

First Nations leaders calling for \$1 billion in funds to be released

By Lynda Powless
Editor

First Nation leadership countrywide are calling on the federal government to release the \$1 billion in funding for First Nations services it has been withholding since 2010

Assembly of First Nations (AFN) National Chief Perry Bellegarde said the withholding of funds is "unacceptable."

While New Democrat MP Niki Ashton, aboriginal affairs critic, said the repeated underspending of millions of dollars is "unconscionable," given the appalling living conditions on reserves today.

"This government chose, in silence, to re-pocket it instead of spending it on people who not just need it but people for whom they have a fiduciary obligation," she said

CBC News learned of a \$1-billion spending shortfall in Aboriginal Affairs over five years.

"I think it shows that the Crown is failing to meet its fiduciary obligations to First Nations people, and basically, fundamental human rights needs are not being met," Chief Bellegarde said.

"We still have boil-water advisories, we still have huge housing needs, and so

if the money was there it should be allocated and spent...to close the gap that exists."

A heavily-censored analysis of the department's funds and allocations was obtained by CBC from the Privy Council Office, the prime minister's department, under the Access to Information Act.

It shows that Aboriginal and Northern Affairs Canada (AANAC), who are responsible for administering indigenous programs deliberately withheld more than \$1 billion in promised spending for social services over the last five years.

AANAC called it lapsed spending — money promised but never spent — "There's a high social gap that exists in Canada," Bellegarde said "But to have a billion dollars lapse, that's not acceptable. They've got Crown, fiduciary ... treaty obligations. They've got to honour them and meet them. It's just really disheartening to hear that a billion dollars has been lapsed."

Ontario Regional Chief Stan Beardy wants to see improvements to AANAC funding policies. "While First Nations communities across Ontario lack basic infrastructure and services,

with many under 10 plus years of boil water advisories and having to use outhouses, the Government of Canada is holding up direly needed funding in Ottawa with red tape and administrative barriers," said Ontario Regional Chief Beardy. "The Department needs to reform its funding procedures so we can make changes on the ground quicker and more effectively."

AANAC administers funding to First Nations for programs, services, infrastructure, and housing along with special projects and initiatives from First Nations organizations. It also supports First Nations entrepreneurship, education, and strategic partnerships.

A series of changes to funding programs over the last several years have slowed down the funding process for many First Nations groups.

A spokeswoman for Aboriginal Affairs said most of the lapsed funds are "carried forward" to be used in coming years.

"From 2009-10 until 2013-14, 97.2 per cent of what was marked as lapsed funding in the public accounts has actually been carried forward to future years and

spent on a wide range of programs," Valerie Hache said in an email, which did not include any accounting of the rollovers.

"The reprofiling is simply due to timing issues that are common in complex negotiations where a number of parties are involved."

But the federal government's planned budget for Aboriginal Affairs is to shrink the funds by \$1 billion by 2017-18 from current levels, to \$7 billion, according to the department's fiscal blueprint tabled earlier in the spring.

The news comes just three days after the Truth and Reconciliation Commission (TRC) accused the federal government of instituting "cultural genocide" in the funding of residential schools.

The documents show the Department of Aboriginal Affairs spent \$200 million below its budget each year in the last five years. Willie Blackwater, a band councillor with the Gitsegukla First Nation, says he was devastated to hear the news.

"When you hear there are billions of dollars out there that could have been used to address what we need all in one year, I don't know...I'm lost for words,"

says Blackwater.

Blackwater says 90 per cent of his Northern B.C. community is on social assistance and they're in dire need of funds for social development and housing.

Ernie Crey, an advisor to the Stó:lo Tribal Council, in B.C. says he's not surprised. He says the federal government has lost its moral compass. "To withhold funds from communities that heavily rely on them to offer important services and programming for their community members, it's just unforgivable," said Crey.

The director of the Quebec Native Women's Association says she's not completely surprised by the news.

The Quebec Native Women's Association recently lost \$175,000 in federal funding, which has jeopardized its ability to continue offering services to aboriginal people within the province. The centre lost \$175,000 in federal funding after its dossier was transferred from Heritage Canada to Aboriginal Affairs.

Director Viviane Michel, said that after funding was transferred from Heritage Canada to the federal Aboriginal Affairs office, the group was told it was not an "aboriginal-representa-

tive organization."

That significant level of so-called lapsed spending places Aboriginal Affairs among the largest "serial" offenders, that is, key departments that regularly spend less than budgeted in big dollar amounts year after year. Others include:

- Defence, CSIS, RCMP unable to spend \$1.1B since 2007

- Child-porn policing program suffers from RCMP underspending

- Tony Clement says lapsed funds mean good financial management

- Julian Fantino says \$1.1B in lapsed vets funding 'not lost money'

Aboriginal Affairs stands out as the only social-service department regularly falling so short of budget.

The internal list was created Nov. 28 for Privy Council Clerk Janice Charette.

Before the Conservatives formed government in 2006, annual lapsed spending was steady at about five per cent, but it began to increase sharply in the years following, spiking at more than 10 per cent in 2012-13, the total fell to 7.7 per cent in 2013-14. (The most recent number, for 2014-15, will be reported in the Public Accounts in the fall. (With CP and CBC Files)