



**Aboriginal Affairs and
Northern Development Canada**

**Affaires autochtones et
Développement du Nord Canada**

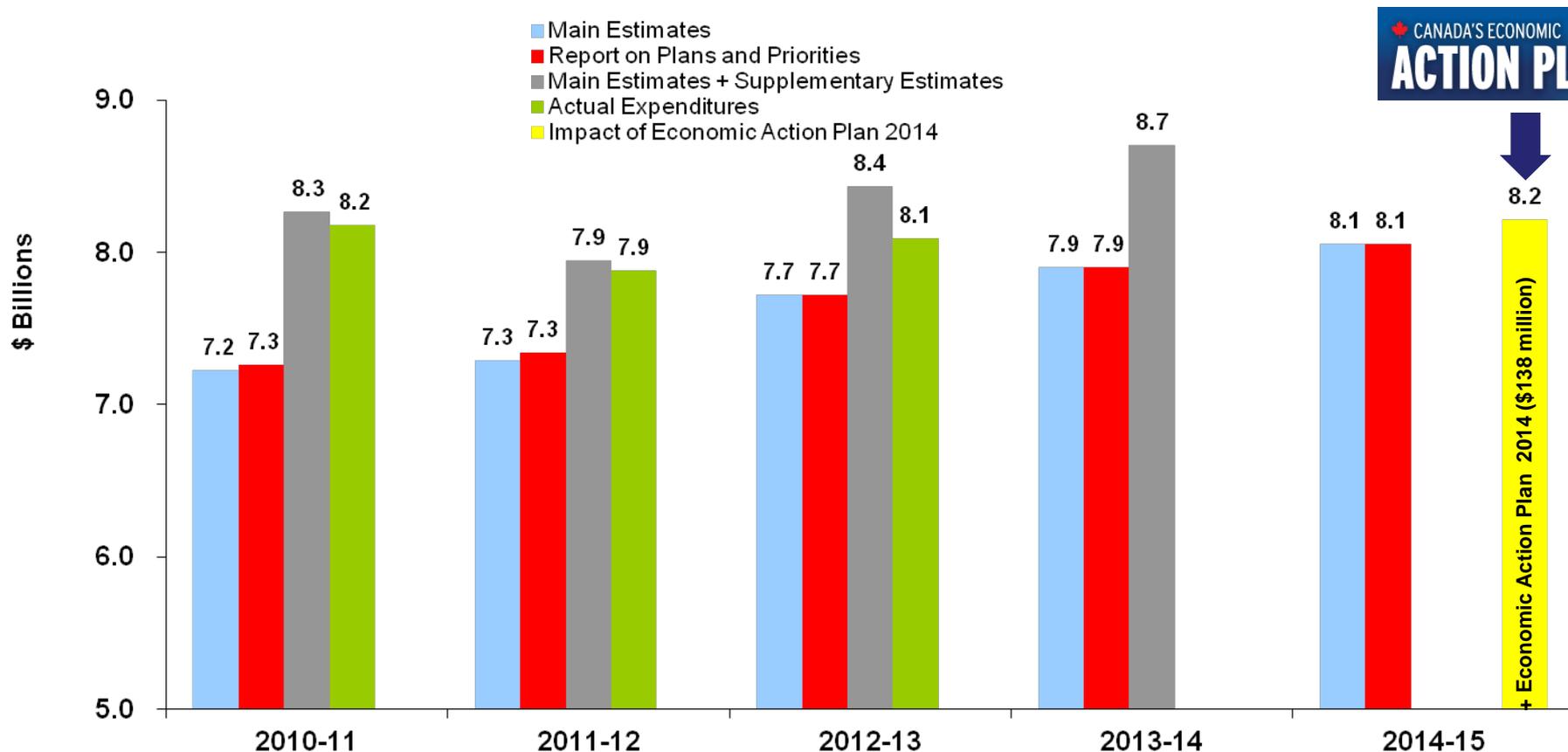


2014-15 Financial Overview

July 2014



Fiscal Cycle – Budgetary Expenditures



Variations between Main Estimates, Planned Spending (as per the Report on Plans and Priorities) and Actual Expenditures are largely attributable to the timing of key elements in the fiscal cycle. The Main Estimates is the first step in the fiscal cycle. Additional funding for initiatives that were not ready in time to be included in the Main Estimates (i.e. Economic Action Plan 2014) is provided through Supplementary Estimates.



Minister's Portfolio (\$8.1 billion* in the 2014-15 Main Estimates)

Aboriginal Affairs and Northern Development Canada (\$8,079.9M):

Supports Aboriginal people (First Nations, Inuit and Métis) and Northerners in their efforts to improve social well-being and economic prosperity; develop healthier, more sustainable communities; and participate more fully in Canada's political, social and economic development to the benefit of all Canadians.

Canadian Polar Commission (\$2.6M):

Monitors polar knowledge in Canada and around the world; works with Canadian and international institutions to determine scientific and other priorities; encourages support for Canadian polar research information to Canadians and fosters international co-operation in the advancement of polar knowledge.

Registry of the Specific Claims Tribunal (\$2.9M):

Manages the administrative affairs of the Specific Claims Tribunal. The Tribunal is an adjudicative body with the express mandate of deciding First Nations' specific claims including claims related to non-fulfillment of treaties, fraud, illegal leases and dispositions or inadequate compensation for reserve lands or other assets.

Indian Residential Schools Truth and Reconciliation Commission (\$2.1M):

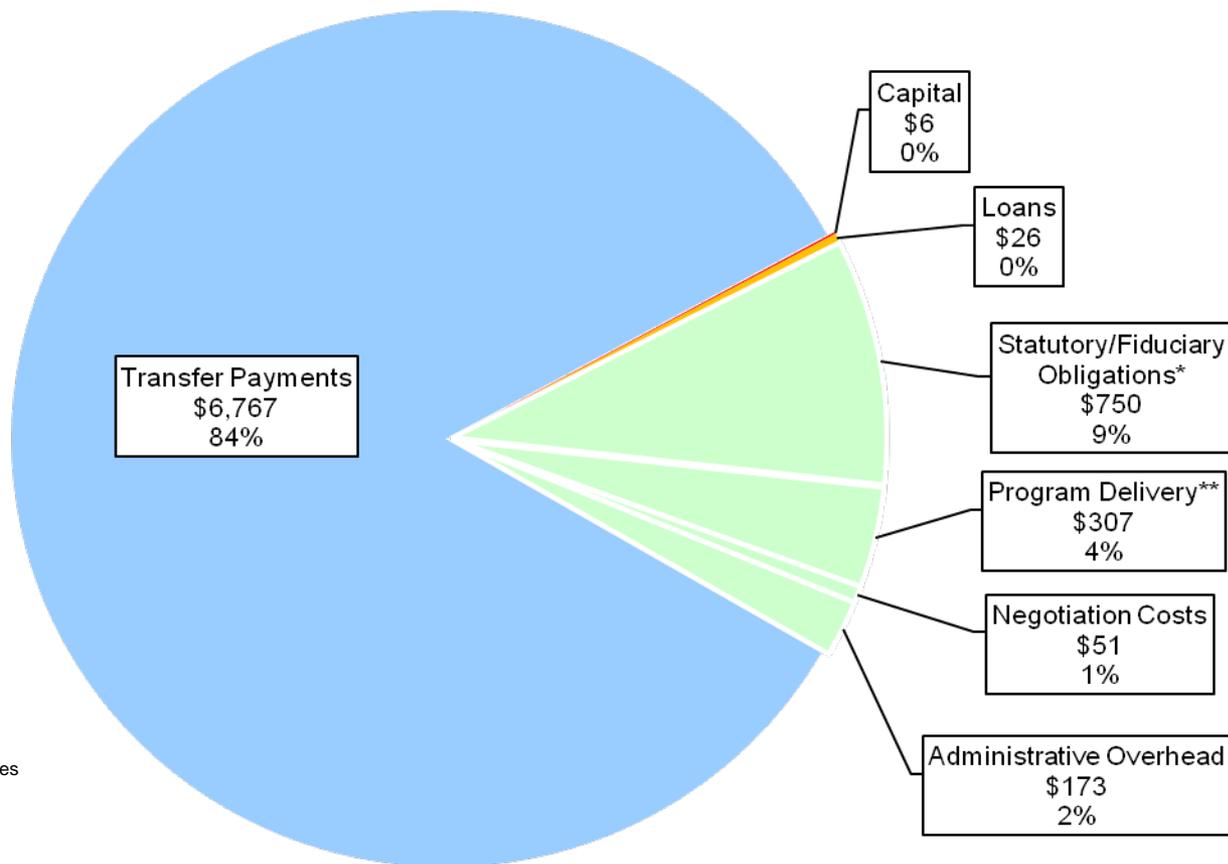
The Commission has a mandate until June 30, 2015, to learn the truth about what happened in the residential schools, to inform all Canadians and to promote reconciliation.

* Figures reflect Budgetary and Non-budgetary amounts.



Expenditures by Category

2014–15 Main Estimates – \$8,080 million



Operating Total = \$1,281M

Comprised of:

Vote 1 – Operating expenditures	\$1,215
(S) Employee benefit plans	61
(S) Resource royalties	3
(S) Loan guarantees	2
Total	\$1,281

Transfer Payment Total = \$6,767M

Comprised of:

Vote 10 – Grants and contributions	\$6,654
(S) Land Claims Settlement Acts	74
(S) First Nations infrastructure	27
(S) Labrador Inuit Claims Agreement	9
(S) Indian Annuities	1
Total	\$6,767

Reconciled to page 163 of the 2014-15 Main Estimates

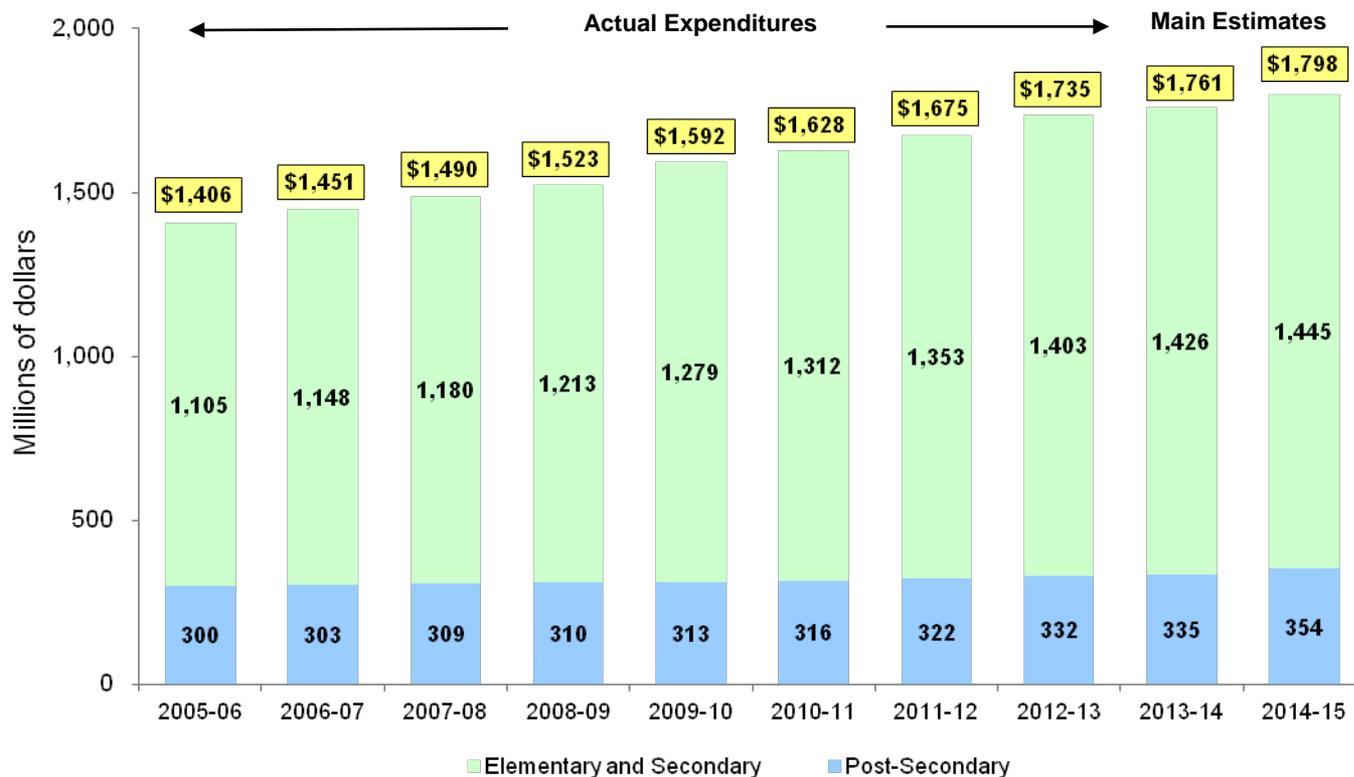
* The major item in the \$750M is \$646M for obligations stemming from the Indian Residential Schools Settlement Agreement. Furthermore, of the \$750M, about \$563M is for direct payments to recipients including obligations pursuant to the Indian Residential Schools Settlement Agreement, claims related obligations, Department of Justice costs, out-of-court settlements, etc.

** Program delivery costs directly benefit First Nation and northern communities and include costs associated with education, social development, capital/ infrastructure, economic development, Indian government support, environmental initiatives and northern programming. Of the \$307M, about \$75M is for direct payments to recipients, primarily related to the assessment, management and remediation of federal contaminated sites.



Expenditure Trend – Education

Overall, actual expenditures for education have increased by about 23% over the period 2005-06 to 2012-13 (or by about 3.1% annually)



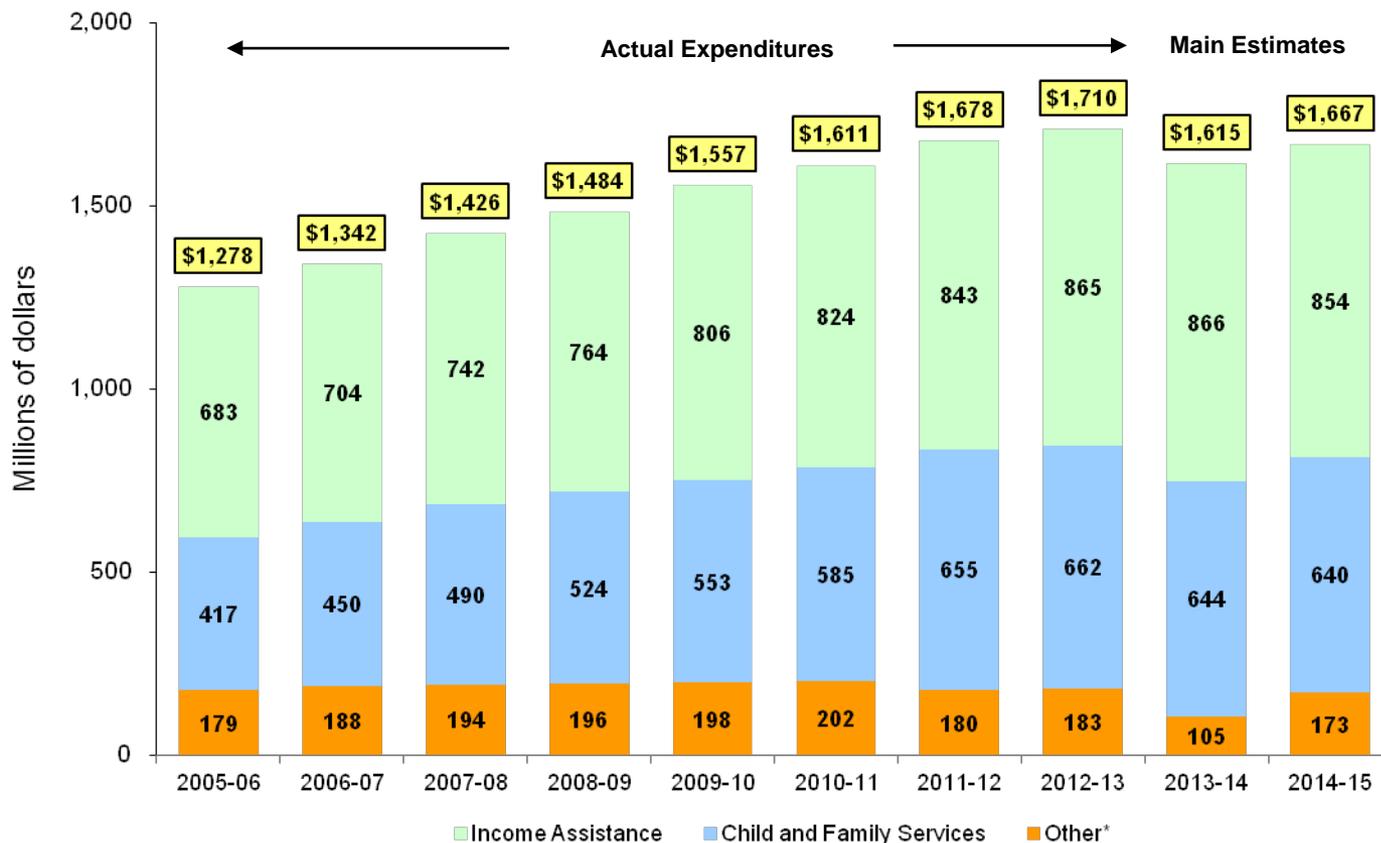
Source: 2005-06 to 2012-13 as per Departmental Performance Reports (2005-06 to 2010-11 restated); 2013-14 and 2014-15 as per Main Estimates. Note – to be consistent with figures displayed for 2011-12 and future years, figures originally reflected in DPRs for the period 2005-06 to 2010-11 have been restated to reflect the transfer of funding for Education Agreements to the Treaty Management program (as per the revised Program Alignment Architecture for 2011-12; note – the Treaty Management program has been renamed Management and Implementation of Agreements and Treaties under the revised Program Alignment Architecture for 2014-15) and the consolidation of Cultural Education Centres and First Nations and Inuit Youth Employment Strategy in Elementary and Secondary Education (as per the revised Program Alignment Architecture for 2012-13). In addition, an adjustment has also been made to the DPR figures for the period 2005-06 through 2008-09 to provide consistency with the display of Internal Services as a separate program beginning in 2009-10 (ie. Internal Services was previously attributed across all programs).

Figures may not add due to rounding.



Expenditure Trend – Social Development

Overall, actual expenditures for social development have increased by about 34% over the period 2005-06 to 2012-13 (or by about 4.3% annually)



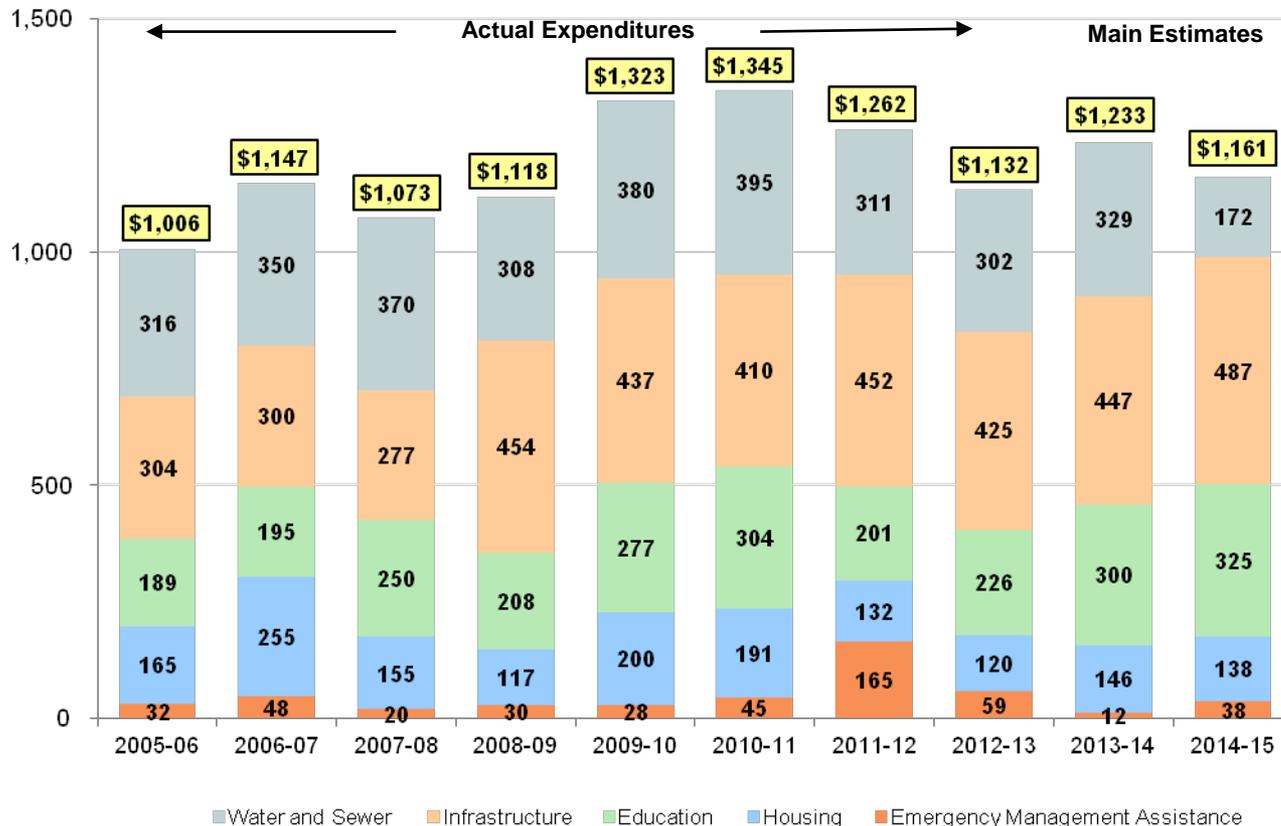
* For the period 2005-06 to 2010-11, Other includes Assisted Living, Family Violence Prevention, National Child Benefit Re-investment and Family Capacity Initiatives; beginning in 2011-12, Family Capacity Initiatives are included in the Child and Family Services sub-program, pursuant to the revised Program Alignment Architecture.

Source: 2005-06 to 2012-13 totals as per Departmental Performance Reports (2005-06 to 2008-09 restated); 2013-14 and 2014-15 as per Main Estimates. Note – to be consistent with figures displayed for 2009-10 and future years, figures originally included in DPRs for the period 2005-06 to 2008-09 have been restated to reflect the display of Internal Services as a separate program beginning in 2009-10 (ie. Internal Services was previously attributed across all programs).



Expenditure Trend – Infrastructure and Capacity

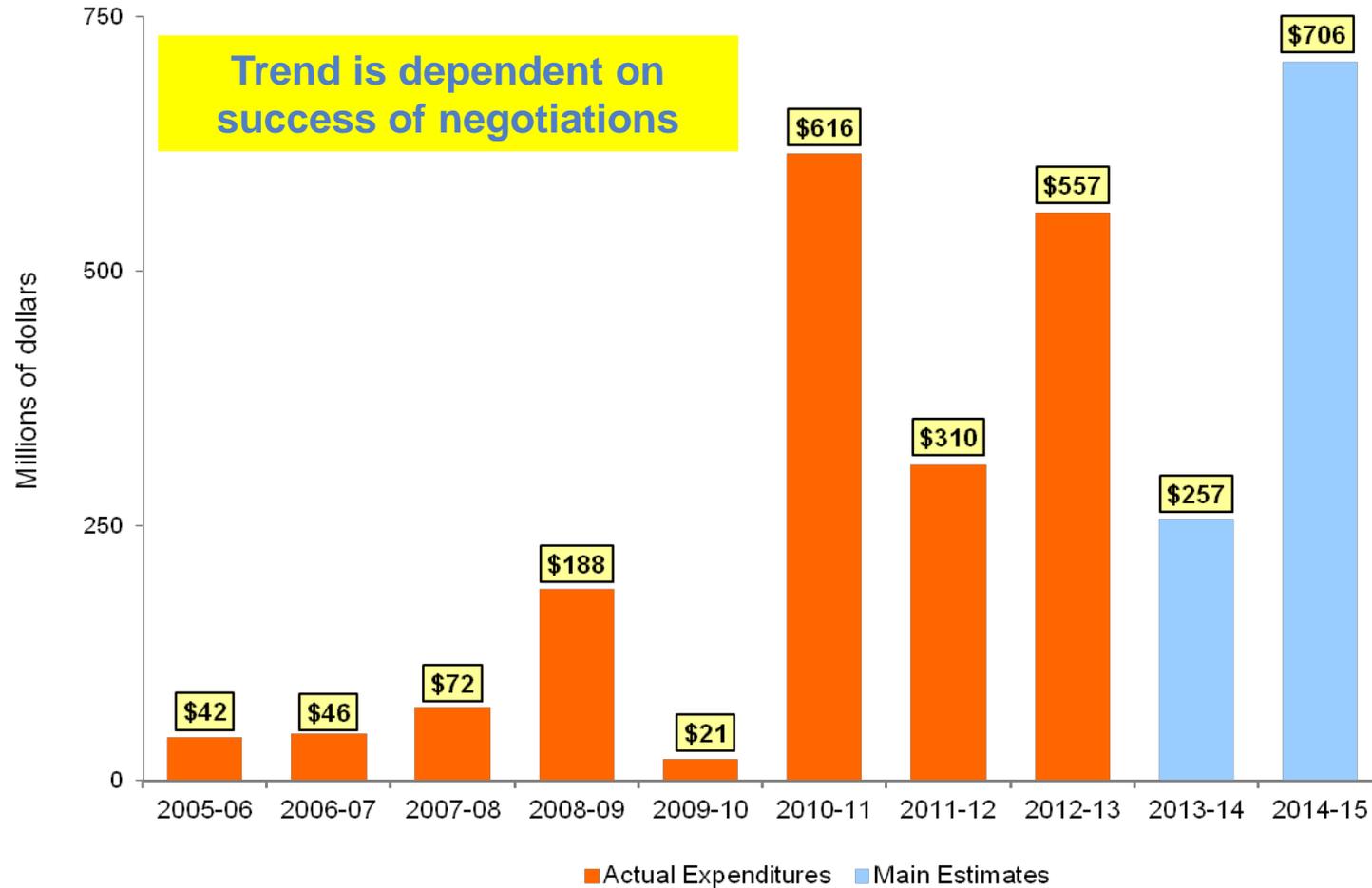
Overall, actual expenditures for Infrastructure and Capacity have averaged about \$1.2 billion annually over the period 2005-06 to 2012-13.



Source: 2005-06 to 2012-13 totals as per Departmental Performance Reports (restited); 2013-14 and 2014-15 as per Main Estimates (2013-14 restated); additional detailed information extracted from the Long-Term Capital Plan. Note – to be consistent with figures displayed for 2014-15, figures originally reflected in DPRs and in the 2013-14 Main Estimates have been restated to reflect the transfer of capital and O&M funding for the James Bay Crees, the Oujé-Bougoumou Crees and the Naskapi bands of Quebec to the Treaty Management program (as per the revised Program Alignment Architecture for 2011-12) and the inclusion of Emergency Management Assistance funding previously reflected under the Federal Administration of Reserve Land/Responsible Federal Stewardship/First Nations Governance over Land, Resources and the Environment programs (as per the revised Program Alignment Architecture for 2014-15). In addition, an adjustment has also been made to the DPR figures for the period 2005-06 through 2008-09 to provide consistency with the display of Internal Services as a separate program beginning in 2009-10 (ie. Internal Services was previously attributed across all programs).



Expenditure Trend – Specific and Special Claims



Please refer to [Specific Claims](#) background information and [the terms and conditions](#) for grants for specific and special claims for further information.



Program Delivery at AANDC

South of 60°

- About 80 per cent of resources are used to fund programs delivered by First Nations community governments, Tribal Councils, etc.
 - Most funds are for basic provincial/municipal type services to individuals on reserve.
 - The federal government is committed to providing services on reserves comparable to those typically provided by the provinces.
 - Provincial standards guide program delivery leading to variability across regions.

North of 60°

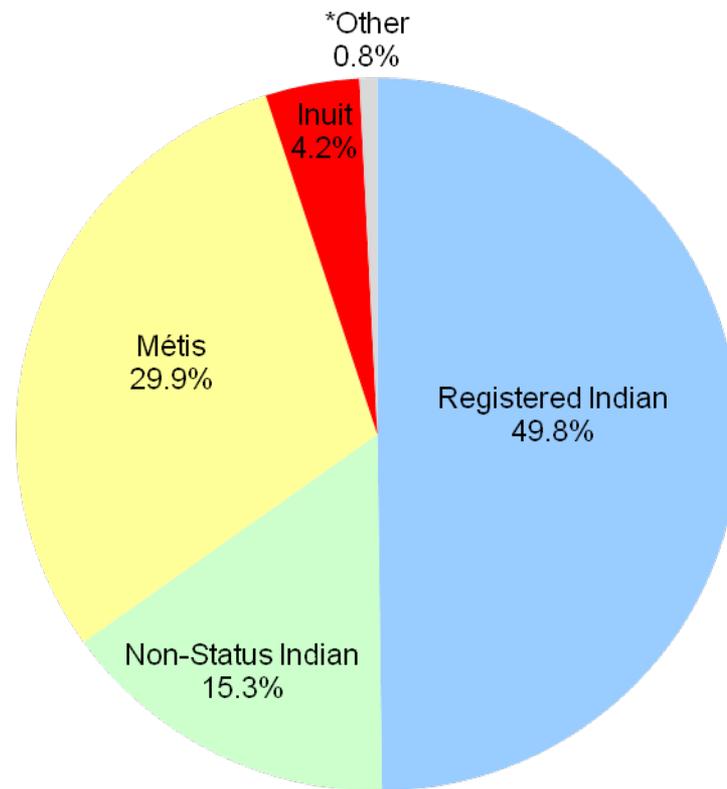
- Within the federal government, the Minister has the lead responsibility for the North, including the Northern Strategy.
- The department has a province-like regulatory role in water and oil and gas management.
- AANDC manages land and resources in Nunavut. This role was devolved to the territorial government in Yukon and North West Territories.



Program Delivery – Demographic Realities

- According to the 2011 National Household Survey, there are **1,400,685** Aboriginal individuals in Canada, representing 4.3% of the total Canadian population.
- Registered Indians account for just under half of the Aboriginal population.
- In 2011, almost half (46%) of Aboriginal people were less than 25 years of age compared with almost one-third (29%) of non-Aboriginal people.
- The median age for Aboriginal people is 28 years, 13 years less than for non-Aboriginals (41 years).
- The total population of the territories is approximately 105,820 - slightly over half are Aboriginal.

Distribution of the Aboriginal Population by Registration Status and Identity, Canada, 2011



•*Other* refers to respondents who reported more than one identity group, and those who reported being a Band member with no Aboriginal identity and no Registered Indian status.

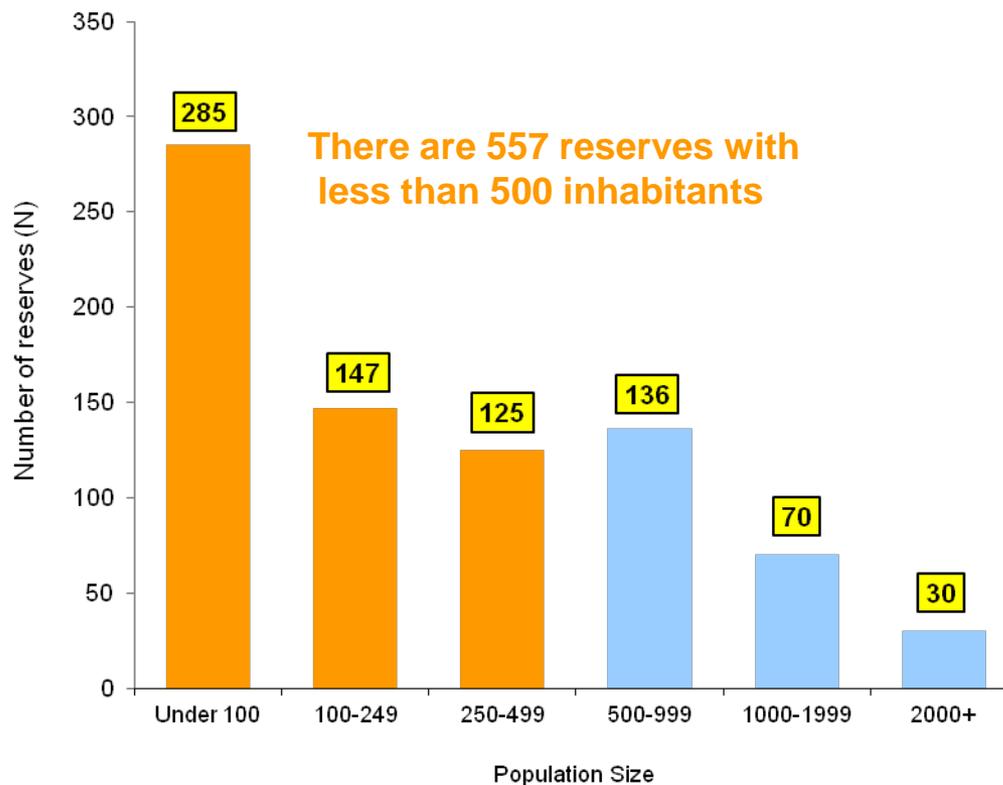
Source: Statistics Canada, [2011 National Household Survey](#), AANDC tabulations.



Program Delivery – Geographic Realities (Small Communities)

- According to the 2011 Census of Population, 70% of First Nations communities have fewer than 500 inhabitants; the majority are located in British Columbia.
- First Nations communities include legally defined Indian reserves, Indian settlements and other land types created by the ratification of self-government agreements.

First Nation Communities by Population Size, 2011



Note: N=793 out of a possible 997 First Nation communities delineated by Statistics Canada in 2011. Not included are unpopulated reserves and 31 incompletely enumerated reserves.

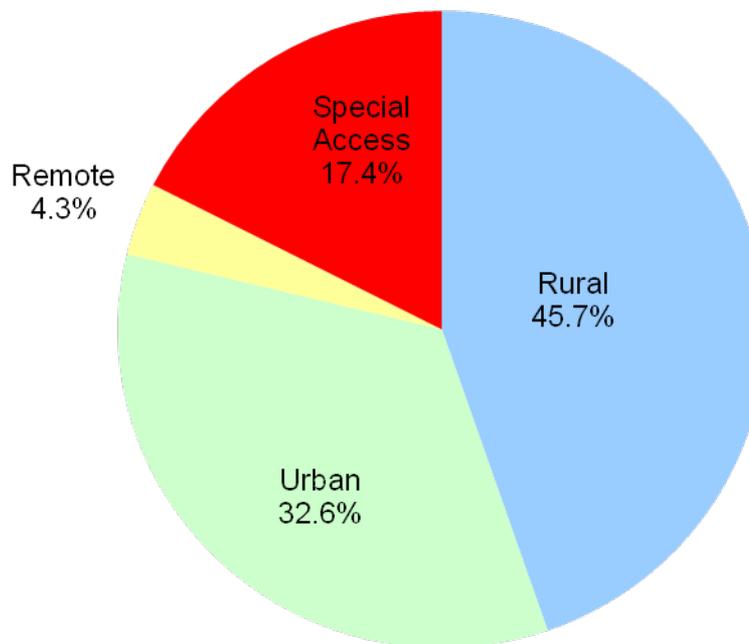
Source: AANDC derived from [2011 Geosuite](#), Statistics Canada.



Program Delivery – Geographic Realities (Dispersed Communities)

As of 2013, 67% of Registered Indians on reserve lived in rural, special access, or remote zones; 33% lived in urban zones.

On-Reserve Population by Geographic Zones, 2013



Note:

Urban: The First Nation is located within 50 km of the nearest service centre with a year-round road access.

Rural: The First Nation is located between 50 and 350 km from the nearest service centre with a year-round road access.

Remote: The First Nation is located over 350 km from the nearest service centre with year-round road access.

Special Access: The First Nation has no year-round road access to a service centre and, as a result, experiences a higher cost of transportation.

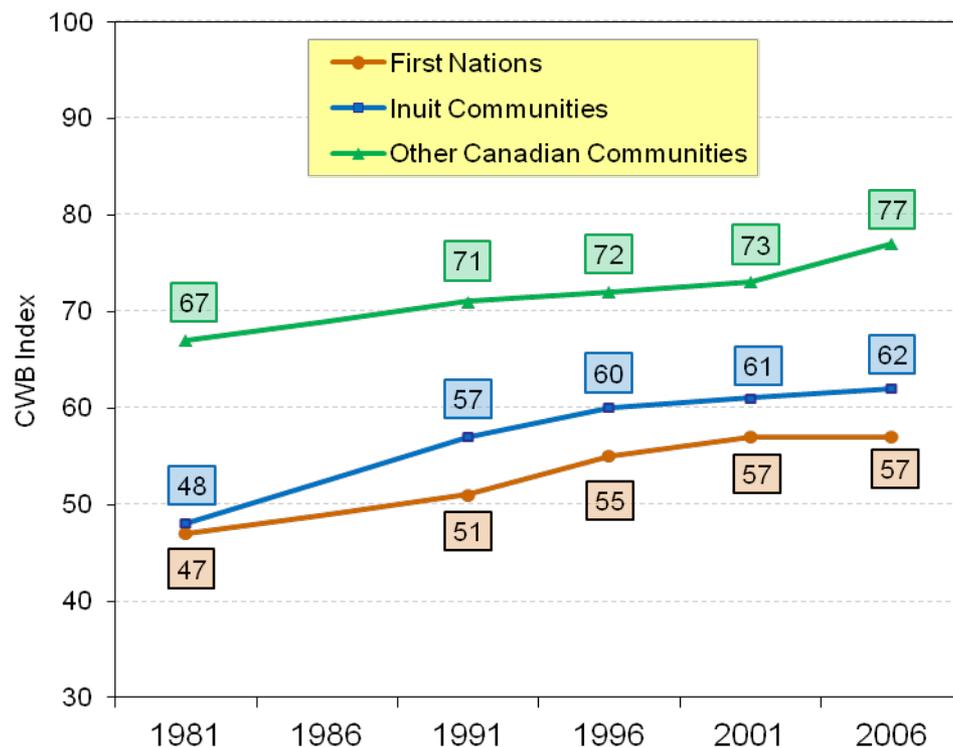


Program Delivery – Socio-Economic Realities

Community Well-Being Index (CWB)

Average CWB Scores, 1981-2006

- There has been progress over the last 25 years in improving the socio-economic conditions in First Nations and Inuit communities.
- A significant gap still exists in the socio-economic conditions of First Nations and Inuit communities compared to those of other communities.



Source: Statistics Canada, 1981, 1991, 1996, 2001 and 2006 Census of Population. [The Community Well-Being Index](#) is expected to be updated using the 2011 National Household Survey later this year.



Operating Environment – Economic Action Plan 2014

Economic Action Plan 2014 announced **\$2.5 billion** in total investments for Aboriginal and Northern communities (\$138 million in 2014-15 for AANDC), which will allow them to participate more fully in Canada's economy and benefit from its growth. Of the total investment, about **\$2.4 billion** is directed toward Aboriginal Peoples and their communities. The remaining **\$110 million** provides investments for Northerners.

Strategic Investments / Commitments Announced / Confirmed in Economic Action Plan 2014	Total (AANDC + OGDs)					AANDC					Other Government Departments				
	2014-15	2015-16	Total (2 years)	Future Years	Total	2014-15	2015-16	Total (2 years)	Future Years	Total	2014-15	2015-16	Total (2 years)	Future Years	Total
Aboriginal Peoples															
Reforming First Nations K-12 Education – Comprised of: Core Funding (\$1.25B); Enhanced Education Fund (\$160M); Education Infrastructure Fund (\$500M)	-	120.0	120.0	1,790.0	1,910.0	-	120.0	120.0	1,790.0	1,910.0	-	-	-	-	-
Supporting First Nation Fishing Enterprises	33.1	33.1	66.1	-	66.1	-	-	-	-	-	33.1	33.1	66.1	-	66.1
Renewing the Aboriginal Justice Strategy	11.1	11.1	22.2	-	22.2	-	-	-	-	-	11.1	11.1	22.2	-	22.2
Addressing Violence Against Aboriginal Women and Girls	-	5.0	5.0	20.0	25.0	-	-	-	-	-	-	5.0	5.0	20.0	25.0
On-Reserve Emergency Management	-	3.0	3.0	37.0	40.0	-	3.0	3.0	37.0	40.0	-	-	-	-	-
Continuing the First Nations Water and Wastewater Action Plan	161.7	161.7	323.4	-	323.4	138.0	138.0	276.0	-	276.0	23.7	23.7	47.4	-	47.4
Sub-Total (Aboriginal Peoples)	205.9	333.9	539.7	1,847.0	2,386.7	138.0	261.0	399.0	1,827.0	2,226.0	67.9	72.9	140.7	20.0	160.7
Aboriginal and Northern Communities															
Supporting Northern Economic Development	20.0	20.0	40.0	-	40.0	-	-	-	-	-	20.0	20.0	40.0	-	40.0
Developing Transportation Infrastructure in the North (funding to be determined)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Territorial Health Investment Fund	27.0	23.0	50.0	20.0	70.0	-	-	-	-	-	27.0	23.0	50.0	20.0	70.0
Improving Access to Healthy Food for Northerners (funding to be determined)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improving Access to Broadband in Rural and Northern Communities (funding to be determined)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total (Aboriginal and Northern Communities)	47.0	43.0	90.0	20.0	110.0	-	-	-	-	-	47.0	43.0	90.0	20.0	110.0
Other Initiatives that will benefit Aboriginals and Northerners															
Addressing Prescription Drug Abuse in Canada	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Renewing Arts Funding (e.g. Aboriginal Languages)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total (Other Initiatives)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	252.9	376.9	629.7	1,867.0	2,496.7	138.0	261.0	399.0	1,827.0	2,226.0	114.9	115.9	230.7	40.0	270.7