



## Budget 2019: How does it measure up for First Nations children, youth and families?

On March 19, 2019, the Federal Government of Canada released Budget 2019 titled *Investing in the Middle Class*. Does the budget go far enough in addressing the significant shortfalls in public services for First Nations children and families? The First Nations Child & Family Caring Society breaks down the numbers.

### Child and Family Services

#### **Budget 2019: Zero new commitments for child and family services**

In their 2016 ruling<sup>j</sup>, the Canadian Human Rights Tribunal (CHRT) found that the Government of Canada is racially discriminating against 165,000 First Nations children and their families by providing flawed and inequitable child welfare services ("FNCFCS Program") and failing to implement Jordan's Principle. Further to the order, the CHRT released further orders following Canada's non-compliance with the ruling. The February 2018 ruling (2018 CHRT 4)<sup>ii</sup> ordered the federal government to "[fund] prevention/least disruptive measures, intake and investigation, legal fees, and building repairs services" (p. 87) at actual costs in order to meet the needs of children. As ordered by the CHRT in that same ruling, the federal government was tasked with doing a costing of the needs of First Nations child and family service agencies. The Institute of Fiscal Studies and Democracy (IFSD) was commissioned to do the work.

In December 2018, IFSD released its report *Enabling First Nations Children to Thrive*, outlining Phase 1 findings. The reports states that "[c]osting 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." (p.9)<sup>iii</sup> IFSD preliminarily analyzed gaps in prevention and capital. They state that "prevention program costs estimates for 2019 range from \$224 million to \$708 million." (p.10)<sup>iv</sup> IFSD also recommended

"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." (p.10)<sup>v</sup>

Budget 2016 outlined an investment of 634.8 million over 5 years for First Nations child and family services. Budget 2018 committed an additional 1.4 billion over 6 years. The total investments were and would be: 2017/18 = \$168.6m, 2018/19 = \$421.3m; 2019/20 = \$432m; 2020/21 = \$441.8m. Whereas dollars from Budget 2016 do not extend past 2021, dollars from Budget 2018 continue until 2023. Having money in the budget does not mean that it will be spent for that purpose as changes in political priorities and the economy could result in reductions.

In addition, with no new investments in Budget 2019 and no reiterated commitment to previous funding in Budgets 2016 and 2018, it is unclear how the federal government will fund child and family services in compliance with the existing CHRT orders. Moreover, issues like how Canada will fund new buildings to provide prevention services and ensure long term program reform are still outstanding and will require additional revenues. Lastly, without a commitment to continue to fund the work of IFSD for Phase 2 and beyond, we will not know the full extent of funding required for First Nations child and family services.

### Jordan's Principle

#### **Budget 2019: 1.2 billion (402 million per year) for Jordan's Principle over 3 years.**

This funding does not cover cost increases related to inflation, population growth or the results of ongoing litigation whereby non-status First Nations children living off reserve but recognized by their First Nation may be eligible for services and products under Jordan's Principle. Another shortfall is that there is no specific funding to support First Nations' capacity to assist families in accessing Jordan's Principle.

## Education

### Budget 2019:

**\$327.5 million over five years to enhance the Post-Secondary Student Support Program.**

**Zero dollars to implement Shannen's Dream by closing the funding gap for First Nations schools and education funding.**

According to the Auditor General of Canada's 2018 report,<sup>vi</sup> the gap in high school graduation rates between First Nations young people and others in the country widened between 2001 and 2016 from 30% to 33%. In addition, the report found that the Government is not collecting adequate data with regard to First Nations education and to "improve education results." While the Caring Society is pleased to see additional funding for post-secondary education for First Nations communities, there is no yearly breakdown specific to First Nations post-secondary so it is unclear how much funding communities will receive across the five years.

## Eliminating Gaps

The Caring Society recognizes that First Nations communities, children and families not only experience gaps in services covered by Jordan's Principle and covered through prevention funds from child welfare, but also in many areas which affect their health and wellbeing. We examined if any funding was set aside to eliminate gaps in housing, water and addictions/mental health services that drive the over-representation of First Nations kids into child welfare care.

## Housing

**Budget 2019: Zero dollars for housing – new housing, repairs, renovations.**

According to Statistics Canada, in 2016, "24.2% of First Nations people lived in a dwelling that was in need of major repairs."<sup>vii</sup> Basic needs and quality of life include having safe housing however "[g]overnment programs and policies have failed to provide sustainable long term positive housing outcomes and have led to persistent substandard living conditions with negative impacts on health, education, economic development, and child welfare, etc."<sup>viii</sup> Without sufficient investments in housing, the health and wellbeing of families and children continues to be at risk.

## Water

**Budget 2019: \$730 million**

**2019-20 = \$67m; 2020-21 = \$149m; 2021-22 = \$164m; 2022-23 = \$174m; 2023-24 = \$185m**

The federal government says it is "on track to eliminate boil water advisories on reserve" and to end long-term drinking water advisories in 91 communities. Despite this commitment to improve water situations in First Nations communities within five years, there is still work to be done according to a report from the David Suzuki Foundation called *Reconciling Promises and Reality: Clean Drinking Water for First Nations*.<sup>ix</sup> The report outlines needed steps to be taken by the federal government in order to create long-term improvements and solutions, including investing additional funds as the \$730 million allotted in Budget 2019 is inadequate.

## Addictions/Mental Health Services

**Budget 2019: Zero dollars for Addictions or Mental Health Services for First Nations communities**

Budget 2018 outlined a commitment of "\$200 million, with \$40 million per year ongoing, to enhance the delivery of culturally appropriate addictions treatment and prevention services in First Nations communities with high needs"<sup>x</sup> as well as \$248.6 million over three years for mental health and other supports for those in the Indian Residential School settlement. It is disappointing that there have not been further investments in mental health and addiction services in Budget 2019. These essential services should be readily available in culturally appropriate ways for First Nations children, families, and communities, especially given ongoing intergenerational impacts of residential schools and the 60s Scoop.

## Bill C-92

**Budget 2019: Zero dollars commitment to funding the development and operation of First Nations child and family services laws and institutions needed to give effect to Bill C-92.**

Bill C-92, *An Act respecting First Nations, Inuit and Métis children, youth and families*, was introduced in the House of Commons on February 28, 2019 with a second reading on March 19, 2019.

On March 12, 2019, the Yellowhead Institute put forward a

report card<sup>xi</sup> for the Bill, giving it a grade in five areas: National Standards, Funding, Accountability, Jurisdiction, and Data Collection and Reporting. In the area of funding, the Bill received an 'F' due to several factors including: the lack of consideration for the CHRT rulings of discriminatory funding for First Nations child welfare; and concerns that lack of funding prevents Nations from exercising self-government for child welfare services and child welfare laws in ways that are adequate to care for children. Authors conclude that: "[w]hile Canada is presenting Indigenous jurisdiction as the main selling feature of this Bill, without adequate funding, this will simply be jurisdiction to legislate over our own poverty." (p.10)

Whilst in theory Bill C-92 presents an opportunity to restore First Nations jurisdiction in child welfare, without funding we may be facing another "12 years [of litigation against Canada] trying to achieve equitable funding for First Nations child and family services." (p.3)<sup>xii</sup>

<sup>i</sup> *FNCFCs, AFN, et.al. v Attorney General of Canada*, [2016]. CHRT 2. T1340/7008. Retrieved from:

[https://fncaringsociety.com/sites/default/files/2018\\_chrt\\_4\\_1.pdf](https://fncaringsociety.com/sites/default/files/2018_chrt_4_1.pdf)

<sup>ii</sup> *FNCFCs, AFN, et.al. v Attorney General of Canada*, [2018]. CHRT 4. T1340/7008. Retrieved from:

[https://fncaringsociety.com/sites/default/files/2018\\_chrt\\_4\\_1.pdf](https://fncaringsociety.com/sites/default/files/2018_chrt_4_1.pdf)

<sup>iii</sup> Institute of Fiscal Studies and Democracy. (2019). *Enabling First Nations Children to Thrive*. Ottawa: National Indian Brotherhood. Retrieved from:

[http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive\\_February%202019.pdf](http://www.ifsd.ca/web/default/files/public/First%20Nations/IFSD%20Enabling%20Children%20to%20Thrive_February%202019.pdf)

<sup>iv</sup> Ibid.

<sup>v</sup> Ibid.

<sup>vi</sup> Auditor General of Canada. (2018). *Report 5 – Socio-economic Gaps on First Nations Reserves – Indigenous Services Canada*. 2018 Spring Reports of the Auditor General of Canada to the Parliament of Canada. Retrieved from: [http://www.oag-bvg.gc.ca/internet/English/parl\\_oag\\_201805\\_05\\_e\\_43037.html](http://www.oag-bvg.gc.ca/internet/English/parl_oag_201805_05_e_43037.html)

<sup>vii</sup> Statistics Canada. (2017). *Census in Brief: The housing conditions of Aboriginal people in Canada*. Retrieved from:

<https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016021/98-200-x2016021-eng.cfm>

<sup>viii</sup> Assembly of First Nations. (2018). DRAFT: 10 year First Nations National Housing and related Infrastructure Strategy. Retrieved from: <https://www.afn.ca/wp-content/uploads/2018/10/Draft-First-Nations-Housing-and-Related-Infrastructure-Strategy-July-2018.pdf>

<sup>ix</sup> Lukawiecki, J., Plotkin, R., & Boisvert, A. (2018). *Reconciling Promises and Reality: Clean Drinking Water for First Nations*. David Suzuki Foundation. Retrieved from: <https://davidssuzuki.org/science-learning-centre-article/reconciling-promises-and-reality-clean-drinking-water-for-first-nations/>

<sup>x</sup> Department of Finance. *Budget Plan: Equality + Growth A Strong Middle Class*. Government of Canada. Retrieved from <https://www.budget.gc.ca/2018/docs/plan/toc-tdm-en.html>

<sup>xi</sup> Metallic, N., Friedland, H., Craft, A., Morales, S., & Hewitt, J. (2019). *An Act Respecting First Nations, Inuit, and Métis Children, Youth and Families: Does Bill C-92 Make the Grade?* Toronto: Yellowhead Institute. Retrieved from: [https://yellowheadinstitute.org/wp-content/uploads/2019/03/does-bill-c-92-make-the-grade\\_full-report.pdf](https://yellowheadinstitute.org/wp-content/uploads/2019/03/does-bill-c-92-make-the-grade_full-report.pdf)

<sup>xii</sup> First Nations Child & Family Caring Society of Canada. (2019). *Preliminary Briefing Sheet: Bill C-92 - An Act respecting First Nations, Métis and Inuit children, youth and families*. Ottawa. Retrieved from: [https://fncaringsociety.com/sites/default/files/legislation\\_bn\\_march\\_9\\_2019.pdf](https://fncaringsociety.com/sites/default/files/legislation_bn_march_9_2019.pdf)