



Indian and Northern Affairs Canada and Canadian Polar Commission

2001-2002
Estimates

Part III – Report on Plans and Priorities

Canada

The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament. The Estimates, which are tabled in the House of Commons by the President of the Treasury Board, consist of three parts:

Part I – The Government Expenditure Plan provides an overview of federal spending and summarizes both the relationship of the key elements of the Main Estimates to the Expenditure Plan (as set out in the Budget).

Part II – The Main Estimates directly support the *Appropriation Act*. The Main Estimates identify the spending authorities (votes) and amounts to be included in subsequent appropriation bills. Parliament will be asked to approve these votes to enable the government to proceed with its spending plans. Parts I and II of the Estimates are tabled concurrently on or before 1 March.

Part III – Departmental Expenditure Plans which is divided into two components:

- (1) **Reports on Plans and Priorities (RPPs)** are individual expenditure plans for each department and agency (excluding Crown corporations). These reports provide increased levels of detail on a business line basis and contain information on objectives, initiatives and planned results, including links to related resource requirements over a three-year period. The RPPs also provide details on human resource requirements, major capital projects, grants and contributions, and net program costs. They are tabled in Parliament by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*. These documents are to be tabled on or before 31 March and referred to committees, which then report back to the House of Commons pursuant to Standing Order 81(4).
- (2) **Departmental Performance Reports (DPRs)** are individual department and agency accounts of accomplishments achieved against planned performance expectations as set out in respective RPPs. These Performance Reports, which cover the most recently completed fiscal year, are tabled in Parliament in the fall by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of public funds.

As part of its ongoing efforts to streamline reporting requirements, the Treasury Board of Canada Secretariat has requested that Indian and Northern Affairs Canada and thirteen other departments explore alternative reporting structures to this year's *Report on Plans and Priorities*. It has, therefore, exempted the department from the usual guidelines for the preparation of this report.

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Available in Canada through your local bookseller or by mail from Canadian Government Publishing (PWGSC)
Ottawa, Canada K1A 0S9

Telephone: 1-800-635-7943
Internet site: <http://publications.pwgsc.gc.ca>

Catalogue No. BT31-2/2002-III-19

ISBN 0-660-61460-X

**Indian and Northern
Affairs Canada
and
Canadian Polar Commission**

2001–2002
Estimates

Report on Plans and Priorities

A handwritten signature in black ink, appearing to read "Robert D. Nault", is positioned above a solid horizontal line. The signature is written in a cursive style with a large initial 'R'.

The Honourable Robert D. Nault, P.C., M.P.
Minister of Indian and Northern Affairs Canada

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Section I – Messages

Minister's Message

First Nations, Inuit and Northerners are creating meaningful, lasting change in their communities. In order to fully achieve their goals and aspirations, they need tools and mechanisms that will better serve their efforts. For its part, the Government of Canada wants to make those instruments as effective and readily available as possible so that First Nations, Inuit and Northerners may create opportunities for an improved quality of life.

To do this, our government has committed to strengthening its relationship with Aboriginal people. A key priority in this regard is improving First Nations governance. The *Indian Act* is an antiquated piece of legislation that has proven inadequate in supporting the aspirations of First Nations communities to build and maintain healthy, vibrant communities. First Nations and the Canadian public increasingly recognize that band governments need new instruments to foster political and fiscal accountability and promote a high standard of public administration.

I am committed to working in partnership with First Nations to strengthen governance systems. I am confident that with such systems in place to support them, First Nations governments will be better equipped to foster economic development in their communities.

As the fastest growing segment of the population, Aboriginal people play an increasingly important role in the social and economic development of Canada. But the gap in the standard of living between Aboriginal and non-Aboriginal people remains all too apparent — and all too wide.

Our government has prioritized increased investments in health, education, housing and infrastructure to improve the quality of life in First Nation communities and ensure that all children get the right start in life. We also want to foster access to economic opportunities to generate jobs and growth. The key lies in the tools we can provide so that First Nations can build strong, dynamic and sustainable economies which will benefit all Canadians.

As a country we have much to be thankful for. The distinct regions of our vast geography provide opportunities in many shapes and forms. This is particularly true of Canada's North.

In partnership with Inuit and other Northerners, we have made tremendous advances in sustainable development, settling land claims and developing effective northern governments. Now we need to take further steps to harness the economic potential of the North, much of which remains untapped. Oil and gas pipeline development and other major projects offer great promise for Northerners and for Canada's economy as a whole.

The priorities I have described here promise to create an exciting, challenging year for our government and our partners. I look forward to the work ahead.

Executive Summary

Indian and Northern Affairs Canada (INAC)

Highlights of INAC's ultimate outcomes and key results commitments are listed below.

INAC's Ultimate Outcomes, Key Results Commitments and Resources by Program	
Indian and Inuit Affairs Program	
<p>➤ Renewed Partnerships (\$235.0 million in 2001-02), as demonstrated by (pages 19 to 22)</p> <ul style="list-style-type: none"> - reconciliation and community healing; - increased public awareness of Aboriginal issues; - stronger working relationships with Aboriginal people and organizations; - new approaches to federal, provincial, territorial relations with First Nations and Inuit. 	<p>➤ New Fiscal Relationship (\$7.0 million in 2001-02), as demonstrated by (pages 26 to 28)</p> <ul style="list-style-type: none"> - effective fiscal relationships including new fiscal arrangements models and practical examples; - strengthened fiscal accountability; - financial skills and capacity in First Nations.
<p>➤ Strengthened Aboriginal Governance (\$948.0 million in 2001-02), as demonstrated by (pages 23 to 25)</p> <ul style="list-style-type: none"> - self-government and claims agreements; - governance capacity-building initiatives; - devolved federal responsibilities. 	<p>➤ Strong Communities, People and Economies (\$3,677.0 million in 2001-02), as demonstrated by (pages 29 to 33)</p> <ul style="list-style-type: none"> - strengthened economic development; - increased self-sufficiency; - improved health and safety.
Northern Affairs Program	Administration Program
<p>➤ Managing Federal Interests and Promoting Sustainable Development (\$167.9 million in 2001-02), as demonstrated by (pages 34 to 39)</p> <ul style="list-style-type: none"> - strengthening northern governance; - a healthy human and natural environment; - sustainable utilization of northern natural resources; - fostering circumpolar co-operation. 	<p>➤ Supporting <i>Gathering Strength</i> by Finding Innovative Ways of Doing Business (\$81.0 million in 2001-02), as demonstrated by (pages 40 to 44)</p> <ul style="list-style-type: none"> - Aboriginal representation within a dynamic and skilled work force; - sound management practices; - sustainable development strategy (SDS); - access to government information and services by First Nations, Inuit, and Northerners.

Canadian Polar Commission

Key results commitments include: enhanced polar knowledge; public awareness of polar science; international profile as a circumpolar nation; and, expanded science and technology in polar regions.

This document outlines the performance targets and concrete results the department is committed to achieving over the planning horizon.

Management Representation Statement

Management Representation Report on Plans and Priorities 2001–2002

I submit, for tabling in Parliament, the 2001–2002 Report on Plans and Priorities (RPP) for Indian and Northern Affairs Canada.

To the best of my knowledge the information:

- Accurately portrays the department's mandate, priorities, strategies and planned results of the organization.
- Is consistent with the disclosure principles contained in the *Guidelines for Preparing a Report on Plans and Priorities*.
- Is comprehensive and accurate.
- Is based on sound underlying departmental information and management systems.

I am satisfied as to the quality assurance processes and procedures used for the RPP's production.

The Planning and Reporting Accountability Structure (PRAS) on which this document has been based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

Name :



Gordon Shanks

Assistant Deputy Minister Corporate Services

Date :

March 5, 2001



Section II – Departmental Overview

What's New

Major changes since INAC's 2000-01 Report on Plans and Priorities include:


Increased Focus on Strengthening Governance

In response to inadequacies in the *Indian Act*, INAC is exploring an initiative that would provide First Nations with the tools they need to exercise effective and accountable governance, help lay the foundation for sustainable socio-economic growth, and facilitate self-government negotiations under the Inherent Right Policy. A governance initiative is needed to address the inherent weaknesses of the current *Indian Act* electoral and accountability framework which is being increasingly challenged by First Nations in the courts.

Investments under *Gathering Strength* initiatives are producing results. Increased capacity-building has produced models of governance instruments, including constitutions for First Nations governments. In the area of professional development, investments have resulted in the following: *National Orientation Manual for Chiefs and Councils*; post-secondary curriculum development (college and university accreditation); mutual gains negotiations training; development of professional associations including the National Indian Registers Association and National Land Managers Association; and oil and gas dispositions training.

Various negotiations are leading the way in developing workable arrangements for implementing the inherent right of self-government. This year, Westbank First Nation negotiated a final agreement to take control of local government, with ratification scheduled for the coming months. Agreements-in-principle were finalized with Meadow Lake First Nations in Saskatchewan and the Sioux Valley Dakota Nation in Manitoba, and many other negotiations have made significant progress.

The Kanesatake Land Governance Agreement was signed by the Minister and the Grand Chief of the Mohawks of Kanesatake on December 21, 2000. Although it is not a self-government agreement under the Inherent Right Policy, the agreement establishes an interim land base for the Mohawks of Kanesatake under section 91 (24) of the *Constitution Act, 1867*, as distinct from a reserve under the *Indian Act*. The agreement also establishes clear authority regarding the use and development of this land, including the power to enforce laws adopted in accordance with the agreement. Furthermore, the agreement calls for the harmonization of certain key Kanesatake laws with municipal by-laws of the Village of Oka where Mohawks and non-Mohawks live side by side. By settling the unresolved question of the constitutional status of Kanesatake Mohawk lands and establishing clear powers to govern those lands, the agreement removes the uncertainty that had existed with respect to the application of laws in Kanesatake and paves the way for resolution of outstanding land-related issues in Kanesatake.



Increased Focus on First Nations and Inuit Economic Development

During the 2000–01 fiscal year, approximately \$75 million was allocated to economic development through internal reallocations. This funding will continue to increase in the upcoming fiscal year. Capacity-building will assist First Nations and Inuit to seize economic opportunities and participate in regional economic opportunities in partnership with the private sector, provinces and territories. Priorities will focus on strengthening First Nations and Inuit economic infrastructure, business development and economic institutions.

Increased Funding for Infrastructure

Infrastructure Canada Program: The Government of Canada has recently launched the Infrastructure Canada Program, which includes a First Nation component. The objectives of the program, cost-shared with provinces and territories, are to enhance the quality of the environment, support long-term economic growth, enhance community infrastructure and build 21st-century infrastructure through the use of innovative technologies, new approaches and best practices. This initiative will provide a total of \$38.8 million in additional funding to INAC over three years beginning in 2001–02 (\$31.1 million for First Nations and \$7.7 million for the North).

Capital Rust-Out Initiative: The Capital Rust-Out Initiative, part of the Federal Program Integrity exercise, will provide \$167 million in additional funding to INAC over the next five years (\$160.2 million for the Indian and Inuit Affairs Program and \$6.8 million for the Northern Affairs Program). This funding will be used for renovation, replacement and expansion of existing assets, with health and safety as a priority. The projects for 2001–02, identified by regions, address three key areas on-reserve: water, sewer and schools. In the North, priority is placed on renovation or replacement of assets that pose health and safety concerns for staff and clients, including office buildings and fire bases.

Integration of Sustainable Development Strategy

The department's second Sustainable Development Strategy (SDS 2001–03) was tabled in the House of Commons in February 2001 and posted on the department's web site shortly thereafter. SDS 2001–03 commits the department to implementing an accountability and management regime and to developing mechanisms for integrating the principles of sustainable development into departmental planning, reporting and decision making.



Mandate, Roles and Responsibilities

Indian and Northern Affairs Canada

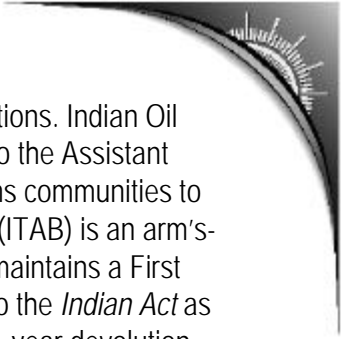
INAC is responsible for two separate yet equally important mandates: **Indian and Inuit Affairs** and **Northern Affairs**. This broad mandate is derived largely from the *Department of Indian Affairs and Northern Development Act*, the *Indian Act*, territorial acts and legal obligations arising from section 91(24) of the *Constitution Act, 1867*; however, the department is responsible for administering over 50 statutes in total.¹ Consequently, INAC's mandate is complex and its responsibilities encompass a broad range of services.

In general, INAC has primary, but not exclusive, responsibility for meeting the federal government's constitutional, treaty, political and legal responsibilities to First Nations, Inuit and Northerners. To fulfill this mandate, INAC must work collaboratively with First Nations, Inuit and Northerners, as well as with other federal departments and agencies, provinces and territories. Increasingly, INAC's role has become one of facilitating change and bringing together the partners and interests needed to implement *Gathering Strength — Canada's Aboriginal Action Plan*.

In Indian and Inuit Affairs, the department's primary role is to support First Nations and Inuit in developing healthy, sustainable communities and in achieving their economic and social aspirations. INAC negotiates comprehensive and specific land claims and self-government agreements on behalf of the federal government, oversees implementation of settlements and promotes economic development. It is responsible for delivering provincial-like services such as education, housing, and community infrastructure to Status Indians on-reserve, and for delivering social assistance and social support services to residents on-reserve with the goal of ensuring access to services comparable to those available to other Canadian residents. The vast majority of these programs and services are delivered in partnership with First Nations, who directly administer 85 percent of Indian and Inuit Affairs Program funds. INAC is also responsible for ensuring the honourable fulfilment of the Crown's obligations in lands, revenues and trusts, as well as for matters relating to First Nations governance. It serves as the delivery agent for training initiatives specific to administration of land and resources and as a compliance body for a number of legislative regimes including the *Indian Act*.

In Northern Affairs, INAC is the principal federal department responsible for meeting the federal government's constitutional, political and legal responsibilities in the North. With legislative and policy authority over most of the North's natural resources, INAC is the custodian and resource manager for an area occupying 40 percent of Canada's land mass. INAC's role in the North is extremely broad and includes settling and implementing land claims, negotiating self-government agreements, advancing political evolution, managing natural resources, protecting the environment and fostering leadership in sustainable development both domestically and among circumpolar nations. INAC's approach in managing its responsibilities is based on partnership and the principles of sustainable development.

¹ For a complete list of legislation administered by INAC please refer to http://www.inac-ainc.gc.ca/pr/leg/index_e.html. For a list of regulations currently in force and Planned Regulatory Initiatives for 2001-02 please refer to http://www.inac-ainc.gc.ca/pr/leg/reg/index_e.html. You may also obtain this information by contacting the departmental information kiosk at (819) 997-0380.

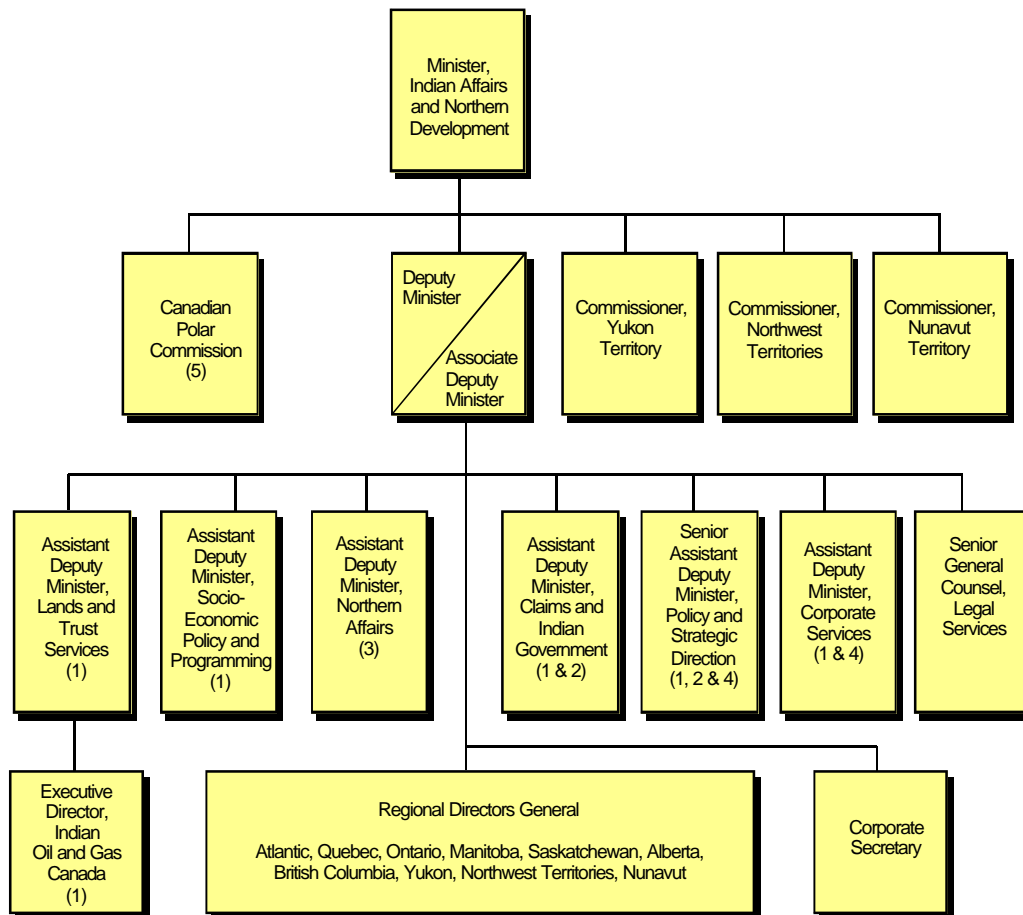


INAC also has unique relationships with other federal and arm's-length organizations. Indian Oil and Gas Canada (IOGC) is currently under the jurisdiction of INAC and reports to the Assistant Deputy Minister, Lands and Trust Services. IOGC works closely with First Nations communities to develop harvesting of fossil fuel resources. The Indian Taxation Advisory Board (ITAB) is an arm's-length agency that deals with issues related to taxation and First Nations. ITAB maintains a First Nations taxation by-law gazette and provides advice on taxation issues related to the *Indian Act* as requested by INAC sectors. Once a unit within INAC, ITAB has undergone an 11-year devolution with a formal separation from INAC in 1998.

Canadian Polar Commission

The CPC operates as an independent agency (<http://www.polarcom.gc.ca>) under the *Canadian Polar Commission Act* and reports to Parliament through the Minister of INAC. Established in 1991 as Canada's lead agency in the area of polar research, the CPC is responsible for monitoring, promoting and disseminating knowledge of the polar regions; contributing to public awareness of the importance of polar science to Canada; enhancing Canada's international profile as a circumpolar nation; and recommending policy direction to government.

Organization and Business Lines



Programs/Business Lines	Planned Spending 2001-02	
	(\$ millions)	FTEs
Indian and Northern Affairs Canada		
<i>Indian and Inuit Affairs Program</i>		
1. Indian and Inuit Programming	4,321.8	1,879
2. Claims	638.4	329
<i>Northern Affairs Program</i>		
3. Northern Affairs Programming	167.9	563
<i>Administration Program</i>		
4. Administration	81.0	728
Total INAC	5,209.1	3,499
Canadian Polar Commission		
5. Canadian Polar Commission	1.0	5



Departmental/Program Objectives

Indian and Northern Affairs Canada

Departmental Mission

Working together to make Canada a better place for First Nations, Inuit and Northerners.

Program Objectives

Indian and Inuit Affairs Program

To support Indians and Inuit in achieving their self-government, economic, educational, cultural, social, and community development needs and aspirations; to settle accepted native claims through negotiations; and to ensure fulfilment of Canada's constitutional and statutory obligations and responsibilities to Indian and Inuit people.

Northern Affairs Program

To promote the political, economic, scientific and social development of Canada's North; to assist Northerners, including Aboriginal groups, to develop political and economic institutions which will enable them to assume increasing responsibility within the Canadian federation; to effectively manage and regulate the sustainable development of the North's natural resources in preparation for devolution to the territorial governments; to preserve, maintain, protect and rehabilitate the northern environment; and to manage ongoing federal interests in the North, including federal northern policy, federal-territorial relations and claims and self-government implementation, and federal circumpolar activities.

Administration Program

To provide for policy direction and sound management of the Indian and Inuit Affairs and Northern Affairs programs and for efficient and effective planning, accounting, personnel, communications and other administrative support.

Canadian Polar Commission

Objective

To promote the development and dissemination of knowledge in respect of the polar regions.

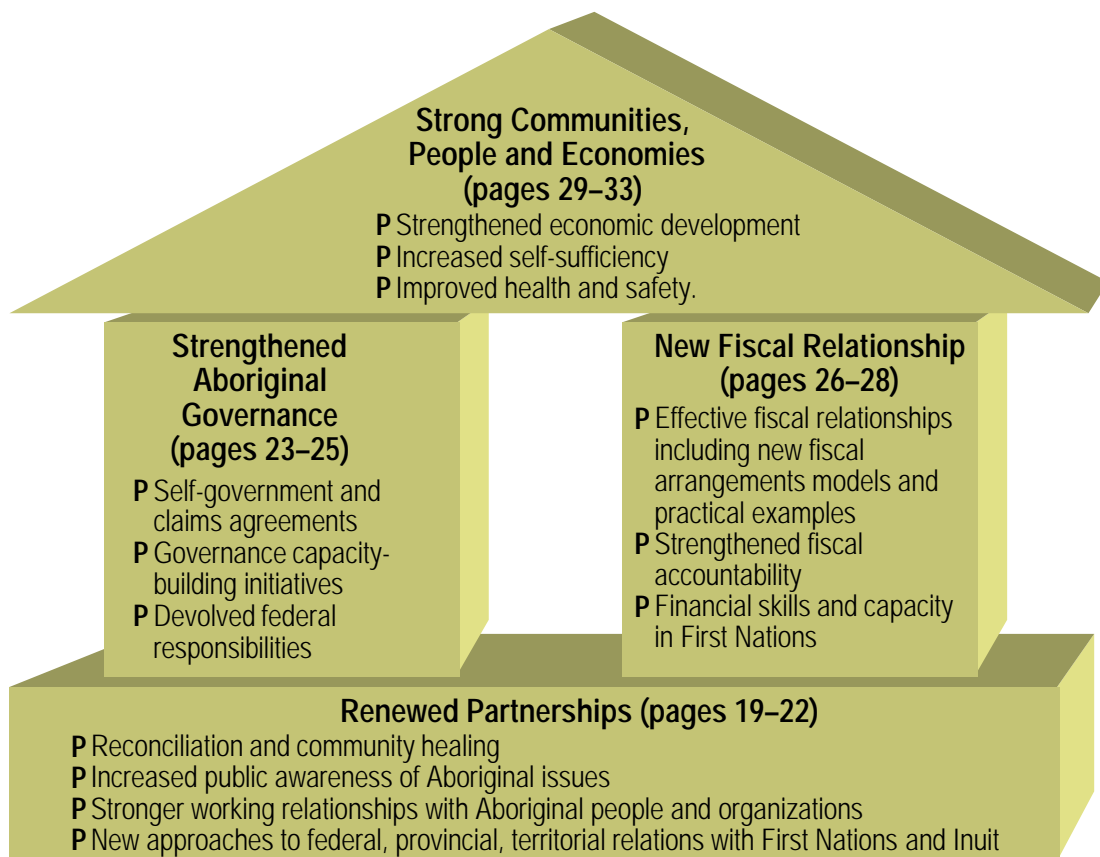
Planning Context

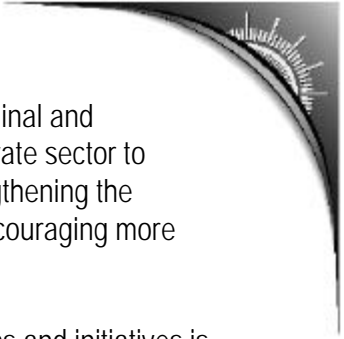
Indian and Northern Affairs Canada

In 1998, the Government of Canada responded to the report of the Royal Commission on Aboriginal Peoples with *Gathering Strength — Canada's Aboriginal Action Plan*, a long-term, broad-based plan designed to improve the quality of life of Aboriginal people and promote self-sufficiency. It envisions a new partnership between Aboriginal people and other Canadians that reflects our interdependence; the long-term goal is to work together to ensure that Aboriginal people enjoy a quality of life comparable to that of other Canadians.

Gathering Strength provides overall policy direction for the federal government as a whole, and promotes integrated federal planning and development. This approach also requires partnerships with provinces and territories to build the critical mass essential for sustainable progress. INAC supports these broader horizontal efforts, as well as working to implement *Gathering Strength* within its Indian and Inuit Affairs and Northern Affairs programs.

Indian and Inuit Affairs: *Gathering Strength* has four main objectives: Renewed Partnerships; Strengthened Aboriginal Governments; New Fiscal Relationship; and Strong Communities, People and Economies. These objectives form the basis of INAC's planning context and directly align with the ultimate outcomes and key results commitments of the Indian and Inuit Affairs Program.





Northern Affairs: Northern Affairs centres on working in partnership with Aboriginal and non-Aboriginal residents, including the three territorial governments, and the private sector to advance social, political and sustainable development for all Northerners. Strengthening the economic base for northern communities, building stronger partnerships and encouraging more effective governance are consistent with the objectives of *Gathering Strength*.

Striving for Sustainable Development: A fundamental aim of policies, programs and initiatives is to help First Nations, Inuit and northern communities to attain economic, social and environmental sustainability. The department views all its decisions in the context of eight sustainable development principles; these principles are also reflected in the strategic objectives and specific initiatives stemming from *Gathering Strength*. These principles result from extensive consultations with First Nations, Inuit and northern communities during the development of the first Sustainable Development Strategy (SDS) in 1996–97. They are reiterated in SDS 2001–03 tabled in February 2001. The eight principles are as follows:

1. Full consideration of economic viability, social implications and cultural and environmental values in decision making and policy and program development;
2. Open, inclusive and accountable decision making;
3. Honouring treaty and fiduciary obligations as well as land claim, self-government and international agreements;
4. Engagement of interested local communities and organizations when planning and implementing federal programs;
5. Respect for diverse cultures and traditional values, as well as the land and its diversity as the foundation for healthy communities;
6. Fair and equitable opportunities for First Nations, Inuit and northern peoples to share in the benefits, risks and drawbacks of development;
7. Decisions based on the best available, scientific, traditional and local knowledge; and
8. Efficient use of natural resources and minimization of pollution in INAC's internal operations.

Canadian Polar Commission

Given the broad mandate of the Canadian Polar Commission, the challenge will be to evaluate polar knowledge in Canada and internationally, to set strategic objectives and to provide recommendations to the government. Various initiatives are under way to meet this challenge (details are outlined on pages 45-48).

Circles of Influence

INAC's planning process makes reference to three "circles of influence" for reporting the results of activities in terms of short-, medium- and long-term outcomes.

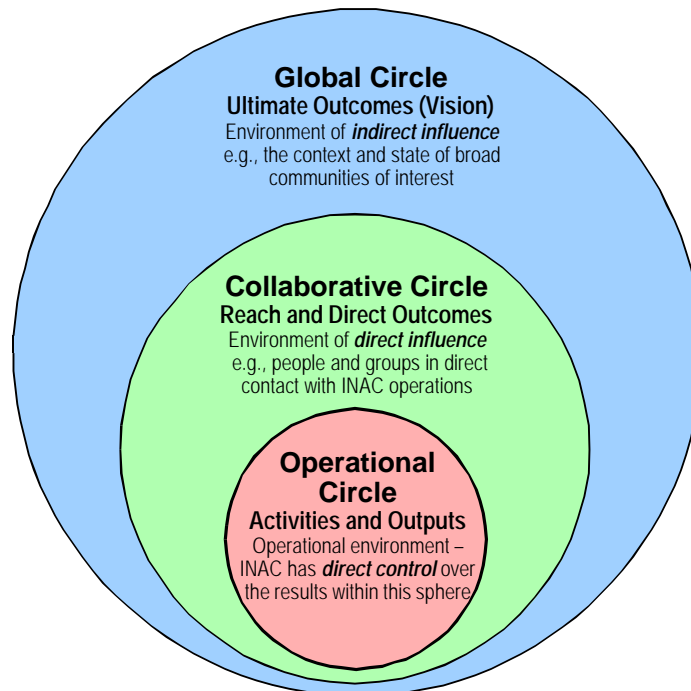
The **operational circle** involves the department's day-to-day activities, the use of its resources and the operations of its policies and programs. Activities at this level are intended to contribute directly to the next level — "the collaborative circle."

The **collaborative circle** relies on the support of partners to achieve goals, build capacity, improve practices and create a supportive climate for initiatives. Activities have a direct influence on short- and medium-term outcomes.

The **global circle** describes both the existing conditions that affect ultimate outcomes, and desirable changes in those conditions. While these conditions are often beyond INAC's direct influence, it is important to focus on activities that contribute to positive changes for First Nations, Inuit and Northerners in the long term.

This report is structured around INAC's commitment to the ultimate outcomes or key results at the global level, achieved through operational and collaborative efforts. For each ultimate outcome, the challenges are identified and the expected results for the planning period are reported at the operational and collaborative levels.

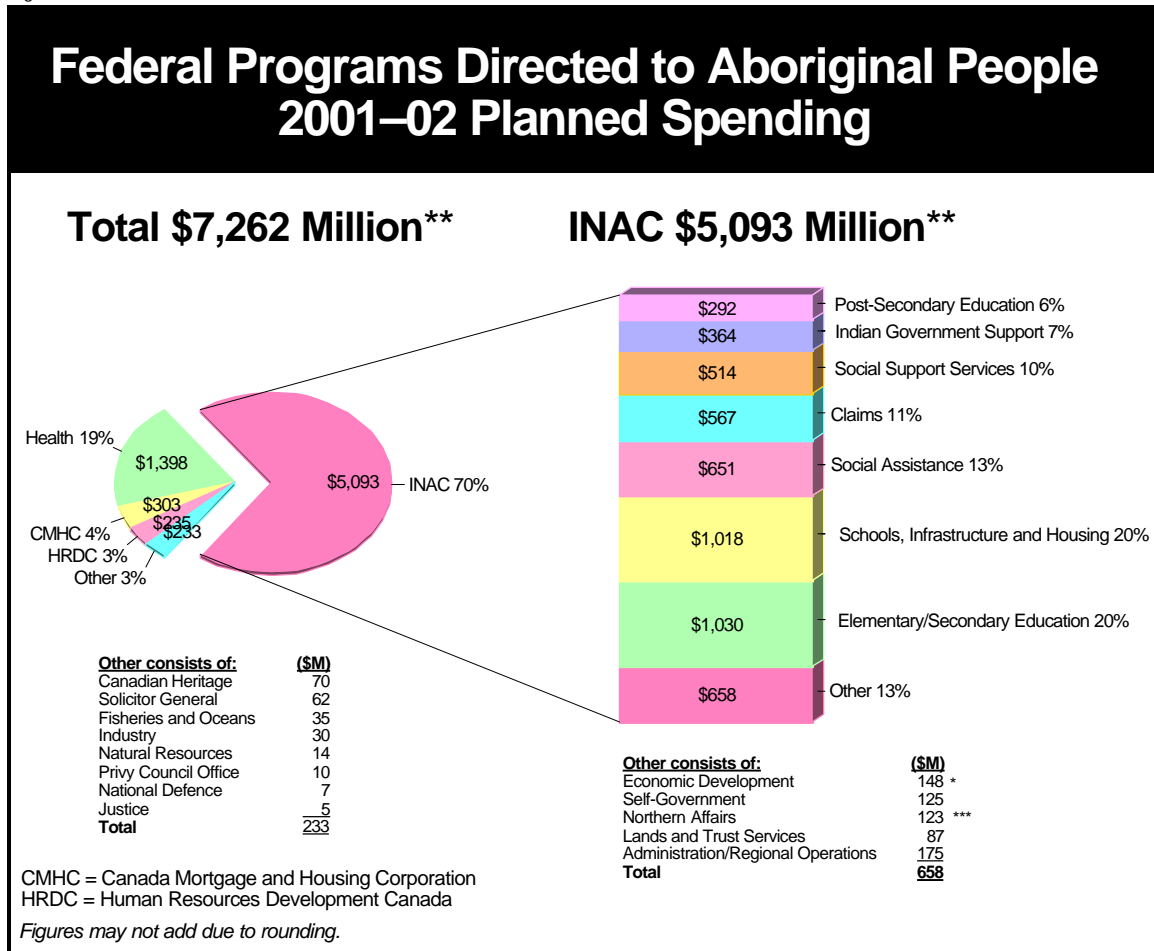
Circles of Influence



Key Co-delivery Partners

Working more effectively and horizontally among departments involved in Aboriginal programs is a key thrust of *Gathering Strength — Canada's Aboriginal Action Plan*. Altogether, 12 federal departments and agencies, including INAC, offer programs for Aboriginal people with total planned expenditures of approximately \$7.3 billion in 2001–02 (see Figure 1). Basic, provincial-type services account for more than 80 percent of total on-reserve funding. Further information on co-delivery partners is included on page 63.

Figure 1



* Includes additional \$75 million allocated to Economic Development in 2000–01 through reallocation. These funds will continue in 2001–02 and will be augmented to further enhance strategic investments in economic development.

** Expenditures in Figure 1 are budgetary only. To reconcile to the 2001–02 expenditure figure for INAC on pages 8 and 15 (\$5,209 million), \$116 million must be added to the INAC total of \$5,093 million in Figure 1. The \$116 million reflects the total for non-budgetary expenditures (\$71 million) and the non-Aboriginal portion of expenditures in the Northern Affairs Program (\$45 million).

*** Reflects Aboriginal-specific programs and a proportion of non-Aboriginal-specific programs.



Profile of Canada's Aboriginal Population and the North

The *Constitution Act, 1982* recognizes three groups of Aboriginal people — **Indians, Inuit, and Métis**. In addition, the *Indian Act* delineates the legal definitions that apply to **Status Indians** in Canada: a Status Indian is an Indian person who is registered under the *Indian Act*.² **Métis people** are of mixed First Nations and European ancestry, as identified by themselves. **Inuit** are the Aboriginal people of Arctic Canada and live primarily in Nunavut, the Northwest Territories and northern parts of Labrador and Quebec. Inuit do not live on reserves and are not covered by the *Indian Act*.

INAC's core responsibilities with respect to Aboriginal people are primarily to Status Indians living on reserve and Inuit. It is responsible for the delivery of most provincial-type programs and services on reserves. In the North, INAC works in cooperation with Inuit and other Aboriginal communities to develop governance structures and to finalize and implement land claims and self-government agreements. Given the unique context of Canada's North, and in accordance with the federal policy on Aboriginal Self-Government,³ some agreements also include Métis north of 60°.

Status Indians living on reserves represent about 58 percent of the Status Indian population: there are 423,200 on-reserve Status Indians and 281,000 who reside off-reserve.⁴ In total, there are 612 First Nations communities, comprising 52 nations or cultural groups and more than 50 languages. Approximately 61 percent of First Nations communities have fewer than 500 residents — only 5 percent have more than 2,000. Overall, 34.6 percent of on-reserve Status Indians live in urban areas, while 44.5 percent live in rural areas, 17.2 percent in special-access areas and 3.7 percent in remote zones.

The on-reserve Status Indian population is expected to increase by 31.2 percent from 1998 to 2008 compared with 10.0 percent for the Canadian population as a whole. In Saskatchewan, the on-reserve Status Indian population is expected to increase by 37.2 percent from 1998 to 2008 compared with 1.5 percent for Saskatchewan's population as a whole. Approximately 41 percent of the Status Indian population is under the age of 19 compared with 25.6 percent for the Canadian population. There will be increasing pressures for employment, housing and other services as the Status Indian population ages.

In Canada's North (occupying 40 percent of Canada's land mass) there are three territories and some 93 communities, most of them home to small populations of First Nations, Métis or Inuit people. The population in the North is young, with 45 percent of the population under the age of 25. Widespread distribution of the Aboriginal population increases the cost of providing services: some 95,000 residents are scattered across this area; Nunavut's population is 25,000 while there are 40,000 people in the Northwest Territories (N.W.T.) and 30,000 in the Yukon Territory.

² A **Treaty Indian** is a Status Indian who belongs to a First Nation that signed a treaty with the Crown. Not all Status Indians belong to First Nations that signed treaties. A **Non-Status Indian** is an Indian person who is not registered as an Indian under the *Indian Act*.

³ See http://www.inac-ainc.gc.ca/pr/pub/sg/plcy_e.html.

⁴ 1998 projections using the Indian Registration System.

Just over half of the population is Aboriginal, varying from 85 percent in Nunavut to about 50 percent in the N.W.T. and about 25 percent in the Yukon Territory. There are few reserves. First Nations and Inuit residents receive territorial programs and services to a greater degree than in the provinces. The key economic drivers are government, mining and, in the N.W.T., hydrocarbons. Throughout the North, cultural identities, including stewardship of the land and a regard for traditional harvesting, and arts and crafts, remain strong.

Planned Spending

(\$ millions)	Forecast Spending 2000-01*	Planned Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04
Indian and Northern Affairs Canada				
Budgetary Main Estimates	4,804.6	5,011.0	4,939.5	4,992.0
Non-Budgetary Main Estimates	22.3	71.1	62.5	57.1
Less: Respendable Revenue	-	-	-	-
Total Main Estimates	4,826.9	5,082.1	5,002.0	5,049.1
Adjustments to Planned Spending**	351.9	127.0	143.0	64.6
Net Planned Spending	5,178.7*	5,209.1	5,145.0	5,113.7
Less: Non-Respendable Revenue	112.1	156.2	203.5	160.0
Plus: Costs of services received without charge	57.1	57.6	58.9	60.4
Net cost of Program	5,123.7	5,110.6	5,003.4	5,014.1
Full-Time Equivalents	3,409	3,499	3,437	3,429
Canadian Polar Commission				
Total Main Estimates	1.0	1.0	1.0	1.0
Adjustments to Planned Spending**	-	-	-	-
Net cost of Program	1.0	1.0	1.0	1.0
Full-Time Equivalents	5	5	5	5

Due to rounding, figures may not add to totals shown.

* Reflects forecast of net planned spending to the end of the fiscal year.

** Adjustments reflect approvals not included in the Main Estimates (e.g. Supplementary Estimates, Budget initiatives).



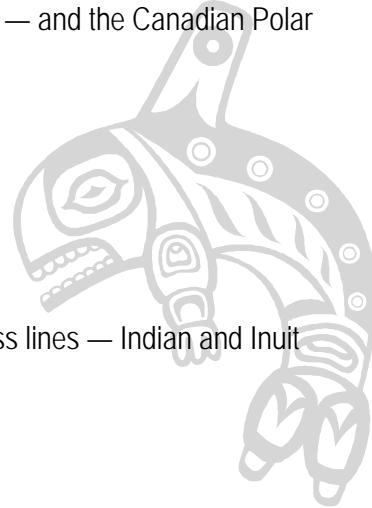
Section III – Departmental Plans, Results, Activities and Resources

Indian and Northern Affairs Canada (INAC) consists of three integrated and related programs — Indian and Inuit Affairs, Northern Affairs, and Administration — and the Canadian Polar Commission.

Indian and Inuit Affairs Program

Business Lines

The Indian and Inuit Affairs Program consists of two business lines — Indian and Inuit Programming, and Claims.



Business Line Objectives

Indian and Inuit Programming: To assist First Nations and Inuit communities in achieving their self-government, economic, educational, cultural, social and community development needs and aspirations. The Indian and Inuit Programming assists First Nations in building healthy, sustainable communities through provision of services and programs similar to levels provided to other Canadian residents by provincial, territorial and municipal governments (including education, social services and community infrastructure). It also fulfils many of Canada's constitutional and statutory obligations and responsibilities to First Nations and Inuit people.

Claims: To achieve negotiated settlements of Aboriginal land claims. Such settlements resolve outstanding grievances, establish certainty to land title and access to lands and resources, create a climate that promotes economic development, and avoid time-consuming litigation. The settlement of a claim is not viewed as an end in itself, but rather as a beginning in which the Aboriginal people start to regain control of their destiny. Claims settlements provide a land base and financial package which establish a solid basis, and provide support for the department's *Gathering Strength* priorities of renewing the partnerships, strengthening Aboriginal governance, developing a new fiscal relationship and supporting strong communities, people and economies.

Business Line Descriptions

Indian and Inuit Programming: Supports Indians and Inuit in achieving their self-government, economic, educational, cultural, social, and community development needs and aspirations; and to fulfil Canada's constitutional and statutory obligations and responsibilities to Indian and Inuit people.

Claims: Settles accepted comprehensive claims; ensures the government meets its legal obligations as set out in the *Indian Act* and Treaties by settling specific claims and monitoring implementation agreements; provides research funding to native claimants; and supports the Department of Justice in relation to litigation focusing on First Nations.

Net Planned Spending and Full Time Equivalents

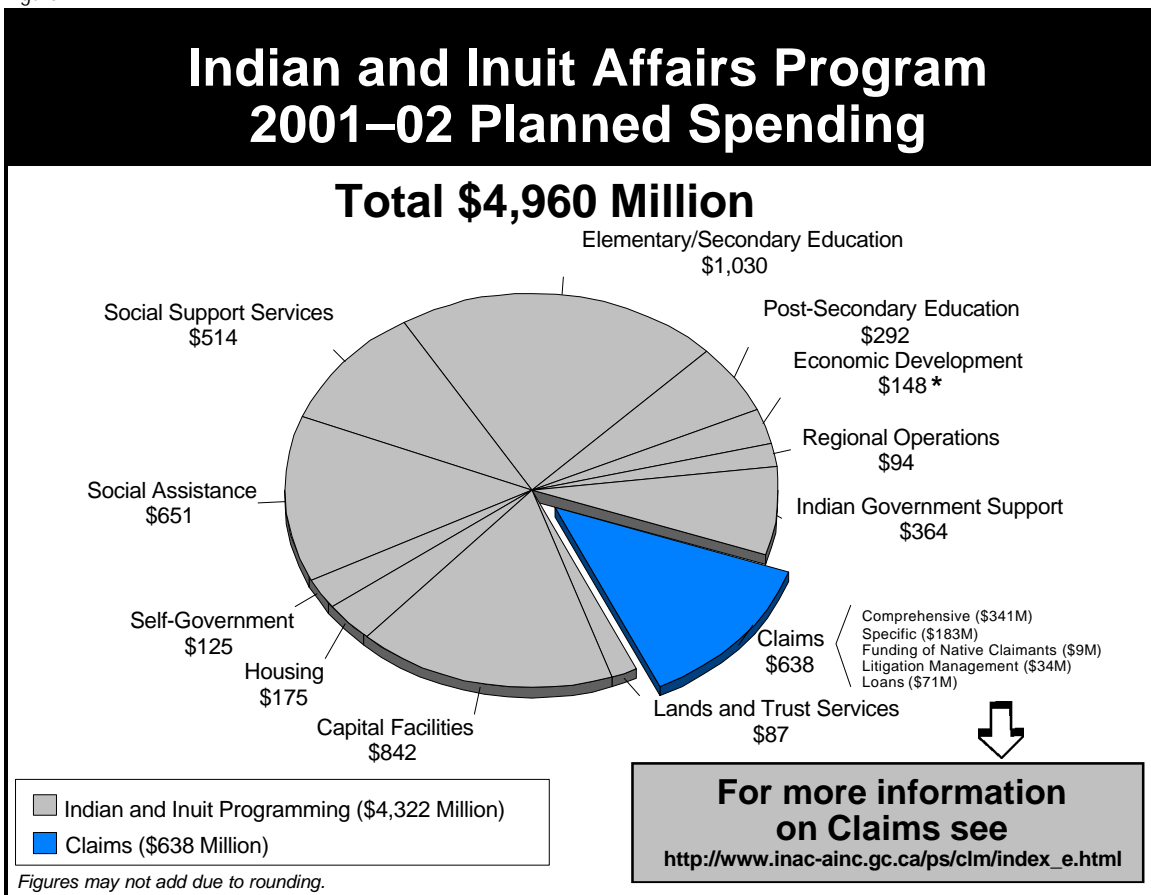
Business Lines	Forecast Spending 2000-01*		Planned Spending 2001-02**		Planned Spending 2002-03		Planned Spending 2003-04	
	\$ millions	FTE	\$ millions	FTE	\$ millions	FTE	\$ millions	FTE
Indian and Inuit Programming	4,157.4	1,821	4,321.8	1,879	4,354.0	1,855	4,399.0	1,854
Claims	709.1	299	638.4	329	541.4	291	474.8	291
Total	4,866.4	2,120	4,960.2	2,208	4,895.4	2,146	4,873.8	2,145

Due to rounding, figures may not add to totals shown.

* Reflects forecast of total net planned spending to the end of the fiscal year.

** See additional details in Figure 2 below.

Figure 2



* Includes additional \$75 million allocated to Economic Development in 2000-01 through reallocation. These funds will continue in 2001-02 and will be augmented to further enhance strategic investments in economic development.

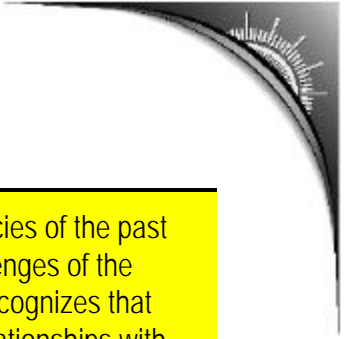
Ultimate Outcomes

The following table outlines the 2001–02 resources associated with the Indian and Inuit Affairs Program's ultimate outcomes stemming from *Gathering Strength*:

(\$ millions)	Ultimate Outcomes				Total
	Renewed Partnerships	Strengthened Aboriginal Governance	New Fiscal Relationship	Strong Communities, People and Economies	
Elementary/Secondary Education	-	-	-	1,030	1,030
Capital	-	-	-	842	842
Social Assistance	-	-	-	651	651
Claims	227	412	-	-	638
Social Support Services	-	-	-	514	514
Indian Government Support	8	355	1	-	364
Post-Secondary Education	-	-	-	292	292
Housing	-	-	-	175	175
Economic Development	-	-	-	148	148
Self-Government	-	120	5	-	125
Lands and Trust Services	-	62	-	25	87
Sub-Total	235	948	7	3,677	4,866
Regional Operations					94
Total					4,960

Due to rounding, figures may not add to totals shown.

The following pages outline the current environment, expected results and strategic linkages for each of these ultimate outcomes.



Renewed Partnerships (\$235.0 million in 2001–02)

To be demonstrated by: Programs and initiatives that help us address the legacies of the past and move beyond historic grievances, so that, together, we can meet the challenges of the present and take advantage of the opportunities of the future. This approach recognizes that healing and reconciliation are key to building stronger and more meaningful relationships with Aboriginal people. It also means working in partnership with First Nations and Inuit people, as well as provincial, territorial and municipal governments, the private sector and other partners, to identify common priorities and achieve practical solutions that contribute to healthy, sustainable and economically viable First Nations and Inuit communities.

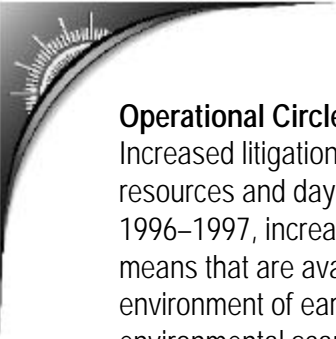
Current Environment: Challenges and Opportunities

Global Circle: Efforts to renew the partnerships occur within a complex environment. First Nations and Inuit communities are culturally diverse and are often small and isolated, with challenging socio-economic conditions. Healing and reconciliation are often impeded by economic marginalization and social and geographical isolation. At the same time, relationships are strongly influenced by a legacy of mistrust, stemming from historical interactions that were characterized by dispossession, control and dependency. The result is a series of unresolved grievances on issues ranging from *Indian Act* administration, to the implementation of historical treaties, residential schools and the protection of First Nations women's rights. On historical treaties, in particular, further challenges lie in reconciling divergent views on the meaning of treaties, the lack of dispute resolution options, and First Nations' distrust of the specific claims process and other processes.

Collaborative Circle: The resolution of grievances is complicated by the diverse approaches and priorities of provincial and territorial governments. However, there is growing recognition that challenges can only be addressed if all levels of government move beyond debates over jurisdiction and work cooperatively to support partnerships and achieve practical results. All stakeholders must be actively engaged, and have a solid understanding of both the cultural context and the nature of the challenges facing First Nations and Inuit communities.

Public awareness also affects efforts to renew partnerships with First Nations and Inuit. On the one hand, the public appears to want all First Nations and Inuit to enjoy the same economic and social opportunities as other Canadians; on the other hand, lack of public understanding or support for historical treaties and the claims process can impede settlement of specific claims and enhancement of relationships. Building public awareness of issues is a key challenge.

Finally, the rising tide of litigation presents its own set of challenges. Over the last decade, the number of general litigation cases has increased nearly seven-fold, from 99 active cases in 1986–87 to 666 cases as of December 31, 2000. Issues addressed by general litigation are wide-ranging and include treaty rights and obligations; the nature and extent of Aboriginal rights and title; the nature of the fiduciary relationship between the government and First Nations and related obligations; and day-to-day operations governed by the *Indian Act*. Many court actions suggest that certain provisions of the *Indian Act* may not be compliant with the *Canadian Charter of Rights and Freedoms*. Residential school claims have also grown, from 400 plaintiffs in July 1997 to over 7,200 plaintiffs. Four new class-action suits were filed by December 2000, each of which involve multiple plaintiffs. The adversarial nature of litigation puts significant pressure on partnership initiatives.



Operational Circle: Resolving past grievances is critical to establishing renewed partnerships. Increased litigation puts additional pressure on the capacity of the department, in terms of policy resources and day-to-day operations. The operational cost of managing litigation has tripled since 1996–1997, increasing to approximately \$27.6 million in 2000–01. This is due, in part, to the limited means that are available for alternative dispute resolution and points to a need to support an environment of early resolution. Therefore, the department proposes to develop a strong environmental scanning function of early identification of significant legal and business risk. This approach will favour the strategic assessment of cases, the identification of policy gaps and the establishment of linkages to programs. This, combined with a move towards a culture of resolution with a focus on negotiation, should provide an alternative to litigation being chosen as the primary way to resolve disputes.

In a broader sense, some of our existing statutory authorities are not well suited to building and sustaining effective partnerships. This is particularly true in relation to the *Indian Act*, which does not provide the kind of governance structures and other basic tools that First Nations need to take advantage of economic development opportunities. As noted above, it also may not meet Charter tests.

Policies and guidelines that have been developed in the past without the participation of First Nations and Inuit can also be an impediment to building a modern relationship. However, under *Gathering Strength*, efforts are underway to ensure that consultation policies consistently applied provide for meaningful engagement of key stakeholders in the development of new policies and guidelines.

Expected Results (Operational Collaborative)

Commitment

Reconciliation and Community Healing

Key Results 2001–02

- More efficient review of specific claims submissions (bundling of similar claims, joint research, closer working relationship with First Nations).
- Effective management of the litigation inventory through the comprehensive assessment of risk; settling litigation out-of-court wherever claims are substantiated and liability is clear; developing policy alternatives to litigation; and implementing proactive prevention strategies.
- Settlement of 15 specific claims.
- The adoption of alternative dispute resolution options by key parties as demonstrated by attempts at alternative resolution, involvement of First Nations, and out-of-court settlements.

Key Results 2002–04

- Settlement of 45 specific claims.
- Improvements to the specific claims process, including the possible establishment of an Independent Claims Body.



Commitment

Increased Public Awareness of Aboriginal Issues

Key Results 2001–02

- Using the Internet to effectively communicate to younger audiences.
- Development and promotion of communications products that focus on basic Aboriginal issues and culture, targeted to younger audiences.
- Development and promotion of public education material that will increase general understanding of the continuing significance of historical treaties.
- Partnership activities to support public awareness programs.

Key Results 2002–04

- A more balanced, realistic and informed perspective on Aboriginal issues among the Canadian public.

Commitment

Stronger Working Relationships with Aboriginal People and Organizations

Key Results 2002–04

- Follow-up to the report from the Special Representative on the Protection of First Nations Women's Rights.
- Find mechanisms for First Nations, Inuit and Northerners to participate effectively in departmental and interdepartmental discussions related to sustainable development.
- Implement tangible improvements in horizontal policy development that meets needs of First Nations, Inuit, and the federal government (through joint efforts such as the AFN-INAC Joint Initiative on LTS Policy Development, and the *Gathering Strength* Professional Development Program, which focuses on strengthening First Nations and Inuit governance systems, and public administrations).
- The joint creation of First Nations- and Inuit-administered institutions, professional associations and public administration training programs (in collaboration with other federal departments and public sector interests, the private sector, and First Nations and Inuit communities).
- Enhanced treaty relationship through continuing exploratory treaty discussions in the west and the implementation of the post-*Marshall* strategy in the Maritimes, which may include the establishment of a Treaty Commission.



Commitment

New Approaches to Federal, Provincial, Territorial Relations with First Nations and Inuit

Key Results 2001–02

- Expansion of partnership approaches with provinces, territories, and First Nations and Inuit communities in all regions through identification of common priorities.
- Federal, provincial and territorial Aboriginal Affairs Ministers and national Aboriginal leaders to meet on an annual basis to discuss issues of mutual interest.

Key Results 2002–04

- Expanded access to economic development opportunities for First Nations and Inuit communities.

Strategic Linkages

Under *Gathering Strength*, Renewed Partnerships provides the necessary foundation for moving forward on the related themes of strengthening Aboriginal governance, developing a new fiscal relationship, and ultimately supporting strong people, communities and economies. Addressing relationship issues in tandem with quality-of-life issues provides the greatest chance of success.

A meaningful relationship with First Nations and Inuit, together with the active engagement of other partners, will help create a favourable climate for investment and contribute to closing the gap in socio-economic conditions. It will also support the transition to self-government and the negotiation of agreements for the future.

All Canadians must work together to share in this country's opportunities and prosperity. In partnership with First Nations, Inuit and Northerners, and in cooperation with other federal departments, provincial and territorial governments and the private sector, we can build a better future.



Strengthened Aboriginal Governance (\$948.0 million in 2001–02)

To be demonstrated by: Governments that are stable, legitimate, culturally appropriate, and accountable to their people; have an effective public service and institutions; have functional intergovernmental relationships; and that have the power, resources and economic base to solve problems locally and provide programs and services comparable to those received by other Canadians.

Current Environment: Challenges and Opportunities

Global Circle: Pre-existing conditions that affect the achievement of desired outcomes include the following: the small size and isolated nature of many communities; the diversity of cultures, goals and visions for governance; a legacy of *Indian Act* administration and devolution which has resulted in gaps in governance structures, capacity and accountability; a historical imbalance of power and dependency in relationships; uncertainty with respect to the ownership of land and resources; and the federal government's position and international commitments on certain issues, such as the protection of First Nations women's rights.

Collaborative Circle: Some key challenges that currently exist include: the inadequacy of the *Indian Act* as a framework for First Nations governance and accountability; requirements for First Nations to develop new mechanisms to address concerns about citizen participation, protection of citizens' rights and gender equality; a need for alternative governance models and the fiscal arrangements and institutions to support them; complexities of establishing new intergovernmental relationships with federal, provincial and territorial governments; a need for partnership strategies that enhance human resources and governance and fiscal systems; outstanding land claims and the complexity of issues involved in reaching land claim and self-government agreements; and a lack of public understanding of self-government, governance and Aboriginal rights issues including historical treaty rights and relationships.

Operational Circle: The large volume and diversity of self-government and land claims negotiations creates challenges in supporting the various tables within the confines of available resources and authorities. Policies and mandates need to be developed for interdepartmental and intergovernmental consultations. Partnerships must be developed with Aboriginal people and federal, provincial and territorial governments as well as the academic community to invest strategically in *Gathering Strength* projects related to capacity-building, professional development and governance.



Expected Results (Operational Collaborative)

Commitment

Self-Government and Claims Agreements

Key Results 2001–02

- Approved guidelines and mandates for self-government and claims negotiations.
- Public education materials on self-government and claims.
- Implementation of treaty-related measures to advance treaty negotiations under the British Columbia treaty process.
- Achievement of key milestones at self-government and claims tables, including framework agreements, agreements-in-principle, final agreements, implementation plans and fiscal agreements.

Key Results 2002–04

- Updating and evolution of self-government policy framework.
- Achievement of up to 10 self-government agreements-in-principle and up to 8 final agreements.
- Achievement of up to 15 comprehensive land claims agreements-in-principle and up to 15 final agreements.

Commitment


Governance Capacity-Building Initiatives

Key Results 2001–02

- Strategic allocation of *Gathering Strength* funding to support governance initiatives such as the reorientation of self-government, and the establishment of governance transition centres.
- Strategic allocation of funds to build the capacity of First Nations and Inuit to negotiate the land and resources components of treaty negotiations.
- Development of new governance models and processes to support aggregations and nation rebuilding, First Nations constitutions, and draft laws.
- Development of environmental regulatory regimes on reserve.
- Increase the capacity for First Nations communities to implement and manage community-based programs that respond to the specific and unique needs of the community, and support children and families on reserve through the National Child Benefit reinvestment component.

Key Results 2002–04

- Establishment of First Nations governance institutes and professional development programs for First Nations leaders and public service.
- Development of level-of-service and delivery standards for First Nations and Inuit public service functions.

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- Development of accredited curriculum and training programs for First Nations and Inuit public service functions, as well as development of public service professional associations.
 - Use of Government On-Line as an interactive tool for First Nations and Inuit in areas ranging from information access to registration of land permits.

Commitment

Devolved Federal Responsibilities

Key Results 2001–02

- Bringing the amendments under the *Modernization of Benefits and Obligations Act* affecting certain provisions of the *Indian Act* into force; and developing, in consultation, a new regulatory provision for resolving disputes in circumstances where more than one individual qualifies as a survivor of an intestate's estate.
- Development of a consultation framework for a First Nation governance initiative.

Key Results 2002–04

- Harmonization of the *Indian Act* with other relevant acts including the *Modernization of Benefits and Obligations Act* (intestate assets).
- Opening up of the *First Nations Lands Management Act* to additional qualifying First Nations.

Strategic Linkages

Settling claims and promoting self-government benefits Aboriginal people and all Canadians by providing Aboriginal communities with the authorities, resources and economic base necessary to improve socio-economic conditions and decrease social dependency. Claims settlements remove uncertainty regarding title to land and access to resources, which in turn facilitates business transactions, supports economic development and reduces litigation. Self-government agreements ensure that Aboriginal communities have stable, legitimate, culturally appropriate and accountable governments that have the ability to promote economic well-being and provide the quality of life and standards of service most other Canadians enjoy.

Professional development initiatives focused on enhancement of First Nations governance and accountability create an environment suitable to long-term sustainable development through partnerships with other public or private sector interests.

First Nations require the tools to exercise effective and accountable governance. Stable governments with strong governance tools are necessary for First Nations to engage in strong, viable and sustainable economic growth and development. Political and fiscal stability would, in turn, enable First Nations to move effectively into self-government negotiations.

Initiatives such as the *First Nations Land Management Act*, comprehensive claims negotiations and the professional development program contribute significantly to the SDS's commitment to increase the involvement of First Nations in the management of natural resources and establish effective and culturally appropriate environmental regulatory regimes.



New Fiscal Relationship (\$7.0 million in 2001–02)

To be demonstrated by: Effective intergovernmental, including fiscal relationships; First Nation and Inuit governments that have institutional and human resource capacities for managing fiscal arrangements; fiscal arrangement mechanisms that are transparent, stable and predictable, and support the internal generation of own-source revenues; and, the good governance and fiscal accountability of First Nation and Inuit governments to their members, as well as appropriate intergovernmental accountabilities.

Current Environment: Challenges and Opportunities

Global Circle: Conditions that affect the achievement of desired outcomes include the legacy of *Indian Act* administration and devolution, which has resulted in gaps in fiscal and governance structures, capacities and accountabilities. Other factors that create complexity include the small size and isolated location of many communities, the degree of dependency on federal funding, limited own-source revenues and economic development opportunities in an increasingly market-driven economy, and limitations of the *Indian Act* specific to “Indian moneys.” In addition, the lack of an appropriate legislative framework for fiscal accountability, along with the varying capacities of over 600 First Nations communities and Inuit communities to institute governance and fiscal management, create complexities for administering public funds and delivering programs and services. Finally, the evolving or variable state of relationships between federal, provincial and territorial governments and First Nations and Inuit also affects the achievement of desired outcomes.

Collaborative Circle: The challenges to implementing government-to-government fiscal relations include implementation of new, more flexible funding arrangements in a Government On-Line (GOL) context; complexities in reaching fiscal agreements as part of land claims and self-government agreements; and the need for more public understanding of and support for new fiscal arrangements as effective and sustainable ways to address the social and economic circumstances of First Nations and Inuit. The *Indian Act* is an inadequate framework for contemporary governance and fiscal relationships: it limits access to capital and collateral, obliges INAC to continue administering trust funds, limits alternatives for managing First Nations funds and vests too much power in the Minister to the detriment of First Nations (e.g., in the area of intestacy). Another challenge is to increase the capacity of First Nations and Inuit to manage fiscal matters by strengthening institutional and human resources.

Operational Circle: It is an ongoing challenge to make strategic investments that will result in good governance, strengthened accountability, and increased institutional and human resource capacities. Developing and maintaining effective partnerships with First Nations and Inuit, other governments, the academic community, and other stakeholders also represents an ongoing challenge. Specific challenges linked to negotiating and implementing new fiscal relations include developing appropriate mandates and guidelines on financing and accountability provisions in fiscal agreements for negotiators, and providing effective support to facilitate complex fiscal negotiations within available resources and authorities.

Expected Results (Operational Collaborative)

Commitment

Effective Fiscal Relationships Including New Fiscal Arrangements Models and Practical Examples

Key Results 2001–02

- Approved guidelines and mandates for fiscal and related governance negotiations.
- Amending funding transfer agreements to reflect the principles of sustainable development.
- Through the National Table on Fiscal Relations, in partnership with other federal departments and agencies, and the AFN, continue progress in sharing information, and to plan for a potential initiative to create an integrated suite of First Nations' fiscal institutions supportive of First Nation own-source revenue generation, and sound, transparent and accountable financial management practices comparable to those of other governments of comparable size and responsibilities.

Key Results 2002–04

- Successful negotiation and implementation of fiscal agreements, in support of self-government/governance arrangements at specific regional or community-level tables (for example, the Saskatchewan Common Table process and the British Columbia fiscal relations process).
- New models and practical examples of effective fiscal transfers within a Government On-Line context.
- A federal policy on treatment of own-source revenues under self-government agreements.
- First Nations and federal information and data collection systems developed or adapted to support new fiscal arrangements and to measure performance.
- Successful implementation of a Canada/First Nations Funding Agreement, which will provide a single funding instrument for federal departments providing funds to First Nations under the *Indian Act*.
- Evaluation of effectiveness of financial arrangements with First Nation governments.

Commitment

Strengthened Fiscal Accountability

Key Results 2001–02

- Update of financing and accountability mandates and guidelines, to support and to facilitate negotiation processes.
- More effective accountability framework in place.
- Compliance with generally accepted financial control and reporting requirements as demonstrated by unqualified audits by certified independent auditors.
- Accountability to own members as demonstrated by a decrease in allegations and complaints of financial mismanagement.



Key Results 2002–04

- Ongoing updating of financing and accountability guidelines for federal negotiators.
- Implementation of enhanced local accountability measures, as demonstrated by: completed First Nation Accountability and Management Assessments and related Development Plans to address opportunities for improvements; increased number of First Nations annual financial statements meeting quality and timeliness standards; increased number of effective Remedial Management Plans in place; and improvements in government budgeting, internal controls, reporting and auditing standards.

Commitment

Financial Skills and Capacity in First Nations

Key Results 2001–02

- Strategic allocation of *Gathering Strength* funding for fiscal-specific undertakings and initiatives.
- Improved community financial management capacity as demonstrated by the development of Certified Financial Managers, with certification process developed and supported at community level.
- Improved engagement of First Nations in the development of financial management capacity as demonstrated by appropriately conducted block funding arrangements and by the number of agreements signed for collaborative efforts with First Nations regarding financial operations.

Key Results 2002–04

- Facilitate the development of the Aboriginal Financial Officers Association of Canada (AFOA).
- Establish national fiscal institutions to support First Nations in their provision of better services and infrastructure to their communities in the areas of financial management, taxation, borrowing and statistics, through the National Table of Fiscal Relations, in partnership with other federal departments and agencies and the Assembly of First Nations.
- Human resource development through enhancing the capacity of the AFOA to provide professional training and support to First Nations finance operations in isolated communities across the country through Government On-Line, and the continued growth in AFOA membership and in First Nations staff holding the Certified Aboriginal Financial Managers (CAFMs) designation.

Strategic Linkages

New fiscal relationships will take time to develop, but will lead to more stable and predictable funding sources for First Nations and to increasingly self-reliant First Nations governments. These new relationships will support delivery of programs and services, public confidence in the operation of government, greater stability and the effective use of financial resources. Fostering good government and strong accountability in First Nations communities will increase investor confidence, support economic partnerships and improve living conditions.

Strong Communities, People and Economies (\$3,677.0 million in 2001–02)

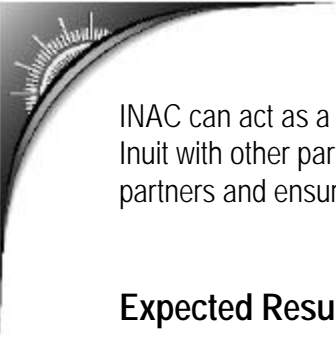
To be demonstrated by: A First Nation and Inuit quality of life comparable to neighbouring communities, and increased self-sufficiency through improved access to economic opportunities. Partnerships with First Nations and Inuit, the private sector, non-governmental organizations and other governments are an essential ingredient to achieve this ultimate outcome.

Current Environment: Challenges and Opportunities

Global Circle: First Nations and Inuit communities present unique social, economic and cultural circumstances in comparison to other segments of the Canadian population. Regional variations and cultural diversity necessitate a variety of approaches to facilitate social and economic development. First Nations and Inuit communities require comprehensive community planning and strategic investments to develop strong foundations that support sustainable development. Investment in human capital and critical infrastructure is a precondition for increasing First Nations and Inuit capacity to engage in economic opportunities. Improving quality of life and self-sufficiency first requires that basic needs are met for housing, schools and other critical public facilities, as well as for education and social services. A key challenge is to coordinate all efforts: partnerships are essential for success when other stakeholders control resources and/or policy tools. There is a need for full engagement of all partners — First Nations and Inuit, the private sector, provinces and territories.

Collaborative Circle: Many First Nations and Inuit communities lack the workforce, skills and experience to support strong communities and economies. Social assistance programs and special education support for First Nations have not always kept pace with provincial standards. Rising tuition is eroding the buying power of the Post-Secondary Education Program. Basic infrastructure is fundamental to improved quality of life and access to economic opportunities: additional housing is needed to respond to population growth, and improved physical infrastructure such as roads, telecommunications and sources of affordable, environmentally sound energy is required. A lack of access to capital and inconsistencies in community planning further hamper economic development. Finding the resources to strengthen these foundations is a key challenge to the creation of sustainable communities. Investments in human capital and critical infrastructure are essential supports to enable First Nations and Inuit to participate in and benefit from economic opportunities.

Operational Circle: Building an investment climate that fosters sound social and economic progress in First Nations and Inuit communities requires a long-term view. Education programs, supportive social services, critical infrastructure and effective, locally-driven community planning must be integrated to develop sustainable communities. First Nations and Inuit require improved access to capital, lands and resources and workforce skills compatible with regional opportunities. Coordination of policy development and programming is needed among federal, provincial and territorial government departments and other partners (including third-party delivery agencies).



INAC can act as a catalyst to develop awareness and as a facilitator to engage First Nations and Inuit with other partners in exploring opportunities. Key challenges will be to engage the required partners and ensure that communities have the ability to participate.

Expected Results (Operational Collaborative)

Commitment

Strengthened Economic Development

Key Results 2001–02

- Support for business start-ups and expansions through direct equity gap funding.
- Increased access to direct federal contracting opportunities for Aboriginal businesses.
- Development of First Nations and Inuit economic capacity through strengthening institutions and providing mentoring support (i.e., for Aboriginal financial institutions, community economic development organizations and Aboriginal business/sector associations).
- Participation of First Nations and Inuit in regional development of forestry, mining, energy, and roads in partnership with the private sector, provinces and territories.
- Expand economic forums to engage Aboriginal peoples, the private sector, territories and other governments in partnerships.
- Increased access to private capital by First Nations business and communities through venture capital pilot projects and strengthening First Nations and Inuit institutions (e.g., Aboriginal Business Development Initiative).
- Increased access to contract bid bonding for Aboriginal businesses through the launch of a contract performance guarantee instrument.
- Improve physical infrastructure on reserves to support economic development. Key areas include telecommunications, roads and affordable energy.

Key Results 2002–04

- Completion of program evaluations resulting in an updated Procurement Strategy for Aboriginal Business and Community Economic Development Program.
- Continued progress in improving access to major regional economic opportunities and benefits for First Nations and Inuit communities.
- Development of partnership initiatives with First Nations, the private sector and other governments to reduce development barriers focused on access to capital, workforce skills and a supportive business climate.
- Advocacy for increased opportunities and sharing of best practices in partnership with First Nations and Inuit, the private sector, provinces and territories.
- Increase the volume of developmental lending made by Aboriginal financial institutions by \$20 million by March 2003.
- Improved economic development as demonstrated by increased employment and earned income for First Nations and Inuit.
- Expand business activity for First Nations and Inuit communities as demonstrated by increased numbers of Aboriginal businesses.



Commitment

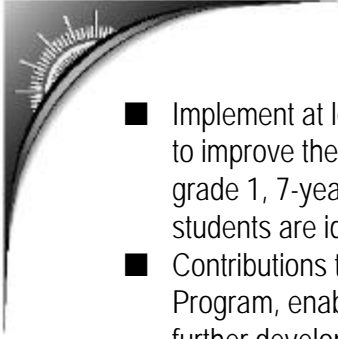
Increased Self-Sufficiency

Key Results 2001–02

- ❑ Prepare and distribute an action plan to follow up on the response to the Auditor General's Report on Elementary and Secondary Education (April 2000) through partnership work with First Nations, continued research and policy development related to special needs education, and incorporation of the results of the Quebec pilot project on special needs education.
- ❑ Undertake a review of the Indian Government Support Program to identify opportunities to improve support to First Nations capacity for managing programs and services.
- ❑ Develop jointly with First Nations a redesigned social assistance policy framework based on demonstration project feedback.
- ❑ The National Child Benefit (NCB) Interim Evaluation Report will analyse short- and medium-term impacts on communities of the NCB reinvestment component through First Nations self-evaluations.
- ❑ Collaborative development of action plans with Headquarters, Regions and First Nations to design and implement concrete strategies to close the educational achievement gap that exists between First Nations and other Canadian students.
- First Nations engaged in over 330 Education Reform projects.
- Enhanced capacity in the areas of housing; infrastructure for local policy and program development; alternate forms of financing; water services; community planning for housing; and contract management of capital projects to support self-governance.
- Support to First Nations children and families through enhancement of the NCB reinvestment initiatives.
- 176 Income Security Reform demonstration projects in over 545 First Nations communities, to test innovative approaches to increase access to active measures in social programming and strengthened individual and community self-reliance.

Key Results 2002–04

- ❑ Move forward on commitments made in SDS 2001–2003 to develop a compendium of existing community planning models, best practices and successes by December 2002, and to integrate interdepartmental decision making on the delivery of programs and development of federal policies.
- ❑ Institute a policy which will provide for integrated services to the elderly, infirm and disabled populations of First Nations communities at a level that is comparable to that provided by provinces and territories to communities off-reserve.
- ❑ Support linkages with other Income Security Reform programs to increase access to active measures in social programming similar to those available to other Canadians.
- ❑ NCB Summary Evaluation Report will assess the effectiveness and impacts of the NCB for First Nations and contribute to future policy recommendations.
- Work with First Nations partners to increase the enrolment rate of students aged 6 to 16 (currently 84 percent) and to reduce the academic achievement gap between First Nations and other Canadians.

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- Implement at least one significant organizational initiative for Education Reform in each region to improve the enrolment of students in the appropriate grade levels; that is 6-year-olds in grade 1, 7-year-olds in grade 2, and so on. Currently, only about 60 percent of First Nations students are identified as being at the appropriate grade level.
 - Contributions to First Nations and Tribal Councils through the Indian Government Support Program, enabling First Nations to manage direct delivery of programs and services and further develop self-governance.
 - Continue to increase access to active measures in social development programming.
 - Redesigned social assistance policy framework jointly developed with First Nations.

Commitment

Improved Health and Safety

Key Results 2001–02

- Develop a First Nations Water Management Strategy.
- Work in partnership with First Nations, Inuit and Northerners to develop a strategy to address climate change.
- Work in partnership with First Nations on the development of an environmental stewardship strategy for reserve lands.
- One percent increase in the proportion of on-reserve houses with basic water delivery and sewage disposal systems (from 94 percent to 95 percent).
- Support for the construction of approximately 2,600 new housing units and the renovation of approximately 3,300 existing units by First Nations.
- Ensuring that a minimum of 50 percent of projects are undertaken by First Nations under the green infrastructure component of the Infrastructure Canada Program.

Key Results 2002–04

- Federal departments are working more closely on investment and management strategies for on-reserve infrastructure as demonstrated by coordinated planning.
- Implement enhancements in housing program.
- Five percent increase in the number of adequate housing units on reserve (from 57 percent to 62 percent).
- Nine percent increase in the total number of housing units on reserve (from 88,500 units to 96,600 units).
- Three percent increase in the proportion of on-reserve houses with basic water delivery and sewage disposal systems (from 94 percent to 97 percent).
- Remediation of 60 percent of the 750 remaining contaminated sites initially identified in First Nations communities.
- Continue participation in Infrastructure Canada Program in 2002–03, with at least 50 percent of departmental infrastructure projects to be under the green infrastructure component.



Strategic Linkages

Investments in strong communities, people and economies result in a corresponding reduction in health and other social costs, contribute to the health and well-being of on-reserve populations, and benefit the broader Canadian economy. They also demonstrate INAC's commitment to the principles of the Social Union — mobility and comparability of service delivery. Economic development projects indirectly benefit neighbouring communities through job creation and regional economic stability and growth. Institutional development is a key factor in fostering the capacity of First Nations communities to implement governance and accountability. The department is working with First Nations to strengthen and/or develop governance systems simultaneously with capacity development under *Gathering Strength* initiatives related to program re-design.

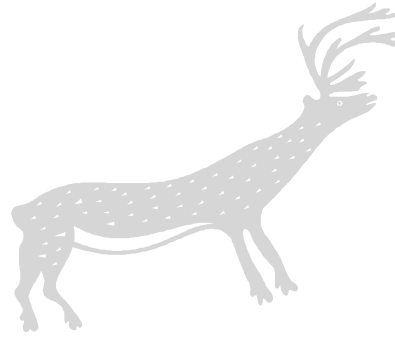
INAC's SDS 2001–03 sets out commitments and performance indicators that are in line with key deliverables identified in this report (see SDS 2001–03 at http://www.inac-ainc.gc.ca/pr/sus/sds_e.html).

The Income Security Reform Initiative is building further links with other government departments such as Human Resources Development Canada and INAC's economic development program.

Northern Affairs Program

Business Line

Northern Affairs Programming



Business Line Objective

To promote the political, economic, scientific and social development of Canada's North; to assist Northerners, including Aboriginal groups, to develop political and economic institutions which will enable them to assume increasing responsibility within the Canadian federation; to effectively manage and regulate the sustainable development of the North's natural resources in preparation for devolution to the territorial governments; to preserve, maintain, protect and rehabilitate the northern environment; and to manage ongoing federal interests in the North, including federal northern policy, federal-territorial relations and claims and self-government implementation, and federal circumpolar activities.

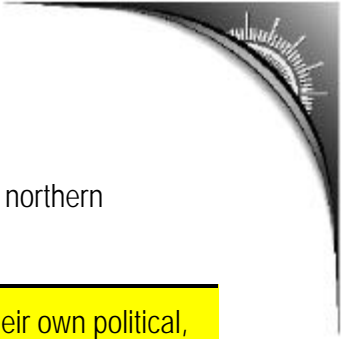
Business Line Description

This business line provides for the development and implementation of policies and programs related to the political, economic, social and sustainable development of Canada's North. It manages the constitutional relationship between the department and the territorial governments, negotiates and implements resource transfers to northern governments, and provides continuing co-ordination and direction to the management of ongoing federal interests in the North. This business line provides for the management of the North's natural resources and the protection and enhancement of the Arctic environment, both nationally and internationally. It co-ordinates the implementation of northern land claims and enhances Aboriginal interests in the development of the North, as well as in the fur industry throughout Canada. The development and implementation of science and technology-related programs are promoted nationally and internationally.

Net Planned Spending and Full Time Equivalent

Forecast Spending 2000-2001*		Planned Spending 2001-2002		Planned Spending 2002-2003		Planned Spending 2003-2004	
\$ millions	FTE	\$ millions	FTE	\$ millions	FTE	\$ millions	FTE
203.9	561	167.9	563	168.5	563	158.9	556

* Reflects forecast of total net planned spending to the end of the fiscal year.



Ultimate Outcome

The effective management of federal interests in the North, and the promotion of northern sustainable development (\$167.9 million in 2001–02).

To be demonstrated by: Increasing the capacity of all northerners to manage their own political, resource, economic and social affairs. INAC, through the Northern Affairs Program (NAP) is committed to working in partnership with Aboriginal peoples, territorial governments and other northerners in a manner that facilitates the evolution of strong northern governments, economies, communities and peoples.

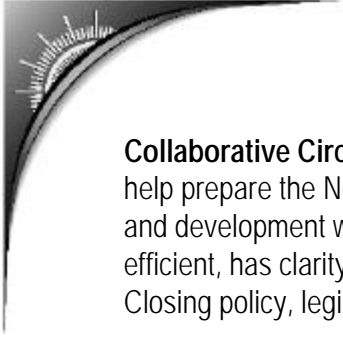
Current Environment: Challenges and Opportunities

Global Circle: World prices for natural resources are having a major impact on the level of resource exploration and development activities in the North. International pressures for new sources of oil and gas have created an injection of exploration dollars. Oil and gas operations are moving offshore for the first time in over a decade. While the route proposed gas pipelines will take is as yet unknown, the demand for new supplies of oil and gas is expected to bring long-term economic benefits to the North.

Investments are also being made in diamond mine exploration and development in both the N.W.T. and Nunavut. Canada's first diamond mine has been operating for almost two years and another three are preparing to open or have sought regulatory approvals. Conversely, persistently low base metal prices since 1997 have resulted in a significant downturn in most other mining activities across the North. Several mines have ceased operations, exploration activity has slowed and new mines are on hold waiting for stronger prices and market conditions. Failure of several large mining operations has resulted in the department's unplanned involvement in environmental protection and the management of abandoned mines.

World prices are not the only determinants for economic growth in the North. The investment climate is also affected by the status of land claims, the choices that northern governments and Northerners make, the efficiency of regulatory frameworks and the assumption of new decision-making powers over land and resource management by tripartite boards and northern governments. Industry has expressed its concerns that uncertainty, instability and inefficiencies constrain investments and limit business opportunities.

The North's geographic and demographic conditions also pose some unique challenges for the delivery of programs and services and for increased economic growth. Remote communities, a severe climate and a fragile environment all have an impact, as do gaps in infrastructure (e.g., telecommunications, roads, ports) and scientific and technical knowledge. Variability in skills and capacities at the government, community and individual level also have an impact on the ability of the North to take advantage of opportunities. Furthermore, the impact of climate change on the Arctic region is expected to be significant and will affect many aspects of northern life in the years to come. In conclusion, progress on devolution, land claims and economic development will continue to be influenced by the actions of others.



Collaborative Circle: INAC is working with other federal departments and northern partners to help prepare the North to meet the challenges and opportunities increased resource exploration and development will pose and to provide a competitive investment climate that is effective and efficient, has clarity and consistency, and follows the principles of sustainable development. Closing policy, legislative and regulatory gaps will be a priority.

Moreover, sufficient resources are required for economic development and to ensure the adequate delivery of programs and services, including addressing health and safety concerns associated with mine and waste sites.

Climate change and other environmental and socio-economic influences require pan-northern solutions and cooperation among nations, and the Northern Affairs Program is showing leadership in this regard within the federal system. However, there is still a need to build stronger working relationships with other federal departments and all northern partners.

Operational Circle: There are things that INAC can do to improve the investment climate to make it more stable and attractive. The department can fill key policy gaps and replace outdated policy; development of policies for diamonds, Mine Site Reclamation and Impact Benefit Agreements are a priority. INAC will also close serious legislative gaps by completing draft legislation for Nunavut Waters and Surface Rights and the Development Assessment Process in the Yukon. INAC will continue to play an overall role in coordination of pipeline preparedness across the federal system.

The department will continue to actively coordinate the development of a renewed federal northern sustainable development strategy, as well as promote the Canadian sustainable development agenda internationally. It will enhance federal engagement in circumpolar initiatives as a result of the new Northern Dimension of Canada's Foreign Policy (NDFP) and will manage the Northern Contaminants Program based on the level of new resources provided.

INAC will continue to support the evolution of northern governments through devolution and land claims activities and within the federal system will continue to advocate on behalf of the North in such areas as economic development, food security, and human health and safety.

All NAP activities follow the principles and practices of sustainable development. These activities can be described under four commitments as follows: Northern Governance; A Healthy Human and Natural Environment; Sustainable Utilization of Northern Natural Resources and Fostering Circumpolar Cooperation.

Expected Results (Operational Collaborative)

Commitment

Strengthening Northern Governance

Key Results 2001–02

- Transfer responsibility to fund hospital and physician services for Indian and Inuit residents of Nunavut to the Government of Nunavut by integrating INAC contribution funds into the Canada–Nunavut Formula Financing Agreement.
- Finalize transfer (devolution) of land and resource management responsibilities to the Government of Yukon.
- Federal, provincial and territorial Ministers responsible for northern development to hold a national meeting to discuss areas of mutual interest and methods to advance shared priorities.

Key Results 2002–04

- Strengthen federal councils in the N.W.T. and Nunavut to advance regional partnering approaches and other horizontal issues.
- Strengthen intergovernmental relationships as evidenced through the development of common political development agendas, including devolution timeframes in the N.W.T. and Nunavut.

Commitment

A Healthy Human and Natural Environment

Key Results 2001–02

- Develop an Impact Benefit Agreement policy and a Mine Site Reclamation policy for the N.W.T.

Key Results 2002–04

- Produce the Canadian Arctic Contaminants Assessment Report and another Arctic Monitoring and Assessment Program Report.
- Implement INAC's responsibilities in the Arctic component of Canada's National Program of Action on Land-based Sources of Marine Pollution.
- Coordinate federal sustainable development activities in the North.
- Undertake cost-shared pilot projects in selected communities using Food Mail Service.
- Continue contamination site remediation across the North.
- Renew the Northern Contaminants Program.
- Develop closer working relationships with northern Aboriginal Groups through information sharing, joint decision making and the absence of grievances and disputes.



Commitment

Sustainable Utilization of Northern Natural Resources

Key Results 2001–02

- Creation of a prioritized system for all northern contaminants sites, and a contaminated sites management plan, including waste management guidelines.
- Ensure federal government preparedness to respond to one or more pipeline developments in the North, as well as to related oil and gas exploration and development activities.

Key Results 2002–04

- Develop Mine Production Regulations in the Yukon.
- Introduce Nunavut Waters and Surface Rights Tribunal Bill and the Yukon Development Assessment Process Bill to meet federal obligations in claims settlements acts.
- Develop options regarding a northern diamond policy and carry out public consultations on the Canada Mining Regulations.
- Develop Canadian Oil and Gas Surface Rights Regulations to settle access and compensation disputes between landowners and exploration ventures.
- Develop regulatory road maps for oil and gas activities in the N.W.T.
- Prepare policy on managing human activities in caribou calving and post-calving areas on Crown land in Nunavut and the N.W.T.
- Renew government diamond valuation contract.
- Strengthen the federal policy framework for and regulatory coordination of oil and gas activities.
- Develop a harmonized process for federal and territorial regulatory activities and resolve regulatory issues associated with the administration and control of natural resources and associated infrastructure.

Commitment

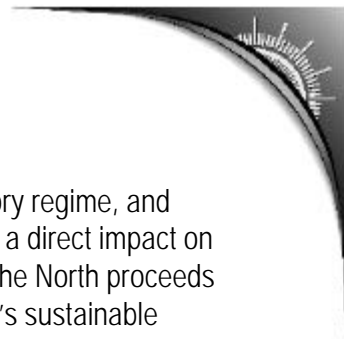
Fostering Circumpolar Co-operation

Key Results 2001–02

- Signing of a global Convention on Persistent Organic Pollutants.

Key Results 2002–04

- Support work of the Arctic Council, including initiatives that focus on northern youth, sustainable development and environmental protection.
- Continue engagement of Russian stakeholders under the INAC Memorandum of Understanding with Russia and within the framework of the NDFP, to promote bilateral interests, sustainable partnerships and business development.
- Enhance participation by northern stakeholders in the Arctic Council and bilateral initiatives with Russia, Greenland and the European Union in the areas of sustainable development, including environmental protection and capacity-building.
- Clear progress toward the reduction or elimination of long-range transport of contaminants into the Arctic.



Strategic Linkages

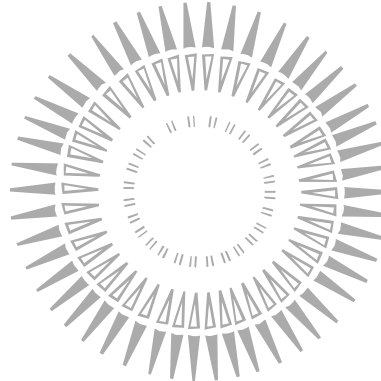
Departmental efforts to settle land claims, create an efficient and stable regulatory regime, and work with Northerners, territorial governments and the private sector are having a direct impact on jobs and growth throughout the North. Ensuring that economic development in the North proceeds in a manner that does not compromise future generations is at the core of INAC's sustainable development efforts in the North.

Continuing to pursue the devolution of land and resource management responsibilities will result in stronger, more self-reliant territories. Northern Aboriginal people have become full partners in the development and implementation of resource management boards and agencies. Finally, their increased engagement in circumpolar affairs will enable Northerners to have a direct impact on the management of trans-boundary influences.

Administration Program

Business Line

Administration



Business Line Objective

To provide for policy direction and sound management of the Indian and Inuit Affairs and Northern Affairs Programs and for efficient and effective planning, accounting, personnel, communications and other administrative support.

Business Line Description

Provides policy direction and administrative support to the Indian and Inuit Affairs and Northern Affairs programs through executive direction, policy and strategic direction, and corporate support.

Net Planned Spending and Full Time Equivalent

Forecast Spending 2000-2001*		Planned Spending 2001-2002		Planned Spending 2002-2003		Planned Spending 2003-2004	
\$ millions	FTE	\$ millions	FTE	\$ millions	FTE	\$ millions	FTE
108.4	728	81.0	728	81.0	728	81.0	728

* Reflects forecast of total net planned spending to the end of the fiscal year.

Ultimate Outcome

To support the operating programs in achieving their objectives and addressing the department's priorities, and finding innovative ways of doing business (\$81.0 million in 2001-02).

To be demonstrated by: The creation of an environment which ensures that *Gathering Strength's* key initiatives are implemented and the Sustainable Development Strategy is integrated into programs and priorities; promoting Aboriginal representation; fostering sound management practices, leadership, innovation, values and ethics; promoting strategic use of Internet and information to meet business priorities; and pursuing opportunities through change.



Current Environment: Challenges and Opportunities

Global Circle: Programs for Aboriginal people cover a wide range of services supplied by 12 federal departments. This broad and often complex policy environment requires strong horizontal coordination among departments. At the same time, INAC, like all federal departments, must demonstrate solid results for Canadians through a range of initiatives including: ensuring an exemplary workforce; strategic response to government-wide recruitment, retention and learning requirements; implementing modern comptrollership and modern information management/information technology practices; improving reporting to Parliament; enhancing access to services through Government On-Line; integrating the principles of sustainable development into all aspects of departmental activities; and finding new, more efficient ways of doing business.

Collaborative Circle: Specific challenges for the Administration Program include: ensuring effective horizontal coordination among federal departments and First Nations, Inuit and northern partners in the development and implementation of programs and policies; creating a highly skilled and representative workforce with strong Aboriginal participation through the recruitment, retention and advancement of Aboriginal employees; ensuring sound management practices including integrating the principles of sustainable development and risk management in day-to-day management and decision making; supporting Statistics Canada in the planning of Census activities; facilitating the implementation of Government On-Line; and providing Parliamentarians and the public with relevant and meaningful results-based information.

Operational Circle: INAC plays a key role in implementing the government-wide policy framework, *Gathering Strength – Canada's Aboriginal Action Plan*, across federal departments through the Deputy Ministers' Steering Committee on Aboriginal Issues. It coordinates collection of statistical data through the Aboriginal Information Management Committee. INAC supports other government-wide priorities and specific challenges through a range of initiatives such as Supporting Front Line Operations, which identifies and makes improvements to processes and develops skills and tools to assist front-line staff who work with and provide services to First Nations, Inuit and Northerners. Specific programs that help ensure a highly skilled workforce with strong Aboriginal participation include the Aboriginal Workforce Participation Initiative, the Aboriginal Masters Program and the Aboriginal Management Executive Development Program. The SDS is fully integrated into operations across the department. Furthermore, INAC is a pilot department in government-wide efforts to modernize comptrollership and is implementing an action plan that focuses on key initiatives such as risk management and leadership. INAC is also following up on the Public Service Employee Survey (PSES), supporting front-line operations to improve service delivery, developing improved guidelines and practices for access to departmental records by Native Claims Researchers and strengthening performance measurement and reporting. To enhance connectivity and electronic access to programs and services, the department has a range of electronic service delivery initiatives. One such initiative involves the electronic exchange of program data with First Nations. INAC is also working with other government departments on initiatives to share common services such as a Common Learning Centre in Les Terrasses de la Chaudière in Hull, Quebec. Finally, in support of the Federal Plan for Gender Equality, the department is continuing to implement its Gender Equality Analysis Policy, which will support informed policy making and good governance.



Expected Results (Operational Collaborative)

Commitment

Aboriginal Representation Within a Dynamic and Skilled Work Force

Key Results 2001-02

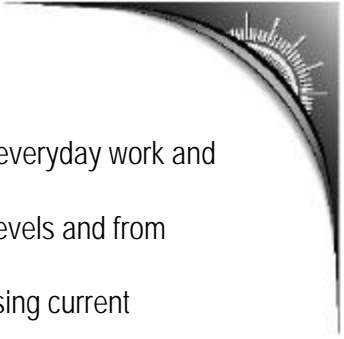
- Recruitment, retention and advancement of Aboriginal employees.
- Development of an Aboriginal Auditors Program.
- Evaluation of Aboriginal and other minority representation within INAC.
- Increased recruitment and retention rates.

Commitment

Sound Management Practices

Key Results 2001-02

- Implementation of departmental action plan with continued focus on Risk Management and Leadership to address opportunities identified in assessment of departmental management practices.
- Implementation of Financial Information Strategy/accrual accounting by April 1, 2001.
- Human Resource planning in alignment with business and work plans that address recruitment, retention and learning strategies.
- Targeted learning and development tools and opportunities for employees, including:
 - a competency profile for Funding Services Officers;
 - a Service Excellence series for administrative support staff, with emphasis on standards;
 - and
 - self-assessment tools and learning resources to support negotiators within the department.
- Programs and initiatives that build a supportive workplace in response to employee concerns and interests, as expressed in the PSES and other forums including a three-year action plan to address concerns.
- Improve practices and guidelines for access to departmental records by Native Claimants Researchers.
- Implementation of the government's new policy on audit and evaluation.
- Coordination of Aboriginal information management issues with federal departments through the Aboriginal Information Management Committee.
- Improve ability of front-line employees to provide a full range of efficient and expert service to partners.

- 
- A continuous learning environment as demonstrated by the following:
 - preparation of ongoing learning guides in such areas as managing risk in everyday work and building effective multi-disciplinary project teams and committees;
 - a Leadership and Learning Support Team composed of employees of all levels and from every sector and region;
 - a Great Technology Challenge to increase overall employee capacity in using current departmental software;
 - a formal learning plan process to ensure employees have a formal discussion with their managers on their learning needs.
 - Positioning of INAC as an employer of choice, through initiatives in support of employee well-being (i.e., improving the culture of the organization, creating a learning culture, and providing employee support and employment equity programs).
 - Increased awareness of gender equality issues in policy development and program implementation.
 - Enhance the use of the Common Learning Centre by employees in the Les Terrasses de la Chaudière complex in Hull, Quebec.
 - Develop and provide geographical data on First Nations, Inuit and northern communities for Statistics Canada to plan Census activities.

Key Results 2002–04

- Special orientation modules will be developed to respond to needs in particular areas such as funding services officers and administrative staff. Armchair discussions will be offered to managers as a pilot project on topics such as ethics and values, accountability, human resources management, providing feedback and risk management.

Commitment

Sustainable Development Strategy (SDS)

Key Results 2001–02

- Develop and implement an SDS 2001–03 action plan.
- Development of a web-based Greening Internal Operations training module.
- Implementation of Greening Internal Operations communication strategy.
- Launch the department's new Automated Real Property Management System (ARMS) and train regional staff.
- Development of a web-based SDS 2001–03 reporting system to track objectives, targets and performance measures.
- Increased awareness and acceptance of the SDS within the department.
- Increased ability of departmental managers and decision makers to incorporate SDS into departmental operations including new policy development.



Commitment

Access to Government Information and Services by First Nations, Inuit, and Northerners

Key Results 2001-02

- Improving general navigation and accessibility to the visually impaired of the departmental Web site as part of meeting Common Look and Feel guidelines for government web sites.
- Creation of an Aboriginal Canada Site, a portal Internet site to provide easier access to government information and services.
- Publication of departmental information on the Internet.
- Provide First Nations, Inuit and Northerners with the ability to conduct business transactions such as Indian Land Registration and to access information such as First Nations Housing and Infrastructure data using the Internet.
- Increased use of the Internet by First Nations, Inuit and Northerners to access information and services.
- Increased availability of departmental information on-line.
- Continue with the implementation of the Electronic Document Management System to facilitate on-line content management of the department's text based information in support of Government On-Line goals.

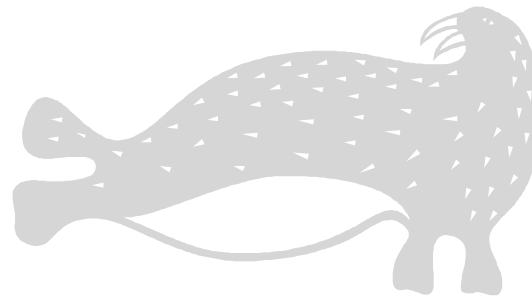
Strategic Linkages

The Administration Program plays a key supporting role in the development and effective implementation of strategic initiatives such as *Gathering Strength* and sustainable development. It ensures efficient and effective management planning and decision making based on timely, integrated information and risk assessment. Participation in federal government initiatives to improve the environment makes good sense in terms of departmental savings as well as for the overall protection of the environment. To this end, INAC is integrating sustainable development principles into the way the department makes decisions on a day-to-day basis.

Canadian Polar Commission

Business Line

Canadian Polar Commission



Business Line Objective

To promote the development and dissemination of knowledge in respect of the polar regions.

Business Line Description

In order to carry out its mandate, the Commission will initiate, sponsor and support conferences, seminars and meetings; help establish a polar information network as the principal mechanism to disseminate knowledge pertaining to the polar regions; undertake and support special studies on matters relating to the polar regions; recognize achievements and contributions in areas related to its mandate and table an annual report in Parliament.

Net Planned Spending and Full Time Equivalent

Forecast Spending 2000–2001*		Planned Spending 2001–2002		Planned Spending 2002–2003		Planned Spending 2003–2004	
\$ millions	FTE	\$ millions	FTE	\$ millions	FTE	\$ millions	FTE
1.0	5	1.0	5	1.0	5	1.0	5

* Reflects forecast of total net planned spending to the end of the fiscal year.

Ultimate Outcome

The promotion of the development and dissemination of knowledge in respect of the polar regions (\$1.0 million in 2001–02).

To be demonstrated by: The Commission serving as one of Canada's primary point of contact with the circumpolar scientific community. The Commission is Canada's adhering body to the International Arctic Science Committee and the Scientific Committee on Antarctic Research. In addition, the Commission maintains a liaison with research organizations throughout the circumpolar world. Work with the international polar science community not only complements the Commission's work with respect to domestic research activities but provides a means of input into multilateral scientific projects of relevance to Canadian interests.



Current Environment: Challenges and Opportunities

Global Circle: The current environment includes a research community which is both diverse and dispersed; small research institutes support a broad range of research activities. The degree to which various members support and participate in polar initiatives varies and the priority assigned polar research by various governments is uncertain. There is a need to coordinate federal and private sector research activities and for greater information exchange and communications. Success will depend on the priority assigned polar research by federal departments and agencies and on support from the polar research community. Availability of funding and resources will determine the extent to which strategic objectives can be completed.

Collaborative Circle: Significant gaps exist in research capacity. Researchers are aging and not being replaced, and infrastructure is inadequate to support Canadian polar researchers. It is important to invest in polar research and to encourage university students to undertake research in polar regions to meet international treaty obligations.

Operational Circle: The CPC plays a key role in implementing a range of initiatives including: communicating polar science to Canadians; identifying new partnerships for the development of polar information resources; facilitating bilateral and multilateral research activities; strengthening Canada's presence in international organizations; and playing an increasingly important advocacy role with respect to polar knowledge in Canada.

Expected Results (Operational Collaborative)

Commitment

Enhanced Polar Knowledge

Key Results 2001–02

- Increase national and international awareness of polar issues and research activities through publication of the CPC's *Meridian* newsletter and the newsletter of the Canadian Antarctic Research Network.
- Second year of Indicators Report will bring us closer to the goal of reporting systematically and regularly on Canada's performance in polar research.
- Expand Canadian polar information network by providing links to national and international polar research resources and by introducing the Polar Science Forum, an interactive tool for discussion of issues affecting the conduct of polar science and the development of policy, including a directory of Canadian polar researchers and real-time video feed for polar research conferences, seminars and workshops.

Key Results 2002–04

- Increase understanding of polar issues.
- Establish Internet site on polar information targeted at primary and secondary students.



Commitment

Public Awareness of Polar Science

Key Results 2001–02

- Increase access to polar research information through the Canadian Polar Information Network (CPIN), which is an evolving resource to provide information and data on polar research.
- Prepare blueprint for cooperation among federal departments and agencies with significant involvement in the North.

Key Results 2002–04

- Access to polar research information.
- Ongoing support for polar research.
- Increased Canadian support for development and dissemination of polar knowledge.

Commitment

International Profile as a Circumpolar Nation

Key Results 2001–02

- Enhance Canada's international profile as a circumpolar nation by ensuring Canadians have an effective representation on international organizations and committees, as well as participating in multinational research projects.
- Increase cooperation among international initiatives and organizations such as the Northern Dimension, University of the Arctic, the Arctic Council, the Arctic Science Committee and the Scientific Committee on Antarctic Research.

Key Results 2002–04

- World-class polar research undertaken by Canadians in the Arctic and Antarctic.
- Become a leading circumpolar nation.
- Continued collaboration between researchers and the Commission to research and publicize more international Arctic and Antarctic issues.



Commitment

Science and Technology in Polar Regions

Key Results 2001–02

- Report on the state of polar knowledge.
- Publish *Meridian* newsletter and the newsletter of the Canadian Antarctic Research Network to provide current information on polar research to national and international researchers.
- Increased focus on polar research by universities.

Key Results 2002–04

- Support the development of a national policy for northern scientific research.
- Increase Canada's representation in international Arctic and Antarctic organizations.
- Reflect the Commission's commitments to both Arctic and Antarctic polar research more clearly.

Strategic Linkages

The CPC (<http://www.polarcom.gc.ca>) has provided valuable input into the state of Canadian polar knowledge and has helped focus national attention on the need for world-class research, information and infrastructure. The Commission serves as an important source of information on polar research and as a link between governments, the research sector, Aboriginal communities, industry, academia and Canadians. It serves as Canada's primary point of contact with the circumpolar scientific community. The Commission's activities not only improve domestic research but also provide a means of input into multinational scientific projects of relevance to Canadian interests.

Section IV – Joint Initiatives

Horizontal Initiative – Sustainable Development Strategy

The following outlines INAC's department-wide commitments as presented in the SDS and highlights the department's role in some federal initiatives.

Department-wide Commitments

INAC has committed to work in two areas that relate to all sectors of the department.

- ❑ **Goal 1: INAC's principles of sustainable development to be integrated into departmental business lines, policies, program and decision-making processes.**

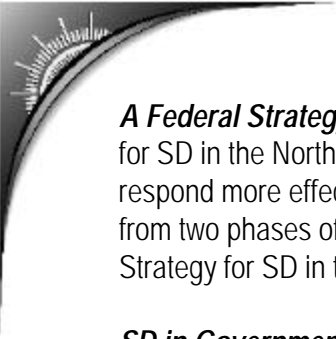
This first goal refers to integrating the SDS within the department through a comprehensive management and accountability regime. Commitments include: the appointment of a senior-level champion for the strategy; the development of Sustainable Development (SD) clauses for inclusion in management contracts; development of a reporting system to capture departmental progress towards SD; development of internal and external communications plans; and the development of tools and processes for the assessment of departmental policies, programs and initiatives against the principles of SD.

- ❑ **Goal 2: INAC to provide leadership on interdepartmental issues and on strengthening the relationship with First Nations, Inuit and Northerners that is necessary to support and promote sustainable development.**

Commitments include identifying mechanisms that serve as forums for discussions on the SDS between INAC and other government departments, First Nations, Inuit and Northerners; working in partnership with First Nations and Northerners on the development of a strategy to address climate change; investigating the need for guidelines to facilitate the inclusion of traditional knowledge in decision making; and determining ways to improve nutrition and health in isolated northern communities through the development of improvements to the Food Mail program.

INAC's Role in Federal Horizontal SD Initiatives

Most federal departments and agencies have agreed to a coordinated approach across departmental portfolios to create a cohesive SD agenda for the federal government. INAC is working on many of the interdepartmental initiatives linked to the eight theme areas approved by the interdepartmental Deputy Ministers' Sustainable Development Coordinating Committee in early 1999. The eight theme areas of the Sustainable Development Coordinated Action Plan (SDCAP) include: SD in Government Operations; A Federal Strategy for SD in the North; SD and Healthy Canadians; Sustainable Communities; SD Indicators and Reporting/Knowledge and Information; Productivity through Eco-efficiency; Social and Cultural Aspects of SD; and International Aspects of SD. INAC is actively involved in four of the themes, as described below:



A Federal Strategy for SD in the North: INAC is leading the development of a Federal Strategy for SD in the North; 20 government departments and agencies have been working together to respond more effectively to Northerners' needs. The strategy is being drafted based on feedback from two phases of consultations. Part 4 of INAC's SDS 2001-03 is strongly linked to the Federal Strategy for SD in the North.

SD in Government Operations: a Coordinated Approach: As part of the government-wide effort to set common directions for SD strategies, departments have developed a coordinated approach to reducing the impact of government operations on the environment. Departments are collectively setting targets and developing a toolbox of performance measures with respect to greener practices in procurement, waste management, water conservation, energy efficiency, vehicle fleets and human resources management. Greening Internal Operations (in Part 5 of INAC's SDS 2001-03), reflects these efforts.

Social and Cultural Aspects of SD: Human Resources Development Canada is leading an interdepartmental working group comprised of 10 other departments, including INAC, to explore the social and cultural dimensions of SD. A workshop on the issue in 2002 will have broad representation from within and outside government.

Sustainable Communities: Many departments are collaborating on the development of a government-wide policy framework to improve the integration of federal programs and services that support community sustainability. Among other activities, research and analysis on sustainable community development is under way through the Sustainability Project led by the government-wide Policy Research Initiative (PRI), the Sustainable Communities Initiative led by Natural Resources Canada and the Sustainable Rural Community Development Project led by the Rural Secretariat of Agriculture Canada.

INAC's Involvement in Other Federal Horizontal Issues that Contribute to SD

Government On-Line: In the February 2001 Speech from the Throne, the government made the commitment to continue putting services on line by 2004 to better connect with citizens. Providing current and detailed information to all citizens is important for informed public participation and fostering community empowerment — key elements of SD. To accelerate Government On-Line, INAC is working on a specific Connecting Aboriginal Canadians Strategy with First Nations, Inuit, Aboriginal groups, other government departments and the private sector to promote remote community access to the Internet, increase Aboriginal content on-line and contribute to building a new foundation for Aboriginal Canadians in the knowledge economy.


First Nations Forestry Program: The First Nations Forestry Program (FNFP) was designed to improve economic conditions in Status Indian communities by developing cooperative ventures to create viable, sustainable, long-term jobs. The program, jointly funded and administered by INAC and Natural Resources Canada, is contingent on funding.



Climate Change: INAC is responding to the challenge of climate change in cooperation with Aboriginal and northern communities, federal departments and agencies (Natural Resources Canada, Canada Mortgage and Housing Corporation, Public Works and Government Services Canada, and Environment Canada), other levels of government and power/electricity authorities. Energy efficiency is a key component of responding to climate change.

International Issues: The significant role of Aboriginal peoples in SD was internationally recognized at the United Nations (UN) Conference on Environment and Development held in Rio de Janeiro, Brazil in 1992 ("the Rio" Earth Summit). Indigenous groups from around the world provided key input into Agenda 21 through Chapter 26, "Recognizing and Strengthening the Role of Indigenous People and Their Communities."

INAC is committed to working with other government departments and Aboriginal people in preparation for Rio +10: the World Summit on Sustainable Development, to be held in October 2002. It is also continuing to cooperate with the Secretariat of the UN Convention on Biological Diversity regarding Article 8J, which commits Canada to preserve and maintain traditional knowledge, innovations and practices. INAC also continues to play a significant role in the Arctic Council and to encourage the involvement of northern Aboriginal groups.



Collective Initiatives

The following highlights INAC's role in several collective federal initiatives.

Community Economic Development Program (CEDP)

CEDP supports community economic development organizations by providing core funding for staffing and overhead, equity for small businesses, loans for small communities, employment and training. In 1998–99, CEDP placed 15,499 people in training programs; the number of business expansions totalled 1,112 across Canada; and 2,321 jobs were created. It should be noted that other departments and organizations fund initiatives related to community economic development; for instance, Human Resources Development Canada funds training while a variety of public and private sector organizations provide funding for economic development activities.

Joint Economic Development Initiative (JEDI)

JEDI brings together Aboriginal, federal and provincial representatives to identify and pursue opportunities in business development, training and economic development planning for First Nations in New Brunswick. Key federal partners in this initiative include INAC, the Atlantic Canada Opportunities Agency and Human Resources Development Canada. JEDI has resulted in changes in regulations which enable First Nations to retain 95 percent of revenue from provincial sales tax collected from non-natives who purchase goods on-reserve. A three-year strategic Aboriginal Employment Placement Plan was jointly developed by the Aboriginal community, federal and provincial representatives and the private sector. Mentoring and training programs with the Canadian Bankers Association and the provincial Department of Advanced Labour and Training have also resulted in a number of placements for Aboriginal people.

First Nations Child and Family Services (FNCFS)

Social services programming controlled by First Nations should be viewed as an essential component of effective community economic development, reflecting the objectives of *Gathering Strength* for more effective governance and accountability and the principles of SD. In 2000–01, INAC, in partnership with the AFN and First Nations agencies, completed a review of the current national policy on FNCFS. The final report on this initiative, released on June 30, 2000, was precedent-setting in that it was the first time a national policy was reviewed in partnership with First Nations. In 2001–02, the process of ratification will proceed. Again the concept of partnership is emphasized with the establishment of an Implementation Committee composed of AFN and INAC representatives. The Implementation Committee will support action on the report's recommendations.

Connecting Aboriginal Canadians (CAC)

CAC is a strategy led by INAC on behalf of the Deputy Minister's Steering Committee on Aboriginal Issues linking together the actions of several key federal departments to ensure that Aboriginal Canadians benefit to the maximum possible extent from the introduction of new technology. CAC follows the same structure as "Connecting Canadians", with six pillars addressing connectivity, Aboriginal content, smart Aboriginal communities, Aboriginal e-commerce, Government on Line and connecting Aboriginal Canadians to the world. Pursuant to the CAC, planning action is underway with Heritage Canada, Industry Canada, and HRDC among many departments. This initiative also includes a web portal, created in partnership with six of Canada's Aboriginal organizations, to provide Aboriginal people with enhanced access to information and a channel for communication (see <http://www.aboriginalcanada.gc.ca>).



First Nations Adult Care

Adult Care 2000–01 has a new direction with roots in the past. A joint working group has been reactivated, composed of representatives of First Nations, Health Canada and INAC. The objective is to develop a comprehensive adult care program which will address the continuum of care from the least intrusive home care services to institutional care for the elderly and disabled. This joint initiative is designed to promote healthier communities, strengthen accountability and improve coordination of community-based services.

Income Security Reform (ISR)

INAC and the AFN are working in partnership to reform the First Nations welfare system, an objective of *Gathering Strength – Canada's Aboriginal Action Plan*. The Income Security Reform (ISR) initiative aims to support First Nations communities to make the move from a passive income support system to one that integrates active measures and offers greater access to skills development, training and employment opportunities. The Policy Coordination Group (PCG), comprising INAC, HRDC, AFN and First Nations representatives, was established to oversee the development of the ISR initiative and to provide a forum for the development of a redesigned national policy framework.

National Child Benefit (NCB)

NCB is a joint federal, provincial and territorial initiative that supports children and families. The reinvestment component increases the capacity of First Nations communities to implement and manage community-based programs that are culturally relevant, respond to the specific and unique needs of the community, and support children and their families who live on reserves.

First Nations Veterans

Together with Veterans Affairs Canada and the Department of National Defence, INAC is participating as a partner with the Federation of Saskatchewan Indian Nations, the AFN and representatives of First Nations Veterans in a National Round Table to examine the treatment of First Nations during and after the wars, with a special emphasis on World War Two and the Korean conflict. It is expected that the Round Table will report to the appropriate Ministers and National Chief of the AFN in spring 2001.

First Nation Water Management Strategy

INAC, in cooperation with Health Canada, Environment Canada and First Nations organizations, will develop a National Water/Wastewater Strategy for application by First Nations communities across the country. Some elements include: best practices in management of water and wastewater systems including development of emergency plans; legislative principles that could be adopted by First Nations communities including guidelines or standards; water and wastewater technologies; pollution prevention measures; operation and maintenance (maintenance management, a list of accredited laboratory facilities); monitoring, reporting and follow-up actions; protection of watersheds; and public education.

Section V – Financial Information

The following financial summary tables (Tables 1–7) provide additional details with respect to the department's utilization of financial resources.

Table 1 – Capital Spending

(\$ millions)	Forecast Spending 2000–01	Planned Spending 2001–02	Planned Spending 2002–03	Planned Spending 2003–04
Indian and Inuit Affairs Program				
Indian and Inuit Programming	524.6	552.7	542.5	513.5
Claims	1.3	5.6	1.0	1.0
Sub-total	525.9	558.2	543.5	514.5
Northern Affairs Program				
Northern Affairs Programming	7.5	7.2	7.3	4.3
Administration Program				
Administration	2.0	2.0	2.0	2.0
Total Capital Spending (Department)	535.4	567.4	552.8	520.8
Canadian Polar Commission	-	-	-	-

Due to rounding, figures may not add to totals shown.

Table 2 – Details on Major Capital Project Spending (projects valued at \$15 million and over)

(\$ millions)	Current Estimated Total Cost	Forecast Spending to March 31, 2001	Planned Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04	Future Year Spending Requirement
Indian and Inuit Affairs Program *						
Indian and Inuit Programming						
Infrastructure						
Atlantic						
Davis Inlet Relocation	112.5	67.4	33.4	11.7	-	-
Quebec						
Northern Quebec Marine Transportation Infrastructure Program - Docking Facilities	34.9	16.9	3.0	3.0	3.0	9.0
Manitoba						
Garden Hill – Water and Sewer	47.3	-	-	0.4	9.3	37.6
Sandy Bay – Water and Sewer	17.1	7.1	-	-	-	10.0
Red Sucker Lake – Water and Sewer	23.6	5.6	-	0.3	3.7	14.0
God's Lake – Water and Sewer	36.1	12.1	-	-	5.5	18.5
Oxford House – Water and Sewer	20.4	3.6	-	-	0.4	16.4
St. Theresa Point – Water and Sewer	37.0	14.1	0.3	5.2	5.7	11.7
Wasagamack – Water and Sewer	32.0	6.1	-	-	1.8	24.1
Sayisi Dene – Water and Sewer	15.9	5.0	-	0.3	2.7	7.9
Sub-Total (Infrastructure)	376.8	137.9	36.7	20.9	32.1	149.2
Education Facilities						
Manitoba						
Chemawawin School	22.9	0.8	8.1	9.2	4.8	-
Garden Hill School Phase II	31.2	22.7	4.1	4.4	-	-
Norway House School	34.5	-	-	11.6	3.2	19.7
Peguis School Phase II	23.2	8.0	9.5	5.7	-	-
Mathias Colomb School	17.1	16.2	0.9	-	-	-
Sub-Total (Education Facilities)	128.9	47.7	22.6	30.9	8.0	19.7
Land Acquisition						
Quebec						
Kanesatake Land Unification	37.4	12.1	25.3	-	-	-
Total	543.1	197.7	84.6	51.8	40.1	168.9

Due to rounding, rows and columns may not add to totals shown.

* There are no major capital projects in other programs/business lines.

Table 3 – Summary of Transfer Payments

(\$ millions)	Forecast Spending 2000–01	Planned Spending 2001–02	Planned Spending 2002–03	Planned Spending 2003–04
Grants				
Indian and Inuit Affairs Program				
Indian and Inuit Programming	314.7	313.9	320.7	327.9
Claims	398.5	399.5	369.0	309.3
Sub-total	713.2	713.4	689.6	637.2
Northern Affairs Program				
Northern Affairs Programming	0.7	0.7	0.7	0.7
Administration Program				
Administration	-	-	-	-
Total Grants	714.0	714.1	690.4	637.9
Contributions				
Indian and Inuit Affairs Program				
Indian and Inuit Programming	3,618.0	3,764.8	3,818.6	3,856.5
Claims	57.6	65.4	44.7	43.3
Sub-total	3,675.6	3,830.2	3,863.3	3,899.8
Northern Affairs Program				
Northern Affairs Programming	62.1	52.4	53.7	50.0
Administration Program				
Administration	0.5	0.5	0.5	0.5
Total Contributions	3,738.1	3,883.1	3,917.5	3,950.3
Total (Grants + Contributions)				
Indian and Inuit Affairs Program				
Indian and Inuit Programming	3,932.7	4,078.7	4,139.3	4,184.4
Claims	456.1	464.9	413.6	352.6
Sub-total	4,388.8	4,543.6	4,552.9	4,537.0
Northern Affairs Program				
Northern Affairs Programming	62.8	53.1	54.5	50.8
Administration Program				
Administration	0.5	0.5	0.5	0.5
Total Transfer Payments (Department)	4,452.1	4,597.2	4,607.8	4,588.2
Canadian Polar Commission	-	-	-	-

Due to rounding, figures may not add to totals shown.

Table 4 – Details of Transfer Payments Programs

Objectives of Transfer Payment Programs by Business Line	Strategic Priorities and Planned Results
<p>Indian and Inuit Programming (2001–02 Planned Spending: Grants \$313.9 million; Contributions \$3,764.8 million)</p> <p>To assist First Nations and Inuit communities in achieving their self-government, economic, educational, cultural, social and community development needs and aspirations. The Indian and Inuit Programming assists First Nations in building healthy, sustainable communities through provision of services and programs similar to levels provided to other Canadian residents by provincial, territorial and municipal governments (including education, social services and community infrastructure). It also fulfils many of Canada's constitutional and statutory obligations and responsibilities to First Nations and Inuit people.</p> <p>Claims (2001–02 Planned Spending: Grants \$399.5 million; Contributions \$65.4 million)</p> <p>To achieve negotiated settlements of Aboriginal land claims. Such settlements resolve outstanding grievances, establish certainty to land title and access to lands and resources, create a climate that promotes economic development, and avoid time-consuming litigation. The settlement of a claim is not viewed as an end in itself, but rather as a beginning in which the Aboriginal people start to regain control of their destiny. Claims settlements provide a land base and financial package which establish a solid basis, and provide support for the department's <i>Gathering Strength</i> priorities of renewing the partnerships, strengthening Aboriginal governance, developing a new fiscal relationship and supporting strong communities, people and economies.</p>	<p>Renewed Partnerships – reconciliation and community healing; increased public awareness of Aboriginal issues; stronger working relationships with Aboriginal people and organizations; new approaches to federal, provincial and territorial relations with First Nations and Inuit.</p> <p>Strengthened Aboriginal Governance – self-government and claims agreements; governance capacity-building initiatives; devolved federal responsibilities.</p> <p>New Fiscal Relationship – effective fiscal relationships including new fiscal arrangements models and practical examples; strengthened fiscal accountability; financial skills and capacity in First Nations.</p> <p>Strong Communities, People and Economies – strengthened economic development; increased self-sufficiency; improved health and safety.</p>
<p>Northern Affairs Programming (2001–02 Planned Spending: Grants \$0.7 million; Contributions \$52.4 million)</p> <p>To promote the political, economic, scientific and social development of Canada's North; to assist Northerners, including Aboriginal groups, to develop political and economic institutions which will enable them to assume increasing responsibility within the Canadian federation; to effectively manage and regulate the sustainable development of the North's natural resources in preparation for devolution to the territorial governments; to preserve, maintain, protect and rehabilitate the northern environment; and to manage ongoing federal interests in the North, including federal northern policy, federal-territorial relations and claims and self-government implementation, and federal circumpolar activities.</p>	<p>Managing Federal Interests and Promoting Northern Sustainable Development – strengthening northern governance; a healthy human and natural environment; sustainable utilization of northern natural resources; fostering circumpolar co-operation.</p>

Milestone Monitoring

The department has in place the appropriate systems to monitor and ensure the integrity of its transfer payment programs. Specifically, the department has developed various performance frameworks (e.g. *Gathering Strength*) and reporting vehicles (e.g.; annual reports on comprehensive claims and progress on *Gathering Strength*), which provide information on departmental performance to Canadians. The department also utilizes its internal audit and evaluation function to review programs and activities on an ongoing basis.

Table 5 – Non-Respendable Revenues

(\$ millions)	Forecast Revenue 2000–01	Planned Revenue 2001–02	Planned Revenue 2002–03	Planned Revenue 2003–04
Indian and Inuit Affairs Program				
Indian and Inuit Programming				
Goods and services tax	0.3	0.3	0.3	0.3
Return on investments:				
• Indian economic development fund	0.8	0.8	0.8	0.8
Recovery from guaranteed loans	0.1	0.1	0.1	0.1
Refunds of previous years' expenditures	14.3	14.3	14.3	14.3
Adjustment of prior year's payables at year end	1.0	1.0	1.0	1.0
Privileges, licences and permits	0.1	0.1	0.1	0.1
Proceeds from:				
• Sales	0.3	0.3	0.3	0.3
• Disposal of surplus Crown assets	0.1	0.1	0.1	0.1
Other non-tax revenue	-	-	-	-
Sub-total (Indian and Inuit Programming)	17.0	17.0	17.0	17.0
Claims				
Return on investments:				
• Native claimants	6.2	6.2	6.2	6.2
Other non-tax revenue	5.5	5.5	5.5	5.5
Sub-total (Claims)	11.7	11.7	11.7	11.7
Sub-total (Indian and Inuit Affairs Program)	28.8	28.8	28.8	28.8
Northern Affairs Program				
Northern Affairs Programming				
Goods and Services Tax	0.1	0.1	0.1	0.1
Return on investments:				
• Norman Wells Project profits	43.0	43.0	43.0	43.0
• Other	2.0	2.0	2.0	2.0
Refunds of previous years' expenditures	1.0	1.0	1.0	1.0
Adjustments of prior year's payables at year end	0.8	0.8	0.8	0.8
Canada mining	10.4	46.7	94.0	49.7
Yukon quartz mining	0.5	0.6	0.7	0.7
Placer mining fees	0.2	0.2	0.2	0.2
Quarrying royalties	0.8	0.8	0.8	0.8
Coal leases	-	-	-	-
Metallic and non-metallic	-	-	-	-
Oil and gas royalties	19.8	27.3	27.2	28.1
Oil and gas forfeitures	1.9	1.9	1.9	1.9
Forestry	1.3	1.4	1.5	1.5
Land, building and machinery rentals	0.8	0.8	0.8	0.8
Land use fees	0.1	0.1	0.1	0.1
Other fees, rentals, licences	0.1	0.1	0.1	0.1

(\$ millions)	Forecast Revenue 2000-01	Planned Revenue 2001-02	Planned Revenue 2002-03	Planned Revenue 2003-04
Living accommodation and services	-	-	-	-
Proceeds from:				
• Sales	0.2	0.2	0.2	0.2
• Disposal of surplus Crown assets	-	-	-	-
Other non-tax revenues	-	-	-	-
Sub-total (Northern Affairs Program)	83.1	127.2	174.5	131.1
Administration Program				
Administration				
Refunds of previous years' expenditures	0.1	0.1	0.1	0.1
Adjustments of prior year's payables at year end	0.1	0.1	0.1	0.1
Living accommodation and services	-	-	-	-
Service and service fees	-	-	-	-
Proceeds from disposal of surplus Crown assets	-	-	-	-
Other non-tax revenues	-	-	-	-
Sub-total (Administration Program)	0.2	0.2	0.2	0.2
Total Non-Respendable Revenues (Department)	112.1	156.2	203.5	160.0
Canadian Polar Commission	-	-	-	-

Due to rounding, figures may not add to totals shown.

Table 6 – Net Cost of Programs for the Estimates Year

(\$ millions)	Programs			Total
	Administration	Indian and Inuit Affairs	Northern Affairs	
Net Planned Spending (Gross Budgetary and Non-budgetary Main Estimates plus Adjustments)	81.0	4,960.2	167.9	5,209.1
<i>Plus: Services Received without Charge</i>				
Accommodation provided by Public Works and Government Services Canada (PWGSC)				20.8
Contributions covering employees' share of employees' insurance premiums and expenditures paid by TBS				14.6
Workman's compensation coverage provided by Human Resources Canada				0.8
Salary and associated expenditures of legal services provided by Justice Canada				21.4
				57.6
<i>Less: Non-responsible Revenue</i>				156.2
2001–02 Net Cost of Program				5,110.6

Due to rounding, figures may not add to totals shown.

Table 7 – Loans

(\$ millions)	Forecast Spending 2000-01	Planned Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04
Indian and Inuit Affairs Program				
Claims				
Loans to native claimants	28.9	32.9	28.4	25.9
Loans to the Council of Yukon Indians for interim benefits to the Yukon Elders	0.4	0.4	-	-
Loans to First Nations in British Columbia for the purpose of supporting their participation in the British Columbia Treaty Commission process	32.5	37.8	34.1	31.2
Total (Department)	61.8	71.1	62.5	57.1
Canadian Polar Commission	-	-	-	-

Due to rounding, figures may not add to totals shown.



Section VI – Other Information

Contacts for Further Information

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- Phone: (819) 997-0811
E-mail: Reference@inac.gc.ca

Media Enquiries — Communications

- Phone: (819) 997-8404

Statistical Enquiries (socio-demographic)

- Phone: (819) 953-9999
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Socio-Demographic Statistical publications available at: http://www.inac-ainc.gc.ca/pr/sts/index_e.html.

Northern Affairs Program

- Phone: (819) 953-3760
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Canadian Polar Commission

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E-mail: mail@polarcom.gc.ca

Internet
<http://www.polarcom.gc.ca>



Co-delivery Partner Contacts / Federal Department or Agency

Health Canada – Call (613) 954-8815 or see Web site at <http://www.hc-sc.gc.ca>.

- Non-Insured Health Benefits; Community Health Services; Environmental Health and Surveillance; Hospital Services; National Native Alcohol and Drug Abuse Program; Brighter Futures Program – Community Mental Health and Child Development and Aboriginal Head Start; National Children's Agenda; Aboriginal Diabetes Strategy; First Nations Home and Community Program; First Nations Health Information Systems; Food Safety and Nutrition; Centre for the Advancement of Aboriginal People's Health.

Human Resources Development Canada – Call (819) 997-8677 or see Web site at <http://www.hrdc-drhc.gc.ca>.

- Aboriginal Human Resources Development Strategy, First Nations/Inuit Child Care, Urban Aboriginal People Initiative and Youth Employment Strategy.

Canada Mortgage and Housing Corporation – Call (613) 748-2586 or see Web site at <http://www.cmhc-schl.gc.ca>.

- On Reserve – Non-Profit Housing and Residential Rehabilitation Assistance Programs; Home Adaptations for Seniors Independence, and Housing Internship Initiative. Off Reserve – Rural and Native Housing, Urban Native Non-Profit Housing, Residential Rehabilitation Assistance, Home Adaptation for Seniors Independence, and Emergency Repair Programs.

Solicitor General of Canada – Call (613) 991-0241 or see Web site at <http://www.sgc.gc.ca>.

- First Nations Policing Policy – Through tripartite agreements between the First Nations community, the provincial or territorial government and the federal government, provide First Nations with access to police services that are professional, effective, culturally sensitive and accountable to the communities they serve.

Canadian Heritage – Contact Aboriginal Peoples' and Human Rights Programs Directorate at (819) 994-3835.

- Aboriginal Friendship Centres, Northern Native Broadcast Access, Aboriginal Representative Organizations, Aboriginal Women's Program, Aboriginal Languages Initiative, Territorial Aboriginal Language Accords, Urban Multi-purpose Aboriginal Youth Centres, and Young Canada Works for Urban Aboriginal Youth.

Industry Canada – Call (613) 992-6033 or see Web site at <http://www.abc.gc.ca>.

- Aboriginal Business Canada – Promotes the development, competitiveness and success of Aboriginal business in Canadian and world markets.

Fisheries and Oceans Canada – Contact Aboriginal Affairs Directorate at (613) 993-1917.

- Aboriginal Fisheries Strategy – Increases Aboriginal involvement in all aspects of coastal fisheries, fish habitat management and commercial fishing opportunities.

Natural Resources Canada – Contact the Financial Management Branch at (613) 996-6865.

- Canada Lands Surveys, First Nations Forestry Program and capacity building initiatives in resource management.

Justice Canada – Contact the Aboriginal Justice Directorate at (613) 941-9298 or the Program Branch at (613) 957-3180.

- The Aboriginal Justice Strategy funds community-based, culturally sensitive restorative justice programs which present alternatives to aspects of the traditional Canadian justice system (funding level for 2001–02 to be determined at a later date).
- The Native Courtworker Program provides Aboriginal people involved in the criminal justice system with non-legal advice and information.

Privy Council Office – Contact the Federal Interlocutor for Métis and Non-Status Indians at (613) 947-1848 (Privy Council Office); or contact the Indian Specific Claims Commission at (613) 943-1515 or see Web site at <http://www.indianclaims.ca>.

- Aboriginal Self-Government Negotiations and Aboriginal communities and associations representing off-reserve Aboriginal peoples.

National Defence – Contact Corporate Services at (613) 992-6033.

- Canadian Rangers, Bold Eagle, Canadian Forces Aboriginal Entry Program, Junior Canadian Ranger Program, Headstart (student employment) – these programs hire and train qualified personnel for full and part-time employment in the Canadian Forces.