

Proceedings
Expert Forum on First Nation Social Assistance Reform
September 3, 2019



Prepared by
Naiomi Metallic and Fred Wien



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Ottawa: September 3, 2019
Unceded Algonquin Territory

The Expert Forum on First Nation Social Assistance Reform was sponsored by the Assembly of First Nations, the Centre for the Study of Living Standards and the Social Assistance Research Program. These proceedings have been prepared by Naiomi Metallic and Fred Wien, Dalhousie University

Dalhousie University sits on the ancestral and unceded territory of the Mi'kmaq. We are all Treaty people





The cover picture was taken by Nick Honig, capturing the Militew (Ruby throated Hummingbird in Mi'kmaq). In Mi'kmaq stories, the hummingbird is seen as the one bird that is able to communicate with many different life forces (both human, animals, birds, and spirits). This is what the community workers do. They communicate with clients, Band administration, leadership and different levels of government. They may see themselves as being small, but like the hummingbird, can be determined fighters/advocates in their communities.

Eastern Woodland Print Communication developed the design of the report. The editors are grateful to Maile Graham-Laidlaw and Inez Hillel for their note-taking to capture the proceedings of the Forum, and to Ashley Bach for her careful editing of the draft report.



**Expert Forum on First Nation Social Assistance Reform
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I. Introduction

Social assistance, whether directed to the mainstream population or to First Nations, is not – according to Forum participants -- a sexy topic. Specifically, with respect to First Nation persons living on reserve in Canada, it has been largely a neglected field except for those directly responsible for administering it. Despite its substantive importance, it has not received a lot of attention from the academic research community, for example, nor is it usually near the top of the list of priorities for political leaders and governments.

Why is this the case? Perhaps it has to do with the history of providing assistance, which for colonial and federal governments has been seen through the lens of limiting government expenditures. Indeed, the major historical study of this social policy area has the title *Enough to Keep Them Alive: Indian Welfare in Canada 1873-1965*.¹ It may also have to do with the stigma associated with being on welfare, the legacy of the English Poor Laws and their division of the population in need between the deserving and the undeserving poor.

As Naomi Metallic points out in her presentation reproduced below, providing social assistance on reserve also does not rest on a very firm legal foundation. It was in 1964 that federal officials were first given formal authority to allocate funds for assistance, but this was only through a Treasury Board Directive, not through legislation backed by Parliamentary approval. In addition, social assistance is normally provided to Canadian citizens by the provinces, and indeed federal officials in the 1960's were busy trying to get the provinces on board to deliver assistance on reserve. They were unsuccessful in all cases except Ontario, with the result that "social" has been funded by the federal Indian Affairs department with delivery devolved to individual First Nations. The 1964 Treasury Board Directive tied social assistance to the policies and practices of the provinces and thus did not develop the legal, policy and administrative infrastructure that would normally attend such an important social policy. The provinces, for their part, were understandably focused on the needs of their provincial populations and paid little heed to the implications of their policies and programs for on-reserve populations nor did they consult them when changes were in the offing. Indeed, First Nations have had virtually no input on the matter of social assistance at either the federal or provincial levels.

Yet this social policy area is so important on reserve. As data presented in Andrew Sharpe's presentation reveal, looking at First Nations across Canada, some 30 per cent of the population living on reserve receives social assistance according to the latest statistics available (2016-17), a number that is six times that for the mainstream population. While dependence rates vary widely from one First Nation to another, almost 40 per cent of First Nations fall into the category of having more than 37 per cent of the population on assistance². Data reported

¹ Hugh Shewell, *Enough to Keep Them Alive: Indian Welfare in Canada 1873-1965*, Toronto" University of Toronto Press, 2004.

² Inez Hillel, *Poverty, Inequality and Social Assistance among the Mainstream Population and First Nations in Canada*, Ottawa: Centre for the Study of Living Standards, December 2019. Study commissioned by the Social Assistance Research Program.



below indicates that levels of poverty and dependency have declined substantially over the past several decades in the mainstream population, but among First Nation persons living on reserve, poverty and social assistance rates are multiple times higher than they are for the mainstream population.

Our historical research in the Maritimes has revealed that, over the years after the 1964 Treasury Board Directive, the administration of social assistance on reserve gradually diverged from provincial norms as reserve-based administrators did their best to adapt “social” to the needs and conditions of their First Nations³. Within the federal department, too, there was an acceptance of the idea of reasonable comparability, allowing for flexibility in implementation. In 2011, though, a sharp shift in federal policy occurred which required First Nations in the region strictly to adhere to provincial standards on matters such as eligibility requirements, level of benefits, and practices for meeting housing and utility expenses. This occurred without recognition not only of different needs and circumstances on reserve but also without taking into account all the ancillary services that provinces provide to their social assistance clients, and which were not available to First Nations persons living on reserve. The Chiefs in the region resisted strongly, fully appreciating that the pre-existing program was already inadequate and the policy shift would make matters worse. In response, Chiefs in the region launched court proceedings and, in addition, the Nova Scotia Chiefs asked for research to compare social assistance on reserve in relation to the Province of Nova Scotia. Our research team was also asked to assess what the impact of the change would be, if it were implemented.

Faced with this challenge, it became evident that the First Nation leadership in the region was becoming increasingly interested in regaining control over social assistance policy and practice. To aid in this process, our Social Assistance Research Program partnering with the Mi’kmaq Rights Initiative was successful in obtaining a grant from the Canadian Institutes of Health Research (CIHR) to examine what a Mi’kmaq driven approach to “social” on reserve would look like. After the court proceedings concluded, the Chiefs in the Maritimes prevailed upon the Minister of Indigenous Affairs in 2016 to open the door to the possibility that the Mi’kmaq and Maliseet in the region would themselves determine their approach to this social policy area. Additional funding was made available to support the research program, with both the federal government and the Mi’kmaq and Maliseet organizations in Nova Scotia, New Brunswick and Prince Edward Island agreeing that the research should be undertaken in order to provide the background information that would be required to inform subsequent negotiations.

The first phase of research is now concluded, and steps are being taken for the Mi’kmaq and Maliseet to assume greater control over social assistance policy and practice⁴. Indeed, on Prince Edward Island a Tripartite Agreement was signed in the spring of 2019 that makes important

³ Declan Cullen, Heather Castleden and Fred Wien, *Looking After Community: A history of social assistance policy in the Mi’kmaq Communities of Nova Scotia*, Halifax: Dalhousie University, 2017. See also Tuma Young, Cape Breton University, *Tptinewey: Mi’kmaq Elders Perceptions of Social Assistance*, 2017 (with contributions from Deborah Ginnish and the Mi’kmaq Association of Cultural Studies).

⁴ An overview of insights from the overall research program is forthcoming.





changes to the design and delivery of social assistance on reserve. In New Brunswick and Nova Scotia, preparations are underway for the negotiation of self-government agreements.

Given the historical background, the last thing First Nations want is to continue to have provincial social assistance systems imposed on them. It is also the case, however, that the provinces have many decades of experience in providing this “income resource of last resort” to their populations, and indeed they periodically reform their policies and programs better to meet changing circumstances, including changes in governments. In our experience, First Nations are prepared to look at innovations modelled by the provinces as long as there is no intent to impose them. Equally, they are interested in learning from other First Nations who may have gone further down the road toward self-determination in social policy to see what lessons are to be learned there.

It is in this context that we joined with the Assembly of First Nations and the Centre for the Study of Living Standards to organize the Expert Forum on First Nation Social Assistance. The Forum took place on September 3, 2019, at the national office of the Assembly of First Nations. While the specific context for the workshop is the Maritime region, it is the case that many First Nations in different parts of Canada are interested in this issue, and the Assembly of First Nations brings a national perspective to the proceedings, having hosted several workshops on the subject. The Centre for the Study of Living Standards brings its expertise in labour economics and secondary data analysis to the table.

The main organizing question guiding our discussion at the Forum was to seek the best advice that participants would give to the First Nation leadership as they set about structuring their own approach to social assistance, in order to contribute to the well-being and self-reliance of community members. The agenda for the Forum is provided in Appendix A. We invited both Indigenous and non-Indigenous experts on the subject, and the participant list is given in Appendix B.

The editors express their appreciation to the Assembly of First Nations for hosting the workshop in their national office in Ottawa. We also acknowledge with thanks the careful notes taken of the proceedings by Maile Graham-Laidlaw and Inez Hillel. These notes provide the basis for the summary of the discussion found below.



II. The Big Picture: Trends in Inequality and Poverty in Canada

Write-up of presentation made by Andrew Sharpe at the Expert Forum on First Nations Social Assistance Reform, September 3, 2019, Assembly of First Nations, Ottawa, Ontario

Trends in poverty and inequality in Canada have been changing over time and are different for Indigenous and non-Indigenous persons. The disparity is amplified for First Nations living on reserve. This presentation begins by seeking to understand how poverty and inequality have changed in the past thirty years. The intersection between poverty and social assistance is discussed in the second part of the presentation.

Between 1976 and 2017 there has been an overall positive story for poverty and inequality for mainstream Canadians. Poverty has been reduced and inequality, after rising for several years to the early 2000's, has since remained stable.

Inequality Trends

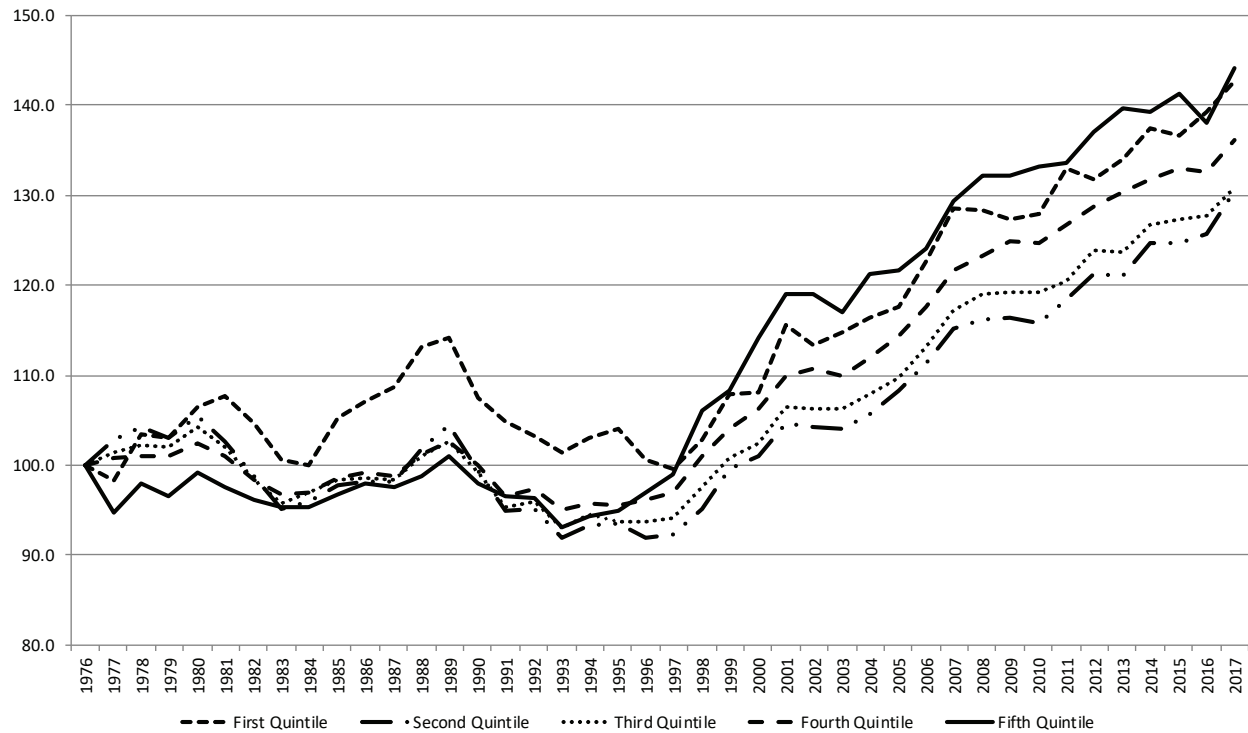
After-tax income has risen for economic families in every quintile⁵. As illustrated in Chart 1, since the late 1990s, the fifth or top quintile has risen the fastest, followed by the first or bottom quintile. Interestingly, average after-tax incomes have been growing slowest for the fourth quintile. This change is remarkable as it shows that average after-tax incomes are growing at similar rates at both ends of the income distribution. This growth at both ends of the distribution can partially explain why inequality has been stable since 2000.

⁵ A quintile is a segment of a population representing 20 per cent of the population. Thus, when income distributions are discussed, for example, the lowest quintile would be the one-fifth of the population with the lowest incomes while the top quintile would be the 20 per cent with the highest incomes.





Chart 1: Canada Average After-Tax Income by Quintile of Economic Families (1976=100)



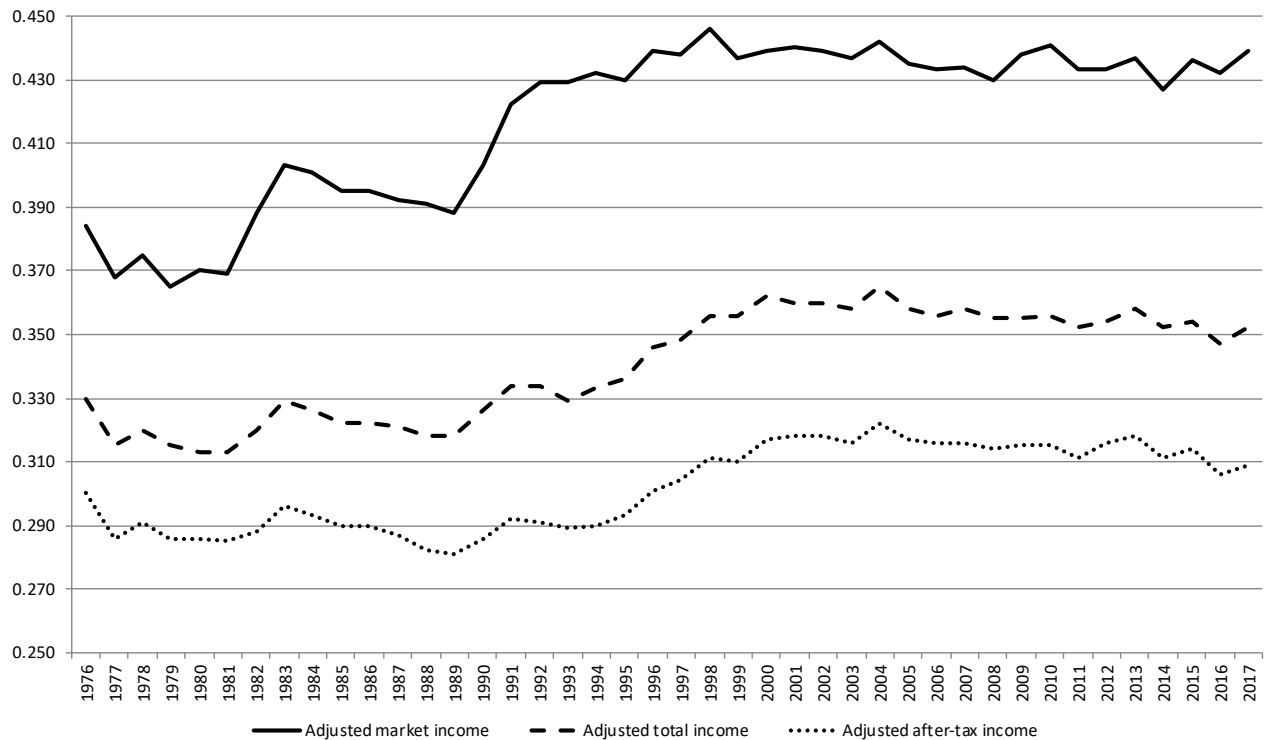
Source: Statistics Canada, CANSIM 206-0031

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Inequality, measured by the Gini coefficient, has been near-constant in Canada since 2000 (Chart 2). The Gini coefficient is the most common inequality measure, where a score of 0 is indicative of a perfectly equal income distribution, and 1 indicates complete inequality where a single individual holds all the wealth. The current Gini coefficient for after-tax income is 0.31. However, the post-2000 stability in income inequality comes after significant increases in inequality between 1980 and 2000. As a result, while inequality has not increased since 2000, it remains at the highest levels since data became available in 1976.



Chart 2: Gini Coefficients of Adjusted Incomes Canada (1976-2017)

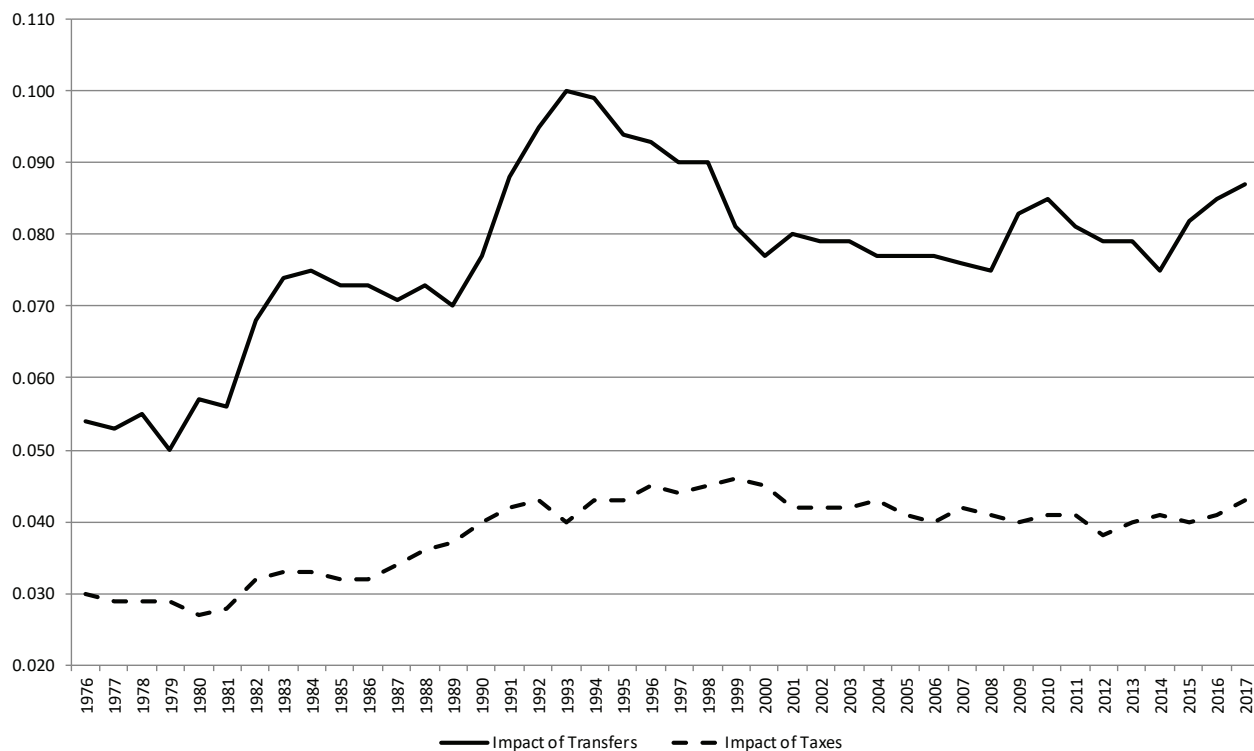


Source: Statistics Canada, CANSIM 206-0033

Comparing market income and after-tax income illustrates that to some extent, income is successfully being redistributed through the tax-and-transfer system. Chart 3 illustrates the impact of taxes and transfers on inequality reduction through income redistribution. Transfers play a much larger role in reducing inequality than taxes. Social assistance, which will be explored in detail later in the presentation, is just one aspect of the transfer system. The gap between tax and transfer impacts is growing with transfers increasing in importance.



Chart 3: Impact of Taxes and Transfers on GINI Coefficient (1976 - 2017)



Source: Statistics Canada, CANSIM 206-0033

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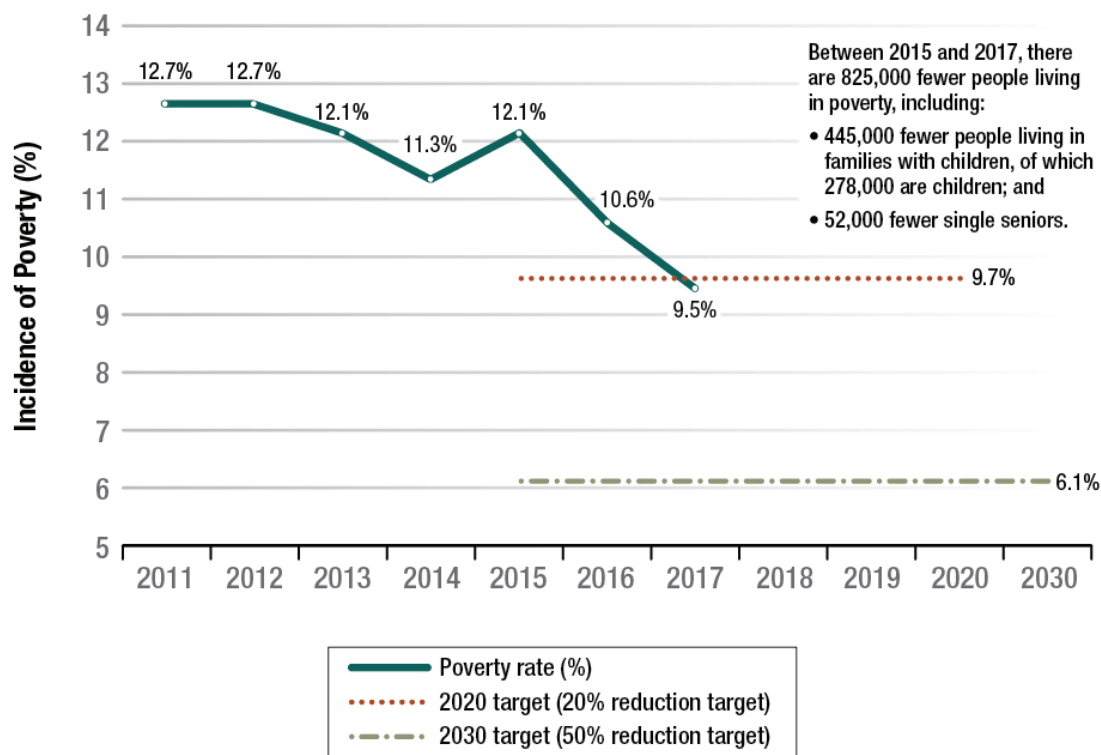
Trends in Poverty

The national poverty reduction target based on the Market Basket Measure for 2020 has been set at 9.7 per cent. This target was actually achieved in 2017. In 2011, the poverty rate in Canada was 12.7 per cent and only started to fall significantly in 2015. The poverty reduction target for 2030 is set at 6.1 per cent of the Canadian population (Chart 4), at 50 per cent of 2015 levels.

The primary reason for the decrease in the poverty rate can be attributed to the new Federal Child Benefit, which has led to very large decreases in poverty incidence among families with children. The rate of seniors living in poverty has also fallen due to improved Old Age Security benefits.



Chart 4: Poverty Reduction, Canada's Official Poverty Line, 2011-2017

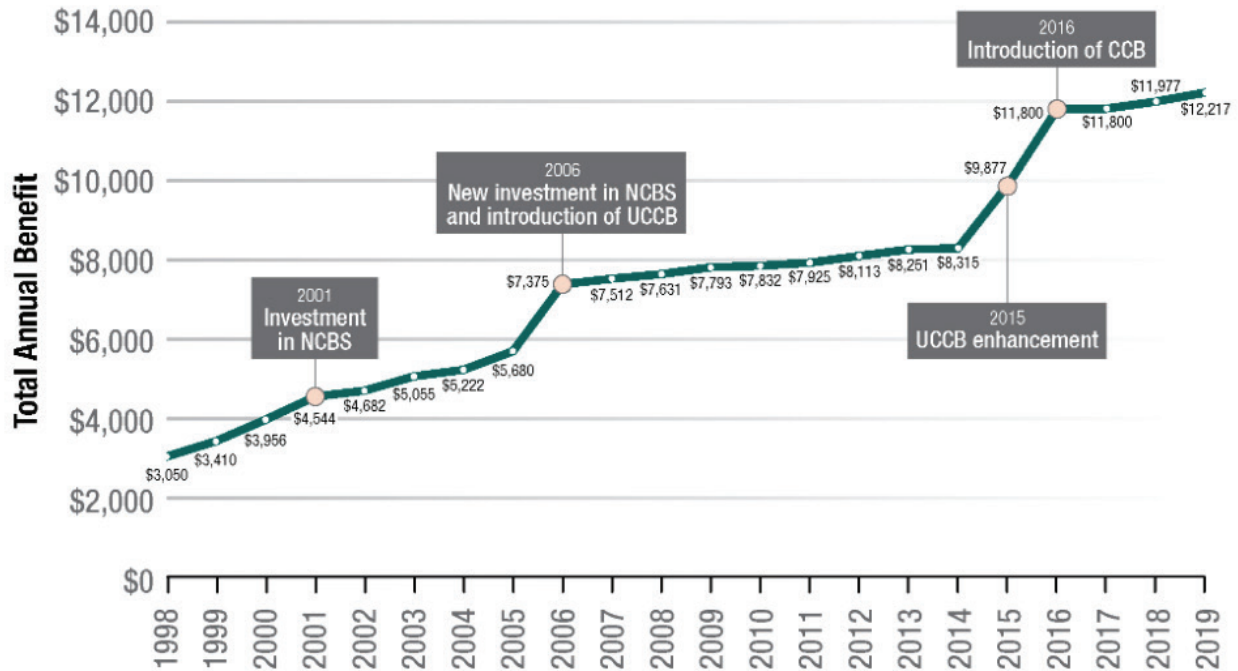


Source: ESDC, 2019, *Canada's Poverty Reduction Strategy – An Update*

The Canada Child Benefit (CCB) was introduced in 2016, and replaced the Universal Child Care Benefit (UCCB). If receiving the highest rate, the CCB provides \$6,400 per child for children under six, and \$5,400 for children between the ages of six and seventeen (Chart 5). Phase-out rates begin for adjusted family net income above \$30,000 and increases rapidly for incomes above \$65,000. The benefit is received per child, and indexed annually. For a family with two children, their total annual federal child benefit would have increased by nearly \$2,000 in the first year the CCB was implemented. This resulted in the increases in after-tax incomes at the lowest quintile, and contributes to the constancy in inequality despite income growing at the very top of the distribution.



Chart 5: Maximum Federal Child Benefits for a Reference Family with Two Children (One Child Under the Age of 6 and One Child Aged 6-17), 1998-2019



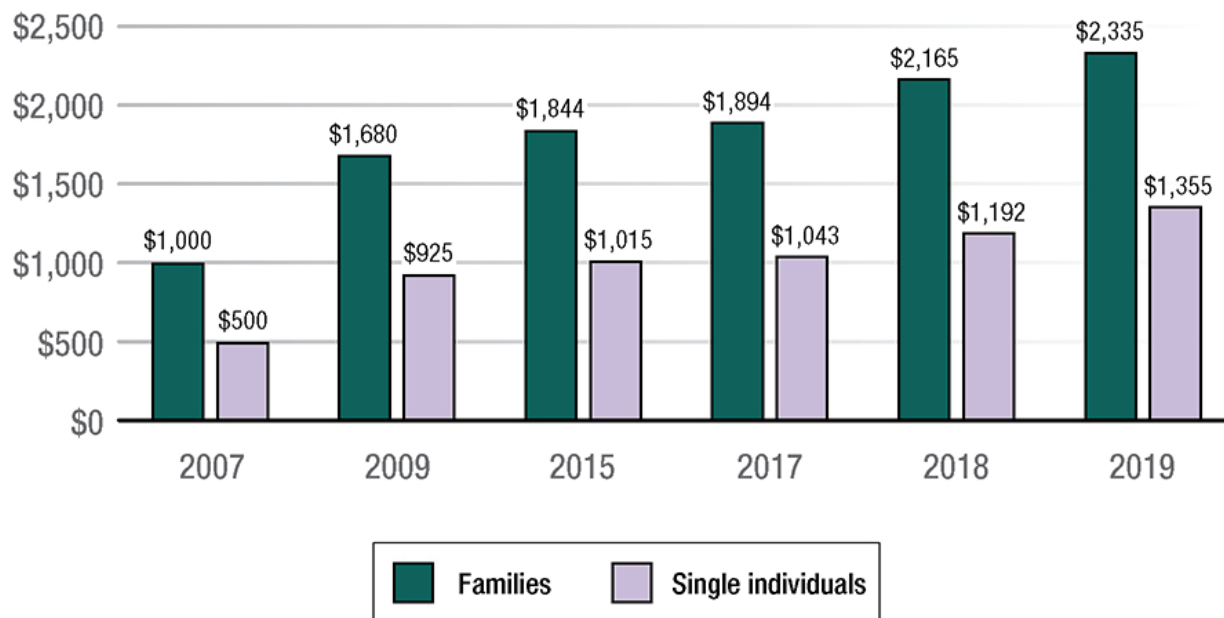
Source: ESDC, 2019, *Canada's Poverty Reduction Strategy – An Update*

In 2016, the Working Income Tax Benefit was replaced by the Canada Workers Benefit (CWB). The CWB supplements the earnings of low income earners with a refundable tax credit. It is largely considered to improve work incentives for low income Canadians.

Unfortunately, with the exception of the CWB, single adults without children have been largely left out of the poverty reduction strategy – which has been reflected in the shifting demographics of persons receiving social assistance. However, the CWB is a work-triggered benefit and therefore only targets the working-poor. Single adults who are not currently employed cannot access this benefit. Maximum benefit levels for families have risen from \$1,000 in 2007 to \$2,355 in 2019, a 135.5 per cent increase. Maximum benefit levels for single individuals have risen relatively more, a 170 per cent increase. However, singles' levels are still much lower than for parents, as maximum benefit levels were \$1,355 in 2019, up from \$500 in 2007 (Chart 6).



Chart 6: WITB/CWB Enhancements for Families and Single Individuals (Maximum Benefit Level by Year)



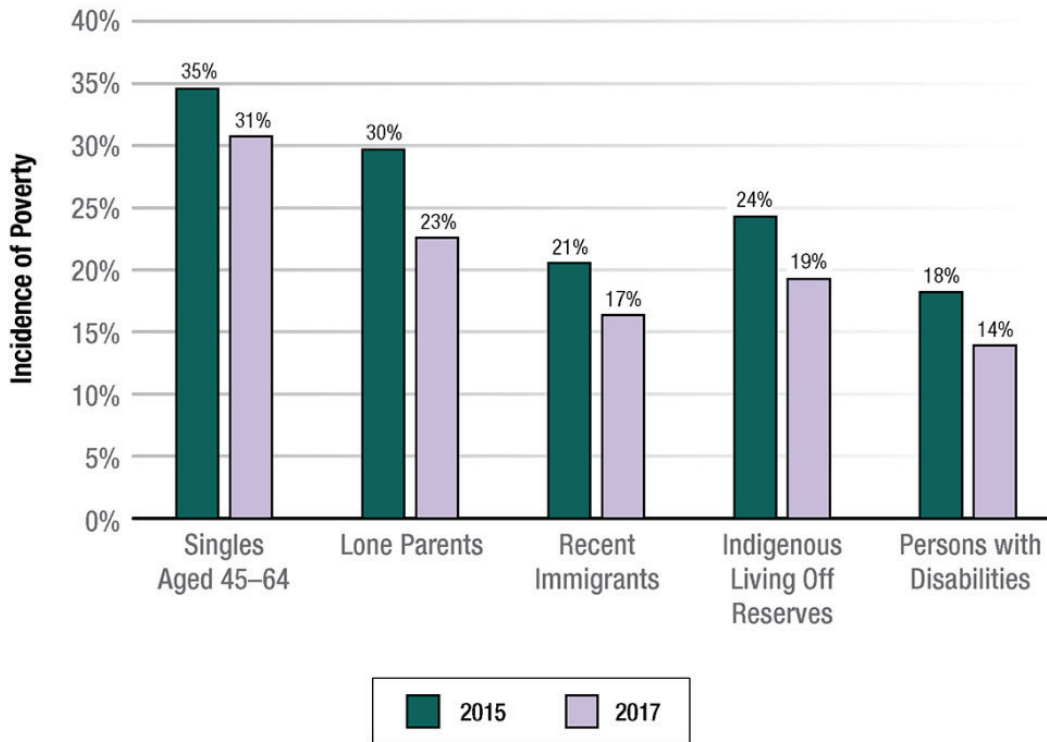
Source: ESDC, 2019, *Canada's Poverty Reduction Strategy – An Update*

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Between 2015 and 2017, poverty rates for single parents fell 7 percentage points, the largest poverty reduction amongst at-risk demographics (Chart 7). All other at-risk groups, single adults between the ages of 45 and 64, recent immigrants, Indigenous persons living off-reserve and persons with disabilities, the incidence of poverty fell by between 4 and 5 percentage points.



Chart 7: Poverty Rates for Canadians Most at Risk of Living in Poverty, 2015-2017



Source: ESDC, 2019, *Canada's Poverty Reduction Strategy – An Update*

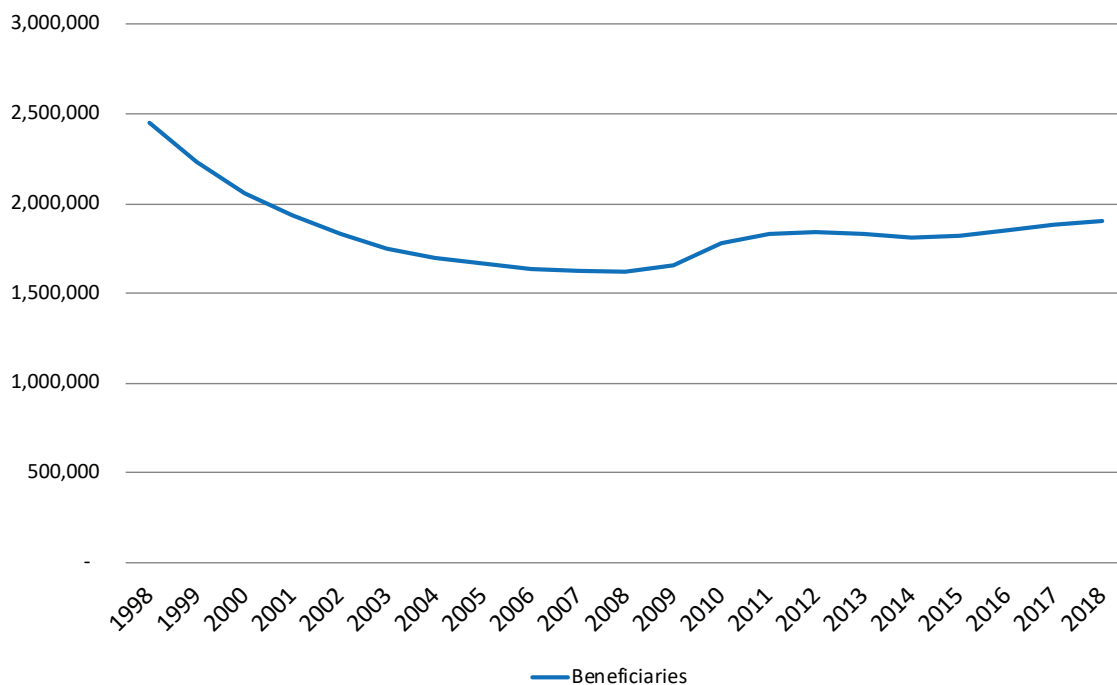
Trends in Social Assistance

Social assistance is meant as a program of last-resort, for individuals who have exhausted all other avenues and are in need of immediate financial assistance. This section on mainstream Canadians continues by focusing on social assistance trends and dependency rates in the provinces.

The total number of beneficiaries in Canada, excluding First Nations living on reserve (except in Ontario), fell considerably from 1998 to 2009. Since 2009, it has been rising slowly, potentially as a result of slower economic growth after 2008. However, the long-term overall trend is still downward, as the number of beneficiaries and their relative importance has fallen considerably since 1998 (Chart 8).



Chart 8: Total Social Assistance Beneficiaries in Canada, 1998-2018

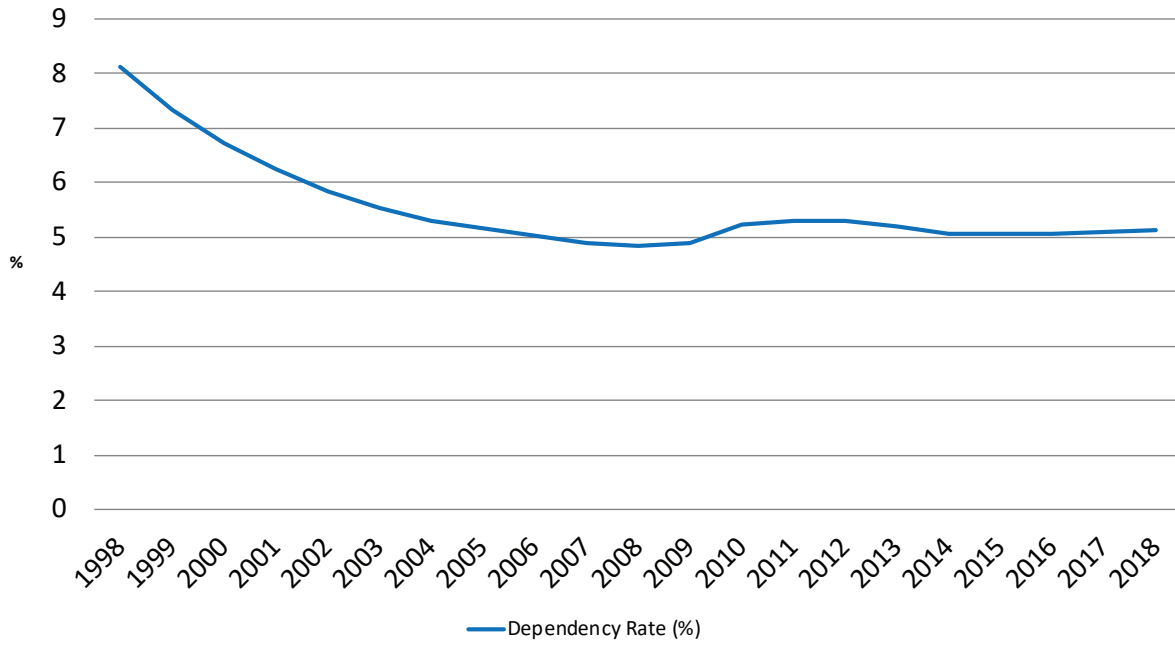


Source: Maytree, 2019, *Social Assistance Summaries 2018*

Welfare dependency rates are measured by dividing the number of persons receiving social assistance by the total population. Dependency rates at the national level in recent years have remained constant at just above 5 per cent since 2014. In 1998, dependency rates were above 8 per cent, showing a significant decrease in the past 20 years (Chart 9). Chart 10 illustrates how dependency rates vary tremendously between provinces, as have rates of change in dependency between 2006 and 2018. In 2018, dependency rates were highest in Nunavut at 37.5 per cent, despite an 18.6 percentage point decrease since 2006. The Northwest Territories and Ontario both had dependency rates above the Canadian average at 6.8 and 6.6 per cent respectively, and both provincial rates have been increasing since 2006. Alberta had the lowest dependency rate at 2.2 per cent in 2018. However, this comes after a 47.5 per cent increase from the 2006 dependency rate of 1.5 per cent.



Chart 9: Dependency Rate in Canada, 1998-2018



Source: Maytree, 2019, *Social Assistance Summaries 2018*



Chart 10: Provincial and National Dependency Rates, 2006 and 2018

	Dependency Rate		% change
	2006	2018	
Nunavut	46.0	37.5	-18.6
Northwest Territories	4.6	6.8	49.6
Ontario	5.6	6.6	17.8
Newfoundland and Labrador	8.9	6.3	-29.6
Manitoba	5.1	5.3	4.5
Canada	5.0	5.1	3.4
Saskatchewan	4.9	4.9	0.1
Quebec	6.7	4.9	-27.3
New Brunswick	6.1	4.8	-22.5
Nova Scotia	5.3	4.0	-24.8
British Columbia	3.4	3.8	13.5
Prince Edward Island	4.8	3.5	-27.1
Yukon	3.5	3.4	-3.7
Alberta	1.5	2.2	47.5

Source: Maytree, 2019, *Social Assistance Summaries 2018*

Welfare incomes vary by province and by household type (Chart 11). In every province, welfare incomes are highest for households with children and significantly lower for single adults deemed employable. Benefits for adults with disabilities are limited, except for in Alberta and Saskatchewan if the person’s disability is deemed to be permanent and severe.



Chart 11: Annual Welfare Incomes from Benefits by Province, 2017

Jurisdiction	Single Person Considered Employable	Single Person with a Disability	Single Parent, One Child	Couple, Two Children
Alberta	\$8,027	\$10,225 (or \$19,705)	\$19,743	\$28,989
British Columbia	\$8,124	\$13,096	\$19,795	\$25,976
Manitoba	\$9,494	\$12,132	\$21,364	\$29,483
New Brunswick	\$7,122	\$9,837	\$19,920	\$26,412
Newfoundland and Labrador	\$11,379	\$11,579	\$23,364	\$29,178
Nova Scotia	\$7,433	\$10,264	\$18,182	\$27,663
Ontario	\$9,461	\$14,682	\$21,136	\$30,545
Prince Edward Island	\$7,900	\$10,229	\$20,619	\$32,135
Quebec	\$9,083	\$12,741	\$21,536	\$29,657
Saskatchewan	\$8,820	\$11,276 (or \$15,645)	\$21,086	\$29,776
Northwest Territories	\$25,358	\$26,260	\$40,932	\$48,357
Nunavut	\$5,950	\$8,600	\$17,012	\$28,708
Yukon	\$17,820	\$21,474	\$33,082	\$48,915

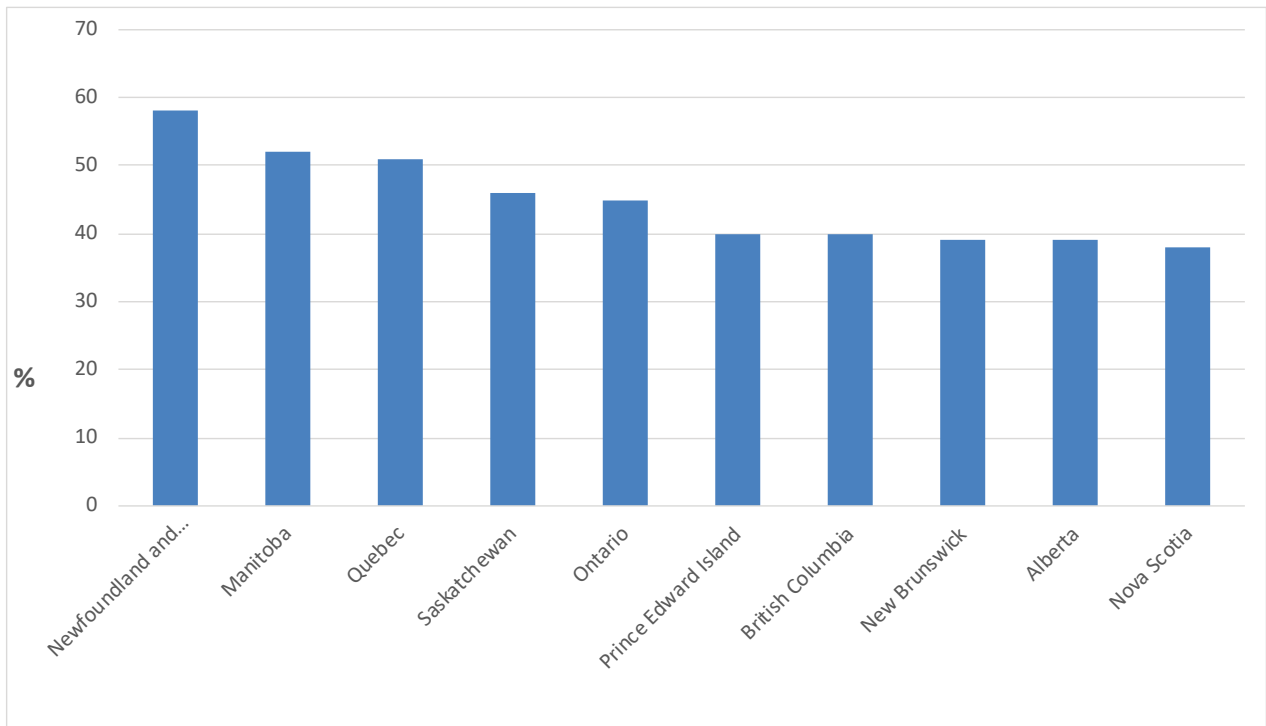
Source: Maytree, 2018, *Welfare in Canada 2017*

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Welfare adequacy is measured by comparing maximum welfare benefits to the Market Basket Measure (MBM), Canada's official poverty line. Welfare incomes for single employable adults are highest in Newfoundland and Labrador, reaching just below 60 per cent of the MBM (Chart 12). In New Brunswick, Alberta and Nova Scotia, welfare incomes are below 40 per cent of the MBM. The inadequacy of welfare incomes for single adults is shocking, especially when compared to other household types. The least adequate welfare income for a single parent with a child is in Nova Scotia (Chart 13), and yet is still higher than the highest income for a single adult in any province. Quebec has the highest welfare income for single parents, reaching nearly 85 per cent of the MBM. Incomes for couples with children are comparable, ranging between 82 and 62 per cent of the MBM (Chart 14). The adequacy of welfare incomes for households with children is largely due to increases in the Canada Child Benefit.



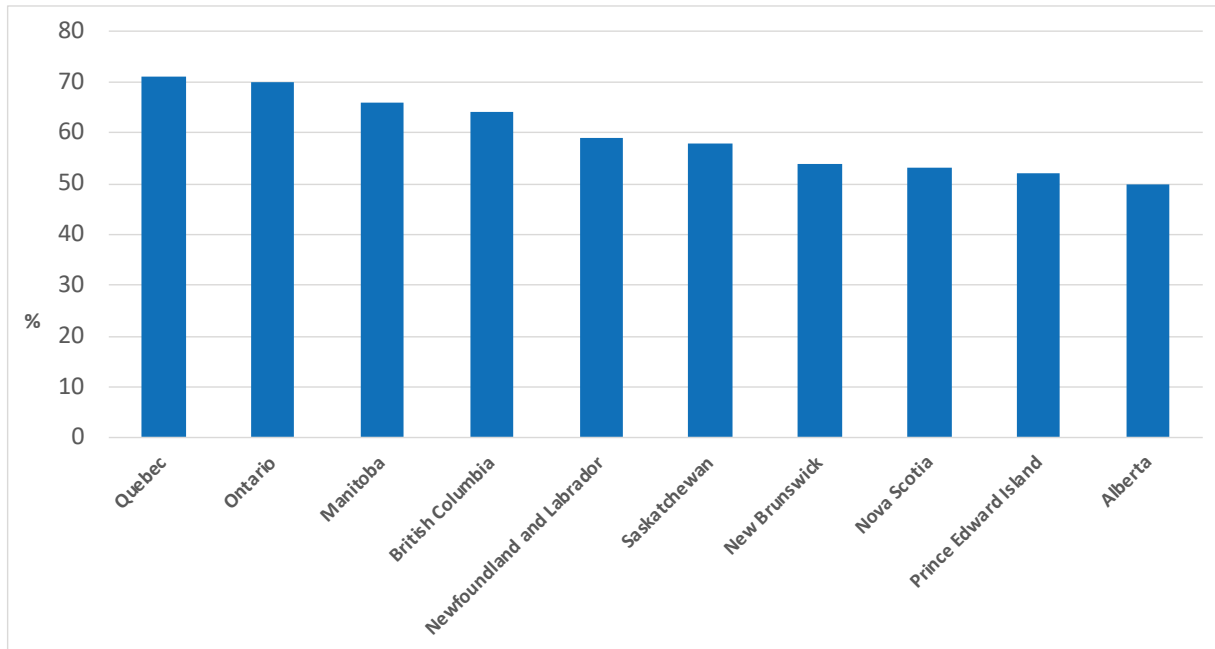
Chart 12: Welfare Income for Single Employable Adult as Percentage of MBM, 2017



Source: Maytree, 2018, *Welfare in Canada 2017*



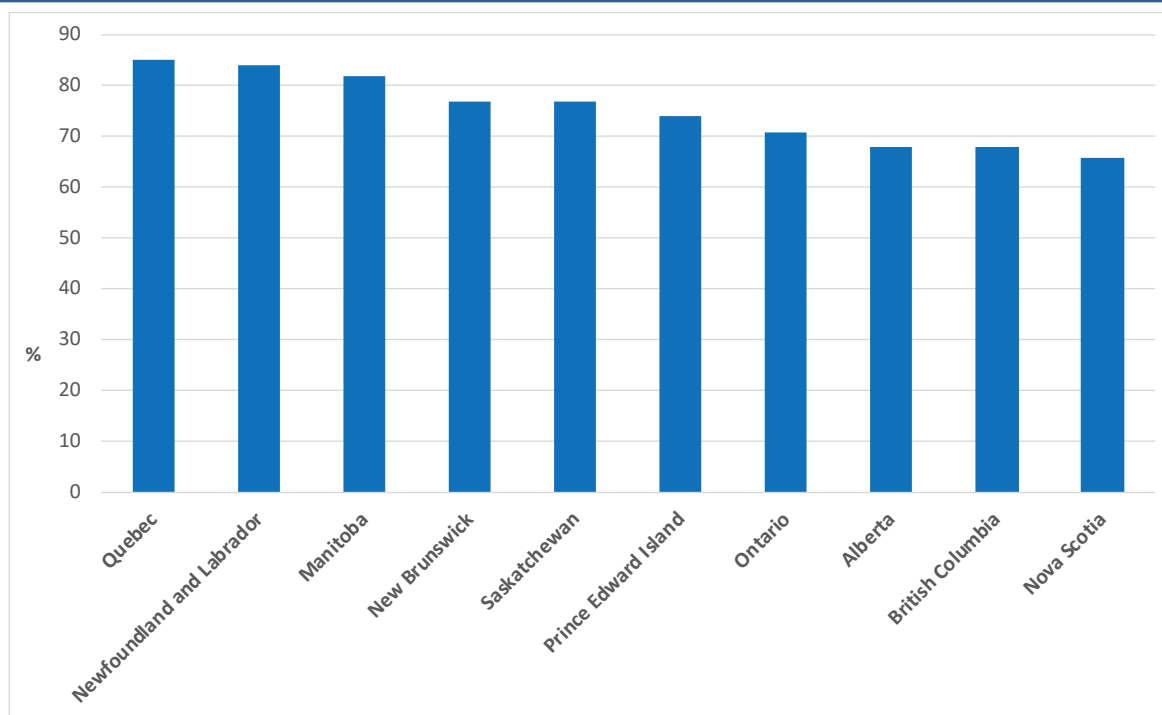
Chart 13: Welfare Income for Single Parent with Child as Percentage of MBM, 2017



Source: Maytree, 2018, *Welfare in Canada 2017*



Chart 14: Welfare Income for Couple with Two Children as Percentage of MBM, 2017



Source: Maytree, 2018, *Welfare in Canada 2017*

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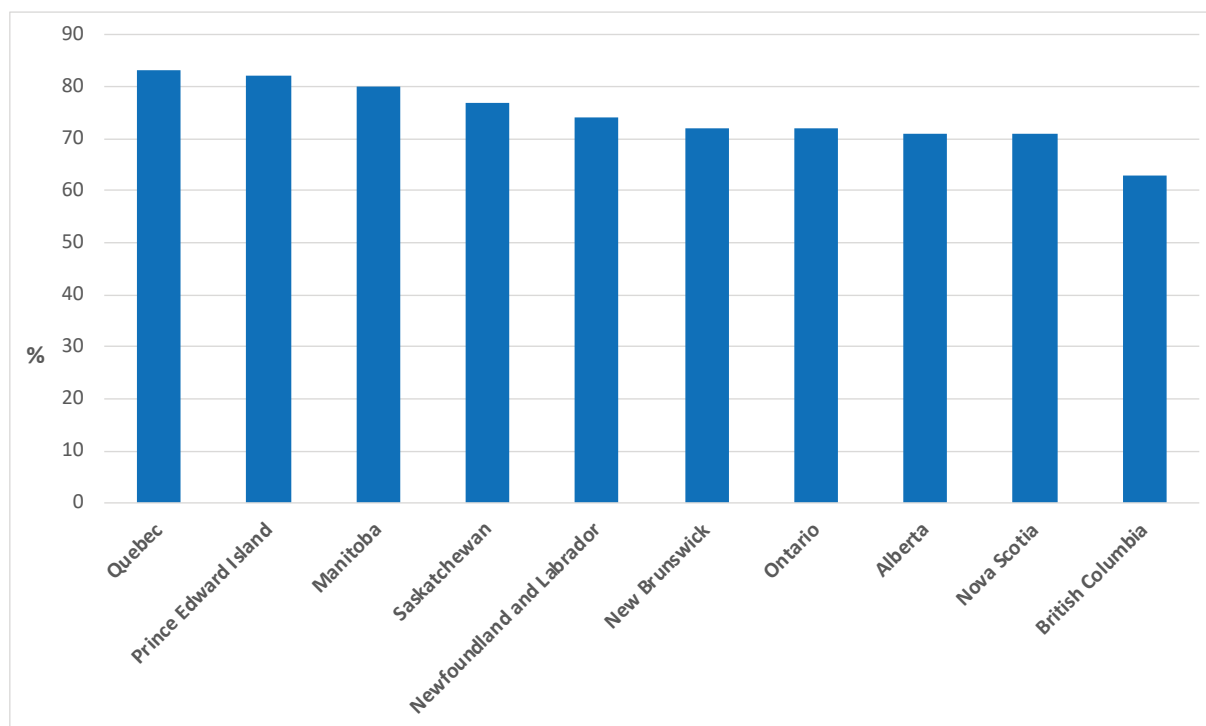
Welfare incomes for adults with a disability are also far below the MBM poverty line, ranging from 50 per cent to 70 per cent of that standard (Chart 15). However, Alberta and Saskatchewan have both developed programs for persons with permanent, severe disabilities that prevent the individual from working. In those programs, incomes are quite close to the MBM⁶.

Despite having the highest welfare incomes for adults with a disability, single parents with a child and couples with children, Quebec's dependency rate is lower than the national average. In contrast, Alberta has an extremely low dependency rate and offers very stringent benefits. However, most of the reduction in number of beneficiaries in the past three decades in Alberta has come from a tightening of eligibility criteria and work requirements.

⁶ The data in Chart 13 excludes the special programs in Alberta and Saskatchewan.



Chart 15: Welfare Income for Single Adult with Disability as Percentage of MBM, 2017



Source: Maytree, 2018, *Welfare in Canada 2017*

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The number of social assistance beneficiaries with a disability has risen steadily in the past decade. This trend is known as the “medicalization” of welfare, where tighter eligibility requirements make it more difficult for able-bodied and employable persons to receive financial assistance. Mandatory work requirements may result in employable welfare recipients transitioning back to the labour force (often into low wage and precarious labour) or losing their benefits. For this reason, only persons with an exemption from work requirements (usually due to disability) remain on social assistance for long periods of time.

The welfare program as it is currently structured requires destitution in order for a person to be eligible to begin receiving social assistance. The first criterion that an applicant has to meet is their province’s asset exemption levels, that is what assets they are able to retain before claw backs kick in (Chart 16). Asset exemption levels only consider a person’s liquid assets, so owning a home or car would not immediately prevent a person from applying for social assistance. If the person were unable to transition back to the labour force or find an alternative form of support, they would eventually be expected to sell their physical assets. However, a temporary period of roughly six months is allowed in most provinces to give the individual an opportunity to recover quickly.



Chart 16: Provincial Liquid Asset Exemptions, 2018

Provinces	Asset Levels – Exemptions	
	Single Person Household	Multi-Member Household
NB	\$1,000	\$2,000
NS	\$2,000	\$4,000
PEI	\$2,500	\$3,500-5,000
NL	\$3,000	\$5,500
MB	\$4,000	\$8,000-16,000
BC	\$2,000	\$4,000
AB	\$627	\$1,125-1,612
QC	\$1,500	\$2,500
ON	\$10,000	\$10,500-16,000
SK	\$1,500	\$3,000-4,000
NU	\$500	\$1,000
NT	\$300	\$380-560
YT	\$500	\$1,000-1,600

Source: Maytree, 2018, *Welfare in Canada 2017* and provincial websites

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Asset level exemptions in Alberta and the territories are all below \$1,000. Such stripping of assets makes it even more difficult for an individual to leave poverty even if they were to find employment. Furthermore, a low asset limit prevents the individual from saving any of their income in order to smooth consumption over a given period of time, or invest their income in any meaningful way. Saving to move to a better paid job or return to school becomes impossible. Asset exception limits are highest in Ontario, where a single individual can have up to \$10,000 of liquid assets.

Monthly earning exemptions determine how much a recipient can earn in addition to receiving welfare benefits before their earnings are clawed back (Chart 17). Allowing recipients to keep a portion of their earnings represents an incentive to work rather than depend exclusively on their benefits. However, extremely low earning exemptions may not be able to outweigh the



additional costs involved in finding employment, such as transportation, clothing and equipment, and childcare. After a recipients' earnings surpass the exemption rate, earnings are reduced according to the provincially defined reduction rate. In addition to the reduction rate, the recipient will potentially have to pay into Employment Insurance, the Canada Pension Plan and provincial and federal income tax.

Chart 17: Monthly Earning Exemptions and Reduction Rates, 2017

Province or Territory	For single employable adult		Single Parent with 1 Child or Couple with 2 Children	
	Exempt Net Earnings (\$)	Reduction Rate (%)	Exempt Net Earnings (\$)	Reduction Rate (%)
BC	200	100	400	100
AB	230	75	230	75
SK	0	100	125	100
MB	200	70	200	70
ON	300	75	300	75
QC	200	100	200	100
NB	150	70	200	70
NS	250	25-75	250	25-75
PEI	250	70	400	70
NL	75	80	150	80
YT	100	50	150	50
NT	200	85	400	85
NU	200	100	400	100

Source: Maytree, 2018, *Welfare in Canada 2017* and provincial websites



Ontario has the highest earning exemption, set at \$300 per month, after which earnings are reduced by 75 cents on every dollar earned. While Saskatchewan is currently phasing out their social assistance program for a newly reformed one, the old program that most recipients still depend on allows for no exempt earnings at all. Most provinces allow recipients to earn about \$200 monthly and clawback rates are 50 per cent or higher. Nova Scotia is the only exception, where clawback rates increase gradually with income.

While increasing asset limits and extending the earning exemptions are seen as quick fixes to some of the structural barriers that trap social assistance recipients in poverty, amendments to such narrow policies cannot reduce dependency rates alone. For example, asset limits and earning exemptions are highest in Ontario, yet it remains the province with the highest dependency rate.

Indigenous Poverty and Social Assistance Dependency

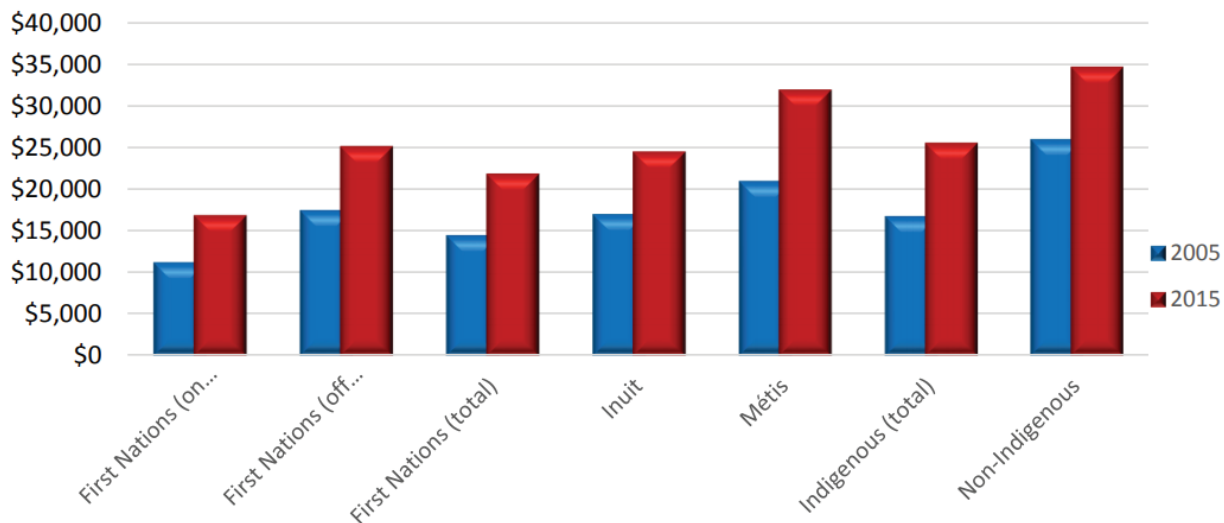
This section focuses on trends in poverty and social assistance dependency for Indigenous persons in Canada.

Median incomes have risen for both Indigenous and non-Indigenous persons between 2005 and 2015. Income levels were higher in both years for non-Indigenous persons, with Indigenous persons reaching non-Indigenous median income levels from 2005, in 2015.

Within Indigenous groups, median incomes were highest for Métis persons, and lowest for First Nation persons, specifically for persons living on reserve. For non-Indigenous persons median incomes in 2015 were close to \$35,000, compared to just above \$15,000 for First Nation persons living on reserve (Chart 18). Inuit persons and First Nation persons living off-reserve have comparable median income levels. The same positive news in terms of poverty reduction for mainstream Canadians over the last two decades is not present in Indigenous communities.



Chart 18: Median Income (15 years and older) by Identity Group, 2005 and 2015, Canada

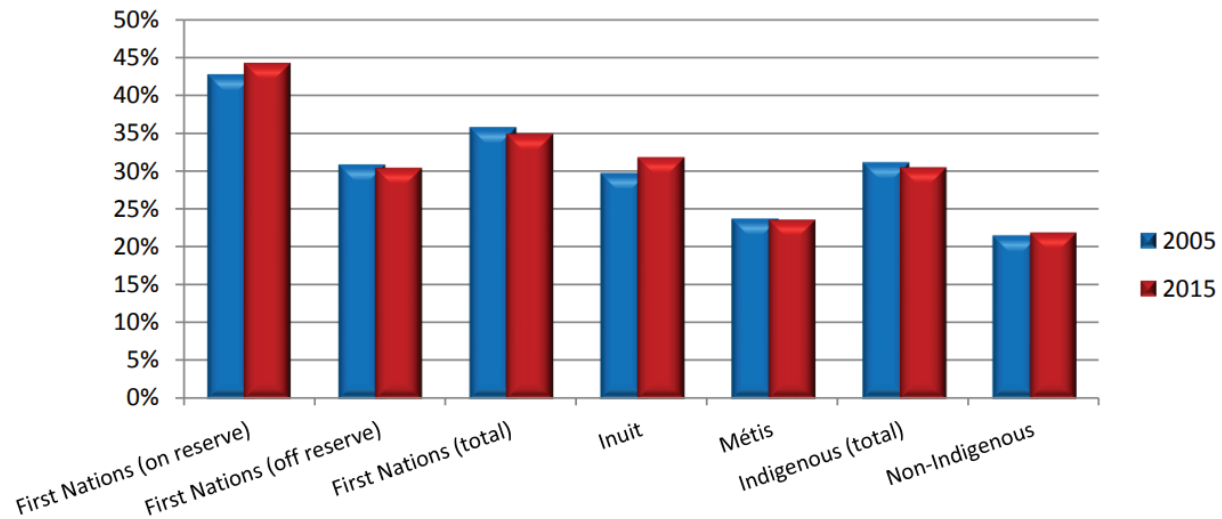


Source: The National Indigenous Economic Development Board, 2019, *The Indigenous Economic Progress Report*

Social assistance is much more prevalent within Indigenous communities, especially for First Nations living on reserve. For First Nations living on reserve, the proportion of the population whose primary income source is government transfers increase marginally between 2005 and 2015, reaching just under 45 per cent of individuals (Chart 19). Dependence on government transfers as the primary income source was nearly equal for Métis persons and non-Indigenous persons. Despite this finding, median incomes remain higher for non-Indigenous persons than Métis persons, however that gap has been reduced since 2005.



Chart 19: Proportion of Individuals (15 years and older) with Main Source of Income from Government Transfers by Identity Group, 2005 and 2015, Canada



Source: The National Indigenous Economic Development Board, 2019, *The Indigenous Economic Progress Report*

The prevalence of low income among the First Nation population can also be derived from Census data but the measures are not perfect for our purposes in that they include both on-reserve and off-reserve populations. The measures used are also not consistent over time, but they do show a prevalence of low income at about 30 per cent, more than twice the non-Indigenous level.



Chart 20 : Prevalence of Low Income among First Nation and Non-Indigenous Adults, 2005-2015

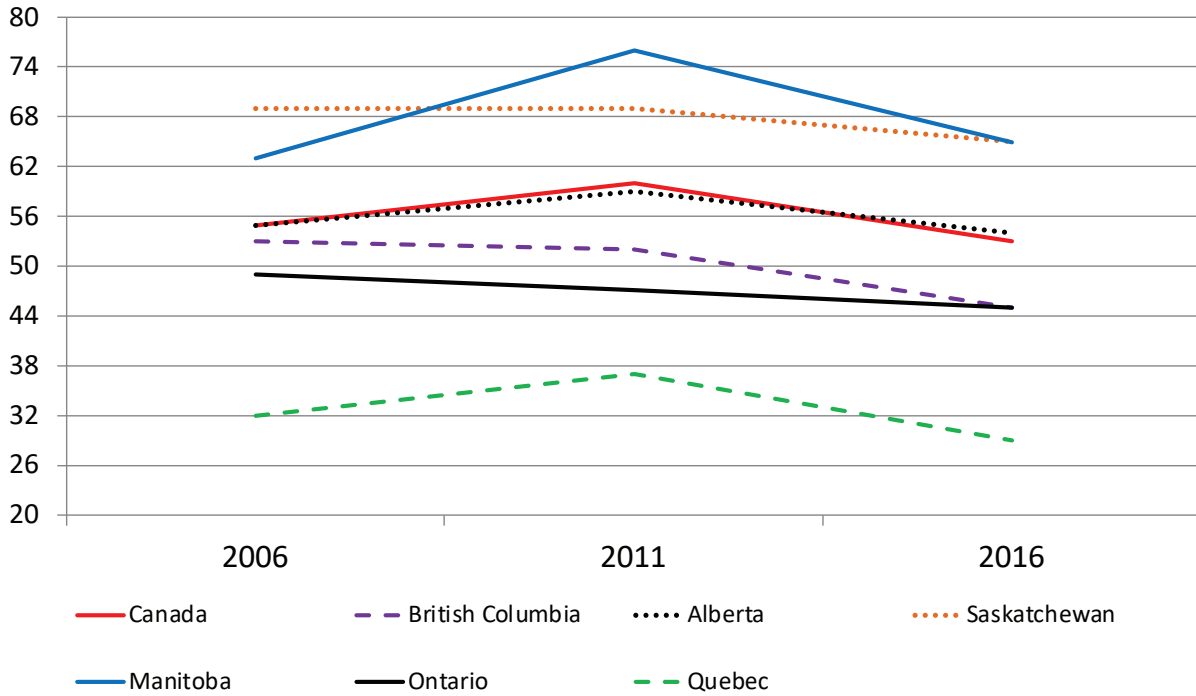
Year	First Nations	Non-Indigenous
2005 economic family members	26.8	8.4
2005 unattached individuals	49.6	28.1
2010	30.4	14.5
2015	29.7	13.8

First Nations data is for registered Indians living either on or off reserve. The low income measure used in 2005 is the Low Income Cut-off After Tax (LICO-AT). In later years it is Statistics Canada's Low Income Measure After Tax (LIM_AT). Source: Statistics Canada Catalogues 97-564-XCB2006004; 99-014-X2011043; and 98-400-X2016173.

When specifically considering child-poverty on reserve, the intensity varies drastically between provinces. Manitoba and Saskatchewan both have incredibly high child poverty rates, both at 65 per cent of children living below the poverty line in 2016 (Chart 21). Manitoba and Saskatchewan also have the highest percentage of First Nation children in their respective foster care systems. National trends are also extremely high, with 53 per cent of First Nations children on reserve living in poverty. Poverty rates were only distinctly lower in Quebec, where 29 per cent of First Nations children are living in poverty on reserve.



Chart 21: LIM-AT Poverty Rates (%) for On-Reserve Status First Nations Children, 2006-2016

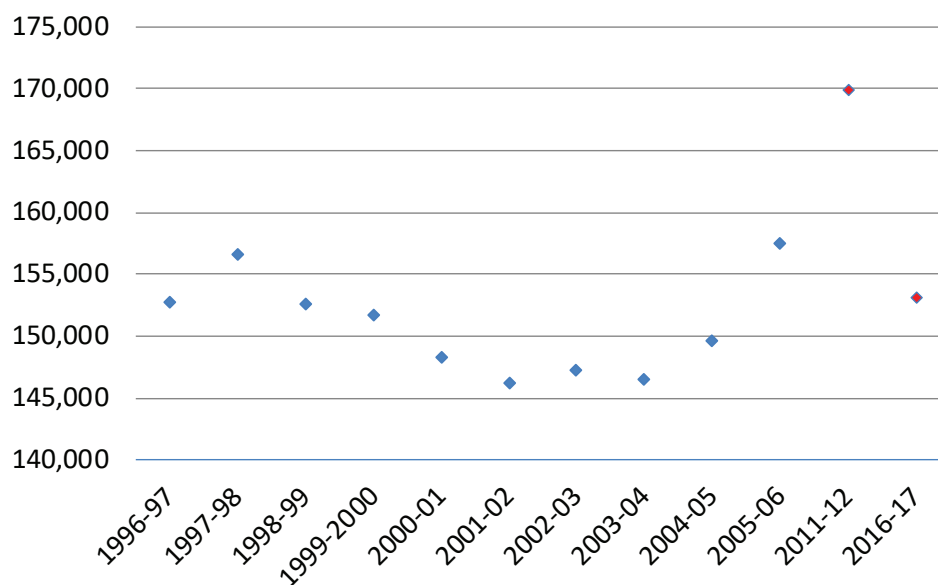


Source: Beedie, Natasha, David Macdonald, and Daniel Wilson (2019), *Towards Justice: Tackling Indigenous Child Poverty in Canada*

Social assistance beneficiaries have fallen slightly for First Nations living on reserve since 1996, but are still six times higher than the national average. The number of beneficiaries fell between 1997 and 2001, stagnated and then began to rise again in 2003. There is limited reliable time series data available, but assuming linear trends between missing years, numbers would have risen until 2012, and then eventually falling to current levels (Chart 22). The age distribution of welfare beneficiaries on reserve is much younger than for mainstream Canadians. Youth dependency has been targeted through a variety of government employment initiatives, but the success of the programs has been insignificant.



Chart 22: Total Social Assistance Beneficiaries On-Reserve, 1996-97 – 2005-06

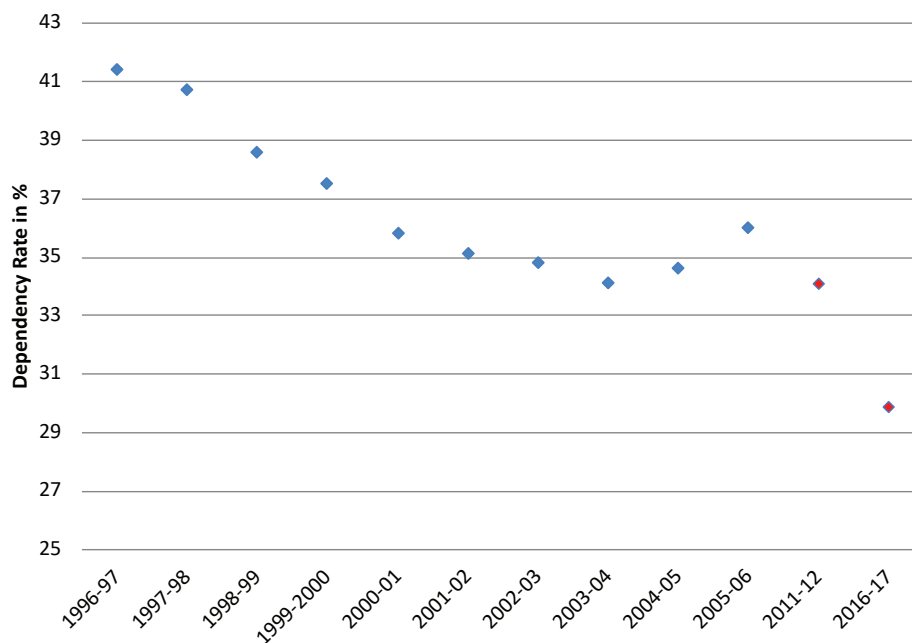


Source: Audit and Evaluation Sector INAC, 2007 and Indigenous Services Canada, 2019

The welfare dependency rate on-reserve has fallen from 41 per cent in 1996 to 29.5 per cent in 2017 (Chart 23). While this reduction is quite impressive, it varies greatly by region and individual reserve. Many reserves have much lower dependency rates, whereas some reserves have dependency rates as high as 80 per cent of the population.



Chart 23: Dependency Rate in On-Reserve, 1996-97 – 2005-06



Source: Audit and Evaluation Sector INAC, 2007 and Indigenous Services Canada, 2019

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There is also data available from two national on-reserve surveys coordinated by the First Nations Information Governance Centre. The question asked in these surveys is whether the respondent received some or all of their income from social assistance in the year prior to the survey. National data reported in Chart 24 also shows a level of social assistance dependence in the 30 per cent range, while data from Nova Scotia reveals a higher level, within a few points of 50 per cent (Chart 25).



Chart 24: Social Assistance as an Income Source: Canada On Reserve

Year	Males	Females	Total
2007			33.9
2012	39.9	35.8	37.9

2007 data comes from the First Nation Regional Health Survey (FNRHS) coordinated nationally by the First Nation Information Governance Centre (FNIGC). Respondents are adults living on reserve who were asked if social assistance accounted for some or all of their income in 2007. The 2012 data reflects national estimates calculated from the First Nation Regional Early Education and Employment Survey (FNREES) using a similar question as in 2007 but for the year 2012. Respondents are adults less than 65 years of age. Data provided by FNIGC.



Chart 25: Social Assistance as an Income Source: Nova Scotia On Reserve

Year	Males	Females	Total
1996			51 per cent
2001	43.7	54.2	
2007	51.0	52.9	
2013-14			49.0 personal income 53.8 household income

Data from 1996 through 2007 comes from the First Nation Regional Health Survey for Nova Scotia, administered by the Union of Nova Scotia Indians (UNSI). For 1996, the survey asked adults living on reserve what was the main source of income in the previous year. Subsequently, the question asked whether the respondent used social assistance for some or all of their income. The 2012 data comes from the First Nation Regional Early Education and Employment Survey (FNREES) also administered by UNSI. FNREES includes data from 9 Nova Scotia communities and 3 from New Brunswick/PEI. Both surveys are coordinated nationally by the First Nation Information Governance Centre (FNIGC). 28

Conclusion

In conclusion, poverty reduction advancements have not been uniformly distributed across Canada and Canadians. The progress made by the improved Canada Child Benefit and the Canada Workers Benefit has had a positive impact at the tail end of the distribution. As a result, inequality has remained constant over the last 20 years but has not fallen. Levels of income for all quintiles of the population have risen. Within the Indigenous population, Métis populations tend to fare better than First Nations, especially First Nations living on reserve.

Welfare dependency rates are falling for both Canadian and First Nations persons, but dependency for First Nations remains six times higher than the national average. For mainstream Canadians, the growing number of single adults and adults with disabilities on social assistance is a pervasive issue as poverty reduction strategies have favored households with children. On reserve, concerns over the high youth dependency rates leaves room to question whether the objective of social assistance should be to reduce dependency on the program or provide an adequate living standard for those in need.



Provinces have not undertaken large scale welfare reform, yet many lessons can be learned from the impacts small changes have had on social assistance recipients and trends in dependency. Provincial data from Quebec contradicts the widely held belief that higher welfare rates lead to increased dependency. Quebec’s dependency rate is lower than the national average, yet welfare incomes are amongst the highest in the country for all household types. Given the inadequacy of welfare incomes country-wide in reaching the MBM, this could illustrate that there is the possibility to raise welfare incomes without incentivizing individuals who are not currently on welfare to apply, or discouraging current recipients from seeking employment.

Certain administrative changes to the welfare system such as higher asset limits or larger earning exemptions would have positive impacts. Current asset limits require applicants to be destitute in order to receive welfare, and keep recipients living in poverty by preventing them from saving money. However, increasing the asset exemption would most likely lead to an increase in the dependency rate as more individuals would become eligible for welfare. Increasing earning exemptions allows recipients to earn higher incomes and incentivizes work, without increasing provincial spending on social assistance. The interaction between these policies would amplify the positive outcomes.

Finally, not all persons living in poverty in Canada receive social assistance. For this reason, policies targeting all low-income individuals will have a larger impact on poverty alleviation than changes to the welfare system.



III. The Legal and Policy Framework for Social Policy on Reserve

Naiomi Metallic, Schulich School of Law, Dalhousie University

The legal and policy framework in which First Nations social assistance operates on reserve is unique and does not resemble the way in which social assistance is structured or delivered in the provinces. This presentation reviewed how this framework is unique and explains how it is problematic and contributes to continued dependence on social assistance by First Nations.

The Structure of Social Assistance on Reserve

The situation on reserve is unique as there are three levels of government involved, operating as follows:

1. Funding for social assistance is provided by the federal government.
2. Provincial rules and standards on social assistance are applied to first Nations through incorporation into federal policy and funding agreements.
3. Through program devolution, First Nation governments and their staff deliver social assistance services.

Off reserve, the provinces do all three of these things. The province funds social assistance. The province determines the rules applicable to social assistance. Finally, provincial staff deliver the services. Further, this is all done under a legislated framework: every province has a social assistance act, which is generally also supplemented by regulation and policies.

The 'system' on reserve does not operate under a legislated framework. There is nothing in the *Indian Act* related to the provision of essential services. While it has always been open to Canada to legislate in this regard, the federal government has been reluctant to do so.

Origin of the Approach to Social Assistance in First Nations Communities

The origins of this approach date back to the post World War II era when social assistance and other social safety net programs were being developed by governments across Canada.

At this time, it was brought to the Canadian government's attention that First Nations people on reserve were not receiving the services that citizens in the provinces were receiving, nor were they receiving the emerging programs of the social welfare state being put in place by the federal government. A Joint Parliamentary Committee on Indian Affairs (1946) was formed to investigate the matter. Among its proposals was for the provinces to become actively involved in the delivery of services to First Nations. This was consistent with the ethos of the time, that viewed equality as *formal* equality—e.g., treating everyone the same. This ethos promoted absorption by First Nations into the provincial mainstream instead of encouraging specific



services and supports for First Nations, consistent with Canada's treaty and fiduciary obligations to First Nations.

In 1951, Canada attempted to unilaterally delegate the delivery of services to First Nations to the provinces through an amendment to the *Indian Act*. This amendment permitted provincial laws of general application to apply to “Indians” on reserve. It has been speculated that Canada hoped this would result in the provinces taking over services for First Nations. However, most provinces were unwilling to extend their services unless the federal government agreed to reimburse any costs incurred. Canada then attempted to negotiate with the provinces to take over services on reserve, but most provinces were reluctant to participate. Only Ontario agreed to extend social assistance services on reserve through an agreement signed with Canada in 1965.

Initially intended as a stopgap measure in the hopes of reaching agreements with all the provinces (although this never occurred), in 1964, Canada obtained Treasury Board approval to provide social assistance on reserve based on the rates and standards in effect in the province where the First Nation is located. This did not result in the federal government simply applying provincial legislation on reserve. Instead, shortly after the Treasury Board authority was issued, Indian Affairs Branch sent out a directive to all of its regional supervisors advising of the change and instructing each region to produce “regulations which you feel should be applied to the administration of relief assistance for Indians of your region. This will involve examination and adaptation of provincial regulations to our own particular situation...”. The circular made clear the government's intention with this change was to “make available to Indians the full range of assistance at the same scales and under the same eligibility conditions as other needy persons in the provinces, in which they reside.”⁷

This process did not result in real ‘regulations’ but, instead, the regions produced policy manuals based on department staff's interpretation of provincial social assistance policies. In the Atlantic region, the first policy was passed in 1967 and it was applicable to all three Maritime provinces (NS, NB and PEI).

In 1991, the Maritime region decided to develop individual policy manuals for each of the three provinces. These manuals reflected the transition to greater program devolution that began to occur in the late 80s and early 90s. Program devolution refers to the process whereby, through transfer payments under funding agreement between First Nations and the Department, the First Nation is enabled to hire band staff to deliver social assistance and other programs directly to community members. This was intended to make program delivery more culturally appropriate. However, First Nations are bound to follow the policies developed by the Department as well as follow strict reporting requirements set out in their funding agreements.

In Nova Scotia and New Brunswick, the 1991 manuals were amended once in 1994 and since have not changed, including rates given to recipients.

⁷Indian Affairs Branch, Department of Citizenship and Immigration, Circulate 107, July 20, 1964.



Problems with This Legal and Policy Framework

There are numerous problems arising from the structure of social assistance in First Nations communities that are summarized below.

1. Premised on assimilation

The Joint Parliamentary Committee that recommended to Canada that the provinces should administer services to First Nations was inspired by the belief that equal treatment of First Nations involved their assimilation into mainstream provincial society. This belief was echoed later in 1969 with Pierre Elliott Trudeau's White Paper Policy, which First Nations across Canada vehemently rejected because they saw it as the death of their collective rights. Although Canada formally disavowed the White Paper Policy, a similar rationale continues to underlie social assistance policy on reserve. This is primarily due to the Treasury Board authorization that requires programming on reserve to be based on provincial rates and standards (this has come to be known as the "comparability" requirement).

2. Leaves First Nations no role in social policy development

The arrangement whereby the federal government borrows provincial policy on social assistance and applies it on reserve leads to an absurd scenario where no particular government has a responsibility or mandate to devise coherent and sound public policy as it relates to First Nations issues on social assistance. The federal government says it is not responsible for developing social assistance policy and relies on provincial policy. The provincial government says that it has no constitutional role with respect to social assistance on reserve and the fact that the federal government chooses to adopt its rules and apply these on reserve is not its problem. Meanwhile, because of the requirements in their funding agreements to follow the policies set by the federal government, First Nations have no say over social assistance policy on reserve. This is an incoherent system of policy development.

3. The framework is not culturally appropriate

Provincial social assistance is steeped in Euro Canadian values, such as capitalism, liberalism and individualism. Its central premise is based on the idea that loss of employment is only ever temporary and there are sufficient jobs in the market for those capable of working. This ideology does not reflect the reality of circumstances on reserve, such as lack of employment due to remoteness, racism and intergenerational impacts of residential schools.

It also does not take into account First Nations values around the distribution of resources and collective systems of supporting each other. As observed by Shewell and Spagnum:

...the idea that Indian poverty can be relieved, and solutions found through Euro-Canadian welfare state measures was, and is, a profoundly ethnocentrically misguided assumption



[references omitted]. Historically, like any independent and economically self-sufficient peoples, First Nations had their own ways of coping with times of scarcity and hardship. ... The main impact of the Euro-Canadian Social Assistance programme has been its individualization of poverty and the undermining of collective and traditional patterns of helping, sharing and co-operation centred on interconnected kinship systems...⁸

4. Contribution agreements model fundamentally flawed

The contribution agreements that make program devolution possible have long been criticized as being inappropriate for the context of funding essential service delivery to First Nations (the Penner report raised this as early as 1981). They have been condemned as failing to provide First Nation governments with any meaningful choice in regards to the funding and delivery of services. These are standard form agreements of the 'take it or leave it' variety. Unfortunately, most first Nations cannot afford to 'leave it' since these monies are for providing services to the most vulnerable people in the community. Many have described the agreements as coercive, one leader describing such agreements as "like having a gun put to your head."⁹

The agreements provide few avenues for dispute resolution and in fact, preclude communities from raising complaints in regard to policy or funding decisions. As well, in the absence of legislative standards with respect to service delivery, it is difficult to seek redress in the courts.

Finally, these agreements have been criticized by the Auditor General of Canada and others for imposing inordinate reporting requirements and controls over First Nations. Some communities are required to fill upwards of 100 reports with such administrative activities taking staff away from carrying out their regular duties. Studies show that the department does not use the results from these reports to measure or address outcomes in First Nation communities.

5. Violates the rule of law

The fact that this framework operates in a legislative vacuum is abnormal and problematic. The Auditor General of Canada raised concerns about the lack of a legislative framework for social assistance on reserve as early as 1990, noting that it provides little accountability and oversight by Parliament of departmental policy and funding decisions.

Lack of clear legislative standards negatively impacts on federal accountability, transparency and accessibility and access to justice for First people. Treasury Board authorities and departmental policies are open to wide interpretation and courts tend not to want to interfere with departmental interpretations of such instruments. In the absence of clear legislative standards about how the government is to conduct itself, there is significant discretion which

⁸ Shewell, H., and Spagnum, A., "The First Nations of Canada: social welfare and the quest for self-government" in *Social Welfare with Indigenous Peoples*, ed., Dixon, J., and Scheurell, R.P., London: Routledge, 1995 at 41-42.

⁹ Chief Casey Ratt of Barriere Lake Nation in Quebec in *Windspeaker*, "'A gun to our heads' Pressure to sign new funding agreement more widespread than first thought", by Ball, D.P. (2013) 13:1.



can be subject to widely diverging interpretations and sometimes abuse. For example, in 2010, the Harper government adopted an interpretation of ‘comparability’ that dramatically departed from previous governments’ interpretation, which government staff acknowledged would cause harm to First Nation social assistance recipients. This was challenged in a long court battle, but ultimately the Federal Court of Appeal held the government was entitled to embrace such an interpretation.

6. Severe funding issues

The legal and policy framework of social assistance on reserve allows for chronic underfunding of services to go unchallenged for long periods of time. This is in no small part caused by the fact that there are no legislated standards and the fact that it is difficult for First Nations to bring funding disputes to court.

In several reports, the Auditor General of Canada has noted that the department, while claiming to provide ‘comparable services’ on reserve, does not actually track whether it does so. It has been directed to do so by the Auditor General on several occasions.

The first case to recognize that the delivery of essential services on reserve permits chronic underfunding and is discriminatory is the 2016 *First Nations Caring Society* case. The case found that the department had been knowingly underfunding child welfare services on reserve for over a decade. The decision further showed that the department is aware that it is underfunding other essential services as well. An internal report from 2006 revealed that INAC knew it was underfunding: “if current social programs were administered by the provinces, this would result in a significant increase in costs for INAC.”¹⁰

As noted earlier, social assistance rates in communities have not changed since 1994. Compared to the provinces who regularly increase their rates based on cost-of-living and inflation, the fact that rates could stay so low for so long is shocking. But it is a by-product of the framework which makes it exceedingly difficult for First Nations to challenge government decision-making in this area.

This framework actively exacerbates poverty on reserve. First Nations poverty is not simply a product of historical intergenerational impacts. This is an ongoing human rights abuse that is occurring on a daily basis. It is responsible for First Nations having the lowest living conditions in the country.

7. Other systemic problems

The legal and policy framework around social assistance on reserve also fuels additional systemic problems. One is that the general Canadian public does not understand how program

¹⁰ *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada (for the Minister of Indian and Northern Affairs Canada)*, 2016 CHRT 2 at para. 267.



devolution works and that the federal government funds essential services on reserves in the same way that provinces fund similar services within their jurisdiction. Many erroneously see the funding of services on reserve as the federal government spending special monies in exorbitant amounts on First Nation issues. As a result, many interpret ongoing poverty and social problems, not as a product of government neglect and underfunding, but as the fault of First Nation peoples themselves, either because their leadership is perceived to be corrupt or incompetent.

Second, the framework has created a bureaucracy that is resistant to change and that is unclear of its objectives. Because there have been no statutory objectives setting out the objectives of the department, staff have vacillated between 2 competing goals: (1) promote First Nation well-being and help Indigenous people move toward self-government versus (2) policing of First Nations funding agreements / ensuring First Nations compliance. The two objectives can be seen to be in conflict, e.g., staff who work towards Indigenous well-being and self-determination will eventually find themselves out of a job. Further, the nature of program devolution, which focuses so heavily on agreements, can make staff emphasize their compliance function over other objectives.

Recent developments that can be harnessed for change

In the last 5 years, there have been a number of events that give cause for hope for change. At the very least, the following developments can be harnessed by First Nations to advocate for transformative change in social assistance in their communities.

1. Caring Society

As noted above, this watershed decision found for the first time that chronic underfunding of services (there, child welfare) constitutes discrimination. Some of the key findings that are equally applicable to the situation of social assistance on reserve include

- (1) Confirmation that Canada bears the primary responsibility to First Nations children and families over child welfare under s. 91(24). This will make it much more difficult for Canada to argue that it bears no responsibility with respect to essential services on reserve.
- (2) The decision also confirms Jordan's Principles, a rule that interjurisdictional squabbling cannot be used to deny First Nations children and families services they are entitled to.
- (3) Confirmation that systems that perpetuate residential schools/assimilation are discriminatory. As noted earlier, social assistance on reserve was designed to be assimilative.
- (4) Finds that "comparability standard" (i.e., Treasury Board Authorization) is discriminatory. Rates and standards that 'mirror' provincial services may be discriminatory because, under domestic and international human rights law, First Nations are entitled to substantive equality, meaning they are entitled to services that



meet their “distinct needs and circumstances ... including their cultural, historical and geographical needs and circumstances.”

2. Missing and Murdered Indigenous Women and Girls Report

The MMIWG Report emphasizes the importance of respectful relationships between First Nations and other governments and takes a human rights and Indigenous rights approach, reframing what is often perceived as First Nations ‘unfilled needs’ in relation to essential services as a denial of rights. The report also finds that long-standing interjurisdictional neglect of First Nations by both the federal and provincial governments constitute a violation of section 7 of the *Charter*, which is the right to life liberty and security of the person and not to be deprived thereof except in accordance with the principles of fundamental justice.

Further, Call to Justice 4.5 calls upon “all governments to establish a guaranteed annual livable income for all Canadians, including Indigenous Peoples, to meet all their social and economic needs. This income must take into account diverse needs, realities, and geographic locations.”

3. New federal *Department of Indigenous Services Act 2019*

This new piece of federal legislation which replaces the old *Department of Indian Affairs Act*, includes important standards and duties expected of the department that can be used to hold it more accountable including in the area of social assistance. The act includes commitments to:

- Implement the United Nations Declaration on the Rights of Indigenous Peoples;
- provide services that are needs-based and aware of socio-economic gaps;
- focused on indigenous well-being;
- collaborate and cooperate over the development, provision, assessment and improvement of services over policy;
- strive to transfer departmental responsibilities to First Nations; and
- report annually to Parliament on the department’s efforts to close socio-economic gaps for First Nations compared to other Canadians and on the department’s efforts to transfer its responsibilities to First Nations (e.g., move towards self-government).

3. Indigenous laws

There has been a growing movement, fuelled by the Truth and Reconciliation Commission’s (TRC) report and the efforts of Indigenous scholars, to have Indigenous laws (conceived broadly) recognized in Canadian law. This is starting to have some impact in the legal profession and in the courts, and it is providing tools to allow First Nations to take greater control over their destinies.

4. Opening the door to self-government agreements in the Maritimes



A situation that began as acrimonious litigation in 2011 became an opportunity for collaboration and a new approach in the Maritimes regarding social assistance on reserve. The Department and First Nations in NS, NB and PEI have been undertaking research since 2016, in preparation to moving towards First Nation control over social assistance. In New Brunswick and Nova Scotia, this may take the form of a sectoral self-government agreement.



IV. Summary of the Discussion in the Morning

There was an opportunity for discussion of the morning's presentations and subject matter. Some of the key points that were raised in discussion by Forum participants are summarized below:

- One participant summarized the work of the Ontario Social Assistance Task Force which submitted its report in October 2012 with 108 recommendations. Only two of the 108 have been implemented – one dealing with higher benefits and a second addressing claw back for employment income. The issue is less about funding than it is about legal and administrative structures and the complexity of the system, with administrators constantly subject to new directives from the government. Caseworkers don't have enough time to help people find jobs, and it is both inaccurate and unfair to describe persons with disabilities as not being interested in work.
- Any social assistance program tries to provide (1) an adequate level of benefits to allow beneficiaries to have a decent reasonable life; (2) it needs to address the issue of claw backs of benefits when people start to work, set at a level that doesn't create a disincentive to work; and (3) it needs to be fair so that a recipient does not receive more benefits than someone working full-time. Governments need to achieve a balance among these three objectives, recognizing there are inherent tensions among them. Continuing special benefits, such as those dealing with healthcare, are important as recipients transition to employment. If phased out too quickly, it results in persons returning to social assistance, as would happen as well if people lose a top-up for disability when they enter the labour force.
- One arresting statistic is how little Canada's income security system spends on people of working age, between the ages of 18 and 65. The bulk of the expenditures is for children and for people who have retired, at the end of a career, or after a spell of employment (e.g., EI, Workers Compensation etc.). Many of these programs require people to work to pay into them, meaning that First Nation persons with high unemployment and social assistance levels do not qualify for benefits. This is a structural issue, not just a matter of social assistance levels on reserve. The way in which the social security system is set up means that many people never get access to many of the programs and their benefits.
- Assistance on reserve has a double-barrelled problem. It is constrained to follow provincial/territorial rules which don't work well even for mainstream populations, and additionally there is the problem of distinctive conditions on reserve.
- Social assistance is designed to be an airtight box. You have to be nearly destitute to qualify, and once you're in, it's almost impossible to get out. The issue of claw backs, of depriving people of their assets etc., is quite important.



- It is vital to understand that some people are on “social” for only a short period of time, a transitory state, and you need to design a support system so that they can transition out. For others, it is almost a permanent state, and requires a mix of policies and programs that are quite different.
- Are there other paradigms for dealing with the social assistance issue? One approach is to understand the historical context of colonialism, dispossession and dependence. In the past century, starting with the Great Depression, the federal government responded to hardship on reserve essentially through the provision of ever greater amounts of transfer payments, treating the issue as one of shortage of individual resources. The harder path but the one that would have better addressed the issue would have been to reinvest in the rebuilding of First Nations – their economies, their governing structures, their education systems, their cultures. Some First Nations in different parts of the country are showing that, with outstanding leadership and government supports, it is possible to transition away from high levels of transfer payments and dependence. How do we scale up these successful cases to a larger number of First Nations?
- One participant observed that everything we’re talking about today has been discussed for the last 40 years. First Nations are asking for their own systems that are culturally appropriate and integrated with the community’s other programs. There is concern with the 1964 Treasury Board Directive, in which First Nations had no say, and also with Ontario’s guaranteed income experiment (abruptly cancelled) being applied to First Nations. This may threaten the ability of First Nations to provide wrap around services for clients as programs get eliminated to pay for the guaranteed annual income.
- There are important principles for reform of First Nation social assistance: (1) look at this from a more holistic perspective and get away from barriers that prevent such an approach (2) if the goal is to revitalize Indigenous societies, recognize the distinctiveness and cultures of the different nations (3) get rid of the comparability (to provincial standards) criterion and shift to needs-based standard (4) recognize the experience of the provinces in designing and delivering social assistance and learn from them as appropriate and (5) develop mechanisms such as tripartite structures that permit First Nations to influence provincial policies and/or carve out room their own approaches.
- It was noted that the jurisdiction piece is very important and needs to be part of the ongoing conversation. In the absence of legislation and other appropriate structures, there is a vacuum that exists.
- While some First Nations have managed to rebuild their economic base, when you look at those who have managed that transition from dependence, it has a lot to do with luck or with their location in or near urban areas. We shouldn’t have to force communities into capitalism in order to achieve “success”, a process that may also be assimilative.



- Recent research addressing poverty in First Nation communities, working with five volunteer First Nations in different parts of the country, found that they did not accept Western concepts of development and success. They articulated their own holistic conception of what it means to live a “good life”, and how to get there.
- It is important to understand regional variations and thus the different circumstances – opportunities, resources, cultures – that different First Nations have, especially contrasting those located in the south versus the north. This provides the basis for arguing there needs to be flexibility in programming and local control. In this sense, jurisdiction matters. How can we be creative in thinking about what can be done locally? Are there ways to attach support dollars to things like skill development, tuition or hunting? What are we doing to make our people healthy and self-sufficient?
- Further on the diversity point, B.C. has 203 First Nations, 30 languages and dialects, including both urban and fly-in communities. The complexity of the system facing social assistance workers, who may have Grade 12 education, is overwhelming with the “system” emphasizing process rather than people. When the policy is thrown out and community-driven approaches implemented (for example, in suicide prevention) it is working. Policy and practice also need to take into account instances of trauma.
- The social policy domain is central to any society’s cultural values and goals. We should take this lesson from Quebec’s refusal to go along with P.E. Trudeau’s first attempt to reform the constitution. We should also recognize that poverty is a collective issue and requires collective strategies, not just programs geared to individuals.
- In contrast to most First Nations, the north does have legislation relating to social assistance, something that goes back to when the NWT was formed but referencing back to federal policies. As Nunavut now experiences its 20th anniversary, there is interest in taking another look at it e.g., a more holistic approach, addressing how to support persons still engaged with the land for their livelihood, engaging with staff/clients/communities, moving away from disability policy that doesn’t support people who are working or want to work, using career development and “social” funding for grade 12 graduates, following up on the MMIWG recommendations on enhancing services). Nunavut on the one hand has a high dependency ratio (40 per cent) but on the other hand perhaps has more room to make changes by getting all levels of government on board. The issue is not lack of programming but rather lack of connection of available programs.
- An example of innovation and local determination is the Cree Hunters and Trappers Income Security Program, which is not perfect but is a step in the right direction. Another Quebec development – the agreement signed between the Assembly of First Nations of Quebec and Labrador (AFN QL) and the federal department in 2003 which gives some community flexibility. But policies still need to harmonize with the province and there are funding



issues. Those who have contribution funding do not have the flexibility to take control while those with a global funding agreement don't have enough money to do anything extra.

- Another participant underlined the difficulty of reforming social assistance, pointing to the small number of recommendations coming from the Ontario review that were actually implemented. He referred to an experiment in Ontario where politicians were asked what people should do to get off assistance. They mentioned six things: get help from family, save and build up assets, get work, get education or training, save in a cooperative fashion with other people, and apply for the benefits for which you are eligible. All of them lead to punitive action under the welfare rules, such as a reduction of benefits, claw backs or asset limitations. We need to reframe the whole discussion rather than looking for answers within the “social” envelope.
- Among the more intrusive practices under current policy in British Columbia is the need for Social Development Administrators (SDA's) having to go into homes to monitor who all lives in the home. In addition, clients need to fulfil work/ search requirements and may be asked to go around the community and solicit “gifts” from community members when someone dies. These proceeds go to funeral homes rather than to the bereaved family.
- Also in B.C., the First Nations Social Development Society provided detailed recommendations to INAC about reforming social assistance but these went nowhere. More useful were tripartite discussions that included the province but provincial staff initially knew nothing about the delivery of social assistance on reserve. In the end, it's all about building relationships and learning – for example, are provincial dependency rates going down because First Nation clients are returning to the reserve.



V. Innovative Welfare Practices in Canada

Write-up of presentation made by Andrew Sharpe at the Expert Forum on First Nations Social Assistance Reform, September 3, 2019, Assembly of First Nations, Ottawa, Ontario

This presentation focuses on innovations in social assistance programs in Canada, concentrating on the provincial mainstream. Highlighted are six pilot projects, two disability programs and three Nova Scotian initiatives. Impacts on the well-being of recipients and the labour force consequences are explored to understand their relevance and potential for welfare reform.

Pilot Projects

Self-Sufficiency Project (SPP)

The most significant pilot project, the Self-Sufficiency Project (SPP), ran between 1992 and 1999 in New Brunswick and British Columbia. The SPP granted single parent welfare recipients an earnings supplement if they found full-time work and left welfare within a year of entering the program. The generous earning supplement was meant to increase incentive to work and help recipients permanently transition into the workforce. In New Brunswick exclusively, a second version of the program called the Self-Sufficiency Project Plus (SPP Plus) was implemented. SPP Plus combined the earnings supplement with job search assistance.

The SPP participants earned higher incomes and reported higher well-being than the control group who continued to receive regular social assistance. However, the impacts only lasted for the duration of the project. Once the earnings supplement ended after three years, most recipients returned to social assistance. The only lasting benefit of the project was increased work experience, but there is often little margin for finding better paid employment for low-wage workers. SPP Plus did yield lasting results; participants were more likely to earn above minimum wage and less likely to receive social assistance. By helping participants find employment, they were less likely to accept the first position available and instead found jobs better suited to their skills.

Based largely off the SPP Plus project, Quebec ran a similar project between 2001 and 2005 called Action Emploi. The main difference between the programs was the SPP earning supplement was dependent on income, whereas the Action Emploi recipients received the same monthly supplement. Combining an earning supplement with job search training for long-term welfare recipients had a lasting increase in labour force participation for single parents and women. These results might suggest that a successful work program would combine an earning supplement with job search assistance, placing social assistance recipients in positions that pay above minimum wage, allowing them to provide for themselves and their family once the supplement ends.

Community Employment Innovation Project



The Community Employment Innovation Project was carried out in Nova Scotia between 1995 and 2005. The project was presented as an alternative for Employment Insurance (EI) and Income Assistance (IA) recipients. During the program, unemployed persons received subsidized wages while working on community-based projects. The project was unique among pilot projects as the employment opportunities were made available for a variety of skill levels, therefore reducing the amount of underemployment that would otherwise occur if unemployed persons and income assistance recipients were encouraged to take the first position made available. Over the course of the project, participants reported positive impacts on health and satisfaction. Unfortunately, after the projects ended, no permanent employment positions had been created and no long-term economic improvements were found.

Basic Income Experiments¹¹

Various basic income project experiments have been tried in Canada and worldwide, and the discussion has once again been opened. The first guaranteed annual income project in Canada was piloted in Manitoba from 1974 to 1979. Referred to as Mincome, residents in Winnipeg, Dauphin and several other rural communities received a negative income tax for three years. Dauphin was a saturation site; all residents were eligible to receive the supplement independently of financial need. Throughout the experiment, Mincome recipients were less likely to be hospitalized for physical and mental health. Aside from improvements in health and income security, little lasting impacts on the labour force were found. Researchers found a slight decrease in labour force participation, primarily observed in the secondary earner in a household. Since recipients were aware they would only receive the negative income tax for three years, it is difficult to predict how individuals would respond if the program were to have been a permanent fixture.

Ontario introduced a basic annual income pilot in 2017, using the format of monthly supplements for the duration of three years. Hamilton, Thunder Bay and Lindsay were the test communities. The experiment was designed to measure the impact of a guaranteed annual income on food security, physical and mental health, housing stability, employability and labour market participation. The program was abruptly cancelled in March of 2019. The cancellation of the project will significantly reduce the ability to assess the impact of the program and draw conclusion on its effectiveness.

Multiple provinces are considering implementing basic annual income experiments of their own. Prince Edward Island is launching a secured-income pilot in January 2020 that hopes to bring all participants to 80 per cent of the Market Basket Measure (MBM). The project is quite limited as the supplement is only expected to last three months, and only \$225,000 has been

¹¹ A lengthier discussion of the guaranteed income option is provided in Inez Hillel, *Poverty, Inequality and Social Assistance among the Mainstream Population and First Nations in Canada*, Ottawa: Centre for the Study of Living Standards, December 2019. Study commissioned by the Social Assistance Research Program.



invested in the project. British Columbia is also exploring the possibility of a basic income project in the next few years.

Disability Programs

In Alberta and Saskatchewan, long-term programs for the permanently disabled exist which provide significantly higher incomes and benefits than for persons in the general social assistance program living with a disability. The Assured Income for the Severely Handicapped (AISH) in Alberta and the Saskatchewan Assured Income for Disability (SAID) both require that the person have a disability that prevents them from working and cannot be treated or cured. The recipients received an income meant to meet their basic needs, medical needs and any additional or unforeseen needs that might arise. In Alberta, a recipient earning maximum benefits would reach 96 per cent of the MBM and a Saskatchewan recipient would reach 81 per cent of the MBM. In both provinces, the number of AISH and SAID recipients increases every year despite both provinces having relatively low dependency rates. Part of this can be explained that the provinces have low unemployment, so persons able to work will have opportunities to work. Many work multiple jobs to meet all their needs, however this renders them ineligible for social assistance.

Education Support Programs in Nova Scotia

Education is often hailed a solution to leave poverty. Higher education is associated with higher paying jobs and more financial security. However, in every province except Nova Scotia, a welfare recipient cannot be enrolled as a full time student and continue to receive benefits unless they are completing their high school requirements. Nova Scotia has introduced two programs that allow recipients to pursue post-secondary education.

The Educate to Work program allows welfare recipients to enroll at the Nova Scotia Community College and receive a diploma or certificate while still receiving benefits. In addition to receiving social assistance benefits, tuition and books are covered for program participants. Career Seek has the same objective of getting social assistance recipients into post-secondary education, but instead allows recipients to attend any post-secondary institution of their choice. However, tuition, books and child care are only covered for their first year.

In order to participate in the program, social assistance beneficiaries must prove to a case worker that pursuing post-secondary education will lead to them finding a job. This introduces a significant barrier to being admitted into the program as it is nearly impossible to guarantee the outcomes of post-secondary education.

Another innovation introduced in Nova Scotia in 2010 is the Harvest Connection program. The program is an employment support program that allows social assistance recipients to keep up to \$3,000 earned from seasonal harvest work, such as the harvesting of field produced crops (berries, vegetables and apples) and Christmas trees. Monthly earning exemptions can discourage seasonal work for income assistance recipients since income is generated during



such a short frame and therefore more heavily clawed back. Harvest connection avoids this problem since the earning exemption is applied on a yearly basis. With the prevalence of seasonal work in many provinces, this program can supplement low-income workers' earnings without affecting their benefits.

Conclusion

To conclude, while many pilot programs have been attempted to try and help recipients transition from social assistance to the labour force, few permanent programs have been introduced. However, past experiments indicate that wage supplements combined with job readiness training can have lasting impacts on both recipients' well-being and financial security. Permanent innovations for disabled persons are present in two provinces, but need to be introduced in the rest of the country. Given the additional costs associated with living with a disability and the reality that employment is not always a feasible solution, providing adequate care for those who cannot earn a living should be a priority when discussing social assistance reform.

Nova Scotia has introduced a series of programs that address the systematic barriers faced by social assistance recipients. Eliminating barriers to education and encouraging seasonal work are all simple innovations that other provinces could be following.



VI. Some Ideas About Best Practices Delivering Social Assistance to First Nation Persons Living on Reserve.

Fred Wien, Dalhousie University

While our social assistance research project has conducted some interviews among First Nations in different parts of Canada, our most in-depth work has been with the Mi'kmaq and Wolastoqiyik (Maliseet) First Nations of the Maritime provinces. In the course of the research, we have come across some “best practices” that they have adopted or that they have learned about from provincial authorities. I will summarize some key insights in this presentation. This is not intended to be a laundry list but rather a stimulus for discussion later this afternoon.

1. The Importance of recognizing the diversity of the social assistance population.

Stereotypes and misconceptions about the social assistance population abound among the general public and even among those charged with developing policy and programs. A common misconception, for example, is that most people on “social” are unemployed but able to work, leading then to policies designed to encourage/force labour market participation – policies that are then applied across the board. Yet many people on social assistance fall into other categories and employment may not be an option for them, even if jobs were available. They may have serious health issues, for example, including activity limitations. They may be retired, waiting for a seasonal job to restart, going to school or looking after young children at home.

Even those on assistance who are deemed to be employable are not, in many cases, outside the labour market. As Table 1 below, shows, for example, almost half the adults receiving social assistance on reserve in the 2008-10 period in Nova Scotia were looking for work. More than half had some employment or self-employment income during the course of the year, and almost two-thirds pieced together an annual income from more than one source.



Who is on assistance?

Indicator	Receiving assistance	Not receiving
Working for pay	26.4	67.2
Looking for work	47.9	35.4
Employment or self-employment income	52.0	78.0
More than one income source	62.2	48.9

Source: First Nation Regional Health Survey for Nova Scotia, 2008-10. Union of Nova Scotia Indians.

Some may be young, single individuals without dependents, others are single parents or have partners with children. Some are on assistance a short period of time, others for longer and some are part of an inter-generational pattern of assistance. The point is that there is considerable diversity and First Nations require the flexibility and resources to tailor programs and support services to their particular clientele. Social Development Administrators (SDA's) working on reserve have not had either the staffing or program resources to meet these different needs. If up to 50 per cent of the adults on reserve are relying on social assistance for some or all of their income, issuing cheques to people takes up all of their time.

2. Improved record keeping

Current record-keeping on social assistance clients is understandably designed from an administrative standpoint, designed to provide information about the number of clients, whether they have dependents, what benefits are provided, and similar requirements. Yet, records that are filled in routinely by SDAs could be so much more interesting and helpful. How long has someone been on assistance and what is their pattern? Is it intergenerational? Under what circumstances did they get in a situation where assistance became necessary? Under what circumstances were they able to leave their dependence behind? What supports helped them to make this transition? Answers to questions such as these, documented in records, would allow SDAs and their First Nations to have a much better understanding of the cause and remedies for social assistance dependence.



3. Implementing culturally appropriate programming

In our on-reserve interviews in the Maritimes, including conversations with the SDAs, we heard of many instances of culturally relevant practices being introduced, or at least people were expressing aspirations to do so. Examples included the following:

- Building on Mi'kmaq and Wolastoqivik rights to hunt, trap, fish and gather on a community level, communities are finding ways to make the bounty available to individual families, for example through the establishment of community freezers. This is an example of community-level measures that might also include other activities, such as the establishment of community gardens or kitchens. Distributing fish within the community caught for food, social and ceremonial purposes is another example of this pattern.
- Giving special attention for cultural reasons to the developmental needs of children, for example by including a child benefit on welfare cheques additional to what is available from the national Child Tax Benefit
- Supporting elders in the community by paying for their heat and lights, for example, or clearing their sidewalks in the wintertime. Since elders are not technically eligible for such support because they receive federal pensions, communities often rely on “own source revenues” for this purpose.
- Recognizing that Mi'kmaq and Wloastoqiyik people are traditionally quite mobile, moving or visiting from one reserve to another, or to off-reserve locations. Finding ways to support recipients even if they are not in one location need to be developed.
- One of the best adaptations of “social” for cultural and lifestyle reasons is the Cree Hunters and Trappers Income Security Program. Created in the 1970s as part of the James Bay Northern Quebec Agreement, hunters and trappers who are significantly engaged in that activity during the year are allowed to earn revenue from the product and also receive a payment that allows them to have a year-round income and continue this traditional practice.

4. Clients need a rich array of programs to help them succeed

Research is demonstrating that persons are much more likely to leave social assistance behind if they have an array of coordinated programming to support their efforts. Our research in the Maritimes demonstrates that clients living on reserve do not have access to the range and richness of programs that provinces make available to their recipients. Yet, when the Harper government was demanding after 2011 that First Nation communities have the same level of benefits and eligibility requirements as provincial, it showed little interest in insuring there was also comparability in ancillary programs.



We undertook a detailed analysis of this question in New Brunswick, for example, and came to the following conclusions:

Our research identified 113 programs offered by the New Brunswick government that were relevant and available to its social assistance clients. Of that number.

- Only 14-17% of provincial programs were available to persons living on reserve
- In 25% of the cases, there was no similar program available on reserve
- About 22% of the programs were marginally comparable, or it was hard to tell
- Between 39 and 46% of the programs were reasonably comparable

There is another difference as well. Some social departments, as in New Brunswick, are able to offer their own array of programs to clients through the department itself. This has some significant advantages in that programs and services can be tailored to the social assistance population rather than the latter having to fit in to programs offered by other departments to a broader range of clients. In contrast, on reserve, the social department is basically geared up to issue cheques and address special needs. It needs to negotiate with other, separate departments if it wants to do anything else.

5. Delivering programs in an integrated manner: case management

Directors of programs on reserve and their clients often complain about the lack of coordination in program delivery, with each service provider just concerned with their own area of responsibility and clients having to go to multiple locations to have their needs met. Yet available research shows that providing services in an integrated, coordinated manner does yield better results. One expression of this approach is case management, which starts with the client expressing his/her goals and needs, a careful assessment of strengths and barriers being conducted, and service providers indicating how they can contribute to the overall package. Coordination may be achieved by having the client meet with relevant service providers in the same room, or by a coordinator assembling the desired constellation.

The New Brunswick Social Development Department has made a major investment in this approach starting in the mid-1990s and claims to have achieved a major reduction in their social assistance caseload—some 43 per cent in the first decade. It is encouraging to see that Indigenous Services Canada is starting to support case management for the on-reserve social assistance population, as well as the provision of pre-employment services. However, this initiative is still being ramped up and its longer-term funding is not secure.

6. Recognizing there are real disincentives to undertake training and employment.

For at least some clients, there are real disincentives for leaving “social” and entering training and employment programs. This is not the case for everyone. For a young person on assistance living at home, a minimum wage, entry-level job that provides an introduction to the labour force can seem to be an attractive proposition, especially if they do not have dependents and



are not paying much in the way of housing and utility costs. Even here, though, supportive programming is helpful. One of the Wolastopiyik First Nations included in our project, for example, makes it a requirement for young people living on reserve to engage in career planning, and also to work for a time in the community's service sector establishments in order to obtain work experience.

On the other hand, someone on assistance who is in charge of a household and supporting dependents as well as receiving other necessary benefits won't see it the same way. One should not be surprised if they do not show much interest in training for or starting a low-wage, low future job because they would lose hundreds of dollars in housing, utility and child benefits within a short time of leaving assistance.

There are some ways around this dilemma, in addition to adopting policies that phase out benefits gradually. In one Mi'kmaq community, the First Nation has negotiated with a fish plant located some distance away to provide jobs for reserve residents. The First Nation has a bus that transports workers back and forth, and their wages are paid through the First Nation, thereby avoiding income tax deductions. Another approach would be to aim higher, that is to provide longer-term education and training while being on assistance so that at least some clients are qualified to take up higher paying jobs with better benefits.

7. Tackling real barriers to people being successful

In addition to the disincentive effect, social assistance recipients living on reserve face a number of other serious barriers to undertaking training and employment. Programs need to be developed to tackle these.

The lack of transportation is one case in point. We are working with one Mi'kmaq community, for example, to address the transportation issue. While the community is located only about 60 km. from an urban area, high levels of poverty mean that many cannot afford the costs associated with driving. These include driver education and licensing fees, the cost of buying and insuring a car, dealing with fines that may have accumulated, and so on. When we developed a project to address some of these issues, we were amazed at the level of interest in participating in the project.

8. Conclusion

These are some of the "best practice" ideas that emerged from our research in the Maritimes, and I hope that they stimulate further discussion this afternoon. Longer-term, they may be of interest as First Nations in the Maritimes and beyond set about having a greater say in social policy on reserve, perhaps even in regaining full control over this important area.



VII. Summary of the Discussion in the Afternoon

- In P.E.I. in 2011, the federal government of the day proposed to have the Mi'kmaq communities adhere very closely to provincial practices on social assistance. The communities resisted and joined other First Nations in the Maritimes in court action. This also provided the impetus for the Mi'kmaq on the Island to develop their own approach, with an emphasis on comprehensiveness, locally specific rules and regulations, social inclusion and building on assets the communities already had. Background research was also conducted that included an assessment of gaps in programming, jurisdictional issues and best practices. While it took several years and discussions involving both federal and provincial representatives, on April 1 of this year an agreement was signed on an approach to income assistance that is more appropriate for the communities. It includes such elements as Mi'kmaq definitions (e.g., what is a family unit), revised policy manuals, and a revised funding agreement that recognized prior underfunding. The Mi'kmaq communities are investing in pre-employment support programs, enhanced active measures and a case management approach to help their clients move forward, and are seeing the results in reduced dependence.
- What about the debate around having one basic income program compared to multiple programs that recognize the diversity of the clientele and their needs? A First Nation participant said they have looked at the guaranteed income option and find it would be dangerous to have, if it means that other programs disappear. A better approach is case management along with wrap around services, geared to local needs. Another participant noted that the debate on this has gravitated to the extremes –either you have one basic income or you have 1000 different services and neither extreme will work in First Nation communities. You need a hybrid system, maybe a basic income program that incorporates other elements, plus case workers to assist people and provide direction. But there are some advantages to a guaranteed income program, a way of directing resources to the 18 to 65 year population in a manner that is administratively simple, that avoids stigmatization and that does not require things like the stripping of assets.
- Another participant asked why Ontario's Disability Support Program (ODSP) is undersubscribed within First Nations in the province despite the fact that benefits are about 60 per cent higher than the welfare program. The answer lies in difficulties of access. ODSP is run by the Ministry and Ministry representatives are not present in the communities. Also, the medical forms and other requirements are difficult to meet.
- One other area in need of improvement, which came up among the Innu in Labrador, is the need to stop the practice of clawing back certain kinds of incomes, such as those granted by the First Nation in the form of annual distributions.



- Discussion of the Cree Hunter and Trapper Income Security Program. It is still functioning but had some issues in the beginning e.g., too many people hunting leading to pressure on natural resources; not enough people filling basic jobs in the communities because everybody wanted to be out on the land; youth leaving school after a certain age and entering the program. Thus adjustments had to be made to avoid disincentives. The amount of the subsidy is slightly less than income assistance. In the Inuvik region, there is a collective freezer program that distributes food from hunting and trapping, and that works well.
- This discussion raises the broader issue of where we are going with income security. Is it only a matter of providing incomes, goods and services or do we need to look at it from an Indigenous lens, looking at quality of life and wellness and how to achieve that? How do we shape assistance to fit in with community practices such as hunting and fishing, and adapt to the community's economic base? Is welfare a necessary evil that helps support people through hardship? What are people in the communities saying about it and how to go forward?
- Another participant stressed that a holistic approach is needed, addressing needs in all four quadrants and achieving balance. There is a lot of healing that needs to take place due to colonization, residential and day schools—mind, body and spirit – and it isn't possible to address these things with a pre-employment program. And now there is the opioid crisis. It's a constant battle, and certain government policies don't help – for example, not being allowed to help a family just because they crossed the line that separates on- and off-reserve.
- Some people see “social” as an Aboriginal and treaty right, compensation for the dominant society taking our language, culture and resources. In this view, they are justified in sitting idle at home. But the counterargument is that it is not such a right, it was never part of our societies.
- Administering “social” is a difficult task for front-line workers, with youth coming in at age 18 expecting to obtain support. Ultimately it is a much bigger issue than getting people off welfare. How do you break the cycle?
- One participant recalled her approach 15 years ago, when SDAs took active measures geared to employment and mobilizing wraparound services. More recently, providing support to deal with mental health issues is the urgent priority.
- If no employment is available, we need to recognize the values of other contributions such as volunteer work and raising children. A closer look at self-employment is also an option, to try to stem the “leakage” of resources to outside businesses. Developing a strong communication strategy, including web sites, posters and client brochures is also warranted.



- Several participants spoke about the value of a forum such as this, and the need to do it annually perhaps under the auspices of the AFN. The latter started to discuss “social” in the 1990’s but then the policy promoted by the federal government around adhering strictly to provincial standards intervened. It is important for First Nation models to be at the forefront, not the imposition of other approaches, and it is up to the rights holders to regain control. In this context, how can the AFN best contribute?
- It was also noted by a government representative that “social” is not sexy and it is a struggle to attract funding for new initiatives. Despite that, an AFN resolution helped in putting case management on the table, although funding for this initiative is only year to year. Indigenous Services has recently concluded discussions across the country, and a report summarizing what was heard is due to be released shortly. The encouraging signs are that lots of “best practice” ideas are coming forward, new fiscal relationships with First Nations are beginning to be developed and there are good lessons to be learned from the provinces. The key is to develop and maintain flexibility so that programs can reflect divergent circumstances.
- While one can identify bits and pieces that are working, there is no ideal program out there. This goes to a larger point, which is that – when policy goes wrong – it is due to the fact that objectives are not spelled out clearly. And it is a hard sell to focus just on providing adequate incomes. The objective should be to get people off welfare, and to ground policy and programs in First Nation cultures and economic circumstances. Another suggestion was to set an objective of providing a higher standard of living for all, making employment a priority within this, and providing certain needed services such as mental health. Make the argument that it costs a lot more to provide services to a population mired in poverty.
- First Nations shouldn’t build on or be tied to provincial programs which don’t provide a good base even for provincial populations. The situation on reserve is substantially different when it comes to matters such as poverty and employment, not to mention cultures. In this context, First Nations should get creative and build their standalone social policies with emphasis on coordination with other available programs. Linking to the provinces reflects a 1960’s logic, and we are now in a different situation. As an example, the new Indigenous Services Act now lists “social” as a federal responsibility.
- Several participants spoke about their desire to keep the conversation going, and to establish a network of people interested in this social policy area. It has been a detriment to the communities not to have had that until now. It is especially important to hear from those working on the front lines. If we don’t address the issue of welfare, it will have long-term intergenerational implications. We also need to figure out how to hold the First Nation leadership accountable on this issue, and to support leaders who will bring it to the forefront with spirit and heart.



- One tribal organization representative spoke about how well it has worked to break down silos in service provision. Issues of confidentiality of (client) information arise, but on the other hand they all work for the same nation and have signed confidentiality agreements. What do you mean when you say your funding can't be accessed by anyone else? Why can't we work together? Ask clients upon intake where they are, where they want to go, and what programs/services are needed.
- We also heard about the First Nation Social Development Society in B.C. which was designated as a centre of excellence and has worked with First Nations across B.C. to provide support, share knowledge, and work to clean up social assistance files.
- A First Nation representative from Quebec described going forward with a new governance model, one that focuses on creating self-reliant and self-governing First Nations seeking to achieve First Nation wellness. By March 2020, Chiefs will be in a position to decide whether to proceed with this new governance model. In keeping with this approach, we heard that New Brunswick completed a mapping exercise with First Nation Child and Family Services Directors. They asked what it would take to make a child in the community healthy, as a step in the direction of determining programs and services.
- This has been a good conversation. The starting point should be with reclaiming jurisdiction, but it need not be seen as a zero-sum game, where one takes jurisdiction from someone else. It can be seen as a collaborative venture, being careful not to send the message to others that you don't want anything to do with them.
- The differences from region to region are fascinating, and lots of good information is being retained from this forum to take back to the community. Income assistance isn't at the forefront in any First Nation unless the cheques are delayed in being available, and it is time to move this issue up the food chain.
- We need to have a national forum like this every year, if the funds can be found. Leadership is too reactive, and that is how they get so stressed out. They should be active on the policy and funding front, not getting involved in day-to-day operations.
- These kinds of meetings can help in getting the narrative out, in helping the wider Canadian community understand that it isn't just a story about being "down on your luck", or a matter of one person in twenty. It is a systematic issue.

The afternoon discussion concluded with sentiments expressed about its value, and with thanks to the hosts for organizing it.



VIII. Conclusion

It is possible to identify several themes that emerged throughout the course of the day, ideas that are worth considering as the First Nation leadership goes about reshaping social policy, especially social assistance, on reserve. We would not go so far as describing these as consensus items, because the discussion was not organized in that manner. However, these are points that typically emerged more than once and that did not attract incoming fire. We begin with several “big picture” observations before turning more specifically to social assistance reform.

1. In Canada generally, levels of poverty and social assistance dependency have both declined substantially in the past couple of decades. One of the main contributors to this decline has been the Canada Child Benefit and its predecessors. Among First Nations on reserve, data is less available but shows much higher levels on both indicators. For example, the social assistance dependency rate is six times higher than it is for the mainstream population, at 30 per cent compared to 5 per cent. It is useful for First Nations to have access to this kind of data so that they can support and advance their case for change. (*Andrew Sharpe presentation*).
2. The legal and policy framework for social policy on reserve is quite different than it is for other Canadians. Notably, three types of governments are involved but none has clear and comprehensive responsibility. Federal authority rests on a 1964 Treasury Board Directive but there is no dedicated legislation for social assistance, and First Nations do not have any role in shaping a social policy that so profoundly affects them (*Naiomi Metallic presentation*).
3. The historical context is also distinctive. For First Nations, almost everything – governance, culture, access to resources, education – is shaped by a history of colonization and all that this implies. It is a history of assimilation, dispossession, racism and external control. A major task, then, is that of rebuilding Indigenous nations, including their economies. Without this, new generations of First Nation adults, youth and children will continually be driven to dependence on social assistance, no matter how well the latter is designed and delivered.
4. The dominant society has historically, and especially in the last century, responded to destitution and hardship among First Nations by providing individual-level “solutions”, that is, by treating the issue as one of lack of personal or family income. They have not seriously engaged in the more difficult but ultimately more effective approach of supporting the rebuilding of Indigenous nations and all that implies. Indeed, they have often done the opposite through First Nation relocations, residential schools, replacement of traditional forms of governance, failure to recognize Aboriginal and treaty rights, and dispossession from lands and resources. Reversing this trajectory is essential if the goal of creating healthy and vibrant First Nations is to be realized.



5. On the positive side, First Nations that are able to rebuild their economies and societies are in a better position to achieve reductions in social assistance caseloads. They do this through increased employment for their populations, reduced levels of poverty, providing more employment options for recipients and being able to enhance mental health and other services by drawing on “own source” revenues. For its part, the social assistance program can contribute to nation building through such means as regaining jurisdiction, strengthening governance and decision-making (e.g., providing appeal mechanisms), and optimizing welfare to work transitions.

6. Workshop participants expressed skepticism about building social assistance policies and programs on a provincial foundation, with some arguing that the latter doesn’t even work well for provincial populations. There is no ideal model “out there”, and First Nations need to be creative in moving forward. However, there is much that can be learned from the provincial experience, such as models of case management that have been developed by New Brunswick and other provinces, support for persons with disabilities (Saskatchewan and Alberta), and experiments to support welfare to work transitions (Nova Scotia, British Columbia and Quebec) (*Andrew Sharpe presentation*).

7. There is considerable provincial and territorial variation on matters such as dependency rates, benefit levels, liquid asset and earnings exemptions, reduction rates in the face of additional earnings, and support for persons with disabilities (*Andrew Sharpe presentation*).

8. Reform of social assistance in the First Nation context needs to start with regaining jurisdiction and control, so that policies and programs can be shaped by local conditions and cultures. With a vision that includes the goal of building healthy and vibrant communities, First Nation approaches are likely to reflect a holistic perspective emphasizing coordination among available programs. They would also include adaptations to culture, as is the case with the Cree Hunting and Trapping Income Support Program in Northern Quebec where income support is provided to supplement earnings from the land in order to make a year-round way of life sustainable.

9. Forum participants noted that providing a guaranteed income to those with low incomes has some advantages. For example, it would be easier to administer, would apply to a wider population including the working poor, would be less stigmatizing and so on. On the other hand, it would not meet the varied needs of the social assistance population who require a range of programs and supports, the continuation of which would be threatened if a guaranteed income were to be implemented. Forum participants recommended not going to either extreme in this regard – that is, perhaps there is a role for a guaranteed income, but it should not be at the expense of ancillary services.

10. In both mainstream and First Nation contexts, participants noted that social assistance reform is not a high priority among elected leaders. It is difficult to get their attention and their support for change. It follows that consideration must be given to increasing the visibility and



profile of this important social policy area through appropriate communication and other strategies.

11. Forum participants also noted the importance of creating relationships and networks. In that regard, several persons noted how informative the September 3 Forum has been for them, and the importance of continuing meetings such as this in the future, perhaps under the auspices of the Assembly of First Nations.



Appendix A

Agenda: Expert Forum on First Nation Social Assistance Reform

Assembly of First Nations, 55 Metcalfe Street, Suite 1600, Ottawa, Ontario, K1P 6L5;
613-241-6789

(Breakfast available at 8:00 a.m.

)

9:00 a.m. Opening ceremonies

- Opening prayer: Elder Thomas Louttit:
- Welcome and opening remarks: Jonathan Thompson, Naiomi Metallic, Fred Wien
- Introduction of participants

9:30 a.m. The Big Picture: Poverty, Inequality and the Role of Social Assistance

- Andrew Sharpe on trends in poverty, inequality and social assistance in Canada
- Naiomi Metallic on legal and policy frameworks for social policy on reserve

10:15 a.m. Nutrition break

10:30 a.m. Open Discussion of big picture issues and alternatives

- What policies/strategies have been or might be most effective in addressing poverty/inequality in mainstream society? Among First Nations?
- Where does social assistance fit into this picture?
- What about guaranteed incomes? Enhanced child benefits? Rebuilding self-determining and self-reliant First Nations?

12:00 Discussion continues over working lunch

12:30 p.m. Best practices: how can First Nation social assistance be structured so as to contribute as much as possible to individual and community well-being?

- Andrew Sharpe on innovative experiments in mainstream jurisdictions
- Fred Wien on First Nation best practices derived from the Maritime First Nation research program

1:30 p.m. Open discussion of best practices

- What innovative practices are we currently seeing among First Nations?
- What lessons can we learn from mainstream models of assistance?

3:45p.m. Closing Ceremonies

- Closing remarks: Jonathan Thompson, Naiomi Metallic and Fred Wien
- Closing prayer: Elder Thomas Louttit



Appendix B Participant List

Organizers and Hosts

1. Naomi Metallic, Chancellor's Chair in Aboriginal Law and Policy, Schulich School of Law, Dalhousie University
2. Andrew Sharpe, Executive Director, Centre for the Study of Living Standards.
3. Jonathan Thompson, Director, Social Development, Assembly of First Nations
4. Fred Wien, Professor Emeritus, Dalhousie University

1) Indigenous and non-Indigenous Experts

1. Jessica Nadjiwon-Smith, Executive Director, Ontario Native Welfare Administrator's Association
2. Deborah Young, doctoral student, Carleton University
3. Jarrett Parker, Director of Income Assistance, Nunavut Department of Family Services
4. Rosalie Sioui, Social Development Manager, First Nations of Quebec and Labrador Health and Social Services Commission.
5. Jason Walker, Managing Director, Indigenous Social Development and Innovation, British Columbia
6. Jennie Thomas, Social Development Manager, Cowichan Tribes
7. Colleen Denny, Mi'kmaq Rights Initiative, Nova Scotia
8. Ruth Levi from Mi'gmawe'l Tplu'taqnn Incorporated, New Brunswick
9. Kateri Coade from the Mi'kmaq Confederacy of Prince Edward Island
10. Robert Hassencahl, Tobique First Nation, New Brunswick
11. Don Drummond, former Associate Deputy Minister of Finance and CSLS Chair, Ottawa
12. Michael Horgan, Bennett Jones, Former Deputy Minister of Finance and Deputy Minister of INAC and President of ACOA and CSLS Board member, Ottawa
13. Hugh Schewell, School of Social Work, Carleton University, Ottawa
14. Martin Papillon, Université de Montréal, Montreal
15. Munir Sheikh, former Chief Statistician of Canada and co-chair of the Ontario Social Assistance Task Force Ottawa
16. John Stapleton, Innovation Fellow, Metcalf Foundation. Formerly Research Director for the Task Force on Modernizing Income Security for Working-Age Adults in Toronto
17. Céline Hurtubise, Manager, Income Assistance, Indigenous Services Canada, Ottawa
18. Patricia Ellis, Program and Policy Analyst, Social Programs, Indigenous Services Canada, Atlantic Region
19. Marci Osmond, Social Development, New Brunswick, Fredericton



Assistants and Advisors

1. Ashley Bach, Policy Analyst, Social Development, Assembly of First Nations
2. Maile Graham-Laidlaw, Research Assistant, Schulich Faculty of Law, Dalhousie University
3. Inez Hillel, Economist, Centre for the Study of Living Standards.



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