

# 2012 FULL BUDGET PLAN

## CHAPTER 3 – SUPPORTING JOBS & GROWTH

### 3.2 IMPROVING CONDITIONS FOR BUSINESS INVESTMENT

#### DETAILS

#### Pages 87-97

##### **Major Projects Management Office Initiative**

*Economic Action Plan 2012 proposes \$54 million over two years to renew the Major Projects Management Office initiative.*

The Major Projects Management Office initiative has helped to transform the approvals process for major natural resource projects by shortening the average review times from 4 years to just 22 months, and improving accountability by monitoring the performance of federal regulatory departments. More than 70 major projects are currently benefitting from the system-wide improvements made possible by the initiative (see map). To continue to support effective project approvals through the Major Projects Management Office initiative, Economic Action Plan 2012 proposes \$54 million over two years.

##### **Consultation Under the Canadian Environmental Assessment Act**

*Economic Action Plan 2012 proposes \$13.6 million over two years to support consultations with Aboriginal peoples.*

The Government is committed to consulting with Aboriginal peoples in the review of projects to ensure that their rights and interests are respected. Consultations can also facilitate discussions on how Aboriginal peoples can benefit from the economic development opportunities associated with these projects. To support consultations with Aboriginal peoples related to projects assessed under the Canadian Environmental Assessment Act, Economic Action Plan 2012 proposes \$13.6 million over two years to the Canadian Environmental Assessment Agency.

##### **The Northern Pipeline Agency**

*Economic Action Plan 2012 proposes \$47 million over two years to the Northern Pipeline Agency.*

The Northern Pipeline Agency was created as a single window regulatory body to oversee the planning and construction of a major pipeline—the Alaska Pipeline—to transport natural gas from Alaska through Canada to the lower 48 U.S. states. To carry out federal regulatory responsibilities related to the Alaska Pipeline Project, Economic Action Plan 2012

proposes \$47 million over two years to the Northern Pipeline Agency. This funding will be fully cost-recovered from industry.

### **Amending Mining Regulations**

*Economic Action Plan 2012 proposes \$1 million over two years to amend metal mining regulations.*

Environment Canada is responsible for administering the key pollution prevention provisions under the Fisheries Act, including the associated Metal Mining Effluent Regulations. These regulations prescribe controls on the effluents and waste rock that can be deposited into certain bodies of water.

### **Assessing Diamonds in the North**

*Economic Action Plan 2012 proposes \$12.3 million over two years to continue to assess diamonds in the North.*

The natural resource sector in Canada's North provides significant employment and business opportunities for Aboriginal peoples and communities. The Diamond Valuation and Royalty Assessment Program, operated by Aboriginal Affairs and Northern Development Canada, ensures that Canadians and Northerners benefit from the royalties associated with diamond production in the region. To renew the Diamond Valuation and Royalty Assessment Program, Economic Action Plan 2012 proposes \$12.3 million over two years to Aboriginal Affairs and Northern Development Canada.

## 3.3 INVESTING IN TRAINING, INFRASTRUCTURE and OPPORTUNITY

### SUMMARY

#### **Expanding Opportunities for Aboriginal Peoples to Fully Participate in the Economy**

The Government is committed to expanding opportunities for Aboriginal peoples to fully participate in the labour market. Economic Action Plan 2012 proposes:

- Providing \$275 million over three years to support First Nations education and build and renovate schools on reserve.
- Committing to work with willing partners toward passage of legislation that will establish the structures and standards to support strong and accountable education systems on reserve.
- Announcing the Government's commitment to improve the incentives in the on-reserve Income Assistance Program while encouraging those who can work to access training so they are better equipped for employment.
- Providing \$33.5 million in 2012–13 to extend the Atlantic Integrated Commercial Fisheries Initiative and the Pacific Integrated Commercial Fisheries Initiative.
- Providing \$27 million over two years to renew the Urban Aboriginal Strategy.

### DETAILS

#### **Pages 148-151**

#### **Expanding Opportunities for Aboriginal Peoples to Fully Participate in the Economy**

Since 2001, the Aboriginal population has increased by 25 per cent, compared with 6 per cent for the Canadian population as a whole. About 25,000 Aboriginal youth turn 15 each year and this number is expected to increase after 2016, markedly so in some provinces. Over the coming decades, Aboriginal peoples will become an increasingly important source of Canada's labour force growth.

The Government recognizes the contribution that Aboriginal peoples can make to the labour market as the youngest and fastest-growing segment of the nation's population. The investments in this budget will help Aboriginal peoples participate more fully in Canada's economy and benefit from its growth.

#### **Investments to Improve First Nations Education**

*Economic Action Plan 2012 commits the Government to introduce legislation, and explore new funding mechanisms, for First Nations elementary and secondary education, and proposes \$275 million over three years to support First Nations education.*

In Budget 2010 the Government committed to work with First Nations to develop options, including new legislation, to improve the governance framework and clarify accountability for First Nations elementary and secondary education. In 2011, the Government and the

Assembly of First Nations launched a National Panel, which made a number of recommendations for reforming First Nations education in its February 2012 report.

In response to the Panel's report, the Government will work with willing partners to introduce a First Nation Education Act and have it in place for September 2014. The purpose of this legislation is to establish the structures and standards to support strong and accountable education systems on reserve. This will set the stage for more positive education outcomes for First Nations children and youth. The Government will also work to explore mechanisms to ensure stable, predictable and sustainable funding for First Nations elementary and secondary education.

To help ensure readiness for the new First Nations education system to be outlined in legislation, this budget will invest \$100 million over three years for First Nations education to provide early literacy programming and other supports and services to First Nations schools and students, and to strengthen their relationships with provincial school systems. To complement these investments in First Nations education programming, this budget will invest \$175 million over three years to build and renovate schools on reserve, providing First Nations youth with better learning environments. This will build on investments in on-reserve school infrastructure made as part of Canada's Economic Action Plan between 2009 and 2011.

### **Helping First Nations on Reserve Access the Labour Force**

*Economic Action Plan 2012 announces the Government's commitment to improve the incentives in the on-reserve Income Assistance Program while encouraging those who can work to access training so they are better equipped for employment.*

Since 2006, the Government has made substantial investments to improve Aboriginal labour market outcomes. Over \$400 million annually is invested in Aboriginal skills and training through the Aboriginal Skills and Employment Training Strategy and the Skills and Partnership Fund, and over \$300 million per year supports First Nations and Inuit in their postsecondary studies through the Post-Secondary Student Support Program and the University and College Entrance Preparation Program. Equipping First Nations people with the skills and opportunities they need to fully participate in the economy is a priority for this Government and First Nations. In many areas of the country, First Nations communities are ideally placed to contribute to and benefit from large economic projects.

Through Economic Action Plan 2012, the Government is committing to make progress by better aligning its on-reserve Income Assistance Program with provincial systems through improved compliance with program requirements. The Government will also work with First Nations to encourage those who can work to access training and, more broadly, to improve the incentives for labour market participation in this program. Canada's young Aboriginal population has tremendous potential for long-term success and economic prosperity, and our Government is committed to helping them achieve their full potential.

### **Supporting First Nations Fishing Enterprises**

*Economic Action Plan 2012 proposes \$33.5 million in 2012–13 to extend the Atlantic Integrated Commercial Fisheries Initiative and the Pacific Integrated Commercial Fisheries Initiative.*

The Atlantic and Pacific Integrated Commercial Fisheries Initiatives are designed to integrate First Nations fishing enterprises into existing commercial fisheries. Through these and related programs, the Government has invested approximately \$700 million to provide access to commercial fisheries and business development and co-management activities for First Nations fishing enterprises. To continue promoting integrated commercial fisheries, Economic Action Plan 2012 proposes \$33.5 million in 2012–13 to the Department of Fisheries and Oceans to extend these initiatives.

### **Urban Aboriginal Strategy**

*Economic Action Plan 2012 proposes \$27 million over two years to renew the Urban Aboriginal Strategy.*

The Government is committed to working with other levels of government, Aboriginal organizations and the private sector to improve economic opportunities for Aboriginal peoples living in urban centres.

Through the Urban Aboriginal Strategy, the Government partners with Aboriginal communities and local organizations, municipal and provincial governments, and the private sector to support projects that respond to local priorities and activities such as job training, skills and entrepreneurship initiatives. For instance, the Strategy provided \$200,000 to Winnipeg's Urban Circle Training Centre, where for over 20 years around 350 urban Aboriginal people annually have received employment counselling and accredited training.

## 3.4 SUPPORTING FAMILIES and COMMUNITIES

### SUMMARY

#### Investing in Communities

The Government is committed to preserving Canada's diverse cultural treasures and improving the quality of life in communities across the country.

Economic Action Plan 2012 proposes:

- Announcing the Government's intent to explore with interested First Nations the option of moving forward with legislation that would allow private property ownership within current reserve boundaries.
- Providing \$330.8 million over two years to build and renovate on-reserve water infrastructure and support the development of a long-term strategy to improve water quality in First Nations communities.
- Providing \$11.9 million in 2012–13 to support shelter services and violence prevention programming on reserves.
- Providing up to \$99.2 million over three years to assist the provinces and territories with the cost of permanent flood mitigation measures undertaken for the 2011 floods.

### DETAILS

#### Pages 171-173

Economic Action Plan 2012 builds on previous measures the Government has taken since 2006 to create a safe and clean environment for all Canadians. Some of these measures are designed to preserve Canada's natural heritage, such as protecting species at risk and creating Canada's first national near-urban park.

The recent Crown-First Nations Gathering underscored the Government's commitment to work with First Nations on shared priorities. Economic Action Plan 2012 supports this commitment by introducing initiatives to enhance economic potential on First Nations lands, improve water quality in First Nations communities, and address family violence on reserves.

### INVESTING IN COMMUNITIES

#### Improving Economic Potential on First Nations Lands

*Economic Action Plan 2012 announces the Government's intent to explore with interested First Nations the option of moving forward with legislation that would allow private property ownership within current reserve boundaries.*

The Government of Canada continues to work with First Nations to create conditions to accelerate economic development opportunities. At the historic Crown-First Nations Gathering, the Prime Minister and the National Chief of the Assembly of First Nations agreed to launch within three months an economic task force that would report back in a timely fashion with recommendations to further unlock the economic potential of First Nations peoples.

This work will build on steps the Government has already taken to enable interested First Nations to assume greater control over their reserve lands, resources and environment, notably through the First Nations Land Management Act. First Nations that opt in to this Act can better pursue and seize economic opportunities. This puts First Nations in more direct control of their economic development, helping them build a brighter future in which their communities are self-sufficient and prosperous.

Budget 2011 reaffirmed the Government's commitment to expand the First Nations Land Management regime by committing to reallocate up to \$20 million over two years to respond to the growing interest from First Nations leaders to participate. This allowed the Government to introduce 18 new entrants to the regime in January 2012, bringing the total number of First Nations that are operating or developing their own land codes to 56.

Some First Nations have expressed an interest in exploring the possibility of legislation that would allow private property ownership within current reserve boundaries. Economic Action Plan 2012 announces the Government's intent to explore with interested First Nations the option of moving forward with legislation that would allow for this. The Government will continue to work with First Nations to address barriers to economic development on reserve.

### **Investments to Improve First Nations Water Infrastructure**

*Economic Action Plan 2012 proposes \$330.8 million over two years to build and renovate water infrastructure on reserve and to support the development of a long-term strategy to improve water quality in First Nations communities.*

Many First Nations continue to face challenges ensuring access to safe water in their communities despite significant investments by the Government to help improve water systems. Since 2006, the Government has invested around \$2.5 billion to assist First Nations in the construction, maintenance and operation of water and wastewater systems in their communities. This includes the completion of over 130 major projects and funding for the operation and maintenance of over 1,200 water or wastewater systems. The Government remains committed to improving the health and safety of First Nations communities.

Earlier this year, the Government introduced the Safe Drinking Water for First Nations Act to ensure First Nations have access to safe and reliable drinking water. This bill will allow the Government, in collaboration with First Nations, to develop federal regulations for access to safe drinking water, and to ensure the effective treatment of wastewater and the protection of sources of drinking water on reserve.

### **Addressing Family Violence on Reserve**

*Economic Action Plan 2012 proposes \$11.9 million for the Family Violence Prevention Program in 2012–13, bringing the total budget for the program to \$30.4 million for an additional year.*

The Government has taken steps to improve the lives of women and children on reserve. Budget 2010 invested \$25 million over five years to address the high number of missing and

murdered Aboriginal women. In addition, legislation was introduced in 2011 to provide fairer treatment of marital property on reserve upon the dissolution of a marriage.

That said, numerous First Nations communities continue to experience family violence that threatens the ability to safely raise a family. Ensuring shelter services and violence prevention programming are available to on-reserve communities is an important element of addressing these serious security concerns.

### **Aboriginal Mental Health Programs**

*Economic Action Plan 2012 commits to working with Aboriginal communities and organizations, provinces and territories to improve the mental health and well-being of Aboriginal peoples in Canada.*

Health Canada currently invests over \$100 million annually to support mental health programs and services for Aboriginal peoples through community level mental health initiatives, addiction and substance abuse treatment centres, and the National Aboriginal Youth Suicide Prevention Strategy. The Government has also provided significant support to Health Canada's Indian Residential Schools Resolution Health Support Program, which provides mental health and emotional support services to former students and their families.

### **Strengthening Health Care in Rural and Remote Communities**

To expand the provision of primary health services to Canadians in rural and remote communities, Budget 2011 announced that the Government would forgive a portion of Canada Student Loans for new family physicians, nurses and nurse practitioners who practise in underserved rural or remote communities, including communities that provide health services to First Nations, Inuit and Métis populations.

### **Support to Provinces and Territories for the Floods of 2011**

*Economic Action Plan 2012 proposes up to \$99.2 million over three years for permanent flood mitigation measures undertaken for the 2011 floods.*

The Government is providing support to the many communities affected by recent natural disasters, and is committed to working with other levels of government to build safer and more resilient communities. The Government has worked with the provinces and territories to identify permanent mitigation measures that were undertaken for the floods of 2011.

Economic Action Plan 2012 proposes up to \$99.2 million over three years to assist the provinces and territories with the cost of permanent flood mitigation measures undertaken for the 2011 floods.

The Government is also committed to discussing with the provinces and territories the development of a national disaster mitigation program, recognizing that mitigation can lessen the impact of natural disasters on vulnerable communities and reduce the costs associated with these events.

# 5 RESPONSIBLE MANAGEMENT to RETURN to BALANCED BUDGETS

## Details

Page 259

### ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT PORTFOLIO

Aboriginal Affairs and Northern Development Canada (AANDC) is achieving savings through restructuring, operational efficiencies and changes to business processes, in order to improve service delivery to Aboriginal communities.

The Department will work with Aboriginal peoples to make it easier for them to access program funding by simplifying the application process, agreements and reporting requirements. Steps will also be taken to provide qualified recipients with more flexibility and management control, while eliminating red tape for both recipients and the Department. AANDC will continue to refocus the Department in keeping with developments such as a reduction in the backlog of specific claims and devolution of responsibilities to the Northwest Territories.

Table A1.1  
Planned Savings—Aboriginal Affairs and Northern Development Portfolio  
millions of dollars

	2012-13	2013-14	2014-15	Ongoing
Aboriginal Affairs and Northern Development portfolio	26.9	60.1	165.6	165.6
Aboriginal Affairs and Northern Development Canada	24.4	55.1	160.6	160.6
First Nations Statistical Institute	2.5	5.0	5.0	5.0

Note: Totals may not add due to rounding.