILD WELL-BEING	FAMILY WELL-BEING	COMMUNITY WELL-BEING
Service Delivery, FNCFS Agencies	▪ Liaison staff with healthcare professionals ▪ IT (broadband/video connection); internal and outside connection ▪ Data architecture and analysis ▪ Peer support among agencies ▪ Staff trained to deliver programs effectively ▪ Employee assistance program ▪ Case mix adjusted case load (must better understand case complexity)	▪ Liaison staff with the school system (staff in schools who can get to know the kids) ▪ IT (broadband/video connection); internal and outside connection ▪ Data architecture and analysis ▪ Staff trained to deliver programs effectively ▪ Personalized coaching support (who does a child have in their community that helps them along?)	▪ Liaison staff with adult substance use and mental health services ▪ IT (broadband/video connection); internal and outside connection ▪ Data architecture and analysis ▪ Staff trained to deliver programs effectively	▪ Capital (buildings, vehicles, IT, staff) ▪ Human (foster parents from community, kinship parents, community care (traditional)) ▪ IT (broadband/video connection); internal and outside connection ▪ Data architecture and analysis ▪ Staff trained to deliver programs effectively
Services for First Nations children, families, communities	▪ Intergenerational program resources (people, funding) ▪ Specialized social workers for issues such as sexual abuse, safety and neglect ▪ Group homes ▪ Family and child care workers ▪ Specialized foster parents ▪ Policy specialists ▪ Legal specialists/in-house counsel ▪ After-care team for family post-removal (mental health, youth, social workers) ▪ Capital (agency building) ▪ Data	▪ Peer support ▪ School buildings ▪ Stable, quality teachers and administrators ▪ Culturally-based learning resources ▪ Social-emotional development (e.g. mall trips) ▪ Mental and physical health workers (for children and family) ▪ Child and youth workers ▪ Group homes ▪ Transportation ▪ Family and child care workers ▪ Trained staff ▪ Specialized foster parents ▪ Data	▪ Capital/per person (IT infrastructure, vehicles, housing, home appliances) ▪ Peer support among agencies ▪ Family resource centres ▪ Mental health and substance misuse workers ▪ Community recreation centres, gardens, kitchens ▪ Access to good legal counsel ▪ Transportation (i.e. trips to Costco) ▪ Family support workers ▪ Family well-being/resource centres ▪ Data	▪ Dispute resolution mechanism; community oversight ▪ Community wellness funding ▪ Peer support among agencies ▪ Knowledge and access to services ▪ Foundations for “healing” ▪ Dispute resolution mechanism ▪ Community wellness funding ▪ Data

To secure this outcomes-based approach in the funding allocations to agencies, one must take a step back to the source of funds (i.e. the consolidated revenue fund and the fiscal framework) for FNCFS program activities. At its source, funding for the FNCFS program should be ring-fenced or allocated as a separate line item in the departmental budget on which Parliament must vote. The ring fencing should encompass funding targeting program activities that are aligned to desired outcomes.

While the Treasury Board may make decisions possible through funding allocations from the planned fiscal framework, Parliament's approval is required before moneys can be disbursed from the Consolidated Revenue Fund (CRF) for the government's use. Annually, Parliament reviews and approves (or rejects) the government's spending proposals for the whole of government by voting on the Appropriations (as supply bills).[110] The bills are supported by the Estimates or "blue books," which are explanatory compendiums of the appropriations acts. Divided by department (as are the supply bills), the Estimates break down spending into voted categories (e.g. program, capital expenditures, operating expenditures, grants and contributions, and other), and provide some high-level information on the nature of departmental spending. For information purposes only, the Estimates also break down spending by program areas.

The current vote structure provides departments with blocks of money to be used for set purposes (e.g. operating, capital, grants and contributions). This vote structure however, does not let one see how money is assigned to program priorities, nor does it prevent a department from reallocating resources between programs and priorities (within the voted category).[111]

Parliament is accountable for financial control before it votes on appropriations, and after the money has been spent (through the

[110] In practice, with a majority government, supply bills, as with most other bills, easily pass. Any money bills, e.g. supply bills, the budget bill, etc., are matters of confidence. Should a government lose such a vote, convention would require that they would seek dissolution by the Governor General.

[111] When cabinet approves a policy or program, the Treasury Board is responsible for assessing and recommending the authorities required for departments to operationalize the policy and funding decision. A committee of cabinet, the Treasury Board is led by the President of the Treasury Board (currently, the Hon. Scott Brison) and is supported administratively by the Treasury Board of Canada Secretariat (TBS).

assessment of results). Performance information, which is critical for assessing value for money, is not presented by operating expenditures, capital expenditures and grants and contributions, but by program activity areas. This further complicates Parliament's ability to assess resource allocations against outcomes.

The purpose of 'ring-fencing' funding (i.e. voting by program activity) is to have a program's allocation appear as a separate line-item in the supply bills i.e. within the Grants and Contribution vote. It is the Treasury Board that makes the recommendation on the vote structure and can suggest that a program appear as a distinct line-item in the supply bills. By ring-fencing funding, a department is allocated a set amount of funding for that specific program or priority that is distinct, easily identifiable and traceable (instead of collapsing that allocation into a broader spending category). Also, the amount cannot be reallocated to other vote categories without Parliament's approval.

Consider for instance, ISC's $9.3 billion in voted appropriations for 2018–2019 (see Figure 47).[112] Of the $9.3 billion total, we cannot determine from the Estimates how that money will be spent on specific priorities or programs, such as First Nations child and family services. All that we can see are three vote categories: operating, capital and grants and contributions. For informational purposes only, program purposes and transfer payments are listed below the vote structure, but we can only surmise as to which funding category will source First Nations child and family services.

[112] Treasury Board of Canada, Secretariat, "Estimates 2018–2019," https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates/2018-19-estimates/main-estimates.html#idchapter563701088

FIGURE 47

Table 117. Organizational Estimates (dollars) - Department of Indigenous Services Canada

	2016–17 Expenditures	2017–18 Main Estimates	2017–18 Estimates To Date	2018–19 Main Estimates
Budgetary				
Voted				
1 **Operating expenditures**	0	0	105,920,875	1,514,225,594
5 **Capital expenditures**	0	0	1	5,411,792
10 **Grants and contributions**	0	0	253,685,391	7,726,188,009
Total Voted	0	0	359,606,267	9,245,825,395
Total Statutory	0	0	0	79,386,979
Total Budgetary	0	0	359,606,267	9,325,212,374

Note: Additional details by organization are available on the Treasury Board Secretariat website – http://www.canada.ca/en/treasury-board-secretariat.html

The Departmental Plans, which represent the annual business plan of a department can be read in concert with the Estimates. This document offers insight into how spending is being planned for the department, but the government has the opportunity to adjust the plan without going back to Parliament for approval. A department may reallocate money within its appropriated budget to different activities within the vote category. By ring-fencing funding, one establishes a guarantee that a defined amount of the department's budget must be allocated to a specific program and cannot be changed or reallocated by the department, unless approved by Parliament.

For instance, the Department of Transport is part of a pilot project of a program-based vote structure for grants and contributions (see Figure 48).[113] This means that in the department's votes in the supply bills, separate votes were defined for types of grants and contributions. The department had votes for operating expenditures, capital expenditures, and three separate votes for grants and contributions with defined purpose in the vote. This is a positive step ensuring the department must spend in the priority areas and cannot move money away from the vote's set allocation. While this does ring-fence funding in the priority areas, we still have to guess as to which grant and contribution programs fall into each vote category.

[113] Treasury Board of Canada, Secretariat, "Estimates 2018–2019," https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates/2018-19-estimates/main-estimates.html#idchapter320832720

FIGURE 48

Table 141. Organizational Estimates (dollars) - Department of Transport

		2016–17 Expenditures	2017–18 Main Estimates	2017–18 Estimates To Date	2018–19 Main Estimates
Budgetary					
Voted					
1	Operating expenditures	534,936,182	596,606,256	672,727,368	696,852,654
5	Capital expenditures	89,538,022	138,591,900	142,291,900	122,989,854
10	Grants and contributions – Efficient Transportation System	0	0	0	401,910,138
15	Grants and contributions – Green and Innovative Transportation System	0	0	0	41,601,775
20	Grants and contributions – Safe and Secure Transportation System	0	0	0	27,772,681
_	Grants and contributions	312,300,832	336,776,516	378,778,927	0
Total Voted		936,775,036	1,071,974,672	1,193,798,195	1,291,127,102
Total Statutory		254,383,748	230,857,877	236,872,393	223,825,936
Total Budgetary		1,191,158,784	1,302,832,549	1,430,670,588	1,514,953,038

Note: Additional details by organization are available on the Treasury Board Secretariat website – http://www.canada.ca/en/treasury-board-secretariat.html

In an ideal situation, the grant and contribution vote would breakout funding by a specific activity or funding area. For instance, ISC would have a series of grant and contribution votes for program areas such as child and family services, First Nations and Inuit health, etc.

The separate program activity vote or ring-fencing approach establishes a program to deal with a specific public policy issue, funded by a separate line-item in the Appropriations (supply bills). While annual parliamentary approval is required to allocate the funds, the funding amount for the year is clear as it is published as a separate line in the Estimates. In addition, it helps to focus the attention of the Executive and Parliament on desired outcomes.

This type of funding arrangement offers flexibility, as it can be adjusted on an annual basis before it is voted by Parliament. Should a government wish to reallocate money during the fiscal year, it would have to return to Parliament for approval (obtained through a vote transfer or adjustment to the fiscal framework). While funding may increase, it risks being decreased as well. As a separate vote in the supply process, there is an added measure of accountability to this arrangement. Money allocated to the program cannot be moved around or assigned to other

departmental priorities. While transparent and targeted, this funding arrangement is not responsive in-year to changing user needs.

With the opportunity for changes to the FNCFS funding structure, an approach that ring-fences funding for the program and then allocates it based on program activity areas would be a step to enhanced transparency and accountability for funding. This would enable FNCFS agencies and stakeholders to more clearly track allocations related to the FNCFS program within ISC.

Working from this approach, funding allocations to agencies would also be aligned to activity areas. This means that agency funding would be allocated and performance assessed against program activity areas such as protection and maintenance, prevention, capital, operating, and governance and data.

Once the Estimates vote structure and departmental grant & contribution funding has been reconsidered, agency level funding mechanisms must also reflect the desired performance framework. Grant and contribution funding would then be allocated to individual FNCFS agencies. These agencies will require funding to achieve three objectives: adequacy (short and long term), flexibility (to (re)allocate to priorities) and connected to desired outcomes (for performance, reporting and accountability). IFSD research and consultations regarding best practices has found that *block funding* at the agency level would best support these three fundamental objectives. Funding agencies in blocks, reflecting individual program activities, where agencies are accountable for managing their priorities and resources would alter incentives. Instead of working around the system, agencies could focus on working with the system to plan and deliver their services with regularized funding allocations that align to their operations.

It is recommended that block transfers be used to fund the FNCFS program to provide flexibility in allocation and accountability to stakeholders.

Precedent for block funding to FNCFS agencies exists. West Region Child and Family Services (WRCFS) was part of a pilot project on block funding that was evaluated in 1994. The evaluation found that the approach was successful in not only decreasing the number of children in care, but in

improving planning for children (emphasizing treatment) and focusing on community care programming. It was recommended that the block funding approach be made available to other agencies. Accountable for managing its block grant, WRCFS's approach to cost analysis was considered sophisticated in the evaluation and was reported to be used for program planning.[114] The block funding ended however, with the introduction of the EPFA formula. For WRCFS, this resulted in a reduction in resources and flexibility in its program design and planning abilities. The agency lost its community-focused and prevention-oriented mechanisms for care and services.

The importance of relevant data collection and its use for agency planning and program development cannot be overstated. In an attempt to secure a block funding grant to fund increased prevention-focused services for one of its First Nation communities, the Centre de Jeunesse de l'Abitibi-Témiscamingue,[115] used its own data to make the case for differentiated and increased need. The Centre's data tracked when a child accessed services, whether or not the child was placed in care, and the recurrence of the child's contact with the system. With this information, the Centre was able to demonstrate that children in the First Nation community of Lac Simon had significantly higher demand and need for services than those in the neighbouring non-First Nation community. The cases of WRCFS and the Centre de Jeunesse de l'Abitibi-Témiscamingue reflect the importance of aligning expenditures to outcomes and measuring what matters to improve planning.

In order to better serve the country's most vulnerable families and children, Canada needs to rethink its approach to responding to cases of child maltreatment. Instead of asking "how do we protect children?", experts convened for the IFSD roundtable emphasized that a better point of departure is asking "what do children need to thrive?" In addition to pivoting to an outcomes and prevention-based frame, there is a need to establish contextually-relevant, evidence-based services that are rooted in improving long-term outcomes among children and families involved in the child welfare system.

[114] Mackenzie, 1994, p. 104.

[115] Testimony before the Canadian Human Rights Tribunal, (2013) (statement of Sylvain Plouffe, director general of the Centre Jeunesse de l'Abitibi-Témiscamingue).

Understanding outcomes among First Nations peoples has been traditionally complicated by a lack of reliable data. There are several challenges unique to First Nations data collection and management that have made it difficult to measure the scope of health issues and limit comprehensive analysis. Some of these include the failure to separate First Nations identity from the general population, gaps in coverage, aggregation that is geographically too broad, multiple data sources, ambiguity and lack of regulation over who owns and controls the data, and the use of culturally inappropriate indicators. Current efforts have also been critiqued for focusing on secondary issues (e.g. disease prevalence) as opposed to root causes of ill health and well-being.[116]

More broadly, this is an important issue to address, as "data can highlight inequality and bring an evidence-based lens to policy making," and "provides baselines and benchmarks which allow for measurements of change over time."[117] At the program level, as with child welfare, data is essential to inform good strategic planning and provide the space for knowledge sharing and innovation among FNCFS agencies.

As McBride (n.d.) notes, "data is only as useful as the ability of communities to assess and respond to it," and for "communities to engage with data, there has to be local capacity to access, collect, and analyze it."[118] Many FNCFS agencies currently lack this capacity. Among agencies that do have this capacity, there is no streamlined mechanism around what data is collected, why and how. Therefore, a consistent recommendation from experts is to establish a First Nations data secretariat and resource centre for FNCFS.

In the proposed future state for the FNCFS program, there's an emphasis on performance and outcomes for agencies and communities. Focused on holistic well-being, prevention funding for FNCFS agencies is proposed to address contextual challenges and general population needs, not only those of protection-related services. Various agencies have demonstrated the importance of measuring what matters to better adjust planning and programming for communities. Building

[116] Kate McBride, "Data Resources and Challenges for First Nations Communities: Document Review and Position Paper," (The Alberta First Nations Information and Governance Centre, n.d.).

[117] McBride, n.d.

[118] McBride, n.d.

on data as a tool for improved services, it is also necessary for performance evaluation.

Among FNCFS agencies, there is no consistent set of indicators of well-being that are regularly tracked and collected. This leaves a gap in understanding of outcomes for children, families, communities and the agencies' own organizations. With a new funding structure, there is an opportunity to establish a secretariat dedicated to FNCFS agencies and the well-being of the communities they serve. Working with FNCFS agencies and experts, this secretariat would develop a streamlined reporting system that would have agencies report on overall indicators of well-being for their people and organizations (similar to those in Table 14 from the expert roundtable). Assessing indicators in the categories of child safety, child well-being, family well-being and community well-being would enable agencies and communities to better plan and respond to changing needs.

The proposed secretariat would be guided by OCAP® principles and would ensure that the data shared by FNCFS agencies is returned directly to them, publicizing only national aggregated data with the permission of the participating FNCFS agencies. There would be a learning period of at least one full year in which the secretariat would undertake its work. The secretariat may request that a variety of data be collected to better understand their utility and to identify continued gaps in understanding. The year would allow the secretariat to refine its data collection process with feedback from stakeholders, ensuring it is responsive and relevant in its work.

British Columbia's First Nations Health Authority (FNHA) may be a partial model for the secretariat from the perspective of its data collection, maintenance and dissemination practices. Since 2013, the FNHA has been responsible for planning, managing, funding, and delivering health programs in partnership with First Nations in British Columbia.[119] Their culturally relevant approach to knowledge gathering and indicators to measure well-being may serve as a starting point for developing related data practices that include safety and the well-being of children, families and communities. A stakeholder focused organization, the FNHA frequently and purposefully engages with its communities to gather

[119] First Nations Health Authority, 2018, "About the FNHA."

knowledge and identify areas in need of improvement.[120] The First Nations Information Governance Centre (FNIGC) may similarly offer a model to emulate. First Nations-led, the FNIGC is dedicated to producing "portraits of the lives of First Nations people and the communities they live in," with the goal of improved decision-making. The secretariat's mandate would differ slightly and would focus on indicators to better understand the results of contextual challenges, programs and policies on children, families and communities.

Having reliable data means improving accountability for stakeholders and opportunities for improvement and refinement of policies, programs and activities. Agencies have demonstrated the utility of sound data for decision-making. Enhancing the data collection process to ensure it is meaningful, relevant and produces information agencies and communities can leverage is possible and should be pursued.

It is recommended that a secretariat dedicated to results-oriented data be established to support FNCFS agencies in their work.

The characteristics of FNCFS agencies transcend boundaries and funding formula divisions. Agencies and experts agreed that their shared experiences and common challenges would benefit from a national resource centre at the service of all FNCFS agencies. A resource centre dedicated to aggregating content, developing resources and supporting agencies would serve as a platform for engagement, ideas sharing, and collaboration among agencies.

Developed as an online platform, the resource centre would have a small team dedicated to fulfilling its mandate. The opportunity with the resource centre is to share the human and resource requirements of developing new programming or strategies for addressing challenges common to FNCFS agencies. The centre also has the opportunity to serve as an archive or library of wise practices and approaches to care and holistic well-being. For instance, if an agency has successfully developed a program for supporting families struggling with substance misuse, they may share the details with the centre, which in turn could connect the agency delivering the program to others who may wish to learn from it. The most recurring comment from 60% of workshop

[120] First Nations Health Authority, 2018, "Engagement process."

attendees was that the most valuable part of the workshop was collaborating, sharing ideas and networking with peers from across the country. The possibility of leveraging that knowledge and sharing it across FNCFS agencies represents an unparalleled opportunity for amplification of efforts and the possibility for positive change.

As an organization sharing specific knowledge and expertise, the First Nations Lands Management Resource Centre (FNLMRC) may be a model for the role of an FNCFS resource centre. Dedicated to supporting First Nations at various points in the land management process, the FNLMRC offers a variety of services and strategic advice to meet a diversity of needs. Similarly, the FNCFS centre may seek to develop its expertise in FNCFS wise practices, as well as related issues such as health and supporting infrastructure. The focus of the centre's mandate would be to serve as a platform for collaboration and network building among agencies. Expanding capacity and sharing knowledge can help to multiply FNCFS agency efforts and encourage constant growth and learning.

Should they be established, the secretariat and centre would benefit from including common existing practices of other First Nations organizations in their operations and mandate. Such practices include a board of directors representative of the First Nations served; the provision of First Nations-specific services; and annual reporting on objectives, progress and finances.

It is recommended that a FNCFS resource centre be established as a platform for knowledge sharing and collaboration among FNCFS agencies in support of their common mandates.

CONCLUSION: RECOMMENDATIONS AND FUTURE RESEARCH DIRECTIONS

The current protection-focused system does not produce adequate results for children and families, fails to recognize the contextual challenges that lead to disadvantaged starting points for many communities, significantly underfunds prevention, has important gaps in capital and IT spending, struggles to remunerate employees relative to provincial levels, and falls short on data collection and analytics required to identify and support wise practices.

In this context, IFSD makes a number of recommendations (as listed in the Executive Summary):

1. It is recommended that block transfers be used to fund the FNCFS program to provide flexibility in allocation and accountability to stakeholders.

2. It is recommended that contextual issues such as poverty, be recognized and addressed through policy, programs and funding.

3. It is recommended that prevention be funded on a per capita basis for the total population served by the agency (not only children) at a rate of $800–$2,500 per person.

4. It is recommended that there be a one-time capital investment, and a benchmark recapitalization rate of a minimum 2% per annum (of asset base) added to agency budgets.

5. It is recommended that IT be funded at a rate of 5%–6% of total annual budgets, consistent with industry practices.

6. It is recommended that:
   - Social workers be remunerated at levels comparable to provincial salary levels.
   - A study be undertaken to assess why FNCFS agencies are unable to remunerate their employees at provincial levels.

- A study on case complexity be undertaken, with consideration of differing community contexts when determining reasonable caseload levels.
- FNCFS employees have access to professional support and development, including leave for compassion fatigue.

7. It is recommended that a secretariat dedicated to results-oriented data be established to support FNCFS agencies in their work.

8. It is recommended that a FNCFS resource centre be established as a platform for knowledge sharing and collaboration among FNCFS agencies in support of their common mandates.

Recommendations for Further Research

IFSD has three recommendations with respect to next-steps to further the work undertaken in this study:

1. Establish a performance framework to underpin the First Nations Child and Family Services system across Canada.

2. Develop a range of options with regards to the funding models that would support an enhanced performance framework.

3. Transition to a future state in full consideration of the data, human capital and governance requirements.

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APPENDIX A

Needs Assessment

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April 10, 2018

Re: Request for analysis of existing needs assessments

At the request of the Caring Society, the Assembly of First Nations (AFN), and Indigenous Services Canada (ISC), the Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa undertook analysis of First Nations child and family services (CFS) agencies' needs assessments submitted to ISC between June 2017 and March 2018. The needs assessments were submitted in response to a letter from then Indigenous and Northern Affairs Canada (INAC) to First Nations CFS agencies dated October 28, 2016.[1]

In its review, the IFSD was asked to provide:

1) A summary of findings from existing needs assessments prepared by First Nations CFS agencies to inform a funding approach (pursuant the Canadian Human Rights Tribunal's (CHRT) February 2018 order);
2) An assessment as to whether the information from existing needs assessments could inform a cost analysis of First Nations CFS agencies while accounting for operating, capital, programmatic, governance, and other considerations for both average and small agencies (pursuant to 2018 CHRT 4 pars. 231 and 408; 249-250 and 418-419); and
3) A research plan to collect the required data and to conduct analysis to respond to the CHRT's orders, should the existing needs assessments fail to yield the required information.

IFSD received existing needs assessments on a USB key from ISC on March 21, 2018. There were 73 agencies that had completed the needs assessments, as well as reports from three regional organizations that aggregated regional findings, with some appending contributing agencies' needs assessments. Based on an agency list provided by ISC in 2017, there are 109 First Nations child and family services agencies in Canada. IFSD reviewed the 73 needs assessments and regional reports leveraging its approach from the National Advisory Committee (NAC)-IFSD survey of First Nations CFS agencies.

[1] In a letter addressed to "First Nations Child and Family Services Agencies (Executive Directors, Directors, and Managers)," dated October 28, 2016, then Indigenous and Northern Affairs Canada (INAC) offered two one-time funding opportunities, in response to the 2016 CHRT 16, par. 39. The first was $25,000 for a needs assessment, and the second was up to $75,000 for the development and implementation of culturally appropriate programs and tools for the communities served. The needs assessments to provide information about the agencies' "distinct needs and circumstances, the associated costs to meet these needs, and the factors that impact the way you deliver child and family services," was the focus of the IFSD's analysis. IFSD was not asked to comment on the submissions for the second block of funding.

In its analysis, IFSD used a framework that captured the elements of the CHRT order by assessing whether the needs assessments commented on and provided cost data for capital, operating, programmatic, governance and other particular circumstances (see Annex 1 for definitions). The framework was developed to respond to the requests above, by aggregating results to determine if the information in the needs assessments could inform a funding approach and a cost analysis for all agencies, with attention to small agencies. IFSD did not comment on the quality of the information presented, but only on whether a narrative and/or cost estimate appeared in the submitted document (see Annex 2 for the framework). However, while narratives on the current-state provide useful context, without data related to cost estimation, the assessments would not support the fulfillment of the CHRT order.

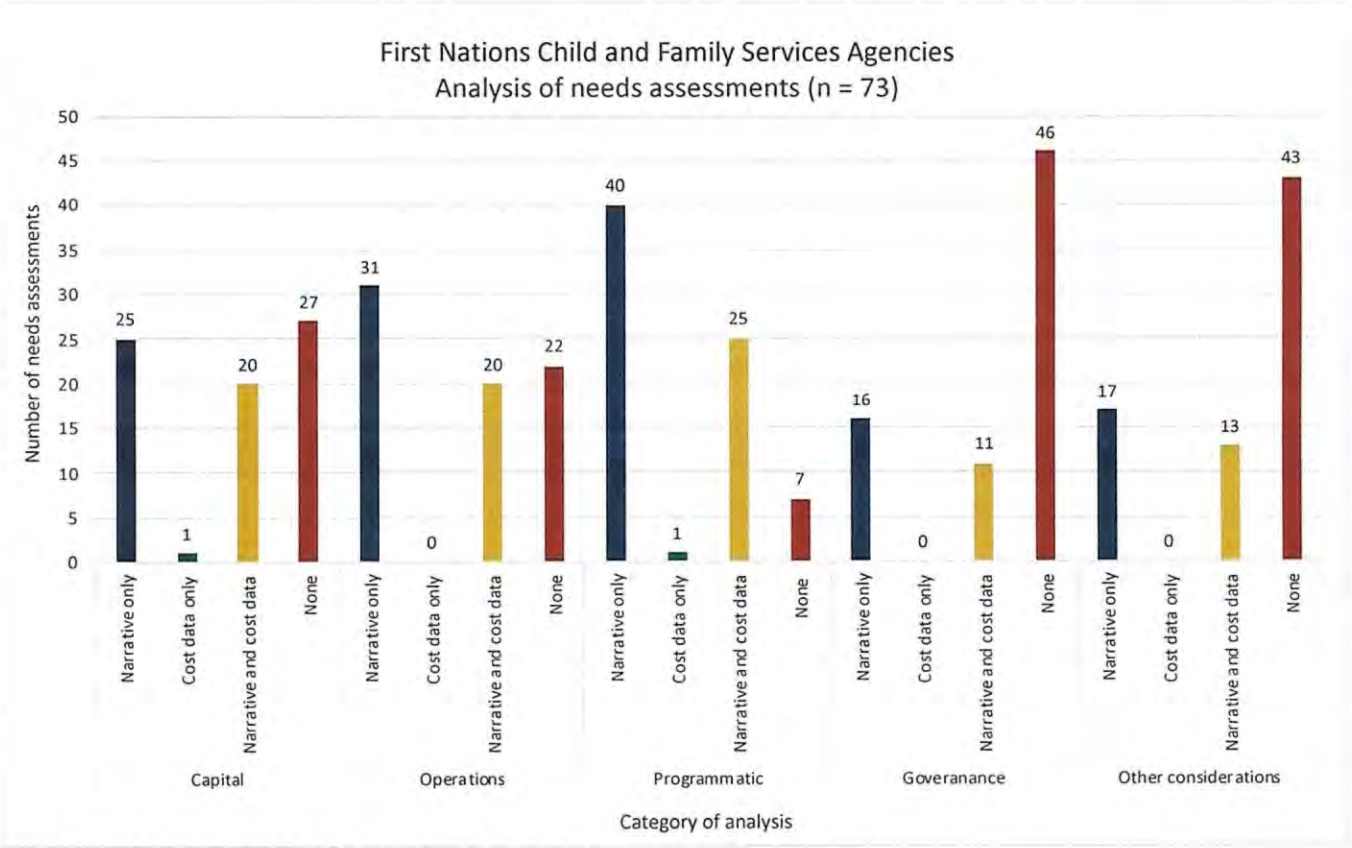

Figure 1: Summary of needs assessments reporting.

While the needs assessment exercise may have been designed to support a number of processes, the results are insufficient and as a result, unusable in the context of a cost analysis to inform a funding approach.

The results of IFSD's analysis of the 73 needs assessments suggest that (see Figure 1):

1) The qualitative and quantitative information submitted in the needs assessments is inadequate to undertake a program cost analysis.
2) It appears that the instructions provided by INAC in the October 28, 2016 letter were sufficiently vague allowing for wide interpretation by agencies and resulting in a variety of responses, that were not conducive to the acquisition of financial data required for cost analysis of funding needs. This may have contributed to the array of data and narrative formats of the needs assessments, resulting in significant variance in the nature and quality of the information presented.
3) Needs assessments from Manitoba-based agencies reported effectively with quantitative cost data and qualitative narratives to define and explain gaps in capital, operating, and programming budgets, as well as to identify other considerations particular to their agencies. While useful, more detailed information will be required for the cost analysis.
4) Nearly all (90%) of needs assessments reported on programmatic considerations (protection and/or prevention), with approximately 61% of those reporting only with a narrative and approximately 38% reporting with both cost and narrative data.
5) 70% of agencies reported on their operational needs, mostly in narrative form.
6) 63% of agencies reported on their capital needs, mostly in narrative form.
7) Few agencies reported on governance considerations (37%) and on other considerations (41%) in their needs assessments.
8) Of the 73 needs assessments, 42% reported on the size of the community they serve. From the reporting group, there are 9 small agencies (serving less than 1,000 children) and 22 average size agencies. The sizes of the other agencies were not reported in the needs assessments.

Financial analysis will require information aligned to the cost categories defined in Annex 1 based on agency needs (e.g. capital, which includes building maintenance, repairs and retrofitting of buildings, land, vehicles, and technology equipment). For compliance with the CHRT order of a cost analysis, the data collected from this exercise is insufficient.

Given this result, the IFSD has appended a proposed research plan to this letter (see Annex 3) to collect the required data and to conduct analysis in fulfilment of the order, pursuant to the request made by the Caring Society, AFN, and ISC.

Respectfully submitted,

Kevin Page

Kevin Page
President & CEO, Institute of Fiscal Studies and Democracy
University of Ottawa
(Former Parliamentary Budget Officer of Canada)

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Annex 1 – Definitions

Category		Definition and examples	Tribunal References and Notes
Capital		**The acquisition and maintenance of fixed assets.** Examples include maintenance, repairs and retrofitting of buildings, land, vehicles, and technology equipment (e.g. phones, computers, software).	The Panel, pursuant to section 53 (2) (a) and (b) of the CHRA, orders Canada to analyze the needs assessments completed by First Nations agencies in consultation with the Parties, interested parties (see protocol order below), and other experts; and to do a cost-analysis of the real needs of First Nations agencies including prevention/least disruptive measures, intake and investigation, building repairs and legal fees related to child welfare taking into account travel distances, case load ratios, remoteness, the gaps and/or lack of surrounding services and all particular circumstances they may face. (2018 CHRT 4 para 408)
Operations		**The ongoing costs of doing business.** Examples include salaries, benefits, agency legal fees, staff training, travel expenses, and small agency deficits.	
Programmatic	Protection	**Programs associated with placing a child in alternative care outside of the parental home.** Examples include non-medical services to children in care with behavioural problems and specialized needs, purchases on behalf of children in care, per diem costs for children in care in placements out of the parental home (including foster care, group homes, institutional care, and kinship care), post-adoption subsidies and supports, professional services not covered by other jurisdiction or by Health Canada's Non-Insured Health Benefits Program,	
	Prevention	**Programs designed to reduce the incidence of family dysfunction and breakdown or crisis and to reduce the need to take children into out-of-home care or the amount of time a child remains in out-of-home care.** Examples include violence prevention and family support services, mentoring and non-medical counselling services, home management services, land-based and cultural programming, intensive family reunification programs, least disruptive measures, purchase of basic needs items (eg security deposit, money for diapers), intake and investigation, transportation and accommodation for medical and non-medical appointments, home management services, Child Service Purchase Amount, and respite care.	
Governance		**Accountability, transparency and decision-making mechanisms.** Examples include Content Management Systems, collecting and analysing data, audits and evaluations, Band councils, Elder councils, and advisory boards.	
Size of agency		**Small agencies are agencies that serve a child population of less than 1000. (2016 CHRT 2 para 187)**	The Panel, pursuant to section 53 (2) (a) and (b) of the CHRA, orders Canada to analyze the needs assessments completed by First Nations agencies in consultation with the Parties, interested parties (see protocol order below), and other experts and to do a cost-analysis of the real needs of small First Nations agencies related to child welfare taking into account travel distances, case load ratios, remoteness, the gaps and/or lack of surrounding services and all particular circumstances they may face. (2018 CHRT 4 para 418)
Other considerations		**Related to the unique situation of an agency.** Examples include remoteness, and availability of services in the community.	The Panel ordered INAC to immediately address how it determines funding for remote FNCFS Agencies. Current funding does not account for such things as travel to provide or access services, the higher cost of living and service delivery in remote communities, the compounded effect of reducing core funding for remote agencies that may also be smaller agencies (see paras. 213-233 and 291 of the Decision). In its subsequent ruling in 2016 CHRT 16, the Panel ordered INAC to provide detailed information to clearly demonstrate how it is determining funding for remote FNCFS Agencies that allows them to meet the actual needs of the communities they serve. (2018 CHRT 4 para 339)
Narrative		Qualitative information or explanatory notes to give meaning to the cost category.	
Cost data		Quantitative financial information ($) of the agency's expenses in the cost category.	

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Annex 2 – Needs Assessment Framework

Province	Agency name	Capital		Operations		Programmatic		Goveranance		Other considerations		Small agency	
		Narrative	Cost Data	Narrative	Cost Data	Narrative	Cost Data	Narrative	Cost Data	Narrative	Cost Data	Yes	No

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Annex 3 – Research proposal

Project Plan
Analyzing First Nations Child and Family Services (FNCFS) Agency Needs

Context

The Canadian Human Rights Tribunal (CHRT), in its January 2016 decision and subsequent rulings, has found that Canada has used a discriminatory funding approach for FNCFS agencies. Canada states it is committed to implementing these orders.

In support of Canada's efforts to develop an alternative system to fund First Nations child and family services, Indigenous Services Canada requires the services of a funding/technical and research expert with knowledge of Indigenous issues, and Indigenous practices with respect to data collection and Indigenous intellectual property as well as child and family services.

Purpose

Our understanding of your needs suggests that the purpose of this project is to develop reliable data collection, analysis and reporting methodology for analyzing the needs of FNCFS Agencies. Specifically, this project will support the implementation of the following orders:

1) Work with experts to develop a reliable data collection, analysis and reporting methodology, as well as ethical research guidelines for analyzing the needs of First Nations Agencies (Order defined in par. 421);
2) Canada is accountable for analyzing the needs assessments and undertake a cost-analysis of the needs of agencies, in consultation with the parties and other experts (Orders defined in pars. 408 and 418).

If selected as the Contractor, the Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa will provide technical expertise to analyze agency needs, will provide strategic advice on how to best monitor and respond to actual agency needs from fiscal and governance perspectives, with an approach informed by understanding, existing research, and analysis of assessments done by agencies and communities.

The IFSD will engage with the Assembly of First Nations (AFN) as the project contract holder.

Guiding Questions

1) What are agencies' needs in *protection* (e.g. intake and investigation, least disruptive measures (secondary, tertiary prevention and family case conferencing)), *prevention* (e.g. child purchase amount and primary prevention needs (public education, early childhood interventions etc.)), *operations* (e.g. salaries, legal fees related to child welfare), *capital* (e.g. building repairs, vehicles, information technology), and *governance/reporting*?

2) What are the gaps between the current and desired states of agencies?

3) What are the funding requirements to support these agencies at the desired state (i.e. cost analysis)?

4) How can agencies' defined needs and their costs be translated into a new vision for First Nations child and family services, that focuses on leveraging cultural approaches and best evidence to support healthy families and communities and ensure the best interests of children?

5) How can agencies establish performance measures and conduct evaluations that promote organizational learning and development?

Methodology

As an affiliate of the University of Ottawa, IFSD is guided by ethical research guidelines respecting Indigenous peoples, the project will follow the Tri-Council Policy Statement on Ethical Conduct for Research Involving Humans and OCAP principles in all of its work.

This means that IFSD will be subject to the University of Ottawa's ethics board review per the Tri-Council Policy Statements on Ethical Conduct for Research involving Humans.

Part 1: Needs assessments

Defining needs in a way that articulates the problem and performance objectives will drive design, governance, reporting, and implementation strategies.

1) Propose categories of agency activities in table form. Seek approval of table from stakeholders during May 2018 workshop at IFSD. This portion of the project will seek

consensus to define elements of a desired future state for First Nations child welfare. Proposed global indicators include:

a. Protection
b. Prevention
c. Operations
d. Capital
e. Governance/reporting
    i. Policy development capacity
    ii. Organizational evaluation and learning
    iii. Community communication and engagement

The proposed indicators are intended to enable agencies to define their needs on an activity basis and to facilitate the costing of these needs (i.e. desired outcomes) and initiatives in Phase 3. This part of the project will invite agencies to present their desired or normative state of operations, including multi-year funding structures to support long-term planning and program sustainability.

2) Analyze existing needs assessments undertaken by agencies and communities. Any gaps in data will be identified and filled by liaising directly with agencies or more granular research will be undertaken as required to support robust program design, effective governance, reporting and sustainable implementation strategies.
3) Leverage results of NAC-IFSD First Nations agency surveys to develop typology of agencies based on mandates, size, and needs.

NOTE: IFSD will produce monthly updates to communicate project progress and interim results to the project's stakeholders. These written updates (submitted via email and potentially posted on the project website) can be supplemented with briefings to interested parties by IFSD.

Part 2: Baseline definition and gap analysis

1) Define current baseline of agency *resource inputs* (i.e. financial, human resources (including regular working hours, and those supplementary hours worked without pay) budgets and *outputs* (i.e. activities). Design a survey to assess agency baseline indicators. Test the survey with agencies in different regions and of different sizes (based on NAC-IFSD survey research on agency characteristics).
Note: A more granular assessment of the current state can be undertaken by IFSD with agency/community visits. Having built existing research partnerships with various jurisdictions, IFSD understands the challenges and importance of building

trust, and co-developing research approaches with agencies and members of their communities. Establishing a clear current baseline across inputs, outputs, and outcomes will be paramount to defining the gap between the current and desired state of agencies.

2) Review results from Phase 1. Scrub data and prepare for program-level bottom-up costing, based on aggregated agency needs data for each type of agency.
3) Define detailed costing procedure and sources of actual cost data from agencies. Consider factors (beyond those defined in the needs assessment in Part 1) such as:
    a. Cross-agency collaborations on items such as peer support, professional development, communications, etc.
    b. Lost purchasing power related to the lack/insufficiency of inflation adjustments in Directive 20-1 and EPFA
    c. Identify extraordinary cost items that may require the establishment of national or regional pools such as liability costs, natural disaster contingencies, community emergency response contingencies)
4) Identify any missing data or other required analytic elements before proceeding with costing.

Part 3: Cost analysis

1) For each type of agency (defined in Part 1), cost agency needs by leveraging actual cost data. Costing will be undertaken on an indicator-basis (protection, prevention, operations, capital, governance/reporting), with line-items generated based on agency needs assessments.
2) Produce an overview of the costing exercise by agency type (for projections, cost analysis will include inflation).
3) Seek acceptance of findings during stakeholder workshop at IFSD in September 2018.

Phase 4: Final reports

1) Produce an initial assessment of findings:
    a. Cost analysis (by agency type)
    b. What does the agency organization have to look like to close the gap between the desired and current state?
    c. What procedure can be integrated for monitoring on-going agency and governance across inputs, outputs and outcomes?
2) Present report to stakeholders for feedback.

3) Allow for minor corrections or minor revisions to report based on stakeholder feedback.
4) The final report will make recommendations for DISC in pursuit of reforms to support a new funding approach, that promote long term planning and program sustainability (i.e.: multi-year funding, avoiding reliance on proposal-based projects).

Timelines and Deliverables

See Annex A

NOTE: Timelines are indicative and subject to the pace of data availability and acquisition commensurate with the needs and resources of the project. Based on previous experience, acquiring sufficient and reliable data is critical to establishing a strong foundation for subsequent stages of the project including the development of a forward strategy for First Nations child welfare. Data collection should be considered an ongoing exercise in continual improvement.

Data Sources

This work is to build on the extensive body of previous research in this area, including (but not limited to):

- Bridging Econometrics with First Nations Child and Family Services (Joint National Policy Review of First Nations Child and Family Services);
- Wen:de: We are Coming to the Light of Day;
- Wen:de: The Journey Continues;
- Decision and Orders of the Canadian Human Rights Tribunal;
- Phase 1 of the Remoteness Quotient research;
- Auditor General of Canada Reports (2008, 2011);
- NAC-IFSD survey of First Nations child welfare agencies;
- Existing agency and community needs assessments;
- Data requested from Indigenous Services Canada;
- National Advisory Committee Interim Report (2018);
- Other publicly available data and research relevant to the project.

Future Research Directions

It is expected that this research project will inform a new program architecture for funding First Nations child welfare and inform the following questions:

1) To what degree have agencies been supported to design culturally appropriate long-term plans to meet the needs of the children and families in the communities they serve? If agencies were supported, how were they funded and at what rate ($)? How was the implementation of existing plans supported in an evolving community context? For those agencies that did not have support, what inputs and implementation supports would be required to produce a long-term plan and implement it?

2) What are the primary current cost drivers for agencies in the areas of operations, protection, and prevention?

3) What are the costs associated with culturally based child welfare policy and program development and evaluation?

4) What are the most significant spending areas in agency budgets?

5) Are most agencies in surplus or deficit statuses?

6) How should "prevention" be defined? How should agencies define their prevention services? How can agencies foster a greater community role in providing well-being and prevention services? To what degree is effective prevention related to a need for equity in other federally funded services? How can prevention services be structured to ensure effective program development and sustainable operations?

7) How can funding be delivered in a way that enables agencies to be responsive to the unique needs of First Nations children, youth, families and communities?

8) What data architecture should be in place to identify and track the needs of First Nations child welfare agencies? What data architecture can agencies use to track the needs of their communities? What supports are needed for agencies to set community based performance measures and institute regular evaluations to enhance organizational learning?

9) What governance arrangements would support the achievement of agreed outcomes for First Nations child well-being? Would the governance arrangements differ based on agency type/characteristics? How does each governance arrangement define accountability, reporting, and evaluation (based on key performance indicators)?

10) What are appropriate models to forecast future agency needs for technology, infrastructure, administration and travel costs?

11) What are the core administrative staffing and related requirements of small agencies? How are these different than larger agencies or multi-site agencies?

12) What is the minimum size of agency and related population consistent with good social work practice to ensure the adequate provision of protection and prevention services based on community needs? What supports can be provided to First Nations communities without a First Nations agency regardless of population (e.g. primary prevention resources)?

Deliverable	Description	Accountability & resources	Deadline
Phase 1			
Approved project plan	– Client approves project plan and timelines	IFSD	April 5, 2018
Ethics reviews	– Submit ethics review to the University of Ottawa Research Ethics Board and to any First Nations communities as needed	IFSD	April 15, 2018
Analysis of existing needs assessment	– Evaluate content of agency needs assessment collected by DISC – Release public letter (addressed to Caring Society, AFN, and DISC) noting relevant data from the needs assessments and any gaps, given the diversity of the cost submissions and narratives	IFSD	April 15, 2018
Indicators table and survey design	– Define needs indicators that will inform needs analysis and costing exercise – Needs indicators will serve as cost categories – Prepopulate indicators (or request where not public available) to capture contextual data including special considerations for child need, agency demographics, community demographics, etc.	IFSD in consultation with client	May 15, 2018
Workshop #1	– Convene stakeholders to seek approval and agreement of indicators table	IFSD in consultation with	May 2018 (date TBC)

		AFN, NAC, Caring Society	
Analysis of existing assessments	– Collect and analyze existing agency and community assessments to inform needs analysis – Liaise directly with agencies to fill any data gaps – Are there needs trends in agencies based on characteristics such as mandate, region, size, etc.?	IFSD in consultation with agencies and communities (as required)	July 31, 2018
Phase 2			
Gap analysis	– Undertake a deep-dive analysis of current agency cost data across Canada – Define current baseline budget and cost information for agencies based on agency consultation visits	IFSD	September 30, 2018
Define costing procedure	– Produce costing procedure plan and approve with client	IFSD in consultation with client	
Cluster agencies based on typology	– Using NAC-IFSD survey data, cluster agencies into characteristic-based typologies – Seek client approval of agency typologies – Prepare to produce aggregate costing based on agency typology	IFSD in consultation with client	
Define and fill data gaps prior to costing	– Confirm access and availability of all costing-related data	IFSD	
Phase 3			

Costing assessment table	– Produce costing assessment based on agency typology – Present in table form based on needs indicators	IFSD	October 31, 2018
Draft findings	– Produce draft report on high-level findings of costing – Review results with client	IFSD in consultation with client	October 31, 2018
Workshop #2	– Convene stakeholders to seek approval of costing findings – Discuss paths forward for the development of a new program architecture for First Nations child welfare	IFSD in consultation with AFN, NAC, Caring Society	November 2, 2018
Phase 4			
Final report	– Leverage project and related analysis to respond to research questions in "Future research directions" section of project plan – Align needs and costing assessments to way forward for improved outcomes in First Nations child welfare	IFSD	November 15, 2018
Stakeholder feedback	– Review final report with client for feedback – Share final report with stakeholders for feedback – Allow for minor revisions and minor adjustments to final report	IFSD in consultation with client and stakeholders	November 15, 2018
Project completed			

APPENDIX B

Liability Insurance Opinion

August 31, 2018

VIA E-MAIL

Reply to: Eileen E. Vanderburgh
Direct Line: 604.484.1732
Direct Fax: 604.484.9732
E-mail: evanderburgh@ahbl.ca
Matter No.: 1137549

Institute of Fiscal Studies and Democracy (IFSD)
115 Séraphin-Marion Private #107
Ottawa, Ontario
K1N 6N5

Attention: Helaina Gaspard, Ph.D., Director, Governance & Institutions

Dear Sirs/Mesdames:

Re: Legal Opinion regarding First Nations Child and Family Services (FNCFS)

We write to provide IFSD with a legal opinion on matters related to the delegation of Child and Family Services to First Nations agencies as outlined in our letter of July 31, 2018.

OVERVIEW OF OUR OPINION

In Part I, we provide our assessment of the scope of any legal obligation of the provinces to provide insurance coverage for agencies delegated to provide child welfare services within each province. We conclude that none of the provinces in Canada are statutorily required to provide insurance coverage to child welfare agencies. However, it appears that some provinces include provisions in their delegation agreements that require child welfare agencies to carry liability insurance coverage as a condition of performing delegated services to children. Liability insurance issues between those provinces and their respective delegated child welfare agencies are therefore governed by the principles of contract law.

In Part II, we provide an overview of market-based, third-party liability insurance products available to First Nations child welfare agencies in Canada, and the approximate cost of these insurance products. We focus our inquiry on coverage for physical and sexual abuse claims because, based on our review of the jurisprudence, physical and sexual abuse claims tend to form the basis of actions brought against child welfare agencies.

Our overview of market-based insurance products is based on the information provided to us by IFSD and information from brokers used by IFSD's partner organizations. As such, we have not provided an exhaustive overview in this part, but rather, a sample of the type of coverage available to child welfare agencies.

In terms of the cost of third-party liability insurance, we conclude that the premium payable for an insurance product will be influenced by the nature of the work performed by a

particular agency, the risk-management protocols followed by the agency, and the number and type of staff employed by the agency. Generally however, the premiums range from $5000 for a small organization to $100,000 for a larger organization. The average premium in Canada is around $20,000 for $5,000,000 coverage.

In Part III, we provide an overview of the key liability judgments pertaining to children harmed while in the care, custody or control of a federal, provincial or other child welfare organization. We provide a breakdown of the general heads of damages in these cases and an explanation of the compensation principle, which informs the quantum of all damage awards. We also set out the various legal bases on which an agency may be found liable, whether pursuant to the doctrine of vicarious liability, or by way of direct liability for negligence or breach of a fiduciary duty. Lastly, we set out a range of damage awards, in present day values, to assist child welfare agencies with determining how much third-party liability coverage may be necessary for their services.

I. REVIEW OF PROVINCIAL CHILD WELFARE LEGISLATION

Canada has a decentralized child welfare system. Each province has its own child welfare legislation, which applies to all child and family service agencies, both on and off reserve.

We have reviewed the relevant child welfare legislation in each of the ten provinces. None of the provinces are expressly required by their respective statutes to provide liability insurance to child welfare agencies that are delegated to administer child welfare services, either on or off reserve.

A. British Columbia

In British Columbia, the Master Insurance Program offers commercial general liability insurance to foster parents *only* who perform services on behalf of the Province or a delegated Aboriginal agency. Under the Master Insurance Program, foster parents have $2,000,000 liability coverage per occurrence for claims that arise from incidents that occur during the provision of foster care services. This coverage insures foster parents against personal injury, bodily injury and third party property damage.

The third party coverage includes any person outside the foster family, including the foster child. For example, if the foster parent *accidently* injured the foster child or anybody else outside the family, those claims would be covered. Similarly, *property* belonging to other people is covered under this policy if the foster parent accidentally damaged it in carrying out the foster care services.

The Master Insurance Plan does not provide coverage to First Nations child welfare agencies directly; however, agencies may be added to the plan, by agreement, at the sole discretion of the Ministry of Children & Family Development.

B. Saskatchewan

In Saskatchewan, the *Child and Family Services Act*, SS 1989-90, c C-7.2 provides that child welfare service agreements must contain a clause that requires welfare agencies to carry insurance coverage satisfactory to the minister (s. 62.1(1)(f)). We have reviewed the sample agreement IFSD provided for our consideration (the "Agreement").

The Agreement provides as follows:

> Q. INSURANCE, LIABILITY AND INDEMNIFICATION
>
> 1. The purpose and objective:
>
> 1.1 The Parties acknowledge the risks and responsibilities associated with providing services to children and families. While it is the intention to deliver services which are beyond criticism, it is recognized that claims, which are beyond the control of the Parties, may nonetheless be made and that there are potential costs associated with defending such claims and with the imposition of any liability.
>
> 1.2 The Parties further recognize that in some circumstances such as Case Transfers it may be difficult to separate the acts or omissions of the Parties in the event of an assessment of liability.
>
> 1.3 The Parties further acknowledge that the paramount consideration in all matters shall be the best interests of the child and the welfare of the families that they serve.
>
> 1.4 The Parties therefore agree that is prudent that the [the Agency and First Nation] avail themselves of any limits upon liability which may be available to them in law and that they further require insurance to cover those instances when claims may be made against them.
>
> 1.5 Further, the Parties recognize that it is appropriate to agree to indemnify the other Party in those instances when a claim is made against one Party however liability is ultimately assessed against the other Party.

Additionally, the Agreement includes indemnification provisions, whereby the parties agree to indemnify each other, their officers, employees and agents from and against all claims, actions, damages, costs and expenses arising from any act or omission by the other party, its officers, employees and agents, which contravenes Saskatchewan law or which causes injury to any person (including death) or damages or loss to property where that act or omission is related to the performance or purported performance of the Agreement.

The Agreement also expressly provides that the agency is entitled to rely on the immunity protection set out in section 79 of *The Child and Family Services Act* and that the standard of care expected of the agency shall be no greater than that which is found in section 79 of the act. Section 79 currently provides as follows:

> 79(1) No action lies or shall be instituted against the minister, the ministry, a peace officer or any officer or employee of the ministry or agent of the minister, where the minister, ministry, peace officer, officer, employee or agent is acting pursuant to

> the authority of this Act, the regulations or an order made pursuant to this Act, for any loss or damage suffered by a person by reason of anything in good faith done, caused, permitted or authorized to be done, attempted to be done or omitted to be done, by any of them, pursuant to or in exercise of or supposed exercise of any power conferred by this Act or the regulations or in the carrying out or supposed carrying out of any order made pursuant to this Act or any duty imposed by this Act or the regulations.
>
> 79(2) An agency, or any officer or employee of an agency, is entitled to the same protection provided to the minister in subsection (1).

As we explain in Part III below, immunity provisions such as section 79 provide a statutory defence to negligence claims in the sense that, in the absence of a finding of bad faith, actions against officers, agents or employees of the Minister cannot succeed. Section 79 limits liability for negligence to cases where bad faith in the performance of a statutory duty is alleged and established by a plaintiff.

With respect to insurance coverage, the Agreement requires the agency to purchase and maintain throughout the term of the Agreement, public liability, property damage and directors liability insurance against claims for personal injury, death or damage to property, arising out of the operations of the agency under the Agreement, or as a result of any of the acts or omissions of the agency, it's officers, employees or agents.

In particular, the agency is required to carry insurance that:

(a) names Saskatchewan, it's officers, employees and agents as Additional Insureds;

(b) includes a cross-liability clause;

(c) provides coverage for premises and operations, blanket contractual, extended bodily injury, broad form property damage, non-owned automobile, as well as any applicable errors and omissions or professional liability coverage;

(d) provide one million dollars per occurrence minimum limits for third party liability; and

(e) contains a clause which states that the insurers will not cancel, materially alter or cause the policy to lapse without giving 30 days prior notice in writing to Saskatchewan.

Effectively, the Agreement provides that the agency is required to carry its own insurance and, additionally, is required to indemnify the Province of Saskatchewan for liability arising out of its own acts or omissions or the acts of omissions of its employees, agents and officers, not protected by the immunity clause. We have not reviewed any delegation agreements between other provinces and agencies; however, it is likely that similar liability,

insurance, contribution and indemnity and immunity provisions would be included in agreements of the same nature.

C. Delegation Agreements Generally

Notwithstanding a mandatory insurance coverage provision in a provincial delegation agreement, each of the provinces is subject to the non-delegable duty doctrine, which provides that a party upon whom the law has imposed a strict statutory duty to do a positive act cannot escape liability simply by delegating the work: *Lewis (Guardian ad litem of) v. British Columbia*, [1997] 3 SCR 1145. This ensures that the government responsible for performing certain statutory duties will retain its obligation to perform those duties and to ensure the adequate performance of the same. In the case of a breach of non-delegable child welfare duties, the government will be legally liable for damages that flow from the breach even if the duties were delegated as authorized by the statute: *B. (M.) v. British Columbia*, 2003 CSC 53.

When the courts find a government liable to a plaintiff, the Crown proceedings statute of Canada and each of the ten provinces provides for the payment of the judgment to the plaintiff. Pursuant to these statutes, the government must pay the judgment amount. Each statute requires the Treasurer or Minister of Finance, as the case may be, to pay out of the Consolidated Revenue Fund the amount due by the Crown under a court order. In Ontario and in British Columbia, the duty to pay a debt includes out-of-court settlements.[1]

Despite the government's legal liability for non-delegable duties, a child welfare agency may be contractually liable for the judgment debt in cases where a delegation agreement contains an indemnification clause as set out above.

II. AGENCY ABILITY TO ACCESS LIABILITY INSURANCE

A. First Nations Child Welfare Agency Insurance

In Canada, Aon Reed Steenhouse Inc. ("Aon") appears to be the primary broker for liability insurance for First Nations child welfare agencies. We contacted a commercial account executive at Aon in Saskatchewan to discuss insuring agreements for First Nations child welfare agencies generally. He advised us that any First Nations group in Canada can access Aon's program of insurance automatically. The program includes commercial general liability, health care professional service liability and sexual and physical abuse liability; however, not all First Nations groups will qualify for the sexual and physical abuse coverage. To obtain sexual and physical abuse coverage, First Nations groups must establish that they have strict protocols in place to manage the risk of such abuse. A First Nations group that has the requisite protocols can access sexual and physical abuse coverage that extends to circumstances where the group's protocols fail or where abuse is alleged but unproven.

Our contact advised us that the First Nations liability insurance program usually covers employees of the named insured, including registered professionals etc., except where the policy contains exclusions to the contrary. In general, the program will cover the agency

[1] Hogg, Peter W., and Patrick J. Monahan, *Liability of the Crown*, 3rd ed, Scarborough, Ont.: Carswell, 2000, 52-54.

against liability for the acts of others but it does not cover direct liability judgments where there are findings of criminal or intentional wrongdoing. In cases of criminal or intentional wrongdoing, the insurer would agree to defend allegations up to the point that there is a guilty finding, after which it would cease to offer coverage.

As with any insurance product, the premiums payable for the First Nations liability insurance program is largely determined by the specific insurance needs of a particular agency and can vary greatly depending on the nature of the services provided by the agency. For example, the premiums can range from $5000 for a small organization to $100,000 for a larger organization with the average premium being around $20,000. Similarly, the coverage limits in this program range from $5,000,000 to $10,000,000.

B. Professional Liability Coverage offered by Associations

Separate and apart from agency liability insurance, many professional associations, including the Canadian Association of Social Workers, the Canadian Psychological Association and the Canadian Counselling and Psychotherapy Association offer their members professional liability insurance. BMS Canada Risk Services Ltd. ("BMS") appears to the primary broker for these professional liability policies.

Professional regulators in Canada, such as the board of registration for social workers in British Columbia (established by the *Social Workers Act,* SBC 2008, c. 31) and the Council of the College of Social Workers and Social Service Workers in Ontario (established by the *Social Work and Social Service Work Act,* 1998 SO 1998, c. 31) are authorized by statute to require registrants and members to carry professional liability insurance. In British Columbia for example, the *Health Professions Act,* RSBC 1996, c. 183 authorizes the colleges responsible for the regulation of the various health professions, including psychiatry and psychology, to establish requirements respecting professional liability insurance. The effect of these statutes is to require registered professionals to carry professional liability insurance often in addition to the insurance carried by a child welfare agency.

We spoke with a portfolio manager at BMS and were advised that typically, child welfare agencies carry professional liability insurance for the agency. Agency professional liability policies can include coverage for employees, whether registered with a regulatory body or not, depending on the needs of the agency. Our contact at BMS was not able to provide us with a range of premiums for agency professional liability policies because, as with Aon, the premiums vary significantly depending on the number of professionals, number of employees, the nature of the work of the agency, and the type of professionals employed to do the work of the agency. We note that through the Canadian Association of Social Workers (and BMS) social workers can obtain professional liability coverage for $105/year.

C. The Manitoba Policy

To assist us with determining the cost range for liability insurance premiums, ISFD provided us with a Public Entity Casualty Policy issued to a First Nations child welfare agency in Manitoba (the "Manitoba Policy"). The Manitoba Policy provides an example of the policy wording for Children's Aid Society Liability as well as an example of the premiums and coverage limits for physical and sexual abuse policies.

The Manitoba Policy grants $5,000,000 liability coverage for all damages arising out of one accident or occurrence or series of accidents or occurrences from one cause, except in the case of claims containing any allegations of actual or threatened abuse. Abuse claims are limited to $2,000,000 liability coverage.

Abuse is defined in the Manitoba Policy as sexual abuse, physical abuse, psychological or emotional abuse, molestation or harassment including corporal punishment. For clarity, the following definitions are included in the limit of liability:

> **"Physical Abuse"** means wilful and deliberate misconduct;
>
> Causing or permitting another person to suffer unjustifiable pain or suffering, or
>
> Causing or permitting another person to be placed in a situation in which his or her life or limb likely would be endangered or his or her health likely would be impaired.
>
> **"Sexual Abuse"** means any conduct constituting a sexual offence under the Criminal Code of Canada including sexual assault offences resulting from physical contact.

The total premium for the Children's Aid Society Liability is $68,012. We have not reviewed the declarations page for this policy and, therefore, we are unable to provide an overview of who might be covered under this policy. For example, it is unclear whether this policy includes registered health care professionals (i.e. social workers, psychiatrists, psychologists and/or counsellors) and/or support staff such as office and janitorial staff and volunteers. As we were advised by BMS and Aon, the premium payable by an agency will be largely influenced by the extent to which the agency requires coverage for its operations.

In addition to the Manitoba Policy, IFSD provided us with details about various policies held by First Nations child welfare agencies across Canada. The annual premiums range from $58,000 for umbrella liability insurance, to $10,700 for health care professional insurance with $5,000,000 coverage. The premiums appear to be as low as $5000 for general liability; however, as illustrated above, the specific wording of each of these insurance policies, which we have not reviewed, will determine what coverage is available to the agency.

III. LIABILITY JUDGMENTS

A. Damages Generally

When a child welfare agency is liable to a plaintiff for harm caused by the agency, or someone acting on behalf of the agency, the plaintiff is entitled to full compensation for pecuniary losses, both past and future and, with respect to non-pecuniary losses, to compensation that is fair and reasonable in the circumstances: *Andrews v. Grand & Toy Alberta Ltd.* (1978), 83 DLR (3d) 452 (SCC).

(a) Pecuniary Damages

Pecuniary damages are awarded to compensate a plaintiff for losses that have monetary value. For example, they include: (a) special damages such as pre-trial cost of care, pre-

trial loss of working capacity and other pre-trial out-of-pocket expenses; (b) future loss of earning capacity; and (c) future cost of care such as counselling, therapy, medical treatments and prescriptions. Typically, in cases involving harm to children, pecuniary damages can be hard to establish in law, because the plaintiff's losses must be causally related to the conduct at issue in order for the losses to be compensable.

(b) Non-Pecuniary Damages

In addition to pecuniary damages, where liability has been established, the plaintiff will be entitled to compensation that is fair and reasonable for non-pecuniary damages, which are awarded to compensate a plaintiff for losses that cannot be monetarily quantified. Non-pecuniary damages include pain, suffering and loss of enjoyment of life: *Wilhelmson v. Dumma,* 2017 BCSC 616 at para 169.

In Canada, non-pecuniary damages are currently capped at approximately $367,000, an amount that is adjusted for inflation each year. In *Andrews, supra*, the Supreme Court of Canada explained that the cap on non-pecuniary damages is necessary because no amount of money will ever truly compensate a person for the loss of happiness and therefore, full compensation for lost happiness will never be possible.

When assessing the quantum of non-pecuniary damages, courts will look at the plaintiff's individual circumstances to determine the plaintiff's personal need for solace. This will have a major influence on where the award is eventually placed, whether that is inside or outside the customary range for the nature of the plaintiff's specific injuries. The following is a non-exhaustive list of factors used to quantify an award for general damages: (a) age of the plaintiff; (b) nature of the injury; (c) severity and duration of pain; (d) degree of disability; (e) emotional suffering; (f) loss or impairment of life; (g) impairment of family; (h) marital and social relationships; (i) impairment of physical and mental abilities; and (j) loss of lifestyle.

(c) Aggravated and Punitive Damages

Aggravated damages are non-pecuniary in nature and are often awarded in cases where the damage to the plaintiff was aggravated by the manner in which the conduct at issue was committed. Generally, aggravated damages are awarded to compensate a plaintiff for injury to dignity and pride. Punitive damages are also available to a plaintiff in cases where a person's wrongful conduct was intentional, high-handed, arrogant, and where the conduct demonstrates a reckless disregard for the plaintiff's rights, resulting in damage to the plaintiff's pride, self-respect and reputation.

Our review of the case law below includes damages payable for pecuniary losses; however, for the purpose of establishing a range of damages payable by child welfare service providers, we focus primarily on non-pecuniary damages because pecuniary damages require a contextual analysis of the specific factual circumstances of the plaintiff.

(d) Joint and Several Liability

When more than one person or legal entity is found liable to a plaintiff, the law considers each of the liable parties fully responsible to the plaintiff for the full amount of the loss. The plaintiff is therefore generally entitled to pursue payment of the damage award from either or both of the liable parties.

bedroom, meals were passed into him to eat and he was forced to use a hole in the wall to urinate and defecate.

In *Y. (A.D.) v. Y (M.Y.),* the plaintiff recovered $85,000 in non-pecuniary damages, $125,000 for loss of future earning capacity, and $50,000 in punitive damages, for a total of $260,000 for assault, battery, false imprisonment and intentional infliction of mental harm.

(iv) Breach of Privacy

Breach of privacy varies across the provinces according to the relevant statutes. In British Columbia for example, the tort is constrained by the *Privacy Act*, RSBC 1996, c. 373, and there is no common law equivalent of the tort: *Ari v. Insurance Corporation of British Columbia*, 2015 BCCA 468. In Ontario, however, the court has recognized the existence of a common law cause of action for breach of privacy: *Jones v. Tsige*, 2012 ONCA 32. In the child welfare context, breach of privacy can arise, for example, if a person surreptitiously observes or video-records a child while they undress or shower: *L. (T.K.) v. P. (T.M.),* 2016 BCSC 789.

Notably, the government may not be vicariously liable for torts committed by foster parents against foster children in their care because foster parents are generally not, in their daily affairs, acting "on account of" or on behalf of the government: *B. (K. L.) v. British Columbia*, 2003 SCC 51 and *G. (E. D.) v. Hammer*, 2003 SCC 52. Whether vicarious liability will attach in certain circumstances requires a consideration of the relationship at issue and the nature of the duties imposed by the statutory regime at issue.

(c) Negligence

Negligence is the most commonly pleaded cause of action giving rise to direct liability for child welfare agencies. Generally, to make out a claim in negligence, the plaintiff must establish: (a) that the defendant owed the plaintiff a duty of care; (b) that the defendant breached the duty of care; (c) that the plaintiff suffered damages which were a reasonably foreseeable consequence of the breach; and (d) that the defendant's breach caused those damages. In most provinces, the plaintiff must also establish that the defendant acted in bad faith in performing the particular duty of care at issue.

With the exception of Alberta, each province has included a variation of Section 79 of Saskatchewan's *Child and Family Services Act* (the immunity provision discussed above) in its child welfare legislation. For example, in British Columbia, section 101 of the *Child, Family, and Community Service Act*, RSBC 1996, c 46 provides as follows:

> 101 No person is personally liable for anything done or omitted in good faith in the exercise or performance or intended exercise or performance of:
>
> (a) a power, duty or function conferred under this Act, or
>
> (b) a power, duty or function on behalf of or under the direction of a person on whom the power, duty or function is conferred under this Act.

In Ontario, the *Child, Youth and Family Services Act*, 2017, SO 2017, c. 14 provides that:

> 34(6) No Crown liability
>
> No action or other proceeding shall be instituted against the Crown in right of Ontario for any act or omission of a society or its members, officers, employees or agents.
>
> ...
>
> 37. No personal liability
>
> No action shall be instituted against a member of the board of directors or an officer or employee of a society for any act done in good faith in the execution or intended execution of the person's duty or for an alleged neglect or default in good faith in the execution of that duty.

By comparison, in Manitoba, the immunity provision is narrower in that it applies only to directors of the First Nations of Northern Manitoba Child and Family Services Authority; the Southern First Nations Network of Care (formerly the First Nations of Southern Manitoba Child and Family Services Authority); the Metis Child and Family Services Authority; and the General Child and Family Services Authority.

Section 10 of *The Child and Family Services Authorities Act*, SM 2002 c 35 provides:

> 10 No action for damages may be commenced against a director of a board for anything done or not done by that person in good faith while carrying out duties or exercising powers under this or any other Act.

There is no parallel provision in *The Child and Family Services Act*, SM 1985-1986, c 8, which sets out the duties required of the authorities named above.

Subject to the variations in scope between the provinces, these immunity provisions enable the court strike a plaintiff's claim in negligence unless the plaintiff properly pleads that the agency and/or its employee acted in bad faith in the performance of the duty set out in the legislation. In cases where bad faith is pleaded, the agency and/or employee will be entitled to rely on good faith as a statutory defence, such that, if the duty was performed in good faith, the defendant may not be liable to the plaintiff notwithstanding a breach of the duty: *Lowery v. Saskatchewan,* 2008 SKQB 115 at para 57 and *D. (M.L.) v. British Columbia (Ministry of Children and Family Development),* 2014 BCSC 1104 at para 54.

The presence or absence of good faith is an important consideration in determining whether the standard of care has been breached: *M. (B.) (Litigation Guardian of) v. M. (R.),* 2009 BCCA 413 at para 54. In British Columbia, for example, the courts have found that a high degree of negligence can amount to bad faith in certain circumstances: *H. (C.) v. British Columbia,* 2004 BCCA 385.

CHILD 3		CHILD 4	
Non-pecuniary damages	$95,000	Non-pecuniary damages	$30,000
Future care costs		Future care costs	
Substance abuse treatment	$25,000	Psychological treatment	$10,000
Psychological treatment	$35,000		
Education assistance	$20,000	**Total**	**$40,000**
Employment assistance	$ 5,000		
Total	$85,000		
Future loss of earning capacity	$95,000		
Total	**$275,000**		
CHILD 5		**CHILD 6**	
Non-pecuniary damages	$15,000	Non-pecuniary damages	**$20,000**
Future care costs			
Psychological treatment	$ 5,000		
Total	**$20,000**		

In *M. (K.M.) v. Roman Catholic Episcopal Corp. of the Diocese of London in Ontario*, 2011 ONSC 2143, the plaintiff was sexually assaulted by a priest for a period of time when she was between 7 and 10 years old. The diocese admitted vicarious liability and was also found to be directly liable. The plaintiff recovered $190,000 in general damages.

(d) Breach of Fiduciary Duty

Although the breach of a fiduciary duty is a commonly pleaded claim in child welfare cases, it is much more difficult for a plaintiff to establish. A fiduciary duty is a trust-like duty, involving duties of loyalty and an obligation to act in a disinterested manner that puts the recipient's interest ahead of all other interests: *B. (K.L.) v. British Columbia*, *supra* at para 49. A fiduciary duty has, at its core, an undertaking of loyalty on the part of the fiduciary to act in the best interests of the beneficiary: *Perez v. Galambos,* 2009 SCC 48 at para 69.

In *B. (K.L.),* the Court explained that:

> 38 ...The government, through the Superintendent of Child Welfare, is the legal guardian of children in foster care, with power to direct and supervise their placement. The children are doubly vulnerable, first as children and second because of their difficult pasts and the trauma of being removed from their birth families. The parties agree that, standing in the parents' stead, the Superintendent has considerable power over vulnerable children, and that his placement decisions and monitoring may affect their lives and well-being in fundamental ways.

Concern for the best interests of the child informs the fiduciary relationship of a parent or a person standing in the place of a parent. The duty imposed is to act loyally, and not to put one's own or others' interests ahead of the child's in a manner that abuses the child's trust or exploits their vulnerability.

In *M. (F.S.) v. Clarke*, [1999] B.C.J. No. 1973, the plaintiff brought a claim against his former dormitory supervisor after he was repeatedly sexually assaulted while he was a student residential school operated by the defendant Diocese. The plaintiff had informed the bishop at the Diocese about the abuse, but the Diocese took no action against the supervisor.

The only issue at trial was whether the Diocese was liable to the plaintiff for the supervisor's abuse. Damages were agreed to by the parties. In reaching her conclusion, the judge reiterated the three general characteristics required to establish a fiduciary duty: (a) the fiduciary must have scope for the exercise of some discretion or power; (b) the fiduciary can unilaterally exercise that power or discretion so to affect the beneficiary's legal or practical interests; and (c) the beneficiary must be particularly vulnerable. In applying this test, the judge concluded that the Diocese had breached its fiduciary duty to the plaintiff because it took no action after the plaintiff disclosed the abuse.

SUMMARY OF OUR OPINION

- Provincial child welfare legislation does not expressly require a province to provide insurance coverage to child welfare agencies; however some provinces appear to have included provisions in delegation agreements that require agencies to carry liability insurance coverage as a condition of exercising delegated authority to care for children.

- First Nations child welfare agencies in Canada can access market-based, third-party liability insurance products. We recommend that each child welfare agency seeking insurance coverage consult with an insurance broker to determine which insurance products are best suited to meet the individual needs of the agency.

- Damages for liability in child welfare cases, whether for intentional torts or for negligent conduct, vary depending on the losses established. The range for non-pecuniary damages is a minimal award of $12,500 to the current maximum available at law of $367,000. In addition, our case review shows pecuniary damages ranging from $10,000 to $300,000.

- First Nations child welfare agencies, as employers, are exposed to liability under the doctrine of vicarious liability, as well as liability based in negligence (subject to any relevant statutory immunity provisions), and for breaches of their fiduciary duty to children in their care.

- Depending on the nature of the claim, a First Nations child welfare agency may share liability with the province and/or the federal government from which the authority to provide services is delegated. Ultimately, the specific facts of each case will determine the quantum payable to the particular plaintiff and the degree of liability of each named defendant in the action.

We look forward to discussing any questions you may have at your convenience.

Yours truly,

ALEXANDER HOLBURN BEAUDIN + LANG LLP

Per:

Eileen E. Vanderburgh
Partner
EEV/NJK

APPENDIX C

IFSD FNCFS Survey

Agency Details

NAC-IFSD Survey of First Nations Child and Family Services Agencies

1. Agency name:

2. Survey contact person:

3. Phone number:

4. E-mail address:

5. Agency's mailing address (including postal code):

NAC-IFSD Survey of First Nations Child and Family Services Agencies

6. Agency Catchment (i.e. communities and/or urban centres served) (include postal code(s)):

Community 1:	
Community 2:	
Community 3:	
Community 4:	
Community 5:	
Community 6:	
Community 7:	
Community 8:	
Community 9:	
Community 10:	

7. Name(s) and relevant ID numbers (if available) of First Nations communities served:

Community 1:	
Community 2:	
Community 3:	
Community 4:	
Community 5:	
Community 6:	
Community 7:	
Community 8:	
Community 9:	
Community 10:	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

8. How are your communities accessed (e.g. road, fly-in only)?

Community 1:	
Community 2:	
Community 3:	
Community 4:	
Community 5:	
Community 6:	
Community 7:	
Community 8:	
Community 9:	
Community 10:	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

9. How many satellite offices does your agency have?

10. What are the addresses (including postal codes) of your community-based (satellite) offices?

Community 1:

Community 2:

Community 3:

Community 4:

Community 5:

Community 6:

Community 7:

Community 8:

Community 9:

Community 10:

NAC-IFSD Survey of First Nations Child and Family Services Agencies

11. How does your province define 'child'? Please provide the range, e.g. 0-18.

12. How many children does your agency serve (to identify small agencies)?

On-reserve

Off-reserve

NAC-IFSD Survey of First Nations Child and Family Services Agencies

13. How many children are currently in care in your agency (protection only)?

On-reserve

Off-reserve

14. How many requests did you receive for services (e.g. prevention programming, protection) from families/children off-reserve in fiscal year 2017-2018?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

15. Is your agency child-protection delegated?

- ○ Yes
- ○ No

16. Does your agency provide ancillary services outside of delegated duties? Please check all that apply. For the purpose of this survey, ancillary services include all services beyond child protection offered by the agency, e.g. health services, family services, etc.

- ☐ Health
- ☐ Family
- ☐ Cultural and traditional healing
- ☐ Land-based programming
- ☐ Other (please specify)

NAC-IFSD Survey of First Nations Child and Family Services Agencies

17. What is your agency's mandate? Please define.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

18. Please describe the history of your agency including year of founding and reason for its creation. (500 words maximum). If preferable, you can append a succinct document that provides an overview of the history. What is your agency's mandate? Please define.

19. Should you wish to include a document about your agency's history, please upload it here.

Choose File No file chosen

NAC-IFSD Survey of First Nations Child and Family Services Agencies

20. What are your agency's principal functions in:

Prevention (e.g. running an intensive family reunification program, hosting violence prevention workshops)

Protection (e.g. intake investigations, family placements)

NAC-IFSD Survey of First Nations Child and Family Services Agencies

21. What are your agency's principal activities in:

Governance (i.e. how your agency fulfills its mandate accountably relative to stakeholders)

Data collection and reporting (i.e. internal data collection to support planning and decision-making)

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Budget and Finances

NAC-IFSD Survey of First Nations Child and Family Services Agencies

22. What was your agency's total annual budget for the 2017-2018 fiscal year (include funding from all orders of government and any other sources, for all activity areas)?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

23. What was your agency's total annual budget exclusively for child and family services for the 2017-2018 fiscal year?

24. Approximately what percentage of your overall budget would you estimate to be related to each of these functions, including salaries, travel, materials? (Note that the total may not add up to 100% of your child and family services budget).

Prevention	
Protection	
Governance	
Data collection and reporting	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

25. What amounts were spent in the 2017-2018 fiscal year on the following maintenance cost categories? (Maintenance includes: direct costs of placing First Nation children into temporary or permanent care out of the parental home (such as foster care rates and group home rates)).

Foster care	
Group homes	
Institutional care	
Kinship care	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

26. What amount of your total annual budget was allocated by the federal government exclusively for protection and related services, i.e. intake and investigation (excluding maintenance)?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

27. What were your agency's actual protection related costs in the 2017-2018 fiscal year (irrespective of the allocation noted above)? For the purpose of this survey, protection costs are those associated with placing a child in alternative care outside of the parental home.

Intake and investigation	
Purchases on behalf of children in care	
Non-medical services to children in care with behavioural problems and specialized needs	
Other provincially-approved purchases not covered by other federal/provincial funding sources	
Post-adoption subsidies and supports	
Per diem costs for children in care in placements out of the parental home (i.e. maintenance costs)	
Professional services	
Professional services not covered by other jurisdiction or by Health Canada's Non-Insured Health Benefits Program	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

28. What amount of your total annual budget was allocated by the federal government for prevention and least disruptive measures?
(For the purpose of this survey, prevention costs are designed to reduce the incidence of family dysfunction and breakdown or crisis and to reduce the need to take children into out-of-home care or to reduce the amount of time a child remains in out-of-home care).

NAC-IFSD Survey of First Nations Child and Family Services Agencies

29. What are your agency's actual prevention and least disruptive measures related costs (irrespective of the allocation noted above) under the following categories?

Violence prevention and family support services	
Mentoring and non-medical counselling services	
Home management services	
Land-based and cultural programming	
Intensive family reunification programs	
Least disruptive measures purchase of basic needs items, e.g. security deposit, money for diapers	
Respite care	
Transportation and accommodation for medical and non-medical appointments	

30. What are two best practices for prevention that exist in your agency? Please define/explain the program. How do you currently fund the program (e.g. federal, provincial, private donor, etc.)? What are the annual costs?

Program description 1	
Sources of funds program 1	
Cost of program 1	
Program description 2	
Sources of funds for program 2	
Cost of program 2	

31. This question relates to the actual cost of the Child Service Purchase Amount as referenced in the CHRT 2018 order paragraph 416.

What are your agency's costs for the Child Service Purchase Amount?

On what was the money from the Child Service Purchase Amount spent?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

32. This question and the following question relate to the actual cost of performing intake and investigations at your agency as referenced in the 2018 CHRT order paragraph 410.

Choose the statement that best applies to your agency.

- My agency does not perform intake or assessment work. (Intake assessment worker: Receives referrals, responds to allegations and establishes whether a child is a in need of protection).
- My agency does perform intake and assessment work. All our social workers perform these duties in conjunction with their other guardianship duties.
- My agency does perform intake and assessment work. We have specialized intake and assessment social workers who performs theses duties specifically.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

33. If your agency does perform intake and assessment work with specialized social workers:

How many specialized intake and assessment social workers does your agency have?

What is the average caseload of your specialized intake and assessment social workers?

34. What additional costs does your agency incur while performing intake and investigation work? (e.g. are these social workers compensated at a higher rate, additional travel funds). Please provide the name of each cost category and its related cost.

Cost category 1	
Cost category 2	
Cost category 3	
Cost category 4	
Cost category 5	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

35. What is your spending ratio between protection costs and prevention costs? (Identify how a dollar is split between major cost categories)?

36. Does your agency fund a band designate? If yes, at what cost?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

37. For the fiscal year 2017-2018, what were your sources of funds and their amounts?

Department of Indigenous Services Canada	
Health Canada	
Other federal government departments	
Province	
Other (please define)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

38. What is your current funding model (e.g. Directive 20-1, EPFA, 1965 Agreement)?

How frequently do you receive funding? Monthly, yearly?	
How are your payments transferred, e.g. grant (no conditions), contribution, lump sum payments?	
Are there conditions on receiving your payments?	
Does your agency have specific requirements for its reporting on spending and outcomes to orders of government that fund its activities? If yes, please describe the criteria.	

39. In the 2017-18 fiscal year, did your agency reallocate money from one funding category to another to cover budgetary shortfalls (e.g. moving money from prevention to operating budget)? Please explain.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

40. Was your agency in deficit in the 2017-2018 fiscal year?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

41. In the last ten years, has your agency experienced significant changes in its funding or operating budget? If yes, why? If no, why? Please describe.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Capital Assets

NAC-IFSD Survey of First Nations Child and Family Services Agencies

42. What were your agency's capital expenditures in the following categories for the 2017-18 fiscal year (excluding operating and maintenance costs (O&M))? For the purpose of this survey, capital refers to the acquisition of assets (including upgrades) where economic benefits are likely to accrue beyond a year.

Property	
Structures	
Vehicles	
Technology equipment (e.g. phones, computers, software, other equipment)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

43. What were your agency's operating and maintenance costs (O&M) (all period costs such as minor repairs, maintenance, rent etc.) on the fixed assets identified in the following categories for the 2017-18 fiscal year?

Property	
Structures	
Vehicles	
Technology equipment (e.g. phones, computers, software, other equipment)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Agency Headquarters

44. Are your agency’s headquarters owned or rented?

45. What is the square footage of your agency’s headquarters?

46. What are the composing elements of agency’s headquarters (i.e. what’s it made of? e.g. steel and concrete, wood)?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

47. Are your agency's headquarters accessible in the following ways:

Offering service in the local Indigenous language(s) (Y/N)? If yes, how many staff speak the language(s)?	
Is your main office accessible by provincial standards?	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Satellite Offices

48. Are your satellite offices owned or rented?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

49. Please provide the 1) location; 2) square footage; 3) composing elements (i.e. what's it made of? e.g. steel and concrete, wood) of your satellite offices, individually.

Satellite office 1	
Satellite office 2	
Satellite office 3	
Satellite office 4	
Satellite office 5	
Satellite office 6	
Satellite office 7	
Satellite office 8	
Satellite office 9	
Satellite office 10	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

50. Are your satellite office(s) accessible in accordance to provincial standards?

Satellite office 1	
Satellite office 2	
Satellite office 3	
Satellite office 4	
Satellite office 5	
Satellite office 6	
Satellite office 7	
Satellite office 8	
Satellite office 9	
Satellite office 10	

51. Do your satellite offices offer service in the local Indigenous language(s) (Y/N)? If yes, how many staff speak the language(s)?

Satellite office 1	
Satellite office 2	
Satellite office 3	
Satellite office 4	
Satellite office 5	
Satellite office 6	
Satellite office 7	
Satellite office 8	
Satellite office 9	
Satellite office 10	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

52. Does your agency's First Nation provide rental accommodation? Does this impact building maintenance? Please describe.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

53. This question relates to the actual cost of building repairs at your agency as referenced in the CHRT 2018 order paragraph 410.

Did your agency require building repairs (in relation to child welfare) in the 2017-2018 fiscal year? If yes, were the repairs undertaken and at what cost? If no, why not?

54. If your agency was to complete all required building repairs on your agency buildings, what would be the estimated cost of these repairs?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Technical Profile

NAC-IFSD Survey of First Nations Child and Family Services Agencies

55. On average (across your organization) how old would you estimate the following categories of technology investments to be:

	Largely new in the last 12 months	Upgraded in the past 12-36 months	Upgraded 3-5 years ago	Last upgrade was 5+ years ago	Not sure
Worker Productivity Hardware (Desktop PCs, Laptops, etc.)	○	○	○	○	○
Worker Productivity Software (Microsoft Office, Video Conferencing, etc.)	○	○	○	○	○
IT Infrastructure (Servers, Data Storage, Networks, etc.)	○	○	○	○	○
Mission Critical Applications (Case Management, Accounting Software, etc.)	○	○	○	○	○
Mobility Tools (Tablets, Smart Phones, Remote connectivity, etc.)	○	○	○	○	○

NAC-IFSD Survey of First Nations Child and Family Services Agencies

56. On average (across your organization) how satisfied would you estimate your agency to be with the following categories of technology investments.

	Very dissatisfied	Moderately dissatisfied	Neutral	Moderately satisfied	Very satisfied
Worker Productivity Hardware (Desktop PCs, Laptops, etc.)	○	○	○	○	○
Worker Productivity Software (Microsoft Office, Video Conferencing, etc.)	○	○	○	○	○
IT Infrastructure (Servers, Data Storage, Networks, etc.)	○	○	○	○	○
Mission Critical Applications (Case Management, Accounting Software, etc.)	○	○	○	○	○
Mobility Tools (Tablets, Smart Phones, Remote connectivity, etc.)	○	○	○	○	○

NAC-IFSD Survey of First Nations Child and Family Services Agencies

57. Can you estimate the required capital investment ($ by category) to bring your agency's technology platform to a state where it can fully support your requirements?

Worker Productivity Hardware (Desktop PCs, Laptops, etc.)

Worker Productivity Software (Microsoft Office, Video Conferencing, etc.)

IT Infrastructure (Servers, Data Storage, Networks, etc.)

Mission Critical Applications (Case Management, Accounting Software, etc.)

Mobility Tools (Tablets, Smart Phones, Remote connectivity, etc.)

58. Please describe any cloud-based technology services (such as Office 365) currently in use by your agency or under consideration by your agency.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Operating and Maintenance Costs

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Salaries and Benefits

59. What were your agency's operating expenses in the 2017-2018 fiscal year for child and family services only in the following categories ($):
(For the purpose of this survey, operational expenses are related to the ongoing cost of doing business).

Total wages (annualized; based on full-time equivalents (FTE))	
Professional services/contractors	
Other (please define)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

60. What were your agency's employee benefit expenses in the 2017-2018 fiscal year for child and family services only in the following categories:

Health and dental benefits (monetary equivalent)

Retirement benefits (monetary equivalent)

Other (please define)

NAC-IFSD Survey of First Nations Child and Family Services Agencies

61. What were your agency's staff professional development expenses (monetary equivalent) for the 2017-2018 fiscal year in the following categories:

Training

Well-being

NAC-IFSD Survey of First Nations Child and Family Services Agencies

62. What were your agency's costs in the 2017-2018 fiscal year for the following services:

Audit and evaluation

Travel

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Legal Fees

63. What was the actual cost of legal fees for your agency in the 2017-18 fiscal year?

64. What proportion of these legal fees dealt exclusively with children?

65. Has your agency faced any situations where you were unable to cover the cost of legal services? If fees were met, did this result in cuts elsewhere?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Employee Details

NAC-IFSD Survey of First Nations Child and Family Services Agencies

66. What number of full-time equivalents (FTE) are employed by your agency?

67. What number of part-time equivalents (PTE) are employed by your agency?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

68. How full-time employees in your agency have the following job titles?

Executive Director	
Social Workers	
Health care workers (please define the type of health care worker, such as psychologist, nurse practitioner, other)	
Administrative (professional, e.g. financial officer)	
Administrative (clerical, e.g. receptionist)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

69. How many part-time employees in your agency have the following job titles?

Executive Director	
Social Workers	
Health care workers (please define the type of health care worker, such as psychologist, nurse practitioner, other)	
Administrative (professional, e.g. financial officer)	
Administrative (clerical, e.g. receptionist)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

70. How many hours on average do employees in each of the following job categories work per week (e.g. 40 hours, 35 hours)?

Executive Director	
Social Workers	
Health care workers (please define the type of health care worker, such as psychologist, nurse practitioner, other)	
Administrative (professional, e.g. financial officer)	
Administrative (clerical, e.g. receptionist)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

71. In order to understand your agency's experience with retention, how long, in years, do employees typically spend in the following positions (e.g. 5 years, 2 years)?

Executive Director	
Social Workers	
Health care workers (please define the type of health care worker, such as psychologist, nurse practitioner, other)	
Administrative (professional, e.g. financial officer)	
Administrative (clerical, e.g. receptionist)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

72. On average, do the actual scope of employees' duties in each job category exceed their contractually defined ones?

	Exceeds
Executive Director	
Social Workers	
Health care workers (please define the type of health care worker, such as psychologist, nurse practitioner, other)	
Administrative (professional, e.g. financial officer)	
Administrative (clerical, e.g. receptionist)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

73. What are the salary ranges (wages only) for agency employees in the following job categories (e.g. $30,000-40,000, $54,000-$75,000, $100,000-$120,000, etc.)?

Executive Director	
Social Workers	
Health care workers (please define the type of health care worker, such as psychologist, nurse practitioner, other)	
Administrative (professional, e.g. financial officer)	
Administrative (clerical, e.g. receptionist)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

74. Do you believe you are able to pay your employees at the level of provincial employees for comparable work?

- ◯ Yes
- ◯ No

75. Are your employees compensated for overtime? If yes, how (e.g. monetary compensation, vacation time)?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Small agencies, remoteness, travel costs, gaps in service

NAC-IFSD Survey of First Nations Child and Family Services Agencies

76. This question relates to remoteness as referenced in the CHRT 2018 order paragraph 418. Does your agency remunerate for remoteness, i.e. a salary supplement to compensate for location of work?

- ◯ Yes
- ◯ No

NAC-IFSD Survey of First Nations Child and Family Services Agencies

77. If your agency remunerates for remoteness, in one or more of the following categories, what is the cost ($) to the agency?

% of salary supplement	
Bonus	
Credit for gas	
Housing allowance	
Other (please define)	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

78. This question relates to travel distances and its associated costs as reference in the CHRT order paragraph 418. To fulfill their job requirements, do employees in your agency travel (between their principal office and project site(s))

	Distance travelled
Executive Director	
Social Workers	
Health care workers (please define the type of health care worker, such as psychologist, nurse practitioner, other)	
Administrative (professional, e.g. financial officer)	
Administrative (clerical, e.g. receptionist)	
Members of the Board of Directors	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

79. On average, how far must a family or child seeking your agency's services travel to receive them (at the nearest available agency office/site)?

- ◯ 100km or more in a single direction
- ◯ Between 50km-99km in a single direction
- ◯ Between 20-49km in a single direction
- ◯ Between 0-19km in a single direction

NAC-IFSD Survey of First Nations Child and Family Services Agencies

80. What is the cost your agency spent on the following items related to travel in the 2017-18 fiscal year?

Gas	
Vehicle wear and tear and repairs	
Accommodations during travel	
Flights	
Incidentals during travel	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

81. This question relates to service gaps in your catchment area in reference to the CHRT 2018 order paragraph 418. Do you consider your agency and its clients in the communities you serve able to access surrounding services at a reasonably commutable distance?

- ◯ Yes
- ◯ No

82. If the communities you serve are lacking services, what are the gaps in surrounding services accessible at a reasonably commutable distance?

- [ ] Addiction treatment centres
- [ ] Mental health services
- [ ] Support services for children and youth with disabilities
- [ ] Medical specialists
- [ ] Other (please specify)

NAC-IFSD Survey of First Nations Child and Family Services Agencies

83. Was your agency required to do additional work in order to connect community members to typical social services? If yes, how much money did your agency spend in the 2017-18 fiscal year connecting community members to social services beyond your child and family services mandate (e.g. travel costs, employee time spent coordinating services)?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Caseloads

NAC-IFSD Survey of First Nations Child and Family Services Agencies

84. What is your agency's current total caseload? Please include all cases.

(Case: The most recent number of active cases (children or families) currently assigned to a social worker).

85. How many of these cases are being served in a culturally-appropriate way and/or leveraging traditional healing practices?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

86. What is your agency's current exclusively child welfare caseload?

(Caseload: Caseload reflects a ratio of cases (or clients) to full time equivalent staff members.)

87. On average, what is the number of staff (including social workers, support staff, administrative staff) assigned to an open case?

88. What is the average number of open cases a social worker manages? (e.g. 5 cases/social worker)

NAC-IFSD Survey of First Nations Child and Family Services Agencies

89. What's the average caseload of each category of employees (staff : cases)?

Executive Director	
Social Workers	
Health care workers (please define the type of health care worker, such as psychologist, nurse practitioner, other)	
Administrative	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

90. In an attempt to better understand the complexity of cases in your agency, please estimate the percentage of your total cases where your agency spends:

1-5 hours per week per case	
6-10 hours per week per case	
10-15 hours per week per case	
15-20 hours per week per case	
More than 20 hours per week per case	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

91. What percentage of substantiated maltreatment cases at your agency had the following as its primary category of maltreatment over the 2017-2018 fiscal year?

Emotional Maltreatment	
Exposure of intimate partner violence	
Neglect	
Physical Abuse	
Sexual Abuse	
Other, please define	

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Governance and Data Collection

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Governance

92. How is your agency governed, e.g. does it have a board of directors?

93. Are Chiefs members of your board of directors?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

94. What are your standards of practice that guide your agency's activities, e.g. code of ethics, wise practices, cultural guidelines, etc.?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

95. How do you involve local communities in your governance (e.g. community councils, community representatives etc.)?

96. How would you characterize your relationship with your communities?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

97. Do your community/ies engage in prevention activities?

98. Do your community/ies guide your prevention activities?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

Data and Reporting

99. How does your agency define success? Please share your existing vision and mission statements.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

100. How does your agency measure success in its prevention program outcomes? Please provide all performance indicators your agency uses to track its progress/success.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

101. How does your agency measure success in its protection activity outcomes? Please provide all performance indicators your agency uses to track its progress/success.

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102. Does your agency use scorecards to track what you do and confirm ongoing progress/success? If yes, please share a copy of your scorecard. If you do not use a scorecard, please elaborate on the approach you use for tracking & reporting.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

103. Does your agency have a policy or programming to support children aging out of care? If yes, please describe. What resources are allocated ($)?

NAC-IFSD Survey of First Nations Child and Family Services Agencies

104. Are there other particular circumstances that your agency faces that were not captured in this survey? If yes, please describe them here and include a cost ($) where possible.

NAC-IFSD Survey of First Nations Child and Family Services Agencies

105. Please share any further comments, notably unique practices or services your agency provides or other details that may not have been captured in this survey.

Détails de l’agence

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

1. Nom de l'agence

2. Personne-contacte de l'agence:

3. Numéro de téléphone:

4. Adresse courriel:

5. Adresse postale de l’agence (incluant le code postal):

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6. Zone d’influence de l’agence (c’est-à-dire les communautés et/ou les centres urbains desservis) (incluant le(s) code(s) postal(aux) :

Communauté 1:

Communauté 2:

Communauté 3:

Communauté 4:

Communauté 5:

Communauté 6:

Communauté 7:

Communauté 8:

Communauté 9:

Communauté 10:

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

7. Nom(s) (et numéros d’identification pertinents) des communautés de Premières Nations desservis:

Communauté 1:

Communauté 2:

Communauté 3:

Communauté 4:

Communauté 5:

Communauté 6:

Communauté 7:

Communauté 8:

Communauté 9:

Communauté 10:

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8. Comment peut-on accéder à vos communautés (par exemple : route, vols intérieurs)?

Communauté 1:	
Communauté 2:	
Communauté 3:	
Communauté 4:	
Communauté 5:	
Communauté 6:	
Communauté 7:	
Communauté 8:	
Communauté 9:	
Communauté 10:	

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9. Combien de bureaux satellite sont associés à votre agence?

10. Quels sont les adresses (y compris les codes postales) de vos bureaux communautaires (satellites)?

Communité 1:

Communité 2:

Communité 3:

Communité 4:

Communité 5:

Communité 6:

Communité 7:

Communité 8:

Communité 9:

Communité 10:

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11. Quelle est la définition ‘d’enfant’ dans votre province? Prière de fournir la gamme, ex. 0-18 ans.

12. Combien d’enfants votre agence sert-elle (pour identifier si c’est une agence de petite taille)?

Sur réserve

Hors réserve

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13. Combien d’enfants sont pris en charge (protection) actuellement?

Sur réserve

Hors réserve

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14. Combien de demandes de services (ex. programme de prévention ou protection) avez-vous reçu de la part de familles/d'enfants hors réserve durant l'année financière 2017-2018?

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15. Est-ce que votre agence est déléguée à la protection de l'enfance?

- ◯ Yes
- ◯ No

16. Est-ce que votre agence fournit des services auxiliaires en dehors des fonctions déléguées? Choisissez toutes les options pertinentes. Pour le but de ce sondage, les services auxiliaires incluent tous les services offerts par l'agence au-delà de celui de la protection de l'enfant, par exemple les services de santé, les services familiaux, etc

- ☐ Santé
- ☐ Famille
- ☐ Soins culturels et traditionnels (par exemple par les anciens, les cérémonies, etc.)
- ☐ Programmation terrestre
- ☐ Autre (décrivez-le nous)

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17. Quel est le mandat de votre agence? Prière de nous le définir.

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18. Veuillez décrire l’historique de votre agence incluant l’année de sa fondation et la raison de sa création (500 mots maximum). Si jugé nécessaire, vous pouvez partager un document succinct fournissant une vue d’ensemble de l’historique.

19. Si vous avez un document à partager, prière de le téléverser ici.

Choose File No file chosen

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20. Quelles sont les principales fonctions de votre agence dans :

La prévention (par exemple : administrer un programme de regroupement familial intensif, la tenue d’ateliers de prévention de la violence).

La protection (par exemple : les enquêtes d’admission, les placements familiaux).

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21. Quelles sont les principales activités de votre agence dans :

La gouvernance (i.e. comment l'agence réalise son mandat vis-à-vis ses partis prenants).

La collecte de données et le rapportage (i.e. la collecte de données interne pour informer la planification et la prise de décision).

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Budget et finances

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22. Quel était le budget total annuel de votre agence pour l'année financière 2017-2018 (inclure toutes allocations des ordres de gouvernement et d'autres sources, pour tout vos activités)?

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23. Quelle somme de votre budget annuel de l'année financière 2017-2018 était dédié exclusivement aux services à l'enfance et aux familles?

24. De façon approximative, quel pourcentage de votre budget total, selon votre estimation, est lié à chacune de ces fonctions, y compris les salaires, voyages et les matériaux? (Prenez-note que la somme totale ne sera probablement pas 100%).

Prévention	
Protection	
Gouvernance	
Collecte de données et rapportage	

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25. Quelle somme de votre budget annuel est associé aux coûts d’entretien des catégories suivantes? (Entretien : coûts directs de placement des enfants des Premières nations dans des soins temporaires ou permanents hors de la maison parentale (par exemple, taux de prise en charge familiale et taux de foyer de groupe).

Famille d’accueil	
Foyers collectifs	
Soin institutionnel	
Placement dans la parenté	

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26. Quelle somme de votre budget total annuel allouée par le gouvernement fédéral était consacrée exclusivement aux services à l’enfance et à la famille (incluant uniquement la protection et les services afférents, par exemple l’admission et l’enquête, en excluant les coûts d’entretien)?

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27. Quels étaient les coûts actuels reliés à la protection de votre agence pour l’année financière 2017-2018 (peu importante le montant alloué ici-haut)? Pour les besoins du présent sondage, les coûts de protection sont ceux associés avec le placement d’un enfant en protection alternative hors du domicile familial.

Admission et enquête.	
Achats au nom de l’enfant placé.	
Services non médicaux aux enfants placés avec des problèmes de comportement et des besoins spécifiques.	
Autres achats approuvés pas la province non couverts par d’autres sources de financement fédéral/provincial.	
Coûts quotidiens pour les enfants pris en charge dans des placements hors du domicile familial (coûts d’entretien).	
Subventions et soutiens post-adoption	
Services professionnels non couverts par d’autres compétences ou par le Programme de soins de santé non couverts de Santé Canada.	

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28. Quelle somme de votre budget total annuel alloué par le gouvernement fédéral était exclusivement consacrée à la programmation préventive et aux mesures les moins perturbatrices?

Dans le contexte de ce sondage, les coûts de prévention sont conçus pour réduire l’incidence du dysfonctionnement familial, de la rupture ou de la crise et pour réduire le besoin de placer un enfant ou réduire le temps où un enfant reste placé.

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29. Quels sont les coûts actuels liés à la programmation prévention et aux mesures les moins perturbatrices de votre agence (peu importante la somme mentionnée ici-haut) selon les catégories suivantes?

Prévention de la violence et services de soutien familial.	
Mentorat et services de conseil non médicaux.	
Services de gestion domestique.	
Programmation terrestre et culturelle.	
Programmes de regroupement familial intensif.	
Achat de biens de première nécessité dans le cadre des mesures les moins perturbatrices, par exemple : dépôt de garantie, argent pour les couches.	
Soins de répit.	
Transport et logement pour les rendez-vous médicaux et non médicaux.	

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30. Quelles sont les deux meilleurs pratiques pour la prévention qui existent dans votre agence? Veuillez définir/expliquer le programme. Comment financez-vous actuellement ce programme (par exemple : fédéral, provincial, donateur privé, etc.)? Quels sont les coûts annuels associés?

Description du programme 1	
Source de financement 1	
Coût du programme 1	
Description du programme 2	
Source de financement 2	
Coût du programme 2	

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31. Cette question est liée au coût réel du Montant d'achat de services pour enfants tel que référencé dans l'ordonnance de 2018 du TCDP au paragraphe 416.

Quel est la valeur du Montant d'achat de services pour enfants de votre agence?	
Comment est-ce que les fonds étaient dépensés?	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

32. Cette question est liée au coût réel de l'admission et des enquêtes pour votre agence tel que référencé dans l'ordonnance de 2018 du TCDP au paragraphe 410.

Choisissez l'énoncé qui s'applique le mieux à votre agence.

- ○ Mon agence n'assure pas le travail d'admission et d'enquête. (Préposé à l'évaluation à l'admission : reçoit des recommandations, répond aux allégations et détermine si un enfant a besoin de protection).
- ○ Mon agence n'assure pas le travail d'admission et d'enquête. Tous nos travailleurs sociaux remplissent ces fonctions conjointement aux autres fonctions de tutelle.
- ○ Mon agence assure le travail d'admission et d'enquête. Nous avons des travailleurs sociaux spécialisés en admission et évaluation qui remplissent spécifiquement ces fonctions.

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33. Si votre agence assure le travail d’admission et d’enquête avec des travailleurs sociaux spécialisés:

Combien de travailleurs sociaux spécialisés en admission et évaluation a votre agence?

Quel est le nombre moyen de dossiers de vos travailleurs sociaux spécialisés en admission et évaluation?

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34. Quels coûts additionnels encourt votre agence en assurant ce travail d’admission et d’enquête? (par exemple : ces travailleurs sont rémunérés à un taux plus élevés, fonds de voyage additionnels). Veuillez fournir le nom de chaque catégorie de coût et son coût afférent.

Catégorie 1

Catégorie 2

Catégorie 3

Catégorie 4

Catégorie 5

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

35. Quel est votre ratio de dépenses entre les coûts de prévention et ceux de protection? Identifiez comment un dollar est partagé entre ces principales catégories de coûts.

36. Est-ce que votre agence finance un agent de bande désignée? Si oui, à quel coût?

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37. Pour l’année financière 2017-2018, quelles étaient vos sources de financement et leurs montants?

Ministère des Services autochtones Canada	
Santé Canada	
Autres ministères fédéraux	
Province	
Autre, veuillez définir	

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38. Quel est votre modèle de financement actuel (par exemple, Directive 20-1, l'approche améliorée axée sur la prévention)?

Quelle est la fréquence à laquelle vous recevez le financement? Mensuellement, annuellement?

Comment vos versements sont-ils transférés, par exemple : subventions (sans condition), contributions, paiements forfaitaires?

Existe-t-il des conditions aux versements de vos paiements?

Existe-t-il des exigences de rapportage de dépenses et/ou de résultats aux autres ordres de gouvernement qui subventionnent les activités de l'agence? Si oui, prière de nous fournir les critères.

39. Est-ce que votre agence a redistribué de l'argent d'une catégorie de financement à une autre pour couvrir les déficits budgétaires (par exemple : déplacer l'argent du budget de prévention vers le budget opérationnel)? Prière de nous informer.

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40. Est-ce que votre agence était en déficit pour l'année financière 2017-2018?

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41. Lors des 10 dernières années, est-ce que votre agence a subi des changements de subvention ou de budget majeurs? Si oui, pourquoi? Si non, pourquoi? Prière de nous les décrire.

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Immobilisations

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42. Quelles étaient les dépenses en capital de votre agence pour l'année fiscale 2017-2018 (excluant les coûts non incorporables tels que réparations mineures, entretien, location etc.) dans les catégories suivantes? Pour les besoins de ce sondage, le capital réfère à l'acquisition (incluant la modernisation pour laquelle les retombées économiques vont être probablement générées au-delà d'un an).

Propriété	
Structures	
Véhicules	
Équipement technologique (par exemple : téléphones, ordinateurs, logiciels, autre équipement).	

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43. Quels étaient les coûts non incorporables pendant l’année fiscale 2017-2018 tels que les réparations mineures, entretien, location etc. dans les catégories suivantes?

Propriété	
Structures	
Véhicules	
Équipement technologique (par exemple : téléphones, ordinateurs, logiciels, autre équipement)	

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Siège de l'agence

44. Est-ce que le siège de votre agence est loué ou la propriété immobilière de votre agence?

45. Quelle est la superficie du siège de votre agence?

46. Quels sont les éléments composants (matériaux) du siège de l’agence (c’est-à-dire : de quoi est-il fait? Par exemple : acier et béton, bois)?

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47. Est-ce que le siège de votre agence est accessible dans les façons suivantes :

Est-ce les services sont offerts dans la(les) langue(s) autochtone(s) locale(s)? Si oui, combien de membres du personnel parle cette (ces) langue(s)?	
Est-ce que votre bureau principal est accessible selon les normes provinciales?	

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Satellite Offices

48. Est-ce que vos bureaux satellites sont loués ou la propriété immobilière de votre agence?

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49. Fournissez 1) la location; 2) la superficie; 3) les éléments composants (c'est-à-dire : de quoi est-il fait? Par exemple : acier et béton, bois), pour chaque bureau satellite individuellement.

Bureau satellite 1	
Bureau satellite 2	
Bureau satellite 3	
Bureau satellite 4	
Bureau satellite 5	
Bureau satellite 6	
Bureau satellite 7	
Bureau satellite 8	
Bureau satellite 9	
Bureau satellite 10	

50. Est-ce que votre (vos) bureau(x) satellite(s) est (sont) accessible(s) d'après les normes provinciales?

Bureau satellite 1	
Bureau satellite 2	
Bureau satellite 3	
Bureau satellite 4	
Bureau satellite 5	
Bureau satellite 6	
Bureau satellite 7	
Bureau satellite 8	
Bureau satellite 9	
Bureau satellite 10	

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51. Est-ce que vos bureau(x) satellite(s) offres des services dans la(les) langue(s) autochtone(s) locale(s)? Si oui, combien de membres du personnel parle cette (ces) langue(s)?

Bureau satellite 1	
Bureau satellite 2	
Bureau satellite 3	
Bureau satellite 4	
Bureau satellite 5	
Bureau satellite 6	
Bureau satellite 7	
Bureau satellite 8	
Bureau satellite 9	
Bureau satellite 10	

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52. Est-ce que la Première Nation de votre agence fournit des locaux loués? Si oui, est-ce que cela impact l'entretien des locaux? Prière de nous informer.

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53. Cette question est liée au coût réel des réparations de bâtiment à votre agence tel que référencé à l’ordonnance de 2018 du TCDP au paragraphe 410.

Votre agence avait-elle besoin d’effectuer de réparations d’immeubles (en lien avec le bien-être des enfants) durant l’année financière 2017-2018? Si oui, est-ce que les réparations ont été effectuées et à quel coût? Si non, pourquoi pas?

54. Si vous deviez compléter toutes les réparations d’immeuble nécessaires sur les bâtiments de votre agence, quelle serait l’estimation des coûts de ces réparations?

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Profil technique

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55. En moyenne, à travers votre organisation, quel est l’âge estimé des catégories d’investissements technologiques suivantes:

	Généralement nouveau, 12 derniers mois	Amélioré dans les derniers 12-36 mois	Amélioré dans les derniers 3-5 ans	Il y a 5 ans ou plus depuis la dernière amélioration	Incertain
Matériel pour l’amélioration de la productivité (ex. ordinateurs, portables, etc.)	○	○	○	○	○
Logiciel pour l’amélioration de la productivité (ex. Microsoft Office, videoconference, etc.)	○	○	○	○	○
Infrastructure informatique (ex. (serveur, réseaux, stockage des données etc.)	○	○	○	○	○
Applications critiques (ex. gestion des cas, comptabilité, etc.)	○	○	○	○	○
Outils de mobilité (ex. tablettes, téléphones intelligents, connectivité à distance etc.)	○	○	○	○	○

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56. Moyennement, à travers votre organisation, comment satisfait estimerez-vous est votre agence dans les catégories d’investissement technique suivantes:

	Très insatisfait	Moyennement insatisfait	Neutre	Moyennement satisfait	Très satisfait
Matériel pour l’amélioration de la productivité (ex. ordinateurs, portables, etc.)	○	○	○	○	○
Logiciel pour l’amélioration de la productivité (ex. Microsoft Office, videoconference, etc.)	○	○	○	○	○
Infrastructure informatique (ex. (serveur, réseaux, stockage des données etc.)	○	○	○	○	○
Applications critiques (ex. gestion des cas, comptabilité, etc.)	○	○	○	○	○
Outils de mobilité (ex. tablettes, téléphones intelligents, connectivité à distance etc.)	○	○	○	○	○

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57. Pouvez-vous estimer l’investissement capital requis ($ par catégorie) afin d’augmenter votre profil technique pour soutenir vos besoins:

Matériel pour l’amélioration de la productivité (ex. ordinateurs, portables, etc.)

Logiciel pour l’amélioration de la productivité (ex. Microsoft Office, videoconference, etc.)

Infrastructure informatique (ex. (serveur, réseaux, stockage des données etc.)

Applications critiques (ex. gestion des cas, comptabilité, etc.)

Outils de mobilité (ex. tablettes, téléphones intelligents, connectivité à distance etc.)

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58. Prière de nous décrire vos services techniques dans le nuage (ex. Office 365) qu’utilise actuellement votre agence ou qui sont en considération.

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Coûts d’opération et d’entretien

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Salaries and Benefits

59. Quelles étaient vos dépenses d’opération de votre agence pour l’année financière 2017-2018 uniquement pour les services aux enfants et aux familles dans les catégories suivantes ($):

(Dans le contexte de ce sondage, les dépenses opérationnelles sont liées au coût récurrent d’exploitation).

Total des salaires (annualisé : basé sur les équivalents temps plein (ETP))	
Services professionnels/entrepreneurs	
Autre (le définir)	

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60. Quelles étaient vos dépenses pour les régimes de prestations aux employés (RPE) de votre agence pour l’année financière 2017-2018 dans les catégories suivantes:

Régime d’assurance-maladie et d’assurance dentaire (équivalent monétaire)	
Prestations de retraite (équivalent monétaire)	
Autre (le définir)	

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61. Quelles étaient vos dépenses pour le développement professionnel (équivalent monétaire) de votre agence pour l’année financière 2017-2018 dans les catégories suivantes:

Formation	
Bien-être	

62. Quelles étaient vos dépenses pour les services suivants (équivalent monétaire) de votre agence pour l’année financière 2017-2018?

- ◯ Coûts de vérification et d’évaluation
- ◯ Dépenses de voyage

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Legal Fees

63. Quel était le coût réel des frais juridiques pour votre agence pour l’année financière 2017-2018?

64. Quelle proportion des coûts des frais juridiques s’appliquent exclusivement aux enfants?

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65. Est-ce que votre agence a rencontré des situations où vous étiez incapable de couvrir les coûts des services juridiques? Si vous aviez payé les coûts, fallait-il couper vos dépenses quelque part d’autre?

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Détails sur les employés

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66. Quel est le nombre d’équivalents temps plein sont employés par votre agence?

67. Quel nombre d’équivalents temps partiel sont employés par votre agence?

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68. Combien d’employés à temps plein dans votre agence ont les titres de poste suivants :

Directeur exécutif	
Travailleurs sociaux	
Travailleurs de la santé (veuillez définir le type de travailleur de la santé tel que psychologue, infirmière praticienne, autre)	
Personnel administratif (ex. agent financier)	
Personnel de bureau (ex. réceptionniste)	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

69. Combien d’employés à temps partiel dans votre agence ont les titres de poste suivants :

Directeur exécutif	
Travailleurs sociaux	
Travailleurs de la santé (veuillez définir le type de travailleur de la santé tel que psychologue, infirmière praticienne, autre)	
Personnel administratif (ex. agent financier)	
Personnel de bureau (ex. réceptionniste)	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

70. Combien d’heures par semaines en moyenne travaillent les employés dans chaque catégorie d’emploi (par exemple, 40 heures, 35 heures)?

Directeur exécutif	
Travailleurs sociaux	
Travailleurs de la santé (veuillez définir le type de travailleur de la santé tel que psychologue, infirmière praticienne, autre)	
Personnel administratif (ex. agent financier)	
Personnel de bureau (ex. réceptionniste)	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

71. Afin de comprendre l’expérience de votre agence en ce qui concerne la rétention, quel temps moyen, en années, les employés passent-ils dans les postes suivants? Par exemple, 5 ans, 2 ans.

Directeur exécutif	
Travailleurs sociaux	
Travailleurs de la santé (veuillez définir le type de travailleur de la santé tel que psychologue, infirmière praticienne, autre)	
Personnel administratif (ex. agent financier)	
Personnel de bureau (ex. réceptionniste)	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

72. En moyenne, est-ce que la portée des fonctions des employés dans chacune des catégories d’emploi dépasse celle définit contractuellement?

	Dépasse
Directeur exécutif	
Travailleurs sociaux	
Travailleurs de la santé (veuillez définir le type de travailleur de la santé tel que psychologue, infirmière praticienne, autre)	
Personnel administratif (ex. agent financier)	
Personnel de bureau (ex. réceptionniste)	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

73. Quelle est l’échelle salariale (rémunération seulement) des employés de l’agence pour chacune des catégories d’emploi (par exemple : 30 000$ - 40 000$, 54 000$-75 000$, 100,000$-120,000$)?

Directeur exécutif	
Travailleurs sociaux	
Travailleurs de la santé (veuillez définir le type de travailleur de la santé tel que psychologue, infirmière praticienne, autre)	
Personnel administratif (ex. agent financier)	
Personnel de bureau (ex. réceptionniste)	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

74. Vous croyez-vous capable de rémunérer vos employés au niveau des employés provinciaux pour un travail comparable?

- ◯ Oui
- ◯ Non

75. Est-ce que vos employés sont indemnisés en cas d’heures supplémentaires? Si oui, comment, ex. indemnisation financière, vacances.

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

Petites agences, éloignement, frais de voyage, lacunes de services

76. Cette question et la question suivante sont liées à l’éloignement tel que référencé à l’ordonnance de 2018 du TCDP au paragraphe 418. Est-ce que votre agence indemnise l’éloignement, c’est-à-dire qu’il y a un supplément salarial à titre d’indemnisation dû au lieu de travail?

- ◯ Oui
- ◯ Non

77. Si votre agence indemnise pour cause d’éloignement, quel est le coût ($) pour l’agence?

% de supplément salarial	
Prime	
Crédit pour l’essence	
Allocation de logement	
Autre (le définir)	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

78. Cette question est liée aux distances de voyage et leurs coûts associés tel que référencé dans l’ordonnance de 2018 du TCDP au paragraphe 418. Afin de satisfaire aux exigences du poste, est-ce que les employés de votre agence voyagent (entre leur bureau principal et le(s) site(s) de projet)?

	Distance de voyage
Directeur exécutif	
Travailleurs sociaux	
Travailleurs de la santé (veuillez définir le type de travailleur de la santé tel que psychologue, infirmière praticienne, autre)	
Personnel administratif (ex. agent financier)	
Personnel de bureau (ex. réceptionniste)	
Membres du conseil d'administration	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

79. En moyenne, quelle distance parcourt une famille ou un enfant qui recherche les services de votre agence afin d’en bénéficier (au bureau/site de l’agence disponible le plus proche)?

- ◯ 100 km ou plus dans une seule direction
- ◯ Entre 50 et 100km dans une seule direction
- ◯ Entre 20 et 49 km dans une seule direction
- ◯ Entre 0 et 19 km dans une seule direction

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

80. Quel est le coût que votre agence a payé pour les éléments suivants reliés au voyage durant l’année financière 2017-2018?

Essence	
Usure du véhicule et réparations	
Logements pendant le voyage	
Vols	
Frais accessoires durant le voyage	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

81. Cette question est reliée aux lacunes des services dans votre zone de dessertest tel que référencé dans l’ordonnance de 2018 du TCDP au paragraphe 418. Considérez-vous que l’agence et ses clients dans les communautés que vous servez sont capables d’accéder aux services environnants à une distance de trajet raisonnable?

- ◯ Oui
- ◯ Non

82. Si les communautés que vous servez manquent de services, quelles sont les lacunes dans les services environnants accessibles à une distance de trajet raisonnable?

- ☐ Centres de traitement de la dépendance
- ☐ Services de santé mentale
- ☐ Services de soutien pour les enfants et les jeunes souffrant d’handicaps.
- ☐ Spécialistes médicaux
- ☐ Autre (le définir)

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

83. Est-ce que votre agence a dû faire du travail additionnel afin de mettre en contact les membres des communautés avec des services sociaux typiques? Si oui, combien d'argent votre agence a dépensé durant l'année financière 2017-2018 pour mettre en contact les membres des communautés avec les services sociaux au-delà de votre mandat de services à l'enfance et à la famille (par exemple : frais de voyage, temps de l'employé passé à coordonner les services)?

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

Nombre de cas

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

84. Quel est le nombre de cas total de votre agence? Veuillez inclure tous les cas.

(Cas : le nombre de cas actifs (enfants ou familles) actuellement assignés à un travailleur social le plus récent).

85. Combien de ces cas sont traités de façon appropriée culturellement/ ou optimisent les pratiques de soins traditionnels?

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

86. Quel est le nombre de cas actuel exclusivement consacrés aux enfants et aux familles?

(Nombre de cas : le nombre de cas reflète un ratio de cas (ou clients) par membres du personnel travaillant en équivalent temps plein.)

87. En moyenne, quel est le nombre d'employés (incluant les travailleurs sociaux, le personnel de soutien, le personnel administratif) affectés à un dossier ouvert?

88. Quel est le nombre moyen de dossiers ouverts que gère un travailleur social (par exemple : 5 dossiers/ travailleur social)?

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

89. Quel est le nombre moyen de dossiers de chaque catégorie d'employé (personnel : cas)?

Directeur exécutif	
Travailleurs sociaux	
Travailleurs en santé (veuillez définir le type de travailleur en santé tel que psychologue, infirmière praticienne, autre).	
Personnel administratif	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

90. Pour tenter de mieux comprendre la complexité des cas dans votre agence, veuillez estimer le pourcentage du total de vos cas pour lesquels votre agence passe :

1 à 5 heures par semaine par dossier	
6 à 10 heures par semaine par dossier	
10 à 15 heures par semaine par dossier	
15 à 20 heures par semaine par dossier	
Plus de 20 heures par semaine par dossier	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

91. Quel pourcentage de cas de maltraitance corroboré dans votre agence était la catégorie principale de maltraitance parmi les points suivants pendant l’année financière 2017-2018?

Maltraitance psychologique	
Violence conjugale	
Négligence	
Violence physique	
Violence sexuelle	
Autre (le définir)	

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

Gouvernance et la collecte de données

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

Governance

92. Comment est gouvernée l’agence, c’est-à-dire : a-t-elle un conseil d’administration?

93. Est-ce que les Chefs siègent comme membres du conseil d’administration?

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

94. Quelles sont vos normes en matière de pratique qui guident les activités de votre agence, c’est-à-dire un code d’éthique, des pratiques éclairées, des lignes directrices au niveau culturel, etc.?

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

95. Comment impliquez-vous les communautés locales dans votre travail (c’est-à-dire les conseils communautaires, les représentants communautaires, etc.)?

96. Comment qualifieriez-vous vos relations avec les communautés?

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

97. Est-ce que votre (vos) communauté(s) est/sont engagée(s) dans des activités de prévention?

98. Est-ce que votre (vos) communauté(s) guide(nt) vos activités de prévention?

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

Data and Reporting

99. Comment votre agence définit-elle la réussite? Veuillez partager votre vision et les énoncés de mission.

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

100. Comment votre agence mesure-t-elle le succès dans ses résultats issus du programme de prévention? Veuillez fournir tous les indicateurs de rendement que votre agence utilise pour tracer le progrès/le succès.

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

101. Comment votre agence mesure-t-elle le succès dans ses résultats issus de l'activité de protection? Veuillez fournir tous les indicateurs de rendement que votre agence utilise pour tracer le progrès/le succès.

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

102. Est-ce que votre agence utilise des tableaux de bord pour tracer ce que vous faites et qui confirment le progrès continu/ le succès? Si c'est le cas, veuillez partager une copie de votre tableau de bord. Dans le cas contraire, veuillez élaborer sur l'approche que vous utilisez pour le suivi et le reportage.

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

103. Est-ce que votre agence a une politique ou programme pour les jeunes quittant la prise en charge? Si oui, prière de nous le décrire. Quelles ressources y sont consacrées ($)?

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

104. Est-ce qu'il y a d'autres circonstances particulières auxquelles fait face votre agence qui n'ont pas été évoquées dans ce sondage? Si oui, veuillez les décrire ici et inclure un coût ($) où c'est possible.

CCN-IFPD: Sondage des agences aux services à l'enfance et aux familles Premières Nations

105. Veuillez partager tout commentaire, notamment des pratiques ou services uniques que votre agence fournit ou d’autres détails qui pourraient ne pas avoir été pris en compte dans ce sondage.

APPENDIX D

Sample Agenda

First Nation Child and Family Services (FNCFS) Agency Workshop

DATE

Welcome to IFSD!

Wifi at IFSD
Network:
Password:

Day 1

08:00	Breakfast
08:30	Welcome Ceremony
09:00	Opening Remarks from Cindy Blackstock (via video)
09:15	**Getting to know our communities of practice** Working toward the goals of healthy and happy children, families, and communities, there's much to learn from our diverse community of practice. What's something unique or notable about child and family services at your agency or in your province? Does your agency have a lesson to share about a practice or program? *Survey Part 1: Agency Details*
10:15	**Budgets and Finances** Ideally, the allocation of resources is an exercise in aligning priorities to spending. However, it can sometimes be a reaction to current or emerging needs. How does your agency align its resources to its priorities? Has your agency experienced significant changes in its funding in the last ten years? How does your agency grapple with competing demands on its resources?

	Survey Part 2: Budget and Finances
12:00	Lunch
13:00	*Survey Part 2: Budget and Finances* (Continued)
14:30	Health Break
14:45	Operational and other considerations Staff teams are critical drivers of the success of any organization – especially one at the service of children, their families, and communities. Does your agency have the staff it requires to fulfill its mandate? What are some of the operational tradeoffs your agency has had to make to balance budget and results? *Survey Part 3: Employee details and remoteness*
17:00	Close

Wifi at IFSD
Network:
Password:

Day 2

08:00	Breakfast
08:30	**Future directions** Agencies are at the centre of efforts to improve the lives of children, families, and their communities. What resources do they require to achieve their mandates and goals? How can community input be integrated into agencies' visions? What does the future of First Nations child welfare look like? How can it be achieved?
9:30	**Caseloads and workloads** Agencies manage a variety of programs and initiatives from protection to culturally-based prevention programming. What does it take for a child to enter into care in your jurisdiction? When your agency manages cases, how are the number and nature of support determined? Do caseloads at your agency influence the complexity and time of your staff's work? *Survey Part 4: Caseloads*
10:45	Health Break
11:00	**Governance, data, and performance** Sound measurement is a tool for agencies to refine and enhance their existing operations. How does your agency take stock of its progress? Does your agency have tools or processes in place to use data to assess performance? What does sound governance look like for agencies? *Survey Part 5: Governance*

12:00	Lunch
13:00	Closing ceremony

APPENDIX E

Survey Definitions

Category		Definition and examples	Tribunal References and Notes
Capital		**The acquisition and maintenance of fixed assets.** Examples include maintenance, repairs and retrofitting of buildings, land, vehicles, and technology equipment (e.g. phones, computers, software).	
Operations		**The ongoing costs of doing business.** Examples include salaries, benefits, agency legal fees, staff training, travel expenses, and small agency deficits.	
Programmatic	Protection	**Programs associated with placing a child in alternative care outside of the parental home.** Examples include non-medical services to children in care with behavioural problems and specialized needs, purchases on behalf of children in care, per diem costs for children in care in placements out of the parental home (including foster care, group homes, institutional care, and kinship care), post-adoption subsidies and supports, professional services not covered by other jurisdiction or by Health Canada's Non-Insured Health Benefits Program.	The Panel, pursuant to section 53 (2) (a) and (b) of the CHRA, orders Canada to analyze the needs assessments completed by First Nations agencies in consultation with the Parties, interested parties (see protocol order below), and other experts; and to do a cost-analysis of the real needs of First Nations agencies including prevention/least disruptive measures, intake and investigation, building repairs and legal fees related to child welfare taking into account travel distances, case load ratios, remoteness, the gaps and/or lack of surrounding services and all particular circumstances they may face. (2018 CHRT 4 para 408)
	Prevention	**Programs designed to reduce the incidence of family dysfunction and breakdown or crisis and to reduce the need to take children into out-of-home care or the amount of time a child remains in out-of-home care.** Examples include violence prevention and family support services, mentoring and non-medical counselling services, home management services, land-based and cultural programming, intensive family reunification programs, least disruptive measures, purchase of basic needs items (eg security deposit, money for diapers), intake and investigation, transportation and accommodation for medical and non-medical appointments, home management services, Child Service Purchase Amount, and respite care.	
Governance		**Accountability, transparency and decision-making mechanisms.** Examples include Content Management Systems, collecting and analysing data, audits and evaluations, Band councils, Elder councils, and advisory boards.	
Size of agency		**Small agencies are agencies that serve a child population of less than 1000. (2016 CHRT 2 para 187)**	The Panel, pursuant to section 53 (2) (a) and (b) of the CHRA, orders Canada to analyze the needs assessments completed by First Nations agencies in consultation with the Parties, interested parties (see protocol order below), and other experts and to do a cost-analysis of the real needs of small First Nations agencies related to child welfare taking into account travel distances, case load ratios, remoteness, the gaps and/or lack of surrounding services and all particular circumstances they may face. (2018 CHRT 4 para 418)
Other considerations		**Related to the unique situation of an agency.** Examples include remoteness, and availability of services in the community.	The Panel ordered INAC to immediately address how it determines funding for remote FNCFS Agencies. Current funding does not account for such things as travel to provide or access services, the higher cost of living and service delivery in remote communities, the compounded effect of reducing core funding for remote agencies that may also be smaller agencies (see paras. 213-233 and 291 of the Decision). In its subsequent ruling in 2016 CHRT 16, the Panel ordered INAC to provide detailed information to clearly demonstrate how it is determining funding for remote FNCFS Agencies that allows them to meet the actual needs of the communities they serve. (2018 CHRT 4 para 339)
Narrative		Qualitative information or explanatory notes to give meaning to the cost category.	
Cost data		Quantitative financial information ($) of the agency's expenses in the cost category.	

APPENDIX F

Workshop Future State Summaries

Workshop Exercise:
Identifying Ideal States for Agencies

2018

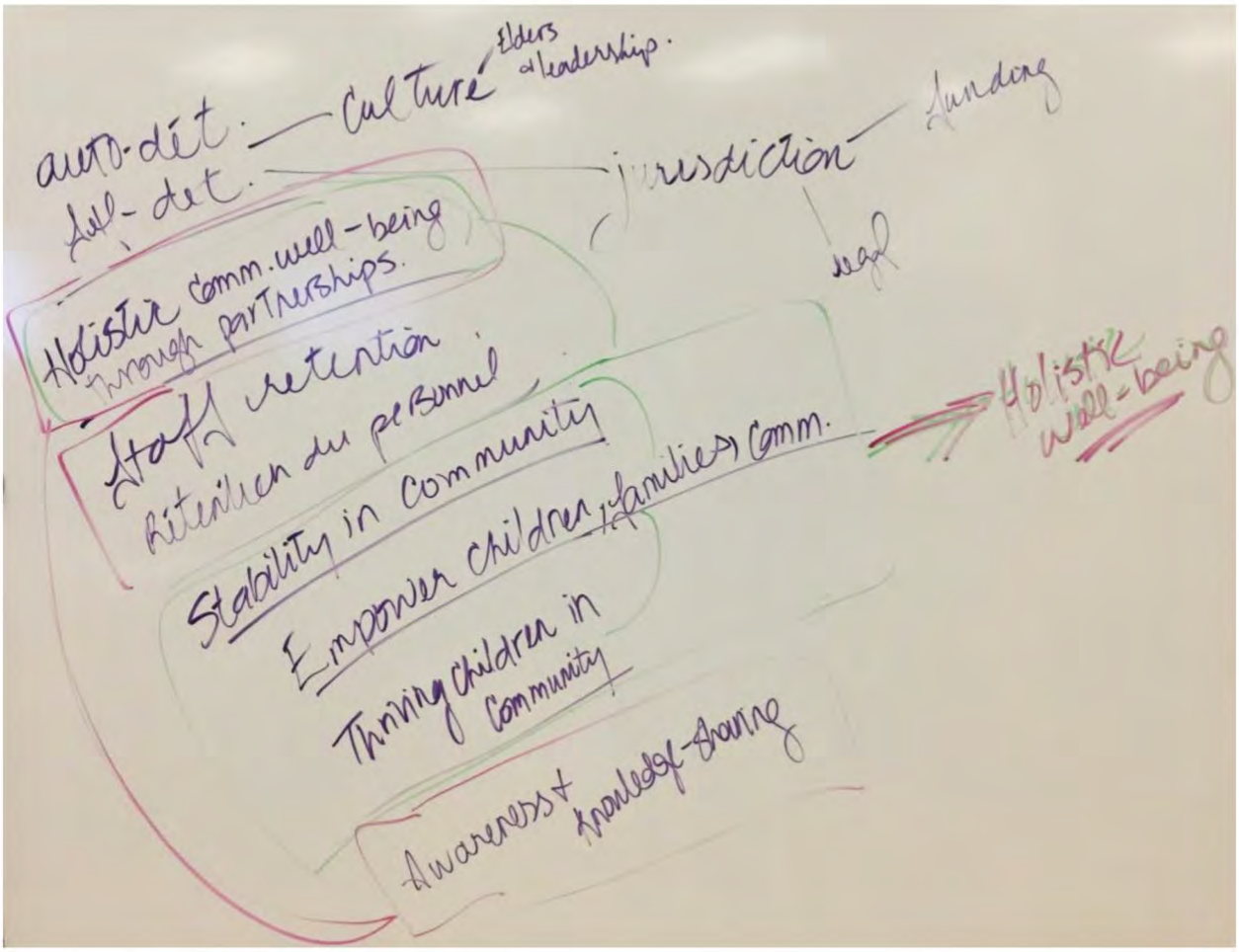
There are four main areas related to agency and community success: Self-determination, Holistic Well-being, Partnerships through Awareness and Knowledge, and Sustainable Capacity Building.

Self-determination
Self-determination is about the community's ability to direct its own course. Clear jurisdiction and a clear understanding of the legal and funding responsibilities of Provincial and Federal governments to agencies is necessary and can support this goal. The support of Elders and community leadership was also identified as important for grounding self-determination in a strong cultural identity.

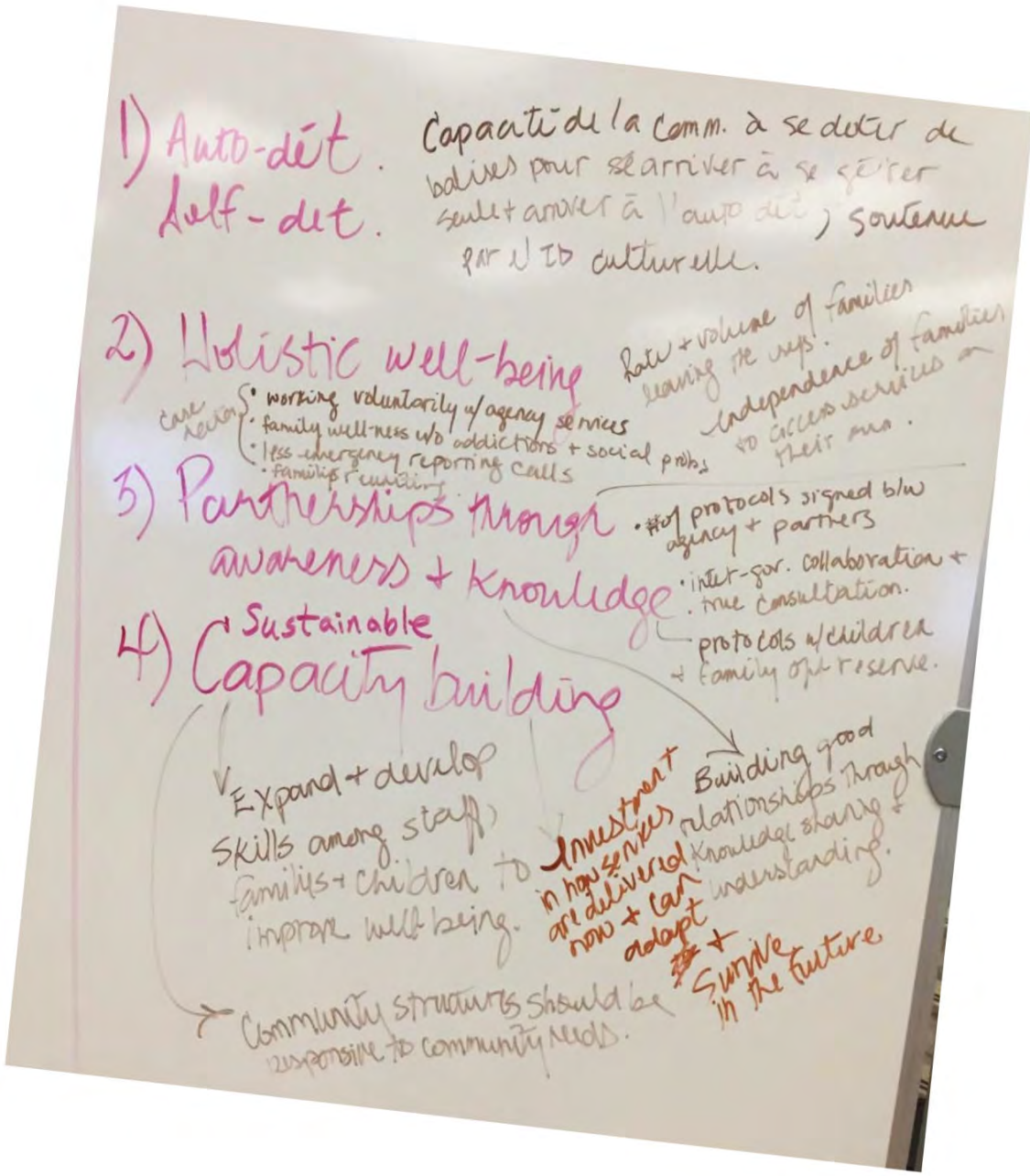
Holistic Well-being
The goal of agencies is to empower children, families, and communities so that children can thrive. Retaining long-term staff at agencies is as an important way to encourage stability in the community. Agency success in nurturing holistic well-being might be measured by the rate and volume of families leaving the system, the number of families accessing services voluntarily, reduced instances of addiction or social problems, less emergency reporting calls, and by families reuniting.

Partnerships through Awareness and Knowledge
Partnerships involve establishing protocols between agency and partners, promoting intergovernmental collaboration and true consultation, establishing protocols with children and families off reserve, and building good relationships through knowledge sharing and understanding.

Sustainable Capacity Building
Skills among staff, families and children must be expanded and developed to improve well-being, community structures should be responsive to community needs, and investments must be made to services delivered now so that they can adapt and survive in the future.



Photos of workshop exercise


1) Auto-dét. Self-det.
Capacité de la comm. à se doter de balises pour s'arriver à se gérer seule + arriver à l'auto dét) soutenue par l'ID culturelle.
2) Holistic well-being
care sectors
• working voluntarily w/ agency services
• family well-ness w/o addictions + social prob
• less emergency reporting calls
• families reuniting
Rate + volume of families leaving the reps.
Independence of families to access services on their own.
3) Partnerships through awareness + knowledge
• # of protocols signed b/w agency + partners
• inter-gov. collaboration + true consultation.
protocols w/ children + family ops reserve.
4) Sustainable Capacity building
Expand + develop skills among staff, families + children to improve well being.
Investment in how services are delivered now + can adapt
Building good relationships through knowledge sharing + understanding.
& + survive in the future
Community structures should be responsive to community needs.

Exercice en atelier : Détermination des états idéaux pour les agences

2018

Pour les agences et les communautés, il existe quatre facteurs de succès : l'auto-détermination; le bien-être holistique; les partenariats fondés sur la prise de conscience et le savoir; un renforcement durable des capacités.

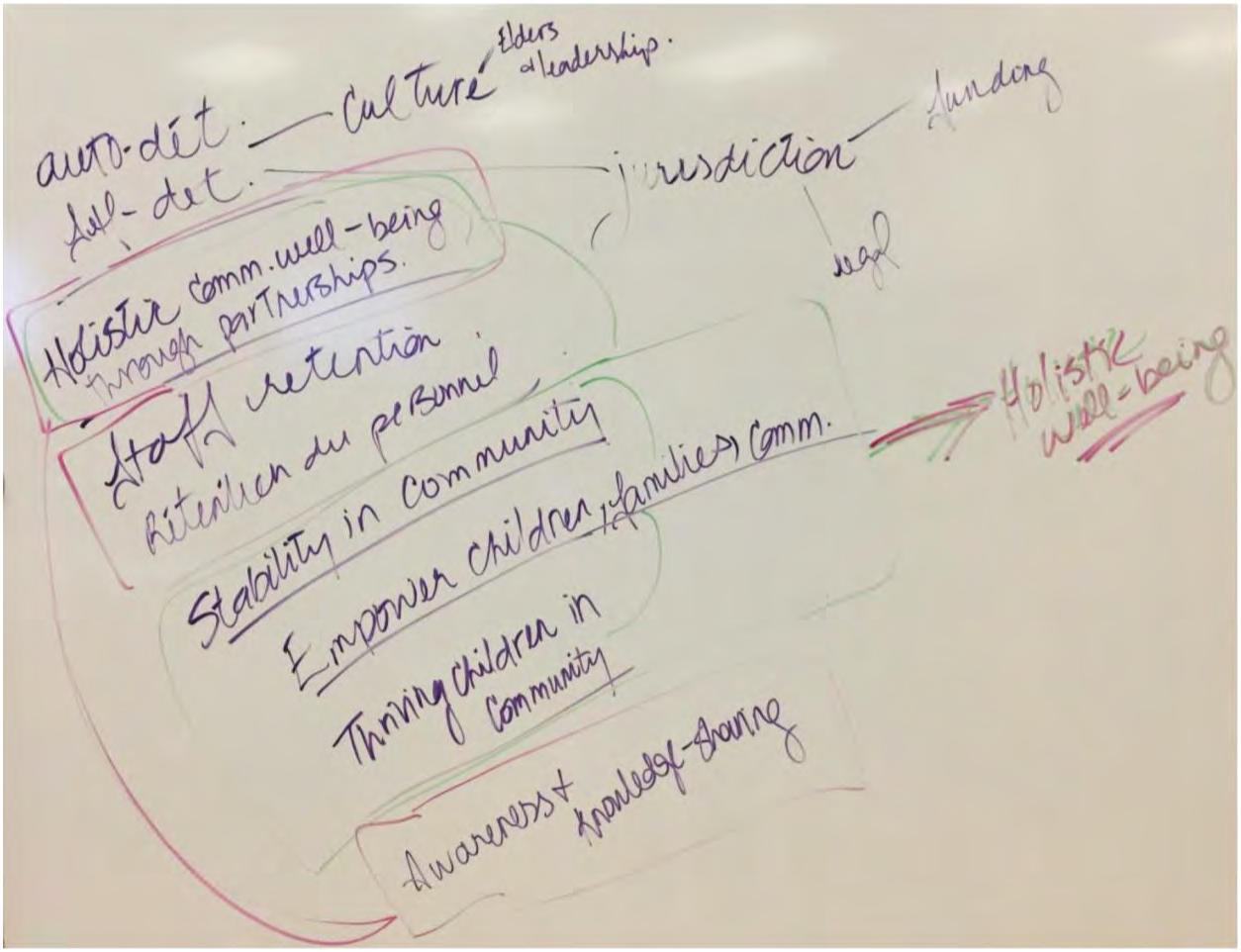
Auto-détermination
L'auto-détermination réside dans la capacité d'une communauté à tracer sa propre voie. L'atteinte de cet objectif passe obligatoirement – et peut être favorisée – par une délimitation et une compréhension claires des responsabilités juridiques et financières qui incombent au gouvernement fédéral et aux provinces à l'égard des agences. Le soutien des aînés et des leaders de la communauté a également été jugé important pour ancrer l'auto-détermination dans une solide identité culturelle.

Bien-être holistique
Les agences ont pour objectif de donner aux enfants, aux familles et aux communautés les outils nécessaires à l'épanouissement des enfants. La rétention à long terme du personnel des agences est un moyen important d'encourager la stabilité dans la communauté. Le degré auquel les agences réussissent à favoriser un bien-être holistique peut être mesuré par le taux et le nombre de familles qui quittent le système, par le nombre de familles accédant volontairement aux services, par la baisse du nombre de cas de dépendance ou de problèmes sociaux, par la diminution du nombre d'appels signalant des urgences et par la réunion de familles.

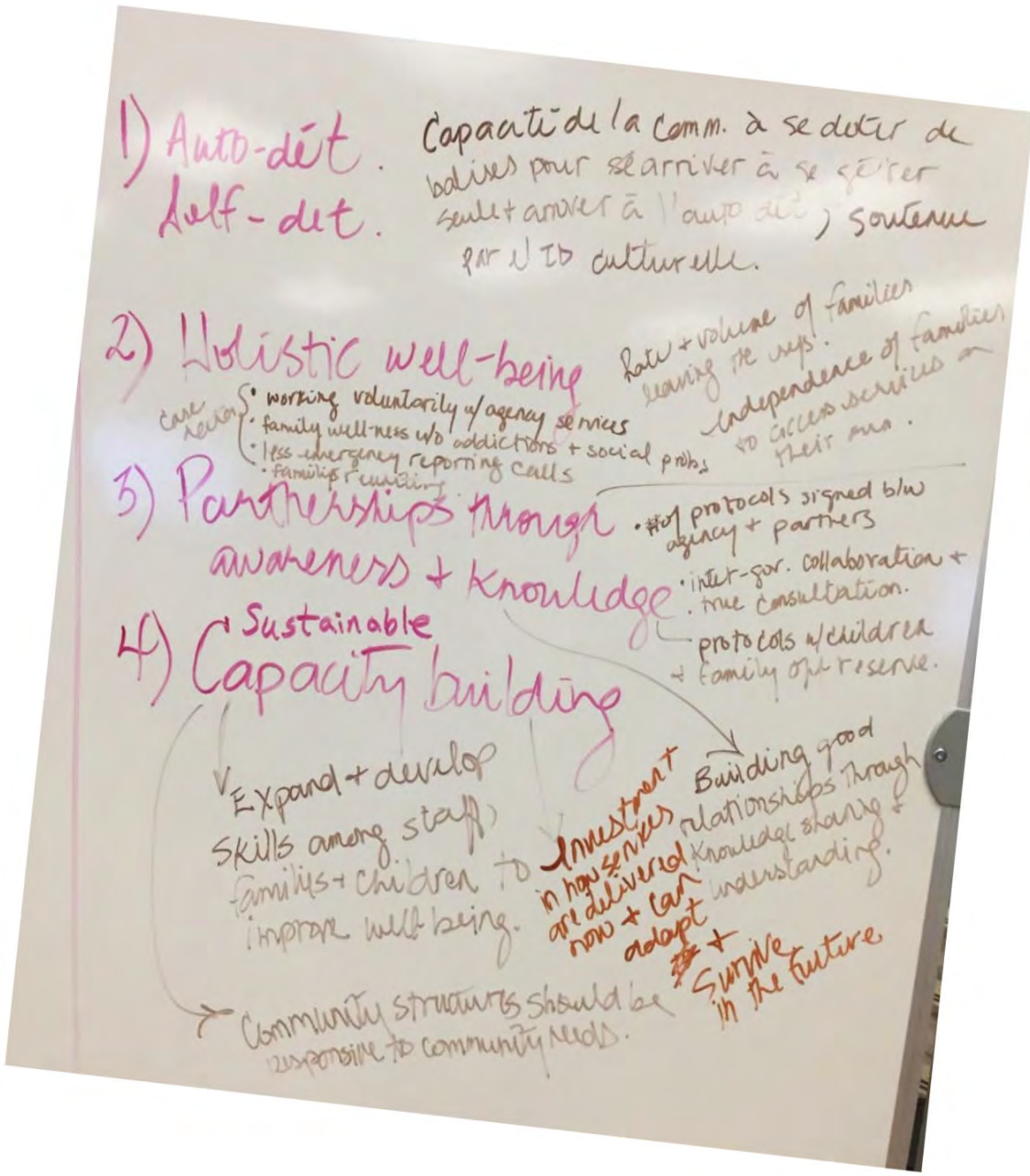
Partenariats fondés sur la prise de conscience et le savoir
Les partenariats consistent à établir des protocoles entre l'agence et ses partenaires, à promouvoir une collaboration intergouvernementale et une réelle consultation, à

instaurer des protocoles pour les enfants et les familles vivant hors-réserve et à forger de bonnes relations par le partage du savoir et la compréhension.

Renforcement durable des capacités
Il faut élargir et développer les compétences du personnel, des familles et des enfants pour améliorer le bien-être communautaire, il faut que les structures communautaires donnent suite aux besoins de la communauté, et il faut investir maintenant dans les services offerts pour pouvoir ultérieurement les adapter et les pérenniser.



Photos de l'exercice en atelier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Expand + develop skills among staff, families + children to improve well being.
Investment in how services are delivered now + can adapt & survive in the future
Building good relationships through knowledge sharing + understanding.
Community structures should be responsive to community needs.

First Nations Child and Family Services (FNCFS)

Workshop Exercise:
Identifying Ideal States for Agencies

2018

Healthy communities, pursuing "the good life" is the ultimate goal for agencies. Working toward the "the good life" involves a holistic approach to community health, in which the community is engaged from "womb-to-tomb" in the economic, legal, social and political aspects of an individual's life.

Togetherness, unity, and a sense of belonging, through truth telling, empowerment and knowledge sharing are integral to overall community well-being. Connections to community, land and self are paramount. The ability of communities to know and lay claim to their inherent rights and to self-govern are necessary to achieve an ideal state for agencies and communities.

A holistic approach to community well-being embraces culture and tradition, such as language, land-based practices and Elders, to foster identities firmly grounded in cultural roots. Importantly, this approach involves encouraging emotional intelligence and helping individuals build foundational skills, such as the ability to adapt and respond to challenges in a healthy way.

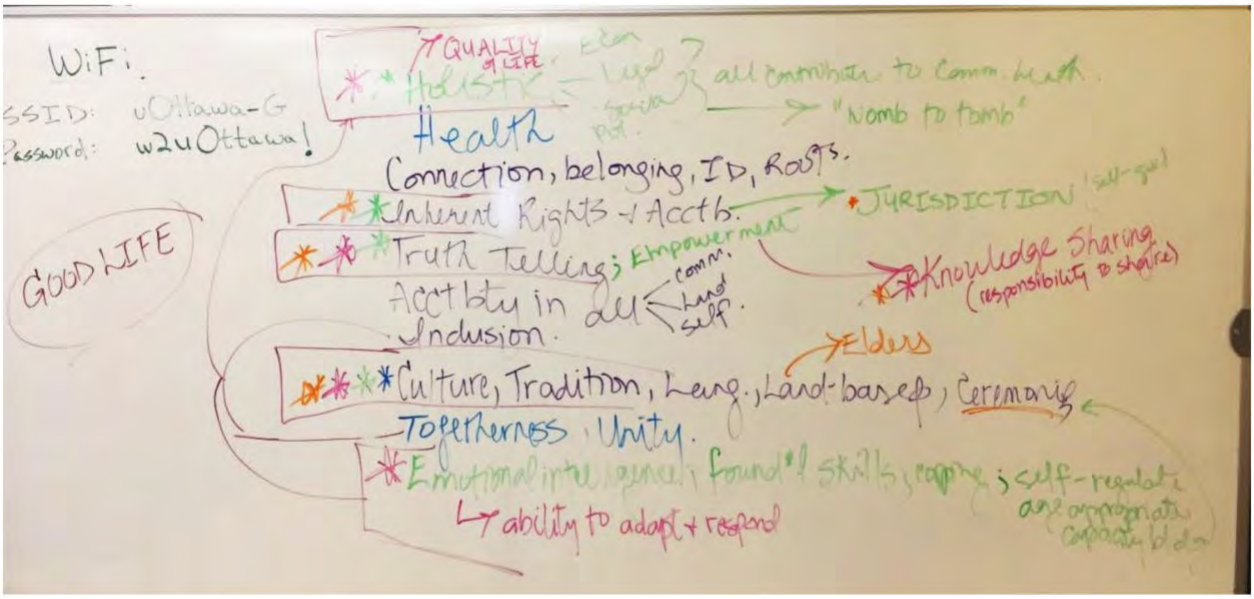


Photo of workshop exercise

Exercice en atelier : Détermination des états idéaux pour les agences

2018

Les agences ont comme objectif ultime de faire émerger des communautés en santé et en quête de « la bonne vie ». Cheminer vers « la bonne vie » suppose l'adoption d'une approche holistique de santé communautaire, où la communauté participe « du berceau au tombeau » aux aspects économiques, juridiques, sociaux et politiques de la vie des individus.

Le vivre-ensemble, l'unité et un sentiment d'appartenance sont essentiels au bien-être global de la communauté et nécessitent le dévoilement de la vérité, l'autonomisation et le partage du savoir. Les liens avec la communauté, avec le territoire et avec soi-même revêtent une importance vitale. Pour les agences et les communautés, l'atteinte d'un état idéal passe par la capacité des communautés à connaître leurs droits inhérents et à se gouverner elles-mêmes.

Une approche holistique du bien-être communautaire recouvre la culture et la tradition (langue, pratiques basées sur le territoire, aînés, etc.) afin d'encourager la constitution d'identités solidement enracinées dans la culture. Point important, cette approche exige qu'on encourage l'intelligence émotionnelle et qu'on aide les individus à acquérir des habiletés de base, telles que la capacité de s'adapter et de réagir aux défis d'une façon saine.

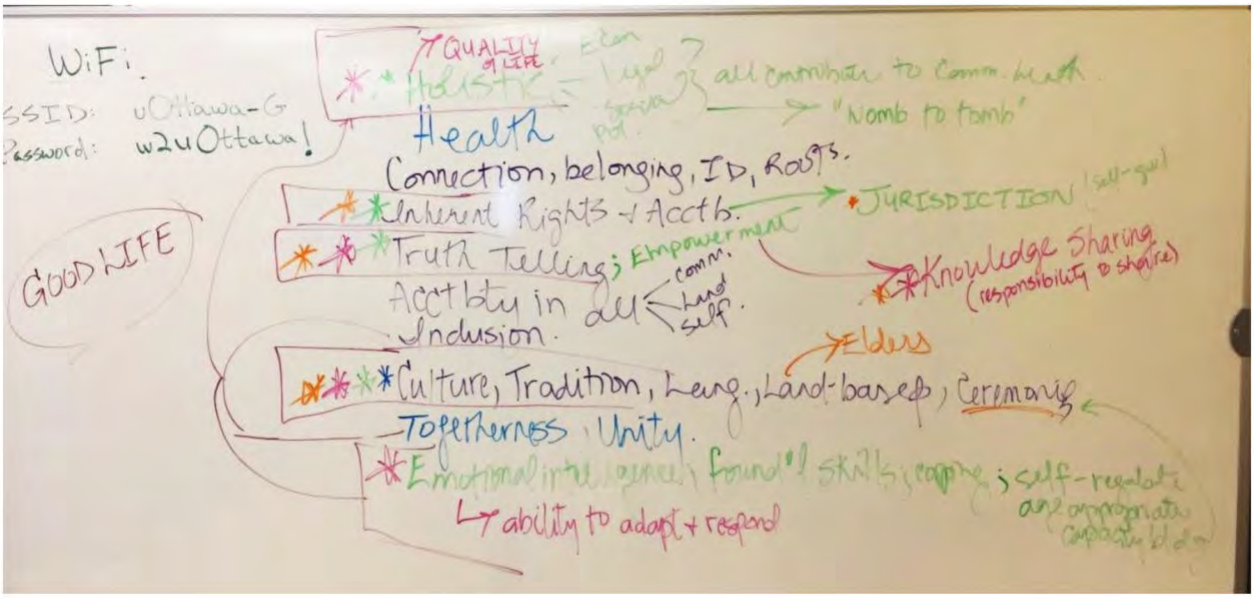


Photo de l'exercice en atelier

Workshop Exercise: Identifying Ideal States for Agencies

2018

Relational Accountability, Family Connection and Community Support, and Continuity and Stability through Flexibility are key components of community and agency success.

Relational Accountability
Relational accountability is about "relating as one," by promoting relationships grounded in ritual, being perceptive to the uniqueness of communities and stakeholders, and encouraging mutual respect (rather than one-way compliance).

The emphasis on relational accountability recognizes people as a community's strongest resource, encourages strong family and community connections, and values knowledge sharing and giving back to the community.

Relational accountability might be measured according to agency engagement with the community, such as through agency participation in non-Child Family Services activities, or in meetings with stakeholders and funders that aim to build relationships and dialogue. Success might be tracked according to the number of legal fees or cases in court.

Family Connections, Well-Being and Community Support
A holistic approach to child and family services is one that creates a "circle-of-care" around the child to ensure their well-being throughout their life in the community.

Collaboration within the agency and with different departments, engaging with communities and leadership to make holistic well-being a focus, drawing on Elder and community knowledge, rebuilding trust with communities, and taking into account social determinants of health were identified as ways of fostering a holistic approach.

Measuring success in developing family and community support could be measured by the number of attendees at programs offered by the agency, and by the extent that agencies have the support and participation of community leadership (Chief, council, board).

Success might also be indicated by the level of trust community members place in the agency, which might be measured by families and individuals accessing services by self-referral. Social determinants of health might be tracked by establishing a checklist for different ages and life stages. Also identified as important to overall community well-being was education, which might be tracked by grading at age level, and the number of people graduating high school or accessing post-secondary education.

Continuity and Stability through flexibility

With the child at the centre of care, sometimes plans have to be adapted to support them. A holistic approach to chart paths for healing requires ongoing communication between child, family, and community. A child's ongoing adaptability is an important marker of success.

It is also important for an agency to be adaptable and flexible. Flexibility might be fostered through exercises such as seeking community opinion to evaluate the usefulness and efficacy of programs. This might also be measured through entrance and exit interviews with children in care to identify implications, as well as internal and external reviews for staff and agency.

Accessing services can sometimes be a challenge, especially when some are not aware of options and opportunities available to them. Those who require services must be able to access equitable services and resources across the country without being deterred by bureaucratic barriers or limited experience.

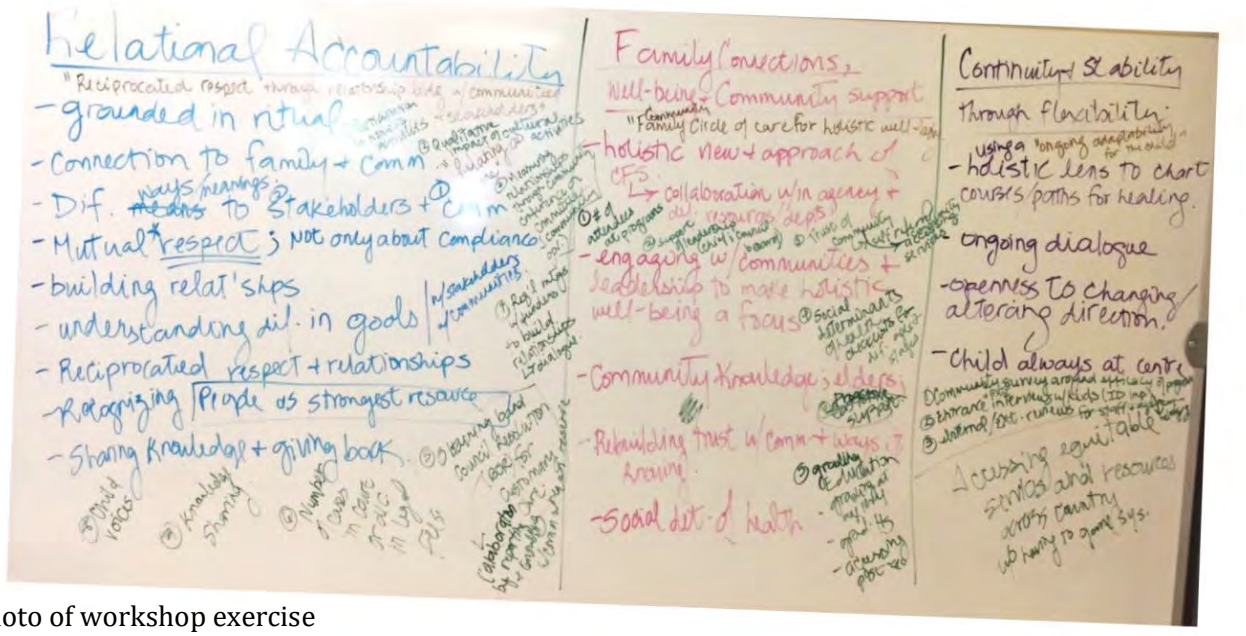
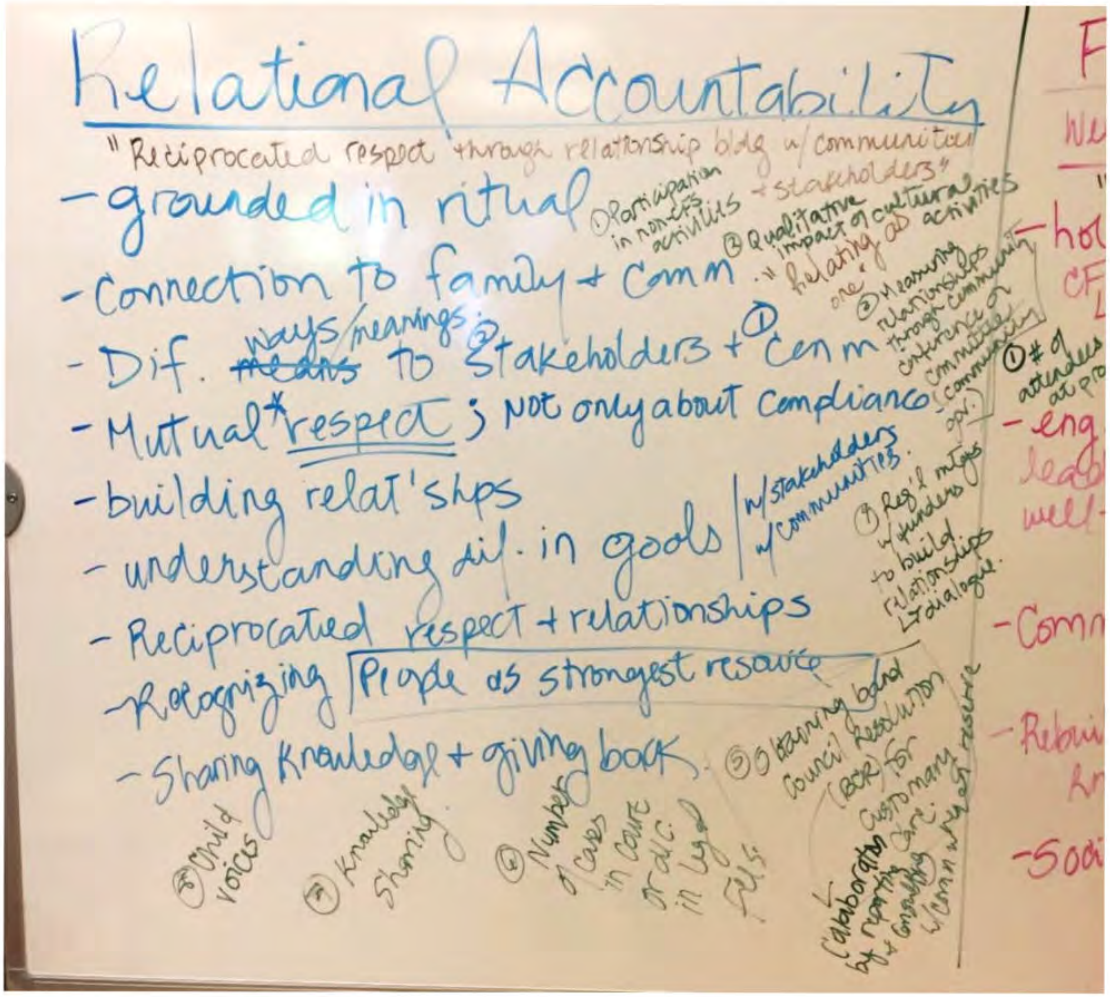
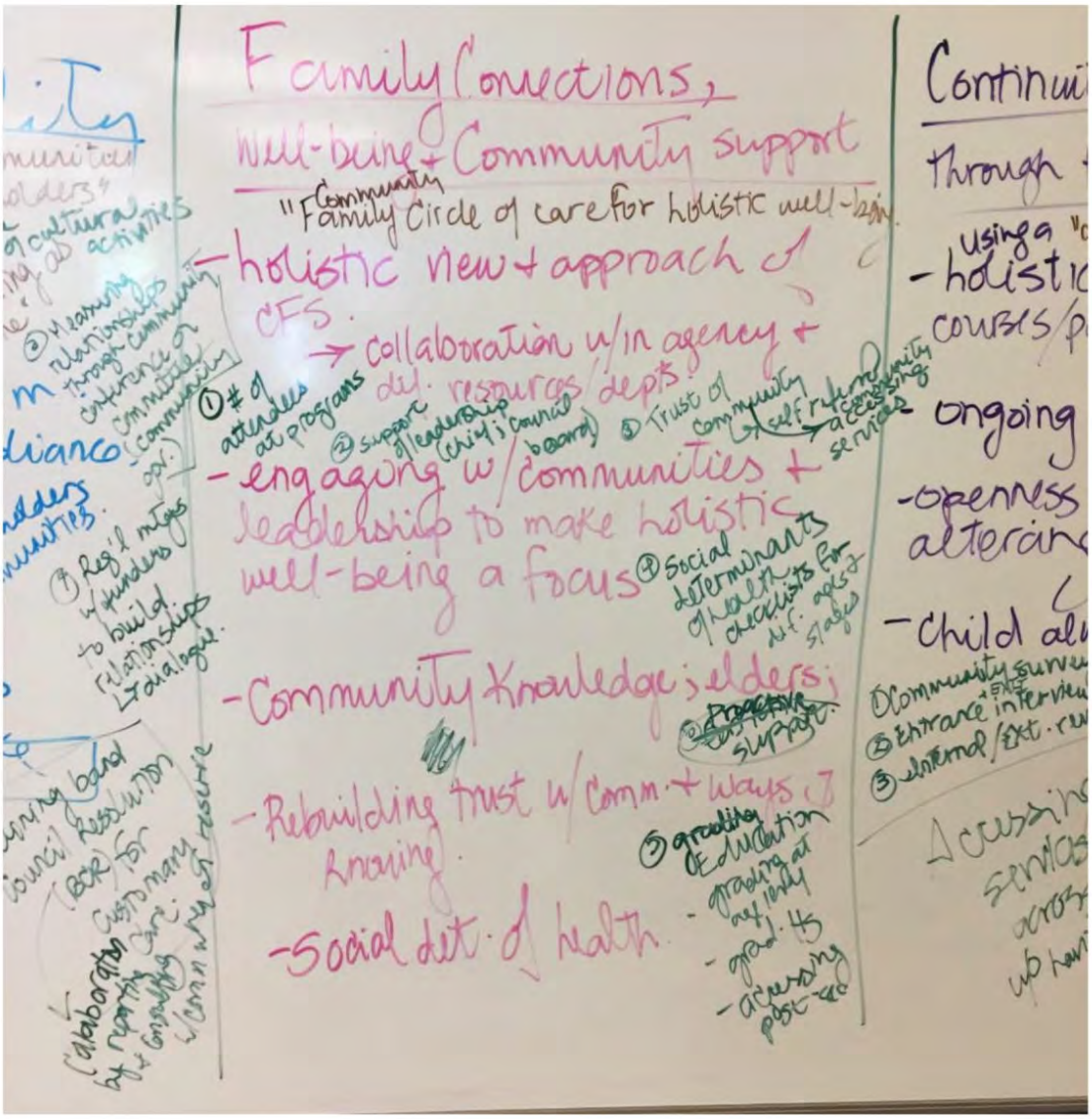


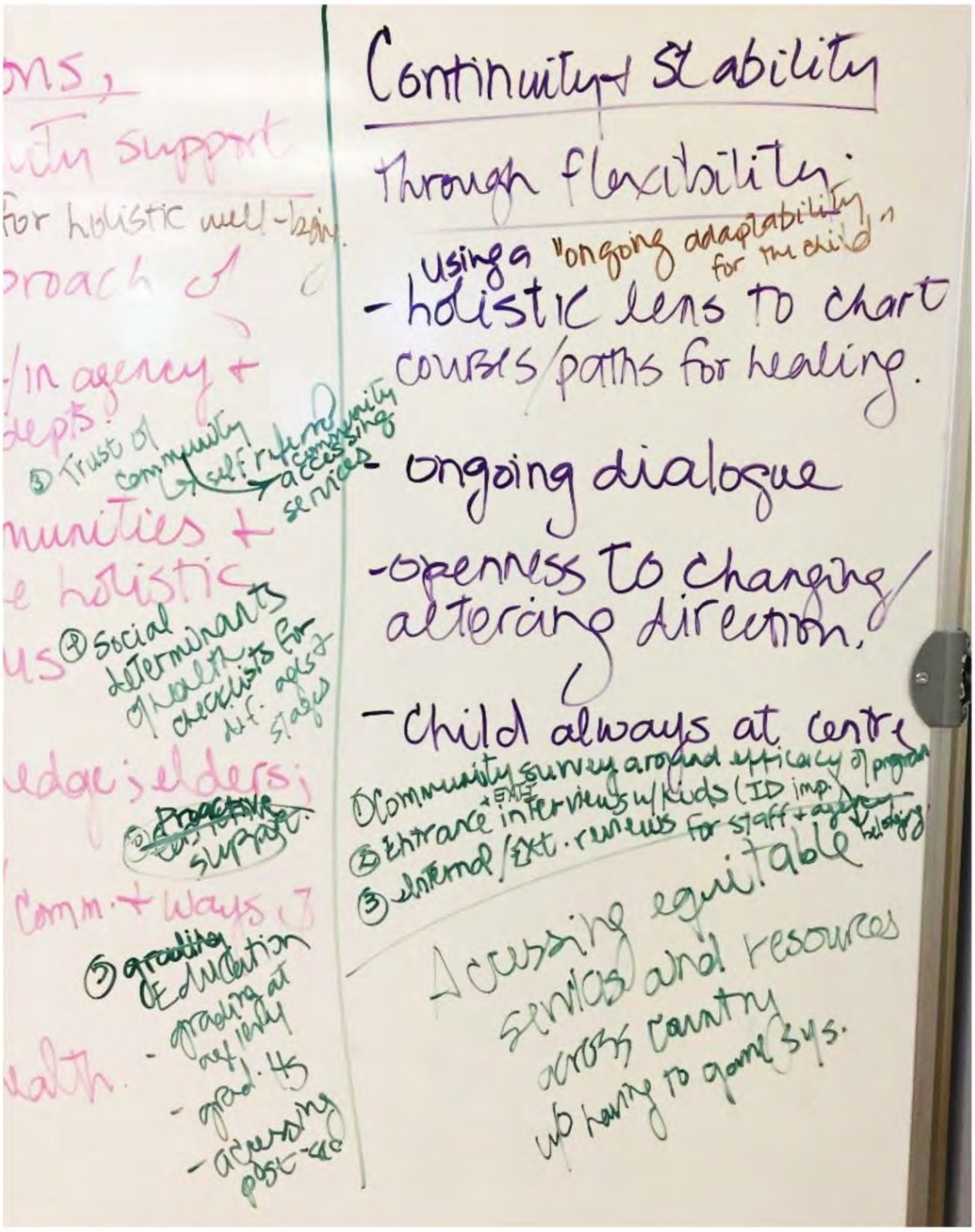
Photo of workshop exercise



"Relational Accountability"



"Family Connections"



"Continuity and Stability through Flexibility"

Workshop Exercise: Identifying Ideal States for Agencies

2018

A holistic approach to Child and Family Services, is one that promotes a "good life" and "good mind." A community-based and culturally rooted approach to the well-being of individuals and places the child at the centre of a circle of care, supported by their extended family, the community, and the Nation.

Community connection, cultural awareness, inclusivity and respect are important components of community well-being. Reviving, revaluing and following traditional First Nation laws and practices, while at the same time striving to balance First Nations laws with modern life, are elements of community-building.

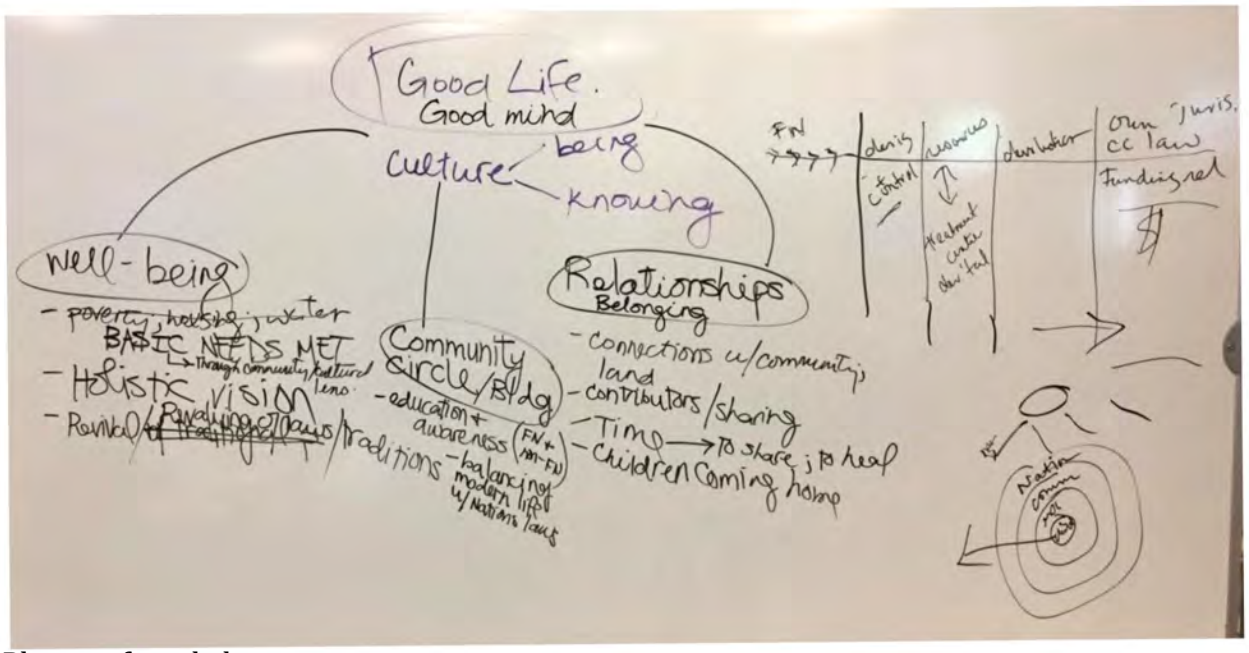
Living fully in culture by "walking in culture" might involve embracing traditional cultural practices such as traditional adoption ceremonies, co-parenting, or naming ceremonies. Speaking traditional language, practicing traditional medicine, and respecting the land were also identified as elements of cultural connection. As important as promoting cultural connection is ensuring community members' basic needs are met (such as access to clean water and housing).

Education and awareness between First Nations and non-First Nations to work towards reconciliation are crucial. Identified as equally important was the need to acknowledge history and past, to revalue connection to the land, and to continue to challenge the existing system where injustices exist.

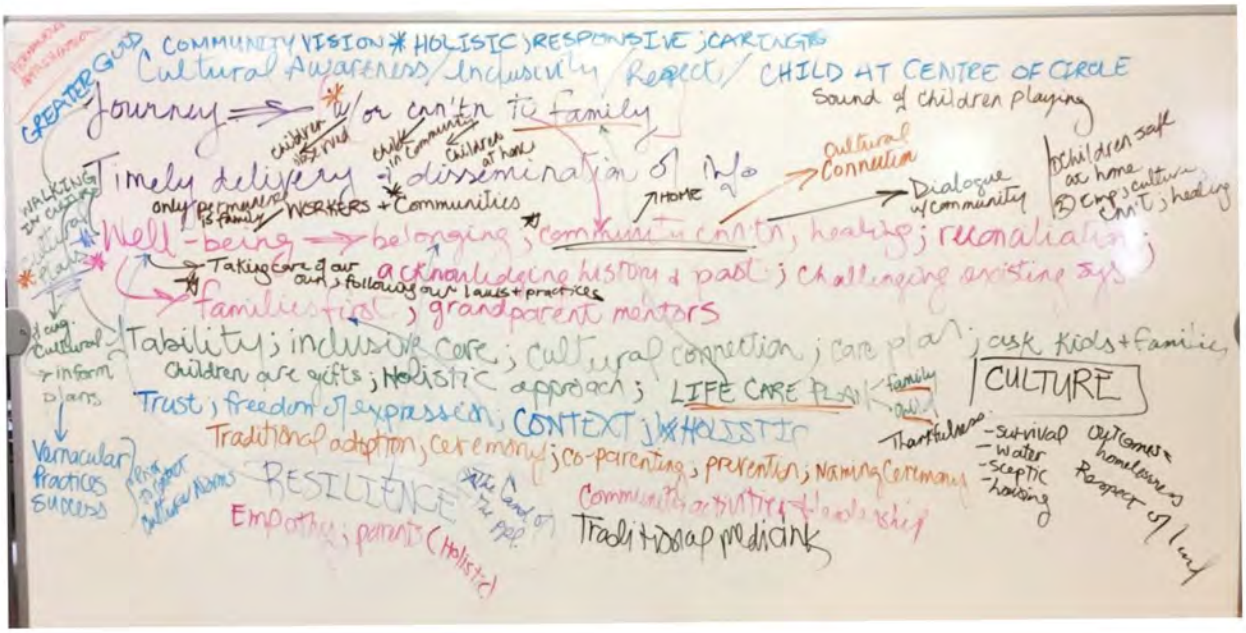
This workshop identified the importance of trust and stability for agencies. They emphasized the importance of regular communication with children and families to appreciate their unique needs, exercising empathy for parents of children in care to

promote healing for the whole family, and valuing the role of grandparents as mentors.

A caring and responsive approach on behalf of the agency is needed to meet the needs of families. Children are viewed as a gift from the Creator, and their health and success reflects the health and success of the community. It is important to keep children close to the community where they are valued.



Photos of workshop exercise



First Nations Child and Family Services (FNCFS)

Workshop Exercise:
Identifying Ideal States for Agencies

2018

Self-determination is crucial for nations and agencies because they are distinct.

There is no "cookie cutter" approach for child and family service agencies. Agencies are unique, as are the individuals and communities they serve. The uniqueness of provinces, traditions, languages, and cultures must be taken into account.

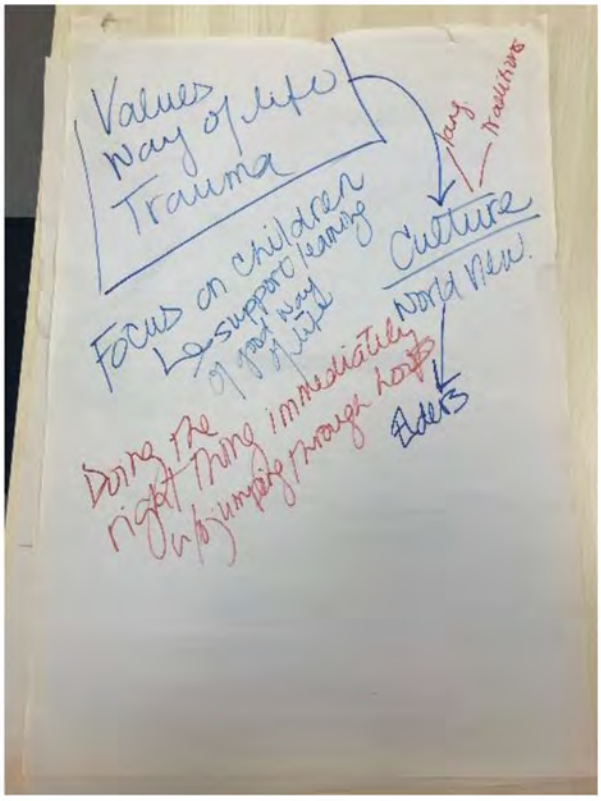
An actuals-based funding formula will be rejected.

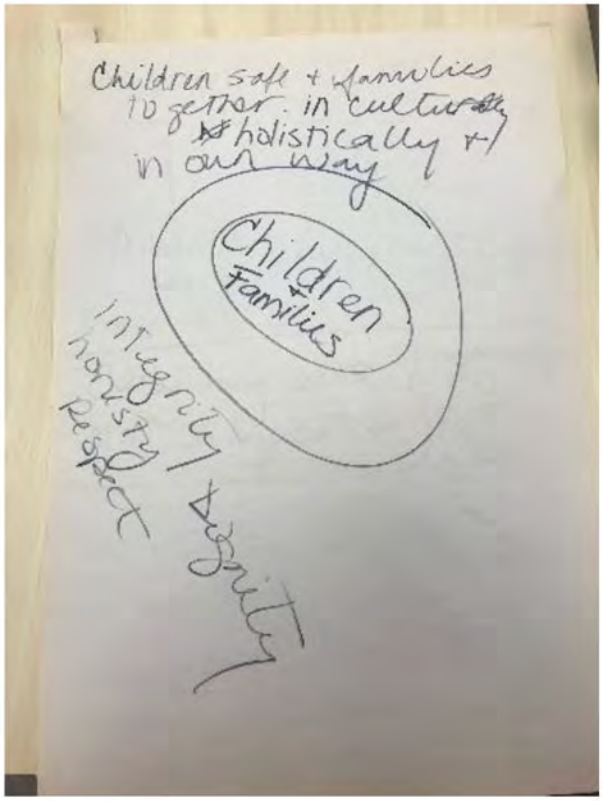
Financial autonomy is a tool that recognizes self-determination and distinctness as it would enable spending based on community needs. Agencies need the authority to allocate funding as needed to achieve their goals and require flexibility to manage spending and respond case-by-case.

Clear legislation regarding jurisdiction is necessary to define the responsibilities of the Provincial and Federal governments to Child and Family Service agencies.

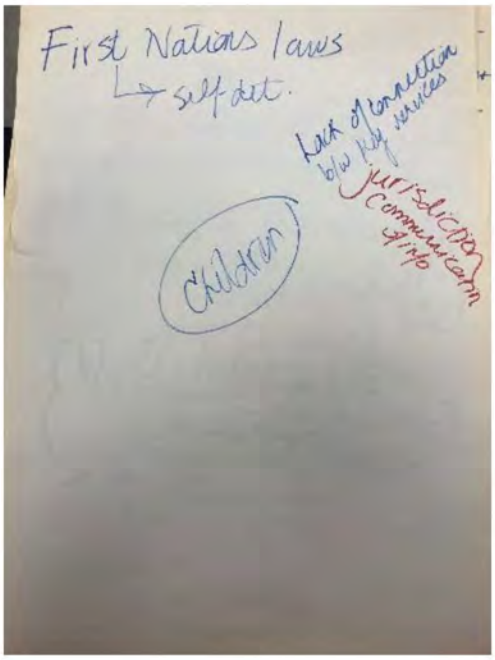
Community well-being is very important and requires resources and staff to be oriented towards the well-being of the whole community. Doing the right thing for the child, family or community, regardless of institutional obstacles is important.

Integral to the well-being of the community is the well-being of families. Relationships with children and families must be grounded in integrity, honesty, dignity, and respect. The intention of agencies is to have children safe and families together. This focus involves supporting children as they learn good and healthy "ways of life".

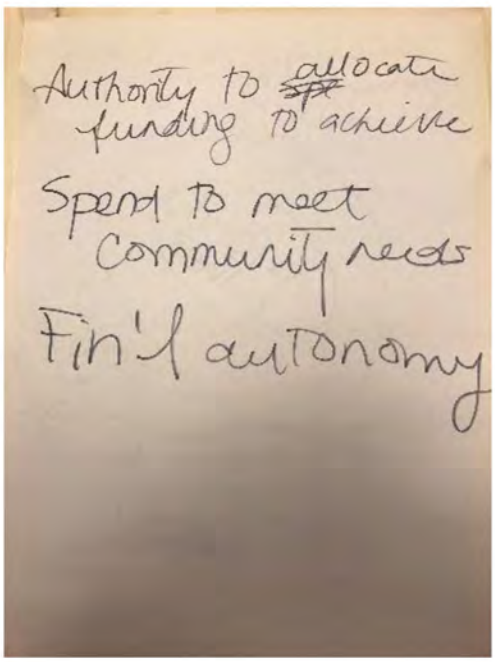


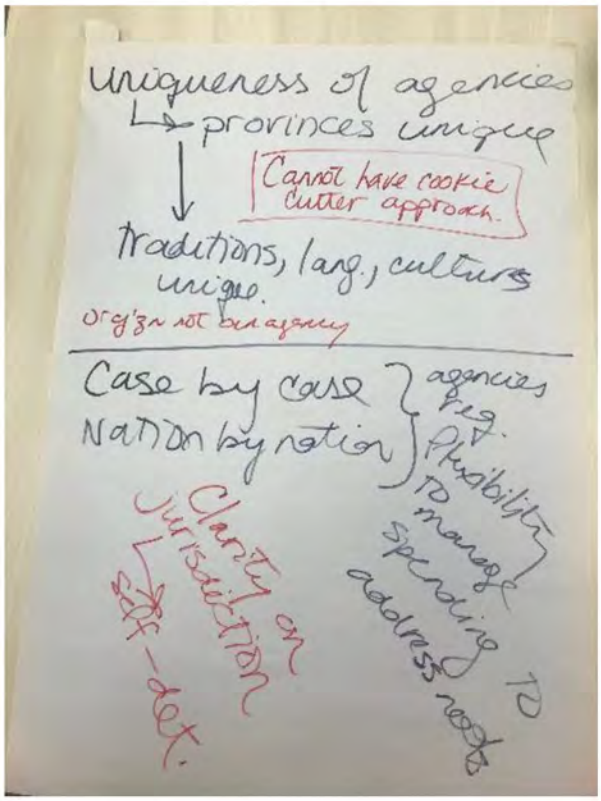


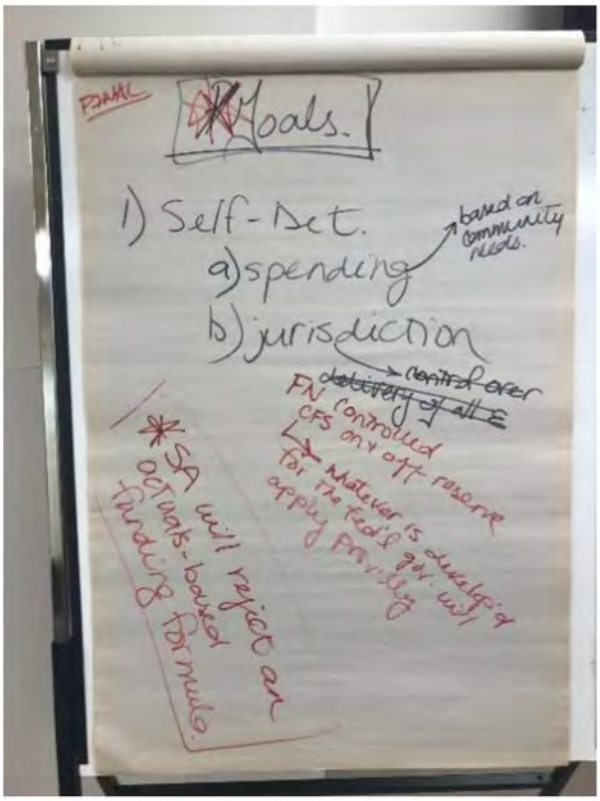
Photos of workshop exercise


First Nations laws
self-det.
Lack of connection b/w fed. services
Jurisdiction
Communication gaps
Children

self-det.
Results
Knowledge-sharing w/ communities/ families.
Culture
Honesty, Integrity, Dignity
Defining the good life in our terms (self-det.)
Well-being
Community Specific
must come first
Staff
resources


Authority to allocate funding to achieve
Spend to meet community needs
Fin'l autonomy


Uniqueness of agencies
provinces unique
Cannot have cookie cutter approach.
Traditions, lang., cultures unique.
org'zn not bureaucracy
Case by case
Nation by nation
agencies
e.g. flexibility to manage spending to address needs
Clarity on jurisdiction
self-det.


FINAL
Goals.
1) Self-Det.
a) spending
based on community needs.
b) jurisdiction
control over delivery of all
FN controlled
CFS on + off reserve
Whatever is developed for the Fed's gov. will apply Provincially
SA will reject an outcomes-based funding formula.

APPENDIX G

Workshop Evaluation Form

First Nation Child and Family Services (FNCFS) Agency Workshop

Feedback Form

1=Strongly disagree Agree 2=Disagree 3=Somewhat 4= Agree 5= Strongly Agree

Compared to other experiences in data collection, did you find the workshop approach helpful in completing the survey?	1	2	3	4	5	N/A
Did the materials provided prior to the workshop (i.e. the letter from NAC, the project website) prepare you for what to expect at the workshop?	1	2	3	4	5	N/A
Overall, were the survey questions clear and comprehensive?	1	2	3	4	5	N/A
Was it helpful to have IFSD staff on-hand to ask questions related to the survey?	1	2	3	4	5	N/A
Were you comfortable sharing your data with IFSD?	1	2	3	4	5	N/A
Was the collaborative process conducive to peer-to-peer learning?	1	2	3	4	5	N/A
Did you use the project website to access information about the workshop?	1	2	3	4	5	N/A
Overall, was the workshop value for your time?	1	2	3	4	5	N/A

What was the most valuable part of the workshop for you?

What would you change about the workshop?

Other comments?

Atelier des agences de services à l'enfance et à la famille des Premières Nations (SEFPN)

Formulaire de rétroaction

1=Fortement en désaccord 2=En désaccord 3= Moyennement 4= D'accord
5= Fortement d'accord

Comparativement à d'autres expériences de collecte de données, jugez-vous utile l'approche retenue (atelier) pour remplir l'enquête?	1	2	3	4	5	S.o. (sans objet)
Est-ce que la documentation fournie avant l'atelier (lettre du Conseil consultatif national, site web du projet) vous a préparé(e) à la tenue de l'atelier?	1	2	3	4	5	S.o.
Dans l'ensemble, est-ce que les questions de l'enquête étaient claires et complètes?	1	2	3	4	5	S.o.
Avez-vous trouvé utile que du personnel de l'IFPD soit présent sur place pour répondre aux questions concernant l'enquête?	1	2	3	4	5	S.o.
Étiez-vous à l'aise avec le fait de partager vos informations avec l'IFPD?	1	2	3	4	5	S.o.
Est-ce que le processus de collaboration favorisait l'apprentissage entre pairs?	1	2	3	4	5	S.o.
Avez-vous consulté le site web du projet pour obtenir de l'information sur l'atelier?	1	2	3	4	5	S.o.
Globalement, est-ce que le temps que vous avez consacré à l'atelier en valait la peine?	1	2	3	4	5	S.o.

Quelle partie de l'atelier vous a été le plus utile?

Quels changements recommanderiez-vous d'apporter à l'atelier?

Autres commentaires?

Participants were generally satisfied with the workshops and the exchanges with their colleagues.

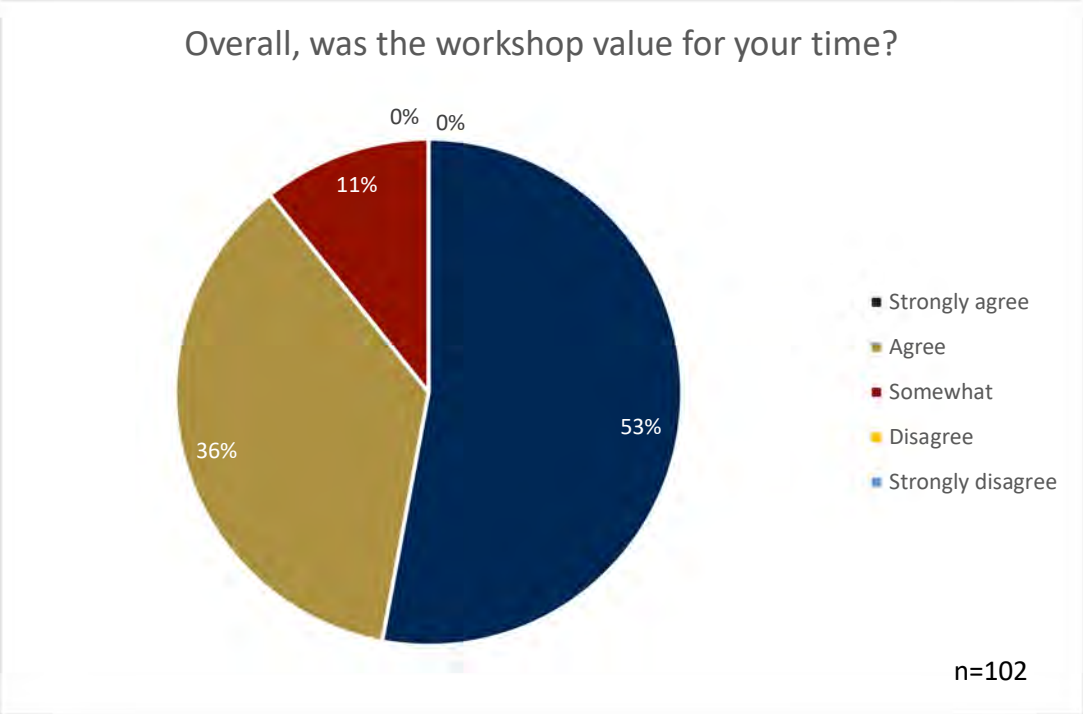


Figure 1: Participant feedback from workshop.

APPENDIX H

Agency Outreach for Workshops

Le texte français suit l'anglais.

May 1, 2018

Attention: First Nation Delegated Child and Family Services Agencies

I am writing on behalf of the National Advisory Committee (NAC).

We at the Institute of Fiscal Studies and Democracy (IFSD) are pleased to be working with NAC, the Assembly of First Nations (AFN), and the Family Caring Society of Canada (Caring Society) to support Canada's efforts in developing a data-driven program architecture for First Nations Child and Family Services agencies. I invite you to review the attached letter from NAC on this matter.

Members of my team at IFSD will contact you this week with an invitation to participate in this project. Should you have any questions, I invite you to contact Dr. Helaina Gaspard (helaina.gaspard@ifsd.ca).

With kind regards,

Kevin Page
PRESIDENT & CEO | PRÉSIDENT & PDG
+1.613.797.2444 | kevin.page@ifsd.ca | IFSD.CA
—
IFSD | IFPD @UOTTAWA
—

SENIOR FELLOW, MASSEY COLLEGE
UNIVERSITY OF TORONTO

1er mai, 2018

À l'attention des: Organismes de services à l'enfance et à la famille délégués des Premières Nations

Je vous écris de la part du Comité consultatif National (CCN).

Nous à l'Institut des finances publiques et de la démocratie (IFPD), ont le plaisir de travailler avec le CCN, l'Assemblée des Premières Nations (APN) et la Société de soutien à l'enfance et à la famille des Premières Nations du Canada (Société de soutien) afin de soutenir les efforts du Canada de développer une architecture de programme axé sur les données pour les agences de services à l'enfance et à la famille des Premières Nations. Je vous invite à consulter la lettre du CCN ci-jointe à cet effet.

Mon équipe à l'IFPD vous contactera cette semaine avec une invitation à participer à ce projet. Pour toutes questions, je vous invite à contacter la Dr. Helaina Gaspard (helaina.gaspard@ifsd.ca).

Très cordialement,

Kevin Page
PRESIDENT & CEO | PRÉSIDENT & PDG
+1.613.797.2444 | kevin.page@ifsd.ca | IFSD.CA
—
IFSD | IFPD @UOTTAWA
—

SENIOR FELLOW, MASSEY COLLEGE
UNIVERSITY OF TORONTO

May 1, 2018

Attention: First Nation Delegated Child and Family Services Agencies

The Canadian Human Rights Tribunal (CHRT), in its January 2016 decision and subsequent rulings, has found that Canada has used a discriminatory funding approach for First Nations Child and Family Services and has issued specific orders regarding funding for First Nations child and family service agencies. Canada states it is committed to implementing these orders.

In support of Canada's efforts to meet the CHRT compliance orders, the National Advisory Committee (NAC) (see Appendix 1 for a description), the Assembly of First Nations (AFN) and the First Nations Child and Family Caring Society of Canada (Caring Society) are working with Mr. Kevin Page, former Parliamentary Budget Officer and now President & CEO of the Institute of Fiscal Studies and Democracy (IFSD) | l'Institut des finances publiques et de la démocratie (IFPD) at the University of Ottawa to develop reliable data collection, analysis and reporting methodology for analyzing the needs of First Nations child and family services agencies (see Appendix 2 for Mr. Page's biography).

Many of you may be familiar with the work undertaken by Mr. Page and his team at IFSD in Fall 2017 at NAC's request on the characteristics of First Nations child and family services agencies. Thanks to your participation, the research initiative was successful with a 57% response rate. The final report helped to inform Indigenous and Northern Affairs Canada (INAC) on the financial needs of agencies in the areas of salaries and benefits, capital, etc.

With the recent CHRT orders, we are at a critical juncture for First Nations child welfare and have an important opportunity to create meaningful positive change in the funding approach for First Nations child and family services that supports culturally based and equitable services. We can only do this with your help.

This week, you will receive a phone call followed by a letter of invitation from IFSD to participate in a project that will help to inform a way forward in First Nations child welfare through a cost estimation of current and future needs. This is a significant undertaking that will depend on the participation of agencies. We urge you to support IFSD's efforts by responding to their request for participation.

IFSD is committed to working in partnership with agencies to develop baseline information on cost and need, work that has not been done since the Wen:de reports in 2005. This data will be crucial in establishing a program architecture with funding that meets the needs of agencies and the communities that they serve.

For this project, IFSD has been resourced to support the participation of agencies in an Ottawa-based workshop to complete the data request. IFSD is inviting up to two representatives per agency to join them in Ottawa. We hope you will participate. IFSD will provide you with as much support as possible to ensure your meaningful participation does not detract from your important work with children, their families and communities.

Any information collected from this survey will be shared publicly or with the government only in an anonymized and aggregate form to protect the rights of agencies and communities. The collection and use of this information will follow the OCAP principles of Ownership, Control, Access and Possession as well as the Tri-Council Policy on Research Ethics.

Please do not hesitate to contact Dr. Helaina Gaspard at IFSD (helaina.gaspard@ifsd.ca) or Martin Orr at AFN (morr@afn.ca) at any time with questions or concerns.

Sincerely,

The National Advisory Committee

Appendix 1

TERMS OF REFERENCE
National Advisory Committee on
First Nations Child and Family Services (FNCFS) Program Reform

Purpose:
The purpose of these Terms of Reference is to set out the mandate, membership and roles and responsibilities of the National Advisory Committee.

Background:

1. The Joint INAC/AFN NAC met regularly from 2001-2008, primarily to oversee implementation of the National Policy Review's 17 Recommendations to the Minister of INAC on changes needed to the DIAND policy governing the FNCFS Program. In 2004 and 2005, the NAC produced three reports regarding the FNCFS Program known as the *Wen:De* reports.

2. On January 26, 2016, the Canadian Human Rights Tribunal ("the Tribunal") released its decision (2016 CHRT 2 "Decision") in *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada* ("the Complaint"). The Complaint had been filed in 2007. The Tribunal determined that the federal government discriminated against First Nations children on the grounds of race and national ethnic origin by failing to ensure substantive equality in the provision of child and family services for First Nations peoples. The Tribunal also found that the federal government's definition, policies and application of Jordan's Principle to be discriminatory. The Tribunal has retained jurisdiction over the matter and issued a subsequent order on April 26, 2016 (2016 CHRT 10). A further Tribunal order is pending.

3. The Tribunal ordered Aboriginal Affairs and Northern Development Canada (now Indigenous and Northern Affairs Canada ("INAC"), to cease its discriminatory practices and reform the First Nations Child and Family Services ("FNCFS") Program and the *Memorandum of Agreement Respecting Welfare Programs for Indians* applicable in Ontario ("1965 Agreement") to reflect the findings in the Decision. INAC was also ordered to cease applying its narrow definition of Jordan's Principle and to take measures to immediately implement the full meaning and scope of the principle. In 2016 CHRT 10, the Tribunal further clarifies that the order is to "immediately implement" not immediately start discussions to review the definition in the long term. The Tribunal further "orders INAC to immediately consider Jordan's Principle as including all jurisdictional disputes (this includes disputes between federal departments) and involving all First Nations children (not only those children with multiple disabilities). Pursuant to the purpose and intent of Jordan's Principle the government organization that is first contacted should pay for the service without the need for policy review or case conferencing before funding is provided." In 2016 CHRT16, the

Tribunal further noted that Jordan's Principle applies on and off reserve and ordered INAC to immediately implement several measures regarding child and family services funding.

4. INAC has committed to working with First Nations leadership and organizations; child and family services agencies; front-line service providers; the parties to the Complaint; and other stakeholders, on steps towards FNCFS Program reform and meaningful change for First Nations children and families.

5. The Tribunal has deferred consideration of medium- to long-term relief until its consideration of immediate relief has concluded. In their submissions to the Tribunal, both the AFN and the Caring Society sought the establishment of a joint policy development initiative between INAC and the Complainants to reform the FNCFS Program, and which also may guide the Tribunal in determining appropriate Orders on mid-terms and long-term relief.

6. INAC has undertaken to immediately establishing and adequately resourcing a NAC, in order to begin the necessary and critical reform of the FNCFS Program. Establishing a NAC is a crucial first-step in addressing the medium to long-terms changes to the FNCFS Program.

Guiding Principles

7. The National Advisory Committee's process will be guided by the following principles:

    a. Consistent with the United Nations Convention on the Rights of the Child, the United Nations Committee on the Rights of the Child General Comment 11, the United Nations Declaration on the Rights of Indigenous Peoples and the TRC's Calls to Action, the best interests and well-being of First Nations children will be paramount.
    b. Federal, provincial/territorial and First Nations' decision-making processes must be respected.
    c. Involvement of community, parents, and extended family as a corner stone of effective and culturally based child and family services.
    d. INAC and other federal government departments engaged in the provision of services to First Nations children and families have a legal obligation not to discriminate against those children and families.
    e. Policies, programs and services must be responsive and relevant to the distinct needs of children and to community needs and realities.
    f. Whenever possible, families have the right to stay together. All services and preventative measures ought to be exhausted before a child is removed from the family.

    g. First Nations have an interest in the well-being of all of their members, regardless of where they live.

Mandate

8. The NAC is mandated to provide advice, input into the design and assist in the development of reforms of First Nations child and family services policies and programs on-reserve to First Nations leaders and agencies and the Minister of INAC. The NAC shall review across-

the-board reforms, including federal government authorities, policies and practices, to the national framework to support FNCFS Agencies, the greater needs of First Nation children, each First Nations community's cultural vision of safe and healthy children and families, provincial/territorial variances, and mechanisms to ensure communication, accountability and dispute resolution.

9. The National Advisory Committee will provide advice on future reforms to the First Nations Child and Family Services Program in a way that promotes the safety and best interests of First Nations children, taking account of the distinct needs and circumstances of First Nations children and families – including historical and ongoing disadvantage and their cultural, linguistic and geographical needs and circumstances – in order to ensure substantive equality in the provision of child and family services to them.

10. Upon agreement by the members of NAC, NAC may select and retain experts to assist it in its work, on an as-needed basis. Preference will be given to experts with demonstrated expertise regarding First Nations child and family services.

11. In addition, the NAC may establish action tables to further the goals, work and objectives of NAC, as appropriate.

12. The NAC will address, but will not be limited to, the elements of the current FNCFS Program. The NAC can provide advice to assist in the reform of the program on an interim basis throughout its term as well as producing reports or research as it sees fit.

13. The NAC's deliberations, and the information provided to and/or produced by the NAC, will be made available to the public.

14. The copyright of materials produced at the direction of the National Advisory Committee will be determined within the individual service contracts. Members of the NAC and participating member organizations respect the intellectual and moral property rights regarding Indigenous cultures, languages and traditional knowledge. All research will be conducted in keeping with the OCAP research principles (Ownership, Control, Access and Possession) and observe ethics review processes, including First Nations research ethics boards where they operate.

15. INAC agrees to provide documentation on an ongoing basis of all CFS and Jordan's Principle documents, reports, data, budgets and policies that it is legally able to provide to the NAC and the NAC will be provided with copies of documents requested (including portions of documents that are not redacted), in a timely manner, to enable the NAC to complete its work and mandate.

16. The members of the Committee agree to work together to achieve the mandate of the Committee and to collectively provide recommendations for the program reform of the FNFCS program.

Term of the NAC

17. The NAC will commence its work in January 2017 and will complete its recommendations by January 31, 2018. Extension of time will be agreed to by the members of the Committee.

Membership

18. The National Advisory Committee will be composed of the following members:
    a. One (1) national chair;
    b. Three (3) representatives of the Federal Government including one or more regional INAC representatives;
    c. One (1) representative of the AFN;
    d. One (1) representative of the First Nations Child and Family Caring Society of Canada;
    e. Ten (10) regional representatives, one representative from each of AFN's regions, with alternates available when needed;
    f. One (1) First Nation youth representative; and
    g. One (1) First Nation Elder(s) representative.

19. The ten (10) regional representatives/their alternates, youth and elder members will be selected by the AFN through its ordinary processes. Observers are also welcome to attend.

20. INAC will provide adequate funding that is necessary for the NAC to complete its work, activities and mandate.

21. The National Advisory Committee will be chaired by a person agreed to by INAC, the AFN, and the First Nations Child and Family Caring Society of Canada.

22. By consensus representatives of the Provinces and Yukon Government may be invited to participate in the NAC's work, in order to provide assistance to the NAC and its members.

23. The Canadian Human Rights Commission may participate as an interested party.

Responsibilities of the National Advisory Committee

24. The Committee will be responsible for:
    a. Making recommendations, input into the design and assist in the development of FNCFS Program reform(s).
    b. Making recommendations on the design of engagement processes to assist in developing approaches for reform.
    c. Providing an advisory and support role to existing regional tables in the engagement processes and supporting the development and operation of regional tables in regions where they do not currently operate.
    d. Developing mechanisms for sharing information of the work and the activities of NAC, including with First Nations and Provincial Territorial Organizations, as appropriate.
    e. Developing and providing approval of a work plan for the work of the committee and

the work of any advisory or expert action tables

f. Overseeing processes for decision making, and recording decisions, understandings and minutes of NAC meetings.
g. Making recommendations regarding implementation activities and following-up as appropriate.

Operating Principles

25. The NAC will operate on the basis of consensus and any dispute will be resolved by the Chair, with the assistance of an Elder.

26. The costs for regional representatives to participate in the work of the NAC shall be borne by the INAC/AFN.

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27. These Terms of Reference shall be filed with the Tribunal. The Committee shall provide reports and/or minutes of its meetings to the Tribunal as long as the Tribunal retains jurisdiction over the complaint or until it orders otherwise or the parties to the complaint agree otherwise.

ANNEX A

Suggested Topics to be addressed by the National Advisory Committee

(to be discussed once Committee is fully formed)

The National Advisory Committee may address the following elements of the FNCFS Program:

A. General

i. Jurisdictional models eligible for funding under the FNCFCS Program

ii. General funding structure, stacking provision considerations, and considerations of eligible costs including funding arrangements between INAC and Provinces/Territories and non-Aboriginal service providers.

iii. Provisions for First Nations children not served by a FNCFS Agency to ensure comparable and culturally appropriate services.

iv. Provisions for extraordinary costs related to unusual occurrences that engage higher child welfare costs such as natural disasters, substantial increases in mental health or substance misuse, and unusual requirements for mandatory staff participation in inquiries.

v. Provisions for organizational networking and learning to promote the sharing of research and best practices among FNCFS Agencies.

vi. A process for economically modelling revisions to funding policy and formula and evaluating the efficacy of such changes on an ongoing basis to ensure they are non-

discriminatory and safeguard the best interests of the children.

vii. A funding structure that takes into account costs related to historic disadvantage and distinct cultures and languages of First Nations.

viii. FNCFS Agency staff salaries, benefits, and training.

ix. Training for public servants involved in the FNCFS Program to ensure proper training for management of the program, including professional development on child development, First Nations cultures/histories, the Truth and Reconciliation Commission, and the history of the FNCFS Program including the Tribunal decisions.

x. Creating a new definition of "neglect" that takes into account First Nation norms, values and culture.

xi. Mechanisms for ensuring that reforms do not reduce current funding levels or numbers of arrangements for FNCFS Agencies.

xii. Levels of service provided by FNCFS service providers and INAC reporting requirements imposed on FNCFS service providers should be comparable to the level of service provided by or imposed on provincial territorial governments and not pose an undue burden on agency staff .

xiii. FNCFCS funding agreements should promote long term planning, sustainable service provision and evaluation.

xiv. FNCFS services should be based on effective First Nations models, including jurisdictional models, for the design, delivery and evaluation of First Nations Child and Family Services and on sharing information and effective practices.

xv. FNCFS service providers serving small populations of eligible children should receive sufficient resources to allow them to provide culturally appropriate services that are comparable to those provided by FNCFS service providers serving large populations of eligible children.

xvi. FNCFCS funding for service providers serving more than 1000 children in care must account for the full population served.

xvii. There are to be no reductions or further restrictions in the level of FNCFS funding for any agency.

xviii. INAC approval criteria and processes for the development and operation of new First Nations child and family service agencies.

xix. First Nations efforts to exercise jurisdiction and/or initiatives to create separate self-

governing child welfare regimes are to be supported and acknowledged

xx. The Touchstones of Hope framework for the design and implementation of community based visions of child safety and wellbeing.

B. Creation of a new FNCFS regime

i. Creation of a new FNCFS regime to fully replace the existing programs and services.

ii. New regime shall consider the distinct needs and circumstances of First Nations children and families living on-reserve, including their cultural, historical and geographical needs and circumstances.

iii. Program shall address the higher service needs of Frist Nation children resulting from intergenerational impacts of Indian Residential School and

effects of colonization, along with higher costs to deliver those services

iv. Ensure substantive equality in the provision of child and family services to First Nations children and families living on-reserve.

v. Develop enhanced funding mechanisms to ensure isolated, remote and northern communities serviced by agencies will be provided with equitable services and a full range of programs offered elsewhere.

C. Maintenance

i. Calculation of yearly maintenance.

ii. Appeal mechanisms regarding eligible maintenance expenses.

iii. Reimbursement of legal costs.

iv. Funding of support services intended to reunite children in care with their family.

D. Operations

i. Baseline assumptions of children in care for funding of FNCFS Agencies.

ii. Mechanisms to account for historical and ongoing inflation losses and annual adjustments going forward to ensure FNCFS Agency funding keeps pace with inflation.

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vi. Funding of costs related to the receipt, assessment and investigation of child welfare

reports for all FNCFS Agencies that hold delegation for these functions including costs for after-hours service delivery.

vii. Funding of capital costs that takes into account increased need due to augmentation of prevention staff, services, and programs, and to ensure that buildings, computers, and vehicles meet the applicable safety regulations, are child safe, accessible by persons with disabilities, and support comparable child and family services.

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receiving child welfare services.

x. Definition of eligible child.

xi. Any changes to the funding structures to FNCFS Agencies or their reporting requirements.

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i. Funding for the adequate and sustained provision of primary, secondary, and tertiary prevention services.

ii. Funding for the development, operation and evaluation of culturally-based prevention programs and reforms based on those evaluations.

F. Jordan's Principle

i. An approach to implement the full meaning and scope of Jordan's Principle in compliance with the CHRT orders across all children, all jurisdictional disputes and all federal services ensuring no delays in service provision related to the child's First Nations status.

ii. The creation of a non-discriminatory, accessible and transparent process for reporting of federal Jordan's Principle cases.

iii. The creation of non-discriminatory and transparent assessment criteria and assessment processes for reports of federal Jordan's Principle cases.

iv. The creation and implementation of an independent appeal process for federal Jordan's Principle cases.

v. Recommending mechanisms and required resources for public education regarding Jordan's Principle among First Nations, FNCFS Agencies, federal/provincial/territorial government officials and other stakeholders (such as: health professionals, teachers, and early childhood educators).

G. Accountability

i. The creation of an independent permanent expert structure with the authority, resources and mandate to monitor and publicly report on INAC's performance in maintaining non-discriminatory and culturally-appropriate First Nations child and family services and in fully implementing Jordan's Principle.

ii. The creation of a mechanism to act as a national and publicly accessible repository for all non-privileged information relevant to the provision of FNCFS services.

iii. All proposed reforms will be presented to the AFN Chiefs-in-Assembly for consideration, discussion and input.

iv. INAC shall carry out its duty to consult with first Nation governments and accommodate any First Nation interests with regard to any final proposal for program reform.

v. Training and capacity building for INAC and other federal government officials to ensure non-discriminatory, culturally based and equitable child and family services and implementation of Jordan's Principle.

Appendix 2
Kevin Page, Biography

Kevin Page is the founding President & CEO of the Institute of Fiscal Studies and Democracy (IFSD) at the University of Ottawa.

Mr. Page was appointed Canada's first Parliamentary Budget Officer on March 25, 2008 where he served a five-year term providing Canadian parliamentarians and taxpayers with independent analysis on trends in the national economy, the state of nation's finances and the estimates of the government. Mr. Page led a small but talented team that built the first legislative budget office in Canada and one that was viewed as a leading practice among peer nations by such organizations as the IMF and OECD. While PBO, Mr. Page documented the shortfalls in First Nations school funding in 2009.

Following his tenure as Parliamentary Budget Officer and a 27-year career in the federal public service (many of these years were spent in central agencies, e.g. Department of Finance, Treasury Board of Canada, Secretariat and Privy Council Office), Mr. Page was appointed Chair of the Jean-Luc Pepin Research Chair at the University of Ottawa. As Chair, Mr. Page designed and taught courses in public finance and economics and oversaw research and advisory projects in Canada and around the world.

A globally recognized authority on fiscal matters, Mr. Page serves as advisor to the South African Parliamentary Budget Office, the Slovakian Fiscal Council, as well as the World Bank's Global Network of Parliamentary Budget Offices (GN-PBO).

1er mai, 2018

À l'attention des: Organismes de services à l'enfance et à la famille délégués des Premières Nations

Le Tribunal canadien des droits de la personne (TCDP), dans sa décision de janvier 2016 et ses décisions ultérieures, a déterminé que le Canada a utilisé une approche de financement discriminatoire envers les agences délivrant le Programme des services à l'enfance et à la famille des Premières Nations (SEFPN) et a publié les ordonnances en ce qui concerne le financement pour les SEFPN. Le Canada déclare qu'il s'engage à mettre en œuvre ces ordonnances de conformité.

En soutien aux efforts du Canada de respecter les ordonnances exécutoires du TCDP, le Comité consultatif national (CCN) (pour une description, voir l'annexe 1), l'Assemblée des Premières Nations (APN) et la Société de soutien à l'enfance et à la famille des Premières Nations du Canada (Société de soutien) travaillent présentement avec M. Kevin Page, ancien Directeur parlementaire du budget et maintenant président et directeur général de l'Institut des finances publiques et de la démocratie (IFPD) | Institut of Fiscal Studies and Democracy (IFSD) de l'Université d'Ottawa, pour développer une méthodologie de collecte de données, d'analyse et de rapport fiable pour analyser les besoins des agences du programme de services à l'enfance et à la famille des Premières Nations (voir l'annexe 2 pour la biographie de M. Page).

Plusieurs d'entre vous sont peut-être familiers avec le travail entrepris par M. Page et son équipe de l'IFPD | IFSD en Automne 2017 à la demande du CCN sur les caractéristiques des agences du programme de services à l'enfance et à la famille des Premières Nations. Grâce à votre participation, l'initiative de recherche a été un succès avec un taux de réponse de 57%.

Le rapport final a aidé à informer le ministère des Affaires indiennes et du Nord Canada (AINC) sur les besoins financiers des agences dans les domaines des salaires et des avantages sociaux, du capital et autres caractéristiques.

Avec les ordonnances de conformité du TCDP, nous sommes à un point crucial concernant le bien-être des enfants des Premières Nations et avons une occasion énorme de créer un changement positif significatif dans l'approche financement pour les agences de services à l'enfance et à la famille des Premières Nations qui soutient des services équitable et basé culturellement. Nous ne pouvons pas l'accomplir sans votre aide.

Cette semaine, vous recevrez un appel suivi d'une lettre d'invitation de la part de l'IFPD | IFSD afin de participer à un projet qui aidera à informer sur le moyen d'aller de l'avant à propos du bien-être des enfants des Premières Nations à travers une estimation des coûts des besoins actuels et futurs. C'est une entreprise significative qui dépendra de la participation des agences. Nous vous exhortons à soutenir les efforts de l'IFPD | IFSD en répondant à sa demande de participation.

L'IFPD | IFSD s'engage à travailler en partenariat avec les agences afin de développer une base de référence sur les coûts et les besoins qui n'a pas été établie depuis les rapports Wen :de en 2005. Ces données seront cruciales pour l'établissement d'une architecture de programmes avec un financement qui respecte les besoins des agences et des communautés qu'ils servent.

Pour ce projet, l'IFPD | IFSD a obtenu les moyens financiers pour soutenir la participation des agences à un atelier à Ottawa afin de compléter la demande des données. Nous espérons que vous y participerez en envoyant jusqu'à deux représentant(e)s de votre agence. L'IFPD | IFSD vous soutiendra autant que possible pour assurer que votre participation significative ne diminuera pas votre travail essentiel avec les enfants, leurs familles et leurs communautés.

Tout renseignement recueilli dans ce sondage sera partagé publiquement ou au niveau gouvernemental uniquement, sous une forme anonyme et cumulative, afin de protéger les droits des agences et des communautés. La collecte et l'utilisation de ces renseignements suivront les principes de PCAP (propriété, contrôle, accès et possession) ainsi que l'Énoncé de politique des trois Conseils en matière d'éthique de la recherche.

N'hésitez pas à contacter la Docteure Helaina Gaspard à L'IFPD | IFSD (helaina.gaspard@ifsd.ca) ou bien Martin Orr de l'APN (morr@afn.ca) à tout moment pour toute question ou toute préoccupation sur ces enjeux.

Sincèrement,

Le Comité consultatif national

Annexe 1

TERMS OF REFERENCE

National Advisory Committee on

First Nations Child and Family Services (FNCFS) Program Reform

Purpose:

The purpose of these Terms of Reference is to set out the mandate, membership and roles and responsibilities of the National Advisory Committee.

Background:

1. The Joint INAC/AFN NAC met regularly from 2001-2008, primarily to oversee implementation of the National Policy Review's 17 Recommendations to the Minister of INAC on changes needed to the DIAND policy governing the FNCFS Program. In 2004 and 2005, the NAC produced three reports regarding the FNCFS Program known as the *Wen:De* reports.

2. On January 26, 2016, the Canadian Human Rights Tribunal ("the Tribunal") released its decision (2016 CHRT 2 "Decision") in *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada* ("the Complaint"). The Complaint had been filed in 2007. The Tribunal determined that the federal government discriminated against First Nations children on the grounds of race and national ethnic origin by failing to ensure substantive equality in the provision of child and family services for First Nations peoples. The Tribunal also found that the federal government's definition, policies and application of Jordan's Principle to be discriminatory. The Tribunal has retained jurisdiction over the matter and issued a subsequent order on April 26, 2016 (2016 CHRT 10). A further Tribunal order is pending.

3. The Tribunal ordered Aboriginal Affairs and Northern Development Canada (now Indigenous and Northern Affairs Canada ("INAC"), to cease its discriminatory practices and reform the First Nations Child and Family Services ("FNCFS") Program and the *Memorandum of Agreement Respecting Welfare Programs for Indians* applicable in Ontario ("1965 Agreement") to reflect the findings in the Decision. INAC was also ordered to cease applying its narrow definition of Jordan's Principle and to take measures to immediately implement the full meaning and scope of the principle. In 2016 CHRT 10, the Tribunal further clarifies that the order is to "immediately implement" not immediately start discussions to review the definition in the long term. The Tribunal further "orders INAC to immediately consider Jordan's Principle as including all jurisdictional disputes (this includes disputes between federal departments) and involving all First Nations children (not only those children

with multiple disabilities). Pursuant to the purpose and intent of Jordan's Principle the government organization that is first contacted should pay for the service without the need for policy review or case conferencing before funding is provided." In 2016 CHRT16, the Tribunal further noted that Jordan's Principle applies on and off reserve and ordered INAC to immediately implement several measures regarding child and family services funding.

4. INAC has committed to working with First Nations leadership and organizations; child and family services agencies; front-line service providers; the parties to the Complaint; and other stakeholders, on steps towards FNCFS Program reform and meaningful change for First Nations children and families.

5. The Tribunal has deferred consideration of medium- to long-term relief until its consideration of immediate relief has concluded. In their submissions to the Tribunal, both the AFN and the Caring Society sought the establishment of a joint policy development initiative between INAC and the Complainants to reform the FNCFS Program, and which also may guide the Tribunal in determining appropriate Orders on mid-terms and long-term relief.

6. INAC has undertaken to immediately establishing and adequately resourcing a NAC, in order to begin the necessary and critical reform of the FNCFS Program. Establishing a NAC is a crucial first-step in addressing the medium to long-terms changes to the FNCFS Program.

Guiding Principles

7. The National Advisory Committee's process will be guided by the following principles:

    a. Consistent with the United Nations Convention on the Rights of the Child, the United Nations Committee on the Rights of the Child General Comment 11, the United Nations Declaration on the Rights of Indigenous Peoples and the TRC's Calls to Action, the best interests and well-being of First Nations children will be paramount.
    b. Federal, provincial/territorial and First Nations' decision-making processes must be respected.
    c. Involvement of community, parents, and extended family as a corner stone of effective and culturally based child and family services.
    d. INAC and other federal government departments engaged in the provision of services to First Nations children and families have a legal obligation not to discriminate against those children and families.
    e. Policies, programs and services must be responsive and relevant to the distinct needs of children and to community needs and realities.
    f. Whenever possible, families have the right to stay together. All services and preventative measures ought to be exhausted before a child is removed from the family.

g. First Nations have an interest in the well-being of all of their members, regardless of where they live.

Mandate

8. The NAC is mandated to provide advice, input into the design and assist in the development of reforms of First Nations child and family services policies and programs on-reserve to First Nations leaders and agencies and the Minister of INAC. The NAC shall review across-the-board reforms, including federal government authorities, policies and practices, to the national framework to support FNCFS Agencies, the greater needs of First Nation children, each First Nations community's cultural vision of safe and healthy children and families, provincial/territorial variances, and mechanisms to ensure communication, accountability and dispute resolution.

9. The National Advisory Committee will provide advice on future reforms to the First Nations Child and Family Services Program in a way that promotes the safety and best interests of First Nations children, taking account of the distinct needs and circumstances of First Nations children and families – including historical and ongoing disadvantage and their cultural, linguistic and geographical needs and circumstances – in order to ensure substantive equality in the provision of child and family services to them.

10. Upon agreement by the members of NAC, NAC may select and retain experts to assist it in its work, on an as-needed basis. Preference will be given to experts with demonstrated expertise regarding First Nations child and family services.

11. In addition, the NAC may establish action tables to further the goals, work and objectives of NAC, as appropriate.

12. The NAC will address, but will not be limited to, the elements of the current FNCFS Program. The NAC can provide advice to assist in the reform of the program on an interim basis throughout its term as well as producing reports or research as it sees fit.

13. The NAC's deliberations, and the information provided to and/or produced by the NAC, will be made available to the public.

14. The copyright of materials produced at the direction of the National Advisory Committee will be determined within the individual service contracts. Members of the NAC and participating member organizations respect the intellectual and moral property rights regarding Indigenous cultures, languages and traditional knowledge. All research will be conducted in keeping with the OCAP research principles (Ownership, Control, Access and Possession) and observe ethics review processes,

including First Nations research ethics boards where they operate.

15. INAC agrees to provide documentation on an ongoing basis of all CFS and Jordan's Principle documents, reports, data, budgets and policies that it is legally able to provide to the NAC and the NAC will be provided with copies of documents requested (including portions of documents that are not redacted), in a timely manner, to enable the NAC to complete its work and mandate.

16. The members of the Committee agree to work together to achieve the mandate of the Committee and to collectively provide recommendations for the program reform of the FNFCS program.

Term of the NAC

17. The NAC will commence its work in January 2017 and will complete its recommendations by January 31, 2018. Extension of time will be agreed to by the members of the Committee.

Membership

18. The National Advisory Committee will be composed of the following members:
    a. One (1) national chair;
    b. Three (3) representatives of the Federal Government including one or more regional INAC representatives;
    c. One (1) representative of the AFN;
    d. One (1) representative of the First Nations Child and Family Caring Society of Canada;
    e. Ten (10) regional representatives, one representative from each of AFN's regions, with alternates available when needed;
    f. One (1) First Nation youth representative; and
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19. The ten (10) regional representatives/their alternates, youth and elder members will be selected by the AFN through its ordinary processes. Observers are also welcome to attend.

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24. The Committee will be responsible for:
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    b. Making recommendations on the design of engagement processes to assist in developing approaches for reform.
    c. Providing an advisory and support role to existing regional tables in the engagement processes and supporting the development and operation of regional tables in regions where they do not currently operate.
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i. The creation of an independent permanent expert structure with the authority, resources and mandate to monitor and publicly report on INAC's performance in maintaining non-discriminatory and culturally-appropriate First Nations child and family services and in fully implementing Jordan's Principle.

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v. Training and capacity building for INAC and other federal government officials to ensure non-discriminatory, culturally based and equitable child and family services and implementation of Jordan's Principle.

Annexe 2
Biographie de Kevin Page

Kevin Page est le président fondateur et le président directeur général de l'Institut des finances publiques et de la démocratie (IFPD) de l'université d'Ottawa.

M. Page a été nommé tout premier Directeur parlementaire du budget le 25 mars 2008, où il a exécuté un mandat de 5 ans afin de fournir aux parlementaires et contribuables canadiens une analyse indépendante sur les tendances de l'économie nationale, l'état des finances de la nation et les dépenses du gouvernement. M. Page a dirigé une petite mais talentueuse équipe qui a bâti le premier bureau du budget législatif au Canada qui a été remarqué pour ses pratiques d'excellence parmi les nations paires par des organisations telles que le FMI et l'OCDE. En tant que DPB, il a documenté les insuffisances du financement des écoles des Premières Nations en 2009.

Suite à son mandat de Directeur parlementaire du budget et une carrière de 27 ans dans la fonction publique fédérale (dont plusieurs années au sein des agences centrales : ministère des finances, Conseil du Trésor du Canada, Secrétariat et Bureau du Conseil privé) M. Page a été nommé président de la chaire de recherche Jean-Luc Pépin de l'université d'Ottawa. En tant que titulaire de la chaire, il a conçu et a donné des cours en finances publiques et en économie et a supervisé des projets de recherche et de consultation au Canada et à l'international.

Figure d'autorité reconnue internationalement en ce qui concerne les enjeux financiers, M. Page agit en tant que conseiller du Bureau parlementaire du budget d'Afrique du Sud, le Conseil des finances de Slovaquie ainsi que le Réseau mondial des Bureaux parlementaires du budget de la Banque Mondiale.

May 2, 2018

Dear

The Institute of Fiscal Studies and Democracy (IFSD), led by Kevin Page, is pleased to be working with the Assembly of First Nations (AFN), the National Advisory Committee (NAC) and the First Nations Child and Family Caring Society of Canada (Caring Society) to support Canada's efforts in developing a data-driven program architecture for First Nations Child and Family Services (FNCFS) agencies.

You may remember the research IFSD conducted at NAC's request in Fall 2017 to identify gaps in salaries and benefits in FNCFS agencies. IFSD will be building on this work by analyzing and providing strategic advice on how to best monitor and respond to actual agency needs from financial and governance perspectives. For further information, please consult the project overview.

The success of this project depends on your participation. FNCFS agencies have an historic opportunity in response to the Canadian Human Rights Tribunal's (CHRT) orders to revisit the program architecture and associated funding for First Nations child welfare. **We need your help** to develop a baseline of existing resources (financial, human, programmatic, etc.) in order to measure the gap between the current and desired states of FNCFS agencies.

A survey will be the main tool for data collection to complete the baseline (a copy of the survey is attached). IFSD is committed to working collaboratively with FNCFS agencies throughout this project. To this end, **you and a colleague are invited to attend a two-day workshop in Ottawa** during which time you will complete the agency survey, working with IFSD staff. For further information on preparing for the workshop, please consult our short guide. Travel, accommodation, and related expenses for up to two representatives per agency will be covered by IFSD (e.g. Executive Director and Director of Finance).

In an effort to work with the response timelines of the CHRT, you are requested to register for an Ottawa workshop on or before May 8, 2018 by completing the online registration form. Shortly after your registration, you will receive a travel booking request from Merit Travel in Ottawa, who will directly manage all travel-related information.

As an affiliate of the University of Ottawa, IFSD is guided by ethical research guidelines respecting Indigenous peoples. The project will follow the Tri-Council Policy Statement on Ethical Conduct for Research Involving Humans and OCAP principles in all of its work. All information that will be collected will only be shared in an aggregate, anonymized (i.e. unidentifiable) form. For further information, please consult the overview of the project's research ethics guidelines.

As your agency's delegate for this exercise, you will play an important role as representative and liaison between IFSD and your agency. You are invited to visit the project website where you will find helpful information on the project.

Your efforts will directly contribute to the development of the first-ever baseline on the cost and needs of FNCFS agencies since the Wen:de reports in 2005. We value your time and your commitment, and we look forward to working collaboratively with you to improve outcomes for First Nations communities, children, and families.

I welcome your comments, questions, and feedback. Please do not hesitate to reach out to me directly via phone or email.

With kind regards,

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APPENDIX I

Expert Opinion: Data Reliability and Methodological Review

An Assessment of Major Phases of the Research Methodology Used in IFSD's First Nations Child and Family Services Project

By: Scott Edward Bennett, PhD

October 22, 2018

Preface

The author was involved with commenting on and observing many aspects of this project and was given good access to relevant documents and data. In addition, when constructing the final stages of this assessment, he was able to communicate with key personnel in order to clarify final questions. Dr. Helaina Gaspard and Ms. Janoah Willsie were particularly helpful as sources of final clarification.

Although the author of this assessment was not involved in the decisions preceding this study, it is important to consider the decisions and processes that led to the project which this assessment considers. These decisions and processes cannot be described in detail here, but readers of this assessment are encouraged to look at the relevant documents leading to the IFSD's First Nations Child and Family Services Project. A brief overview of the background follows.

The organizational and policy history preceding the IFSD study is complex and involves a variety of institutional actors. The National Advisory Committee (NAC) has been one of the central organizations in this area. The National Advisory Committee was created after the "First Nations Child and Family Services Joint National Policy Review Final Report" was issued in 2000, and this was done in order to fulfill the recommendations made by the report. Recently, The NAC took on guidance and oversight of some activities that followed from a number of Canadian Human Rights Tribunal (CHRT) decisions.

In 2016, the Canadian Human Rights Tribunal issued a decision (2016 CHRT 2) stating that First Nation's Child and Family Services (FNCFS) have been subject to discrimination and ordered that this discrimination be addressed by the Government of Canada. This was shortly followed by 3 other CHRT decisions relating to non-compliance

(2016 CHRT 10, 2016 CHRT 16 and 2017 CHRT 14) which provided for clarification and implementation of the original decision. Basically, discriminatory polices had to be changed immediately, applied with a broad definition of coverage and not hindered by intergovernmental disputes about financial responsibility for service. Most recently an order was issued (2018 CHRT 4) which had a number of components. Of central importance to the project on which the paper focuses is the requirement that a study be done to assess the needs to be met by FNCFS agencies and to cost those needs. The IFSD was charged with the conduct of such a study of the current and future states of First Nations Child and Family Services, This assessment covers the main part of the IFSD's data oriented activities in this area. The NAC (composed of a various stakeholder representatives)[1] was charged with oversight and guidance of the research. The Assembly of First Nations (AFN) plays a central role in providing functional support to the NAC and financial support to the IFSD project.

Much more could be said about the complexity of the organizational background to the IFSD research, but the above at least suggests the basic organizational relationships of interest. In addition, the IFSD had to work within fairly exacting ethical standards. These standards include: OCAP principles and the Tri-Council Policy Statement on research involving humans as well as the University of Ottawa's research standards. In light of all this, the successfully conducted study to be considered in the following comments is particularly remarkable

[1] One national chair, three representatives of the federal government including at least one or more regional INAC representatives, one representative of the AFN, one representative of the First Nations Child and Family Caring Society of Canada, 10 regional representative one from each of AFN's regions, one First Nations youth representative, one First Nations Elders representative

Introduction

The IFSD was tasked with gathering and analyzing data to assist in the description and possible improvement in Child and Family Services organizations that serve various First Nations communities. Central to this project was the characterization of costs of providing services and using this characterization to suggest improvements in funding arrangements. Between the initial conception of the project and the final analysis leading to recommendations are a great many stages of activity, and each one affects the quality of the project.

This report will consider the major stages of activity in the project and comment on the quality of each stage. For our purpose, the major stages to be considered are:

-General research design

-Design of the data collection instruments

-Administering the instruments to gather data

-Coding and quality control procedures used with gathered data

-Analytic decisions and techniques

-Foundation for reporting and recommendations

At a general level, this project is based on a fairly well known type of research design. However, this design has been implemented in a way that is complex, and it serves analytic purposes that have special policy implications. All of this was intended as it suited the policy making purposes of this project, which are indeed innovative, and the organizations being studied.

General Research Design

The design used in this project is similar to what is often called a "cross-sectional survey". A cross-sectional survey is simply a survey questionnaire based project that is administered to a sample (or, in some cases, a population) at one point in time or during a definable period of time. This is a very strong design if one is primarily concerned with measuring the characteristics of a group at a given point or period of time. This includes both the basic univariate characteristics as well as more elaborate bivariate and multivariate relations. At the same time, this design, while very powerful and often used, is less useful in sorting out some kinds of causal relationships that require measurement over several points or period in time. Having said that, very few commonly used policy designs provide a flawless basis for sorting out causality, and causality is not always a central analytic concern. Furthermore, project researchers for this study took some care to understand the temporal context in which the data emerged, and this strengthens our ability to make reasonable assumptions about causal patterns.

One other important aspect of the logic of research design is the way researchers conceive of the sample being used and its relation to the population. In very broad, non-technical terms, samples can be thought of as probability samples, non-probability samples and censuses. Of course, there are many variations within each of these categories. The appropriate way to view the case selection aspect of this project is that it is an attempted census. Since some readers will be unfamiliar with this perspective, some further elaboration of this point is provided below.

A census is any survey in which the intent is to give every element in the population of interest a chance to provide data. So, the intended sample is the same as the population

of interest, and the population of interest is the intended sample. Since most people probably associate a census with the near perfect coverage of a census of individuals conducted by a national statistical agency, it is important to remember that the concept of census has a broader meaning. Thus, there will be censuses where the intent is to measure a whole population, but it is not implemented at the near perfect levels of typical official censuses of individuals.

In the case of the IFSD study, the population was child welfare agencies that provide services to First Nations communities. An attempt was made to contact every one of them. A high degree of success was achieved with 80 out of 106 agencies providing some useful information. Thus, the census was successfully implemented with respect to 75.5 percent of the population. While this is a lower response rate than a government census of individuals, it compares very favorably with other censuses of organizations in which the author has been involved. It is certainly much better than the typical response rate in almost any sort of sample survey conducted in recent years for almost any sort of reasonably large population.

By way of specific comparison with other types of studies, a very well conducted census of individuals might achieve a response rate percentage in the high 90s. Of course, this is achieved with a massive infusion of government resources and the compulsion of law. In a recent non-mandatory census of Canadian municipalities focused on infrastructure, there was a gross response rate of 57 percent. Note that this is an organizational population where most organizations have some established capacity for dealing with information requests. Of course, when one looks beyond censuses to samples

surveys, contemporary response rates are often below 20 percent apart from surveys done by official statistical agencies with massive resources and the support of legislation.

Since this is viewed as a census, it will have implications for analysis and decisions about statistical presentation. This will be discussed in more detail later. The important point to summarize here is that this is a well-conceived and well implemented example of an organizational census and based on a design logic that is suitable for the analytic purposes at hand. The specific suitability of design features to analytic goals will emerge in various parts of this report.

Design of the Data Collection Instruments

The questionnaire was developed during the period of April 9, 2018 to May, 16 2018. However, the form of the questionnaire was influenced by even earlier activities. Specifically, the IFSD was involved in an earlier version of this data collection activity in the fall of 2017. Based on that experience, the contents of the current questionnaire were expanded. In addition, there were additions to the current questionnaire made in response to an order from the Canadian Human Rights Tribunal of February, 2018. Several experts reviewed the questionnaire as well as the National Advisory Committee It is worth noting that there were some minor updates made to the instrument after the first set of workshops involving child welfare agencies was held in May of 2018. Additional questions were added, and some questions were reformulated. Those who took the slightly different earlier version of the instrument were given a chance to complete the later questions, and some did this. All information from the initial early form of the survey was easily merged into the slightly different new format. Basically, this is a simple example of adaptive survey research design.

Once the instrument was stabilized, it was translated from English into French. After translation, the instrument was input into SurveyMonkey for online administration. There were some minor problems in using SurveyMonkey initially, but workarounds were found for this, and, ultimately, formatting was successfully adjusted to use with SurveyMonkey. However, in the early stages before issues with SurveyMonkey were resolved, respondents had to submit responses in WORD or Excel Format. This was then entered into a master Excel spread sheet.

The most important thing to consider when viewing the instrument is that it differs in certain general ways from a typical, survey questionnaire. However, this was intended and appropriate to the goals of the project. This is a very long instrument that often requires detailed information of numeric and textual natures. The PDF version of the instrument is 90 pages long with 105 questions, many of which have detailed subsets. It is not the typical survey questionnaire which must be constructed with an eye to reduce respondent fatigue while measuring certain features of a respondent in a highly condensed and sometimes artificial manner. This was a detailed framework for recording fundamental budgetary and organizational information about child welfare agencies and the communities they serve.

Despite it being different it worked very well, and there are very good reasons for this. First of all, the respondents represented organizations that had a definable interest in improving information on budgetary information relating to child welfare services for First Nations communities. Second, considerable energy and resources were directed to helping respondents think through and work with the questionnaire. More will be said on this later. Third, the project has always been conceived as one in which participants could gain a

better basis for future organizational decision making, and, in this respect, more is involved here than measuring more or less complex characteristics during a given period of time. So, the instrument made it possible to characterize organizations while, at the same time, involving respondents in a learning experience with ample time to refer to relevant informational sources.

It is useful to understand the scope of the instrument and to get some idea of what it does include and what it doesn't include. The major blocks of items in the instrument are:
Agency Details --- This includes the agency name, its relevant contact information and coordinates, the catchment areas served by the agency, the identifiers for the First Nations communities served by the agency, the form of transport used to access each community, the number and locations of any satellite office of the agency, definitional aspects of the administrative meaning of child as well as the number of children served by an agency (on or off reserve), number of children currently in protective care of agency (on or off reserve), number of times requests from off –reserve for certain types of services (prevention and protection) were received during fiscal year 2017-2018, agency's designation to provide child protection, types of ancillary services provided by an agency, a detailed description of an agency's mandate, a detailed description of an agency's history, an agency's functions in both protection and prevention, an agency's activities in the realms of governance and data collection
Budget and Finances --- an agency's total annual budget for fiscal year 2017-2018; total annual budget for fiscal year 2017-2018 specifically related to child and family services; percentage breakdown of budget for protection, prevention, governance, data collection and reporting; maintenance costs in 2017-2018 for each of foster care, group homes,

institutional care and kinship care; percentage of total annual budget allocated by the federal government exclusively for protection and related services, i.e. intake and investigation (excluding maintenance); a detailed breakdown of an agency's protection related costs for fiscal year 2017-2018; annual amount allocated by federal government for prevention and least disruptive services; a detailed breakdown of agency's budget for various aspects of prevention and least disruptive services; detailed description of best practices for prevention and related funding and costs; spending and service description relating to child service purchase amount under definitions determined by CHRT; presence of intake and investigation and mode of delivery; for an agency with intake and investigation functions how many staff are utilized and what are their average caseloads; detailed additional cost breakdown for different aspects of intake and prevention; spending ratio between protection and prevention coasts, presence and funding of a band designate; detailed breakdown of sources of funds for 2017-2018 fiscal year; identification of current funding model and administrative features of payment frequency and reporting; any transferring of funds from one category to another to cover shortfalls during fiscal year 2017-2018, was agency in deficit in 2017-2018 fiscal year; agency experienced any change in funding or operating budget with descriptions; physical features and ownership status of agency headquarters

Capital Assets --- breakdown of agency's capital expenditure budget for fiscal year 2017-2018; operating and maintenance costs for main categories of assets for fiscal year 2017-2018; nature of agency headquarters accessibility; ownership status of agency satellite office; locations and physical features of satellite offices; accessibility of each satellite office; indigenous language capability of each satellite office; does associated First Nation

provided rental accommodations for agency; cost of building repairs needing for agency in fiscal year 2017-2018

Technical Profile --- Detailed indication of how new agency software, hardware and related are; satisfaction with current software and related; detailed breakdown of estimated costs to bring agency's technology platform to a state where it can fully support requirements; description of any cloud based technology used by the agency

Operating and Maintenance Costs --- Salaries and benefits for the fiscal year including employee salaries, costs of professional services and contractor, other expenses similar to salary or fees; employee benefit expenses for the fiscal year including health and dental, retirement, other benefits; staff professional development expenses for the fiscal year including training, well-being; agency fiscal year costs for audit and evaluation, travel; legal fees for the fiscal year including total legal fees, legal fees pertaining exclusively to children; any shortfalls in capacity to cover legal fees either through not using legal service or through budget reallocation

Employee Details --- Number of full-time equivalents employed by agency; number of part-time equivalents employed by agency; distribution of number of employees by type of job; distribution of number of part time employees by type of job; Average hours worked per week for different types of employees; length of time different types of employees typically spend in a position; do the scope of different types of employees typically exceed their contractual duties for different types of employees; salary ranges for different types of employees; is agency able to pay its employees at a level comparable to provincial employees who do similar work; are employees compensated for over time; agency and clients able to access services at a reasonably commutable distance; gaps ins services due

to lack of reasonably commuting distances; amount in fiscal year spent on connecting community members to services beyond mandate

Small Agencies, Remoteness, Travel Costs, Gaps in Service --- Does agency remunerate for remote work; cost of different forms of remuneration to agency; distances travelled by different types of employees to do their job; average distances people seeking help from agency must travel; cost of different types of travel expenses to the agency during the fiscal year

Caseloads --- Current total caseload; number of cases within total caseload served in a culturally appropriate manner; agency's current exclusively child based case load; average number of staff assigned to an open case; average number of cases per social worker; average caseload for each of various categories of employees; percentage of cases per various ranges of hours of service per week; percentage of substantiated maltreatment cases during fiscal year per various types of maltreatment

Governance --- How agency governed; are chiefs members of the board; agency standards of practice; how are communities involved in governance; characterization of relations with communities; does community engage in prevention activities; do communities guide prevention activities.

Data and Reporting --- Describe agency's definition of success; how agency measures success in prevention programs; how agency measures success respecting protection activity outcomes; how does agency monitor activities and measure success, does agency have program to support children aging out of care and if relevant an indication of resources devoted to this; any circumstances for agency not covered in the survey with a

description and resource implications if relevant; any other comments on practices or services of agency not covered in survey.

It is clear that there is a lot of detail here. Agency representatives sometimes, but not always, had appropriate data on hand from existing documents. However, it was often the case that an agency would not have a clear response to some detailed item without doing a bit of special assessment of some aspect of the agency. So, the instrument is something like a conventional questionnaire but a questionnaire in which agency respondents could draw on existing or producible records and reports. In some ways, the instrument represents a melding of administrative data and the reasoned response of the agency representatives. It produced a data set that is essentially a merging of individual responses and administrative data. This, by the way, is not a negative thing. Many surveys would be better if they allowed for thoughtful assessment of records prior to a final informed response. In addition, one of the latest themes in survey methodology concerns how different data sources can be integrated to reduce overall error.

This sometimes means that questions will be posed in the instrument in a way which is not purely consistent with what one might find in a conventional survey questionnaire. However, this is appropriate because the instrument is not a typical questionnaire. As noted it merges data from a variety of sources as filtered through the judgement and participation of the agency representatives.

Perhaps the point that will stand out most for those who are used to conventional policy oriented questionnaires is that it does place a heavy weight on asking agency respondents their subjective views about how well the agency was doing in some area or how satisfied they were with some aspect of the agency. There is some of this, but there are

many parts of the instrument that do not generate that kind of data. In light of this, it should be stressed that this is all consistent with the purposes of the project. The main concern was to get at objective organizational dimensions of agencies and to analyze those with a view to predicting costs. Furthermore, this all had to be done with an emphasis on obtaining particular kinds of hard organizational data.

It may well be that future iterations of this project could ask additional subjective questions about satisfaction, preferences, etc. this would seem more feasible once participants are used to the core aspects of the questionnaire. At the same time, it is worth noting that the motivations behind people's responses to preference and satisfaction questions can be very complex and somewhat strategic. This is particularly true when dealing with the funding of agencies where respondents are employed. Thus, there is a certain wisdom to the balance of question formats used here, and a stress on the more objective aspects of organizational profiles is wise.

In summary, the instrument differs in some ways from what has come to be seen as a typical survey questionnaire, but that is perfectly acceptable in that serves a purpose different from a typical questionnaire. Furthermore, it gathers and integrates much more complex kinds of data than a typical survey questionnaire. The instrument was developed with very detailed attention to the policies of interest and with detailed involvement of the organizations and communities involved in the policy. Thus, it is well designed to reflect the current state of child welfare agencies serving First Nations communities, and it also provides a basis for reflective learning by all those involved in the administration and development of these services.

As we shall see this level of detailed attention to quality and usefulness is further pursued in the next stage of the research process, data collection.

Administering the Instruments to Gather Data

Data collection took place from between May 14, 2018 to July 31, 2018. [2]The first part of this stage began with an email from Kevin Page May 1, 2018, President and CEO of the IFSD, to the Executive Directors of the 104 First Nations Child and family service agencies that formed the initial population of interest in this study. The initial contact information was provided by Indigenous Services Canada (ISC). The email contained an endorsement of the project from the National Advisory Committee (NAC). This is excellent practice for this type of project. It serves to underline the legitimacy of the research and to prepare agencies for the content of interest in the project. This sort of early description and support for a project is critical to encouraging a good response rate.

Dr. Helaina Gaspard, Director of Governance and Institutions at IFSD, emailed a letter to the agency Executive Directors on May 3, 2018. It provided a more detailed outline of the project and invited agency representatives to attend one of four workshops scheduled in Ottawa in May or one in Saskatoon at the end of May. The Saskatoon workshop was added a bit later in the decision process based on suggestions from First Nations Child and Family Services agencies in Saskatchewan. A sixth workshop in June was added to further accommodate agencies who could not attend a May workshop. This is

[2] It should be kept in mind that a few responses that come in after this deadline will not be refused, and, if they are received before too much time passes, it may be possible to integrate them into the final analysis data set. It is just worth noting that eventually one must decide to accept a given set of agency responses as a stable data set so that a final report can be produced.

further evidence of the detailed groundwork that was laid to ensure participation in the project.

It is also worth noting that those agency representatives who came to the Ottawa workshops had their relevant expenses covered or reimbursed. Flights and accommodations for up to two representatives per agency were booked for them by IFSD. Representatives were reimbursed for any travel by car or taxi as well as provided a per diem for food and expenses. This is in some ways similar to the response incentive systems that are part of many well-funded research programs. In some respects, it is more neutral than an incentive because it is covering costs of participation and not providing a reward or a payment for time utilized.

Further advance preparation and participation priming took place when every agency in the population received at least one phone call starting on email on May 4, 2018. At least one email reminder was sent to each agency starting on May 9, 2018. Response rates for the project were further encouraged by NAC regional outreach and by Cindy Blackstock's video promoting the project and associated workshops. This was sent to all project stakeholders including potential participants on May 8, 2018.

So, as we can see, there were extensive preparations made to alert agencies about the study and to encourage to participate in the workshops. The level of effort in this area is at a superior level compared to basic standards for contacting and encouraging respondents. Ultimately, the proof of its excellence is in the level of response, and we shall see that that was very good. One of the secondary effects of this contact effort is that 2 agencies came forward that had not been included on ISC lists. They were not on those lists

because of some of their special characteristics. However, they were relevant to the study and were included in the relevant population which now counted 106 agencies.

Of the 106 agencies that constituted the population, 68 were able to attend one of the 6 workshops thus yielding an initial response rate of 64 percent. Those who attended a workshop were administered the instrument in a format presented on SurveyMonkey. They were assisted with necessary by IFSD staff who were available at the workshops. This is an interesting feature of the study in that it very directly allows respondents to seek clarification regarding questions and formats in the instrument. This kind of clarification is sometimes provided in other types of surveys through contact emails or phone numbers, or in a telephone interview, it might be provided remotely by an interviewer or supervisor. In this case, assistance was provided in a much more direct and potentially detailed way. It assisted the respondents in providing more detailed context to their responses, and this was an intended and important part of the project.

Another aspect of the workshop experience was that respondents were involved in future state exercises to discuss goals and measures of success for their agencies and communities. While this might not be a standard aspect of a conventional survey or strictly designed policy experiment, it was always intended that there would be a qualitative element to this project as well as an element that allows respondents to put current and future responses into a richer context.

Even though the level of response encouragement had been very high and the results of that initial effort were very good, the project staff went even further and extended the initial deadline to register for a workshop. There was additional email or telephone follow up to encourage participation. A fifth Ottawa workshop was scheduled for

June 4-5, 2018 to accommodate those who had not been able to attend a May workshop. Finally, 5 agencies that were not able to make any of the workshops were allowed to complete the instrument remotely online with assistance from IFSD staff.

Data Collection was finally closed off on July 31. In conjunction with these data collection activities, there were also initial quality control activities that will be described in the next part of these comments. Again, note that there may be some minor adjustments to this cutoff date depending on the amount and nature of any late responses.

As we can see, efforts to encourage the response rate were at a very high level. Furthermore, efforts to make sure that respondent could seek clarification about the instrument were also at a very high level. The final results of this data collection stage were 80 completions out of a sample of 106 yielding a response rate of 74.5 percent. In the current era, this is an extremely good response rate and well above what is achieved in surveying many types of populations. At the end of the day, the only things that I would recommend here are of a very secondary nature and could be explored at a later time. For example:

1. Examine the differences between late responding agencies and early responding agencies.
2. In so far as possible, examine differences between non-responders and responders. This has already been done in a preliminary way, and there does not appear to be any major differential non-response by province.
3. As a very minor point, explore responses differences between those who completed the instrument remotely and those who completed it as part of a workshop.

4. Consider in more detail the relationship between the future state exercises at the workshop and various instrument topics. This is a legitimate part of the study and its long term trajectory, but more details about it would be useful.

The above are very minor points but will provide more context for considering secondary analysis of the data. They do not affect the fundamental excellence of the data collection stage. There are conventional ways to approach all of these aspects of data quality analysis

Coding and Quality Control Procedures Used with Gathered Data

The main coding and quality control phase of the project took place from June 12, 2018 to August 3, 2018. However, partially preceding this and overlapping with main coding and quality control activity, all submitted surveys were reviewed for completion. Follow-up emails and calls were made to address missing or unclear responses whenever they occurred. Follow-ups began in Mid-May of 2018 following the first workshop. They continued into early July of 2018. Approximately one third of the attempted follow-up contacts received responses. A final reminder was sent on July 13, 2018, and, as indicated before, data collection was closed on July 31, 2018.

While this activity is part of the data collection process, it is also part of quality control activities, and it is described here for that reason. This was a well-conceived and implemented part of the project which is seldom matched in data collection and quality control activities in the current era. Such high level quality control activity was once a common part of excellent surveys in an earlier era prior to the advent of various technologies for contacting respondents electronically.

The main quality control and coding phase came next as indicated. Here, the primary concern was accurate coding and data recording, but there was quality control

with respect to that activity itself. The main steps in this process as described by project staff member Janoah Willsie are as follows:

1. A spreadsheet was designed to capture responses and to facilitate coding. Codes were assigned for multi-part questions and for questions with qualitative responses. Data input sheets provide more information on coding details.
2. All surveys were printed. Data was entered into the spreadsheet from the surveys and marked on the paper copy as it was inputted. Each entry was inputted by one team member and checked at least once by another member of the team.
3. Following initial data entry, the more complex qualitative questions were coded and integrated into the master spreadsheet.
4. The full data set was spot-checked by a third person. Over half of the surveys (41/80) were selected at random and entries were checked to ensure consistent coding and accuracy.

Considerable effort was made to enter and code data in a manner that was checked at two different points in the process. This is an excellent level of quality control and coding. Perhaps the one thing that could be suggested for future activity is that a method should be found to transfer data entered in the computerized online instrument into a software based spreadsheet, thus avoiding any printing and transcription. This not so much a suggestion with respect to accuracy as with respect to efficiency. There were enough checks in the process to ensure that data were accurately input into a spreadsheet from a printout, but the activity could have been completed more quickly had there just been an export from the digital instrument to some kind of spreadsheet or data file software. It is likely that there is software that could accommodate this. Having said that, the step of

printing out survey results and entering them into a final file did create another opportunity to view some of the qualitative aspects of the data. Yet, I still think something like this could have been achieved without hard copy as an intermediate stage.

As a first major pass at this kind of project, the process that was used was fine. However, in the future hard copy printouts could probably be avoided. Coding can also be done on a digital spreadsheet and double checked or cross checked in that format as well. This is an appropriate point to discuss one other aspect of data quality having to do with any variations in the quality of responses across instruments across different types of questions. This can have just as much impact on the quality of data as the overall gross response rate. We can actually get a pretty good picture of this aspect of data quality because of the intimate involvement of the main coding and quality control people with the detail of the data. We will relate some of the determinations on these matters as they emerged from discussion with coding and quality control staff.

First of all, of the 80 responding cases, one of the agencies submitted an instrument that had so few useful responses that it was essentially unusable as a case. Two other instruments were lacking useful responses to about one third of the questions. So, these were of some use but not ideal. This does not substantially affect the overall quality of the data.

In addition, we can look across the whole spectrum of questions and see if there were some that generally did not yield many useful responses. Although there was nothing extremely problematic to report here, it does appear to be the case that respondents in general were less likely to give useful responses to items 99 to 104 near the end of the instrument. This is very likely just a function of respondent fatigue and is not unusual in

very long instruments. Other questions that tended to be answered in a less than ideal fashion or did not have many usable responses were items 31, 35, 36, 42, 43, 77, 90 and 91. In examining those items, it is likely that they required respondents to think in terms of accounting and administrative categorizations that may be relatively detailed and/or relatively rare in the context of some agencies. This is useful to be aware of for the future, but it does not fundamentally impact the main objectives of the project.

Analytic Decisions and Techniques

Analysis began on June 28, 2018, and is ongoing as this report is being written. It is expected that analysis will be completed by the end of September, 2018. The first part of the analysis was essentially an examination of the properties of the main variables represented in the data. For the most part, variables were examined independently in a kind of basic univariate analysis. Apart from providing a first view of the data, this was used to begin to conceptualize further characterizations of the data. These characterizations were called "typologies," and they were focus of the next stage of analysis.

Initial analysis indicated that six typologies would be useful means to summarizing the data. These were defined in terms of: agency budget, child population served, distance from nearest city, rurality, province and funding formula that relates to an agency. Within each of these typologies, data were analyzed to see connections with other variables and relationships with agency costs across different parts of a typology. An example of the preliminary results of this part of the analysis was the finding that travels costs were an important cost-driver for agencies. This particular finding was further examined to see whether agencies with fly-in vs. road accessible communities differ in terms of travel costs

represented in their budgets. Of the original six typologies, it proved fruitful to direct further analysis to three in particular. These were the child population served typology, the remoteness typology and the accessibility typology. This typology analysis is essentially a form of bivariate analysis, and in, in some cases, verges on a very basic type of multivariate analysis. In later stages of analysis which are still ongoing, regression analysis will be used to see more directly how much certain variables can explain costs and how sensitive costs are to other factors.

What has been done thus far has proved to be quite useful and illuminating. The analysis is not based on the use of highly sophisticated statistical techniques, but it more in the realm of basic to intermediate techniques. Nevertheless basic techniques are often sufficient to reveal the main patterns of interest in a policy related research, and, in this instance, they have been applied with skill. Having said that, there is probably more that could be done with more complex regressions, cluster analysis, factor analysis and so forth. There is also probably more information to be mined from the richer qualitative responses. However, much of this can be left to researchers involved in secondary analysis of the data. The important point at this stage is that useful and illuminating analysis has been done in a way which provides insights into the central policy problems of interest. For the most part, that has been achieved.

Now that the basic outline of the analysis has been described, let us proceed to some background analytic issues that are useful to keep in mind and which are linked to comments in other parts of this report. These comments are more directed at potential readers of the results of the study on which this note comments. It is not intended as guidance or criticism of what has been done.

Specifically, let us consider how one approaches the analysis of census data and the sometimes unexpected features of such analysis. One of the interesting things about census data is that it does not need to be analyzed using conventional statistical inference or significance tests. This is not commonly understood in some circles, but it is a point that is making inroads into various official guidelines. So, while a full range of descriptive (non-inferential) statistics can be applied to much of the data, there is really no fundamental reason to apply tests of significance or inference. That is not to say, they can't or absolutely shouldn't be applied. It is just to say that it is not really necessary to apply them with this sort of data.

The reasoning here is that inference and significance is usually examined in terms of random sampling error generated when a subset of a population, the sample, is drawn to generate an estimate of the whole population. When one is targeting the whole population there is no sampling error as such. Therefore, significance and inference tests are not necessary or of central importance. However, to the extent that the census is not perfectly implemented there may well non-response bias. This is worth considering, but it cannot be addressed with inference and significance statistics.

People sometimes make more or less knowledgeable defenses for the use of significance tests in these situations. Often, this has to do with having some tool to decide what relationships or estimates are more important than others. This is somewhat misguided, but since people are used to it, there is no harm in including such statistics as long as their limitations are noted. With census data, the important issue is how big are the effects and relationships generated from the population data. People have to arrive at their own bench marks for this that are appropriate to a specific set of analytic goals. This forces

one to come to grips with the nature of census data. Also, as noted, one should give some thought to the possible non-response bias arising from less than 100 percent coverage of the population.

As a minor side comment, note that even if one wanted to deal with this kind of data as if it were a sample, the precision of the estimates it produced would be extremely good as this would then be an example of finite population sampling. However, as indicated, this writer does not favor viewing this as a sampling process.

Foundation for Reporting and Recommendations

To summarize and conclude, let us consider the foundation on which analysis and reporting will be constructed. We have found that the project:

1. Utilizes a well-known research design in that it is a cross-sectional attempted census. This is quite a powerful and useful design though, in and of itself, it might have some limitations in sorting out causality or over-time changes. However, it could be extended to cover the passage of time.
2. The instrument was designed with a great deal of care and attention to detail and translated in to both official languages. It differs to some extent from a typical survey research questionnaire in that it does not, for example, make use of certain overall preference questions to the same extent as a typical questionnaire, but this is consistent with the research purposes and future plans for this project. There are some preference items, and this writer was interested to see that additional ones are being experimented with in requests embedded in updates sent out to responding agencies and other relevant parties. It is also true that the instrument is quite long and detailed compared to many questionnaires, but this is also consistent

with research purposes and seemed to work well with the specific types of agencies studied and their representatives.

3. Enormous effort was made to prepare the relevant population of agencies for participation in the study and to make it possible for them to complete the instrument. The results were outstanding, yielding a response rate of 75.5 percent. Generally, completed instruments were consistently completed, but there may be some merit in considering in more detail whether there is a subset that tend to be less responsive on an item or question basis. Earlier we noted some of the question items that seemed to attract fewer useful responses. This is quite acceptable, and the writer expects that these will improve in any subsequent studies simply because respondents will have become more used to some of the concepts involved.
4. Quality control really began while some aspects of field work were being completed and continued on for some time. This happened in conjunction with coding and data transcription activities. All of this done with double checking and cross –checking throughout the process. These were well managed activities involving a very high level of effort, and this was obviously positive from the standpoint of data quality. It may be that future iterations of this sort of project could benefit from exporting directly from survey instrument software to spreadsheet or analytic software.
5. Initial analysis of the data was completed using basic and intermediate analytic techniques, and this was done with excellence. Some interesting and useful profiles were produced which will provide a foundation for further analysis and reporting. Readers of the report should be alerted to the census nature of the design and its

implication that significance tests are not all that useful and, if provided, are provided on an "as if" basis. [3]

6. There would probably be some merit in analyzing differences between non-respondents and respondents and similar kinds of distinctions. [4]In the longer term, it may also be useful to apply more advanced techniques to some of the data. However, this is more of a matter for late stage, secondary analysis.

In summary, this is a very high quality project that involved an enormous amount of effort in characterizing organizations that are not typically easy to reach. In many respects, it is outstanding. It should be a very reliable foundation for characterizing and analyzing the needs of the First Nations child and family service agencies. This is true in general as well as with respect to specific concerns with budgetary and cost analysis.

This is such high quality and interesting data that I hope its use will be permitted in a wide variety of secondary analysis.

[3] To illustrate the "as if" aspect of the way some organizations portray sample precision, consider the following as an example. Some organizations try to create an imagined sense of precision for a non-probability sample by calculating confidence intervals for the non-probability sample results as if they were based on a probability sample with the same number of cases.

[4] The basic idea in looking at differences between respondent and non-respondents is to take the background information we have on members of both groups and see if there are any major differences. We do indeed know some things about both responding and non-responding agencies in that we know their location. This creates the opportunity to look at a number of location based variables. For that matter, if one wanted to take this a step further, one could also get (in some cases) meaningful aggregate data about the socio-economic characteristics of communities associated with respondents compared to non–respondents. In some cases, this may not be possible because some standard government surveys do not deal with certain situations such as very remote communities or reserves.

APPENDIX J

Population Projections and Growth Rates

FIRST NATIONS POPULATION PROJECTIONS ON-RESERVE, CONVERGENCE SCENARIO

TOTAL FIRST NATIONS POPULATION ON-RESERVE CONVERGENCE SCENARIO (IN THOUSANDS)			
Year	**Population**	**5-year overall growth**	**Annualized growth**
2011	375		
2016	416	10.93%	2.10%
2021	451	8.41%	1.63%
2026	481	6.65%	1.30%
2031	504	4.78%	0.94%
2036	522	3.57%	0.70%

FIRST NATIONS 0–18 POPULATION PROJECTIONS ON-RESERVE, CONVERGENCE SCENARIO

0–18 FIRST NATIONS POPULATION ON-RESERVE CONVERGENCE SCENARIO (IN THOUSANDS)			
Year	**Population**	**5-year overall growth**	**Annualized growth rate**
2011	152		
2016	157	3.29%	0.65%
2021	160	1.91%	0.38%
2026	159	-0.63%	-0.13%
2031	150	-5.66%	-1.16%
2036	141	-6.00%	-1.23%

FIRST NATIONS POPULATION PROJECTIONS ON-RESERVE, CONSTANT SCENARIO

TOTAL FIRST NATIONS POPULATION ON-RESERVE CONSTANT SCENARIO (IN THOUSANDS)			
Year	**Population**	**5-year overall growth**	**Annualized growth rate**
2011	375		
2016	418	11.47%	2.19%
2021	460	10.05%	1.93%
2026	502	9.13%	1.76%
2031	544	8.37%	1.62%
2036	585	7.54%	1.46%

FIRST NATIONS 0–18 POPULATION PROJECTIONS ON-RESERVE, CONSTANT SCENARIO

0–18 FIRST NATIONS POPULATION ON-RESERVE CONSTANT SCENARIO (IN THOUSANDS)			
Year	**Population**	**5-year overall growth**	**Annualized growth rate**
2011	152		
2016	159	4.61%	0.90%
2021	170	6.92%	1.35%
2026	180	5.88%	1.15%
2031	189	5.00%	0.98%
2036	200	5.82%	1.14%

Total populations and projections were provided at five-year intervals. The annual growth rate was needed to calculate program costs. By interpolation (assuming that every year has the same growth rate), the annual growth rate was determined by reverse compounding within the five-year interval. This approach can be modelled as:

$(1+r)^5$= five-year growth rate, accounting for the previous year's population increase

To calculate the annual growth rate within that five-year period, the following interpolation was used:

$(1+r)^5$= five-year growth rate
1 = the benchmark year's population
r = the growth rate
5 = the five-year period

As an example, the calculation for the annual growth rate between 2016-2021 for the 0-18 First Nation population (on-reserve only, constant scenario) is modelled below.

2016 is the benchmark population year
Population in 2016 = 159,000
Population in 2021 = 170,000
Five-year growth rate between 2016 and 2021 = 6.92%

The five-year growth rate was determined by calculating the percentage difference between the two populations in 2016 and 2021. The percentage difference calculation is modelled as:

% difference = (B-A)/A
B = population in 2021
A = population in 2016

% difference = (170,000-159,000)/159,000
% difference = 11,000/159,000
% difference = 0.0692
% difference = 6.92%

To interpolate the annual growth rate, we solve for "r" in the formula:

$(1+r)^5$= 6.92%
$(1+r) = \sqrt[5]{6.92\%}$
$r = (\sqrt[5]{6.92\%})-1$
r = 1.35%

Annual population growth rates for the convergence and constant scenarios were interpolated for the total First Nation population on-reserve (see. The total population growth rates were applied to current total agency catchment populations to estimate the costs of prevention funding per capita. The agency catchment populations were a custom tabulation using Statics Canada's census data.

ANNUAL FIRST NATIONS POPULATION PROJECTIONS ON-RESERVE, 2016–2036, CONVERGENCE SCENARIO

YEAR	ANNUALIZED GROWTH RATE	ENTIRE FIRST NATIONS POPULATION ON RESERVE: CONVERGENCE FERTILITY (IN THOUSANDS)
2016	2.10%	416.0
2017	1.63%	422.8
2018	1.63%	429.7
2019	1.63%	436.7
2020	1.63%	443.8
2021	1.63%	451.0
2022	1.30%	456.8
2023	1.30%	462.8
2024	1.30%	468.8
2025	1.30%	474.8
2026	1.30%	481.0
2027	0.94%	485.5
2028	0.94%	490.1
2029	0.94%	494.7
2030	0.94%	499.3
2031	0.94%	504.0
2032	0.70%	507.5
2033	0.70%	511.1
2034	0.70%	514.7
2035	0.70%	518.3
2036	0.70%	522.0

ANNUAL FIRST NATIONS POPULATION PROJECTIONS ON-RESERVE, 2016–2036, CONSTANT SCENARIO

YEAR	ANNUALIZED GROWTH RATE	ENTIRE FIRST NATIONS POPULATION ON RESERVE: CONSTANT FERTILITY (IN THOUSANDS)
2016	2.19%	418.0
2017	1.93%	426.1
2018	1.93%	434.3
2019	1.93%	442.7
2020	1.93%	451.3
2021	1.93%	460.0
2022	1.76%	468.1
2023	1.76%	476.4
2024	1.76%	484.8
2025	1.76%	493.3
2026	1.76%	502.0
2027	1.62%	510.1
2028	1.62%	518.4
2029	1.62%	526.8
2030	1.62%	535.3
2031	1.62%	544.0
2032	1.46%	552.0
2033	1.46%	560.0
2034	1.46%	568.2
2035	1.46%	576.6
2036	1.46%	585.0

ANNUAL FIRST NATIONS 0–18 POPULATION PROJECTIONS ON-RESERVE, 2016–2036, CONVERGENCE SCENARIO

YEAR	ANNUALIZED GROWTH RATE	0–18 FIRST NATIONS POPULATION ON RESERVE: CONVERGENCE FERTILITY (IN THOUSANDS)
2016	0.65%	157.0
2017	0.38%	157.6
2018	0.38%	158.2
2019	0.38%	158.8
2020	0.38%	159.4
2021	0.38%	160.0
2022	-0.13%	159.8
2023	-0.13%	159.6
2024	-0.13%	159.4
2025	-0.13%	159.2
2026	-0.13%	159.0
2027	-1.16%	157.2
2028	-1.16%	155.3
2029	-1.16%	153.5
2030	-1.16%	151.8
2031	-1.16%	150.0
2032	-1.23%	148.2
2033	-1.23%	146.3
2034	-1.23%	144.5
2035	-1.23%	142.8
2036	-1.23%	141.0

ANNUAL FIRST NATIONS 0–18 POPULATION PROJECTIONS ON-RESERVE, 2016–2036, CONSTANT SCENARIO

YEAR	ANNUALIZED GROWTH RATE	0–18 FIRST NATIONS POPULATION ON RESERVE: CONSTANT FERTILITY (IN THOUSANDS)
2016	0.90%	159.0
2017	1.35%	161.1
2018	1.35%	163.3
2019	1.35%	165.5
2020	1.35%	167.7
2021	1.35%	170.0
2022	1.15%	172.0
2023	1.15%	173.9
2024	1.15%	175.9
2025	1.15%	178.0
2026	1.15%	180.0
2027	0.98%	181.8
2028	0.98%	183.5
2029	0.98%	185.3
2030	0.98%	187.2
2031	0.98%	189.0
2032	1.14%	191.2
2033	1.14%	193.3
2034	1.14%	195.5
2035	1.14%	197.7
2036	1.14%	200.0

APPENDIX K

Children in Care Calculations

The calculation of estimated future number of children in care can be modelled as:

(1 + annual growth rate) x Number of Children in Care** in Year$_{n-1}$ = Number of Children in Care in Year$_n$*

The annual growth rate is the rate at which the 0-18 on-reserve population increases or decreases.

ANNUAL CHILDREN IN CARE PROJECTIONS, 2018–2036, WITH AVERAGE NUMBER OF CHILDREN IN CARE AND CONVERGENCE SCENARIO

YEAR	ANNUALIZED GROWTH RATE	TOTAL PROJECTED FIRST NATIONS CHILDREN IN CARE
2017		20,032
2018	0.38%	20,108
2019	0.38%	20,184
2020	0.38%	20,261
2021	0.38%	20,338
2022	-0.13%	20,312
2023	-0.13%	20,287
2024	-0.13%	20,261
2025	-0.13%	20,236
2026	-0.13%	20,211
2027	-1.16%	19,976
2028	-1.16%	19,745
2029	-1.16%	19,516
2030	-1.16%	19,290
2031	-1.16%	19,067
2032	-1.23%	18,832
2033	-1.23%	18,600
2034	-1.23%	18,372
2035	-1.23%	18,146
2036	-1.23%	17,923

ANNUAL CHILDREN IN CARE PROJECTIONS, 2018–2036, WITH AVERAGE NUMBER OF CHILDREN IN CARE AND CONSTANT SCENARIO

YEAR	ANNUALIZED GROWTH RATE	TOTAL NATIONAL CHILDREN IN CARE
2017		20,032
2018	1.35%	20,302
2019	1.35%	20,575
2020	1.35%	20,852
2021	1.35%	21,133
2022	1.15%	21,376
2023	1.15%	21,622
2024	1.15%	21,871
2025	1.15%	22,122
2026	1.15%	22,376
2027	0.98%	22,596
2028	0.98%	22,817
2029	0.98%	23,041
2030	0.98%	23,267
2031	0.98%	23,495
2032	1.14%	23,763
2033	1.14%	24,033
2034	1.14%	24,306
2035	1.14%	24,583
2036	1.14%	24,863

ANNUAL CHILDREN IN CARE PROJECTIONS 2018–2036, WITH CHILDREN IN CARE AS A % OF TOTAL CHILD POPULATION SERVED AND CONVERGENCE SCENARIO

YEAR	ANNUALIZED GROWTH RATE	TOTAL NATIONAL CHILDREN IN CARE
2017		19,252
2018	0.38%	19,325
2019	0.38%	19,398
2020	0.38%	19,472
2021	0.38%	19,546
2022	-0.13%	19,521
2023	-0.13%	19,497
2024	-0.13%	19,472
2025	-0.13%	19,448
2026	-0.13%	19,424
2027	-1.16%	19,199
2028	-1.16%	18,976
2029	-1.16%	18,756
2030	-1.16%	18,539
2031	-1.16%	18,324
2032	-1.23%	18,099
2033	-1.23%	17,876
2034	-1.23%	17,656
2035	-1.23%	17,439
2036	-1.23%	17,225

ANNUAL CHILDREN IN CARE PROJECTIONS 2018–2036, WITH CHILDREN IN CARE AS A % OF TOTAL CHILD POPULATION SERVED AND CONSTANT SCENARIO

YEAR	ANNUALIZED GROWTH RATE	TOTAL NATIONAL CHILDREN IN CARE
2017		19,252
2018	1.35%	19,511
2019	1.35%	19,774
2020	1.35%	20,040
2021	1.35%	20,310
2022	1.15%	20,544
2023	1.15%	20,780
2024	1.15%	21,019
2025	1.15%	21,261
2026	1.15%	21,505
2027	0.98%	21,716
2028	0.98%	21,929
2029	0.98%	22,144
2030	0.98%	22,361
2031	0.98%	22,580
2032	1.14%	22,837
2033	1.14%	23,097
2034	1.14%	23,360
2035	1.14%	23,626
2036	1.14%	23,895

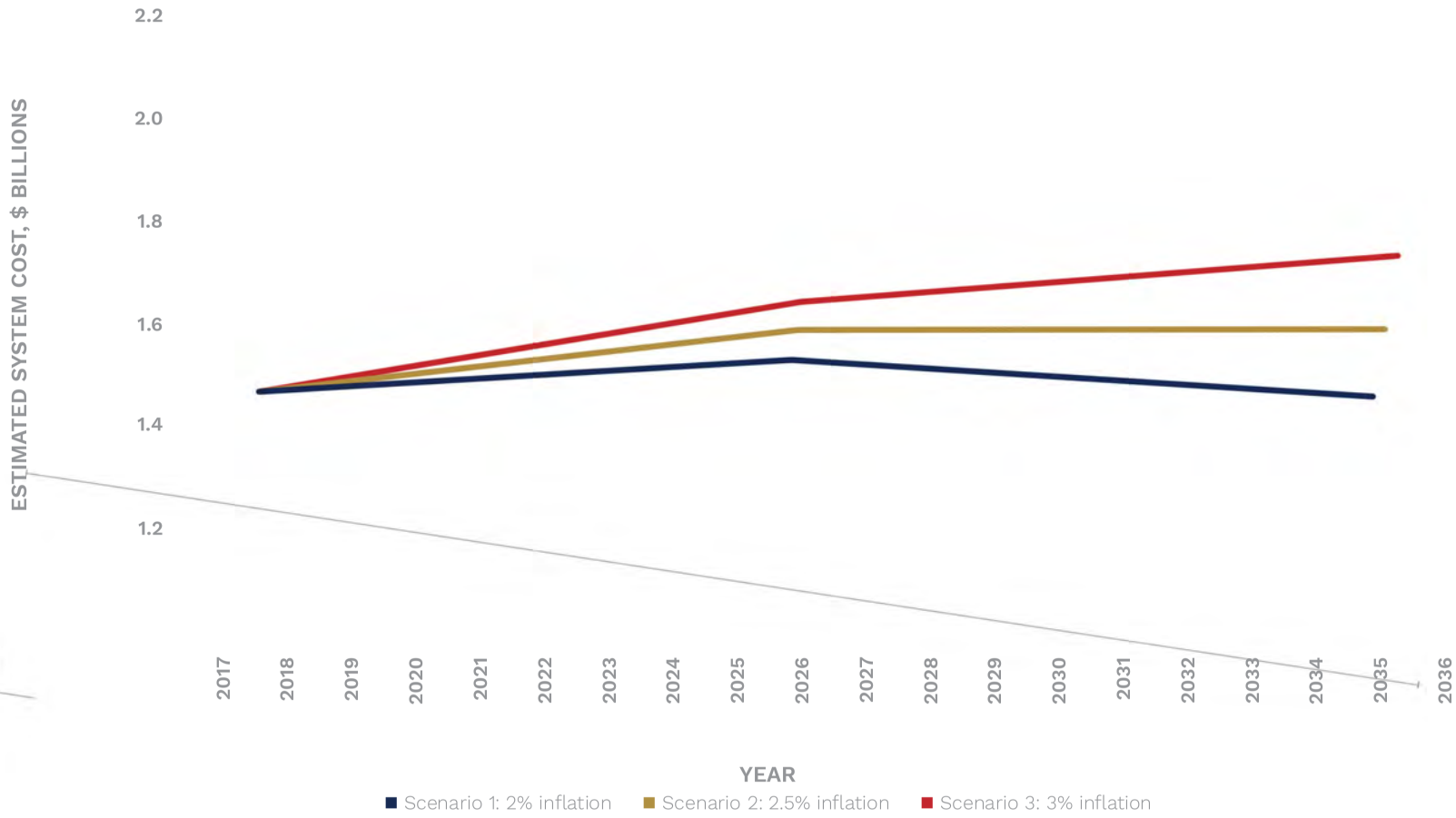
APPENDIX L

Total System Cost Estimates

TOTAL SYSTEM COST ESTIMATES, WITH AVERAGE NUMBER OF CHILDREN IN CARE AND CONVERGENCE SCENARIO

AVERAGE NUMBER OF CHILDREN IN CARE (CIC)		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	**Number of CIC**	**Program cost** (CIC x $63,136.87) + 2% inflation	**Estimated program cost**	**Program cost** (CIC x $63,136.87) + 2.5% inflation	**Estimated program cost**	**Program cost** (CIC x $63,136.87) + 3% inflation	**Estimated program cost**
2018	20,108	$64,399.61	$ 1,294,945,817.79	$ 64,715.29	$ 1,301,293,591.41	$ 65,030.98	$ 1,307,641,365.02
2019	20,184	$ 65,687.60	$1,325,854,402.91	$ 66,333.17	$1,338,884,834.73	$ 66,981.91	$ 1,351,978,985.05
2020	20,261	$ 67,001.35	$ 1,357,500,733.66	$ 67,991.50	$ 1,377,561,998.70	$ 68,991.36	$ 1,397,819,941.23
2021	20,338	$ 68,341.38	$ 1,389,902,419.04	$ 69,691.29	$ 1,417,356,452.94	$ 71,061.10	$ 1,445,215,206.53
2022	20,312	$ 69,708.21	$ 1,415,923,894.84	$ 71,433.57	$1,450,969,819.24	$ 73,192.94	$ 1,486,706,278.84
2023	20,287	$ 71,102.37	$ 1,442,432,539.51	$ 73,219.41	$1,485,380,344.50	$ 75,388.72	$ 1,529,388,529.52
2024	20,261	$ 72,524.42	$ 1,469,437,473.74	$ 75,049.90	$1,520,606,933.77	$ 77,650.39	$ 1,573,296,156.41
2025	20,236	$ 73,974.91	$ 1,496,947,988.97	$ 76,926.15	$1,556,668,940.44	$ 79,979.90	$ 1,618,464,339.18
2026	20,211	$ 75,454.40	$ 1,524,973,550.57	$ 78,849.30	$ 1,593,586,176.88	$ 82,379.29	$ 1,664,929,267.46
2027	19,976	$ 76,963.49	$ 1,537,451,094.43	$ 80,820.53	$ 1,614,500,732.04	$ 84,850.67	$ 1,695,008,339.95
2028	19,745	$ 78,502.76	$ 1,550,030,731.27	$ 82,841.04	$ 1,635,689,774.15	$ 87,396.19	$ 1,725,630,829.27
2029	19,516	$ 80,072.82	$ 1,562,713,296.44	$ 84,912.07	$ 1,657,156,905.64	$ 90,018.08	$ 1,756,806,552.95
2030	19,290	$ 81,674.27	$ 1,575,499,632.10	$ 87,034.87	$ 1,678,905,776.21	$ 92,718.62	$ 1,788,545,505.88
2031	19,067	$ 83,307.76	$ 1,588,390,587.33	$ 89,210.74	$1,700,940,083.47	$ 95,500.18	$ 1,820,857,863.50
2032	18,832	$ 84,973.91	$ 1,600,232,355.56	$ 91,441.01	$ 1,722,021,033.21	$ 98,365.19	$ 1,852,417,356.11
2033	18,600	$ 86,673.39	$ 1,612,162,406.53	$ 93,727.04	$ 1,743,363,254.03	$ 101,316.14	$ 1,884,523,844.51
2034	18,372	$88,406.86	$ 1,624,181,398.41	$ 96,070.21	$1,764,969,984.05	$ 104,355.63	$ 1,917,186,809.33
2035	18,146	$ 90,175.00	$1,636,289,994.27	$ 98,471.97	$ 1,786,844,501.50	$ 107,486.29	$ 1,950,415,895.55
2036	17,923	$ 91,978.50	$1,648,488,862.13	$100,933.77	$ 1,808,990,125.26	$ 110,710.88	$ 1,984,220,915.30

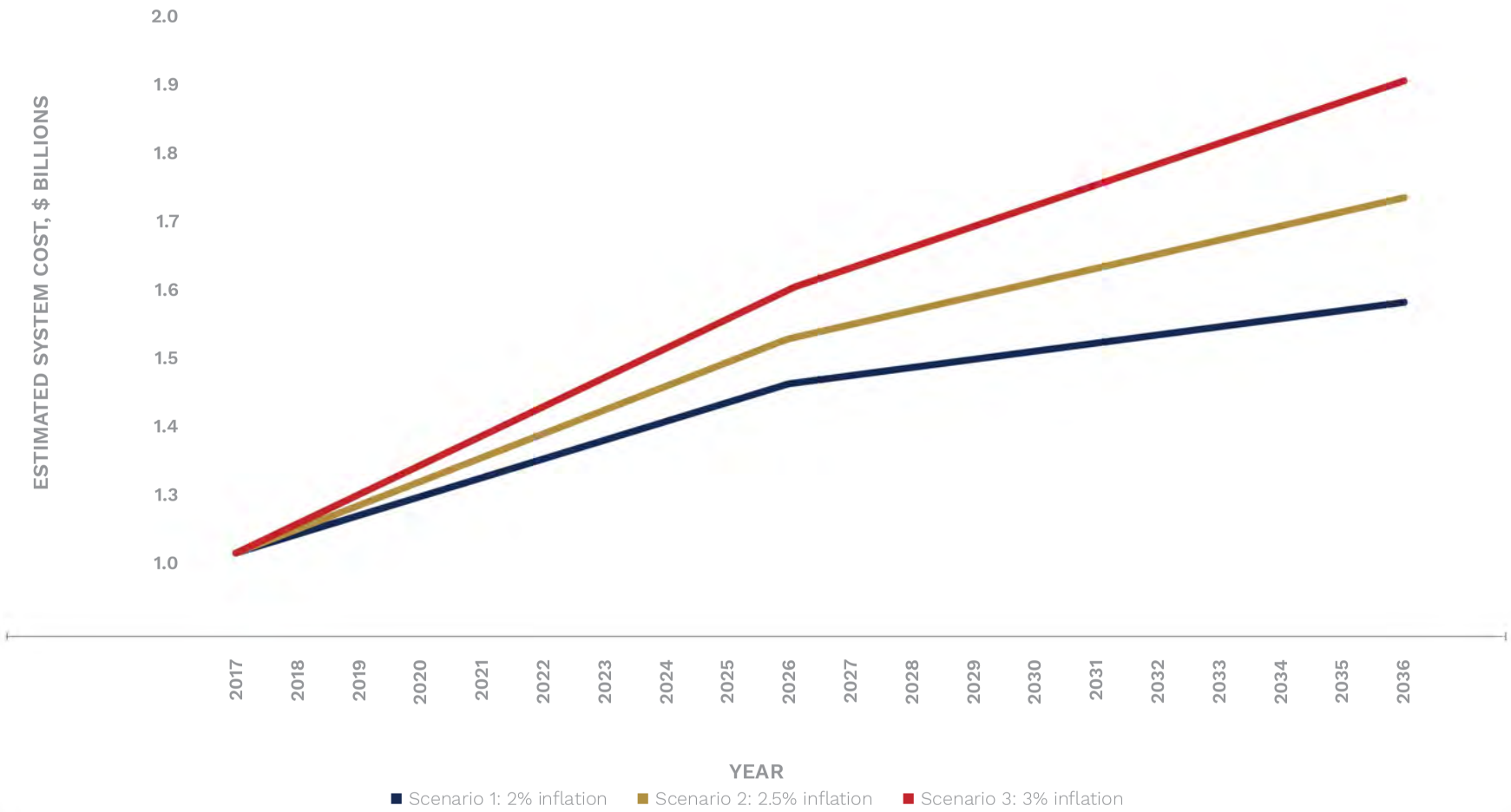
TOTAL SYSTEM COST ESTIMATES, WITH AVERAGE NUMBER OF CHILDREN IN CARE AND CONVERGENCE SCENARIO



TOTAL SYSTEM COST ESTIMATES, WITH CHILDREN IN CARE AS A % OF TOTAL CHILD POPULATION SERVED AND CONVERGENCE SCENARIO

CHILDREN IN CARE (CIC) AS A % OF TOTAL CHILD POPULATION SERVED		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	**Number of CIC**	**Program cost** (CIC x $63,136.87) + 2% inflation	**Estimated program cost**	**Program cost** (CIC x $63,136.87) + 2.5% inflation	**Estimated program cost**	**Program cost** (CIC x $63,136.87) + 3% inflation	**Estimated program cost**
2017	19,252	$ 63,136.87	$ 1,215,511,021.24	$ 63,136.87	$ 1,215,511,021.24	$ 63,136.87	$ 1,215,511,021.24
2018	19,325	$64,399.61	$1,244,523,606.43	$ 64,715.29	$ 1,250,624,212.35	$ 65,030.98	$ 1,256,724,818.26
2019	19,398	$ 65,687.60	$ 1,274,228,682.34	$ 66,333.17	$ 1,286,751,739.13	$ 66,981.91	$1,299,336,033.35
2020	19,472	$ 67,001.35	$ 1,304,642,777.78	$ 67,991.50	$1,323,922,903.30	$ 68,991.36	$1,343,392,048.15
2021	19,546	$ 68,341.38	$ 1,335,782,816.07	$ 69,691.29	$ 1,362,167,853.04	$ 71,061.10	$ 1,388,941,850.85
2022	19,521	$ 69,708.21	$ 1,360,791,075.45	$ 71,433.57	$1,394,472,392.18	$ 73,192.94	$ 1,428,817,356.25
2023	19,497	$ 71,102.37	$ 1,386,267,534.48	$ 73,219.41	$ 1,427,543,050.73	$ 75,388.72	$ 1,469,837,658.26
2024	19,472	$ 72,524.42	$ 1,412,220,958.69	$ 75,049.90	$ 1,461,397,997.65	$ 77,650.39	$ 1,512,035,623.16
2025	19,448	$ 73,974.91	$ 1,438,660,277.74	$ 76,926.15	$1,496,055,832.73	$ 79,979.90	$1,555,445,060.80
2026	19,424	$ 75,454.40	$1,465,594,588.43	$ 78,849.30	$ 1,531,535,596.91	$ 82,379.29	$ 1,600,100,751.66
2027	19,199	$ 76,963.49	$ 1,477,586,285.44	$ 80,820.53	$ 1,551,635,787.40	$ 84,850.67	$ 1,629,008,614.25
2028	18,976	$ 78,502.76	$ 1,489,676,100.16	$ 82,841.04	$ 1,571,999,776.95	$ 87,396.19	$1,658,438,734.28
2029	18,756	$ 80,072.82	$ 1,501,864,835.41	$ 84,912.07	$ 1,592,631,027.73	$ 90,018.08	$1,688,400,547.00
2030	18,539	$ 81,674.27	$ 1,514,153,300.58	$ 87,034.87	$ 1,613,533,047.31	$ 92,718.62	$ 1,718,903,658.11
2031	18,324	$ 83,307.76	$ 1,526,542,311.66	$ 89,210.74	$ 1,634,709,389.32	$ 95,500.18	$ 1,749,957,846.85
2032	18,099	$ 84,973.91	$ 1,537,922,988.68	$ 91,441.01	$1,654,969,495.38	$ 98,365.19	$1,780,288,485.42
2033	17,876	$ 86,673.39	$ 1,549,388,510.91	$ 93,727.04	$1,675,480,699.21	$ 101,316.14	$ 1,811,144,821.01
2034	17,656	$88,406.86	$ 1,560,939,510.90	$ 96,070.21	$ 1,696,246,112.86	$104,355.63	$1,842,535,965.11
2035	17,439	$ 90,175.00	$ 1,572,576,625.89	$ 98,471.97	$ 1,717,268,886.92	$107,486.29	$ 1,874,471,187.15
2036	17,225	$ 91,978.50	$ 1,584,300,497.89	$100,933.77	$ 1,738,552,211.04	$ 110,710.88	$ 1,906,959,917.20

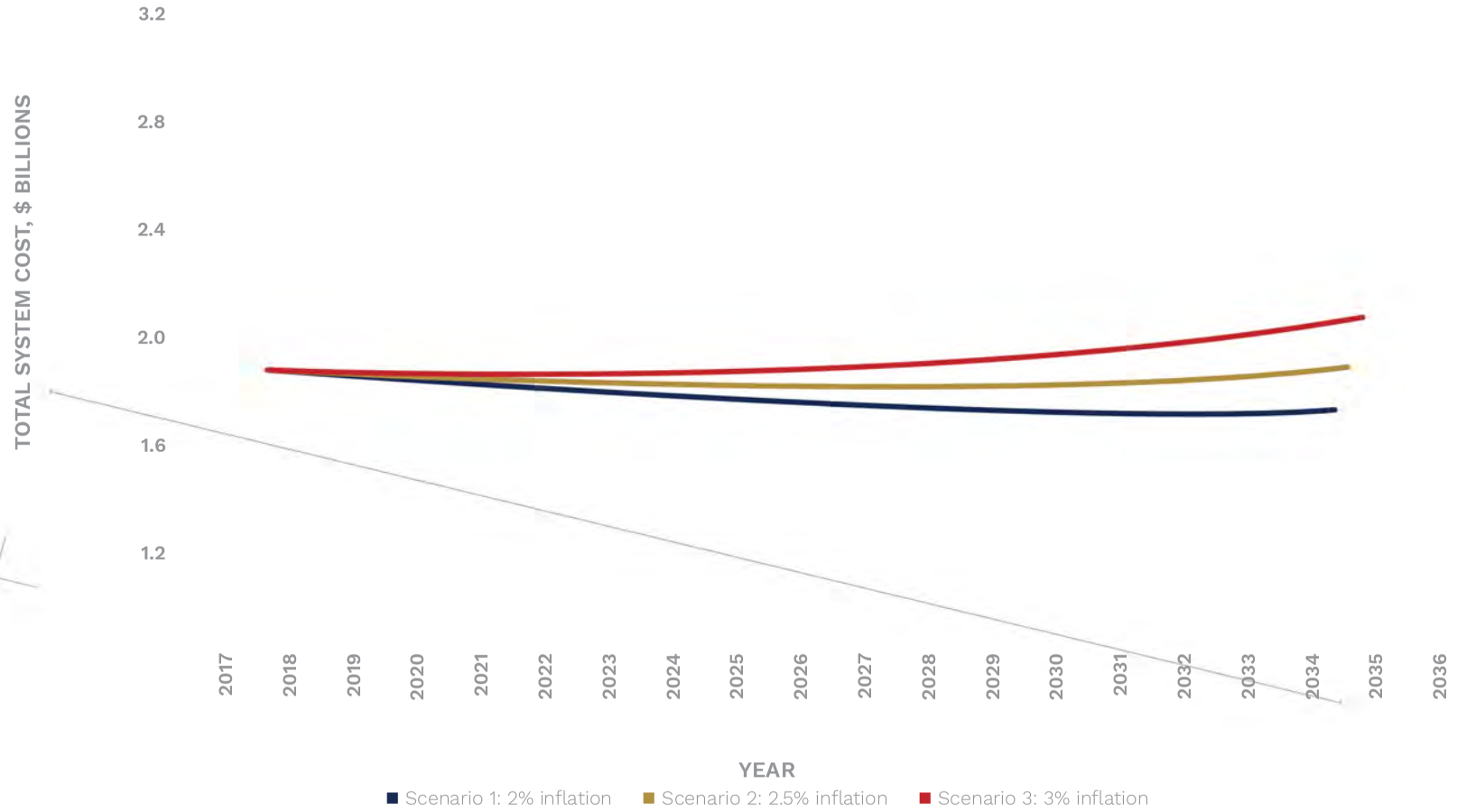
TOTAL SYSTEM COST ESTIMATES, WITH CHILDREN IN CARE AS A % OF TOTAL CHILD POPULATION SERVED AND CONVERGENCE SCENARIO



TOTAL SYSTEM COST ESTIMATES, WITH AVERAGE NUMBER OF CHILDREN IN CARE AND CONSTANT SCENARIO

AVERAGE NUMBER OF CHILDREN IN CARE (CIC)		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	Number of CIC	Program cost (CIC x $63,136.87) + 2% inflation	Estimated program cost	Program cost (CIC x $63,136.87) + 2.5% inflation	Estimated program cost	Program cost (CIC x $63,136.87) + 3% inflation	Estimated program cost
2017	20,032	$ 63,136.87	$ 1,264,757,779.84	$ 63,136.87	$ 1,264,757,779.84	$ 63,136.87	$ 1,264,757,779.84
2018	20,302	$64,399.61	$1,307,428,328.43	$ 64,715.29	$ 1,313,837,290.82	$ 65,030.98	$1,320,246,253.22
2019	20,575	$ 65,687.60	$ 1,351,538,501.06	$ 66,333.17	$ 1,364,821,354.94	$ 66,981.91	$ 1,378,169,161.65
2020	20,852	$ 67,001.35	$ 1,397,136,867.96	$ 67,991.50	$ 1,417,783,879.26	$ 68,991.36	$ 1,438,633,310.64
2021	21,133	$ 68,341.38	$ 1,444,273,637.98	$ 69,691.29	$ 1,472,801,638.85	$ 71,061.10	$ 1,501,750,191.53
2022	21,376	$ 69,708.21	$1,490,096,424.91	$ 71,433.57	$ 1,526,978,214.15	$ 73,192.94	$ 1,564,586,711.95
2023	21,622	$ 71,102.37	$ 1,537,373,041.47	$ 73,219.41	$ 1,583,147,658.84	$ 75,388.72	$1,630,052,450.15
2024	21,871	$ 72,524.42	$ 1,586,149,613.62	$ 75,049.90	$ 1,641,383,280.04	$ 77,650.39	$ 1,698,257,418.36
2025	22,122	$ 73,974.91	$ 1,636,473,730.79	$ 76,926.15	$ 1,701,761,081.44	$ 79,979.90	$ 1,769,316,231.97
2026	22,376	$ 75,454.40	$1,688,394,492.28	$ 78,849.30	$1,764,359,862.52	$ 82,379.29	$1,843,348,302.13
2027	22,596	$ 76,963.49	$1,739,049,558.01	$ 80,820.53	$1,826,202,338.81	$ 84,850.67	$ 1,917,266,516.70
2028	22,817	$ 78,502.76	$ 1,791,224,372.64	$ 82,841.04	$ 1,890,212,452.20	$ 87,396.19	$ 1,994,148,849.57
2029	23,041	$ 80,072.82	$ 1,844,964,531.55	$ 84,912.07	$ 1,956,466,180.39	$ 90,018.08	$ 2,074,114,161.81
2030	23,267	$ 81,674.27	$1,900,316,998.07	$ 87,034.87	$ 2,025,042,164.21	$ 92,718.62	$ 2,157,286,080.81
2031	23,495	$ 83,307.76	$ 1,957,330,144.51	$ 89,210.74	$2,096,021,800.90	$ 95,500.18	$ 2,243,793,191.39
2032	23,763	$ 84,973.91	$ 2,019,193,291.64	$ 91,441.01	$ 2,172,867,775.26	$ 98,365.19	$2,337,403,493.80
2033	24,033	$ 86,673.39	$ 2,083,011,678.14	$ 93,727.04	$ 2,252,531,136.23	$ 101,316.14	$ 2,434,919,186.75
2034	24,306	$88,406.86	$ 2,148,847,101.08	$ 96,070.21	$ 2,335,115,177.04	$104,355.63	$2,536,503,201.84
2035	24,583	$ 90,175.00	$ 2,216,763,310.68	$ 98,471.97	$2,420,726,977.90	$107,486.29	$2,642,325,268.11
2036	24,863	$ 91,978.50	$2,286,826,072.05	$100,933.77	$2,509,477,544.90	$ 110,710.88	$ 2,752,562,195.63

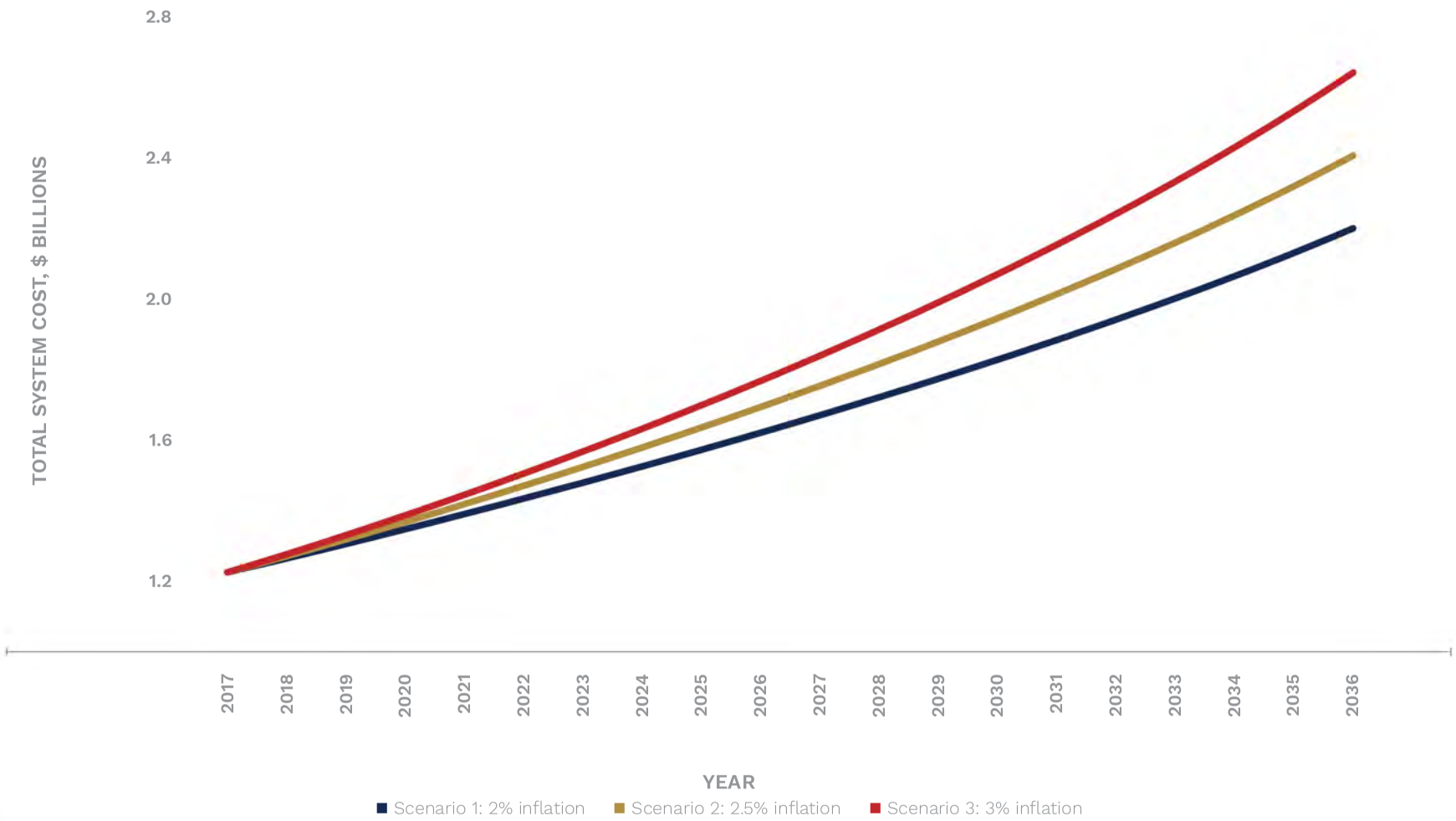
TOTAL SYSTEM COST ESTIMATES, WITH AVERAGE NUMBER OF CHILDREN IN CARE AND CONSTANT SCENARIO



TOTAL SYSTEM COST ESTIMATES, WITH CHILDREN IN CARE AS A % OF TOTAL CHILD POPULATION SERVED AND CONSTANT SCENARIO

CHILDREN IN CARE (CIC) AS A % OF TOTAL CHILD POPULATION SERVED		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	**Number of CIC**	**Program Cost** (CIC x $63,136.87) + 2% inflation	**Estimated program cost**	**Program cost** (CIC x $63,136.87) + 2.5% inflation	**Estimated program cost**	**Program cost** (CIC x $63,136.87) + 3% inflation	**Estimated program cost**
2017	19,252	$ 63,136.87	$ 1,215,511,021.24	$ 63,136.87	$ 1,215,511,021.24	$ 63,136.87	$ 1,215,511,021.24
2018	19,511	$64,399.61	$1,256,520,076.82	$ 64,715.29	$1,262,679,488.96	$ 65,030.98	$1,268,838,901.10
2019	19,774	$ 65,687.60	$ 1,298,912,700.80	$ 66,333.17	$ 1,311,678,350.90	$ 66,981.91	$1,324,506,424.72
2020	20,040	$ 67,001.35	$ 1,342,735,572.18	$ 67,991.50	$1,362,578,636.36	$ 68,991.36	$ 1,382,616,238.84
2021	20,310	$ 68,341.38	$1,388,036,944.81	$ 69,691.29	$ 1,415,454,130.95	$ 71,061.10	$1,443,275,493.58
2022	20,544	$ 69,708.21	$ 1,432,075,497.83	$ 71,433.57	$ 1,467,521,195.03	$ 73,192.94	$1,503,665,304.44
2023	20,780	$ 71,102.37	$ 1,477,511,271.68	$ 73,219.41	$ 1,521,503,530.75	$ 75,388.72	$ 1,566,581,957.38
2024	21,019	$ 72,524.42	$1,524,388,596.32	$ 75,049.90	$ 1,577,471,590.82	$ 77,650.39	$ 1,632,131,181.02
2025	21,261	$ 73,974.91	$ 1,572,753,208.13	$ 76,926.15	$ 1,635,498,419.52	$ 79,979.90	$ 1,700,423,127.89
2026	21,505	$ 75,454.40	$1,622,652,294.60	$ 78,849.30	$ 1,695,659,748.07	$ 82,379.29	$ 1,771,572,559.53
2027	21,716	$ 76,963.49	$ 1,671,334,968.59	$ 80,820.53	$1,755,094,220.59	$ 84,850.67	$ 1,842,612,568.86
2028	21,929	$ 78,502.76	$ 1,721,478,215.96	$ 82,841.04	$ 1,816,611,927.40	$ 87,396.19	$ 1,916,501,280.55
2029	22,144	$ 80,072.82	$ 1,773,125,856.70	$ 84,912.07	$ 1,880,285,887.82	$ 90,018.08	$ 1,993,352,927.48
2030	22,361	$ 81,674.27	$ 1,826,323,025.51	$ 87,034.87	$ 1,946,191,680.58	$ 92,718.62	$2,073,286,323.27
2031	22,580	$ 83,307.76	$ 1,881,116,211.17	$ 89,210.74	$ 2,014,407,533.49	$ 95,500.18	$ 2,156,425,045.96
2032	22,837	$ 84,973.91	$1,940,570,549.65	$ 91,441.01	$2,088,261,302.38	$ 98,365.19	$2,246,390,378.52
2033	23,097	$ 86,673.39	$2,001,903,994.98	$ 93,727.04	$ 2,164,822,755.33	$ 101,316.14	$ 2,340,109,034.71
2034	23,360	$88,406.86	$ 2,065,175,938.00	$ 96,070.21	$ 2,244,191,163.56	$104,355.63	$ 2,437,737,601.93
2035	23,626	$ 90,175.00	$ 2,130,447,646.63	$ 98,471.97	$2,326,469,437.83	$107,486.29	$2,539,439,200.36
2036	23,895	$ 91,978.50	$ 2,197,782,325.23	$100,933.77	$ 2,411,764,261.90	$ 110,710.88	$2,645,383,755.50

TOTAL SYSTEM COST ESTIMATES, WITH CHILDREN IN CARE AS A % OF TOTAL CHILD POPULATION SERVED AND CONSTANT SCENARIO



APPENDIX M

Indigenous Services Canada (ISC) Program Spending Breakouts

Program Name	17-18 Funding5	Breakout in Departmental Costs vs. funds to First Nations6	Performance criteria and results reporting for each program
FNIHB / HC			
Aboriginal Head-start on-reserve	$30,561,340	Vote 1 $607,678 Vote 10 $29,953,662	Number of children in First Nations communities accessing early literacy and learning services and supports https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1
Healthy child development	$32,044,848	Vote 1 $5,638,051 Vote 10 $26,406,797	Percentage of First Nations communities that screen for risk factors for developmental milestones through participation in healthy child development programs and services https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1 Percentage of First Nations communities with maternal and child health programming that provide group breastfeeding support activities. https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1
Mental Wellness	$160,210,929	Vote 1 $11,245,084 Vote 10 $148,965,845	Percentage of addictions counsellors in treatment centres serving First Nations and Inuit clients who are certified workers. https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1 Percentage of First Nations communities that report service linkages with external service providers in delivering Mental Wellness promotion https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1
Canada Prenatal Nutrition Program (on-reserve First Nations and Inuit)	$12,935,948	Vote 1 $240,866 Vote 10 $12,695,082	Number of women in First Nations communities accessing Prenatal and Postnatal Health services and supports including Nutrition https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1
Brighter Futures	$56,295,405	Vote 1 $39,319 Vote 10 $56,256,086	Brighter Futures focuses on community-based health promotion and ill-health prevention programs for First Nations and Inuit communities. Performance criteria and results for programs such as these are sought from Healthy Child Development, Mental Wellness, and Healthily Living

[5] Information collected from Program staff

[6] For most programs this is distinguished through Vote 1 (departmental operations) and Vote 10 (Grants and Contributions)

Program Name	17-18 Funding5	Breakout in Departmental Costs vs. funds to First Nations6	Performance criteria and results reporting for each program
Building Healthy Communities	$46,241,107	Vote 1 $457,533 Vote 10 $45,783,554	Building Healthy Communities is designed to assist First Nations and Inuit communities to develop community-based approaches to drug abuse and mental health crises. Performance criteria and results are sought from Mental Wellness.
Children's Oral Health Initiative	$6,300,779	Vote1 $1,991,149 Vote 10 $4,309,630	Average number of decayed teeth in the 0–7 year population in First Nations communities with access to the Children's Oral Health Initiative (COHI). https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1
Fetal Alcohol Spectrum Disorder Initiative – First Nations and Inuit component	$7,735,902	Vote 1 $208,966 Vote 10 $7,526,936	% of communities with access to a Fetal Alcohol Spectrum Disorder Community Coordinator or Mentoring programs* Indigenous Services Canada, First Nations Inuit Health Branch, Community Based Level Reporting-National Summary Report 2015-16 Fiscal Year.
Maternal and Child Health Program	$15,694,477	Vote 1 $354,878 Vote 10 $15,339,599	Difference in percentage of children aged 0 to 11 who we Percentage of First Nations children on-reserve who have received the MMR vaccine.re breastfed longer than six months in First Nations communities with Maternal Child Health (MCH) programs versus those without MCH programs. https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1 Percentage of First Nations communities with maternal and child health programming that provide group breastfeeding support activities. https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1 Percentage of women in First Nations communities accessing maternal and child health program activities who breastfed for 6 months or more https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1

Program Name	17-18 Funding5	Breakout in Departmental Costs vs. funds to First Nations6	Performance criteria and results reporting for each program
Jordan's Principle	$145,067,987	Departmental $3,193,423 First Nations $141,874,564	Number of approved service requests for services and supports under Jordan's Principle https://www.canada.ca/en/indigenous-services-canada/services/jordans-principle.html
Other			Percentage of First Nations children on-reserve who have received the MMR vaccine. https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1 Percentage of First Nations communities that deliver physical activities. https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1 Percentage of First Nations and Inuit communities that deliver healthy eating activities under the Aboriginal Diabetes Initiative. https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a4_1
ISC - Social Programs			
Family Violence Prevention Program	$41,795,145	Vote 1 - $1,576,939 Vote 10 - $40,218,206	Number of women and children accessing the department's funded shelters Percentage of projects directed to community priorities/needs
Income Assistance	$973,376,126 (Includes day care)	Vote 1 - for 2017-2018: $7,557,278.15 Vote 10 - for 2017-2018: $965,818,847.74 (includes day care)	https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a2_2_1

Program Name	17-18 Funding5	Breakout in Departmental Costs vs. funds to First Nations6	Performance criteria and results reporting for each program
On reserve Day Care in AB and MB ON	$19,249,525 This amount is also included in the 2017-2018 funding for Income Assistance as on-reserve day care in AB and ON is funded within the Income Assistance Program.	Vote 10 for 2017-2018: ON: $2,657,313.00 AB: $16,592,212.00 National total: $19,249,525.00 This amount is included in the Income Assistance Vote 10 amount.	See Income Assistance
Assisted Living	$115,899,008	Vote 1 for 2017-18: $1,888,651.79 Vote 10 for 2017-18: $114,010,356.14	https://www.sac-isc.gc.ca/eng/1538154166265/1538154312961#a2_2_2
ISC – Education			

Program Name	17-18 Funding5	Breakout in Departmental Costs vs. funds to First Nations6	Performance criteria and results reporting for each program
Elementary & Secondary	$ 1,245,608,813	Vote 1- $27,252,721 Vote 10- $1,218,356,092	In 2017-18, Education programs sought to measure results on 6 publically-reported indicators, as listed on the GC Infobase. Funding recipients are required to submit data through a number of DCIs, which are uploaded to the Education Information System (EIS). EIS is an information technology system that was designed to provide the Department with the ability to analyze and report on education data, to reduce the reporting burden to First Nations, and to provide a reporting mechanism back to the funding recipients. Once reports are finalized within the EIS system, data is transferred to the Education Reports and Analysis Solution (ERAS), where de-personalized data is extracted and used for purposes such as reporting on performance indicators, informing program decisions, and developing policy to improve education outcomes for First Nations students.
High Cost Special Education Program (HCSEP)	$270,428,162	Vote 1- $1,747,894 Vote 10- $268,680,268	Collected through Education Information System (EIS). See note above.
First Nation Student Success Program (FNSSP) – Ending Apr 1, 2019	$106,323,084	Vote 1- $1,763,595 Vote 10- $104,559,489	Proposal based program ending April 1, 2019. Funding flowing directly to First Nations' education budget to support principle of First Nation control of First Nation education.

Program Name	17-18 Funding5	Breakout in Departmental Costs vs. funds to First Nations6	Performance criteria and results reporting for each program
New Paths for Education (NP) – Ending Apr 1, 2019	$133,972,831	Vote 1- $173,753 Vote 10- $133,799,078	Proposal based program ending April 1, 2019. Funding flowing directly to First Nations' education budget to support principle of First Nation control of First Nation education.
Cultural Education Centres Program (CECP)	$9,894,600	Vote 1- NA Vote 10- $9,894,600	Collected through Education Information System (EIS). See note above.
Post-Secondary Education (PSE)	$369,414,978	Vote 1- $2,435,317 Vote 10- $366,979,661	Collected through Education Information System (EIS). See note above.
Post-Secondary Partnerships Program (PSPP)	$25,032,745	Vote 1- NA Vote 10- $25,032,745	Collected through Education Information System (EIS). See note above.
Indspire	$7,817,000	Vote 1- NA Vote 10- $7,817,000	Annual reporting to the Department.

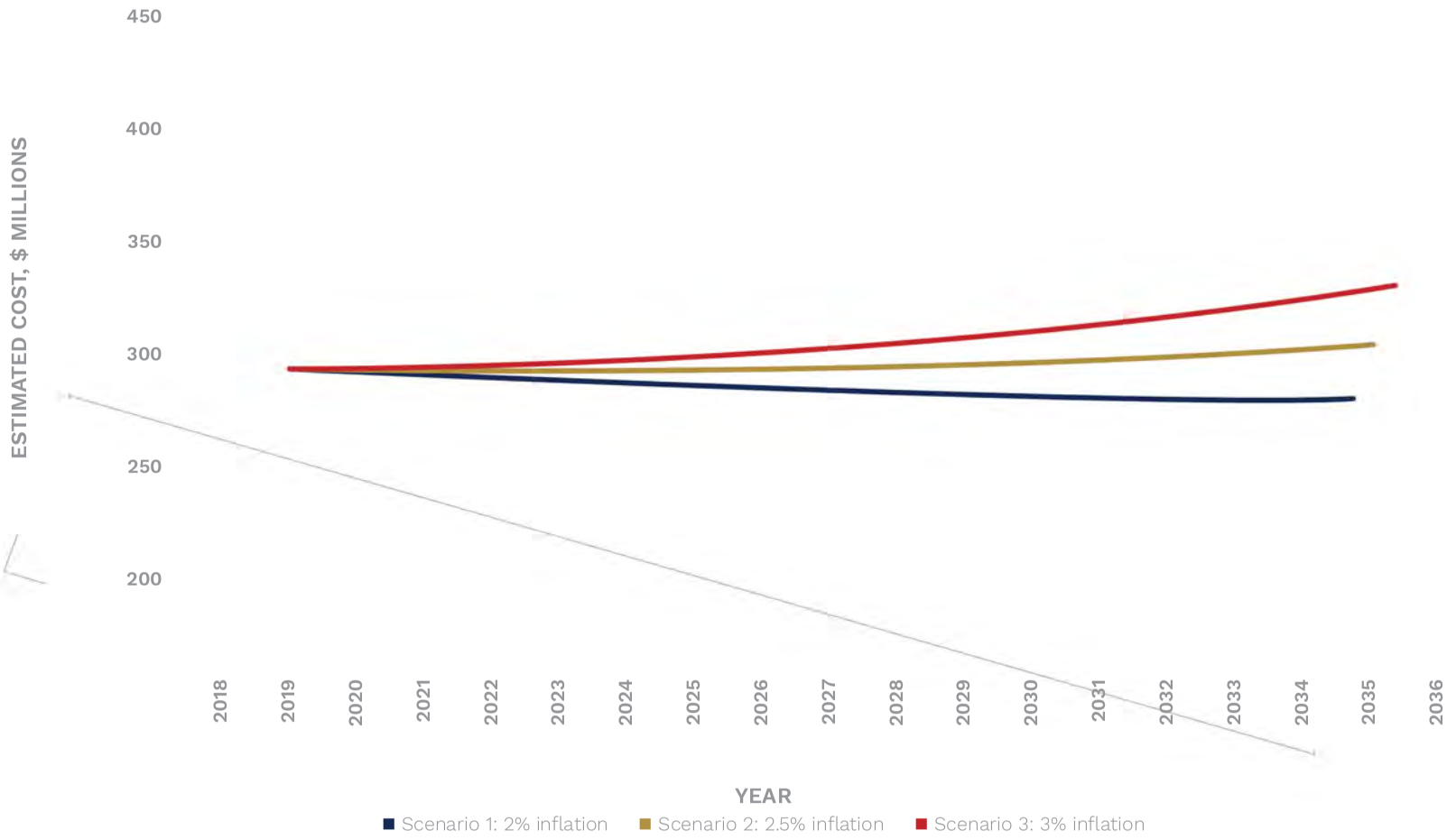
APPENDIX N

Prevention Cost Estimates

PREVENTION COST ESTIMATE, $800 PER PERSON WITH CONVERGENCE SCENARIO

CONVERGENCE SCENARIO		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	Population	$800/person + inflation 2%	Total program cost	$800/person + inflation 2.5%	Total program cost	$800/person + inflation 3%	Total program cost
2018	271,038	$ 800.00	$ 216,830,415.81	$ 800.00	$ 216,830,415.81	$ 800.00	$ 216,830,415.81
2019	275,453	$ 816.00	$ 224,769,312.22	$ 820.00	$ 225,871,122.57	$ 824.00	$226,972,932.92
2020	279,939	$ 832.32	$232,998,878.52	$ 840.50	$235,288,780.03	$ 848.72	$ 237,589,879.11
2021	284,499	$ 848.97	$ 241,529,757.14	$ 861.51	$ 245,099,105.10	$ 874.18	$248,703,446.39
2022	288,187	$ 865.95	$249,553,993.08	$ 883.05	$254,483,305.88	$ 900.41	$259,485,285.23
2023	291,922	$ 883.26	$ 257,844,814.64	$ 905.13	$264,226,803.05	$ 927.42	$ 270,734,540.39
2024	295,707	$ 900.93	$ 266,411,078.49	$ 927.75	$ 274,343,353.13	$ 955.24	$ 282,471,475.39
2025	299,540	$ 918.95	$ 275,261,935.53	$ 950.95	$ 284,847,239.33	$ 983.90	$ 294,717,232.21
2026	303,423	$ 937.33	$284,406,840.66	$ 974.72	$ 295,753,291.74	$ 1,013.42	$307,493,869.40
2027	306,271	$ 956.07	$ 292,817,684.30	$ 999.09	$305,992,332.70	$1,043.82	$ 319,691,271.00
2028	309,145	$ 975.20	$ 301,477,264.20	$1,024.07	$ 316,585,851.41	$1,075.13	$ 332,372,508.61
2029	312,047	$ 994.70	$ 310,392,936.29	$1,049.67	$ 327,546,119.97	$ 1,107.39	$ 345,556,774.61
2030	314,976	$1,014.59	$ 319,572,274.06	$1,075.91	$338,885,835.31	$ 1,140.61	$359,264,022.71
2031	317,932	$1,034.89	$329,023,074.98	$ 1,102.81	$ 350,618,133.98	$ 1,174.83	$ 373,514,998.10
2032	320,171	$1,055.58	$ 337,967,175.30	$ 1,130.38	$ 361,914,707.85	$ 1,210.07	$ 387,430,014.80
2033	322,426	$1,076.69	$ 347,154,410.34	$ 1,158.64	$ 373,575,246.31	$1,246.37	$ 401,863,424.85
2034	324,697	$1,098.23	$356,591,389.42	$ 1,187.60	$ 385,611,475.92	$1,283.77	$ 416,834,540.60
2035	326,984	$1,120.19	$366,284,901.53	$ 1,217.29	$ 398,035,501.10	$1,322.28	$432,363,393.86
2036	329,287	$1,142.60	$ 376,241,920.21	$ 1,247.73	$ 410,859,816.24	$ 1,361.95	$ 448,470,762.71

PREVENTION COST ESTIMATE, $800 PER PERSON, WITH CONVERGENCE SCENARIO



PREVENTION COST ESTIMATE, $800 PER PERSON, WITH CONSTANT SCENARIO

CONSTANT SCENARIO		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	Population	$800/person + inflation 2%	Total program cost	$800/person + inflation 2.5%	Total program cost	$800/person + inflation 3%	Total program cost
2018	272,665	$ 800.00	$ 218,132,078.75	$ 800.00	$ 218,132,078.75	$ 800.00	$ 218,132,078.75
2019	277,937	$ 816.00	$226,796,328.59	$ 820.00	$ 227,908,075.30	$ 824.00	$ 229,019,822.00
2020	283,310	$ 832.32	$235,804,724.16	$ 840.50	$ 238,122,201.39	$ 848.72	$ 240,451,011.02
2021	288,788	$ 848.97	$ 245,170,935.02	$ 861.51	$248,794,092.62	$ 874.18	$ 252,452,771.09
2022	293,878	$ 865.95	$254,482,740.03	$ 883.05	$ 259,509,407.85	$ 900.41	$ 264,610,177.41
2023	299,059	$ 883.26	$ 264,148,215.48	$ 905.13	$ 270,686,221.11	$ 927.42	$ 277,353,049.79
2024	304,331	$ 900.93	$ 274,180,794.09	$ 927.75	$282,344,408.64	$ 955.24	$290,709,582.60
2025	309,696	$ 918.95	$284,594,418.74	$ 950.95	$294,504,702.77	$ 983.90	$ 304,709,327.98
2026	315,155	$ 937.33	$ 295,403,561.90	$ 974.72	$ 307,188,728.73	$ 1,013.42	$ 319,383,261.22
2027	320,261	$ 956.07	$ 306,192,772.97	$ 999.09	$ 319,969,202.28	$1,043.82	$334,293,869.57
2028	325,449	$ 975.20	$ 317,376,045.22	$1,024.07	$ 333,281,402.71	$1,075.13	$349,900,589.04
2029	330,721	$ 994.70	$ 328,967,771.20	$1,049.67	$ 347,147,452.32	$ 1,107.39	$ 366,235,918.01
2030	336,078	$1,014.59	$340,982,869.11	$1,075.91	$ 361,590,393.80	$ 1,140.61	$ 383,333,872.10
2031	341,523	$1,034.89	$353,436,802.04	$ 1,102.81	$ 376,634,228.52	$ 1,174.83	$ 401,230,054.92
2032	346,522	$1,055.58	$365,782,845.46	$ 1,130.38	$ 391,701,328.79	$ 1,210.07	$ 419,316,618.85
2033	351,595	$1,076.69	$ 378,560,153.51	$ 1,158.64	$ 407,371,182.32	$1,246.37	$ 438,218,485.11
2034	356,742	$1,098.23	$ 391,783,790.84	$ 1,187.60	$ 423,667,902.01	$1,283.77	$ 457,972,405.72
2035	361,964	$1,120.19	$405,469,348.39	$ 1,217.29	$ 440,616,565.40	$1,322.28	$ 478,616,789.40
2036	367,262	$1,142.60	$ 419,632,961.66	$ 1,247.73	$458,243,253.22	$ 1,361.95	$ 500,191,776.27

PREVENTION COST ESTIMATE, $800 PER PERSON, WITH CONSTANT SCENARIO
ESTIMATED COST, $ MILLIONS
550
500
450
400
350
300
250
200
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
YEAR
Scenario 1: 2% inflation
Scenario 2: 2.5% inflation
Scenario 3: 3% inflation

PREVENTION COST ESTIMATE, $2,000 PER PERSON, WITH CONVERGENCE SCENARIO

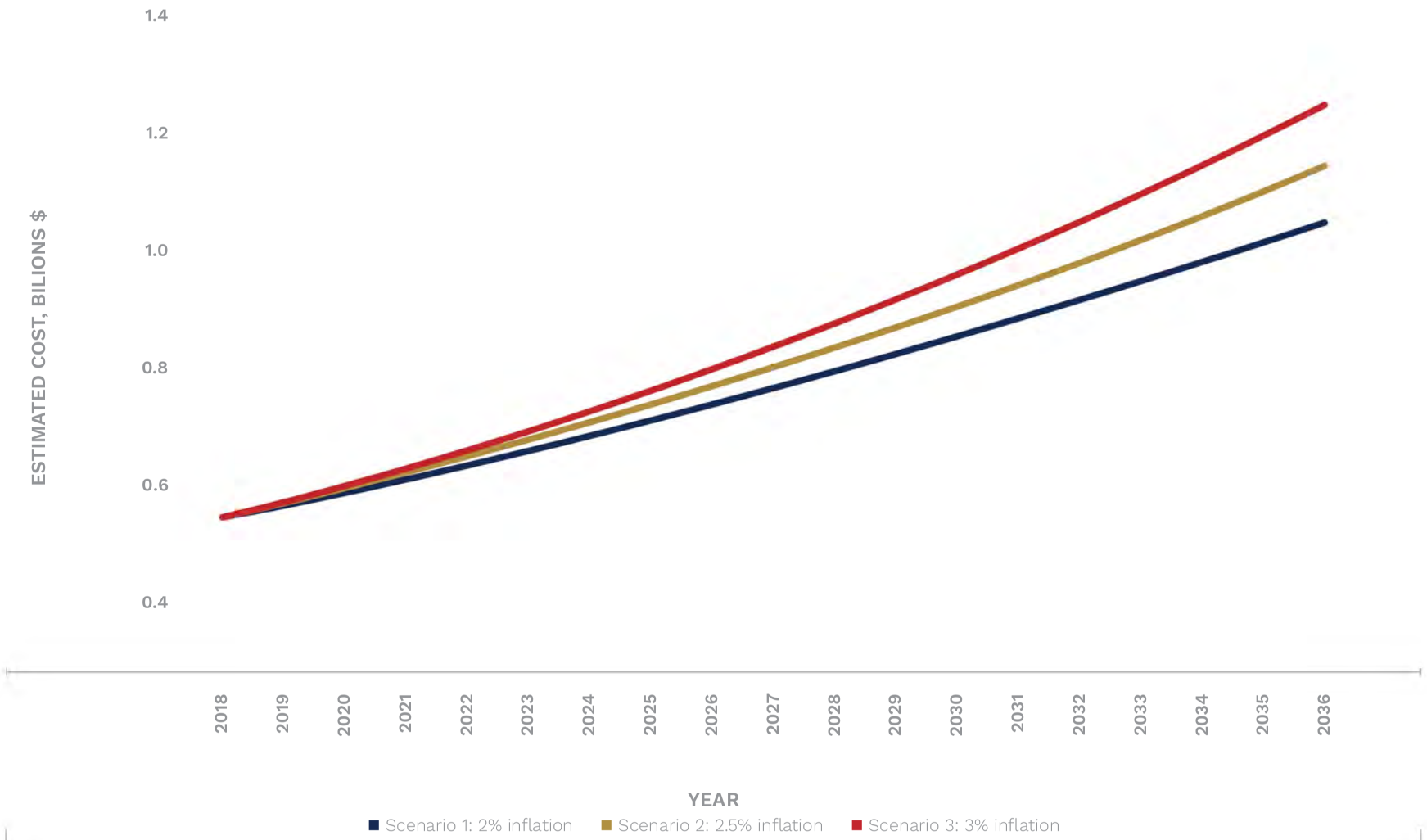
CONVERGENCE SCENARIO		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	Population	$2,000/person + inflation 2%	Total program cost	$2,000/person + inflation 2.5%	Total program cost	$2,000/person + inflation 3%	Total program cost
2018	271,038	$2,000.00	$ 542,076,039.53	$2,000.00	$ 542,076,039.53	$2,000.00	$ 542,076,039.53
2019	275,453	$2,040.00	$ 561,923,280.54	$2,050.00	$ 564,677,806.42	$2,060.00	$ 567,432,332.31
2020	279,939	$2,080.80	$ 582,497,196.31	$ 2,101.25	$ 588,221,950.09	$ 2,121.80	$ 593,974,697.77
2021	284,499	$ 2,122.42	$ 603,824,392.86	$ 2,153.78	$ 612,747,762.76	$ 2,185.45	$ 621,758,615.97
2022	288,187	$ 2,164.86	$ 623,884,982.70	$ 2,207.63	$ 636,208,264.70	$ 2,251.02	$ 648,713,213.08
2023	291,922	$2,208.16	$ 644,612,036.61	$ 2,262.82	$ 660,567,007.63	$ 2,318.55	$ 676,836,350.98
2024	295,707	$ 2,252.32	$ 666,027,696.24	$ 2,319.39	$ 685,858,382.82	$2,388.10	$ 706,178,688.47
2025	299,540	$ 2,297.37	$ 688,154,838.82	$ 2,377.37	$ 712,118,098.33	$ 2,459.75	$ 736,793,080.53
2026	303,423	$ 2,343.32	$ 711,017,101.64	$ 2,436.81	$ 739,383,229.34	$ 2,533.54	$ 768,734,673.50
2027	306,271	$2,390.19	$ 732,044,210.75	$ 2,497.73	$ 764,980,831.76	$2,609.55	$ 799,228,177.50
2028	309,145	$ 2,437.99	$ 753,693,160.49	$2,560.17	$ 791,464,628.54	$ 2,687.83	$ 830,931,271.52
2029	312,047	$2,486.75	$ 775,982,340.72	$ 2,624.17	$ 818,865,299.91	$ 2,768.47	$ 863,891,936.53
2030	314,976	$ 2,536.48	$ 798,930,685.16	$2,689.78	$ 847,214,588.28	$ 2,851.52	$ 898,160,056.77
2031	317,932	$ 2,587.21	$ 822,557,687.45	$ 2,757.02	$ 876,545,334.95	$ 2,937.07	$ 933,787,495.24
2032	320,171	$ 2,638.96	$ 844,917,938.26	$ 2,825.95	$ 904,786,769.63	$ 3,025.18	$ 968,575,037.00
2033	322,426	$ 2,691.74	$ 867,886,025.85	$2,896.60	$ 933,938,115.77	$ 3,115.93	$ 1,004,658,562.13
2034	324,697	$ 2,745.57	$ 891,478,473.54	$2,969.01	$ 964,028,689.81	$ 3,209.41	$ 1,042,086,351.50
2035	326,984	$2,800.48	$ 915,712,253.81	$ 3,043.24	$ 995,088,752.76	$ 3,305.70	$ 1,080,908,484.65
2036	329,287	$ 2,856.49	$ 940,604,800.53	$ 3,119.32	$ 1,027,149,540.60	$ 3,404.87	$ 1,121,176,906.79

PREVENTION COST ESTIMATE, $2,000 PER PERSON, WITH CONVERGENCE SCENARIO
ESTIMATED COST, BILLIONS $
1.2
1.0
0.8
0.6
0.4
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
YEAR
Scenario 1: 2% inflation
Scenario 2: 2.5% inflation
Scenario 3: 3% inflation

PREVENTION COST ESTIMATE, $2,000 PER PERSON, WITH CONSTANT SCENARIO

CONSTANT SCENARIO		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	Population	$2,000/person + inflation 2%	Total program cost	$2,000/person + inflation 2.5%	Total program cost	$2,000/person + inflation 3%	Total program cost
2018	272,665	$2,000.00	$ 545,330,196.87	$2,000.00	$ 545,330,196.87	$2,000.00	$ 545,330,196.87
2019	277,937	$2,040.00	$ 566,990,821.47	$2,050.00	$ 569,770,188.24	$2,060.00	$ 572,549,555.01
2020	283,310	$2,080.80	$ 589,511,810.41	$ 2,101.25	$ 595,305,503.47	$ 2,121.80	$ 601,127,527.55
2021	288,788	$ 2,122.42	$ 612,927,337.54	$ 2,153.78	$ 621,985,231.55	$ 2,185.45	$ 631,131,927.73
2022	293,878	$ 2,164.86	$ 636,206,850.07	$ 2,207.63	$ 648,773,519.64	$ 2,251.02	$ 661,525,443.53
2023	299,059	$2,208.16	$ 660,370,538.70	$2,262.82	$ 676,715,552.77	$ 2,318.55	$ 693,382,624.47
2024	304,331	$ 2,252.32	$ 685,451,985.21	$ 2,319.39	$ 705,861,021.60	$2,388.10	$ 726,773,956.50
2025	309,696	$ 2,297.37	$ 711,486,046.84	$ 2,377.37	$ 736,261,756.92	$2,459.75	$ 761,773,319.95
2026	315,155	$ 2,343.32	$ 738,508,904.74	$ 2,436.81	$ 767,971,821.81	$ 2,533.54	$ 798,458,153.05
2027	320,261	$2,390.19	$ 765,481,932.43	$ 2,497.73	$ 799,923,005.69	$2,609.55	$ 835,734,673.92
2028	325,449	$ 2,437.99	$ 793,440,113.06	$2,560.17	$ 833,203,506.77	$ 2,687.83	$ 874,751,472.59
2029	330,721	$2,486.75	$ 822,419,428.00	$ 2,624.17	$ 867,868,630.80	$ 2,768.47	$ 915,589,795.04
2030	336,078	$ 2,536.48	$ 852,457,172.78	$2,689.78	$ 903,975,984.50	$ 2,851.52	$ 958,334,680.24
2031	341,523	$ 2,587.21	$ 883,592,005.11	$ 2,757.02	$ 941,585,571.31	$ 2,937.07	$ 1,003,075,137.29
2032	346,522	$2,638.96	$ 914,457,113.66	$ 2,825.95	$ 979,253,321.98	$ 3,025.18	$ 1,048,291,547.14
2033	351,595	$ 2,691.74	$ 946,400,383.76	$2,896.60	$1,018,427,955.80	$ 3,115.93	$ 1,095,546,212.79
2034	356,742	$ 2,745.57	$ 979,459,477.11	$2,969.01	$1,059,169,755.04	$3,209.41	$ 1,144,931,014.31
2035	361,964	$2,800.48	$ 1,013,673,370.97	$3,043.24	$ 1,101,541,413.50	$3,305.70	$ 1,196,541,973.51
2036	367,262	$2,856.49	$1,049,082,404.16	$ 3,119.32	$ 1,145,608,133.06	$3,404.87	$ 1,250,479,440.67

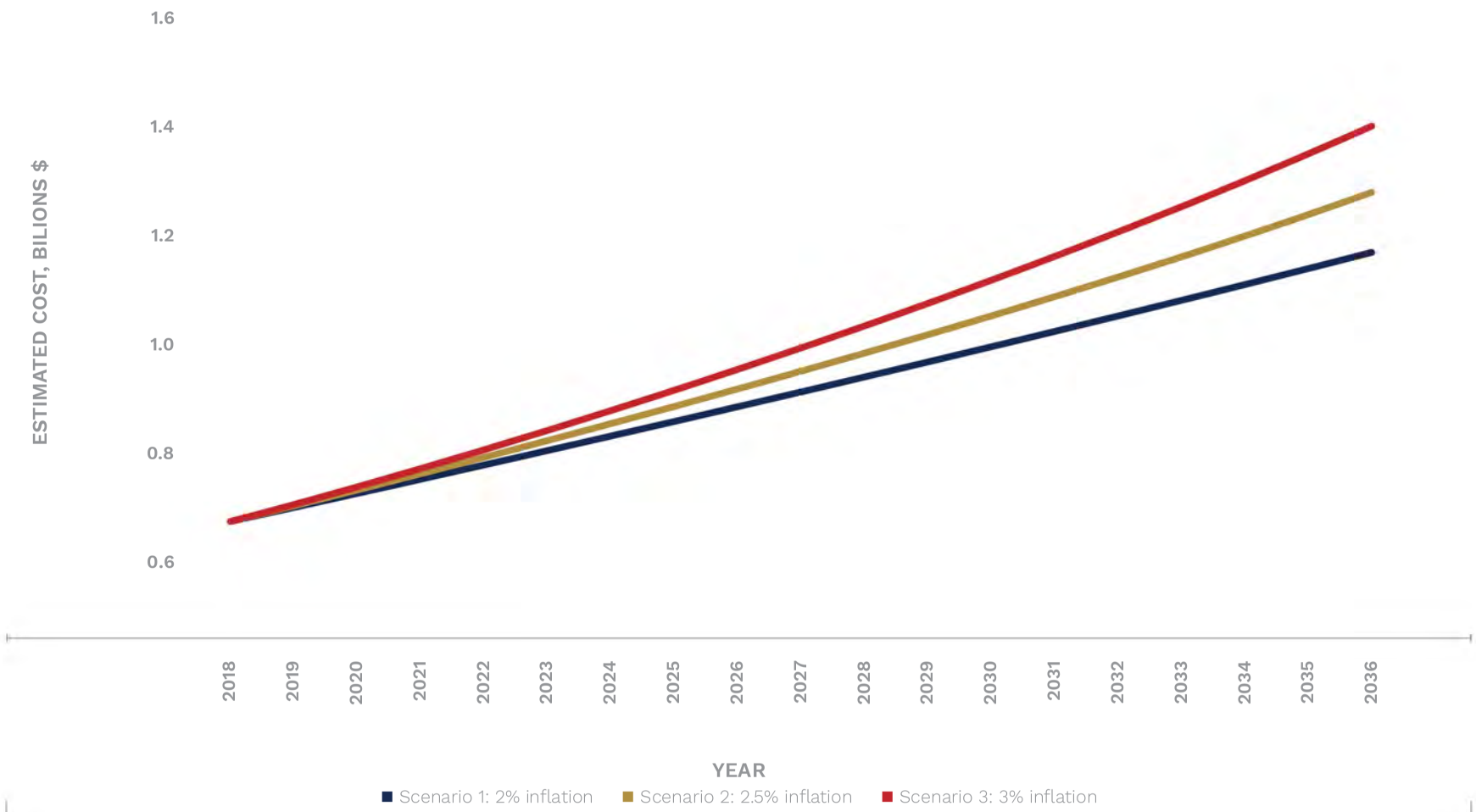
PREVENTION COST ESTIMATE, $2,000 PER PERSON, WITH CONSTANT SCENARIO



PREVENTION COST ESTIMATE, $2,500 PER PERSON, WITH CONVERGENCE SCENARIO

CONVERGENCE SCENARIO		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	Population	$2,500/person + inflation 2%	Total program cost	$2,500/person + inflation 2.5%	Total program cost	$2,500/person + inflation 3%	Total program cost
2018	271,038	$2,500.00	$ 677,595,049.41	$2,500.00	$ 677,595,049.41	$2,500.00	$ 677,595,049.41
2019	275,453	$2,550.00	$ 702,404,100.67	$2,562.50	$ 705,847,258.03	$2,575.00	$ 709,290,415.39
2020	279,939	$ 2,601.00	$ 728,121,495.38	$2,626.56	$ 735,277,437.61	$2,652.25	$ 742,468,372.22
2021	284,499	$2,653.02	$ 754,780,491.08	$2,692.23	$ 765,934,703.45	$ 2,731.82	$ 777,198,269.97
2022	288,187	$2,706.08	$ 779,856,228.38	$ 2,759.53	$ 795,260,330.88	$ 2,813.77	$ 810,891,516.35
2023	291,922	$2,760.20	$ 805,765,045.76	$2,828.52	$ 825,708,759.54	$2,898.19	$ 846,045,438.73
2024	295,707	$ 2,815.41	$ 832,534,620.30	$2,899.23	$ 857,322,978.53	$2,985.13	$ 882,723,360.59
2025	299,540	$ 2,871.71	$ 860,193,548.52	$ 2,971.71	$ 890,147,622.91	$ 3,074.68	$ 920,991,350.66
2026	303,423	$2,929.15	$ 888,771,377.05	$3,046.01	$ 924,229,036.68	$ 3,166.93	$ 960,918,341.88
2027	306,271	$ 2,987.73	$ 915,055,263.44	$ 3,122.16	$ 956,226,039.70	$ 3,261.93	$ 999,035,221.88
2028	309,145	$ 3,047.49	$ 942,116,450.61	$3,200.21	$ 989,330,785.67	$3,359.79	$1,038,664,089.40
2029	312,047	$ 3,108.44	$ 969,977,925.90	$3,280.22	$ 1,023,581,624.89	$3,460.58	$1,079,864,920.66
2030	314,976	$ 3,170.60	$998,663,356.45	$3,362.22	$ 1,059,018,235.34	$3,564.40	$ 1,122,700,070.96
2031	317,932	$3,234.02	$1,028,197,109.31	$3,446.28	$ 1,095,681,668.68	$ 3,671.33	$ 1,167,234,369.05
2032	320,171	$3,298.70	$1,056,147,422.83	$3,532.43	$ 1,130,983,462.04	$ 3,781.47	$ 1,210,718,796.25
2033	322,426	$3,364.67	$1,084,857,532.31	$3,620.75	$ 1,167,422,644.71	$3,894.92	$ 1,255,823,202.66
2034	324,697	$ 3,431.96	$1,114,348,091.92	$ 3,711.26	$ 1,205,035,862.26	$ 4,011.77	$ 1,302,607,939.37
2035	326,984	$3,500.60	$1,144,640,317.27	$3,804.05	$ 1,243,860,940.95	$ 4,132.12	$ 1,351,135,605.81
2036	329,287	$ 3,570.62	$1,175,756,000.67	$3,899.15	$ 1,283,936,925.76	$4,256.08	$ 1,401,471,133.48

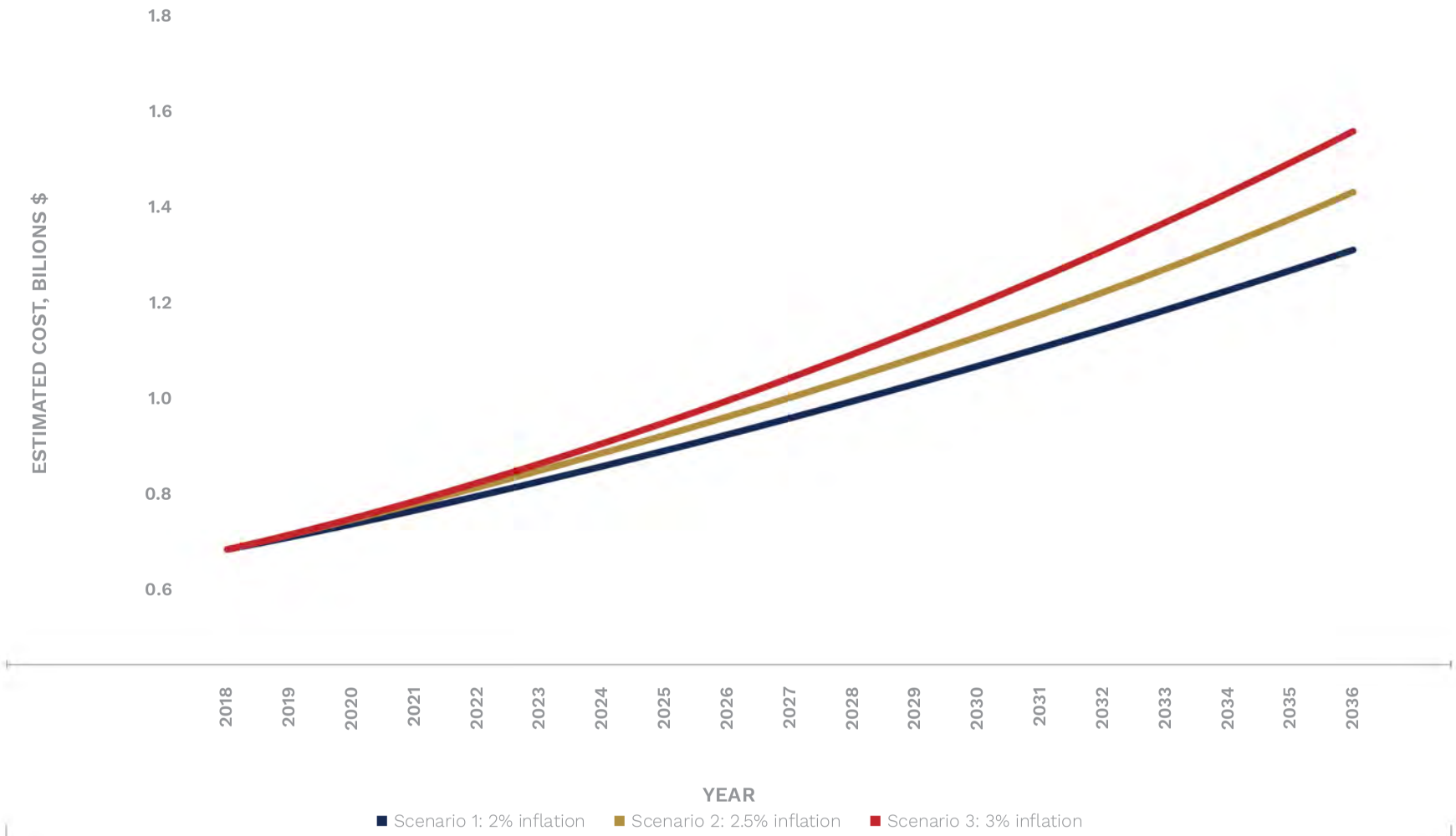
PREVENTION COST ESTIMATE, $2,500 PER PERSON, WITH CONVERGENCE SCENARIO



PREVENTION COST ESTIMATE, $2,500 PER PERSON, WITH CONSTANT SCENARIO

CONSTANT SCENARIO		SCENARIO 1: 2% INFLATION		SCENARIO 2: 2.5% INFLATION		SCENARIO 3: 3% INFLATION	
Year	Population	$2,500/person + inflation 2%	Total program cost	$2,500/person + inflation 2.5%	Total program cost	$2,500/person + inflation 3%	Total program cost
2018	272,665	$2,500.00	$ 681,662,746.09	$2,500.00	$ 681,662,746.09	$2,500.00	$ 681,662,746.09
2019	277,937	$2,550.00	$ 708,738,526.83	$2,562.50	$ 712,212,735.30	$2,575.00	$ 715,686,943.76
2020	283,310	$2,601.00	$ 736,889,763.01	$2,626.56	$ 744,131,879.34	$2,652.25	$ 751,409,409.44
2021	288,788	$2,653.02	$ 766,159,171.92	$2,692.23	$ 777,481,539.44	$2,731.82	$ 788,914,909.67
2022	293,878	$2,706.08	$ 795,258,562.59	$2,759.53	$ 810,966,899.55	$2,813.77	$ 826,906,804.41
2023	299,059	$2,760.20	$ 825,463,173.38	$2,828.52	$ 845,894,440.96	$2,898.19	$ 866,728,280.59
2024	304,331	$2,815.41	$ 856,814,981.52	$2,899.23	$ 882,326,277.01	$2,985.13	$ 908,467,445.62
2025	309,696	$2,871.71	$ 889,357,558.55	$2,971.71	$ 920,327,196.15	$3,074.68	$ 952,216,649.94
2026	315,155	$2,929.15	$ 923,136,130.93	$3,046.01	$ 959,964,777.27	$3,166.93	$ 998,072,691.32
2027	320,261	$2,987.73	$ 956,852,415.53	$3,122.16	$ 999,903,757.11	$3,261.93	$1,044,668,342.39
2028	325,449	$3,047.49	$ 991,800,141.32	$3,200.21	$1,041,504,383.46	$3,359.79	$1,093,439,340.74
2029	330,721	$3,108.44	$1,028,024,285.00	$3,280.22	$1,084,835,788.50	$3,460.58	$ 1,144,487,243.80
2030	336,078	$3,170.60	$1,065,571,465.98	$3,362.22	$1,129,969,980.62	$3,564.40	$ 1,197,918,350.31
2031	341,523	$3,234.02	$1,104,490,006.39	$3,446.28	$ 1,176,981,964.14	$3,671.33	$ 1,253,843,921.61
2032	346,522	$3,298.70	$ 1,143,071,392.08	$3,532.43	$1,224,066,652.47	$3,781.47	$ 1,310,364,433.92
2033	351,595	$3,364.67	$ 1,183,000,479.70	$3,620.75	$1,273,034,944.75	$3,894.92	$ 1,369,432,765.98
2034	356,742	$3,431.96	$1,224,324,346.39	$3,711.26	$ 1,323,962,193.80	$4,011.77	$ 1,431,163,767.88
2035	361,964	$3,500.60	$ 1,267,091,713.72	$3,804.05	$1,376,926,766.88	$4,132.12	$1,495,677,466.89
2036	367,262	$3,570.62	$ 1,311,353,005.20	$3,899.15	$ 1,432,010,166.33	$4,256.08	$1,563,099,300.83

PREVENTION COST ESTIMATE, $2,500 PER PERSON, WITH CONSTANT SCENARIO



IFSD
IFPD

INSTITUTE OF FISCAL STUDIES AND
DEMOCRACY | INSTITUT DES FINANCES
PUBLIQUES ET DE LA DÉMOCRATIE @ UOTTAWA

This is **Exhibit "M"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

Digitally signed by Adatia, Shireen
DN: C=CA, O=GC, OU=Jus-Jus, CN="Adatia, Shireen"
Reason: I attest to the accuracy and integrity of this document
Location: Ottawa, Ontario
Date: 2025.12.22 14:45:20-05'00'
Foxit PDF Editor Version: 13.1.6

A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

Indigenous Services Canada

Crown-Indigenous Relations and Northern Affairs Canada

Development of a Remoteness Cost Adjustment Factor

Strategic Research and Data Innovation Branch
Chief Data Officer
April 2022

Government of Canada Gouvernement du Canada

Canada

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Development of a Remoteness Cost Adjustment Factor

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Table of Contents

Table of Contents i
Acronyms ii
Preamble iii
Acknowldegements iv
Executive Summary v
Purpose 1
Background 2
Data 4
Methodology and Model Development 8
Results, Uncertainty and Risk 9
Closing Comments 13
References and Data Sources 14
Annex A: Technical Documentation of the Model 15

Acronyms

a, b, c	Regression coefficients
AFN	Assembly of First Nations
ARIA+	Accessibility and Remoteness Index of Australia
BSF	Band Support Funding
CIB-OM	Infrastructure Operations and Maintenance
CIRNA	Crown-Indigenous Relations and Northern Affairs
CSD	Census Sub-divisions
EA	Environment Allowance
F&UD	Fuel and Utilities Differential
FVPP	Family Violence Prevention Program
GDP	Gross Domestic Product
INAC	Indian and Northern Affairs Canada
IPGHD	Isolated Post and Government Housing Directive
ISC	Indigenous Services Canada
LCD	Living Cost Differential
ln	Natural log
NJC	National Joint Council
PoC	Point of Comparison
R	Regression Correlation Coefficient
R^2	R-Squared, Regression Goodness-of-Fit Indicator
SCD	Shelter Cost Differential
SSRB	Spreadsheet Standards Review Board
x1	Remoteness Index (regression variable)
x2	Binary variable for Fly-in locations (regression dummy variable)
y	Cost Adjustment Factor
y1	Employment Allowance Factor
y2	Shipping Cost Factor

Preamble

Indigenous Services Canada (ISC) and its predecessor department has examined options to offset the impacts of remoteness for First Nations and provide a rationale for additional funding for remote communities for several years. Most notably in the context of the New Fiscal Relationship - which aims to ensure sufficiency of funding for First Natioins programs and servces, especially in the light of service transfer - ISC led a working group that included members drawn from Central Agencies as well as the Assembly of First Nations (AFN). In August 2018, the Chief Financial Results and Delivery Officer (CFRDO) at ISC produced a report which surveyed approaches to measuring remoteness and applying an associated cost adjustment factor in other jurisdictions (Australia, Ontario, Natural Resources Canada, etc.).[1] Based on this review, the CFRDO determined that the Canadian Remoteness Index developed by Statistics Canada in partnership with ISC would be the best index to adjust for costs related to remoteness for the department. Following this, , the CFRDO conducted research to proposed a new methodology for adjusting costs due the impact of remoteness (Cost Adjustment Factor; CAF) for program funding and budgetary considerations.[2]

While the knowledge and use of CAF for funding has been gradual, most recently, the CAF has been adapted in the context of funding remoteness for Child and Family Services reforms. In light of this, the Chief Data Officer of ISC has finalized the formerly draft copies of the above-mentioned reports in order to share this work transparently with our partners.

[1] Chief Finances Results and Delivery Officer Sector (2018a). *Best Practices in Measuring and Adjusting for Remoteness*. Draft. August 2018. Unpublished report.
[2] Chief Finances Results and Delivery Officer Sector (2018b). *Development of a Remoteness Cost Adjustment Factor*. Draft. August 2018. Unpublished report.

Acknowldegements

It is important to acknowledge the substantial work completed by Irfan Hashmi who led the project, Saniya Sullivan and Hild Rygnestad (external consultant) in the drafting these original documents in 2018 and 2019. In addition to these contributors, the contribution of the working groups including members from the Assembly of First Nations and the cental agencies was important in the initial development of this work.

Finally, The Chief Data Officer (CDO) would like to thank his team, colleagues from ISC and CIRNAC who provided feedback at the different stages of the projects and assisted in finalizing these documents for publication.

Executive Summary

Indigenous Services Canada (ISC) needs to examine options to offset the impacts of remoteness for First Nations and provide a rationale for additional funding for remote communities. ISC has tasked this to an internal Working Group that includes members drawn from Central Agencies as well as the Assembly of First Nations (AFN).

The current system of remoteness and environmental scaling factors from the Band Classification Manual (INAC, 2005) is not used consistently across programs nor are they documented to allow detailed review and periodical updates. The purpose of this report is to document the development of a new Cost Adjustment Factor specific to each First Nation's level of remoteness. The location's new Cost Adjustment Factor can be multiplied by the First Nation's base funding level to calculate the additional dollar amount required for remoteness.

The main text of the document provides background information about the issue. It also describes the data sources and methodology. Results and notes about future use and development are included. Annex A includes a more technical documentation of the model.

Regression analysis is used to estimate a functional relationship between: cost differentials to remote locations, their Remoteness Index, and whether a location has main road/ferry access or not. First an Employment Allowance Factor is used as a proxy for labour cost differentials to remote areas. For this proxy, the analysis uses easily available data from the Isolated Posts and Government Housing Directive (IPGHD). Second Canada Post data are used to establish a Shipping Cost Factor that is used as a proxy for material cost differentials to remote areas. To determine the weighted average Cost Adjustment Factor for each location, Statistics Canada's data on national Gross Domestic Product (GDP) by industry are used as split between services (currently 70% of GDP) and goods (currently 30% of GDP). The services share of GDP is used here as proxy for the labour share of base funding levels, while the goods share of GDP is used as a proxy for the material share.

The purpose of this analysis is to determine a method for estimating a single Cost Adjustment Factor. The additional amount required due to remoteness is calculated by multiplying the Cost Adjustment Factor to the base funding amount in each location:

Cost Adjustment Factor = 0.723 * Remoteness Index + 0.674 * Fly-in

Two calculation examples of how to use the Cost Adjustment Factor:

- A First Nations location has base level funding of $2 million. Its Remoteness Index is 0.8 and it is a Fly-in location.
    - Cost Adjustment Factor = 0.723 * 0.80 + 0.674 * 1 = 125%
    - Additional budget amount for remoteness = $2 million * 125% = $2.5 million
- A First Nations location has base level funding of $2 million. Its Remoteness Index is 0.6 and it is a Not-fly-in location.
    - Cost Adjustment Factor = 0.723 * 0.60 + 0.674 * 0 = 43%
    - Additional amount for remoteness = $2 million * 43% = $867,000

Purpose

Indigenous Services Canada (ISC) needs to examine options to offset the impacts of remoteness for First Nations and provide a rationale for additional funding for remote communities. ISC has tasked this to an internal Working Group that includes members drawn from Central Agencies as well as the Assembly of First Nations (AFN).

The current system of remoteness and environmental scaling factors from the Band Classification Manual (INAC, 2005) is not used consistently across programs nor are they documented to allow detailed review and periodical updates. The purpose of this report is to document the development of a new Cost Adjustment Factor specific to each First Nation's level of remoteness. The location's new Cost Adjustment Factor can be multiplied by the First Nation's base funding level to calculate the additional dollar amount required for remoteness.

The main text of the document provides background information about the issue. It also describes the data sources and methodology. Results and notes about future use and development are included. Annex A includes a more technical documentation of the model.

Background

Remoteness is known to affect the buying power of communities that are not in proximity to a population center. This report documents the analysis conducted for the ISC internal Working Group to determine if available data on remoteness can be related to easily available data in a manner that calculates cost adjustments for First Nations' funding levels for programs and services.

As part of establishing a new framework, approaches to measuring remoteness and applying an associated Cost Adjustment Factor in other jurisdictions have been researched and analyzed by the Working Group (ISC, July 2018). Some of the measures and approaches are listed below. Note that, the Community Remoteness Index and Northern and Remote Communities Infrastructure Index do not have Cost Adjustment Factors – only remoteness scores:

- A Statistics Canada's measure of remoteness and accessibility devised in partnership with ISC (Community Remoteness Index);
- Isolated Posts as defined in the Isolated Posts and Government Directive Housing, maintained by the National Joint Council (NJC);
- The Ministry of Education in Ontario approach to adjust for residing in remote and rural locations;
- A Northern and Remote Communities Infrastructure Index devised for ISC/CIRNA; and
- The ARIA+ Measure – used by the Government of Australia.

This research highlights some observable best practices for the development and application of a remoteness measure and associated Cost Adjustment Factors, including:

- Empirically based measure – Measure and associated concepts are founded in and can be validated by empirical research. Incorporates widely accepted concepts, such as: population, climate and road accessibility.
- Full geographic coverage – The measure has full geographic coverage of Canada, allowing for the measure to be used in various contexts, and not restricted to applying solely in the First Nations context.
- Availability and access to data – Data for the development of the measure are readily available and easy to access (i.e. from public sources, with little data mining required).
- Clearly defined criteria – The criteria used to define remoteness should be clearly defined for simplicity and ease in development and application.
- Jurisdictional comparisons – Jurisdictional comparisons are possible, allowing for regional differences to be observed and for analysis to be conducted. Further, jurisdictional comparisons allow for targeted investments.
- Easily maintainable /updatable – The measure and the associated cost adjustment factors are easy to maintain and do not require extensive data mining, resourcing and

analysis. Further, it is updated at regular intervals to ensure continued relevance in application (i.e. with the census cycle).

- Multi-party involvement – Multiple parties are responsible for the development / application / maintenance of the measure. It does not serve the policy objective of a single department.
- Continuous measure – A measure that captures remoteness with a continuous data set allows for degrees of remoteness to be observed between all communities and jurisdictions.
- Incorporates accessibility to services – The measure incorporates the concept of accessibility to services, such as health, retail, legal etc. This includes the concept of accessibility to the community via roads, rail, air, or ferry.

Data

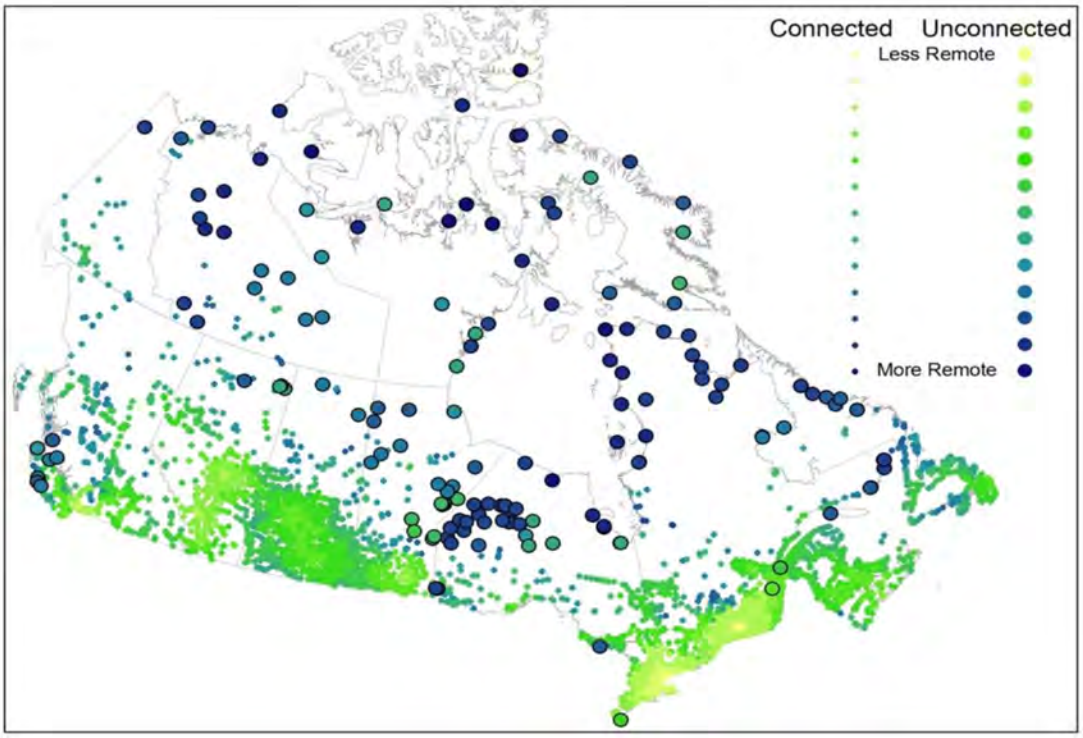
Currently ISC uses remoteness factors (geographic and environmental) to adjust funding levels for programs and services. The remoteness indicators have been in use since by ISC since 1987 and require updating to ensure continued relevance.

In 2010, Statistics Canada in partnership with Indigenous and Northern Affairs Canada (INAC) initiated a review of INAC's measures of community remoteness and environmental conditions. In March 2015, Statistics Canada provided a database of remoteness and environmental scores.

In the spring of 2017, Statistics Canada in collaboration with INAC released the new Remoteness Index (Community Remoteness Index – referred to as the Remoteness Index in this report). The index incorporates best practices. It is relevant to ISC application because it is developed in close consultation with ISC Strategic Research Directorate and programs to address the specific measurement needs of ISC programs. The new index is methodologically sound because it applies the widely accepted concept of gravity models, calculated via the summation of the sizes of population centres that can be reached by a community, divided by measure of proximity (travel costs) of each pop centre to the community, for all centres within 150 minutes from the community with a separate airfare factor for fly-in communities. The new index has wide geographic coverage of over 5,000 Census Sub-divisions (CSD) and can be used for comparisons with non-First Nations communities. See Figure 1. It is a continuous measure where the index for each community is normalized to a measure between 0 (not remote) and 1 (most remote). The index is readily available and easy to access and easily updated with each Census.

In the current analysis, two cost factors are used as proxies for different types of costs included in First Nations budgets. One proxy for the labour cost differentials between urban and remote area is based on the Isolated Posts classification system and allowances that form the basis for the Isolated Post and Government Housing Directive (IPGHD). The Directive seeks to facilitate and retain staff who are supporting/delivering government programming in isolated areas through offsetting the higher costs associated with residing in approximately 300 Isolated Posts. This system incorporates several best practices. The system is evidence-based because it is compiled from survey information by a credible agency applying widely accepted concepts (National Joint Council, NJC). The measure covers a wide area of the country, which allows for the measure to be used in various contexts including to non-First Nations communities. The data for the development of the measure are readily available, easy to access, regularly updated, and do not require extensive data mining, resourcing and analysis by ISC. The criteria used to define costs are transparent and consistent over time for ease of application and updates.

Figure 1: Statistics Canada's Remoteness Index



Source: Alasia et al, 2017.

Note:

- The chart shows the remoteness of all communities (including First Nations) in Canada based on the cost of travel.
- The small dots represent communities that are connected by year-round access to the road network.
- The colouring represents the relative costs for each community to reach a population center normalized by population size of the commuting radius.
- As expected most remote communities are in Northern areas of the country.

A second proxy is needed because some funding programs are likely to have a large share of material and shipping costs. As a proxy for this, shipping cost data from Canada Post relative to urban shipping costs are linked to the new Remoteness Index. The data are standardized and can be collected consistently for all Isolated Posts in the dataset. The data are readily available online to be updated and do not require extensive data mining, resourcing and analysis by ISC. More specific data would require standardized survey data to be collected from representative First Nations.

While these two proxies can provide estimates of different cost differentials to remote areas, it is becoming more important to develop a weighted average Cost Adjustment Factor for each location. This is in line with the goal to provide more grant- and block funding to First Nations where the split between different funding categories is, by definition, unknown (i.e. the split between salaries, materials, travel, shipping and more).

By basing the Cost Adjustment Factor on these data sources, it accounts for the specific remoteness of each location. The factor can be applied to all communities because Statistics Canada's new Remoteness Index has national coverage. The additional amount required due to

remoteness is calculated by multiplying the Cost Adjustment Factor to the base funding amount in each location.

Table 1: Merging Data Sources with Each Other

Source	Name and Province	CSD	Postal Code	PoC City w Postal Code	Employment Allowances	Shipping Costs	Remoteness
Isolated Post (IPGHD, 2017)	Name, Province	Number	Postal Code	Name, Province, Postal Code	Levels, $ per person per year		
Canada Post	Name		Postal Code	Name, Province, Postal Code		$ PoC to location, $ within PoC	
Statistics Canada	Name	Number					Level: 15-0 Index: 0-1 Transport Infrastructure

Note:
- IPGHD data are mapped using the Name and Province notation. Statistics Canada's data are mapped using the CSD number.
- When analyzing 2016 Remoteness Index data, six locations must be excluded. Two locations are excluded because no CSD number was found (Pallant Creek, BC and Pitt, BC). Two other locations are excluded because they have no 2016 Remoteness Index data (Kangiqsujuaq, QC 2499888, and Lansdowne House, ON 3560081). Two island locations are excluded because their CSD number is the nearest urban area but their Isolated Posts ranking classifies them as remote (Sable Island, NS 1209034; Sand Point Island, ON 3547003).

The data sources are merged as illustrated in Table 1, by using the location names, CSD numbers, and postal codes. In summary the data are used as follows:

- The Remoteness Index for all CSDs
    - Index values ranging from 0 to 1 with 1 as the most remote
    - To account for the expected additional costs required with lack of year-round road/ferry access, locations that are classified by Statistics Canada as having "main road/ferry network" are considered to be "Not-fly-in" communities. All other locations are considered to be Fly-in communities in this analysis.[1]
- First an Employment Allowance Factor is used as a proxy for labour cost differentials to remote areas:
    - Numerator - employment allowances for civil servants in Isolated Posts (IPGHD).

[1] With the Statistics Canada's Remoteness Index methodology, it is possible to compute a value for any CSD but if there is no resident population or road network, it becomes difficult to assign a reference point and the computation becomes uncertain. For this analysis, if a location is noted to have no population it is considered "Fly-in" if its Remoteness Index is larger than 0.28 and "Not-fly-in" otherwise. This chosen cut-off point does not affect the Fly-in/Not-fly-in classification for any of the Isolated Posts. It only affects one First Nations location in the current analysis: Band #582 Skawahlook First Nation has no population and a Remoteness Index of 0.1761 – so it is set to be a Not-fly-in community.

    - Denominator - the national median income for First Nations living on reserve ($20,337 per person per year from the 2016 census escalated to 2018 amounts to $21,518).[2]

- Second a Shipping Cost Factor is used as a proxy for material cost differentials to remote areas from Point of Comparison (PoC) cities:
    - Numerator - Shipping Costs Differential = Cost of shipping a 10 kg package (10 inch cube) from PoC city to Isolated Post less Cost of shipping within PoC city.
    - Denominator - cost of standard Canada Post shipping of same package within each of the seven PoC cities.
- To determine the weighted average Cost Adjustment Factor for each location, Statistics Canada's data on national Gross Domestic Product (GDP) by industry are used as split between services (currently 70% of GDP) and goods (currently 30% of GDP). The services share of GDP is used here as proxy for the labour share of base funding levels, while the goods share of GDP is used as a proxy for the material share.

Annex A discusses a number of considerations made while analyzing the numerators, denominators and weights.

[2] 2016 Census amount received from INAC. The escalation factors used are 1.23% from 2015 to 2016, 1.7% from 2016 to 2017, and 2% per year onwards based on GL Account 01101. V1 INDETERMINATE CIVILIANS (PSEA).

Methodology and Model Development

A spreadsheet model is designed to estimate a Cost Adjustment Factor for any location with a new Remoteness Index from Statistics Canada. The model is built in Microsoft Excel® and follows guidelines from the Spreadsheet Standards Review Board (SSRB, 2016).

As documented in Annex A, multiple functional relationships between the Remoteness Index and cost data are tested and validated using regression analysis. The starting point is a linear or exponential relationship where the cost factor, y, is a formula with an intercept, a, a slope, b, relative to the Remoteness Index, x1, and a coefficient, c, multiplied by a binary variable describing transportation infrastructure, x2. The binary variable is referred to as a dummy variable for Fly-in locations. These are the estimated regression coefficients:

- Linear cost factor: $y = a + b * x1 + c * x2$
- Exponential cost factor: $\ln(y) = a + b * x1 + c * x2$

The validated and most statistically significant relationship is found to be linear without an intercept coefficient but with a dummy variable for Fly-in locations. It is valid to omit the intercept because it ensures that a location with zero remoteness also has a zero Cost Adjustment Factor. The preferred functional form is the same when estimating employment allowances as well as shipping cost.

To give a numerical flavour of the methodology a calculation using the preferred functional relationships is as shown in these examples. Note how the weighted average can be calculated directly from the regression coefficients without calculating the two cost factors first:

- Employment Allowance Factor: $y1 = b1 * x1 + c1 * x2 = 0.600 * 0.80 + 0.382 * 1 = 86\%$
- Shipping Cost Factor: $y2 = b2 * x1 + c2 * x2 = 1.011 * 0.80 + 1.360 * 1 = 217\%$
- Cost Adjustment Factor: $y = 0.7 * y1 + 0.3 * y2 = 0.7 * 85\% + 0.3 * 217\% = 125\%$
- **or directly** **$y = 0.723 * x1 + 0.674 * x2 = 0.723 * 0.8 + 0.674 * 1 = 125\%$**

Results, Uncertainty and Risk

Figure 2 shows scatterplots of the data for employment allowance and shipping cost factors – with blue dots for Fly-in locations and grey dots for other locations. The predicted factors are those calculated using the chosen functional forms.

As can be expected when inspecting the scatterplots, the statistical goodness-of-fit as measured by the R^2 indicator is not 100% in the two chosen functions. Key regression results are shown in Table 2. For the Employment Allowance Factor goodness-of-fit (R^2) is 59% meaning that the remaining 41% of the variance in the data are explained by something else than Remoteness Index and Fly-in dummy variable. The correlation coefficient is strong at 77%. Similarly the goodness-of-fit for the Shipping Cost Factor function is 54% and the remaining 46% of the variance must be explained by other variables not included in this analysis. This correlation coefficient is also strong at 74%.

Figure 2: Calculated and Predicted Employment Allowance- and Shipping Cost Factors by Remoteness Index and Fly-in or Road access

Table 2: Final Regression Functions for Cost Factors.

	Employment Allowance Factor	Shipping Cost Factor
Degrees of Freedom	276	276
Correlation (R) - see note	0.77	0.74
Goodness-of-fit (R^2) - see note	0.59	0.54
b	0.600	1.011
c	0.382	1.360
standard error, b	0.024	0.082
standard error, c	0.027	0.092
95% confidence interval, b	0.600 -/+ 0.048	1.011 -/+ 0.162
95% confidence interval, c	0.382 -/+ 0.053	1.360 -/+ 0.181
t-stat, b	24.74	12.27
t-stat, c	14.06	14.75
p-value, b	5.33E-72	6.50E-28
p-value, c	3.03E-34	1.07E-36
Significant at 5% level	b and c	b and c
Function	y1 = 0.600 * x1 + 0.382 * x2	y2 = 1.011 * x1 + 1.360 * x2
Weighted Average	y = (0.7 * b1 + 0.3 * b2) * x1 + (0.7 * c1 + 0.3 * c2) * x2 y = 0.723 * x1 + 0.674 * x2	

Note:
- Linear regression function: y= b*x1 + c*x2. x1: Remoteness Index, x2: Fly-in = 1 ; Not-fly-in = 0
- p-values <0.05 indicates that the estimated value is significantly different from zero.
- Note that the correlation coefficient (R) and goodness-of-fit (r^2) indicators are not valid in models where the intercept is set to zero. The R and R^2 indicators reported here are those calculated on the model before forcing the intercept to zero.

The purpose of this analysis is to determine a method for estimating a single Cost Adjustment Factor. An assumed weight between the Employment Allowance and Shipping Cost Factors is taken from the services versus goods split in Canada's GDP – currently at 70% versus 30%. The Cost Adjustment Factor can be calculated directly which is derived from the weighted average of the two factors as shown in the formula below. A range of examples for different Remoteness Indices are shown in Table 3. Note that, the current Isolated Posts dataset does not cover all possible Remoteness Indices from 0 to 1. The formula should therefore not be extrapolated to all locations even if it is theoretically possible. The results are not valid for Remoteness Index below 0.3 because IPGHD-negotiations with NJC has so far not classified any of those locations as Isolated Posts in need of employment allowances for remoteness. This is indicated by "na" notations in Table 3. The additional amount required due to remoteness is calculated by multiplying the Cost Adjustment Factor to the base funding amount in each location.

Cost Adjustment Factor = 0.723 * Remoteness Index + 0.674 * Fly-in

From:

- Cost Adjustment Factor = 0.7 * Employment Allowance Factor + 0.3 * Shipping Cost Factor

Two calculation examples of how to use the Cost Adjustment Factor:

- A First Nations location has base level funding of $2 million. Its Remoteness Index is 0.8 and it is a Fly-in location.
    - Cost Adjustment Factor = 0.723 * 0.80 + 0.674 * 1 = 125%
    - Additional budget amount for remoteness = $2 million * 125% = $2.5 million
- A First Nations location has base level funding of $2 million. Its Remoteness Index is 0.6 and it is a Not-fly-in location.
    - Cost Adjustment Factor = 0.723 * 0.60 + 0.674 * 0 = 43%
    - Additional amount for remoteness = $2 million * 43% = $867,000

Table 3: Examples: Use Regression function to calculate Cost Adjustment Factors

	Cost Adjustment Factor	
Remoteness Index	Not-fly-in	Fly-in
0.00	na	na
0.30	22%	89%
0.40	29%	96%
0.60	43%	111%
0.80	58%	125%
1.00	72%	140%

Note:
- Best regression function fit – Linear with Fly-in dummy variable: 0.723 * Remoteness Index + 0.674 * Fly-in
- na – calculation not applicable because source data do not cover locations with Remoteness Index below 0.3.

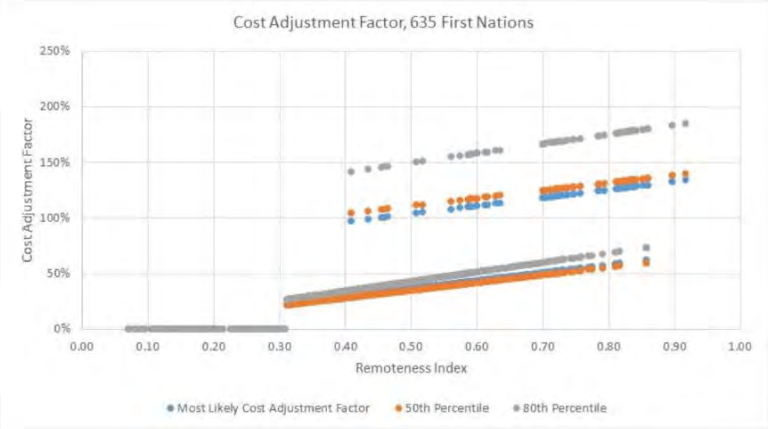
Because the nature of different funding programs and the future shift toward grant and block funding, there will always be uncertainty about the actual split between labour and material costs and therefore which weights that should be used between them. The median income estimate used as a denominator in the Employment Allowance Factor is uncertain. And finally, the estimated regression coefficients that are used to calculate the Cost Adjustment Factors in this analysis are also uncertain as long as the regression model fit is not 100%.

To measure the impact on the result from model uncertainties, one could run the model multiple times with different assumptions for these uncertain factors. To standardize and automate this type of risk analysis, a commonly used method is to run a Monte Carlo simulation. By defining the possible ranges that the uncertain assumptions can take, rather than just their current most-likely values, the simulation method collects the model results for a selected number of model iterations (for example 50,000 times). Without simulation, the model result is one Cost Adjustment Factor per location. With simulation, the model result is a probability distribution for the Cost Adjustment Factor in each location. This distribution provides us with a range and

probability of all possible values for the Cost Adjustment Factor given the model assumptions. Based on an assessment of the overall uncertainty and to allow for the measurable risk, the user can select to apply a Cost Adjustment Factor different from than the most likely estimate.

Figure 3 shows the Cost Adjustment Factors for different locations with the simulation results illustrated by their 50th and 80th percentiles. A closer inspection of the detailed data behind the figure shows for example that, a Fly-in location with Remoteness Index of 0.7 has a Cost Adjustment Factor of 118% which increases to 124% for the 50th percentile. If the location has a base level funding of $1 million, the expected adjustment for remoteness would be $1.18 million or $1.24 million to include the 50th percentile. In comparison a Not-fly-in location with Remoteness Index 0.60 has an expected Cost Adjustment Factor of 43% (close to the 50th percentile), which increases to 53% to incorporate the 80th percentile. If this location has a base level funding of $1 million, the expected adjustment for remoteness would be $430,000 or $530,000 to include the 80th percentile. The increases required to reach the higher percentiles are larger in Fly-in locations because of the larger difference between the two underlying cost factors (the two proxies for employment allowance and shipping).

Figure 3: Weighted Average Cost Adjustment Factor, expected vs 50th and 80th percentile, 635 First Nations.



Note:
- Results from Monte Carlo Simulation with Latin Hypercube sampling and 50,000 iterations and initial seed of 67247 (random number to ensure same result each time simulation is run).
- See Figure A.7 for detailed distribution assumptions.

Closing Comments

The model documented in this report combines easily accessible data from existing sources to estimate a function that establishes a Cost Adjustment Factor for any location that has a Remoteness Index. The additional amount required due to remoteness is calculated by multiplying the Cost Adjustment Factor to the base funding amount. The estimated function is statistically significant, validated to not be over-fitted, and provides expected values that appear plausible compared to the very limited number of available comparable sources. Further comparisons should be done to validate the results when more comparable studies are identified.

- To be able to estimate a Cost Adjustment Factor for any given location, it is necessary to know the location's CSD number so as to identify its Remoteness Index and transport infrastructure classification (i.e. whether it has main road/ferry access or not).
- While the Cost Adjustment Factors are statistically significant and show strong correlations, they should possibly not be applied to total funding amount. Other factors not covered by Remoteness Index and the Fly-in dummy variable explain part of the cost differences between urban and remote areas. More data are needed to explore this.
- Results may be underestimating the required cost adjustment if background data already include adjustments for remoteness.
- The shipping Cost Factor is based on simplified assumptions and data, although collecting more relevant data from a cross section of First Nations will be costly to ensure standardized and comparable measurement. If more data were to be collected, it would have to replace both the Isolated Posts and shipping costs data.
- While it is theoretically possible, extrapolation to the less remote locations (Remoteness Index below 0.3) should be avoided because IPGHD-negotiations in the NJC has thus far not classified any of those locations as Isolated Posts in need of employment allowances for remoteness.

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Statistics Canada. Table 36-10-0434-01 Gross domestic product (GDP) at basic prices, by industry, monthly (x 1,000,000)

Statistics Canada. Table 36-10-0104-01 Gross domestic product, expenditure-based, Canada, quarterly (x 1,000,000)

Background Working Papers by Technical Working Group for “Remoteness of First Nations Communities: How to Measure It and Adjust Funding” (Unpublished internal documents):

- ISC – Remoteness Research Scoping Paper, 27 Jun 2018.
- Australian Remoteness Index
  - Australian Remoteness Index - Case Study .docx, 27 Jun 2018
- Ontario Ministry of Education Cost Adjustment for Rural and Remote Schools
  - Education Index - Case Study.docx, 27 Jun 2018
- ISC Remoteness Index
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  - NRCan Remoteness Index - Case Study.docx

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Annex A: Technical Documentation of the Model

The new Statistics Canada's measure of remoteness, here referred to as the Remoteness Index, is used to estimate a functional relationship between remoteness and two cost factors as well as a weighted average between them. The two cost factors are used as proxies for different types of costs included in First Nations budgets. One proxy is calculated using data from the Isolated Post and Government Housing Directive (IPGHD), which provides employment allowances to facilitate and retain government employees in selected remote locations. The second proxy is calculated using data from Canada Post on the shipping cost differentials to reach the same IPGHD remote locations.

A model has been designed to estimate functional relationships and to multiply the resulting Cost Adjustment Factors to First Nations base funding levels. The model is built in Microsoft Excel and follows guidelines from the Spreadsheet Standards Review Board (SSRB, 2016). This Annex documents the process of how the model was designed and validated. This is also meant to guide any future updates when the source data are updated. The model design process includes:

A1. Preparing the data

A2. Exploring potential functional relationships

A3. Validating the selected functional relationship

A4. Results and validation

A5. Risk analysis using simulation

A6. Closing comments

A7. References and Data Sources

A. Preparing the data

The new Statistics Canada's Remoteness Index ranks all Census Subdivisions (CSDs) in Canada between 0 and 1, where 1 is most remote (Alasia et al., 2017). The complete dataset for all 5,162 CSDs in Canada based on the 2016 census is included in the Excel model and the geographical coverage is shown in Figure A.1. The data include the CSD, name, population, transportation infrastructure classification, and Remoteness Index for each location. Each CSD is classified by one of four levels of transportation infrastructure: main road/ferry network; combination of air, train, winter road, charter boat and/or seasonal ferry; air only; or no population. To account for the expected additional cost required with lack of year-round road or ferry access, locations that are classified as having "main road/ferry network" are considered to be "Not-fly-in" communities. All other locations are considered to be Fly-in communities. An exception is made for locations with no population. With the Statistics Canada's Remoteness Index methodology, it is possible to compute a value for any CSD, but if there is no resident population or road network, it becomes difficult to assign a reference point and the computation becomes difficult. For this analysis, if a location is noted to have no population it is considered "Fly-in" if its Remoteness Index is more than 0.28 and "Not-fly-in" otherwise. This chosen cut-off point does not affect the Fly-in/Not-fly-in classification for any of the Isolated Posts. It only affects one First Nations location in the current analysis: Band #582 Skawahlook First Nation has no population and a Remoteness Index of 0.1761 – so it is set to be a Not-fly-in community.

Due to the size of the national data table it is not included in its entirety in this Annex.

Compared to the Remoteness index which varies between 0 and 1 with 1 being the most remote, Statistics Canada also provides the equivalent Remoteness Level that varies between 1 and 15 with 1 being the most remote. In the current analysis the implications of using the Remoteness Level rather than the Remoteness Index is explored. The resulting Cost Adjustment Factors remain the same regardless of whether one uses the Remoteness Level or the Remoteness Index. The Remoteness Index is chosen for this analysis because it has already been discussed in Working Group meetings and stakeholders are already somewhat familiar with it.

Figure A.1: Statistics Canada's Remoteness Index

Source: Alasia et al, 2017.
Note:
- The chart shows the remoteness of all communities (including First Nations) in Canada based on the cost of travel.
- The small dots represent communities that are connected by year-round access to the road network.
- The colouring represents the relative costs for each community to reach a population center normalized by population size of the commuting radius.
- As expected most remote communities are in Northern areas of the country.

The Remoteness Index is used to estimate a functional relationship between remoteness and two cost factors. To be able to multiply the cost factor by the First Nations base funding level, each of the cost factors need data for a numerator and a denominator, and they are weighted to obtain on Cost Adjustment Factor per location.

- First an Employment Allowance Factor is used as a proxy for labour cost differentials to remote areas:
    - Numerator - employment allowances for civil servants in Isolated Posts (IPGHD).
    - Denominator - the national median income for First Nations living on reserve ($20,337 per person per year from the 2016 census escalated to 2018 amounts to $21,518).[3]
- Second a Shipping Cost Factor is used as a proxy for material cost differentials to remote areas from Point of Comparison (PoC) cities:

[3] 2016 Census amount received from INAC. The escalation factors used are 1.23% from 2015 to 2016, 1.7% from 2016 to 2017, and 2% per year onwards based on GL Account 01101. V1 INDETERMINATE CIVILIANS (PSEA).

    - Numerator - Shipping Costs Differential = Cost of shipping a 10 kg package (10 inch cube) from PoC city to Isolated Post less Cost of shipping within PoC city.
    - Denominator - cost of standard Canada Post shipping of same package within each of the seven PoC cities.
- To determine the weighted average Cost Adjustment Factor for each location, Statistics Canada's data on national Gross Domestic Product (GDP) by industry are used as split between services (currently 70% of GDP) and goods (currently 30% of GDP). The services share of GDP is used here as proxy for the labour share of base funding levels, while the goods share of GDP is used as a proxy for the material share.

A number of considerations are analyzed for the numerators, denominators and weights. For the first numerator, Isolated Posts allowances are chosen as a proxy for increased labour costs in remote areas. The allowances aim to offset select expenditures, such as the cost of goods and service, fuel and utilities, and shelter in select remote locations. The directive operates with seven different PoC cities: Edmonton, AB; Montreal, QB; Saskatoon, SK; St. John's, NL; Toronto, ON; Vancouver, BC; Winnipeg, MB. The allowances and benefits can be claimed by employees if they reside and live in an Isolated Post, as determined by the National Joint Council (NJC).

Some Isolated Posts data are excluded from the first numerator. The available data used in this analysis includes 278 Isolated Posts in Canada. Finally, six Isolated Posts originally included in the list of 296 locations in the IPGHD directive are excluded because either their CSD number is not determined (Pallant Creek, BC, and Pitt, BC), or because they have no Remoteness Index (Kangiqsujuaq, QC, and Lansdowne House, ON), or because they are islands with an Isolated Post location that does not correspond to their CSD number (Sable Island, NS, and Sand Point Island, ON). These islands cannot be included in the dataset because it makes them appear as urban but with very high cost differentials to the Isolated Posts PoC city.

An alternative denominator for the Employment Allowance Factor could be the median salary of civil servants who receive the employment allowances at Isolated Posts. However, these salaries are substantially higher than and - not indicative of - the earnings of First Nations people living on reserves. The IPGHD also provides the same dollar amount to all eligible employees regardless of their base salary. If one had used this alternative denominator, the adjustment factor would be too low to reflect the situation on First Nations reserves. Another alternative denominator could have been to use a different median income for First Nations in each province/ territory, however these amounts would already include some impact of remoteness and could lead to an underestimation of the cost differences between less remote and more remote locations between provinces/ territories.

For the second numerator, the time and resources available did not allow for collection of standardized and comparable data from all the Isolated Posts. Instead, shipping costs data are collected from Canada Posts online tool. To standardize the data, costs are recorded for standard shipping of a 10kg package (10 inch cube) within each PoC city as well as to each

Isolated Post. The cost differential is divided by the PoC cost to arrive at the estimated Shipping Cost Factor specific to each location. The current analysis assumes that the additional value of the time it takes to reach remote locations locations is reflected in the shipping costs.

The weights used to estimate the average Cost Adjustment Factor are based on GDP data by industry. An alternative measure of the split between labour and material costs could involve using Statistics Canada's data of GDP by expenditure category so as to remove household consumption from the total services and goods data referenced above. This results in a split of 92% services and 8% goods, which is considered to be too one-sided for the purpose of applying the weighted average Cost Adjustment Factor to the full range of funding programs provided to First Nations.

After establishing the preferred data sources for both numerators and denominators, Table A.1 provides an overview of how the different data sources are merged. By using the classification numbers and name of the Isolated Posts, data from Data Table B.1 are merged with the level and dollar allowances in Data Table B.2 for: environment (EA), living cost differential (LCD), fuel & utilities differential (F&UD), and shelter cost differential (SCD).[4] Note that, employment allowances are provided to civil servants in Isolated Posts either as an individual or as an individual with dependant. For the purpose of using the Cost Adjustment Factor for scaling funding allocations, this model uses data for individuals without dependants. This ensures that total budget and population numbers can include all residents and not exclude dependants. Canada Post data are merged with Isolated Posts data by using the postal codes. If no postal code is available, the nearest post office is used. Statistics Canada's Remoteness Index data are merged with Isolated Posts data by using the CSD number.

[4] In terms of the shelter cost differential, the allowance rates for private housing options are used rather than those provided for government housing because there are only three data points for the latter.

Table A.1: Merging Data Sources with Each Other

Source	Name and Province	CSD	Postal Code	PoC City w Postal Code	Environment Allowance	Living Cost Differential	Fuel & Utilities Differential	Shelter Cost Differential	Shipping Costs	Remoteness
Data Tables B.1 + B.2:	Name, Province	Number	Postal Code	Name, Province, Postal Code						

Isolated Post (IPGHD April 2017 Directive)	Name, Province				Level 0-5
					
					$ per year
					$ per hour
					w/wo dependants
						Level 0-16
						
						$ per year
						$ per hour
						w/wo dependants
							Level 0-30
							
							$ per year
							$ per hour
							w/wo dependants
								5 Isolated Posts
								$ per year
								$ per hour
								w/wo dependants		

Data Table B.3: Canada Post	Name		Postal Code	Name, Province, Postal Code					$ PoC to location, $ within PoC	
Data Table B.4: Statistics Canada	Name	Number								A. Level: 15-0 B. Index: 0-1 Transport Infrastructure

Note:
- IPGHD data are mapped using the Name and Province notation. Statistics Canada's data are mapped using the CSD number.
- When analyzing 2016 Remoteness Index data, six locations must be excluded. Two locations are excluded because no CSD number was found (Pallant Creek, BC and Pitt, BC). Two other locations are excluded because they have no 2016 Remoteness Index data (Kangiqsujuaq, QC 2499888, and Lansdowne House, ON 3560081). Two island locations are excluded because their CSD number is the nearest urban area but their Isolated Posts ranking classifies them as remote (Sable Island, NS 1209034; Sand Point Island, ON 3547003).

By choosing to use these easily available data sources, some assumptions are made implicitly. Before discussing the methodology, it is important to be reminded of these key underlying assumptions:

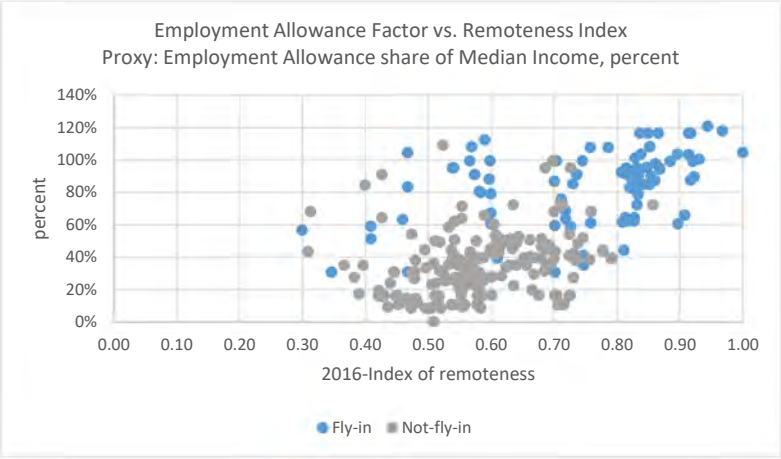
- Relative cost increases between two locations can be captured via the Remoteness Index, and whether the location is accessible by air (a fly-in community) or by main road or ferry access.
- IPGHD allowances are sufficient to attract people to and retain people in remote locations.
- IPGHD allowances for civil servants approximate the increased average costs experienced by First Nations people on reserves. More relevant data would require the same survey data to be collected for representative First Nations locations as is done for updating the IPGHD.
- Civil servants in Isolated Posts that qualify for all four allowances are eligible to receive all of them (EA, LCD, F&UD, and SCD). The same rules would apply in First Nations locations if the IPGHD-approach was taken in those locations too.

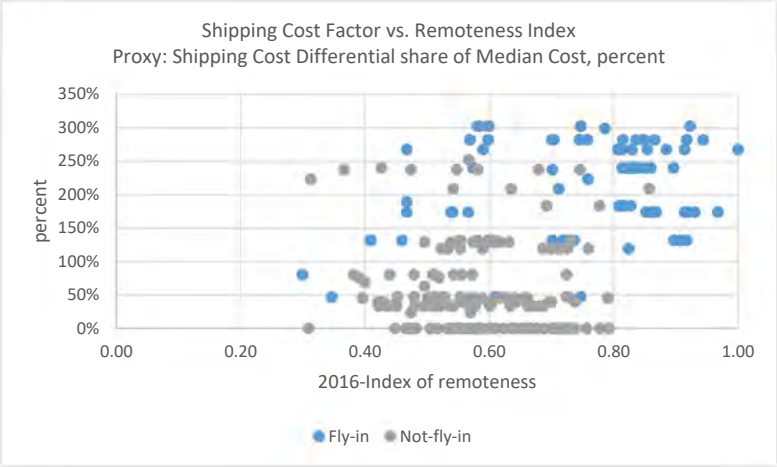
- Shipping cost differentials are related to remoteness. More relevant data would require standardized survey data to be collected for representative First Nations locations.
- To calculate the funding level adjusted for remoteness, the Cost Adjustment Factor will be multiplied by funding level before it has been adjusted for inflation.

A2. Exploring potential functional relationships

The assembled dataset for 278 Isolated Posts is used to estimate a functional relationship between the Remoteness Index and the factors for employment allowance and shipping cost. Figure A.2 shows scatter plots of the data set with grey dots for communities that have main road or ferry access and blue dots for the other locations (i.e. Fly-in locations). Using regression analysis, the functional relationships tested in the model are summarized in Table A.2. The estimated regression coefficients are a, b, and c. Using notations in the table, a function with no intercept (notation: a = 0) implies that the cost differentials are zero in locations with zero Remoteness Index. The slope of the function (notation: b>0) estimates how the cost differentials increase when remoteness increases. By including a binary variable for fly-in locations (notation: c>0), often referred to as a dummy variable, the cost differentials are higher than in locations that have road/ferry access. The statistical significance of these regression coefficients is assessed against a 95% criterion such that if their p-values are less than 5%, they are statistically different from zero and can be included in the final estimated function.

Figure A.2: Scatterplots of Data for 278 Isolated Posts





Note:
Grey dots for communities that have main road or ferry access and blue dots for the other locations (i.e. Fly-in locations).

Table A.2: Functional Relationships Tested in the Analysis

Option	Functional Relationships	Function
1	Linear, Fly-in dummy, Intercept	y=a+b*x1+c*x2
2	Linear, Fly-in dummy, No Intercept	y=b*x1+c*x2
3	Linear, No fly-in dummy, Intercept	y=a+b*x2
4	Linear, No fly-in dummy, No Intercept	y=b*x2
5	Exponential, Fly-in dummy, Intercept	ln(y)=a + b*x1+ c*x2
6	Exponential, No fly-in dummy, Intercept	ln(y)=a + b*x1

Note:
y is employment allowance share of median income or shipping cost differential as share of median cost; x1 is Remoteness Index; x2 is a dummy variable for access via road/ferry (=0) or a fly-in location (=1).

To give a numerical flavour of the methodology, a calculation example for a linear relationship with dummy-variable for fly-in and no intercept is shown here when Remoteness Index x1= 0.8 and Fly-in x2=1. The resulting Cost Adjustment Factor is 125% which can be multiplied by the base funding level to calculate the additional dollar amount for remoteness. Note how the weighted average can be calculated directly from the regression coefficients without calculating the two cost factors first:

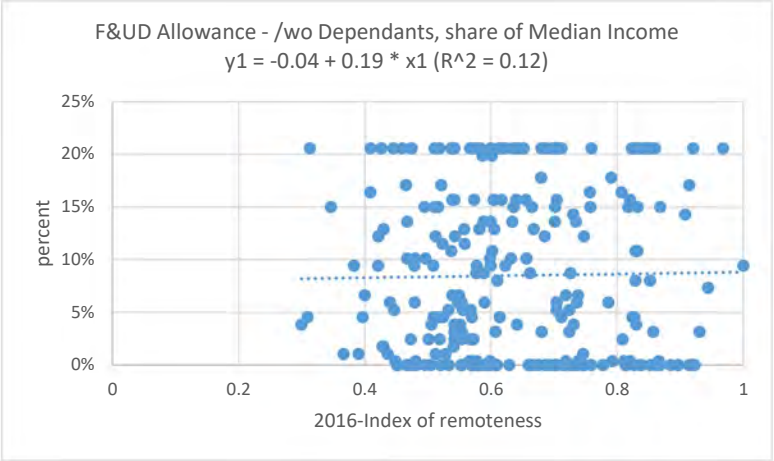
- Employment Allowance Factor: y1 = b1 * x1 + c1 * x2 = 0.600 * 0.80 + 0.382 * 1 = 86%
- Shipping Cost Factor: y2 = b2 * x1 + c2 * x2 = 1.011 * 0.80 + 1.360 * 1 = 217%
- Cost Adjustment Factor: y = 0.7 * y1 + 0.3 * y2 = 0.7 * 85% + 0.3 * 217% = 125%
- **or directly** **y = 0.723 * x1 + 0.674 * x2 = 0.723 * 0.8 + 0.674 * 1 = 125%**

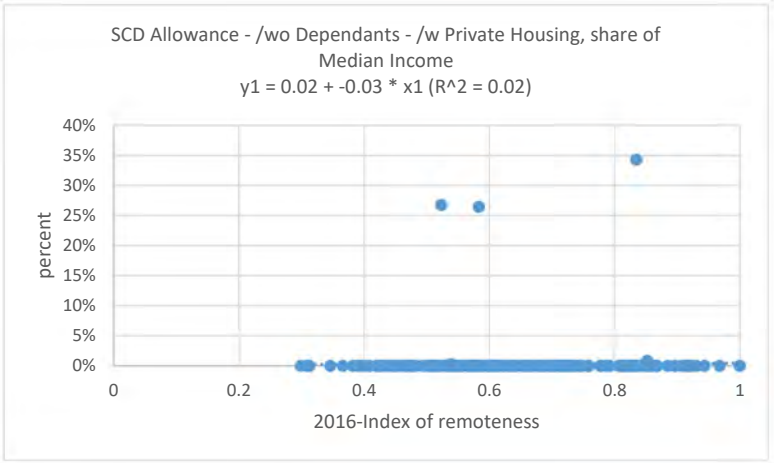
Initial analysis of the data helps identify potential correlations between different variables. The bottom left chart in Figure A.3 shows that when all allowances are included without a dummy variable, the correlation coefficient to Remoteness Index is 0.58 (square root of R^2 0.34). In other words, the Remoteness Index explains 34 percent of the variation in the Isolated Post allowances. The remaining 66 percent must be explained by other factors. The other charts

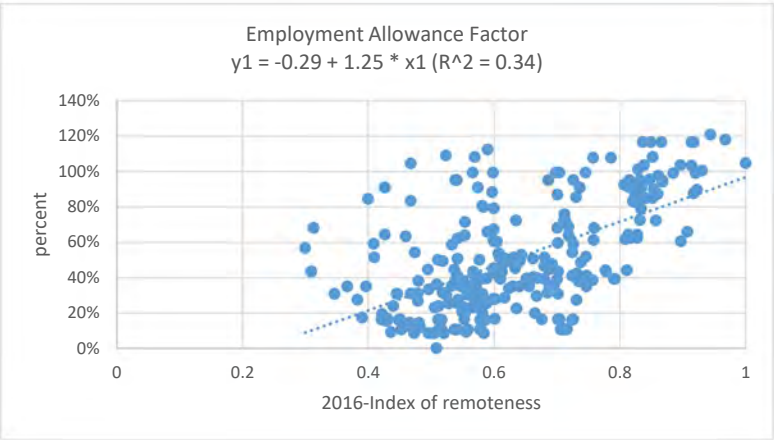
show which of the allowances contribute the most to explaining the variation in the data. Most of the correlation comes from the LCD allowance followed by the Environment and F&UD allowances (R^2= 0.34, 0.33 and 0.12, respectively). Because only very few isolated posts are eligible for the SCD allowance, this adds little to the correlation (R^2= 0.02). As a side-note, fragmentation of the data points in the plots highlight that the allowances are provided in levels of amounts shown in Data Table B.2 and not on a sliding scale. This fragmentation is not visible when all allowances are added together in the bottom left chart in Figure A.3.

The visual assessment of Figure A.3 informs the order in which to add the allowances when comparing results from functional relationships in Table A.2. While not reported here, detailed analyses indicate that the regression coefficient for the intercept, a, is not significantly different from zero and is therefore excluded from the remaining analyses. This makes sense in that the Cost Adjustment Factor in a location with zero remoteness with road/ferry access is also zero. These detailed analyses are included in the Excel model file.

Figure A.3: Initial correlation and functional relationship between remoteness level and different allowances


F&UD Allowance - /wo Dependants, share of Median Income
y1 = -0.04 + 0.19 * x1 (R^2 = 0.12)
percent
25%
20%
15%
10%
5%
0%
0
0.2
0.4
0.6
0.8
1
2016-Index of remoteness


SCD Allowance - /wo Dependants - /w Private Housing, share of Median Income
y1 = 0.02 + -0.03 * x1 (R^2 = 0.02)
percent
40%
35%
30%
25%
20%
15%
10%
5%
0%
0
0.2
0.4
0.6
0.8
1
2016-Index of remoteness


Employment Allowance Factor
y1 = -0.29 + 1.25 * x1 (R^2 = 0.34)
percent
140%
120%
100%
80%
60%
40%
20%
0%
0
0.2
0.4
0.6
0.8
1
2016-Index of remoteness

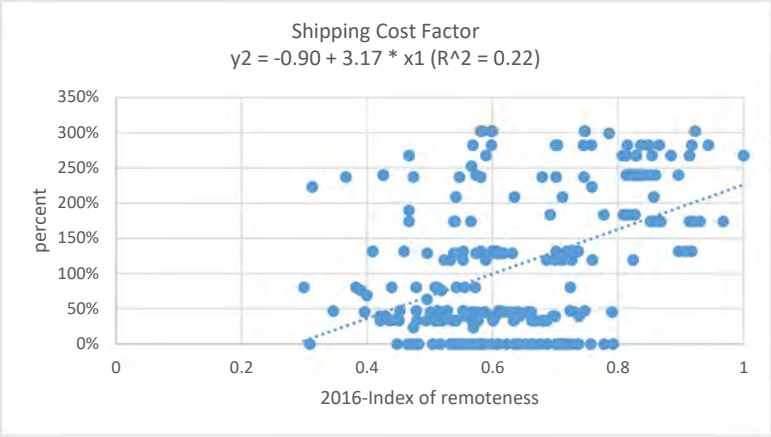


Table A.3 shows how, when only including the LCD allowance, the correlation coefficient is 79%. When adding the Environment allowance correlation increases to 81% thereby explaining more of the variation in the Remoteness Index data. When adding the F&UD and SCD allowances the correlation coefficient goes back down to 78%. A strict interpretation of these results suggests that one should only include the LCD and Environment allowances. However, it is advisable to include all allowances for completeness and in case more Isolated Posts become eligible for these allowances in the future. The Directive is being implemented such that if an employee is eligible for all allowances, they can receive all of them. When assessing the correlation and goodness-of-fit indicators, the validity and statistical significance of the model also does not fall much due to including all allowances. The large statistical significance of the fly-in dummy variable supports the assumption that cost differentials are highly dependent on the level of road/ferry or air-access.

Table A.3: Comparing model correlation and goodness-of-fit when including some or all of the Isolated Post allowances.

x-axis	**x1: 2016-Remoteness Index | x2: Fly-in = 1 ; Not-fly-in = 0**			
min and max values	Fly-in: 0.30 – 1.00 | Not-fly-in: 0.31 – 0.86			
y-axis (as share of median income)	**LCD**	**LCD+EA**	**LCD+ EA+F&UD**	**Total LCD+EA+ F&UD+SCD**
Degrees of Freedom	276	276	276	276
Correlation (R) - see note	0.79	0.81	0.78	0.77
Goodness-of-fit (R^2) - see note	0.62	0.66	0.61	0.59
F statistic	868.83	1,448.60	1,242.52	1,161.80
T-test	7.86E-146	4.36E-147	9.49E-139	3.87E-135
Slope (b)	0.27	0.49	0.60	0.60
t stat	17.89	27.20	25.55	24.74
p-value	4.76E-48	4.34E-80	1.07E-74	5.33E-72
Slope (c)	0.27	0.33	0.38	0.38
t stat	15.90	16.17	14.58	14.06
p-value	7.14E-41	7.86E-42	4.26E-36	3.03E-34
Significant at 5% level	b and c	b and c	b and c	b and c
Function	y1 = 0.27 * x1 + 0.27 * x2	y1 = 0.49 * x1 + 0.33 * x2	y1 = 0.60 * x1 + 0.38 * x2	y1 = 0.60 * x1 + 0.38 * x2

Note:
- Linear regression function: y= a + b*x1 + c*x2. P-values <0.05 indicates that the estimated value is significantly different from zero.
- Note that the correlation coefficient (R) and goodness-of-fit (r^2) indicators are not valid in models where the intercept is set to zero. The R and R^2 indicators reported here are those calculated on the model before forcing the intercept to zero.

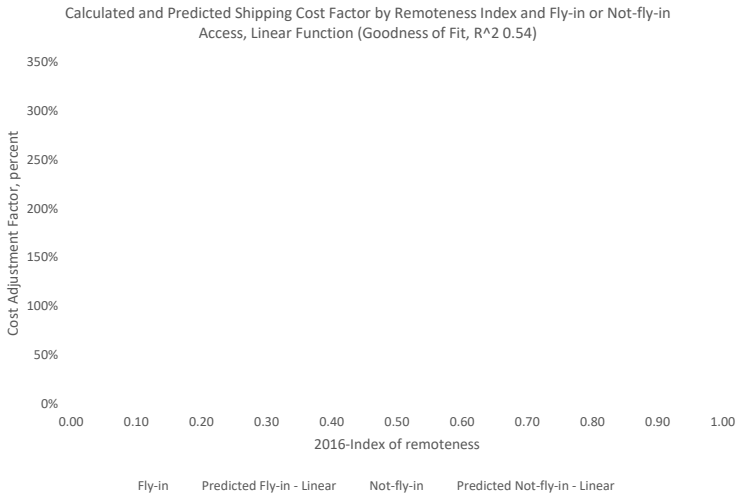
Figure A.4 compares the impact of using linear and exponential functional relationships for predicting the Employment Allowance Factor based on the Remoteness Index. Compared to the linear function, the correlation and goodness-of-fit decrease if we choose the exponential function. Closer analysis of the exponential regression results shows that estimates are significantly different from zero and therefore are a valid choice. Exponential functions are often chosen to accurately model values close to 1 (one) such as in the most remote areas. However, the linear function is preferred because it also captures the increased costs in the most remote areas through the dummy variable, and it provides a better goodness-of-fit.

As an alternative to using a dummy-variable for fly-in locations, we explored the option to divide the Isolated Posts dataset into those that are fly-in (94 locations) and those that are not (180 locations). Then a separate regression function could be estimated in both datasets. While not reported explicitly in this report, the findings were that the combination of loss of degrees of freedom (fewer observations) and the inherent variability in the data provided poor goodness-of-fit of 9-16% when splitting the dataset compared to the better fit of 55-59% with a dummy variable in a complete dataset.

In conclusion, the preferred functional relationship in this analysis is linear with a dummy variable for fly-in locations and zero intercept. The findings are the same when estimating employment allowances and shipping cost differentials relative to the Remoteness Index. This is plotted in the bottom right panel of Figure A.3 and in Figure A.5.

Figure A.4: Calculated and Predicted Employment Allowance Factor by Remoteness Index and Fly-in or Road access, Linear versus Exponential Functions.

Figure A.5: Calculated and Predicted Shipping Cost Factor by Remoteness Index and Fly-in or Road access.



A3. Validating the selected functional relationship

Based on the initial exploration of potential functional relationships in the previous section, the preferred functional relationship in this analysis is linear with a dummy variable for fly-in locations and zero intercept:

- Factor = b * x1 + c * x2 = b * Remoteness Index + c * Fly-in

The fitted model has been validated by splitting the Isolated Posts dataset into one part (186 locations) for fitting the model (i.e. training the data) and one part (93 locations) for testing the selected model.[5] For the purpose of this validation, the accuracy score is defined as the sum of squares for the residuals divided by their degrees of freedom. The rule of thumb is that if the accuracy score is less than 2 times the training set core, the fitted model is valid. If the accuracy score is very much higher in the test set, the original model is over-fitted to only match the training data such that it should not be applied to other data even if they are sampled from the same population. For the training dataset the accuracy score is 0.039 for Employment Allowance Factor and 0.433 for Shipping Cost Factor. With the test data, one calculates the two predicted cost factors for each location using the function estimated with the training set. By regressing the predicted versus the observed values, the accuracy score is calculated to be 0.04 and 0.49, respectively (See Table A.4). This is 1.03 and 1.13 times higher with the testing set compared to the training set, which passes the rule-of-thumb test and validates the choice of functional relationship.

[5] The dataset is split by allocating each Isolated Post a random number between 1 and 278 using Excel's RANDBETWEEN(1,278) function. After sorting the data in increasing order by the random number, the first 186 locations are added to the training set, and the remaining 93 locations form the test set.

Table A.4: Testing validity of chosen functional relationship

	Training Data Set		Testing Data Set	
	Employment Allowance Factor	**Shipping Cost Factor**	**Employment Allowance Factor**	**Shipping Cost Factor**
Observations	186	186	92	92
Accuracy Score (SS-resid / DF-resid)	0.039	0.433	0.040	0.490
Accuracy Score change			1.03	1.13
Rule-of-thumb test of Accuracy Scores <2:			Test OK	Test OK

Note:
- Testing model: Linear, Fly-in dummy, No Intercept. y=b*x1+c*x2
- The test uses the model derived from the Training Data Set to predict the values in the Testing Data Set. The Accuracy Score is the SS-resid (sum of squares for the residuals) divided by the DF-resid (degrees of freedom for the residuals). Compare the Accuracy Score of the two regressions of actual versus predicted values. A large difference greater than 2 in Accuracy Score indicates that the selected model may be over-fitted to the training data.

A4. Results and validation

The purpose of this analysis is to determine a method for estimating a single Cost Adjustment Factor. An assumed weight between the Employment Allowance and Shipping Cost Factors is taken from the services versus goods split in Canada's GDP – currently at 70% versus 30%. Because the functional relationship has been validated in the previous section, the estimated functions are as follows with the regression results shown in Table A.5:

- Employment Allowance Factor = 0.600 * Remoteness Index + 0.382 * Fly-in
- Shipping Cost Factor = 1.011 * Remoteness Index + 1.360 * Fly-in
- Cost Adjustment Factor = 0.7 * Employment Allowance Factor + 0.3 * Shipping Cost Factor
- **or directly** **= 0.723 * Remoteness Index + 0.674 * Fly-in**

Table A.5: Final Regression Functions for Cost Factors.

	Employment Allowance Factor	Shipping Cost Factor
Degrees of Freedom	276	276
Correlation (R) - see note	0.77	0.74
Goodness-of-fit (R^2) - see note	0.59	0.54
F statistic	1,161.80	555.92
F-test	3.87E-135	1.60E-97
b	0.600	1.011
c	0.382	1.360
standard error, b	0.024	0.082
standard error, c	0.027	0.092
95% confidence interval, b	0.600 -/+ 0.048	1.011 -/+ 0.162
95% confidence interval, c	0.382 -/+ 0.053	1.360 -/+ 0.181
t-stat, b	24.74	12.27
t-stat, c	14.06	14.75
p-value, b	5.33E-72	6.50E-28
p-value, c	3.03E-34	1.07E-36
Significant at 5% level	b and c	b and c
Function	y1 = 0.60 * x1 + 0.38 * x2	y2 = 1.01 * x1 + 1.36 * x2
Weighted Average	y = (0.7 * b1 + 0.3 * b2) * x1 + (0.7 * c1 + 0.3 * c2) * x2 y = 0.723 * x1 + 0.674 * x2	

Note:
- Linear regression function: y= b*x1 + c*x2. x1: Remoteness Index, x2: Fly-in = 1 ; Not-fly-in = 0
- p-values <0.05 indicates that the estimated value is significantly different from zero.
- Note that the correlation coefficient (R) and goodness-of-fit (r^2) indicators are not valid in models where the intercept is set to zero. The R and R^2 indicators reported here are those calculated on the model before forcing the intercept to zero.

Table A.6 shows more calculation examples for different remoteness indices and whether a location is accessible by road/ferry or not (fly-in). For a Not-fly-in location the Cost Adjustment Factor varies between 22% and 72%, while in a location with Fly-in access the factor varies between 89% and 140%. This can be compared to the results of a cost of living survey of 448 households in Nunavik, Quebec (Robitaille et al, 2018). The survey found that the overall cost of living was 28% higher than in Quebec. Due to housing costs being relatively low compared to Quebec, other living costs were 40-60% higher in Nunavik. The Cost Adjustment Factors in the current analysis are similar to the cost of living survey if looking to Not-fly-in communities. Conversely, the estimated factors for Fly-in communities are considerably higher than what was concluded in the cost of living survey. Robitaille et al. note that some of the cost differences in the survey may be underestimated for several reasons specific to Nunavik such as: the already low spending pattern of low-income households, community sharing of game, and that some health services are provided free of charge.

Table A.6: Examples: Use Regression function to calculate Cost Adjustment Factors

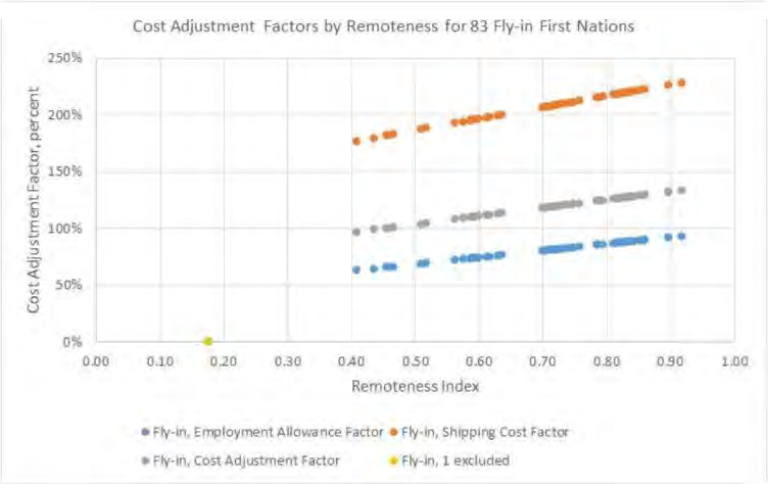
	Not-fly-in Locations Cost Adjustment Factors			Fly-in Locations Cost Adjustment Factors			
Remoteness Index	Employment Allowance	Shipping Costs	Weighted Average	Remoteness Index	Employment Allowance	Shipping Costs	Weighted Average
0.00	na	na	na	0.00	na	na	na
0.31	19%	31%	22%	0.30	56%	166%	89%
0.40	24%	40%	29%	0.40	62%	176%	96%
0.60	36%	61%	43%	0.60	74%	197%	111%
0.80	48%	81%	58%	0.80	86%	217%	125%
1.00	60%	101%	72%	1.00	98%	237%	140%

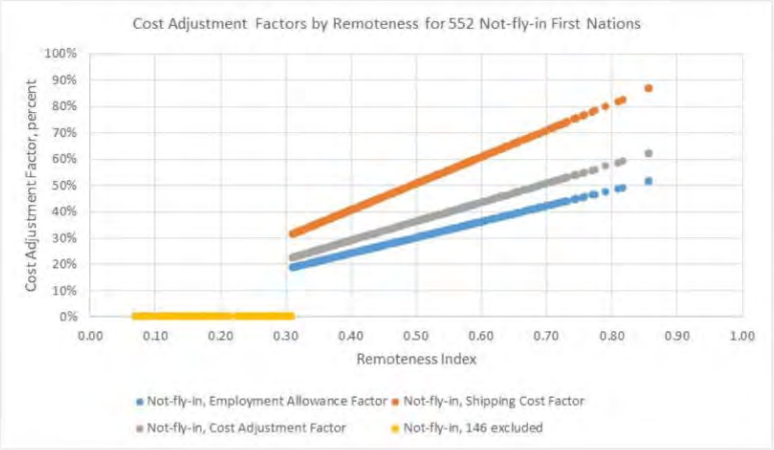
Note:

- Best regression function fit – Linear with Fly-in dummy variable:
    - Employment Allowance Factor = 0.600 * Remoteness Index + 0.382 * Fly-in
    - Shipping Cost Factor = 1.011 * Remoteness Index + 1.360 * Fly-in
    - Weighted Average = 0.723 * Remoteness Index + 0.674 * Fly-in
- na – calculation not applicable because source data does not cover locations with Remoteness Index below 0.3.

All Cost Adjustment Factors are plotted for the full list of First Nations in Figure A.6. Note that the current Isolated Posts dataset does not cover all possible remoteness indices from 0 to 1. The formula can therefore not be extrapolated to all locations even if it is theoretically possible. For fly-in locations the results are not valid for Remoteness Index below 0.30 and for other locations the Remoteness Index must be more than 0.31. This is indicated by “na” notations in Table A.6 and the truncated lines in Figure A.6 that excludes 149 Not-fly-in locations. No Fly-in locations are excluded from the analysis because these have higher Remoteness Indices. If the results were to be extrapolated to the least remote areas, their Cost Adjustment Factors would be between 22% and 0% for urban areas.

Figure A.6: Estimated Cost Adjustment Factors for 635 First Nations, Fly-in and Not-fly-in Locations





Note:
To use factor: Multiply base funding level by Cost Adjustment Factor to calculate additional $-amount due to remoteness.

A calculation example of how to use the Cost Adjustment Factor:

- A First Nations location has base level funding of $2 million. Its Remoteness Index is 0.8 and it is a Fly-in location.
    - Employment Allowance Factor = 0.600 * 0.80 + 0.382 * 1.00 = 86%
    - Shipping Cost Factor = 1.011 * 0.80 + 1.360 * 1.00 = 217%
- Cost Adjustment Factor = 0.723 * 0.80 + 0.674 * 1 = 125%
- Additional budget amount for remoteness = $2 million * 125% = $2.5 million

Another calculation example of how to use the cost adjustment factor:

- A First Nations location has base level funding of $2 million. Its Remoteness Index is 0.6 and it is a Not-fly-in location.
    - Employment Allowance Factor = 0.600 * 0.60 + 0.382 * 0.00 = 36 %
    - Shipping Cost Factor = 1.011 * 0.60 + 1.360 * 0.00 = 61 %
- Cost Adjustment Factor = 0.723 * 0.60 + 0.674 * 0 = 43%
- Additional amount for remoteness = $2 million * 43% = $867,000

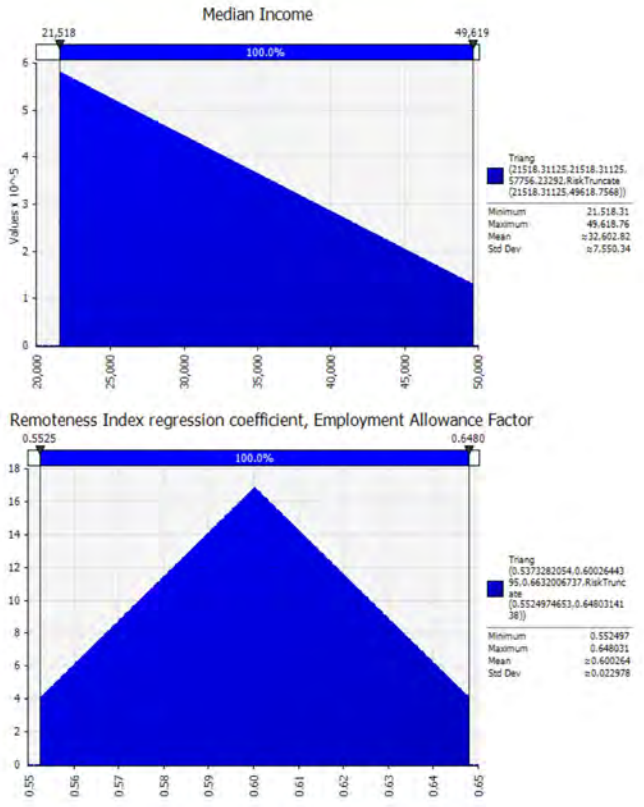
Comparing this new Cost Adjustment Factor to the scaling factors from the Band Classification Manual cannot be completed because currently the scaling is not done consistently to the entire base funding amount. Each program decides how big a share of the base funding amount is cost-sensitive and therefore requires adjustment for remoteness. Therefore, the current scaling for remoteness varies from program to program and is not well documented for a high-level comparison of factors. Instead, it will be necessary to compare data from specific programs on how much base funding amounts have been adjusted for remoteness in the past.

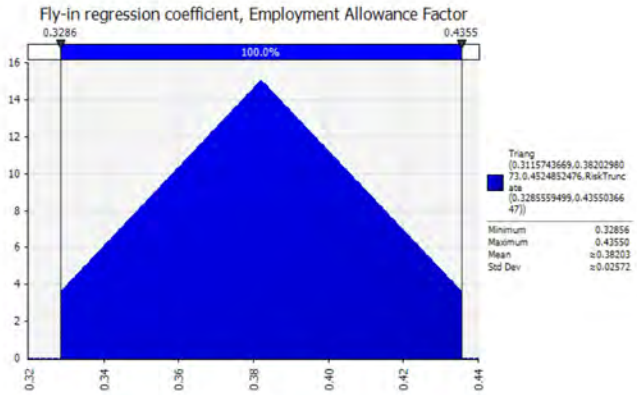
A5. Risk analysis using simulation

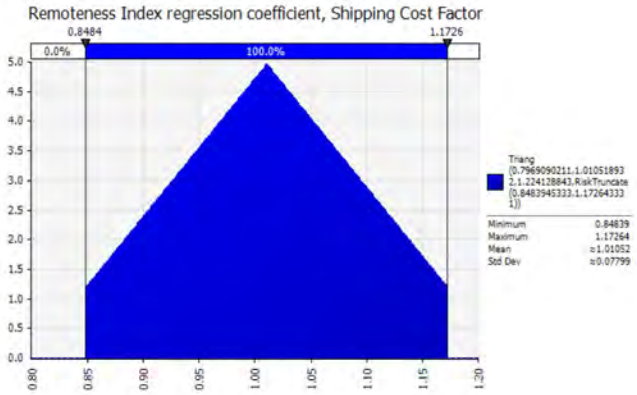
Because the nature of different funding programs and the future shift toward grant and block funding, there will always be uncertainty about the actual split between labour and material costs and therefore which weights that should be used between them. The median income estimate used as a denominator in the Employment Allowance Factor is uncertain. And finally, the estimated regression coefficients that are used to calculate the Cost Adjustment Factors in this analysis are also uncertain as long as the regression model fit is not 100%.

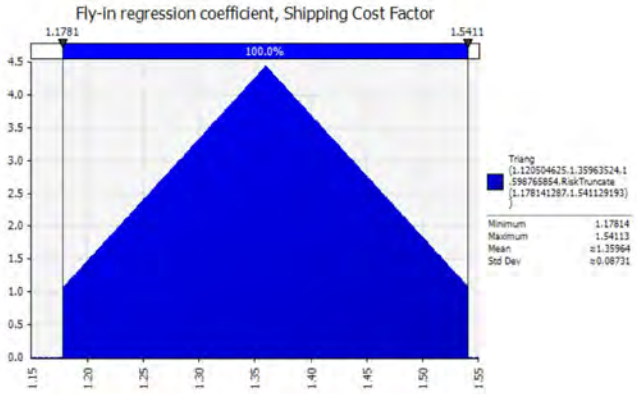
To measure the impact on the result from model uncertainties, one could run the model multiple time with different assumptions for these uncertain factors. To standardize and automate this type of risk analysis, a commonly used method is to run a Monte Carlo simulation. By defining the possible ranges that the uncertain assumptions can take, rather than just their current most-likely values, the simulation method collects the model results for a selected number of model iterations (for example 50,000 times). Without simulation, the model result is one Cost Adjustment Factor per location. With simulation, the model result is a probability distribution for the Cost Adjustment Factor in each location. This distribution provides us with a range and probability of all possible values for the Cost Adjustment Factor given the model assumptions. Based on an assessment of the overall uncertainty and to allow for the measurable risk, the user can select to apply a Cost Adjustment Factor different from than the most likely estimate.

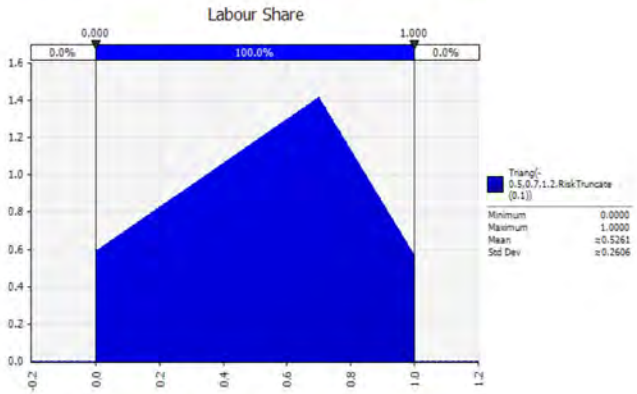
Figure A.7. Assumed Probability Density Functions.




Fly-in regression coefficient, Employment Allowance Factor
0.3286
0.4355
100.0%
Triang (0.31157436690.3820298073.0.4524852476.RiskTruncate (0.32855594990.4355036647))
Minimum 0.32856
Maximum 0.43550
Mean ≈0.38203
Std Dev ≈0.02572


Remoteness Index regression coefficient, Shipping Cost Factor
0.8484
1.1726
0.0%
100.0%
Triang (0.7969090211.1.010518932.1.224128843.RiskTruncate (0.8483945333.1.172643331))
Minimum 0.84839
Maximum 1.17264
Mean ≈1.01052
Std Dev ≈0.07799


Fly-in regression coefficient, Shipping Cost Factor
1.1781
1.5411
100.0%
Triang (1.120504625.1.359635241.1598768854.RiskTruncate (1.1781412871.541129193))
Minimum 1.17814
Maximum 1.54113
Mean ≈1.35964
Std Dev ≈0.08731


Labour Share
0.000
1.000
0.0%
100.0%
0.0%
Triang(0.5,0.7,1.2.RiskTruncate (0,1))
Minimum 0.0000
Maximum 1.0000
Mean ≈0.5261
Std Dev ≈0.2606

Note:
- Median Income Truncated High value is from Band Support Funding Cost Model, 47,690 $/person/year in 2016 amount. Maximum value for Median Income approximates 95th percentile of triangular distribution function.
- Using the regression results in Table 5: Minimum and maximum values for regression coefficients are set equal to their 99% confidence interval. The triangular distributions are truncated at 95% confidence intervals. Confidence intervals = regression coefficient -/+ 1.97 * standard error, where 1.97 is two-tailed inverse of the Student's t-distribution (5%, 276 degrees of freedom). Assumed probability density functions as show in charts:

Description	Function	Min	Truncated Low	Most Likely	Truncated High	Max
Median Income, $/person/year, inflation-adjusted to 2018	Triangle	21,518	21,518	21,518	49,619	57,756
Remoteness Index regression coef., Employment Allowance Factor	Triangle	0.537	0.552	0.600	0.648	0.663
Fly-in regression coef., Employment Allowance Factor	Triangle	0.312	0.329	0.382	0.436	0.452
Remoteness Index regression coef., Shipping Cost Factor	Triangle	0.797	0.848	1.011	1.173	1.224
Fly-in regression coef., Shipping Cost Factor	Triangle	1.121	1.178	1.360	1.541	1.599
Labour Share	Triangle	-0.500	0.000	0.702	1.000	1.200

To measure risk, values are assigned to uncertain assumptions in preparation for a Monte Carlo simulation analysis. As noted before, the most likely estimate for the Employment Allowance Factor denominator is the “Median income for First Nations single identity, Registered Indians, living on reserve” ($21,518/person/year). Figure A.7 shows the assumption that this estimate may be low and a triangular distribution is used and truncated at $49,519/person/year inflation-adjusted to 2018-amount from data for average on-reserve income from the the Band Support Funding (BSF) Cost model (FMC Professionals, 2018). As illustrated in Figure A.7, the four regression coefficients are given triangular distributions with their current estimates as the most likely value and their ranges are informed by the regression results in Table A.5. Minimum/maximum values are calculated from the 99% confidence interval for each regression coefficient and the distributions are truncated at the 95% confidence intervals. The truncation is done to ensure a more complete sampling of the full 95% confidence interval. The labour share is included as a triangular probability distribution truncated at 0 and 1, with most likely value being 0.7. The truncation is done to ensure that sampling is done across the entire range of labour/material-mix.

Figure A.8 shows the Cost Adjustment Factors for different locations with the simulation results illustrated by their 50th and 80th percentiles. A closer inspection of the detailed data behind the figure shows for example that, a Fly-in location with Remoteness Index of 0.7 has a Cost Adjustment Factor of 118% which increases to 124% for the 50th percentile. If the location has a base level funding of $1 million, the expected adjustment for remoteness would be $1.18 million or $1.24 million to include the 50th percentile. In comparison a Not-fly-in location with Remoteness Index 0.60 has an expected Cost Adjustment Factor of 43% (close to the 50th percentile), which increases to 53% to incorporate the 80th percentile. If this location has a base level funding of $1 million, the expected adjustment for remoteness would be $430,000 or $530,000 to include the 80th percentile. The increases required to reach the higher percentiles are larger in Fly-in locations because of the larger difference between the two underlying cost factors (the two proxies for employment allowance and shipping).

Figure A.8: Weighted Average Cost Adjustment Factor, expected vs 50th and 80th percentile, 635 First Nations.

Note:
- Results from Monte Carlo Simulation with Latin Hypercube sampling and 50,000 iterations and initial seed of 67247 (random number to ensure same result each time simulation is run).
- See Figure A.7 for detailed distribution assumptions.

A6. Closing comments

The model documented in this report combines easily accessible data from existing sources. The estimated function for the Cost Adjustment Factor is statistically significant, validated to not be over-fitted, and provides expected values that appear plausible compared to the very limited number of available comparable sources. Further comparisons should be done to validate the results when more comparable studies are identified.

Based on the model methodology presented in the current Annex, some cautionary notes are provided about the use of the Cost Adjustment Factors:

- To be able to estimate a Cost Adjustment Factor for any given location, it is necessary to know the location's CSD number so as to identify its Remoteness Index and transport infrastructure classification.
    - Further assumptions need to be made to apply Cost Adjustment Factors to First Nations Band locations that span multiple CSDs – with different Remoteness Index and that are both Fly-in and road accessible.
- The Cost Adjustment Factors should possibly not be applied to total funding amount:
    - Comparing actual to predicted values in charts show that, as expected, not all cost differences in the Isolated Post or shipping cost data are explained by remoteness. Actual costs of remoteness will be higher in some locations and lower in other locations. Statistically this uncertainty is expressed by the goodness-of-fit being less than 100% (54 and 59% for the two cost factors, respectively). Likewise, the correlation coefficients (77% and 74%) are strong but not 100%.
    - The cost factors are not comprehensive measures of different costs of labour and materials incurred outside location (example: infrastructure projects and education programs)
    - Using a weighted average between the two cost factors requires information about the split between these in the base funding amount. Better approximation of this split may become available other than the GDP split between goods and services. Note that this uncertainty is incorporated directly in the simulation analysis.
- Results may be underestimating the required cost adjustment if background data already include adjustments for remoteness:
    - Using the median income by province and territory as a denominator, the Cost Adjustment Factor is underestimated because incomes may already reflect some remoteness. As such, the chosen denominator is the national median income although that is also a measure that includes remoteness to some extent and cannot be quantified.
    - Multiplying the Cost Adjustment Factor by the base funding amount assumes that the latter has not been adjusted for remoteness already.

    - The factors exclude inflation and do not need annual adjustment for inflation. The Cost Adjustment Factor should be applied before any inflation adjustment.

- The shipping Cost Factor is based on simplified assumptions and data:
    - Other factors than remoteness determine how shipping costs vary between locations. Statistically, the goodness-of-fit is 54% and correlation coefficient is 74%, which is strong but not 100%.
    - Using Canada Post cost differential data for standard shipping of 10 kg box (10 inch cube) assumes that the same cost differential ratio will apply for smaller and larger shipments. It provides an upper limit estimate of costs as commercial shipping most likely can obtain better rates. Cost estimates from private sector shipping companies could be explored to identify different results.
    - The calculation does not attempt to incorporate an additional value of the time the shipment takes to reach remote locations. This is assumed to be reflected in the cost.
    - Collecting more relevant data from a cross section of First Nations will be costly to ensure standardized and comparable measurements. If more data were to be collected, it would have to replace both the Isolated Posts and shipping costs data.
- While it is theoretically possible, extrapolation to the least remote locations should be avoided:
    - The Cost Adjustment Factors should not be applied to locations whose Remoteness Index lies below the current base data for Isolated Posts. Negotiations with the NJC for IPGHD has so far not classified any of those locations as Isolated Posts in need of employment allowances for remoteness. Due to the wide coverage in the 278 Isolated Posts data points, this only excludes the least remote locations (Remoteness Index < 0.30 for Fly-in locations and <0.31 for Not-fly-in locations). When applying the new Cost Adjustment Factors to all First Nations, 147 less remote Not-fly-in locations would be excluded and in effect given a zero adjustment factor.

A7. References and Data Sources

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Statistics Canada. Table 36-10-0434-01 Gross domestic product (GDP) at basic prices, by industry, monthly (x 1,000,000)

Statistics Canada. Table 36-10-0104-01 Gross domestic product, expenditure-based, Canada, quarterly (x 1,000,000)

This is **Exhibit "N"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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SHIREEN SULTAN ADATIA
Licensed Paralegal
LSO No. 14203P

Calculating the Remoteness Cost Adjustment Factor: A Primer

Background

Remoteness, which can be broadly understood as physical isolation, significantly affects the cost of living and delivery of services in remote Indigenous communities that are not located near services, economic activities or population centres.[1] The remoteness cost adjustment factor is a standardized tool used at Indigenous Services Canada (ISC) to offset the financial impact of remoteness on First Nations communities. This document describes how it was developed and presents the updated formula for 2021-2025.[2]

Calculating the Remoteness Cost Adjustment Factor

Statistics Canada, in partnership with ISC, developed the Canadian Index of Remoteness in 2017 for all populated communities using the 2011 Census, and it has been updated with the 2016 and 2021 Censuses. It is a continuous index ranging from 0 to 1, with 0 representing the least remoteness and closer proximity to population centres. ISC undertook work to develop a method in which the Index of Remoteness could be used to inform funding decisions since the Index of Remoteness cannot be used directly to adjust funding for remoteness.[3]

Three primary types of data are used in the calculation of the Cost Adjustment Factor:

(i) the Index of Remoteness and transportation infrastructure for assessing the remoteness and connectivity of Indigenous communities from Statistics Canada,[4]
(ii) the shipping costs from Canada Post, and
(iii) employment allowances from the National Joint Council on Isolated Posts and Government Housing Directive (IPGHD).[5]

From the data, two cost factors were derived, a **Shipping Cost Factor** (SCF) and an **Employment Allowances Factor** (EAF). SCF is a proxy for the material and shipping costs of goods and transportation, while EAF is a proxy for labor cost differentials between urban and remote areas.

This document is available in French and can be found under the title “Guide pour le calcul du Facteur d’ajustement des coûts de l’éloignement”.

---

[1] Population centres are defined by Statistics Canada as an area with a population of at least 1,000 and a density of 400 or more people per square kilometre.
[2] ISC initially developed the remoteness cost adjustment factor in 2018; see https://www.gcpedia.gc.ca/gcwiki/images/2/2f/2022_Report_-_Development_of_a_Remoteness_Cost_Adjustment_Factor.pdf
[3] The Index of Remoteness only measures the relative proximity of communities from population centres and a separate tool is needed to determine how much funds a community should receive based on its remoteness.
[4] https://www150.statcan.gc.ca/n1/pub/17-26-0001/172600012020001-eng.htm
[5] https://www.njc-cnm.gc.ca/en

To develop the remoteness **Cost Adjustment Factor**, we first conducted statistical analysis to examine the relationship between SCF and and the Index of Remoteness and whether or not the Isolated Post is connected to the road/ferry network using data on 237 Isolated Posts. A similar analysis was repeated for EAF.[6] Second, the results of the two statistical analyses were combined to obtain a weighted average remoteness **Cost Adjustment Factor** by using the split in services (71%) and goods (29%) of Statistics Canada's national Gross Domestic Product in 2021.[7] This resulted in the **Cost Adjustment Factor** formula below:

> **Cost Adjustment Factor = (*0.709 * Index of Remoteness) + (0.704 * 1 if the community is not connected by road, and 0 if the community is connected by road)***

To derive the additional amount the community would receive for remoteness, the Cost Adjustment Factor is multiplied by the base funding of the community.

In addition to this, ISC has recommended that areas with an IR score of 0.4 and higher be considered as remote, while those with a score below 0.4 be considered non-remote based on a study completed by Statistics Canada.[8] Communities that are non-remote would not receive cost adjustment for remoteness, while those that are remote receive a cost adjustment based on their IR value and main road network connection status.

Illustrative Examples

Not Road-Connected Community

As an example, using equation (1), the cost adjustment factor for a community that is not connected by road and with an Index of Remoteness of 0.80 would be:

> *Cost Adjustment Factor = (0.709 * 0.80) + (0.704 * 1(community is not connected by road to Canada main road network)) = 1.271 or 127.1%*

If the base funding for the community were $2 million, the additional amount due to remoteness would be $2,542,000 (1.271*2,000,000). The community would then receive a total of $4,542,000.

Road-Connected Community

For a community that is connected by road and with the same Index of Remoteness of 0.80, the cost adjustment factor would be:

---

[6] Sensitivity analyses based on various sample specifications (whether the Isolated Post was located in an Indigenous community or not, province/territory of the Isolated Post, and analyses specific to First Nations, Inuit, and non-Indigenous Isolated Posts) and analytic criteria (50-50 and 65-35 split in goods and services) were conducted. The results showed that the Cost Adjustment Factor was statistically robust to the assumptions that were tested. The full details are available at: Cost Adjustment Factor 2022 Brief Report.

[7] The EAF corresponds to the services portion of the GDP, while the SCF corresponds to the goods portion.

[8] Hosseininasabnajar, F., Munro, A. & Jafri, H. (2023). Toward a Classification of Communities by Remoteness: A Proposal. Statistics Canada, Reports on Special Business Projects, Catalogue no. 18-001-X.

*Cost Adjustment Factor = (0.709 * 0.80) + (0.704 * 0(community is connected by road to Canada main road network)) = 0.567 or 56.7%*

If the base funding for the community were also $2 million, the additional amount due to remoteness would be $1,134,000 (0.567 *2,000,000). The community would then receive a total of $3,134,400.

This is **Exhibit "O"** to the Affidavit of **Duncan Farthing-Nichol**, affirmed remotely before me on December 22, 2025

Adatia, Shireen

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A Commissioner for taking Affidavits

SHIREEN SULTAN ADATIA
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LSO No. 14203P

Catalogue no. 18-001-X
ISBN 978-0-660-47705-3

Reports on Special Business Projects

Toward a Classification of Communities by Remoteness: A Proposal

by Fatemeh Hosseininasabnajar, Anne Munro, and Haaris Jafri

Release date: June 30, 2023

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Table of contents

Acknowledgments **5**

Summary **6**

1 Introduction **7**

2 Concepts and Data Sources **8**

2.1 Remoteness concepts 8

2.2 Geographical concepts 9

2.3 Data sources 10

3 Methodology **11**

3.1 Overview 11

3.2 Application 12

4 Results **16**

4.1 Geographic Distribution of CSDs by Non-remote and Remote Class 16

4.2 Non-remote and Remote CSDs by Indigenous and Non-Indigenous Communities 16

4.3 Non-remote and Remote CSDs by Mode of Transportation 18

4.4 CSD Characteristics by Remoteness Class for Populated CSDs Connected to the Main Road/Ferry Network 18

5 Conclusion **20**

6 References **21**

7 Appendix **22**

Table of tables

Table 1 Number of CSDs by k=2 and k=3 cluster 12

Table 2 Descriptive statistics of $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ for populated CSDs within intermediate-remote class by IR range 13

Table 3 Descriptive statistics of $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ for populated and connected CSDs; IR in [0.3793, 0.5010] 13

Table 4 Descriptive statistics for IR for groups of CSD that have factor values for $Agg_{PopSurrCSD}$ and $AggPop_{SurrPOPCTR}$ greater than the respective means of each factor; populated and connected CSDs; IR in [0.3793, 0.4500) 15

Table 5 IR descriptive statistics by mode of transportation; populated CSDs 18

Table 6 Descriptive statistics of CSDs by remoteness class (IR cut-off: 0.40); populated and connected CSDs 18

Table 7 IR descriptive statistics by remoteness class (IR cut-off: 0.40); populated and non-connected CSDs 19

Table A-1 Number of CSDs by mode of transportation, by two- and three-class natural clusters on the IR continuum 22

Table of figures

Figure 1 Frequency distribution of the IR of CSDs in Canada 9

Figure 2 Scatter plot of IR vs. the aggregate population of surrounding CSDs (i.e., $AggPop_{SurrCSD}$); IR in [0.3793, 0.5010] 14

Figure 3 Geographic distribution of non-remote and remote CSDs, IR cut-off point 0.40 16

Figure 4 Distribution of Indigenous and non-Indigenous populated CSDs by remoteness class 17

Figure 5 Population Distribution of Indigenous and non-Indigenous CSDs by remoteness class 17

Figure A-1 Summary at each step of narrowing the search interval to identify the IR cut-off 23

Figure A-2 Optimal number of clusters k-means clustering- Elbow method 24

Figure A-3 Optimal number of clusters k-means clustering- Average Silhouette method 25

Figure A-4 Proportion of CSDs with aggregate population of surrounding CSDs (i.e., $AggPop_{SurrCSD}$) greater than 139,000, by IR score ranges; IR in [0.3793, 0.5010] 26

Figure A-5 Geographic distribution of remote, intermediate-remote, and non-remote CSDs obtained using k-means method (k=3) 27

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Toward a Classification of Communities by Remoteness: A Proposal

by **Fatemeh Hosseininasabnajar, Anne Munro,** and **Haaris Jafri**

Summary

This study proposes a categorical classification of geographic communities (i.e., census subdivisions) into remoteness classes using a continuous index of remoteness. The methodology and the results of its application are discussed herein.

Alasia et al. (2017) used the travel cost from a community to population centres (POPCTRs) and the size of those POPCTRs to develop a continuous Index of Remoteness (IR) at the census subdivision (CSD) level in Canada. This index provides a measure of geographical proximity to what are typical points of service availability, taken in that work to be POPCTRs. The index has values ranging from 0 for the least remote community to 1 for the most remote community. This IR provides policymakers and researchers with a practical measure on a continuous scale for gauging the relative remoteness of communities.

However, in some applications, it is desirable to have discrete levels of remoteness defined by thresholds on the continuous IR. These levels would group communities into distinct categories of remoteness. This categorical classification would identify communities that are relatively less remote (i.e., starting with a “non-remote” class), and other classes with relatively more remote communities (i.e., ending with a “remote” class). When a two-level or binary classification is called for, a single threshold or cut-off is needed on the continuous IR. This would divide communities into a “remote” class and a “non-remote” class.

In this study, the IR was subdivided into classes based on natural clusters found on the IR continuum. To narrow the search interval to identify a single IR cut-off point on the [0, 1] range, the index values were initially grouped into three classes, with cut-off values of 0.2721 and 0.5010. In a following step, the class in the middle parts of the range, i.e., [0.2721, 0.5010], was split further, resulting in two classes over this narrowed range. Finally, the binary cut-off was identified at the IR value of 0.40.

In order to carry out the above steps to narrow the search range for a binary cut-off, in addition to looking at the natural breaks in the IR, factors were selected and used that relate to a more generalized concept of remoteness than what the IR represents. Such a remoteness concept encompasses the availability of services in the environs of a community, as proxied by the surrounding population. Therefore, the aggregate population of surrounding POPCTRs and the aggregate population of surrounding CSDs (i.e., communities) were selected to bring in this extended element of remoteness. These factors were evaluated in concert with the IR to achieve progressive narrowing of the search range. As a result of this procedure, the [0.4000, 0.4500] interval was identified as being of most interest. Applying a criterion whereby priority was given to putting borderline CSDs (i.e., IRs within [0.4000, 0.4500]) in the remote class, the lower end of this range, 0.40, was selected as the binary IR cut-off.

Using the 0.40 IR cut-off, about one-third (31.7%) of populated CSDs overall were flagged as remote. Among Indigenous CSDs (see section 2.2 for definition used), almost three-fifths (60.2%) of these communities were remote, while this proportion dropped to about one-fourth (25.3%) for non-Indigenous communities. In terms of population, about one in twenty-five (4.1%) Canadians lived in a remote area (based on the 2016 Census of Population), while almost three-fifths (60.3%) of the population of Indigenous CSDs also lived in remote communities.

This study outlines a methodology that is generic and is not tied to addressing any specific problem or application. It is acknowledged that specific applications might have their own unique needs for groupings by remoteness and might also follow some other valid approach than the one used here to achieve them. Users might also adapt the methodology used in this study to address their needs.

1 Introduction

Two of the main factors in defining the remoteness of a community are population density and proximity to relatively more densely populated and larger centres. By combining these factors, a continuous remoteness index can be computed with values that would range from a minimum value that would be assigned for the least remote communities, to a maximum value, for the most remote communities. An example would be values on a continuum from 0 to 1.

In some applications, it is desired or required to have two or more discrete levels of remoteness as opposed to a continuous index. Starting from the continuous Index of Remoteness (IR) for Canadian communities created by Alasia et al. (2017), the objective of this study is to develop a binary IR cut-off point to group CSDs into non-remote and remote classes (alternatively, less-remote, and more-remote, etc.).

The proposed binary IR cut-off point is identified by progressive narrowing of the range of IR values over which to search for such a point. The methodology finds natural breaks on the IR scores and exploring the cut-offs by examining the IR and the aggregate population within a certain degree of proximity to a given community.

The result of this analysis is a proposed classification that can be further tested in actual applications. A qualified proposal is put forward for the choice of a single cut-off point from a progressively narrowed search range on the full IR continuum. A rationale is provided for each successive narrowing of the search range and for the choice of a single value as the proposed binary IR cut-off. While the methodology used here is generic and is not tied to addressing any specific problem or application, it is acknowledged that different applications might require their own specialized groupings by remoteness and that the cut-off or threshold for other binary groupings could vary from what is proposed in this work.

The paper is organized as follows: section 2 presents an overview of the remoteness and geographic concepts and the data sources. Section 3 outlines the methodology used for finding the binary IR cut-off point. Section 4 presents the results of applying the identified binary cut-off. The conclusion in section 5 provides an overview of key findings and the position of the approach used here relative to other possible approaches and proposals for a binary IR cut-off.

2 Concepts and Data Sources

This section provides brief information on remoteness and the geographic concepts and data sources used in this study.

2.1 Remoteness concepts

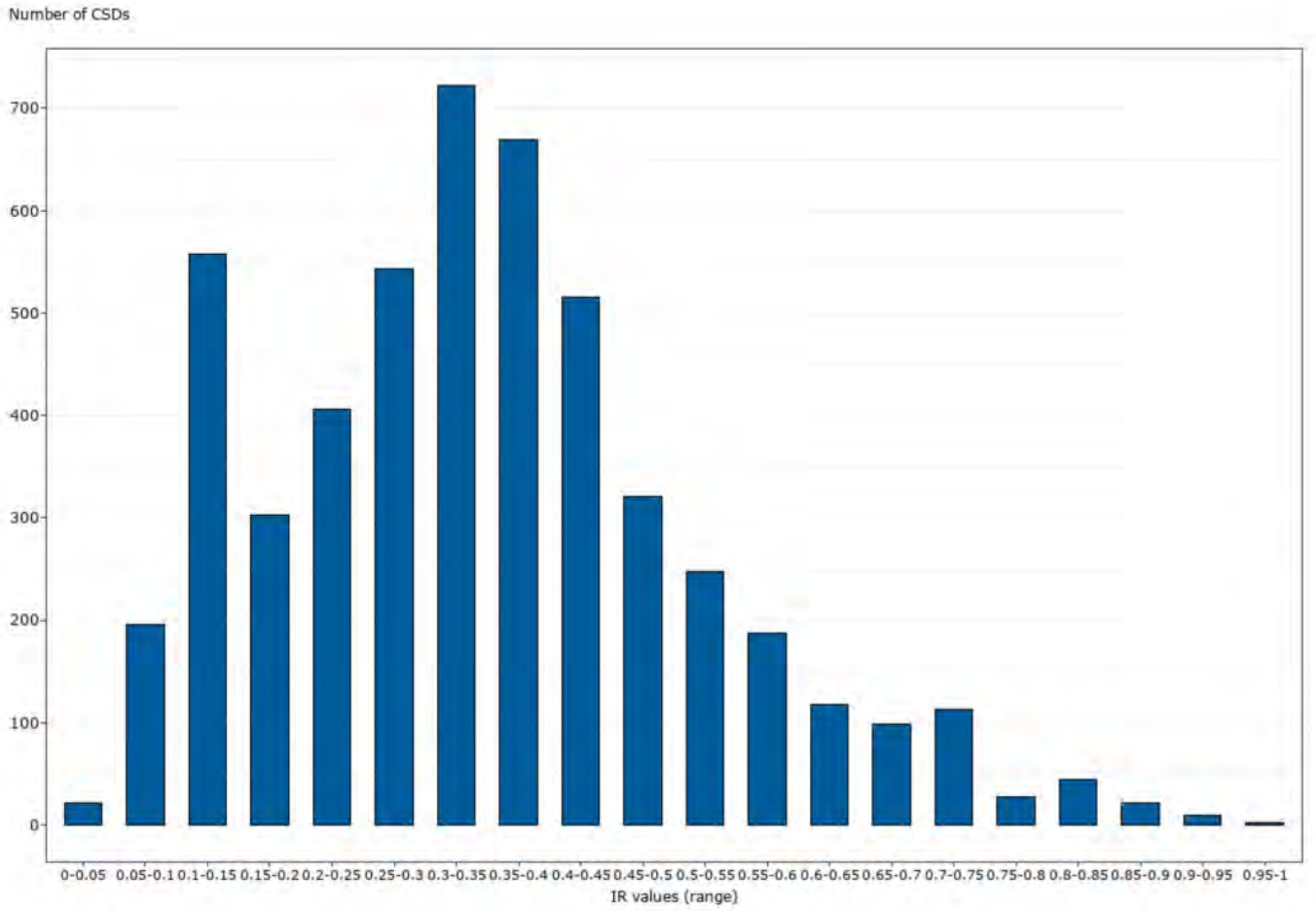
Remoteness generally refers to the isolation of a community in physical terms. Population density and proximity to relatively more densely populated and larger centres are the two main attributes mostly used to capture the notion of the remoteness of a community. These two attributes are considered to compute the continuous Index of Remoteness (IR) of Canadian communities which is used in this study. A detailed methodological description of IR is presented in Alasia et al. (2017). The index is based on a gravity model and is computed for each census subdivision (CSD)[1] of Canada, reporting some population or a road connection. The model accounts for distance between a CSD and any population centres within a 2.5-hour travel time, as well as the population size of these population centres.[2] The continuous index that results from these computations ranges from 0 to 1, with values near 0 representing the least remoteness and closest proximity to population centers.[3] This continuous index provides policymakers, researchers, and other stakeholders with an important tool for identifying communities within a specific range of remoteness.

Figure 1 displays the frequency distribution of the 2016 IR. The distribution is skewed to the right, implying that the number of communities with high remoteness are relatively few compared with those that have low or intermediate remoteness. The largest number of CSDs fall in the two bins with ranges from 0.3 to 0.35 and from 0.35 to 0.40.

Examining Figure 1 could arguably lead to three groupings being visualized: a first grouping including CSDs at the lower end of the range with IR values less than 0.15; a second grouping containing CSDs with IR values falling in the [0.1500, 0.4500)[4] interval; and a third grouping with IR scores equal to or greater than 0.45. Over two-thirds (61.6%; 3,158 out of 5,125) CSDs have IR scores between [0.1500, 0.4500). Subsequent sections of this paper will describe the methodology and the results obtained, but this initial observation leads to a preliminary expectation that the binary IR cut-off point falls in this middle interval.

1. The detailed information on CSDs is available at Dictionary, Census of Population, 2016 - Census subdivision (CSD) (statcan.gc.ca).
2. The detailed information on POPCTR is available at Dictionary, Census of Population, 2016 - Population centre (POPCTR) (statcan.gc.ca).
3. An update to the IR based on the 2016 Census of Population and the 2016 SGC was released in 2020. This study is based on this update. See Index of Remoteness (statcan.gc.ca).
4. In the notation used in this study for indicating intervals, a square bracket (i.e., "[" or "]") implies that the end value nearest the symbol occurrence is included in the interval, while an open or close parenthesis symbol (i.e., "(" or ")") implies that the end value nearest the symbol occurrence is excluded.

Figure 1
Frequency distribution of the IR of CSDs in Canada



Source: Authors' computation based on Index of Remoteness (IR) values calculated using the 2016 Census of Population.

One of the ways of setting about defining discrete levels of remoteness is to identify natural clusters within the continuous IR. However, identifying the natural clusters does not suffice to flag non-remote and remote CSDs. The IR was calculated based on the proximity of a community to POPCTRs and the population of these POPCTRs. However, in the generalized sense, there are also other factors on which more comprehensive conceptualizations of remoteness may be based. For example, the IR does not adequately capture the condition of a community that is far from a POPCTR but is located in an area where it is surrounded by small communities that together contain a number of services. Therefore, other related factors that bring in a larger or more generalized conception of remoteness could be considered to advantage for the task at hand. In this analysis, to identify communities that could be classified as remote, factors such as the population in the surrounding areas of a community were also explored to identify a cut-off that can be used to classify CSDs.

2.2 Geographical concepts

This study is using Statistics Canada's 2016 Standard Geographical Classification (SGC).[5] The 2016 SGC has 5,162 census subdivisions (CSDs, i.e., communities) and 1,005 population centres (POPCTRs). A CSD is an administrative region defined along municipal and reserve boundaries by the province or territory to which each

5. For details information on the 2016 SGC, see Standard Geographical Classification (SGC) 2016 - Volume I, The Classification (statcan.gc.ca).

municipality or reserve belongs.[6] In this study, CSDs are also referred as communities, since they are almost analogous to municipalities which can be thought of as making up a type of community. The term community may be more easily understood by some stakeholders than CSD. Whereas POPCTRs are defined as areas with a population of at least 1,000 and a population density of 400 persons or more per square kilometer.[7]

In this study, CSD are classified as Indigenous or non-Indigenous. Here, Indigenous CSDs are defined in terms of the 2016 SGC as any of the six CSD types legally affiliated with First Nations or Indian bands: Indian reserve (IRI), Indian settlement (S-É), Indian government district (IGD), Terres réservées aux Cris (TC), Terres réservées aux Naskapis (TK), Nisga'a land (NL).[8] In addition, ISC provided a list including Inuit CSDs and a list of CSDs in Northwest Territories and Yukon which were affiliated with First Nations bands.[9] CSDs included in these two lists were also classified as Indigenous in the current study.

Based on consultations with subject matter experts at ISC, there were only eight self-governing Métis settlements in Alberta with land-base agreements. These settlements were defined as Designated Places (DPLs) and created by provinces and territories, in cooperation with Statistics Canada.[10] These DPLs were smaller than a CSD, and therefore the CSDs in which they located could not be classified as Indigenous CSDs.

All other CSDs are classified as non-Indigenous. Note that the classification of a CSD as non-Indigenous does not imply that the entire population of that CSD was non-Indigenous. The population of a CSD classified here as non-Indigenous could comprise of both non-Indigenous and Indigenous people.

Overall, 1,070 Indigenous CSDs (as defined above) with IR values were included in the analysis.

2.3 Data sources

This study relied mainly on the 2016 version of the continuous IR for Canadian communities whose original version was published in 2017 (Alasia et al., 2017). Whereas the original version of the IR is based on the 2011 Census of Population and the 2011 SGC, the 2016 version[11] is based on the 2016 Census of Population and the 2016 SGC.[12]

The 2016 IR contains values for 5,125 CSDs, including for the 4,882 populated CSDs, as well as for 243 non-populated CSDs that were connected to the main road/ferry network.

In the current study, the population of CSDs and POPCTRs was obtained in nearly all cases from the 2016 Census of Population.[13]

The travel time matrices[14] used in this study were a copy of those used for the 2016 IR version. The travel-time matrices contain the travel time from each CSD to POPCTRs within 300 kilometres straight-line distance and from each CSD to other CSDs within this distance.

6. The detailed information is available at Dictionary, Census of Population, 2016 - Census subdivision (CSD) (statcan.gc.ca).
7. The detailed information is available at Dictionary, Census of Population, 2016 - Population centre (POPCTR) (statcan.gc.ca).
8. For detailed information on CSD types and CSD types associated with 'on reserve' population, see Dictionary, Census of Population, 2016 - Census subdivision (CSD) (statcan.gc.ca).
9. ISC provided a list of CSDs with these eight CSD types in Northwest Territories and Yukon which were affiliated with First Nations bands: Chartered Community (CC) in Northwest Territories, Community Government (CG) in the Northwest Territories, Hamlet (HAM) in the Northwest Territories, Settlement (SÉ) in the Yukon, Settlement (SET) in the Northwest Territories, Self-Governing (SG) in the Yukon, Teslin Land (TL) in the Yukon, Village (VL) in the Yukon and Northwest Territories.
10. For detailed information on Designated places (DPLs), see Dictionary, Census of Population, 2016 - Designated place (DPL) (statcan.gc.ca).
11. The 2016 IR scores are available at Index of Remoteness (statcan.gc.ca).
12. For details on the 2016 SGC, see Standard Geographical Classification (SGC) 2016 - Volume I, The Classification (statcan.gc.ca).
13. Information on data products of the 2016 Census of Population is available at 2016 Census of Population – Data products (statcan.gc.ca).
14. The travel time matrices were created in 2017 and consistent with the 2016 Census of Population and 2016 boundary files.

3 Methodology

In order to classify CSDs into two groups based on their IR scores, several steps were taken. An overview of these steps is presented in the following sub-section, while the details of their application are discussed in the sub-section 3.2.

3.1 Overview

The initial step narrowed the range of the IR values over which a discrete cut-off for classifying communities into non-remote and remote classes could be found. This was done by finding natural breaks that occur in the distribution of the IR scores of all the CSDs using the k-means clustering method.[15] This allowed for the identification of discrete groups within the continuous IR.

The k-means method generated clusters (or classes) in the IR score distribution by minimizing the "within class" variation and maximizing the "between classes" variation. Given the distribution observed in Figure 1, CSDs were grouped into three clusters based on their IR scores using a k-means algorithm with k = 3.[16] The results of three clusters were combined with the two clusters (i.e., k = 2) to narrow the search interval for the desired binary IR cut-off.

In a second step, in addition to looking at natural breaks in IR scores, other factors were explored in order to distinguish groups of communities with relatively similar IR scores. It can be expected that residents of a community that have access to a set of other communities within a reasonable proximity, i.e., in their "surroundings", that together have a relatively large aggregate population will have more services available to them. By contrast, residents of a community with a smaller aggregate population in their surrounding areas can be expected to have access to fewer services. This presumption is both intuitive and corroborated by evidence in the literature supporting the assumption that population size can be used as a proxy for service availability (see Alasia et al., 2017 and Department of Health and Aged Care in Australia, 2001).

Therefore, the aggregate population in CSDs and the aggregate population in POPCTRS around a community within a 2.5-hour travel time were selected for use in this study along with the natural breaks in IR scores. The 2.5-hour duration was used in order to limit the travel time to a plausible range of commuting over a single day. These factors describe the situation in the surrounding areas of a given community with a specific IR score and provide a lens for making relevant differentiations between it and other communities with relatively similar IR scores. For example, a community that is far from a POPCTR but is surrounded by several small communities, with a particular aggregate population, would likely be considered less isolated. Therefore, in a more generalized sense, it would be less remote compared to one with fewer near neighbors or a smaller aggregate population, even though both might have fairly close IR values.

The first factor, the "aggregate population in surrounding CSDs" or $AggPop_{SurrCSD}$, was calculated by finding the sum of the populations of all CSDs within a travel time of 2.5 hours and within a 300 km straight-line distance from a reference CSD. The population of the reference CSD itself was not included in the calculation of this indicator. The second factor, the "aggregate population in surrounding POPCTRs" or $AggPop_{SurrPOPCTR}$, was calculated by finding the sum of the populations of all POPCTRs within 2.5 hours travel time and within 300 km geodesic distance from a reference CSD, including the population of the POPCTR located in the reference CSD itself.[17]

The $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ were utilized to search for a cut-off value by searching for patterns in their relationship with the IR within the intermediate interval, which was obtained based on natural breaks in the IR. This was done by exploring the measures of central tendency (mean and median) of these two factors and relating these with the distribution of IR scores. Communities with IR scores falling within the intermediate interval identified earlier were included in this analysis. The objective was to identify the IR score below which most or

15. Different clustering methods including hierarchical methods were tested and k-means was determined to be the optimal method. Using the Jenks natural breaks classification, similar results were obtained. The information on k-means clustering method is widely available. For example, see Hastie, T., Tibshirani, R., & Friedman, J. (2008). The Elements of Statistical Learning: Data Mining, Inference, and Prediction (2nd ed.). Springer.
16. The optimal number of clusters also turned out to be three. In order to determine that, CSDs were grouped into a number of clusters ranging from two to ten. These clusters were then evaluated to find the optimal number of clusters by the Elbow method, average silhouette, etc. (see Figure A- 2 and Figure A- 3 in Appendix). The Elbow method measures the compactness of the clustering, and average silhouette measure the quality of clustering, see Hastie, T., Tibshirani, R., & Friedman, J. (2008).
17. Other factors related to surrounding CSDs and POPCTRs were calculated and examined to select the factors which were associated with the remoteness of an area. Some examples of these quantities are the minimum travel time to (populated) CSDs, maximum/mean population of surrounding CSDs within a limited travel time, and minimum/mean travel time to small/medium and large POPCTRs. These factors were not selected because there was no clear-cut relationship between these factors and the IR which would enable their use to categorize communities into two remoteness classes, i.e., their correlation with the IR was quite low and statistically insignificant.

nearly all CSDs are surrounded by a greater aggregate population ($AggPop_{SurrCSD}$) than the mean of $AggPop_{SurrCSD}$ for all CSDs. The same process was repeated using the aggregate population of surrounding POPCTRs, i.e., using $AggPop_{SurrPOPCTR}$.

In the final step, after identifying some candidates for IR cut-off, a single IR cut-off was selected. This was done based primarily on a qualitative argument that prioritizes classifying borderline CSDs as remote. The decision was also supported by examining IR characteristics by mode of transportation.

The next section explains the application of these steps, see the summary of these steps in Figure A-1 in Appendix.

3.2 Application

Natural breaks in the IR scores were identified using the k-means method as the first step in categorizing CSDs into natural clusters. This allowed for the identification of discrete groups within the continuous IR. Applying this method, CSDs were grouped into two and three clusters (i.e., k = 2 and k = 3). The classification of CSDs into three clusters yielded an intermediate (or middle) range within which the search for the binary IR cut-off would proceed. Note that intervals were displayed mathematically in this study such that a square bracket (i.e., []) was used when including the end value and a round bracket (i.e., ()) to exclude the end value.

Table 1 shows the number of CSDs by class obtained by running k-means algorithm for k = 2 and k = 3.

Table 1
Number of CSDs by k=2 and k=3 cluster

	Three-class		
	Non-remote; IR range [0, 0.2717]	Intermediate-remote; IR range [0.2721, 0.5010]	Remote; IR range [0.5014, 1]
Two-class	CSD counts		
Non- remote; IR range [0, 0.3791]	1,717	1,415	...
Remote; IR range [0.3793, 1]	...	1,127	866

… not applicable
Note: CSDs are classified into two and three classes based on their IR scores using k-means algorithm.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.

As seen in Table 1, CSDs with IR scores at either end of the IR distribution (1,717 CSDs with IRs in [0, 0.2717] and 866 CSDs with IRs in [0.5014, 1]) were classified respectively as being non-remote (close to 0) or remote (close to 1) based on being sorted into either two and three clusters (k= 2 or k=3). However, the classification of CSDs with score in the range of [0.2721, 0.5010], called "Intermediate-Remote", would change depending on whether two or three clusters were created. This interval is defined a transitional working category between non-remote and remote when two natural breaks were being assessed.

Given the overlap of classes based on two and three clusters, the IR score of 0.3791 (i.e., the natural break/cut-off in IRs obtained based on k-means algorithm for k=2) divides the intermediate-remote class into two groups: (i) CSDs with IR scores within [0.2721, 0.3791] interval and (ii) CSDs with IR scores within (0.3791, 0.5010] interval. With a view to explore further this intermediate-remote class of CSDs , Table 2 displays the descriptive statistics of $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ in the IR ranges obtained by regarding the single natural break obtained based on k=2 means algorithm for populated CSDs with IR scores that fall between 0.2721 and 0.5010.

The table shows that CSDs with IR in the range of [0.2721, 0.3791] were in areas that had a minimum aggregate population of surrounding population centres ($AggPop_{SurrPOPCTR}$) of 30,707. This is close to the lower population threshold of a medium POPCTR, which is 30,000.[18] Looking at the median value of $AggPop_{SurrCSD}$ for the CSDs with IRs in [0.2721, 0.3791] in Table 2, it is seen that more than half of these communities also have access to aggregate surrounding population in the range of the size of a large POPCTR (i.e., 100,000 or more).[19] From these estimates of the equivalent level of access in their surrounding areas when comparing to POPCTRs with relatively large populations, it follows that the binary cut-off point should be considered to fall outside this interval (i.e., outside [0.2721, 0.3791]). Furthermore, it should be located within an interval that represents greater remoteness, being the [0.3793, 0.5010] interval. This latter range has 1,127 CSDs, with the majority of them (94%, or 1,058 CSDs) being populated CSDs connected to the main road/ferry networks (Table A- 1 in Appendix).

18. For detailed information see Dictionary, Census of Population, 2016 - Population centre (POPCTR) (statcan.gc.ca).
19. The detailed information is available at Dictionary, Census of Population, 2016 - Population centre (POPCTR) (statcan.gc.ca).

Table 2
Descriptive statistics of $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ for populated CSDs within intermediate-remote class by IR range

		Aggregate Population				
Factor	IR Range	Min	Max	Mean	Standard deviation	Median
$AggPop_{SurrCSD}$	[0.2721, 0.3791]	1,477	1,830,417	460,103	229,372	408,938
	[0.3793, 0.5010]	0	1,100,780	138,352	81,584	129,413
$AggPop_{SurrPOPCTR}$	[0.2721, 0.3791]	30,707	1,165,823	325,483	170,437	295,917
	[0.3793, 0.5010]	0	218,666	72,524	39,124	68,820

Note: Given the overlap of classes based on two and three clusters by using k-means method, the IR score of 0.3791 (i.e., the cut-off obtained for k=2) divides CSDs falling within the intermediate-remote class (i.e., IRs within [0.2721, 0.5010] obtained for k=3) into two groups within specific IR ranges: [0.2721, 0.3791] and [0.3793, 0.5010]. There are 2,431 populated CSDs in intermediate-remote class of which 1,066 CSDs have IR scores within [0.3793, 0.5010] interval. Note that there is no CSD with IR scores in the (0.3791, 0.3793) interval.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population and the 2016 Census of Population.

The next step continues to narrow the search interval for the IR cut-off further by examining the characteristics of CSDs with IR scores falling inside the [0.3793, 0.5010] interval. For this purpose, the following factors which represent the aggregate population of surrounding areas are used (i) $AggPop_{SurrCSD}$ (the aggregate population of surrounding CSDs); and (ii) $AggPop_{SurrPOPCTR}$ (the aggregate population of surrounding POPCTRs).

Table 3 displays the descriptive statistics for $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ for populated and connected CSDs with IR scores between 0.3793 and 0.5010, the narrowed IR range identified earlier.

Table 3
Descriptive statistics of $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ for populated and connected CSDs; IR in [0.3793, 0.5010]

Factor	Min	Max	Mean	Standard deviation	Median	95th percentile
$AggPop_{SurrCSD}$	325	1,100,780	139,044	81,173	130,036	270,281
$AggPop_{SurrPOPCTR}$	0	218,666	72,606	39,078	68,820	136,154

Note: Only CSDs with non-zero population in 2016 which were connected to the main road/ferry network were included in the calculation.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population and the 2016 Census of Population.

With the mean values of $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ noted from Table 3, the distribution of IR scores versus these factors is examined to identify any insight-giving patterns that might be present in IR scores with respect to the mean values of these factors.

Figure 2 displays the scatter plot of the IR scores (y-axis) versus $AggPop_{SurrCSD}$. As expected, there is a negative correlation between the IR and $AggPop_{SurrCSD}$. The vertical line in this figure corresponds to the mean of $AggPop_{SurrCSD}$ (see Table 3). This line divides the CSDs into two groups based on whether or not their $AggPop_{SurrCSD}$ is above the average for all populated and connected CSDs.

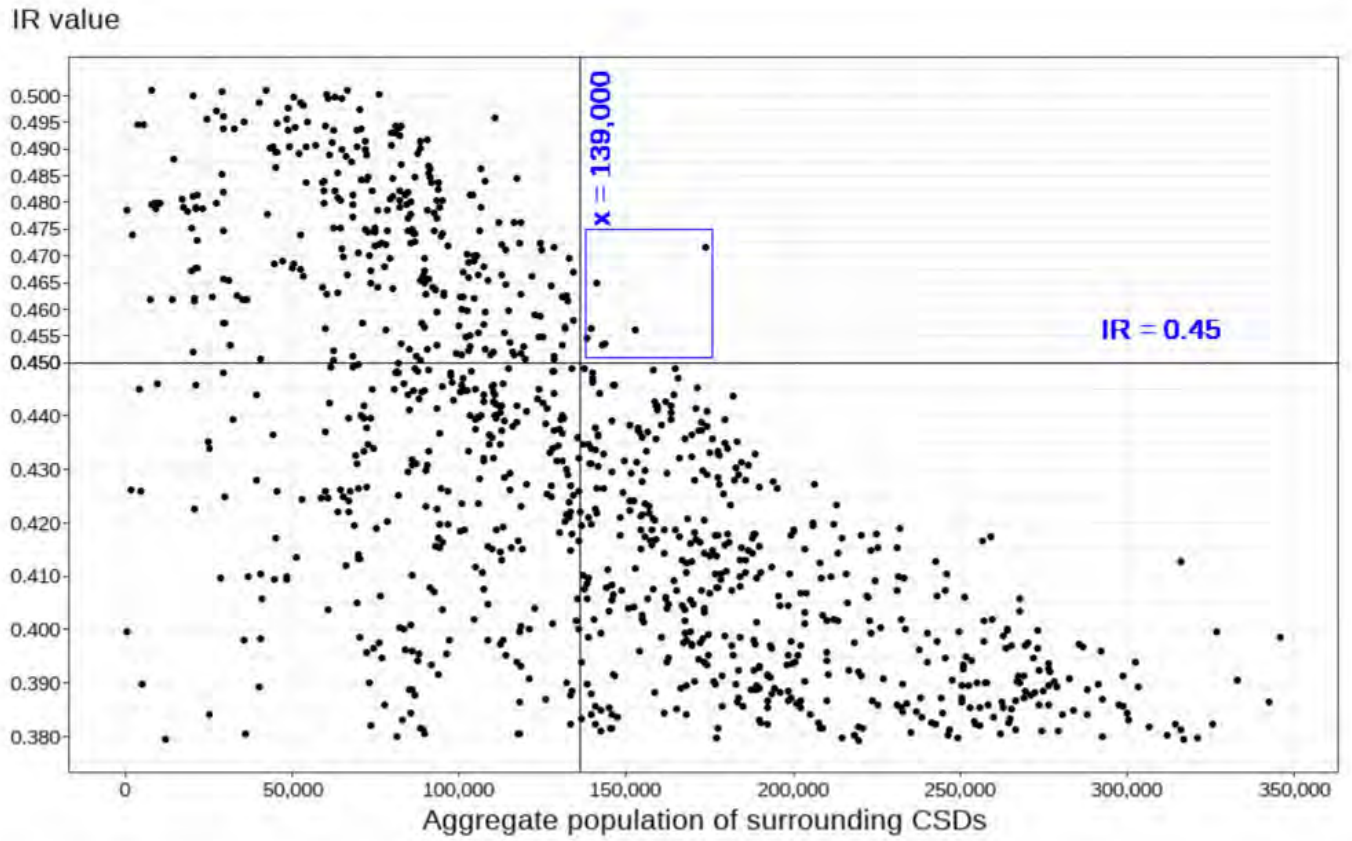
Next, moving up the IR axis in Figure 2, it is examined whether there is an IR score below which most or nearly all CSDs have $AggPop_{SurrCSD}$ that is greater than the mean for this factor for all CSDs. This IR value can be a potential cut-off point as it separates CSDs with relatively greater aggregate surrounding populations from those with smaller aggregate populations in surrounding areas.

As seen in Figure 2, nearly all CSDs (except for 6 CSDs; see the top right of the Figure, above the IR = 0.45 horizontal line) that have an above-average $AggPop_{SurrCSD}$ have IR scores of greater than 0.45 (i.e., to the right of the vertical line). Also, dividing the interval of [0.3793,0.5010] into smaller intervals with a step size of 0.0050, the proportion of CSDs with $AggPop_{SurrCSD}$ greater than 139,000 was calculated for CSDs with IR scores within each small interval (e.g., [0.4400,0.4450)), see Figure A- 4 in the Appendix. As may be seen in Figure A- 4, the proportion of CSDs with AggPopSurrCSD greater than 139,000 is less than 10.0% (i.e., from no CSDs to two CSDs) in every small interval for IR values greater than or equal to 0.45.

Note that the mean and median IR scores of CSDs falling below the mean of $AggPop_{SurrCSD}$ (139,000) (i.e., to the left of the vertical line) are equal to 0.45 (rounded to two decimal points). This result suggests that 0.45 can be a potential upper limit for the IR cut-off, since CSDs with IR scores above this value have access to areas with smaller aggregate populations.

Similarly, examining the distribution of IR scores versus $AggPop_{SurrPOPCTR}$, 98.4% of CSDs with access to above average mass of POPCTR aggregate population (see Table 3) have IR scores less than 0.45. This result also supports 0.45 as a potential limit value for a cut-off point, as it separates CSDs with relatively large aggregate population in their surrounding population centres from CSDs with smaller values for this factor.

Figure 2
Scatter plot of IR vs. the aggregate population of surrounding CSDs (i.e., $AggPop_{SurrCSD}$); IR in [0.3793, 0.5010]



Notes: Each point represents a populated CSDs which is connected to the main road/ferry network with IR value in [0.3793, 0.5010].
The vertical line (x = 139,000) represents the mean of the aggregate population of surrounding CSDs within 2.5 hours.
Source: Authors' computation based on Index of Remoteness (IR) values calculated using the 2016 Census of Population.

This analysis further narrows the search interval of a possible IR cut-off for a binary classification, from [0.3793, 0.5010] to [0.3793, 0.4500). The value of 0.4500 is excluded from the search interval when proceeding to the next step, because the CSDs that have this IR score are more remote compared to those with smaller IR scores. There is only one CSD that happens to have an IR score of exactly 0.4500 while having an $AggPop_{SurrPOPCTR}$ of less than 139,000.

The next step consisted of examining IR characteristics of CSDs within this IR range by partitioning them around the mean values of the two population factors. CSDs whose factor values in each case are above the respective means of the factor values have a relatively large aggregate population in their surrounding areas compared to CSDs whose factor values fall below the mean. This provides a suitable way for distinguishing less remote from more remote communities. Communities with relatively small aggregate surrounding populations, on average, have greater IR scores and are likely to be more remote in the generalized sense of remoteness compared with those with greater aggregate populations in their environs, and vice versa.[20]

20. For CSDs with IR scores falling in [0.3793, 0.4500) that have factor means below average, the mean and median IR scores are 0.42 (rounding to decimal points).

Table 4 shows that these mean values of $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ are 164,000 and 87,000, respectively, and it also depicts the descriptive statistics of the CSD groups for which the values of these two factors are greater than their respective mean values (within the IR range of interest, i.e., [0.3793, 0.4500)).

Table 4
Descriptive statistics for IR for groups of CSD that have factor values for $Agg_{PopSurrCSD}$ and $AggPop_{SurrPOPCTR}$ greater than the respective means of each factor; populated and connected CSDs; IR in [0.3793, 0.4500)

			IR for Group of CSDs having factor values > factor mean				
Factor	Factor mean	CSD counts	Min	Max	Mean	Standard deviation	Median
$AggPop_{SurrCSD}$	164,000	360	0.3793	0.4489	0.4015	0.0164	0.3974
$AggPop_{SurrPOPCTR}$	87,000	357	0.3793	0.4448	0.4018	0.0160	0.3986

Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population and the 2016 Census of Population.

Table 4 shows that the mean IR for the group created using either factor is approximately 0.40 (rounding to two decimal places). The median IR for these groups is also 0.40, implying that the middle point or the pivot point of the IRs is 0.4. This analysis introduces 0.40 as another potential cut-off point/lower limit of the search range.

Examining the reduced interval defined by 0.40 as its upper point, i.e., [0.3793, 0.4000),[21] it is first noted that there are 277 CSDs with an IR score within the interval which have mean and median IR scores of 0.3900. These CSDs have a minimum value for $AggPop_{SurrPOPCTR}$ of 18,884, and nearly all of them (98%) have $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ values over 30,000 (close to the lower population threshold of a medium POPCTR). Looking at a closer level of proximity, over 80% of these communities also have access to aggregate population of 30,000 and more within 1.5 hours travel time.

Based on this analysis, remote CSDs would be expected to have access to aggregate population in their surroundings within 2.5 hours that is smaller than 30,000 when compared to non-remote CSDs. This analysis provide support to a cut-off value of 0.40 as a lower limit of the IR value for the search range.

The cut-off point was selected such that, to the greatest extent possible, it would classify borderline CSDs as remote. To achieve this, the lower limit of the [0.4000, 0.4500] range, i.e., 0.4000,[22] was selected as the preferred cut-off point. In specific field applications, practitioners might consider tailoring the approach used here to their requirements. For example, they could investigate the CSDs with IR scores relatively close to the 0.40 cut-off somewhat more comprehensively in terms of focusing on an aspect which is important for their application.

One of the strengths of the methodology used in this study lies in exploring the natural breaks on the IR continuum to yield clusters. These clusters indicate conceptual groupings of communities in terms of similarities in their degree of remoteness as expressed by their IR score. These clusters imply a degree of similarity between communities within them. However, the methodology is still dependent upon the use of aggregate populations in surrounding areas, which may not capture the full picture for individual communities. Another limitation of the methodology lies in the relative uncertainty as to the extent to which a distributed population can serve as a proxy for service availability. Although much research has been done on population size as a measure of what services are available, it is less certain that a collection of smaller communities would offer the same services as would be found in an urban hub of a similar total population size.

21. The single CSD with an IR score of 0.40 is more remote compared to those with smaller IR scores, therefore it is excluded from the search interval in the next step. Only one CSD happened to have an IR score of 0.4000 with 135,618 aggregate population of CSDs within 2.5 hours.
22. For brevity, the IR value of "0.4000" is also expressed as "0.40" in certain parts of the text as well as in some figures and charts.

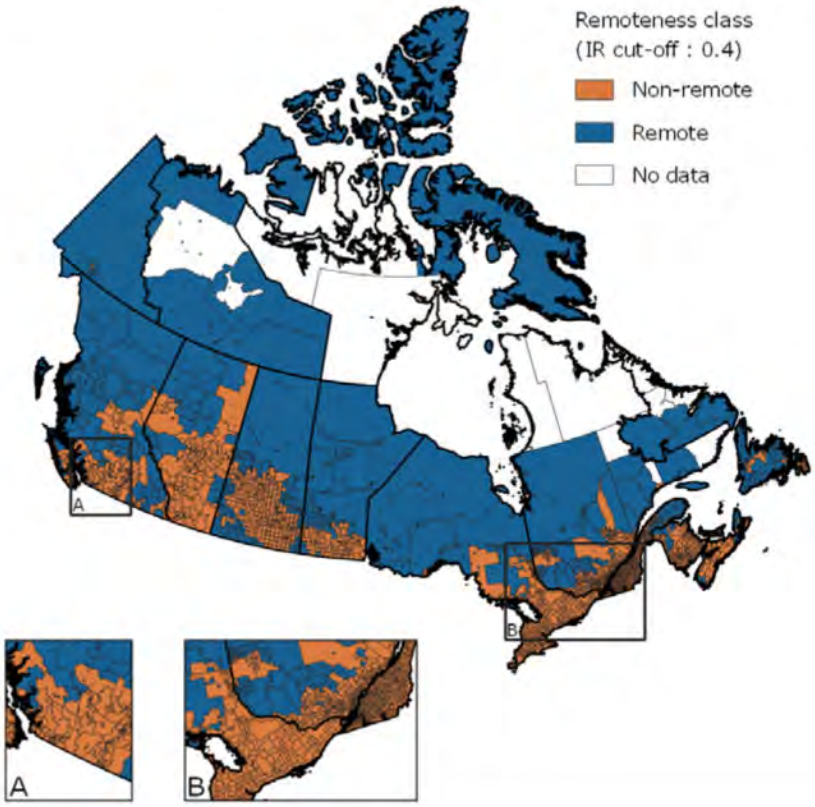
4 Results

The results of applying the proposed IR binary cut-off of 0.40 to all CSDs in Canada is discussed in this section. While discussing these results, it should be recalled that communities classified using the binary cut-off into the two groups (non-remote and remote) do still have different levels of remoteness on the IR continuum compared to others in the same group.

4.1 Geographic Distribution of CSDs by Non-remote and Remote Class

Figure 3 shows the geographic distribution of non-remote and remote CSDs based on the 0.40 cut-off.[23] In general, vast regions of the northern parts of several provinces are predominantly made up of remote CSDs. Most parts of the territories are also made up of remote CSDs. However, the distribution is more mixed in most of the Atlantic provinces except for Newfoundland and Labrador, as well as in Alberta and parts of British Columbia.

Figure 3
Geographic distribution of non-remote and remote CSDs, IR cut-off point 0.40



Note: The white parts in the map represent CSDs with no reported population in 2016 and not connected to the main road/ferry network.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.

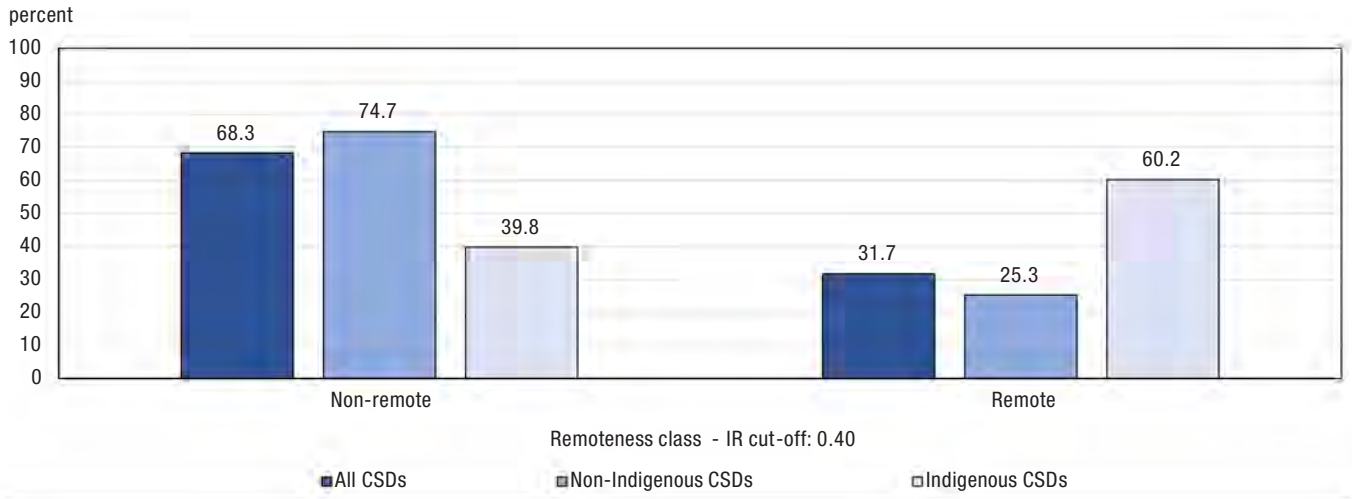
4.2 Non-remote and Remote CSDs by Indigenous and Non-Indigenous Communities

Figure 4 displays the distribution of populated CSDs by remoteness class based on the 0.40 IR cut-off, including breakdowns by Indigenous and non-Indigenous communities.[24]

23. The geographic distribution of CSDs based on the three-class of remoteness obtained using the k-means method for k=3 was displayed in Figure A-5 Appendix.
24. For details on the classification of CSDs as Indigenous and non-Indigenous in this study, see section 2.2.

Among all populated CSDs, about one-third (31.7%) of them were remote based on this IR cut-off. Focusing on Indigenous CSDs, almost three-fifths (60.2%) of these CSDs were classified as remote. This proportion dropped to one-fourth (25.3%) for non-Indigenous communities.

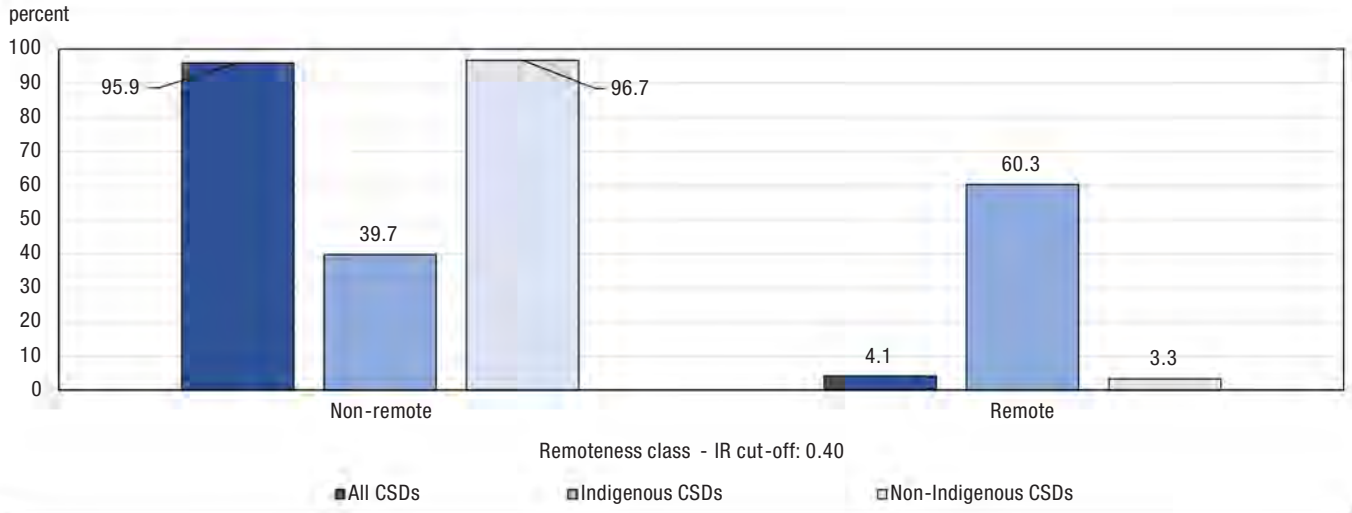
Figure 4
Distribution of Indigenous and non-Indigenous populated CSDs by remoteness class



Note: Only CSDs with non-zero population according to the 2016 Census of Population are included. The CSDs were classified as remote if the IR score was 0.40 or greater.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.

In terms of population distribution, Figure 5 shows that almost three-fifths (60.3%) of the residents of Indigenous CSDs lived in remote communities, compared to only about 3.3% of the population of non-Indigenous CSDs.[25] Overall, about one in twenty-five (4.1%) of all Canadians lived in remote areas (based on the 2016 Census of population).

Figure 5
Population Distribution of Indigenous and non-Indigenous CSDs by remoteness class



Note: Only CSDs with non-zero population according to the 2016 Census of Population are included. The CSDs were classified as remote if the IR score was 0.40 or greater.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.

25. For details on the classification of CSDs as Indigenous and non-Indigenous in this study, see section 2.2.

4.3 Non-remote and Remote CSDs by Mode of Transportation

Table 5 depicts the IR descriptive statistics for all populated CSDs by mode of transportation. All 47 CSDs which were connected to other CSDs via air only have IR scores greater than 0.40 and therefore were considered to be remote based on the 0.40 IR cut-off. However, CSDs which were connected to other communities via the main road/ferry network and by a combination of air, train, winter road, charter boat and/or seasonal ferry could be classified as either non-remote or remote, since the minimum IR score of these CSDs is less than 0.40. The next two sub-sections look at these CSDs in more detail.

Table 5
IR descriptive statistics by mode of transportation; populated CSDs

	CSD		IR				
Mode of transportation	Counts	Percent	Min	Max	Mean	Standard deviation	Median
Air	47	1.0	0.4671	1	0.7862	0.1472	0.8523
Combination of air, train, winter road, charter boat, and/or seasonal ferry	91	1.9	0.2532	0.9173	0.7302	0.1392	0.7811
Main road/ferry network	4,744	97.2	0	0.8571	0.3301	0.1533	0.3297
Total	4,882	100.0	0	1	0.3419	0.1680	0.3344

Note: Only CSDs with non-zero population according to the 2016 Census of Population are included.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population and the 2016 Census of Population.

4.4 CSD Characteristics by Remoteness Class for Populated CSDs Connected to the Main Road/Ferry Network

Table 6 displays the descriptive statistics of population and IR scores of populated CSDs which were connected to the main road/ferry network by the remoteness class obtained based on the 0.40 IR cut-off. It shows less than one-third (29.7%) of populated and connected CSDs were flagged as remote communities, and about one in twenty-five (3.8%) of Canadians lived in these remote communities.

Table 6
Descriptive statistics of CSDs by remoteness class (IR cut-off: 0.40); populated and connected CSDs

	CSD		Population		IR		
Remoteness Class	Counts	Percent	Sum	Percent	Mean	Standard deviation	Median
Non-remote	3,334	70.3	33,745,749	96.2	0.2528	0.0978	0.2695
Remote	1,410	29.7	1,323,913	3.8	0.5127	0.0947	0.4847

Note: Only CSDs with non-zero population according to the 2016 Census of Population and that are connected to the main road/ferry network are included.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population and the 2016 Census of Population.

4.5 CSD Characteristics by Remoteness Class for CSDs Connected to Other CSDs via a Combination of Modes of Transportation

Table 7 shows descriptive statistics of population and IR scores of CSDs which are connected to other communities via some combination of air, train, winter road, charter boat and/or seasonal ferry (e.g., CSDs that were non-connected to the main road/ferry network), by remoteness class based on the 0.40 IR cut-off. Among all such CSDs, only two were non-remote with one located in Quebec and the other in Ontario. Overall, the vast majority (97.8%; 89 out of 91) of these non-connected CSDs were flagged as remote.

Table 7
IR descriptive statistics by remoteness class (IR cut-off: 0.40); populated and non-connected CSDs

	CSD	Population	IR				
Remoteness Class	Count	Sum	Min	Max	Mean	Standard deviation	Median
Non- remote	2	379	0.2532	0.3461	0.2997	0.0657	0.2997
Remote	89	59,790	0.4084	0.9173	0.7398	0.1243	0.7850

Note: Only CSDs with non-zero population according to the 2016 Census of Population and that are connected to other communities via some combination of air, train, winter road, charter boat and/or seasonal ferry are included.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population and the 2016 Census of Population.

Given the number of remote CSDs connected to other communities via some combination of mode of transportation (i.e., 89; see Table 8) and 47 remote CSD connected via air (see Table 5), nearly all (136 out of 138; 98.6%) communities which were not connected to other CSDs via the main road/ferry network had an IR score greater than 0.40. These results support the selection of 0.40 as a binary cut-off point, since this cut-off separates communities which were not connected to the main road/ferry network. Therefore, these communities would naturally be expected to be more geographic isolated or remote.

5 Conclusion

This study describes the methodology and results of proposing a single cut-off point that can be applied to a continuous Index of Remoteness (IR), previously developed at Statistics Canada, to classify all CSDs in Canada into two classes of remoteness. Of these two classes, one would be non-remote (or less-remote, an IR value of less than 0.40) and the other, remote (or more-remote, an IR value of greater than or equal to 0.40). This was done by first identifying natural clusters on the IR continuum and using the resulting classes to select a single cut-off value using supplementary factors that relate to a broader concept of remoteness.

The classification of CSDs into three natural clusters yielded an intermediate range of IR values which resulted in narrowing the search range into a range of IR values of [0.3793, 0.5010].

The aggregate surrounding populations of a CSD (e.g., the population within a certain proximity) was used to describe the remoteness of an area in a more generalized sense than would be captured by IR. This surrounding population would include both the surrounding CSDs and the surrounding POPCTRs. Therefore, in addition to the natural clusters in the IR distribution, the aggregate population of CSDs and the aggregate population of POPCTRs within 2.5 hours of travel time of a reference CSD were used to identify the binary cut-off point.

The narrowed range of [0.3793, 0.5010] that was obtained based on the natural breaks in IR scores was explored using the two factors relating to the aggregate surrounding population to narrow the range further in a progressive manner. This process yielded the range to be [0.4000, 0.4500]. Applying a criterion whereby priority is given to putting borderline CSDs (i.e., IRs within [0.4000, 0.4500]) into the remote class, the lower end of this range, 0.40, was selected as the binary IR cut-off.

Overall, about one-third (31.7%) of populated CSDs were flagged as remote, and only one in twenty-five (4.1%) of Canadians lived in these remote communities (based on the 2016 Census of Population). Based on the 0.40 IR cut-off, almost three-fifths (60.2%) of all Indigenous CSDs were classified as being remote while this proportion drops to one-fourth (25.3%) for non-Indigenous communities.

Nearly all (136 out of 138, or 98.6%) communities which were not connected to other CSDs via the main road/ferry network had an IR score greater than 0.40. This observation supports the selection of 0.40 as the desired cut-off, since the chance of geographic isolation of communities (or being remote) which are not connected to the main road/ferry network would naturally be expected to be higher compared to connected ones.

While the methodology developed is generic and is not tied to addressing one problem or application, it is acknowledged that different applications might require their own specialized groupings by remoteness.

6 References

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7 Appendix

Table A-1
Number of CSDs by mode of transportation, by two- and three-class natural clusters on the IR continuum

	Three-class		
	Non-remote; IR range [0, 0.2717]	Intermediate-remote; IR range [0.2721, 0.5010]	Remote; IR range [0.5014, 1]
Two-class	CSD counts		
Air			
Non-remote; IR range [0, 0.3791]	…	…	…
Remote: IR range [0.3793, 1]	...	2	45
Combination of air, train, winter road, charter boat and/or seasonal ferry			
Non- remote; IR range [0, 0.3791]	1	1	...
Remote: IR range [0.3793, 1]	...	6	83
Main road/ferry network			
Non- remote; IR range [0, 0.3791]	1,693	1,364	...
Remote: IR range [0.3793, 1]	...	1,058	629
No population			
Non- remote; IR range [0,0.3791]	23	50	...
Remote; IR range [0.3793, 1]	...	61	109
All CSDs			
Non- remote; IR range [0, 0.3791]	1,717	1,415	...
Remote; IR range [0.3793, 1]	...	1,127	866

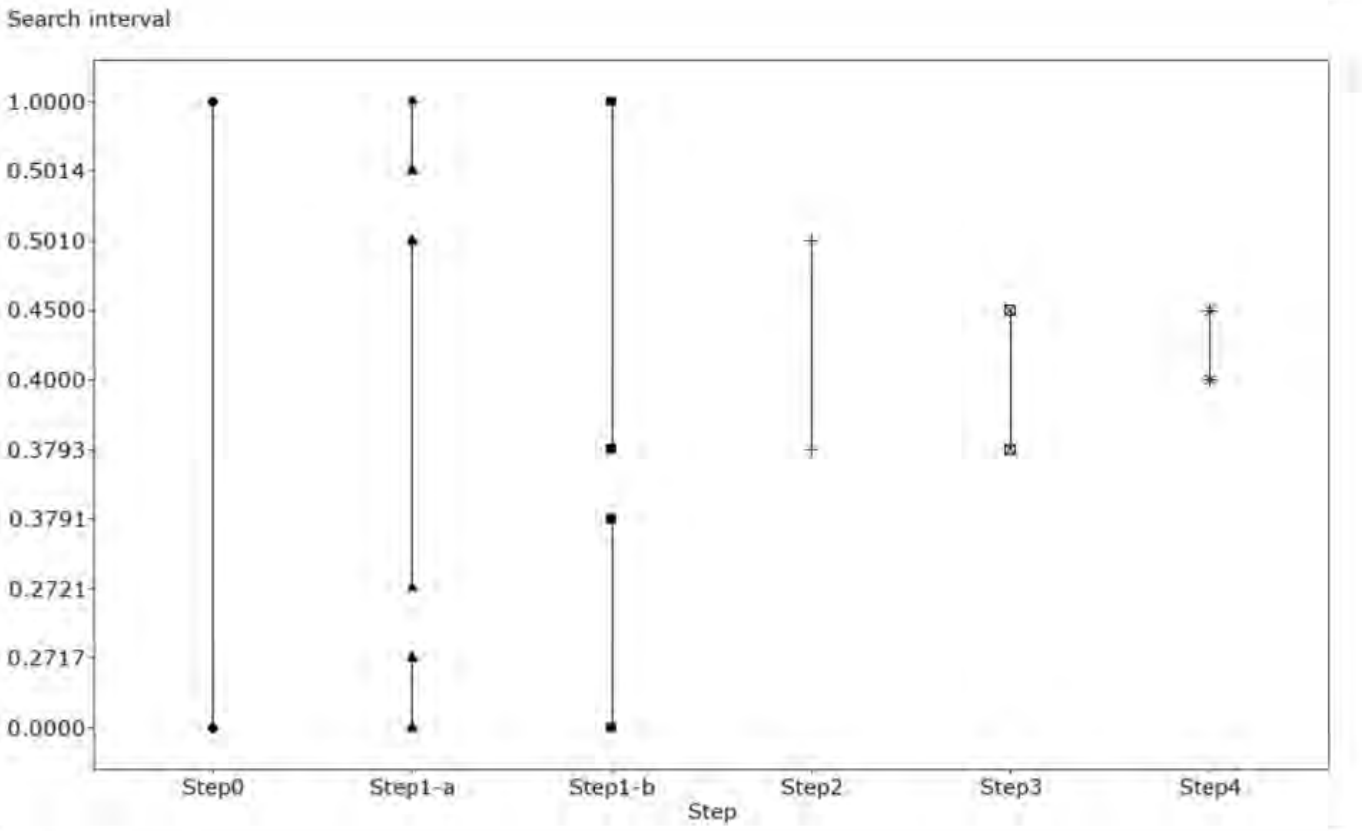
… not applicable
Note: CSDs are classified into two and three classes based on their IR scores using k-means algorithm.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.

The progressively narrowed search intervals within which to explore for the IR cut-off at are displayed in Figure A-1. The following provides an overview of the steps for determining these narrowed intervals:

- Step1-a: Applying k-means algorithm for k = 3 to find natural breaks in IR scores and to identify the transitional interval.
- Step1-b: Applying k-means algorithm for k = 2 to reduce the search interval based on the overlap between intervals obtained in this step and Step1-a. The search interval is narrowed to [0.3793, 0.5010].
- Step2: Given the information obtained in Step1-a and Step1-b, the search interval in this step is [0.3793, 0.5010]. Focusing on the populated and connected CSDs to the main road/ferry network with IR scores in this interval, this step explores IR scores versus $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ to identify a pattern to narrow the search interval. It results in reducing the search interval from [0.3793, 0.5010] to [0.3793, 0.4500). The 0.45 is also identified as a potential cut-off.
- Step3: Focusing on populated and connected CSDs with IR scores in [0.3793, 0.4500) and with $AggPop_{SurrCSD}$ and $AggPop_{SurrPOPCTR}$ greater than 164,000 and 87, 000, respectively, the search interval is narrowed to [0.3793, 0.4000). The reduced search interval is obtained based on the mean and median of IR scores of these CSDs. The 0.40 is also identified as another potential cut-off.
- Step4: The smallest interval which is likely contain the IR cut-off is determined to be [0.4000, 0. 45000], and the IR cut-off is selected to be 0.40.

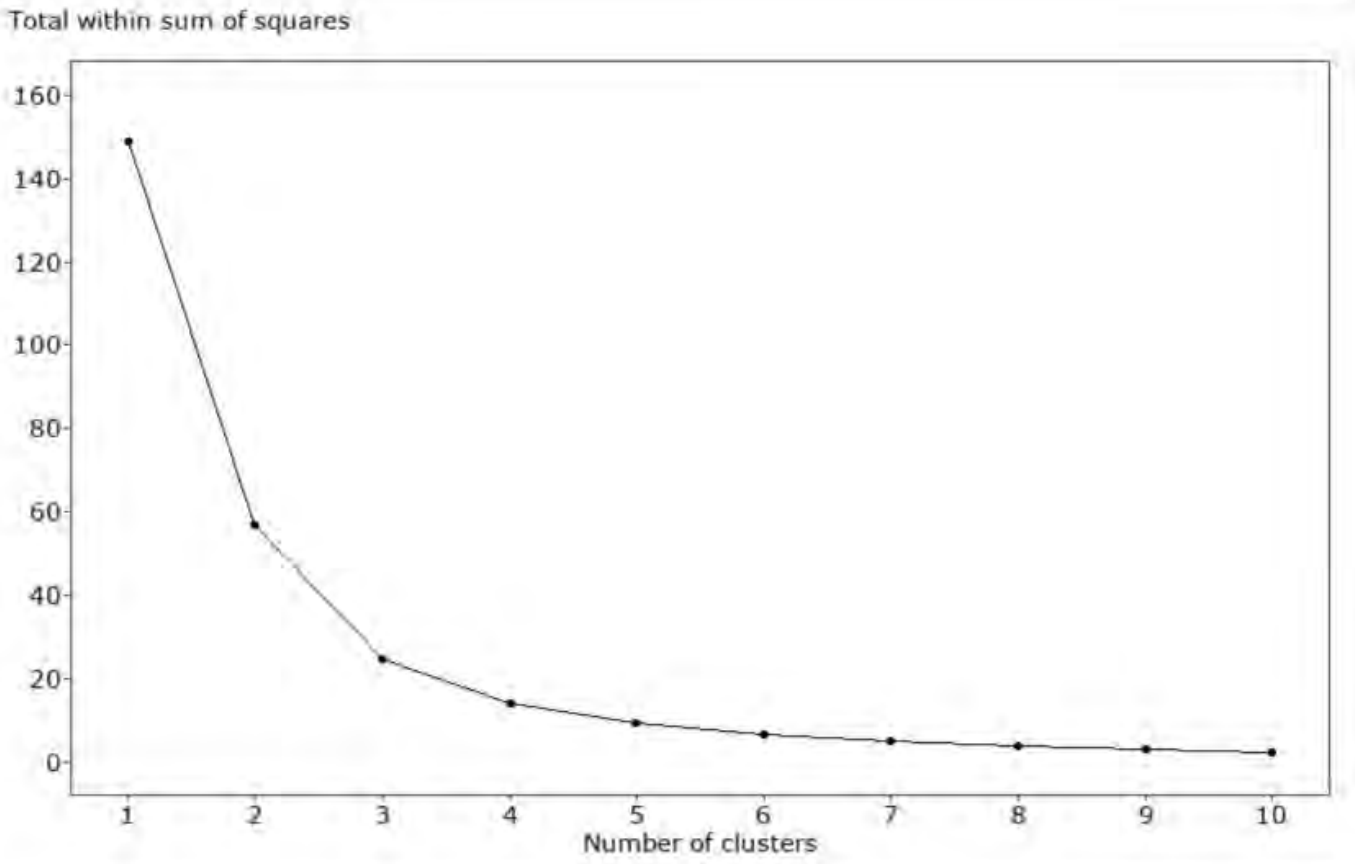
Note that there is no CSD with IR score within the (0.2717, 0.2721), (0.3791, 0.3793) and (0.5010, 0.5014) intervals.

Figure A-1
Summary at each step of narrowing the search interval to identify the IR cut-off



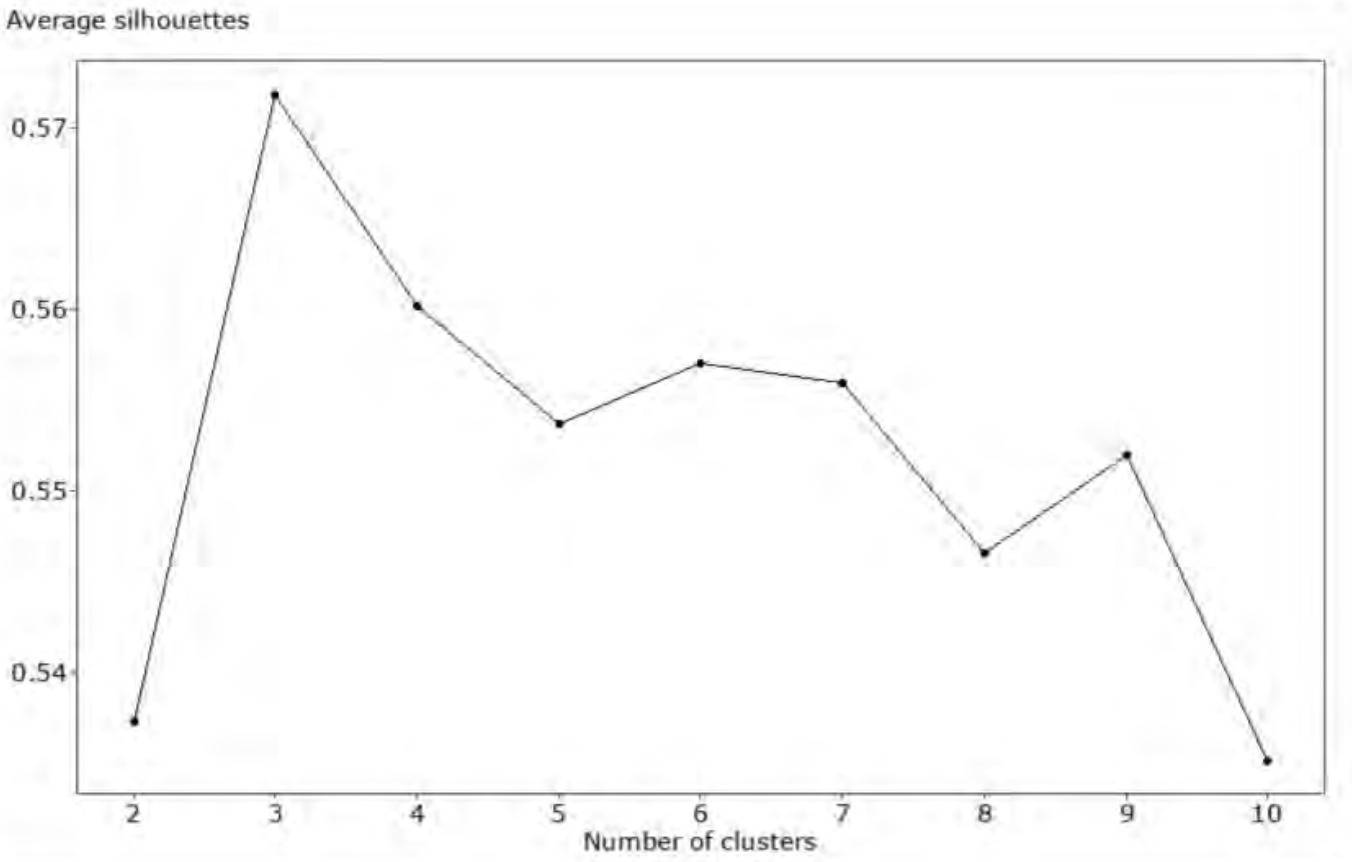
Note: Each interval represents the search interval to identify the IR cut-off. Note that the interval in Step0 displays the range of the IR which varies between 0 and 1.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.

Figure A-2
Optimal number of clusters k-means clustering- Elbow method



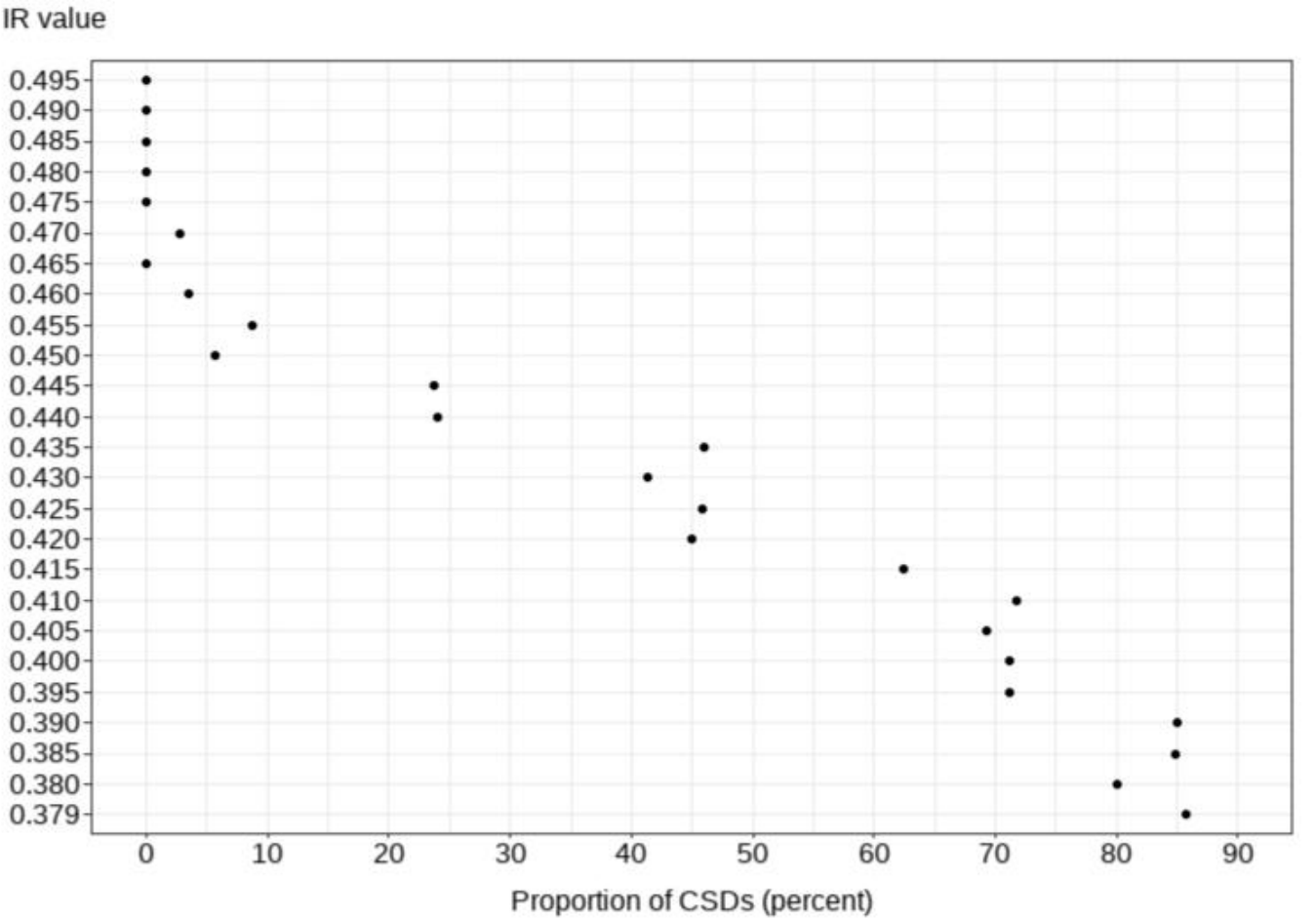
Notes: All CSDs were classified into different number of groups based on their IR scores using the k-means clustering algorithm for k = 1, … , 10.
This Figure displays the total within groups variation for each number of clusters. As seen, the optimal number of clusters is three.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.

Figure A-3
Optimal number of clusters k-means clustering- Average Silhouette method



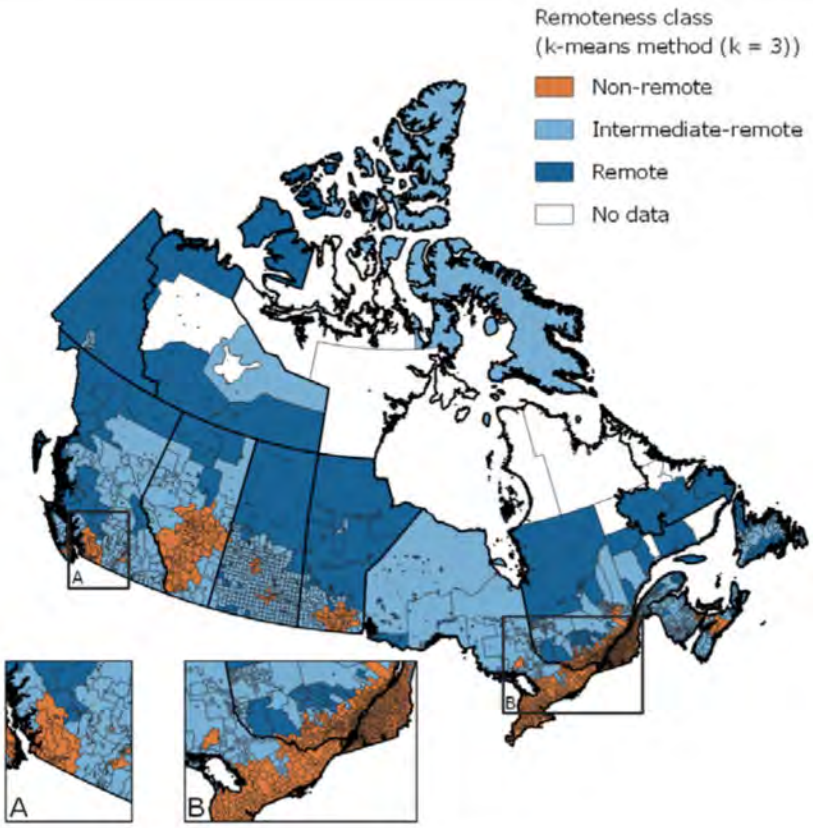
Notes: All CSDs were classified into different number of groups based on their IR scores using the k-means clustering algorithm for k = 1, … , 10.
This Figure displays the average Silhouette for each number of clusters. As seen, the optimal number of clusters is three.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.

Figure A-4
Proportion of CSDs with aggregate population of surrounding CSDs (i.e., $AggPop_{SurrCSD}$) greater than 139,000, by IR score ranges; IR in [0.3793, 0.5010]



Notes: Only populated and connected CSDs to the main road/ferry network with IR scores in the [0.3793, 0.5010] interval were included to create this Figure.
Each value on Y-axis represents an interval with the lower bound equals to the value displayed on the axis, and the upper bound equals to that next value displayed. For instance, 0.405 represents the interval of [0.4050, 0.4100).
Each point represents the proportion of populated and connected CSDs with $AggPop_{SurrCSD}$ greater than 139,000 with IR score less than or equal to the IR value displayed in this Figure.
For example, given the IR value of 0.455 on the Y-axis, 2 out of 23 (8.6%) CSDs with IR scores within [0.4550, 0.4600) have $AggPop_{SurrCSD}$ greater than 139,000 in their surrounding CSDs within 2.5 hours of travel time.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population and the 2016 Census of Population.

Figure A-5
Geographic distribution of remote, intermediate-remote, and non-remote CSDs obtained using k-means method (k=3)



Notes: The white parts in the map represent CSDs with no reported population in 2016 and not connected to the main road/ferry network.
CSDs were classified into three classes based on their IR scores using k-means algorithm for k=3.
Source: Authors' computation based on Index of Remoteness (IR) scores calculated using the 2016 Census of Population.