



## **National Aboriginal Health Organization**

### **BRIEFING NOTE – EXTERNAL**

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**TITLE:** Federal Budget 2004

**ISSUE:** Federal Budget 2004 and Implications for Aboriginal Peoples

**BACKGROUND:**

**Attachments:** [ ] Yes [X] No

#### **Implications for First Nations:**

##### **Independent Centre for First Nations Government**

In keeping to *Speech from the Throne* commitments made in February 2004, the Federal Budget 2004 proposes to provide \$5.5 M over the next two years and up to \$5 M a year thereafter to establish and operate an Independent Centre for First Nations Government. These monies would be in addition to funds potentially allocated by the Minister of Indian Affairs and Northern Development, to also support this purpose.

A First Nations-led Advisory Council will make recommendations regarding the design and mandate of the Centre during fiscal year 2004-05, and it is expected that the Centre will:

- serve as a focal point for dialogue on governance and self-government; and,
- help First Nations communities to strengthen capacity, enhance governance structures and day-to-day operations and move toward greater self-government.

#### **Implications for Métis:**

In September 2003, the Supreme Court of Canada ruled in the *Powley* case that members of the Métis community in and around Sault Ste. Marie, Ontario, have an Aboriginal right to hunt for food under subsection 35(1) of the Constitution Act, 1982.

This budget proposes to set aside \$20.5 M over the next year to enable the Government of Canada to work with Métis leadership as well as provinces and territories to properly address Métis Aboriginal harvesting issues and work towards assessing the implications and possible approaches to implementation of the *Powley* decision.

Both the *Powley* ruling and the proposed \$20.5 M investment have implications for the longer-term health needs of Métis. The recognition and willingness of the federal government to enter into further dialogue with Métis will provide opportunities to ensure that the key determinants of health for Métis, including identity and traditional means of subsistence (harvesting food from the land), are acknowledged and addressed at the level of federal and provincial health and social policy makers.

**Implications for Inuit, Dene and other Aboriginal Peoples in the North:**

While there were several announcements of interest to the North, it is important to note that none of them are Aboriginal-specific. For example:

**Clean-up of Federal Contaminated Sites**

Budget 2004 provides \$3.5 B over 10 years to cleanup contaminated sites for which federal departments are responsible, and more than 60 per cent of expenditures are to occur in the North, contributing to an improved environment, economic development and employment opportunities for Aboriginal communities and Northerners. Specific sites in the North include:

- Giant Mine, located 5 kilometres outside Yellowknife, which is contaminated with arsenic from past gold mining;
- The Dene Aboriginal population near the Great Bear Lake, NWT, lives in an area of radium contamination, near the former Port Radium, leading to contamination of the community's health and environment.
- The DEW (Distant Early Warning) Line radar system, which was installed throughout Canada's North during the Cold War era;

**Northern Strategy for Economic Development**

In the 2003 *Speech from the Throne*, the Government committed the federal government to develop a Northern Strategy to ensure economic development opportunities are in partnership with Northern Canadians. Budget 2004 provides for \$90 M over five years to support this strategy. It is expected that this initiative will have a positive impact on all Northerners, including the approximately 50,000 Aboriginal people who live in Canada's North. This raises questions however, as to what assurances there may be for local employment. Too often, these activities import labour from the south, particularly for management and upper level positions. Also, these Northern initiatives are not Aboriginal-specific initiatives.

Other initiatives to bolster Northern economic development include:

- **Territorial Formula Financing:** \$150 M increase in Territorial Formula Financing (TFF) over five years to support territorial investment priorities;
- **Health Transition Funding:** provided after the 2003 First Ministers' Accord on Health Care Renewal, will be made ongoing in 2006–07, with \$60 M over three years to bolster health care in the North.
- **Northern Oil and Gas Development:** with \$75 M invested over three years to ensure that the Government of Canada and regional authorities can effectively respond to oil and gas development in the North.

**Implications for Urban Aboriginal Peoples:**

**Aboriginal Human Resources Development Strategy**

In 1999 the Government initiated its Aboriginal Human Resources Development Strategy: a five-year, \$1.6 B strategy to help Aboriginal people develop skills and secure employment with the support of a network of Aboriginal organizations across Canada.

Budget 2004 renews the Aboriginal Human Resources Development Strategy, providing \$125 M over five years at \$25 M/year to replace funds that are scheduled to end on March 31, 2004. This funding will enable the federal Government to work with provincial and municipal governments

and Aboriginal communities to meet the skills and employment needs of Aboriginal people through:

- the continuation of programs and services provided to urban Aboriginal clients;
- training for the organizations administering the Strategy; and,
- access to quality child care for many First Nations and Inuit clients while they pursue training or employment opportunities.

### **Urban Aboriginal Strategy**

The current Urban Aboriginal Strategy (UAS) provides \$25 M/year to 2005–06, to support innovative, multi-partner pilot projects that address the priorities of Aboriginal people in eight urban centres. Projects currently underway in urban centers include Vancouver, Calgary, Edmonton, Saskatoon, Regina, Winnipeg, Toronto and Thunder Bay. Some of the projects are linked to larger initiatives addressing inner-city concerns and urban revitalization. For example:

- In Winnipeg, the UAS project focuses on supportive housing needs, transitional services, inner city schools and youth, and employment;
- In the Regina Inner City Community Partnership, the UAS supports projects aimed at reducing poverty, improving community safety and housing conditions, in partnership with the private sector, three levels of government and a cross section of service organizations including First Nations and Métis service providers.
- In Vancouver, the UAS pilot projects focus on three priorities: Aboriginal youth, health and homelessness. Project partners include the cities of Vancouver and Surrey, the province of British Columbia and local Aboriginal organizations.

Budget 2004 proposes to extend the UAS through to 2006–07, and to double the total from \$25 M to \$50 M to allow current projects with promising results to be expanded and, in partnership with potential provincial and municipal governments, support projects in up to six more communities.

### **Implications for Aboriginal Organizations and Communities doing Research:**

#### **Increases to Federal Granting Councils**

Canada's three federal granting councils are the Canadian Institutes of Health Research (CIHR), the Natural Sciences and Engineering Research Council of Canada (NSERC) and the Social Sciences and Humanities Research Council of Canada (SSHRC). Budget 2004 will increase the annual budgets of the granting councils by an additional \$90 M/year beginning in 2004–05 as follows:

- \$39 M/year for CIHR, which includes the **Institute for Aboriginal Peoples Health**;
- \$39 M/year for NSERC; and,
- \$12 M/year for SSHRC.

#### **Commercializing Federally Sponsored Research at Universities**

To further the commercialization of university-based research, Budget 2004 also sets aside \$50 M over five years for a pilot competitive fund to be managed by Industry Canada. The granting councils, including CIHR, NSERC and SSHRC, as well as consortia of universities and research hospitals, will be eligible to submit proposals designed to improve the capacity for commercialization in Canada's higher education sector, with the best initiatives receiving funding.

**Implications for Aboriginal Children:**

**Early Childhood Development Agreement**

In September 2000, the federal Government entered into an Early Childhood Development (ECD) Agreement with provincial and territorial governments, and under the ECD, committed to provide \$2.2 B/year over five years to provincial and territorial governments through the Canada Health and Social Transfer.

In 2003 the federal Government announced it would continue its funding commitment after 2005–06 at \$500 M/year, and set aside a further \$320 M over five years (\$65 M/year) for early childhood development programming for First Nations and other Aboriginal children.

As well, the **Multilateral Framework on Early Learning and Child Care (ELCC)** was agreed to in March 2003 by federal, provincial and territorial ministers responsible for social services. The Framework builds on the foundation of the earlier Early Childhood Development (ECD) Agreement by increasing funding for the third of its key areas for action (strengthening early childhood development, learning and care).

Within the ELCC, the federal Government committed a further \$35 M/year over four years for early learning and childcare services for First Nations children living on reserves. The 2004 budget proposes to add a further \$10 M, bringing its total investment to \$45 M.<sup>1</sup>

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**Approved**

NAHO Centres Staff

**Prepared by**

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**Date Signed**

March 30, 2004

**Update**



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<sup>1</sup> <http://www.fin.gc.ca/budget04/bp/bpc4de.htm#aboriginals>