2026 NATIONAL CLAIMS RESEARCH DIRECTORS MEETING

MATERIALS – 14 APRIL 2026

2025 review of the *Access to Information Act*

The Treasury Board of Canada Secretariat launched the 2025 review of the *Access to Information Act* (ATIA) on June 20, 2025.

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Why a review

Public trust in government is essential for a healthy and functioning democracy. Building and maintaining public trust requires that the government operate in a transparent, accountable and participatory manner. This is supported by a modern and effective federal access to information regime. The 2025 review of the ATIA is the second review following the introduction of the requirement to conduct a review every 5 years. Since June 2019, section 93 of the ATIA has required the President of Treasury Board to:

- review the act every 5 years
- table a report to Parliament about each review

Regular reviews of the ATIA are important because the way Canadians and the government handle information has changed considerably since the act came into force in 1983. Such reviews help keep the act up to date with these changes and ensure that it supports a transparent, accountable and participatory government in the digital age.

Feedback and engagement to date

The first legislative review under section 93 of the ATIA, launched in June 2020, was completed in December 2022 and resulted in the Access to Information Review Report to Parliament.

The 2025 review of the ATIA will build on the conclusions of the 2020 review and consider previous feedback from various interested parties from 2015 onward, including:

- agents of Parliament
- parliamentary committees
- Indigenous partners
- academics
- journalists
- civil society members

▶ Reports and submissions reflecting feedback received since 2015 include:

About the 2025 review

Based on previous feedback, the Treasury Board of Canada Secretariat (TBS) has identified the following areas of focus for the 2025 review:

- enhancing transparency, accountability and public participation
- facilitating access
- declassification and disclosure of historical records
- information management
- Indigenous access to and protection of information
- oversight and compliance

How to participate in the 2025 review

Public engagement on the 2025 review will be open until June 15, 2026.

To enable a focused and streamlined engagement process, TBS has published potential policy approaches for the purpose of obtaining feedback.

The policy approaches focus on broad systemic challenges that are significantly impacting the overall performance and operations of the ATI regime and that numerous stakeholders and Indigenous partners have raised over the last 10 years.

Anyone who wishes to submit feedback on these approaches is invited to do so through the digital feedback form. The digital form allows you to save your progress at any time. Once it is completed, you will also be able to download a copy of your submission.

The deadline for submissions is **Monday, June 15, 2026**. After this date, the form will no longer be available. We therefore encourage you to submit your feedback before the deadline.

Feedback on the policy approaches will inform the report to Parliament on the results of the 2025 review and the government's way forward.

Should you have any questions, contact the review team at reviewingATIA.revisionLAI@tbs-sct.gc.ca.

Progress since the last review

Since the completion of the last review, the Government of Canada has acted to continuously improve the ATI regime and, in turn, support transparent, accountable, and participatory government.

In May 2024, TBS published the Government of Canada's Trust and Transparency Strategy, with the goal of strengthening public trust. One of the key pillars of the strategy is the Access to Information (ATI) Modernization Action Plan, which sets out actions TBS is taking to address the most pressing administrative and operational challenges impacting the ATI regime.

The ATI Modernization Action Plan includes measures intended to:

- **improve service to Canadians as it relates to access to information**, by strengthening the ATI workforce, providing guidance to enable the timely processing of requests and by having a single digital window where

requesters can access government information

- **increase trust and transparency in institutions**, by providing guidance to improve the administration of records as well as the application of exceptions to disclosure and by increasing the publication of high-value information to the public
- **advance Indigenous reconciliation**, by developing new guidance to help institutions offer culturally appropriate services to Indigenous requesters and by working to transition toward greater Indigenous control of information and data

The ATI Modernization Action Plan and its results tracking tool provide details of these initiatives as well as progress updates.

Date modified: 2026-03-23

Annex – *Privacy Act* considerations

An effective and efficient federal privacy regime should build and sustain trust in the government's ability to safely and securely manage the personal information entrusted to it, while enabling timely and efficient services to Canadians, including Indigenous peoples. This modernization effort is an opportunity to expand on previous work undertaken by the Government of Canada to help align the *Privacy Act* with the needs of Indigenous peoples in the digital age and the UN Declaration as required under section 5 of the *United Nations Declaration on the Rights of Indigenous Peoples Act.* These considerations build on feedback received since 2016.

Broadening terms used in the *Privacy Act*

- How could paragraphs 8(2)(f), 8(2)(k) and 19(1) of the *Privacy Act* better reflect the diversity and responsibilities of Indigenous governments and organizations?
- Would expanding paragraph 8(2)(f) to "Indigenous entities that have signed a self-government agreement" cover all the Indigenous governments that enforce laws or carry out investigations?
- Would expanding paragraph 19(1) to "Indigenous entities that have signed a Modern Treaty or a self-government agreement" adequately protect information shared in confidence from another jurisdiction?
- Would revising paragraph 8(2)(k) to include "an Indigenous government or Indigenous organization" sufficiently improve the sharing of personal information for the purpose of researching or validating the claims, disputes or grievances of any of the "Indigenous peoples of Canada" as defined in other federal statutes?
- Are there other terms that should be included in any of these sections?

Enabling personal information sharing of Indigenous peoples with Indigenous governments

- What are possible approaches to improve the sharing of personal information of Indigenous peoples with Indigenous governments?
- Currently, personal information of Indigenous peoples is not always categorized or identified as Indigenous personal information in a way that respects a distinction-based approach or provides for better management of Indigenous personal information. Would the implementation of a mechanism to allow Indigenous peoples to identify themselves as First Nations, Inuit, and Métis with recognized rights lead to better management of Indigenous personal information?
- Are there other ways to identify Indigenous rights holders to allow for better access to, and improved sharing of their personal information for authorized purposes?
- Are there circumstances or a particular context where an Indigenous person could be allowed to opt out of sharing their personal information with their Indigenous government?
- Are there specific federal government programs that should be prioritized for the sharing of Indigenous personal information with Indigenous governments?
- What minimum safeguards are needed to safely share the personal information of Indigenous peoples with Indigenous governments?

- Should the federal government publicly disclose which programs share personal information with Indigenous governments?
- Are there other approaches to improve the access and sharing of Indigenous peoples' personal information with Indigenous governments that should be considered?

Annexe – Considérations relatives à la *Loi sur la protection des renseignements personnels*

Un régime fédéral de protection des renseignements personnels efficace et efficient devrait renforcer et maintenir la confiance dans la capacité du gouvernement à gérer de manière sûre et sécuritaire les renseignements personnels qui lui sont confiés, tout en permettant des services rapides et efficaces aux Canadiens, y compris aux peuples autochtones. Cet effort de modernisation est l'occasion d'élargir les travaux antérieurs entrepris par le gouvernement du Canada pour aider à harmoniser la *Loi sur la protection des renseignements personnels* avec les besoins des peuples autochtones à l'ère numérique et la Déclaration des Nations Unies, comme l'exige l'article 5 de la *Loi sur la Déclaration des Nations Unies sur les droits des peuples autochtones*. Ces considérations s'appuient sur les commentaires reçus depuis 2016.

Élargissement des termes utilisés dans *la Loi sur la protection des renseignements personnels*

- Comment les alinéas 8(2)f), 8(2)k) et 19(1) de la *Loi sur la protection des renseignements personnels* pourraient-ils mieux refléter la diversité et les responsabilités des gouvernements autochtones et des organisations autochtones?
- L'élargissement de l'alinéa 8(2)f) aux « entités autochtones qui ont signé une entente sur l'autonomie gouvernementale » engloberait-il tous les gouvernements autochtones qui appliquent les lois ou mènent des enquêtes?
- L'élargissement du paragraphe 19(1) aux « entités autochtones qui ont signé un traité moderne ou une entente sur l'autonomie gouvernementale » protégerait-il adéquatement les renseignements échangés à titre confidentiel provenant d'une autre administration?
- La révision de l'alinéa 8(2)k) pour y inclure « un gouvernement autochtone ou une organisation autochtone » améliorerait-elle suffisamment l'échange de renseignements personnels en vue de l'établissement des droits des peuples autochtones ou du règlement de griefs de tout « peuples autochtones du Canada » tels que définis dans d'autres lois fédérales?
- Y a-t-il d'autres termes qui devraient être inclus dans l'une ou l'autre de ces sections?

Permettre l'échange de renseignements personnels sur les peuples autochtones avec les gouvernements autochtones

- Quelles sont les approches possibles pour améliorer le partage des renseignements personnels des peuples autochtones avec les gouvernements autochtones?
- À l'heure actuelle, les renseignements personnels des peuples autochtones ne sont pas toujours catégorisés ou identifiés comme tels d'une manière qui respecte une approche fondée sur la distinction ou qui permet une meilleure gestion des renseignements personnels autochtones. La mise en œuvre d'un mécanisme permettant aux peuples autochtones de s'identifier comme membres des Premières Nations, Inuits et Métis avec des droits reconnus mènerait-elle à une meilleure gestion des renseignements personnels autochtones?
- Existe-t-il d'autres moyens d'identifier les titulaires de droits autochtones afin de permettre un meilleur accès à leurs renseignements personnels et un meilleur partage de ceux-ci à des fins autorisées?

- Existe-t-il des circonstances ou un contexte particulier où une personne autochtone pourrait être autorisée à refuser de communiquer ses renseignements personnels à son gouvernement autochtone?
- Y a-t-il des programmes particuliers du gouvernement fédéral qui devraient être prioritaires pour l'échange de renseignements personnels autochtones avec les gouvernements autochtones?
- Quelles sont les mesures de protection minimales nécessaires pour partager en toute sécurité les renseignements personnels des peuples autochtones avec les gouvernements autochtones?
- Le gouvernement fédéral devrait-il divulguer publiquement quels programmes partagent des renseignements personnels avec les gouvernements autochtones?
- Y a-t-il d'autres approches qui devraient être envisagées pour améliorer l'accès aux renseignements personnels des peuples autochtones et leur communication avec les gouvernements autochtones?

Ottawa abusing access to information law to avoid releasing documents, watchdog says

Canada's freedom of information watchdog has accused Ottawa of maintaining a culture of secrecy, saying some federal departments are abusing exemptions to Canada's access to information law as an excuse to withhold documents.

In an interview, Information Commissioner Caroline Maynard criticized government departments for wrongly withholding records, including statistics, on the grounds that they are exempt from disclosure because they count as advice to ministers.

She said exemptions to the federal access to information law, which enshrines the principle that citizens have a right to know, are being widely used to deny freedom of information requests.

Federal review of access to information law 'doesn't have credibility,' expert says

Ms. Maynard said the exemption that allows a government institution to refuse to disclose advice to a minister should be narrowly applied, but is instead being used to withhold records.

She said the provision "is one of the most abused" in the 40-year-old act, and she thinks it should be rewritten.

Ms. Maynard added that in briefing notes for ministers, “we tell them, there’s one paragraph that’s advice, the rest is all the basis on which your advice has been given. So, that should not be covered by the exemption.”

Ms. Maynard said there should be a presumption in favour of releasing information, rather than withholding it.

She criticized some government officials whose first reaction to a records request is: “What is it that we should redact? What is it that we should exclude from this disclosure?”

“The government needs to change their culture,” she said.

“I still think that Canada can do better. I still think that leadership can promote transparency, can promote disclosure by default.”

During this year’s general election, Prime Minister Mark Carney signalled that if he was elected, he would commit to a review of Canada’s access to information regime.

When asked at an April press conference about his position on the issue, which was not mentioned in the Liberal platform, he said a review would serve Canadians well.

“I think looking at access to information is quite important. The speed with which the information is provided, the redactions – I’m happy to commit to having a review of that,” Mr. Carney said. “Because I do find that, at least as an outsider until now, and as a consumer of it, that I can’t always follow the process.”

Carney pledges to review Canada’s access to information regime

Ms. Maynard said an update to the Access to Information Act is long overdue. She said the volume of information has hugely increased since the act was first passed in 1983, to include e-mails and other electronic records. Because her office is dealing with such a huge volume of complaints, she said it takes two years to make a ruling.

“It shouldn’t have to take two years to investigate a complaint,” Ms. Maynard said. However, she added that her office has managed to cut the backlog down from four years.

By the end of this June, the watchdog had an inventory of 2,294 complaints which had yet to be determined. Between April and June, the information watchdog received 1,329 complaints, including about refusals of requests and delays in replying.

But Ms. Maynard said some federal departments are trying to be more transparent, with access to information officials working hard to abide by the openness provisions of the act.

Globe and Mail investigation Secret Canada found that public institutions are routinely breaking access laws by violating legal time limits, redacting too much information and claiming no records exist when they do.

2024: How transparent is your city? Audit of freedom of information requests finds vast differences

The commissioner said some departments are denying requests on the grounds that complying would breach cabinet confidences, but they may be applying that exemption too widely.

“Now we don’t have any way to question when they say something is cabinet confidence, whether it is or not, because I have no authority to review those,” Ms. Maynard said.

“We don’t see the cabinet confidence, so we are asking to see them at least so we can limit it to an actual cabinet confidence.”

In 2019, changes were made to the access to information law, giving the Information Commissioner new powers, including to issue binding orders.

But some of her orders telling government departments to disclose information have been ignored, and Ms. Maynard has had to go to court to try and force the handover of records.

She has used a mandamus writ to make some departments, including the Department of National Defence, comply with their duty to release information. Since the writs were served, the volume of access complaints at the Defence Department has dropped, she said.

The Information Commissioner said if Ottawa were more transparent, it would increase both government accountability and public trust.

“Information leads to trust, leads to confidence,” she said. “And if people don’t have that information, they don’t know who to trust anymore.”

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Statement by Minister Ali on the launch of public engagement for the review of the *Access to Information Act*

From: Treasury Board of Canada Secretariat

Statement

March 5, 2026 – Ottawa, Ontario – Treasury Board of Canada Secretariat

Public engagement for the review of the *Access to Information Act*

The Honourable Shafqat Ali, President of the Treasury Board, made the following statement today regarding the launch of public engagement for the 2025 review of the *Access to Information Act*:

"The *Access to Information Act* is a cornerstone of government accountability and transparency. It is key to supporting an open, democratic society and sparking informed public debate. As part of the 2025 review of the Access to Information Act, we are inviting Canadians and Indigenous Peoples to help improve Canada's access to information system and ensure it remains relevant and responsive in the digital age.

Beginning March 5, Canadians and Indigenous Peoples will have an opportunity to provide feedback that will help shape Canada's access to information system across several broad themes, including improving timely access to records, facilitating the declassification and disclosure of historical records, and ensuring Indigenous peoples have a say in how thei information is accessed and protected.

This review is an opportunity to have your voice heard and to help drive real change. I encourage everyone to participate."

Associated Links

- 2025 review of the *Access to Information Act*: Policy Approaches
- Feedback form: 2025 Review of the *Access to Information Act* – Policy approaches
- 2025 review of the *Access to Information Act* - Canada.ca
- Feedback and engagement to date
- Modernizing access to information - Canada.ca
- The 2020 Access to Information Review - Canada.ca

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Date modified: 2026-03-05

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Review of the *Access to Information Act* and *Privacy Act* modernization

Presented at the National Claims Research Directors Annual Meeting

April 15, 2026

Purpose

To provide an overview of:

1. The Treasury Board of Canada Secretariat's (TBS) mandate as it relates to the *Access to Information Act* (ATIA) and *Privacy Act*.

2. The status of, and engagement approach for, the current review of the ATIA and *Privacy Act* modernization.

3. Potential policy approaches intended to improve Indigenous peoples' access to, and protection of information, personal data, and privacy.

Context

- The **President of the Treasury Board** is responsible for the general administration of the ATIA and the *Privacy Act*.

- Since 2019, this includes **conducting a mandatory review of the ATIA** every five years and tabling a report to Parliament upon its conclusion.

- The first mandated review was launched in 2020 and concluded in 2022 with the tabling of a report to Parliament, though no legislative changes were brought forward; the current review of the ATIA was launched on June 20, 2025.

- The President of the Treasury Board is also **proceeding with a review of the *Privacy* Act** – report to be prepared on possible legislative changes to strengthen privacy protections for Canadians and Indigenous peoples while supporting a modern and effective digital government.

Background

- Canada's federal ATIA and *Privacy Act* came into force on July 1, 1983. The *Privacy Act* has not been significantly updated since then.

- These acts are laws of general application – that is, they apply broadly to Canadian citizens and permanent residents. The *Privacy Act* also applies to foreign nationals and permits non-Canadians to access their personal information.

- They provide the legal right to obtain information, in any form, that is under the control of a government institution. The general purpose of these acts is to promote transparency and accountability in government, and to protect sensitive and personal information.

- Reform is needed for both acts to address systemic challenges that are impacting the performance and operations of the access to information and privacy regimes, including as it relates to Indigenous peoples' access to, and protection of, information.

Engagement approach

- The review of the ATIA and *Privacy Act* modernization build on the findings of previous reviews and over a decade of feedback from interested parties, including Indigenous partners.

- TBS's approach to consulting and engaging Indigenous partners is informed by legislative obligations and policy commitments, including:

    - Under **section 5 of the *United Nations Declaration on the Rights of Indigenous Peoples Act*** (UNDA), the "Government of Canada must, in consultation and cooperation with Indigenous Peoples, take all measures necessary to ensure that the laws of Canada are consistent with the Declaration."

    - **Shared Priority 3 of the Government of Canada's 2023-2028 UNDA Action Plan** commits Canada to the following: "Where a statute requires periodic review, responsible departments will conduct that review in a manner that ensures consistency with the UN Declaration and meets applicable consultation and cooperation requirements in the UN Declaration Act."

    - **Shared Priority 30** of the UNDA Action Plan identifies TBS as co-lead to advance Indigenous data sovereignty by streamlining "timely sharing and access to federal data and information holdings with Indigenous partners, while respecting the privacy of Individuals."

Early engagement

- TBS initiated **early engagement on the current review of the ATIA with Indigenous partners** in May 2024. Follow-up correspondence was sent to over 180 First Nations, Inuit and Métis governments and organizations in October 2024 to validate the areas of focus and potential Indigenous-specific policy approaches to reform the ATIA.

- TBS heard from 33 Indigenous partners, received 16 written responses, and conducted 13 follow-up meetings.

- Indigenous-specific policy approaches (at slides 8 and 9) are intended to:

    - address challenges related to accessing and protecting information under the ATIA as identified by Indigenous peoples, and

    - advance implementation of the UNDA by aligning the ATIA with the UN Declaration on the Rights of Indigenous Peoples, where possible.

Formal engagement

- The **President of the Treasury Board announced the launch of formal engagement** activities with Indigenous partners, members of the public, and government institutions on the review of the ATIA in March 2026, and *Privacy Act* modernization in April 2026.

- To enable a focused and streamlined engagement process, TBS **published potential policy approaches** for the purpose of obtaining feedback on the review of the ATIA and *Privacy Act* modernization.

- A **call for proposals** was sent to Indigenous partners, including the NCRD, on March 17, 2026, inviting participation in both reviews and applications for limited funding (see slide 11 for more details).

Associated Links

- Statement by Minister Ali on the launch of public engagement for the review of the *Access to Information Act*
- 2025 review of the *Access to Information Act*: Policy Approaches
- Government of Canada launches review of the Privacy Act
- 2026 Review of the *Privacy Act*: Policy Approaches

Indigenous-specific policy approaches: ATIA review

Overview: Indigenous requesters rely on the access to information (ATI) system for varied and critical purposes. Over the years, the Government of Canada has heard from First Nations, Inuit and Métis governments and organizations that the ATI regime is not working for them. The following approaches aim to address longstanding challenges with the ATI regime that have been reported by Indigenous peoples, and to help make the Act consistent with the UN Declaration.

Potential approaches:

- **Reflect self-determination in the ATIA**
  - Amend the purpose clause to include a reference to supporting Indigenous self-determination
- **Update the definition of "aboriginal government"**
  - Adopt the broader federal definition "Indigenous governing body" aligned with other federal statutes
- **Protect "Indigenous knowledge" from disclosure**
  - Create a new exemption that would protect Indigenous knowledge from disclosure, subject to few exceptions

Indigenous-specific policy approaches: ATIA review

Potential approaches – continued:

- **Exclude from disclosure third-party information provided to Indigenous-affiliated institutions**
  - Exclude third-party information held by Schedule I Indigenous-affiliated institutions from disclosure to support Indigenous economic self-determination in a manner aligned with the UN Declaration
  - Such a provision would not apply to Crown-Indigenous Relations and Northern Affairs Canada or to Indigenous Services Canada
- **Recognize collective rights in the ATIA**
  - Recognize collective rights in the Act by providing for access to decisions affecting Indigenous peoples to their governing bodies
- **Establish an alternative pathway for access**
  - Enable Indigenous governing bodies to request records through a disclosure arrangement developed with federal institutions – includes recourse through the Federal Court for unresolved disputes
- **Permanently waive the $5 application fee for Indigenous requesters**
  - Permanently waive the application fee for Indigenous peoples and their representatives in policy

Indigenous-specific policy approaches: *Privacy Act*

Overview: Indigenous Peoples have distinct perspectives and priorities regarding their data. A modernized *Privacy Act* would reflect this by supporting Indigenous self-determination and shared stewardship with the Government of Canada, enabling Indigenous peoples to access and govern their data in ways that align with their values and priorities.

Potential approaches:

- **Recognize commitment to reconciliation**
  - Reflect commitment to advance reconciliation with Indigenous peoples in the Act
- **Broaden terms used to refer to Indigenous peoples**
  - Replace outdated terms and fixed lists with flexible language that reflect evolving recognition
- **Recognize Indigenous personal data as a distinct category**
  - Allow individuals to designate their data as Indigenous personal data, associated with a specific Indigenous government
- **Enable routine data-sharing**
  - Enable Indigenous governments to enter into agreements to receive copies of Indigenous personal data where individuals have opted in, for key programs
  - Publish information about these agreements in a public register to support transparency

Next steps

- Partners can participate in the review and provide feedback in three ways:

    1. Via email and/or through a bilateral meeting supported by a validated meeting note. Contact us at: reviewingATIA.revisionLAI@tbs-sct.gc.ca. If choosing this option, the deadline to share your feedback with TBS is **June 15, 2026**.

    2. By completing the digital feedback forms for the ATIA Review before **June 15, 2026,** and *Privacy Act* Modernization before **July 10, 2026**.

    3. If interested in funding support, partners are asked to submit their completed project proposal to reviewingATIA.revisionLAI@tbs-sct.gc.ca no later than **April 10, 2026**. The deadline for funded submissions is **September 1, 2026**, to account for the application and contribution agreement process.

- Please note that if you choose options 2 or 3, you are also welcome to request a bilateral meeting to support your submission.

Thank you!

📫 For any inquiries, please **contact us** at:
reviewingatia.revisionlai@tbs-sct.gc.ca

ANNEX A: Indigenous-specific policy approaches for ATIA review

The 2025 review of the *Access to Information Act* (ATIA) provides an opportunity to examine potential legislative and policy approaches that respond to challenges identified by Indigenous peoples and advance implementation of the *United Nations Declaration on the Rights of Indigenous Peoples Act* (UNDA) in a manner that better aligns the ATIA with the UN Declaration.

Reconciliation

- **Issue:** The ATIA plays a critical role in supporting Indigenous self-determination, which is not reflected in the purpose clause.
- **Proposed approach:** Amend the Act to include a reference to supporting Indigenous self-determination.
- **Benefit:** Recognizes the importance of the ATIA for Indigenous peoples and aligns the Act more closely with the UN Declaration, namely articles 3 and 4.

Indigenous Governance

- **Issue:** The current definition in the Act is outdated and limited to a narrow scope of Indigenous governments.
- **Proposed approach:** Adopt the broader federal definition "Indigenous governing body" (IGB) aligned with other federal statutes.
- **Benefit**: The new definition is culturally appropriate and affords protection of confidential information for more Indigenous groups, aligning with articles 3, 4 and 5 of the UN Declaration.

Indigenous Knowledge

- **Issue:** The ATIA does not specifically protect Indigenous Knowledge (IK) provided in confidence by Indigenous peoples to the Government of Canada.
- **Proposed approach:** Protect IK from disclosure, subject to certain exceptions, as outlined in other federal laws.
- **Benefit**: Mitigates the risk of inappropriate disclosure of IK and better aligns the Act with article 31 of the UN Declaration.

Application Fee

- **Issue:** The $5 fee to access records from federal institutions poses administrative barriers for some Indigenous requesters.
- **Proposed approach:** Permanently waive the application fee for Indigenous peoples and their representatives in policy.
- **Benefit**: Removes a well-documented barrier to access for Indigenous peoples.

Indigenous-affiliated Institutions

- **Issue:** The ATIA does not adequately protect third-party information held by Indigenous-affiliated institutions subject to the Act, risking sensitive disclosures and undermining service delivery.
- **Proposed approach:** Exclude third-party information held by Schedule I Indigenous-affiliated institutions from disclosure.
- **Benefit**: Supports Indigenous economic self-determination in a manner that is aligned with the UN Declaration, particularly articles 5, 20 and 23.

Collective Rights

- **Issue**: The ATIA does not require disclosure of decisions to IGBs that affect the collective rights of Indigenous peoples.
- **Proposed approach**: Recognize collective rights in the Act by providing for access to decisions affecting Indigenous peoples to their governing bodies.
- **Benefit:** Better aligns the Act with articles 19 and 40 of the UN Declaration and reinforces what is already contained in common law requirements and treaties.

Alternative Pathway for Access

- **Issue:** The individual request-based system does not meet the needs of Indigenous peoples and their representative bodies in terms of collective rights.
- **Proposed approach:** Enable IGBs to request records through a disclosure arrangement developed with federal institutions – includes recourse through the Federal Court for unresolved disputes.
- **Benefit**: Embeds a more culturally appropriate pathway to access in law.

ANNEX B: Indigenous-specific policy approaches for *Privacy Act*

Privacy Act Modernization is an opportunity to examine potential legislative and policy approaches that respond to challenges identified by Indigenous peoples and advance implementation of the *United Nations Declaration on the Rights of Indigenous Peoples Act* (UNDA) to better align the Act with the UN Declaration.

Reconciliation

- **Issue:** It is important to embed reconciliation into the foundation of federal legislation, such as the Privacy Act.
- **Proposed approach:** Reflect commitment to advance reconciliation with Indigenous Peoples in the Act.
- **Benefit:** Demonstrate the Act's alignment with Canada's commitment to work respectfully with Indigenous Peoples and guide culturally sensitive privacy practices.

Broadening Terms Used

- **Issue:** The current lists and terms that refer to Indigenous Peoples in the Act are outdated and limited to a narrow scope of Indigenous governments.
- **Proposed approach:** Replace outdated terms and fixed lists with flexible language that reflect evolving recognition.
- **Benefit**: Updated terms would broaden the disclosure provisions and protections to more Indigenous governments and organizations so that the scoping of each provision is linked to its purpose.

Indigenous Personal Data

- **Issue:** Government programs rarely collect information that consistently links individuals to their Indigenous government, which limits the ability to share relevant data to support Indigenous service delivery and governance.
- **Proposed approach:** Allow individuals to designate their data as Indigenous personal data, associated with a specific Indigenous government. This data could have different applicable disclosures compared to other data.
- **Benefit**: Facilitate access to data by the relevant Indigenous government by clearly identifying relevant individuals, while preserving individual choice and aligning safeguards with Indigenous contexts and priorities.

Enable Routine Data-Sharing

- **Issue**: Indigenous partners are seeking better access to personal data about their citizens to support service delivery and self-governance. This supports Indigenous data sovereignty.
- **Proposed approach**: Enable Indigenous governments to enter into agreements to receive copies of Indigenous personal data where individuals have opted in, for key programs. To support transparency, publish information about these agreements in a public register.
- **Benefit:** Support Indigenous data sovereignty and allow Indigenous governments to have greater access to the personal data of their citizens.

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Examen de la *Loi sur l'accès à l'information* et modernisation de la *Loi sur la protection des renseignements personnels*

Présenté lors de la réunion annuelle des directeurs nationaux de la recherche sur les revendications

15 avril 2026

But

Fournir une vue d'ensemble :

1. Du mandat du Secrétariat du Conseil du Trésor du Canada (SCT) en ce qui concerne la *Loi sur l'accès à l'information* (LAI) et la *Loi sur la protection des renseignements personnels* (LPRP).

2. De l'état d'avancement et de l'approche de mobilisation de l'examen actuel de la LAI et de la modernisation de la LPRP.

3. Des approches stratégiques potentielles visant à améliorer l'accès des peuples autochtones à l'information, aux données personnelles et aux renseignements personnels, ainsi que leur protection.

Contexte

- Le **président du Conseil du Trésor** est responsable de l'administration générale de la LAI et de la LPRP.

- Depuis 2019, son mandat comprend **un examen obligatoire de la LAI** tous les cinq ans et le dépôt d'un rapport au Parlement à l'issue de cet examen.

- Le premier examen obligatoire a lancé en 2020 et s'est conclu en 2022 avec le dépôt d'un rapport au Parlement, mais aucune modification législative n'a été apportée; l'examen actuel de la LAI a lancé le 20 juin 2025.

- Le président du Conseil du Trésor **procède également à un examen de la LPRP** – un rapport sera préparé sur les modifications législatives possibles pour renforcer la protection des renseignements personnels des Canadiens et des peuples autochtones tout en soutenant un gouvernement numérique moderne et efficace.

Historique

- La LAI et la LPRP du Canada sont entrées en vigueur le 1er juillet 1983. La LPRP n'a pas fait l'objet d'une mise à jour importante depuis.

- Ces lois sont d'application générale, c'est-à-dire qu'elles s'appliquent largement aux citoyens canadiens et aux résidents permanents. La LPRP s'applique également aux ressortissants étrangers et permet aux étrangers d'accéder à leurs renseignements personnels.

- Elles confèrent le droit légal d'obtenir des renseignements, sous quelque forme que ce soit, qui sont sous le contrôle d'une institution gouvernementale. L'objectif général de ces lois est de promouvoir la transparence et la responsabilité au sein du gouvernement et de protéger les renseignements sensibles et personnels.

- Ces deux lois doivent être réformées afin de relever les défis systémiques qui nuisent au bon fonctionnement et à l'efficacité des régimes d'accès à l'information et de protection des renseignements personnels, notamment en ce qui concerne l'accès des peuples autochtones à l'information et la protection de celle-ci.

Approche de mobilisation

- L'examen de la LAI et la modernisation de la LPRP s'appuient sur les conclusions des examens précédents et sur plus d'une décennie de commentaires de parties intéressées, y compris des partenaires autochtones.

- L'approche du SCT en matière de consultation et de mobilisation des partenaires autochtones s'appuie sur des obligations législatives et des engagements politiques, notamment :
    - En vertu de l'**article 5 de la Loi sur la Déclaration des Nations Unies sur les droits des peuples autochtones** (LDNUDPA), « [l]e gouvernement du Canada, en consultation et en collaboration avec les peuples autochtones, prend toutes les mesures nécessaires pour veiller à ce que les lois fédérales soient compatibles avec la Déclaration. »
    - **La priorité partagée nº 3 du Plan d'action 2023-2028 de la LDNUDPA** du gouvernement du Canada engage le Canada à ce qui suit : « Si une loi exige un examen périodique, les ministères responsables mèneront cet examen de manière à assurer la compatibilité de cette loi avec la Déclaration des Nations Unies et qu'elle répond aux exigences de consultation et de collaboration applicables de la Loi sur la Déclaration des Nations Unies. »
    - **La priorité partagée nº 30** du Plan d'action de la LDNUDPA désigne le SCT comme co-responsable de la promotion de la souveraineté des données autochtones en simplifiant « le partage de données et de fonds d'information fédéraux et l'accès à ceux-ci en temps opportun pour les partenaires autochtones, tout en respectant la vie privée des personnes. »

Mobilisation précoce

- Le SCT a amorcé **une mobilisation précoce des partenaires autochtones dans le cadre de l'examen actuel de la LAI** en mai 2024. Une correspondance de suivi a été envoyée à plus de 180 gouvernements et organisations des Premières Nations, des Inuits et des Métis en octobre 2024 afin de valider les sujets d'intérêt et les approches stratégiques potentielles propres aux Autochtones pour réformer la LAI.

- Le SCT a entendu 33 partenaires autochtones, reçu 16 réponses par écrit, et tenu 13 réunions de suivi.

- Les approches stratégiques propres aux Autochtones (diapositives 8 et 9) visent à :

    - relever les défis liés à l'accès à l'information et à la protection de celle-ci en vertu de la LAI, tels qu'ils ont été identifiés par les peuples autochtones

    - faire progresser la mise en œuvre de la LDNUDPA en harmonisant la LAI avec la Déclaration des Nations Unies sur les droits des peuples autochtones, dans la mesure du possible.

Mobilisation officielle

- Le **président du Conseil du Trésor a annoncé le lancement d'activités officielles de mobilisation** auprès des partenaires autochtones, des membres du public et des institutions fédérales dans le cadre de l'examen de de la LAI en mars 2026, et de la modernisation de la LPRP en avril 2026.

- Afin que le processus d'engagement soit simple et efficace, le SCT a **publié des approches stratégiques potentielles** dans le but de recueillir des commentaires en vue de l'examen de la LAI et de la modernisation de la LPRP.

- Un **appel à propositions** a été envoyé aux partenaires autochtones, y compris les directeurs nationaux de la recherche sur les revendications, le 17 mars 2026, les invitant à participer à la fois aux examens et aux demandes de financement limité (voir la diapositive 11 pour plus de détails).

Liens connexes

- Déclaration du ministre Ali sur le lancement des activités de mobilisation du public dans le cadre de l'Examen de la *Loi sur l'accès à l'information*
- Examen de 2025 de la *Loi sur l'accès à l'information* : approches stratégiques
- Le gouvernement du Canada lance un examen de la *Loi sur la protection des renseignements personnels*
- Examen 2026 de la *Loi sur la protection des renseignements personnels* : approches stratégiques

Approches stratégiques propres aux Autochtones : Examen de la LAI

Aperçu : Les demandeurs autochtones utilisent le système d'accès à l'information (AI) à des fins variées et essentielles. Au fil des ans, le gouvernement du Canada a pris connaissance du fait que les gouvernements et les organisations des Premières Nations, des Inuits et des Métis trouvent que le système d'AI ne fonctionne pas pour eux. Les approches suivantes visent à relever les défis de longue date liés au système d'AI qui ont été signalés par les peuples autochtones, et à contribuer à harmoniser la Loi avec la Déclaration des Nations Unies.

Approches possibles :

- **Tenir compte de l'autodétermination dans la LAI**
  - Modifier la disposition de déclaration d'objet afin d'y inclure une référence au soutien de l'autodétermination des Autochtones
- **Mettre à jour la définition de « gouvernement autochtone »**
  - Adopter la définition fédérale plus large de « corps dirigeant autochtone », harmonisée avec d'autres lois fédérales
- **Protéger le « savoir autochtone » contre la divulgation**
  - Créer une nouvelle exception qui protégerait le savoir autochtone de la divulgation, sous réserve de quelques exceptions

Approches stratégiques propres aux Autochtones : Examen de la LAI

Approches possibles – suite :

- **Exclure de la divulgation les renseignements de tiers fournis aux institutions affiliées aux Autochtones**
  - Exclure de la divulgation les renseignements de tiers détenus par les institutions affiliées aux Autochtones en vertu de l'annexe I afin de soutenir l'autodétermination économique des Autochtones d'une manière conforme à la Déclaration des Nations Unies
  - Cette disposition ne s'appliquerait pas à Relations Couronne-Autochtones et Affaires du Nord Canada ni à Services aux Autochtones Canada
- **Reconnaître les droits collectifs dans la LAI**
  - Reconnaître les droits collectifs dans la Loi en prévoyant l'accès aux décisions touchant les peuples autochtones à leurs corps dirigeants
- **Mettre en place une autre voie d'accès**
  - Permettre aux corps dirigeants autochtones de demander des documents dans le cadre d'une entente de divulgation conclue avec des institutions fédérales – prévoit un recours devant la Cour fédérale en cas de litige non résolu
- **Renoncer de façon permanente aux droits de 5 $ pour les demandeurs autochtones**
  - Annuler en permanence les frais de demande pour les peuples autochtones et leurs représentants politiques

Approches stratégiques propres aux Autochtones : *Loi sur la protection des renseignements personnels*

Aperçu : Les peuples autochtones ont des priorités et des points de vue distincts en ce qui concerne leurs données. Une version modernisée de la LPRP en tiendrait compte en appuyant l'autodétermination des Autochtones et l'intendance partagée avec le gouvernement du Canada, permettant ainsi aux peuples autochtones d'accéder à leurs données et de les gérer d'une manière qui correspond à leurs valeurs et à leurs priorités.

Approches possibles :

- **Reconnaître l'engagement en faveur de la réconciliation**
  - Refléter dans la Loi l'engagement à faire progresser la réconciliation avec les peuples autochtones
- **Élargir les termes utilisés pour désigner les peuples autochtones**
  - Remplacer les termes désuets et les listes établies en adoptant un langage adapté qui reflète l'évolution de la reconnaissance
- **Reconnaître les données personnelles autochtones comme une catégorie distincte**
  - Permettre aux personnes de désigner leurs données comme des données personnelles autochtones, associées à un gouvernement autochtone précis
- **Autoriser le partage de données de routine**
  - Permettre aux gouvernements autochtones, dans le cadre de programmes clés, de conclure des accords pour recevoir des copies des données personnelles autochtones lorsque les personnes ont choisi de le faire
  - Publier de l'information sur ces accords dans un registre public pour assurer la transparence

Prochaines étapes

- Les partenaires peuvent participer à l'examen et fournir des commentaires de trois manières :

    1. Par courriel et/ou lors d'une réunion bilatérale appuyée par une note de réunion validée. Contactez-nous : reviewingATIA.revisionLAI@tbs-sct.gc.ca. Si vous choisissez cette option, la date limite pour faire part de vos commentaires au SCT est le **15 juin 2026**.

    2. En remplissant les formulaires de rétroaction numérique pour l'Examen de la LAI avant **le 15 juin 2026,** et pour la modernisation de la LPRP avant **le 10 juillet 2026**.

    3. S'ils sont intéressés par un soutien financier, les partenaires sont invités à présenter leur proposition de projet complète à reviewingATIA.revisionLAI@tbs-sct.gc.ca au plus tard **le 10 avril 2026**. La date limite pour les soumissions financées est **le 1er septembre 2026** afin de tenir compte du processus de demande et d'accord de contribution.

- Veuillez noter que si vous choisissez les options 2 et 3, vous êtes également invité à demander une rencontre bilatérale pour appuyer votre soumission.

Merci!

📬 Pour toute demande de renseignements, veuillez **nous contacter** à :

reviewingatia.revisionlai@tbs-sct.gc.ca

ANNEXE A : Approches stratégiques propres aux Autochtones pour l'examen de la LAI

L'examen de 2025 de la *Loi sur l'accès à l'information* (LAI) est l'occasion d'étudier des approches législatives et stratégiques potentielles qui répondent aux défis identifiés par les peuples autochtones et font progresser la mise en œuvre de la *Loi sur la Déclaration des Nations unies sur les droits des peuples autochtones* (LDNUDPA) d'une manière qui harmonise mieux la LAI et la Déclaration des Nations Unies.

AUTODÉTERMINATION

- **Problème :** La LAI joue un rôle essentiel dans le soutien de l'autodétermination des Autochtones, ce qui n'est pas reflété dans la disposition d'objet.
- **Approche proposée :** Modifier la disposition de déclaration d'objet afin d'y inclure une référence au soutien de l'autodétermination des Autochtones.
- **Avantage :** Reconnaît l'importance de la LAI pour les peuples autochtones et aligne la Loi plus étroitement sur la Déclaration des Nations Unies, à savoir les articles 3 et 4.

GOUVERNANCE AUTOCHTONE

- **Problème :** La définition actuelle de la Loi est dépassée et limitée à un nombre restreint de gouvernements autochtones.
- **Approche proposée :** Adopter la définition fédérale plus large de « corps dirigeant autochtone » (CDA), harmonisée avec d'autres lois fédérales.
- **Avantage** : La nouvelle définition est adaptée sur le plan culturel et assure la protection de l'information confidentielle pour un plus grand nombre de groupes autochtones, conformément aux articles 3, 4 et 5 de la Déclaration des Nations Unies.

SAVOIRS AUTOCHTONES

- **Problème :** La LAI ne protège pas expressément les savoirs autochtones (SA) fournis à titre confidentiel par les peuples autochtones au gouvernement du Canada.
- **Approche proposée :** Protéger les SA de la divulgation, sous réserve de certaines exceptions, comme indiqué dans d'autres lois fédérales.
- **Avantage** : Atténue le risque de divulgation non autorisée de SA et harmonise mieux la Loi avec l'article 31 de la Déclaration des Nations Unies.

DROITS DE DEMANDE

- **Problème :** Les droits de 5 $ exigés pour l'accès aux documents des institutions fédérales constituent des obstacles administratifs pour certains demandeurs autochtones.
- **Approche proposée :** Annuler en permanence les droits de demande pour les peuples autochtones et leurs représentants politiques.
- **Avantage** : Supprime un obstacle bien documenté à l'accès des peuples autochtones.

INSTITUTIONS AFFILIÉES À DES PEUPLES AUTOCHTONES

- **Problème :** La LAI ne protège pas suffisamment l'information de tiers détenue par des institutions affiliées à des peuples autochtones et assujetties à la Loi, ce qui risque d'entraîner des divulgations sensibles et de nuire à la prestation de services.
- **Approche proposée :** Exclure de la divulgation l'information de tiers détenue par les institutions affiliées à des peuples autochtones en vertu de l'annexe I.
- **Avantage** : Soutient l'autodétermination économique des Autochtones d'une manière conforme à la Déclaration des Nations Unies, en particulier les articles 5, 20 et 23.

DROITS COLLECTIFS

- **Problème :** La LAI n'exige pas la divulgation aux CDA des décisions qui portent atteinte aux droits collectifs des peuples autochtones.
- **Approche proposée** : Reconnaître les droits collectifs dans la Loi en prévoyant l'accès aux décisions touchant les peuples autochtones à leurs corps dirigeants.
- **Avantage :** Harmonise mieux la loi avec les articles 19 et 40 de la Déclaration des Nations Unies et renforce ce qui est déjà contenu dans les exigences de la common law et dans les traités.

UNE VOIE ALTERNATIVE D'ACCÈS

- **Problème :** Le système basé sur les demandes individuelles ne répond pas aux besoins des peuples autochtones et de leurs organes représentatifs en matière de droits collectifs.
- **Approche proposée :** Permettre aux CDA de demander des documents dans le cadre d'une entente de divulgation conclue avec des institutions fédérales – prévoit un recours devant la Cour fédérale en cas de litige non résolu.
- **Avantage** : Inscrit dans la loi une voie d'accès plus appropriée sur le plan culturel.

ANNEXE B : Approches stratégiques propres aux Autochtones pour la LPRP

La modernisation de la *Loi sur la protection des renseignements personnels* est l'occasion d'étudier des approches législatives et stratégiques potentielles qui répondent aux défis identifiés par les peuples autochtones et font progresser la mise en œuvre de la *Loi sur la Déclaration des Nations unies sur les droits des peuples autochtones* (LDNUDPA) afin de mieux harmoniser la LAI et la Déclaration des Nations Unies.

Réconciliation

- **Problème :** Il est important d'intégrer la réconciliation dans les fondements des lois fédérales, comme la *Loi sur la protection des renseignements personnels*.
- **Approche proposée :** Refléter dans la Loi l'engagement à faire progresser la réconciliation avec les peuples autochtones.
- **Avantage :** Démontrer l'harmonisation de la Loi avec l'engagement du Canada à travailler de manière respectueuse avec les peuples autochtones et à orienter les pratiques culturellement adaptées de protection des renseignements personnels.

Élargissement des termes utilisés

- **Problème :** Les listes et les termes faisant référence aux peuples autochtones dans la version actuelle de la Loi sont dépassés et limités à un nombre restreint de gouvernements autochtones.
- **Approche proposée :** Remplacer les termes et les listes fixes désuets par un langage souple qui reflète l'évolution de la reconnaissance.
- **Avantage** : La mise à jour des termes élargirait les dispositions et les mesures de protection en matière de divulgation à un plus grand nombre de gouvernements et d'organisations autochtones, de sorte que la portée de chaque disposition soit liée à son objectif.

Données personnelles autochtones

- **Problème :** Les programmes gouvernementaux recueillent rarement des renseignements qui relient systématiquement les individus à leur gouvernement autochtone, ce qui limite la capacité à partager des données pertinentes pour soutenir la prestation de services et la gouvernance autochtones.
- **Approche proposée :** Autoriser les individus à désigner leurs données comme des données personnelles autochtones, associées à un gouvernement autochtone précis. Ces données pourraient faire l'objet de divulgations différentes par rapport à d'autres données.
- **Avantage** : Faciliter l'accès aux données par le gouvernement autochtone concerné en identifiant clairement les personnes concernées, tout en préservant le choix individuel et en harmonisant les mesures de protection avec les contextes et les priorités autochtones.

Autoriser le partage de données de routine

- **Problème** : Les partenaires autochtones cherchent à obtenir un meilleur accès aux données personnelles de leurs citoyens afin de soutenir la prestation de services et l'autonomie gouvernementale, ce qui soutient la souveraineté des données autochtones.
- **Approche proposée** : Autoriser les gouvernements autochtones à conclure des accords pour recevoir des copies de données personnelles autochtones lorsque les individus ont choisi de le faire, pour des programmes clés. Pour favoriser la transparence, publier les renseignements relatifs à ces accords dans un registre public.
- **Avantage :** Soutenir la souveraineté des données autochtones et permettre aux gouvernements autochtones d'avoir un meilleur accès aux données personnelles de leurs citoyens.

Addressing the Full Scope of Harms

A Report by the BC Specific Claims Working Group
on the BC Chiefs Engagement on Specific Claims Reform

February 2025

Executive Summary

For over 150 years, BC First Nations have sought redress for historical losses and restitution of their lands and inherent rights. For the last 80 of these years, BC Nations have fought for the creation of a fully independent and just claims process to address these historical wrongs.

In September 2024, the BC Specific Claims Working Group (BCSCWG) coordinated an engagement session with BC Chiefs and First Nations about specific claims reform and the proposed Independent Centre for the Resolution of Specific Claims. Overall, BC Chiefs and Nations continue to uphold their strong position on what is required for the resolution of claims, carrying on the dedicated and principled work of their Elders and generations of previous leaders. BC Nations want fair, independent processes for redress that allow them to repair the damages of historical losses, grow their land base, expand their constitutionally recognized legal authority over their territories, and support their communities for generations to come.

This report is the BCSCWG submission to the joint AFN-Canada working group on specific claims policy reform, known currently as the Joint Technical Working Group (JTWG). It summarizes feedback from BC Chiefs and First Nations within four key areas:

1. **Understandings of loss and redress:** The current process centres on a narrow idea of "legal obligation," as unilaterally defined by Canada under its Specific Claims Policy and the *Specific Claims Tribunal Act*. Indigenous legal frameworks are based on broader understandings of loss and outline how redress should be focused on repairing broken relationships and restoring First Nations to the positions they would have been in had the historical wrongdoing not occurred.

2. **Cultural losses and ongoing harms**: The current process does not address cultural losses and ongoing harms. BC First Nations are clear that specific claims should help address past wrongdoings in ways that repair the damages caused and help Nations build stronger futures. Canadian law on equitable compensation outside the context of specific claims also addresses a broad range of losses that directly result from a breach of fiduciary obligation.

3. **Barriers to land return in BC:** Participants identified many barriers to land return (such as rapid development and the challenge of bringing the Province and third parties to the table). It is a priority that these issues are addressed so that land return can be a consistent part of specific claims processes.

4. **The relationship between specific claims and broader issues of Indigenous rights and jurisdiction:** Further discussion is needed to explore the relationship between specific claims and ongoing governance frameworks in First Nations' territories, including on

issues such as revenue sharing agreements, water rights, protection of at-risk sites. Implementation of specific claims is a crucial starting point to explore.

From this engagement, the BCSCWG identified five priority action areas:

- **ACTION 1: AN INDEPENDENT PROCESS**: BC First Nations have called for a fully independent process for over 80 years. Policy reforms alone will not address the conflict of interest that is a fundamental injustice and the root cause of system-wide barriers and delays. Canada must continue to work with First Nations to advance and enact this fundamental change to specific claims.

- **ACTION 2: CULTURAL LOSSES AND ONGOING HARMS:** Canada must work jointly with First Nations to remove barriers to compensation for cultural losses and ongoing harms to First Nations and their relationships with their lands and territories.

- **ACTION 3: ADDRESSING BARRIERS TO LAND RETURN:** Canada must work with BC First Nations to address strategic barriers to land return, including bringing the Province to the table in a systematic way.

- **ACTION 4: BC GOVERNANCE STRATEGIES:** Canada must support the BCSCWG in continuing to hear from First Nations about priority issues, such as revenue sharing, water rights, and protection for at-risk sites can be supported alongside the negotiation and implementation of specific claims.

- **ACTION 5: COMMUNICATION:** The Minister and the AFN-Canada working group must respond directly to this BSCWG submission in a timely manner (i.e. within three months), addressing the state of the process and what steps Canada is taking advancing the issues raised by BC Chiefs and Nations.

At the September engagement, BC First Nations reaffirmed their commitment to work together collectively and strategically – to “stand together” – to advance priority aims, continuing to advance the strong principled stance that they’ve held for decades. As the federal political context for specific claims reform changes, the BCSCWG will continue to coordinate dialogue and strategic planning among BC Nations to support the legal and political actions that are needed for historical wrongs to be addressed in a just, equitable, and timely way.

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Introduction

The first solution is that we have to use one voice in putting our positions forward. If we want to advance any positions that are going to rectify these problems, then we have to be able to hook arms and stand together.

– Chief Mark Point, member of the BC Specific Claims Working Group, at the BC Chiefs Engagement in September 2024

The historical actions illegally undertaken by the colonial government of British Columbia and successive governments of Canada since BC entered Confederation in 1871 resulted in the dispossession of BC First Nations, including the illegal alienation of over 1,000 Indian reserves and fishing areas, the systematic denial of rights to fish and access to water, and the illegal disruption and removal of sacred sites and gravesites. For over 150 years, BC First Nations have sought redress for these losses and restitution of their lands and inherent rights. For the last 80 of these years, BC Nations have fought for the creation of a fully independent and just claims process to address these historical wrongs.

First Nations in BC have always been clear: an independent specific claims process, including a fully impartial dispute resolution mechanism, is essential to resolving claims in a just and timely way, on a consistent basis. Canada's conflict of interest – its control of funding, information, legal frameworks, and the overall process – is fundamentally unjust and indefensible, including under international law. This conflict of interest creates delays, obfuscation, and other ongoing barriers to resolving claims. In the current process, Canada's conflict of interest extends to its unilateral determination of the scope of eligible losses and remedies. Meanwhile, these historical wrongdoings continue to impact First Nations socially, economically, culturally, and spiritually in ways that go unrecognized and unaddressed.

Governments have repeatedly promised and failed to create an independent process; meanwhile, First Nations' calls for what is required have remained consistent across generations.[1] Since 2017, BC First Nations have participated in multiple rounds of engagement to reform Canada's specific claims policy. These engagements are part of a joint process overseen by the Assembly of First Nations (AFN) and Canada, with the aim of creating an Independent Centre for the Resolution of Specific Claims. Over these past seven years, the input of BC First Nations has shaped national political reform efforts in critical ways:

- **Engagement 1:** In 2017, BC First Nations identified five key action items, including the need to "jointly develop an independent process based on a Nation-to-Nation framework"

[1] One study notes that "While the government of the day's vision has varied somewhat over time, the First Nations' vision of what such a body should (and should not) look like has been remarkably consistent." See Leigh Ogston Milroy, 2002. *Aboriginal Policy-Making and Dispute Resolution Processes: A History of the Concept of a Tribunal for the Adjudication of Specific Land Claims in Canada*. M.A. Thesis. University of Victoria. Milroy writes: "The creation of an independent claims body was an election promise of the Liberal party in 1963, 1993, and 1997, and at the time of this writing in 2002, the Minister of Indian and Northern Affairs and Development has publicly confirmed the federal government's intention to legislate an independent claims body before the expiration of its current mandate."

and "integrate Indigenous sovereignty and laws." [2] This principled position contributed to renewed efforts to create an Independent Centre and integrate Indigenous laws and legal principles into specific claims processes. In 2017, First Nations in BC also demanded that the specific claims process "enact real redress and restitution, rather than trying to minimize liability, with Indigenous Nations as equal partners in determining remedies." As we explain in this submission, the need for "real redress and restitution" (with just, equitable approaches to determining remedies) remains a priority for BC First Nations.

- **Engagement 2:** In 2019, BC First Nations emphasized the need for the Independent Centre to assume responsibility for *all aspects* of the administration and management of claims.[3] First Nations in BC also identified the need to create an advisory committee of Indigenous legal experts (scholars, community experts) to support the recognition and application of Indigenous laws in specific claims. This Advisory Council became part of the AFN's draft proposal for an Independent Centre and the AFN has created the Council of Experts in Indigenous Laws (CEIL), which is shaping ongoing ideas and reforms.[4]

A full list of recommendations from these two past engagements is included in Appendix A.

In September 2024, BC First Nations participated in **Engagement 3**. As we explain in this report, BC First Nations continue to advocate for transformative reforms of the specific claims process. They express the clear view that redress should be about repairing the damage caused by historical wrongdoings, including addressing cultural harms and ongoing losses. This approach is rooted in Indigenous legal frameworks related to loss and restitution and stated as a right in the *UN Declaration on the Rights of Indigenous Peoples*.[5] Land return continues to be a top priority for BC First Nations, who also want their inherent rights and authority in their territories to be fully enacted across decision-making at all scales. At this third engagement, BC First Nations spoke of the need for a BC-specific strategy to address priority issues unique to this region.

In this report, the BC Specific Claims Working Group (BCSCWG) shares more detailed findings on four key areas of reform within the specific claims process:

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[2] BC Specific Claims Working Group, 2017. *"On a Human Rights Foundation": Creating a Nation-to-Nation, Rights-Based Approach for Addressing Indigenous Nations' Historical Losses*. The BC Specific Claims Working Group Submission to the AFN-INAC Joint Technical Working Group on Specific Claims. July 24, 2017.

[3] BC Specific Claims Working Group, 2019. *The Work Ahead: Eliminating Canada's Conflict of Interest to Create a Fair, Legitimate Process for Resolving Specific Claims*. The BCSCWG Submission to the AFN Engagement Session on an Independent Process. December 18, 2019.

[4] Assembly of First Nations, 2024. Council of Experts in Indigenous Laws. The AFN has also hosted two Indigenous Laws Gatherings: *Indigenous Laws Gathering: Recognition of Indigenous Laws in the Specific Claims Process* (June 2023) and *Holding Space: Elevating Indigenous Laws to Address Historical Wrongs* (June 2024).

[5] As we explain below, drawing from Justice Ardith Walkem's 2018 paper, losses must be assessed in light of the disruption of Indigenous People's relationship with their territory, resources, and culture," and principles of restitution must consider "how Indigenous People may be restored as far as possible by having the damage repaired." See Ardith Walkem, 2018. *A New Way Forward: Incorporating Indigenous Laws and Legal Orders into Specific Claims Processes*. Discussion Paper. BC Specific Claims Working Group.

1. **Understandings of loss and redress:** The current process centres on a narrow idea of "legal obligation," as unilaterally defined by Canada and outlined in the *Specific Claims Tribunal Act* (section 14). Indigenous legal frameworks are based on broader understandings of loss (including cultural losses and ongoing harms) and outline how redress should be focused on – as far as is possible – repairing broken relationships and restoring First Nations to the positions they would have been in had the historical wrongdoing not occurred. BC First Nations are clear that a narrow understanding of lawful obligation excludes critical effects of historical losses and frames out real opportunities for repair.

2. **Cultural losses and ongoing harms**: *The Specific Claims Tribunal Act* and current specific claims processes cover only a limited range of losses; the extensive and lasting effects of historical wrongdoings on culture are unjustly excluded from the claims process, as the range of eligible losses have been unilaterally defined by Canada. Further, the current process focuses only on financial compensation, while the harms from the losses usually continue unabated. BC First Nations are clear that specific claims should help address past wrongdoings in ways that repair the damages caused and help Nations build stronger futures. Again, this is a view grounded in Indigenous legal principles and reflected in the *UN Declaration on the Rights of Indigenous Peoples*. Further, Canadian law on equitable compensation outside the context of specific claims also addresses a broad range of losses that directly result from a breach of fiduciary obligation.

3. **Barriers to land return in BC:** Participants identified many complex, overlapping barriers that prevent their acquiring lands to support their communities, such as rapid development, the challenges of bringing the Province and other third parties to the table, and accelerating climate change, which makes some lands unusable and creates increased demand for secure, risk-resilient land. BC Nations are clear: land return is urgent and a top priority. BC First Nations identified several barriers to land return and recommended ways to address them strategically, including via a specific claims strategy designed uniquely for BC issues.

4. **The relationship between specific claims and broader issues of Indigenous rights and jurisdiction**: Government processes for redress are siloed by scale (e.g. federal versus provincial) and process (e.g. Specific Claims is separate from Additions to Reserves). First Nations in BC work tirelessly in a complex, fragmented political landscape to secure lands and rights that are inherent and unceded and to have their authority fully recognized. BC First Nations want specific claims processes to be forward looking and help them address priority issues in their territories and enact their authority. In the engagement, priority governance issues for BC Nations included revenue sharing, water rights, and protection of at-risk lands and sites. Further discussion is needed to explore the relationship between specific claims and ongoing governance frameworks in First Nations' territories. Again, BC Chiefs called for a BC-specific strategy might help advance these issues.

At this engagement, BC Chiefs and Nations continue to uphold their strong position on what is required for the resolution of claims, carrying on the dedicated and principled work of their Elders and previous leaders. Overall, BC Nations want fair processes for redress that allow them to repair the damages of historical losses, grow their land base, expand their constitutionally recognized legal authority over their territories, and support their communities for generations to come. They reaffirmed their commitment to work together collectively and strategically – to "stand together" – to advance priority aims, continuing to advance the strong principled stance that they've held for decades.

About the BC Specific Claims Working Group

The BC Specific Claims Working Group (BCSCWG), is a group of Indigenous leaders and specific claims technicians, created by resolution of the Union of BC Indian Chiefs (UBCIC) in 2013 and tasked with advocating for the fair and just resolution of BC specific claims and advancing specific claims on the national political agenda.[6] The BCSCWG creates opportunities for dialogue, knowledge sharing, and strategic action among BC First Nations.

The BCSCWG and Indigenous Laws

The BCSCWG is actively involved in ongoing research and advocacy around the support for Nation-based approaches to enacting Indigenous laws within specific claims.[7] BC First Nations are very clear that they hold title and jurisdiction in their territories. In a true Nation-to-Nation relationship, legal pluralism is essential; the legal institutions and frameworks of claims cannot be Canada's alone. As the BCSCWG wrote in our 2019 submission: there is an urgent need to develop an independent process that "is equally founded upon the diversity of Indigenous worldviews, dispute resolution practices, and legal protocols."[8]

Participant input at the September engagement provided continued direction to the BCSCWG to advocate for a more just and equitable approach to law and legal frameworks in specific claims.

About the Engagement

On September 10 and 11, 2024, the BC Specific Claims Working Group (BCSCWG) held a two-morning online engagement session with BC Chiefs about specific claims policy reform and the creation of the Independent Centre. The BC engagement was built around key issues: the role of Indigenous laws, cultural losses and ongoing harms resulting from historical wrongdoings, land

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[6] Union of BC Indian Chiefs, 2013. Creation of UBCIC Specific Claims Working Group. Resolution 2013–25. May 2013.

[7] To support learning about the application of Indigenous laws in specific claims, the BCSCWG has developed a web based resource – *Our Laws Arise from the Land*. This site includes research (by many partners) on many topics, including papers on Indigenous legal principles and specific claims (by Justice Ardith Walkem), "Land Back" and specific claims policy (by Dr. Shiri Pasternak), the effects of historical losses of Indigenous women (by Dr. Sarah Hunt), and Implementing UNDRIP's Right to Redress (by Brenda Gaertner) (coming soon).

[8] BC Specific Claims Working Group, 2019. *The Work Ahead: Eliminating Canada's Conflict of Interest to Create a Fair, Legitimate Process for Resolving Specific Claims*. Page 5.

return as part of specific claims settlement, and the need for timely, effective redress that actually helps BC Nations address the real issues in their territories and move forward and plan for their futures.

These topics were addressed through online surveys in Slido (see Appendix B for a list of questions) and opportunities for feedback and discussion. The engagement was chaired by Chief Mark Point and facilitated by Kory Wilson, a lawyer, experienced facilitator, and Executive Director of Indigenous Initiatives and Partnerships at the BC Institute of Technology. It was attended by 78 people, including Chiefs, councillors, land managers, specific claims practitioners, and many representatives of Indigenous organizations and Canada. Overall, 47 participants were representatives of First Nations, from all across BC.

About Participants

At the engagement…

- 100% of participants from First Nations had active specific claims
- Many Nations have been involved in specific claims for over a decade
- Several participants had been involved with specific claims for over 30 years

For this report, we drew together all input from participants during and after the engagement, including submissions via email. We organized input by theme and tried to reflect accurately participants' concerns and priorities. We circulated the formatted report back to First Nations, to hear their feedback. We also draw from a number of papers, submissions, and other resources commissioned or supported by the BCSCWG over the past ten years

The Promise of an Independent Process

Under this current government, Canada has repeatedly committed – including in a public ceremony in 2022 and in the UNDRIP Action Plan – to create an Independent Centre for the Resolution of Specific Claims.[9] In advance of the September engagement, participants had the opportunity to read both the AFN's proposal for an Independent Centre and the AFN-Canada Joint Discussion Paper on an Independent Centre for the Resolution of Specific Claims.[10]

[9] In a news release about the ceremony in 2022, Crown-Indigenous Relations and Northern Affairs stated that "Together, Canada and the AFN will establish a centre that will act as a neutral body to accelerate the resolution of claims." The UNDRIP Action Plan commits Canada to continuing to "co-develop options for reform of the Specific Claims program, and the development of a reformed specific claims resolution process, including a Centre for the resolution of specific claims, to administer and oversee the process presently performed by Crown-Indigenous Relations and Northern Affairs Canada."

[10] See the AFN's 2022 *Specific Claims Reform Proposal* and the Specific Claims Implementation Working Group's (2024) *Proposed Independent Centre for the Resolution of Specific Claims Discussion Paper*.

Canada announced its commitment to an independent process with much publicity and fanfare; as it backed away from these commitments, it failed to even provide clear updates to the rights holders who participated directly in the process. The result is a compounding of distrust and a lost opportunity to redefine the relationship and create a true Nation-to-Nation approach to specific claims. As a result, it is one of the BCSCWG's five action items (described at the end of this report) that Canada respond to this BC submission in a transparent and timely manner.

The BCSCWG will address Canada's failure to advance a much-publicized process within this government's mandate. Here we focus on priority areas identified by BC Nations at the third engagement session. At the same time, BC Nations still expect Canada to fulfill the promise to work with First Nations to create a fully independent centre for the resolution of specific claims, as this is the only just and equitable route to claims resolution over the long term.

Update in 2025: The Federal Political Context

Since September, the political context has changed drastically. The prime minister has resigned; Parliament has been prorogued. The Independent Centre is no longer being negotiated. The AFN-Canada working group is no longer focusing on implementing the Centre and is working instead on joint approaches at the level of policy reform.

The findings and main recommendations in this BC report remain centrally important: they give the BCSCWG critical direction for priority reform issues for specific claims in BC. We still have a mandate to advocate for an Independent Centre. At the same time, the BCSCWG plans to engage with BC First Nations and to undertake strategic planning work on legal and political approaches to advance in this changing context.

Understandings of Loss and Redress

Some of the questions raised earlier were about how we can make our societies more whole again, as a result of resolving specific claims through the processes. And one of the things that comes to my mind is when a boat tips over, all our belongings fall overboard. All the good swimmers can save their families, but not everything can be recovered or repaired. The term we use in our language is iljo'qatemk [to make upright]. *Meaning we're putting the boat upright and afloat again, and we gather whatever's leftover and dry, and dry ourselves, and so on and so forth. So it is a process.* – Stephen Augustine, member of the AFN Council of Experts on Indigenous Laws, at the BC Chiefs Engagement, 2024

As we explain throughout this report, BC Chiefs and First Nations expect their Indigenous laws enacted in the specific claims process, including in defining the scope of loss and redress, in ways that reflect Nations' authority and jurisdiction within their territories. As we describe in this section, this approach to law in specific claims is essential to aligning specific claims processes with the UN Declaration and the *UN Declaration Act*.

From an Indigenous legal perspective, the historical wrongdoings that form the basis of specific claims must be understood in terms of broken relationships. Justice Ardith Walkem writes: "an accounting of Indigenous loss must be assessed in light of the disruption of Indigenous Peoples' relationship with their territory, resources and culture."[11] Indigenous legal frameworks state, therefore, that redress and restitution must address that disruption. Justice Walkem writes: "principles of restitution must consider how Indigenous people may be restored as far as possible by having the damage repaired" (rather than only within the frame of financial compensation). From an Indigenous legal perspective, cash settlements are inadequate if the damage goes unaddressed or First Nations continued to be blocked or impeded – in many ongoing, systematic ways – from repairing this damage created by the loss.

Defining Terms: A Focus on Redress and Restitution

In this submission, we emphasize the terms "redress" and "restitution," because, as we describe, they reflect the basic facts of Indigenous title and rights and are associated with States' legal obligations under the *UN Declaration* and the *UN Declaration Act*.

Redress: In the context of international law, including under the UN Declaration, redress is a human right. Under the UN Declaration, Indigenous peoples are entitled to fair processes of redress for the harmful acts of States (including discrimination; assimilation; dispossession of lands, territories, or resources; and deprivation of their cultural values or ethnic identities). We are focused in this submission on expanding forms of redress within the specific claims process, so that it can directly address or help repair the specific harms created by historical losses (as we explain in detail below).

[11] Ardith Walkem, 2018. *A New Way Forward: Incorporating Indigenous Laws and Legal Orders into Specific Claims Processes*. Discussion Paper. BC Specific Claims Working Group.

Restitution: In everyday English, restitution has two meanings: (1) "the act or instance of restoring something that was lost or stolen to its proper owner; (2) "compensation for an injury."[12] The UN Declaration also sets out rights related to restitution. In this report, we are focusing on *restitution* in the first sense: to talk about restoring what was lost, focusing in particular on restitution of land. Restitution of land was a top priority for Chiefs at the BC engagement.

We emphasize these terms of redress and restitution over other terminology, such as "resolution" and "reconciliation." The term "resolution" has often been used for when parties have reached an agreement; however many Chiefs and Nations are moving away from the language of "resolution," which suggests that the wrongdoing has been "resolved." Chiefs at the engagement session were clear that these issues cannot be resolved, because the losses can never be undone or fully repaired. If the word is used at all, it must be understood as an ongoing process, rather than a point of completion or arrival. For example, "resolution is ongoing" is a principle identified by Justice Walkem in her paper on the key principles of Indigenous legal frameworks and specific claims.[13]

Further, we do not use the term "reconciliation" in this submission, because we are focused on the actionable reforms required for meaningful outcomes for BC First Nations. The Truth and Reconciliation Commission (TRC) connects reconciliation with meaningful action, as established in its 2015 *Calls to Action* report. Over the last 10 years, however, the term has been used often by provincial and federal governments; now associated with so many past broken promises, it usually feels empty.[14]

Broadening the Scope of Redress

Within Indigenous legal frameworks, the concept of redress is focused on repairing broken relationships and restoring First Nations to the position that they would have been in had the wrongdoing not occurred. Redress in this framework "is not prescriptive and is not limited to any particular form of relief."[15] As the chief negotiator for the AFN in the Residential School Settlement explained, "if redress is defined without Indigenous Legal Principles at its foundation, it 'could lead to yet another form of colonial interpretation of the needs of the claimant. … The reparations must originate from the victims themselves, addressing their needs as they see

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[12] Canadian Oxford English Dictionary, 2006. "Restitution."

[13] Ardith Walkem, 2018. *A New Way Forward: Incorporating Indigenous Laws and Legal Orders into Specific Claims Processes*. Discussion Paper. BC Specific Claims Working Group.

[14] As a past UBCIC open letter on specific claims funding notes: "Talk of reconciliation is an empty gesture without taking concrete action to set the process in motion." Union of BC Indian Chiefs. 2016. OPEN LETTER: Federal Budget Silent on First Nations Land Disputes. Indigenous Affairs Minister Must Keep Promise to Restore Specific Claims Research Funding. March 31. 2016.

[15] Brenda Gaertner, forthcoming. *Implementing UNDRIP's Right to Redress in Negotiated Settlements under Canada's Specific Claims Policy*. DRAFT. Mandell Pinder LLP.

them.'"[16] One participant at the engagement wrote that the First Nations should be able to "identify the redress that is consistent with their needs."

In the current specific claims process, "financial compensation is the primary, and usually only, means of redress available."[17] Compensation is important. Settlement monies mean that Nations can buy land, make much-needed investments, run programs, and create legacies for future generations. At the engagement, participants identified "financial compensation" as one priority remedy for the wrongs their Nations have faced. At the same time, cash settlement does not provide redress for the historical wrongdoings associated with specific claims. Money alone is inadequate for Nations to overcome the barriers they face as they try to repair damages from historical land loss and move forward in a better way. One participant said it was time to "move away from the emphasis on financial reparations and include all dimensions of loss."

At the September engagement, participants reviewed a list of different types of remedies that was generated from past engagements (box 1, below). They agreed that many of these remedies would be important for their Nations, particularly the return of land.

Box 1.
Remedies for Historical Losses, As Identified in Past Engagements

- Return of land
- Revenue sharing
- Compensation for loss of cultural knowledge
- Multi-year financial settlements
- Support for cultural and language programming
- Ceremonies to redress past wrongs
- Public apologies
- Visits from Canada
- Respecting protocols

Participants then identified other remedies that would help address the historical wrongdoings their Nations have faced:

- Law-making authority ("Invoke Nation's traditional laws to anyone in our territory")
- Resource development opportunities and the generation of revenue ("Surface and subsurface resources")
- Greater access to and authority over fisheries
- Restoring lost languages and teachings
- Immediate protection for at-risk cultural and sacred sites

[16] Mahoney, 2018 at 215. Cited in Brenda Gaertner, forthcoming, *Implementing UNDRIP's Right to Redress.*
[17] Brenda Gaertner, forthcoming. *Implementing UNDRIP's Right to Redress.*

- Immediate protection for species at risk
- Exclusive access to certain species
- Water rights ("Rectify the fact that Canada didn't follow through on ensuring water rights when reserves were created," wrote one participant.)

These remedies focused on advancing First Nations' authority to heal from past wrongs on their own terms and make decisions of all kinds within their territories, including the creation of economic opportunities and the right to protect sites and species important to them. One participant wrote "All of the above in a reconciliation package, starting with LAND BACK."

Overall, First Nations' needs and legal perspectives must be part of the process to determine what constitutes redress for the historical wrongs they have faced.

Cultural Losses and Ongoing Harms

"*Canada will not compensate for intangible losses (loss of reserves because of damages caused by takings made reserves unlivable, loss of transmission of intergenerational knowledge, loss of livelihood, displacement – the list goes on and on). This needs to be included in the settlement negotiations.*" – Slido participant at the BC Engagement

True redress for historical wrongdoings requires development of a complete picture of the effects of these wrongs on First Nations, including the impacts on culture and the ongoing harms First Nations face. These effects continue and accelerate as development, land use pressures, and climate change impacts increase.

Cultural losses and other ongoing harms are not compensable under the current specific claims process. As described above, the *Specific Claims Tribunal Act* and the processes for claims resolution cover a limited range of losses, focus only on financial compensation, and also limit the type of losses for which Nations can seek restitution.[18]

This one-sided legal perspective on what constitutes loss and redress is out of alignment with Indigenous legal principles and the UN Declaration on the Rights of Indigenous Peoples**.** Further, Canadian law on equitable compensation outside the context of specific claims also addresses a broad range of losses that directly result from a breach of fiduciary obligation; the fact that such losses and harms are not addressed within specific claims is an unjust exclusion.

A resolution at the AFN General Assembly in July 2024 also identified the importance of a specific claims process that addresses cultural losses and ongoing harms:

> The Government of Canada's refusal to compensate for harm to First Nation's sacred, unique and sui generis connection to the land prevents equitable settlements. The Specific Claims policy states: "Compensation shall not include any additional amount based on "special value to the owner" unless it can be established that the land in question had a special economic value to the claimant band, over and above its market value." This is contrary to Supreme Court of Canada jurisprudence that recognizes the sacred and unique connections that First Nations have to their traditional lands. Valuing First Nation lands as equivalent to fee simple lands in the compensation formula for specific claims is neither equitable nor does it accord with Canadian jurisprudence or the UN Declaration.[19]

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[18] The basis and limitations for decisions on compensation are outlined in section 20 of the SCTA, which states that no amount of money shall be awarded for "Any harm or loss that is not pecuniary in nature, including loss of a cultural or spiritual nature." *Government of Canada, Specific Claims Tribunal Act*. S.C. 2008, c. 22.

[19] Assembly of First Nations, 2024. Ensuring Access to Justice for Specific Claims Through Policy Reform. AFN General Assembly, July 9 – 11, 2024, Montreal, QC. Resolution #12/2024.

Cultural Losses

Under the UN Declaration, Indigenous peoples are entitled to redress for cultural losses that result from loss of land. Article 8(2)(a) of the Declaration provides that states shall provide effective mechanisms for redress for any action which has the aim or effect of depriving Indigenous Peoples of "their integrity as distinct peoples, or of their cultural values or ethnic identities."[20]

Existing specific claims have resulted in a wide array of significant cultural losses for which redress is due. "[These losses] have caused a loss of connectedness to the land and to … cultural activities that continues to impact the Nation," wrote one participant. The cultural losses described by BC Chiefs and representatives in the September engagement are significant, ongoing, and ignored by the current process.

Participants described many negative effects of historical land losses on their cultures and cultural practices. Many of these losses have effects that continue today, causing ongoing harms. Cultural losses described by participants included the following:

- Village sites were pre-empted, disrupting the community and its ability to continue its way of life and land-based practices.
- Sacred sites, including graveyards and village sites, lacked protection and were pre-empted, disturbed, robbed, or disrespected. In some cases, First Nations have lost access to these sites when lands or rights-of-way were privatized.
- Access to ceremonial sites and traditional foods, including animals, and medicines have been lost due to land losses and resource development. "We've been 'locked out' of certain spiritual areas for ceremony and prayer," wrote one participant. "Spiritual harms and losses are missing from these discussions."
- Fisheries were destroyed or access to fisheries were impeded. Fish returns in rivers have been decimated or lost because of logging or other industrial land uses. Access to harvest shoreline species such as clams, urchin, abalone, and crabs have been lost.
- The ability to access different parts of the territory for all kinds of traditional uses and cultural practices is impeded. "We rely on old trails that traverse our lands," said one speaker, "but these lands were turned to fee simple land, and we lost a lot of that access."
- Generational transfer of knowledge and land-based practices were disrupted, resulting in a loss of cultural connectedness. Within one Nation, a lack of availability of reserve land means that community members have to live off-reserve, decreasing opportunities for land-based practices and the sharing of knowledge, language, and culture.

[20] For more information, see Brenda Gaertner, forthcoming, *Implementing UNDRIP's Right to Redress.*

Research also shows that Indigenous women in BC faced profound cultural losses during the reserve creation process, as their land use practices and legal authority were ignored and sidelined by colonial governments and reserve commissions.[21] The gendered nature of these losses has yet to be considered within the specific claims processes; their effects on women's culture, too, must be part of ongoing discussion.

The specific case of railway construction in Nlaka'pamux territory is described in detail in box 2. In spite of the fact that the Nlaka'pamux Nation Tribal Council (NNTC) has been involved in specific claims related to railways for since the mid 1980s, the devastating cultural losses caused by the railway takings have not been part of the negotiations.

The fight for real redress has been ongoing for decades, generations. As Skuppah Councillor Sherry McIntyre explained at a recent Ottawa meeting, the National Claims Research Workshop, the time spent fighting for redress and restitution via specific claims is itself a cultural loss: McIntyre described the hours, days, years of effort as time that could have instead been spent out on the land, sharing knowledge with the next generation.[22]

Box 2.
Cultural Losses: Railway Construction, Landslides, and the Loss of a Way of Life

For generations, a site called N'lkouch – "the Narrow Part of the River" – was the most important fishing area for members of the Nlaka'pamux Nation. (This area is now known as "Hells Gate"; it is situated just downstream of Boston Bar in the Fraser Canyon.) Between 1912 and 1914, construction of the Canadian National Railway triggered a series of landslides in N'lkouch. These slides transformed the landscape and blocked millions of salmon from returning to their spawning ground, decimating the fishery. The massive impact on salmon populations continues to affect all First Nations throughout the Fraser watershed. However, its effect on the Nlaka'pamux Nation has been particularly profound. N'lkouch was the most significant fishing area for all Nlaka'pamux. The loss of the ability to fish and process fish (e.g. on dry racks) there has caused profound cultural losses. This includes the loss of language, such as for fishing spot place names and loss of the transmission of specialized, centuries-old knowledge from generation to generation, such as how to safely access the fishing sites in the Canyon, with sheer cliffs on either side. It has required Nlaka'pamux to use sites that are far less effective for harvesting fish. In the years since the slide, non-Indigenous people converted the site to a tourist attraction: "Hells Gate" now holds an air tram and restaurant.

– Text taken from the NNTC submission to the 2024 BC Engagement on Specific Claims Reform

[21] Dr. Sarah Hunt / Tłaliłila'ogwa, 2023. *The Impact of Reserve Creation Processes on Indigenous Women: Implications for Specific Claims*. Available on *Our Laws Arise from the Land.*
[22] Sherry McIntyre. Understanding Ongoing Harms. Presentation. National Claims Research Workshop, Ottawa. November 4, 2024.

BC Nations made clear that specific claims process must take cultural losses into account. “Ensure that reparations include … cultural and spiritual reparations,” wrote one participant, when identifying priorities for reform.

Ongoing Harms

Specific claims – even those that Canada considers “resolved”— continue to affect First Nations in many negative ways, resulting in ongoing harms (i.e. other forms of ongoing harm than cultural losses described above). At the September engagement, participants described how historical wrongdoings continue to affect their Nations:

- Roads, railways, and hydro lines transect reserve lands, creating dangers and fragmenting already limited space.
    - “Highways split the reserve in two and have made it very dangerous to cross,” wrote one participant, creating problems “Safety, noise, accidents.”
    - Another wrote: “Cars driving fast, frequent trains, animals killed, limited to no safety measures.”

  These linear features create “edge effects” that spill over onto adjacent lands.
- Resource developments such as logging and grazing degrade and damage traditional lands.
- Opportunities for revenue creation and development are lost.
- Water access, rights and quality are affected. Neighbouring properties, such as ranches, control water. Cattle grazing on reserves or pre-empted land damages water.
- First Nations’ authority and jurisdiction are not respected. There is a “failure to respect existing tribal arrangements and attempt to force relocation,” wrote one participant. “Loss of our laws of life, not being able to have our voice,” wrote another.
- Communities face climate risks such as fires and floods on limited lands and with very few opportunities to adapt.

These harms result in other types of losses – such as loss of health and safety. Such losses are not currently considered within the specific claims policy, but Canada faces real risks if it fails to address them. Many of these losses have significant consequences, including health and safety issues and risks of disasters that Canada may be liable for and would have to pay to mitigate, such as landslides and fires (risks exacerbated by climate change, as we next describe).

Climate Risks

At the BC engagement, participants raised the issue of climate-related risks on areas already affected by historical losses. When combined with existing losses (from historical wrongdoings), climate change creates increasing risks and damages. For example, hotter and drier summers from climate change result in a greater risk of catastrophic wildfires. In Nlaka’pamux territory, railways (which are the subject of specific claims) are a common source of such fires (see box 3, below). In this way, climate change exacerbates ongoing harms.

Box 3.
Railways and Wildfires in BC

In BC, the four most severe wildfire seasons of the last half-century have all occurred within the past seven years (they occurred in 2017, 2018, 2021, and 2023.)[23] Changing climatic patterns, particularly hotter, drier summers, mean the risk of wildfires has drastically increased.

Railways are often the source of wildfires in BC. A special investigation by the Forest Practices Board in 2022 found that railways were responsible for 39 of 101 wildfires where the BC Wildfire Service sought to recover costs since 2005.[24] Railways often start fires as a result of mechanical failures, unnoticed fires on trains (which lack fire sensors), track maintenance, combustible materials, and sparks.[25]

Railways running through Nlaka'pamux territory in the Fraser Canyon regularly spark wildfires. "There are a lot of fires in the Canyon sparked by rail services," said Chief Matt Pasco, chair of the Nlaka'pamux Nation Tribal Council. "A lot."[26]

In 2021, during record-breaking hot temperatures, a catastrophic wildfire fire in Lytton in the Fraser Canyon razed the village, killed two people, and in the First Nation destroyed many homes and the administrative buildings. An inquiry by the Transportation Safety Board could not directly tie the fire to the CN coal train that passed through 18 minutes earlier, even though the fire started "within five feet" from the centre of the railway tracks.[27] (The inquiry did not speak with local residents.)

The cause of the 2021 fire has not been determined, but the sound of trains in summer still strikes fear in the heart of residents. "When you hear a train and you hear the rumble, the first thing that comes to mind is the fire," said a member of Skuppah First Nation, in a news story.[28] There is no doubt that rail traffic – along historically illegal right-of-ways – in the era of climatic change creates great risk for Fraser Canyon First Nations. These risks should be addressed and mitigated within the specific claims process.

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[23] Marc-André Parisien et al., 2023. Abrupt, climate-induced increase in wildfires in British Columbia since the mid-2000s. *Nature: Communications Earth & Environment* 4, article 309.
[24] Forest Practices Board, 2022. Wildfire Act Determinations: Special Investigation. December 2022.
[25] Canadian Press, 2023. Unnoticed train fires pose wildfire risk, Transportation Safety Board warns. *CBC News*. August 25, 2023. Glenda Luymes, 2023. CN fined after sparking nine wildfires near Prince George in 2020. *Vancouver Sun.* April 27, 2023. See also Transportation Safety Board of Canada, 2023. Backgrounder: Common causes of fire in Canada's rail transportation sector. Backgrounder R21V0143).
[26] Bhinder Sajan, 2021. CN Rail responds to social media video showing train covered in smoke near Lytton, B.C. CTV News. July 7, 2021.
[27] Michelle Ghossoub, 2021. Lytton residents cast doubt on TSB report finding no link between railway and catastrophic fire. CBC News. October 14, 2021.
[28] Michelle Ghossoub, 2021. Lytton residents cast doubt on TSB report finding no link between railway and catastrophic fire. CBC News. October 14, 2021.

Barriers to Land Return in BC

I don't know any band who wouldn't take the land back. That's always our first response when we sit at the table and when we discuss these issues at home. … We have such a shortage of land.
– Chief Mark Point, BCSCWG, at the BC Engagement in September 2024

Half of all claims in the national inventory are from BC, and most of these BC claims have to do with lost lands.[29] As we explain throughout this report, BC Chiefs argue that specific claims policy reform should address these historical wrongdoings by advancing return of lost lands as part of remedies.

Constrained access to land affects all BC Nations in many significant and interrelated ways. At the September engagement, one participant identified the immediate practical and economic implications of being unable to build their Nation's land base: "With the barriers in place we can't upgrade our access/egress, our sewer plant, nor can we provide more housing or provide economic opportunities." Another participant noted that more land could also help bring community members home: "Community members living off reserve could come back if there's a land base," they wrote. For BC First Nations, land return is a priority made even more urgent by accelerating climate risks (see box 4, below).

Canada's legal obligations under the specific claims policy have always included the return of land. The 1982 policy, *Outstanding Business: A Native Claims Policy*, "provided explicitly for bands to be compensated for unlawfully surrendered or otherwise taken lands, 'either by the return of these lands or by payment of the current, unimproved value of the lands.' This remedy remains consistent in the policy to this day."[30] However, the federal government's approach to specific claims has sidelined land return as a remedy. The issue was "pushed off the table," said one Chief at the engagement, who was told by Canada during negotiations: "You're talking about comprehensive claims. We're not ready for those."

A 2022 report by Dr. Shiri Pasternak (commissioned by the BCSCWG) identified three key barriers to land return as remedy in specific claims: (1) the Crown focuses on monetary compensation; (2) Specific claims policy protects Third Party and Crown interests over First Nation interests; (3) Even a clear transfer of land from the Crown or Third Parties is "frustrated by bureaucracy and poor supports and planning."[31]

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[29] There are 103 claims under assessment, 213 in active negotiations, and 47 awaiting responses from First Nation to Canada's offer to negotiate. Most of these claims related to reserve creation and reduction (approx. 50 percent), while about 20 percent relate to timber and logging. This data comes from a presentation from Stefan Matiation of Crown-Indigenous Relations and Northern Affairs Canada at the UBCIC Annual General Assembly, September 24–26, 2024.

[30] Shiri Pasternak, 2023. *Land Back: Restitution of Lands Policy in Specific Claims Resolution.* Prepared for the Specific Claims Implementation Working Group. Our Laws Arise from the Land.

[31] Shiri Pasternak, 2023. *Land Back: Restitution of Lands Policy in Specific Claims Resolution.* Prepared for the Specific Claims Implementation Working Group. Our Laws Arise from the Land.

Box 4.
Climate Risks and the Urgency of Land Return

Accelerating risks related with climate change were a critical concern of participants in the September engagement. Climate change is resulting in lost lands and increased demand for risk-resilient lands, two reasons why land return for First Nations is essential:

1. Climate change results in lost lands. "Due to climate change and rising sea levels, lost land will be underwater," wrote one participant. In the context of specific claims, lands lost could be either lands that were illegal historical takings (the subject of specific claims) or lands that First Nations are hoping to acquire as part of claims settlement and/or other planning for the future.

2. Climate change is increasing demand for secure, risk-resilient land. At the engagement, Kukpi7 James Hobart of Spô'zêm First Nation described the potential for a mass exodus from the Lower Mainland as heat and population increase. He was concerned about the potential rapid increase in demand for rural land. He suggested that "Nations need to be talking, collaborating about what we're going to do." He said that Nations need to have surveyed areas where it will be safer to live and establish agreements regarding these lands.

These climate change–related challenges can best be addressed by a specific claims process that is timely and effective, such that land restitution can occur within a fair and just timeline.

Overall, land return was a top priority for participants at the BC engagement. One participant wrote that a "streamlined approach to land back" was their Nation's top priority overall. For many, financial compensation was seen as a pathway to securing additional land ("Reparation funding to secure land," wrote one participant). However, without effective mechanisms for securing that land, compensation is an insufficient remedy. Barriers to land return are an ongoing challenge that require strategic action.

Participants expressed frustration with the complex, overlapping barriers to land return that cause endless delays. They want to work collectively and strategically to address these barriers. Here we discuss the issues around (1) additions to reserve, (2) advance payments, (3) the participation of the Province, (4) transfer of fee simple lands, and (5) planning for climate change.

Additions to Reserve

Overall, participants emphasized the need for a timely, transparent, and effective process through which they could acquire lands and – if they wished – add them to their reserves. However, the Additions to Reserve (ATR) process, the mechanism for adding lands to reserve, is

fraught with barriers and delay. In December 2022, the Minister of CIRNAC, Marc Miller, told the First Nations-in-Assembly that "the (ATR) process is largely broken, glacial in its pace, and a terrible way to get land back."[32]

When asked about their priorities for specific claims overall, several participants identified ATR reform as a priority. Here are two examples:

- "Full ATR reserve status land back with no ties or contingencies on the land."
- "Instead of general compensation or return of land, direct and full funding with enhanced ATR procedures for purchase of lands of the band's choosing."

Delays

The baseline of ATR is extreme delay. "Land back is key," wrote one participant at the engagement, noting "It should be a much faster process than additions to reserves." "Canada takes many months to even respond to our lawyer about land available to our band," said another participant.

Kukpi7 Fred Robbins of Esk'etemc shared the following story:

> At Esk'etemc, we purchased a property about 6 kilometres from our reserve. It was originally part of our specific claims that we're pursuing now. And every year, we pay I think it's close to $12,000 in property tax. And that's a concern, that that money is going to the Province when it's our land anyway. And the whole process with ISC around transfers to reserves takes so long. My question to the panel is "Why is it we're paying tax on something we purchased as a band and as a community?" It's basically buying our land back.

We share this story here with Kukpi7 Robbins's permission to demonstrate the dramatic impacts of a non-functional ATR process. Kukpi7 Robbins says that his community has been paying these taxes for ten years, a cost of well over a hundred thousand dollars. "It's concerning to me because what would the Province do if I did not pay these taxes?" he asked the table.

The delays First Nations in BC face in adding lands to their reserves are a deep inequity. Kukpi7 James Hobart of Spô'zêm First Nation described these delays and issues as a "double standard." He described when the Province was putting through the Interior–Lower Mainland Hydroelectric Project and installing powerlines in Nlaka'pamux territory. The Province needed land for this right of way. Immediately, the Province orchestrated a swap: they traded with a landowner for a different piece of land. Kukpi7 Hobart explained:

[32] Assembly of First Nations. Draft Resolution #11/2024: Advancing Additions to Reserve Reform. Assembly of First Nations 2024 Annual General Assembly Draft Resolutions.

> Overnight, that piece of right of way was added to his deed. You could see it. How come that can't happen for additions to reserve? There's this whole onerous process when we ask for it. … The process is put in place as a stall tactic. There's no good reason for it. They told us it [a land transfer] would take three to four years. They told this landowner they could have this land clear of title by tomorrow. So how does that work? That's the Province working with BC Hydro to make this all happen. … Then we hear the same story year after year – "There's this whole documentation and paperwork." I call BS.

What Kukpi7 Hobart shared is a provincial example, but it is highly relevant to specific claims, because it demonstrates that these transfers can occur in a timely fashion. As we next describe, bringing the Province to the table to integrate land return as part of specific claims settlements remains a critical challenge. It is political will that makes these transfers timely – or even possible.

Bureaucratic Barriers

Overall, participants expressed deep frustration with the bureaucratic barriers to adding lands to their reserves – including lands that the Nation already owns**.** "When you talk about land back in specific claims, there's always a catch to it," said one Chief. "There's always strings attached when you're talking about Regional Districts, municipalities, your neighbours who basically stole your land 150 years ago. If you're talking about additions to reserve, that's going to take years. And that's unfortunate."

Even when Nations own land in fee simple, they face barriers when they try to add it to their reserves. Participants identified the need for an efficient and effective process to solve this problem. "Removal of barriers for land we own in fee simple and want to add to reserve," said one participant, when asked to identify a priority. "When the Nation owns fee simple land it should be automatically added to reserve if that is what the Nation wants," wrote another.

ATR Reform

The ATR Policy Directive was created in 1972 and updated in 1991, 2001, and 2016. The 2016 directive was shaped by engagement with First Nations, but First Nations and their representative organizations have continued to be frustrated with the process, which still takes far too long. First Nations continue to call for transformative change in order to address significant barriers and delays and bring the ATR process into alignment with the UN Declaration's articles on land restitution.[33]

In 2021, the Government of Canada (with a three-year budget commitment) began working with a Technical Advisory Committee (TAC) to reform the ATR Policy and Directive and process. The TAC includes technical representatives from the AFN, the Lands Advisory Board, the National

[33] CIRNA 2024. Additions to Reserve Policy Redesign Update Letter. November 2024. Information on the ATR Policy Redesign are available on a designated page: https://www.rcaanc-cirnac.gc.ca/eng/1702578996213/1702579033924

Aboriginal Lands Managers Association, and the Self-Governing First Nation members. National engagement with First Nations resulted in a 2024 *What We Heard* report.

So far, the process has not addressed the transformative changes – a redesign of the 2016 Policy Directive – that many First Nations say are needed. Instead, the TAC is focusing on nine immediate, short-term, "interim" changes,[34] Two changes were made initially, and in December 2024, at the AFN Assembly, the Minister announced that the remaining seven reforms would be adopted. These are operational changes that fall within the Minister's authority and remove certain cumbersome requirements.[35] The overall policy, however, is fraught with delay, has an enormous backlog of proposals from First Nations, and blocks First Nations from many opportunities for social and economic development.[36]

Advance payments

In certain cases, Canada is offering advance payments during specific claims negotiations so that First Nations can buy at-risk lands. At the engagement, participants discussed how, during the specific claims process, the Okanagan Indian Band received advance payments of $30 million (which would be applied against the settlement value of the claim) to support the purchase of lands.[37] Canada notes that "We will continue working with First Nations to find and implement innovative solutions like this one, including the development of a fuller framework for advance payments."[38] Yet we know from several public statements that advanced payments will only be considered on a very limited, case-by-case basis.

One hundred percent of the participants at the BC engagement said that they would be interested in advance payments to purchase at-risk lands. Participants emphasized the need for interim economic restitution pending settlements:

- "Urgent measures to purchase land at risk of being sold."
- "Funding to purchase adjacent land of our choosing."
- "Security and certainty for adjacent lands, funds to purchase, etc."
- "Seek funding to purchase and then seek reparation."

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[34] Lands Advisory Board, 2024. Additions to Reserve: Short-Term Reforms. Canada is posting updates on a "Additions to Reserve: Policy Design. See Government of Canada, 2024. Additions to Reserve: Policy Redesign. Crown-Indigenous Relations and Northern Affairs Canada

[35] For an overview of these nine reforms, see Lands Advisory Board, 2024. Additions to Reserve: Short-Term Reforms.

[36] Assembly of First Nations. Draft Resolution #13/2024: Urgent Support for the Repatriation of First Nations Lands. Assembly of First Nations 2024 Annual General Assembly Draft Resolutions.

[37] Government of Canada, 2023. Canada and the Okanagan Indian Band sign agreement for an advance payment against settlement of a specific claim. Crown-Indigenous Relations and Northern Affairs Canada. Crown-Indigenous Relations and Northern Affairs Canada. March 20, 2023.

[38] Government of Canada, 2023. Canada and the Okanagan Indian Band sign agreement for an advance payment against settlement of a specific claim

At the September engagement, François Routhier, Director of the Policy and Litigation Management Directorate at the Specific Claims Branch, provided an update on Canada's position on advance payments. He said that Canada is working on a framework approach to allow Canada to offer advance payments for claims in negotiations "in certain circumstances" on a "case-by-case basis." No such framework currently exists; Routhier promised that the framework would be made public when it is drafted. The focus would be on "higher value claims where there are delays in either reaching a settlement or securing a financial mandate to settle, and where [Canada] thinks that providing this advance payment would help … continue momentum at the negotiations table." Canada emphasized that advance payments would be available only in rare cases: "I want to be clear that it will be the exception rather than the norm," said Routhier.

Advance payments are currently not an option for most First Nations negotiating specific claims. A July 2024 resolution from the AFN states:

> The Government of Canada has not openly and fairly made advance payments available to other First Nations and arbitrarily denies other First Nations engaged in settlement negotiations this opportunity. The Government of Canada also refuses to consider other forms of financial instruments that could be used by First Nations as interim restitution measures pending the settlement of a claim, which is unreasonable, unfair, and contrary to reconciliation because it denies First Nations from applying settlement funds to pursue time-sensitive economic opportunities while the claim is being negotiated.[39]

In other words, advance payments could be a very powerful tool for helping First Nations in specific claims negotiations to acquire much-needed land, but these payments are being offered on an arbitrary, ad hoc basis, without transparency.

In short, Canada's new guidelines for advance payments – to whatever extent they have been created – have been developed in a completely unilateral and secretive manner, with no accountability. This process has clearly not been driven by First Nations (i.e. in a manner totally contrary the UN Declaration articles that require that processes of redress be developed "in conjunction with Indigenous peoples concerned"; Indigenous people "have the right to participate in this process").

Participation of the Province

We're really concerned about the interplay between the Province and the federal government as they like to trade off on each other and say, "Well, we're not responsible – it was the Province that didn't allocate the land," and then the Province says, "Well, we're not responsible for the reserve – it's Canada that's responsible. And then we've got to negotiate that, and we've got to build trust and restore a sense of certainty for our community."

[39] Assembly of First Nations, 2024. Ensuring Access to Justice for Specific Claims through Policy Reform. Resolution no. 11/2024.

– Chief Dan Manuel, at the BC Engagement (2024)

Participants identified the Province poses a major barrier to resolving specific claims that include the return of land. The AFN has identified this barrier in its resolutions regarding the creation of an Independent Centre.[40] At the engagement, François Routhier of SCB acknowledged the delays: "These tripartite agreements … they can take longer than your average specific claims settlement. We have some work here to see what can be done." But Routhier also suggested that, with tripartite agreements that include land return, "There seems to be a much more satisfactory outcome in the end."

Challenges and barriers when working with the Province were a main theme in participant comments and follow-up input after the engagement:

- "BC has no consistent process to address the issue."
- "Needs to be part of a larger land back process that includes the Province of BC to make it efficient"
- "Where does BC fit into the concerns of 'Land Back' processes? BC does not have a SC process, and this is a major issue in SC negotiations."
- "BC without a consistent policy to enter negotiations on SC poses multiple problems. It keeps them in a unilateral power and they create all the delays they determine necessary. That also means they are accountable to no one other than their own interests."

In BC, the Province has participated in a land restitution process for a recent Treaty Land Entitlement (TLE) claim for Treaty 8 First Nations. As part of a 2023 agreement, the Province transferred 109,385 acres of land back to five Nations in northeastern BC.[41] The treaty was signed in 1899, and it took over 120 years for Canada and the Province to honour this agreement.[42] Describing this TLE claim, a representative from Canada said: "The Province was very helpful. The Province offered a lot of land to the Nations for TLEs." Morgan Chapman, a technician who works with one of the Nations implementing the settlement at the meeting, however, cautioned against seeing the land transfer as straightforward, noting that there were still many hurdles being put up, and nothing about the process was easy.

On September 25, 2024, at the UBCIC Annual General Meeting, Chief Lee Spahan of the Coldwater Indian Band asked Premier David Eby about the Province's role in the settlement of specific claims. Chief Spahan said that "First Nations repeatedly talk about the need for the provincial government to be at the negotiating table to resolve their specific claims in a just way that includes land return options and shared jurisdictional arrangements." He went on to ask: "So the questions are what are the government's view on the Province actively participating at the negotiating table to resolve specific claims? How will the Province facilitate land return as part of

[40] "Call on Canada to compel the provinces to participate actively in the specific claims process."
[41] Chad Pawson, 2023. Treaty 8 First Nations in B.C. celebrate inking of treaty land entitlement claims with province, Ottawa. April 15, 2023. CBC News.
[42] The entire text of the 1899 Treaty is available on the Province's Treaty 8 First Nations webpage.

just specific claims settlements?" (Chief Spahan noted that his Nation had been negotiating with Indigenous Services Canada regarding land return, particularly following the devastating 2021 flooding of the climate change–caused atmospheric river event in the Nicola Valley. "But sitting very quietly is the Provincial government," he said.) "How can you come to the table and be an ally for the Chiefs when we need your help and say you'll support us when that land comes back to us?"

Premier Eby responded with a commitment of support:

> Thanks Chief. … Always glad to find ways to be a good supporter for those specific claims at the table with the federal government. Usually we're waiting for the federal government, not the other way around, so we'd love to support on that. We see amazing things happen when those claims are resolved. This is land or claims that – there can't be anything happening, really, on them because they're such strong legal claims, there's going to be an injunction in court if something happens, so it means the whole community is losing out the longer they're not resolved. We believe strongly in getting specific claims resolved as quickly as possible, and whatever we can do to support, I want to do that.

The aim of compelling the Province to participate in specific claims was part of the initial idea of an Independent Centre. "What kind of pressure could a centre put on the Province to address this?" wrote one participant in the engagement. Participants wondered if an Independent Centre could help hold the Province accountable for its role in resolving specific claims and advancing settlements and redress. Now, however, given the uncertainty around the Independent Centre, a different approach to a BC-specific policy is needed. The BCSCWG is committed to working with BC Nations to develop next steps in such an approach.

Addressing Third-Party Issues

If the Province lacks a framework for participation, historical imbalances of power continue: the Province is not accountable to First Nations, and is responsive instead to private landowners. Third parties such as landowners can pose additional challenges for Nations seeking land return as part of specific claims. One submission stated that the Province is "afraid of First Nations requirements because they must come face-to-face with fee simple title holders."

"Governments always side with the landowner." That was a comment shared on Slido by a participant. This sentiment was expressed more broadly: the governments prioritize relationships with third parties above those with First Nations.

Third parties are not bound by the resolution of specific claims. *The Specific Claims Tribunal Act* states that if a third party caused or contributed to the loss, compensation against the Crown is awarded "only to the extent that the Crown is at fault for the loss." First Nations carry the burden of dealing with the damages, losses and ongoing harms that result from third party actions, past and present, and future (considering ongoing harms), in relation to specific claims.

In a detailed submission from the Nlaka'pamux Nation, for example, we heard of the ongoing challenges caused by railways and Canada's unwillingness to do anything about these issues. In the narrow Fraser Canyon, flat land is scarce and mostly taken up by railways and roads. Railways are the subject of specific claims, many lasting decades. Railway rights-of-way are supposed to be a maximum of 99 feet wide, but in some communities, they are up to 500 feet. "These lands should be returned to the communities immediately, but Canada has so far been unwilling to deal with this," wrote a representative.

"The position has really been that Canada really can't impose requirements or bind third parties," wrote this representative. "Canada currently says that it cannot require third parties (e.g. railway companies) to take any positive action as part of a settlement of specific claims. Canada authorized these activities on reserve in the first place, so they should be able to rectify some of the ongoing harms."

Price Gouging

Another issue related to third parties that we heard about at the engagement was price gouging, which constitutes a significant barrier to land return. Chiefs described how sellers raise their prices when they know a First Nation is interested in buying the land. We heard the story of one Interior First Nation who wanted to buy land that was part of an original reserve but is now privately owned. When the seller heard that the First Nation was interested, they increased the price from $1.8 million to $6.5 million. "Racism is alive and well," said this participant. "If they can make a million dollars off a First Nation whose land they stole, they will… As soon as the First Nation's name is mentioned, the price gets jacked up." A representative from CIRNA who works on ATR told us that this kind of price increase is so common that many Chiefs are forced to use holding companies or other means to purchase lands, so that the First Nation is not directly involved. As land – particularly good land, near to reserves – becomes increasingly scarce, the risk of price gouging increases. Any BC strategy should focus on measures of transparency, fairness and accountability and develop means to prevent this kind of blocking of First Nations' purchase of land.

Specific Claims and Indigenous Rights and Jurisdiction

At the BC engagement, participants said that forward-looking approaches to settling specific claims should address issues related to ongoing rights and governance. In general, further discussion on these topics is required to explore the relationship between specific claims – which have focused mainly on financial compensation for historical wrongdoings – and ongoing governance frameworks in First Nations' territories.

Here we cover, briefly, revenue sharing, water rights, and protection of at-risk sites, which emerged at the engagement as priority issues for rights and governance. Many of these issues fall outside the narrow purview of specific claims as defined in the *Specific Claims Tribunal Act* (i.e. compensation for breaches of legal obligation by the federal government). They involve actors other than the federal government and many different types of legislation across scales.

We see in BC now a proliferation of agreement models related to lands and resources (outside the BC Treaty Commission process); these agreements are shifting, taking on new forms to "address core issues of recognition of title and affirmation of First Nation laws and jurisdiction."[43] A discussion of these types of agreements is outside the scope of this submission. However, the BCSCWG takes direction from BC Chiefs that the relationship between specific claims resolution and broader frameworks of rights and authority of BC Nations must be explored. Priority issues relate to revenue sharing arrangements, water rights, and protection of at-risk sites.

It is important to note that this emerging work on the relationship between specific claims and First Nations' title recognition, authority, and jurisdiction in no way detracts from Canada's responsibility to address its fundamental conflict of interest, address barriers and delays at the policy level, and work toward the creation of a fully independent specific claims process.

Revenue sharing

When participants at the BC engagement were asked about remedies that would address the effects of historical losses, many identified ongoing revenue sharing as a priority. Participants discussed several different situations in which revenue-sharing agreements could address past wrongs and help build stronger futures. For example, one participant wrote: "If land is taken under specific claims and decided not to be returned there should be revenue sharing agreements from whatever economic activity is taking place on that land on top of negotiated financial compensation." In this case, revenue-sharing arrangements would occur on lands that were taken historically, which are the subject of a specific claim, but are not returned.

[43] A recent document from a UBCIC Negotiator's Forum, created by Dr. Roshan Danesh, KC, identified six general categories of agreements: (1) Title Recognition Agreements, (2) Consent and Decision-Making Agreements, (3) Comprehensive Reconciliation Agreements; (4) Government-to-Government and Reconciliation Agreements; (5) Revenue-Sharing Agreements, and (6) First Nation Priorities Agreements.

Another participant focused on changes to land governance more broadly. They wrote: “Revenue sharing for the loss of use before and after a settlement, but moving forward, a taxation process for the FN as a revenue sharing agreement. I see the *Indian Act* going away and revenue sharing must be on the table.” In this case, the participant is envisioning broader changes to land governance, in which specific claims are a stepping-stone toward Nations having greater authority (and a greater ability to generate revenue) in their territories.

Revenue-sharing agreements are part of the tripartite negotiations in comprehensive claims. Further work on the possible relationships between specific claims settlements and revenue-sharing agreements is needed.

Water rights

Injustices related to water rights and reserve creation histories are closely interlinked. Many reserves were created without water rights; tiny parcels of land were allocated without the water that would have made that land productive. Since the 1800s, leaders from BC First Nations have “petitioned the government for assistance in getting adequate water.”[44]

Canada has, historically, refused to negotiate water rights claims. Recent statistics from the Specific Claims Branch online claims inventory show that, as of January 20, 2025, there have been 18 claims for “water rights” or “water supply” filed by BC First Nations. The majority of these claims -- 11 out of 18 -- were arbitrarily closed by Canada (i.e. de facto rejected). Out of the remaining 7, 4 claims have offers to negotiate, 1 was rejected, and 2 have been settled. The number of water rights claims submitted is a vast undercount: we know that in many cases, First Nations have not submitted these claims because they were told, correctly, that Canada would not negotiate them.

A participant in the engagement explained the injustice of the lack of water rights in relation to Nlaka’pamux reserves:

> Loss of water rights on reserves has been significant for virtually every Nlaka’pamux reserve. Canada created the reserve system ostensibly to keep First Nations on the land to become farmers. Despite this, Canada failed to make sure the communities had rights to water for irrigation and survival. The legal position BC takes (i.e. when they transferred land to Canada for reserves, they did not include water or rights to water), is reprehensible and must be remedied.

As this statement reveals, jurisdictional issues are a key barrier to accessing water rights for First Nations. Water governance in Canada is fragmented, with all three levels of government holding some responsibilities related to water management.[45]

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[44] Kelm, M.-E. 1997. *Colonizing Bodies: Aboriginal Health and Healing in British Columbia.* UBC Press.

[45] Bakker et al. 2018. By the time many reserves were created, water rights had already been claimed by settlers. BC began to allocate water rights to settlers in 1865 using a “first in time, first in right” approach. As a team of water

While Canada has historically denied access to the specific claims process for water rights claims, in a July 2024 settlement, Esk'etemc First Nation received $147 million from Canada for a water rights claim related to an irrigation channel. This was a historic, landmark settlement, that came 20 years after Esk'etemc first filed the claim. This win is hugely important: "It's really been nothing but good news for our community, and we're very glad that we got to the end of this," said Kukpi7 Fred Robbins.[46] At the same time, this win does not provide Esk'etemc with actual water rights, and water inequities created over 100 years ago persist today. At the engagement, Kukpi7 Robbins shared: "Esk'etmc has lots of land but without water it's useless land! There are 11 licenses on our water system by ranchers." The specific claim did not address this basic fact.

The Esk'etemc settlement validates what BC Nations have been saying for decades: the specific claims process should address losses related to water rights, which were a clear breach of fiduciary duty. On the occasion, Grand Chief Stewart Phillip of the UBCIC said:

> The federal government has been reluctant to acknowledge this obligation for decades, dodging responsibility through jurisdictional maneuvering and pointing to the Province as the governing authority over water allocations. This is an important reversal of position and the only just one.[47]

This win is a landmark: only the second water rights claim ever settled in the specific claims program (the last was in 1996). At the same time, it does not come with actual water rights, the access to water that Esk'etemc needs to irrigate and use its lands effectively. Important next steps are to review the landscape of water rights claims and develop strategies through which actual water rights can be part of remedies for these historical wrongdoings.

Protection for at at-risk sites

The issue of protection of at-risk sites arose at this BC engagement. BC First Nations are dealing with complex risks to their important historical, cultural, and sacred sites and urgently need approaches to address these risks. A variety of mechanisms might be required, depending on the status (private, provincial Crown land) of the land where these sites lie. At the engagement, participants talked about three different general approaches:

1. Participants wanted mechanisms to support First Nations in acquiring these lands in urgent cases. "Create mechanisms to protect sacred sites that may be sold off," wrote one

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governance scholars notes: "The irony of the title 'First in Time, First in Right' could hardly be more blatant: despite the fact that Indigenous peoples undeniable are the *first* peoples in the land of BC and clearly first in time for all water in the Province, the water rights defined and assigned to reserve lands were not consistently registered as such – an outstanding issue that to this day Indigenous communities continue to raise as an injustice."[45]

[46] Courtney Dickson, 2024. Feds pay First Nation in BC $147M over loss of water rights. CBC News. July 25, 2024.

[47] UBCIC, 2024. UBCIC Congratulates Esk'etemc on the Historic Settlement of their Water Rights Specific Claim. Press Release. July 25, 2024.

participant. “There is an urgent need for a timely process that helps BC Chiefs and Nations acquire land that… holds sites of significance,” wrote another.

2. Participants discussed the need to put restrictions on private lands in cases where sacred or heritage sites were at risk: “There’s nothing in the legislation to keep landowners from going forward as if it was just a normal piece of land, somewhere where there was no historical or ancestral rights on it,” said one participant.
3. Participants told stories of losing access to their sacred sites, including graveyards, when rights-of-way were taken in as private property by landowners.

Overall, participants at the engagement session expressed concern that they had no way to address urgent risks to their historical, cultural, and sacred sites. The patchwork of legislation and property regimes does not enable First Nations to enact their authority to protect these sites, even when the sites face immanent risks.

Implementation

In discussions following the September engagement, the BCSCWG learned that implementation of specific claims continues to be a challenge. The processes for conclusion of the settlement, the management of funds, and the development of plans for the future are complex, and BC First Nations currently manage these challenges individually. There is a need for BC First Nations to collaborate and share knowledge about implementation. Through implementation, First Nations may find opportunities to advance critical governance-related priorities, such as the ones described here; however, further discussion and research is needed.

Taking Action: Strategic Next Steps

Let's not call it a recommendation. Let's call it an expectation.
– Chief James Hobart at the BC Engagement, 2024

BC Chiefs have clearly stated that they expect Canada to uphold its public commitments and legal obligations under the UN Declaration. Within this report, we shared their feedback within four broad areas; here we identify five key action items within this four-part frame – actions BC First Nations expect Canada to take.

1. Understandings of Loss and Redress

At the engagement, BC First Nations made clear that the current definition of lawful obligation excludes critical effects of historical losses and frames out critical opportunities for repair.

The BCSCWG continues to expect Canada to advance the joint development of an Independent Centre, which includes an equitable, pluralistic approach to law and legal orders. At a recent event in Saskatchewan, Director of the Specific Claims Branch, Stefan Matiation, acknowledged Canada's conflict of interest; Matiation described how an Independent Centre was needed. We will advocate for that Independent Centre, while also refusing to allow its development to be an excuse for government inaction in the present moment on urgent priorities.

- **ACTION 1: Canada will continue to work jointly with First Nations to develop an Independent Centre for the Resolution of Specific Claims to address the conflict of interest within specific claims and fully recognize and enact the Indigenous laws of participating First Nations. This Centre should address the priorities and concerns of First Nations, who have participated in engagement sessions over the past seven years and the decades-long advocacy of the generations that came before them.**

2. Cultural Losses and Ongoing Harms

In current specific claims processes, Canada, in a profound conflict of interest, has unilaterally determined the scope of losses and the remedies for those losses. The September 2024 engagement in BC, Chiefs clearly upheld their long-time position: specific claims processes must affirm Indigenous legal principles and the right to redress, as stated in UNDRIP. Redress should be focused on restitution and addressing the damages caused by the historical wrongdoing, including effects on culture and other ongoing harms. Many required changes follow from this basic issue (the need for an equitable approach to defining the scope of remedies and losses). We are prioritizing, as a first step, the need to remove barriers to compensation for cultural losses and ongoing harms.

- **ACTION 2: Canada will work jointly with First Nations to remove barriers to compensation for cultural losses and ongoing harms to First Nations and their relationships with their lands and territories.**

3. Barriers to Land Return in BC

Land return was a top priority for BC First Nation. At the engagement, Chiefs and other participants identified some of the many barriers they face in trying to integrate land within specific claims settlement, including an Additions to Reserve process fraught with delay and institutional barriers. Overall, there is lack of a clear, timely, and effective process for the restitution of lands for First Nations involved in specific claims.

BC Chiefs want a strategy that addresses the particular landscape of Indigenous law, title, and jurisdiction in this region. In particular, barriers to land return in BC must be addressed in a systematic and strategic way. Land return is a priority for BC Nations, part of the Specific Claims policy, and an essential part of the right to redress under UNDRIP. Its urgency is heightened in this era of accelerating climate risks.

- **ACTION 3: Canada will work with BC First Nations to address strategic barriers to land return, including bringing the Province to the table in a systematic way. Continuing to hear from BC First Nations about their priorities regarding how to reform claims in a way that addresses barriers and advances redress and restitution is a priority.**

4. The Relationship between Specific Claims and Broader Issues of Indigenous Rights and Jurisdiction

For BC Chiefs and First Nations, specific claims exist within a broader context: Nations are seeking to reclaim lands, restore their unextinguished rights and title, enact their full legal authority, and support their communities in living their culture and planning for strong, resilient futures. Currently, specific claims are a siloed process, fraught with barriers and delay caused by conflict of interest, and hived off from even closely related processes, such as Additions to Reserve. The process is rooted in a fundamental conflict of interest, and remedies that would fundamentally address the harms from the losses and the needs of Nations are excluded from the outset.

- **ACTION 4: Canada will support the BCSCWG in continuing to hear from First Nations about how priority issues, such as revenue sharing, water rights, and protection for at-risk sites can be supported alongside the negotiation and implementation of specific claims. Opportunities for BC Nations to learn from one another are critical.**

Communication

Communication on critical issues related to policy reform and the creation of the Independent Centre is the most basic element of an equitable engagement process. Participants at the September engagement and ensuing discussions were deeply frustrated with Canada's lack of transparency regarding the state of the proposed centre, as well as the government's unilateral and secretive approach to critical issues such as advance payments.

We are sending this submission to the Minister directly to ensure transparency; we expect the same transparency in return from Canada.

- **ACTION 5: The Minister and the Joint Technical Working Group will respond directly to this BSCWG submission in a timely manner (i.e. within three months), explaining (a) the current state of the engagement process, (b) how this input from BC Chiefs will be used in ongoing decision-making related to specific claims policy reform, and (c) what steps Canada is taking toward advancing the issues raised by BC Chiefs and Nations.**

Conclusion

Overall, BC Chiefs remain focused on urgent needs and priorities in their Nations, including challenges related to rapid development and accelerating climate risks. For participants at the BC engagement, the historical losses addressed by specific claims should be understood within this broader context -- and among the many strategies that Nations are implementing to try to move forward in their communities.

Currently, so many remedies that would actually help First Nations address historical wrongs in direct, meaningful ways are framed out of the specific claims process. This exclusion results from Canada's conflict of interest, including the way that legal definitions of the scope of harms and redress are rooted in Canadian law, to the exclusion of Indigenous law. Such exclusions are in direct contravention to Canada's commitments under the UN Declaration, which clearly states that Indigenous peoples have the right to a "fair, independent, impartial, and transparent process, giving due recognition to indigenous peoples' laws, customs, and land tenure systems, to recognize and adjudicate the rights of indigenous peoples related to their lands, territories and resources" (Article 27). The failure to create a fully independent process is in also contravention of much-publicized commitment to finally follow through and create the Independent Centre that First Nations, independent experts, and Canada itself have long stated is a basic requirement for the process to be equitable and fair.

Going forward, as BC Chiefs continue to demand the creation of a fully independent centre, they will seek opportunities to learn from each other and work strategically to address priority aims in this region.

APPENDIX A: BCSCWG Recommendations, 2017–2019

ENGAGEMENT 1 (2017)

Submission: *On a Human Rights Foundation*

Recommendations

1. Jointly develop an Independent Process
2. Support First Nations' full and equal participation in all aspects of the specific claims process (e.g. funding, ATI)
3. Develop and implement negotiation and mediation strategies that respect and integrate Indigenous sovereignty and laws
4. Support the full range of functions of the Specific Claims Tribunal
5. Enact real redress and restitution, rather than trying to minimize liability, with Indigenous Nations equal partners in determining remedies

ENGAGEMENT 2 (2019)

Submission: *The Work Ahead*

Recommendations

1. Create an independent institutional body to assume responsibility for all aspects of the administration and management of specific claims.
2. Fully integrate Indigenous laws, incorporating principles of plurality and shared decision-making, foregrounding Indigenous understandings of loss, restitution, evidence, and resolution
3. Convene an advisory committee made up of Indigenous legal experts.

APPENDIX B: Slido Questions from the September 2024 Engagement

DAY 1

Opening – 9:00–9:30

- What Nation are you from?
- Does your Nation have active Specific Claims?
- What are the biggest challenges your Nation faces when seeking resolution of Specific Claims?

Overview: The Proposed Independent Process – 9:30–10:00

- How familiar are you with the proposed independent specific claims process?
- What is your main source of information about this process?
- Have you participated in past engagement sessions as part of this reform process?

Understanding Cultural Losses and Ongoing Harms – 10:30 – 11:15

- Have you ever filed a claim only to have it rejected because it "does not fall within the Specific Claims Policy"? If you answered yes, please briefly describe what the claim was about.
- Does your Nation have any historical losses for which you have NOT FILED a specific claim because they fall outside the scope of the current policy? If you answered yes, please briefly describe these losses.
- If you have any active specific claims, please identify any cultural losses that resulted from this historical wrongdoing. If possible, please explain how the claim issue created the losses.
- If you have any specific claims, please identify any other ongoing harms that have resulted from this historical wrongdoing.
- Is there anything that is missing from these discussions about cultural losses and ongoing harms? Please share your thoughts.
- Based on the slide you're seeing on the screen, are there any remedies or approaches to redress that are missing from this list?
- What would you consider an appropriate form of redress/restitution for the losses experienced by your First Nation?
- What forms of remedy or redress are a priority for your Nation?

Closing – 11:45–12:00

At the end of Day 1, what are your priorities for specific claims policy reform?

DAY 2

Opening (9 :00– 9:15)

- For how many years have you been involved with specific claims?
- Do you have any questions about the reform or the proposed independent process?

Land Back as a Form of Remedy (9:45 – 10:30)

- Has your Nation been involved in any processes to include lands as part of a specific claims settlement?
- If your Nation is seeking land return, please identify any barriers you have faced in this process. If your Nation is NOT seeking land return, please explain why not.
- Has your Nation developed or seen any strategies for addressing barriers and advancing land return as part of settlements?
- What would your Nation need to support land return as part of a specific claim?
- How could an Independent Centre help address barriers to land return?

Priorities for Reform (10:45 – 11:30)

- Are there priorities you have that have not been raised, or that haven't been talked about enough?
- Here are some of the initiatives that Canada is now undertaking on a case-by-case basis:
    - Sharing their research reports; visiting communities (early site visits);
    - Reaching out to Nations before determining lawful obligations;
    - In some cases, Canada is making advance payments on settlements currently being negotiated so First Nations can purchase at-risk lands.

  Has your Nation been involved in any of these initiatives?
- Which of these initiatives would be of interest to your Nation?
- Please share any additional thoughts.

Summary of Process and Next Steps (11:45 – 12 noon)

- What do you want the AFN-Canada working group to know?
- Are there topics you or your Nation would like to know more about?
- Can we contact you with follow-up questions from this engagement? If so, please provide your name and email address.

A New Way Forward: Incorporating Indigenous Laws and Legal Orders into Specific Claims Processes

BC SPECIFIC CLAIMS WORKING GROUP

DISCUSSION PAPER

Written by: Ardith Walkem

August 2018

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Incorporating Indigenous Laws and Legal Orders into Specific Claims Processes

EXECUTIVE SUMMARY

Specific claims are an area of longstanding dispute between Indigenous Peoples and Canada. The cost of leaving specific claims unresolved is significant to both Canada and Indigenous communities. Structural weaknesses that have been identified with the specific claims process include: Indigenous laws and ways of assessing and repairing harm are excluded; Canada is in an inherent conflict of interest – it created and controls the system, and also seeks to resolve disputes under it; inadequate resourcing and prioritization; emphasis on mitigating risk rather than healing relationships; and an assumption of adversarial interests.

A New Way Forward proposes an approach based on Indigenous laws, as directed by the BC Specific Claims Working Group. The *United Nations Declaration on the Rights of Indigenous Peoples* and the Truth and Reconciliation Commission Calls to Action support an approach founded on Indigenous laws and Aboriginal Title recognition.

Agreements and accords among Nations (both pre- and post-contact) illustrate how Indigenous laws work to address disputes and past wrongs and create living agreements. Indigenous protocols and declarations reflect notions of "right relations" and the relationships between people and other beings across time and form the basis for the proposals here. Specific claims resolution should reflect that Canada and Indigenous Peoples are involved in an ongoing relationship, which must be tended to as a living agreement.

A New Way Forward advocates for an approach founded in Indigenous legal traditions, in which:

- Space for a plurality of Indigenous legal traditions;
- Resolution is ongoing;
- Expanded notions of resolution (compensation-resolution);

- A multi-perspective process is utilized, which incorporates Indigenous perspectives on how harm is defined and decision-making processes to address that harm;
- Shared (not imposed) deliberations and decision-making are used; and
- Expanded evidence is welcomed to support specific claims.

Indigenous legal traditions for resolving conflicts could be a powerful step in achieving a new relationship between Indigenous and non-Indigenous Canadians in the area of specific claims.

INTRODUCTION

Specific claims reflect those instances where Canada did not honour its "fiduciary obligation to protect and preserve the Bands' interests from invasion or destruction."[1] Specific claims include lands that were not set aside (or reserved) that should have been; lands that were reserved but then cut off or taken; and other areas where Canada failed to fulfill treaty obligations or to protect resources.

The specific claims process has been plagued with difficulties and suffers from a serious lack of credibility with Indigenous communities. Created and controlled by Canada, the specific claims process is slow, under-resourced, and seen by Indigenous Peoples as biased and unfair. Indigenous laws are not reflected in the process or outcomes.

The BC Specific Claims Working Group (BCSCWG) of Indigenous leaders and technicians formed as a result of a Union of BC Indian Chiefs (UBCIC) resolution to advocate for the fair and just resolution of claims. *A New Way Forward* reflects a proposal of the BCSCWG to creatively and meaningfully include Indigenous laws and ways of reaching resolution in resolving specific claims.

1 *Guerin v The Queen*, [1984] 2 SCR 335 ["Guerin"] at 350.

THE UN-LANDING OF INDIGENOUS PEOPLES: RESERVES REPLACE TITLE RECOGNITION

The *Royal Proclamation, 1763*[2] reserved all Aboriginal Title lands to Indigenous Peoples until it was addressed with the consent of Indigenous Peoples/Nations and gave the federal Crown the fiduciary responsibility to guard this interest.[3] Only after Aboriginal Title was addressed could the provinces acquire an unhindered interest in those lands. Specific claims arise because newcomers did not follow these laws and began to take Indigenous lands without consent.

As newcomer numbers grew, Indigenous Peoples were no longer seen as necessary military allies, and treaties came to be seen as too costly. To limit its fiduciary burden and satisfy newcomer demands for land, the federal Crown started to create reserve lands without the consent or agreement of Indigenous Peoples. Indigenous Peoples were forcibly removed from their Title territories to smaller reserve lands.

Reserve creation was a legal sleight of hand by the federal government to avoid the trust obligations to guard Aboriginal Title lands (until dealt with through treaty or other means) imposed by the *Royal Proclamation, 1763*. The creation of reserves displaced Indigenous Peoples from their territories and forcibly disrupted family, community, and Nation relationships, including with territory and resources. Reserves were created as a way to remove Indigenous Peoples from their Aboriginal Title lands and reflect a long-standing source of conflict between Indigenous Peoples and Canada.

In BC, the reserves created were smaller than in the rest of Canada. Cole Harris notes that Indigenous Peoples identified the small reserves as completely insufficient:

> From the late 1860s, Native leaders [in British Columbia] had protested their small reserves in every way they could, claiming, fundamentally, that their people would not have enough food and that their progeny

2 RSC 1985, App. II, No. 1.
3 *St. Catharines Milling and Lumber Company v The Queen, 1887* UKPC 70, 14 App Cas 46.

> had no prospects. In retrospect, they were right. The spaces assigned to Native people did not support them, although the mixed economies they cobbled together, the revised diets they ate, and the accommodations and settlements they lived in had allowed some of them to survive.[4]

BC is in a unique position because there are fewer historic treaties in BC, and reserves in BC were smaller and more likely to be cut back and not protected. BC "has a disproportionately high number of total claims (40-50 percent of all claims in Canada) and rejected claims, while unresolved claims continue to have significant, tangible impacts on communities."[5]

While Indigenous Peoples were being removed from their Title territories through the reserve system, laws were simultaneously enacted to prevent Indigenous Peoples from advancing their rights through legal or political action. Indigenous Peoples were prevented from hiring lawyers to pursue land claims from 1927 – 1951,[6] and the potlatch prohibitions made gatherings where land claims or collective actions might be discussed illegal.

BROKEN TRUST: SPECIFIC CLAIMS

Even after reserves were created, they were subject to unilateral incursions and cutbacks. Specific claims arise where Canada (or its representatives) had the power and responsibility to reserve lands (or resources, such as water) for Indigenous Peoples, and did not. These claims include instances where:

- Lands were not set aside (or reserved) and should have been according to policy or promises, including village sites, fishing stations, graveyards, or grazing lands;
- Lands were reserved but then cut off, sold, or taken for other purposes; and

4 Harris, Cole, *Making Native Space: Colonialism, Resistance, and Reserves in British Columbia,* (Vancouver: UBC Press, 2002), at 291.
5 General Assembly Resolution No. 2017-44 *Re: Creation of an Independent Process for Resolution of Specific Claims*, (September 27-29, 2017) Union of BC Indian Chiefs.
6 Minister of Public Works and Government Services Canada [2009] *Indian Specific Claims Commission Final Report 1991-2009* ["ISCC Final Report 2009"] at 5, citing Richard C. Daniel, *A History of Native Claims Processes in Canada,* 1867-1879, Research paper prepared for the Department of Indian and Northern Affairs (February, 1980).

- Other areas, such as the federal government's failure to fulfill treaty obligations or protect promised access to water or fish.

The costs to Indigenous Peoples (and Canada as a whole) of not resolving specific claims in a way that builds respectful, equitable relationships stretches far beyond the risk of litigation and the economic costs of settling these claims. The social, cultural, and economic impacts on Indigenous Peoples are ongoing and considerable. Indigenous Peoples' experience of unresolved claims over generations has been one of inequality, poverty, and disconnection.

Former Commissioner on Indian Claims Dr. Lloyd Barber noted that specific claims:

> [A]re the most visible part of the much, much more complex question of the relationship between the original inhabitants of this land and the powerful cultures which moved in upon them. ... Satisfactory settlement of these obligations can help provide the means for Indians to regain their independence and play their rightful role as a participating partner in the Canadian future. The claims business is not less than the task of redefining and redetermining the place of Indian people within Canadian society. They themselves are adamant that this shall be done, not unilaterally as in the past, but with them as the major partner in the enterprise.[7]

Indigenous respondents in a UBCIC survey reported that the specific claims process is widely seen as ineffective and unfair:[8]

- "The old grievances remain – but more significantly, the impacts continue to cause damages, losses and suffering to communities."
- "All of this means there is no hope for final and fair resolution of most specific claims. No resolution means ongoing alienation and dissatisfaction, and loss of hope that historical grievances will ever be addressed in good faith."

*7 I*SCC Final Report 2009 at 7, citing Commissioner on Indian Claims, A Report: Statements and Submissions/Lloyd Barber/Canada Indian Rights Commission. Ottawa ON: Supply and Services Canada, 1977.
8 These responses from UBCIC Specific Claims Survey, September 2013.

- "There is a lot of frustration over delays and the Crown changing its position regularly."

The specific claims process has been plagued by allegations of conflicts of interest, at best, and structural racism, at worst. Canada created the system, writes the rules, appoints the decision-makers, and finances the process for Indigenous parties to bring complaints. The fairness of the specific claims process and its outcomes are in serious doubt. As the Indian Specific Claims Commissioners noted, the "First Nations' greatest objections, however, concerned Canada's inherent conflict of interest in the claims process, a process in which it was both a party and a judge – a serious flaw in the system." [9]

The specific claims process is inadequately resourced, displaying a lack of genuine commitment on Canada's part. The ISCC observed that the "low priority assigned to specific claims evident in the inadequate funding and staffing allocated to the process by the department, were made worse by a growing backlog and extraordinary delays in the processing of claims."[10]

In 2014, James Anaya, then–United Nations Special Rapporteur on the rights of indigenous peoples, observed that Canada's claims processes "have contributed to a deterioration rather than a renewal of the relationship between indigenous peoples and the Canadian state."[11] An overarching weakness of Canada's claims process was that "the Government appears to view the overall interests of Canadians as adverse to aboriginal interests, rather than encompassing them."[12] Viewing Indigenous and Canadian interests as adverse

9 ISCC Final Report 2009 at 9.
10 ISCC Final Report 2009 at 9.
11 Anaya, James, *Report of the Special Rapporteur on the rights of indigenous peoples,* Human Rights Council, Twenty-seventh session, agenda item 3, United Nations General Assembly, 2014 ["Anaya, 2014"]. Available at http://www.ohchr.org/Documents/Issues/IPeoples/SR/A.HRC.27.52.Add.2-MissionCanada_AUV.pdf. The Office of the Auditor General (OAG) concurred that Canada's management of specific claims obstructs rather than facilitates access to justice for Indigenous Nations, and that the specific claims process is marked by inequalities, bias, and barriers to resolution. *Office of the Auditor General of Canada, Report 6—First Nations Specific Claims—Indigenous and Northern Affairs Canada*, November 2016. Available at http://www.oag-bvg.gc.ca/internet/English/parl_oag_201611_06_e_41835.html
12 Anaya, 2014, at 16.

to each other, so that resolving specific claims is seen as a zero-sum game, rather than one where both parties benefit, blocks specific claims resolution.

The idea that that the broken specific claims process actually worsens relations between Indigenous Nations and Canada is captured in a 2012 letter from Chief Larry Nooski of Nadleh Whut'en Indian Band, rejecting an offer by Canada to settle a claim (a very low, one-time, take-it-or-leave it offer) as "dishonourable" and an attempt to take advantage of the community's poverty: "[W]e relied on Canada to administer and manage our lands to our best use and benefit. And then, when many decades later, Canada agrees that perhaps things could have been done better, the offer to settle raises instead a new grievance."[13]

Unresolved specific claims remain a barrier to true reconciliation between Canada and Indigenous Peoples.

NOTHING ABOUT US WITHOUT US: NEED TO INCLUDE INDIGENOUS LAWS

Indigenous Peoples' calls for justice are reflected in the demand, "Nothing about us without us." Recognition of Indigenous laws is necessary to move from a specific claims resolution process that is imposed on Indigenous Peoples toward a process that is owned by (and considered just by) all.

A just specific claims process cannot arise from processes of exclusion. Inclusion is a cornerstone of justice, and a revised specific claims process needs to involve and reflect Indigenous Peoples and Indigenous justice paradigms in both its creation and operation.

The strongest call for revision of the specific claims system is for it to reflect Indigenous laws and legal orders, echoing the calls of the Truth and Reconciliation Commission (TRC)

13 Chief Larry Nooski, "Re: Grand Trunk Pacific Railway (GTPR) Hospital on IR No. 1 – Specific Claim. Letter to Martin Labelle, Assistant Negotiator, Aboriginal Affairs and Northern Development Canada. February 1, 2012. Nadleh Whut'en Indian Band.

and the *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP) to end the existence of Indigenous laws and ways of assessing and repairing harm.

The Supreme Court of Canada (SCC) emphasized that a "just resolution" of specific claims is an essential part of Canada's national reconciliation project: *Williams Lake Indian Band v. Canada (AANDC)*[14]. Reconciliation will not be possible in specific claims absent Indigenous laws recognition. In 2015, then–Chief Justice Beverley McLachlin spoke of the need for "concepts of Indigenous justice and the legal processes of achieving justice" to be incorporated in Canadian justice discussions as a matter of access to justice.[15]

The UNDRIP and the TRC *Calls to Action* echo the calls for Indigenous laws recognition.

UNDRIP

The UNDRIP recognizes the rights of Indigenous Peoples as human rights[16] and outlines international standards and a commitment by nation states to recognize Indigenous Peoples' individual and collective rights. The UNDRIP articulates the principles of Free, Prior and Informed Consent (FPIC) and the right of Self-Determination, which can guide the development of a new approach to specific claims.

The UNDRIP calls for Indigenous laws and legal orders to be reflected in decision-making, including dispute resolution mechanisms built between Indigenous Peoples and state governments. Article 27 speaks directly to land claims resolution processes:

> States shall establish and implement, in conjunction with indigenous peoples concerned, a fair, independent, impartial, open and transparent process, giving due recognition to indigenous peoples' laws, traditions, customs and land tenure systems, to recognize and adjudicate the rights of indigenous peoples pertaining to their lands, territories and resources, including those which were traditionally owned or otherwise occupied

14 2018 SCC 4.
15 Chief Justice Beverley McLachlin, Keynote Address (delivered at the Canadian Institute for the Administration of Justice 2015 Annual Conference, Aboriginal Peoples and Law: 'We Are All Here to Stay', Saskatoon, 16 October 2015) [unpublished]
16 *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP). The UNDRIP is a declaration passed by a majority of the UN General Assembly in the form of a resolution in 2007.

or used. Indigenous peoples shall have the right to participate in this process.

Other UNDRIP articles suggest a new approach to specific claims:

- Article 8 (2b) affirms that: "States shall provide effective mechanisms for prevention of, and redress for, any action which has the aim or effect of dispossessing [Indigenous Peoples] of their lands, territories or resources." Conflict resolution should reflect "the customs, traditions, rules and legal systems of the indigenous peoples concerned."
- Article 28 (1) refers to land claims and identifies the "right to redress" by either "restitution or, when this is not possible, just, fair and equitable compensation, for the lands, territories and resources which they have traditionally owned or otherwise occupied or used, and which have been confiscated, taken, occupied, used or damaged without their free, prior and informed consent."
- Article 40 speaks more directly to mechanisms of resolution, requiring rights of "access to and prompt decision through just and fair procedures for the resolution of conflicts and disputes with States," requiring that such processes "give due consideration to the customs, traditions, rules and legal systems of the indigenous peoples concerned and international human rights."

In *Tsilqot'in Nation v British Columbia,* the SCC said that decisions which impact Indigenous Peoples' territories must be made with the meaningful participation of Indigenous Peoples.[17] The goal is Indigenous consent. The *Tsilqot'in* decision is in accord with the direction of the UNDRIP.

THE TRUTH AND RECONCILIATION COMMISSION

The TRC called for a national process of reconciliation that would reflect a commitment to "coming to terms with events of the past" – the history of destructive colonial policies,

17 2014 SCC 44 ["Tsilqot'in"]

including those which prohibited Indigenous laws, established residential schools, and the reserve system – to establish "a respectful and healthy relationship among people, going forward."

A first step of reconciliation is truth telling about the past. In the context of specific claims, this truth telling must address the active role the legal system played in dispossessing Indigenous Peoples and then silencing the ability of Indigenous Peoples to fight that dispossession:

> [The] legal system has played an active role in the destruction, denial or limitation of First Nations cultural practices. The operations of the criminal justice system, whether intentional or not, have resulted in significant over-incarceration rates of First Nations peoples. This is coupled with their almost total invisibility at the most senior levels of policy-making and decision-making in the administration of justice.[18]

Reconciliation requires questioning what it means that Indigenous Peoples did not form the Canadian legal system, including the specific claims process flowing from that system, and that Indigenous legal values and ways of achieving justice are actively excluded from that system.

The TRC Call to Action #57 calls for all levels of government to provide training to public servants about the history and continuing legacy of IRS and UNDRIP, which would "require skills- based training in intercultural competency, conflict resolution, human rights, and anti-racism." In specific claims, this would require governments to examine the structural and systemic racism that both lead to specific claims and is reflected in the process and a commitment to redirect existing staff on a new course.

TRC Call to Action #42 calls upon Canadian governments to recognize and implement Indigenous justice systems. The TRC calls for "recognition and integration of Indigenous

18 St. Lewis, James, "Virtual Justice: Systemic Racism and the Canadian Legal Profession" in Racial Equality in the Canadian Legal Profession (Ottawa: Canadian Bar Association, 1999) at 69, as cited in Ardith Walkem, "Building Bridges: Improving Legal Services for Aboriginal Peoples", Legal Services Society of British Columbia, October 7, 2007, at 1.

laws and legal traditions in negotiation and implementation processes involving Treaties, land claims, and other constructive agreements," which echoes the UNDRIP's call for integration of Indigenous laws in processes of rights recognition and redress.[19] The TRC also calls for full adoption and implementation of the UNDRIP (Call to Action #48).

INDIGENOUS LAWS ARE ALREADY PART OF CANADA'S CONSTITUTIONAL FABRIC

Indigenous laws are part of Canadian constitutional and common law.[20] Indigenous laws and legal orders are ancient. Recognition of Indigenous laws in Canada is a different matter. "The first Europeans to arrive in North America recognized Indigenous legal traditions and often followed Indigenous laws. Aboriginal laws, protocols and procedures provided the framework for the first treaties between Aboriginal peoples and the Dutch, French, and British Crowns."[21]

Indigenous laws do not look the same as what many consider to be law. They are not primarily recorded in statutes or books (though some Indigenous Peoples may choose to reflect their laws in this way). Many are exercised in an active practice and taught through experience, reflecting the lands and territories which gave rise to them. Indigenous laws are widely concerned with relationships and how people interact with each other and their living worlds, and often talk about interrelationship and interdependency between humans and other living beings. "Indigenous laws manifest themselves through social experiences that involve people communicating with one another about how to best conduct relationships and resolve disputes."[22]

19 Truth and Reconciliation Commission, 2015, Calls to Action, 45(iv).
20 See for example: *R. v Van der Peet*, [1996] 2 SCR 507, *Connolly v Woolrich*, (1867), 17 RJRQ 75, *Campbell v BC AG*, 2000 BCSC 1123, *Casimel v ICBC*, (1993) 30 BCAC 279(CA).
21 Justice Within: Indigenous Legal Traditions, (2006) Law Commission of Canada, at 1.
22 Borrows, John, *Canada's Indigenous Constitution* (Toronto: University of Toronto Press, 2010) at 10, as cited in Paddling Together at 29.

Denying that Indigenous laws and legal orders exist, or actively trying to suppress them, has been the focus of the Canadian colonial project. The challenge for Canadian governments is how to recognize Indigenous laws after so many years of active denial. Addressing this history of denial will require conscience and active effort.

INDIGENOUS WORLDVIEWS OF LOSS AND RESOLUTION

Indigenous laws are often concerned less with rights than with relations (not only amongst humans but also with the living world) and question "what is the *right action?*" or "what is the *right way of deliberating* or thinking about this?" in light of the need to consider, reflect, and maintain relationships. This principle is reflected in Kukpi7 Ron Ignace's statement that our laws tell us: "How to be great and good." Canadian/Western law may be more concerned with "rights" and questions such as: "What I am entitled to?" "Where am I protected from interference?" or "What am I obligated to do?"

Many Indigenous Peoples share the worldview (defined differently within their own territories and according to the life the territory is shared with) of seeing the land and water, animals, fish, birds, and plants which live upon it as living, imbued with spirit, and existing in a reciprocal relationship with Indigenous Peoples. A failure to create or protect reserves interfered with and displaced a broader web of relationships, and a just resolution of specific claims cannot result unless that broader range of relationships is considered.

In the context of criminal law, Rupert Ross has observed that Indigenous Peoples' relational way of understanding justice calls for a different form of resolution for violations or instances where the law is broken. Ross gives an example of a young man who broke into an elderly couple's house and stole a bottle of liquor worth less than $40. The house itself was not damaged. The loss the elderly couple mourned was not the $40, but rather their sense of safety in their own home and their relationship with others in the community, as they became distrustful of other young people.

As Indigenous notions of justice may revolve more around relationships than property, even when property (theft) was an issue, the injury to relationships left unaddressed often "remained long after the property-centered case was declared 'closed.'"[23] To achieve resolution in this context, it was necessary to define "the crime in the same way that victims experience it, as causing an enduring injury to central relationships in their lives,"[24] such that one impact of the crime that needed to be addressed was the victims' "capacity for maintaining or creating healthy relationships."[25]

KEY PRINCIPLES FOR A SPECIFIC CLAIMS FRAMEWORK THAT REFLECT INDIGENOUS LAWS

The specific claims process must be inclusive of Indigenous notions of justice and ways of achieving justice. A revised specific claims process incorporating Indigenous ways of resolving conflicts could be a powerful step in achieving a new relationship between Indigenous and non-Indigenous Canadians. As Professor Napoleon notes, an "Indigenous law resurgence will make a symmetrical relationship possible with Canadian law – leaving behind the colonial asymmetry which denied and disregarded Indigenous legal traditions."[26]

Key principles which members of the BCSCWG directed be reflected in a specific claims model follow. These principles are built upon Indigenous inter-tribal protocols as examples of Indigenous laws resolving conflict.

23 Rupert Ross, Discussion Paper: *Exploring Criminal Justice And The Aboriginal Healing Paradigm*, at p. 4 (accessed online, August 29, 2018, at: http://www.lsuc.on.ca/media/third_colloquium_rupert_ross.pdf) ["Rupert Ross"].
24 Rupert Ross, at p. 4.
25 Rupert Ross, at p. 4.
26 Napoleon, Val, "What is Indigenous Law? A Small Discussion" (University of Victoria, Indigenous Law Research Unit).

1. SPACE FOR A PLURALITY OF INDIGENOUS LEGAL TRADITIONS

Each Indigenous Nation has its own laws and legal systems. Given the variety of Indigenous Nations and legal traditions, a revised specific claims process must accommodate a variety of legal traditions.

Indigenous legal orders are "embedded throughout social, political, economic, and spiritual institutions," often "inseparable from spiritual, social, political and economic domains of life."[27] This means that the legal traditions and ways of achieving justice for different Indigenous Nations vary. The specificity and variety of Indigenous laws and ways of achieving justice must be honoured, or the risk is duplicating errors of the current system.

This Secwepemc story, told by Kukpi7 Ron Ignace, illustrates legal pluralism and respect for each other's laws:

> A long time ago, maybe 5,000 years ago, the Wutémtkemc, a group of Coast Salish people sometimes called "transformers" ventured up the Fraser River. They met Sk'elép, who was sitting on a rock watching them as they approached. They tried to t'ult (transform) him with their powers, but were able only to change his tracks into stone. Therefore, the marks of Sk'elép's feet may be seen on this rock at the present day.
>
> Sk'elép sat with his chin resting on his hand and stared at them while they were trying to transform him. When they failed, he cried out to them, "You are making the world right – so am I. Why try to punish me when I have done you no harm? This is my country. Why do you come here and interfere with my work? If I wished, I could turn you into stone, but as you have likely been sent into the world, like myself, to do good, I will allow you to pass, but you must leave this country as quickly as you can. We should be friends, but must not interfere with each others' work.[28]

27 Napoleon, Val, "Thinking About Indigenous Legal Orders" (2007), online: http://fngovernance.org/ncfng_research/val_napoleon.pdf, as cited in Paddling Together at 29.
28 From a stspetékwle as recorded by ethnologist James A. Teit, 1895 and 1915, reproduced in "Yiri7 re Stsq'ey's-kucw Our Laws and Customs".

This story outlines principles of non-interference across legal traditions and directions for how to respect the jurisdiction of other Peoples.

A revised specific claims process must be flexible to reflect what is important to each nation or community. Space must be made to incorporate various Indigenous legal traditions within specific claims policies and processes, and a robust legal pluralism will be required.

2. RESOLUTION IS ONGOING

A revised specific claims process should craft solutions that reflect the ongoing nature of the relationship between Indigenous Peoples and Canada that was harmed by the breach of trust. This means that the range of resolution open for consideration must extend beyond a "one-time payment and legal release" model.

In Indigenous law, an agreement or settlement may be just the starting point – implementation happens through the establishment and tending of an ongoing relationship – that addresses the past harm and moves forward on a different basis. The Numbered Treaties' reference to the notion that the agreement entered will last "as long as the sun shines, the grass grows and the river flows" shows the intent that the agreements be living.

Different ideas of resolution or settlement are reflected in Canadian versus Indigenous legal worldviews:

Canada	Indigenous Peoples
• Once an agreement is reached, the process is over – certainty has been achieved.	• Reaching an agreement is just the beginning. • The actual content of a settlement is found in how the parties keep their word and implement the

• Canada's goal in the specific claims process is to settle, resolve, and then move on.	agreement as part of their ongoing relationship.

Indigenous protocols, such as the Fish Lake Accord between the Secwepemc and Syilx, have built in mechanisms to renew the agreement, and to bring new generations into the agreement, over time. The practice of renewing historic intertribal accords over time with the intent of breathing new life into agreements or settlements in a structured way could inform specific claims resolution. This arrangement would be more likely to achieve reconciliation.

3. EXPANDED NOTIONS OF RESOLUTION (COMPENSATION-RESTITUTION)

Canada narrowly defines the "lawful obligations" it will address and excludes "acceptance of claims on moral or equitable grounds"[29] as well as areas of non-financial damage Indigenous Peoples identify. Many claims or impacts important to Indigenous Peoples are excluded, and a new revised specific claims process must listen and respond to the truth of the Indigenous experience.

Wrongs create enduring relationships between those who have been harmed and those who caused the harm. For Indigenous communities, the breach giving rise to a specific claim may have impacts beyond the subject matter of the specific claim. Indigenous communities or individuals may be impacted in areas such as:

- Feelings of safety or dignity;
- Ability to be self-sufficient (traditional economy or food sovereignty);
- Ability to meet their own legal obligations to their members or other forms of life;
- Loss of culture or languages tied to specific areas or resources; and

29 ISCC Final Report 2009 at 8.

- Damaged relations with both the federal government and newcomers who may continue to benefit from the breach.

Western society quantifies land in monetary terms, and Canada frames specific claims compensation and settlement in terms of money. An accounting of Indigenous loss must be assessed in light of the disruption of Indigenous Peoples' relationship with their territory, resources, and culture.

Losses from an Indigenous perspective go beyond merely financial to include a disruption of relationships and ability to uphold obligations and include socio-cultural and environmental impacts. Actions (or inactions) giving rise to specific claims interfered with the cultural flow of Indigenous Peoples on the land. As Indigenous cultures are tied to lands and resources, failure to reserve or protect land impacted language, spirituality, and the ability to teach new generations about cultural beliefs and laws. Indigenous Peoples' relationship with their territories and other beings that share that territory – animals, plants, trees, streams, whole watersheds and ecosystems – were disturbed when lands were not reserved, or cut off. Traditional economies were interrupted.

Looked at from a relational perspective, the currency which can compensate a specific claim is not money alone. It is necessary to broaden notions about quantification of loss, compensation and restitution to ensure outcomes are meaningful to Indigenous Peoples.

Reconciliation requires seeing the path to repair from an Indigenous perspective. Assessing damages from the lens of the interrelationship between people and the land will lead to settlements that include compensation for a fuller set of damages (not just monetary losses, but losses to culture). Indigenous Peoples' connections to specific areas may have meanings not understood across cultures. Cutting off access to a place Indigenous Peoples are connected to over generations, or the creation of reserves in places that Indigenous Peoples did not historically live, are all actions with potentially deep and abiding impacts beyond financial.

- Indigenous laws are reflected through language, culture, and traditions tied to particular lands at different times of the year. Some laws can only be exercised at certain times of the year because – for example – that is when the berries grow or the salmon return or the people gather. Some laws may be held by the hunters or fishers closest to a resource, and who are best suited to manage that resource. Language, culture, and legal loss may be among the impacts of a failure to set aside, or honour a reserve creation.
- The loss of a fishing station may have weakened a community's traditional economy and disrupted the ability to pass teachings, laws, and language related to the fishery across generations. Money alone would not restore that damage; an assessment of how it might be possible to restore what was lost is needed, including asking how to support the recovery of skills, language, and teachings tied to that particular fishing spot.
- The failure to reserve longstanding village or permaculture sites may have resulted in loss of life (due to starvation or despair) and the break-up of social and cultural units if people could not be self-sustaining on a new, and less known or productive, land base. Resolution might have to both account for the loss of life and despair of the community – but should also turn to the continuing impacts in the community, including diaspora of members and subsequent generations who could not remain.

Principles of restitution must consider how Indigenous Peoples may be restored as far as possible by having the damage repaired not just compensated.

4. A MULTI-PERSPECTIVE PROCESS IS UTILIZED REFLECTING INDIGENOUS WORLDVIEWS

In the context of a dispute or negotiation to settle a specific claim, Indigenous Peoples may identify the "parties" to a case or claim differently than the Western legal system. For example, if the habitat of an animal was harmed by a failure to set aside lands, Indigenous Peoples may see it necessary to discuss that and to seek reparations for that loss. Within

this worldview, many Indigenous Peoples consider that human needs should be determined after other elements of the living world. Humans have obligations to that world which were disrupted by a failure to create or protect a reserve.

Indigenous accords provide examples of how Indigenous Nations resolved disputes between each other in the past and reflect Indigenous legal systems at work. Indigenous inter-nation law illustrates ways to resolve disputes across interests and different legal systems. Indigenous laws about shared or migratory resources illustrate Indigenous protocols to resolve conflict of laws.

A powerful lesson from many Indigenous legal approaches is an inclusive understanding of the perspectives that must be considered in decision-making.

SYILX ENOWKIN'WIXW

The Syilx Enowkin'wixw is "a consensus-based practice that teaches us how to come together to find common ground. It provides an approach to discussions that reduces conflict and ensures all views are heard."[30]

The Four Food Chiefs story[31] of the Syilx outlines these varied perspectives:

Skemxist (Bear) • Tradition-oriented • Knowledge keeper/teacher • Contemplation/thinking • Ties everything into culture	Ntyxtix (Salmon) • Action-oriented • Just do it • Finds what through barriers • Efficient
Spitlem (Bitter root) • Relationship-oriented • Aware of all the connections • Inclusive	Siya? (Saskatoon) • Innovation/creative-oriented • Thinks we CAN do it • Nothing is impossible

30 "Go Back to the Root" as cited in Nxwalxwaltantat "That Which Gives Us Life" (2013) Okanagan Nation Alliance at 4.
31 Nxwalxwaltantat "That Which Gives Us Life" (2013) Okanagan Nation Alliance at 1-2.

• Takes others into consideration	• Thinks outside the box

Enowkin'wixw refers to the way decisions are made, and the consideration that must be given to the impacts of decisions on other living beings. This approach includes a process where "[p]articipants were asked to identify which of the Four Food Chiefs best represented their own tendencies. Discussion groups were then formed based on the different perspectives. The process of sitting in discussion with like-minded thinkers helps reduce tension and encourages everyone to share their thoughts. This is how everyone's voice gets heard and all perspectives are given equal respect and inclusion."[32]

ETUAPTMUNK – TWO-EYED SEEING

The model of 'Two-Eyed Seeing" has been championed in the Maritimes to reach a decision-making model which incorporates both Indigenous and Western ways of knowing and deliberating.

> Two-Eyed Seeing" as a guiding principle encouraging that we learn to see and use the best in both the Aboriginal and the non-native worlds and knowledge systems. The principle is exceedingly relevant in numerous arenas, e.g. education, environment, and economic development – wherever there is a desire to "take down the boundaries" between the mainstream and the Aboriginal community while working respectfully with our differences and commonalities for the benefit of all people and our Earth Mother.[33]

The Bras d'Or Lakes Collaborative Environmental Planning Initiative (CEPI), involving multiple levels of Mi'kmaq and Canadian governments in shared decision-making, follows the "Two-Eyed Seeing" process which incorporates "a weaving back and forth between

32 "Go Back to the Root" as cited in Nxwalxwaltantat "That Which Gives Us Life" (2013) Okanagan Nation Alliance at 4.
33 Bartlett, C, and Marshall, A, *Two-Eyed Seeing: "taking down the boundaries" between Mi'kmaq Traditional Knowledge and the mainstream.* AAEDIRP (Atlantic Aboriginal Economic Development Integrated Research Program), 2010. *Let's Work Together: A Conference on Creating Meaningful and Sustainable Employment for Atlantic Aboriginal People*. Dartmouth, NS, 16-18 February 2010. WikiProceedings at: http://aaedirpletsworktogetherconference.wikispaces.com.

the perspectives represented (Indigenous and Western) and not domination or assimilation."[34]

WAIKATO RIVER SETTLEMENT

Indigenous laws' concern with the relationship between humans and their living world (including spiritual or supernatural beings) may require that those features of the living world also be considered. The *Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act*[35] in New Zealand, for example, recognizes the different relationship of the Māori with their territory and reflects an understanding of the value and meaning of seeing that territory as a separate living being. With respect to the relationship of the Waikato-Tainui to the Waikato River, the agreement notes:

> Respect for te mana o te awa (the spiritual authority, protective power, and prestige of the Waikato River) is at the heart of the relationship between the tribe and their ancestral River. Waikato-Tainui regard their River with reverence and love. It gave them their name and is the source of their tribal identity. Over generations, Waikato-Tainui have developed tikanga (values, ethics, governing conduct) which embody their profound respect for the Waikato River and all life within it. The Waikato River sustains the people physically and spiritually. It brings them peace in times of stress, relief from illness and pain, and cleanses and purifies their bodies and souls from the many problems that surround them. Spiritually, to Waikato-Tainui, the Waikato River is constant, enduring and perpetual.[36]

5. SHARED (NOT IMPOSED) DELIBERATIONS AND DECISION-MAKING ARE USED

Negotiation, from many Indigenous legal perspectives, does not mean each party merely puts their mind to a proposed final agreement or settlement; rather, it is a process by which the parties work together to craft a lasting relationship and path forward. Negotiation processes for a revised specific claims process must be developed to ensure

34 Paddling Together at 60.
35 2010, No. 24, online: http://www.legislation.govt.nz/act/public/2010/0024/latest/DLM1630002.htm.
36 As cited in Paddling Together at 52.

the parties are able to participate meaningfully. Barriers to participation – whether financial or related to cultural understanding or other issues – must be identified and removed.

There are varied examples of Indigenous legal and governance mechanisms which could inform a restructured specific claims process which distributes (rather than imposes) decision-making.

FIRST NATIONS COURT

First Nations courts provide an example where Indigenous approaches are incorporated into an essentially non-Indigenous court process. These courts are an example of hybrid areas of jurisdiction where "[e]fforts have been made to identify opportunities to reflect the values and ways of doing things of the Indigenous communities who participate. Indigenous Elders and community members (and where possible lawyers and judges) are part of these courts. This flexibility offers the opportunity to develop innovative solutions that incorporate Indigenous values or ways of making decisions."[37]

A new specific claims process could build in procedural requirements and mechanisms to view resolution and consideration of the specific claim from different points of view, which would include other life (the animals, fish, plants, and so forth).

NEW ZEALAND WAITANGI TRIBUNAL

The integration of Māori laws and protocols into proceedings at the Waitangi Tribunal in New Zealand provide an example of how Indigenous laws and legal proceedings can be integrated into processes for redress of historical grievances here in this country. The Waitangi Tribunal was established in 1975 as a standing commission of inquiry. Its role is to "make recommendations on claims brought by Māori relating to legislation, policies,

37 Walkem, Ardith, "Our Law is a Living Tree: With Roots in Indigenous Landscapes, Cultures and Traditions", Presentation to the Seminaro Internacional Independencia Judicia (Guatamala City) at 7.

actions or omissions of the Crown that are alleged to breach the promises made in the Treaty of Waitangi."[38] The tribunal's primary responsibility is to "investigate whether Crown-Māori relations are proceeding in accordance with the intentions of the [1840 Treaty of Waitangi]."[39]

Māori and non-Māori leaders and Elders sit together with tribunal members to investigate historical grievances and listen to claimant communities and the Crown.[40] Half the tribunal members are Māori, and at any given hearing, at least one presiding member must be Māori.[41]

A revised specific claims process must involve Indigenous Peoples as decision-makers and reflect Indigenous protocols.

DECLARATIONS TO SIR WILFRED LAURIER

The Indigenous declarations to colonial governments illustrate Indigenous proposals for how to resolve ongoing disputes between Indigenous Peoples and newcomers. The Laurier Memorial outlines features of a mutually respectful relationship that the Indigenous Peoples envision: a relationship of host non-interfering to guests.

> When they first came among us there were only Indians here. They found the people of each tribe supreme in their own territory, and having tribal boundaries known and recognized by all. They country of each tribe was just the same as a very large farm or ranch (belonging to all the people of the tribe) from which they gathered their food and clothing, etc. …Thus, fire, water, food, clothing, and all the necessaries of life were obtained in abundance from the lands of each tribe, and all the people

38 Waitangi Tribunal, 2018. "About the Waitangi Tribunal." Available at: https://www.waitangitribunal.govt.nz/about-waitangi-tribunal/

39 Ray, Arthur, 2017. The Waitangi Tribunal and New Zealand History. Chapter 5 in *Aboriginal Rights Claims and the Making and Remaking of History*. Montreal, QC: McGill-Queen's University Press, page 144 ["The Waitangi Tribunal"]. Ray writes: "To reconcile the issues about ongoing state and chiefly sovereignty…the tribunal developed the basic principle that British Colonial officials and the Māori chiefs who signed the treaty intended to establish a permanent partnership for the development of New Zealand" (page 161).

40 Waitangi Tribunal, The New Approach Revisited: A Discussion Paper on the Waitangi Tribunal's Current and Developing Practices. Available at: https://www.waitangitribunal.govt.nz/assets/Documents/Publications/WT-The-new-approach-revisited.pdf.

41 The Waitangi Tribunal, at 146 and 148.

> had equal rights of access to everything they required. You will see the ranch of each tribe was the same as its life, and without it the people could not have lived.[42]

Indigenous Peoples outlined a situation of mutual respect and non-interference. They advocated for mutual respect for their decision-making jurisdictions. A model of mutual respect should be incorporated into a revised specific claims process.

6. EXPANDED EVIDENCE IS WELCOMED TO SUPPORT SPECIFIC CLAIMS

The Indian Claims Commissioners noted, "The burden upon First Nations to prove their allegations is heavy, especially in light of the evidentiary difficulties associated with proving facts that may have occurred a century ago."[43] The Crown decides the standard of proof that will be required to establish a claim, weighting documentary evidence over Indigenous oral traditions and ways of recording events or agreements. When the written record is given greater weight in specific claims assessments, Indigenous Peoples are at a considerable disadvantage.

A transformed specific claims framework must view Indigenous knowledge as "complementary – not competing."[44] Doubt about the validity of information provided by Indigenous Peoples is a significant barrier to the resolution of specific claims. Written history or records are assessed above information passed through "oral" cultures. There is a tendency to "dismiss Aboriginal knowledge as subjective, anecdotal, and unscientific."[45]

While oral history can be introduced in the specific claims process, it is still not assessed on the same level as written or historical sources. The unequal status of oral evidence

42 Laurier Memorial at 1.
43 ISCC Final Report 2009 at 9.
44 Freeman, Milton. 1979 Traditional Land Users as a Legitimate Source of Environmental Expertise. In Nelson, G. (ed) *The Canadian National Parks: Today and Tomorrow-Conference 11, Ten Years Later.* Waterloo, Canada: Waterloo University Studies in Land Use, History and Landscape Change. As cited in Sallenave at 4.
45 Sallenave, J. "Giving Traditional Ecological Knowledge Its Rightful Place in Environmental Impact Assessment" ["Sallenave"] at 6.

reflects an area of structural racism within the specific claims process. There is a need for the specific claims process to "receive oral history evidence" and other evidence from community members.[46] The ISCC emphasized that "a First Nation's oral tradition and oral history provide important sources of information to supplement the written record of a claim."[47] The process must honour "traditional" knowledge and ways of knowing and ways of deliberating. The ISCC noted that, "there may be opportunities to work cooperatively with Canada and First Nations to further refine that process and thereby lend even greater weight to the testimony of elders and other key members of aboriginal communities."[48]

SPOTTED LAKE

The Syilx (Okanagan) efforts to save Spotted Lake illustrate the importance of oral evidence. Spotted Lake, a medicine lake and of tremendous spiritual significance, was held under provincial law by private owners who periodically threatened to mine it for minerals. The Syilx maintained their responsibility to guard Spotted Lake and consistently opposed development and requested that the area be made into a reserve. [49]

An Elder remembered a story he was told and gave evidence about Syilx communities over 100 years ago – having heard of the reserve creation policy to set aside "fenced" lands – had gathered together from multiple communities and created a very large fence around the area. Each community contributed people or fencing materials, collectively pooling resources. Even though Spotted Lake was fenced, the area was not reserved. The fence subsequently disappeared (in some places it was removed by newcomers; in others, it fell into disrepair). Decades later, Syilx oral evidence about the fence built by the communities led to the area being protected and ultimately moved into reserve status.

46 ISCC Final Report 2009 at 23.
47 ISCC Final Report 2009 at 22.
48 ISCC Final Report 2009 at 55.
49 Okanagan Tribal Chiefs, 1979 Statement on Spotted Lake, See: https://www.syilx.org/about-us/syilx-nation/spotted-lake-2/

As observed by legal counsel Louise Mandell, QC:

> Oral history gave us an opening to argue that the land should have been set aside as a reserve in the first place – That the governments had notice that Spotted Lake was not available for pre-emption – The fence was also evidence of ownership under Okanagan law, meeting the test to prove title and also evidence of the sacredness of the lake, and the stewardship laws protecting Spotted Lake against trespass. The Okanagan made clear by the fence that people other than the Okanagan were trespassers at Spotted Lake under Okanagan law. Although we resolved the case without having to prove title in Court, the fence evidenced laws about trespass.

CONCLUSION

Systemic bias against Indigenous specific claims continues Canada's history of denying Indigenous Peoples' Title to lands. Resolution of specific claims usually places little to no emphasis on repairing the Crown-Indigenous relationship damaged by the actions giving rise to the breach. Specific claims reflect broken promises, yet the specific claims process is adversarial, driven to achieve certainty and final settlement, rather than healing ongoing relationships. An emphasis on mitigating risk and final settlement precludes settlement options that might actually heal the relationship between Canada and Indigenous Peoples. An approach based in Indigenous laws could shift the adversarial focus of specific claims to one more likely to result in true reconciliation.

There is a need to transform the specific claims model through processes or protocols developed with Indigenous Nations as equal partners that respond to Indigenous Peoples' direction for how Indigenous laws can be integrated into the specific claims process – and how this inclusion can be pluralistic, creating space for a diversity of Indigenous traditions.

A revised specific claims process will require expanded ideas about quantification of loss, compensation and restitution, and an openness to new remedies beyond money. Indigenous Peoples must be actively involved in the design and implementation of a

revised independent specific claims process that incorporates Indigenous laws and ways of bringing resolution to disputes.

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ENGAGEMENT REPORT

"Compounding Original Harms"

NCRD Feedback on the Specific Claims Process, the Urgent Need for Reform, and the Creation of an Independent Centre

Submitted by the National Claims Research Directors to the AFN-Canada Specific Claims Implementation Working Group

SEPTEMBER 2024

INTRODUCTION

The specific claims process, through which First Nations seek redress for historic breaches of lawful obligation by the federal government, is dependent on the capacity of First Nations and Claims Research Units (CRUs) to research and develop claims.[1] A fundamental barrier that First Nations and their designated CRUs face in this research, however, is that Canada – in a fundamental conflict of interest – controls the funding and information. Canada makes the decisions about whether, if, when, and to what extent funding and information for claims research will be released. Further, documentary, government-held records remain the primary source of evidence and Canadian laws underpin the system. First Nations' priorities, timelines, histories, systems of knowledge, long-term goals, and laws and legal protocols are marginalized or excluded entirely. The system is fraught with delay, inequity, and lack of transparency; access to justice is inhibited at this early stage.

The *UN Declaration on the Rights of Indigenous Peoples* (UN Declaration) states that Indigenous peoples have the right to a process of redress that is "fair, independent, impartial, open, and transparent" and which gives "due recognition to Indigenous peoples' laws, traditions, customs and land tenure systems" (Article 27). The right to effective and timely remedies is also codified: "Indigenous peoples have the right to access to and prompt decision through just and fair procedures for the resolution of conflicts and disputes with States or other parties" (Article 40). It is Canada's legislated obligation under the *UN Declaration on the Rights of Indigenous Peoples Act* to implement the UN Declaration and work in partnership with Indigenous Nations to advance their rights. In the UN Declaration Act Action Plan, Canada specifically committed to co-developing fundamental reforms of the specific claims program.[2] First Nations have been advocating for an independent process for decades.

The Assembly of First Nations (AFN) and Canada are involved in a joint process to "substantively reform the specific claims process and policy"[3] and Canada has committed to creating an Independent Centre for the Resolution of Specific Claims (Independent Centre).[4]

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[1] Claims Research Units (CRUs) are mandated by First Nations to research and develop evidence related to claims, grievances, and disputes between First Nations and the Crown.

[2] In Chapter 2 of the UN Declaration Act Action Plan, Canada states its commitment that Crown-Indigenous Relations Canada (CIRNAC) will "take the following actions in consultation and cooperation with First Nations": "Continue to co-develop options for reform of the Specific Claims program, and the development of a reformed specific claims resolution process, including a Centre for the resolution of specific claims, to administer and oversee the process presently performed by Crown-Indigenous Relations and Northern Affairs Canada. As part of this process, co-develop changes to the Specific Claims Policy and amendments to the Specific Claims Tribunal Act as necessary to implement a reformed Specific Claims resolution process that is consistent with the UN Declaration."

[3] See *AFN Specific Claims Reform Proposal – Independent Centre for the Resolution of Specific Claims*.

[4] On November 3, 2022, then-AFN Regional Chief Nova Scotia/Newfoundland Paul Prosper and then Minister of Crown-Indigenous Relations Marc Miller attended a public ceremony to formally launch the creation of the Specific Claims Implementation Working Group and the co-development of an independent process. Canada's

The AFN has created a proposal for the Centre based on extensive engagement with First Nations in 2017 and 2019.[5] The proposal identifies four key principles of fairness for the creation of the Independent Centre:

1. The Honour of the Crown: The specific claims process must be consistent with the Honour of the Crown.

2. Independence of All Aspects of Claims Resolution: The funding and oversight of claims must be handled independent of Canada.

3. Recognition of Indigenous Laws: The Independent Centre will support the recognition of the laws, legal orders and dispute resolution mechanisms as articulated by participating First Nations. The recognition of First Nations' laws may impact the conduct of adjudication, dispute resolution, mediation, and negotiation.

4. No Arbitrary Limits on Compensation: There will be no financial limit on the jurisdiction of the Tribunal or the Commission. First Nations should have access to a fair process of redress that fits their needs and priorities.

In May 2024, Canada and the AFN issued a joint discussion paper developed by an independent facilitator, *Elements of a Proposed Centre for the Resolution of Specific Claims* (*Elements* paper), which outlines areas of alignment as well as unresolved issues. Canada and the AFN are now seeking feedback on the proposed Independent Centre.[6]

This report is a submission from the National Claims Research Directors (NCRD) to this current reform process and offers input regarding the proposed Independent Centre. The NCRD is a national body of specific claims technicians who manage centralized CRUs, representing hundreds of First Nations and hundreds of specific claims in development. The NCRD is committed to challenging barriers in the research process such that claims can be advanced and resolved in a just and timely manner. As practitioners who work with First Nation communities, legal counsel, funding administrators, the Specific Claims Branch (SCB), negotiation teams, and the Specific Claims Tribunal (SCT), NCRD members are uniquely positioned to analyze specific claims processes and make recommendations to improve transparency, efficiency, and equity. For decades, NCRD members have been calling on Canada to address barriers in the system. Failure to do so, said one NCRD member, means that the processes will continue to "compound the original harms" created by the historical wrongdoings for which the specific claims process is meant to provide redress.

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press release on the launch states that "Together, Canada and the AFN will establish a centre that will act as a neutral body to accelerate the resolution of claims."

[5] The AFN posted a draft proposal on its website and solicited feedback from First Nations. In May 2022, it posted the final proposal, which has informed and guided joint discussions since.

[6] AFN-Canada Specific Claims Implementation Working Group, 2024. Elements of a Proposed Centre for the Resolution of Specific Claims. The paper is now (as of August 2024) available from Canada's Specific Claims website homepage.

In May 2024, the NCRD ran an engagement process for its members regarding the creation of a new Independent Centre for the resolution of specific claims. Canada has committed to the creation of this Centre and stated an intention to run a window of engagement over summer 2024. This NCRD engagement, while sponsored by Canada, was initiated, coordinated, developed, and run by the NCRD itself. It was set during the NCRD's annual meeting to maximize attendance and input. The NCRD developed the engagement themes and topic areas and then discussed these with Canada and the AFN; NCRD then developed questions within each topic area.

This report consolidates the input from NCRD participants and constitutes this body's submission to the Specific Claims Implementation Working Group (SCIWG), though, as we note throughout, further engagement is needed related to ongoing challenges and specific topics (such as the integration of Indigenous laws and settlements that include the return of land). It also draws on a wider body of work and advocacy from the NCRD, particularly regarding ongoing challenges related to access to information and research funding.

We identify six main findings from this engagement:

1. **Issues with funding and access to information remain top challenges in claims research**. Participants connected these issues to a lack of independence in the process overall and had recommendations/feedback related to how a proposed independent funder and resource hub could address these challenges, with a focus on transparency leading to greater equity.

2. **Participants are interested in training approaches that build community knowledge and First Nations' capacity to manage their own information**. This feedback relates to the role of the Resource Hub. While some participants saw a role for the Hub to facilitate information access, in general they were interested in processes that decentralized resources and information and would support First Nations' research skills and community archives.

3. **New forms of remedy and restitution are required.** Participants want settlements that include the return of land. This topic came up near the end of the workshop and will require further engagement (e.g. at the National Claims Research Workshop [NCRW]) in November. As well, as we explain, participants want the specific claims process to address ongoing harms.

4. **Participants raised questions about the independence of the Specific Claims Tribunal (SCT).** They believe it is only "somewhat independent." They noted that SCT is embedded in Canadian legislation and legal constructs and administrative structures and constrained by the $150 million cap on settlement amounts, which is a barrier to settlements involving land as well as access to justice for all of Canada's historical wrongdoings.

5. **Participants expressed uncertainty about how Indigenous laws would be integrated into an independent process.** They also expressed a lack of understanding regarding how the proposed Advisory Committee on the Integration of Indigenous Laws would function. As we discuss below, some participants expressed concern that integrating Indigenous law and ceremony into colonial institutions and processes could create harm. Ongoing dialogue is required (e.g. National Claims Research Workshop [NCRW] in November 2024 or at the 2025 AFN Gathering on Indigenous Laws) and funding is required for engagement on Indigenous Laws by the NCRD (e.g. support for the attendance of members of the AFN's Council of Experts on Indigenous Laws [CEIL]).

6. **Participants identified inequity and a lack of trust in the Nation-to-Nation relationship in several arenas.** Specific recommendations included reduced barriers in claims registration, early site visits by Canada to the areas of specific claims, better communication with the funder, and greater transparency and equity in funding, reporting, and information access. Participants suggested trust would need to be built before more collaborative approaches to research and throughout the process could advance on a more widespread or institutionalized basis.

Background and Methodology

NCRD technicians manage over thirty centralized CRUs mandated to research and develop evidence related to the claims, grievances, and disputes between First Nations and the Crown. In their work, participants focus primarily on research, but they also have experience in a range of other specific claims–related activities, particularly policy advocacy, but also including negotiation, litigation, implementation, and other work such as training and community- and land-based work.

Overall, 51 people attended the NCRD's May 2024 meeting, including 23 specific claims technicians.[7] While many technicians came from Ontario and BC, the meeting also included participants from Alberta, Manitoba, Quebec, New Brunswick, and Nova Scotia. Taken together, these members represent hundreds of claims and First Nations from across Canada.

Meeting attendees participated in a series of Slido polls and shared additional thoughts during discussion.[8] Responses were 91 percent anonymous. Questions were related to current challenges in their work, their priorities for change, and their views on elements of the proposed independent process. These questions were developed by members of the NCRD, with input from representatives from the AFN and Canada. Representatives from the

[7] In addition, there were 15 government officials, 4 representatives from the AFN, and 9 other attendees (observers, researchers, lawyers).

[8] Slido is a polling platform for live and virtual meetings. It offers polls and surveys (in which both in-person and Zoom attendees can participate) and shows responses in real-time.

AFN and Canada also attended the meeting to share information on the proposed Independent Centre and answer questions.

This report consolidates data from Slido, meeting recordings and transcripts, PowerPoints, and notes by attendees. It also draws on recent NCRD advocacy efforts around access to information (ATI) and research funding, which have identified barriers and inequities in detail and made recommendations to address them. It also includes further input from follow-up emails, interviews, and short surveys with NCRD participants after the May meeting.

Report Overview

This report has two opening sections: (1) feedback on the engagement process itself and (2) feedback relevant to the system as a whole and the need for more transformative approaches to remedy and redress.

Subsequently, this report is structured as a response to six different elements of the proposed independent process: (1) the Registrar; (2) the Independent Funder, (3) the Resource Hub, (4) Alternative Dispute Resolution (ADR) provider; (5) the Specific Claims Tribunal, and (6) the inclusion of Indigenous laws.

Because members of the NCRD are particularly engaged in the early parts of the claims process – research and development of claims – much of their feedback focuses on funding and resources (research materials and access to information). At the same time, participants' varied experience also positions them to speak to broader issues around negotiation, adjudication, and policy reform; that input is also included here. **A summary of key recommendations is included at the end of the report.**

Via this structure, the claims researchers' feedback can be mapped directly onto ongoing discussions related to elements of the proposed Independent Centre. At the same time, these concerns cannot be put aside until the transition to this Centre is underway. At multiple meetings over the past year, representatives of Canada have repeatedly deferred concerns, saying that these problems will be addressed once the Independent Centre is up and running. Canada cannot wait until the Centre is operational to address the systemic barriers Indigenous Nations and CRUs identify. Members of the NCRD expect Canada to fulfill its lawful obligations under the current process, honour claims still in the system, and then, going forward, ensure a clear, systematic transition ("Need a clear articulation of the overlap between the old process and the new process," said one participant).

THE ENGAGEMENT PROCESS

Overall, participants shared concerns regarding the engagement process itself, including related to timelines and communication.

Timelines

Participants were concerned about the timeline of reform, in two main ways:

1. Participants identified a lack of clarity around whether legislation creating a new Centre can be drafted before the next federal election expected by October 2025; the result was a feeling of participant uncertainty about the promise of reform. "Will a change of government halt the process?" was one participant's first question on the open forum.

   A representative for Canada, François Routhier, Director of the Policy and Litigation Management Directorate at the Specific Claims Branch, said that SCB recognized that the timeline is short, but that they are still hoping to seek Cabinet approval to begin drafting legislation in fall 2024.[9] "We still expect Canada to fulfill the legislative timeline," said Jesse Donovan, then-Associate Director of the Lands Sector at the AFN; in other words, the AFN expects this government to enact legislation to create the Independent Centre within its current term. "There would be an adverse impact on the honour of the Crown if Canada did not prioritize this legislation," Donovan said.

2. Participants also expressed concern that Canada's brief window of engagement was based on government schedules and did not reflect First Nations' timelines. They were concerned that the engagement period was too short and taking place over the summer when fewer people would be available. One participant wrote: "Many of the conversations are happening in summer! First Nations' timelines need to be considered – i.e. winter is storytelling time."

Communication

Some participants felt that they had not been fully informed about the proposed independent process. Overall, only half of attendees said they were "somewhat familiar" with the current AFN-Canada process to create an independent specific claims centre. Overall, 77 percent said that they had read the AFN's proposal for an independent process, but a majority (58 percent) said that they had not read the facilitator's joint report (the *Elements* paper). Copies of this report were provided in the meeting kit a few days before

[9] Government of Canada, 2022. Canada and the Assembly of First Nations Launch the Specific Claims Reform Co-Development Process. Crown-Indigenous Relations and Northern Affairs Canada. November 24, 2022.

the meeting, when it was made public, but most participants had not heard of this report or had chance to review it. To date, most of the communication about the independent process has been through the NCRD (80 percent of participants said that the NCRD was their main source of information on this topic).

Comprehensive, ongoing communication about the proposal and joint report should be a priority for future engagements, so that participants have full opportunity to provide informed input. The opportunity should be foregrounded on Canada's specific claims website.[10] Most importantly, Canada should reach out to First Nations and members of the specific claims community – proactively and systematically – to solicit their input on the *Elements* paper and the reform process more broadly.

Recommendations regarding Canada's ongoing engagement for the Independent Centre

1. **Actively and regularly reach out to First Nations and the specific claims community regarding the proposed Independent Centre during the engagement window**.

2. **Facilitate meaningful engagement by providing funding and creating an engagement calendar – including the timeline of reform – that First Nations can access via the website.**

TRANSFORMATIVE APPROACHES TO REMEDY AND REDRESS

When asked about reform of the specific claims process as a whole, NCRD members ranked "land back" and "address ongoing harms" among their top three priorities ("increased funding" was the third priority). Here we address these two recommendations, including information from follow-up emails. These recommendations are connected to the need for expanded views of restitution and resolution – addressing the effects of historical wrongdoings in ways that reflect Indigenous rights and priorities.

"Land Back" in the specific claims process

When asked for their policy reform priorities, participants used the words "land back" and upvoted this term to the top. In their comments, they referred to a report from the House Standing Committee on Indigenous and Northern Affairs: *We Belong to the Land: The Restitutions of Land to Indigenous Nations*. This report came out just days before the

[10] In July 2024, Canada posted information about the reforms as an "update" on its Specific Claims website, including a link to the *Elements* paper. Navigation to find information about engagement remains complex and difficult to find (on a subpage). Further, the deadline for submissions (as of August 20, 2024) is stated as July 2024, despite repeated requests by First Nations for this critical information to be adjusted. This information about the opportunity for participation needs to be clarified, with its timeline adjusted, communicated widely, and brought upfront on the website.

meeting; one of its top four recommendations was "identifying barriers which may limit the use of land as compensation for specific claims."[11]

A representative of the AFN noted that UNDRIP Article 28 (on redress) includes the right to restitution, which means, as this representative said, "Returning to the position they would have been in if the breach had not occurred." Future engagement could be in dialogue with ideas from this report in relation to specific claims and Canada's obligations under UNDRIP.[12] Any new process set up to advance reconciliation via specific claims will need to advance effective and timely mechanisms for settlements involving land; future engagement and follow-up should address priorities of "Land Back" and ask for further detail and input.

Address ongoing harms

In an open-ended poll at the end of the May meeting, NCRD participants identified the need to "address ongoing harms" as a priority for specific claims reform. Because there was not time to discuss this topic at the meeting, further input was solicited from NCRD members and other meeting participants via email.

Via email, representatives of the AFN told us that they have consistently heard from First Nations and specific claims technicians that the current specific claims policy fails to address ongoing harms. The AFN representatives noted that they have also heard repeatedly that "Canada's historical dispossession of lands has ongoing harms which are not currently compensable." Cultural losses were part of these ongoing harms. A participant wrote: "The dispossession of a tract of land may prevent intergenerational transfer of traditional knowledge, culture, and language. This disruption results in ongoing harms to First Nations." One NCRD member summarized some of the ongoing repercussions of historical wrongs as including "land dispossession, cultural suppression, and economic marginalization."

One technician (and NCRD member) provided an in-depth example of ongoing harm. They described how First Nations with railway right-of-way claims face ongoing nuisance (noise, vibration) and significant harm (health effects, toxicity), which continue to the present day.

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[11] The report identifies the $150 million cap on compensation as one potential barrier to land return (page 33); we return to the issue of this cap in the section on the Specific Claims Tribunal, below.

[12] In this way, the NCRD echoed ongoing work and recommendations by the BC Specific Claims Working Group (BCSCWG) for transformative change of the process and the need to explore options related to land return in specific claims. The BCSCWG also supported the creation of a report by Dr. Shiri Pasternak called *Land Back: Restitution of Lands Policy in Specific Claims Resolution* (many NCRD technicians provided input on this report) and made a submission to the Senate study. In April 2023, the BCSCWG hosted a meeting called "Transformative Change in Resolving Specific Claims" (the agenda is available here) attended by then-Minister of Crown-Indigenous Relations, Marc Miller, which featured the topic "Exploring options for land return in the specific claims process." In June 2023, the BCSCWG made *a Submission to the House of Commons Standing Committee on Indigenous and Northern Affairs Restitution of Land to First Nations, Inuit and Métis Communities*, identifying key reforms essential to strengthening the provision for restitution of land.

Some Nations with railway claims, one technician reported, "question why they should agree to settle the claim when the problems the takings cause continue unabated." For example, many coal trains run through communities without covers; coal dust is blown from the cars (a pollutant, with risk of combustion). Technology exists to cover these cars, but rail companies refuse to pay these costs. The technician wrote that "it's super frustrating for communities that these kinds of issues can't be discussed as part of the spec claims settlement negotiations (because Canada says they can't bind third parties)."

Overall, NCRD participants clearly felt that policies of redress must take into account ongoing harms. "Policies should not limit the scope of First Nations' losses" wrote one participant, via email. Rather, this person wrote, policies should be "broad and comprehensive, reflecting the principles of UNDRIP and the latest judicial interpretations to ensure no restrictions on the compensation payable to a Nation for losses suffered." Another participant offered, via email, that policies and legislation should support addressing ongoing harms in a manner that integrates Indigenous dispute resolution principles and mechanisms (and referred to a 2018 paper by Ardith Walkem: *A New Way Forward Incorporating Indigenous Laws and Legal Orders into Specific Claims Processes*).

In short, feedback from the NCRD engagement suggests that finding ways to address ongoing harms will continue to be a priority for First Nations and specific claims technicians in the context of an Independent Centre. Further dialogue is needed regarding how to address ongoing harms for First Nations going forward, in alignment with UNDRIP and evolving case law.

Recommendations for overall reform

1. **Build capacity to advance and resolve settlements that include return of land**.

2. **Work with First Nations to identify processes to enable First Nations and Canada to address or mitigate the ongoing harms from historical wrongdoings**. **Such processes could include Indigenous dispute mechanisms and principles, based in Indigenous laws.**

THE REGISTRAR

Throughout the NCRD engagement, participants described a number of administrative barriers related to the registration and public registry of claims. In a follow-up survey, all respondents said that they had faced technical or administrative barriers to claims submission.

Registration-related challenges

1. **Lack of communication and transparency:** Overall, participants identified a lack of communication and transparent process as a major challenge in submitting claims. In particular, the process for submitting claims has changed frequently (including the physical address to which claims are to be delivered) without sufficient communication. Survey

participants also identified high staff turnover as a barrier to communication in this context. Once the claim is submitted, First Nations and CRUs often face long waits and, as one participant wrote, "Lack of communications and updates in terms of the status of claims submission."

2. **Inadequate public-facing data:** Participants identified issues with the public-facing specific claims registry, noting that it is difficult to navigate and use effectively; for example, it is difficult to generate reports on multiple claims. Many fields relevant to ongoing claims work by First Nations and CRUs (such as claim type) is unavailable, and the registry currently offers no data on claims in the research stage of the process.

3. **Technical challenges:** Some research directors new to the process described facing technical challenges when submitting their first claims, including issues with the web portal, but without consistent support to address these issues.[13] One new director described how the system seemed punitive; they were flagged for "technical errors" but did not receive the support or instructions needed to file their (first-ever) claims successfully.

4. **Drawn-out legal processes**: Participants identified long drawn-out legal processes associated with claims submission as a barrier to efficient, reconciliation-based approaches to claims resolution. They noted, too, that reviews and internal processes at the Department of Justice often take a long time ("and it's not clear why," wrote one participant).

Recommendations for the Registrar in an Independent Centre

1. **Offer a transparent, accessible, consistent system for claims submission, with clear communication about any updates and changes and clear channels for technical support.** This system should include a process for updating Nations and CRUs about the status of Canada's assessment/review of the claim (as opposed to claimants waiting three years for Canada's response, as in the current process). One survey participant recommended "dedicated government liaisons, transparency in processes, and clear timelines." Overall, for the process to be independent, the Registrar needs to have, as one survey participant wrote, "clear guiding principles that are shared widely and a clear methodology for making its decisions."

2. **After claims submission, offer comprehensive support for successful development of claims.** After registering a claim, the Nation and/or CRU should have access to financial support, legal and technical support, research and documentation support, capacity-building and training, support for community engagement, technical and administrative support, and support for advocacy and public relations support. These supports are described in detail in sections on the Funder and Resource Hub, below.

3. **Explore ways to streamline the legal part of claims submissions.** As one survey participant noted, "it would be good if legal arguments could be streamlined somewhat so lawyers

[13] Information about the submission process on Canada's website is limited; the site mentions only a "secure file exchange with Titan file." First Nations or CRUs who want to submit a claim must email a request (to a lengthy generic email address). The submission process lacks transparency.

didn't have to be an integral part of the claims submission process." This participant continued:

> The law is similar for many claims… Communities could agree to share their legal arguments (e.g. the law relating to statutory duty, fiduciary duty, etc.), DOJ [Department of Justice] and Nations' lawyers could agree to some basic foundational legal arguments, and then lawyers don't have to create the basic arguments every time. Lawyers could be consulted to review the arguments or add novel arguments for claims.

Participants are interested in identifying ways in which no legal arguments are required to enter the claim into the process for claim registration; in this scenario, legal arguments would come later, such as at an early meeting between parties (described below). Other ideas for streamlining the legal process included earlier DOJ reviews and updates to both Parties on any new developments in the law that could affect the claim.

4. **Work with First Nations to update and enhance the registry to provide comprehensive public-facing data on the status of claims, in ways that reflect First Nations' priorities.** The database should be user friendly, include clearer descriptions of what terminology (i.e. "file closed" does not equal "settled"), and have reporting fields that reflect topics identified by First Nations as important. Participants' other recommendations included that the database should be searchable by date range and other functions and should include information on other critical metrics (the status of Canada's review of submitted claims; claims in the early stages of the process, i.e. in research; more robust claims descriptions; detailed information on timelines). Overall, as one survey participant wrote, the registrar should be "responsive to First Nations' ongoing input regarding the functionality and focus of the registry."

5. **Offer support for Nations for full participation in mandatory, early meetings between the First Nation and Canada.** NCRD participants were interested in early meetings, which they felt could "help move things along" and provide the First Nation "a chance to talk about the urgency/priority of that claim." "I think that's an excellent idea for Parties to have any questions asked and answered," wrote one survey participant. At this early meeting, participants could identify fast-track options could be possible for the claims.

   For these meetings to be successful, however, First Nations/CRUs require information and support. One participant recommended, for the process to be fully cooperative, a requirement that Canada "disclose their thinking about the claim in advance to allow the Nation/CRU to assess and consider meeting." Participants noted that remote First Nations could face barriers and much red tape in trying to participate in early meetings; consultation with First Nations is necessary to identify what supports are needed for their full participation.

AN INDEPENDENT FUNDER

Participants repeatedly identified funding-related challenges as top barriers to their research work and expressed concerns regarding the unequal distribution of funds between

First Nations and Canada. In July 2023, for example, the NCRD wrote an open letter to then-Minister of CIRNAC Marc Miller regarding the need to remedy the "severe shortfall in specific claims research funding for the 2023–24 fiscal year." At the time, based on data provided by the Negotiation Services Directorate (NSD) at CIRNA, the NCRD reported the shortfall was $18.5 million; since then, based on updated information provided by NSD, the NCRD has learned that the shortfall is actually $21,342,797 (see table 1).[14]

As the NCRD has stated repeatedly over many years, lack of research funding causes major upheaval for unfunded or under-funded First Nations and CRUs and generates deep distrust in the process. It forms a significant barrier to access to justice. Here we identify the main challenges before describing participants' ideas and priorities for what reforms are needed – including via an independent process.

Research funding–related challenges

Identified challenges fall into four broad categories, which we describe in detail (integrating participant comments) before moving on to participants' ideas for reform. Overall, 80 percent of participants disagreed with the statement "Current funding is meeting my organization's needs" (the remaining 20 percent chose "undecided").

1. **Insufficient funding:** The $12 million funding envelope continues to be insufficient to meeting the needs of First Nations and CRUs that have applied; this is a system-wide problem (see table 1). Early data for 2024–2025 suggests a shortfall of $14 million; actual, final numbers may be different.[15]

	Total Funding Requested	Total Funding Provided	Shortfall
2019–20	$10,178,409	$7,291,471	$2,866,938
2020–21	$15,717,123	$9,766,295	$5,950,828
2021–22	$17,139,870	$11,971,057	$5,168,813
2022–23	$20,291,328	$12,289,126	$8,002,202
2023–24	$33,342,797	$12,000,000	$21,342,797
2024–25	$26,760,932	$12,000,000	$14,760,932

Table 1. Research funding shortfall, by year (Source: NSD, 2024)[16]

Participants noted a variety of challenges created by limited funds, including the inability to offer competitive wages (resulting in a hard time finding and retaining

[14] National Claims Research Directors, 2023. Open Letter: Calling on Canada to Provide Specific Claims Research Funding to All First Nations Claimants to Ensure Full and Fair Access to Justice. Negotiation Services Directorate (NSD) is now called the Cross Sector Initiative (CSI) but we have retained "NSD" here for clarity, as this was the name of the agency when it sent the data.

[15] For the 2023–2024 year, early numbers provided by NSD suggested a shortfall of $18.5 million; final numbers suggest the difference was over $21 million. Early numbers for 2024–2025 mean a shortfall of $14 million, but this data may change based on NSD's final calculations.

[16] NSD provides this data to the NCRD via email, following repeated requests.

staff), train staff and offer professional development, and pay legal fees. While CRUs represented by NCRD participants at the 2024 meeting have between 7 and 200 claims on their current workplans (with an average of 44 claims), all have large numbers of claims that they know are awaiting research (from 10 to 200 claims per organization); insufficient funding limits their capacity to take on and advance these claims. It is important to note that these numbers only hint at the number of claims awaiting research: they do not include those that may be identified and developed by First Nations outside of CRUs. Table 2 (based on NSD-provided data) shows that many claims for which CRUs and First Nations apply are not receiving funding. Further engagement is needed to develop a full picture of claims awaiting research.

	Total number of claims for which funding was requested		**Total number of claims funded**	
	2023–2024	**2024–2025**	**2023–2024**	**2024–2025**
FIRST NATIONS	276	215	86	150
CRUs	661	650	524	562

Table 2. Funding Requests versus Claims Funded (Source: NSD, 2024)

2. **Delays in receiving funding:** A major issue – discussed at length by participants – was the repeated annual delay in receiving their funding for the year. Overall, 100 percent of participants said that their research funding was "not at all timely." NCRD members stated that the delay has two elements: (1) they do not receive a decision on funding requests until late spring or summer and (2) they do not receive actual funding until the fall.

   Participants said that repeated annual delays in funding affected their ability to plan, pay for legal analysis, retain staff, and hire summer students and administrative help. Another noted the general disruptive effects of the delays: "Hard to plan the continued work when not sure if you will have the funds to pay," they wrote. They also noted that certain fees (e.g. legal fees, wages, contractor fees, travel costs) continued to mount while CRUs awaited funding. In other words, these delays require CRUs to take on a significant risk: they must continue to expend funds without knowing when or if their funds will arrive, or in what amount. If CRUs and First Nations knew to expect less funding, they could plan accordingly or advocate for appropriate funding.

   The delays are exacerbated by a lack of communication (or timely communication) from NSD. Several participants described requesting updates on their annual funding for this fiscal year but receiving no response to their emails. In 2023, as stated in an open letter from the NCRD to Minister Miller, CRUs and First Nations did not hear about their funding until July, a full four months into the fiscal year.[17]

[17] National Claims Research Directors, 2023. Open Letter: Calling on Canada to Provide Specific Claims Research Funding to All First Nations Claimants to Ensure Full and Fair Access to Justice.

3. **Inconsistent communication:** Participants noted that communication with the NSD was highly variable. Some participants highlighted that communication was affected by "personalities and pressure." Another agreed, noting that "it feels like when there was enough funding available [communication] was good, but when there's not enough it's not so great." Overall, however, NCRD members suggested that communications barriers are systemic, and 67 percent of participants reported that they were "not very satisfied" with their experience regarding communications with NSD (33 percent reported being "somewhat satisfied"). Participants were frustrated. One described the inequity in what NSD requires but does not itself provide:

> NSD imposes a deadline for our proposals. If we don't meet it, we could be deemed ineligible for funding. The risk of being deemed ineligible is much higher now that demand for funding is so high. Yet NSD has no requirement to respond to requests in a timely manner.

   Another participant wrote that "The turnover feels high, so trying to learn new staff's communication styles from year to year can be difficult," highlighting how the high turnover prevents relationships from being built and undermines the reconciliation-related aims of the specific claims program.

4. **Inflexible and paternalistic reporting:** Participants noted that the current reporting requirements – including the Stages of Research (SOR) approach – could be inflexible. Participants noted repeatedly that research is a non-linear process and the SOR approach, while it can be helpful in tracking work, can "feel too rigid." "It is a good tool, but it should not work against you," wrote one. Participants reported being unable to return to a phase they'd completed. This barrier was particularly problematic with delays in receiving documents and information: "There are instances where research has come back from SCB research that requires CRUs to go back to the previous phase," wrote one participant.

   In particular, these requirements, and the new and increasing demand for and control of minute details in budgets (a) are based in government understandings about what it is important work in a claim, (b) assume that the process is more linear than it is, and (c) is burdensome and paternalistic, rather than trust-based and reconciliatory as one participant reflected: "It is very disappointing the way NSD focuses so much time and energy on monitoring tiny details rather than supporting researchers and building relationships."

Recommendations for funding in the context of an Independent Centre

Claims researchers face a great deal of challenges regarding the amount, timing, and stability of their funding; an independent process would need to address these challenges.

Additional recommendations regarding improvements to the process focused on the importance of representatives of Canada getting early, "on the ground" experience of the claims and developing more flexible reporting guidelines. These guidelines should be revised jointly on a regular basis to reflect current issues (e.g. ATIP-related delays) and First Nations' and CRUs' needs and priorities.

1. **Provide stable, sufficient, predictable funding.** "Increased funding" was identified by participants as a top policy-reform priority overall. "A properly resourced funding area of the Independent Centre would be able to fully fund the whole life of a claim," wrote one participant. On several different polls, participants described the importance of "sustainable" and "multi-year" funding. Participants believed that NSD should be required to meet deadlines for funding responses.

2. **Work with First Nations to create more flexible reporting guidelines that reflect (a) Indigenous methodologies and community priorities, (b) the practical realities of claims research, and (c) a more trust-based approach.**
    a. Reporting requirements, wrote one participant, "need to reflect First Nations' ideas of progress, not just Canada's." Their comments suggest that reporting should better reflect Indigenous understandings and methodologies and community priorities (see box 1).
    b. Claims research is a non-linear process, and reporting requirements should accommodate the practical realities of this work. Participants had many recommendations along these lines.[18] For example, 93 percent of participants said that they undertake research after a claim has been submitted (activities for which they do not currently receive funding without specific SCB approval that "additional work is required").[19] Overall, participants felt that First Nations should help define the reporting structure and that it should be more like an "update rather than having to demonstrate movement (with the implicit threat of funding being cut if no progress shown)."

3. **Have the Funder hold responsibility for supporting First Nations' and CRUs' access to funding.** Reporting should not be a barrier to access. "If a funding proposal has issues," wrote one NCRD participant, "the funder should be responsible for assisting the First Nations to address them."

[18] Participants recommendations included the following: (1) a "new information found" stage; (2) the opportunity to provide a narrative summary to explain challenges; (3) space to provide information on areas of progress that are important to Nations; (4) recognition of the research-related work that occurs after a claim has been submitted. The issue of work done after a claim has been submitted is significant.

[19] Participants identified many activities they undertake after a claim has been submitted, including negotiation support, data and archival management, clarifying research questions that come up for SCB, and providing ongoing communication with communities (e.g. follow-up interviews with community members, presenting the claim to communities, knowledge keepers, and elders). They felt that these stages should be funded.

Box 1. Reporting Guidelines that Reflect First Nations Priorities and Research Approaches

Participants identified many specific ways in which reporting guidelines could reflect First Nations' priorities and research approaches. In general, low-barrier, trust-based funding mechanisms are essential to building relationships to advance specific claims and to avoid excluding claims based on trivial or arcane details.

Priorities

One researcher said that a priority is communicating with the First Nation regarding its claim to make sure that community priorities are being honoured. Several participants identified "in-person meetings in communities" as a priority. Another participant said that the reporting should recognize or create stages for "community information sharing, community visits – which can be separate from meeting with First Nations' leadership."

Methodologies & approaches

Participants suggested that reporting "should be revised to include Indigenous research principles and methodologies." Another said that reporting requirements should "reflect Indigenous understandings of loss, evidence, restitution, and the work involved with these." Another participant suggested that the actual form of reporting could be more flexible: "Reporting could take on a completely different form. It could be oral, in-community, video, narrative. It should be minimal, low barrier."

4. **Institute transparent and equitable reporting requirements for Canada.**
   Participants felt that – in order for the process to be equitable and transparent – Canada should share information on its spending and activities. One participant wrote: "I would like to see Canada share its expenditures in a way that is very clear. How much is Canada paying to research claims, litigate claims, negotiate claims?" Another said: "If they are taking money from the funding envelope, they should be doing annual reporting." Participants felt that this sort of reporting was "required to order to validate whether the process is equitable." They said that Canada should be required to report to the Independent Centre. One participant recommended that these reporting requirements could feed into UNDRIP action plan reporting requirements.[20]

[20] Under Canada's UNDRIP Action Plan, Canada has committed to co-developing the Centre for the resolution of specific claims (and co-developing "changes to the Specific Claims Policy and amendments to the Specific Claims Tribunal Act as is necessary to implement a reformed Specific Claims resolution process that is consistent with the UN Declaration"). (This text is in Chapter 2: First Nations priorities.) The NCRD participant was potentially suggesting that, once the Centre is developed, Canada should work with First Nations to co-develop tangible metrics to assess whether Canada is upholding these commitments.

THE RESOURCE HUB

The proposed Resource Hub is intended to act as a repository and training centre, providing support to First Nations throughout the research, development, negotiation, and adjudication of claims.[21] In this section, we identify the main challenges participants face in information access and training and include their recommendations for policy reform and the role of a Resource Hub.

Challenges with access to information in the current process

Claims research directors and research technicians access materials from a variety of sources.[22] At the research meeting, many participants had over a decade of research experience (several had over 20 years) and are familiar with the landscape of claims research materials. Within this landscape, they identified challenges with receiving information from government repositories – especially at the federal level, and especially from Crown-Indigenous Relations and Northern Affairs and Indigenous Services Canada (CIRNA and ISC). We outline these challenges here, with particular attention to equity in access at these federal repositories.

Participants described using the "informal" process for requesting records before using formal channels.[23] At the same time, one participant said that they always use a formal application now so that they have "recourse and somewhat of a timeline obligation."[24] They submit requests to Library and Archives Canada (LAC) and CIRNA (88 percent reported

[21] The AFN proposal states that "the Resource Hub will store a collective body of research materials, such as archival documents, First Nation accounts, and expert reports, to facilitate research for First Nations" and notes that the Hub will "also provide training and skills development related to research and claim development."

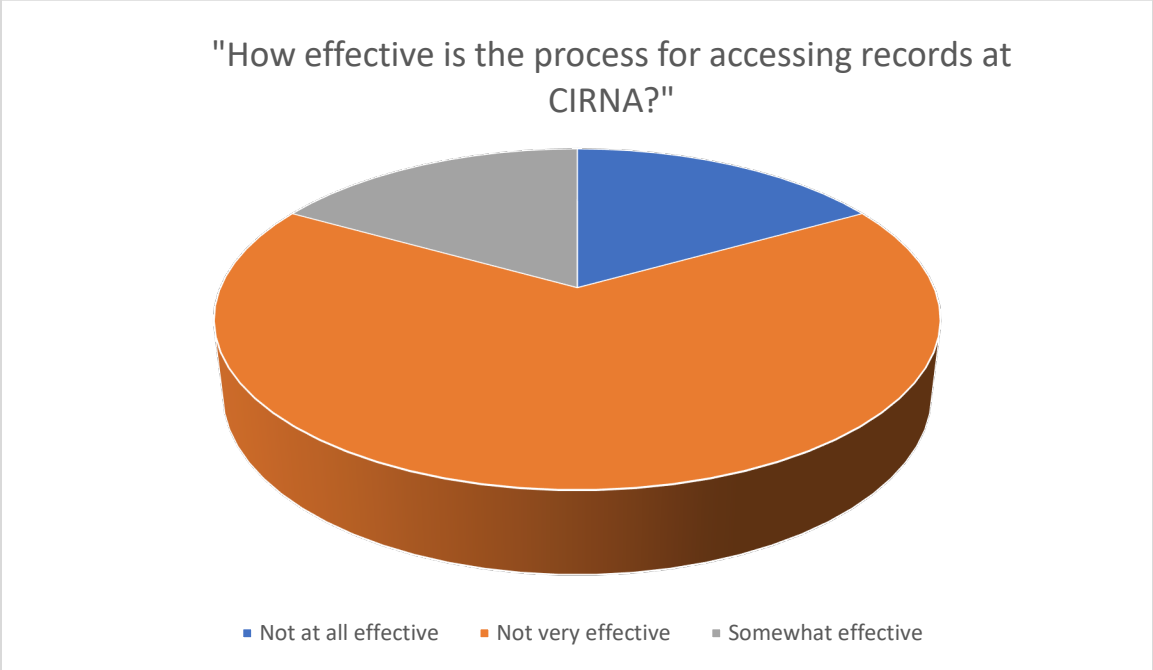
[22] They described using archives of various kinds (government, corporate, museum, open-source, international), the resources of First Nations, family collections, and government-held records.

[23] The informal process was developed in 1999 in response to years of advocacy by First Nations and CRUs, who were frustrated by delays and barriers in accessing departmental records via formal processes. (NCRD's 2022 report *Full Disclosure* covers this topic. It was a joint submission from the NCRD and UBCIC regarding the one-year review of the *Access to Information Act* and the modernization of the *Privacy Act*.) Informal requests are requests for records made without going through the federal *Access to Information Act* (as in the case of a formal request). Informal requests "usually as a first course of action to obtain records, occasionally in accordance with the terms of a prior agreement between the requester and a public body, such as between First Nations and CIRNAC" (see NCRD, *Full Disclosure*, page 5).

[24] Under section 7 of the *Access to Information Act*, government bodies are required to respond to a records request within 30 days. Research by the NCRD in 2022 found "it routinely takes more than 90 days from the date of submitting a request to receive any records at all" (see NCRD 2022, *Full Disclosure*). If the records received are delayed or incomplete, or important information is redacted, researchers may file a complaint with the Office of the Information Commissioner, a process which can itself take months or even years. The same NCRD research found that, when complaints are filed, government agencies almost always release additional records.

submitting requests to these agencies), as well as to ISC and the Department of Justice.[25] Participant feedback below relates to both formal and informal processes.

When asked whether they faced barriers in accessing information, 100 percent said "yes." A marked contrast came up when participants described their experiences with LAC versus CIRNA. Participants were asked "To what extent do you agree with the following statement: The process for accessing records at LAC is effective." Overall, 58 percent said they "neither agree nor disagree"; 42 percent said they "agree." Meanwhile, when participants were asked "How effective is the process of accessing records at CIRNAC?" 67 percent said "not very effective" (17 percent said "not at all effective" and 17 percent said "somewhat effective").



Overall, participants' experiences with requesting records from LAC was neutral to positive, whereas their experiences requesting records from CIRNA were negative and their requests were less effective (i.e. they were unable to access the materials they required).

"Access to information is an access to justice issue," said a researcher from the Union of BC Indian Chiefs (UBCIC) during a presentation at the NCRD meeting. *Full Disclosure,* the 2022 joint discussion paper from NCRD and the UBCIC, clearly states that Canada's information management regime is failing in the task of upholding and implementing First Nations' right

[25] Others reported that they submit requests to other federal agencies, including the Department of Fisheries and Oceans, the Department of National Defense, and Transport Canada.

of redress for historical grievances and impedes access to justice. [26] At the May 2024 engagement, participants identified three key barriers to information access:

1. **Delays in receiving information:** Participants described delays in depth and emphasized that these delays have real effects on their workplans and their ability to complete and submit claims. “Requests to federal institutions are always the slowest,” said one participant. “Delay, delay, delay,” said one researcher. Another agreed that delays were a big barrier, “especially with the renovations that are ongoing at CIRNAC, boxes have been misplaced and this adds more delays (which then impacts our workplans).” Participants identified issues causing delays: backlogs, misplaced files, lack of file lists (and the fact that ATIP requests are required to access file lists), changing file names, and other issues. A recent decision from the Office of the Information Commissioner (OIC) censured CIRNAC for its failure to meet legislated timelines, explicitly naming the barriers with which NCRD participants struggle on an ongoing basis.[27] The report notes that “any additional time that is taken to respond to this request is another day by which the complainant’s rights of access are being denied. This lack of responsiveness is in clear contravention of CIRNAC’s obligations under the Act and undermines the credibility of the access system.”

2. **Lack of equity in information access:** Overall, 67 percent of participants said that information access in the current system was “not at all equitable” (a further 33 percent said “not very equitable”). “I do not believe we have equal access to records held at CIRNAC and ISC,” wrote one participant. Participants described incidents where they found that researchers working for Canada had access to specific documents that CRU researchers had been denied. SCB returns some documents during minimum standard review,” wrote one researcher, wondering “How did SCB get access to these, not the First Nation?” Another wrote that they got “additional documents from Canada during the assessment stage that we requested but could not get.” Further, another participant said that they’d heard that contract researchers working for CIRNA got a “security pass” that allows them to get access to the files they need. “It would be great if we as First Nations researchers could also get that clearance, especially as when we have mandate BCRs for the First Nation that the documents are about.” Another wrote: “Canada researchers get full access, and we have to jump through all the hoops not being able to search for the files ourselves.”

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[26] National Claims Research Directors and the Union of BC Indian Chiefs, 2022. *Full Disclosure: Canada’s Conflict of Interest in Controlling First Nations’ Access to Information*.

[27] Office of the Information Commissioner, 2024*. Information Commissioner’s Final Report. Institution: Crown-Indigenous Relations and Northern Affairs Canada*. OIC file number: 5832-03644. July 22, 2024. As of September 4, 2024, his report is not available on the OIC website; it is attached to this submission as an appendix.

3. **Poor communication**: Participants recognized the efforts of some staff and individual ATIP officers (who they said "can be very nice") but emphasized that communication was, in general, poor. Participants described lack of communication about lost files, issues with accessing file lists, and delays. (Regarding communication about delays, one technician noted that there is lack of clear timelines regarding requests or updates regarding the status of delayed requests). In a follow-up email, one technician wrote that "communication around ATI is a critical issue needing improvement."

Recommendations for ATI policy reform and an independent process

Participants attributed ATIP-related barriers and inequity to the lack of independence in the process. "Canada's conflict of interest extends to Canada's control over access to documents," wrote one participant. This echoes the 2022 NCRD submission, which states "Canada's conflict of interest in managing and assessing claims against itself extends to its control over access to information First Nations legally require in order to resolve their claims."[28]

They identified several ways that a new Resource Hub could improve information access and equity and support training for claims researchers working on behalf of First Nations:

1. **Improve access to information (such as by facilitating relationships with government agencies).** Currently there is "too much reliance on the discretion of CIRNA staff," one participant wrote. The process should be more independent, so that information does not rely on the judgment of individual ATIP officers. Overall, the participants saw a role for the Resource Hub as an intermediary (rather than, necessarily, as described below, a centralized repository for all claims-related records). Participants felt that the Hub could "offer support with other repositories (e.g. negotiating agreements between repositories and the RH)."

2. **Improve equity in access to information**. Participants expressed clearly that Canada should not have access to information that First Nations do not, and they had several ideas for how equity in access could be improved. For example, participants suggested that CIRNA should disclose the full extent of the files that they have on each First Nation to that Nation or the designated CRUs. During discussion, some participants expressed that because ATI had a "black box" feeling, they could not always accurately assess how equitable the process was. Overall, one participant said that the Resource Hub of the Independent Centre could have a role to play in "making sure that First Nations have the same access to records that Canada does."

[28] National Claims Research Directors and the Union of BC Indian Chiefs, 2022. *Full Disclosure: Canada's Conflict of Interest in Controlling First Nations' Access to Information*. Available at https://www.ubcic.bc.ca/ubcic_publications

3. **Improve communication regarding access to information.** NCRD members said that clearer channels of communication need to be established, along with a more proactive policy or approach. In this context, records institutions would provide information on what records are available, the timelines of response, and any potential issues or delays. The Resource Hub could facilitate this more transparent approach to records access.

4. **Manage risks associated with having any new Centre act as a repository for records related to specific claims**. All participants at the workshop said that there are risks associated with storing claims records at a Centre. They were concerned that confidential records could be shared or accessed via breaches in cybersecurity, or that they could lose access to their own records. This loss of access happened, they noted, with records from the Indian Specific Claims Commission (ISCC) (the ISCC ran from 1991 to 2009), which are now restricted despite the original intent to make them accessible). Participants were concerned, too, about funding over the long term. They also noted that having the Hub as a centre for all records could increase delays ("the records required by researchers for claims submitted by different First Nations are rarely similar, and having all records sent to the resource hub could increase delays"). It is important to note, too, that participants were concerned that the Hub should not replace or infringe on the ongoing work or holdings of First Nations and CRUs, which are distinct and essential to the advancement of specific claims.

   It is important to note that not all participants agreed with the idea that these materials should be centralized at a Centre: "The hub could also (instead of only housing community records) support communities and CRUs to build their own collections in a safe way." (This idea is related to training, which was also a role that participants envisioned for the Hub. One participant suggested that the Hub could offer "training and workshops on setting up community archives.") Another stated that the Resource Hub could store materials "where communities want it and in accordance with their own terms if the community does not have the capacity." Library and Archives Canada has committed to offering this kind of support; its efforts may provide a model or template for the proposed Resource Hub. In its *Indigenous Heritage Action Plan* (point 22), LAC has committed to "building archival and library capacity in First Nations, Inuit and Métis Nation communities and will also provide preservation storage to communities who do not yet have capacity, without transferring ownership to LAC." [29]

[29] Library and Archives Canada, 2024. *Indigenous Heritage Action Plan* (point 22). LAC also commits to "collaborating with First Nations, Inuit and the Métis Nation to ensure that non-governmental archival records from their communities are preserved according to their preferences, whether at LAC or locally."

Challenges with training in the current process

Specific claims research is a specialized field requiring a great deal of training and ongoing learning that CRUs struggle to provide, particularly on limited budgets with restrictive allowable spending. It is difficult, participants noted, to find staff with knowledge of "both Indigenous ways of knowing and spec claims" and with regional historical expertise. (These challenges are compounded, as described above, by the lack of funding, which results in an inability to offer competitive, market-rate salaries.)

CRUs have explored many options for training, including online courses, partnerships with universities, tribal council workshops, summer student funding, and internal training and mentoring. Still, these options all require resourcing and many gaps remain. Participants noted a lack of systemic training for claims researchers and felt that the Resource Hub could be a centre for training and capacity building.

Recommendations for training in the context of an Independent Centre

Participants had two broad areas of feedback related to training in the context of the Resource Hub in an Independent Centre. The first was related to having training opportunities to help build essential skills for specific claims; the second was to support community learning and capacity to conduct historical and land-based research.

1. **Offer training in essential skills related to specific claims.** Participants ranked their top three priorities for training as (1) documentary/historical research; (2) engaging with community knowledge; (3) claims skills (e.g. writing reports). The Hub, they felt, could advance these priorities. Participants also identified several particular areas of training need, including document management, oral history research and the preservation of oral history materials, report writing, managing the administrative side of the program, and using different types of resources and historical resources and materials ("other than relying mostly on written historical records") such as "photography, drones, GIS, oral history, site visits, etc."

2. **Support decentralized, community-based capacity-building for historical and land-based research**. At the same time, participants' feedback held some doubts about the centralized nature of a single training hub. Many of their ideas involved ways to redistribute learning resources and opportunities among communities:
    - One participant suggested a "train the trainer" systems, led by Indigenous historians, so that communities can develop their own capacity-building programs.
    - Others suggested that funding for training and support is needed such that Nations and CRUs can build community archives. They wondered if the Hub could offer programs to help CRUs and Nations with storage costs.
    - Participants wanted support in grant writing and fundraising, so that they could build their community research programs (one participant wrote that

they wanted training on "how to access funding from other sources for things that surround specific claims but not directly resources").
- They were also interested in programs that could train or engage youth.

Overall, many ideas for Resource Hub–facilitated training and capacity-building focused on community-level approaches.

THE ADR PROVIDER

Many participants at the meeting were not directly involved in negotiations or adjudication surrounding specific claims. Participants did, however, share feedback that could relate to the structure and function of an ADR provider within a new Independent Centre. In general, these suggestions relate to the need for social learning and trust-building to improve the relationship between First Nations and Canada in the context of specific claims.

Recommendations for an ADR provider in a new Independent Centre

1. **Support public education around specific claims.** Participants noted in several instances that a lack of broader public education and awareness around a claim results in (a) missed opportunities for learning and multi-Nation collaboration, and (b) a lack of public support and the rise of opposition or disagreement. "Sometimes a community might have knowledge of a claim but not realize that they do," wrote one participant. "It [public education] might also help with relations with neighbouring towns/municipalities."

2. **Early site visits for representatives of Canada must be mandatory if Nations request them.** The issue of early site visits – in advance of negotiations – came up several times in participant comments. "Make it mandatory for these people making these decisions to come visit these communities and see the need for this work to be done so quickly!" wrote one participant. "I bet most have never seen any of the lands and villages in question." These visits should be planned for and covered by the funder. They would occur post-submission but before any decision from the Independent Centre. These visits must align with community protocols.

3. **Build trust to advance collaborative work.** Participants were asked direct questions about potential opportunities for collaboration between Canada and CRUs/First Nations, including early meetings and joint research. Canada presented on specific recent experiences with more collaborative work. Jesse Donovan, representative of the AFN, suggested that a new independent process could allow parties to discuss different paths to the resolution of all claims, and that joint research is a possibility at a new Independent Centre if the First Nation wants it.

In response, participants did see some potential for joint work, such as the early sharing of information and historical documents. Some participants believed that joint research would mean that they would get "quicker" and "more equitable" access to records. "Joint fact-finding is a form of ADR," one participant noted. Another asked whether "preliminary assessment of claim viability" could be a point in the specific claims process where collaboration with Canada could be useful. Some participants unclear on the specifics (one noted that "joint research" was a "vague term"). Most comments on the idea of collaborative work, however, were more hesitant:

- "I like the idea of collaboration, but I worry that it will mean the lawyers are brought in at an earlier stage and this may slow things down and perpetuate the current culture of spec claims."
- "I'm concerned that collaboration with Canada might sway the narrative more toward Canada's opinion rather than First Nations? I feel Canada has a sense of superiority!"
- "We previously had an agreement with the department (before the Tribunal act) … but when the Tribunal Act came into being it was no longer honoured, so collaboration with Canada makes me wary."
- "This makes me think of the statement of conflict of interest! Why would Canada help us against them?"

This wariness is a result of and results in a lack of trust in the relationship with Canada and in the specific claims process. Trust is what will make collaborative processes viable (including at an Independent Centre). These sentiments were echoed and strongly explained by Justice Victoria Chiappetta, Chair of the Specific Claims Tribunal, who presented at the meeting. She said that a Centre might be available – "even at the earliest stages" – to help the parties to work collaboratively, but trust will be an ongoing issue:

> We've been trying to get to that point for decades. Why would Canada help you against themselves? As long as there's that perspective, it's going to be hard for that trust to be there for collaboration to be successful. If the Centre is there and people believe it's independent, that may be a significant catch-all to allow the parties to work together.

Overall, discussions at this NCRD meeting suggest that collaborative work might be an opportunity at an Independent Centre over the longer term. The important point is that trust will need to be built; collaborative work may be an outcome of the ongoing work of the Centre, rather than a widespread approach at the outset.

THE SPECIFIC CLAIMS TRIBUNAL

The majority of participants – 88 percent – said that they believed the Tribunal was "somewhat independent" (the other 12 percent said that they thought the Tribunal was "not very independent"). When asked about their responses, one participant wrote: "Tribunal is independent in its decisions but confined by federal legislation." This general view was echoed among other responses, which noted that the SCT's independence was compromised by the legislated limit on compensation, the restrictions associated with grounds for claim, the fact that its decisions are subject to appeal, and forms of restitution are limited.

Other participants note that the position of the SCT registry in the Administrative Tribunals Support Services of Canada (within DOJ) compromised the body's independence. In this point, NCRD members echoed First Nations' repeatedly stated concerns about the Tribunal's loss of control over its registry and administrative functions.[30]

Another noted its inability to compel provinces to participate in proceedings. During group discussion with Tribunal Chairperson Justice Chiapetta, participants expressed that they felt the SCT process was still very adversarial. When envisioning the role of the Tribunal in a future Independent Centre, participants emphasized the need to remove the $150 million cap.

Recommendations for the role of the Specific Claims Tribunal in a new independent process

1. **Remove the $150 million cap.** The cap was significant to participants because it excluded some claims from this adjudicative body (as claims over $150 million are not eligible for the Tribunal and are instead subject to a secret cabinet process). "Not all claims can access the Tribunal (cap)" wrote one participant.

   As well, the cap is a direct barrier to the "Land Back" priority identified by participants at the meeting. When asked "Please share any thoughts or questions regarding the independence of the Tribunal" one participant wrote "*We Belong to the Land* – available in kit!" This comment is in reference to the INAN report, which notes that the $150 million limit on compensation "may create a barrier to land return" (page 33) and recommends removing the cap (page 5).

2. **Remove the Tribunal registry from the ATSCC.** Participants at the NCRD meeting said that, for the Tribunal to be independent, it should not fall within this administrative structure (which falls under the authority of the Minister of Justice and the Attorney General of Canada).

[30] See, for example, the 2022 open letter from then-National Chief of the AFN RoseAnne Archibald to Ministers Lametti and Miller, entitled "Restoring the Independence of the Specific Claims Tribunal."

THE INTEGRATION OF INDIGENOUS LAWS

All attendees are engaged with community and traditional knowledge in their specific claims work. When asked, "Does your CRU work with traditional and community knowledge?" 100 percent of participants answered yes. Respondents noted that they do oral history interviews, research on community protocols (e.g. for meetings and dispute resolution), and site visits to understand the scope and nature of losses. Oral history interviews are recorded, transcribed, and translated (as needed) to English. Participants suggested that this community knowledge was important for identifying how sites were used, why they were important, and how the loss of these sites has affected the community.

At the same time, not all participants connected this work to Indigenous laws. In total, 44 percent of participants said that this research was part of their ongoing legal research. This gap between the percentage of participants involved in community-based research and those conducting research into Indigenous laws raises questions. What do participants believe constitutes research into Indigenous laws? What tools or training might support Nations in connecting ongoing community-level work to the application of Indigenous laws in specific claims processes? Further dialogue is needed.

Overall, the ability to carry out community-based research, including into Indigenous laws, is affected by funding: "Gaps are almost always related to funding," said one participant. Capacity and a lack of training (such as on how to conduct oral history research and store the materials) are barriers to conducting this community-based research.

Recommendations for the application of Indigenous law in the context of specific claims

1. **Support ongoing dialogue regarding the Advisory Committee on the Application of Indigenous laws.** Participants identified several possible roles for the Advisory Committee on the Application of Indigenous law. Overall, participants thought that the Committee could help frame the process and reflect Indigenous understandings of historical wrongdoings: it could help "identify claims based on community knowledge and Indigenous legal understandings of loss and restitution," wrote one participant. Then, participants saw ways that the process itself could be shaped by Indigenous laws and protocols. The Centre, with support of the Advisory Committee, could "put forward a protocol/dispute resolution process that comes from Indigenous laws," wrote one participant. "There are traditional ways to begin the discussion and ways to resolve issues," wrote another. Within this integration of Indigenous laws, one participant suggested, the Advisory Committee could "hold Canada accountable for respecting and accepting First Nations' laws" ("I think it might be difficult for individual communities to be confident that Canada honours and respects those laws," they wrote.)

Participants also had questions about who the members of the Advisory Committee on the Application of Indigenous Laws might be and how those people would be chosen, selected, or appointed. They then were unsure about what the possible roles for the committee might be. Additional dialogue on this committee is needed (such as via the AFN Gatherings on Indigenous Laws), as its composition and roles develop.

3. **Fund First Nations to support ongoing research into their laws, legal traditions, and protocols.** Another participant recommended that the Independent Centre (possibly the Advisory Committee) could conduct regional needs assessments to see where supports are needed. This should be a part of annual research funding to inform the research and development of claims and the activities could be incorporated into pre-existing NCRD events (the NCRD annual meeting and the NCRW) as well as other venues.

4. **Support ongoing dialogue to identify risks and address concerns regarding the integration of Indigenous laws.** Participants expressed reservations regarding the integration of Indigenous laws in a new independent process. One participant raised questions regarding the potential for this integration to perpetuate ongoing harms:

> I am concerned about incorporating Indigenous ceremonies or protocols into colonial institutions. When we start incorporating ceremony, who is responsible for that? How are we sure we are not creating more harm when trying to incorporate ceremony in that context? When we start mixing ceremony with colonial institutions, we start to create places of harm for Indigenous folks that are using ceremony for healing. How are we not perpetuating harm? It doesn't work.

The AFN acknowledged these questions as "very important" and noted that they echoed discussions from the 2023 Gathering on Indigenous Laws.[31] The AFN also wondered if these questions could be considered further by the Council of Experts on Indigenous Laws (CEIL). A representative from Canada reported that the application of Indigenous laws and legal principles was "something that some First Nations want, something others do not" and echoed First Nations' suggestions that the Centre should have the flexibility to allow for integration to happen when it's desired.

[31] This report notes that participants of the 2023 Gathering "shared that trying to fit Indigenous laws into rigid and unyielding Canadian legal processes risks causing harm to Indigenous laws." The report continues: "Rather than transforming and potentially distorting First Nations' laws to fit into the Canadian legal system, the Canadian legal system must adapt and create space for the full expression of Indigenous laws." See AFN, 2023. *Indigenous Laws Gathering: Recognition of Indigenous Laws in the Specific Claims Process*. June 13, 2023.

SUMMARY

Canada's failure to address the barriers in the specific claims process results in a lengthy, frustrating, discriminatory process that compounds the original wrongdoing. Participants at the NCRD engagement in May 2024 identified several long-standing barriers in their efforts to resolve claims. Lack of reliable, timely, adequate funding and barriers in accessing information were top challenges. Participants connected these problems to basic structural inequities within the current process, which have Canada's conflict of interest and control of the process at the root. They recommend transformative changes, including approaches to remedy and redress that align with UNDRIP and case law and include opportunity for return of land and addressing ongoing harms.

As the summary of recommendations below shows, participant recommendations can be mapped onto current dialogue regarding the specific claims process (i.e. under six areas of Registrar, Independent Funder, Resource Hub, ADR Provider, SCT, and the integration of Indigenous laws). At the same time, participants expressed doubt as to whether this reform process would advance, particularly under the stated timeline, and concerns that a change in government would halt the process entirely.

Meanwhile, NCRD members remain focused on advancing First Nations' specific priorities; building in-community knowledge and capacity regarding lands, histories, rights, and laws; reclaiming lands and just financial settlements to strengthen Nations going forward; and, advocating for adequate funding and equitable access to information. They hope that this proposed Independent Centre will advance these aims by addressing the inequities and lack of transparency caused by Canada's conflict of interest in the current process. At the same time, several NCRD members have been involved in these processes for many years and are taking the long view. The NCRD will continue to explore all avenues for tackling inequities in the research process and advancing First Nations' priorities within specific claims overall.

RECOMMENDATIONS

The Engagement Process

1. Actively reach out to First Nations and the specific claims community regarding the proposed Independent Centre during the engagement window.
2. Facilitate meaningful engagement by providing funding and creating an engagement calendar – including the timeline of reform – that First Nations can access via the website.

Transformative Approaches to Remedy and Redress

1. Build capacity to advance settlements that include return of land

2. Work with First Nations to identify processes First Nations and Canada to address or mitigate the ongoing harms from historical wrongdoings. Such processes could include Indigenous dispute mechanisms and principles, based in Indigenous laws.

The Registrar

1. Offer a transparent, accessible, consistent system for claims submission, with clear communication about any updates and changes and clear channels for technical support
2. After claims submission, offer comprehensive support for successful development of claims
3. Explore ways to streamline the legal part of claims submissions
4. Work with First Nations to update and enhance the registry to provide comprehensive public-facing data on the status of claims, in ways that reflect First Nations' priorities Offer support for Nations for full participation in mandatory, early meetings between the First Nation and Canada
5. Offer support for Nations for full participation in mandatory, early meetings between the First Nation and Canada

An Independent Funder

1. Provide stable, sufficient, predictable funding
2. Work with first Nations to create more flexible reporting guidelines that reflect (a) Indigenous methodologies and community priorities and (b) the practical realities of claims research, and (c) a more trust-based approach
3. Have the funder hold responsibility for supporting First Nations' and CRUs' access to funding.
4. Institute transparent and equitable reporting requirements for Canada

The Resource Hub

Access to information

1. Improve access to information (such as by facilitating arrangements with government repositories)
2. Improve equity in access to information
3. Improve communication regarding access to information
4. Manage risks associated with having any new Centre act as a repository for records related to specific claims

Training

1. Offer training in essential skills related to specific claims
2. Support decentralized, community-based capacity building for historical and land-based research.

The ADR Provider

1. Support public education around specific claims

2. Early site visits for representatives of Canada must be mandatory if First Nations request them
3. Build trust to advance collaborative work

The Specific Claims Tribunal

1. Remove the $150 million cap
2. Remove the Tribunal registry from the ATSCC

The Integration of Indigenous Laws

1. Support ongoing dialogue regarding the Advisory Committee on the Application of Indigenous laws
2. Fund First Nations to support ongoing research into their laws, legal traditions, and protocols.
3. Support ongoing dialogue to identify and address risks and address concerns regarding the integration of Indigenous laws

Appendices

Office of the Information Commissioner, 2024. Information Commissioner's Final Report. Institution: Crown-Indigenous Relations and Northern Affairs Canada. OIC file number: 5832-03644.

Office of the Information Commissioner of Canada
Commissariat à l'information du Canada

30 Victoria Street
Gatineau, Quebec K1A 1H3

Information Commissioner's final report

Institution: Crown-Indigenous Relations and Northern Affairs Canada
Date: 2024-07-22
OIC file number: 5823-03644
Access request number: A-2023-00173

Complaint

The complainant alleged that Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) did not respond to an access request within the 30-day period set out in section 7 of the *Access to Information Act.* The request was for *all briefing note material, including but not limited to slide decks and appendages should they exist, regarding "Specific Claims Reform and Specific Claims Co-Development, Assembly of First Nations" addressed to the ADM Resolutions and Partnerships Sector, Deputy Minister/Associate DM, and the Minister from October 2022 to date the request is received*. The allegation falls under paragraph 30(1)(a) of the Act.

Investigation

Time limits for responding to access requests

Section 7 requires institutions to respond to access requests within 30 days unless they have transferred a request to another institution or validly extended the 30-day period for responding by meeting the requirements of section 9. When an institution does not respond to a request within the 30-day or extended period, it is deemed to have refused access to the requested records under subsection 10(3).

Nevertheless, the institution is still required to provide a response to the access request.

What is a response?

The response must be in writing and indicate whether the institution is giving access to any or part of the requested records.

- When the response indicates that the institution has **given access** to the records or part of them, the institution must provide access to those records.
- When the response indicates that the institution has **denied access** to the records or part of them, the institution must explain that the records do not exist or that the institution has exempted them, or part of them, under a specific provision, which the institution must name.

In specific circumstances, the institution may refuse to confirm or deny in its response whether records exist under subsection 10(2).

Did the institution respond within the time limits?

CIRNAC received the access request on December 1, 2023. On January 1, 2024, CIRNAC claimed a time extension of 120 days pursuant to paragraphs 9(1)(a) and (c), making the time limit to respond April 29, 2024.

CIRNAC did not respond to the access request by that date. I conclude, therefore, that CIRNAC did not meet its obligation to respond to the request within the extended period. CIRNAC is deemed to have refused access to the requested records under subsection 10(3).

CIRNAC confirmed there are 342 pages of records deemed responsive to the request. To date, all records have been reviewed and consultations with two third parties, namely with the Assembly of First Nations and Ministikwan Lake Cree Nation, have been identified for some records. However, these consultations have not yet been commenced, and no anticipated start date for these consultations has been provided by CIRNAC. While CIRNAC did advise the Office of the Information Commissioner that it is considering sending an interim release of records, ostensibly including those records not subject to third party consultations, it did not provide a timeframe for this release.

In light of the above, CIRNAC was unable to provide a disclosure date for a final response to the request.

Any additional time that is taken to respond to this request is another day by which the complainant's rights of access are being denied. This lack of responsiveness is in clear contravention of CIRNAC's obligations under the Act and undermines the credibility of the access system.

Considering the length of time that the response to the access request has been outstanding and CIRNAC's responsibility to provide the complainant with a timely response, I find that CIRNAC must respond to the request without undue delay.

Outcome

The complaint is well founded.

Order

I order the Minister of Crown-Indigenous Relations to:

1. Provide an interim response to the access request consisting of all responsive records not subject to consultation, no later than 36 business days after the date of the final report; and

2. Provide a final response to the access request no later than 60 business days after the date of the final report.

Initial report and notice from institution

On June 17, 2024, I issued my initial report to Minister of Crown-Indigenous Relations setting out my order.

On July 17,2024, the Corporate Secretary, Crown-Indigenous Relations and Northern Affairs Canada, gave me notice that CIRNAC would be implementing my order.

Review by Federal Court

When an allegation in a complaint falls under paragraph 30(1)(a), (b), (c), (d), (d.1) or (e) of the Act, the complainant has the right to apply to the Federal Court for a review. When the Information Commissioner makes an order(s), the institution also has the right to apply for a review. Whoever applies for a review must do so within 35 business days after the date of this report and serve a copy of the application for review to the relevant parties, as per section 43. If no one applies for a review by this deadline, this order takes effect on the 36th business day after the date of this report.

Caroline Maynard
Information Commissioner of Canada

Instructions – How to Send this Email to Prime Minster Carney, Members of Parliament, etc

These instructions are designed to allow you to copy and paste the template email and email addresses easily and quickly.

1. **Open the attached document** titled: "Template email to Prime Minister Carney**".**
2. **Copy the full template email** into the body of a new email.
3. **Add (or edit) the email subject line**: "BUDGET 2025: Immediate, Urgent Action Needed to Support Specific Claims Research and Secure First Nations' Access to Justice".
4. **Edit and adjust the email** as you like or send as is.
5. **Sign the email** (add your name and affiliation).
6. **In the "To" line, enter Prime Minister Carney's email address**: **pm@pm.gc.ca**
7. **Copy**: the following contacts (paste into **"CC" line**):

rebecca.alty@parl.gc.ca
minister-ministre@fin.gc.ca
jwoods@ubcic.bc.ca
mchapman@thehavlikgroup.com
communications@oag-bvg.gc.ca
parliamentaryliaison@oag-bvg.gc.ca
INAN@parl.gc.ca
appa@sen.parl.gc.ca
cmteweb@parl.gc.ca
jenny.kwan@parl.gc.ca
alec.wilson@rcaanc-cirnac.gc.ca
seth.pickard-tattrie@rcaanc-cirnac.gc.ca
olivia.mcelrea@sac-isc.gc.ca
valerie.gideon@rcaanc-cirnac.gc.ca
darlene.bess2@rcaanc-cirnac.gc.ca
Jaime.Battiste@parl.gc.ca
lori.idlout@parl.gc.ca
stefan.matiation@canada.ca
nationalchief@afn.ca
regionalchief@bcafn.ca
cbraker@fns.ca

lands@afn.ca
dalton.silver@sumasfirstnation.com
jude.rhw@gmail.com
orc.benedict@coo.org
afnregionaloffice@gmail.com
bobby.cameron@fsin.com
kadamek@afnyukon.ca
terry.teegee@bcafn.ca
rsark@peiorc.ca/wlabobe@peiorc.ca
dgould@afnns.ca/apauk@afnns.ca
pbrinston.nalfn@outlook.com
cos@denenation.com
janderson@manitobachiefs.com
Wmoore@manitobachiefs.com
chefregional@apnql.com
mark.carney@parl.gc.ca
Sebastien.Lemire@parl.gc.ca
terry.sheehan@parl.gc.ca
philip.earle@parl.gc.ca
ginette.lavack@parl.gc.ca
Eric.Melillo@parl.gc.ca
pm@pm.gc.ca
billy.morin@parl.gc.ca
jamie.schmale@parl.gc.ca
bob.zimmer@parl.gc.ca
Michele.Audette@sen.parl.gc.ca
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MLGreenwood@sen.parl.gc.ca
sebastien.payet@sen.parl.gc.ca
sean.fraser@parl.gc.ca
chrystia.freeland@parl.gc.ca
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mandy.gull-masty@parl.gc.ca
karina.gould@parl.gc.ca
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indigenous@torstar.ca
news@aptn.ca
news@windspeakermedia.com
editor@thetyee.ca

TEMPLATE EMAIL to Prime Minister Carney

Email Subject Line: BUDGET 2025: Immediate, Urgent Action Needed to Support Specific Claims Research and Secure First Nations' Access to Justice

Dear Prime Minister Carney,

I write today to share my profound disappointment and urgent concern regarding Budget 2025's failure to support First Nations' specific claims research, despite emphasizing that CIRNA and ISC "deliver important programs that are legally or constitutionally required." Crown-Indigenous Relations Minister Rebeca Alty also recently stated that addressing specific claims "is essential work, and is central to strengthening relationships with First Nations and advancing reconciliation."

The budget, however, commits no support for the resolution of specific claims, which are Canada's legal responsibility and the main mechanism for Canada to address its own past wrongdoings in ways that avoid political unrest, costly court battles, and a climate of distrust and uncertainty. Canada must provide full, fair, and equitable support for specific claims research as a critical first step in reconciliation and redress of Canada's unlawful actions.

Redress for past wrongs is also an essential precondition for building new major projects and partnerships with First Nations: new developments cannot proceed on lands with unresolved claims.

The ongoing and escalating crisis in specific claims research funding overall is driven by a widening gap between actual funding needs and the amount of funding the federal government allocates for research each year. This year the shortfall was an alarming $22M. Without immediate, explicit action, specific claims research funding is set to sunset to $4 million in April 2026, a catastrophic 75% reduction to an already insufficient budget that will cripple operations nation-wide, including closures of Claims Research Units and a halt to work on most claims.

Full and fair funding ($35 million/year) is required to sustain this critical program, ensure access to justice for First Nations and a path forward. We call on Canada to provide sustained support immediately and commit to working in full partnership with First Nations to develop a joint approach to funding specific claims research on an ongoing basis.

Failure to address this issue will undermine the Canada–First Nation partnerships that this government has advanced as the pathway to growth and joint prosperity, resulting in widespread barriers to major projects, many of which will occur on lands that are the subject of unresolved claims.

We look forward to immediate action to address this crisis.

TEMPLATE EMAIL to Prime Minister Carney

Thank you for your timely attention to this crucial issue.
Sincerely,

NAME
First Nation / Organization

Government of Canada | Gouvernement du Canada

CANADA STRONG

BUDGET 2025

November 2025 | budget.canada.ca

Canada

CANADA STRONG BUDGET 2025

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Foreword

Foreword, Budget

Tuesday, November 4, 2025

Meeting the Moment, Building Canada Strong

The world is changing, profoundly and in real time; we are no longer living in an era of calm, but of significant change. The nexus between energy security, economic security, and national security is clearer than ever before.

The systems that long underpinned our prosperity and enabled decades of economic growth—stable global trade alliances, predictable supply chains, a cooperative international order, and reliable partnerships—are being redrawn and constantly challenged.

What we are contending with is not a transition, it's a generational shift. One that challenges our assumptions, tests our institutions, and demands a fundamentally different response—not one of caution, but of courage. Not one of passive stewardship, but of active, ambitious nation-building.

This is the context for Budget 2025.

Just as Canadians mobilised in the 1940s to defend freedom and rebuild the global economy, and just as we restored fiscal sustainability in the 1990s to secure future growth, today we stand at another crossroads. A new era of disruption demands a new era of leadership—and a new economic foundation built on resilience, sovereignty, and innovation.

Canada is ready. Because Canada is strong.

We are rich in natural resources—critical minerals, clean and conventional power, and endowed with a world-class agri-food industry that give Canada a real competitive advantage. We are powered by a skilled and diverse workforce, home to leading researchers, entrepreneurs, and innovators. We have one of the strongest fiscal foundations in the G7, and well-established stability and democratic values.

Budget 2025 is our plan to harness these strengths and meet the moment. It is our roadmap to spend less so we can invest more.

It lays out a generational investment strategy—to supercharge growth and build a clean electricity grid, unlock the full value of our critical minerals, accelerate housing construction, and drive innovation in sectors like artificial intelligence, life sciences, and advanced manufacturing, the kind of investments that will restore growth.

It is a strategy to build at a speed, scope, and scale not seen in generations. With Canadian workers at the centre, and the national interest at the heart of every decision.

It is also a blueprint to defend our sovereignty—through historic investments in national defence, security, and the capabilities we need to protect Canadians in an increasingly fractured world.

And it is grounded in fiscal responsibility. Because leadership means making smart, strategic investments—while preserving the strength that comes from having the lowest net debt-to-GDP ratio of the G7, a strong fiscal position, and a clear path to long-term sustainability.

Among the G7, Canada is being recognised as one of the few advanced economies with the fiscal space and discipline to invest in its future.

As the International Monetary Fund Managing Director, Kristalina Georgieva, recently said, “Canada stands out in the G7… The Canadian authorities have been very decisive to take action in the context of changing relations with their main trading partner. One of these actions is to modernise the budget framework—separating operating spending from investing, and focusing strategically on pro-growth investments that can lift up productivity… in areas like housing, infrastructure, and energy—Canada is making the right choices.”

This is not a time for small plans. It is a time for clear vision and decisive action.

Budget 2025 reflects a simple but powerful truth: Canada has what the world needs and increasingly wants—and importantly what this moment demands. The work ahead will not be easy, but we have faced defining challenges before. We overcame them—and emerged stronger. We will do so again.

Let us meet this moment. Let us build a Canada that is confident, secure, and resilient—for today, and for generations to come.

Now is the time to build Canada Strong.

The Honourable François-Philippe Champagne
Minister of Finance and National Revenue

Canada Strong

Budget 2025

Our plan: Building Canada Strong

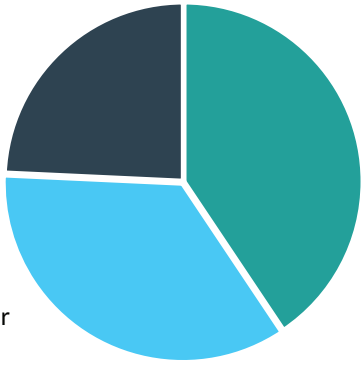
More than 75% of our actions this year are to respond to significant global economic shifts

42% of Budget 2025 is to strengthen Canadian sovereignty and 36% is to bring down costs for Canadians.

Additional actions to support Canadians 22% ($7B)

Protecting our sovereignty 42% ($12B)

- Investing in defence
- Tariff response
- Building a strong economy



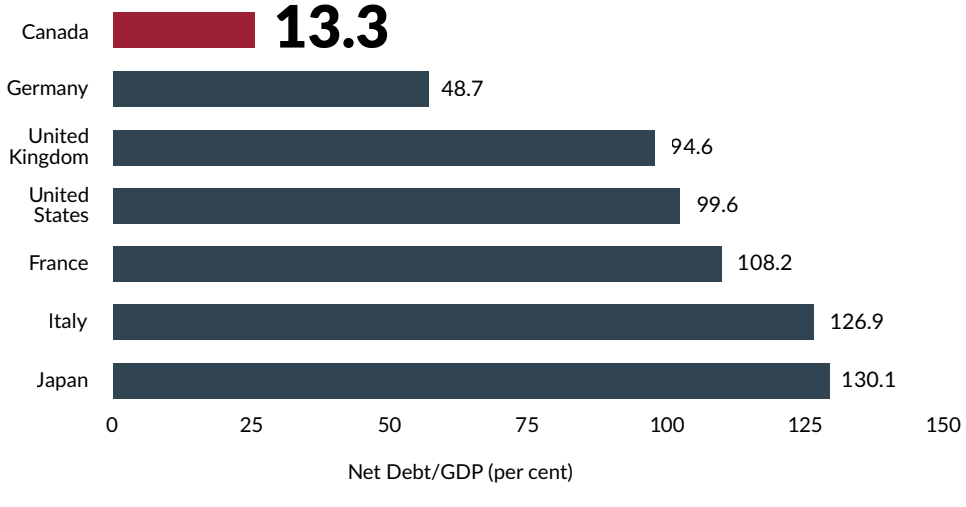
Bringing down costs for Canadians 36% ($10B)

- Middle-class tax cut
- Cancelling the consumer carbon price
- Build Canada Homes

2025-26 Impact of Decisions Since the *2024 Fall Economic Statement*

Canada's strong fiscal position enables us to respond to global challenges

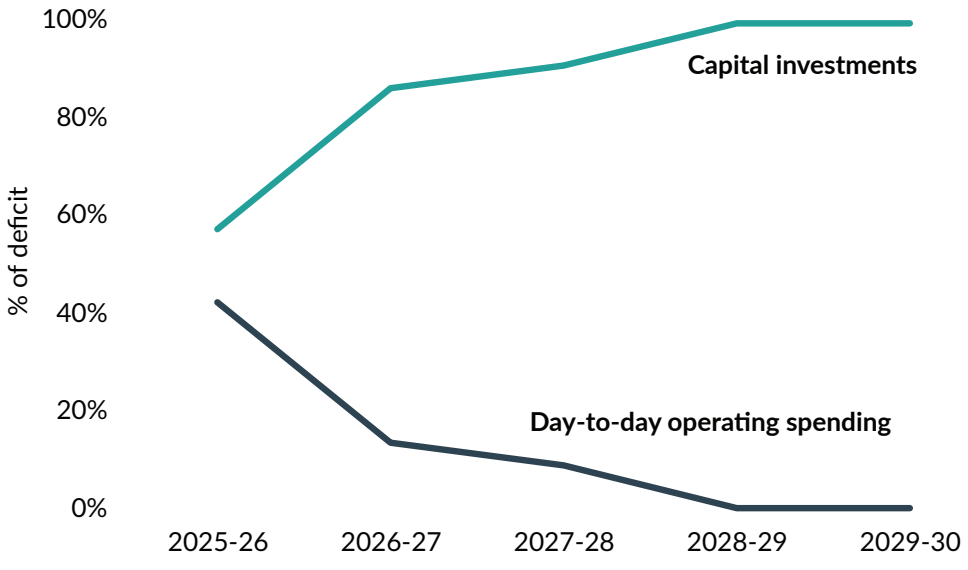
Canada has the lowest net debt-to-GDP ratio in the G7.



All Levels of Government Net Debt-to-GDP Ratio, 2025
Source: International Monetary Fund, October 2025 *Fiscal Monitor*.

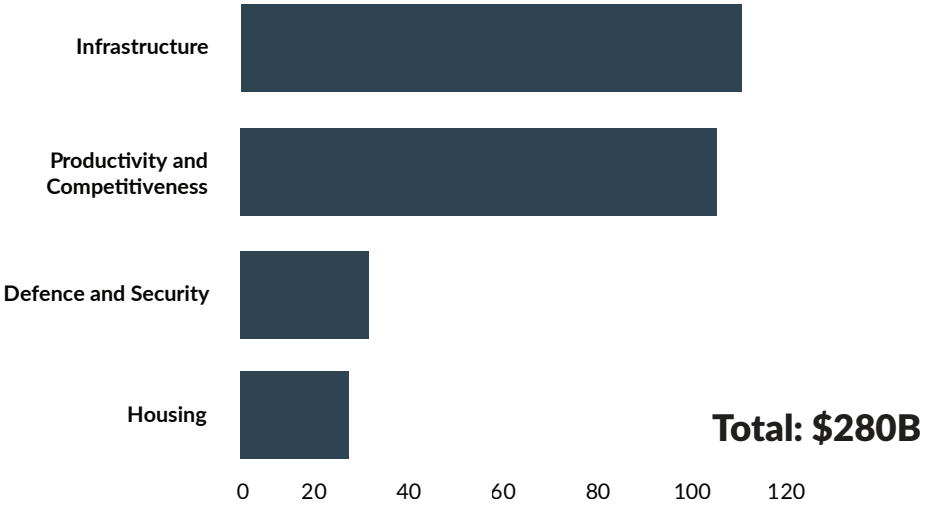
Growing our economy by spending less to invest more

Budget 2025 will make capital investments a national priority.



Making generational capital investments to Build Canada Strong

Budget 2025 invests about $280 billion over five years to build new infrastructure, protect our communities, and empower you to get ahead. On a cash basis, this represents $450 billion.



5-year horizon (billions of dollars, accrual basis)

Global Generational Shifts

The world is undergoing a series of fundamental shifts at a speed, scale, and scope not seen since the fall of the Berlin Wall. The rules-based international order and the trading system that powered Canada's prosperity for decades are being reshaped—threatening our sovereignty, our prosperity, and our values. Long-standing supply chains and trade relationships that once ensured stable growth, good jobs, and affordable products are being disrupted. In the process we must redefine Canada's international, commercial, and security relationships.

This is not a transition. It is a rupture—a generational shift taking place over a short period of time.

This new reality is reshaping Canada's economic foundations.

Current Economic Challenges
All advanced economies are feeling global economic challenges, and Canada is no different. With the historic rise in tariffs posing significant challenges to the Canadian economy, Canadians are feeling the impact in their daily lives:

- The cost of living remains high, putting financial pressure on families and small businesses.
- Unemployment has increased, driven by weak hiring and layoffs in trade-exposed sectors such as manufacturing.
- Businesses face ongoing uncertainty, delaying investment and expansion, as in other G7 countries.
- Global economic growth has slowed, with real GDP in advanced economies expected to grow 1.6 per cent in 2025 and 2026.
- Productivity remains weak, limiting wage gains for workers.
- Oil prices are lower and volatile, adding pressure on exports and revenues.

Canada's new government is responding. Canada is being recognised for our approach to navigating these global challenges. The Managing Director of the International Monetary Fund, Kristalina Georgieva, acknowledged that "both Germany and Canada recognise that in this very testing time, they need to use their fiscal space. In the case of Canada, the Canadian authorities have been very decisive to take action in the context of changing relations with their main trading partner."

These generational challenges are raising threats to our long-term prosperity. Budget 2025 is Canada's new government's plan to address these challenges from a position of strength, determination, and ambition.

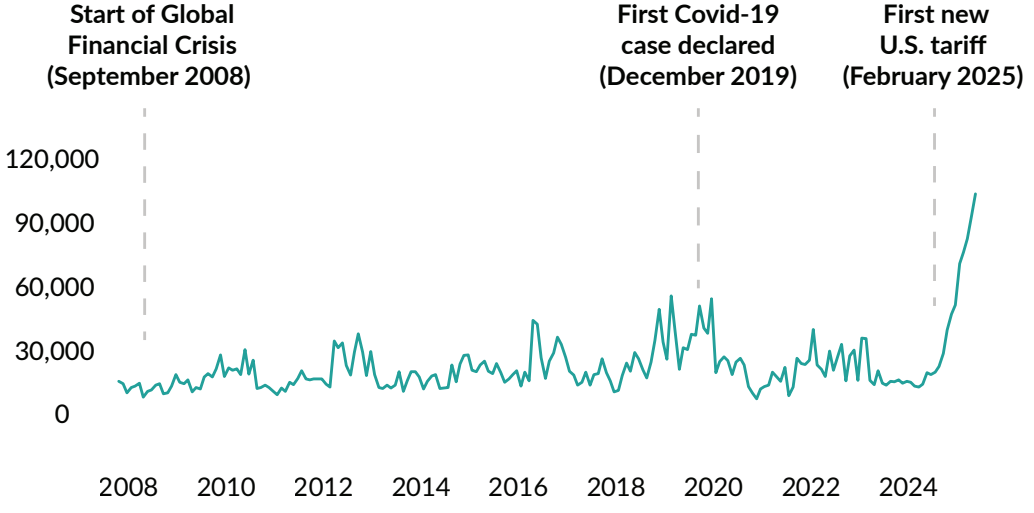
In times of great change, Canadians have always been able to adapt, transform, and seize opportunities. Canada has what the world needs. We are an energy superpower in clean and conventional energy, among the top five producers of the most important critical minerals, and a leading developer of artificial intelligence. We have the resources and people we need to thrive and compete in today's global economy. And Canada has the confidence to seize this moment.

This is our time to build Canada Strong.

The global trade landscape is changing rapidly, as the United States reshapes its economic relationships and supply chains around the world. The impact is profound—hurting Canadian companies, displacing workers, disrupting supply chains, and creating uncertainty that holds back investment. This level of uncertainty is greater than what we have seen in recent crises.

Meeting the challenge in an uncertain world

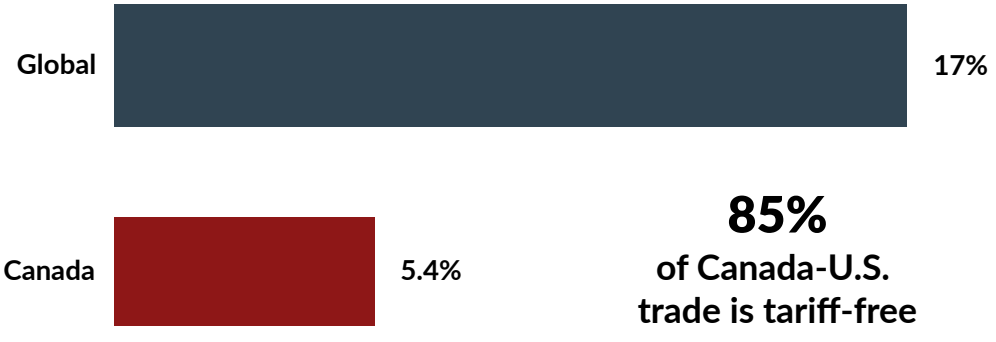
The unprecedented level of uncertainty is weighing on economic growth.



World Uncertainty Index

Canada has the best deal of any U.S. trading partner

With 85% of our trade tariff-free, Canadian exporters have the lowest average U.S. tariff of any country, although some sectors remain deeply impacted.



U.S. Average Tariff Rate implemented as of November 1.
Sources: U.S. Census Bureau; Department of Finance Canada calculations.

Canada can achieve its ambition

As we face these challenges, Canada's new government is acting decisively. We will protect and transform our strategic industries, build a stronger economy, and invest in ourselves.

Budget 2025 makes generational investments while maintaining Canada's strong fiscal advantage—a foundation that allows us to invest ambitiously and responsibly, and build Canada's economy to be the strongest in the G7.

Our Canadian Advantage
Despite challenges, Canada remains strong and has what the world wants:

- **Talent:** a skilled, educated, and adaptable workforce.
- **Resources:** critical minerals, clean and conventional energy, and agri-food.
- **Market access:** the only country in the G7 to have free-trade agreements with all the other G7 countries.
- **Resilience:** a strong social safety net and stable institutions.
- **Rule of law:** a robust and reliable financial system, an independent judiciary, and transparent governments.
- **Investment attractiveness:** a favourable environment for foreign investments that grows our economy and creates high-paying careers.
- **Tax competitiveness:** lowest overall tax burden in the G7 on new business investment.

Canada has the lowest net debt-to-GDP ratio in the G7 and one of the smallest deficit-to-GDP ratios in the G7. Canada and Germany are the only two G7 economies rated AAA, a marker of strong investor confidence which helps keep our borrowing costs as low as possible.

#1 most educated workforce in the world

Source: OECD

#2 in the world for Foreign Direct Investment confidence

Source: 2025 Kearney FDI Confidence Index

Canada is one of the top 5 producers of 10 critical minerals

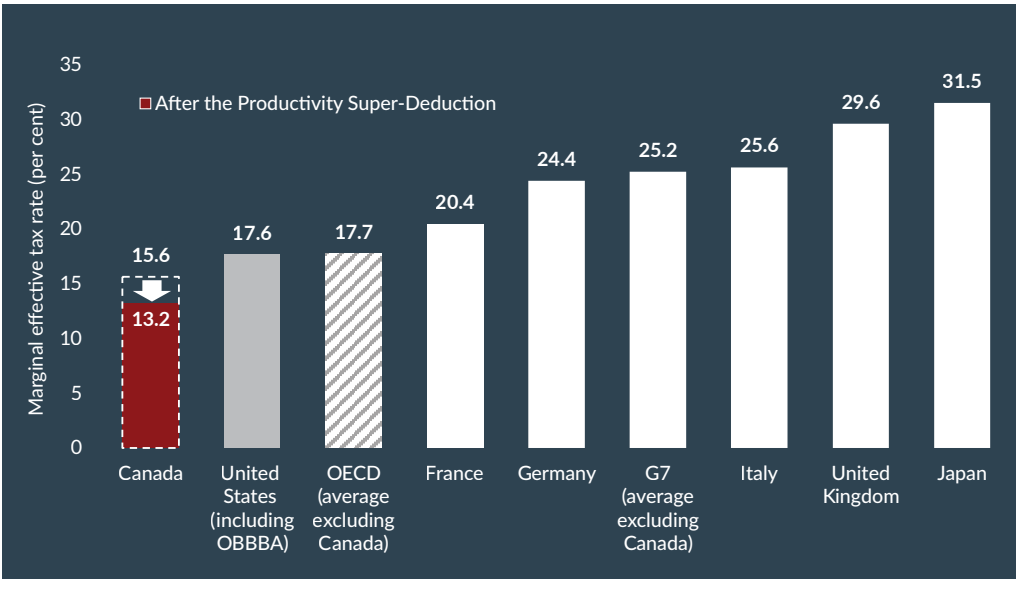
Source: Natural Resources Canada, 2025

#2 best country in the G20 for doing business over the next 5 years

Source: Economist Intelligence Unit 2025

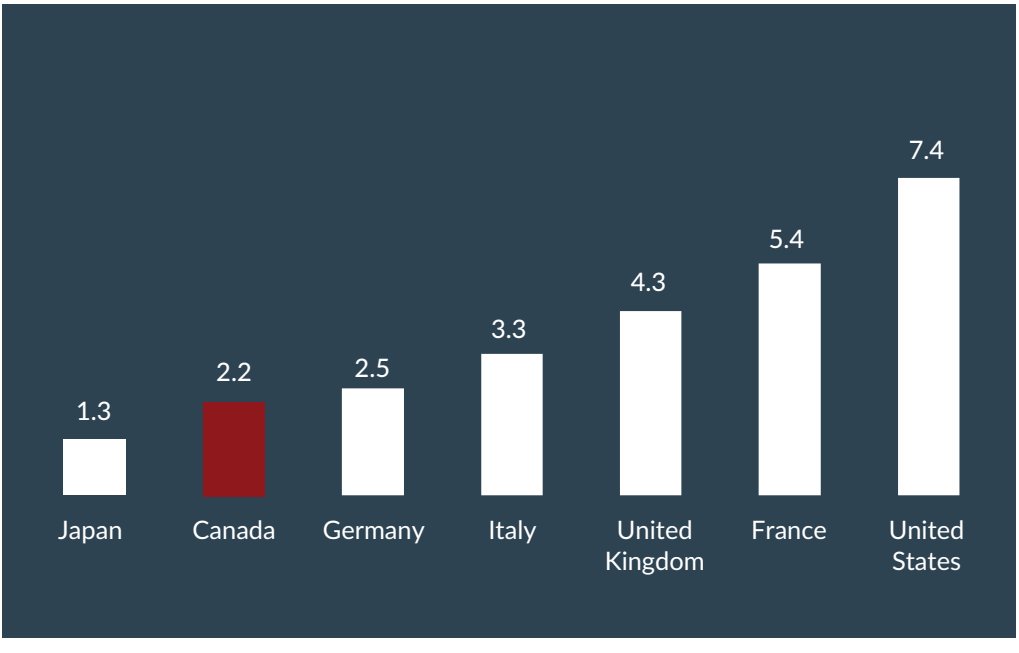
Budget 2025 reinforces Canada as the most tax competitive jurisdiction for new business investment in the G7

Canada is one of the best places to invest in the world.



Canada has one of the lowest deficit-to-GDP ratios in the G7

Canada has one of the strongest fiscal positions in the G7.



All Levels of Government Deficit-to-GDP Ratio, 2025 (per cent)
Source: International Monetary Fund, October 2025 *Fiscal Monitor*.

Our Plan to
Build, Protect, and Empower Canada

Canada has what the world wants. We have everything we need to prosper in this global generational shift. We have the workers, the industries, and the resources to compete and thrive in the global economy. We can create more for ourselves than can ever be taken away. We will bet on Canada's innovators and builders, with a plan that will supercharge the growth of our economy by crowding-in hundreds of billions of dollars of new investment. We will unite in solidarity around our own unique identity, history, and geography by protecting our culture, nature, official languages, and core values. We will build in true partnership with Indigenous Peoples.

This is our moment. Our time to make generational investments.
Our plan is clear—we will focus and deliver on these priorities:

Spending less to invest more

Canada's new government is changing how government works—spending less on operations so we can invest more in Canada's future: creating high-paying careers, building our country, and growing our economy.

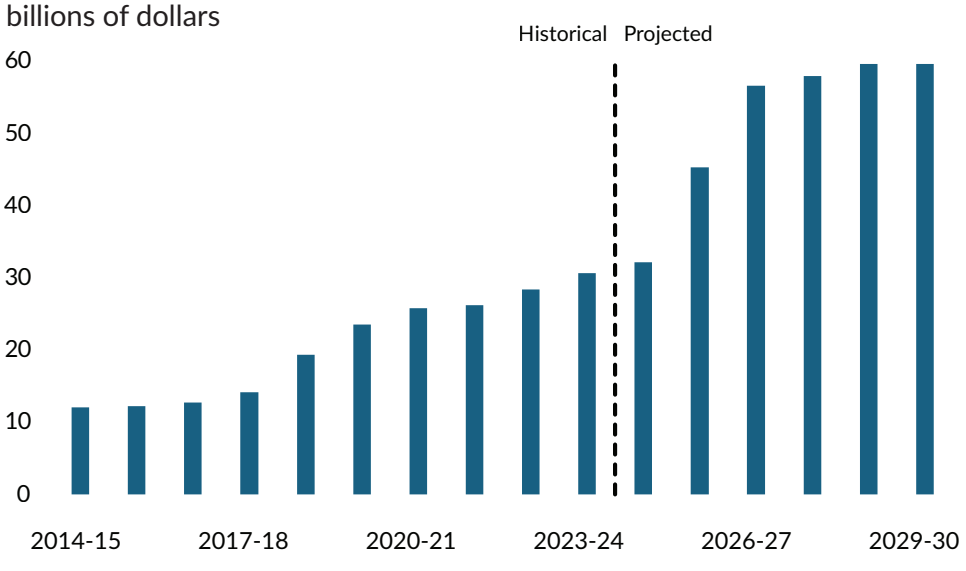
Government itself must become much more productive by rightsizing, cutting red tape and wasteful spending, and adopting AI at scale. By doing so, we will focus on results and use scarce tax dollars to catalyse private investment.

Budget 2025 introduces a new approach to fiscal discipline and strategic investment.

Our ambitious savings plan means Canadians can count on their government to be more efficient in delivering services that matter—while reducing operational costs. In fact, we are slowing growth in direct program spending from 8 per cent to under 1 per cent.

Capital investments, historical and projected

We will make capital investments a national priority to build Canada Strong.



For years prior to 2024-25, ongoing capital investments and identifiable precursor programs are included.

The government is introducing a capital budgeting framework to modernise our approach and deliver generational investments. This framework clearly distinguishes day-to-day operational spending from long-term investments that strengthen our economy—changing the architecture of government fiscal planning to deliver greater investment and growth for Canadians.

Concurrently, the government has changed the budgetary cycle to fall budgets—supporting better planning for provinces and territories, municipalities, builders, and investors, and aligning with the construction season. Combined, these two changes mark a new era in how we plan and deliver—catalysing generational investments that empower Canadians.

We are also transforming how government works. A new **Office of Digital Transformation** will lead the adoption of AI and other new technologies across government. This, coupled with near-term procurement of made-in-Canada sovereign AI tools for the public service, means not just a more efficient government, but also a generational opportunity for our domestic innovators.

The result is more taxpayer dollars will go toward nation-building infrastructure, clean energy, innovation, productivity, and less on day-to-day operating spending. This new discipline will allow us to protect social benefits. Rightsizing government is critical to realigning resources to enable generational investments that strengthen Canada's future.

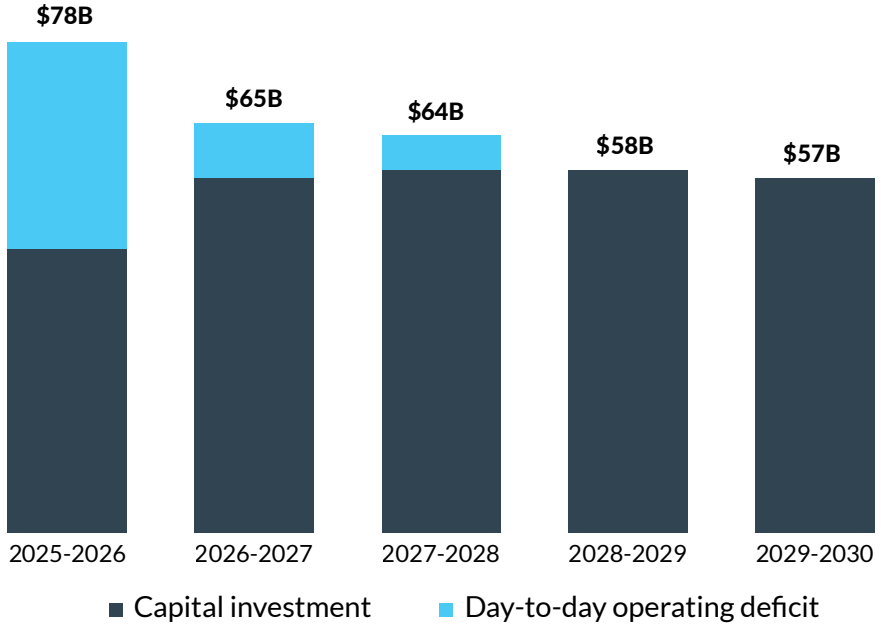
This plan rests on two fiscal anchors:

- Balancing day-to-day operating spending with revenues by 2028-29, shifting spending toward investments that grow the economy; and
- Maintaining a declining deficit-to-GDP ratio to ensure disciplined fiscal management for future generations.

In addition to these anchors, Budget 2025 enables $1 trillion in total investment over the next five years through smarter public spending and stronger capital investment.

Budget 2025 projected deficits

By 2028-29, the deficit will entirely support investments that grow the economy.



Comprehensive Expenditure Review

Budget 2025 delivers on the **Comprehensive Expenditure Review**—reducing inefficiency and focusing on core priorities.

$60B

in savings over 5 years

The Comprehensive Expenditure Review will rein in government spending—saving Canada $13 billion annually by 2028-29, for a total with other savings and revenues of $60 billion over five years. The responsible choices we are making allow us to spend less to invest more in the workers, businesses, and nation-building infrastructure that will build Canada Strong.

Savings will be achieved by restructuring operations and consolidating internal services and rightsizing programs to realise efficiencies. It will also involve workforce adjustment and attrition to return the size of the public service to a more sustainable level.

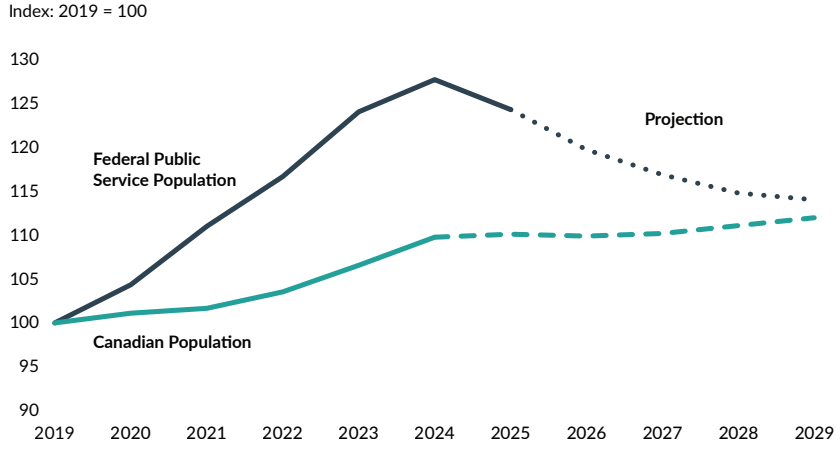
The government understands that transitions can be difficult and is committed to minimising hardship for federal employees, while also protecting diversity in the public service workforce and ensuring a strong, younger generation of public servants.

This is a transformational time for the public service to revisit how we work, how we can improve services to Canadians, and how we can build for the future. A leaner public service is a more empowered and productive public service.

We will also take action to close tax loopholes and make sure everyone is paying their fair share.

Public Service versus Canadian Population Growth – 2019 to 2029

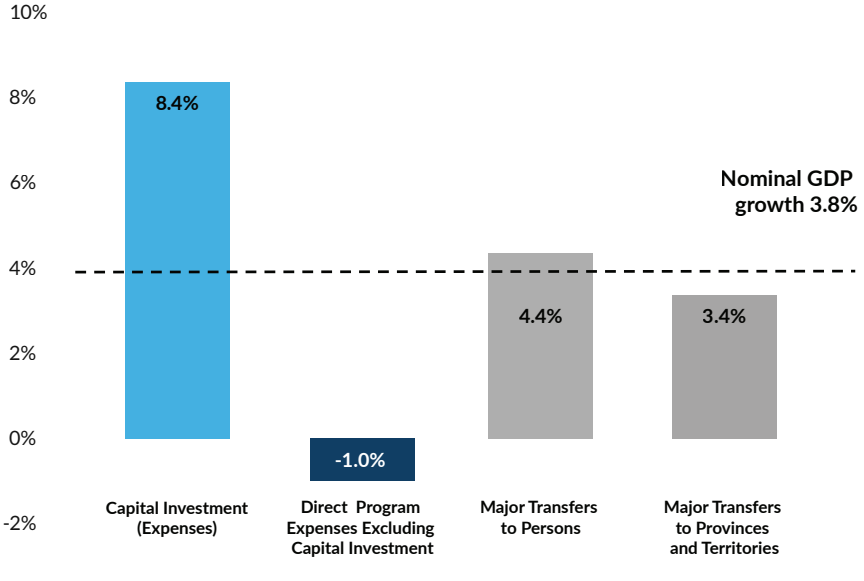
Since 2019, the public service has grown at an unprecedented rate. Through actions like the Comprehensive Expenditure Review, public service growth will be brought in line with forecasted Canadian population growth.



Sources: Statistics Canada; Treasury Board Secretariat; Department of Finance Canada calculations.
Notes: Annual public service population figures are as at March 31. Annual Canadian population figures are as at July 1, with estimates beyond 2024 based on Statistics Canada's M1 projection.

Spending less on government and more on Canada

Over the next four years, capital investments that grow the economy as well as major transfers to people, provinces, and territories will rise, but other direct program expenses will fall.

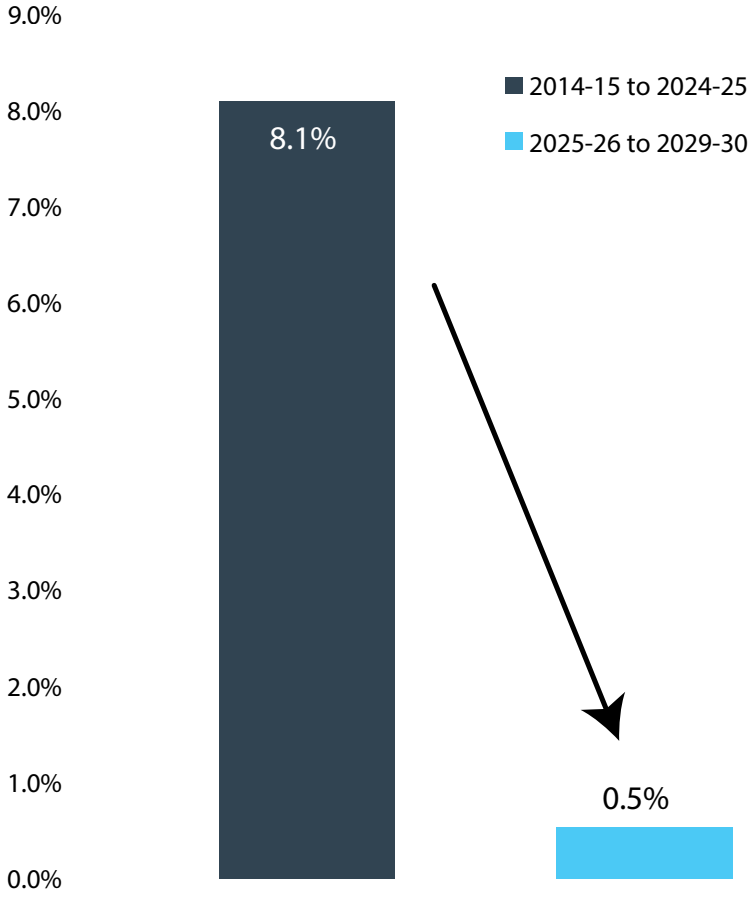


Compound Annual Growth Rate between 2025-26 and 2029-30.

These actions require us to make necessary, responsible decisions to balance our day-to-day operating spending by 2028-2029 and deliver on our priorities while staying true to Canadians' values.

Putting direct program expenses on a sustainable track

Growth in program spending will fall in comparison to the last decade, a reflection of our responsible and measured plan.



Compound Annual Growth Rate for Direct Program Expenses

A government that spends less, invests more, and delivers better: that's how we build Canada Strong.

Our Generational Investments

To meet the challenges of our time and seize new opportunities, we must make generational investments that protect and transform our industries, strengthen our economy, and empower Canadians.

Canada stands at a crossroads. This is the moment to move from reliance to resilience. The global shocks we have endured demand more than short-term fixes; they call for a bold down payment on the prosperity of the next generation. This government is here to get big things done for Canadians, at a scale and speed not seen in generations.

Our generational investments in housing, infrastructure, defence, and productivity and competitiveness will allow us to meet the moment.

Housing
$25B over 5 years

Defence & Security
$30B over 5 years

Infrastructure
$115B over 5 years

Productivity & Competitiveness
$110B over 5 years

Building Canada Strong

An Economy by Canadians, for Canadians

We cannot control what other nations do. But we can control what we build for ourselves. Canada is building the strongest economy in the G7, transforming it from reliance to resilience. In the face of uncertainty around the world, we are ensuring that our workers and businesses will prosper by building Canada's strength at home, an economy for Canadians, by Canadians.

This new government is building **One Canadian Economy** turbo-charged by major nation-building projects that will connect our regions, diversify our markets, and create hundreds of thousands of high-paying careers, from the skilled trades to advanced technology.

Canada must build an enormous amount of infrastructure at speeds and scale not seen in generations.

This includes the infrastructure to diversify our trading relationships, to become an energy superpower in both clean and conventional energies, to restore affordability to housing, and to secure our borders and our communities.

Just as the railways united our country, the Trans-Canada Highway opened our frontiers, and the St. Lawrence Seaway linked our economy to the world, today's projects will be as transformative—building clean power grids for a sustainable future, expanding our ports to accelerate our trade, and unlocking the full potential of Canada's critical minerals.

We are strengthening the economic foundations of our nation, giving our workers, innovators, and businesses the tools they need to compete, create, and lead in a changing world.

- **Fast-tracking nation-building projects:** In close partnership with provinces, territories, Indigenous Peoples, and private investors the government is streamlining regulatory approvals and helping to structure financing.

- **Competing and winning abroad:** To seize new opportunities in a changing world, Canada is launching a new **Trade Diversification Strategy** to boost our global footprint. Building on our world-class agreements and partnerships, this strategy will double overseas exports over a decade, generating $300 billion more in trade. Through a new **Trade Diversification Corridors Fund**, we will improve access to overseas markets by investing in new port, airport, and railway infrastructure. And we are providing Canadian businesses with the tools and expertise they need to succeed abroad. Canada will be a fast, reliable, and indispensable global partner.

- **Becoming our own best customer:** Our new **Buy Canadian Policy** will ensure public dollars will be used to strengthen our supply chains, and support homegrown innovation. When the government spends, we will select Canadian suppliers by default, wherever possible. By launching our **Defence Industrial Strategy**, we will grow our defence sector, increasing the capacity and competitiveness of homegrown defence suppliers.

- **Investing in defence and security:** Our government is making a generational investment in defence that will create good, high-paying careers for Canadians, and strengthen our economy and collective resilience.

- **Driving growth and innovation:** Our government will make it cheaper for Canadian companies to invest through a new productivity super-deduction. We will invest in AI projects to further the technology's adoption at home, and catalyse private sector investment in Canada's most innovative startups. The government is also developing a new AI strategy, and will consider whether new AI incentives and supports should be provided. We are creating the right conditions for real, sustainable growth.

- **Powering a clean economy:** Through Canada's new **Climate Competitiveness Strategy**, we are strengthening Canadian leadership in a low-carbon economy. With the Clean Economy Investment Tax Credits, we will supercharge affordable, net-zero energy projects that turn our natural wealth into lasting prosperity while protecting the planet. Canada will build for the future, leveraging nuclear, solar, wind, clean hydrogen, and other renewable energy.

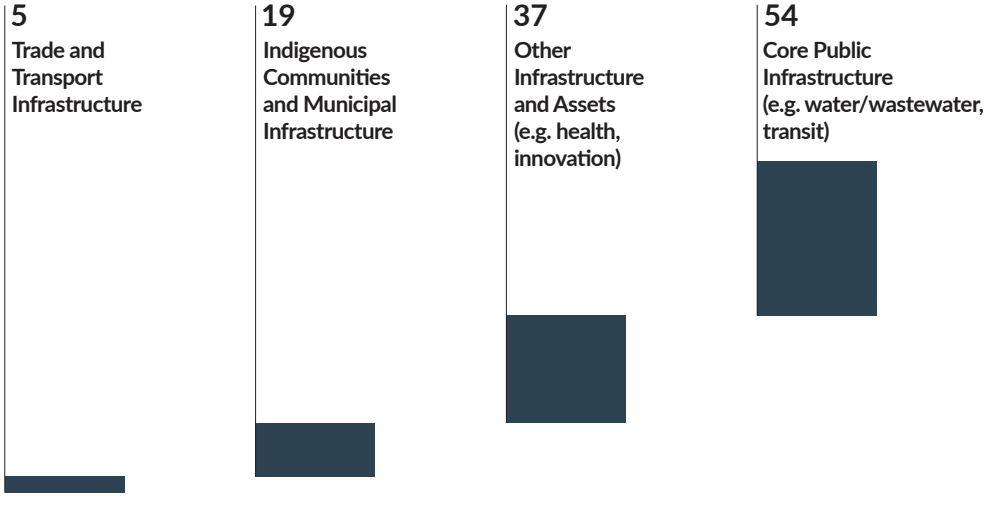
- **Protecting our strength:** A Strategic Response Fund to realign producers to serve the Canadian market and reach new markets globally, coupled with a major reskilling effort, will help tens of thousands of workers and key sectors—from canola to lumber to steel and aluminum and our auto sector—stay competitive and resilient in a shifting global economy.

This is how we ensure Canada thrives in an uncertain world.

Building Major Infrastructure for the 21st Century

Infrastructure investment is a key driver of economic growth.

Total: $115B

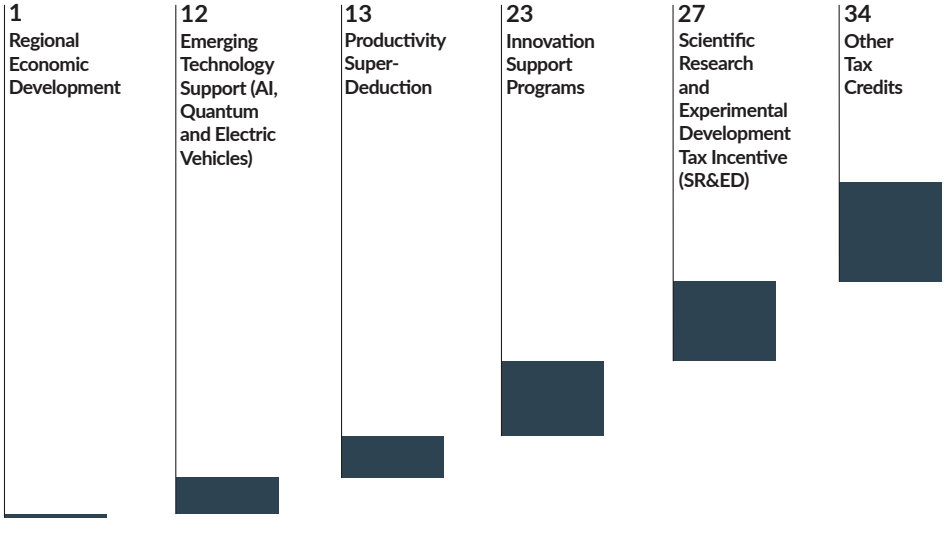


5-year horizon (billions of dollars, accrual basis)

Supercharging Growth

Driving productivity and competitiveness.

Total: $110B



5-year horizon (billions of dollars, accrual basis)

Empowering Canadians:

A core mission of Canada's new government is to empower Canadians by building our economic strength. We are making decisions that empower Canadians with better careers, lower costs, and more choices so you can build the future you want.

From the beginning of our mandate, Canada's new government has been relentlessly focused on bringing down costs for Canadians. The government is delivering tax cuts to the middle class and first-time home buyers, and has brought down prices at the gas pump.

By lowering costs, the government is building an economy where every Canadian can seize new opportunities and can take control of their own future.

When Canadians empower each other, everyone benefits, and Canada prospers.

By supercharging homebuilding

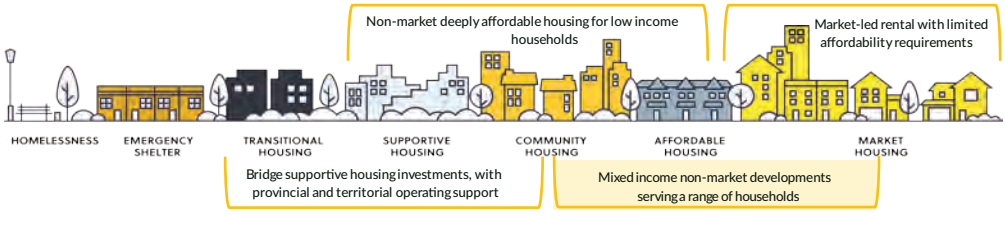
Canada is facing a steep housing supply gap. One that threatens affordability, opportunity, and the ability for Canadians to build a life and a future here at home.

The Canada Mortgage and Housing Corporation estimates that to restore affordability to 2019 levels, homebuilding must nearly double from its current pace of around 280,000 homes per year to between 430,000 and 480,000 homes per year over the next decade. The Parliamentary Budget Officer estimates 290,000 homes per year would be needed to close the supply gap.

Canadians demand immediate action, and this government is delivering with the urgency that this moment requires—with bold action to unlock supply and bring affordability back within reach.

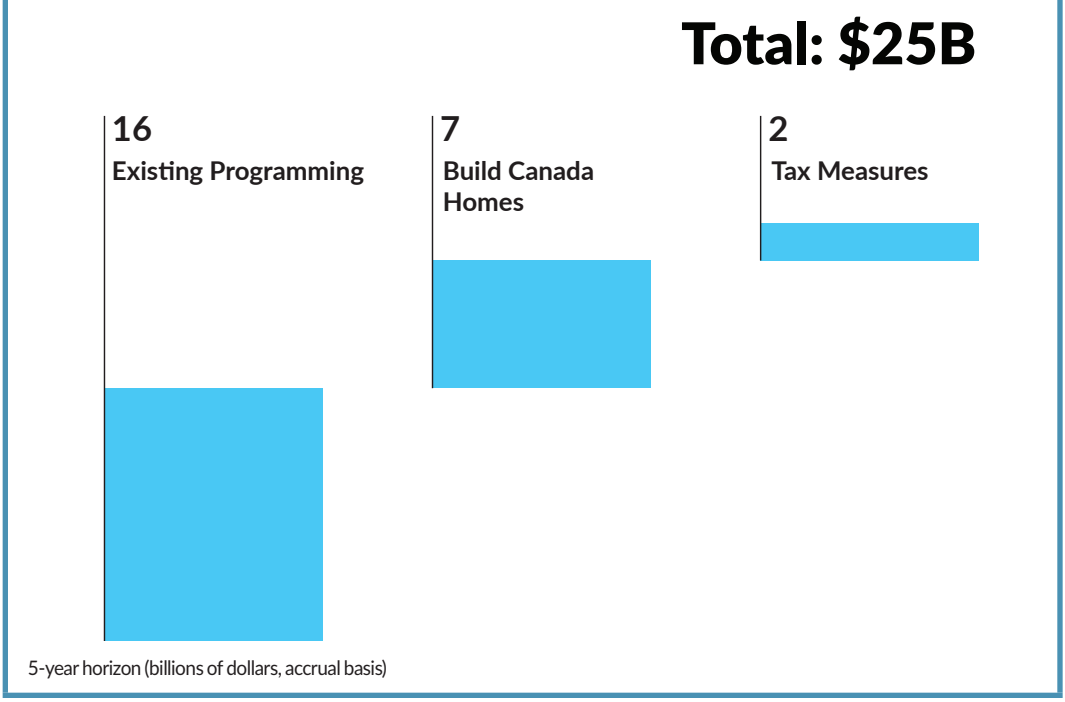
From eliminating the GST for first-time buyers on homes at or under $1 million, to launching **Build Canada Homes**—a new federal agency that will drive investment and public-private cooperation—we will build faster and smarter.

Federal dollars invested in **Build Canada Homes** will be leveraged to attract private capital, investors, and builders to expand the housing supply. We are putting the conditions in place to catalyse maximum investment while mainstreaming advanced methods of construction, with the potential to cut building timelines by up to 50 per cent, reduce costs by as much as 20 per cent, and lower emissions by approximately 20 per cent during construction. With this, Canada can significantly increase its supply of affordable homes and become a global leader in housing innovation, including in construction techniques, sustainable materials, and leading-edge manufacturing.



Unprecedented investment in building homes for Canadians

Canada's most ambitious housing plan in a generation.



These measures will make housing attainable, cities more vibrant, and communities stronger. Because every home built is another step toward a more affordable, more confident Canada while creating new careers for young Canadians in the skilled trades.

By building smart, building Canadian, building now, we are building Canada Strong.

By bringing down costs for Canadians

Budget 2025 will spend less on government operations and cut waste, so we can invest more in growing our economy and protecting essential programs that make life more affordable.

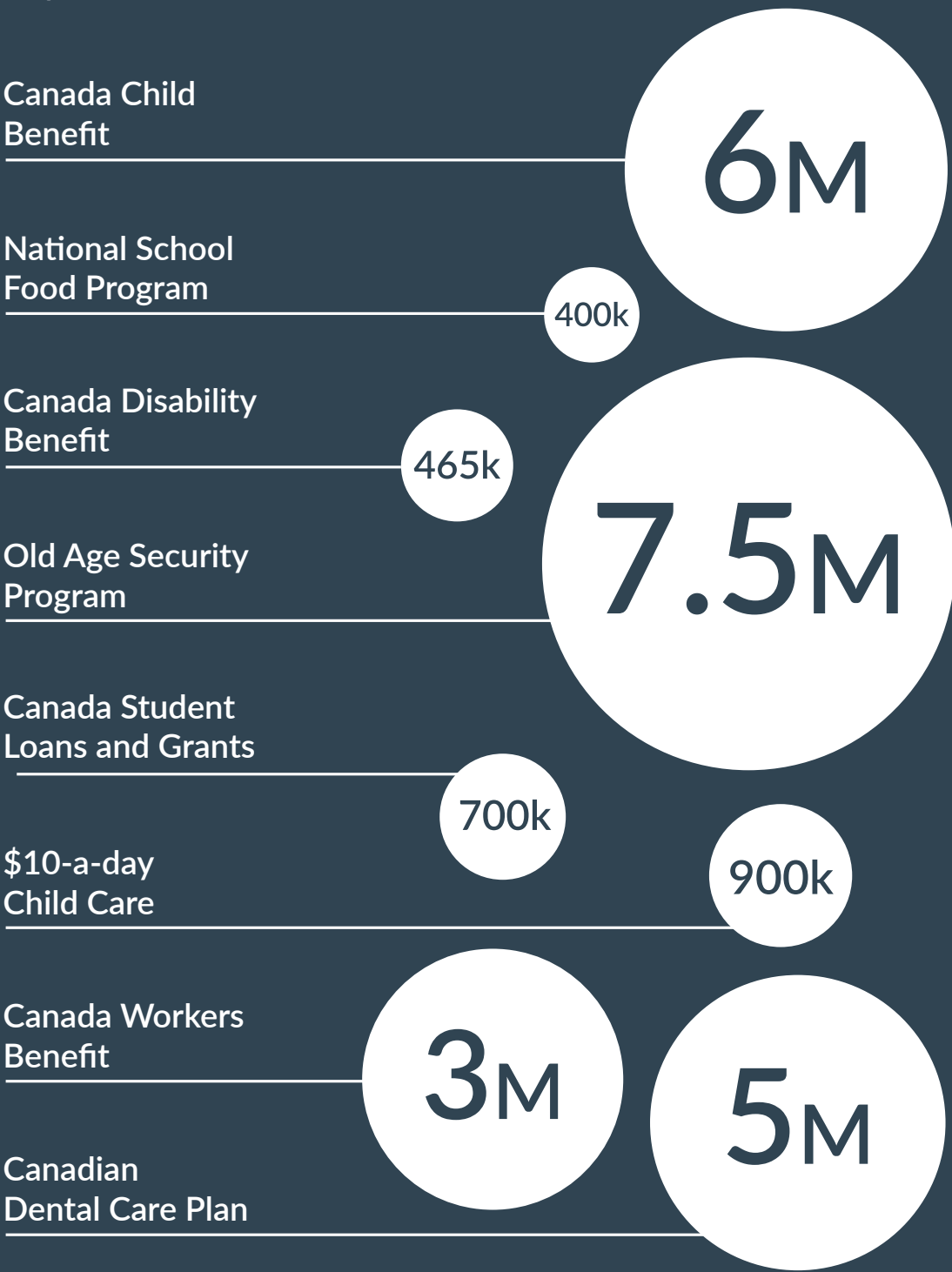
Our new government has been focused on bringing down costs and creating new opportunities for Canadians. We have:

- Cancelled the divisive consumer carbon price, cutting gas prices by approximately 18¢ per litre in most provinces and territories.
- Cut taxes for 22 million middle-class Canadians, saving a two-income family up to $840 per year.
- Created opportunities for young Canadians to transition into the workforce and launch successful careers, by launching a **Youth Climate Corps**, and providing 175,000 placements through **Canada Summer Jobs,** the horizontal **Youth Employment and Skills Strategy**, and the **Student Work Placement Program** in 2026-27.
- Made the **National School Food Program** permanent to provide meals to up to 400,000 children every year, allowing participating families with two children to save an average of $800 per year.
- Begun the process to launch **Automatic Federal Benefits** that will reach up to 5.5 million low-income Canadians for the 2028 tax year to ensure everyone who deserves benefits receives them.
- Renewed the **Canada Strong Pass**, helping families and young people travel and explore Canada for less.
- Reduced Confederation Bridge and interprovincial ferry fares in Atlantic Canada—leading to a 25 per cent increase in usage of these services for visitors leaving Prince Edward Island in August, compared with the previous year.
- Upheld the Canadian Radio-television and Telecommunications Commission decision to expand wholesale access, boosting competition and lowering Internet costs for Canadians.

A more affordable Canada also means a more competitive one. Budget 2025 will include early, but meaningful, measures to increase competition and drive down costs in key sectors such as telecommunications and banking. Our government will continue to push for more choice for Canadians across the economy.

Our government remains focused on empowering Canadians—by lowering costs, expanding opportunity, and protecting the vital social programs Canadians rely on, from child care to dental care to pharmacare.

We are protecting vital social programs that **millions of Canadians** rely on



Protecting Canada:

By Ensuring Safety for all Canadians

In a world that is growing more unpredictable, Canada can count on being one of the safest countries in the world. But more must be done. We must be ready to take a stronger approach in the face of increasingly sophisticated crimes to protect our people, our communities, and our economy.

That means reinforcing our borders, cracking down on organised crime and illegal trafficking, and protecting Canadians across the country so you can live, work, and worship in peace.

Canada's new government is taking decisive action to keep Canadians safe:

- Through Canada's $1.3 billion **Border Plan**—an unprecedented investment in our borders—and new investments in Budget 2025, we are hiring 1,000 new Canada Border Services Agency officers, modernising border technology, and strengthening intelligence-sharing to stop illegal guns, drugs, and human smuggling before they reach our streets.
- We are also hiring 1,000 new RCMP personnel to expand policing capacity and strengthen federal enforcement where Canadians need it most—from suppressing gun and drug trafficking and disrupting money-laundering networks, to boosting investigative capacity against professional enablers of organised crime.
- As fraud becomes more sophisticated and impacts more Canadians, especially seniors and newcomers, we are launching a **National Anti-Fraud Strategy** to implement stronger protections for consumers.
- We are creating a new **Financial Crimes Agency** that will be Canada's lead enforcement agency on complex financial crimes. It will bring together the expertise necessary to investigate money laundering, fraud, and online financial scams.
- Our government has launched an ambitious bail reform strategy to ensure that Canadians are safe in their communities. This includes making bail laws stricter and sentencing laws tougher for repeat and violent offending, to support the front lines and to invest in long-term prevention.

This is how we protect our sovereignty at home and keep Canadians safe.

By Defending our Sovereignty and Security

In an increasingly dangerous and divided world, Canada must be ready to defend our people and values, to secure our sovereignty, and to stand as a strong, reliable partner with our allies.

Budget 2025 delivers on that commitment with a generational investment in our capacity to strengthen and protect our sovereignty and security. Canada's new government is rebuilding, rearming, and reinvesting in the Canadian Armed Forces (CAF), ensuring our military has the personnel, equipment, training, and infrastructure it needs to protect Canadians and lead abroad. This includes the most significant pay increase for the CAF in a generation, and major investments to support the health needs of CAF members.

Canada will meet the North Atlantic Treaty Organization's (NATO) 2 per cent defence-spending target this year—five years ahead of schedule—and accelerate investments in the years ahead to put Canada on a path to meeting NATO's 5 per cent Defence Investment Pledge by 2035.

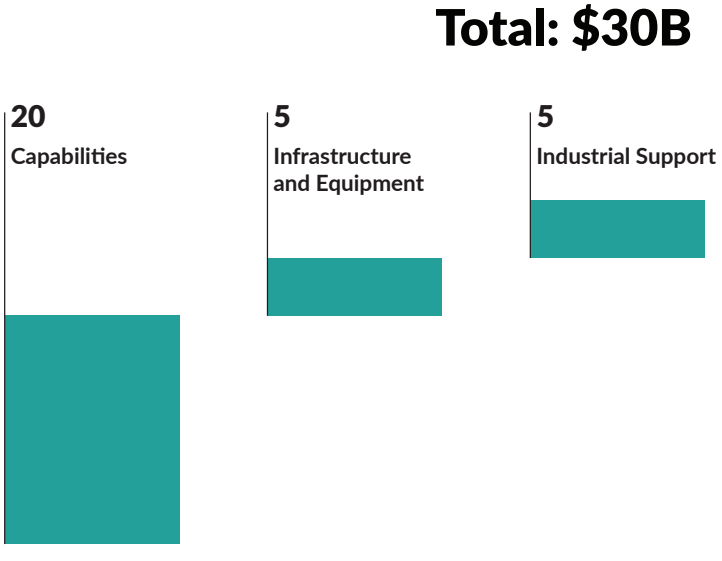
Our renewed commitment to defence will create good, high-paying careers for Canadian workers and drive investments that strengthen our economic, infrastructure, and collective resilience.

To that end, we are creating a new **Defence Investment Agency** and making significant progress on a **Defence Industrial Strategy** to rebuild domestic production capacity and strengthen our supply chains.

These investments will modernise our fleets, expand Arctic and maritime surveillance, bolster cyber and space capabilities, and create high-paying careers for Canadian workers across the country.

Reinvesting in Defence and Security

Largest defence investment in decades.



5-year horizon (billions of dollars, accrual basis)

Economic and Fiscal Overview

A Changing World, A New Opportunity

The global economy is undergoing a profound transformation. After decades in which globalisation and free trade underpinned growth, a fundamental shift is now underway—driven by economic nationalism, geopolitical uncertainty, and rapid technological change.

Major global events—from financial crises and pandemics to de-industrialisation and rising geopolitical tensions—have challenged long-standing institutions and the rules-based international system. Many countries are now placing greater emphasis on domestic resilience, including through policies aimed at securing critical sectors and supply chains.

Industrial policy, once seen as secondary to market forces, is returning to the forefront. In 2024 alone, governments worldwide introduced more than 2,500 industrial policy measures reflecting a transition in how governments are protecting national security interests and securing long-term competitiveness.

The United States, our largest trading partner, is fundamentally reshaping all of its trading relationships and putting up trade barriers, with its average tariffs across all countries rising from around 2 per cent at the end of 2024 to 17 per cent today. The effect is profound—hurting companies, displacing workers, disrupting supply chains, and causing uncertainty that is curbing investment.

This evolving global context is creating significant uncertainties for firms navigating investment and supply chain decisions in North America and across the world—precisely when Canada needs investment to build its future.

A Pivotal Moment for Canada's Economy

For a country like Canada—where about one-third of national income comes from exports—these global shifts carry significant implications.

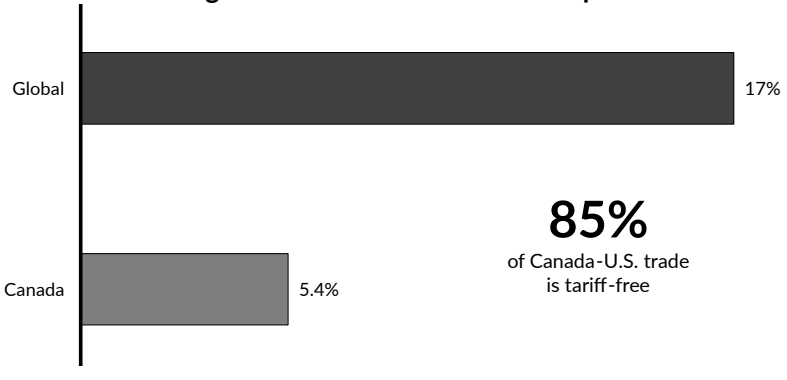
Canada's trade relationships within North America remain central to its economy, but their nature is changing. New tariffs and shifting trade policies are straining supply chains and raising costs for Canadian exporters:

- High tariffs and significant trade actions now apply to key exports to our largest trading partner, including autos, steel, aluminum, copper, softwood lumber, and wood products. A 35 per cent tariff also applies to non-Canada–United States–Mexico Agreement (CUSMA) compliant goods.
- Canadian agricultural exporters are also facing higher Chinese tariffs on canola, pork, and seafood.
- Tariff levels continue to shift, and uncertainty about future trade policy is elevated.

Despite these pressures, Canada continues to benefit from favourable access to our largest export market.

- Canada has the best deal across all key U.S. trading partners, with 85 per cent of Canada-U.S. trade remaining tariff-free.
- The average U.S. tariff rate on Canadian goods stands at 5.4 per cent—the lowest among all major countries trading with the U.S. (Chart 1).[1]

Chart 1 – U.S. Average Tariff Rate on Trade Counterparts



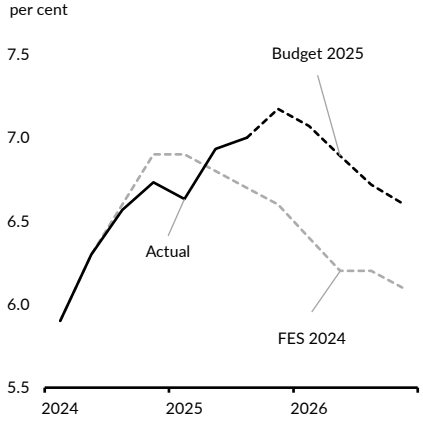
Sources: U.S. Census Bureau; Department of Finance Canada calculations.

[1] The average tariff rate is calculated on the basis of interpretation of 2025 U.S. trade policy announcements implemented as of November 1 as applied to 2024 U.S. import shares. Calculation accounts for import tariffs only and excludes anti-dumping and countervailing duties. Precise rate calculation is subject to ongoing revision as implementation of tariff policies evolves.

The economic strategy of the United States is shifting from a commitment to multilateral trade liberalisation to more transactional and managed bilateral trade and investment. The economic effects on the Canadian economy are already evident:

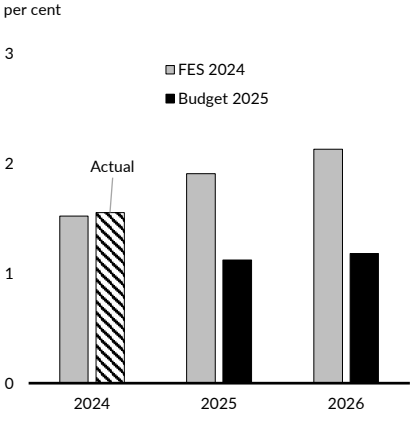
- New tariffs, and the uncertainty caused by trade tensions, are weighing on exports, curbing business investment, and contributing to a broader slowdown in economic activity. The Canadian economy expanded by just 0.2 per cent in the first half of the year.
- Labour markets are showing signs of strain, with trade tensions interrupting the recovery that had been underway since mid-2024. Although the economy has continued to create jobs, the unemployment rate rose from 6.6 per cent in February to 7.1 per cent in September (Chart 2), with trade-exposed industries and regions most affected.
- The medium-term outlook has weakened. Real GDP is now projected to grow just above 1 per cent annually in 2025 and 2026 compared to projections of about 2 per cent in the *2024 Fall Economic Statement* (FES 2024) (Chart 3). This is a risk that the economy is adjusting to a persistently lower growth trajectory—marked by weaker productivity and soft investment.

Chart 2 – Unemployment Rate Outlook



Notes: Dashed lines are projections. Last data point of actual data is 2025Q3.
Sources: Statistics Canada; Department of Finance Canada September 2024 and August 2025 surveys of private sector economists.

Chart 3 – Real GDP Growth Outlook



Sources: Statistics Canada; Department of Finance Canada September 2024 and August 2025 surveys of private sector economists.

These developments have also brought long-standing structural challenges into sharper focus: weak productivity, chronically low business investment, overreliance on U.S. demand, and internal barriers that fragment the Canadian market.

To support workers and businesses affected by new tariffs and trade tensions, the government has provided targeted sectoral measures, including re-training, income supports for workers, and liquidity, investment, and procurement supports for businesses. This immediate support is necessary, but not the entire solution.

While external forces will continue to shape the global economy, Canada retains the ability to chart its own economic course. By strengthening resilience, fostering innovation, and enhancing competitiveness, Canada can better withstand global shocks, seize new opportunities, and secure lasting prosperity for Canadians.

Building Canada's Future Economy

Budget 2025 is our plan to build the strongest economy in the G7 and one that empowers Canadians to get ahead. It focuses on building our strength at home to ensure Canada does not just withstand global shifts but prospers from them.

> *Both Germany and Canada recognise that in this very testing time, they need to use their fiscal space. In the case of Canada, the Canadian authorities have been very decisive to take action in the context of changing relations with their main trading partner. And one of these actions is indeed to reform—modernise the budget framework by (…) separating operating expenses in the budget from investment—that ability to then focus strategically on investment that are pro-growth, that can lift up productivity. The areas that Canada identified, housing, infrastructure, energy, they are thinking of some strategic projects. These are areas that we see the need of doing more so Canada can lift up productivity.*
>
> — **Kristalina Georgieva**, International Monetary Fund Managing Director, Annual Meetings 2025

At its core, our plan is a long-term economic strategy that is anchored on four objectives:

- **Harnessing Our Strengths:** Canada has what the world wants—it is an energy superpower in clean and conventional energy, among the top five producers of the world's most important critical minerals, a leading developer of artificial intelligence and quantum, has a highly educated workforce, and the ability to attract top talent from around the world. Investments in these foundations, including major nation-building projects, will spur growth of our industries and help businesses thrive in today's global economy.
- **Building Our Nation:** Canada's new government is investing to build major nation-building projects that are in our national interest. These projects will connect our regional economies to each other and to the world. Build Canada Homes will help double the pace of construction to build millions of more homes. As we build our nation, we are creating high-paying careers and supporting Canadian industries such as steel, aluminum, critical minerals, and softwood lumber, with our Buy Canadian Policy. It's time to build big, build bold, and build now.
- **Unifying Our Economy:** Becoming our own best customer requires a more integrated domestic market. The *One Canadian Economy Act* helps break down internal trade and labour barriers, which cost Canadians as much as $200 billion in lost opportunities a year. The Act expedites nation-building projects, and unleashes economic growth, with Indigenous partnerships and inclusion at the centre of this approach. Building one Canadian economy will create, and connect Canadians to, high-paying careers and more prosperity.
- **Diversifying Our Trade:** We are developing a more flexible, resilient network of partners. Canada's new Trade Diversification Strategy will strengthen existing relationships and open new markets for Canadian businesses, particularly in Asia. Our investments in trade infrastructure will increase Canada's trade capacity. Through the Major Projects Office, we are also helping to develop transformative energy and trade corridors. This includes the Port of Churchill Plus project, that has the potential to expand export capacity in the North through Hudson Bay—increasing and diversifying trade with Europe and other partners, while more strongly linking Churchill, Manitoba to the rest of Canada.

To support our plan to build a stronger economy, the government is adopting a new growth-oriented approach to its budget—underscored by the shift in the composition of spending. This new approach is guided by two fiscal anchors:

1. Balancing day-to-day operating spending with revenues by 2028–29, shifting spending toward investments that grow the economy; and
2. Maintaining a declining deficit-to-GDP ratio to ensure disciplined fiscal management for future generations.

In addition to these anchors, Budget 2025 enables $1 trillion in total investment over the next five years through smarter public spending and stronger capital investment.

The economic impact of achieving this target would be substantial, compounding over time through higher productivity. As an illustration, with $500 billion in additional private investment over 5 years, real GDP could be about 3.5 per cent higher than otherwise by 2030, reflecting the enduring benefits of a more capital-rich economy. Over the same period, Canadians' purchasing power would strengthen, with real GDP per capita $1,400 higher per year, on average. This lift in output could improve the budgetary balance by an average of $7 billion per year over the forecast horizon.

1. Global Context

Slower Global Growth and Rising Risks

Global economic growth has been solid over the last two years. Inflation in most advanced economies has fallen and given central banks, in Canada or elsewhere, the room to pause or cut interest rates, supporting household spending and business investment.

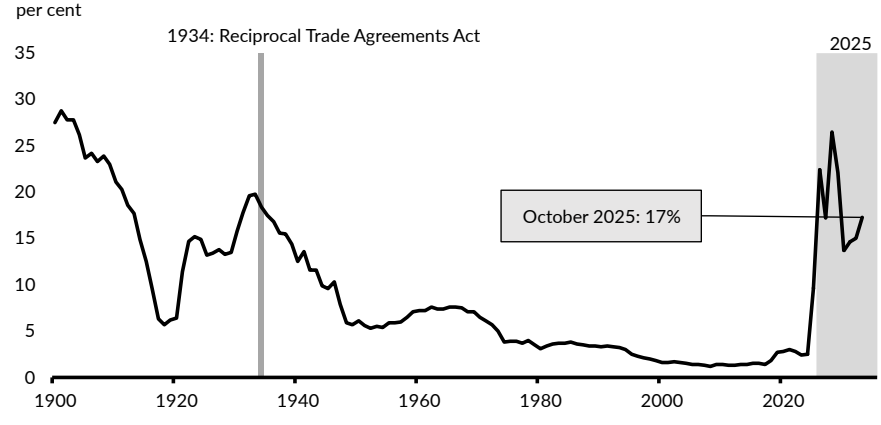
This year, risks to growth and inflation have risen. In particular, average U.S. tariffs are at levels not seen in decades (Chart 4), making trade more expensive and unpredictable. These trade measures are reshaping global trade and straining global supply chains. Measures of global economic uncertainty have eased from their peak earlier in 2025 but remain high—well above pre-pandemic norms and at levels typically linked with major crises.

Although some tariff measures were scaled back or delayed, U.S. bilateral tariff rates have increased on almost all trade counterparts and the shift to protectionist trade policy is clear.

Early in 2025, the global economy proved more robust than anticipated. Businesses accelerated imports ahead of new U.S. tariffs, while supportive financial conditions driven by expectations of further policy interest rate cuts and strong equity markets helped sustain economic activity.

Those favourable conditions are now fading. The impact of higher trade barriers is becoming more visible with weaker reported earnings, trade being diverted away from the U.S., slower domestic demand in major economies, and softening labour markets. The International Monetary Fund (IMF) now sees higher tariffs leading to inflationary pressure re-emerging in the U.S., limiting the scope for further monetary stimulus.

Chart 4 – U.S. Average Tariff Rate, all U.S. imports



Sources: U.S Census Bureau; Department of Finance Canada calculations.

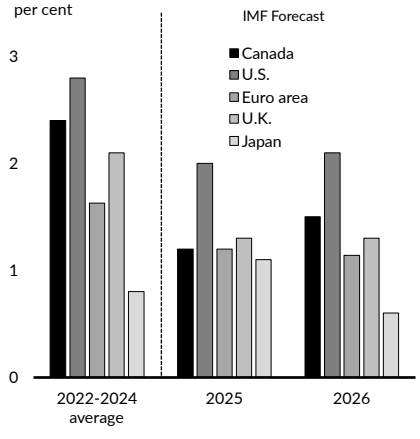
Looking ahead, international organisations—including the IMF and the Organisation for Economic Co-operation and Development (OECD)—expect global growth to slow in the second half of 2025 and into 2026 (Chart 5).

New trade tensions are reshaping the global economy, creating uncertainty and driving developments that affect oil prices, exchange rates, and long-term interest rates—also impacting Canada's economic outlook.

- Oil prices—an important driver of Canada's economy and fiscal position—remain low and volatile. Soft global demand growth and continued OPEC+ production increases have weighed on markets. West Texas Intermediate (WTI) has traded between US$57 and US$81 this year, and is currently hovering around US$60 per barrel, substantially lower levels than expected in the *2024 Fall Economic Statement* (FES 2024).

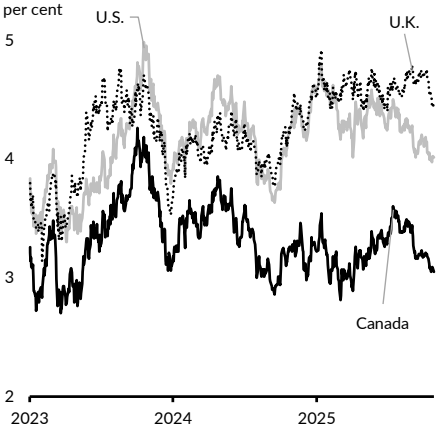
- The U.S. dollar has fallen by about 7 per cent against other major currencies since the start of the year, as softer growth prospects and market concerns about its safe-haven status weigh on the currency. A weaker U.S. dollar lifts the Canadian dollar—helping ease inflation but reducing support exporters might otherwise receive amid new U.S. trade barriers.
- Long-term sovereign bond yields have declined in the U.S. and Canada since July, amid expectations of greater monetary policy easing. However, yields remain elevated—or have even risen further—in some advanced economies over the past two years as markets price in concerns about the long-term sustainability of fiscal policy and demand higher premiums on government debt. Yields in Canada remain lower relative to peers (Chart 6), reflecting strong investor confidence in Canada's fiscal position.

Chart 5 – IMF Real GDP Growth Outlook



Sources: Haver Analytics; IMF, *World Economic Outlook*, October 2025.

Chart 6 – 10-year Government Bond Yields, Selected Advanced Economies



Note: Last data points are October 24.
Source: Haver Analytics.

2. Canadian Economic Context

The Canadian Economy in the Face of New Tariffs

From an age when free trade was a motor of global economic growth, we have entered an age of economic nationalism and mercantilism. Canada's largest export market, the U.S., is fundamentally reshaping all its trading relationships.

The U.S. tariff rate is now the highest it has been since the Great Depression in the 1930s, and these tariffs are being applied to all countries and nearly all goods. The trade war and the uncertainty it created has had profound effects on the Canadian economy.

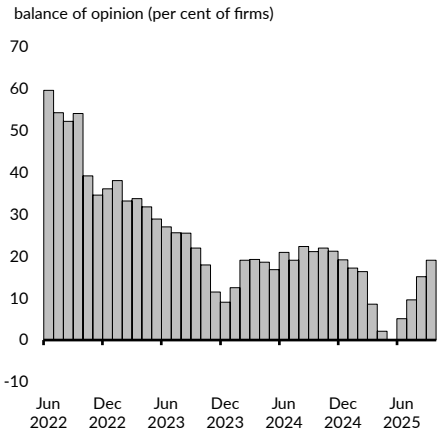
After growing by more than 2 per cent in the second half of 2024, real GDP in Canada rose at an annualised pace of 0.2 per cent. Growth reached 2.0 per cent in the first quarter but contracted by 1.6 per cent in the second quarter, as trade activity brought forward in the two previous quarters unwound and new tariffs came into effect.

Despite headwinds, the Canadian economy has shown resilience and private sector forecasters expect modest growth to resume in the second half of 2025. The IMF predicts that Canada will have the second fastest annual growth in the G7 (after the U.S.) in both 2026 and 2027.

The impact of higher U.S. tariffs and ongoing uncertainty on the Canadian economy has been evident:

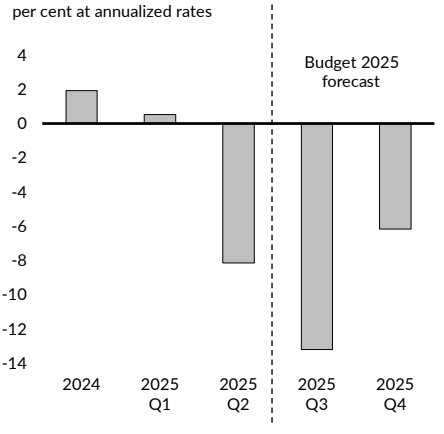
- Exports contracted sharply, even as U.S. growth remained strong, and manufacturing sales declined as new tariffs were imposed.
- Business sentiment has weakened in this environment (Chart 7), with declines across many sectors, including those exposed to trade.
- Investment pulled-back in the first half of the year as businesses delayed or cancelled projects. Private sector forecasters expect investment weakness throughout 2025 (Chart 8), dragging on the economy's productive capacity.
- There were job losses in tariff-targeted sectors and those most exposed to trade, and hiring has been subdued among other sectors.

Chart 7 – Business Sentiment on Current Conditions



Notes: The series is calculated by subtracting the share of firms citing bad business conditions from the share of firms citing good business conditions. Individual responses of very good or very bad conditions are double-weighted. Three-month moving average. Last data point is September 2025.
Source: Bank of Canada.

Chart 8 – Growth in Real Business Investment

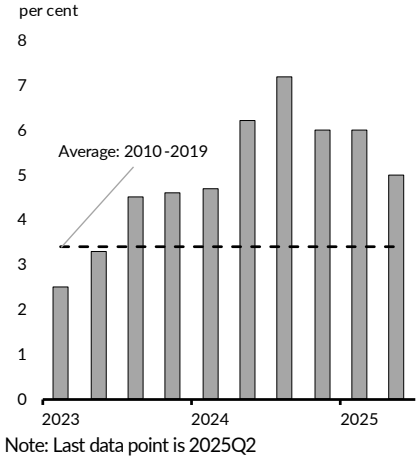


Note: The data point for 2024 is the average quarterly annualised growth throughout 2024.
Sources: Statistics Canada; Department of Finance Canada August 2025 survey of private sector economists; Department of Finance Canada calculations.

However, the Canadian economy has shown resilience, with domestic-facing sectors faring better. This highlights the importance of strengthening the domestic economy through investment in infrastructure and housing, including through Buy Canadian initiatives, while continuing to diversify trade and expand export markets.

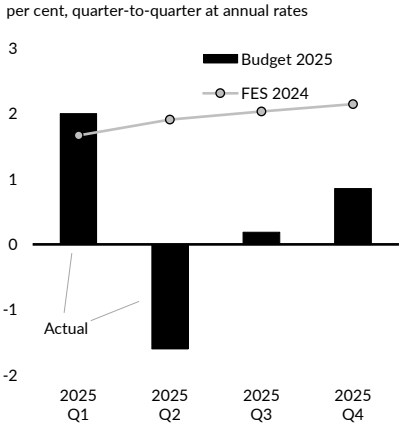
Household spending has remained solid, with indications this strength continued over the summer months. Household balance sheets have benefitted from solid real wage gains, elevated household savings, lower borrowing costs, and rising asset values (Chart 9). At the same time, reduced travel to the U.S. and Buy Canadian initiatives have redirected some spending towards domestic products and services, providing additional support to local economies. Housing activity is returning to growth after a period of sharp pullback, although conditions remain uneven across regions.

Chart 9 – Household Savings Rate



Note: Last data point is 2025Q2
Source: Statistics Canada.

Chart 10 – Real GDP Growth Outlook

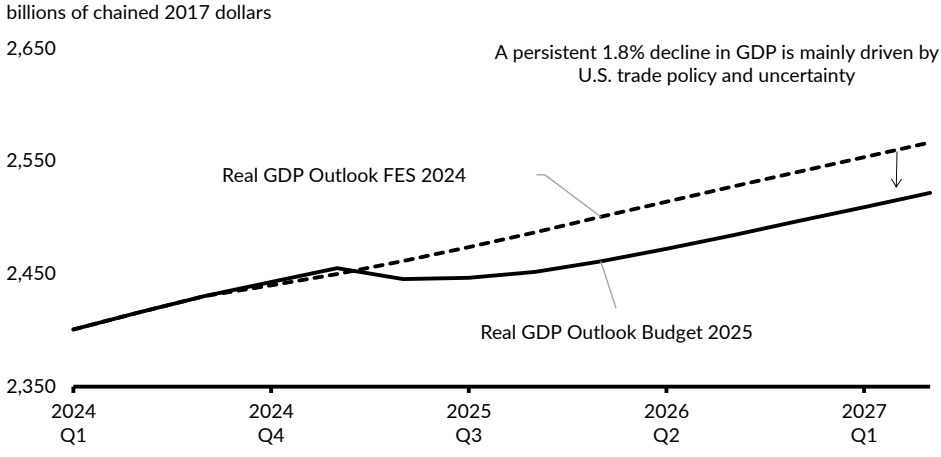


Sources: Department of Finance Canada September 2024 and August 2025 surveys of private sector economists; Department of Finance Canada calculations.

The impact of new tariffs and the uncertainty they have caused is expected to continue to build. The outlook for growth is weaker than projected in the FES 2024 (Chart 10). Private sector economists expect real GDP growth to resume in the second half of 2025, with annualised growth of 0.2 per cent and 0.9 per cent in the third and fourth quarter, respectively.

Tariffs and supply chain disruptions are expected to drag on business investment and productivity. Combined with slower population growth, the level of real GDP is projected to be 1.8 per cent below what was anticipated in the FES 2024 before the trade conflict (Chart 11). Slower economic activity weighs on Canada's fiscal capacity. The Department of Finance's sensitivity analysis shows that this type of economic shock could result in a deterioration of the budgetary balance by $7 billion per year, on average, over the forecast horizon (see Annex 1 for details on the sensitivity of fiscal projections to economic shocks).

Chart 11 – Real GDP Level



Sources: Department of Finance Canada September 2024 and August 2025 surveys of private sector economists; Department of Finance Canada calculations.

Canadian Exports Amid New Tariffs

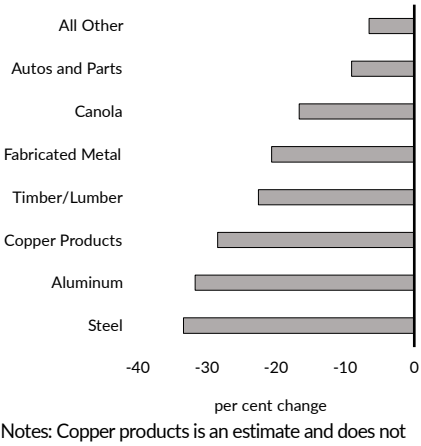
Canada's exporters are facing growing challenges from higher tariffs, uncertainty over future trade rules, and lower global demand. Exports to our largest trading partner have seen large declines, after initial front-loading of shipments as businesses tried to get ahead of the new tariffs. Newly added energy export capacity, such as the Trans Mountain expansion and LNG Canada, has cushioned some of the decline in exports.

Businesses in sectors directly targeted by tariffs, and the regions where these sectors have the largest footprint, have been the hardest hit. While domestic sales have partially offset weaker U.S. demand and firms have built up inventories, these have not fully made up the shortfall, and output in affected sectors has declined.

- The value of Canadian exports to all destinations are down 7.2 per cent in August relative to their 2024 average, including exports to the U.S. declining by 10.4 per cent.
- Steep declines have been seen in steel and aluminum exports where volumes are down 33 and 32 per cent respectively in August relative to their 2024 average (Chart 12). The U.S. first introduced 25 per cent tariffs on these products in March, then doubled them to 50 per cent in June.
- China has applied 76 per cent tariffs on Canadian canola seed, and 100 per cent tariffs on canola oil and oilcake—effectively shutting Canadian canola out of the Chinese market. Canola exports are down 17 per cent since 2024.

- Auto and auto parts exports are down 9 per cent since 2024, yet this masks what would have been a pickup in growth if not for trade tensions. Planned expansions in the sector have been delayed, put on hold, or cancelled entirely due to trade uncertainty.
- Despite most Canadian goods entering the U.S. duty-free, exports outside of directly tariffed sectors have also declined, reflecting spillovers from weakening industrial demand in the U.S.
- There has been an encouraging pivot toward other destinations for exports since 2024 (Chart 13). In particular, exports of metal and non-metallic mineral products, energy, consumer goods, and electrical equipment to third country trade partners are all up more than 7 per cent in August relative to 2024, as firms seek to diversify trade and new export capacity for energy has come online.

Chart 12 – Change in Merchandise Export Volumes, August 2025 Compared With 2024 Average



Notes: Copper products is an estimate and does not capture all copper products and content subject to tariffs.
Sources: Statistics Canada; Department of Finance Canada calculations.

Chart 13 – Canadian Merchandise Exports

Notes: Data are on a customs basis. Last data point is August 2025.
Sources: Statistics Canada; Department of Finance Canada calculations.

- The pace of export decline has slowed in the third quarter as further declines in tariffed sectors were partially offset by recovering energy shipments and the launch of LNG Canada. Yet, steep declines earlier in the year have left exports well below last year's levels. Forecasters expect exports to continue lagging growth in the broader economy over the next two years, as elevated tariffs weigh on U.S. demand and new markets take time to develop.

- Expanding global partnerships with reliable, like-minded countries—including the EU, Korea, Japan, and Mexico—will help open new markets and reduce overreliance on any single trading partner, improving the long-term resilience of Canadian exporters.

Labour Market Amid Trade Uncertainty

The U.S. tariffs have had impacts throughout the labour market. Businesses are pausing hiring plans in response to new tariffs and trade tensions. This has interrupted the labour market recovery that had taken hold in late 2024.

Employment growth has slowed since January but rebounded in September, adding 60,000 jobs and offsetting earlier losses. Most of the rise in unemployment comes from slower hiring, as businesses delay or cancel job postings.

Layoffs have increased slightly from historically low levels but have stabilised recently, and new Employment Insurance claims remain relatively low, unlike previous episodes of economic slowdown.

Some Canadians are feeling the effects more acutely:

- Job losses have been concentrated in trade-exposed sectors (Chart 14) like manufacturing, which has shed about 30,000 jobs since January. Employment in these sectors may remain subdued as businesses adjust to weaker U.S. demand. While unemployment has risen in most provinces, the largest increases have been in manufacturing-focused regions including Windsor and Oshawa in Ontario, and parts of British Columbia (Chart 15).
- Young people are being disproportionately affected by weaker hiring. Youth unemployment rose from 12.9 per cent in February to 14.7 per cent in September—the highest level since 2010 outside of the pandemic period.
- With fewer hiring opportunities across many sectors, job searches are taking longer, pushing up long-term unemployment.
- Building the economy of the future requires ensuring that workers and industries are equipped to seize opportunities. We will create a strong, confident workforce by introducing a new reskilling package for up to 50,000 workers, making Employment Insurance more flexible and with extended benefits, and launching a new digital jobs and training platform with private-sector partners to connect Canadians more quickly to careers.

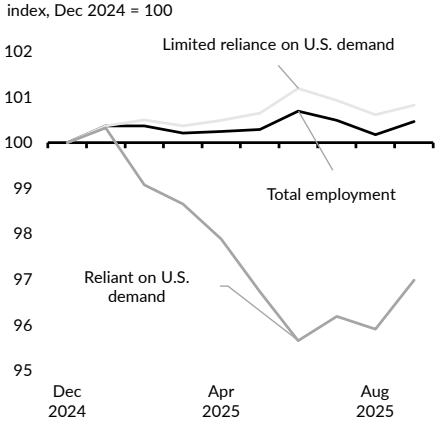
- The labour force has expanded more gradually as a result of slower population growth and immigration rates returning to sustainable levels under the 2025-2027 Immigration Levels Plan. These measures have helped ease pressure on the labour market, containing overall unemployment. Slower hiring has made it harder for youth and newcomers to find their first job, highlighting integration challenges for newcomers and entry barriers for young workers. Youth have faced particular strain, with their unemployment rate rising by 5.7 percentage points since 2022. Managed immigration growth is now helping to stabilise labour-market conditions and is expected to support better outcomes for youth.
- The 2025-2027 Immigration Levels Plan is already delivering results: new temporary foreign worker arrivals have fallen by about 50 per cent this year, and new international student arrivals are roughly 60 per cent lower than in 2024. Asylum claims are also down by one-third so far in 2025.

Labour force participation among women and prime-aged workers has fallen slightly but remains high by historical and international standards:

- Canadians remain engaged with the labour market and businesses continue to have a large pool of labour supply to draw from.

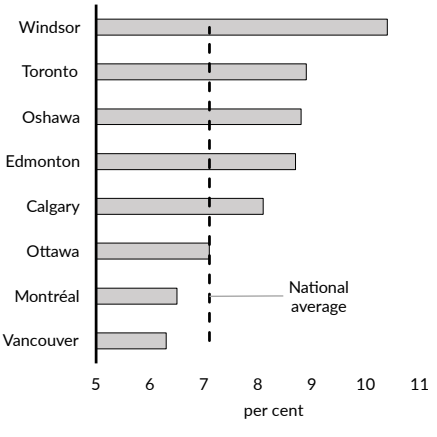
The unemployment rate is projected to remain elevated over the forecast horizon, peaking at around 7.2 per cent by the end of year before gradually easing.

Chart 14 – Employment Growth by Reliance on U.S. Demand



Notes: Reliant industries are those with greater than 35 per cent of jobs reliant on U.S. demand. Last data point is September 2025.
Sources: Statistics Canada; Department of Finance Canada calculations.

Chart 15 – Unemployment Rates in Major Cities, September 2025



Notes: Shows the five highest unemployment rates among the 20 most populous Census Metropolitan Areas, and the unemployment rates in the five most populous metros. Three-month average.
Sources: Statistics Canada.

Progress on Housing Supply Helping Ease Pressures

After softening earlier in the year, the housing market has stabilised, with home resales and new housing starts picking up once again, although activity remains uneven across regions. Housing affordability has improved for both renters and home buyers, supported by government actions such as investments in purpose-built rental construction, lower immigration targets, and new supports for first-time home buyers.

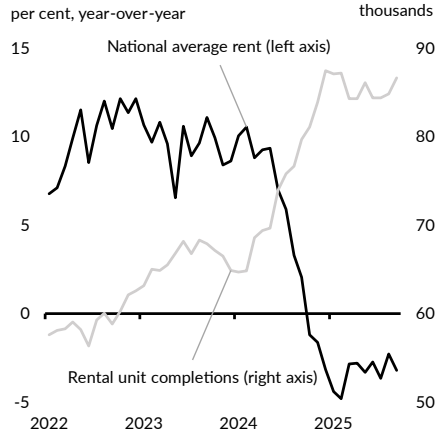
- The elimination of the GST for first-time home buyers on homes up to $1 million and recent changes to mortgage rules will help make homeownership a reality for more Canadians.
- Home sales have risen in five of the past six months, and forward-looking indicators—including sales-to-new-listings ratios and inventory levels—point to broadly balanced market conditions at the national level.
- Easing home prices, lower interest rates, and robust income growth have improved affordability for first-time home buyers. The Bank of Canada's housing affordability index has been improving for seven consecutive quarters, supported by a 2.75 percentage-points reduction in the policy rate since May 2024 and easing resale prices in several housing markets.
- Housing starts have trended upward this year, averaging 277,000 units over the past six months—the highest level since 2021—driven by government-supported strength in purpose-built rental construction.
- Strong rental construction, combined with early government measures to responsibly manage immigration and population growth, has alleviated housing pressures, with average asking rents down 3.2 per cent over the past year (Charts 16 and 17).
- Government policies, such as the Apartment Construction Loan Program and Mortgage Loan Insurance, have helped maintain elevated levels of construction activity, particularly in the rental segment.

Government efforts are already helping to scale up the supply of homes and bring down costs.

But restoring affordability over the long term will require sustaining this momentum and closing the supply gap. This is why Canada's new government is taking measures to double the pace of construction to build millions of new homes, including through a new agency, Build Canada Homes.

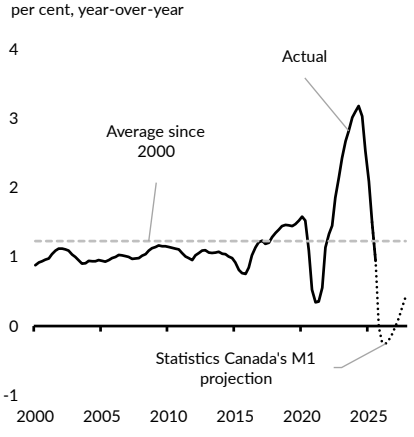
- Canada's new government launched Build Canada Homes which will help double the pace of homebuilding over the next decade to increase housing supply, alongside other measures. It will also transform public-private collaboration and deploy modern methods of construction, as it catalyses the creation of an entirely new Canadian housing industry.
- Build Canada Homes will deploy capital, create demand, and harness innovative housing technologies to build faster and more sustainably, 365 days a year. Build Canada Homes will place an intense focus on using cost-efficient and modern methods of construction such as factory-built, modular, and mass timber. Through bulk procurement and long-term financing, Build Canada Homes will mainstream these advanced methods of construction—with the potential to cut building timelines by up to 50 per cent, reduce costs by as much as 20 per cent, and lower emissions by approximately 20 per cent during construction.
- The federal government is working with other levels of government to take action through a comprehensive suite of policy measures. These include low-cost financing for builders, incentives for purpose-built rental construction, cutting red tape, infrastructure investments, and initiatives to expand the skilled construction workforce.
- Investments in new supply are being coupled by actions to responsibly manage immigration to alleviate pressures on housing demand. The 2026-2028 Immigration Levels Plan will return immigration to sustainable levels by stabilising new permanent resident admissions at less than one per cent of the Canadian population beyond 2027 and reducing the total number of temporary residents to less than 5 per cent of the population by the end of 2027, down from a peak of 7.6 per cent in 2024.

Chart 16 – Rental Unit Completions and Average Asking Rent



Notes: Completions are a 12-month rolling sum. Last data points are September 2025.
Sources: Rentals.ca; Statistics Canada; Department of Finance Canada calculations.

Chart 17 – Population Growth



Note: Last data point is population on July 1, 2025.
Sources: Statistics Canada; Department of Finance Canada calculations.

Inflation Remains Within the Target Range

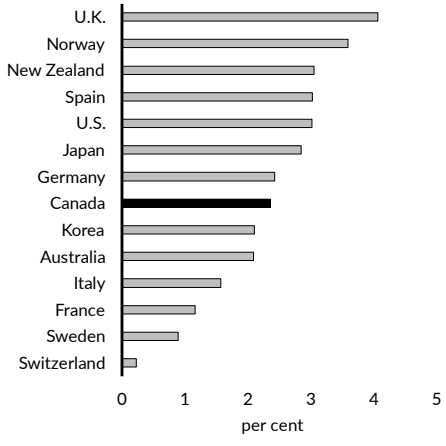
Consumer Price Index (CPI) inflation remains near 2 per cent, at 2.4 per cent in September, and has stayed within the Bank of Canada's 1 to 3 per cent target range for the past 21 months. Canada has seen faster disinflation than many of its peers (Chart 18). The removal of the federal consumer carbon price in April helped to lower costs.

The strength of past costs pressures continues to keep underlying inflation elevated. Excluding indirect taxes, inflation was 2.9 per cent in September, and measures of core inflation have held slightly around 3 per cent in recent months. This reflects a few lingering forces:

- Goods inflation (excluding energy) remains firm due to earlier global cost pressures that passed through to import prices. This was driven by global factors such as a weaker Canadian dollar in late 2024, higher industrial prices, and elevated global shipping costs—though these factors have eased recently.
- Food prices have risen globally, including in Canada, reflecting past cost increases such as the depreciation of many global currencies against the U.S. dollar in late 2024. These past cost increases are still feeding through to food prices. Elevated global commodity prices and supply disruptions have also added further pressure. The increase in food prices in Canada is of a similar magnitude as its peers (Chart 19).

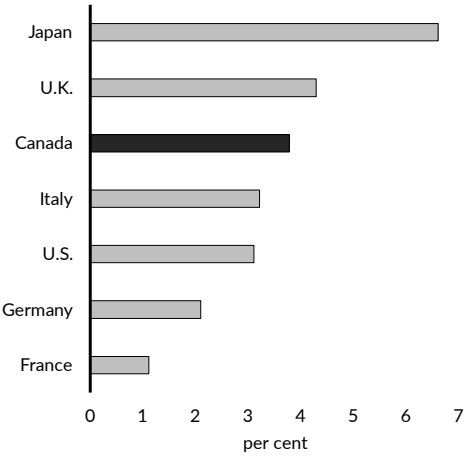
- Energy inflation remains moderate following the removal of the consumer carbon price, though higher global refinery margins, driven by tight supply and robust demand, have offset some of the decline.
- Services inflation is still elevated, though shelter inflation is easing. Moderation in mortgage interest costs is expected to continue and the decline in rent inflation is expected to resume as population growth cools and more rental supply comes online, driving market rents down.

Chart 18 – Inflation Rate, September 2025 (or latest), Selected Advanced Economies



Note: Inflation rates for September 2025 except for New Zealand (2025Q3) and Australia (2025Q2).
Source: Haver Analytics.

Chart 19 – Food Inflation, September 2025, G7



Notes: Year-over-year food inflation rates.
Source: Haver Analytics.

Wage growth is putting more money in the pockets of Canadians, with paycheques rising even after accounting for inflation. Wage growth has now outpaced inflation for nearly three years (Chart 20).

Looking ahead, inflation is expected to remain close to 2 per cent as upward and downward price pressures balance each other:

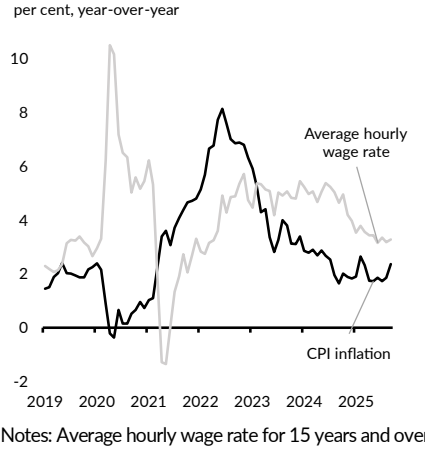
- Higher U.S. tariffs on their imports are increasing production costs for Canadian firms, which could add to domestic inflation. Cost pressures resulting from supply chain realignment as firms diversify their suppliers could also spill over into Canadian consumer prices, given tightly integrated North American supply chains.

- The removal of most Canadian countermeasures means less upward pressure on many U.S. sourced goods prices going forward.
- Slower domestic demand and softer labour market conditions putting downward pressures on unit labour costs will weigh down inflation more broadly.

The Bank of Canada has lowered interest rates significantly, providing support to domestic demand and the Canadian economy. Since May 2024, the policy rate has been cut by 2.75 percentage points to 2.25 per cent—below the midpoint of the Bank's estimated neutral range. The Bank of Canada has eased monetary policy earlier and more decisively than many peers in this easing cycle, thanks in part to faster disinflation (Chart 21).

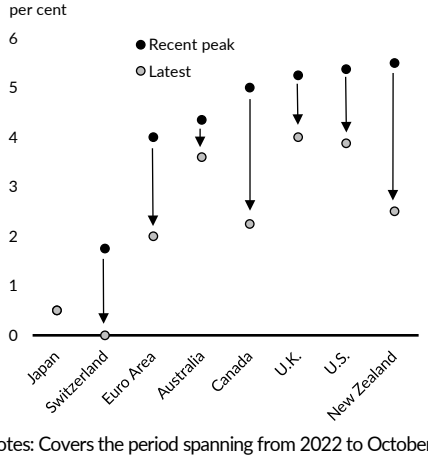
On October 29, the Bank cut its policy rate by 25 basis points, citing ongoing weakness in the economy and fewer upside risks to inflation. The Bank further noted that the policy rate was at the right level to help the economy through the current period of adjustment.

Chart 20 – Average Nominal Hourly Wages and CPI Inflation



Notes: Average hourly wage rate for 15 years and over, all employees. Last data point is September 2025.
Source: Statistics Canada.

Chart 21 – Policy Rates, Selected Advanced Economies



Notes: Covers the period spanning from 2022 to October 29, 2025. The rate shown for the euro area is the deposit facility rate.
Source: Haver Analytics.

3. Canadian Economic Outlook

Global Uncertainty Is Impacting Canada's Outlook

The Department of Finance regularly surveys private sector economists on their views on the outlook for the Canadian economy (see Annex 1 for more detailed discussion of forecast results).

Since 1994, Canada has used the average of private sector forecasts as the foundation for its economic and fiscal planning. This approach supports objectivity and transparency, and introduces a degree of independence into the government's forecast process—a practice endorsed by international institutions such as the IMF.

In the August 2025 survey, forecasters incorporated new tariff measures and trade policy developments that were known at the time of the survey. In particular, they incorporated the uncertainty tariffs create and the burden they have placed on the Canadian economy. A gradual de-escalation of U.S. tariffs was assumed over the next two years, but a return to broadly open, low-tariff global trade was not anticipated.

Despite this uncertainty, forecasters expect modest growth in the second half of the year (Chart 23), after the economy stalled in the first half of the year. In this outlook, exports and business investment remain weak due to U.S. tariffs and uncertain demand prospects. Household spending remains robust but moderates along with weaker labour market conditions and slowing population growth.

Real GDP growth is projected to recover through 2026, supported by stabilising exports and a recovery in domestic demand amid lower interest rates. As the Canadian economy adjusts to the new trading environment, growth is expected to pick up to reach around 2 per cent by 2027 and beyond.

Despite the trade war, real and nominal GDP in Canada are still expected to expand. The IMF expects that Canada will see the second strongest real GDP growth in the G7 in 2026, following only the U.S. (Chart 22).

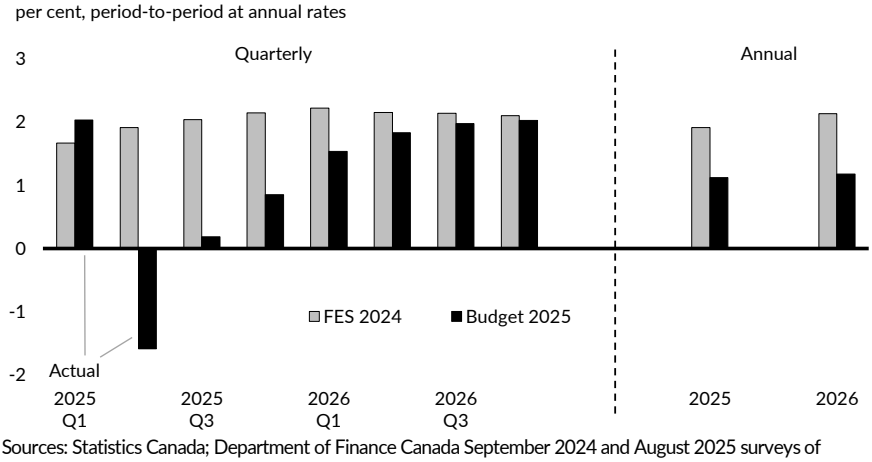
Overall, private sector forecasters expect real GDP growth of 1.1 per cent in 2025 and 1.2 per cent in 2026—revised down from the FES 2024 outlook of 1.9 per cent and 2.1 per cent, respectively. The level of real GDP is about 1.8 per cent lower than forecast in FES 2024 by the end of 2027. GDP inflation is expected to average 2.4 per cent in 2025 and 1.8 per cent in 2026 (compared to 2.0 per cent in

both years in FES 2024) but is broadly similar to the FES 2024 outlook afterwards. Over the forecast horizon (2025-2029), the level of nominal GDP is lower than the FES 2024 projection by $40 billion on average per year.

In the August survey, private sector economists expect:

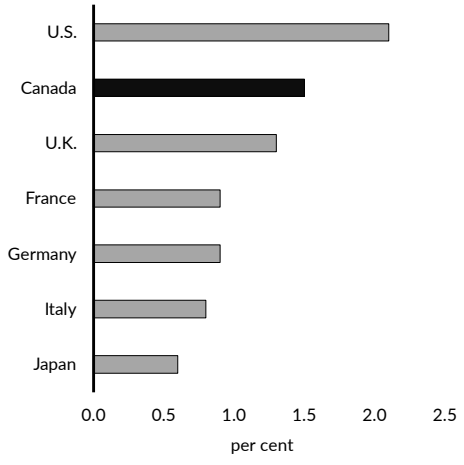
- Disinflation from the consumer carbon price removal and excess supply to largely offset cost pressures from tariffs and supply chain disruptions. As a result, CPI inflation is projected to average 2.1 per cent in 2025 and 2.0 per cent thereafter, consistent with the FES 2024 forecast.
- Trade tensions continue to weigh on labour demand, resulting in the unemployment rate peaking at 7.2 per cent in the fourth quarter of 2025, averaging 7.0 per cent for the year (compared to 6.7 per cent in the FES 2024). It is projected to decline to 6.0 per cent by 2029.
- The Bank of Canada to keep its policy rate at 2.25 per cent through 2026.
- Short-term interest rates to be about 30 basis points lower on average than forecast in FES 2024, settling around 2.5 per cent by the end of the forecast period in 2030.
- The 10-year bond rate to increase from an average of 3.3 per cent in 2025 to 3.6 per cent in 2029 (about 15 basis points higher than anticipated in FES 2024).
- Forecasters in the survey saw greater risks to the downside given the possibility of escalating trade tensions, higher impacts from U.S. tariffs and trade policy uncertainty, and a potential financial market repricing (Chart 24).

Chart 22 – Real GDP Growth Projections



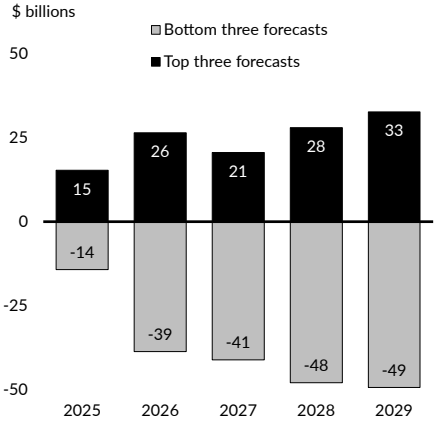
Sources: Statistics Canada; Department of Finance Canada September 2024 and August 2025 surveys of private sector economists; Department of Finance Canada calculations.

Chart 23 – IMF Real GDP Growth Outlook, 2026



Source: IMF, World Economic Outlook, October 2025.

Chart 24 – Nominal GDP Level Difference from Budget 2025 Projections



Sources: Statistics Canada; Department of Finance Canada August 2025 survey of private sector economists; Department of Finance Canada calculations.

Economic Scenario Analysis

The August 2025 survey provides a reasonable foundation for economic and fiscal planning. However, the full impact of tariffs and trade uncertainty are still unfolding, and risks remain on multiple fronts. A core mission of the new government is to help households and businesses emerge stronger from global economic shifts by investing in the economy to catalyse growth and build resilience in the long run.

To support responsible planning amid this high uncertainty, the Department of Finance has developed downside and upside scenarios around the August 2025 survey forecast.

Downside Scenario

In this scenario, trade policy uncertainty remains elevated, leaving consumers and businesses cautious in spending and investment.

- Global headwinds weigh on oil prices and financial assets, while a weaker U.S. economy reduces demand for Canadian exports. Adjusting to new U.S. tariffs proves more challenging than anticipated, dampening productivity growth.

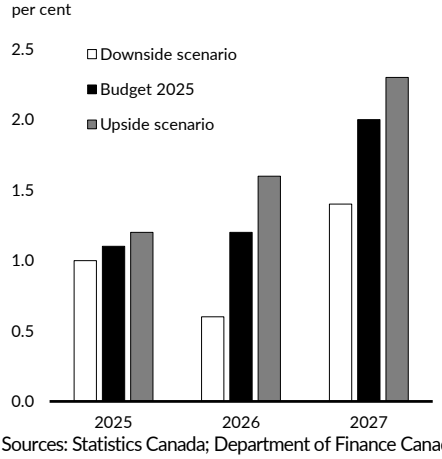
- Combined, these factors result in a decline in real GDP in the third quarter of 2025, followed by stalled activity in the fourth quarter and a protracted period of slower growth and higher unemployment (Chart 25).
- Nominal GDP is, on average, lower by $51 billion per year over the forecast horizon relative to the August 2025 survey forecast (Chart 26).

Upside Scenario

In the upside scenario, trade policy uncertainty eases more rapidly as the U.S. concludes trade agreements with major partners and global tensions ease. Domestic measures to streamline internal trade, bolster competition, and diversify and deepen global partnerships contribute to a more predictable business environment.

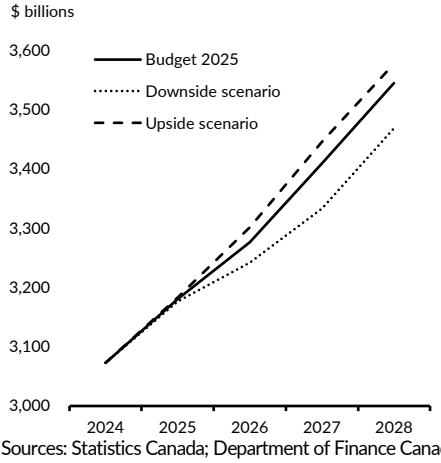
- Stronger-than-expected U.S. growth and higher global oil prices increase demand for Canadian exports, and there is a faster recovery in consumer spending and business investment.
- The scenario incorporates modest productivity gains, reflecting the positive impacts of structural reforms that remove barriers to investment and productivity.
- Nominal GDP is, on average, about $25 billion higher per year over the forecast horizon relative to the August 2025 survey forecast.

Chart 25 – Real GDP Growth Projections



Sources: Statistics Canada; Department of Finance Canada August 2025 survey of private sector economists; Department of Finance Canada calculations.

Chart 26 – Nominal GDP Level Projections



Sources: Statistics Canada; Department of Finance Canada August 2025 survey of private sector economists; Department of Finance Canada calculations.

4. Building a Strong and Competitive Economy

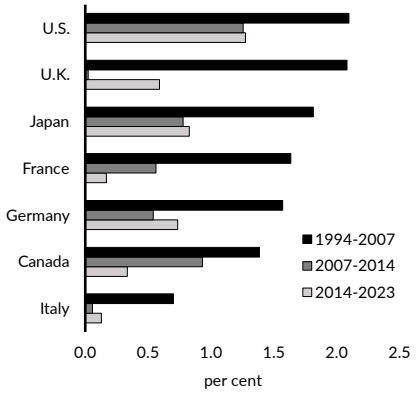
Canada's Path Forward is to Improve Productivity

A strong economy is tied to strong productivity. Productivity growth, the basis of rising living standards and economic competitiveness, means finding ways for businesses and workers to produce more with the same effort.

- When productivity grows everyone benefits: the wages and incomes of hard-working Canadians rise, businesses have the conditions to grow and to create more jobs, and Canada stays competitive in global markets.
- If Canada's productivity growth had matched the U.S. from 2017 to 2023, the median income of a family with one child would be nearly $11,000 higher.
- A strong economy driven by productivity growth also provides steady revenues needed to fund the public services Canadians count on.

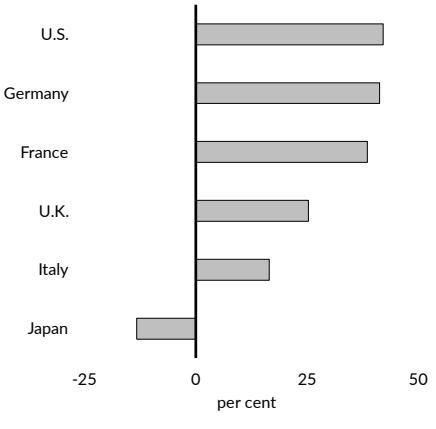
Over the past decade, Canada's productivity performance has been persistently weak. In this time, productivity grew by only 0.3 per cent annually—less than one-third the pace of the previous two decades (Chart 27). This had led to substantial productivity gaps with other G7 economies (Chart 28).

Chart 27 – Labour Productivity Growth, Total Economy, G7



Sources: OECD; Department of Finance Canada calculations.

Chart 28 – Labour Productivity Level Relative to Canada, Total Economy, 2023



Sources: OECD; Department of Finance Canada calculations.

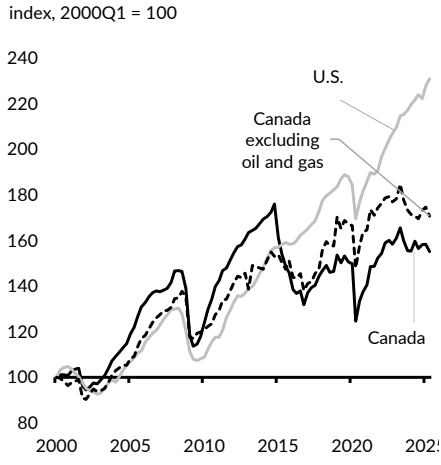
Perennially weak productivity growth is closely tied to longstanding weakness in investment. For decades, Canadian firms have invested less per worker than their American counterparts. This investment gap has worsened since 2015 after the collapse in commodity prices contributed to a sharp fall in energy investment.

- Overall business investment within Canada has been flat over the past decade, while business investment in the U.S. has risen sharply (Chart 29). Much of this weakness has been driven by a retrenchment in capital spending by Canada's energy sector following the sharp decline in global oil prices in 2015, and the contrasting increase in U.S. technology investment in recent years.
- Canada's economy has also faced weak investment in machinery and equipment, research and development, and intangible assets like intellectual property, data, and software that is pervasive across sectors.

Businesses often perceive the risks and costs of investments in high-risk and innovative assets as outweighing the rewards, a mindset reinforced by structural impediments such as the regulatory environment, limited competition, and scale constraints. In addition, Canada's economy remains oriented toward lower-growth activities, with limited export exposure to dynamic, high-growth markets abroad, and relatively weak investment in technology. Overcoming these barriers will require a structural shift toward greater risk-taking and a stronger focus on innovation-driven growth.

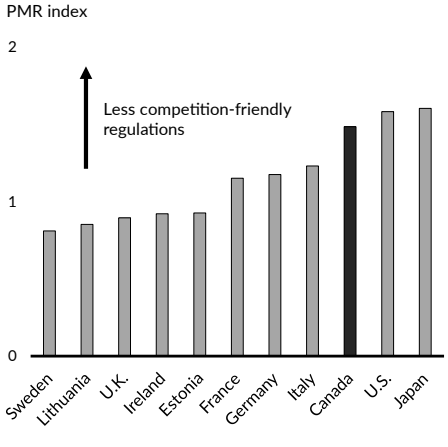
The most immediate way to jumpstart productivity growth is to address structural impediments and increase investment—in machinery, equipment, innovation, and infrastructure that allow workers to build faster and at a more competitive cost. This includes tackling longstanding weaknesses such as internal trade barriers, enhancing regulations and project approval processes, and increasing competition (Chart 30)—all proven measures to strengthen competitiveness, attract private investment, and supercharge growth.

Chart 29 – Real Business Investment Since 2000, Canada and U.S.



Note: Last data point is 2025Q2.
Sources: Statistics Canada; U.S. Bureau of Economic Analysis. Department of Finance Canada calculations.

Chart 30 – Competition-Friendliness Index of Regulations, Top 5 and G7, 2023



Note: The Product Market Regulation (PMR) index ranges between 0 and 6 with higher values reflecting less competitive regulations.
Sources: OECD; Department of Finance Canada calculations.

Canada must also look to new high-growth markets and invest in technology that can unlock its economic potential. Doing so will position the economy for success in the future defined by the twin transformations of digitalisation and decarbonisation that are driven by technology advancement.

The status quo is no longer an option—the current challenges require a comprehensive response. We must drive Canada's productivity growth to reinvigorate Canada's industrial capacity, which will allow us to successfully pivot to other markets, build more homes, and leverage our natural resources.

Canada's New Industrial Strategy

Canada is already among the most prosperous countries in the world. We enjoy the comparative advantages of being an energy superpower, having a highly skilled workforce, the ability to attract top global talent, and an abundance of critical minerals and other resources that the world needs. But to thrive in the rapidly evolving global economy, Canada must build its strength at home. To that end, through Budget 2025, the government is taking a proactive approach with the introduction of a new comprehensive industrial strategy to drive productivity and build a stronger economy that protects Canadian workers, builds major infrastructure, buys Canadian goods, and diversifies our exports.

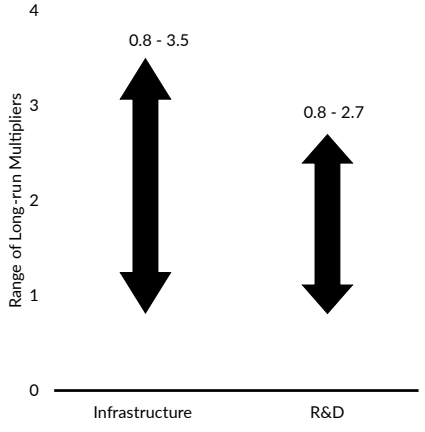
High-Impact Actions for Lasting Growth

High impact actions to drive productivity growth can deliver benefits that compound over time—supporting higher wages, stronger private sector investment, and greater resilience to future shocks.

Canada's new government is taking these high-return actions:

- **Infrastructure projects:** connecting markets and regions, enabling private investment
- **Public investment in R&D:** fostering innovation and accelerates technology adoption
- **Regulatory reforms:** cutting red tape that slows private investment, limits trade and labour mobility, and restricts competition
- **Productivity super-deduction:** providing enhanced tax incentives that help companies recover investment costs faster

Chart 31: Typical Range of Economic Returns per Dollar of Public Investment



Note: Economic return refers to GDP.
Source: Department of Finance Canada calculations

The combined effect of high-return actions can create a virtuous cycle of economic growth. For instance, improved infrastructure can facilitate the dissemination of new technologies developed through public investment in R&D, while regulatory reforms can ensure that these technologies are adopted efficiently across industries. Over time, these high-return actions can lead to a more dynamic and resilient economy.

These high-return actions will help to catalyse $500 billion in private investment over the next five years. The economic impact of achieving such target would be substantial, compounding over time through higher productivity. To illustrate, with $500 billion in additional private investment, real GDP could be about 3.5 per cent higher than otherwise by 2030, reflecting the enduring benefits of a more capital-rich economy. Over the same period, Canadians' purchasing power would strengthen, with real GDP per capita $1,400 higher per year, on average. This lift in output could improve the budgetary balance by an average of $7 billion per year over the forecast horizon. All these benefits underscore the importance of capital-driven economic growth for Canada's economy.

Recent and newly proposed measures in Budget 2025 will work together to catalyse a virtuous cycle of investment and strengthen productivity over the years to come. In addition to crowding-in private sector investment at a time of economic uncertainty, they are collectively designed to address critical policy challenges through renewed industrialisation of Canada.

- The new **Major Projects Office** will fast-track nation-building projects and coordinate federal financing to help build projects faster. These projects will connect our country, attract domestic and global capital, and create high-paying careers.
- **Build Canada Homes** will catalyse the creation of an entirely new Canadian housing industry that uses modern methods of construction to boost productivity, sustainably and at scale.
- Canada's new **Defence Industrial Strategy** will strengthen our industrial capabilities, give ourselves the tools we need to meet our defence requirements, and seize the opportunities that arise. With increased procurement there are more opportunities for Canadian workers, businesses, and manufacturing across supply chains, supporting Canadian steel, aluminum, critical minerals, and cyber industries. These investments will also help Canada realise its NATO commitments, enhancing our collective security.
- With the new government's **Buy Canadian Policy**, we will be our own best customers. When we build, we will do so with Canadian goods and suppliers. This requires an economy that is more unified than it has ever been by removing internal trade barriers to increase flows of goods and services across the country—creating **One Canadian Economy.**
- The new **Climate Competitiveness Strategy**—combining strengthened industrial carbon pricing, a streamlined regulatory environment and aggressive tax incentives—will accelerate investment to drive down emissions in key sectors, boost market access for Canadian exports, and grow jobs and the economy.
- Our **Trade Diversification Strategy** will build a new web of trade relationships around the globe and open new markets for Canadian businesses. This will help Canada transition from an economy reliant on one trade partner to one resilient to global shocks.

Enabling $1 Trillion In Total Investment

To drive productivity, boost the capacity of Canada's economy and to secure a prosperous future for Canadians, Canada needs a sea change to reverse Canada's history of weak private sector investment. The government is acting decisively by improving regulatory efficiency, increasing competition, boosting tax incentives for new investments, and promoting generational investments in housing and infrastructure.

We will attract private capital by accelerating major projects. The first five projects referred to the new Major Projects Office collectively represent $60 billion in total capital investment. Further nation building projects will be announced this month. Taken together, these nation-building projects are expected to trigger at least $150 billion in total capital investment.

Budget 2025 will attract further investment by unlocking AI data centres, building the next generation of infrastructure, supercharging housing construction, and developing our defence industry. The Budget will encourage companies to invest and innovate in Canada through investment tax credits, the Productivity Super-Deduction, and improvements to the Scientific Research and Experimental Development tax incentives.

The measures proposed in Budget 2025 put Canada on track to meet our investment objectives. Of the government's planned capital spending over five years, about $280 billion (cash basis) is in support of third parties. These incentives and this planned spending enable more than $1 trillion in total investments. As they are realised, the return on this investment will be more jobs, faster growth and more resources to support social programs so that all Canadians get ahead.

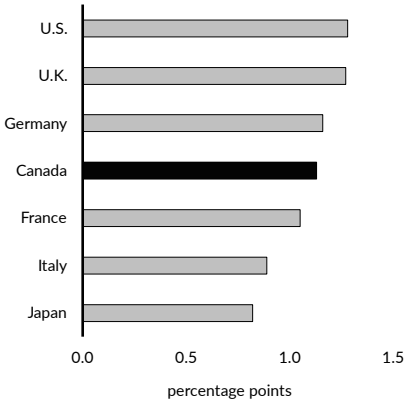
Infrastructure	$315 billion
Supports for Private R&D	$210 billion
Housing	$130 billion
Industrial Development Programs	$270 billion
Accelerated Depreciation and Immediate Expensing Measures	$60 billion
Other Tax Incentives	$95 billion
Total	**$1,080 billion**

These generational investments will create demand for domestic production while supporting growth of our strategic sectors and empowering Canada to capitalise on its natural advantages. Enabling investments for our resources sectors will allow Canada to maintain its core economic strengths while transitioning our economy to a cleaner future.

Investment in the areas of skills and technology will also help build new capabilities and bolster Canada's productive capacity. Canada has a significant potential, comparable if not better than other advanced economies, in emerging technologies such as AI or Quantum computing (Chart 32). Investments that help set the foundation during the early adoption stage could enhance Canada's future growth prospects in these critical technologies. The government will continue to support the growth of these technologies in Canada and develop a new AI strategy by the end of 2025.

These measures are further reinforced by a series of actions to build a competitive marketplace where businesses can live up to their full potential. Canada's new industrial strategy will seek to streamline regulations, fast-track project approvals, introduce pro-competitive reforms, and reduce taxes on investment to enable both the public and private sector to move quicky to build Canada strong.

Chart 32 – Productivity Growth Potential from AI Adoption, Annual Average over 10-year Period, G7



Sources: OECD; Department of Finance Canada calculations.

The goal is clear—boost Canada's productive capacity to **build** a stronger economy; **protect** our industries, workers and sovereignty; and **empower** Canadians through greater affordability and the resources to excel in a rapidly evolving global economic future. To achieve this goal, Canada needs more business investment, fewer barriers to growth, and more competition. With further steps in Budget 2025, the government's new industrial strategy is advancing these objectives.

Overview of Actions and Outcomes

	Outcomes	*Recent and Budget 2025 Actions*
Action 1: Harnessing Our Strengths		
	Capitalising on our resources	*Major Projects Office, Major Project Financing, Indigenous Loan Guarantee Corporation*
	Skilled workforce meeting the needs of an evolving economy	*Recruiting international talent, Additional support for youth employment & skills programs, Union Training and Innovation Program*
Action 2: Building Our Nation		
	Moving up the value chain through investment in technology	*Enhancing SR&ED, Sovereign public AI infrastructure*
	Transition to a low-carbon economy and climate competitiveness	*Enhancing Clean Economy Investment Tax Credits, Climate Competitiveness Strategy*
	Housing affordability and cost of living	*Launching Build Canada Homes*
	Leveraging increased defence spending for economic growth	*Buy Canadian Policy, BOREALIS, Defence Investment Agency*
Action 3: Unifying Our Economy		
	Eliminating Internal trade barriers holding back growth	*One Canadian Economy Act, Engaging with provinces & territories*
Action 4: Diversifying Our Trade		
	Diversifying destinations for Canadian exports	*Enhancing trade finance, Support for seeking new markets, Support for strategic sectors, Trade Infrastructure Strategy*
Bringing It All Together—Policy Framework to Drive Investment		
	Incentivising business investment	*Productivity Super-Deduction, Support for venture capital*
	More efficient and competitive marketplace	*Competition in telecom and financial sectors, Restricting non-compete agreements*

5. Economic Strength Through Fiscal Discipline

Realising the full potential of the government's new industrial strategy will require doing things differently. Over the past decade, government spending has grown rapidly, with direct program expenses increasing by 8 per cent annually—a pace that is no longer sustainable. To make the generational investments needed to strengthen Canada's industries, support its workers, and defend its values and interests, the federal government will need a new approach, one that spends less to invest more.

We will make responsible choices to spend less on government operations and reduce wasteful spending, so Canadians can invest more in the workers, businesses, and nation-building infrastructure that will build Canada strong.

This new approach is guided by two fiscal anchors:

Balance operating spending with revenues by 2028-29, shifting the composition of spending from day-to-day operations to investments that support capital formation and productivity.

Maintain a declining deficit-to-GDP ratio, reflecting disciplined fiscal management that safeguards economic stability for future generations.

In addition to these anchors, the government's new fiscal approach will be driven by one overarching target **to catalyse $500 billion in new private sector investments over the next five years**, by focusing federal spending toward capital formation and projects that attract private investment, creating a virtuous cycle of investment and economic growth.

New Approach to Budgeting

To help the government shift its focus and drive capital formation across the economy, it is implementing a new Capital Budgeting Framework. Announced on October 6, the Framework provides a consistent way to classify spending, including tax expenditures, that contributes to capital formation (called 'capital investment') from day-to-day operating spending. Capital investments are the building blocks to economic growth. The Framework encompasses spending not only on the government's own assets, but also support for capital formation by other levels of government and the private sector. For example, it includes

transfers to provinces and territories under infrastructure agreements and capital-focused tax incentives such as the clean economy investment tax credits.

Importantly, the Framework is meant to enhance—not replace—existing financial reporting. Further details on the Capital Budgeting Framework can be found in Annex 2.

This framework now guides budget decisions toward measures that empower Canada to capitalise on its advantages and grow our economy, all while keeping overall spending sustainable. As highlighted by the IMF in its October 2025 *Fiscal Monitor*, redirecting government spending toward areas that increase an economy's productive capacity—such as infrastructure—while improving efficiency in less productive areas (e.g., administrative overhead) can unlock substantial long-term economic gains.

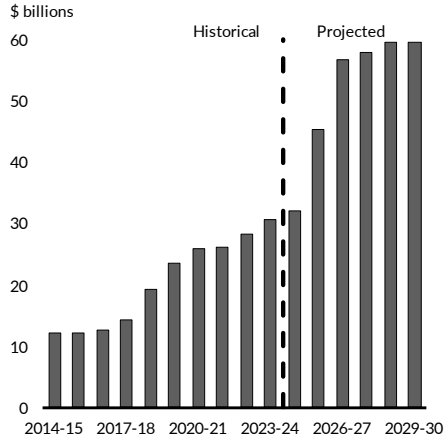
In relation to the government's recent actions, the Managing Director of the IMF, Kristalina Georgieva, noted "In the case of Canada, the Canadian authorities have been very decisive to take action in the context of changing relations with their main trading partner."

Consistent with this framework, a significant portion of net new spending in Budget 2025 is classified as capital investment, totaling more than $32.5 billion over five years. This includes key measures to further Canada's new industrial strategy, by:

- improving and expanding community and regional infrastructure through a new **Build Communities Strong Fund**;
- driving growth and innovation through a new **Productivity Super-Deduction**;
- supercharging homebuilding and productivity in construction through **Build Canada Homes**; and,
- rebuilding domestic production capacity through a **Defence Industrial Strategy**.

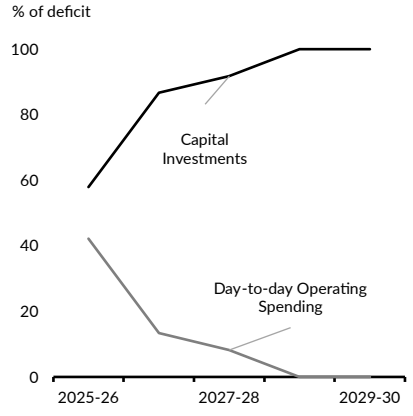
Cumulative capital investment over the 2024-25 to 2029-30 period, inclusive of planned investments in this budget, is expected to total $311.5 billion on an accrual basis, or $502.2 billion on a cash basis. With measures in the budget, annual capital investment will also nearly double from $32.2 billion in 2024-25 to $59.6 billion in 2029-30 (Chart 33). As a share of the deficit, capital investment will grow from 58 per cent in 2025-26 to 100 per cent from 2028-29 onwards (Chart 34).

Chart 33 – Capital investments, historical and projected



For years prior to 2024-25, ongoing capital investments and identifiable precursor programs are included.

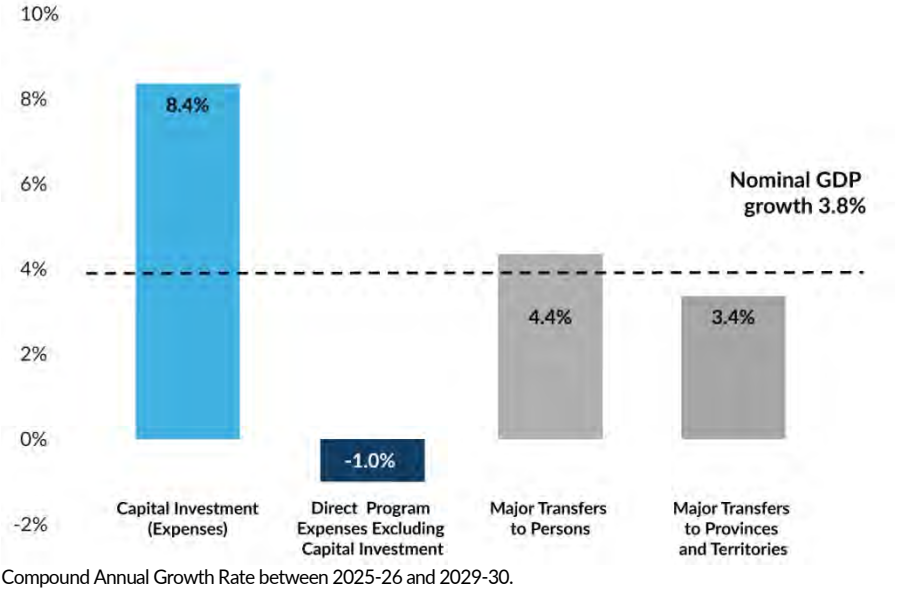
Chart 34 – Spending Less to Invest More



Source: Department of Finance Canada.

To remain fiscally sustainable, the shift in spending toward capital investment requires a reduction in day-to-day operating spending. Budget 2025 delivers on this through an ambitious savings plan—the Comprehensive Expenditure Review—which will reduce duplication and inefficiencies and realign activities towards the core federal mandate. The Comprehensive Expenditure Review will rein in government spending—saving Canada $13 billion annually by 2028-29 (detailed in Annex 3), for a total with other savings and revenues of $60 billion over five years. With these efforts, growth in direct program expenses is expected to average under 1 per cent over the Budget 2025 planning horizon, compared to 8 per cent over the last decade.

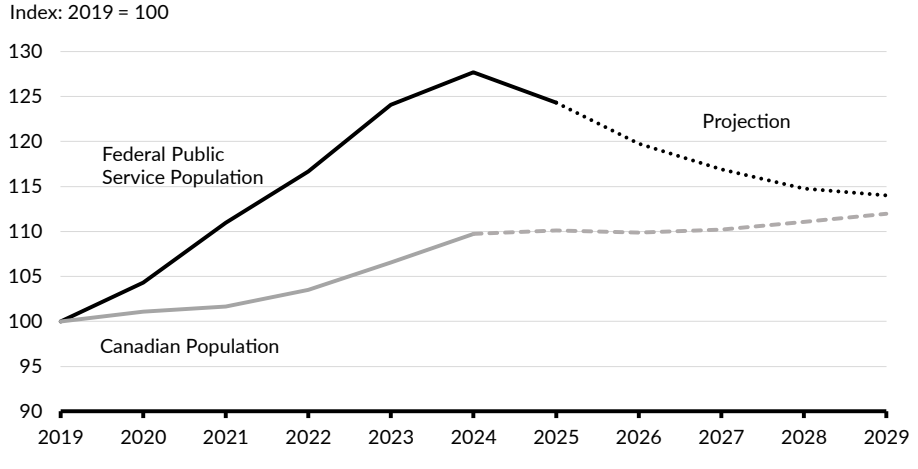
Chart 35 – Growth in Expenses



Compound Annual Growth Rate between 2025-26 and 2029-30.

Over the next four years, capital investments in the economy as well as major transfers to people, provinces, and territories will grow, but spending on other expenses will fall. With this prudent fiscal management, by 2028-29, the government will meet its anchor of balancing its day-to-day operating spending with revenues, creating the fiscal space needed in this budget to make generational investments in Canada's future.

Chart 36 – Public Service and Canadian Population Growth Index – 2019=100



Sources: Statistics Canada, Treasury Board Secretariat, Finance Canada calculations.
Notes:
1) Annual public service population figures are as at March 31. Annual Canadian population figures are as at July 1, with estimates beyond 2024 based on Statistics Canada's M1 projection.

Through the Comprehensive Expenditure Review, and the introduction of new and better tools such as AI, the tech-enabled public service of the future will continue to deliver the services that Canadians depend on, while bringing public service growth in line with forecasted Canadian population growth.

Beginning with this budget, as announced on October 6, the government is also transitioning to a fall budgeting cycle. This new timing will facilitate expenditure oversight by Parliamentarians and help builders, investors, and every level of government to make smarter, faster decisions. Providing certainty and predictability is what unlocks investment—so that projects can begin as soon as construction season starts. Fall budgets will be complemented by economic and fiscal updates in the spring.

Fiscal Outlook

The impact of recent U.S. tariffs and uncertainty over future trade rules have weighed on the Canadian economy. The downward revisions to the economic outlook relative to FES 2024 could be expected to result in an average estimated deterioration in the budgetary balance of $7 billion per year over the forecast horizon.

The deficit in 2025-26 also reflects the proactive steps the government has taken to stand up for Canadians and invest in our future growth, including through Budget 2025. Notably, the government has acted to:

- Respond to global economic shifts and protect Canada's sovereignty, including by investing:
    - $3.0 billion in 2025-26 to support workers and industries in sectors most impacted by U.S. tariffs and trade disruptions, helping them reskill, retool, and pivot to their future.
    - $7.2 billion in 2025-26 to rebuild, rearm, and reinvest in the Canadian Armed Forces, enabling Canada to achieve NATO's 2 per cent defence target this fiscal year, half a decade ahead of schedule.
- Deploy $10.4 billion in 2025-26 to bolster the economy while reducing costs for Canadians, including by cutting taxes and increasing investments to build more homes.

These measures are intended to respond to immediate challenges while building Canada's long-term economic strength and security.

Looking beyond 2025-26, with the actions taken in Budget 2025 to spend less to invest more, the government is meeting its fiscal anchor as the projected deficit as a share of the economy declines across the horizon, from 2.5 per cent in 2025-26 to 1.5 per cent by 2029-30. The federal debt-to-GDP ratio also remains relatively stable across the horizon.

Prudent fiscal management keeps Canada's finances on a sustainable path, and will help preserve the country's fiscal advantage when compared to G7 peers.

Table 1
Economic and Fiscal Developments, Policy Actions, and Measures
billions of dollars

	Projection					
	2024–2025	**2025–2026**	**2026–2027**	**2027–2028**	**2028–2029**	**2029–2030**
Budgetary balance – FES 2024	**-48.3**	**-42.2**	**-31.0**	**-30.4**	**-27.8**	**-23.0**
Economic and fiscal developments since FES 2024	12.0	-7.1	-3.6	-7.5	-11.1	-12.6
Budgetary balance before policy actions and measures	**-36.3**	**-49.2**	**-34.5**	**-37.9**	**-38.8**	**-35.6**
Policy actions since FES 2024		-9.0	-9.1	-6.8	-5.1	-5.9
***Budget 2025* measures (by chapter)**						
1. Building a Stronger Canadian Economy		-0.1	-3.0	-3.0	-2.6	-4.6
2. Shifting from Reliance to Resilience		-3.1	-4.7	-3.7	-2.9	-2.1
3. Empowering Canadians		-9.2	-10.2	-10.1	-9.7	-9.0
4. Protecting Canada's Sovereignty and Security		-7.3	-11.7	-13.3	-15.2	-15.4
5. Creating a More Efficient and Effective Government		-0.5	7.8	11.4	16.4	16.1
Subtotal – Budget 2025 measures		-20.1	-21.8	-18.8	-14.0	-15.0
Total – Policy actions since FES 2024 and Budget 2025 measures		-29.1	-30.9	-25.6	-19.1	-20.9
Budgetary balance	**-36.3**	**-78.3**	**-65.4**	**-63.5**	**-57.9**	**-56.6**
Budgetary balance (per cent of GDP)	-1.2	-2.5	-2.0	-1.9	-1.6	-1.5
Federal debt (per cent of GDP)	41.2	42.4	43.1	43.3	43.3	43.1
Budgetary balance – FES 2024	***-48.3***	**-42.2**	**-31.0**	**-30.4**	**-27.8**	**-23.0**
Budgetary balance (per cent of GDP)	*-1.6*	*-1.3*	*-0.9*	*-0.9*	*-0.8*	*-0.6*
Federal debt (per cent of GDP)	*41.9*	*41.7*	*41.0*	*40.2*	*39.5*	*38.6*

Note: A negative number implies a deterioration in the budgetary balance (lower revenue or higher expenses). A positive number implies an improvement in the budgetary balance (higher revenue or lower expenses).

The government's new budgeting approach ensures that by 2028-29 deficits reflect investments that support capital formation—capital investments will go from slightly more than half of the deficit this year to all of it in 2028-29 and future years. This necessary shift is key to the government realising its target of catalysing $500 billion in additional private sector investment over the next five years.

By encouraging growth, the benefits of these investments compound over time, as output and income increase. This in turn will generate additional fiscal revenues—which for prudence are *not* included in Budget 2025 projections, enhancing Canada's capacity to meet future challenges. Measures included in Budget 2025 will have a net cost of $89.7 billion over five years. Of this, $32.5 billion will be capital investment under the new Capital Budgeting Framework, including generational investments to drive capital formation such as improving infrastructure through a new **Build Communities Strong Fund** , supercharging growth and homebuilding through a **Productivity Super-Deduction** and **Build Canada Homes**, and increasing defence spending to protect Canada's sovereignty in a way that also grows the economy through a **Defence Industrial Strategy**.

Economic Scenario Analysis

Canada continues to rest on strong economic fundamentals that provide the capacity to rebound from short-term shocks. However, higher U.S. tariffs and rising geopolitical tensions have created significant uncertainty, heightening risks to the economic and fiscal outlook.

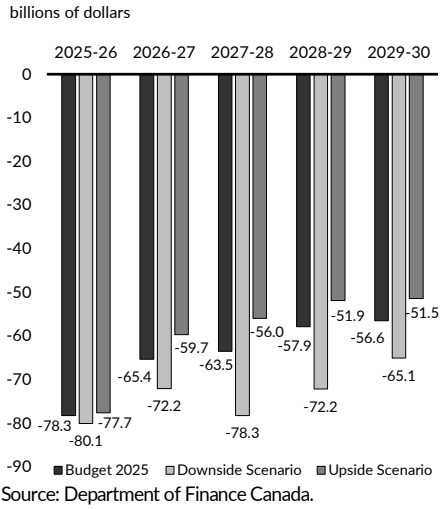
To facilitate prudent economic and fiscal planning around these risks and to further stress-test its baseline forecast, the Department of Finance has developed downside and upside scenarios of Canada's economic outlook.

In the *upside scenario* the budgetary balance would improve by an average of approximately $5.0 billion per year over the planning horizon. The federal debt-to GDP ratio would stabilise in the near-term and fall more rapidly from 2026-27 onward, reaching 42.2 per cent by 2029-30 (see Chart 37).

In the *downside scenario*, the budgetary balance would deteriorate by an average of approximately $9.2 billion per year over the planning horizon. The federal debt-to-GDP ratio would be expected to rise to 45.3 per cent by 2028-29 before falling to 45.2 per cent by 2029-30 (see Chart 38).

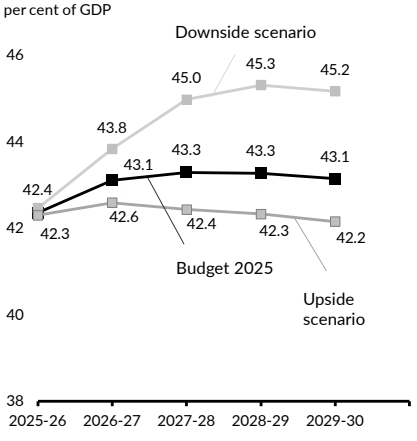
Full details of the government's fiscal outlook and the fiscal impact of the scenarios can be found in Annex 1.

Chart 37 – Federal Deficit in Economic Scenario



Source: Department of Finance Canada.

Chart 38– Federal Debt-to-GDP Ratio in Economic Scenario



Source: Department of Finance Canada.

Preserving Fiscal Firepower for Future Generations

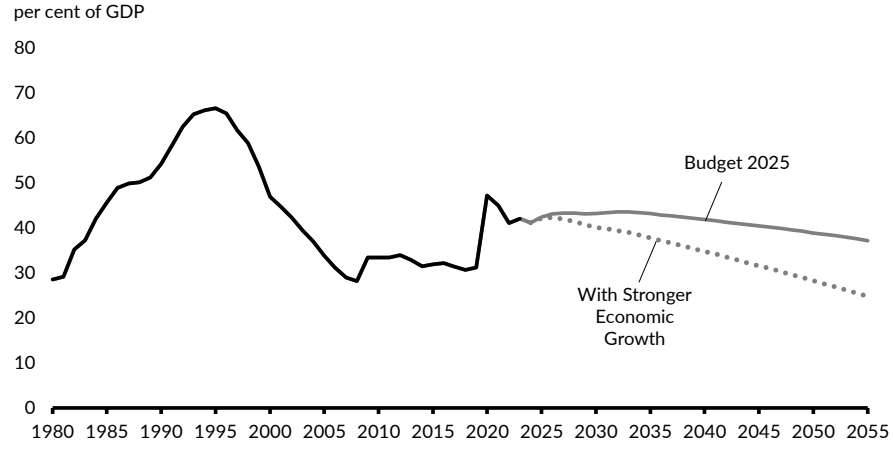
In uncertain times, strategic investments today are the surest path to tomorrow's prosperity and security. That is why the government is shifting the fiscal debate from "how much" we borrow to "why" we borrow—seizing generational opportunities and ensuring that public dollars back high-impact actions with lasting economic returns. Investing more while spending less on government operations will help secure sustained economic and fiscal capacity well into the future.

The government's economic plan is fiscally sustainable:

- Modelling scenarios developed by the Department of Finance show the federal debt-to-GDP ratio on a declining trajectory over the longer term (Chart 39).
- Long-term projections help illustrate that fiscal sustainability depends not only on sound fiscal policies, but also on strong economic policies and growth-enhancing investments, such as those presented in Budget 2025.
- These policies work together to catalyse a virtuous cycle of investment, contributing to sustained increases in economic activity and, in turn, helping lower the government's debt burden.
- As an illustration, with $500 billion in additional private investment over five years, real GDP could be about 3.5 per cent higher than otherwise by 2030, which would produce an even more pronounced downward trajectory for the federal debt-to-GDP ratio over the longer-term.

Preserving fiscal firepower is crucial to manage future pressures, including, among others, from recessions, additional defence spending, population aging, climate change, and the transition to net-zero emissions.

Chart 39 – Long-Term Projections of the Federal Debt



Notes: While based on reasonable assumptions, long-term projections should not be viewed as forecasts. Notably, the baseline projection does not reflect all potential economic and fiscal impacts of the global economic evolutions that Canada will have to navigate over the coming decades, nor does it fully reflect positive impacts that can be expected to result from recent and future economic policies. Details and sensitivity analysis around these long-term fiscal projections are presented in Annex 1. To illustrate the lasting impacts of a more capital-rich economy, the stronger economic growth scenario assumes that real GDP is higher by about 3.5 per cent by 2030.
Sources: Statistics Canada; Department of Finance Canada.

Maintaining Canada's Fiscal Advantage

Across the globe, geopolitical instability, structural economic shifts, and intensifying global competition are redefining the role of government. At the same time, there is growing recognition that underinvestment carries a steep cost—slower growth, eroded competitiveness, and weakened security.

Like Canada, many countries around the world are responding with bold, forward-looking strategies that place investment in productivity, innovation, and defence at the core of their fiscal and economic agendas.

Canada is well positioned to seize generational opportunities and turn this moment of global uncertainty into one of national opportunity.

- Canada's net debt-to-GDP ratio stands at just 13.3 per cent, compared to the G7 average (excluding Canada) of 101.4 per cent (Chart 40).
- Canada's net debt burden today is lower than that of any other G7 country, and is even below the levels of those countries prior to the pandemic.
- Canada also has one of the smallest deficits in the G7 as a share of the economy (Chart 41).

Chart 40 – All Levels of Government Net Debt, G7

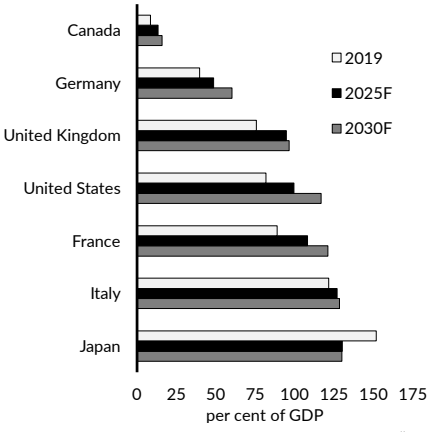
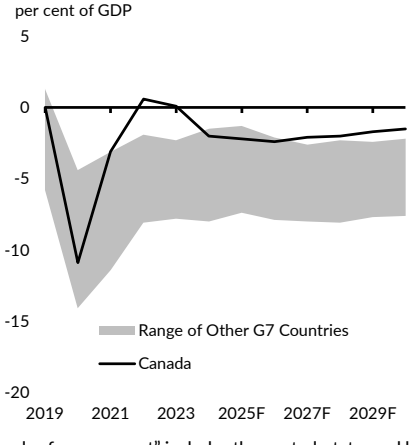


Chart 41 – All Levels of Government Budgetary Balance, G7



Notes: The internationally comparable definition of "all levels of government" includes the central, state, and local levels of government, as well as social security funds. For Canada, this includes the federal, provincial, territorial, and local and Indigenous government sectors, as well as the Canada Pension Plan and the Québec Pension Plan.
Source: IMF, *Fiscal Monitor*, October 2025.

Canada's fiscal position also stands out among a broader set of 30 other advanced economies, posting a below-average deficit-to-GDP ratio and one of the lowest net debt-to-GDP ratios among the group (Charts 42 and 43).

This marks a sharp contrast with Canada's fiscal situation in the 1980s and early 1990s, when sustained deficits led to a rapid rise in the net debt burden and an erosion of Canada's fiscal advantage relative to its peers.

Canada is also one of only two G7 economies, along with Germany, to have an AAA rating from major global credit rating agencies. Canada's AAA credit ratings help maintain investors' confidence and contributes to maintaining low borrowing costs.

The government's new approach for a strong Canada, focused on driving high-impact investments while reinforcing fiscal discipline by reducing day-to-day operating spending, will help ensure Canada maintains its fiscal advantage going forward.

Chart 42 – All Levels of Government Budgetary Balance, Adv. Economies

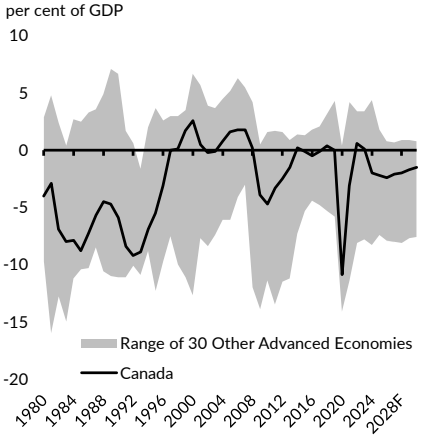
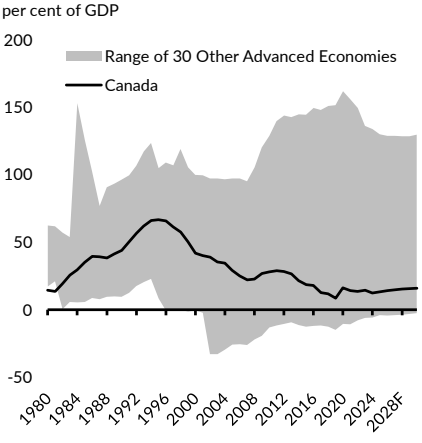


Chart 43 – All Levels of Government Net Debt, Adv. Economies



Notes: The internationally comparable definition of "all levels of government" includes the central, state, and local levels of government, as well as social security funds. For Canada, this includes the federal, provincial, territorial, and local and Indigenous government sectors, as well as the Canada Pension Plan and the Québec Pension Plan. "30 Other Advanced Economies" are: Australia, Austria, Belgium, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, New Zealand, Netherlands, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan, United Kingdom, and the United States. For greater readability, budgetary balance data points for Ireland in 2010 (-32.1) and for Iceland in 2016 (12.4) have been excluded from the other advanced economies range calculations. Norway, a statistical outlier due to its significant net asset position (+154.7 per cent of GDP in 2024), has been excluded from the group.
Source: IMF, *World Economic Outlook*, October 2025.

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CHAPTER ONE

BUILDING A STRONGER CANADIAN ECONOMY

1.1 Accelerating Major Nation-Building Projects

1.2 Supercharging Growth

1.3 Canada's Climate Competitiveness Strategy

1.4 Increasing Competition

Canada has always been a proud nation of builders. In our earliest years, we were unified by a national railway. In the final years of the 1950s, the St. Lawrence Seaway was fully completed with 15 locks linking the Great Lakes to the Atlantic Ocean stretching over 3,700 kilometres. In the same decade, tens of thousands of blasters, steelworkers, roadworkers, and carpenters started construction on the Trans-Canada Highway.

These infrastructure projects connected our nation and built our economy. It is time we start building again at speed and scale.

The new government's core mission is to empower Canadians by building Canada's economic strength.

This call for action is more pertinent than ever with the trade war causing uncertainty and presenting economic challenges. The latest Bank of Canada Business Outlook Survey revealed that over 60 per cent of firms cited uncertainty surrounding financial, economic, and political conditions as their most pressing concern. This has been reflected in slower hiring and businesses delaying or cancelling projects, with business investment falling by 8 per cent annualised in the second quarter. Forecasters expect business investment weakness to persist throughout 2025. However, this period of global change can be our opportunity to invest in our economy and position Canada for stronger, more sustainable growth in the future.

In a rapidly shifting global landscape, we cannot control what other nations do. We can control what we choose to do—and we are choosing to build.

Budget 2025 capitalises on a generational opportunity—not seen since the economic transformation engendered by C.D. Howe in the wake of the Second World War—to transform our economy, our energy, our trade relations, and our collective defence.

To help drive this transformation, the government is focused on catalysing private sector investment in Canada—investment in machinery, equipment, and innovation that enhances long-term growth potential and will help jumpstart and sustain productivity growth.

Canada's new government is focused on creating the conditions that allow businesses to succeed—investing in strategic infrastructure, modernising regulatory and competition frameworks, and accelerating the development and adoption of critical technologies such as AI and clean technology.

And we are already making progress. In a short time, the government has launched the **Major Projects Office** to fast-track nation-building projects, and **Build Canada Homes**, which will help double the pace of construction over the next decade. As Canada's new government embarks on these missions, we are also ensuring Canadian workers and businesses have the tools they need to drive this transformation and thrive from it.

In this time of uncertainty, there is also a heightened urgency to make our economy more resilient and competitive. Through this budget, the government will tackle structural issues that are holding back Canada's economy—internal trade barriers, burdensome regulation, and weak competition intensity. Eliminating our barriers to growth will usher in a new era of economic security and prosperity for Canadians.

1.1 Accelerating Major Nation-Building Projects

For too long, the construction of major infrastructure in Canada has been stalled by arduous, inefficient approval processes. Uncertainty, red tape, and duplicated and complicated review processes have all curbed investment.

Statistics Canada estimates that federal regulatory burden rose 37 per cent between 2006 and 2021. Had it remained at 2006 levels, business investment in 2021 would have been 9 per cent higher.

Currently, to receive approval, major projects must undergo numerous reviews and assessments that often happen one after the other, instead of all running in parallel.

A core mission of Canada's new government is to accelerate the delivery of major projects. With the *Building Canada Act*, we are fast-tracking nation-building infrastructure projects by streamlining federal review and approval processes. This will increase regulatory certainty, helping attract capital and strengthening our industries. This is done all while maintaining strong environmental protections, upholding Indigenous rights, and creating opportunities for Indigenous Peoples to derive economic benefits from major project development. The government also undertook a review aimed at eliminating red tape. Ministers have identified approximately 500 recent improvements and forward-looking actions to reduce regulatory red tape. These include getting agricultural products to market faster and aligning transportation regulations with international standards to reduce costs and make it easier for Canadian companies do business internationally.

Launching the Major Projects Office

Delivering on a key commitment under the *Building Canada Act*, on August 29, 2025, the government launched the **Major Projects Office (MPO)** to serve as a single point of contact to get nation-building projects built faster. The **Major Projects Office** will help to identify projects that are in Canada's national interest and work to fast-track their development.

To be in Canada's national interest, several criteria will be considered:

- Whether a project will strengthen Canada's autonomy, resilience, and security.
- Whether a project will provide economic or other benefits to Canada.
- The likelihood of successful project execution.
- Whether a project will advance the interests of Indigenous Peoples.
- Whether a project will contribute to clean growth and addressing climate change.

The First Major Nation-Building Projects

In September 2025, the Prime Minister announced the first series of projects being referred to the **Major Projects Office** for consideration:

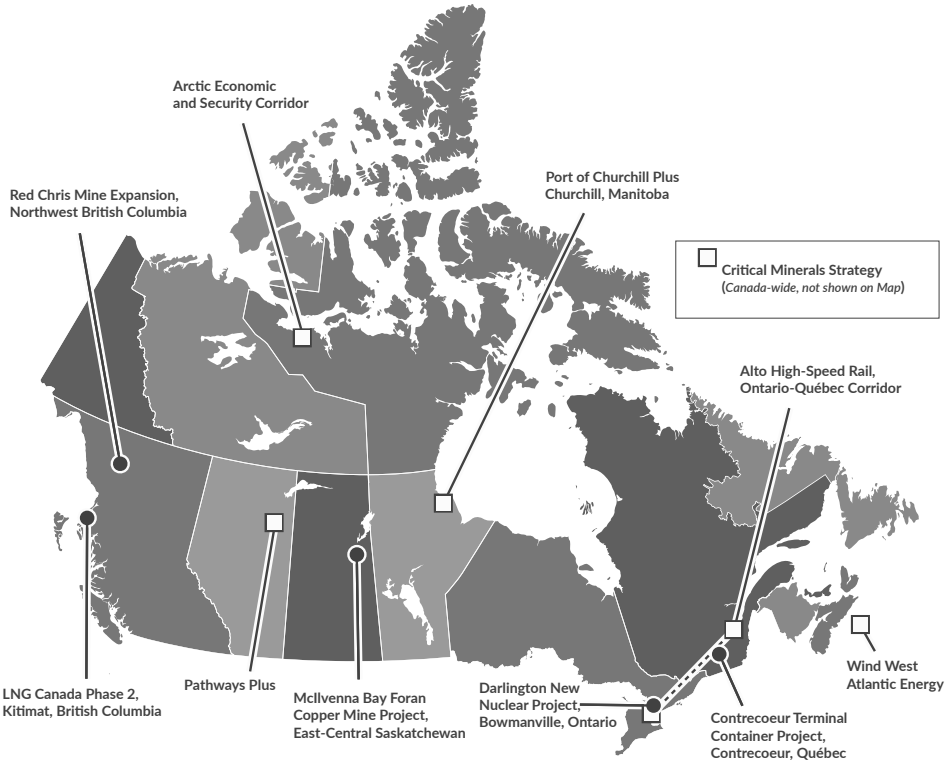
- **LNG Canada Phase 2, Kitimat, British Columbia:** This project will double LNG Canada's capacity of liquefied natural gas, making it the second-largest facility of its kind in the world. It is expected to attract significant private-sector capital to Canada, contribute to our GDP growth, and support jobs and economic growth in local communities. It will diversify our trading partners and meet increasing global demand for secure, low-carbon energy with Canadian LNG, contributing to worldwide energy security by increasing the supply of available natural gas for Asian and European partners. Leveraging Canada's sustainable advantage, emissions are projected to be 35 per cent lower than the world's best-performing LNG facilities and 60 per cent lower than the global average.
- **Darlington New Nuclear Project, Bowmanville, Ontario:** This project will make Canada the first G7 country to have an operational small modular reactor (SMR), accelerating the commercialisation of a key technology that could support Canadian and global clean energy needs while driving $500 million annually into Ontario's nuclear supply chain. As announced in October 2025, the government will invest $2 billion through **Canada Growth Fund** into construction of this project. This follows an early works loan from the Canada Infrastructure Bank. Once complete, Darlington's first of four planned SMR units will provide reliable, affordable, clean power to 300,000

homes, while sustaining 3,700 jobs annually, including 18,000 during construction, over the next 65 years. The project has the potential to position Canada as a global leader in the deployment of SMR technology for use across the country and worldwide.

- **Contrecœur Terminal Container Project, Contrecœur, Québec:** This project will expand the Port of Montréal's capacity by approximately 60 per cent, to give Eastern Canada the trading infrastructure it needs to keep goods moving, meet growing demand, and diversify trade routes. It will strengthen supply chains, create thousands of jobs, and generate approximately $140 million annually in local and national economic benefits across Québec and Canada. Currently, the *Species at Risk Act* permit has been approved and preliminary work on the project is underway.
- **McIlvenna Bay Foran Copper Mine Project, East-Central Saskatchewan:** Situated in one of Canada's richest mineral belts and working in close collaboration with the Peter Ballantyne Cree Nation, this project will supply copper and zinc to strengthen Canada's position as a global supplier of critical minerals for clean energy, advanced manufacturing, and modern infrastructure. It will create 400 jobs, boost local economies in Saskatchewan and Québec, where the copper will be smelted, and is expected to be the first net-zero copper project in Canada.
- **Red Chris Mine expansion, Northwest British Columbia:** This major expansion project will extend the lifespan of the mine by over a decade, increase Canada's annual copper production by over 15 per cent, employ about 1,500 workers during operations, with a peak of approximately 1,800 workers during construction, and reduce greenhouse gas emissions by over 70 per cent when operational. Working in close collaboration with the Tahltan Nation, it is an important step in reconciliation and further developing the potential of Northern British Columbia and will strengthen Canada's role as a reliable supplier of copper and other resources essential for global manufacturing and clean energy technologies. This mine is part of the proposed **Northwest Critical Conservation Corridor**. This corridor is being moved to the MPO for consideration as a new transformative strategy, as it presents opportunities for critical minerals development, clean power transmission, Indigenous project leadership, and a potential new conservation area the size of Greece.

Together, these projects represent investments of more than $60 billion in our economy and will create thousands of well-paying jobs for Canadians.

Nation-Building Projects and Strategies



In addition to the first five projects, Canada's new government also believes that there are several strategies for projects that could be truly transformative for this country, which are at an earlier stage and require further development:

- **Critical Minerals Strategy:** Canada can be a powerhouse in the extraction and upgrading of critical minerals. A priority for the MPO will be to help more critical minerals projects get to final investment decisions within a two-year window. This will ensure that our critical minerals industry can grow, and that Canada and our global partners can benefit from our value chains for clean technologies and defence. These opportunities exist in many of Canada's regions—including Ontario's Ring of Fire, British Columbia's Golden Triangle, and the Slave Geological Province in the Northwest Territories and Nunavut.
- **Wind West Atlantic Energy:** Projects that will leverage over 60 gigawatts of wind power potential in Nova Scotia, and more across Atlantic Canada, connecting that renewable, emissions-free energy to Eastern and Atlantic Canada to meet rapidly growing demand—with the potential for exports to the Northeastern United States. The MPO will develop the regulatory

certainty that attracts private investment and sets the course for long-term wind resources development in the Atlantic provinces. This Eastern Energy Partnership could include important projects like interties between New Brunswick and Nova Scotia, transmission cables between Prince Edward Island and New Brunswick, as well as Québec's and Newfoundland and Labrador's further development of Churchill Falls and Gull Island.

- **Pathways Plus:** An Alberta-based carbon capture and storage network and pipeline project that will substantially reduce emissions with additional energy infrastructure that will support a strong conventional energy sector while driving down emissions from the oil sands. Pathways will facilitate low-carbon oil exports from the Alberta oil sands to a range of markets that demand Canadian energy.
- **Arctic Economic and Security Corridor:** A set of all-weather, dual-use, land and port-to-port-to-port infrastructure projects that will contribute to Canada's defence and northern development. The project will support Northern critical mineral projects, create new opportunities for sustainable development, and connect communities to the rest of Canada, while increasing capability for the Canadian Armed Forces in the North.
- **Port of Churchill Plus:** Rooted in partnership with Indigenous Peoples, including in co-operation with Manitoba's Crown-Indigenous Corporation, this set of projects will upgrade the Port of Churchill and expand trade corridors with an all-weather road, an upgraded rail line, a new energy corridor, and marine ice-breaking capacity. The approach will prioritise Indigenous equity ownership in developing the projects needed to turn the Port of Churchill into a major four season and dual-use gateway for the region. Expanded export capacity in the North through Hudson Bay will contribute to increased and diversified trade with Europe and other partners, while more strongly linking Churchill to the rest of Canada.
- **Alto High-Speed Rail:** Canada's first high-speed railway, spanning approximately 1,000 km from Toronto to Québec City and reaching speeds of up to 300 km/hour to cut travel times in half and connect close to half of Canada's population. This is a project that could create 51,000 jobs during construction and inject up to $35 billion into our GDP—with a target of 25 million tonnes in emissions savings. The MPO will work to accelerate engineering, regulatory, and permitting work to enable construction of the project to start in four years, cutting the original eight-year timeline in half.

The **Major Projects Office** represents a shift in how government will advance regulatory approvals and coordinate financing to supercharge major project development in Canada. The Office is drawing on public and private sector financial, legal, regulatory, and project management experts to coordinate financing and regulatory approvals across federal departments—acting as a streamlined "single window" for proponents.

The **Major Projects Office** will also lead a review of all regulatory processes and approvals needed to build major projects to reduce red tape and fast-track key nation-building projects.

- Budget 2025 proposes to provide $213.8 million over five years, starting in 2025-26, for the **Major Projects Office**. Funding will also support the **Indigenous Advisory Council**. Of this amount, $19.8 million will be sourced from existing departmental resources.
- Budget 2025 proposes to provide $10.1 million over three years, starting in 2025-26, to Crown-Indigenous Relations and Northern Affairs Canada to continue leading the **Federal Initiative on Consultation** to support the meaningful participation of Indigenous rightsholders in consultation processes throughout the review cycle of national interest projects listed under the *Building Canada Act*, including through Indigenous-led resource centres and consultation protocols.

Further, as previously announced in August, the government is providing $40 million over two years, starting in 2025-26, to Indigenous Services Canada through the **Strategic Partnerships Initiative** to support Indigenous capacity building and consultation on nation-building projects prior to designation under the Act.

One Project, One Review

In the Speech from the Throne, the Government of Canada committed to realising the goal of "one project, one review" by reaching cooperation agreements under the *Impact Assessment Act* with every interested province and territory within six months. On June 2, 2025, Canada's First Ministers agreed to "work together toward efficiently and effectively implementing 'one project, one review' with the goal of a single assessment for all projects."

Cooperation agreements will set out how federal and provincial governments will work together on assessments of major projects, providing greater transparency and certainty for proponents, Indigenous Peoples, and stakeholders. This will help ensure accelerated assessments for major projects, including projects of national interest, and signal to investors that Canada's federal, provincial, and territorial governments are committed to working together to enable development, while protecting Indigenous rights and the environment.

Leveraging new authorities under sections 16 and 31 of the *Impact Assessment Act*, introduced in 2024, cooperation agreements can provide for substitution to a single harmonised process that draws on the best available provincial and federal expertise. Cooperation agreements can also allow for early assessment decisions and full substitution to a provincial process that meets both federal and provincial requirements. They do not affect the duty of proponents, provinces, territories, and the federal government to fully consult with Indigenous Peoples whose rights may be affected.

The **Major Projects Office** will benefit from the leadership and guidance of the **Indigenous Advisory Council (IAC)**—eleven representatives from First Nations, Inuit, Métis, and Modern Treaty and Self-Governing communities. These leaders bring deep expertise and experience, and they will help guide the MPO's work to ensure that major projects create opportunities for equity ownership and responsible resource management through meaningful participation with Indigenous Peoples.

Meaningful consultation with Indigenous Peoples is embedded in the *Building Canada Act*, both in the process of determining which projects are in our collective interest and in the development of the conditions for those projects going forward. To that end, in Summer 2025, the Prime Minister convened the First Nations Major Projects Summit with over 430 First Nations leaders and representatives, and held two similar meetings with Inuit and Métis leaders. The

focus was to engage all Indigenous distinctions-based groups on the *Building Canada Act* and how to most effectively build major projects in partnership with Indigenous Peoples.

The government will uphold Section 35 of our Constitution and the duty to consult, and the government's commitment to implementing the United Nations Declaration on the Rights of Indigenous Peoples, including free, prior, and informed consent, as we build Canada strong. The government will also empower and support opportunities for proactive partnerships with Indigenous Peoples, including through the Canada Infrastructure Bank's **Indigenous Equity Initiative**, and the **Indigenous Loan Guarantee Program**—which we doubled from $5 billion to $10 billion, enabling more Indigenous communities to become owners of major projects.

Boosting Major Project Financing

The government has an ambitious agenda to build a stronger, more competitive, and more prosperous economy by getting major projects built in Canada. Crown corporations help incentivise and maximise private investment. For example, Canada Growth Fund fosters clean growth investment, the Canada Infrastructure Bank gets infrastructure projects built, and Export Development Canada helps exporters reach new markets. These Crown corporations invest on behalf of Canadians for the economic benefit of Canadians.

As the government embarks on its mission to maximise investment in Canada and realise our full potential in global markets, with over $40 billion in capital ready to invest under current authorities, Crown corporations will help bring in the multiples of private investment that are necessary to grow our economy.

- Budget 2025 announces the government's intention for the **Major Projects Office** to help structure and co-ordinate financing from the private sector, provincial and territorial partners, and the federal government, including through the **Canada Infrastructure Bank**, **Canada Growth Fund**, and the **Canada Indigenous Loan Guarantee Corporation**.
- Budget 2025 announces the government's intention to provide guidance to Crown corporations through the application of a strategic financing framework that will advance a unified and coordinated approach to financing across the government's Crown corporations, departments, and agencies. This will help ensure that Crown corporations are prioritising nation-building projects where possible and coordinating their support to unlock projects while delivering value for money for taxpayers.

- Budget 2025 announces the government's intention to amend the *Canada Infrastructure Bank Act* to increase the Canada Infrastructure Bank's statutory capital envelope from $35 billion to $45 billion and to enable the **Canada Infrastructure Bank** to make investments in any nation-building projects that have been referred to the **Major Projects Office**, regardless of sector or asset class, as long as they fall within the Bank's legal mandate. This will unlock more projects with the partnership of private investment.
- Budget 2025 announces the government's intention for the **Canada Indigenous Loan Guarantee Corporation** to work with Indigenous investors on greenfield (new build) projects that will generate economic prosperity for Indigenous communities for generations to come.

1.2 Supercharging Growth

Unleashing economic growth and productivity is the foundation of Canadian prosperity. To build the strongest economy in the G7, our entrepreneurs, businesses, and researchers need the right conditions for growth. We can supercharge Canada's growth and global competitiveness by enhancing Canada's tax regime, doubling down on artificial intelligence, investing in talent, and attracting private capital.

Productivity Super-Deduction

1. Accelerated Investment Incentive and Immediate Expensing

To boost productivity and attract investment, this new government is introducing a **Productivity Super-Deduction**—a set of enhanced tax incentives covering all new capital investment that allows businesses to write off a larger share of the cost of these investments right away. These will also make it easier for businesses to invest and grow.

Under this measure, companies can recover their investment cost faster through the tax system. This makes it more attractive to invest in machinery, equipment, technology, and other productivity-enhancing assets and improves Canada's competitiveness for attracting investment.

- Budget 2025 announces the government's intention to move forward with all previously announced measures that would allow businesses to write off the cost of their investments more quickly:
  - Reinstatement of the Accelerated Investment Incentive, which provides an enhanced first-year write-off for most capital assets.
  - Immediate expensing (i.e., 100-per-cent first-year write-off) of manufacturing or processing machinery and equipment.
  - Immediate expensing of clean energy generation and energy conservation equipment, and zero-emission vehicles.
  - Immediate expensing of productivity-enhancing assets, including patents, data network infrastructure, and computers.
  - Immediate expensing of capital expenditures for scientific research and experimental development.

2. Immediate Expensing for Manufacturing and Processing Buildings and Accelerated Capital Cost Allowances for Low-Carbon Liquefied Natural Gas Facilities

Building on these measures, the government is making further strategic investments in tax incentives that promote capital investment and long-term economic growth. The new government is taking action to make Canada's investment environment more competitive than the U.S.

- Budget 2025 proposes to introduce immediate expensing for manufacturing or processing buildings that are acquired on or after Budget Day and that are used for manufacturing or processing before 2030. This measure would be phased out over a four-year period between 2030 and 2033.

The accelerated capital cost allowances (CCAs) for liquefied natural gas (LNG) equipment and related buildings expired at the end of 2024. The measures increased the CCA rate for liquefaction equipment from 8 per cent to 30 per cent and for non-residential buildings used in LNG facilities from 6 per cent to 10 per cent.

- Budget 2025 proposes reinstating accelerated CCAs for LNG equipment and related buildings, but only for low-carbon LNG facilities.

To be eligible for an accelerated CCA, a facility would need to meet new high standards of emissions performance. Two levels of support would be available, which will depend on the emissions performance of a facility:

- Facilities that are in the top 25 per cent in terms of emissions performance would be eligible for accelerated CCAs with the same rates as the previous measures (30 per cent for liquefaction equipment and 10 per cent for non-residential buildings used in LNG facilities).
- Facilities that are in the top 10 per cent in terms of emissions performance would be eligible for accelerated CCAs of 50 per cent for liquefaction equipment and 10 per cent for non-residential buildings used in LNG facilities.

Details regarding the new emissions performance requirements for these additional allowances will be provided at a later date. These measures would apply to property acquired on or after Budget Day and before 2035.

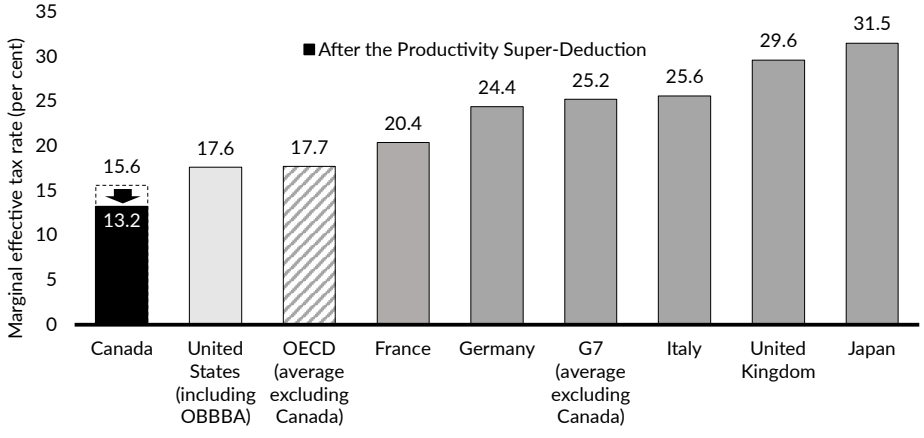
Collectively, these new and previously proposed measures form a Productivity Super-Deduction that will accelerate the type of business investment that will drive productivity growth in Canada.

3. Canada's Corporate Tax Advantage

The marginal effective tax rate (METR) provides a comprehensive indicator of how one dollar of additional business investment is taxed—a comparable indicator of tax competitiveness across countries that considers national and sub-national corporate tax rates, as well as investment tax credits, capital cost allowances, and sales and capital taxes.

The productivity super-deduction will reduce Canada's METR by more than two percentage points, strengthening our competitiveness with the U.S. following measures implemented in the *One Big Beautiful Bill Act* (OBBBA). Moreover, Canada will have the lowest METR in the G7 and below the OECD average. This means that businesses can invest and scale more easily and that Canada will remain an attractive destination for investment.

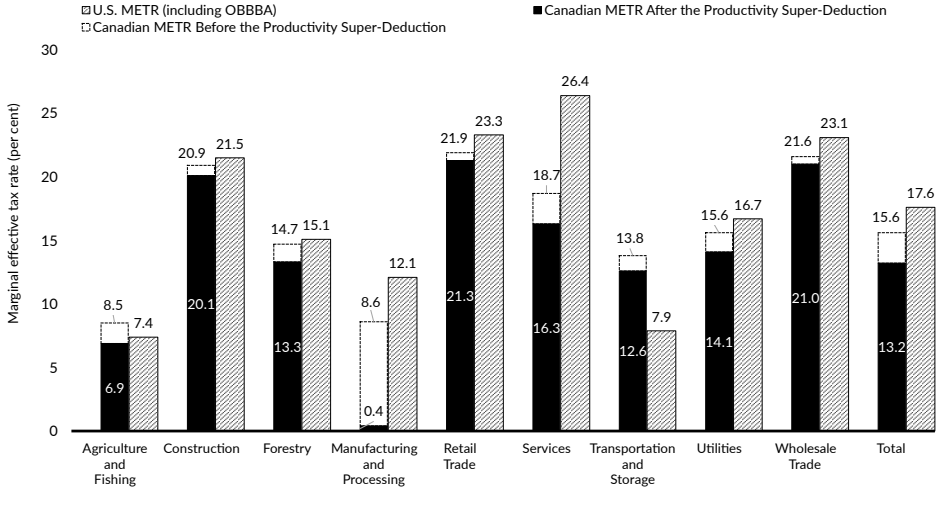
Chart 1.1 – Budget 2025 reinforces Canada as the country with the lowest marginal effective tax rate in the G7



Source: Department of Finance Canada.

With the productivity super-deduction, Canada's METRs are competitive with those in the U.S. across most sectors, particularly in manufacturing and processing.

Chart 1.2 – Canada's sectoral marginal effective tax rates are highly competitive with those in the U.S., 2025



Canada has a lower METR than the U.S., reflecting the value-added taxes employed federally and in most provinces in Canada, rather than retail sales taxes that apply in the U.S. Canadian provinces also fully align with federal expensing

policies and in some cases employ investment tax incentives of their own, which contribute to competitiveness.

Canada's METR is below the average of OECD countries, resulting from generous expensing policies in Canada and lower statutory rates compared to some other countries.

Investing Where It Counts: Catalysing Private Investment Through Accelerated Depreciation and Immediate Expensing

Private investment in new machinery, buildings, and technology is one of the most effective ways to increase productivity, helping workers produce more in less time and boosting Canada's long-term growth.

Immediate expensing and other forms of accelerated depreciation make it easier and more attractive for businesses to invest by allowing them to deduct the full cost of new assets more quickly. This lowers the cost of capital, strengthens the business case for modern equipment, and encourages companies to invest and expand in Canada.

The $2.7 billion in average annual support for investment provided through the accelerated depreciation and immediate expensing measures included in **Budget 2025 will crowd-in private capital investment and could generate an economic output of up to about $9 billion annually over the next ten years.** These measures would mean most assets in the manufacturing sector would be eligible for immediate expensing—lowering the cost of capital and unlocking billions in private investment.

Enhancing the Scientific Research and Experimental Development Tax Incentives

Innovation and scientific discovery are the foundation of long-term economic growth. Science fuels innovation, and innovation fuels productivity, helping Canada stay competitive in a fast-changing global economy.

The **Scientific Research and Experimental Development (SR&ED)** tax incentive program has helped Canadian businesses of all sizes conduct new and advanced research. Small businesses have benefited the most, accounting for 64 per cent of all claims filed and receiving roughly $1.5 billion in support in 2024-25.

To support Canadian businesses' ability to conduct innovative research, the government is proceeding with the following previously proposed enhancements to the SR&ED program:

- Increasing the prior-year taxable capital phase-out thresholds for the SR&ED program's enhanced 35-per-cent tax credit.
- Increasing the annual expenditure limit on which the enhanced credit can be earned, from $3 million to $4.5 million.
- Extending the enhanced credit to eligible Canadian public corporations.
- Restoring the eligibility of SR&ED capital expenditures.

▷ To encourage investment in Canadian innovation, Budget 2025 also proposes to further increase the annual expenditure limit on which the SR&ED program's enhanced credit can be earned from $4.5 million (as previously announced) to $6 million, effective for taxation years that begin on or after December 16, 2024.

Investing Where It Counts: Economic Benefits of Supporting R&D

Investments in research and development (R&D) are known to improve firm performance. Firms undertaking R&D to innovate consistently achieve higher productivity growth, and these benefits are amplified for firms making complementary investments in other technologies or adopting better business strategies. Firms conducting R&D are also more likely to enter export markets. The benefits of R&D are not limited to within firms. Studies have documented broad benefits from R&D that spread across the economy.

The **Scientific Research and Experimental Development (SR&ED)** tax incentive program, already providing $4.2 billion in annual support, is the federal government's single most important tool to encourage business R&D.

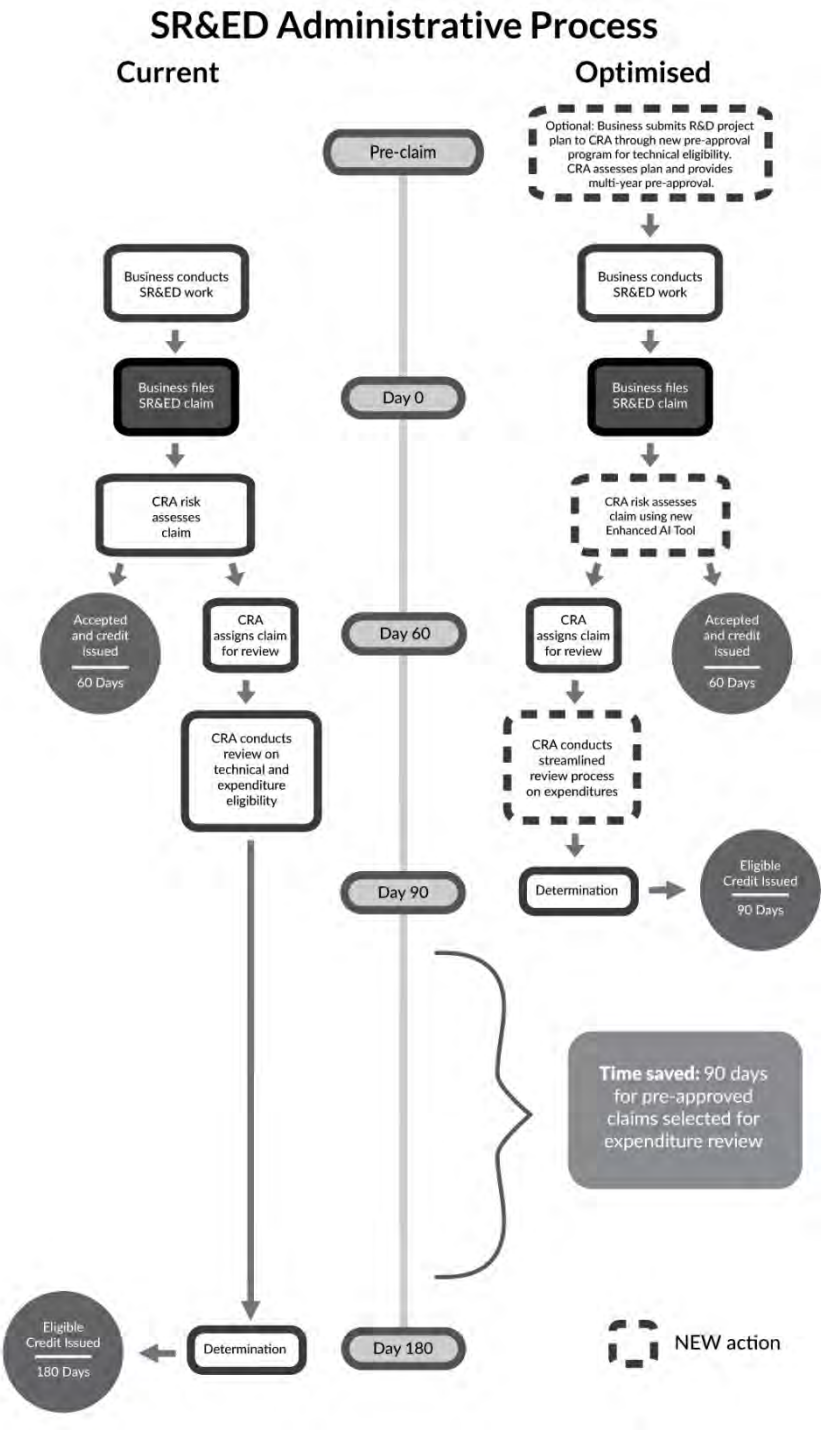
Budget 2025 confirms the implementation of previously announced SR&ED enhancements and proposes to further increase the enhanced rate expenditure limit, to help innovative businesses scale up and grow. **This additional government investment of $440 million on an ongoing basis is expected to catalyse private sector R&D investment, generating an economic output of $1.2 billion a year—about a three-time return for Canada's economy.** These enhancements are on top of revamping the SR&ED administration process—providing businesses with greater certainty and speed when making investment and R&D decisions.

The government has listened to innovators and builders that a burdensome administrative process for applying to the SR&ED program has limited its impact in driving investment in Canada. The Canada Revenue Agency (CRA) will implement transformational reforms to the administration of the SR&ED program. The reforms will provide businesses with greater confidence to invest in R&D projects, enhancing Canada's innovation strategy.

- Budget 2025 announces, to improve predictability and streamline administration of the SR&ED program, the government's intention for the CRA to:
  - Implement an elective pre-claim approval process to provide businesses with an up-front technical approval of their eligible SR&ED projects, before businesses undertake any work or incur costs. For claims submitted through this elective process that require an expenditure review, processing time will be cut in half to 90 days from 180 days.
  - Increase the use of artificial intelligence in the program's administration, which will enable the CRA to avoid subjecting low risk claims to unnecessary audit interventions, allowing them to be processed faster.
  - Streamline the review process by eliminating unnecessary steps and reducing burdensome information requirements that can delay the final determination of claims.

These improvements do not carry a fiscal cost and will be implemented into SR&ED program operations as of April 1, 2026.

Additionally, the CRA intends to engage in targeted consultations to further improve the administration of the SR&ED program, including by reviewing the SR&ED claim form (Form T661).


SR&ED Administrative Process
Current
Optimised
Pre-claim
Optional: Business submits R&D project plan to CRA through new pre-approval program for technical eligibility. CRA assesses plan and provides multi-year pre-approval.
Business conducts SR&ED work
Business conducts SR&ED work
Business files SR&ED claim
Day 0
Business files SR&ED claim
CRA risk assesses claim
CRA risk assesses claim using new Enhanced AI Tool
Accepted and credit issued
60 Days
CRA assigns claim for review
Day 60
CRA assigns claim for review
Accepted and credit issued
60 Days
CRA conducts review on technical and expenditure eligibility
CRA conducts streamlined review process on expenditures
Day 90
Determination
Eligible Credit Issued
90 Days
Time saved: 90 days for pre-approved claims selected for expenditure review
Eligible Credit Issued
180 Days
Determination
Day 180
NEW action

Seizing the Full Potential of Artificial Intelligence

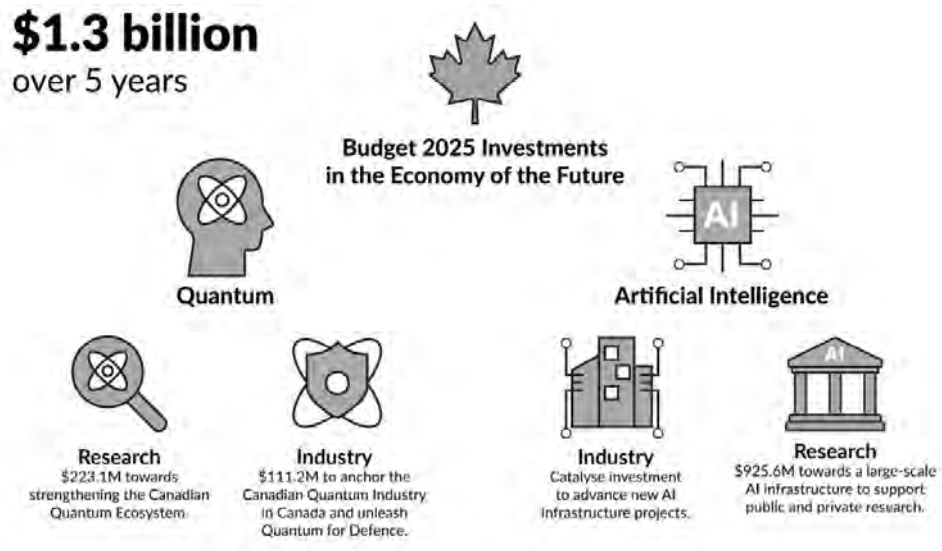
The transformative nature of artificial intelligence (AI) can create opportunities for millions of Canadians, businesses, and the economy. Budget 2025 helps Canada build necessary AI compute infrastructure, including the development of a Sovereign Canadian Cloud. This will help businesses seize the opportunities from AI, creating new jobs and economic growth.

- Budget 2025 proposes to provide $925.6 million over five years, starting in 2025-26, to support a large-scale sovereign public AI infrastructure that will boost AI compute availability and support access to sovereign AI compute capacity for public and private research. The investment will ensure Canada has the capacity needed to be globally competitive in a secure and sovereign environment. Of this amount, $800 million will be sourced from funds previously provisioned in the fiscal framework.
- Budget 2025 announces that the Minister of Artificial Intelligence and Digital Innovation will engage with industry to identify new promising AI infrastructure projects and enter into Memoranda of Understanding with those projects.
- Budget 2025 also announces the government's intention to enable the Canada Infrastructure Bank to invest in AI infrastructure projects.

Understanding the broader effects of AI is also essential, helping to guide our efforts to maximise its benefits.

- Budget 2025 proposes to allocate $25 million over six years, starting in 2025-26, and $4.5 million ongoing for Statistics Canada to implement the **Artificial Intelligence and Technology Measurement Program (TechStat).** TechStat will use data and insights to measure how AI is used by organisations, and understand its impact on Canadian society, the labour force, and the economy. This amount will be fully sourced from existing departmental resources.

The government will also explore options for the National Research Council of Canada's Canadian Photonics Fabrication Centre to best position it to attract private capital, scale its operations, and serve as a platform for Canadian innovation and new photonic applications, including in the face of the rise of AI and related compute infrastructure.



Investing Where It Counts: Economic Benefits of AI and Quantum

AI has the potential to revolutionise business processes in all manner of industries, allowing for increased automation and significant increases in productivity. The OECD estimates that adoption of AI adoption could raise productivity growth by 1.1 percentage points annually over the next 10 years. Quantum is a similarly transformative technology: computing problems that are currently considered to be intractable even with the most powerful classical computers could be solved using quantum computers, including in such areas as cybersecurity, finance, and logistics.

Countries that lead in game-changing technologies such as these can unlock significant economic benefits through commercialising the associated intellectual property and being among the first to put it to use.

With an investment of $925.6 million over five years to build a large-scale sovereign compute capacity, Budget 2025 is providing AI infrastructure to further support sovereign AI capacity in Canada and ensure a successful Canadian AI ecosystem. Budget 2025 also proposes to provide, through the Defence Industrial Strategy, $334.3 million over five years to strengthen Canada's quantum ecosystem.

This fall, the government launched consultations to inform the next chapter of Canada's AI leadership and will develop a new AI strategy by the end of 2025. The government will also consider whether new AI incentives and supports should be provided.

Protecting Canadian Intellectual Property

Intellectual property output and ownership is central to Canada's innovation agenda. Clear pathways to generate and retain intellectual property in Canada and transparency in the intellectual property system are essential to Canada's innovators and academic community.

To ensure Canada's innovation ecosystem is equipped to protect Canadian intellectual property, and support Canadian SMEs to commercialise and leverage their intangible assets to compete in the global marketplace:

- Budget 2025 proposes to provide $84.4 million over four years, starting in 2026-27, to Innovation, Science and Economic Development Canada to extend the Elevate IP program, as well as $22.5 million over three years, starting in 2026-27, to renew support for the Innovation Asset Collective's Patent Collective.
- Budget 2025 proposes to provide $75 million over three years, starting in 2026-27, to the National Research Council to extend the IP Assist Program.

To further strengthen the intellectual property ecosystem in Canada, the government will conduct an intellectual property performance review to identify new ways to partner with emerging and scaling intellectual property-intensive firms, increase domestic investment in leading and high-potential firms, retain and commercialise intellectual property in Canada, and help firms to protect and commercialise their intellectual property in foreign markets to advance trade diversification.

Finally, the government is committed to improving legal certainty and transparency in the intellectual property system to help facilitate more intellectual property-backed lending and limit abusive behaviour.

Investing to Build High-Growth Companies and Emerging Fund Managers

Investing in Canada's venture capital sector is essential to empowering entrepreneurs with the capital and networks they need to launch and scale resilient, high-impact companies. These venture funds drive innovation and are shaping the next generation of Canadian anchor firms and fund managers that will support economic growth and strengthen Canada's economic resilience.

To better align with emerging priorities, Budget 2025 proposes to realign previous venture capital and mid-cap commitments to support access to capital that meets current market needs.

- Budget 2025 proposes to provide $1 billion on a cash basis over three years, starting in 2026-27, for the Business Development Bank of Canada to launch the new **Venture and Growth Capital Catalyst Initiative**, a fund-of-funds that would leverage more private venture capital by incentivising pension funds and other institutional investor participation. The initiative will also support new and emerging fund managers and important sectors such as the life sciences sector.
- Strategic investment is essential to bolster innovation and drive long-term growth. Budget 2025 announces the government's intention to develop a strategy to support Canadian firms facing early growth-stage funding gaps, and proposes to provide $750 million, on a cash basis, in support of those firms. Details on the strategy will be announced in 2026.

2026-2028 Immigration Levels Plan

Throughout Canada's history, we have welcomed people from around the world—those fleeing persecution, war and strife, those seeking to work hard and build a better life for their families, those seeking to study at our world-class universities, experts wanting to drive innovation in Canada. The fabric of our nation is woven with this tradition.

As we have welcomed the world, we had the promise that if someone came to Canada they would contribute to our prosperity, and in return they would get all Canada offered—a country that is generous, fair, and diverse.

Our immigration system was built to standardise and evaluate newcomers so that admission was based on a person's merits. Over time, this system has evolved—its complexity has grown and its efficiency has waned. In recent years, the system became even harder to manage and less functional, and the pace of arrivals began to exceed Canada's capacity to absorb and support newcomers in the way we are used to doing.

In 2018, 3.3 per cent of Canada's population were temporary residents. By 2024, that number had more than doubled to 7.5 per cent, an unprecedented rate of growth that put pressure on housing supply, the healthcare system, and schools. Canada's new government recognises that this system is no longer sustainable, and we are determined to make it so, for everyone who lives in and comes to this country.

We are taking back control over the immigration system and putting Canada on a trajectory to bring immigration back to sustainable levels—allowing us to fulfill the promise of Canada to those who call it home. At the same time, Canada will continue its long tradition of welcoming those fleeing violence, persecution and displacement.

The results of the government's focus are already becoming apparent. Asylum claims are down by a third, and new temporary foreign worker arrivals are down by approximately 50 per cent this year. New international student arrivals have also declined by approximately 60 per cent compared to 2024. This is a start, but we recognise there is more work to do.

- Budget 2025 announces that the **2026-2028 Immigration Levels Plan** will stabilise permanent resident admission targets at 380,000 per year for three years, down from 395,000 in 2025, while increasing the share of economic migrants from 59 per cent to 64 per cent. The new plan will also reduce the target for new temporary resident admissions from 673,650 in 2025 to 385,000 in 2026, and 370,000 in 2027 and 2028. The fiscal cost of this measure is $168.2 million over four years, starting in 2026-27, and $35.7 million ongoing. These costs primarily represent the net loss in fee revenue, driven by fewer temporary resident admissions.
    - The government recognises the role temporary foreign workers play in some sectors of the economy and in some parts of the country. To that end, the 2026-2028 Immigration Levels Plan will consider industries and sectors impacted by tariffs and the unique needs of rural and remote communities.
- In addition, Budget 2025 proposes a one-time initiative to recognise eligible Protected Persons in Canada as permanent residents over the next two years. This practical step is a reflection of the fact that the vast majority of these people cannot return to the country of their origin. It will also ensure that those in genuine need of Canada's protection have their permanent status recognized, accelerating their full integration into the Canadian society and their path to citizenship. The fiscal cost of this measure is $120.4 million over four years, starting in 2026-27. This represents the costs for Immigration, Refugees and Citizenship Canada and the Canada Border Services Agency to process the additional applications, which are partially offset by higher fee revenues.

- Budget 2025 also proposes to undertake a one-time measure to accelerate the transition of up to 33,000 work permit holders to permanent residency in 2026 and 2027. These workers have established strong roots in their communities, are paying taxes, and are helping to build the strong economy Canada needs. The fiscal cost of this measure is $19.4 million over four years, starting in 2026-27. This also represents the costs for Immigration, Refugees and Citizenship Canada and other departments to process the additional applications, which are partially offset by higher fee revenues.

These targets keep permanent resident arrivals at less than one per cent of the population beyond 2027 and will reduce the total number of temporary residents to less than five per cent of Canada's population by the end of 2027.

Our plan will restore control, clarity, and consistency to the immigration system, while maintaining compassion in our choices and driving competitiveness in our economy.

Additional details on the 2026-2028 Immigration Levels Plan will be provided when the Minister of Immigration, Refugees and Citizenship tables the 2025 Annual Report to Parliament on Immigration.

Temporary Resident Admissions 2026 – 2028

	2026	2027	2028
Overall Projected Admissions & Ranges	**385,000** *(375,000–395,000)*	**370,000** *(360,000–380,000)*	**370,000** *(360,000–380,000)*
Workers (1)	230,000	220,000	220,000
Students (2)	155,000	150,000	150,000

(1) Projected number of new work permits for foreign nationals entering Canada under one of two programs, the Temporary Foreign Worker Program (TFW Program) or the International Mobility Program (IMP) including work permits issued under humanitarian public policies.

(2) Projected number of new study permits issued to foreign nationals studying for six (6) months or more in Canada at a Designated Learning Institution (DLI).

Permanent Resident Admissions 2026 – 2028

	2026		2027		2028	
Overall Projected Admissions & Ranges	**380,000** *(350,000 – 420,000)*		**380,000** *(350,000 – 420,000)*		**380,000** *(350,000 – 420,000)*	
Economic Immigration (3)	**239,800**		**244,700**		**244,700**	
	Low	High	Low	High	Low	High
	224,000	264,000	229,000	268,000	229,000	268,000
Family Reunification	**84,000**		**81,000**		**81,000**	
	Low	High	Low	High	Low	High
	78,500	92,000	75,000	90,000	75,000	90,000
Refugees, Protected Persons, Humanitarian and Compassionate, and Other	**56,200**		**54,300**		**54,300**	
	Low	High	Low	High	Low	High
	48,000	64,000	46,000	62,000	46,000	62,000
French-speaking admissions outside of Quebec (overall)	**9%** *(30,267)*		**9.5%** *(31,825)*		**10.5%** *(35,175)*	

(3) Under the Canada-Quebec Accord, Quebec has responsibility for the selection of economic immigrants destined to Quebec.

Improving Foreign Credential Recognition

Many newcomers to Canada already have extensive training in sectors where we are experiencing labour shortages, including doctors, nurses, and other healthcare professionals. However, many face challenges in getting their training and experience recognised in Canada. Over half of immigrants with a bachelor's degree or higher are overqualified for their jobs, which is costing Canada's economy billions of dollars every year.

Improvements to foreign credential recognition are essential to ensure that immigration can effectively help address labour shortages and support the Canadians that rely on goods and services from those sectors.

As announced on October 27, 2025, Budget 2025 proposes to provide $97 million over five years, starting in 2026-27, to Employment and Social Development Canada to establish the **Foreign Credential Recognition Action Fund** to work with the provinces and territories to improve the fairness, transparency, timeliness, and consistency of foreign credential recognition, with a focus on health and construction sectors. This funding will be sourced from existing departmental resources.

Recruiting International Talent

A resilient Canadian economy depends on a highly skilled workforce. Immigration helps fill critical labour gaps in priority industries where there is not enough domestic talent.

The **International Talent Attraction Strategy and Action Plan** will position the immigration system to meet strategic labour market needs, ensuring Canada has the talent required to drive innovation and growth in our strategic industries, while respecting immigration targets to ensure a sustainable immigration rate.

As an early measure, the government proposes a targeted, one-time initiative to recruit over a thousand highly qualified international researchers to Canada. The expertise of these researchers will help advance our global competitiveness and contribute to the economy of the future. To contribute to research excellence in Canada, Budget 2025 proposes to provide up to $1.7 billion for a suite of recruitment measures:

- Budget 2025 proposes to provide $1 billion over 13 years, starting in 2025-26, to the Natural Sciences and Engineering Research Council, Social Sciences and Humanities Research Council, and Canadian Institutes of Health Research to launch an accelerated research Chairs initiative to recruit exceptional international researchers to Canadian universities.
- Budget 2025 proposes to provide $400 million over seven years, starting in 2025-26, to the Canada Foundation for Innovation to establish a complementary stream of research infrastructure support to ensure these recruited Chairs have the equipment they need to conduct research in Canada.
- Budget 2025 proposes to provide $133.6 million over three years, starting in 2026-27, to the Natural Sciences and Engineering Research Council, Social Sciences and Humanities Research Council, and Canadian Institutes of Health Research to enable top international doctoral students and post-doctoral fellows to relocate to Canada.
- Budget 2025 proposes to provide up to $120 million over 12 years, starting in 2026-27, to the granting councils to support universities' recruitment of international assistant professors, as appropriate.

Additional details on the launch of recruitment processes will be announced in the coming weeks.

The government will also examine whether Canada's research ecosystem requires further support to retain talent, and work to implement the capstone research organisation as announced in Budget 2024. In addition, reflecting the foundational importance of research and innovation to growing the Canadian economy, the Comprehensive Expenditure Review savings targets for the three granting councils will be adjusted to two per cent.

To strengthen Canada's innovation ecosystem, address labour shortages and attract top talent in healthcare, research, advanced industries and other key sectors, in the coming months the government will also launch an accelerated pathway for H1-B visa holders.

Catalysing Investment in Airports and Ports

Canada's new government is taking action to catalyse investment in our airports and ports—so that we build transportation infrastructure that can meet growing demand, encourage more tourism into Canada, bring down travel costs for Canadians, and help diversify our trade to the rest of the world. Airports and ports are central to diversifying Canada's trade. They connect our economy to the world: around 20 per cent of Canada's exports and 23 per cent of imports pass through ports. Airports support high-value cargo exports, such as fish and lobster exported to Asia.

- Budget 2025 announces the government's intention to unlock more of the economic potential of Canada's airports and consider new ways to attract private sector investment, including by negotiating lease extensions with airport authorities, enabling more economic development activities on airport lands, and examining the existing airport ground lease rent formulas. The government's objective is to ensure the long-term sustainability and competitiveness of Canada's airports. Investing in Canada's airports delivers cross-sectoral benefits, from enhancing safety and transportation, improving affordability for Canadians, strengthening regional access and connectivity, and driving trade and economic growth. The government will also consider options for the privatisation of airports.

- Budget 2025 also proposes to provide $55.2 million over four years, starting in 2026-27, with $72.5 million in remaining amortisation, and $15.7 million ongoing thereafter, to Transport Canada to support safety-related infrastructure projects and upgrades, including those that support dual-use priorities, at local and regional airports. Funding will be delivered through the **Airports Capital Assistance Program**, and will also support a priority project to extend the runway at the Transport Canada-owned Îles-de-la-Madeleine Airport.

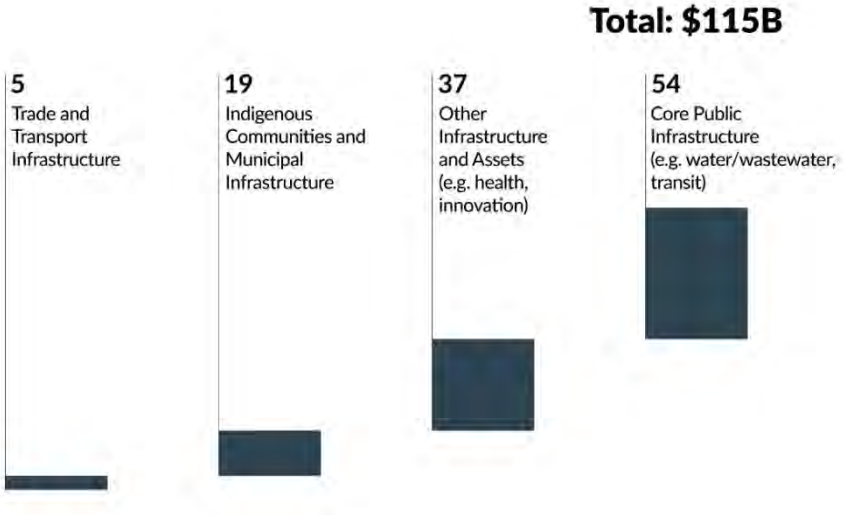
The government will also continue to examine and engage with investors on opportunities to cultivate more private investment at marine ports.

Generational Infrastructure Investments

The federal government is making significant investments in infrastructure, including trade and transportation infrastructure, public infrastructure like roads, bridges, water, and public transit, as well as other infrastructure. New and upgraded infrastructure helps businesses run more smoothly, makes it easier for people to get to work, and supports new jobs. All of this helps the economy grow and become more productive. Planned federal infrastructure investments are expected to reach $115.2 billion over the next five years.

Chart 1.3 – Planned Investments in Building Canada

Upcoming Federal Expenditure on Infrastructure – 5-Year Horizon
(billions of dollars, accrual)



Communities and regions across Canada are facing high costs to improve and expand important infrastructure. These upgrades are needed to support growing populations and replace aging systems. Improving infrastructure can unlock greater productivity and expand trade opportunities for Canada, and can also play a key role in addressing the housing shortage and creating more homes for Canadians.

- Budget 2025 announces the government's intention to launch a new **Build Communities Strong Fund**, to be administered by Housing, Infrastructure and Communities Canada, and proposes to provide $51.0 billion over 10 years, starting in 2026-27, and $3.0 billion per year ongoing in new and existing funding for this initiative, including through funding to provincial and territorial governments—and through them to municipalities—to support a wide range of infrastructure projects and help our local communities build Canada strong.
- These projects will grow a stronger economy and create thousands of good jobs and federal project selection will consider factors such as use of unionised labour, and use of Community Employment Benefits agreements. The program would be comprised of three streams:
    - A Provincial and Territorial Stream that will provide $17.2 billion over 10 years, starting in 2026-27, to support provincial and territorial infrastructure projects and priorities. Funding will support housing-enabling infrastructure (e.g., roads, water/wastewater), health-related infrastructure (e.g., hospitals), and infrastructure at colleges and universities. To access funds, provinces and territories must agree to cost-match federal funding and to substantially reduce development charges and not levy other taxes that hinder the housing supply.
        - Of the above amount, $5 billion over three years, starting in 2026-27, will be dedicated for a **Health Infrastructure Fund**. This fund will complement existing health-related support provided to provinces and territories by helping to ensure their health infrastructure, such as hospitals, emergency rooms, urgent care centres, and medical schools, will be able to respond to the health care needs of Canadians. Recognising the critical need to strengthen health infrastructure across the country, the requirement related to development charges and other taxes noted above will not apply to this fund.
    - A Direct Delivery Stream, delivered by Housing, Infrastructure and Communities Canada, that will provide $6 billion over 10 years, starting in 2026-27, to support regionally significant projects, large building retrofits,

climate adaptation, and community infrastructure. Proponents of regionally significant projects would be required to seek private sector investment, including private investment leveraged through Canada Infrastructure Bank financing, before being eligible for funding under this stream.

- The existing Canada Community-Building Fund will be rebranded as the initiative's Community Stream. This stream will, as planned, provide $27.8 billion over 10 years, starting in 2026-27, and $3.0 billion per year ongoing to support local infrastructure projects.
- Funding for the Build Communities Strong Fund includes repurposed resources from the Canada Housing Infrastructure Fund.

▷ As examples of projects that will help build strong communities with improved local infrastructure, Budget 2025 announces support for the following projects:

- Filipino Community and Cultural Centre in Metro Vancouver, British Columbia;
- White Rock Pier in White Rock, British Columbia;
- Newton Athletic Park Artificial Turf, Practice Field, Tennis Court, and Walking Path in Surrey, British Columbia;
- Royal Athletic Park in Victoria, British Columbia;
- Rapid Fire Theatre in Edmonton, Alberta;
- Bissell Centre in Edmonton, Alberta;
- Lac La Ronge Indian Band – Kitsaki Hall in La Ronge, Saskatchewan;
- RCMP Heritage Centre in Regina, Saskatchewan;
- Riverview Community Centre in Winnipeg, Manitoba;
- Dakota Community Centre in Winnipeg, Manitoba;
- Victims of Flight PS752 Memorial in Unity Park in Richmond Hill, Ontario;
- Hamilton Downtown Family YMCA in Hamilton, Ontario;
- Bob MacQuarrie Recreation Complex in Orleans, Ontario;
- Toronto Metropolitan University Medical School in Brampton, Ontario;
- Exploramer Shark Pavilion in Sainte-Anne-des-Monts, Quebec;
- L'Espace Hubert-Reeves in Charlevoix, Quebec;
- Chantier Naval Forillon in Gaspé, Quebec;
- Centre sportif de Montreal-Nord in Montreal, Quebec;
- Place Marcel-François-Richard in Ville de Beaurivage, New Brunswick;
- SeaRoots Alliance Wellness Centre in Souris, Prince Edward Island;

- Breakwater Installation in Petty Harbour-Maddox Cove, Newfoundland and Labrador;
- Baddeck Recreation Facility in Baddeck, Nova Scotia, and;
- Inuit Nunangat University

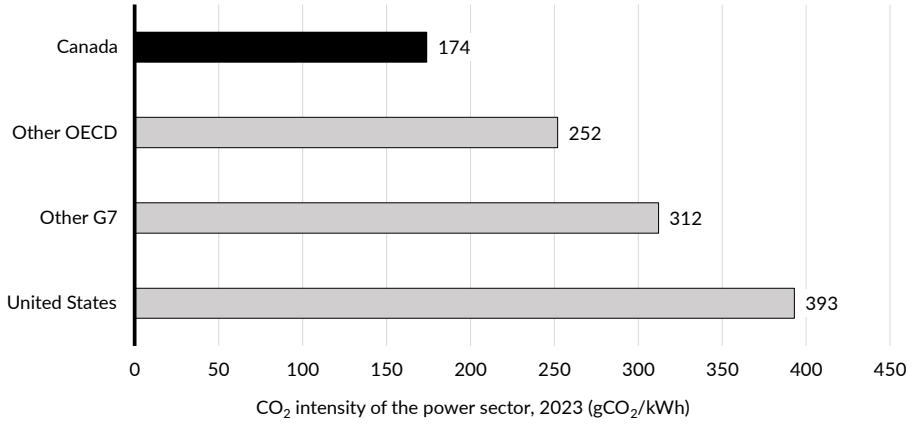
Funding for these projects will be sourced from the Direct Delivery stream of the Build Communities Strong Fund or from other existing federal programs, where appropriate. Further details, including final commitments, on each project will be shared in the coming months.

1.3 Canada's Climate Competitiveness Strategy

Climate action is not just a moral obligation—it's an economic necessity. The world economy is undergoing a historic transformation towards low-carbon energy and clean technology. In 2024, global investments in clean energy reached USD $2 trillion—nearly double the level of investment in fossil fuels—and the global clean technology market is expected to triple by 2035. On the other hand, the Canadian Climate Institute estimates that climate disruption, if left unchecked, could cut median Canadian household income by nearly 20 per cent by the end of the century, disrupting many elements of the economy, from food supply chains to financial markets.

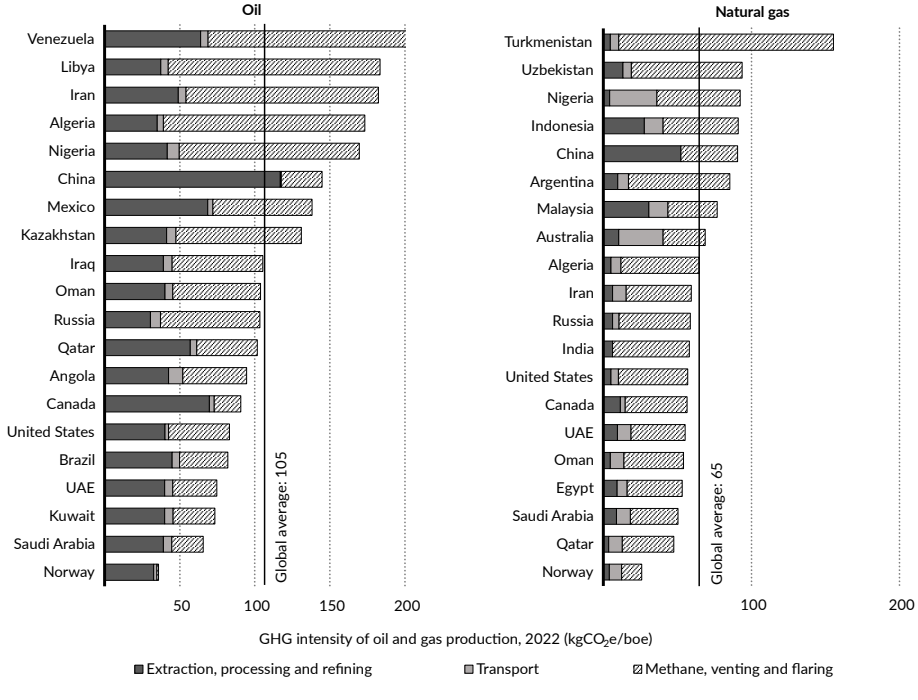
To compete internationally, Canada will need to reduce its carbon intensity to meet the growing demand from global markets for products with low associated greenhouse gas emissions. Buyers of Canada's resources—oil and gas, steel, and aluminum—are increasingly looking for low-carbon sourcing. Fortunately, Canada is well positioned to take advantage of these new growth opportunities. For example, our electricity grid, one of the cleanest in the world, guarantees access to the clean power businesses around the world are looking for, in sectors ranging from aluminum to steel to AI. In conventional energy too, Canada is one of very few large-scale suppliers committed to strong environmental, social, and governance standards, and we have reduced the emission intensity of overall oil production by 8 per cent, and the emission intensity of oil sands operations by almost 40 per cent between 1990 and 2022.

Chart 1.4 – Canada's power sector has a clear emissions advantage compared to peer countries



Source: Ember Energy (2025)

Chart 1.5 – Canada's oil and gas production has an emissions advantage compared to some peer countries but has room to improve



Source: International Energy Agency (2023), The Oil and Gas Industry in Net Zero Transitions 2023, IEA, Paris

Lowering our emissions is critical to protecting the competitiveness of Canada's oil and gas and steel sectors. Reducing emissions is not only essential for environmental reasons, but also a key factor in securing access to markets that prioritise sustainability. By becoming a global leader in clean technology and clean energy, Canada can strengthen its competitive advantage and expand its exports, particularly in sectors where low-carbon solutions are increasingly seen as a requirement rather than a bonus.

Canada's natural resources, workforce, and commitment to fighting climate change position us to surpass economies that fail to adapt. We will build new infrastructure and capitalise on projects that further Canada's standing as a clean energy superpower. We will explore initiatives such as nuclear energy, electricity grid interties, and investments in low-carbon fuels such as hydrogen, renewable energy projects, high-speed rail, and critical mineral development.

As the new government moves decisively to build major nation-building projects and millions more homes, we are doing so while reducing emissions and growing our economy. Our investments in clean growth technologies will propel Canada's competitive advantage. For example, the Darlington New Nuclear Project will support the construction of small nuclear reactors, while LNG Canada Phase 2 will supply cleaner energy compared to other LNG facilities worldwide. We will continue to prioritise clean growth and climate objectives as new projects are considered.

Budget 2025 outlines the new government's Climate Competitiveness Strategy, creating the conditions for the investment needed to build an affordable net-zero future in which Canadian businesses are well-positioned to compete and succeed in the global economy.

The strategy is a central pillar of the government's plan for Canada to become the strongest economy in the G7. It is based on driving investment, not on prohibitions, and on results, not objectives. It aims to maximise carbon value for money, prioritising measures that will result in the greatest emissions reductions and competitiveness benefits at the lowest cost for Canadians.

Strengthening Industrial Carbon Pricing

An effective industrial carbon pricing system, underpinned by a long-term price trajectory, is essential to providing certainty to businesses looking to invest and compete internationally.

Industrial carbon pricing drives investment to reduce emissions and build the competitiveness of Canadian business. It is expected to deliver more emission reductions than any other policy, with negligible impacts on affordability for Canadians.

However, carbon markets are not functioning as well as they should be. The government will improve the effectiveness of carbon markets to provide confidence that credit prices will be predictable and sufficient to support clean growth investments without adversely affecting competitiveness or leading to carbon leakage.

Improving the effectiveness of industrial carbon pricing will ensure every dollar spent delivers maximum impact. Industrial carbon pricing rewards innovation and spurs investment in cleaner technologies—helping Canada's industrial sectors to grow and compete.

To improve the effectiveness of Canada's industrial carbon pricing system, the government will take the following actions:

- ***Develop a post-2030 carbon pricing trajectory:*** The government will engage provincial and territorial (PT) governments in setting a multi-decade industrial carbon price trajectory that targets net-zero by 2050. Setting a long-term trajectory will allow businesses to make investment decisions with confidence now and into the future. Securing pan-Canadian agreement on this trajectory will increase certainty.
- ***Fix the benchmark and improve the backstop***: The government will improve its application of the benchmark—the tool that ensures all PT industrial pricing systems are harmonised across the country in providing a common, strong price signal. The government will promptly and transparently apply the federal backstop whenever a PT system falls below the benchmark. The government will engage with PT governments about improvements to the benchmark and to PT pricing systems such as harmonising or linking carbon credit markets.
- ***Carbon contracts for difference***: Canada Growth Fund will continue to issue contracts as a means of further improving future carbon price certainty for investors making large, long-duration capital investments.

Clarity on Greenhouse Gas Regulations

Greenhouse gas (GHG) emissions increase the Earth's temperature, causing climate change and its associated effects—extreme weather events, intense wildfires, and rising sea levels. Canada has been working to reduce its emissions, and from 2005 to 2023, Canada's GHG emissions decreased by 8.5 per cent—even as our population grew from 32 to 40 million and our GDP expanded by 38

per cent. As we transition to a net-zero economy, Canada's new government is committed to reducing GHG emissions.

Buyers of Canada's resources are increasingly demanding they be sourced and produced in a way that reduces emissions and promotes sustainability. Reducing our emissions will make our industries more competitive and gives them an advantage in the global economy.

The government will take the following approach to ensure its regulations complement industrial pricing:

- ***Electricity:*** The transition to net-zero by 2050 will require clean, reliable power. The Clean Electricity Regulations will aim to reduce emissions to protect the environment and human health from the threat of climate change. The government will work with provinces and territories to advance these goals and ensure that Canada's grid is clean as electricity demand grows.

▷ To enable long-term agreements with provinces and territories, Budget 2025 announces the government's intention to propose legislative amendments to the *Canadian Environmental Protection Act*.

- ***Methane***: Methane emissions are potent greenhouse gas emissions that are not effectively covered by carbon pricing. The government will finalise enhanced methane regulations for the oil and gas sector and landfills, and intends to work with provinces and territories to negotiate equivalency agreements as appropriate.
- ***Update on the Oil and Gas Emissions Cap***: Canada is committed to bringing down the emissions associated with the production of oil and gas. Effective carbon markets, enhanced oil and gas methane regulations, and the deployment at scale of technologies such as carbon capture and storage would create the circumstances whereby the oil and gas emissions cap would no longer be required as it would have marginal value in reducing emissions.
- ***Electric Vehicles:*** In September, the government announced its intent to make targeted regulatory adjustments to help the automotive sector stay competitive during a period of upheaval and uncertainty in response to immediate challenges from U.S. trade and policy actions. This included the initial step of removing the 2026 target from the Electric Vehicle Availability Standard and launching a 60-day review of the overall regulation. Following this review, the government will announce next steps on electric vehicles in the coming weeks.
- ***Clean Fuel:*** Targeted updates to the Clean Fuel Regulations will help reduce reliance on imported fuels, strengthen domestic supply chains, and support jobs in agriculture, forestry, and waste sectors.

Boosting Clean Economy Investment Through Tax Credits

A substantial increase in energy supply is required to support the growth of Canada's population and economy. In Canada, a major driver of this demand growth will come from several large, energy-intensive economic sectors as they expand and electrify, including manufacturing, pulp and paper, oil and gas extraction, and metal and non-metallic mineral product manufacturing sectors, including steel and aluminum, and emerging drivers such as AI data centres and electric transportation.

To meet this growing demand for clean energy, Canada will need to modernise its electrical grids. To achieve this, we will attract significant new investments to the sector, enabling infrastructure upgrades, energy storage, and new technologies, while also expanding wind and solar investments. Expanding interprovincial interties can also lower costs while ensuring grid reliability. The degree of investment needed in that timeframe will be significant. Forecasts indicate that the annual pace of investment needs to nearly triple from current levels to meet anticipated future demand.

To seize the investment opportunities from this, the government has now delivered four of its clean economy investment tax credits. These are now available to be claimed with the Canada Revenue Agency and investors are starting to avail themselves of those tax credits.

- The refundable investment tax credits available include the:
    - 37.5 to 60-per-cent Carbon Capture, Utilization, and Storage investment tax credit, available as of January 1, 2022.
    - 30-per-cent Clean Technology investment tax credit, available as of March 28, 2023.
    - 15 to 40-per-cent Clean Hydrogen investment tax credit, available as of March 28, 2023.
    - 30-per-cent Clean Technology Manufacturing investment tax credit, available as of January 1, 2024.

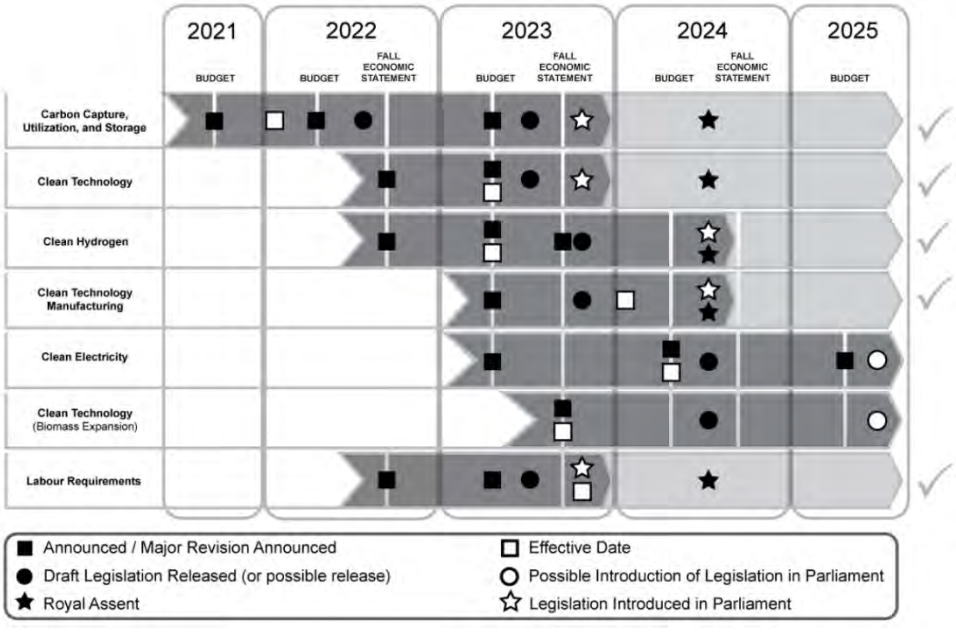
With these investment tax credits now set out in law, businesses can move forward with the certainty they need to make final investment decisions to invest and build in Canada.

The government will soon be introducing legislation to deliver the Clean Electricity investment tax credit and enhancements to the investment tax credits

that have already been implemented. While legislation progresses, investors already have the certainty of retroactive eligibility:

- The Clean Electricity investment tax credit would be available as of April 16, 2024, for projects that did not begin construction before March 28, 2023.
- Expanded eligibility to include systems that produce electricity, heat, or both electricity and heat from waste biomass and changed the eligibility requirements for small nuclear energy property under the Clean Technology investment tax credit, both measures would be available retroactively as of November 21, 2023, and March 28, 2023, respectively.
- Expanded eligibility to include qualifying equipment used in eligible polymetallic mining projects under the Clean Technology Manufacturing investment tax credit would be retroactively available as of January 1, 2024.
- Expanded eligibility to include hydrogen produced from methane pyrolysis under the Clean Hydrogen investment tax credit would be available as of December 16, 2024.

Delivering on Clean Economy Investment Tax Credits



Building on these existing measures, the government is announcing further changes to the clean economy investment tax credits to ensure that they remain competitive and effective in attracting projects and high-paying careers to Canada.

▷ Budget 2025 confirms the government's intention to proceed with the implementation of the Clean Electricity investment tax credit and proposes to

remove the conditions imposed on provincial and territorial governments for their Crown corporations to be eligible. Removing the conditions will ensure that provincial and territorial Crown corporations can access the investment tax credit and effectively and efficiently support clean electricity investment while reducing administrative burden.

- Budget 2025 proposes to extend, by five years, the availability of the full credit rates for the Carbon Capture, Utilization, and Storage (CCUS) investment tax credit, that would apply from 2031 to 2035. Credit rates would remain unchanged from 2036 to 2040.
- Budget 2025 proposes to expand the list of critical minerals eligible for the Clean Technology Manufacturing investment tax credit to include antimony, indium, gallium, germanium, and scandium, in order to support investments in the extraction, processing, and recycling of co-product and by-product critical minerals.

The government will also consult on the possibility of introducing a domestic content requirement under the Clean Technology and Clean Electricity investment tax credits.

Supporting Critical Mineral Projects

Critical minerals are used to build modern technology, and Canada is rich in these resources. Canada's new government is making it easier and more affordable for businesses to mine for critical minerals—supporting local industries and developing domestic and global value chains. To that end, at this year's G7 Summit in Kananaskis, Alberta, the Prime Minister introduced the Critical Minerals Production Alliance—a Canadian-led initiative that leverages trusted international partnerships to enhance critical mineral supply chains for collective defence and advanced technology. As part of the work of the Alliance, on October 31, 2025, the Government of Canada announced new investments, partnerships and measures to accelerate and unlock critical minerals projects essential in defence, clean energy and advanced manufacturing supply chains, including entering into offtake agreements with two critical minerals projects in Canada.

Critical minerals are an important part of Canada's Climate Competitiveness Strategy, as essential resources are needed for clean energy technologies and renewable energy infrastructure, including solar panels, electric vehicle batteries, and energy storage systems.

- Budget 2025 proposes to provide $2 billion over five years, on a cash basis,

starting in 2026-27, to Natural Resources Canada to create the Critical Minerals Sovereign Fund. The fund will make strategic investments in critical minerals projects and companies, including equity investments, loan guarantees, and offtake agreements. Budget 2025 also proposes to provide $50 million over five years, starting in 2026-27, to Natural Resources Canada to support the delivery of this fund.

- Budget 2025 proposes to provide $371.8 million over four years, starting in 2026-27, to Natural Resources Canada to create the First and Last Mile Fund. This new fund would support the development of critical minerals projects and supply chains at the upstream and midstream segments of value chains, with a focus on getting near-term projects into production. The First and Last Mile Fund would absorb the Critical Minerals Infrastructure Fund and leverage its existing funding envelope to provide up to $1.5 billion in support through 2029-30. The fund would also continue to support clean energy and transportation infrastructure projects related to critical minerals development.
- Budget 2025 proposes to expand eligibility for the Critical Mineral Exploration Tax Credit (CMETC) to include an additional 12 critical minerals necessary for defence, semiconductors, energy, and clean technologies: bismuth, cesium, chromium, fluorspar, germanium, indium, manganese, molybdenum, niobium, tantalum, tin, and tungsten. The expansion of the CMETC would apply to certain exploration expenditures targeted at these minerals and renounced as part of a flow-through share agreement entered into after Budget Day and on or before March 31, 2027.

Mobilising Capital for Transition to Net-Zero

Canada has the resources and talent to develop technology that can deliver low-carbon energy. As the global demand for low-carbon goods and processes rises, Canada's new government is seizing this opportunity by mobilising public and private capital that promotes investment in sustainability.

To accelerate the flow of private capital into sustainable activities across priority economic sectors:

- Budget 2025 reconfirms the government's support for the arm's length development of made-in-Canada sustainable investment guidelines (also known as a taxonomy) by the end of 2026. These investment guidelines will become an important, voluntary tool for investors, lenders, and other stakeholders navigating the global race to net-zero, by credibly identifying "green" and "transition" investments. The government will select and announce,

by the end of 2025, an external organisation with the expertise to develop the sustainable investment guidelines.

- To finance government spending that helps industrial and agricultural sectors get cleaner and more competitive, Budget 2025 announces the government's intention to explore the development of a Sustainable Bond Framework that would allow for the issuance of both green and transition bonds to be aligned with a Canadian taxonomy, and to expand the Framework to incorporate economic sectors as the taxonomy is being developed.
- Budget 2025 announces that the government will work with provinces and territories to improve climate disclosure across the economy. This work will seek alignment with international standards and harmonised rules across federal-provincial-territorial jurisdictions.

Updating Greenwashing Legislation

The *Competition Act* was recently amended to create new enforcement provisions for false claims of environmental benefit. These "greenwashing" provisions are creating investment uncertainty and having the opposite of the desired effect with some parties slowing or reversing efforts to protect the environment.

- To provide more certainty to the marketplace, Budget 2025 announces the government's intention to propose legislative amendments to remove some aspects of these provisions, while maintaining protections against false claims.

Supporting the Implementation of the Climate Competitiveness Strategy

Canada is committed to building a competitive, low-carbon economy and to continue to drive down industrial emissions-intensity, including in the energy sector. To demonstrate that commitment, the government will report on its progress.

- To support the implementation of this strategy, the government will develop and communicate new metrics to show how companies and households are reducing their carbon footprint, how the clean economy is growing, and how exports are tracking to achieve world-leading emissions intensity.

1.4 Increasing Competition

Competition is central to productivity, innovation, and affordability. When businesses face healthy competitive pressures, they operate more efficiently, cut costs, and innovate to stay ahead of rivals. These benefits are passed on to Canadians through lower prices, better product quality, and more choice. In various sectors, such as telecoms, a lack of competition has led to far too high prices for Canadians. The new government is increasing competition to bring down costs for Canadians, helping keep more money in your pockets. Budget 2025 will launch some of the most ambitious, pro-competitive measures for Canada in a generation.

Increasing Competition in Canada's Telecom Sector

Canada's telecom sector has experienced a lack of competition, which has led to higher cellphone bills compared to other countries. Canada's new government is increasing competition in the telecom sector to lower costs for Canadians.

- Budget 2025 announces the government's intention to boost competition, innovation, and productivity through various measures, namely:
  - Pursuing a new "dig once" policy approach to nation-building projects to encourage coordinated installation of fibre optic lines as part of the development of major projects of national significance.
  - Reducing regulatory burden required to deploy telecommunications infrastructure across the country, including by consulting on a streamlined tower-siting process later this year.
  - Ensuring that industry has access to quality spectrum, including by releasing additional spectrum, consulting on a modernised Spectrum Licence Transfer Framework in late 2025-26, and continuing to use the streamlined framework for residual spectrum auctions established in 2021.
  - Working alongside the Canadian Radio-television and Telecommunications Commission to implement the pro-consumer amendments to the *Telecommunications Act* announced in Budget 2024 that will allow Canadians to more easily renew or switch between home internet, home phone, and cell phone plans.
  - The Canadian Radio-television and Telecommunications Commission's ongoing efforts to implement the government's policy direction to enhance and protect the rights of consumers and to implement new rates for access to wholesale internet services and wireless roaming.

Over the past years, previous measures have also been taken to boost competition in the telecom sector:

- Lowering telecom prices by issuing a new directive in 2023 for the Canadian Radio-television and Telecommunications Commission to improve competition, make it easier to cancel services, and strengthen the protections Canadians have from unfair business practices, such as paying unlocking fees for their cell phone.
- Investigating international mobile roaming charges through a Canadian Radio-television and Telecommunications Commission study, to ensure the cell phone fees Canadians pay are fair and affordable.
- Amending the *Competition Act* to strengthen its ability to address longstanding competition issues and to reflect the new realities of the technology-driven economy.

A More Competitive and Innovative Financial System

Budget 2025 is announcing the first phase of a plan to foster greater competition, innovation, and efficiency in the Canadian financial sector. This will lower banking costs for Canadians while providing more banking options. Over the coming months, the government will continue to work and engage with experts and stakeholders to inform further actions to support a competitive financial sector.

The government's plan will include action in four key areas:

1. Unlocking Capital

Capital markets and financial institutions have a key role to play to ensure that Canadian companies and projects can access capital and grow the economy. They create investment opportunities, drive innovation, support job growth, and strengthen retirement savings. Canadian companies need access to capital in Canada to grow and thrive, building prosperity for all Canadians.

- The government has concluded negotiations and has reached an agreement in principle with provinces and territories on a Financial Services chapter for the Canada Free Trade Agreement, which will promote an efficient, open, and sound financial services sector within Canada.
- The Office of the Superintendent of Financial Institutions has recently announced a number of steps to provide clarity in capital planning for Canada's regulated financial institutions, as well as to look at opportunities to ease entry and reduce regulatory burden, including:
    - Engaging with small- and medium-size lenders about changes to capital requirements that will enable them to compete more effectively.
    - Consulting on ways to encourage business lending by banks in support of the economy through the capital treatment of certain types of loans.
    - Reducing capital requirements for Canadian infrastructure debt and equity investments made by federally regulated life insurers.

▷ Budget 2025 proposes to catalyse investment by insurers and financial institutions by repealing the limits on borrowing and portfolio investments in the financial institutions statutes and replacing them with more flexible guidance from the Office of the Superintendent of Financial Institutions.

▷ Capital markets are essential to fund the initiatives critical to Canada's economic prosperity and growth potential. Over the coming year, the government will continue to explore other opportunities to support capital markets and financial institutions to deploy capital towards Canadian companies and projects that will grow the economy.

2. Increasing Competition in the Banking Sector

To improve choice and lower costs for consumers, Budget 2025 proposes measures to help Canadians switch between financial institutions and to increase fee transparency:

- Budget 2025 announces that the government intends to publish draft regulations by spring 2026 to prohibit investment and registered account transfer fees, currently costing Canadians on average $150 per account. The government will also require the timely transfer of these accounts and clear presentation of information on the process and lack of fees.
- Budget 2025 announces the government's intention to explore improving the transparency of cross-border transfer fees, including foreign exchange costs for banks, as non-transparent pricing is causing consumers to pay more than expected to send their money internationally.
- Budget 2025 announces that the government intends to work with banks on ways to simplify the process of switching primary chequing accounts to other Canadian financial institutions.

The government has requested the Financial Consumer Agency of Canada to prepare a report on the structure, level, and transparency of fees charged by Canadian banks.

These measures complement recent government efforts to reduce banking fees for Canadians. In 2024, the government negotiated an updated low-cost and no-cost account commitment with banks, including all Big Six banks, which offers more debit transactions for consumers for no more than $4 per month, or at no cost for certain groups. Also in 2024, the government capped non-sufficient fund fees to $10, set to take effect in March 2026, saving Canadians upwards of $600M annually.

Small- and medium-sized banks, as well as provincial and federal credit unions, are critical for consumer choice across Canada. To help smaller financial institutions invest, scale, and compete, Budget 2025 proposes measures to support their unique needs:

- Budget 2025 proposes to amend the *Bank Act* and the *Canada Deposit Insurance Corporation Act* to make it easier for federal credit unions to achieve scale and for provincial credit unions to enter the federal framework.
- Budget 2025 proposes legislative amendments to raise the 35 per cent public holding requirement threshold from $2 billion to $4 billion—allowing small financial institutions to grow larger before having to change their ownership structure.
- Budget 2025 announces the government's intention to work with banks to develop a voluntary code of conduct to strengthen smaller financial institutions' access to distribution channels for brokered deposits.

3. Supporting Innovation and Global Competitiveness

Advancements in technology have given consumers more payment options. To keep payments fast, flexible, and secure, the government launched its payments modernisation plan. In September 2025, the government achieved two major milestones in the plan, advancing its commitment to deliver more secure innovative payments for Canadians.

- Close to 1,500 payment service providers are now supervised by the Bank of Canada under Canada's *Retail Payment Activities Act*, ensuring they meet regulatory requirements to manage risks and protect end-user funds.
- New entities, such as registered and supervised payment service providers, can now apply to become members of Payments Canada and participate directly in national payment systems, including the forthcoming Real-Time Rail payment system.

Next steps in the government's plan to support innovation in the financial sector include implementing new legislative frameworks to allow responsible innovation to flourish.

- ▷ Budget 2025 announces the government's commitment to advancing open banking by introducing legislation to complete the C*onsumer-Driven Banking Act*, and provide a data-mobility right in the *Personal Information Protection and Electronic Documents Act* to facilitate economy-wide data sharing.
- ▷ Budget 2025 announces the government's intention to delegate oversight of the *Consumer-Driven Banking Act* to the Bank of Canada, building on its oversight activities of payment service providers. The Bank of Canada will retain up to $19.3 million over two years on a cash basis from its remittances to the Consolidated Revenue Fund to support implementation. The remaining funding that had been previously allocated to the Financial Consumer Agency of Canada in the *2024 Fall Economic Statement* will not be spent, amounting to $36.9 million over two years.
- ▷ Budget 2025 proposes to provide $25.7 million over five years, beginning in 2025-26, and $5 million ongoing, for the Canadian Security Intelligence Service and the Royal Canadian Mounted Police to support national security safeguards in the Consumer-Driven Banking Act.

- Budget 2025 further announces that the government will accelerate the next phase of consumer-driven banking, including legislating the ability to direct actions, such as switching accounts or making bill payments, or "write access," by mid-2027, once Canada's Real-Time-Rail project is live and in widespread use.
- Budget 2025 reaffirms the government's support for the launch of Canada's nation-building payments infrastructure, the Real-Time-Rail, in 2026. This payments system will enable money to move instantly between accounts, eliminating wait times and enabling innovative new use-cases for payments.
- Budget 2025 also announces the government's intention to introduce legislation to regulate the issuance of fiat-backed stablecoins in Canada.
    - This legislation will require issuers to maintain and manage adequate asset reserves, establish redemption policies, implement risk management frameworks, and protect the sensitive and personal information of Canadians. The legislation will also include national security safeguards to support the integrity of the framework so that fiat-backed stablecoins are safe and secure for consumers and businesses to use.
    - To administer the relevant legislation, the Bank of Canada will retain $10 million over two years, starting in 2026-27, from its remittances to the Consolidated Revenue Fund. Administrative costs in subsequent years are projected to be $5 million per year and will be offset from stablecoin issuers regulated under the Act.
    - Related amendments to the *Retail Payment Activities Act* will also be made to enable the regulation of payment service providers that carry out payment functions using prescribed stablecoins.

The government will also explore options and work with the private sector to encourage the adoption of artificial intelligence in the financial sector in ways that advance innovation and build trust in its use.

Transforming the Payments Experience for Canadians

Payments are at the heart of Canada's financial system and are essential to a strong, modern, and well-functioning economy. Budget 2025 takes important steps in modernising how consumers and businesses can send, spend, and receive money—making payments safer, faster, and more convenient for everyone.

Safer payments: Since September 8, 2025, the Bank of Canada is supervising close to 1,500 payment service providers, ensuring Canadians can continue to have confidence in using their services.

More choice for Canadians: On September 25, 2025, the government expanded membership eligibility in Payments Canada to allow new firms to apply for direct participation in Canada's core payment systems, providing Canadians with more choice on providers of financial services.

Faster payments: Payments Canada's Real-Time Rail, a new fast payments system launching in 2026, will enable Canadians and businesses to send and receive money instantly, any time, any day.

Consumer-Driven Banking: Budget 2025 introduces the next phase of consumer-driven banking, with a commitment to extend the framework to include payment initiation by mid-2027—making it faster and easier to pay directly from your bank account in another app.

Stablecoins: Budget 2025 introduces a new federal framework to regulate the issuance of fiat-backed stablecoins, making them safer for Canadians and businesses and helping build trust in digital payments.

Transparent international remittance pricing: The government intends to introduce new transparency requirements for banks for cross-border transfers, including associated foreign exchange costs, ensuring Canadians can easily compare pricing before completing a transaction.

Resolving misdirected payments: The government intends to introduce new requirements for banks to investigate and attempt to resolve transfers accidentally sent to the wrong recipient.

4. Simplifying the Regulatory and Legislative Environment

The government will undertake work to streamline and simplify regulation in the

financial sector, to ensure Canada's regulatory environment remains efficient and supports innovation.

- As a first step, Budget 2025 announces the government's intention to make federal financial sector consultations more predictable and transparent for stakeholders through better coordination and communication among federal financial regulators and the Department of Finance Canada and by sharing how the potential impacts of new requirements have been considered.

Going forward, the Department of Finance will work with agencies with regulatory responsibilities over the financial sector to seek ways to reduce red tape and the regulatory burden on financial institutions and unlock more private capital.

Restricting Non-Compete Agreements

Competitive labour markets foster innovation and productivity. However, non-compete agreements that prevent workers from moving to rivals or starting a competing business reduces competition and undermines the efficiency of the labour market. Restricting the use of non-compete agreements will protect workers' rights, promote labour mobility, strengthen competition, and empower workers to move to a higher-paying job or start their own business.

- Budget 2025 announces that the government intends to amend the *Canada Labour Code* to restrict the use of non-compete agreements in employment contracts for federally regulated businesses. The government will launch consultations on proposed legislative changes in early 2026.

Gender and Diversity Impacts Spotlight

Budget 2025 will support First Nations, Métis, and Inuit by:

- Building the capacity of Indigenous communities to participate in Crown consultation processes through the **Federal Initiative on Consultation**. This will help ensure the perspectives, rights, and interests of First Nations, Métis, and Inuit are reflected throughout major project planning and decision making. Effective Crown-Indigenous consultations increase certainty for all parties and will create a clearer path for Indigenous communities to shape and benefit from projects of national interest.

Budget 2025 prioritises financial well-being for lower-income populations by:

- **Advancing Consumer-Driven Banking**. Lower-income and financially stressed households are expected to benefit most through access to lower-cost products, clearer choices, and tools to manage debt and reduce financial stress.

For more information on the expected impacts of Budget 2025 measures on these and other diverse groups of Canadians, please see Annex 6.

Chapter 1
Building a Stronger Canadian Economy

millions of dollars

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	*Total*
1.1 Accelerating Major Nation-Building Projects	**27**	**71**	**49**	**47**	**50**	***244***
Launching the Major Projects Office[1]	47	71	49	47	50	*264*
Less: Funds Previously Provisioned in the Fiscal Framework	*-20*	*0*	*0*	*0*	*0*	*-20*
1.2 Supercharging Growth	**54**	**2,833**	**3,026**	**3,601**	**2,926**	***12,440***
Productivity Super-Deduction*	45	280	360	385	420	*1,490*
Enhancing the Scientific Research and Experimental Development Tax Incentives*	3	70	85	65	70	*293*
Seizing the Full Potential of Artificial Intelligence*	5	11	186	677	67	*946*
Less: Funds Previously Provisioned in the Fiscal Framework	*-4*	*-5*	*-181*	*-610*	*0*	*-800*
Less: Funds Sourced From Existing Departmental Resources	*-1*	*-6*	*-5*	*-4*	*-4*	*-21*
Protecting Canadian Intellectual Property*	0	54	54	54	21	*182*
Investing to Build High-Growth Companies and Emerging Fund Managers	0	16	22	25	-10	*53*
Less: Funds Previously Provisioned in the Fiscal Framework	*-53*	*-75*	*-63*	*96*	*123*	*28*
2026-2028 Immigration Levels Plan	0	10	27	23	21	*81*
Forgone Revenues	0	19	41	84	84	*227*
Improving Foreign Credential Recognition[2]	0	3	5	29	30	*67*
Less: Funds Sourced From Existing Departmental Resources	*0*	*-3*	*-5*	*-29*	*-30*	*-67*
Recruiting International Talent*	59	226	226	196	172	*879*
Catalysing Investment in Airports and Ports*	0	13	13	13	16	*55*
Generational Infrastructure Investments*	0	4,750	5,050	5,450	4,850	*20,100*

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	*Total*
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*-2,530*	*-2,788*	*-2,853*	*-2,903*	*-11,073*
1.3 Launching the Climate Competitiveness Strategy	**4**	**87**	**210**	**144**	**144**	***589***
Boosting Clean Economy Investment Through Tax Credits*	0	1	1	1	1	*4*
Supporting Critical Minerals Projects*	4	86	209	143	143	*585*
1.4 Increasing Competition	**2**	**10**	**-4**	**4**	**5**	***17***
A More Competitive and Innovative Financial System	2	21	20	10	10	*64*
Less: Costs to be Recovered	*0*	*0*	*0*	*-5*	*-5*	*-10*
Less: Funds Sourced From Existing Departmental Resources	*0*	*-11*	*-24*	*-1*	*-1*	*-36*
Additional Investments – Building a Stronger Canadian Economy	**1**	**6**	**-269**	**-1,194**	**1,506**	***48***
Investing in Canada Infrastructure Program*	0	0	-300	-1,200	1,500	0
Year-over-year reallocation of committed funding for the Investing in Canada Infrastructure Program.						
Improving VIA Rail Service in the Corridor*	1	2	2	2	2	*8*
Funding proposed for VIA Rail Canada to implement technologies to improve on-time performance on its corridor services.						
Supporting Medical School Infrastructure*	0	0	25	0	0	*25*
Funding to support the Toronto Metropolitan University's School of Medicine campus and teaching infrastructure.						
Landfill Methane Regulations	0	4	4	4	4	*15*
Funding proposed for ECCC to implement and enforce methane regulations for large landfills.						
Chapter 1 - Net Fiscal Impact	**88**	**3,007**	**3,013**	**2,601**	**4,630**	***13,339***
Of which, capital investment:	***109***	***2,741***	***2,726***	***2,137***	***4,207***	***11,920***

[1] $40 million over two years, starting in 2024-25, in funding to ISC through the Strategic Partnerships Initiative to support Indigenous capacity building and consultation on nation-building for meaningful Indigenous participation in nation-building projects was previously announced on July 19, 2025.

[2] Improving Foreign Credential Recognition was announced on October 27, 2025.

*Measure includes funding classified as a capital investment.

Note: Numbers may not add due to rounding. A glossary of abbreviations used in this table can be found at the end of Annex 1.

APL
HYUNDAI
K LINE
MAERSK
SEALAND
EVERGREEN

CHAPTER TWO

SHIFTING FROM RELIANCE TO RESILIENCE

2.1 Protecting Canada's Strategic Industries

2.2 Growing Canada's Trade with the World

The global trade landscape is rapidly changing, shaped by growing geopolitical tensions and persistent unfair trade practices. Amid these shifts, the United States is fundamentally transforming all of its trade relationships. The effective U.S. tariff rate is now the highest it has been since the Great Depression in the 1930s, and these tariffs are being applied to all countries and nearly all goods. Canada has the best deal of any U.S. trading partner—85 per cent of trade with the U.S. is now tariff free and we have the lowest average tariff of any country in the world. Yet, we cannot rely on our most important trade relationship as we once did.

The changes in the U.S. policy go beyond tariffs. Countries must now buy access to the world's largest economy through investments, unilateral trade liberalisation, and policy changes in their home markets.

All the while, the transformation of global trade is occurring against a backdrop of wide economic disruptions: geopolitical realignment, AI and technological transformations, and a shift to a low-carbon economy.

The effect is profound—hurting companies, displacing workers, disrupting supply chains, forcing companies to rethink where they source their materials and products, and causing uncertainty that is curbing investment.

This disruption calls for a new, bold approach. Given we cannot control what other nations do, Canada's new government is focused on what we can control: building our strength at home. Canada will invest in domestic production, Canadian expertise, and diversifying trade with reliable economic partners. This is how we will meet the challenges of our times: through a strong and resilient Canadian industrial base.

Our new industrial strategy will transform our economy—from one that is overly reliant on a single trading partner, to one that is more resilient to global shocks. A new economy built on the solid foundation of Canadian industries and bolstered by diverse international trade partners.

2.1 Protecting Canada's Strategic Industries

In order to protect, retool, and support the largest industrial pivot in a generation, Canada's new government introduced a series of new, strategic measures for workers and businesses in those sectors most impacted by U.S. tariffs and trade disruptions—from the auto industry, to steel and aluminum, to forestry and agriculture. Canada has also adopted a series of protective measures—including counter tariffs—in order to safeguard Canadian workers and businesses. These initiatives will help workers acquire new skills and businesses retool their production and diversify their products, while spurring more domestic demand for Canadian businesses. As we build the economy of the future, we are ensuring workers and industries can seize its opportunities.

These new measures will help give industries and workers the tools they need to build a better future. With economic uncertainty creating a challenging investment environment in Canada, the time to act is now. That's why the government is stepping in with the most comprehensive suite of trade resilience measures in Canadian history. By supporting our workers and industries, we will build Canada strong.

Protecting Workers and Transforming Canada's Strategic Industries

Canada's new government is building a new industrial strategy to meet this moment. This will transform our economy—from one of reliance on specific trade partners to one that is more resilient to global shocks.

Given the urgency of the moment, the government has announced a series of new measures to protect workers and businesses in sectors most impacted by U.S. tariffs and trade disruptions. During this time of uncertainty, Canada's new government is supporting our auto workers and agricultural producers, manufacturers, and other workers who have felt the effects of trade tensions. As set out below, over $25 billion has been announced for supports for workers and businesses, with an expected cost of over $12 billion on an accrual basis over five years, starting in 2025-26. The government also expects $4.4 billion in tariff revenue. These measures will help give industries and workers the tools they need to build a more resilient Canadian economy.

1. Support for Agriculture, Fish, and Seafood

Canada is one of the largest exporters of agriculture, fish, and seafood in the world, and these sectors contribute to Canada's competitiveness, sustainability, and food security. The Canadian agricultural sector is a symbol of the country's ingenuity, resilience, and ability to move up the value chain. Together with the fish and seafood sectors, it plays a vital role in supporting jobs and growth across the country and in rural communities. With clear standards for labelling food products, the government helps customers choose Canada. The government is helping these sectors adapt and respond to economic challenges and a shifting trade environment, while positioning them to take advantage of new opportunities. The government has committed more than $639 million over five years, starting in 2025-26, for the following measures:

- $109.2 million in 2025-26 to Agriculture and Agri-Food Canada for the federal-provincial-territorial cost-shared **AgriStability program**, to increase the compensation rate for agricultural producers from 80 to 90 per cent, along with raising the payment cap per farm from $3 million to $6 million. This is available to help agricultural producers cope with large declines in farming income due to increased costs, adverse market conditions, and other challenges.
- $75 million over five years, starting in 2026-27, to Agriculture and Agri-Food Canada for the **AgriMarketing Program** to enhance the diversification and promotion of Canada's agriculture, agri-food, fish, and seafood products into new markets.
- $97.5 million over two years, starting in 2025-26, to temporarily increase the **Advance Payments Program's** interest-free limit to $500,000 for canola advances for the 2025 and 2026 program years, together with the temporary increase to $250,000 of the interest-free limit for all producers for the 2025 program year, which will result in interest savings for producers while increasing access to cash flow to help cover costs until they sell their products.
- $372 million over two years, starting in 2026-27, to Natural Resources Canada to establish a **Biofuels Production Incentive** to support the stability and resiliency of domestic producers of biodiesel and renewable diesel, of which $175.2 million will be repurposed from the Clean Fuels Fund; and the intention to make targeted amendments to the *Clean Fuel Regulations* to support the domestic biofuels industry.

In addition, Farm Credit Canada launched the **Trade Disruption Customer Support Program** in March 2025 to make available $1 billion in new lending to help reduce financial barriers for the Canadian agriculture and food industry.

2. Support for Forestry

The government is helping the forestry and softwood lumber sector transform to remain competitive. These measures will help unlock the full potential of the industry to keep pace with increased housing and major infrastructure construction.

- Up to $700 million over two years on a cash basis, starting 2025-26, in loan guarantees administered by the Business Development Bank of Canada, to help ensure companies have the financing and credit support they need to maintain and restructure their operations during this period of transformation.

- $500 million over three years on a cash basis, starting in 2026-27, to renew and expand existing Natural Resources Canada's forestry programs focused on market and product diversification (including new export initiatives). It also includes a commitment to prioritise Canadian materials in construction and changing federal procurement processes to require companies contracting with the federal government to source Canadian lumber.

3. Equipping Companies for Growth and Diversification

Canada's new government is helping companies overcome immediate trade pressures and providing them with support to pivot, grow, or diversify their operations by supporting projects to deepen their reach within Canada and find new reliable markets abroad.

- $5 billion over six years, starting in 2025-26, for the **Strategic Response Fund**, a new program with flexible terms to help firms in all sectors and regions impacted by tariffs to adapt, diversify, and grow. The program will seek to maintain industrial capacity by offsetting new market access costs, supporting retooling, and helping Canada-based firms to expand or secure new markets. This includes $1 billion in **Strategic Innovation Fund** support for the steel industry's transition toward new lines of business and strengthening domestic supply chains announced in July 2025.

- Up to $1 billion over three years, starting in 2025-26, to the Regional Development Agencies for the **Regional Tariff Response Initiative** to support businesses impacted by tariffs across all affected sectors, including increasing non-repayable contributions for eligible businesses.

4. Supporting Workers

The government is implementing a new reskilling package for workers, has made Employment Insurance more flexible and with extended benefits, and will launch a new digital jobs and training platform with private-sector partners to connect Canadians more quickly to careers.

- $570 million over three years, starting in 2025-26, through **Labour Market Development Agreements** with provinces and territories to support training and employment assistance for workers impacted by tariffs and global market shifts.
- $382.9 million over five years, starting in 2026-27, and $56.1 million ongoing, to launch new **Workforce Alliances** to bring together employers, unions, and industry groups to work on ways to help businesses and workers succeed in the changing labour market and coordinate public and private investments in skills development. A new **Workforce Innovation Fund** will invest in projects tailored to local job markets to help businesses in key sectors and regions recruit and retain the workforce they need.
- Temporary flexibilities to the **Employment Insurance Work-Sharing program**, as announced on March 7, 2025, to provide EI benefits to eligible employees who agree to work reduced hours due to a decrease in business activity beyond their employer's control. This helps employers and employees avoid layoffs while supplementing reduced income with EI benefits. This measure is expected to cost $370.5 million over five years, starting in 2025-26, and $18.5 million ongoing.
- Temporary **Employment Insurance** measures that enhance income supports for Canadian workers whose jobs have been impacted by the economic uncertainty caused by foreign tariffs. These supports are expected to cost $3.7 billion over three years, starting in 2025-26.
- $50 million over five years, starting in 2026-27, and $8 million ongoing, to implement a new digital tool to facilitate job search and applications, and launch a national online training platform in partnership with the private sector.

5. Ensuring Access to Financing

The government has also introduced liquidity measures to support small, medium, and large Canadian businesses. These measures include:

- Launching the **Large Enterprise Tariff Loan** (LETL) facility, a $10 billion financing facility designed to support otherwise successful Canadian firms negatively affected by actual or potential tariffs and countermeasures. The Canada Enterprise Emergency Funding Corporation (CEEFC) announced its first LETL loan to Algoma Steel Inc., which will provide Algoma with access to $400 million in liquidity, with the Government of Ontario contributing an additional $100 million under the same terms to help stabilise a major Canadian player in the competitive steel industry, amid current disruptions to the global steel trade.
- Enhancing the Business Development Bank of Canada's $500 million **Pivot to Grow** program to provide support to eligible small- and medium-sized steel enterprises facing liquidity challenges. This program will cost $231 million on an accrual basis over five years starting in 2025-26.
- $940 million in 2025-26 for the deferral of corporate income tax payments and GST/HST remittances due to the Canada Revenue Agency from April 2 to June 30, 2025, providing up to $40 billion in liquidity support for Canadian businesses.

Becoming Our Own Best Customer

To build our strength at home, we have to focus on what we can control. We can control who we buy from, and we choose to buy Canadian. The government is launching a new **Buy Canadian Policy**—moving from "best efforts" to a clear obligation to buy Canadian. When domestic suppliers are not available, purchases will be required to include Canadian content or be sourced from trusted partners. Such cases will remain the exception, not the norm, and will require ministerial approval. To facilitate the implementation of the **Buy Canadian Policy**, the government will also implement regulatory amendments to ensure that Buy Canadian aspects of federal procurement processes are not subject to review by the Canadian International Trade Tribunal.

This new approach will extend to all federal agencies and Crown corporations, like VIA Rail and Alto, which is responsible for the new High-Speed Rail initiative, leveraging every public dollar to strengthen Canada's economy, create jobs, and building capacity at home. The policy will also cut red tape and make it

easier for Canadian businesses to access federal procurement opportunities. This policy will ensure that federal procurement will also support Canadian social enterprises.

To support this policy, the federal government will also set up a **Small and Medium Business Procurement Program** to help Canadian small- and medium-sized enterprises access federal procurement opportunities.

Canada's new government is on a mission to build Canada strong through major infrastructure projects, a modern defence industry, and millions more homes. Through the new **Buy Canadian Policy**, we are making government a force for nation-building—becoming our own best customer, protecting Canadian businesses, and empowering our workers with high-paying careers that build prosperity at home.

- Budget 2025 proposes to provide $98.2 million over five years, starting in 2026-27, and $9.8 million ongoing to Public Services and Procurement Canada and $7.7 million over three years, starting in 2026-27, to the Treasury Board Secretariat to support the implementation of the new **Buy Canadian Policy**.
- Budget 2025 also proposes to provide $79.9 million over five years, starting in 2026-27, to Innovation, Science and Economic Development Canada to support the new **Small and Medium Business Procurement Program**.

Investing Where It Counts: Resilient Canadian Power Through the Darlington New Nuclear Project

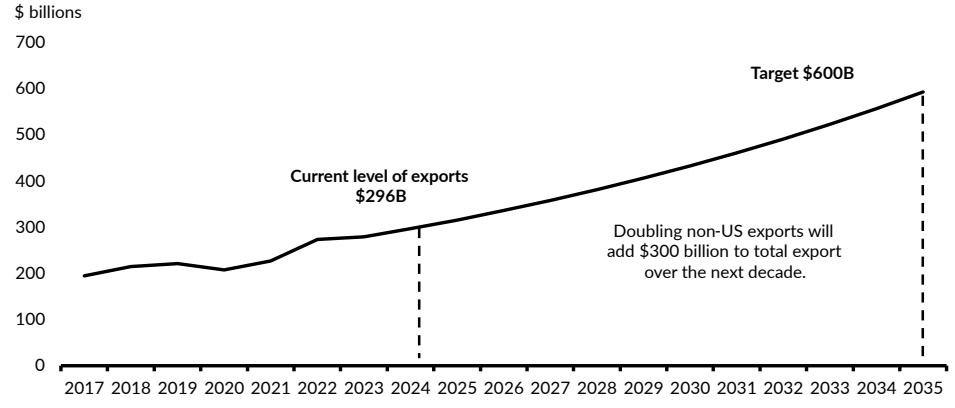
Canada will be the first G7 country to bring small modular reactor (SMR) power online, helping to drive innovation, jobs, and industrial growth. At full potential of four SMRs, the Darlington New Nuclear Project in Bowmanville, Ontario, will provide 1,200 megawatts of clean, reliable electricity, the equivalent of around 1.2 million homes.

The project was made possible through a federal and provincial commitment to invest in a stronger, more resilient Canada. The project is also an example of securing broader benefits to the Canadian economy, with an estimated 80 per cent of small modular reactor construction to occur in Ontario.

As announced on October 23, 2025, financial support includes a $2 billion investment from the Canada Growth Fund, along with an additional $1 billion investment from the province of Ontario, through the Building Ontario Fund.

2.2 Growing Canada's Trade with the World

Chart 2.1 – Doubling exports of goods and services to non-U.S. markets over the next decade



Data: Statistics Canada; Oxford Economics.
Source: Office of the Chief Economist, Global Affairs Canada.

A New Trade Infrastructure Strategy

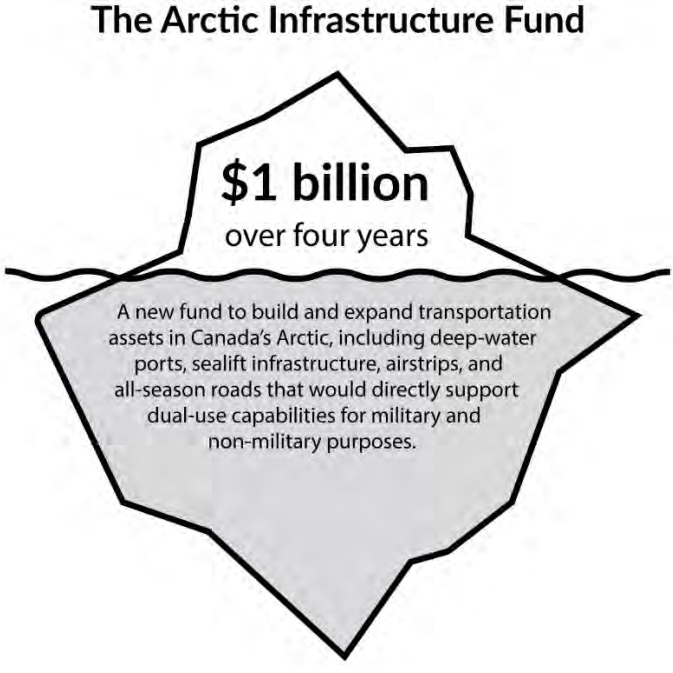
As Canada deepens its trade relationships with reliable partners, we will need to build the infrastructure that will advance our goal of doubling non-U.S. exports over a decade, generating $300 billion more in trade. To that end, Budget 2025 includes a suite of new supports for trade and transportation infrastructure projects. These new initiatives will be supported by the Canada Infrastructure Bank in assessing projects and determining the appropriate mix of government supports.

- Budget 2025 proposes to provide $5.0 billion over seven years, starting in 2025-26, to Transport Canada to create the **Trade Diversification Corridors Fund**. By investing in the infrastructure that moves our products to global markets, this fund will strengthen supply chains, unlock new export opportunities, and build a more resilient, diversified economy. The Fund will support projects of all scales, including digital infrastructure, to improve the ability of our imports and exports to travel efficiently across the country and to and from the rest of the world. For example, the government will consider investments in key projects in the Great Lakes-St. Lawrence Region, at ports in northeastern Québec like enhancing the Port of Saguenay's capacity to build a second wharf, rail lines in Alberta, port and rail infrastructure on the West Coast, and more.

- As part of additional resources for Canada Border Services Agency (CBSA) announced on October 17, 2025, CBSA will work with Public Safety, Transport Canada, and Global Affairs Canada to identify additional ports for container import and export designation, particularly in the Great Lakes-St Lawrence Region, like Québec City and Hamilton. This will help catalyse private investment at ports and is essential to diversifying our trade.

We must also protect our sovereignty in the North and connect northern communities to domestic and global markets. While increasing trade opportunities and improving defence readiness, investments in northern transportation infrastructure can improve the lives of northern residents, including for First Nations, Inuit, and Métis communities, through new connections to Canada's economy and transportation network.

- Budget 2025 proposes to provide $1 billion over four years, starting in 2025-26, to Transport Canada to create the **Arctic Infrastructure Fund**, which will invest in major transportation projects in the North with dual-use applications for civilian and military use, including airports, seaports, all-season roads, and highways. These investments will strengthen Canada's sovereignty, support economic development and job creation in Northern communities, advance Indigenous economic reconciliation, and promote further trade diversification by opening new gateways to global markets. Dual use infrastructure investments in the North will reliably meet both military and local needs, and the government recognizes that Inuit, First Nations, and other communities are best placed to identify community needs.



- To facilitate the **Arctic Infrastructure Fund's** support for northern projects, Budget 2025 also proposes to provide $25.5 million over four years, starting in 2025-26, to Crown-Indigenous Relations and Northern Affairs Canada, and $41.7 million over four years, starting in 2025-26, to Canadian Northern Economic Development Agency, to help accelerate regulatory processes in Canada's North—including consultation with Indigenous governments and organisations, and local northern communities. Canada is an Arctic nation. Indigenous partnerships are critical to Canada's sovereignty and security related investments.

Investing Where It Counts: Infrastructure to Diversify Trade

Improving Canada's transportation network strengthens economic resilience and supports trade diversification. Canada is a trading nation with trade totaling approximately two-thirds of gross domestic product (GDP). However, Canada's trade remains heavily concentrated with a single partner: the United States. At the same time, Canada has significant untapped potential to diversify its trade. While Canada's trade deal with the United States and Mexico gives preferential access to about 28 per cent of the global economy, its network of other trade agreements extends that reach to around 66 per cent, including every other G7 country.

Canada holds a comparative advantage not only in primary sectors—such as agriculture, forestry, fishing, mining, and oil and gas—but also across a range of manufacturing industries, including wood, paper, transportation equipment, aerospace, food and beverage, and primary metals. This is in addition to a thriving services, technology and value-added goods trade—the economy of the future.

Unlocking this potential requires targeted, forward-looking investments in trade infrastructure that allow goods to move efficiently, avoiding bottlenecks. To enable this investment, Budget 2025 proposes to invest $6 billion in Canadian transportation infrastructure, which could raise productivity and increase Canadian GDP by up to $21 billion.

Beyond facilitating access to international markets for Canadian companies affected by trade disruptions, these investments will benefit the broader economy by connecting markets, enabling businesses and industries to expand, all while creating jobs and ensuring Canadians have access to alternative suppliers when trade is disrupted. By improving the efficiency and resilience of Canada's transportation network, trade infrastructure investment directly supports both economic growth and strategic trade diversification.

Growing and Diversifying Canada's Trade

1. Export Development Canada's Support for Trade Diversification: Growing Business by $25 billion

The measures proposed in Budget 2025 expand on recent initiatives brought forward to help Canadian exporters reach new markets, including Export Development Canada (EDC)'s two-year, $5 billion **Trade Impact Program**, which launched in March 2025 and offers a range of export tools including trade credit insurance, export guarantees, and foreign exchange guarantees. Across virtually all sectors, companies are facing increased uncertainty and costs, and EDC continues to actively engage with customers and industry stakeholders to better understand their needs and to determine how to best support them.

- Budget 2025 announces the government's intention for EDC to increase total business facilitated by $25 billion by 2030. This will help expand Canada's exports and trade development activities in sectors of strategic importance for Canada, including in critical minerals, energy, clean technology, infrastructure, and defence.

2. Strengthening Ties in the Indo-Pacific and Europe

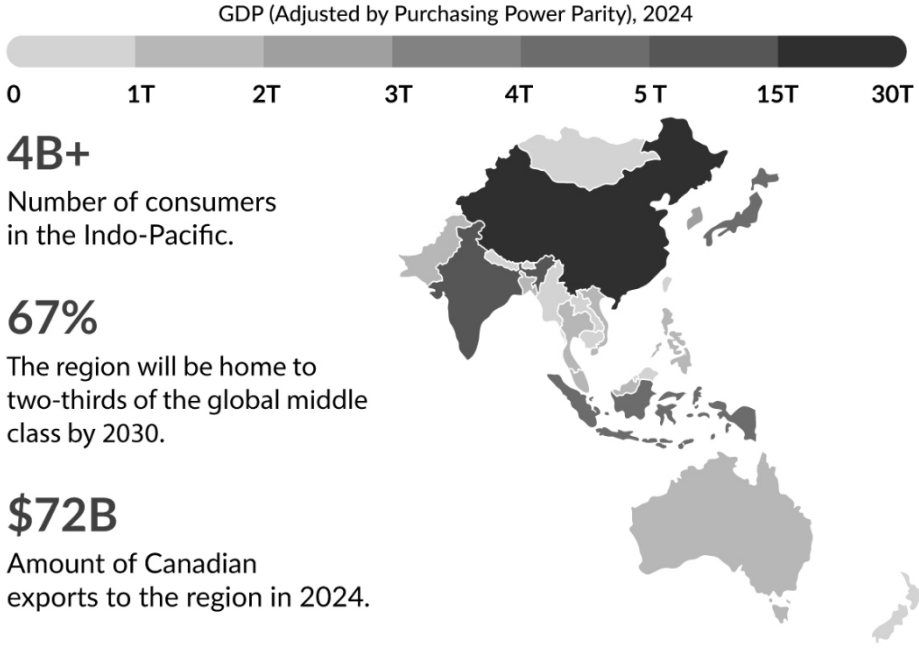
Canada's path to long-term economic resilience hinges on diversifying our exports. This means doing more business across the world—particularly in growth-markets—to increase overall trade volumes, move beyond traditional north-south trade patterns, and strengthen our collaboration with reliable trading partners and Allies around the world. In particular, the government will focus its efforts on the Indo-Pacific—a pivotal source of long-term demand—and in Europe, where businesses can take advantage of established export links, a similar business culture, shared geopolitical interests, and emerging sectoral opportunities.

Despite a more expansive free trade network than any other G7 country, offering access to about two thirds of the global economy, 70 per cent of Canadian exports remained concentrated in the U.S. as of 2024, with only 4 per cent directed to CETA markets and 8 per cent to CPTPP countries. Recent survey data from EDC shows that goods exporters are continuing to prioritise North American and advanced European markets for expansion, with economies in Asia notably absent from their plans.

Canada enters this period of trade transformation in a highly favourable position—the first G7 country with free trade agreements with all of its G7 partners. Demand is high and will remain at this level for many of the goods we produce in abundance, including energy, potash and other critical minerals, agri-food, and related products—as well as value-added goods, services, and technology. And we are similarly well-placed as an investment destination. In exchange, partnerships with foreign firms can offer Canadian businesses new footholds in global supply chains.

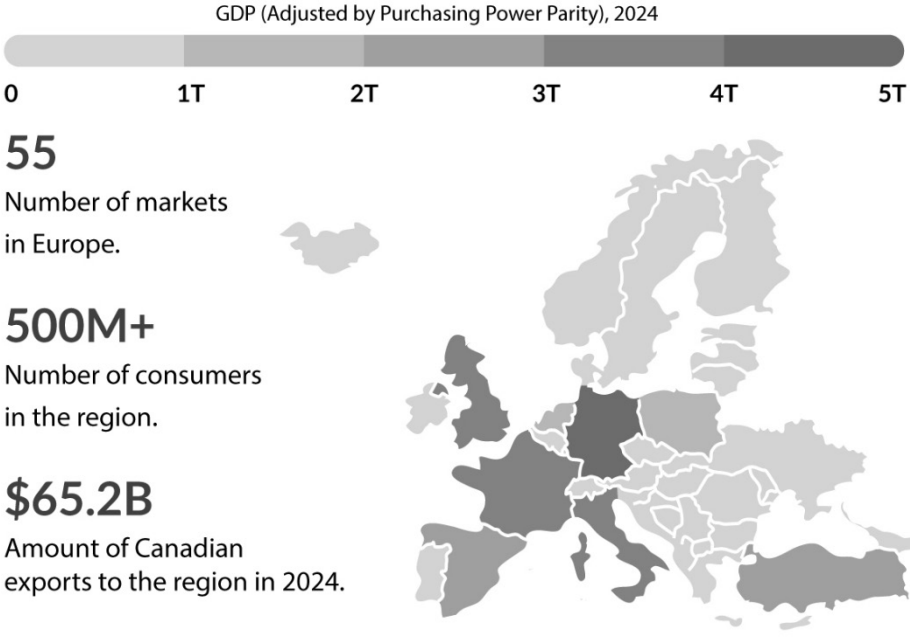
The government is committed to equipping Canadian businesses to compete globally in sectors where we are traditionally strong, as well as in new markets for new advanced technologies that will shape the economies of the future. This renewed effort, supported by over $1.7 billion in new investments, forms a key part of Canada's new comprehensive industrial strategy for building the strongest economy in the G7.

Leveraging Strategic Opportunities in the Indo-Pacific Region



Agriculture and Agri-Food	The Indo-Pacific region is a critical market for Canadian agriculture. Our agri-food products and innovation can help the region's population and growing middle-class meet its food and nutrition needs.
Clean Technology	Canadian capital, expertise, and cleantech innovations are in demand as Asia seeks to urbanise and industrialise in a sustainable manner. There are significant opportunities to export our nuclear technology.
Energy and Infrastructure	Countries across the Indo-Pacific are making infrastructure investments to support economic growth, power digital transformation, provide new services, and address climate change. We can help provide energy security to key partners in the region.
Advanced Manufacturing	The region is fast to adopt new technologies for manufacturing and digital transformation which creates opportunities for Canadian innovation.
Service Exports	Digital services are Canada's fastest growing export category. There are significant export opportunities for digital service exports in Indonesia, Japan, and the Philippines.

Leveraging Strategic Opportunities in Europe



Agriculture and Agri-Food	European farming and agriculture are changing, and sectors such as artificial intelligence and nanotech are assuming an increasing role in industry, which is opening a rich source of business opportunities.
Clean Technology	Countries throughout Europe have strong demand for Canadian clean technology and energy products. In 2025, the European Union (EU) released a roadmap to fully end dependency on Russian energy imports while providing affordable alternatives for citizens and industry.
Continental Defence and Ukrainian Reconstruction	There are opportunities for Canadian firms to support increased European defence spending, while Ukraine's reconstruction needs could total $1 trillion, and Canadian businesses can benefit from enormous opportunities across nearly every sector, from engineering and energy to agri-food, health care, and technology.
Minerals and Metals	Canada-EU cooperation on critical minerals offers strategic opportunities for Canada's mining sector. As the top western producer of aluminum, nickel, and platinum, and a source of copper, Canada has the potential to bring a significant amount of critical minerals into production, supporting the EU's electrification, decarbonisation, and national security.
Service Exports	Canada's post-pandemic growth in service exports has outshone that of many advanced economies, and Europe is Canada's second largest service export market, behind the United States.

To seize these opportunities, Budget 2025 proposes a step change, and a series of new measures to help Canadian enterprises compete and succeed internationally. These include concessional financing to open doors in priority markets, more financial support to help businesses explore international partnerships, and digitalisation and infrastructure investments to position Canada as a fast, reliable supplier of choice to the region.

3. Trade Diversification Strategy

Canada is setting a new goal to double non-U.S. exports over the next decade, generating $300 billion more in trade—that's an increase of over $100 billion in 5 years. To do this, Canada must focus on growing areas of key competitive advantage and supercharging engagement with the world's fastest growing markets.

- **New Strategic Exports Office:** Canada's competitors are increasingly fusing traditional diplomacy with commercial acumen to help their businesses and workers win opportunities abroad. To coordinate engagement across all departments and Government of Canada tools, a new Strategic Exports Office at Global Affairs Canada will curate a pipeline of international business opportunities and build sophisticated, proactive roadmaps for Canadian senior-level engagement to open doors and remove roadblocks for Canadian companies. This Office will operate with resolve and laser-focus to remove longstanding trade irritants, market access barriers, infrastructure gaps, and financing needs.

4. Making New Business-to-Business Connections in Europe

Building on recent and continuing efforts in the Indo-Pacific region, the government will launch a series of new initiatives to showcase the talent and competitiveness of Canadian enterprises in European markets.

- Budget 2025 proposes to provide $8 million over four years, starting in 2026-27, and $2 million ongoing, to Global Affairs Canada to deepen trade relations with European partners by undertaking new trade missions with Canadian businesses and supporting Canadian Chambers of Commerce in Europe.

Helping Small and Medium-sized Enterprises Abroad

Québec City's WaterShed Monitoring Inc's international success is a great Canadian small and medium-sized enterprise (SME) success story. With the help of Canada's Trade Commissioner Service (TCS), the water management company has grown and expanded in European countries, maintaining a corporate office in France. It is now pursuing opportunities in the Indo-Pacific region, with company representatives joining a Team Canada Trade Mission to Malaysia and Vietnam in March 2024 and taking part in the TCS' first South-East Asia Watertech Canadian Technology Accelerator in Singapore.

5. Removing Barriers and Modernising Trade

In addition to opening up access to new, high-growth markets, ongoing trade negotiations play an essential role in lowering the barriers businesses face under existing agreements. This includes important efforts to modernise rules that support trade in the rapidly expanding digital services sector.

- Budget 2025 proposes to provide $20 million over four years, starting in 2026-27, and $4.8 million ongoing, to enhance Global Affairs Canada's capacity to negotiate and implement trade and investment-related agreements.

Connecting Canadian Businesses to the Global Market

1. Seizing International Opportunities Through Trade Finance

For over 80 years, EDC has helped exporters to finance deals, offset the risks of doing business abroad, and access new markets. The government is committed to ensuring EDC's toolkit fits the needs of Canadian exporters and supports resilience and growth in the current trade context.

- Budget 2025 announces the government's intention for EDC to launch a $2 billion concessional trade finance envelope, on a cash basis, to encourage international partners to buy Canadian. This new financial tool will help exporters in key sectors—such as infrastructure and clean technology—to engage in projects in some of the world's fastest-growing developing economies, particularly in the Indo-Pacific region, and to participate in the reconstruction of Ukraine's critical infrastructure. This will be funded from EDC's existing capital envelope and Global Affairs Canada's existing departmental resources.

2. Backing for Businesses Exploring New Markets

Financial supports and specialised advisory services help businesses grow internationally by enabling them to manage important upfront investments, such as travel, distribution and agent fees, product licensing, and hiring staff. A range of supports are available through specialised federal entities, and are often complemented by provincial or territorial programs.

- Budget 2025 proposes to provide $68.5 million over four years, starting in 2026-27, with $19.9 million ongoing, to Global Affairs Canada to enhance **CanExport**, which encourages small- and medium-sized enterprises (SMEs), national industry associations, and innovators to diversify their exports to new markets abroad by sharing the costs of international business development activities, such as legal expenses, trade shows, and market research. Of this amount, $14.6 million over four years starting in 2026-27 and $2.6 million ongoing will be repurposed from existing resources.

- Budget 2025 proposes to provide $7.6 million over four years, starting in 2026-27, with $2.1 million ongoing to Global Affairs Canada to support Canadian companies through the **Innovation Partnership Program** and the **Canadian Technology Accelerator**. The **Innovation Partnership Program** helps Canadian companies scale up their exports through international partnerships, and the **Canadian Technology Accelerator** helps Canadian technology companies access international markets and export opportunities. Of this amount, $1.9 million over four years, starting in 2026-27, and $0.6 million ongoing will be repurposed from existing resources.

- Budget 2025 proposes to provide $46.5 million over four years, starting in 2026-27, to Innovation, Science and Economic Development Canada for the **SME Export Readiness Initiative**, to support training for SMEs with limited exporting experience to build capacity to make informed, strategic decisions as they diversify trade. This will help Canadian firms access and be successful in new international markets and increase economic resilience.

- Budget 2025 proposes to provide $4.2 million over three years, starting in 2027-28, and $1.4 million ongoing to Natural Resources Canada to maintain capacity to promote nuclear energy exports and strategic engagement in key export markets.

- Budget 2025 proposes to provide $39.9 million over four years, starting in 2026-27, and $11.1 million ongoing to the National Research Council of Canada's Industrial Research Assistance Program to expand the **Clean Technology Demonstration initiative** to global markets.

Increasing Food Exports

Canada's agricultural producers and fish and seafood harvesters are known around the world for the quality, safety, and sustainability of their products, from canola to seafood to beef. Recent trade tensions and retaliatory measures have created challenges for these key sectors, and the government continues to stand behind them in defending fair, rules-based trade. With global demand for high-quality, nutritious food and plant protein on the rise, Canada is ready to meet the moment: expanding agriculture and agri-food, fish, and seafood exports, adding more value at home, and making export processes faster, more efficient, and more digital to help agriculture producers, harvesters, and processors reach new markets.

- Budget 2025 proposes to provide $76 million over five years, starting in 2026-27, with $31.3 million in remaining amortisation, to the Canadian Food Inspection Agency (CFIA) to support modernised digital trade tools and services and integrate artificial intelligence into internal processes. This includes moving away from paper-based systems and expanding the use of digitalised import and export certificates to simplify processes, reduce the risk of errors, fraud, and delays, and enhance traceability. Export certificates would also be standardised to help exporters adhere to other countries' requirements and reduce the burden of attesting to product safety. These investments will support faster, simpler, and more reliable services from the CFIA—crucial for Canadian exporters.

- Budget 2025 proposes to provide $32.8 million over four years, starting in 2026-27, and $9.6 million ongoing to the CFIA to secure, expand, and restore market access for Canadian agriculture and agri-food, fish, and seafood sectors. This includes engaging directly with other countries to strike new trade agreements and expand existing ones, identify and address trade barriers, enhance regulatory cooperation, and advocate for greater market access.

As a prominent exporter of grain, Canada is reliant on a robust and well-coordinated supply chain to facilitate the efficient movement of grain across the country and to international markets. The government acknowledges the interdependence within Canada's grain supply chain and is committed to ensuring interests are appropriately balanced and that the system enables business investment and confidence in our capacity to meet the transportation needs of the sector.

- The government will continue ongoing work to assess the challenges facing different stakeholders within the supply chain and how changes in one area may impact others. This work includes longstanding issues, such as transportation forecasting and planning, and infrastructure capacity.

Gender and Diversity Impacts Spotlight

Budget 2025 takes action to support Canadian businesses by:

- Prioritising inclusion in federal procurement through a **new Buy Canadian Policy.** This will include a **Small and Medium Business Procurement Program** to help lower barriers for these enterprises accessing federal procurement opportunities.

Budget 2025 also works to ensure the benefits of growth are widely shared by removing barriers that limit participation and access for underrepresented groups by:

- **Enhancing Canada's Trade Access Through Digital Modernisation** to help agriculture, agri-food, fish and seafood producers, harvesters, and processors export more efficiently. Recognising digital divides, firms with limited internet, populations with lower digital literacy, and persons with disabilities may face barriers. To mitigate these barriers, the program will include real-time user feedback to address accessibility.
- **Amendments to AgriStability.** In the immediate term this program will support livestock agricultural producers with pasture-related feed charges but will also take steps to identify barriers for underrepresented groups who may face challenges in accessing financing, by starting voluntary collection of disaggregated data in fall 2025.

For more information on the expected impacts of Budget 2025 measures on these and other diverse groups of Canadians, please see Annex 6.

Chapter 2
Shifting from Reliance to Resilience

millions of dollars

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	*Total*
2.1 Protecting Canada's Strategic Industries[1]	**3,041**	**3,974**	**2,501**	**1,482**	**1,091**	***12,089***
Protecting Workers and Transforming Canada's Strategic Industries - Support for Agriculture, Fish, and Seafood*	178	230	201	15	15	*639*
Less: Funds Sourced From Existing Departmental Resources	*0*	*-3*	*-74*	*-87*	*-12*	*-175*
Protecting Workers and Transforming Canada's Strategic Industries - Support for Forestry	4	225	267	267	97	*859*
Protecting Workers and Transforming Canada's Strategic Industries - Equipping Companies for Growth and Diversification*	594	1,201	1,948	1,503	1,253	*6,499*
Less: Funds Previously Provisioned in the Fiscal Framework	*-1,000*	*-250*	*-250*	*-250*	*-250*	*-2,000*
Protecting Workers and Transforming Canada's Strategic Industries - Supporting Workers	1,989	2,371	371	104	103	*4,939*
Protecting Workers and Transforming Canada's Strategic Industries - Ensuring Access to Financing	1,276	159	-7	-108	-149	*1,171*
Becoming Our Own Best Customer[2]	0	41	45	38	33	*157*
2.2 Growing Canada's Trade with the World	**33**	**741**	**1,211**	**1,412**	**1,037**	***4,433***
A New Trade Infrastructure Strategy*	15	690	1,140	1,340	965	*4,150*
Making New Business-to-Business Connections in Europe	0	2	2	2	2	*8*
Removing Barriers and Modernising Trade	0	5	5	5	5	*20*
Seizing International Opportunities Through Trade Finance	64	48	48	0	0	*159*
Less: Projected Revenues	*0*	*-1*	*-2*	*-3*	*-3*	*-10*
Less: Funds Sourced From Existing Departmental Resources / Sourced from the International Assistance Envelope Strategic Priorities Fund	*-46*	*-46*	*-46*	*0*	*0*	*-138*
Backing for Businesses Exploring New Markets*	0	26	46	48	48	*167*
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*-5*	*-4*	*-4*	*-4*	*-17*
Increasing Food Exports*	0	22	23	24	24	*94*
Additional Investments – Shifting from Reliance to Resilience	**0**	**5**	**5**	**1**	**1**	***12***

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	*Total*
Migrating the Canada Tariff Finder Software*	0	0	0	1	1	*1*
Funding proposed for GAC to maintain the Canada Tariff Finder on a new server. The tariff finder provides important information on tariff rates in world markets to Canadian companies.						
Trade Controls to Defend Canadian Steel	0	4	4	0	0	*9*
Funding proposed for GAC to support the effective implementation of trade controls to defend the steel industry from trade diversion and global excess capacity.						
Enhancing Economic Expertise on Exporting Sectors	0	1	1	1	1	*2*
Funding proposed for GAC to augment economic analysis and policy expertise on exporting sectors.						
Amendments to AgriStability	0	8	8	8	8	*33*
Less: Funds Sourced From Existing Departmental Resources	*0*	*-8*	*-8*	*-8*	*-8*	*-33*
Amendments to the federal-provincial-territorial cost-shared AgriStability program to make pasture-related feed costs eligible under the program.						
Chapter 2 - Net Fiscal Impact	**3,074**	**4,720**	**3,717**	**2,895**	**2,129**	***16,534***
Of which, capital investment:	*-541*	*1,442*	*2,639*	*2,548*	*1,951*	*8,040*

[1] Several measures in Section 2.1. were announced between March 7 and September 5, 2025.
[2] Becoming Our Own Best Customer was announced on September 5, 2025.
*Measure includes funding classified as a capital investment.
Note: Numbers may not add due to rounding. A glossary of abbreviations used in this table can be found at the end of Annex 1.

CHAPTER THREE

EMPOWERING CANADIANS

3.1 Supercharging Home Building Across the Country

3.2 Tackling Affordability

3.3 Protecting Canadian Culture, Values, and Identity

A core mission of Canada's new government is to empower Canadians by building Canada's economic strength. From the beginning of our mandate, Canada's new government has been relentlessly focused on bringing down costs for Canadians. On its first day, we cancelled the divisive consumer carbon price—bringing down gasoline prices by approximately 18 cents per litre in most provinces and territories as of April 2025.

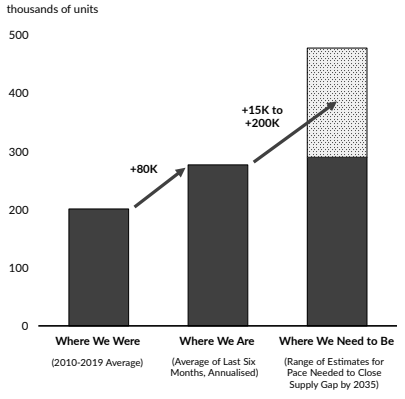
The government is also delivering on a tax cut for 22 million middle-class Canadians—saving a two-income family up to $840 per year. The government is reducing taxes to lower the cost of homeownership for first-time home buyers—saving Canadians up to $50,000 when they purchase a home for themselves and their families. The government cut tolls for all vehicles on the Confederation Bridge from over $50 to $20, and fares by 50 per cent on ferries in Atlantic Canada and to Les Îles-de-la-Madeleine—leading to a 25 per cent increase in usage for traffic leaving Prince Edward Island in August compared to the previous year.

By lowering costs for Canadians, the government is creating an economy where every Canadian has more control over building their own future. Canadians will strengthen our shared sense of identity, history, and geography by protecting our culture, nature, official languages, and core values—and we will continue to build the country and its economy in close partnership with Indigenous Peoples.

3.1 Supercharging Home Building Across the Country

Canada continues to face a steep housing supply gap. The Canada Mortgage and Housing Corporation (CMHC) estimates that to restore housing affordability to 2019 levels, homebuilding must nearly double to between 430,000 and 480,000 units per year over the next decade, while the Parliamentary Budget Officer (PBO) estimates 290,000 units annually would be needed to close the housing supply gap (Chart 3.1).

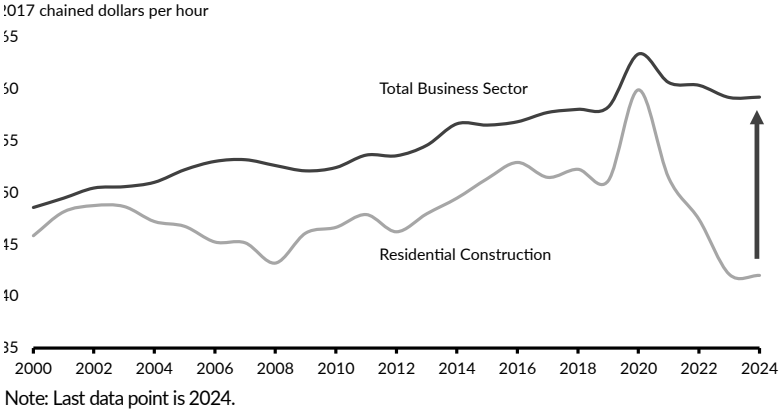
Chart 3.1 – Historical Housing Starts and the Building Pace Needed to Close the Housing Supply Gap



Note: The grey area represents estimates of the building pace needed over the next decade to close the housing supply gap, ranging from 290,000 units per year (PBO) to 480,000 units per year (CMHC, upper-end estimate).
Sources: Statistics Canada; CMHC; PBO.

The core challenge in the housing market is the difficulty in building housing stock. Loans are expensive, builders face multi-year delays in permitting, and land, development charges, and taxes can make up close to half of project costs. High construction costs are exacerbated by little productivity growth in construction in the past 25 years (Chart 3.2). To turn this around, the Government of Canada will catalyse a more productive homebuilding industry with fewer barriers and less red tape so that builders can build homes at the scale we need.

Chart 3.2 – Labour Productivity in Residential Construction



Note: Last data point is 2024.
Source: Statistics Canada.

Launching Build Canada Homes

On September 14, 2025, the government launched **Build Canada Homes**—a new federal agency that will build affordable housing at scale. BCH's mission is to build and finance more affordable homes, while catalysing a new housing industry.

BCH will help tackle homelessness by expanding transitional and supportive housing in partnership with provinces, territories, municipalities, and Indigenous communities. It will also build deeply affordable community and co-op housing for low-income households, while working with private and non-profit builders to increase the supply of affordable homes for the Canadian middle class.

Build Canada Homes will transform how the public and private sectors work together, deploying modern construction methods, and catalysing an entirely new Canadian housing industry. It will leverage public lands, offer flexible financial incentives, attract private capital, facilitate large portfolio projects, and support manufacturers to deliver housing at scale.

Canada's new government will bring federal lands, faster approvals, and strong incentives to the table. The private sector will bring construction capacity, innovation, supply chains, and financing.

Build Canada Homes will focus primarily on non-market housing, supporting a mix of income needs as part of a national effort to double housing construction, restore affordability, and reduce homelessness.

There are three key pillars to this new approach:

1. **Build Canada Homes** will partner with industry, other orders of government, and Indigenous communities to build affordable housing, including co-op housing, at scale and at speed.
2. **Build Canada Homes** will deploy capital, secure demand, and harness innovative housing technologies to build faster and more sustainably, 365 days a year.
3. **Build Canada Homes** will adopt the government's new Buy Canadian policy and prioritise projects that use Canadian lumber and other Canadian materials.

With an initial investment of $13 billion over five years on a cash basis, starting in 2025-26, **Build Canada Homes** will deploy capital to supercharge the housing industry. **Build Canada Homes** has a mandate to move quickly and this fall, the government announced its first four investments and initiatives:

1. Developing public land sites and prioritising innovative, factory-built housing, starting with six sites to build 4,000 factory-built homes with additional capacity of up to 45,000 units across Canada Lands Company's portfolio.
2. Protecting existing affordable housing by launching the $1.5 billion Canada Rental Protection Fund under Build Canada Homes.
3. Providing $1 billion to build transitional and supportive housing for people who are homeless or at risk of homelessness.
4. Partnering with the Nunavut Housing Corporation to build over 700 public, affordable, and supportive housing units.

Developing Arbo Downsview

On October 17, 2025, **Build Canada Homes** launched a Request for Qualifications to engage builders for the development of 540 new homes at Arbo Downsview in Toronto. This represents **Build Canada Homes**' first housing development project. At least 40 per cent of the units on the site will be affordable, with a mix of studios, one-, two-, and three-bedroom homes, supporting middle-class families.

Build Canada Homes will identify Design-Build teams with proven expertise in factory-built housing and other modern methods of construction—including prefabrication, modular building, and mass timber—to ensure speed, affordability, and quality.

This development is also being enabled by the up to $283 million federal investment through the **Canada Housing Infrastructure Fund** to upgrade the nearby Black Creek sewer system.

Building a new generation of co-op housing

The federal government has a strong role to play in building non-market housing and **Build Canada Homes** is central to that role. Ensuring more affordable housing options for Canadians includes building co-operative housing. For decades, co-ops have provided Canadians with secure, affordable, and community-oriented homes.

The **Co-op Housing Development Program** was co-designed with the Co-operative Housing Federation of Canada and the co-operative housing sector and is the largest investment supporting the co-op housing sector in the last 30 years. The program is estimated to support the development of thousands of affordable rental co-operative housing units by 2028.

Earlier this year, the program allocated $423 million in funding in support of eight new co-op buildings, creating a total of 837 new homes with more to come.

Eliminating the Goods and Services Tax (GST) for First-Time Home Buyers

To immediately bring down costs for many Canadians, Canada's new government is eliminating the Goods and Services Tax (GST) for first-time home buyers on new homes up to $1 million and reducing the GST for first-time home buyers on new homes between $1 million and $1.5 million.

The removal of the GST for first-time home buyers, which is currently before Parliament as part of Bill C-4, helps bring down the costs of a newly built home—immediately making the goal of home ownership a reality for more Canadians, especially young families.

Training the Next Generation of Canadian Builders

Building major infrastructure and millions of more homes will create high-paying careers for Canadians. These careers will require training for workers, so the newest generation of Canadian builders can build Canada Strong. The government will continue to prioritise building together, and ensuring Canadians can see the community benefits of building our infrastructure and housing, including through supporting union labour.

- As announced on October 27, 2025, Budget 2025 proposes to provide $75 million over three years, starting in 2026-27, to Employment and Social Development Canada to expand the **Union Training and Innovation Program**, which supports union-based apprenticeship training in the Red Seals trades.

Building More Multi-Unit Homes

Multi-unit homes are critical to increasing the housing supply and providing affordable housing to Canadians. To catalyse the creation of these types of homes, the government is supporting the financing of new multi-unit rental housing through mortgage loan insurance and securitisation.

- Budget 2025 announces that the government will increase the Canada Mortgage Bond (CMB) annual issuance limit from $60 billion to $80 billion, starting in 2026 to unlock thousands of new housing units per year. This will increase access to cost-effective mortgage funding for lenders, helping them offer more mortgages and support the construction of new multi-unit housing across Canada. The increase will apply exclusively to multi-unit housing. The government will maintain the current pace of its purchases of CMBs, up to $30 billion annually, to allow the private market full access to the additional issuance.

Strengthening First Nations Infrastructure Financing and Access to Clean Water

Our approach to supercharge building will help address infrastructure gaps in First Nations communities. With engagement with First Nations partners, the government is continuing to explore new financing tools to make existing funding more effective and expand the options available to communities to deliver critical infrastructure.

- For example, it is the government's intention to explore the creation of a bonding and surety backstop pilot project for First Nations contractors on reserve to enable on-reserve construction companies to bid for infrastructure projects, as well as a standalone pilot scheme to monetise federal transfers to support financing for First Nations infrastructure on reserve.

The government is committed to ending all long-term drinking water advisories on reserve and ensuring reliable access to clean drinking water for First Nations. Since 2015, 149 long-term drinking water advisories have been lifted,

and more than 300 short-term advisories have been prevented from becoming long-term.

- Budget 2025 proposes to provide $2.3 billion over three years, starting in 2026-27, to renew the **First Nations Water and Wastewater Enhanced Program**. This funding will maintain progress on approximately 800 active projects, including those focused on ending remaining water advisories and preventing new ones by upgrading at-risk systems.

Supporting Indigenous Housing and Infrastructure

Access to affordable housing and dependable infrastructure is critical to ensuring a better future for Indigenous Peoples. This government will take action to address the unique and persistent housing and infrastructure challenges facing Indigenous communities.

Build Canada Homes will work with First Nations, Inuit, and Métis leadership to determine how this mission-driven organisation and the catalysation of this new modern housing industry can best contribute to First Nations, Inuit, and Métis identified needs and priorities.

We recognise that the need for First Nations, Inuit, and Métis housing is acute. For this reason, $2.8 billion is being confirmed for urban, rural, and northern Indigenous housing. We will work with First Nations, Inuit, and Métis partners to ensure rapid and effective delivery.

Together with funding that is already working to support housing for First Nations on reserve, Inuit, and Métis communities, there remains over $3 billion available for First Nations, Inuit, and Métis to advance their housing priorities.

The Minister of Indigenous Services will coordinate a cross-government Indigenous Housing Strategy following engagement with First Nations on reserve, Inuit Treaty Organisations, Métis governments, and Modern Treaty holders and Self-Governing Indigenous Governments.

- The government is also increasing the Canada Infrastructure Bank's target for investments in Indigenous infrastructure that benefit First Nations, Inuit, and Métis communities from at least $1 billion to at least $3 billion across its priority sectors.

3.2 Tackling Affordability

Canada's new government has been relentlessly focused on bringing costs down for Canadians. Above all, the government will empower Canadians by helping them get ahead and reduce their cost of living.

When Canadians keep more of the money they earn, they can better support their families, invest in their communities, and build the future they want.

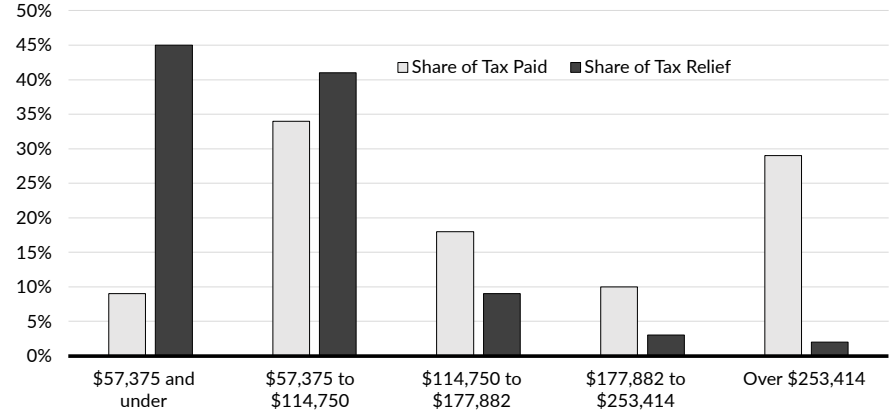
Budget 2025 builds on the actions Canada's new government has already taken to make life more affordable—delivering three major tax cuts, supercharging homebuilding to increase supply and lower housing costs, and introducing Automatic Federal Benefits so that millions of Canadians receive the support they qualify for.

Middle-Class Tax Cut

Since July 1, 2025, Canadians have been paying less tax after the government announced lowering the first marginal personal income tax rate from 15 per cent to 14 per cent. The rate reduction, which is currently before Parliament as part of Bill C-4, applies to taxable income of up to $57,375 in 2025, providing meaningful relief to middle-class Canadians—during a period of significant economic uncertainty and affordability challenges.

Nearly 22 million Canadians will benefit from tax relief of up to $420 per person, saving two-income families up to $840 a year. The majority of tax relief will go to Canadians with incomes in the two lowest tax brackets. Nearly 45 per cent of the tax relief will go to Canadians with income below approximately $57,400 (the first tax bracket) and 40 per cent to Canadians with income approximately between $57,400 and $114,800 (the second tax bracket).

Chart 3.3 – Shares of Tax Paid and Tax Relief



Source: Department of Finance Canada calculations.

This measure is expected to provide **$27.2 billion in tax relief** to Canadians over five years starting in 2025-26.

Cancelling the Divisive Consumer Carbon Price

Canada's new government cancelled the divisive consumer fuel charge—directly allowing Canadians to save money from the price they pay at the pump. The government also removed the requirement for provinces and territories to have a consumer-facing carbon price as of April 1, 2025. These actions have reduced gasoline prices in most provinces and territories by up to 18¢/L in comparison to 2024-2025, lowering headline inflation.

The government is also winding down mechanisms to return direct fuel charge proceeds to Canadians, small- and medium-sized businesses, farmers, and Indigenous governments.

This measure is estimated to cost about $4.2 billion in 2025-26. This included a final Canada Carbon Rebate payment in April 2025 to residents of provinces where the fuel charge applied.

Eliminating the fuel charge, which is currently before Parliament as part of Bill C-4, will give Canadian consumers and businesses certainty that the consumer carbon price is being permanently removed from legislation.

Delivering Automatic Federal Benefits for Low-Income Individuals

Millions of lower-income Canadians do not file their taxes, either because they do not have the resources to do so or because they think their income is too low to owe taxes. This means that people who most need benefits often do not receive them, causing some Canadians to miss out on the **GST/HST Credit**, the **Canada Child Benefit**, the **Canada Workers Benefit**, and more benefits they are entitled to.

As announced on October 10th, through Budget 2025, Canada's new government will start **Automatic Federal Benefits** for the 2026 tax year that will reach up to 5.5 million low-income Canadians by the 2028 tax year. These individuals will be able to review and confirm a pre-filled income tax return, and the Canada Revenue Agency (CRA) will automatically file these individuals' taxes to ensure they receive government benefits they qualify for—including benefits that these Canadians may not be aware they are entitled to.

For many Canadians, filing an income tax return is the gateway to accessing important benefits, such as the **Canada Child Benefit** and the **GST/HST Credit**. While this will make filing easier for millions of lower-income Canadians, some will not be able to or will choose not to use this new service.

- To help individuals with lower incomes receive the benefits to which they are entitled, Budget 2025 also proposes to amend the *Income Tax Act* to allow the CRA to file a tax return on behalf of certain eligible individuals with lower incomes in simple tax situations who do not owe tax and do not file themselves. The government plans to consult with Canadians on the proposed amendments, using this feedback to improve and scale up this service. This will include consultation with Indigenous partners.
- Budget 2025 further proposes to provide $71 million over five years, starting in 2025-26, with $10.4 million in remaining amortisation and $8.3 million ongoing, to the CRA to implement these new services.

Making the National School Food Program Permanent

Every child deserves to have the food they need to get a fair start in life, regardless of their family's circumstances. Launched in 2024-25 with an investment of $1 billion over five years, the **National School Food Program** aims to provide meals to 400,000 more kids every year, beyond those served by

existing school food programs. The program is saving participating families with two children an average of $800 per year on groceries.

The **National School Food Program** is helping provinces, territories, and Indigenous partners expand their existing school food programs to make sure more children across the country can enjoy the healthy meals they need. The Program is good for parents and kids, and it is good for the economy as well. It is helping take pressure off of families and directly supporting the success of our kids, while improving children's health, education, and well-being.

- As announced on October 10, 2025, Budget 2025 proposes to introduce legislation and provide $216.6 million per year, starting in 2029-30, to Employment and Social Development Canada, Indigenous Services Canada, and Crown-Indigenous Relations and Northern Affairs Canada, to make the **National School Food Program** permanent.

Lowering Costs and Protecting Consumers

Canada's new government is stepping up to give back control and help Canadians keep more of their money in their pockets. This includes taking on consumer pain points and unnecessary costs that can add up at the end of the month.

- Budget 2025 announces the government will review fees charged by banks and other federally regulated financial institutions including Interac e-Transfer fees and ATM fees. We will use every tool and agency at our disposal to address any unjustified fees and pain points for Canadians. We will provide an update on this work in 2026.

Increasing Access to Funds Deposited by Cheque

Digitalisation in the financial sector has brought many benefits for consumers, but there are risks that consumers who remain reliant on legacy financial products and services, including cheques, may be left behind. Access to cheque fund rules are now over a decade old and have not kept pace with cost-of-living increases or technological advances.

- Budget 2025 proposes to amend the *Bank Act* to raise the first amount of immediately available deposited cheque funds from $100 to $150 and to remove the timing distinction between funds deposited in person and via other means, as well as introduce regulations to apply the change to trust and loan companies.

- Budget 2025 also announces the government's intention to make regulations in the coming months to reduce the number of days banks may hold deposited cheque funds before releasing them to their customers. In addition, the regulations will raise the current value threshold of $1,500—below which shorter cheque hold periods apply—which will increase the number of cheques eligible for earlier access to funds and benefit consumers reliant on cheque payments.

Protecting Against Economic Abuse

Canada's financial sector has a critical role to play in detecting signs of abuse early and providing safe pathways for victims and survivors—many of which are women, ensuring that everyone can build safe and independent futures.

- Budget 2025 proposes to introduce a voluntary **Code of Conduct for the Prevention of Economic Abuse** for federally regulated banks. This code, to be overseen by the Financial Consumer Agency of Canada, will set clear expectations for how banks can identify, prevent, and respond to economic abuse to better protect Canadians.

  Economic abuse—such as restricting access to money, sabotaging employment, or forcing debt—is a common form of gender-based violence. It can also affect seniors, who can be vulnerable to financial manipulation or coercion by those they often know and trust. It robs people of their independence and limits their ability to build secure and fulfilling lives.

  Preventing economic abuse also means ensuring that financial information and supports are accessible. The development of a voluntary Code of Conduct for the Prevention of Economic Abuse will be guided by several principles: taking an inclusive and victim and survivor-centered approach, promoting financial empowerment and independence, fostering a collaborative approach among stakeholders, and continuous improvement.

Protecting Workers Against Wage Theft

Wage theft occurs when an employer fails to pay compensation rightfully owed to an employee, and represents one of the most common labour standards contraventions in federally regulated sectors.

To crack down on employers that do not pay workers the wages they have earned, the *2024 Fall Economic Statement* announced the government's intent to make regulatory changes to substantially increase the penalties imposed on federally regulated employers who commit wage theft.

The government remains committed to ensuring workers are protected and compensated for the work they perform. The work to increase penalties is currently underway and consultations with workers and employers on proposed changes will take place over the coming months.

Protecting Workers Against Improper Classification

The deliberate misclassification of employees as independent contractors means that employers are not withholding and remitting the proper amounts of income tax, or Canada Pension Plan and employment insurance contributions. Misclassified employees may lose out on labour law protections, as well as benefits and pensions available to employees. This misclassification of employees has been particularly common in the trucking industry.

- To crack down on employers that misclassify employees, Budget 2025 proposes to provide $77 million over four years starting in 2026-27, with ongoing funding of $19.2 million annually, for the Canada Revenue Agency (CRA) to implement a program that addresses non-compliance related to personal services businesses, as well as lift the moratorium on reporting fees for services in the trucking industry.
- Budget 2025 also proposes to amend the *Income Tax Act* and the *Excise Tax Act* to allow the CRA to share information with the Department of Employment and Social Development Canada for the purpose of addressing worker misclassification.

These measures will strengthen compliance in the trucking industry by ensuring that employers comply with reporting requirements and tax obligations, while also protecting workers' rights.

Delivering for Personal Support Workers

Personal support workers support Canadians in living and aging with dignity and helped us get through the COVID-19 pandemic. Funding of $1.7 billion over five years was previously announced as part of the February 2023 *Working Together to Improve Health Care for Canadians* plan to increase wages for personal support

workers. Bilateral agreements were signed with British Columbia ($232 million), Newfoundland and Labrador ($25 million), and the Northwest Territories ($5.3 million).

- As announced on October 27, Budget 2025 proposes to introduce a temporary Personal Support Workers Tax Credit, under which eligible personal support workers employed in the remaining provinces and territories could claim a refundable tax credit equal to 5 per cent of their eligible earnings, providing support of up to $1,100 per year.

This measure to support front-line health care workers would be available for the 2026 to 2030 taxation years and is estimated to cost $1.48 billion over six years, starting in 2025-26. Of this amount, $1.17 billion would be sourced from the funding previously committed but unutilised to support wage increases for personal support workers. This tax credit empowers the personal support workers that care for us by putting more of their hard-earned money back in their pockets.

Helping Youth Find and Keep Jobs

Canada's economic future depends on youth. Investing in their skills and experience today will create a stronger, more competitive workforce and drive long-term prosperity. Canadian youth are facing challenges in the labour market, with the youth unemployment rate sitting at 14.7 per cent in September 2025. Canada's new government is committed to supporting youth in building skills to help them gain employment in high-paying careers.

Canada Summer Jobs, the horizontal **Youth Employment and Skills Strategy**, and the **Student Work Placement Program** empower young Canadians to develop work-ready skills through hands-on experience and training. These programs put youth on a path to meaningful, well-paying careers.

To invest in a robust and adaptable workforce, the government is making investments to support about **175,000 youth in 2026-27,** empowering the next generation with the confidence and skills they need to succeed.

- Budget 2025 proposes to provide $594.7 million over two years, starting in 2026-27, to Employment and Social Development Canada for **Canada Summer Jobs** to support around **100,000 summer jobs in summer 2026**.
- Budget 2025 proposes to provide $307.9 million over two years, starting in 2026-27, for the horizontal **Youth Employment and Skills Strategy** to

provide employment, training, and wraparound supports (e.g., mentorship, transportation, mental health counselling) to around 20,000 youth facing employment barriers annually. $20.1 million of this is offset by funding already provisioned in the fiscal framework.

- Budget 2025 proposes to provide $635.2 million over three years, starting in 2026-27, to Employment and Social Development Canada for the **Student Work Placement Program** to support around **55,000 work-integrated learning opportunities** for post-secondary students in 2026-27.

Advancing the Youth Climate Corps

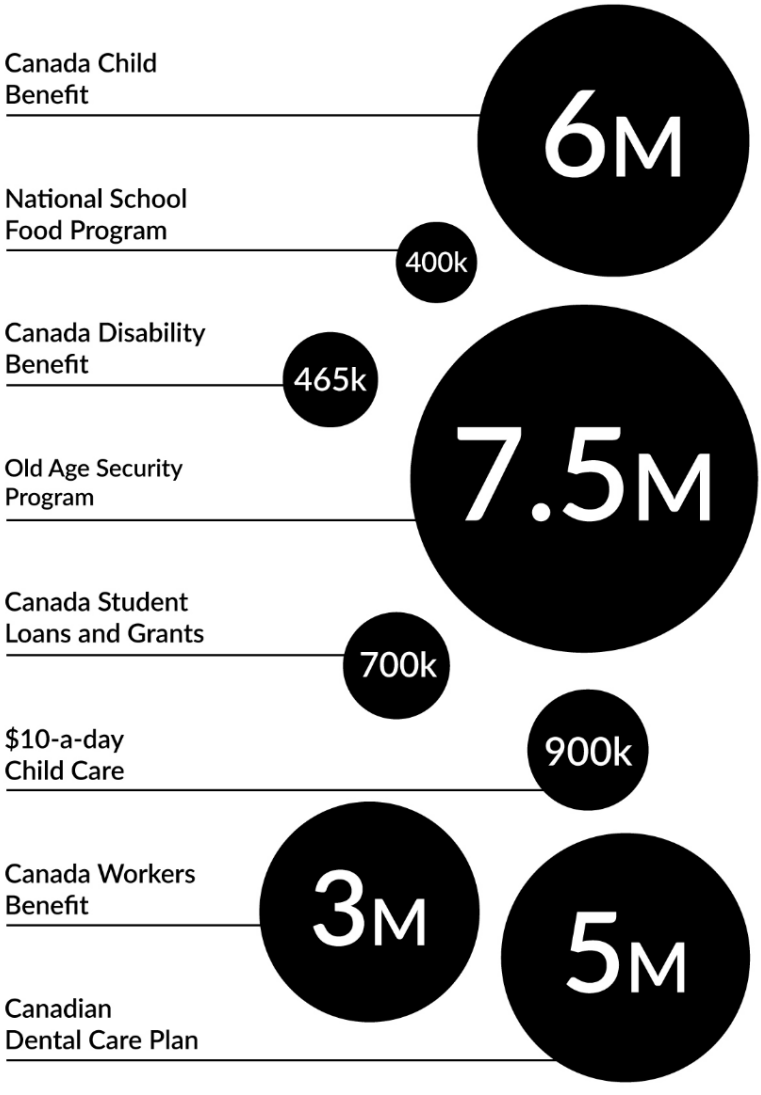
Investing in paid green skills training and job placements positions Canada to be competitive by equipping the workforce needed to build a climate competitive economy.

- Budget 2025 proposes to provide $40 million over two years, starting in 2026-27, to Employment and Social Development Canada, to create a Youth Climate Corps to provide paid skills training for young Canadians. They will be trained to quickly respond to climate emergencies, support recovery, and strengthen resilience in communities across the country. The skills training and work experience opportunities created through a Youth Climate Corps support reducing youth unemployment, increasing innovation, and strengthening adaptation and mitigation projects.

3.3 Protecting Canadian Culture, Values, and Identity

Canada's values are rooted in our shared identity, cultural richness, and deep connection to the land. We have so much to be proud of, celebrate, and defend as Canadians. The government is committed to protecting what makes Canada unique and brings Canadians together—through continued investments in our official languages, our public institutions, and our natural and cultural heritage.

Number of Canadians Benefitting from Social Programs, 2025-26



These measures reflect a clear vision: a strong, united, and resilient Canada, where our way of life is protected, celebrated, and passed on to future generations.

Funding for the Department for Women and Gender Equality

Since its establishment in 2018, the Department for Women and Gender Equality (WAGE) has empowered women and 2SLGBTQI+ people through programs that enhance meaningful participation in our economy. WAGE's work extends across government, helping departments and agencies include more Canadians in shaping and strengthening our country's social and economic fabric.

Building on the significant progress made by Status of Women Canada to advance gender equality from 1976 to 2018, WAGE made historic investments that reduced discrimination and helped women advance in the workplace, worked with partners to launch federal strategies to address critical issues impacting women, girls, and 2SLGBTQI+ people, and advocated for a future where everyone can achieve their full potential. However, incidents of gender-based violence—including femicides—continue, as does hate and violence targeting 2SLGBTQI+ communities in Canada. The work of WAGE is needed to eliminate discrimination and advance the rights of women and 2SLGBTQI+ communities.

- As announced on October 29, 2025, to ensure WAGE is able to conduct its critical work and provide long-term benefits, Budget 2025 proposes to provide WAGE with new funding:
  - $382.5 million over five years, starting in 2026-27, with $76.5 million ongoing, to revitalise and stabilise efforts to advance women's equality in Canada.
  - $54.6 million over five years, starting in 2026-27, with $10.9 million ongoing, to support the 2SLGBTQI+ community sector. This includes $7.5 million over five years, with $1.5 million ongoing, for Pride Security.
  - $223.4 million over five years, starting in 2026-27, with $44.7 million ongoing, to strengthen federal action on gender-based violence.

This new funding will support women's organisations in addressing deeply rooted barriers to women's economic prosperity and success, support the vision of a Canada free of gender-based violence from coast-to-coast-to-coast, and advance 2SLGBTQI+ equality, including keeping 2SLGBTQI+ communities and their allies safe.

Ministers Champagne and Valdez also reaffirmed the government's commitment to continue the important ongoing work with the provinces and territories to end gender-based violence—including through the current bilateral agreements that enable these jurisdictions to fund essential prevention services and direct support for survivors.

Empowering Seniors in Their Communities

Far too many of our seniors face isolation in their retirement years, and some experience ageism, poor health, reduced mobility, poverty, and even abuse. Canada's new government is helping to address this by empowering seniors to thrive in their communities through the **New Horizons for Seniors Program**.

The **New Horizons for Seniors Program**, with a current annual budget of $70 million, supports projects that improve the quality of life for seniors and promotes their full participation in Canadian society. The program offers up to $25,000 to support projects in local communities—such as new fitness equipment for seniors' centres—and up to $5 million to support projects that are national in scope and that can benefit seniors across the country, like financial literacy classes.

Connecting Canadians Through Cultural Experiences and Community Celebrations

Culture is experienced locally, in our towns, neighbourhoods, and public spaces. These investments will help bring Canadians together at festivals, national moments of celebration, and community-driven cultural events across the country. Budget 2025 proposes to provide targeted support to strengthen participation, community identity, and cultural access for Canadians in every region, including:

- $21 million over three years, starting in 2026-27, to Canadian Heritage for the **Building Communities through Arts and Heritage Program** to support

local festivals, community anniversaries, and community-initiated capital projects;

- $46.5 million over three years, starting in 2026-27, to Canadian Heritage for the **Canada Arts Presentation Fund** to support professionally presented arts festivals or performing arts series;
- $20 million over four years, starting in 2026-27, to Canadian Heritage for the **Celebration and Commemoration Program** to support Canada Day celebrations;
- $4 million over four years, starting in 2026-27, to Canadian Heritage for the **Celebration and Commemoration Program** to support National Acadian Day; and
- $9 million over three years, starting in 2026-27, to Environment and Climate Change Canada to support the Biosphère in Montréal.

Investing in Canadian Creators and the Cultural Economy

Canada's artists, creators, and cultural entrepreneurs are at the heart of our creative economy. Their work drives innovation, supports good jobs, and ensures Canadian stories and voices are heard at home and around the world. Budget 2025 proposes to provide funding to grow Canada's creative industries and help Canadian talent succeed in an increasingly digital and global marketplace, including:

- $48 million over three years, starting in 2026-27, to Canadian Heritage for the **Canada Music Fund** to enhance the careers of Canadian artists while strengthening the competitiveness and stability of the Canadian music sector;
- $6 million over three years, starting in 2026-27, to Canadian Heritage to support the purchase of Canadian content for the TV5MONDEplus platform;
- $150 million over three years, starting in 2026-27, to Telefilm Canada to support Canada's vibrant film industry;
- $127.5 million over three years, starting in 2026-27, to Canadian Heritage for the **Canada Media Fund** to support Canada's audio-visual content creators;
- $26.1 million over three years, starting in 2026-27, to the National Film

Board to produce and share Canadian content with the world;

- $38.4 million over three years, starting in 2026-27, to Canadian Heritage for the Special Measures for Journalism component of the **Canada Periodical Fund** to help small and community news outlets continue producing quality Canadian editorial and journalistic content; and
- $6 million over three years, starting in 2026-27 for the Canada Council for the Arts to support professional artists and arts organisations.

Protecting Artists' and Creators' Copyrights

Artists, particularly visual artists, are great contributors to Canada's cultural scene and among the lowest income earners in Canada despite their significant cultural contributions. An Artist's Resale Right provides the creators of original visual artwork with a royalty whenever their work is resold through an eligible sale, providing an additional income stream.

- In Budget 2025, the government announces its intent to amend the *Copyright Act* to create an Artist's Resale Right in Canada, ensuring Canadian visual artists benefit from future sales of their work.

Protecting Our National Broadcaster: CBC/Radio-Canada

CBC/Radio-Canada is part of our Canadian identity. Canada's new government is protecting our national broadcaster by ensuring it has the resources needed to modernise and better deliver for Canadians, and to continue providing vital programming in both French and English.

- Budget 2025 proposes to provide $150 million in 2025-26 for CBC/Radio-Canada to strengthen its mandate to serve the public and to better reflect the needs of Canadians. The government will explore modernising CBC/Radio-Canada's mandate to strengthen independence, and is working with CBC/Radio Canada to explore participation in Eurovision.

Renewing the Canada Strong Pass

This summer, the government introduced the **Canada Strong Pass**, which helped Canadians see more of our great country, for less money. The pass provided families and young people free or discounted access to national parks, museums, galleries, and rail travel. It brought Canadians together, supported tourism, and celebrated the values that unite us.

The pass boosted VIA Rail ridership by 6.5 per cent, visits to Parks Canada places increased by 10 per cent, and visitors at our museums were up around 15 per cent on average.

- As announced on October 10, Budget 2025 proposes to provide $116.3 million over two years, starting in 2025-26, to renew the **Canada Strong Pass** for the holiday season, from December 12, 2025 to January 15, 2026, and then again for summer 2026. Reduced-cost access over this holiday season is already in place through several Canada Strong Pass partners, including for eligible VIA Rail travel.

Supporting the Royal Canadian Geographical Society

Strengthening Canadian identity and sovereignty begins with equipping Canadians and young people to understand their land, history, and place in the world. For nearly a century, the Royal Canadian Geographical Society has advanced this mission—reaching over 4.3 million monthly readers of *Canadian Geographic* and 28,000 educators and 750,000 students each year through its award-winning education programs.

- To promote knowledge of Canada and national unity, Budget 2025 proposes to provide $4 million over four years, starting in 2026-27, and $1 million ongoing to the Royal Canadian Geographical Society. This funding is to be sourced from existing Canadian Heritage resources.

Improving Access to Health Care in the Arctic and the North

Canadians deserve timely access to health services whenever and wherever they are needed. And yet health care delivery in Canada's Arctic and North is hampered by insufficient infrastructure, a shortage of health care workers, and limited access to hospitals outside of major population centres. Many people must leave their communities to access specialised care or to give birth. These inequities are particularly persistent for Indigenous communities. As a result, territorial governments face high costs to provide necessary care for their residents.

- To improve health care access and services, Budget 2025 announces the government's intention for the Minister of Health and the Minister of National Defence, in collaboration with the Minister of Indigenous Services and the Minister of Northern Affairs and Arctic Affairs, to undertake a

comprehensive assessment of health care and health infrastructure needs in the North, with the goal of identifying innovative ways to increase access to health care in northern communities and reduce medical travel costs through engagement with Northen and Arctic Indigenous Peoples.

In short order, the Special Representative will release their external review of Nutrition North Canada. The government will take this review seriously and remains committed to co-developing with Inuit and Northern Indigenous leaders, evidence-based food security approaches that better meet the high cost of living and affordability challenges faced by many Inuit and Northerners.

Empowering Canadian Fishers and Building Coastal Communities

Small craft harbours are essential to the way of life of coastal communities, supporting work and recreation for nearly 45,000 Canadians. The government's **Small Craft Harbours** program supports the operations and maintenance of a national system of close to 950 harbours, representing over 10,000 structures valued at approximately $7.1 billion. Of these 950 harbours, roughly 690 are considered critical to the commercial fishing industry. The government ensures these harbours are fully operated, in good working condition, and managed and maintained by self-sufficient harbour authorities who represent the interests of users and communities.

The government is committed to continued support for the **Small Craft Harbours** program. Recently provided support includes:

- $463.3 million over three years on a cash basis, starting in 2024-25, announced in Budget 2024 for repairs and maintenance of small craft harbours across the country. This funding is in addition to the program's $90 million annual budget.
- $70 million over two years, starting in 2022-23, to support the repairs of small craft harbours damaged by Hurricane Fiona in 2022 as part of the Hurricane Fiona Recovery Fund.

Lowering Barriers to Access the Canada Disability Benefit

Since issuing the first payments in July 2025, the **Canada Disability Benefit** has increased the financial well-being of hundreds of thousands of working-age low-income persons with disabilities. However, for many, obtaining a valid Disability

Tax Credit certificate to become eligible for the benefit can represent a financial barrier.

- Budget 2025 reaffirms the government's intention to lower barriers to access the **Canada Disability Benefit** by helping to offset the costs of applying for the Disability Tax Credit for **Canada Disability Benefit** recipients. To that end, Budget 2025 proposes funding of $115.7 million over four years, beginning in 2026-27, and $10.1 million per year ongoing, including administrative costs, for a one-time supplemental **Canada Disability Benefit** payment of $150 in respect of each Disability Tax Credit certification, or re-certification, giving rise to a **Canada Disability Benefit** entitlement. This one-time payment would be retroactive to the launch of the **Canada Disability Benefit**. Following successful completion of the regulatory process, the first supplemental payments are expected to be made to **Canada Disability Benefit** recipients before the end of 2026-27.
- In addition, the government is committed to looking at ways to provide such a payment in respect of other **Disability Tax Credit** certifications as part of its work to review and reform the process to apply for the credit**.**

Helping to reduce poverty and increase the financial well-being of low-income persons with disabilities is a key priority in the government's work to build a fairer Canada.

- To help ensure **Canada Disability Benefit** recipients keep the full value of their benefits, including other federal income-tested benefits and programs, such as the **Canada Child Benefit**, Budget 2025 confirms the government's intention to bring forward legislation to exempt the **Canada Disability Benefit** from being treated as income under the *Income Tax Act*.

Gender and Diversity Impacts Spotlight

Budget 2025 takes action to improve outcomes for women by:

- Proposing **stable, long-term funding for the Department for Women and Gender Equality**, which will continue to support progress in eliminating discrimination and advancing the rights of women.
- Increasing affordable and non-market housing through **Build Canada Homes.** According to the 2021 Census, single-parent households are still predominantly women (81.2 per cent), and will particularly benefit from more affordable housing.

- **Strengthening First Nations Infrastructure Financing and Access to Clean Water.** Women, in First Nations communities, would disproportionately benefit. Women in these communities are more likely to shoulder caregiver responsibilities.
- Proposing to introduce a voluntary **Code of Conduct for the Prevention of Economic Abuse** for federally regulated banks, as women are disproportionately affected by economic abuse, which is a common yet under-recognised form of gender-based violence.

Budget 2025 will support First Nations, Inuit, and Métis communities by:

- **Strengthening Indigenous Infrastructure and Access to Clean Water**, by working to ensure First Nations communities have reliable access to clean, safe drinking water, and providing supports for First Nations and Inuit communities to renovate and build affordable housing. Since November 2015, First Nations have lifted 149 long-term advisories, with 38 still active in 36 communities.
- **Supporting Indigenous Housing and Infrastructure,** which will work with Indigenous communities to address their unique and persistent infrastructure needs through the Canada Infrastructure Bank.
- **Addressing Economic Abuse,** as Indigenous communities are among the groups most affected by financial abuse, with Indigenous women more likely to experience financial abuse by an intimate partner compared to non-Indigenous women.

Budget 2025 will support the financial well-being of young people by:

- **Helping Youth Find and Keep Jobs.** Providing employment services, training, and wrap-around supports will benefit youth facing barriers, especially those without a high school diploma, who are Indigenous, newcomers, racialised, have disabilities, and live in rural areas.

For more information on the expected impacts of Budget 2025 measures on these and other diverse groups of Canadians, please see Annex 6.

Chapter 3
Empowering Canadians

millions of dollars

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	*Total*
3.1 Supercharging Home Building Across the Country	**948**	**3,352**	**3,447**	**3,228**	**2,036**	***13,012***
Launching Build Canada Homes[1,*]	923	1,933	1,812	1,518	1,098	*7,284*
Less: Funds Previously Provisioned in the Fiscal Framework	*-120*	*-118*	*-117*	*-117*	*-116*	*-588*
Eliminating the Goods and Services Tax (GST) for First-Time Home Buyers[2]	145	735	950	1,025	1,055	*3,910*
Training the Next Generation of Canadian Builders[3]	0	25	25	25	0	*75*
Strengthening First Nations Infrastructure Financing and Access to Clean Water*	0	777	777	777	0	*2,331*
3.2 Tackling Affordability	**7,968**	**6,291**	**6,270**	**6,140**	**6,771**	***33,441***
Middle-Class Tax Cut[4]	3,990	5,490	5,695	5,920	6,150	*27,245*
Cancelling the Divisive Consumer Carbon Price[5]	4,185	0	0	0	0	*4,185*
Delivering Automatic Federal Benefits for Low-Income Individuals[6]	0	0	15	56	103	*174*
Delivering Automatic Federal Benefits for Low-Income Individuals - Administration*	5	15	16	18	18	*71*
Making the National School Food Program Permanent[6]	0	0	0	0	217	*217*
Protecting Workers Against Improper Classification[7]	0	19	19	19	19	*77*
Less: Projected Revenues	*0*	*-40*	*-40*	*-40*	*-40*	*-160*
Delivering for Personal Support Workers[3]	70	285	290	295	305	*1,245*
Less: Funds Previously Provisioned in the Fiscal Framework	*-282*	*-289*	*-296*	*-304*	*0*	*-1,171*
Helping Youth Find and Keep Jobs	0	801	561	176	0	*1,538*
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*-10*	*-10*	*0*	*0*	*-20*
Advancing the Youth Climate Corps	0	20	20	0	0	*40*
3.3 Protecting Canadian Culture, Values, and Identity	**170**	**474**	**310**	**311**	**148**	***1,413***
Funding for the Department for Women and Gender Equality[8]	0	132	132	132	132	*528*
Connecting Canadians Through Cultural Experiences and Community Celebrations	0	32	32	32	*6*	*101*
Investing in Canadian Creators and the Cultural Economy	0	134	134	134	0	*402*

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	*Total*
Protecting Our National Broadcaster: CBC/Radio-Canada	150	0	0	0	0	*150*
Renewing the Canada Strong Pass[6]	20	96	0	0	0	*116*
Supporting the Royal Canadian Geographical Society	0	1	1	1	1	*4*
Less: Funds Sourced From Existing Departmental Resources	*0*	*-1*	*-1*	*-1*	*-1*	*-4*
Lowering Barriers to Access the Canada Disability Benefit	0	81	12	13	10	*116*
Additional Investments – Empowering Canadians	**67**	**78**	**41**	**42**	**39**	***267***
Supporting the FIFA Men's World Cup 2026*	57	43	0	0	0	*100*
Funding proposed for PCH, RCMP, CBSA, IRCC, CATSA and CFIA to bolster federal activities that will support the hosting of the FIFA Men's World Cup 2026 in Toronto and Vancouver.						
Funding for the Terry Fox Research Institute	0	20	20	20	20	*80*
Funding proposed for the Terry Fox Research Institute's Cancer Centres Network.						
Top-Up Tax Credit	10	15	15	15	15	*70*
Budget 2025 proposes to introduce a temporary Top-Up Tax Credit to provide transitional support to Canadians if their non-refundable tax credit amounts exceed the first income tax bracket threshold.						
Extending Employment Insurance Parental Benefits during Bereavement	0	0	6	7	4	*17*
Budget 2025 proposes to allow claimants receiving Employment Insurance parental benefits to access an additional eight weeks of parental benefits in the event of the death of the child.						
Chapter 3 - Net Fiscal Impact	**9,154**	**10,196**	**10,067**	**9,720**	**8,995**	***48,132***
Of which, capital investment:	*778*	*2,513*	*2,389*	*2,104*	*948*	*8,731*

[1] Build Canada Homes was announced on September 14, 2025.
[2] Eliminating the Goods and Services Tax (GST) for First-Time Home Buyers was announced on May 27, 2025.
[3] Training the Next Generation of Canadian Builders and Delivering for Personal Support Workers were announced on October 27, 2025.
[4] Middle-Class Tax Cut was announced on May 14, 2025.
[5] Cancelling the Divisive Consumer Carbon Price was announced on March 14, 2025. See Annex 1 for more information on proceeds collected and returned.
[6] Delivering on Automatic Federal Benefits for Low-Income Individuals, Renewing the Canada Strong Pass, and Making the National School Food Program Permanent were announced on October 10, 2025.
[7] Protecting Workers Against Improper Classification was announced on October 30, 2025.
[8] Funding for the Department of Women and Gender Equality was announced on October 29, 2025.
*Measure includes funding classified as a capital investment.
Note: Numbers may not add due to rounding. A glossary of abbreviations used in this table can be found at the end of Annex 1.

Canada Border Services Agency
Agence des services frontaliers du Canada
Canada

CHAPTER FOUR

PROTECTING CANADA'S SOVEREIGNTY AND SECURITY

4.1 Defending Our Sovereignty

4.2 Protecting Our Borders and Communities

As the world grows more volatile and dangerous, now more than ever, Canada must be ready and able to defend our territory, our people, and our values to secure our sovereignty and to protect and uphold our commitments to our Allies. This includes helping to counter Russian aggression and to uphold Ukraine's sovereignty and territorial integrity to ensure security across the Euro-Atlantic region.

In this period of great power competition and geopolitical uncertainty, Canadian leadership in the world will be defined not just by the strength of our values, but also by the value of our strength. A more confident, united, and stronger Canada can help transform this age of disorder into an era of prosperity for all Canadians.

This starts with rebuilding, rearming, and reinvesting in the Canadian Armed Forces. The government's generational investments in our Canadian Armed Forces will provide our military with the necessary tools and equipment to protect our sovereignty and bolster our security. This increase in investment also creates opportunities for the Canadian defence industry. We will reform defence procurement to make it easier and faster to buy Canadian-made equipment—supporting our domestic defence industry and creating high-paying careers.

The Canadian Armed Forces are currently active in 37 operations around the world. The women and men of our military contribute to promoting global peace and security, while ensuring Canada's place in the world. Canadian military operations range from maintaining international security and stability in the Middle East (Operation AMARNA), to leading a Multinational Brigade as part of NATO's assurance and deterrence measures in Central and Eastern Europe and the Baltics (Operation REASSURANCE), to whole-of-government sovereignty patrols and security exercises in Canada's Arctic (Operation NANOOK).

To address years of inadequate equipment for the Canadian Armed Forces and to strengthen Canada's defence industry, Canada's new government is accelerating investments to meet the North Atlantic Treaty Organization's (NATO) 2 per cent of gross domestic product (GDP) target this year and put Canada on a pathway to meet the NATO Defence Investment Pledge of investing 5 per cent of GDP in defence by 2035.

As part of this pledge, Canada will invest 3.5 per cent of GDP by 2035 in core military needs such as supporting the Canadian Armed Forces, modernising our military equipment and technology, and building up our defence industries. An

additional 1.5 per cent of GDP will also be dedicated to defence and security-related investments made by all levels of Canadian government, such as telecommunications and emergency preparedness systems which serve national defence and national security purposes. The government expects that currently planned spending by federal, provincial, territorial, and municipal governments will meet this 1.5 per cent commitment.

Through these investments, we are giving our Canadian Armed Forces the tools they need to defend every square foot of our sovereign territory, from the seafloor to the Arctic to cities to cyberspace, and to protect Canadians from present and emerging threats.

To protect our communities, Canada's new government is also cracking down on illegal drugs and gun trafficking, hiring 1,000 new Royal Canadian Mounted Police (RCMP) personnel and 1,000 new Canada Border Services Agency (CBSA) officers, and making bail and sentencing laws stricter. In September, the government introduced new legislation to address the horrifying rise in hate, especially in Antisemitism and Islamophobia, and to protect religious and cultural buildings and spaces. Our government is fighting hate so that together, we can build a country where Canadians of all faiths can live their lives openly, freely, and safely. This is Canada, and in Canada, you should be able to wake up, get in your car, drive to work, or your place of worship, come home, and sleep soundly at night. Canada's government is committed to making that promise a reality.

4.1 Defending Our Sovereignty

Canada must be prepared to defend our people, to secure our sovereignty, and to protect our Allies. Budget 2025 lays out the government's plan to secure Canada, fulfill our responsibility to shared security with our Allies, build a world-class defence industrial base, and establish a new **Defence Investment Agency** that will accelerate the procurement process.

Rebuilding, Rearming, and Reinvesting in the Canadian Armed Forces

Canadians are proud of our Armed Forces and their unwavering dedication to protect us and our sovereignty. They keep people and communities safe through major disasters. They protect our sovereignty and respond to threats in our Arctic. They contribute to NATO's deterrence and collective security efforts

around the world. Our Canadian Armed Forces are among the best in the world, and they deserve the capabilities necessary to succeed in an increasingly challenging threat environment.

In 2013, Canada's defence spending fell to less than 1 per cent of our GDP. It has since more than doubled in absolute terms, but more is needed. The brave members of our Canadian Armed Forces who are protecting our sovereignty do not have all the resources they need for a riskier world. Our military infrastructure and equipment need to be upgraded and updated, our defence capabilities need to be rebuilt and reasserted, and we need to work with partners to further research, investment, and procurement.

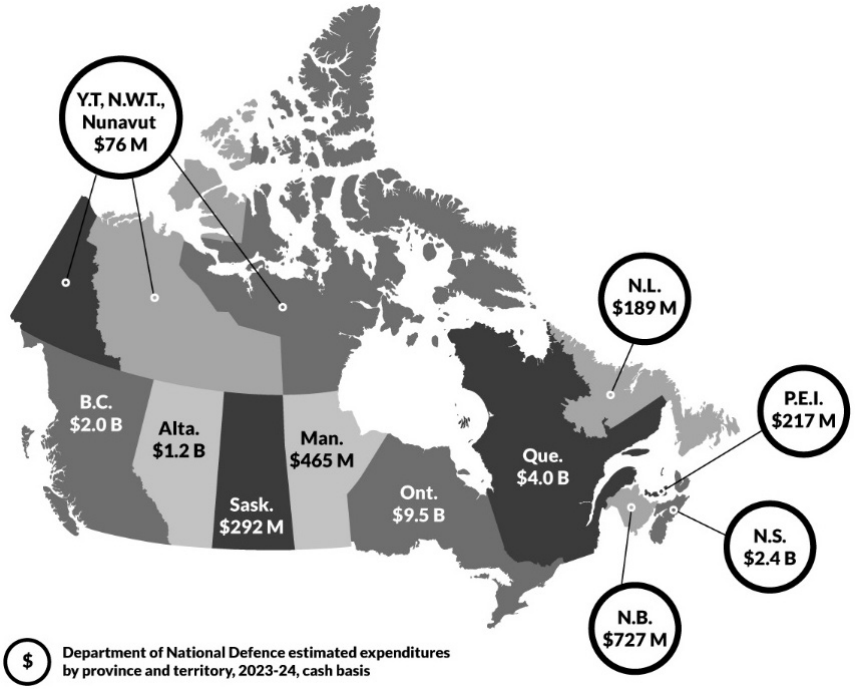
Canada's new government is providing our military with the tools it needs to meet the modern threat environment by rebuilding, rearming, and reinvesting in the Canadian Armed Forces.

- Budget 2025 proposes to provide $81.8 billion over five years on a cash basis, starting in 2025-26, to rebuild, rearm, and reinvest in the Canadian Armed Forces (CAF). This includes over $9 billion in 2025-26 that was announced by the Prime Minister in June 2025. Key investments include:
  - $20.4 billion over five years, to recruit and retain a strong fighting force, including generational pay raises for the CAF, and support CAF health care.
  - $19.0 billion over five years to repair and sustain CAF capabilities and invest in defence infrastructure, including expanding ammunition and training infrastructure.
  - $10.9 billion over five years for upgrades to Department of National Defence, CAF, and Communications Security Establishment digital infrastructure, including those needed for modern warfare, such as cyber defence.
  - $17.9 billion over five years to expand Canada's military capabilities, including investments in additional logistics utility, light utility, and armoured vehicles, counter-drone and long-range precision strike capabilities, and domestic ammunition production, among other investments.

- $6.6 billion over five years, starting in 2025-26, to strengthen Canada's defence industry through a **Defence Industrial Strategy**. As the Strategy is implemented, starting with initial investments announced in Budget 2025, we will develop our defence industrial base so that more of our military capabilities are procured from Canadian supply chains. (See below for additional details).
- $6.2 billion over five years to expand Canada's defence partnerships, including expanded military assistance to Ukraine and increased military training and international policy programming.
- $805 million over five years to the Canadian Coast Guard, the Canadian Security Intelligence Service, and Public Services and Procurement Canada for complementary initiatives to support Canada's defence capabilities.

Launching the Defence Industrial Strategy

Canada's new government is moving to take immediate and decisive action to rebuild Canada's defence capacity, rearm the Canadian Armed Forces, and invest in the Canadian defence industry. This generational investment in our defence and security creates enormous opportunities for Canadian businesses.



The defence sector in Canada accounts for over 81,200 direct and indirect jobs. Past defence projects have generated high-paying jobs in local communities. The opening of the **new B Jetty** in CFB Esquimalt in British Columbia created close to 1,300 jobs during its construction. The **Future Aircrew Training** program, an $11.2 billion investment in training the next generation of Canadian aviators, has the potential to create or maintain 3,400 jobs annually across Canada. Our **River-class Destroyer** project is expected to create or maintain over 5,000 jobs over the next 15 years, many of which will be in Halifax, Nova Scotia.

As we invest to build Canada's defence industrial base, our renewed commitment to defence will create many more fulfilling, high-paying careers for Canadian workers. Business opportunities will be across the supply chain: from the production of raw materials, including steel and aluminum, to the truckers and rail workers who ensure their transit, to those who transform these materials into equipment, weapons, ammunition, and vehicles. It will also drive innovation in technology sectors, including artificial intelligence, quantum, and cyber.

To that end, the government is launching a new **Defence Industrial Strategy**. This strategy will ensure Canada's defence investments are now guided by a whole-of-government approach to building sovereign defence capacity—creating high-paying careers, opportunities for businesses, and sourcing Canadian resources in the process.

Initial Investments Under the Defence Industrial Strategy:

Of the $6.6 billion to strengthen Canada's defence industry noted above, the government is already allocating $4.6 billion over five years on a cash basis, starting in 2025-26, for initial investments under the forthcoming **Defence Industrial Strategy** to improve access to capital, drive research and innovation, bolster domestic supply chains, and grow critical resource stockpiles. The government will release the **Defence Industrial Strategy** in the coming months. Key initial investments include:

- $68.2 million over three years, starting in 2025-26, to the Department of National Defence (DND), Innovation, Science and Economic Development Canada (ISED), the National Research Council (NRC), and the Communications Security Establishment to establish the **Bureau of Research, Engineering and Advanced Leadership in Innovation and Science (BOREALIS)**.

- $1.0 billion in 2025-26 to create a new **Defence and Security Business Mobilization Program** at the Business Development Bank of Canada to provide loans, venture capital, and advisory services to help small-and medium-sized businesses contribute to Canada's defence and security capabilities.
- $656.9 million over five years, starting 2025-26, to ISED to develop and commercialise dual civilian-military technologies in a range of industries, including aerospace, automotive, marine, cybersecurity, artificial intelligence, biodefence, and life sciences.
- $334.3 million over five years, starting in 2025-26, to ISED, NRC and the National Science and Engineering Research Council for a suite of measures to help anchor quantum technology companies in Canada and provide pathways to technology adoption in defence-related applications and industries.
- $443.0 million over five years, starting in 2025-26, to Natural Resources Canada and ISED to support the development of innovative critical minerals processing technologies, support joint investments with Allies in Canadian critical minerals projects, and develop a critical minerals stockpiling mechanism to strengthen Canadian and Allied national security.
- $182.6 million over three years, starting 2025-26, to DND to establish a sovereign space launch capability.

A New Defence Investment Agency

Canada's new government is focused on providing the women and men in uniform with the equipment they need, when they need it. With the right tools in their arsenal, we will reinforce Canada's sovereignty, create high-paying new careers for Canadian workers, and strengthen our defence partnerships with Allies.

Canada's defence procurement is currently fragmented across several departments, slow to consult industry, and too complicated to respond to rapidly evolving military needs—leading to significant delays in delivering critical equipment. To protect our sovereignty and bolster our industrial capacity, the government announced the creation of a new **Defence Investment Agency (DIA)**, which will overhaul and streamline Canada's defence procurement. The DIA will approve procurements to support strategic defence sectors in Canada, so that we are able to ensure the Canadian Armed Forces has the world-class equipment it needs, and at the same time create new careers, grow our economy, and support innovation in aerospace, shipbuilding, and advanced manufacturing.

The **Defence Investment Agency** will have three objectives:

1. **Consolidate procurement processes**—removing duplicative approvals and red tape, accelerating defence procurement, and providing industry with greater clarity and certainty. With a centralised process of review and approval, procurements will advance faster.
2. **Target procurements to support strategic defence sectors in Canada,** so that we are able to meet the capability needs of the Canadian Armed Forces, and at the same time create new careers, grow our economy, and supercharge innovation in aerospace, shipbuilding, and advanced manufacturing.
3. **Ensure earlier engagement between the Canadian Armed Forces and Canada's defence industry**, so the military can communicate operational needs, and industry can provide realistic assessments of timelines, costs, and technological options. Early engagement will ensure both the government and industry can better anticipate future needs and build industrial capacity ahead of time, at speed and scale.

- Budget 2025 proposes to provide $30.8 million over four years, starting in 2026-27, with $7.7 million ongoing to Public Services and Procurement Canada to establish the DIA. The DIA will accelerate the delivery of goods and services to better meet the needs of the CAF at the best value for Canadians by centralising processes and enhancing engagement and collaboration with Canadian industry and international partners. The Agency's focus will be on defence procurements valued at $100 million and above, including submarines and other critical capabilities that the CAF requires.
- Budget 2025 proposes to provide $52.5 million over five years, starting in 2026-27, with $12.2 million ongoing to Public Services and Procurement Canada to modernise and increase capacity for the **Industrial Security Program** to meet the needs of the DIA and support Canada's defence industry.

Strengthening Canada's Presence: Operations REASSURANCE and AMARNA

Canada launched Operation REASSURANCE in 2014 following Russia's first invasion of Ukraine. More than a decade later, it remains the CAF's largest overseas mission, with approximately 2,000 troops currently deployed to deter Russian aggression and defend NATO territory.

Canada is strengthening transatlantic security and reaffirming our commitment to defend NATO territory in the face of ongoing Russian aggression. Under Operation REASSURANCE, Canada provides Armed Forces personnel to the Canadian-led NATO Multinational Brigade-Latvia (MNB-Latvia).

In MNB-Latvia, Canada leads around 3,000 troops from 14 contributing nations. The work of the Canadian Armed Forces strengthens NATO's defence of its Eastern Flank and contributes to deterrence efforts along Latvia's nearly 300 km border with Russia.

In August 2025, the Prime Minister announced the renewal of Operation REASSURANCE for three years, starting in 2026-27. This renewal will sustain the Brigade's personnel and military capabilities in Latvia—reinforcing our collective defence, strengthening co-operative security, and keeping NATO's presence strong on its Eastern Flank.

- Budget 2025 proposes to provide $2.7 billion over three years on a cash basis, starting in 2026-27, to the Department of National Defence in support of the renewal of Operation REASSURANCE. Operation REASSURANCE will remain the CAF's largest overseas mission.

This year, Canada also launched Operation AMARNA, the CAF's contribution to strengthening peace and security in the Middle East. Operation AMARNA allows the CAF to adapt to changing geopolitical dynamics and respond to emerging security challenges in the region.

- Budget 2025 proposes to provide $300.1 million over three years on a cash basis, starting in 2025-26, to the Department of National Defence and the Communications Security Establishment to support Operation AMARNA. This will be partly offset by $155.8 million over three years of existing Department of National Defence resources.

Investing Where It Counts: Defence Investments to Drive Economic Growth

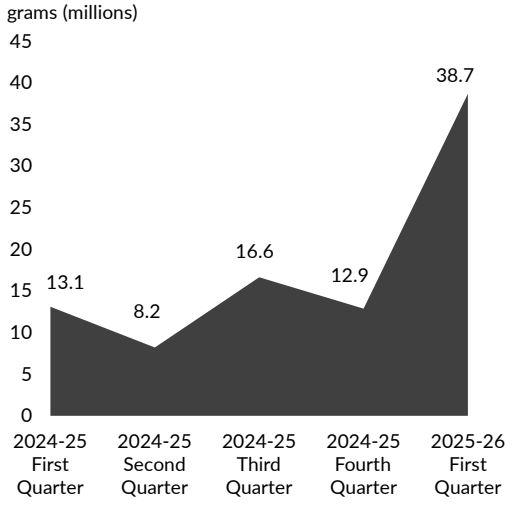
Defence spending is about more than just security—it also has the potential to catalyse economic growth and innovation and strengthen long-term prosperity for Canadians in the defence sector and beyond. This is because defence spending entails investments in strategic assets—including dual-use infrastructure, advanced technologies, and sovereign capabilities—that durably boost the economy's productive capacity.

The initial research and development (R&D) initiatives outlined above—amounting to $2.3 billion over five years to support R&D in quantum computing, space, aerospace, and other advanced technologies—could add as much as $6.1 billion to Canada's national income over the long term. This is on top of the benefit of defence investments in enhancing Canada's national security and resilience.

4.2 Protecting Our Borders and Communities

In a time of global uncertainty, Canada's new government is taking action to ensure it can adapt and respond to emerging threats to protect the safety and security of our communities. Cross-border smuggling of illegal guns and drugs, including fentanyl and its precursor chemicals, and other security threats put Canadian communities at risk. Canada's response to these threats, including to organised crime groups and the illicit financing networks that underpin their criminal activity, is robust and dynamic.

Chart 4.1 – Drugs Seized by the Canada Border Services Agency Entering and Leaving Canada



Note: Drugs seized include cannabis products, hashish, cocaine/crack, heroin, fentanyl, and other opioids, narcotics, drugs and chemicals, excluding drugs that are measured by dosage or in milliliters.

Canada's new government is hiring more new law enforcement personnel, investing in enhanced investigative capacity, and is removing dangerous assault-style firearms from Canadian communities. The government is choosing to build stronger communities—where you feel secure in your home, safe in your neighbourhood, and in control of your future.

Strengthening Federal Law Enforcement

Tougher laws are only one part of safer communities—we also need the people and the resources to enforce them. Canada's new government is investing in hiring more RCMP personnel to enforce our laws and protect our communities. This means we are increasing federal policing capacity across Canada to combat crime—including online fraud, money laundering, online child sexual exploitation, and organised criminal networks that threaten Canada's economic and national security.

- As announced on October 16, 2025, Budget 2025 proposes to provide $1.7 billion over four years, starting in 2026-27, with $591.9 million in 2030-31, $227.1 million in remaining amortisation, and $500.3 million ongoing for the Royal Canadian Mounted Police (RCMP) to strengthen the organisation's response to a wide range of threats related to transnational organised crime, financial crimes and money laundering, while enhancing its intelligence and national security capacity. **This would fulfill the government's commitment to hire 1,000 RCMP personnel.**
- As announced on October 16, 2025, Budget 2025 also proposes to provide $90.1 million over four years, starting in 2026-27, and $22 million ongoing to the RCMP to increase the cadet recruitment allowance to $1,000 per week. This will be partly offset by $20 million over four years, $9.8 million in 2030-31 and $9.4 million ongoing in expected revenue from contract policing partners. **This will better attract and maintain qualified and diverse RCMP candidates.**

Establishing a Financial Crimes Agency

Criminals continue to exploit Canada's economy and financial system to commit sophisticated financial crimes, such as financial fraud, and to launder their illicit proceeds. To combat these serious crimes and protect Canadians, Canada must take bold action, modeled after international best practices.

- As announced on October 20, 2025, Budget 2025 will leverage investments in federal law enforcement capacity outlined above, to establish a new **Financial Crimes Agency** to be Canada's lead enforcement agency against financial crimes. This agency will be a best-in-class model that aims to unite the police and civilian expertise needed to investigate complex cases of money laundering, organised criminal activity, and online financial scams, and to recover illicit proceeds.

- The Minister of Finance and National Revenue will work with the Ministers of Justice and Public Safety to introduce legislation to stand up this agency by Spring of 2026.

Enhancing the Canada Border Services Agency

- As announced on October 17, 2025, Budget 2025 proposes to provide $617.7 million over five years, starting in 2025-26, with $51.3 million in remaining amortisation and $198.3 million ongoing for the Canada Border Services Agency (CBSA) to increase its capacity to detect and intercept illicit goods, and defend Canadian industries by enforcing import measures and bolstering its trade remedy capacity. Budget 2025 will also increase the CBSA's recruit stipend from $125 to $525 per week.

- As also announced on October 17, 2025, Budget 2025 proposes to amend the *Public Service Superannuation Act* to extend the operational service early retirement program to frontline CBSA officers and other eligible frontline employee groups in the Public Service Pension Plan, so that they receive pension benefits that reflect the weight of their responsibilities, at a cost of $216.8 million over five years, starting in 2025-26, and $10.8 million ongoing.

This funding is complementary to the **$1.3 billion Border Plan** announced in December 2024, which together will allow the CBSA to hire up to 1,000 new officers.

Canada Community Security Program

To address the horrifying rise in hate, and hate-related crimes in our communities, including numerous incidents of Antisemitism and Islamophobia, Canada's new government introduced the *Combatting Hate Act*, to better protect access to places of worship, schools, and community centres, and to more clearly address and denounce hate-motivated crimes.

- Budget 2025 announces that the Minister of Public Safety will engage with the impacted communities to develop a comprehensive and equitable approach, including through reforms to the Canada Community Security Program, to ensure Canadians are no longer afraid because of who they are, how they worship, or where they gather. More details to be announced in due course.

Modernising the Meteorological Service of Canada

For over 150 years, the Meteorological Service of Canada (MSC) has provided Canadians with up-to-date information about the weather. The MSC's High-Performance Computing (HPC) solution is the only system in Canada capable of running the models required to produce weather forecasts, alerts, warnings, and climate projections. This essential federal service supports Canadians and key sectors of the economy (e.g., agriculture, transport, and marine shipping) in making informed decisions that protect people, property, and foster economic growth, and provide timely information to emergency responders and the CAF.

Canada's new government is investing in a modernised computing system for the MSC to ensure Canadians have access to more reliable weather forecasts.

- Budget 2025 proposes to provide $2.7 billion over nine years, starting in 2025-26, with $57.4 million in remaining amortisation, to replace the MSC's **High-Performance Computing solution**, put in place back-up systems in a separate location, and modernise the HPC operations.

Renewing Canada's National Public Alerting System

The **National Public Alerting System** saves lives. It warns of natural disasters, giving Canadians time to flee the area, and it reports on abducted children, helping to bring them to safety. The government is ensuring Canadians get these critical, lifesaving alerts by creating a new **National Public Alerting System** model. The Mass Casualty Commission recommended transformative change to better prevent and respond to critical incidents and mass casualty events in the future and make Canadian communities safer. These actions respond to the Commission's recommendations on public alerting.

- Budget 2025 proposes to provide $55.4 million over four years, starting in 2026-27 and $13.4 million ongoing to Public Safety Canada to support a new **National Public Alerting System** model, ensuring Canadians continue to receive Amber Alerts and warnings of imminent natural disasters, extreme weather events and security threats so they can take action to protect themselves and their communities.

Improving Preclearance at Canada's Borders

Efficient and effective transportation across airports and marine ports is crucial to building one Canadian economy and fostering trade. To make air and marine transport more seamless, the government is investing in improving preclearance at Canada's borders.

- Budget 2025 proposes to provide $14.8 million over four years, starting in 2026-27, with $1.1 million in 2030-31 and $20.6 million in remaining amortisation, to Transport Canada to develop and implement a new preclearance access regime, ensuring a more secure transportation system for Canadians. Funding will also enable Transport Canada to invest in digital solutions to maximise efficiency in security screening activities, supporting timely onboarding of employees in transportation facilities across Canada. This will complement the opening of the new preclearance facility at Billy Bishop Airport, for which the government invested $30 million into in 2023.

Removing Assault-Style Firearms from our Streets

Weapons made for the battlefield do not belong on Canadian streets—where children walk to school, where workers wait for the bus, and where you live. To protect our communities, Canada's new government is removing assault-style firearms from our streets. These measures respond directly to the Mass Casualty Commission's recommendations.

- Budget 2025 proposes to realign previously announced funding for a net fiscal impact of $38.7 million over three years, starting in 2025-26, to allow for the continuation of the **Assault-Style Firearms Compensation Program**. The program will be implemented in the most efficient and cost-effective way possible, within its existing funding envelope of $742 million.

Strengthening Canada's Emergency Management

Wildfire seasons in Canada are becoming more severe and are having lasting impacts on the lives of Canadians. Protecting our communities from these devastating wildfires requires bold approaches and committed, coordinated action from all levels of government.

- Budget 2025 proposes to provide $257.6 million over four years, starting in 2026-27, to Natural Resources Canada to lease four aircraft to bolster provincial and territorial aerial firefighting capacity.

4.3 Building a Stronger Financial System

In a world that is changing—with rising geopolitical, security, and natural disaster risks—protecting our communities also means ensuring Canadians and businesses have protections for their assets and have a strong and secure financial system.

Combatting Financial Fraud

From ghost texts and mysterious links, to masked voiceover calls and phony bank emails, financial fraud and crimes are becoming increasingly sophisticated and harder to detect—and remain an ever-growing threat to the financial well-being of Canadians everywhere. Seniors, newcomers, and other vulnerable populations are disproportionately affected. In 2024 alone, the Canadian Anti-Fraud Centre reported that Canadians lost $643 million to fraud, representing nearly a 300 per cent increase since 2020, while only 5 to 10 per cent of scams are reported.

In response, the Government of Canada is taking decisive action to enhance enforcement measures and ensure Canadians can feel confident that their financial systems are secure and resilient.

- Budget 2025 announces the government's intention to develop a whole-of-government **National Anti-Fraud Strategy**. This strategy will bring together financial institutions, technology, and telecommunication companies to develop a cross-sectoral approach to protect Canadians from evolving and highly complex fraud schemes.
- Budget 2025 also announces the government's intention to amend the *Bank Act* and make relevant regulations to:
    - Require banks to have policies and procedures to address consumer-targeted fraud.
    - Allow consumers to adjust maximum transaction amounts, and require banks to obtain the express consent of consumers to enable certain account features and permit consumers to disable features they do not need, with these features to be prescribed in regulation.
    - Require banks to report data on consumer-targeted fraud to the Financial Consumer Agency of Canada, with the specific data points to be prescribed in regulation. Anonymised data would

subsequently be reported to the Minister of Finance to inform the government's future policymaking on financial fraud.

Ensuring Crime Doesn't Pay

The government strongly supports Bill C-12, *the Strengthening Canada's Immigration System and Borders Act*, which includes a comprehensive package of measures to support Canada's fight against financial crimes. These measures will ensure Canada knows the businesses and professionals that work every day to support Canada's Anti-Money Laundering/Anti-Terrorist Financing Regime and will strengthen supervision, compliance, and information sharing under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (*PCMLTFA*).

Complementing these measures, Budget 2025 confirms the government's intention to take steps to further protect Canadians and Canadian business from financial crimes.

- Budget 2025 proposes to protect businesses from being abused by criminals by amending the *PCMLTFA* and its regulations to address the most prevalent forms of cash-based money laundering by restricting: large cash transactions of $10,000 or more; and the depositing of cash by one person to another person's account (i.e., third-party cash deposits).

Canada launched in February a new Integrated Money Laundering Intelligence Partnership (IMLIP) between law enforcement and Canada's big banks. This partnership will bolster Canada's response to organised crime and high-end money laundering schemes, including related to fentanyl trafficking.

- To support the IMLIP, Budget 2025 proposes amendments to the *PCMLTFA* with related amendments to the *Personal Information Protection and Electronic Documents Act* to clarify public to private information sharing.

Strengthening the Review of Foreign Bank Investments

- Budget 2025 announces the government's intention to propose legislative amendments to the *Bank Act* to enable the review of certain types of investments in Canadian businesses by foreign banks and their affiliates for national security risks. This would ensure consistency with how other foreign investments in Canada are assessed, including under the *Investment Canada Act*, to protect sensitive technology, infrastructure,

or data. The government will launch targeted consultations to inform the proposed amendments.

Improving Insurance Resiliency Against Natural Disasters

More can also be done to ensure Canadian consumers are protected by a resilient financial system in the face of extreme events like earthquakes.

- Budget 2025 announces the government's intention to consult federally regulated property and casualty insurers and other interested stakeholders on ways to ensure the stability of Canada's insurance sector in an extreme earthquake event.

Gender and Diversity Impacts Spotlight

Budget 2025 takes action to protect diverse groups from a broad range of risks to their safety and well-being by:

- **Removing Assault Style Firearms from our Streets,** which prioritises groups most affected by gun violence. In 2023, men 18+ were 56 per cent of victims, women and girls were about one third of victims, and 67 per cent of firearm-related intimate partner violence victims. Indigenous, Black, and other racialised communities face significant victimisation.
- **Renewing Canada's National Public Alerting System** will especially help seniors, persons with disabilities, Indigenous people, and low-income households by providing accessible, bilingual alerts for wildfires, floods, public safety threats, and Amber Alerts. In 2024, 879 alerts were issued nationwide.
- **Combatting Financial Fraud** will protect all Canadians, especially seniors, who are more often targeted by phone scams, as well as younger people who face rising risks on digital platforms. In 2024, reported losses totaled $643 million, and only 5 to 10 per cent of frauds are estimated to be reported.

For more information on the expected impacts of Budget 2025 measures on these and other diverse groups of Canadians, please see Annex 6.

Chapter 4
Protecting Canada's Sovereignty and Security

millions of dollars

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	*Total*
4.1 Defending our Sovereignty	**7,235**	**11,029**	**12,423**	**13,971**	**14,125**	***58,784***
Rebuilding, Rearming, and Reinvesting in the Canadian Armed Forces[1,*]	7,217	10,125	11,601	13,331	14,348	*56,622*
Less: Funds Previously Provisioned in the Fiscal Framework	*-18*	*-80*	*-148*	*-214*	*-280*	*-739*
A New Defence Investment Agency[2]	0	13	19	19	19	*71*
Strengthening Canada's Presence: Operations REASSURANCE and AMARNA[3,*]	57	1,018	998	836	40	*2,949*
Less: Funds Sourced From Existing Departmental Resources	*-20*	*-47*	*-48*	*-2*	*-2*	*-119*
4.2 Protecting our Borders and Communities	**17**	**631**	**890**	**1,203**	**1,283**	***4,024***
Strengthening Federal Law Enforcement[4,*]	0	236	367	535	623	*1,761*
Less: Projected Revenues	*0*	*0*	*-3*	*-7*	*-10*	*-20*
Enhancing the Canada Border Services Agency[5,*]	196	96	147	186	208	*834*
Less: Funds Previously Provisioned in the Fiscal Framework	*-11*	*-11*	*-11*	*-11*	*-11*	*-54*
Modernising the Meteorological Service of Canada*	8	17	302	418	391	*1,136*
Renewing Canada's National Public Alerting System	0	14	14	14	14	*55*
Improving Preclearance at Canada's Borders	0	3	4	4	4	*15*
Removing Assault-Style Firearms from our Streets	364	217	5	0	0	*586*
Less: Funds Sourced From Existing Departmental Resources	*-541*	*-6*	*0*	*0*	*0*	*-547*
Strengthening Canada's Emergency Management	0	64	64	64	64	*258*
Additional Investments – Protecting Canada's Sovereignty and Security	**0**	**33**	**33**	**0**	**0**	***66***
Improving Asylum Claim Processing Efficiency	0	33	33	0	0	*66*
Funding proposed for the IRB to support asylum claim processing.						

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	*Total*
Support for NATO's Ukraine Comprehensive Assistance Package	35	0	0	0	0	*35*
Less: Funds Sourced From Existing Departmental Resources	*-35*	*0*	*0*	*0*	*0*	*-35*
Funding to support the enhancement of Ukraine's security and defence institutions and deter Russian aggression, while also enabling interoperability with NATO. Funding is repurposed from a now-defunct NATO Trust Fund for the Afghan National Army.						
Chapter 4 - Net Fiscal Impact	**7,252**	**11,693**	**13,347**	**15,174**	**15,408**	***62,875***
Of which, capital investment:	*874*	*876*	*1,328*	*1,596*	*1,903*	*6,578*

[1] Defence investments in 2025-26 under *Rebuilding, Rearming, and Reinvesting in the Canadian Armed Forces* are equal to over $9 billion on a cash basis, as announced by the Prime Minister on June 9, 2025. The $7.2 billion total in 2025-26 on an accrual basis differs from the original accrual figure of $8.3 billion due to the accounting treatment of investments made under the Defence Industrial Strategy.

[2] A New Defence Investment Agency was announced on October 2, 2025.

[3] Operation REASSURANCE was announced on August 26, 2025.

[4] Strengthening Federal Law Enforcement was announced on October 16, 2025.

[5] Enhancing the Canada Border Services Agency was announced on October 17, 2025.

*Measure includes funding classified as a capital investment.

Note: Numbers may not add due to rounding. A glossary of abbreviations used in this table can be found at the end of Annex 1.

CHAPTER FIVE

CREATING A MORE EFFICIENT AND EFFECTIVE GOVERNMENT

5.1 Spending Less to Invest More

5.2 Modernising Services

5.3 A More Efficient Tax System

5.4 Advancing Indigenous Tax Jurisdiction Frameworks

Canada's new government made a clear commitment to Canadians to bring fiscal discipline to the federal budget. We will spend less on government operations, so we can invest more in the workers, business, and nation-building infrastructure that will build Canada Strong. To achieve this goal, Government itself must become much more productive by rightsizing, cutting red tape and wasteful spending, and adopting AI at scale. Canada's new government will balance Canada's operating budget within three years by making responsible, pragmatic choices—shifting the composition of spending toward capital investments that will grow the economy and prosperity for Canadians. We will make smart, generational investments to build the country we want for ourselves.

By spending less to invest more we can empower Canadians with new opportunities, better careers, and a lower cost of living. We can protect our sovereignty, our borders, our communities, and our way of life. We can build a stronger economy and build prosperous communities across the country.

5.1 Spending Less to Invest More

To spend less, we are modernizing government operations to deliver better results for Canadians and reduce costs. Through an ambitious savings plan, we are slowing the growth in direct program spending from 8 per cent to under 1 per cent. Budget 2025 introduces new measures to make federal programs and services more effective and focused.

This includes results from the Comprehensive Expenditure Review—a government-wide exercise to reduce duplication and inefficiencies and realign activities towards the core federal mandate. Greater efficiency will allow resources to be directed towards increasing public service productivity and improving how services are delivered to Canadians, particularly through the integration of technology and artificial intelligence (AI).

Comprehensive Expenditure Review

Budget 2025 delivers on the Comprehensive Expenditure Review—reducing inefficiency and focusing on core priorities.

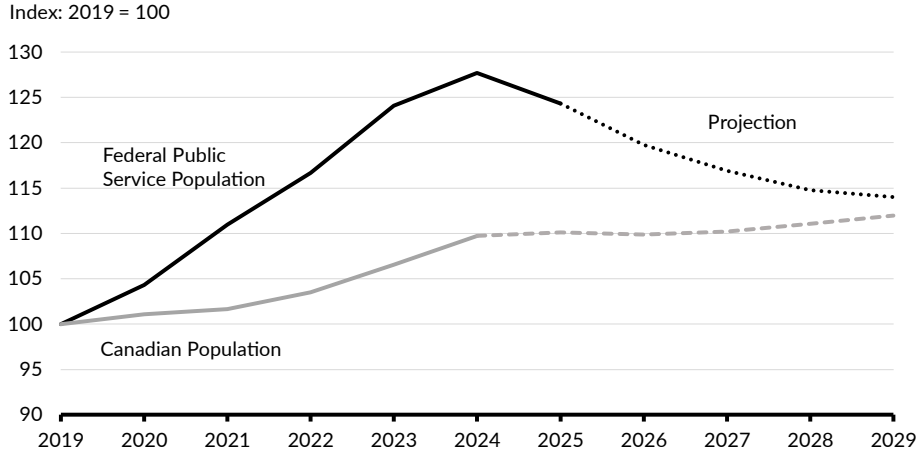
It will rein in government spending—saving Canada $13 billion annually by 2028-29, for a total with other savings and revenues of $60 billion over five years.

Over the last decade, from 2015 to 2024, the federal public service grew by more than 40 per cent—double the rate of economic growth. After direct program expenses began to fall from their COVID-19 peak in 2020-21, the federal public service continued to expand. These increases are unsustainable. This has left federal finances strained, and put the vital services and programs that Canadians rely on at risk.

Savings will be achieved by restructuring operations and consolidating internal services and rightsizing programs to realize efficiencies. It will also involve workforce adjustments and attrition to return the size of the public service to a more sustainable level. We will also take action to close tax loopholes and make sure everyone is paying their fair share.

To meet the moment, we must reinvent government to be fit for the 21st century. This means recalibrating activities and fiscal room towards our core mandates—spending less on the day-to-day running of government.

Chart 5.1 – Public Service and Canadian Population Growth Index - 2019=100



Sources: Statistics Canada, Treasury Board Secretariat, Finance Canada calculations.
Notes:
1) Annual public service population figures are as at March 31. Annual Canadian population figures are as at July 1, with index estimates beyond 2024 based on Statistics Canada's M1 projection.

From a peak of almost 368,000 in 2023-24, the public service population is expected to reach roughly 330,000 by the end of 2028-29—a decline of about 40,000 positions or 10 per cent. This reflects normal attrition through retirements, voluntary departures, and previous savings exercises, as well as further action the government is taking to slow spending and return the public service to a sustainable size. Through the Comprehensive Expenditure Review,

and the introduction of new and better tools such as AI, the tech-enabled public service of the future will still deliver the services that Canadians depend on.

The Comprehensive Expenditure Review will return government spending to sustainable levels—enabling the government to direct federal spending to enhance productivity and towards capital formation. Each Minister has been tasked with reviewing spending within their portfolio to assess which programs:

1. are meeting their objectives
2. are core to the federal mandate, and
3. complement—rather than duplicate—services delivered by other federal departments or levels of government.

This review is not an across-the-board reduction exercise. It is a measured and strategic approach to improve public service productivity. To achieve this objective, federal departments and agencies undertook a thorough review of their organizations, identifying programs and activities that were underperforming, duplicative or that had strayed away from the core federal mandate. Departments were directed to develop proposals using Gender-Based Analysis Plus to understand how Canadians, including vulnerable groups, would be affected. Statutory transfers payments to provinces, territories and individuals were outside the scope of the review. The Department of Finance and Treasury Board of Canada Secretariat worked with departments to ensure their proposals were sustainable and did not create program integrity pressures or impact the health, safety and the national security of Canadians. Furthermore, the government ensured the proposals did not materially impact core science, research and Indigenous programming.

Evaluation of the proposals was done thoroughly, with strong governance. The Cabinet Committee on Government Transformation / Government Efficiency reviewed all proposals to ensure appropriate oversight and to apply a consistent, whole-of-government approach. Following Cabinet's review, the Minister of Finance and Prime Minister made final decisions for inclusion in Budget 2025.

With this review, the government is making responsible choices to modernise government, right-size programs, improve efficiencies, and deliver better results and services for Canadians. By spending less, we can make the generational investments that grow our economy and protect the essential programs that keep your costs down.

The Comprehensive Expenditure Review will achieve savings of $9 billion in 2026-27, $10 billion in 2027-28 and $13 billion in 2028-29. Combined with other savings and revenues in Budget 2025, this will total $60 billion over five years, starting in 2025-26. Detailed allocations of savings by portfolio are available in Annex 3.

Planned savings fall under three themes generally: Modernising Government Operations, Streamlining Program Delivery, and Recalibrating Government Programs.

- **Modernising Government Operations:** The federal government needs to change how it operates and how things are being done to address the challenges we are facing as a country. This theme includes increasing the efficiency of back-office and administrative functions, leveraging new technology, and limiting spending on discretionary travel and training, and the use of external consultants ($25.2 billion over four years).
- **Streamlining Program Delivery:** Identifying the right federal program to help you, your family or your business can be complicated and confusing. To make programs more accessible for Canadians and improve administrative efficiency, several federal organizations will streamline their program delivery to improve services and reduce duplication ($1.5 billion over four years).
- **Recalibrating Government Programs:** To better align federal funding with the needs of Canadians and priorities of today and tomorrow, the government has identified opportunities to refocus several programs. This will help prioritize programs that will deliver the greatest impact ($17.5 billion over four years).

Consistent with a focus on improving productivity and efficiency, more than half of the total savings originate from actions to modernize government operations. This will contribute to reducing projected growth in the government's day-to-day operating spending, while maintaining programs and major transfers to Canadians. The government recalibrated programs through this exercise in order to deliver on the new generational investments in infrastructure, housing, and sectoral support provided in Budget 2025.

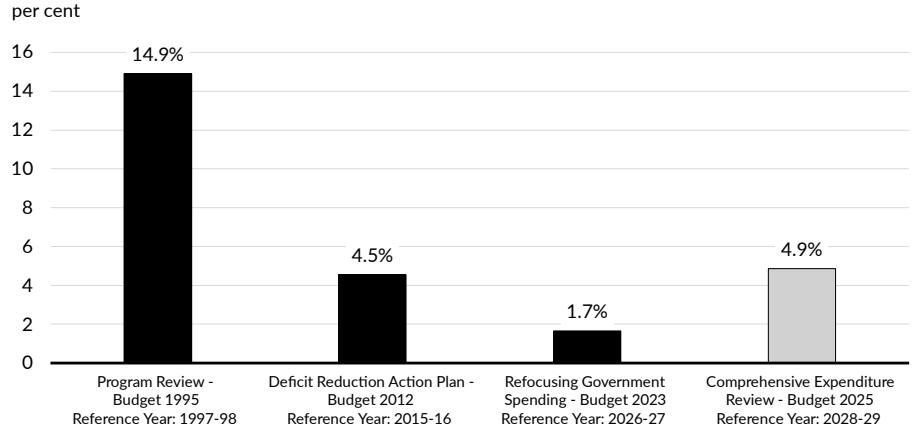
While this review has involved tough choices, these adjustments make sense to ensure responsible use of public funds while delivering the support Canadians expect from their government. Through the review, the focus has been on linking both spending and savings to key outcomes, a number of which are presented below.

Outcomes	Savings (26-27 to 29-30)
Aligning Pension Benefits with the Consumer Price Index (CPI): The indexation of pensions for federal government employees should be consistent. The government is taking steps to align growth to CPI.	$5.8 billion over four years
Adjusting Medical Cannabis Benefits to Reflect Market Price: The government is aligning more closely with the current market prices for medical cannabis while providing the same benefits.	$4.4 billion over four years
Returning International Development Assistance to a Pre-Pandemic Level: Recalibrated international assistance, and leveraging innovative tools while focusing support for countries that need it the most.	$2.7 billion over four years
Prioritizing Programming to Focus on Housing Supply: The government is moving towards a new delivery approach to build and finance more affordable homes, while recalibrating programming that does not directly contribute to increasing the housing supply. To improve results on housing builds, we are pivoting towards the historic **Build Canada Homes**.	$2.4 billion over four years
Streamlining Infrastructure Programs: Infrastructure funding will be realigned to better support needs across the country. Budget 2025 announces the government's launch of the new **Build Communities Strong Fund** ($51 billion over ten years), which will provide historic infrastructure funding to provinces, territories and municipalities, while relying on their expertise to determine how funding can best be allocated.	$2.3 billion over four years
Modernizing Supports for Canadian Industries and Workers: Innovation, Science and Economic Development Canada's Net Zero Accelerator has faced declining demand, despite targeted calls. To respond to the significant economic challenges resulting from U.S. tariffs and other geopolitical developments, the government is investing in the **Strategic Response Fund** to support Canadian industries and workers. This Fund will provide timely and robust supports to those who need it most to help grow our economy.	$2.1 billion over four years

Outcomes	Savings (26-27 to 29-30)
Implementing a Fleet Divestment Strategy: The government is making generational investments in our national defence to protect Canada's security and sovereignty. We are ensuring the Canadian Armed Forces has the equipment it needs. The Department of National Defence will divest fleets reaching end of service life, saving costly repairs and sustainment costs. Divestment will be coordinated with investments in modernized replacement capabilities.	$1.1 billion over four years
Refocusing Operations within the Department of Fisheries and Oceans: The government is streamlining internal services and eliminating redundant functions no longer required following the transfer of the Canadian Coast Guard to the Department of National Defence.	$0.5 billion over four years
Wrapping Up the Tree Planting Program: The government will wind down the 2 Billion Trees program. Existing contribution agreements and commitments will be honoured, and uncommitted funds will be returned. The government remains committed to sustainable forest management practices – to date, the program has committed to planting nearly 1 billion trees. This includes a new climate competitiveness strategy that will drive investment in clean growth through the **Clean Economy Investment Tax Credits**.	$0.2 billion over four years
Streamlining Government Operations: All government organizations have undertaken a thorough review to reduce inefficiencies in daily operations and consolidate back-office operations. As one example, Public Services and Procurement Canada has identified savings that will be achieved by reducing administrative requirements and delayering management. Like many organizations, it will transform service delivery, by automating processes, leveraging technology, and reducing outdated systems that contribute to unnecessary costs.	$0.6 billion over four years

By 2028-29, reductions from the Comprehensive Expenditure Review will represent 4.9 per cent of projected direct program expenses. These reductions are consistent with exercises taken in previous years to ensure that the federal government's finances are sustainable. Chart 5.2 illustrates the reductions from previous review exercises at maturity as a share of projected direct program expenses.

Chart 5.2 –Reduction as a Share of Projected Direct Program Expenses* at Maturity – Previous Reviews



Sources: Finance Canada calculations.

Notes:

*Direct program expenses do not include major transfers to individuals or to other levels of government. The Comprehensive Expenditure Review makes no changes to major transfers to individuals or other levels of government.

1) Budget 1995 did not present total direct program expenses for 1997-98. Reductions are calculated as a percentage of the 1997-98 direct program expenses projected in Budget 1996. Above figures from Program Review reflect only the $7.2 billion reduction to direct program expenses by 1997-98. Budget 1995 also announced an additional $4.7 billion in reductions in 1997-98 impacting major transfers, which are not included in this chart for a consistent comparison with other reviews.

2) The figure for Refocusing Government Spending reflects the planned reductions published in the 2024-25 Main Estimates.

3) Direct program expense figures for Refocusing Government Spending and the Comprehensive Expenditure Review do not include actuarial gains or losses.

Savings across departments and programs vary, reflecting the need to protect the important mandates that some organizations have in delivering frontline services, social programs, and priorities such as defence and security.

- Recognizing recent investments and the importance of securing Canada's sovereignty, security and border, the Department of National Defence, the Royal Canadian Mounted Police and the Canada Border Services Agency's annual savings target was set at two per cent of the review base. Given their essential role in keeping our country safe, this approach is also being taken with the Canadian Security Intelligence Service and the Communications Security Establishment.

- A resilient Canadian economy needs to advance research and attract and retain the top research talent to supercharge our growth. Recognizing this priority, the targets of the Natural Sciences and Engineering Research Council, the Social Sciences and Humanities Research Council and the Canadian Institutes of Health Research are also being set at two per cent, to protect the councils' important contributions in improving our global competitiveness and contributing to the economy of the future.
- The Department for Women and Gender Equality (WAGE) empowers women and 2SLGBTQI+ people through programs to eliminate discrimination and advance the rights of women and 2SLGBTQI+ communities. To support WAGE in continuing this critical work, its annual savings target is being set at two per cent of its review base.
- The government remains committed to reconciliation. Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada deliver important programs that are legally or constitutionally required, including child and family services, primary health care, and essential community infrastructure. The government will review how these organizations can deliver these programs more efficiently, with a two per cent savings target.

Actions taken through the Comprehensive Expenditure Review to reduce day-to-day operating spending complement other fiscal actions in Budget 2025, including proposing a reverse charge mechanism to help combat carousel fraud schemes and proposed legislative amendments to reform and modernize transfer pricing rules, to protect the integrity of Canada's tax system and ensure the government collects revenues that it should.

Workforce Renewal

The savings identified through CER will contribute to returning the size of the public service to a more sustainable level, with an estimated reduction of 16,000 full-time equivalents, or roughly 4.5 per cent of the workforce as of March 2025. Of these reductions, some 650 will be executive positions, representing about 7 per cent of the executive population. These reductions will continue the trend towards a more sustainable public service size of roughly 330,000 by 2028-29, a decline of about 40,000 or 10 per cent from the 2023-24 peak—where attrition has, and will continue to be, a driver. The government understands that transitions can be difficult and is committed to minimising

hardship for federal employees, while also protecting diversity in the public service workforce and ensuring a strong, younger generation of public servants.

This is a transformational time for the public service to revisit how we work, how we can improve services to Canadians and how we can build for the future. A leaner public service is a more empowered and productive public service.

- To manage these reductions to the greatest extent possible through attrition and voluntary departures, Budget 2025 proposes to amend the *Public Service Superannuation Act* and the *Income Tax Regulations* to offer a voluntary Early Retirement Incentive (ERI) program through the Public Service Pension Plan. Public servants at age 50 or above for Group 1 and age 55 or above for Group 2 who have at least ten years of employment, with at least two years of pensionable service in the Plan may apply to participate under parameters set by Treasury Board. These parameters will be designed to maintain essential services and business continuity. Eligible employees will be able to retire with an immediate pension based on years of service with no penalty for early retirement. Implementation would proceed by January 15, 2026, or when legislation receives Royal Assent, and the government intends to conclude the ERI process within one year. This program, which will be sourced from the Public Service Pension Fund, is estimated to have a net fiscal impact of $1.5 billion over five years, starting in 2025-26, while providing ongoing savings of $82.0 million annually.
- To support the increased workflow at the Government of Canada Pension Centre from administering this time-limited program, Budget 2025 proposes to provide Public Services and Procurement Canada with $15.0 million over two years, starting in 2025-26.
- As the size of the public service adjusts, so too, must the leadership. The government will reduce the executive cadre in the public service by 1,000 positions overall over the next two years, inclusive of positions reduced through CER and early retirements.
- The government will also reduce expenses on management and other consulting services by 20 per cent in three years' time – in order to reduce wasteful spending and empower the public service to take on more responsibility and accountability.

These actions will ensure that the public service continues to provide effective services while being representative of the Canadians that it serves and fostering the next generation of public servants.

In the coming weeks, participating organizations will be communicating these measures to their employees and collective bargaining agents. The federal government will continue to identify more efficiencies and potential savings, which will be communicated in the 2026-27 Main Estimates and Departmental Plans.

Optimizing Productivity in Government

To ensure high quality service delivery for Canadians, the government must continually strive to optimize its productivity and transform how it operates. The government will make sure public servants are equipped with the tools, technology and training to do their jobs. We will bring focus to our priorities. We will clarify accountabilities. We will simplify processes and reduce duplication. This is about doing things faster, simpler and better.

At the same time, as emerging technologies like AI continue to advance, the government intends to be at the forefront in their adoption and build and rely on the skills we have in the public service. Budget 2025 announces that going forward, the government will:

- Improve expenditure management by adopting a regular, predictable review schedule to ensure continuous optimization of resources. Future reviews will focus on specific horizontal themes, such as consolidating the administration of programs, fostering AI implementation and scale-up in the public service, and reviewing business subsidies and skills programming.
- To demonstrate the government's commitment to restraining the growth in day-to-day operating spending, it is targeting additional savings of $7.75 billion over three years, starting in 2027-28, and $3.25 billion ongoing. Results will be reported on in Budget 2026.

Adopting AI to Enhance Productivity and Improve Services

- Budget 2025 announces that the government intends to stand up an **Office of Digital Transformation** which will proactively identify, implement, and scale technology solutions across the federal government—a generational opportunity for domestic innovators. The Office will identify and eliminate redundant and counterproductive procurement rules as well as leverage expertise from internal sources and the private sector to hasten AI adoption.

- Budget 2025 also announces that Shared Services Canada, in partnership with the Department of National Defence and the Communications Security Establishment, will develop a made-in-Canada AI tool that can be deployed across the federal government. Shared Services Canada will partner with leading Canadian AI companies to develop this internal tool. By supporting innovative research to strengthen public services, this work will protect our digital sovereignty, keep government data and information safe in Canada, and create opportunities for the Canadian technology sector.

Leveraging Technology for a More Productive Public Service

Through the Comprehensive Expenditure Review, departments have identified ways to use technology to achieve savings by streamlining workflows, reducing manual effort and optimising service delivery.

- Shared Services Canada will apply AI and automation across internal operations, and automate common IT support requests, reducing call volumes and costs while improving the user experience.
- The Department of Justice will integrate AI, advanced analytics and automation tools to streamline routine tasks, enhance decision-making and free employees to focus on higher-value strategic work.
- Transport Canada will use AI and automation to optimise back-office activities and reduce costs of dedicated resources assigned to repetitive tasks, and realign service delivery models with a greater focus on self-service and technology-enabled solutions.
- Public Services and Procurement Canada will implement digital delivery of procurement-related documents to better manage project delivery.

Equitable Public Sector Retirement Benefits

In 2019, enhancements to the Canada Pension Plan (CPP) and the Quebec Pension Plan (QPP) led federal employees and the government to contribute more than needed to maintain existing pension benefits.

- Budget 2025 announces the government's intention to initiate consultations with key stakeholders to account for CPP and QPP enhancements and ensure that federal employees continue to receive the same pension

benefits, without overcontributing. **This will save federal employees up to $1,100 in annual pension contributions, while maintaining their pension benefit levels.** At the same time, this will achieve fiscal savings of $1.1 billion over four years, starting in 2026-27, and $384 million ongoing from lower pension expenses for the government.

In 2014, the government increased the number of years of service required to be eligible for the Public Service Health Care Plan in retirement from two to six, to ensure that the costs of the Public Service Health Care Plan remained sustainable and affordable in the future. To ensure benefits remain available to public servants in retirement, while being reasonable for taxpayers:

- Budget 2025 announces that the government will consult stakeholders on making similar modifications to the Pensioners' Dental Services Plan so that, going forward, the years of service required to be eligible to participate in the Plan in retirement would increase from two to six years. This will not impact current members. With these changes implemented before the end of the 2025-26 fiscal year, net savings of $101.8 million over five years, starting in 2025-26, and $13.1 million per year ongoing are expected.

Collective Bargaining in Good Faith

2025 marks the beginning of a new round of collective bargaining between federal public service bargaining agents and the government. The government believes that the best deals are reached by the parties at the bargaining table. In working to renew collective agreements, the government will negotiate fair and reasonable agreements that balance the interests of both employees and taxpayers. At the same time, the government will respect workers' fundamental rights to organize, collectively bargain, and commence legal labour actions.

- Budget 2025 reaffirms these rights by proposing to introduce amendments to the *Federal Public Sector Labour Relations Act* to ensure the government can attract and retain the necessary talent for a high-performing public service to meet the needs of Canadians, while respecting Canada's fiscal circumstances relative to its stated budgetary policies and objectives.

Public sector compensation must align with Canadian labour market trends and the government's fiscal position, freeing resources to be invested towards growing Canada's economy.

Improving the Integrity of Student Financial Assistance

The Canada Student Financial Assistance Program plays an important role in facilitating access to post-secondary education—providing opportunities for Canadians to learn new skills and earn new qualifications. Ensuring that it is used as intended is essential to control costs and to provide a fair chance to students who rely on this support.

- Budget 2025 announces the government's intention to propose legislative and regulatory amendments to address integrity issues related to private educational institutions by generally limiting access to the Canada Student Grant for Full-time Students to students attending public educational institutions and not-for-profit private institutions within Canada. Internationally, Canada Student Loans and Grants generally would only be provided to those who attend public institutions. This measure is expected to result in savings of approximately $1.0 billion over four years, starting in 2026-27, and $280.1 million ongoing.

Addressing integrity issues in the Canada Student Financial Assistance Program limits the financial risks to the Crown and ensures that post-secondary students have access to the best educational outcomes.

5.2 Modernising Services

Building a government that works better for Canadians requires a modern, agile, and efficient public service—empowered through technology and greater responsibility. This will create a more effective government, one that is capable of providing high-quality services for Canadians and businesses as the economy grows.

Faster Services for Veterans

Canada owes a debt of gratitude to the women and men who answered the call to serve. Canada's Veterans should never have to wait unnecessarily for the services they have earned—they deserve timely, compassionate support. While recent temporary funding injections have increased processing capacity, which has enabled reductions to wait times and the backlog, Veterans Affairs Canada continues to face pressure from rising caseloads. To that end:

- Budget 2025 proposes to provide $184.9 million over four years, starting in 2026-27, and $40.1 million ongoing for Veterans Affairs Canada to stabilise their processing capacity for disability benefits applications and to modernise operational processes and IT infrastructure for their disability benefits program.

Maintaining the Effectiveness of Fines and Penalties

The government levies administrative monetary penalties and fines for violations of certain legislation or regulations. These levies are meant to ensure everyone follows the rules, whether employment standards, environmental regulations, or air passenger rights. In the *Strong Borders Act* and the *Strengthening Canada's Immigration System and Borders Act*, the government proposed stronger administrative monetary penalties to strengthen compliance under Canada's Anti-Money Laundering and Anti-Terrorist Finance Regime. However, some other fines and penalties have not been reassessed in many years. To ensure that these remain effective:

- Budget 2025 announces the government's intention to launch a review of fines and penalties to ensure the charges are sufficient and that non-compliance is not just treated as the cost of doing business. Results of the review will be available in Budget 2026.

Cutting Regulatory and Operational Red Tape

A range of government legislation imposes red tape and regulatory hurdles, while reducing certainty for businesses and Canadians, and hinders broader government efficiency and effectiveness. A less visible form of red tape is legislated requirements that reduce government efficiency and operational effectiveness. These requirements, such as duplicative reporting or cumbersome approvals processes, consume a significant amount of public servants' time, diverting them from tasks that provide greater value to Canadians.

In the spirit of the 60-day regulatory review, the government further intends to introduce a variety of targeted amendments to legislation in order to increase government efficiency and operational effectiveness. This includes amendments that would streamline low-risk internal processes, modernise outdated requirements, eliminate unnecessary and burdensome reporting requirements, remove unnecessary barriers to agile regulation-making, align legislative and regulatory authorities across government and provide for the

delegation of certain matters where appropriate. Results of this review will be available in Budget 2026.

Attracting Private Sector Expertise to the Public Service

There is a need to bring in talent and perspectives from outside the government into the public service at speed and scale. To this end, the government is announcing that the Interchange Canada program will be rebranded as the **Build Canada Exchange**, with an ambitious, immediate-term goal of integrating 50 external leaders in technology, finance, science, and other sectors into the public service.

5.3 A More Efficient Tax System

A robust and efficient tax system is what allows the government to support Canadians, protect the essential services they rely on, and build major infrastructure and millions of homes. Budget 2025 proposes new measures to protect the integrity and improve the efficiency of Canada's tax system.

Protecting the Integrity of the Tax System

Budget 2025 proposes new measures to protect the integrity of Canada's tax system, promote a level playing field for taxpayers, and address abusive tax practices. These tax integrity measures are expected to collectively increase federal revenues by hundreds of millions of dollars.

- To improve tax fairness, Budget 2025 proposes to amend the *Income Tax Act* to limit the deferral of refundable tax on investment income through the use of tiered corporate structures with staggered year ends, for taxation years that begin on or after Budget Day.
- To ensure that Canadian multinational insurers do not avoid tax on their Canadian insurance business by operating through a foreign subsidiary, Budget 2025 proposes to amend the *Income Tax Act* to clarify that income derived from assets held by a foreign affiliate of a Canadian insurance company that support Canadian insurance risks is taxable in Canada.

- To protect the integrity of Canada's tax base, Budget 2025 announces the government's intention to propose legislative amendments to reform and modernise the transfer pricing rules, which are used to determine profit among the various entities of a multinational enterprise group.
- To protect Canada's revenue base, Budget 2025 proposes a new reverse charge mechanism to help combat carousel fraud schemes under the Goods and Services Tax/Harmonized Sales Tax, beginning with the telecommunications sector.

Improving the Efficiency of the Tax System

Budget 2025 proposes to eliminate or modify tax measures that have proven to be inefficient, costly to administer, and challenging for Canadian industries at a time of ongoing global economic uncertainty.

- To provide relief to the aviation and boating industries and increase the overall efficiency of the luxury tax framework, Budget 2025 announces the government's intention to end the luxury tax on aircraft and vessels as of the day after Budget Day.
- To simplify Canada's tax system and reduce compliance costs for taxpayers and administrative costs for government, and given other efforts such as the federal foreign buyer ban and municipal and provincial vacant home taxes, Budget 2025 announces the government's intention to eliminate the Underused Housing Tax as of the 2025 calendar year.

5.4 Advancing Indigenous Tax Jurisdiction Frameworks

In collaboration with proponent Indigenous groups and organisations, the federal government aims to conclude fuel, alcohol, cannabis, tobacco, and vaping value-added sales tax arrangements with interested Indigenous governments. The government will explore other flexible, opt-in approaches for tax jurisdiction arrangements that continue to advance fiscal relationships and create more opportunities for Indigenous governments to grow their revenues and achieve the goals of their communities.

Gender and Diversity Impacts Spotlight

Budget 2025 takes action to support the financial well-being of women by:

- Delivering **Faster Services for Veterans** to support Canadian Armed Force members and veterans with service-related injuries, illnesses, or disabilities. Given that women veterans are more likely to experience low income and larger income declines after release, this group will particularly benefit from the improved timeliness of services.

For more information on the expected impacts of Budget 2025 measures on other diverse groups of Canadians, please see Annex 6.

Chapter 5
Creating a More Efficient and Effective Government

millions of dollars

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Total
5.1 Spending Less to Invest More	**-219**	**-8,773**	**-12,639**	**-17,669**	**-17,363**	***-56,663***
Comprehensive Expenditure Review*	0	-8,553	-10,381	-12,842	-12,442	*-44,217*
Comprehensive Expenditure Review – new revenues/lower expenses enabled by efficiencies (CRA)	-165	-655	-887	-1,171	-1,107	*-3,985*
Workforce Renewal	14	772	464	200	61	*1,511*
Optimizing Productivity in Government	0	0	-1,250	-3,250	-3,250	*-7,750*
Equitable Public Sector Retirement Benefits	-68	-84	-330	-349	-365	*-1,196*
Improving the Integrity of Student Financial Assistance	0	-253	-255	-258	-260	*-1,025*
5.2 Modernising Services	**0**	**52**	**52**	**40**	**40**	***185***
Faster Services for Veterans	0	52	52	40	40	*185*
5.3 A More Efficient Tax System	**31**	**-534**	**-164**	**-199**	**-244**	***-1,110***
Protecting the Integrity of the Tax System	-10	-590	-225	-260	-310	*-1,395*
Improving the Efficiency of the Tax System	41	56	61	61	66	*285*
5.1 and 5.3: Savings and Revenues Subtotal	**-243**	**-10,135**	**-13,328**	**-18,129**	**-17,734**	***-59,569***
Less: unrealized Budget 2024 Responsible Government Spending savings	*648*	*1,194*	*1,151*	*1,247*	*1,270*	*5,510*
Additional Investments – Creating a More Efficient and Effective Government	**63**	**224**	**247**	**171**	**172**	***876***
Administrative Funding for Clean Economy Investment Tax Credits*	23	28	33	32	30	*146*
Funding proposed for the CRA to administer the Clean Economy Investment Tax Credits.						
Administrative Funding for Tax Fairness of Global Corporations*	16	38	53	56	58	*221*
Funding proposed for the CRA to ensure integrity and deliver on commitments related to tax fairness for global corporations.						
Funding Advertising for Communicating to Canadians	25	80	80	80	80	*345*
Funding proposed for PCO to increase the annual limit of the Central Advertising Fund, supporting the effective communication of government policy.						
Real-Time Employer Reported Payroll Information Pilot	0	11	18	0	0	*29*
Funding proposed for ESDC, to be charged to the EI Operating Account, to support a two-year pilot project to assess whether EI eligibility and entitlement can be determined accurately and securely using real-time payroll information.						

	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Total
Advancing a Common Government of Canada Desktop Solution	10	3	0	0	0	*13*
Less: Funds Sourced From Existing Departmental Resources	*-10*	*-3*	*0*	*0*	*0*	*-13*
Funding proposed for SSC, to be sourced from existing departmental resources, to advance the proof-of-concept phase of a common Government of Canada desktop service.						
Continuing Collection of Emergency Benefits Overpayments	0	65	58	0	0	*123*
Funding proposed for ESDC to continue collections for overpayments related to COVID-19 emergency benefits, in collaboration with the CRA.						
CNSC Human Resources Information Technology System Modernization*	0	1	1	1	2	*5*
Less: Costs to be Recovered	*0*	*-1*	*-1*	*-1*	*-2*	*-3*
Less: Funds Sourced From Existing Departmental Resources	*0*	*0*	*0*	*0*	*-1*	*-1*
Funding proposed for the CNSC to support the modernization of its human resources information technology system.						
Home Accessibility Tax Credit	-1	-5	-5	-5	-5	*-21*
Budget 2025 proposes to modify the Home Accessibility Tax Credit to no longer allow an expense to be claimed under this credit if it has been claimed under the Medical Expense Tax Credit.						
Agricultural Cooperatives: Patronage Dividends Paid in Shares	0	8	9	8	8	*33*
Budget 2025 proposes to extend the period during which agricultural cooperatives can distribute tax-deferred patronage dividends paid in shares to their members until the end of 2030.						
Chapter 5 - Net Fiscal Impact	**523**	**-7,836**	**-11,353**	**-16,410**	**-16,125**	***-51,202***
Of which, capital investment:	**0**	**-532**	**-606**	**-874**	**-717**	***-2,729***

*Measure includes funding classified as a capital investment.

Note: Numbers may not add due to rounding. A glossary of abbreviations used in this table can be found at the end of Annex 1.

Annex 1
Details of Economic and Fiscal Projections

Economic Projections

The average of private sector forecasts has been used as the basis for economic and fiscal planning since 1994. This helps ensure objectivity and transparency, and introduces an element of independence into the government's economic and fiscal forecast.

The Department of Finance regularly surveys private sector forecasters for their outlook. Given the speed and scale of recent U.S. trade policy shifts, private sector forecasts have been revised frequently. The economic forecast reported here is based on a survey conducted in August 2025. The survey results have been adjusted to incorporate the actual results of the National Accounts for the second quarter of 2025 released on August 29, 2025.

The August survey includes the views of 11 private sector economists:

- BMO Capital Markets;
- CIBC World Markets;
- The Conference Board of Canada;
- Desjardins;
- Industrial Alliance Insurance and Financial Services Inc.;
- Laurentian Bank Securities;
- National Bank Financial Markets;
- Royal Bank of Canada;
- Scotiabank;
- TD Bank Financial Group; and,
- The University of Toronto (Policy and Economic Analysis Program).

Reflecting the shift in U.S. trade policy toward greater protectionism and the importance of exports to income generation across Canada the private sector outlook for real and nominal gross domestic product (GDP) in Canada has been significantly downgraded since the *2024 Fall Economic Statement* (FES 2024) (Table A1.1). While the full effects will take time to materialise, higher U.S. tariffs and resulting trade uncertainty are expected to weigh persistently on Canadian economic performance, putting the economy on a lower trajectory.

In the August survey, private sector forecasters incorporated the tariff measures and trade policy developments available at the time, and formed their own assumptions regarding the evolution and potential resolution of trade conflicts. These assumptions underpin their projections for GDP growth, trade flows, and the broader macroeconomic outlook. Private sector economists expected current sectoral tariffs and those applied on non-CUSMA (Canada-United States-Mexico Agreement) compliant goods to remain in place through the end of 2025 and most of 2026. While some de-escalation is assumed over time, forecasters did not anticipate a return to broadly open, low-tariff global trade.

Furthermore, the baseline outlook assumes that trade uncertainty will remain elevated through 2026, reflecting ongoing tariff threats and a likely complex review of the CUSMA. This prolonged uncertainty is expected to weigh on business investment and dampen household confidence. A partial easing of uncertainty is embedded in the outlook beginning in 2027.

Comparisons of the August survey real GDP growth forecast to those of other institutions can be found in Table A1.2.

Following growth of 2.0 per cent annualised in the first quarter of 2025, real GDP contracted by 1.6 per cent in the second quarter, leaving growth at 0.2 per cent in the first half of the year. Forecasters expect growth to resume but to remain modest in the second half of the year amid trade uncertainty. Exports are expected to remain subdued as U.S. tariffs drive demand away from Canadian steel, aluminum, copper, lumber, and autos. Domestic demand continues to moderate in the near term as businesses reduce investment in the face of uncertainty. Households built up precautionary savings due to concerns about employment prospects. Nonetheless, consumption is expected to be the main driver of growth over the near term as households are supported by improved balance sheets and lower interest rates. Real GDP growth is projected to gradually pick up through 2026, supported by export stabilisation and a gradual pickup in domestic demand with lower interest rates.

Overall, private sector forecasters expect real GDP growth of 1.1 per cent in 2025 and 1.2 per cent in 2026—down sharply from the FES 2024 outlook of 1.9 per cent and 2.1 per cent, respectively. As the Canadian economy gradually adjusts to the new trading environment, growth is expected to pick up to about 2 per cent in 2027 and beyond. However, economic activity remains on a permanently lower trajectory, reflecting the combined effects of ongoing U.S. tariffs and trade tensions weakening productivity, reduced business investment, costs from restructuring trade and supply chains, and the resulting drag on incomes nationwide. Overall, the level of real GDP is about 1.8 per cent lower than forecast in FES 2024.

The unemployment rate is expected to peak at 7.2 per cent in the fourth quarter, averaging 7.0 per cent in 2025 (compared to 6.7 per cent expected in FES 2024) as trade tensions weigh on labour demand. The unemployment rate is expected to remain elevated and to only gradually decline to reach 6.0 per cent by 2029, about two years later than projected in FES 2024, pointing to persistent excess supply.

Private sector economists anticipate that the disinflationary effects of the fuel charge removal and excess supply will largely offset the direct and indirect cost pressures from tariffs and supply chain disruptions. As a result, Consumer Price Index (CPI) inflation is projected to average 2.1 per cent in 2025, slightly above the 2.0 per cent forecast in FES 2024. Inflation is then expected to return to 2.0 per cent in 2026 and remain at that level over the forecast horizon, in line with the FES 2024 projection. Since the August survey, Canada has removed most countermeasures put in place in March 2025 on U.S. imports, with this change effective September 1, 2025.

The survey was consistent with the Bank of Canada bringing the policy interest rate to 2.25 per cent by year-end. The Bank of Canada cut the policy rate by 25 basis points on October 29 bringing it to this level. Economists in the survey expected the policy rate to remain at 2.25 per cent through 2026. Short-term interest rates are expected to be about 30 basis points lower on average than forecast in FES 2024, settling around 2.6 per cent by the end of the forecast period in 2029.

Canadian long-term yields have declined somewhat over the past few months to stand around 3.1 per cent, reflecting weakening domestic economic data and renewed expectations of interest rate cuts. Private sector economists expect the 10-year bond rate to increase from an average of 3.3 per cent in 2025 to 3.6 per

cent in 2029 (about 15 basis points higher than in FES 2024). The increase in long-term yields over the forecast reflects the expectation of larger global sovereign borrowing needs, particularly in the U.S. and Europe.

At the time of the survey, forecasters expected real GDP growth in the U.S. to slow to below 1 per cent annualised in the second half of the year reflecting the introduction of tariffs and increased policy uncertainty. U.S. growth has so far in 2025 remained robust as a surge in AI related investment spending is driving building activity. Economists expected U.S. growth to average 1.6 per cent in both 2025 and 2026 (previously 1.7 per cent and 2.0 per cent, respectively), and to strengthen to about 2 per cent in the outer years (similar to the FES 2024 outlook).

With global growth prospects being revised down compared to FES 2024 and growing oil supply from strong production by the Organization of the Petroleum Exporting Countries (OPEC), private sector economists expected crude oil prices to average US$66 per barrel this year and US$65 per barrel in 2026, previously US$77 and US$76 per barrel respectively. Crude oil prices are expected to gradually increase thereafter to reach US$71 per barrel by 2029, remaining below the US$77 per barrel expected in FES 2024.

GDP inflation came in flat in the second quarter of 2025, partly offsetting the strength of the end of 2024 and the first quarter of 2025. GDP inflation is expected to average 2.4 per cent in 2025 and 1.8 per cent in 2026 (compared to 2.0 per cent in both years in the FES). In the outer years, GDP inflation is broadly similar to the FES outlook.

Reflecting downward revisions to real GDP, the level of nominal GDP is expected to be lower by $8 billion in 2025 compared to the FES outlook. This downward revision widens substantially to $45 billion in 2026, reflecting the downgrade to both real GDP growth and GDP inflation outlook in 2026. Over the forecast horizon (2025-2029), the level of nominal GDP is lower than the FES 2024 projection by $40 billion on average per year.

Forecasters in the survey saw greater risks to the downside for Canada's economic outlook given the potential for additional U.S. sectoral tariffs, the risk that existing tariffs and spillovers could weigh more heavily on growth than anticipated, and a substantial repricing in financial markets. Should U.S. tariffs remain in place and uncertainty lingers, Canadian growth could slow further, delaying the rebound currently expected for late 2026 and beyond. To support prudent economic and fiscal planning amidst heightened global and trade uncertainty, the Department of Finance Canada has developed scenarios to assess the implications of these risks for the economic and fiscal outlook (see below for details).

Table A1.1
Average Private Sector Forecasts

per cent, unless otherwise indicated

	2025	2026	2027	2028	2029	2025-2029
Real GDP growth[1]						
2024 Fall Economic Statement	1.9	2.1	2.1	2.0	2.0	2.0
Budget 2025	1.1	1.2	2.0	1.9	2.0	1.6
GDP inflation[1]						
2024 Fall Economic Statement	2.0	2.0	2.0	2.0	2.0	2.0
Budget 2025	2.4	1.8	2.0	2.0	2.0	2.0
Nominal GDP growth[1]						
2024 Fall Economic Statement	3.9	4.2	4.1	4.0	4.0	4.0
Budget 2025	3.5	3.0	4.1	4.0	4.0	3.7
Nominal GDP level (billions of dollars)[1]						
2024 Fall Economic Statement	3,188	3,321	3,457	3,595	3,738	
Budget 2025	3,180	3,276	3,409	3,545	3,686	
Difference between Budget 2025 and FES 2024	-8	-45	-48	-50	-52	-40
3-month treasury bill rate						
2024 Fall Economic Statement	2.9	2.6	2.8	2.8	2.8	2.8
Budget 2025	2.6	2.3	2.5	2.6	2.6	2.5
10-year government bond rate						
2024 Fall Economic Statement	3.1	3.2	3.3	3.4	3.5	3.3
Budget 2025	3.3	3.4	3.5	3.6	3.6	3.4
Exchange rate (US cents/C$)						
2024 Fall Economic Statement	74.2	75.6	76.1	76.4	76.5	75.8
Budget 2025	72.2	75.1	76.4	77.0	77.4	75.6
Unemployment rate						
2024 Fall Economic Statement	6.7	6.2	6.0	5.8	5.7	6.1
Budget 2025	7.0	6.8	6.4	6.1	6.0	6.4
Consumer Price Index inflation						
2024 Fall Economic Statement	2.0	2.0	2.0	2.0	2.0	2.0

	2025	2026	2027	2028	2029	2025-2029
Budget 2025	2.1	2.0	2.0	2.0	2.0	2.0
U.S. real GDP growth						
2024 Fall Economic Statement	1.7	2.0	2.0	2.0	2.0	1.9
Budget 2025	1.6	1.6	2.0	2.0	2.0	1.8
West Texas Intermediate crude oil price ($US per barrel)						
2024 Fall Economic Statement	77	76	75	75	77	76
Budget 2025	66	65	67	69	71	68

Notes: Forecast averages may not equal average of years due to rounding. Numbers may not add due to rounding.

[1] Forecasts have been restated to reflect the historical revisions in the Canadian System of National Accounts published along with the National Accounts for the second quarter of 2025 on August 29, 2025.

Sources: Statistics Canada; for the *2024 Fall Economic Statement*, Department of Finance Canada September 2024 survey of private sector economists, which has been adjusted to incorporate the actual results of the National Accounts for the third quarter of 2024 released on November 29, 2024; for Budget 2025, Department of Finance Canada August 2025 survey of private sector economists, which has been adjusted to incorporate the actual results of the National Accounts for the second quarter of 2025 released on August 29, 2025; Department of Finance Canada calculations.

Table A1.2
Comparison of Real GDP Growth Forecasts

per cent

	2025	2026	2027	2028	2029
Budget 2025	**1.1**	**1.2**	**2.0**	**1.9**	**2.0**
Bank of Canada	1.2	1.1	1.6	--	--
International Monetary Fund (IMF)	1.2	1.5	1.9	1.7	1.7
Organisation for Economic Co-operation and Development (OECD)	1.1	1.2	--	--	--
Parliamentary Budget Officer (PBO)	1.2	1.3	1.8	1.8	1.7

Sources: For Budget 2025, see Table A1.1; *OECD Interim Economic Outlook* – September 2025; PBO, *Economic and Fiscal Outlook* – September 2025; IMF, *World Economic Outlook* – October 2025; Bank of Canada, *Monetary Policy Report* – October 2025.

Fiscal Projections

The fiscal outlook presented in this budget is based on the economic projections from the August 2025 survey of private sector forecasters, detailed in the previous section.

Alignment with Public Accounts

The projections across this annex are consistent with the Government of Canada accounting principles, aligning with the Public Accounts of Canada and Canadian public sector accounting standards. In addition, the budget adds an outlook for capital investments, where presentations are specifically indicated to be in accordance with the government's new Capital Budgeting Framework, detailed in Annex 2.

Changes to Fiscal Projections Since FES 2024

This section presents changes to the fiscal outlook since FES 2024. Table A1.3 provides an overview of all sources of change in the budgetary balance. Subsequent tables provide details on the outlook for capital investments and the day-to-day operating balance (Tables A1.4 and A1.5), and economic and fiscal developments including, for example, year-to-date financial results (Table A1.6).

Overall trade uncertainty and the economy's slowdown have weakened the fiscal outlook, particularly through 2026-27 as lower GDP growth and higher spending associated with relief measures weigh on the budgetary balance. Against this uncertainty, Budget 2025 invests to build strength at home guided by fiscal anchors—balance operating spending with revenues by 2028-29 and maintaining a declining deficit-to-GDP ratio.

Budget 2025 meets both fiscal anchors. As shown in Table A1.3, a deficit of $78.3 billion, or 2.5 per cent of GDP, is expected for 2025-26, falling to 1.5 per cent of GDP by 2029-30. In addition, the federal debt-to-GDP ratio remains relatively stable across the horizon. This responsible fiscal management will help preserve Canada's fiscal advantage.

Table A1.3
Economic and Fiscal Developments, Policy Actions, and Measures Since FES 2024
billions of dollars

	Projection					
	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	2029–2030
Budgetary balance – FES 2024	**-48.3**	**-42.2**	**-31.0**	**-30.4**	**-27.8**	**-23.0**
Economic and fiscal developments since FES 2024	12.0	-7.1	-3.6	-7.5	-11.1	-12.6
Budgetary balance before policy actions and measures	**-36.3**	**-49.2**	**-34.5**	**-37.9**	**-38.8**	**-35.6**
Policy actions since FES 2024		-9.0	-9.1	-6.8	-5.1	-5.9
***Budget 2025* measures (by chapter)**						
1. Building a Stronger Canadian Economy		-0.1	-3.0	-3.0	-2.6	-4.6
2. Shifting from Reliance to Resilience		-3.1	-4.7	-3.7	-2.9	-2.1
3. Empowering Canadians		-9.2	-10.2	-10.1	-9.7	-9.0
4. Protecting Canada's Sovereignty and Security		-7.3	-11.7	-13.3	-15.2	-15.4
5. Creating a More Efficient and Effective Government		-0.5	7.8	11.4	16.4	16.1
Subtotal – Budget 2025 measures		-20.1	-21.8	-18.8	-14.0	-15.0

Total – Policy actions since FES 2024 and Budget *2025* measures		-29.1	-30.9	-25.6	-19.1	-20.9
Budgetary balance	**-36.3**	**-78.3**	**-65.4**	**-63.5**	**-57.9**	**-56.6**
Budgetary balance (per cent of GDP)	-1.2	-2.5	-2.0	-1.9	-1.6	-1.5
Federal debt (per cent of GDP)	41.2	42.4	43.1	43.3	43.3	43.1
Budgetary balance – FES 2024	***-48.3***	***-42.2***	***-31.0***	***-30.4***	***-27.8***	***-23.0***
Budgetary balance (per cent of GDP)	*-1.6*	*-1.3*	*-0.9*	*-0.9*	*-0.8*	*-0.6*
Federal debt (per cent of GDP)	*41.9*	*41.7*	*41.0*	*40.2*	*39.5*	*38.6*

Note: A negative number implies a deterioration in the budgetary balance (lower revenue or higher expenses). A positive number implies an improvement in the budgetary balance (higher revenue or lower expenses).
Policy actions taken between FES 2024 and Budget 2025 are detailed in Table A1.18.

Outlook for Capital Investments

The government's fiscal anchors are supported by a new approach to budgeting that prioritises spending that supports capital formation and crowds in private sector investment for long-term growth. This new approach is based on the *Capital Budgeting Framework* announced on October 6, 2025. This framework provides a consistent way to classify spending, including tax expenditures, that contributes to capital formation (called 'capital investment') from day-to-day operating spending. Further details are available in Annex 2.

Table A1.4 below indicates that capital investments will nearly double from $32.2 billion in 2024-25 to $59.6 billion in 2029-30. Table A1.5 includes projections for day-to-day operating spending, and demonstrates how this spending will be balanced with projected revenues from 2028-29 onwards.

Table A1.4
Capital Investments
billions of dollars

	Projection					
	2024–2025	**2025–2026**	**2026–2027**	**2027–2028**	**2028–2029**	**2029–2030**
Baseline capital investments (Annex 2)	-32.2	-43.2	-48.5	-48.1	-50.6	-50.3
Capital investments since FES 2024		-1.0	-1.1	-1.5	-1.5	-1.1
Capital investments in Budget 2025		-1.2	-7.0	-8.5	-7.5	-8.3
Total – capital investments	***-32.2***	***-45.4***	***-56.7***	***-58.0***	***-59.6***	***-59.6***

Table A1.5
Day-to-Day Operating Balance
billions of dollars

	Projection					
	2024–2025	**2025–2026**	**2026–2027**	**2027–2028**	**2028–2029**	**2029–2030**
A. Total expenses, including net actuarial losses	-547.3	-585.9	-588.6	-604.8	-618.1	-639.8
B. Capital investments (expenses)	-29.7	-39.7	-50.3	-53.3	-55.0	-54.7
C. Day-to-day operating expenses (A minus B)	-517.6	-546.2	-538.3	-551.5	-563.1	-585.1
D. Budgetary revenues	511.0	507.5	523.2	541.3	560.2	583.3
E. Capital investments (revenues)	2.5	5.7	6.4	4.7	4.7	4.9
F. Day-to-day operating balance (C plus D plus E)	-4.1	-33.0	-8.7	-5.5	1.7	3.0

Note: Further details on expenses and forgone revenues classified as capital investments are available in Annex 2.

How Trade Actions Impact the Fiscal Outlook

Global trade is being reshaped. For Canada, U.S. trade actions are disrupting decades of economic integration which introduces risks to Canada's economic and fiscal outlook and is contributing towards a deterioration in the government's outlook for revenues, expenses, and the budgetary balance.

While it is difficult to isolate the impacts of the U.S. trade actions, the downward revisions to the economic outlook, primarily from 2026-27 onward, could be expected to result in an average estimated deterioration in the budgetary balance of $7 billion per year over the forecast horizon relative to FES 2024.

U.S. trade actions are creating significant uncertainty for businesses. This dampens the outlook for corporate income tax revenues and net profits from enterprise Crown corporations. Economic assumptions that underpin the lower outlook include lower business activity and increased provisions for credit losses.

U.S. actions have also created heightened volatility. Year-to-date revenues from customs import duties, for example, have increased substantially due to the countermeasures imposed in response to U.S. tariffs. These duties are sensitive to potential trade policy changes, which could introduce additional volatility in the revenue forecast.

Other revenue streams have been less impacted thus far. Personal income tax revenue has remained strong despite the trade conflict, and both employment and average weekly earnings are up relative to the same time last year. Similarly, other excise taxes have shown limited impact of the trade disruption as indirect effects on consumption have been moderate to date. Looking forward, deteriorating economic conditions and heightened uncertainty are expected to create a drag on the fiscal outlook.

The government is taking steps to diversify trade and to invest in building Canada strong. These fiscal measures increase spending to support workers and businesses but also to create opportunities.

Overall, these factors introduce challenges to forecasting as the underlying assumptions affect the projections over the forecast horizon.

Economic and Fiscal Developments Since FES 2024

Table A1.6 shows how much of the change in the budgetary balance since FES 2024 is driven by economic and fiscal developments. This table does not include policy actions and measures introduced since FES 2024.

Table A1.6
Economic and Fiscal Developments Since FES 2024
billions of dollars

	Projection					
	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	2029–2030
Economic and fiscal developments by component[1]						
Change in budgetary revenues						
(1.1) Income taxes	11.9	12.6	11.0	6.4	6.0	5.8
(1.2) Excise taxes and duties	1.4	-0.8	-0.2	-0.4	-0.6	-0.5
(1.3) Employment insurance premiums	0.6	0.6	0.5	0.1	-0.2	-0.6
(1.4) Other revenues[2]	1.1	-1.5	0.6	0.2	-0.6	-0.9
(1) Total budgetary revenues[3]	**15.0**	**10.9**	**11.9**	**6.3**	**4.7**	**3.7**
Change in program expenses						
(2.1) Major transfers to persons	5.0	2.1	0.4	0.0	0.2	0.0
(2.2) Major transfers to provinces, territories and municipalities	0.1	-0.1	-0.1	-0.2	0.0	-0.1
(2.3) Direct program expenses	-8.3	-16.8	-14.6	-10.9	-12.3	-10.4
(2) Total program expenses, excluding net actuarial losses[3]	**-3.2**	**-14.8**	**-14.3**	**-11.2**	**-12.1**	**-10.4**
(3) Public debt charges	0.3	-1.4	-2.2	-4.0	-5.1	-6.5
(4) Net actuarial losses (gains)	0.0	-1.1	0.9	1.1	1.1	0.6
(5) Net pollution pricing regime[3]	-0.1	-0.5	0.2	0.3	0.3	0.0
(6) Total economic and fiscal developments	**12.0**	**-7.1**	**-3.6**	**-7.5**	**-11.1**	**-12.6**

1 A negative number implies a deterioration in the budgetary balance (lower revenues or higher spending). A positive number implies an improvement in the budgetary balance (higher revenues or lower spending).

2 Includes Digital Services Tax (DST) and Underused Housing Tax in this table only for presentation purposes.

3 The largely offsetting revenue and expense impacts of changes in the pollution pricing regime (see box "Changes to the Pollution Pricing System Since FES 2024") are netted in row (5), and omitted from the revenue and program expense subtotals of rows (1) and (2).

Budgetary revenue projections have increased relative to FES 2024 by an average of $7.5 billion annually from 2025-26 to 2029-30, primarily due to stronger corporate income tax revenues, reflecting both stronger anticipated 2024-25 results and continuing strength in 2025-26 year-to-date revenues. This strength has been somewhat offset by lower projected revenue in other

streams, including enterprise Crown corporation revenues and other excise taxes and duties.

- From 2025-26 onward the outlook for income tax revenues has been revised up, on average, by $8.3 billion annually, largely reflecting higher corporate income tax revenues. Most of the increase is concentrated in the first two years of the forecast horizon, in part reflecting higher expected 2024-25 results and strength in early 2025-26 year-to-date results. In particular, this is driven by higher revenues from the financial sector.
- The outlook for excise taxes and duties has been revised down in 2025-26 owing to lower year-to-date Goods and Services Tax revenue. Over the remainder of the forecast horizon, the outlook is revised down by an average $0.4 billion per year in line with the projected general slowdown in nominal GDP.
- Revenues generated from Employment Insurance (EI) premiums are projected to be higher from 2025-26 to 2027-28, driven by growth in insurable earnings. Lower employment projections reduce anticipated revenues in the last two years of the forecast.
- Other revenues have been revised down in 2025-26 and over the forecast horizon due to lower expected net profits from enterprise Crown corporations. This is offset by higher expected interest and penalty revenue, net foreign exchange revenue and return on investments.

The outlook for program expenses has increased relative to FES 2024 by an average of $12.6 billion per year from 2025-26 to 2029-30, largely reflecting higher direct program expenses, primarily from higher projected expenses for contingent liabilities as well as allowance for doubtful accounts on taxes receivable.

- Major transfers to persons are projected to decrease in 2025-26 and 2026-27 from a reduction in the projected number of beneficiaries receiving elderly benefits, partially offset by higher Employment Insurance benefits in 2026-27. The remainder of the forecast horizon is broadly aligned with FES 2024 projections.
- Major transfers to provinces, territories, and municipalities have increased slightly due to higher projected Territorial Formula Financing based on higher projected expenditures of provincial and local governments. This is partly offset by lower projected nominal GDP, which results in downward revisions to Equalization and Canada Health Transfer payments in the outer years, and higher projected recoveries with respect to the Quebec Abatement.

- Direct program expenses are higher primarily from expected growth in contingent liabilities, principally due to Indigenous-related claims, as well as allowance for doubtful accounts on taxes receivable.
    - See an “Update on contingent liabilities”, which shows the growth of contingent liabilities on the balance sheet, net of settlements. This increase reflects the government’s efforts to work with Indigenous partners to address past injustices and accelerate the resolution of litigation and the implementation of negotiated settlements to support reconciliation in Canada and is aligned with accounting standards. Growth in contingent liabilities has an impact on the budgetary balance in the year the liabilities are recorded. In recent years, this expense has averaged over $10 billion per year. For prudence, Budget 2025 increases the projection of expenses for contingent liabilities across the forecast horizon, with a larger increase for 2025-26 where there is more information on specific negotiations, cases and claims.
    - An increase in projected expenses across the horizon has also been made for the allowance for doubtful accounts on taxes receivable, in line with the increases seen in 2023-24 and projected in 2024-25, which reflect the growth of the tax base as well as the aging of the associated receivable. Under Canadian public sector accounting standards, tax revenue is recorded as revenue in the year it is earned, while the annual provision for doubtful accounts, to reflect the best estimate of uncollectable amounts receivable, is charged to expenses.
- Projected direct program expenses are also higher from provisions for other obligations such as environmental liabilities and current service costs for pensions and other employee future benefits; and revised timing and spending against previously announced measures.

Public debt charges have increased over the forecast horizon primarily due to increased borrowing requirements and long-term interest rates, offset in part by lower short-term interest rates.

Net actuarial losses, which represent the amortisation of changes in the value of the government’s accrued obligations for pensions and other employee future benefits and pension fund assets, are expected to be lower on average over the forecast horizon, reflecting updated actuarial assumptions.

Changes to the Pollution Pricing System Since FES 2024

Effective April 1, 2025, the Government of Canada ceased the application of the fuel charge in all jurisdictions where it applied, while maintaining its Output-Based Pricing System (OBPS) for industries in provinces and territories where it applies. At the same time, the federal government also removed requirements for provinces and territories to have a consumer-facing carbon price.

All direct proceeds from the federal system are returned over time in the province or territory where they were collected. With the cancellation of the fuel charge effective April 1, 2025, direct fuel charge proceeds return mechanisms for Canadians, small-and-medium-sized businesses, farmers, and Indigenous governments are being wound down. Proceeds from the federal OBPS will continue to be returned either to provincial and territorial governments or via the OBPS Proceeds Fund.

The net pollution pricing regime line (5) shown in Table A1.6 consolidates the change since FES 2024 in revenues and expenses from pollution pricing. It reflects net timing differences from winding down the collection of fuel charge proceeds and their corresponding return, while maintaining the OBPS and continuing to honour the return of fuel charge proceeds as specified to small-and-medium-sized businesses, farmers, and Indigenous governments.

The table at the end of Chapter 3 shows the impact of the policy decision to end the fuel charge to be a net cost of $4.2 billion in 2025-26. This amount reflects expenses related to the winding down of the fuel charge system, including but not limited to the final Canada Carbon Rebate payment in April. The resulting profiles of proceeds (revenue) and proceeds returned (expenses) are presented below in the Revenue Outlook and Expense Outlook tables A1.8 and A1.9.

Summary Statement of Transactions

Table A1.7
Summary Statement of Transactions
billions of dollars

	Projection					
	2024–2025	**2025–2026**	**2026–2027**	**2027–2028**	**2028–2029**	**2029–2030**
Budgetary revenues	**511.0**	**507.5**	**523.2**	**541.3**	**560.2**	**583.3**
Program expenses, excluding net actuarial losses	489.9	525.2	528.4	537.9	549.7	568.3
Public debt charges	53.4	55.6	60.0	66.2	71.4	76.1
Total expenses, excluding net actuarial losses	**543.3**	**580.9**	**588.3**	**604.1**	**621.2**	**644.4**
Budgetary balance before net actuarial losses	-32.3	-73.4	-65.2	-62.8	-60.9	-61.1
Net actuarial losses	-4.0	-5.0	-0.2	-0.7	3.0	4.5
Budget 2025 budgetary balance	**-36.3**	**-78.3**	**-65.4**	**-63.5**	**-57.9**	**-56.6**
Financial Position						
Total liabilities	2,182.3	2,350.5	2,497.0	2,644.6	2,787.2	2,910.1
Financial assets	788.8	870.1	937.1	1,000.5	1,064.2	1,112.3
Net debt	1,393.6	1,480.4	1,559.9	1,644.0	1,723.0	1,797.8
Non-financial assets	127.1	133.3	147.4	168.0	189.2	207.4
Federal debt[1]	**1,266.5**	**1,347.0**	**1,412.4**	**1,476.0**	**1,533.9**	**1,590.5**
Per cent of GDP						
Budgetary revenues	*16.6*	*16.0*	*16.0*	*15.9*	*15.8*	*15.8*
Program expenses, excluding net actuarial losses	*15.9*	*16.5*	*16.1*	*15.8*	*15.5*	*15.4*
Public debt charges	*1.7*	*1.8*	*1.8*	*1.9*	*2.0*	*2.1*
Budgetary balance	*-1.2*	*-2.5*	*-2.0*	*-1.9*	*-1.6*	*-1.5*
Federal debt	*41.2*	*42.4*	*43.1*	*43.3*	*43.3*	*43.1*

[1] The projected level of federal debt for 2025-26 includes an estimate of other comprehensive income of $0.4 billion for enterprise Crown corporations and other government business enterprises, and an estimate of $2.6 billion for net remeasurement losses on swap agreements, foreign exchange forward agreements, and other financial instruments.

Outlook for Budgetary Revenues

Table A1.8 provides projected budgetary revenues by major component in the fiscal framework.

Table A1.8
The Revenue Outlook

billions of dollars

	Projection					
	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	2029–2030
Income tax revenues						
Personal income tax	234.3	237.9	244.9	257.1	268.7	278.9
Corporate income tax	97.0	97.1	96.7	96.7	96.8	100.6
Non-resident income tax	13.5	13.7	14.0	14.2	14.4	14.7
Total	344.8	348.7	355.6	368.0	380.0	394.2
Excise tax and duty revenues						
Goods and Services Tax	52.5	54.4	56.5	58.3	60.2	62.7
Customs import duties	6.3	9.9	6.3	6.6	6.9	7.2
Other excise taxes/duties	13.1	13.2	13.3	13.4	13.5	13.6
Total	71.9	77.5	76.2	78.3	80.6	83.5
Other taxes	0.0	0.0	2.7	1.9	2.1	2.1
Total tax revenues	**416.7**	**426.2**	**434.4**	**448.2**	**462.6**	**479.8**
Pollution pricing proceeds to be returned to Canadians	13.6	0.0	0.0	0.0	0.0	0.0
Employment Insurance premium revenues	31.5	32.2	33.3	34.3	35.5	36.8
Other revenues						
Enterprise Crown corporations	8.0	11.3	14.8	16.9	19.1	21.1
Other programs	34.3	31.8	34.0	35.0	36.0	38.4
Net foreign exchange revenues and return on investments	6.8	6.0	6.7	6.8	7.0	7.2
Total	49.2	49.1	55.5	58.8	62.1	66.6
Total budgetary revenues	**511.0**	**507.5**	**523.2**	**541.3**	**560.2**	**583.3**
Per cent of GDP						
Total tax revenues	13.6	13.4	13.3	13.1	13.1	13.0
Employment Insurance premium revenues	1.0	1.0	1.0	1.0	1.0	1.0
Other revenues	1.6	1.5	1.7	1.7	1.8	1.8
Total budgetary revenues	16.6	16.0	16.0	15.9	15.8	15.8

Note: Totals may not add due to rounding.

Income Tax Revenues

Personal income tax revenues are projected to increase by 1.5 per cent to $237.9 billion in 2025-26. Softness in the growth of personal income tax revenues primarily reflects measures such as the cancellation of the proposed increase in the capital gains inclusion rate and the reduction of the lowest personal income tax rate. Over the remainder of the forecast horizon, growth in personal income tax revenues is projected to average 4.1 per cent per year.

Corporate income tax revenues are forecast to remain flat at $97.1 billion in 2025-26 due to fiscal measures such as the cancellation of the proposed increase in the capital gains inclusion rate and the extension of the Accelerated Investment Incentive. Revenue is then expected to decline slightly in 2026-27, before stabilising throughout 2027-28 and 2028-29. In 2029-30, growth in corporate income tax revenues is projected to increase to 3.9 per cent, reflecting a return to the long-term historical trend.

Income taxes paid by non-residents on Canadian-sourced income, notably dividends and interest payments, are expected to grow marginally by 1.4 per cent to $13.7 billion in 2025-26, reflecting weakness in year-to-date revenues. Over the remainder of the forecast horizon, growth in non-resident income tax revenues is expected to average 1.7 per cent per year, reflecting a slowdown in interest payments to non-residents.

Excise Tax and Duty Revenues

Goods and Services Tax (GST) revenues are projected to grow 3.6 per cent to $54.4 billion in 2025-26. Over the remainder of the forecast period, GST revenues are expected to grow in line with the taxable consumption outlook, increasing on average by 3.6 per cent per year.

Customs import duties are forecast to substantially increase by 57.8 per cent to $9.9 billion in 2025-26. This growth primarily reflects higher year-to-date revenues, driven by the application of countermeasures in response to the U.S. tariffs. The forecasted revenues from the countermeasures are net of estimated remissions and other relief (e.g., Duty Deferral Program). The current projections account for the application of the countermeasures until the end of 2025-26. Projections will be reviewed, as informed by developments, prior to the next fiscal year. Customs import duties are projected to grow in line with the projected growth in imports over the remainder of the forecast horizon. These duties are sensitive to potential trade

policy changes, which could introduce additional volatility in the revenue forecast.

Other excise taxes and duties are expected to increase to $13.2 billion in 2025-26, or by 0.8 per cent, as sluggish growth in motive fuels is expected to be offset by other components of the excise taxes, particularly Air Travellers Security Charge. Other excise taxes and duties revenues are projected to grow to $13.6 billion by 2029-30.

Other taxes include revenues from the two-pillar international tax reform, agreed to on October 2021 by the members of the OECD/G20. Revenues from these taxes are projected to be zero in 2025-26 due to the repeal of the Digital Services Tax and Underused Housing Tax, then grow to $2.1 billion by 2029-30. This primarily reflects the projected revenues from international tax reform that would ensure that multinational enterprises are subject to a minimum 15 per cent tax, no matter where their profits are earned.

Proceeds from the Pollution Pricing Framework

Proceeds from the federal pollution pricing framework are expected to be adjusted down from $13.6 billion in 2024-25 to $0.0 billion in 2025-26 and onwards as the fuel charge ceased to apply effective April 1, 2025. Direct fuel charge proceeds return mechanisms for Canadians, small- and medium-sized businesses, farmers, and Indigenous governments in provinces where the federal fuel charge applied are being wound down. The residual value indicates the amounts related to the Output-Based Pricing System.

Employment Insurance Premium Revenues

Employment Insurance (EI) premium revenues are forecasted to grow at 2.1 per cent in 2025-26, supported by strength in the labour force and insurable earnings. Over the remainder of forecast horizon, EI premium revenues are projected to grow at an average of 3.4 per cent annually, reflecting steady gains in insurable earnings. In the long term, strength in the upward trend is partially offset by lower projected growth of the labour force.

The EI premium rate is projected to be $1.63 per $100 of insurable earnings in 2027. The actual premium rate for 2027 will be set in the fall of 2026, incorporating the recommendation of the Canada Employment Insurance Commission based on projections provided by the Office of the Chief Actuary.

Other Revenues

Other revenues consist of three broad components:

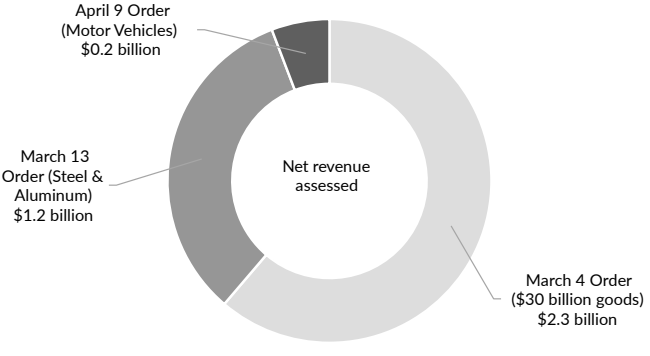
- **Enterprise Crown corporation revenues** are projected to increase by 40.3 per cent to $11.3 billion in 2025-26, largely reflecting higher expected net profits from the Bank of Canada. Over the remainder of the forecast horizon, growth is projected to average 16.9 per cent annually, driven by net profits of enterprise Crown corporations as well as interest revenues generated from the Government of Canada's purchases of Canada Mortgage Bonds (CMBs). The government will ensure that the pace and volume of CMB purchases are aligned with market conditions.
- **Other program revenues** are projected to decrease by 7.4 per cent to $31.8 billion in 2025-26. This is primarily driven by a decrease in interest and penalty revenue due to lower interest rates, and the waiving of interest and penalties as part of the tax relief and support provided to businesses in response to tariffs. Over the remainder of the forecast horizon, growth is projected to average 4.8 per cent annually.
- **Net foreign exchange revenues and return on investments**, which consist mainly of returns on Canada's official international reserves held in the Exchange Fund Account, are volatile and sensitive to fluctuations in foreign exchange rates and foreign interest rates. Assets in the Exchange Fund Account are mainly invested in debt securities of sovereigns and their agencies. They are held to aid in the control and protection of the external value of the Canadian dollar and to provide a source of liquidity for the government, if required. Net foreign exchange revenues and return on investments are projected to decline in 2025-26, largely due to lower short-term interest rates. Higher returns over the remainder of the forecast horizon are primarily driven by growth in the level of international reserves and other loans and investments.

Revenues from Canada's Countermeasures

As of October 17, 2025, $6.7 billion in gross revenue has been assessed from Canada's countermeasures in response to U.S. tariffs. This includes 25 per cent tariffs on $30 billion in goods imported from the U.S., 25 per cent tariffs on steel and aluminum products, and 25 per cent tariffs on vehicles.

A total of $3.0 billion in revenue has been remitted to mitigate the impact of the countermeasures on the Canadian economy. The net revenue assessed is $3.7 billion and remains subject to revision. As additional claims for remission are processed, the total amount of relief provided will increase, which will result in downward revisions to net revenue assessed. The figures in Chart A1.1 below detail the net revenue assessed as of October 17, 2025. The forecast for net revenues over the forecast horizon, including adjustments for product scope changes, anticipated remissions and other relief, is presented in Table A1.18, titled Policy Actions Since FES 2024.

Chart A1.1
Net Revenue Assessed from U.S Countermeasures



Note: Totals may not add due to rounding.

Effective September 1, 2025, in recognition of the U.S.'s approach to allow most Canadian goods to enter the U.S. tariff-free under CUSMA, Canada removed countermeasures put in place in March 2025 on most U.S. imports. This includes removing tariffs on $30 billion in goods that had been in place since March 4, 2025 and $14.2 billion in goods that had been in place since March 13, 2025.

Canada's countermeasures on steel, aluminum and vehicles remain in effect.

Outlook for Expenses

Table A1.9 provides an overview of the projection for total expenses by major component.

Table A1.9
The Expense Outlook
billions of dollars

	Projection					
	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	2029–2030
Major transfers to persons						
Elderly benefits	80.3	83.1	88.8	94.5	99.4	104.3
Employment Insurance benefits	24.9	30.5	31.9	30.4	31.3	32.6
Canada Child Benefit	28.6	30.1	31.0	31.7	32.4	33.4
COVID-19 income support for workers	-2.2	0.0	0.0	0.0	0.0	0.0
Total	131.6	143.7	151.8	156.6	163.1	170.3
Major transfers to provinces, territories, and municipalities						
Canada Health Transfer[1]	52.1	54.7	57.4	60.3	62.5	65.0
Canada Social Transfer	16.9	17.4	17.9	18.5	19.0	19.6
Equalization[1]	25.3	26.2	27.2	28.1	29.1	30.3
Territorial Formula Financing[1]	5.2	5.5	5.8	6.3	6.6	6.8
Health agreements with provinces and territories	4.3	4.3	4.3	3.1	2.5	2.5
Canada-wide early learning and child care	6.6	7.9	7.9	8.0	8.2	8.5
Canada Community-Building Fund	2.4	2.5	2.5	2.6	2.6	2.7
Other fiscal arrangements[2]	-7.6	-7.6	-8.0	-8.3	-8.7	-9.1
Total	105.1	110.8	115.0	118.5	121.9	126.3
Pollution pricing proceeds returned to Canadians	15.6	5.0	0.2	0.1	0.1	0.0
Direct program expenses						
Other transfer payments	107.1	115.6	117.3	119.6	119.0	122.7
Other direct program expenses	130.5	150.2	144.0	143.2	145.7	148.9
Total	237.6	265.8	261.3	262.8	264.7	271.6
Total program expenses, excluding net actuarial losses	**489.9**	**525.2**	**528.4**	**537.9**	**549.7**	**568.3**
Public debt charges	53.4	55.6	60.0	66.2	71.4	76.1

	Projection					
	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	2029–2030
Total expenses, excluding net actuarial losses	**543.3**	**580.9**	**588.3**	**604.1**	**621.2**	**644.4**
Net actuarial losses (gains)	4.0	5.0	0.2	0.7	-3.0	-4.5
Total expenses	**547.3**	**585.9**	**588.6**	**604.8**	**618.1**	**639.8**
Per cent of GDP						
Major transfers to persons	4.3	4.5	4.6	4.6	4.6	4.6
Major transfers to provinces, territories, and municipalities	3.4	3.5	3.5	3.5	3.4	3.4
Direct program expenses	7.7	8.4	8.0	7.7	7.5	7.4
Total program expenses, excluding net actuarial losses	15.9	16.5	16.1	15.8	15.5	15.4
Total expenses	17.8	18.4	18.0	17.7	17.4	17.4

Note: Totals may not add due to rounding.

[1] The Canada Health Transfer, Equalization and Territorial Formula Financing amounts for 2026-27 will be finalised in December 2025, in accordance with the Federal-Provincial Fiscal Arrangements Act.

[2] Other fiscal arrangements include the Quebec Abatement (offsetting amounts to reflect the historical transfer of tax points and resulting reduction in federal tax collected for the Youth Allowances Recovery and Alternative Payments for Standing Programs); statutory subsidies; and payments for the transfer of Hibernia Net Profits Interest and Incidental Net Profits Interest net revenues to Newfoundland and Labrador.

Major Transfers to Persons

Major transfers to persons are expected to increase from $143.7 billion in 2025-26 to $170.3 billion in 2029-30:

- **Elderly benefits** are projected to reach $83.1 billion in 2025-26, up 3.5 per cent. Over the remainder of the forecast horizon, elderly benefits are forecast to grow by 5.9 per cent on average annually. Growth in elderly benefits is due to the increasing population of seniors and projected consumer price inflation, to which benefits are fully indexed.
- **EI benefits** are projected to increase by 22.6 per cent to reach $30.5 billion in 2025-26, largely reflecting a higher projected unemployment rate in 2026. EI benefits are expected to grow at an average of 1.7 per cent annually over the remainder of the forecast horizon.
- **Canada Child Benefit** payments are projected to increase 5.2 per cent to $30.1 billion in 2025-26, largely reflecting the indexation of benefits to consumer price inflation. Payments are expected to grow at an average of 2.7 per cent annually over the remainder of the forecast horizon.
- **COVID-19 income support for workers** were provided during the pandemic

through the Canada Emergency Response Benefit, Canada Recovery Benefits, and the Canada Worker Lockdown Benefit. These temporary programs are now closed, with projected amounts in 2024-25 mainly reflecting redeterminations of benefit overpayments.

Major Transfers to Provinces, Territories, and Municipalities

Major transfers to provinces, territories, and municipalities are expected to increase from $110.8 billion in 2025-26 to $126.3 billion in 2029-30:

- The **Canada Health Transfer (CHT)** is projected to increase from $54.7 billion in 2025-26 to $65.0 billion in 2029-30, supported by the CHT growth guarantee of at least 5 per cent for five years (in effect from 2023-24 to 2027-28), after which it will grow in line with a three-year moving average of nominal GDP growth, with funding guaranteed to grow by at least 3 per cent per year.
- The **Canada Social Transfer** will increase from $17.4 billion in 2025-26 to $19.6 billion in 2029-30, reflecting legislated growth of 3 per cent per year.
- **Equalization payments** are indexed to the three-year average of nominal GDP growth and are projected to grow 3.7 per cent annually, on average, from $26.2 billion in 2025-26 to $30.3 billion in 2029-30.
- **Territorial Formula Financing** is projected to grow 5.6 per cent annually, on average, from 2025-26 to 2029-30 due to growth in provincial/local expenditures, which are major components of the formula.
- **Health agreements with provinces and territories** are projected to remain at $4.3 billion in 2025-26 and 2026-27, reflecting $2.5 billion per year for tailored bilateral agreements, and $1.2 billion per year in transfers supporting home and community care and mental health and addictions services that expire after 2026-27. Another $600 million per year in transfers for long-term care expires after 2027-28.
- **Canada-wide early learning and child care transfer payments** are expected to increase from $7.9 billion in 2025-26 to $8.5 billion in 2029-30, reflecting 3 per cent per year growth for four years starting in 2027-28 as announced in 2025. This also includes $625 million over four years, beginning in 2023-24, for the Early Learning and Child Care Infrastructure Fund.
- **Canada Community-Building Fund payments**, which are indexed at 2 per cent per year with increases applied in $100 million increments, are expected to grow from $2.5 billion in 2025-26 to $2.7 billion in 2029-30.

- **Other fiscal arrangements** are projected to reduce transfers by $7.6 billion in 2025-26 increasing to $9.1 billion by 2029-30 due to the Quebec Abatement. This reflects the value of the historical transfer of tax points to Quebec in the 1960s and 1970s, which results in a commensurate reduction in cash transfers to the province.

Pollution Pricing Proceeds Returned to Canadians

The government removed the federal fuel charge effective April 1, 2025; the federal Output-Based Pricing System remains in place. All direct proceeds from the federal pollution pricing system are returned over time in the province or territory where they were collected.

As a result, fuel charge proceeds return mechanisms for Canadians, small- and medium-sized businesses, farmers, and Indigenous governments in provinces where the fuel charge applied are being wound down, with proceeds returned projected to fall from $15.6 billion in 2024-25 to $5.0 billion in 2025-26. Amounts in 2026-27 and beyond reflect the maintenance of the federal Output-Based Pricing System only.

Direct Program Expenses

Direct program expenses consist of other transfer payments administered by departments, and other direct program expenses. Growth in direct program expenses from 2025-26 to 2029-30 is expected to average below 1 per cent, compared to 8 per cent in the past decade, taking into account planned expenditure reduction actions including the Comprehensive Expenditure Review. Some expenses such as for Indigenous claims and contingent liabilities can impact either other transfer payments or other direct program expenses.

Other transfer payments administered by departments are projected to increase from $115.6 billion in 2025-26 to $122.7 billion in 2029-30. Projected growth reflects much of the programming identified under the capital budgeting framework in Annex 2, such as support for electric vehicle battery manufacturing, clean economy investment tax credits, and the Investing in Canada Infrastructure Program.

Other direct program expenses reflect the cost of doing business for more than 100 government departments, agencies, and Crown corporations, as well as an allowance for doubtful accounts on taxes receivable. These expenses are forecasted to decrease from $150.2 billion in 2025-26 to $143.2 billion in 2027-28, from the phase-in of savings under the Comprehensive Expenditure Review

beginning in 2026-27, as well as from provisioning for contingent liabilities being higher in 2025-26 than in later years. Gradual growth in later years reflects investments identified in the capital budgeting framework in Annex 2, including capital amortisation expense and expenses of the Canadian Infrastructure Bank; and rebuilding, rearming, and reinvesting in the Canadian Armed Forces.

Public Debt Charges

Public debt charges are expected to increase from $55.6 billion in 2025-26 to $76.1 billion in 2029-30 due to projected increases in the stock of debt and higher interest rates. As a share of GDP, public debt charges are projected to rise from 1.8 per cent in 2025-26 to 2.1 per cent in 2029-30.

Net Actuarial Losses

Net actuarial losses, which represent changes in the value of the government's obligations for pensions and other employee future benefits, are expected to decline over most years of the forecast horizon, from a projected loss of $5.0 billion in 2025-26 to a projected net gain of $4.5 billion in 2029-30, reflecting higher expected interest rates used to measure the present value of the obligations. The forecast of these net actuarial losses, including gains in the outer years of the forecast horizon, is volatile and sensitive to projections of future interest rates. To isolate these measurement impacts from underlying trends in government spending, expenses in Table A1.9 and the budgetary balance in Table A1.7 are shown before and after net actuarial losses.

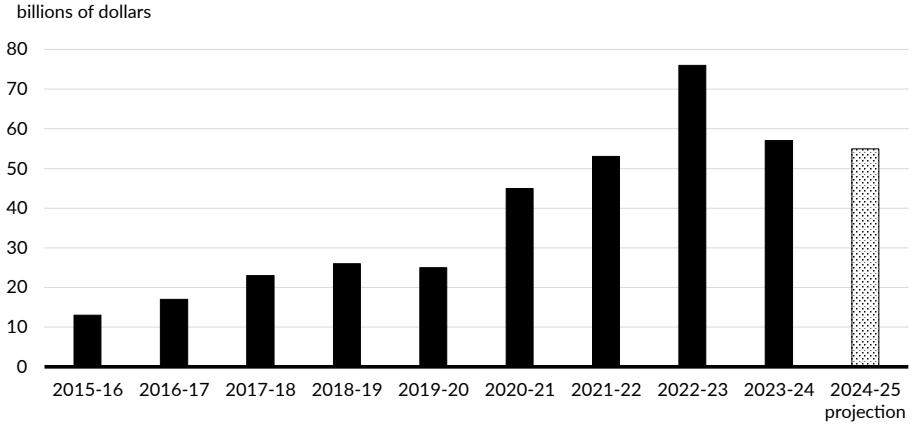
Update on Contingent Liabilities

Consistent with Canadian public sector accounting standards, the government records a contingent liability when the probability of a future payment is considered likely and the amount can be reasonably estimated. Provisions for contingent liabilities are continuously reviewed and refined in light of new information and changing circumstances. Each year previously recognised contingent liabilities may be reduced or extinguished through payments, while new obligations or revaluations are recorded to reflect updated estimates. The resulting balance represents the stock of outstanding contingent liabilities. Changes in provisions due to revisions in estimates or the addition of new obligations are reflected in direct program expenses in the budget.

The majority of the government's contingent liabilities are associated with active alternative dispute resolution processes and pending or potential litigation. As shown in Chart A1.2, total recorded contingent liabilities increased from $13 billion in 2015-16, to a projected $55 billion in 2024-25, net of settlements reached. This increase reflects, in part, the government's efforts to work with Indigenous partners to address past injustices and accelerate the resolution of litigation and the implementation of negotiated settlements to support reconciliation in Canada. Recording a contingent liability in compliance with accounting standards ensures that the fiscal framework is provisioned to deliver on this important priority.

Chart A1.2

Annual Stock of Contingent Liabilities from 2015-16 to 2024-25



Source: Government of Canada Public Accounts.

Increases in contingent liabilities in recent years have contributed to growth in direct program expenses, and variance between projections and year-end results. There can be considerable uncertainty in forecasting what contingent liabilities will eventually be recorded under accounting standards, which are estimates based on the best available information at the time of closing of the Public Accounts. The amounts recorded reflect assumptions about the outcomes of negotiations, cases and claims, as well as methodologies for calculating damages and settlements. Actions are underway to manage this uncertainty through improved visibility and oversight on large areas of contingent liabilities, such as Indigenous-related claims process. In addition, experts are also being engaged on how to improve public communication of contingent liabilities.

Financial Source/Requirement

The financial source/requirement measures the difference between cash coming into the government and cash going out. In contrast, the budgetary balance is presented on a full accrual basis of accounting, meaning that government revenues and expenses are recorded when they are earned or incurred, regardless of when the cash is received or paid.

Table A1.10 provides a reconciliation of the two measures, starting with the budgetary balance. Non-budgetary transactions shown in the table reflect the reversal of certain revenues and expenses included in the budgetary balance that have no impact on cash flows in the year, such as the amortisation of non-financial assets. They also include the addition of changes in asset and liability balances that have no accrual impact in a year but do result in the inflow or outflow of cash, such as the payment of accounts payable. An increase in a liability or decrease in an asset represents a financial source, whereas a decrease in a liability or increase in an asset represents a financial requirement. The sum of the budgetary balance and changes in asset and liability balances reflected under non-budgetary transactions is equal to the government's net source of (+), or requirement for (-), cash.

Table A1.10
The Budgetary Balance, Non-Budgetary Transactions, and Financial Source/Requirement
billions of dollars

	Projection					
	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	2029–2030
Budgetary balance	**-36.3**	**-78.3**	**-65.4**	**-63.5**	**-57.9**	**-56.6**
Non-budgetary transactions						
Pensions and other accounts	9.1	20.4	3.8	3.2	-1.8	-3.4
Non-financial assets	-10.5	-6.2	-14.1	-20.6	-21.1	-18.2
Loans, investments, and advances						
Enterprise Crown corporations	-61.1	-66.1	-47.5	-48.0	-49.3	-31.4
Other	-6.6	-6.7	-10.0	-3.4	-4.8	-6.5
Total	-67.7	-72.8	-57.6	-51.3	-54.1	-37.9
Other transactions						
Accounts payable, receivable, accruals, and allowances	-14.6	-3.1	-10.5	-7.8	-6.3	-6.1
Foreign exchange activities and derivatives	-10.0	2.2	-5.3	-5.0	-5.0	-4.9
Total	-24.6	-0.9	-15.8	-12.8	-11.2	-11.0

	Projection					
	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	2029–2030
Total non-budgetary transactions	-93.7	-59.5	-83.6	-81.5	-88.2	-70.5
Financial source (requirement)	-130.0	-137.9	-149.0	-145.0	-146.1	-127.0

As shown in Table A1.10, a financial requirement is projected in each year over the forecast horizon, reflecting financial requirements associated with the projected budgetary deficits, as well as forecast requirements from non-budgetary activities.

A financial source is projected for pensions and other accounts for the earlier years of the forecast horizon, followed by projected requirements in the later years. Pensions and other accounts include the activities of the Government of Canada's employee pension plans and those of federally appointed judges and Members of Parliament, as well as a variety of other employee future benefit plans, such as health care and dental plans, and disability and other benefits for veterans and others. A financial source for pensions and other accounts reflects the difference between non-cash pension and benefit expenses recorded as part of the budgetary balance, such as the amortisation of net actuarial losses and the accrual of future benefits earned by employees during the year, and actual cash outflows for benefit payments.

Financial requirements for non-financial assets mainly reflect the difference between cash outlays for the acquisition of new tangible capital assets and the amortisation of capital assets included in the budgetary balance. They also include disposals of tangible capital assets and changes in inventories and prepaid expenses. Financial requirements are projected in each year over the forecast horizon, reflecting forecast net growth in non-financial assets.

Loans, investments, and advances include the government's equity in enterprise Crown corporations, including Canada Mortgage and Housing Corporation (CMHC), Export Development Canada, the Business Development Bank of Canada, and Farm Credit Canada, loans to enterprise Crown corporations to finance their activities, and the up-to $30 billion in annual purchases of Canada Mortgage Bonds issued by CMHC. They also include loans, investments, and advances to national and provincial governments and international organisations, and under government programs.

In general, loans, investments, and advances are expected to generate additional revenues for the government in the form of interest or additional net profits of enterprise Crown corporations, which partly offset debt charges associated with

these borrowing requirements. These revenues are reflected in the budgetary balance projections.

Other transactions include the payment of tax refunds and other accounts payable, the collection of taxes and other accounts receivable, the conversion of other accrual adjustments included in the budgetary balance into cash, as well as foreign exchange activities and derivatives. Projected net cash requirements for other transactions over the forecast horizon mainly reflect changes in accounts payable and accounts receivable and forecast increases in the government's official international reserves held in the Exchange Fund Account.

Economic Scenarios Analysis

As a trading nation, Canada depends on exports for roughly one-third of GDP. Our prosperity is closely tied to global demand. However, large increases in U.S. tariffs and the resulting trade uncertainty are weakening Canada's economy. Tariffs reduce global demand for goods and services, disrupt supply chains, and constrain the global economy's productive potential. More directly, tariffs on Canadian steel, aluminum, autos, copper, softwood lumber, and wood products are putting Canadian jobs and businesses at risk.

The Canadian economy has already felt the impact. Real GDP rose at an annualised pace of 0.2 per cent in the first half of 2025. While growth is projected to pick up in the second half of this year, the pace is expected to remain modest, according to forecasters in the August private sector survey.

Canada retains strong economic fundamentals and the capacity to rebound from short-term shocks. Yet the current trade environment imposes persistent drags on the Canadian economy. Business investment, in particular, is highly sensitive to clarity about future conditions. Ongoing uncertainty about trade policy and demand prospects may prompt businesses to continue delaying or scaling back investment plans.

Lower investment has lasting consequences, reducing Canada's growth potential and productivity over the medium term. Consequently, the medium-term economic performance depends, in no small part, on coordinated action by Canadian governments and private sector actors to sustain economic demand—both domestically and abroad.

To facilitate prudent economic and fiscal planning around these risks and to further stress-test the August private sector survey forecast, the Department of Finance has developed downside and upside scenarios of Canada's economic outlook (Table A1.11).

Downside Scenario

In the August survey, forecasters assumed that trade uncertainty will remain elevated in the near term but largely dissipates by 2027. In contrast, in the downside scenario, trade uncertainty persists beyond 2026. This uncertainty may arise for many reasons. For example, it could stem from escalating geopolitical tensions and still ambiguous U.S. tariff plans—broad-based, sectoral, or country-specific—combined with challenges in concluding new agreements.

Beyond directly discouraging business investment—which lowers the economy's productive capacity—persistent uncertainty in this scenario also has indirect effects on the Canadian economy. Uncertain economic conditions lead firms to maintain precautionary financial buffers, resulting in reduced hiring. Similarly, cautious consumers delay major purchases to protect their finances and increase their saving buffers. Against a backdrop of a weakened global economy and trade environment, Canadian exports face lower demand, while commodity prices and financial asset values fall. Together, these factors contribute to a lower level of real GDP compared to the August survey forecast.

Canadian households and businesses must also cope with a tariff environment not seen in decades. The downside scenario incorporates greater challenges in adjusting to U.S. tariffs. For example, manufacturers may need to restructure supply chains, and exporters may need to find new buyers. These shifts come with adjustment costs, while higher tariffs limit future efficiency gains from trade and cross-border cooperation. As a result, the Canadian economy becomes less efficient, with cost pressures for producers and consumers and weaker business activity. Reflecting these challenges, Canadian productivity is lower than projected in the survey forecast.

Combining the trade uncertainty impacts and lower productivity, the downside scenario embeds a protracted period of slower economic growth and higher unemployment. On average, the level of Canadian nominal GDP is about $51 billion per year below the August survey forecast from 2025 to 2029.

- The Canadian economy contracts in the third quarter of 2025, with activity stalling in the fourth quarter, and remains sluggish throughout 2026 and 2027. On an annual basis, real GDP growth is 1.0 per cent in 2025, 0.6 per cent in 2026, and 1.4 per cent in 2027. This compares to 1.1 per cent, 1.2 per cent, and 2.0 per cent for 2025, 2026, and 2027 in the August survey. By the end of 2029, the level of real GDP is about 1.0 per cent and 2.7 per cent lower than the forecast levels in the August survey and FES 2024, respectively.
- Weaker economic activity induces businesses to slow hiring and lay off workers, pushing the unemployment rate higher. The unemployment rate remains elevated and above August survey expectations throughout the forecast horizon. The unemployment rate peaks at 7.4 per cent in the fourth quarter of 2025, followed by an average of 7.2 per cent in 2026 and 6.8 per cent in 2027, compared to 6.8 per cent in 2026 and 6.4 per cent in 2027 in the survey.
- As a result of weaker economic activity, CPI inflation is lower than in the August survey, at 1.9 per cent in 2026 and 1.7 per cent in 2027, versus 2.0 per cent in both years. Typically, in a context of reduced economic demand, the reduction in CPI inflation would be greater than is modelled in the downside scenario. However, the downside scenario also accounts for a reduction in potential output—arising from reduced capital investment and lower productivity—which offsets part of the downward pressure on inflation.
- In response to these developments, short-term interest rates remain lower than the survey forecast throughout the forecast horizon. On average, in 2026 and 2027, the 3-month treasury bill rate is at 1.9 per cent and 1.7 per cent respectively, lower than the survey forecast of 2.3 per cent and 2.5 per cent, respectively.
- GDP inflation is significantly lower as Canada sees a decline in terms of trade due to lower commodity prices and reduced CPI inflation. GDP inflation is 1.4 per cent in 2026 and 2027 versus 1.8 per cent and 2.0 per cent in the August survey.

Upside Scenario

In the upside scenario, trade policy uncertainty—both at home and abroad—eases more quickly than anticipated. At home, efforts to streamline internal trade, bolster competition, and build relationships with global partners help to generate more predictable demand for Canadian goods. Abroad, the U.S. reaches new trade agreements with key partners, and global trade tensions begin to subside by late 2025. This more stable trade backdrop supports stronger investment, higher trade flows, and improved economic confidence worldwide.

Additionally, to reflect the ongoing government-wide effort to create a more competitive environment, streamline regulatory processes, and make structural reforms that remove barriers to productivity and investment, the upside scenario illustrates how even modest improvements in productivity—measuring how efficiently labour and capital are combined to produce goods and services—can meaningfully expand Canada's economic capacity and enhance long-term resilience. This higher productivity makes Canadian goods and services more competitive both domestically and internationally, drives private sector investment, and creates opportunities to deliver major nation-building projects faster and better, thereby raising Canadian incomes.

Overall, a faster normalisation of trade policy uncertainty mainly boosts aggregate demand, while expanded productive capacity through structural policies lifts Canada's overall economic trajectory. On average, the level of nominal GDP is $25 billion higher on average per year from 2025 to 2029 relative to the August survey forecast.

- Real GDP growth accelerates, reaching 1.2 per cent in 2025, 1.6 per cent in 2026, and 2.3 per cent in 2027, compared to 1.1 per cent, 1.2 per cent, and 2.0 per cent, respectively, in the August survey. Reflecting the compounding effects of improved productivity, by the end of 2029, the level of real GDP is about 0.7 per cent higher than in the August survey, although it remains 1.1 per cent lower than forecast in FES 2024.
- Stronger economic growth is reflected in higher job creation and greater labour force participation. The unemployment rate declines more rapidly than in the August survey, averaging 6.7 per cent in 2026 and 6.2 per cent in 2027, compared to 6.8 per cent and 6.4 per cent in the survey.

- Upward price pressures increase as stronger aggregate demand takes hold. However, these are largely offset by productivity gains that expand domestic supply, keeping inflation broadly contained. As a result, CPI inflation is 2.1 per cent in 2026 and 2.0 per cent in 2027, versus 2.0 per cent projected in the August survey for both years.
- In response to these developments, short-term interest rates are only slightly higher than the survey forecast, at 2.4 per cent in 2026 and 2.6 per cent in 2027 compared to 2.3 per cent and 2.5 per cent in the survey.
- With modestly higher commodity prices and CPI inflation, GDP inflation averages 2.1 per cent in 2026 and 2027, above the survey forecast of 1.8 per cent and 2.0 per cent, respectively.

Table A1.11
Department of Finance Economic Scenarios
per cent, unless otherwise indicated

	2025	2026	2027	2028	2029	2025-2029
Real GDP growth[1]						
Budget 2025	1.1	1.2	2.0	1.9	2.0	1.6
Downside Scenario	1.0	0.6	1.4	1.9	2.1	1.4
Upside Scenario	1.2	1.6	2.3	2.0	2.0	1.8
GDP inflation[1]						
Budget 2025	2.4	1.8	2.0	2.0	2.0	2.0
Downside Scenario	2.4	1.4	1.4	2.1	2.3	1.9
Upside Scenario	2.4	2.1	2.1	1.8	1.8	2.0
Nominal GDP growth[1]						
Budget 2025	3.5	3.0	4.1	4.0	4.0	3.7
Downside Scenario	3.4	2.1	2.8	4.0	4.5	3.4
Upside Scenario	3.6	3.7	4.4	3.8	3.8	3.9
Nominal GDP level (billions of dollars)[1]						
Budget 2025	3,180	3,276	3,409	3,545	3,686	
Downside Scenario	3,176	3,241	3,333	3,468	3,623	
Upside Scenario	3,183	3,301	3,446	3,577	3,714	
Difference between Budget 2025 and Downside Scenario	-4	-35	-76	-77	-63	-51
Difference between Budget 2025 and Upside Scenario	3	25	37	32	28	25
3-month treasury bill rate						
Budget 2025	2.6	2.3	2.5	2.6	2.6	2.5
Downside Scenario	2.6	1.9	1.7	1.8	2.1	2.0
Upside Scenario	2.6	2.4	2.6	2.6	2.6	2.6
Unemployment rate						
Budget 2025	7.0	6.8	6.4	6.1	6.0	6.4
Downside Scenario	7.0	7.2	6.8	6.6	6.4	6.8
Upside Scenario	7.0	6.7	6.2	5.9	5.8	6.3
Consumer Price Index inflation						
Budget 2025	2.1	2.0	2.0	2.0	2.0	2.0
Downside Scenario	2.1	1.9	1.7	1.8	2.0	1.9
Upside Scenario	2.1	2.1	2.0	2.0	1.9	2.0
West Texas Intermediate crude oil price ($US per barrel)						
Budget 2025	66	65	67	69	71	68
Downside Scenario	66	61	60	64	69	64
Upside Scenario	67	68	69	70	72	69

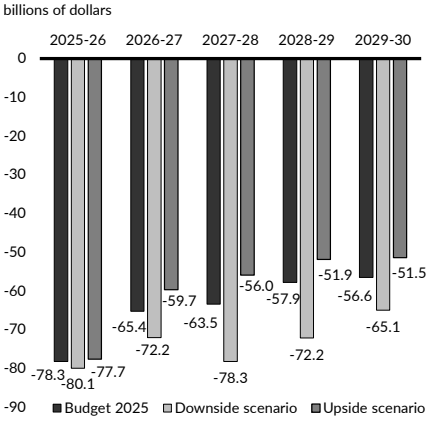
Notes: Forecast averages may not equal average of years due to rounding. Numbers may not add due to rounding.

[1] Forecasts have been restated to reflect historical revisions in the Canadian System of National Accounts published along with the National Accounts for the second quarter of 2025 on August 29, 2025.
Sources: Statistics Canada; Department of Finance August 2025 survey of private sector economists, which has been adjusted to incorporate the actual results of the National Accounts for the second quarter of 2025 released on August 29, 2025; Department of Finance Canada calculations.

Fiscal Impacts of Economic Scenarios

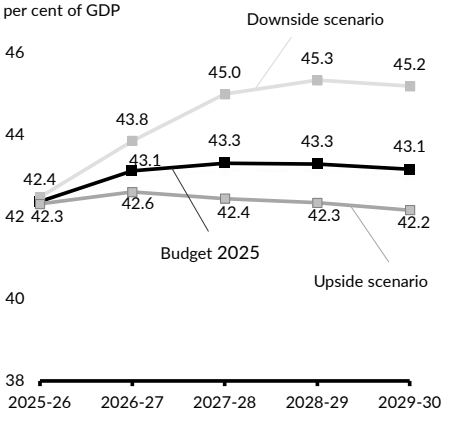
The potential impact of the economic scenarios on the projected federal deficit and federal debt-to-GDP ratio is shown in Chart A1.3 and A1.4 below.

Chart A1.3 – Federal Deficit in Economic Scenarios



Source: Department of Finance Canada.

Chart A1.4 – Federal Debt-to-GDP Ratio in Economic Scenarios



Source: Department of Finance Canada.

Downside Scenario Fiscal Impact

In the downside scenario, the deficit would increase by about $9.2 billion annually, on average, over the planning horizon. The weakened outlook for nominal GDP would entail weaker tax revenue, and lower interest rates would result in lower revenues from the government's interest-bearing assets, and interest and penalty revenue on tax debt. Overall revenues are projected to be lower by $10.4 billion, per year. Total expenses would decrease by an average of $1.2 billion per year over the horizon, primarily driven by reduced public debt charges from lower interest rates and reductions in GDP-indexed transfers, partially offset by higher pension and benefit obligation valuations from lower interest rates.

As a result of the higher deficits and weaker nominal GDP growth, the federal debt-to-GDP ratio would be expected to rise to 45.3 per cent by 2028-29 and fall to 45.2 per cent by 2029-30.

Upside Scenario Fiscal Impact

In the upside scenario, the deficit would improve by about $5.0 billion annually, on average, over the planning horizon. Stronger nominal GDP results in higher income tax revenues. Overall, revenues are projected to be $5.0 billion higher annually, on average, in this scenario. Total expenses would be unchanged, on average, with higher public debt charges and major transfers offset by lower pension and benefit obligation valuations from higher interest rates.

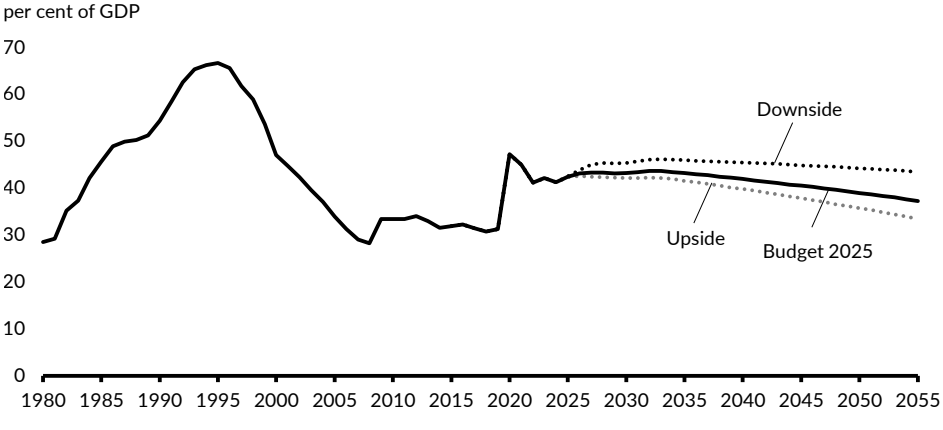
As a result of the lower deficits and stronger nominal GDP, the federal debt-to-GDP ratio would stabilise near-term and fall more rapidly from 2026-27, reaching 42.2 by 2029-30.

Long-Term Debt Projections

Keeping the federal debt-to-GDP ratio on a downward path over the long term will help ensure that future generations are not overburdened with debt and that sufficient fiscal room remains to address emerging fiscal pressures, challenges, and risks.

Building on the Budget 2025 forecasts, baseline long-term fiscal projections continue to show the federal debt-to-GDP ratio declining over the long-term projection horizon (Chart A1.5). This conclusion is held under the downside scenario described in the preceding section that leads to higher deficits and federal debt-to-GDP ratios over the budget planning horizon.

Chart A1.5 – Long-Term Federal Debt Projections



Note: The downside and upside scenarios, discussed in detail in the preceding section, are extended beyond the budget planning horizon to illustrate the long-term impact of a less and a more positive medium-term economic performance.
Sources: Statistics Canada; Department of Finance Canada.

As with any projection that extends over several decades, the long-term debt-to-GDP ratio projections presented in Budget 2025 are subject to a high degree of uncertainty and are sensitive to assumptions. They should not be viewed as predictions of the future, but instead as modelling scenarios based on a set of reasonable economic and demographic assumptions, assuming no future changes in policies. It is important to note that these projections do not fully reflect positive impacts that can be expected to result from recent and future economic policies. Some future fiscal pressures are also not accounted for in this baseline projection, including, among others, from recessions, additional defence spending, population aging, climate change, and the transition to net-zero emissions.

To form the long-term economic projections, the medium-term (2025 to 2029) economic forecasts presented in Budget 2025 are extended to 2055 using the Department of Finance Canada's long-term economic projection model. In this model, annual real GDP growth depends on labour productivity growth (0.8 per cent per year), which is calibrated over its 2000-2024 historical average, and labour supply growth (average of 0.6 per cent per year), which is based on demographic projections produced by Statistics Canada and projections for the labour force participation rate and average hours worked using econometric models developed by the Department. Assuming a constant 2 per cent annual rate for GDP inflation, nominal GDP is projected to grow by an average of 3.5 per cent per year from 2030 to 2055 (Table A1.12).

Table A1.12
GDP Growth Projection, Baseline Scenario, Average Annual Growth Rates
per cent, unless otherwise indicated

	2000–2024	2025–2029	2030–2055
Real GDP growth	**2.1**	**1.6**	**1.5**
Contributions of (percentage points):			
Labour supply growth	1.3	0.6	0.6
Working-age population	1.4	1.0	0.8
Labour force participation	0.0	-0.3	-0.1
Unemployment rate	0.1	0.1	0.0
Average hours worked	-0.2	-0.3	-0.1
Labour productivity growth	0.8	1.0	0.8
Nominal GDP growth	**4.6**	**3.7**	**3.5**

Note: Contributions may not add up due to rounding.
Sources: Statistics Canada; Department of Finance August 2025 survey of private sector economists, which has been adjusted to incorporate the actual results of the National Accounts for the second quarter of 2025 released on August 29, 2025; Department of Finance Canada calculations.

The long-term federal debt projections are developed through an accounting model in which each revenue and expense category is modelled as a function of its underlying demographic and economic variables, with the relationships defined by a mix of current government policies and assumptions. The key assumptions underlying fiscal projections from 2030-31 through 2055-56 are the following:

- All tax revenues as well as a direct program expenses grow broadly with nominal GDP, with the exception of a number of programs that will no longer be available after a certain date, such as the Clean Electricity, Clean Technology, and Clean Hydrogen investment tax credits, which are incorporated based on their projected costs.
- The Canada Health Transfer, Canada Social Transfer, and Equalization grow with their respective legislated escalators. The remaining major transfers to provinces, territories, and municipalities grow according to their respective factors, such as nominal GDP, the respective populations, inflation, and current legislation or agreements.
- Elderly benefits and Canada Child Benefit payments grow in line with the respective populations and are indexed to inflation. Employment Insurance (EI) benefits grow in line with the number of beneficiaries and the growth in average weekly earnings. The EI premium rate grows according to current program parameters.
- The effective interest rate on federal market debt is assumed, under the baseline scenario, to gradually increase from about 3.1 per cent in 2029–30 to 3.5 per cent by 2055-56.

Sensitivity analysis illustrates the impact of changes to key assumptions on the deficit-to-GDP and federal debt-to-GDP ratios at the end of the long-term projection horizon (Tables A1.13 and A1.14).

Table A1.13
Description of Alternative Assumptions[1]
alternative assumption less baseline

	Baseline[2]	High	Low
Demographic:			
Fertility rate (average births per woman)	1.3 births	+0.5 births	-0.5 births
Immigration (per cent of population)	0.9	+0.25 p.p.	-0.25 p.p.
Life expectancy at 65	23 years	+3 years	-3 years
Economic:			
Total labour force participation rate (per cent)	63.3	+2.0 p.p.	-2.0 p.p.
Average weekly hours worked (hours)	32.5	+1.0 hour	-1.0 hour
Unemployment rate (per cent)	6.0	+1.0 p.p.	-1.0 p.p.
Labour productivity (per cent)	0.8	+0.25 p.p.	-0.25 p.p.
Interest rates (per cent)	3.3	+1.0 p.p.	-1.0 p.p.

Note: p.p. = percentage point.
[1] These alternative assumptions are applied starting in 2030 except for changes in life expectancy, which are gradually applied over the projection horizon.
[2] Baseline shown as the average over the period 2030 to 2055.

Table A1.14
Budgetary Balance and Debt in 2055–56 Under Alternative Assumptions
per cent of GDP

	Baseline		High		Low	
	Budgetary Balance	Debt	Budgetary Balance	Debt	Budgetary Balance	Debt
Demographic:						
Fertility rate	-0.9	37.2	-1.1	40.5	-0.6	33.8
Immigration	-0.9	37.2	-0.4	30.6	-1.4	45.2
Life expectancy at 65	-0.9	37.2	-1.2	40.3	-0.6	34.6
Economic:						
Total labour force ffffparticipation rate	-0.9	37.2	-0.6	32.5	-1.2	42.8
Average weekly hours worked	-0.9	37.2	-0.6	32.6	-1.2	42.6
Unemployment rate	-0.9	37.2	-1.0	38.9	-0.8	35.6
Labour productivity	-0.9	37.2	-0.4	30.9	-1.4	44.2
Interest rates	-0.9	37.2	-1.8	48.5	-0.2	28.0

Supplementary Information

Sensitivity of Fiscal Projections to Economic Shocks

Changes in economic assumptions affect the projections of revenues and expenses. The following tables illustrate the sensitivity of the projected budgetary balance to the following economic shocks relative to Budget 2025 projections:

- A one-year, 1-percentage-point decrease in real GDP growth driven equally by lower productivity and employment growth.
- A decrease in nominal GDP growth resulting solely from a one-year, 1-percentage-point decrease in the rate of GDP inflation (assuming that the Consumer Price Index moves in line with GDP inflation).
- A sustained 100-basis-point increase in all interest rates.

These sensitivities are estimates that assume any decrease in economic activity is proportional across income and expenditure components and are meant to provide a broad illustration of the impact of economic shocks on the outlook for the budgetary balance. The sensitivity analysis conducted in this section has been presented routinely in budgets since 1994 and is separate from the upside and downside scenarios presented earlier in this annex. Actual economic shocks may have different fiscal impacts. For example, they may be concentrated in specific sectors of the economy or cause different responses in key economic variables (e.g., GDP inflation and CPI inflation may have different responses to a given shock). Aligned with presentation throughout Budget 2025, the fiscal sensitivities are based on a 4-year time horizon.

Table A1.15
Estimated Impact of a 1-Year, 1-Percentage-Point Decrease in Real GDP Growth on Federal Revenues, Expenses and Budgetary Balance

billions of dollars

	Year 1	Year 2	Year 4
Federal revenues			
Tax revenues			
Personal income tax	-3.0	-3.1	-3.3
Corporate income tax	-0.8	-1.0	-1.1
Goods and Services Tax	-0.5	-0.5	-0.6
Other	-0.2	-0.2	-0.2
Total tax revenues	-4.5	-4.8	-5.2
Employment Insurance premiums	0.2	1.0	1.0
Other revenues	-0.1	-0.1	-0.2
Total budgetary revenues	-4.4	-3.9	-4.4
Federal expenses			
Major transfers to persons			
Elderly benefits	0.0	0.0	0.0
Employment Insurance benefits	1.1	1.1	1.2
Canada Child Benefit	0.0	0.1	0.2
Total major transfers to persons	1.1	1.3	1.4
Other program expenses	-0.2	0.0	-0.5
Public debt charges	0.1	0.2	0.6
Total expenses	1.0	1.5	1.4
Budgetary balance	-5.4	-5.4	-5.9

A 1-percentage-point decrease in real GDP growth proportional across income and expenditure components reduces the budgetary balance by $5.4 billion in the first year, $5.4 billion in the second year, and $5.9 billion in the fourth year (Table A1.15).

- Tax revenues from all sources fall by a total of $4.4 billion in the first year. Personal income tax revenues decrease as employment and the underlying tax base fall. Corporate income tax revenues fall as output and profits decrease. GST revenues decrease because of lower consumer spending associated with the fall in employment and personal income.
- EI premium revenues increase as a result of an increase in the EI premium rate, which, under the seven-year break-even mechanism, adjusts to offset the increase in benefits due to the higher number of unemployed, such that the EI Operating Account balances over time.

- Expenses rise, mainly reflecting higher EI benefits (due to an increase in the number of unemployed) and higher public debt charges (reflecting a higher stock of debt due to the lower budgetary balance). This rise is partially offset by lower other program expenses, like Equalization, as the decline in real GDP is reflected in nominal GDP, to which these payments are indexed.

Table A1.16
Estimated Impact of a 1-Year, 1-Percentage-Point Decrease in GDP Inflation on Federal Revenues, Expenses and Budgetary Balance
billions of dollars

	Year 1	Year 2	Year 4
Federal revenues			
Tax revenues			
Personal income tax	-2.9	-2.7	-2.5
Corporate income tax	-0.8	-1.0	-1.1
Goods and Services Tax	-0.5	-0.6	-0.6
Other	-0.2	-0.2	-0.2
Total tax revenues	-4.5	-4.5	-4.4
Employment Insurance premiums	0.0	-0.1	-0.2
Other revenues	-0.2	-0.2	-0.2
Total budgetary revenues	-4.7	-4.7	-4.9
Federal expenses			
Major transfers to persons			
Elderly benefits	-0.6	-1.0	-1.1
Employment Insurance benefits	-0.1	-0.2	-0.3
Canada Child Benefit	0.0	-0.2	-0.3
Total major transfers to persons	-0.7	-1.3	-1.7
Other program expenses	-1.0	-0.9	-2.3
Public debt charges	-0.7	0.1	0.1
Total expenses	-2.4	-2.1	-3.9
Budgetary balance	-2.3	-2.6	-1.0

A 1-percentage-point decrease in nominal GDP growth proportional across income and expenditure components, resulting solely from lower GDP inflation (assuming that the CPI moves in line with GDP inflation), lowers the budgetary balance by $2.3 billion in the first year, $2.6 billion in the second year, and $1.0 billion in the fourth year (Table A1.16).

- Lower prices result in lower nominal income and, as a result, personal income tax revenues decrease. As the parameters of the personal income tax system are indexed to inflation, the fiscal impact is smaller than under the real GDP shock. For the other sources of tax revenue, the negative impacts are similar under the real and nominal GDP shocks.

- EI premium revenues decrease in response to lower earnings.
- Other revenues decline slightly as lower growth in tax revenue results in slightly lower interest and penalty revenue, and lower prices lead to lower revenues from the sales of goods and services.
- Partly offsetting lower revenues are the declines in the cost of statutory programs that are indexed to CPI inflation, such as elderly benefit payments, which put downward pressure on federal program expenses. In addition, other program expenses are also lower as certain programs are linked directly to growth in nominal GDP, such as Equalization.
- Public debt charges decline in the first year due to lower costs associated with Real Return Bonds.

Table A1.17
Estimated Impact of a Sustained 100-Basis-Point Increase in All Interest Rates on Federal Revenues, Expenses and Budgetary Balance
billions of dollars

	Year 1	Year 2	Year 4
Federal revenues	2.5	3.8	6.0
Federal expenses	7.5	10.1	13.8
Budgetary balance	-4.9	-6.3	-7.9

A 1 per cent increase in interest rates decreases the budgetary balance by $4.9 billion in the first year, $6.3 billion in the second year, and $7.9 billion in the fourth year (Table A1.17). Higher interest rates directly impact estimated public debt charges on marketable debt in two ways. First, interest costs increase as existing debt matures and is refinanced at higher rates. Second, rising rates increase the expected cost of future borrowing needs. Public debt charges are estimated based on the current expectations for future changes in interest rates, which are subject to change based on economic conditions.

It is important to note that interest rates also directly affect other government revenues and expenses and that they typically do not change in isolation. That is, with higher interest rates, the government would realise some offsetting benefits, including:

- Higher revenues from the government's interest-bearing assets, and interest and penalty revenue on tax debt, which are recorded as part of other revenues;
- Corresponding downward adjustments that reduce the valuations of public sector pensions and employee benefits obligations, which are not

incorporated in the table above; and,

- Higher government tax revenues if interest rate increases were due to stronger economic growth (also not included in the table above).

Policy Actions Taken Since the *2024 Fall Economic Statement*

To ensure transparency, Table A1.18 lists all policy actions taken since the *2024 Fall Economic Statement* to ensure that Canadians are continually well-served by the programs they rely on and that government operations carry on efficiently.

Table A1.18
Policy Actions Since FES 2024
millions of dollars

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Tax Fairness		**4,015**	**3,989**	**4,814**	**5,423**	**5,969**	**6,419**
Canada Carbon Rebate for Small Businesses: Taxability[2]	—	0	13	26	0	0	0
Cancelling the Proposed Capital Gains Tax Increase and Related Measures[3]	—	1,600	3,100	3,825	4,540	5,060	5,510
Repeal of the Digital Services Tax[2]	—	2,300	900	900	900	900	900
Extending the Mineral Exploration Tax Credit[2,*]	—	0	80	55	-25	0	0
Renewing the Community Volunteer Income Tax Program Grant	CRA	0	7	0	0	0	0
Charitable Donation Deadline Extension[2]	—	115	-115	0	0	0	0
Changes to Automobile Deduction Limits[2]	—	0	4	8	8	9	9
Energy, Transport, Environment and Infrastructure		**23**	**807**	**850**	**1,196**	**1,124**	**784**
Supporting Core Activities at the Canada Energy Regulator	CER	0	9	0	0	0	0
Less: Costs to be Recovered		*0*	*-9*	*0*	*0*	*0*	*0*
Support for the Hudson Bay Railway and Port of Churchill[2,*]	TC, PrairiesCan	0	36	36	36	36	36

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Less: Funds Previously Provisioned in the Fiscal Framework		*0*	*-22*	*-22*	*0*	*0*	*0*
Co-Development Funding for High-Speed Rail[2,*]	Multiple[4]	151	640	747	1,073	1,013	730
Less: Funds Previously Provisioned in the Fiscal Framework		*0*	*-79*	*-53*	*-53*	*-53*	*-53*
Less: Funds Sourced From Existing Departmental Resources		*-128*	*0*	*0*	*0*	*0*	*0*
Cutting Transportation Costs in Atlantic Canada[2]	TC, MAI	0	107	116	121	128	72
Renewing the Trade and Transportation Information System	TC	0	5	0	0	0	0
Defending the Canadian Softwood Lumber Industry	GAC	0	31	0	0	0	0
Securing Market Access for Agri-food and Seafood Products[2]	CFIA	0	6	0	0	0	0
Renewing the Fish and Fish Habitat Protection Program[2,*]	DFO	0	84	0	0	0	0
Less: Funds Sourced From Existing Departmental Resources		*0*	*-12*	*0*	*0*	*0*	*0*
Funding for the Northern Projects Management Office	CanNor	0	1	0	0	0	0
Building the Yukon Gathering Place[2,*]	CanNor	0	10	27	19	0	0
Funding for the Seaway International Bridge Corporation	TC	0	1	0	0	0	0
Supporting Housing Enabling Infrastructure and Flood Protection near Toronto's Waterfront[2,*]	HICC	0	99	102	95	67	70
Less: Funds Previously Provisioned in the Fiscal Framework		*0*	*-99*	*-102*	*-95*	*-67*	*-70*
National Security and Defence		**262**	**172**	**120**	**-148**	**-368**	**-284**
Increasing Canada's Military Presence in the North[2,*]	DND	0	93	112	119	123	127
Less: Funds Sourced From Existing Departmental Resources		*0*	*-31*	*-32*	*-32*	*-32*	*-33*

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Construction of River-class Destroyers[2,*]	DND	181	151	87	117	121	295
Less: Funds Previously Provisioned in the Fiscal Framework and Sourced From Existing Departmental Resources		-111	-303	-206	-341	-399	-544
Construction of Polar Icebreakers[2]	DND[5]	1	25	4	4	4	4
Less: Funds Previously Provisioned in the Fiscal Framework		-1	-1	-1	-1	-1	-1
Continuing Emergency Towing Vessel Services on Canada's West Coast	DND[5]	0	27	15	0	0	0
Less: Funds Sourced From Existing Departmental Resources		0	-15	0	0	0	0
Canadian Coast Guard Spot Chartering Initiative	DND[5]	0	5	5	5	5	0
Future Fighter Capability Project[2,*]	DND	200	265	374	401	585	939
Less: Funds Sourced From Existing Departmental Resources		-12	-134	-249	-390	-744	-1,062
Air Fleet Renewal and Modernisation*	RCMP	0	0	9	26	30	39
Less: Funds Sourced From Existing Departmental Resources and Other Revenue		0	-2	-20	-66	-70	-58
Increasing Capacity to Protect Against Threats to the Electoral Process[2]	Elections	0	5	10	10	10	10
Less: Reduction in Statutory Authority		0	-1	-1	-1	-1	-1
Safeguarding Canada's 45th General Election[2]	PCO, GAC	1	58	0	0	0	0
Upholding National Security and Intelligence Oversight	Multiple[6]	0	13	0	0	0	0
Supporting Canadians' Privacy Rights[2]	OPC	0	3	0	0	0	0
Supporting Canada's National Cyber Security Strategy[2]	PS, CSE	4	14	14	2	2	2

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Canada in the World		**101**	**172**	**-4**	**-18**	**-37**	**-27**
Evacuation of Canadians from Lebanon and Haiti	Multiple[7]	66	0	0	0	0	0
Support for ongoing and worsening crises in the Middle East, Yemen, Sudan and the Democratic Republic of Congo[8]	GAC	190	0	0	0	0	0
Less: Funds Sourced from the International Assistance Envelope Crisis Pool Resources		*-190*	*0*	*0*	*0*	*0*	*0*
Administering the Criminal Code Authorisation Regime for Humanitarian Assistance	PS, RCMP, GAC	0	8	8	0	0	0
Less: Funds Sourced From Existing Departmental Resources	*0*	*0*	*-2*	*-2*	*0*	*0*	*0*
China Surtax Remission Order (2024)[2,9]	—	5	178	1	0	0	0
Steel Goods and Aluminum Goods Surtax Order[2,9]	—	0	-27	-41	-41	-41	-41
Securing the G7 Summit[2,*]	RCMP	45	1	1	1	1	0
Less: Funds Sourced From Existing Departmental Resources		*-15*	*0*	*0*	*0*	*0*	*0*
G7 Deliverables[2,*]	Multiple[10]	0	59	111	37	14	23
Less: Funds Sourced from the International Assistance Envelope Strategic Priorities Fund		*0*	*-44*	*-81*	*-15*	*-11*	*-10*
Public Safety		**182**	**105**	**40**	**3**	**3**	**3**
Jasper Wildfire Response and Rebuilding Jasper National Park[2,*]	PC	133	43	27	3	3	3
Employment Insurance Support for Workers Affected by Wildfires[2]	ESDC	2	3	1	0	0	0
Recognising the Service of First Responders	PS	0	29	0	0	0	0
Enhancing Public Safety in Canada's Capital	PS	0	3	0	0	0	0
Addressing Drug Impaired Driving*	PS, RCMP, CBSA	0	9	0	0	0	0
Supporting Federal Correctional Institutions	CSC	47	0	0	0	0	0

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Supporting Canada's Independent Safe Sport Program	PCH	0	4	0	0	0	0
Strengthening Canadians' Resilience against Online Disinformation through the Digital Citizen Initiative[2]	PCH	0	15	13	0	0	0
Health, Immigration, Culture and Communities		**22**	**2,563**	**627**	**368**	**524**	**784**
Continued Efforts against African Swine Fever[2]	CBSA, CFIA	0	6	0	0	0	0
Renewal of Canada's Response to Avian Influenza (H5N1)[2,*]	CFIA	0	27	0	0	0	0
Modernising Canada's Biosecurity Oversight Framework	PHAC	0	0	8	8	7	7
Less: Funds Sourced From Existing Departmental Resources		*0*	*0*	*-7*	*-7*	*-6*	*-6*
Renewing Food Safety Programming[2]	CFIA, HC	0	16	0	0	0	0
Supporting Cannabis Regulation[2,*]	Multiple[11]	0	164	32	31	31	21
Less: Costs to be Recovered		*0*	*-75*	*0*	*0*	*0*	*0*
Less: Funds Previously Provisioned in the Fiscal Framework		*0*	*-11*	*0*	*0*	*0*	*0*
Supporting and Renewing Investments in Northern Food Security[2]	CIRNAC	20	35	0	0	0	0
Supporting Biometrics Collection and Canada's Global Network of Visa Application Centres	IRCC	0	16	20	14	0	0
Less: Costs to be Recovered		*0*	*-16*	*-20*	*-14*	*0*	*0*
Stabilising the Temporary Foreign Worker Program[2]	ESDC	0	54	0	0	0	0
Temporary Lodging for Asylum Claimants[2]	IRCC	0	67	0	0	0	0
Healthcare Support for Asylum Claimants and Refugees	IRCC	0	598	411	0	0	0
Asylum System and Legal Aid Capacity	IRCC, CBSA, JUS	0	189	187	103	0	0
Supporting Federal Legal Capacity	JUS	0	40	0	0	0	0

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Inclusion, Diversity, Equity and Anti-Racism Secretariat	PCO	0	2	0	0	0	0
Equity, Diversity and Inclusion in Sport	PCH	0	8	0	0	0	0
Monitoring Canada's Obligations Under the United Nations Convention on the Rights of Persons with Disabilities	CHRC	0	1	0	0	0	0
Supports for Kosher and Halal Practices in Red Meat Production[2]	AAFC, CFIA	2	16	16	2	2	2
Canada Strong Pass 2025[2]	Multiple[12]	0	96	0	0	0	0
Supporting the National Film Board*	NFB	0	4	0	0	0	0
Investing in CBC/Radio-Canada[2]	CBC	0	42	0	0	0	0
Maintaining Special Measures for Journalism	PCH	0	13	0	0	0	0
Supporting Canada's National Museums*	Multiple[13]	0	12	0	0	0	0
Maintaining Access to Justice in the North	PPSC	0	8	0	0	0	0
Topping Up the Affordable Housing Fund*	CMHC	0	0	0	0	3	6
Less: Funds Previously Provisioned in the Fiscal Framework		*0*	*-5*	*-6*	*-6*	*-7*	*-7*
Extending Early Learning and Child Care Agreements[14]	ESDC	0	0	0	251	509	775
Extending Increases to Canada Student Grants and Loans[2]	ESDC	0	1,212	-19	-17	-16	-14
Creating More Work-Integrated Learning Opportunities for Post-Secondary Students[2]	ISED	0	6	3	1	0	0
Continuing Support for the Women Entrepreneurship Strategy[2]	ISED	0	39	0	0	0	0

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Indigenous Reconciliation		**773**	**2,489**	**208**	**52**	**54**	**54**
Funding for First Nations Elementary and Secondary Education	ISC	0	155	0	0	0	0
Continued Implementation of An Act Respecting First Nations, Métis and Inuit Children, Youth and Families[2]	CIRNAC, ISC, JUS	0	219	195	47	48	48
Less: Funds Sourced From Existing Departmental Resources		*0*	*-5*	*-6*	*-6*	*-6*	*-6*
Continued Support for the Inuit Child First Initiative[2]	ISC	61	122	0	0	0	0
Continued Support for Jordan's Principle[2]	ISC	0	1,033	0	0	0	0
Support for Emergency Management Response and Recovery Activities on Reserve[2]	ISC	706	111	0	0	0	0
Renewing Support for Flood Mapping on Reserve[2]	CIRNAC	0	6	0	0	0	0
Transferring Housing and Infrastructure Services to First Nations Communities[2]	ISC	0	21	0	0	0	0
Renewing Urban Programming for Indigenous Peoples[2]	ISC	0	34	0	0	0	0
Maintaining the Assisted Living Program for First Nations[2]	ISC	0	60	0	0	0	0
Renewing Support for the Indigenous Tourism Association of Canada[2]	ISC	0	1	0	0	0	0
Renewing the Indigenous Tourism Fund	ISED	0	6	0	0	0	0
Advancing Indigenous Data Sovereignty[2]	ISC	0	26	0	0	0	0
Redesigning the Additions to Reserve Policy[2]	CIRNAC, ISC	0	14	0	0	0	0
Ongoing Management of Indigenous Childhood Claims[2]	CIRNAC	0	8	7	0	0	0

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Renewing First Nations Negotiation Funding Support[2]	CIRNAC	0	5	0	0	0	0
Non-Insured Health Benefits[2]	ISC	0	665	0	0	0	0
Upholding Federal Obligations Under the Renewed Nunavut Land Claims Agreement Implementation Contract[2]	CIRNAC, CanNor	10	12	15	15	16	16
Less: Funds Previously Provisioned in the Fiscal Framework		*-4*	*-4*	*-4*	*-4*	*-4*	*-4*
Effective Government		**166**	**2,380**	**1,762**	**198**	**-461**	**-489**
Veterans Affairs Canada Adjustments for Non-Discretionary Cost Fluctuations[2]	VAC	1	43	42	42	42	42
Global Affairs Canada Adjustments for Non-Discretionary Cost Fluctuations	GAC	69	65	69	69	69	69
Renewing Funding for Regional Development Agencies*	ACOA, CED, PrairiesCan	0	0	153	153	153	153
Facilitate Major Projects Financing	FIN	0	0	2	2	2	2
Protecting Canadians Against Threats to Public Health[2]	PHAC	0	138	215	0	0	0
Support for the Office of the Public Sector Integrity Commissioner[2]	PSIC	0	1	1	1	1	1
Support for Cape Breton Operations in Managing Legacy Liabilities[2]	PSPC	0	5	1	4	4	4
2024-25 Adjustment to the Grant for the Canada-Quebec Accord on Immigration[2]	IRCC	92	0	0	0	0	0
Price and Volume Protection for Federal Real Property[2]	PSPC	0	73	73	0	0	0
Administering Proactive Pay Equity across the Federal Government[2]	TBS	0	4	0	0	0	0
Improving the Government's Pay Administration[2]	PSPC, TBS, PSC	0	786	807	0	0	0
Obligations for Federal Public Sector Employee Benefit Plans[15]	TBS	0	596	0	0	0	0

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Employment and Social Development Canada Rent Price Adjustment	ESDC	0	8	8	8	8	8
Less: Funds from CPP Account		*0*	*-1*	*-1*	*-1*	*-1*	*-1*
Supporting Canada's Tribunals	ATSSC	0	5	0	0	0	0
Continued Administration of the First Home Savings Account[2]	CRA	0	25	0	0	0	0
Implementing a New Passport Applications Refund Policy[2]	GAC	4	2	2	1	0	0
Stabilising the Passport Program	IRCC	0	90	9	0	0	0
Less: Funds Sourced From Existing Departmental Resources and Other Revenue		*0*	*-37*	*-9*	*-18*	*-18*	*-18*
Improving Technical Support for the My Service Canada Account	ESDC	0	14	15	0	0	0
Less: Funds from CPP Account		*0*	*-1*	*-1*	*0*	*0*	*0*
Ensuring Timely Delivery of Social Insurance Numbers	ESDC	0	5	5	5	0	0
Stabilising Service Delivery for the Employment Insurance Program[2]	ESDC	0	404	402	416	0	0
Supporting Emergency Benefits System Capacity and Maintenance	CRA	0	5	0	0	0	0
Supporting the Old Age Security Program[2]	ESDC	0	143	210	211	0	0
Ensuring the Integrity of Emergency COVID-19 Benefits	ESDC	0	6	0	0	0	0
Employment Insurance Revenues for Measures Included in Budget 2025	—	0	0	-240	-695	-721	-749
Countermeasures and Remission[16]		**-359**	**-4,025**	**-16**	**0**	**0**	**0**
U.S. Surtax Order 2025 (Revenue)[2]	—	-273	-2,300	0	0	0	0
Expected remission and other duties relief		*0*	*662*	*0*	*0*	*0*	*0*

	Dept.	2024-2025[1]	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
U.S. Surtax Order (Steel and Aluminum 2025) (Revenue)[2]	—	-86	-3,200	0	0	0	0
Expected remission and other duties relief		*0*	*1,524*	*0*	*0*	*0*	*0*
U.S. Surtax Order (Motor Vehicles 2025) (Revenue)[2]	—	0	-3,222	-72	0	0	0
Expected remission and other duties relief		*0*	*2,511*	*56*	*0*	*0*	*0*
Revenues		*-359*	*-8,722*	*-72*	*0*	*0*	*0*
Remission and other duties relief		*0*	*4,697*	*56*	*0*	*0*	*0*
Fiscal Impact of Non-Announceable Measures[17]		-94	392	683	-232	-1,691	-1,337
Offset for 2024-25 impact captured in Economic and Fiscal Developments (Table A1.6)		-5,091					
Net Fiscal Impact – Total Policy Actions Since FES 2024		**0**	**9,043**	**9,083**	**6,843**	**5,117**	**5,908**
Of which, capital investment: [18]		*-20*	*962*	*1,117*	*1,465*	*1,512*	*1,051*

*Measure includes funding classified as a capital investment.

1 Due to the dissolution of Parliament, funds may not have been accessed in 2024-25 but are shown in the year originally intended.

2 Measure previously announced and/or included in Main Estimates 2025-26.

3 The estimates for cancelling the proposed capital gains tax increase also include the cancellation of the Canadian Entrepreneurs' Incentive and the cancellation of the proposal to fully allow resource expense deductions under the Alternative Minimum Tax.

4 Organisations receiving funding are Alto (formerly VIA HFR – VIA TGF Inc.), TC, VIA Rail Canada, CIRNAC, HICC, DFO, CTA and ECCC.

5 Funding allocated to the Canadian Coast Guard (CCG), which was under DFO at the time of the decision. CCG was integrated into DND on September 2, 2025.

6 Organisations receiving funding are PCO, JUS, CBSA, PS, RCMP and CSIS.

7 Organisations receiving funding are GAC, DND, IRCC, ESDC and CBSA.

8 Includes critical assistance for people in Gaza, West Bank, Syria and Lebanon, as announced in March 2025.

9 The estimates are net of remission and other duties relief.

10 Organisations receiving funding are FIN, GAC, NRC, NSERC and NRCan.

11 Organisations receiving funding are HC, PHAC, RCMP, CBSA and CIHR.

12 Organisations receiving funding are NBC, NGC, CMH, CMHR, CMIP, CMN, NMST, PCH, VIA Rail Canada and PC.

13 Organisations receiving funding are NBC, NGC, CMH, CMHR, CMIP and CMN.

14 Funding previously announced on March 6 reflected only the amounts for the 11 provinces and territories that had reached agreements or agreements-in-principle.

15 Non-discretionary funding for employer-related costs of employee insurance programs, including health, dental, and disability.

16 The amounts in the table reflect the forecast of adjusted net revenues for the entire forecast period, while the graphic in Chart A1.1, titled Net Revenue Assessed from U.S Countermeasures, solely depicts net revenue assessed to date.

[17] The net fiscal impact of measures that are not announced is presented at the aggregate level and would include provisions for anticipated Cabinet decisions not yet made (including the use of such provisions from previous budgets and updates) and funding decisions related to national security, commercial sensitivity, contract negotiations and litigation issues.

[18] Totals reflect amounts classified as capital investment in the measures in the table.

Glossary of Abbreviated Titles

AAFC	Agriculture and Agri-Food Canada
ACOA	Atlantic Canada Opportunities Agency
ATSSC	Administrative Tribunals Support Service of Canada
CanNor	Canadian Northern Economic Development Agency
CATSA	Canadian Air Transport Security Authority
CBC	Canada Broadcasting Company
CBSA	Canada Border Services Agency
CCG	Canadian Coast Guard
CED	Canada Economic Development for Quebec Regions
CER	Canada Energy Regulator
CFIA	Canadian Food Inspection Agency
CHRC	Canadian Human Rights Commission
CIHR	Canadian Institutes of Health Research
CIRNAC	Crown-Indigenous Relations and Northern Affairs Canada
CMH	Canadian Museum of History
CMHC	Canada Mortgage and Housing Corporation
CMHR	Canadian Museum for Human Rights
CMIP	Canadian Museum of Immigration at Pier 21
CMN	Canadian Museum of Nature
CRA	Canada Revenue Agency
CSC	Correctional Service Canada
CSE	Communications Security Establishment Canada
CSIS	Canadian Security Intelligence Service
CTA	Canada Transportation Agency
DFO	Fisheries and Oceans Canada
DND	National Defence
ECCC	Environment and Climate Change Canada
Elections	Office of the Chief Electoral Officer
ESDC	Employment and Social Development Canada
FIN	Finance Canada
GAC	Global Affairs Canada
HC	Health Canada
HICC	Housing, Infrastructure and Communities Canada
IRB	Immigration and Refugee Board of Canada
IRCC	Immigration, Refugees and Citizenship Canada
ISC	Indigenous Services Canada
ISED	Innovation, Science and Economic Development Canda
JUS	Department of Justice

MAI	Marine Atlantic Inc.
NBC	National Battlefields Commission
NGC	National Gallery of Canada
NFB	National Film Board
NMST	National Museum of Science and Technology
NRC	National Research Council Canada
NRCan	Natural Resources Canada
NSERC	Natural Sciences and Engineering Research Council of Canada
OPC	Privacy Commissioner of Canada
PC	Parks Canada
PCH	Canadian Heritage
PCO	Privy Council Office
PHAC	Public Health Agency of Canada
PPSC	Public Prosecution Service of Canada
PrairiesCan	Prairies Economic Development Funding Canada
PS	Public Safety
PSC	Public Service Commission of Canada
PSIC	Public Sector Integrity Commissioner of Canada
PSPC	Public Services and Procurement Canada
RCMP	Royal Canadian Mounted Police
TBS	Treasury Board of Canada Secretariat
TC	Transport Canada
VAC	Veterans Affairs Canada

Annex 2
Capital Budgeting Framework

Building Canada's Productive Capacity

As announced on October 6, 2025, the government is adopting a Capital Budgeting Framework—a new way of budgeting that makes capital investment a national priority. This framework helps distinguish day-to-day operational spending from capital investment (broadly defined as spending that supports capital formation), allowing the government to identify and prioritise initiatives that deliver long-term economic returns. The framework also increases transparency, allowing Canadians to better understand what funds services today, and what builds future prosperity.

An Example of Capital Investment: Expanding Airport Cargo Capacity

Cargo capacity at airports is essential for strengthening supply-chain links for communities and businesses. Each year, operating expenses cover recurring costs such as cargo handlers, ground support, maintenance personnel, fuel costs and utilities to keep these cargo services running. This **operating spending** is necessary for efficient and reliable service, but it does not contribute directly to capital formation.

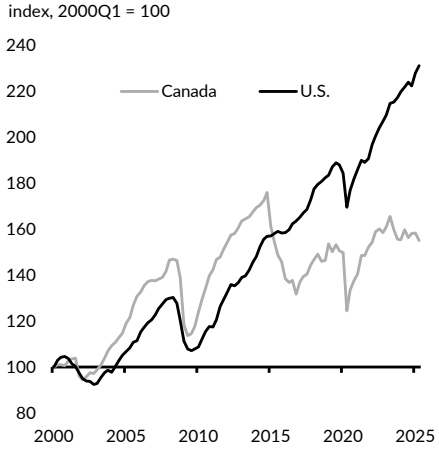
On the other hand, expanding cargo capacity is a **capital investment.** Building warehouses, upgrading cold-chain facilities, and strengthening taxiways for freighters create long-lived assets that transport goods more efficiently. These upgrades reduce turnaround times and move more freight per hour—getting goods to businesses faster and improving service reliability for communities. The benefits compound year after year because the new assets work every day, building value. This enhances productivity and business investment.

This is why a capital budgeting framework is important. It distinguishes day-to-day operating dollars from the dollars that build long-lived assets, allowing the government to prioritise the latter and help deliver lasting benefits to Canadians.

Capital investments are the building blocks to economic growth. Capital investments boost Canada's productivity, helping deliver more and better paying jobs, supporting rising living standards for all Canadians over the long term. While U.S. business investment has grown steadily, Canada's has remained close to its 2015 levels (Chart A2.1). Canada's growth has been held back by weak productivity

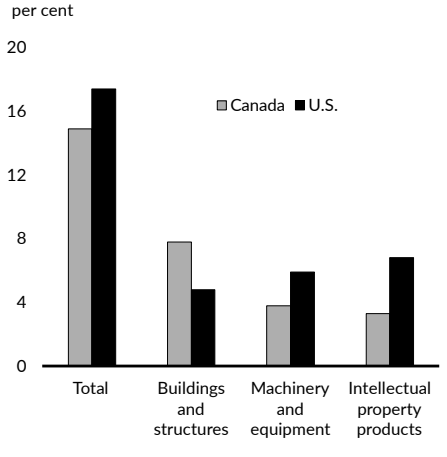
associated with low investment in business capital— particularly in machinery, equipment, and intangible assets like intellectual property (Chart A2.2). In a global economy increasingly shaped by shifting trade dynamics and rapid adoption of artificial intelligence, this gap weighs on competitiveness and resilience. To reverse this trend, Canada requires a step change in capital investment, with renewed commitment from both the public and private sectors to make growth-enhancing capital investment a national priority. The Capital Budgeting Framework ensures that growth and productivity are core elements of the fiscal planning architecture across the federal government.

Chart A2.1
Real Non-Residential Business Investment Since 2000, Canada and U.S., 2000Q1-2025Q2



Sources: Statistics Canada; Bureau of Economic Analysis; Department of Finance Canada calculations

Chart A2.2
Non-Residential Investment as a Share of GDP, Canada and U.S., 2023



Sources: Organisation for Economic Co-operation and Development; Department of Finance Canada calculations.

The Capital Budgeting Framework builds on established public financial management practices used in advanced economies and adapts them to a made-in-Canada approach. As an example, the United Kingdom separates capital spending (investment in long-lived assets) from current spending for planning, reporting, and control, consistent with their national macroeconomic accounts. Singapore similarly distinguishes operating from “development” expenditures, defined as long-term investments that advance economic development and welfare. In Singapore, the government may borrow only to finance “nationally significant” capital investments, while other spending must generally be covered by revenues. The objective is fiscal sustainability and intergenerational fairness, so that debt incurred today is tied to assets that benefit future generations.

Table A2.1 compares capital budgeting approaches in the United Kingdom, Singapore, Canadian provinces, and the Canadian federal government.

Table A2.1
Capital Frameworks Comparison

	United Kingdom	Singapore	Canada Provinces	Canada Federal (Budget 2025)
Operating/capital split presented in budgets?	Yes	Yes	Partial[1]	Yes
Some capital excluded from jurisdiction-specific deficit constraint?	Yes	Yes	Yes[2]	Yes
by type:				
Capital amortisation	No	No	No	Yes
Acquisition of tangible capital assets[3]	Yes[4]	Some[5]	N/A[6]	N/A[7]
Acquisition of intangible capital assets[3]	Yes[4]	No	N/A[8]	N/A[7]
Capital transfers to sub-levels of government	Yes	No	No[9]	Yes
Capital transfers to private sector	Yes	No	No[9]	Yes
Corporate income tax credits	No	No	No	Yes

1 Spending in the main budget tables is generally not split between operating and capital, and the key fiscal metrics are using the same accounting basis for reporting actual financial results under the Canadian public sector accounting standards. However, provinces also present a capital or infrastructure plan either as part of their main budget document or separately.

2 Not all provinces have an explicit deficit constraint.

3 For comparison purposes, refers only to capital assets to be amortised over their useful lives under each jurisdiction's accounting practices.

4 The United Kingdom budget explicitly presents in its main budget tables the net acquisition of capital (i.e., excluding amortisation) as part of its "public sector net investment" fiscal metric, which is excluded from its stability (current budget) rule.

5 In Singapore, only a small fraction of capital spending is excluded from the country's "balanced budget over each term of government" constraint. It is limited to "nationally significant" projects (≥ S$4 billion, ≥ 50-year life, productivity or sustainability benefits, government-owned) and subject to a hard S$90 billion cap. The budget impact from these projects is from amortising the assets over their useful life after construction.

6 Canadian provinces generally present amounts associated with the acquisition of tangible capital assets in their capital or infrastructure plan, but not in the main budget tables. In alignment with Canadian public sector accounting standards, amortisation expense, rather than acquisition cost is included in the provinces' key budgetary balance metrics.

7 Considered in the federal Capital Budgeting Framework through capital amortisation only.

8 Some provinces include intangible capital assets in their capital or infrastructure plans.

9 Some provinces do present capital transfers to municipalities and the private sector as part of their capital or infrastructure plans. These transfers are included in the budgetary balance, reflecting the same accounting principles for reporting actual financial results, and, when applicable, are subject to the deficit constraint.

Definition and Categories

The Capital Budgeting Framework establishes a consistent way to classify spending, including tax expenditures, that contributes to capital formation—referred to here as capital investment—while maintaining pre-existing categories used in budgets and financial reports.

Capital investments, for the purposes of the framework, are defined broadly as any government expenditures or tax incentives that contribute to public or private sector capital formation, held directly on the government's balance sheet or on that of a private sector entity, Indigenous community or another level of government. Within this broad definition, the focus is on capital investments that meet the following criteria:

- **Conditionality** – whether the funding recipient is required to invest in capital formation to receive the benefit.
- **Clear linkage** – whether the spending encourages or enables capital investment in identifiable sectors or projects.

Applying this definition, federal government spending classified as capital investment is categorised as follows:

- **Capital transfers** – transfers to other levels of government and organisations expressly intended for the recipient to invest in infrastructure or a productive asset.
    - Transfer payments, and other forms of support, are classified as capital investments when the recipient (e.g., a province or territory, an Indigenous community, an arms-length or private organisation) is required to use the funds to build, acquire, or better capital assets, with reporting to the federal government for monitoring. Unrestricted transfers count towards the day-to-day operating budget. For Indigenous infrastructure, including transfers under modern treaties, self-government, new fiscal relationships, and similar arrangements, the conditionality criterion is applied in a manner consistent with self-determination.

- **Capital-focused tax incentives** – tax expenditures intended to incentivise new capital formation.
    - Tax expenditures (predominantly corporate income-tax related) are classified as capital investments when the measure directly incentivises investment in capital rather than ongoing operations.
- **Amortisation of federal capital assets** – expenses recorded to spread the cost of capital assets owned or controlled by the federal government over their useful lives.
    - This is aligned with existing reporting of amortisation of federal capital assets in the Public Accounts of Canada, which is based on Canadian public sector accounting standards.
    - Examples of federal capital assets include buildings, machinery and equipment, aircraft, etc.
- **Private sector research and development** – direct funding, or tax incentives, for research and development (R&D) activities that enable commercialisation or scale-up and raise future productive capacity.
    - Private sector R&D is emphasised given its closer link to commercialisation and production, and more direct tie to asset formation.
- **Support to unlock large-scale private sector capital investment** – contractual agreements with proponents involving exceptional, significant operating subsidies designed to unlock incremental large-scale private capital investments.
    - Although these transfers to private sector entities are expressly intended to support operating costs, they are delivered under a contractual agreement requiring the recipient to make prescribed capital investments and are therefore classified as capital investment under the framework.
- **Measures to grow the housing stock** – measures that accelerate new housing supply.
    - Initiatives that contribute to private sector capital formation, such as building new homes, as well as those that lift construction productivity through significant at-scale programs.

Spending not classified as capital investment is considered day-to-day operating spending. This includes major government expenditures like transfers to persons, health and social transfers, and the costs of running government

operations and services, including salaries and benefits. This spending remains essential for service delivery and accounts for the bulk of government spending.

Consistent with the presentation of the federal budget, under the Capital Budgeting Framework projected costs of capital investments are determined on a full accrual basis of accounting. Using a consistent basis of accounting makes it easier to understand how changes in capital investments impact the budgetary balance, and promotes comparability.

Projected fiscal costs of capital investments over the budget horizon are generally similar on cash and accrual bases for a given year, except for mostly temporary timing differences for federal capital assets, loans and guarantees. For example, under accrual accounting, the cost (cash basis) of acquiring federal land, buildings, equipment and other capital property, like bridges is capitalised, recorded as an asset and, except for land, amortised to expense (accrual basis) over the useful life of the capital property. For loans, cash impacts reflect the disbursement and repayment of loans, whereas accrual costs reflect allowances recorded to reflect concessionary terms and collectability and risk of loss.

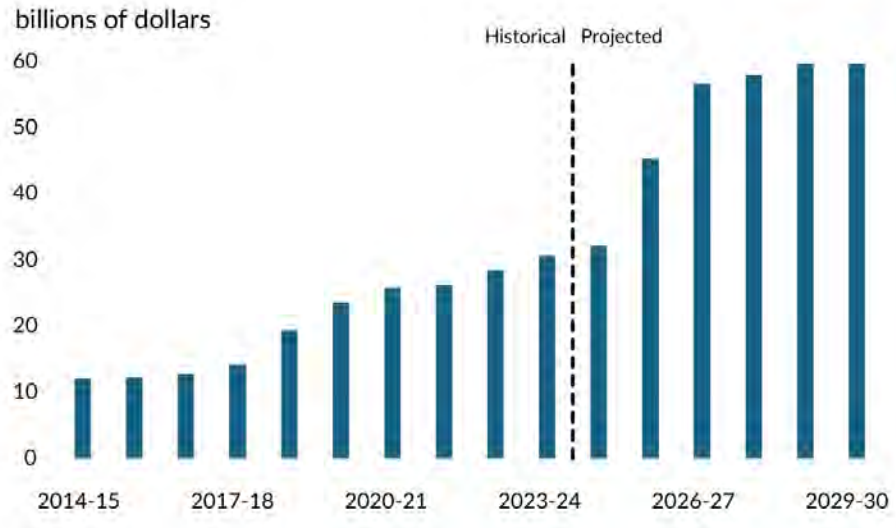
On a cash basis, the total fiscal cost of capital investments included in Budget 2025 would be about $450.6 billion over five years.

Detailed Outlook for Capital Investments

Table A2.2 provides further detail on projections for major capital investments, organised by the framework's six categories. Historical information is provided in Table A2.3. Unless otherwise specified, these projections are based on Department of Finance estimates. In the coming months, the Department will work with the Treasury Board Secretariat and participating organisations to develop an ongoing reporting approach for capital investments, leveraging existing sources wherever possible.

Capital investments over the budget horizon account for a larger share of spending than during the previous 20 years. With measures in the budget, annual capital investment will also nearly double from $32.2 billion in 2024-25 to $59.6 billion in 2029-30 (Chart A2.3).

Chart A2.3
Capital Investment Expenses, Historical and Projected



Source: Department of Finance Canada. For years prior to 2024-25, ongoing capital investments and identifiable precursor programs are included.

Table A2.2
Capital Investment Details

Millions of dollars

	Projection					
	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Capital transfers	**16,395**	**20,578**	**26,051**	**27,989**	**26,167**	**24,388**
Baseline	**16,372**	**19,287**	**19,579**	**19,720**	**18,642**	**16,896**
Canada Community-Building Fund	2,368	2,467	2,467	2,566	2,566	2,668
Investing in Canada Infrastructure Program	2,295	2,751	3,164	4,187	4,160	3,250
Other provincial, territorial, and municipal infrastructure investments	3,272	3,291	4,383	5,294	5,938	5,973
Indigenous Community Infrastructure	4,058	4,634	3,617	3,110	2,006	1,739
Canada Foundation for Innovation	567	552	623	674	487	487
Strategic Innovation Fund	1,703	2,708	2,941	2,527	2,109	1,429
Other capital transfers available to the private sector	2,109	2,885	2,384	1,363	1,376	1,351
Since FES 2024	**23**	**915**	**1,070**	**1,527**	**1,506**	**1,028**
Co-Development Funding for High-Speed Rail	151	597	697	1,025	966	681
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*-79*	*-53*	*-53*	*-53*	*-53*

	Projection					
	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Less: Funds Sourced From Existing Departmental Resources	*-128*	*0*	*0*	*0*	*0*	*0*
Other	0	397	426	556	594	401
In Budget 2025	**0**	**376**	**5,403**	**6,742**	**6,019**	**6,464**
Generational Infrastructure Investments (Sec. 1.2)	0	0	4,750	5,050	5,450	4,850
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*0*	*-2,530*	*-2,788*	*-2,853*	*-2,903*
Protecting Workers and Transforming Canada's Strategic Industries - Equipping Companies for Growth and Diversification (Sec. 2.1)	0	459	1,036	1,778	1,485	1,238
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*-1,000*	*-250*	*-250*	*-250*	*-250*
A New Trade Infrastructure Strategy (Sec. 2.2)	0	0	650	1,100	1,300	950
Strengthening First Nations Infrastructure Financing and Access to Clean Water (Sec. 3.1)	0	0	749	749	749	0
Rebuilding, Rearming, and Reinvesting in the Canadian Armed Forces (Sec. 4.1)	0	861	825	1,075	1,103	865
Other	0	56	172	27	-966	1,714
Capital-focused tax incentives	**1,271**	**6,328**	**9,250**	**9,270**	**10,901**	**10,649**
Baseline	**1,271**	**6,199**	**8,912**	**8,935**	**10,515**	**10,228**
Atlantic investment tax credit	150	175	175	185	195	200
Clean Economy investment tax credits	22	1,585	3,836	5,444	7,231	6,584
Film and video tax credits	733	1,135	1,140	1,190	1,240	1,285
Flow-through share deductions and related tax credits	579	578	530	160	268	268
Accelerated investment incentive and other accelerated capital cost allowance measures	-213	2,726	3,231	1,956	1,581	1,891
Since FES 2024	**0**	**80**	**55**	**-25**	**0**	**0**
Extending the Mineral Exploration Tax Credit	0	80	55	-25	0	0
In Budget 2025	**0**	**49**	**283**	**360**	**386**	**421**
Productivity Super-Deduction (Sec. 1.2)	0	45	280	360	385	420
Other	0	4	3	0	1	1
Amortization of federal capital	**6,044**	**6,628**	**7,348**	**8,455**	**10,864**	**12,512**
Baseline	**6,086**	**6,642**	**7,295**	**8,228**	**10,290**	**11,377**
Capital amortization expenses	6,086	6,642	7,295	8,228	10,290	11,377

	Projection					
	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Since FES 2024	**-43**	**-29**	**-2**	**-31**	**9**	**24**
Construction of River-class Destroyers	0	0	0	0	8	9
Less: Funds Sourced From Existing Departmental Resources	*-45*	*-48*	*-22*	*-40*	*-14*	*-25*
Future Fighter Capability Project	2	10	30	43	92	197
Less: Funds Sourced From Existing Departmental Resources	*0*	*0*	*-12*	*-41*	*-94*	*-182*
Air Fleet Renewal and Modernisation	0	0	0	3	10	16
Less: Funds Sourced From Existing Departmental Resources and Other Revenue	*0*	*0*	*0*	*0*	*0*	*0*
Other	1	10	2	5	8	9
In Budget 2025	**0**	**15**	**55**	**258**	**564**	**1,111**
Seizing the Full Potential of Artificial Intelligence (Sec. 1.2)	0	4	5	181	673	63
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*-4*	*-5*	*-181*	*-610*	*0*
Rebuilding, Rearming, and Reinvesting in the Canadian Armed Forces (Sec. 4.1)	0	12	62	216	405	972
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*0*	*-30*	*-61*	*-92*	*-122*
Strengthening Canada's Presence: Operations REASSURANCE and AMARNA (Sec. 4.1)	0	2	14	27	40	40
Less: Funds Sourced From Existing Departmental Resources	*0*	*-2*	*-2*	*-2*	*-2*	*-2*
Strengthening Federal Law Enforcement (Sec. 4.2)	0	0	6	15	26	33
Modernising the Meteorological Service of Canada (Sec. 4.2)	0	0	0	57	115	116
Other	0	1	4	5	9	12
Private sector research and development	**4,896**	**5,478**	**5,772**	**5,901**	**6,057**	**6,222**
Baseline	**4,896**	**5,475**	**5,702**	**5,816**	**5,992**	**6,152**
Industrial Research Assistance Program	436	525	507	476	447	397
Scientific Research and Experimental Development tax incentives	4,460	4,950	5,195	5,340	5,545	5,755
In Budget 2025	**0**	**3**	**70**	**85**	**65**	**70**
Enhancing the Scientific Research and Experimental Development Tax Incentives (Sec. 1.2)	0	3	70	85	65	70
Support to unlock large-scale private sector capital investment	**73**	**504**	**1,378**	**2,370**	**2,843**	**3,217**
Baseline	**73**	**504**	**1,378**	**2,370**	**2,843**	**3,217**

	Projection					
	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Support for battery manufacturing	73	504	1,378	2,370	2,843	3,217
Measures to grow the housing stock	**3,527**	**5,835**	**7,390**	**4,633**	**3,693**	**3,355**
Baseline	**3,527**	**5,062**	**5,633**	**3,001**	**2,344**	**2,411**
Affordable Housing Fund	922	1,182	1,664	464	-132	33
Housing Accelerator Fund	1,075	1,085	1,082	103	0	0
Apartment Construction Loan Program	179	417	573	515	523	29
Indigenous Housing	1,138	1,811	1,595	1,049	1,019	1,082
Tax measures	26	52	165	365	615	845
Other programs	186	515	553	504	319	421
Since FES 2024	**0**	**-5**	**-6**	**-6**	**-4**	**-1**
Topping Up the Affordable Housing Fund	0	0	0	0	3	6
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*-5*	*-6*	*-6*	*-7*	*-7*
In Budget 2025	**0**	**778**	**1,763**	**1,638**	**1,353**	**946**
Launching Build Canada Homes (Sec. 3.1)	0	898	1,880	1,755	1,470	1,062
Less: Funds Previously Provisioned in the Fiscal Framework	*0*	*-120*	*-118*	*-117*	*-117*	*-116*
Total - Baseline	**32,225**	**43,170**	**48,500**	**48,070**	**50,627**	**50,280**
Total - Since FES 2024	**-20**	**962**	**1,117**	**1,465**	**1,512**	**1,051**
Total - In Budget 2025	**0**	**1,221**	**7,573**	**9,083**	**8,387**	**9,011**
Less: Comprehensive Expenditure Review	***0***	***0***	***-532***	***-606***	***-876***	***-720***
Total capital investments	**32,205**	**45,352**	**56,658**	**58,012**	**59,650**	**59,622**
Total capital investments (cash basis)	**51,574**	**76,792**	**92,343**	**93,314**	**94,640**	**93,497**

Notes: Numbers may not add due to rounding. Department of Finance estimates, based on information received from other government departments.

[1] Fiscal cost includes transfer payments and an estimate of forgone corporate income tax revenue.

[2] Fiscal cost includes an estimate of forgone personal income tax revenue.

[3] Fiscal cost includes an estimate of forgone corporate income tax revenue.

Historical Information

Table A2.3 includes a backward-looking application of the Capital Budgeting Framework to the past twenty years. This history traces the fiscal cost of the programs identified as baseline capital investments in Table A2.2 and their readily identifiable precursors. For example, while the Scientific Research and Experimental Development (SR&ED) program has supported private sector research and development for decades, other capital investment programs are newer, such as the Strategic Innovation Fund which incorporated several legacy programs and has now been replaced by the Strategic Response Fund. In these cases, Table A2.3 includes both current and predecessor programs.

Table A2.3
Historical Capital Investments
Millions of dollars

	Capital transfers	Capital-focused tax incentives	Amortisation of federal capital	Private sector research and development	Measures to grow the housing stock	Total
2005-2006	1,509	1,167	3,904	2,720		**9,300**
2006-2007	1,691	1,118	3,807	2,825		**9,441**
2007-2008	2,090	1,295	3,954	3,305		**10,644**
2008-2009	2,448	816	4,176	3,290		**10,730**
2009-2010	3,856	686	4,418	3,155		**12,115**
2010-2011	3,848	905	4,756	3,068		**12,577**
2011-2012	4,291	865	4,859	3,144		**13,159**
2012-2013	4,484	890	5,184	3,319		**13,877**
2013-2014	4,079	840	4,865	3,343		**13,127**
2014-2015	3,609	755	5,090	2,606		**12,060**
2015-2016	3,682	810	5,049	2,676		**12,217**
2016-2017	3,740	825	5,168	2,725	293	**12,751**
2017-2018	4,424	1,315	5,261	2,846	358	**14,204**
2018-2019	9,703	1,030	5,643	2,836	194	**19,406**
2019-2020	8,433	5,490	5,790	3,271	574	**23,559**
2020-2021	10,602	4,315	5,969	3,306	1,659	**25,852**
2021-2022	10,691	3,905	5,514	3,846	2,323	**26,280**
2022-2023	12,516	4,130	5,644	4,206	1,899	**28,395**
2023-2024	13,207	3,575	5,633	4,256	4,008	**30,679**

Note: Historical capital investments are actual expenses for ongoing capital investments and their readily identifiable precursors. For those tax expenditures that are not considered expenses for the purposes of the Public Accounts of Canada, historical capital investments are the Department of Finance's most recent estimate of their fiscal cost.

Annex 3
Comprehensive Expenditure Review: Planned Reductions by Organisation

This annex provides details on the Comprehensive Expenditure Review (CER) savings announced in Budget 2025 and described in Chapter 5, by organisation. These savings, summarized in Table A3.1, represent measured actions to spend less, to enable more investments in Canadians and the economy. Total planned reductions account for 4.9 per cent of projected direct program expenses in 2028-29.

Table A3.1: Comprehensive Expenditure Review: Overview by Theme

millions of dollars, accrual basis

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Modernising Government Operations	5,530	6,179	6,950	6,554	5,441
Streamlining Program Delivery	161	345	488	530	531
Recalibrating Government Programs	2,863	3,856	5,404	5,358	5,391
Total	**8,553**	**10,381**	**12,842**	**12,442**	**11,363**
New revenues/lower expenses enabled by efficiencies (CRA)	655	887	1,171	1,107	1,107
Grand Total	**9,208**	**11,268**	**14,012**	**13,550**	**12,471**

Note: planned reductions by organisation that are not broken out by theme in the tables that follow are included in *Modernising Government Operations*, unless specified otherwise.

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Agriculture and Agri-Food

To meet up to 15 per cent in savings targets over three years, Agriculture and Agri-Food Canada (AAFC) will reorient its programming, scientific research, and operational expenditures to better align with the government's priorities, while continuing to collaborate with provinces, territories, and industry to ensure program delivery meets evolving sector needs. AAFC will wind down some programs outside its core mandate, such as the Agricultural Climate Solution Living Labs. The government is focusing on supports for producers and agri-businesses to innovate, adopt clean technologies and stay competitive in a shifting global market, ensuring Canada remains a leader in sustainable food production.

AAFC will also reduce certain science activities where a more streamlined approach can be taken, or where capacity exists elsewhere, for example in academia and industry. AAFC will focus on core priority areas, and streamline its science operations to make them more cost-effective for the long-term. AAFC will continue its scientific work in crops and horticulture, animal production, food, biodiversity and environmental sustainability, often in partnership with industry, for projects that are priorities for the sector. AAFC will also continue to fund science and innovation through grants and contributions.

AAFC will also improve operational efficiency by optimising internal services to align resources with departmental priorities, rationalising administrative support and reducing management layers, advancing technology and automation to cut down on time-consuming manual work, and reducing reliance on external contractors. Through process improvement and leveraging technology, AAFC will be able to operate at reduced resource levels while minimizing impacts on its external service delivery.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Agriculture and Agri-Food Canada					
Modernising Government Operations	33.7	45.0	80.5	75.8	76.0
Recalibrating Government Programs	78.6	35.0	74.2	78.9	78.8
Sub-Total	**112.2**	**80.1**	**154.7**	**154.7**	**154.7**
Canadian Dairy Commission	**0.4**	**0.5**	**0.8**	**0.8**	**0.8**
Canadian Grain Commission	**0.5**	**0.6**	**0.9**	**0.9**	**1.0**
Total	**113.1**	**81.2**	**156.4**	**156.4**	**156.4**

Canada Revenue Agency

The Canada Revenue Agency (CRA) administers tax, benefits and related programs on behalf of federal, provincial, and territorial governments across Canada, contributing to the ongoing economic and social well-being of Canadians. The Agency's core responsibility for tax and benefits includes taking compliance and enforcement actions when necessary to uphold the integrity of the system.

The CRA will modernize its administrative approach to enable greater productivity, and wind down its business units that are no longer connected to government priorities. This includes the Digital Services Tax, the Federal Fuel Charge, and the Canada Carbon Rebate for individuals and for businesses. Budget 2025 also proposes to eliminate the inefficient Underused Housing Tax and luxury tax on aircraft and vessels, which will result in administrative savings.

A portion of these savings will be reinvested to improve services, strengthen compliance, and reduce tax debt. AI and process automation will be leveraged to transform technologies, data and analytics systems for compliance and collection activities. This will free up resources to tackle complex cases requiring human intervention and to address the backlog of tax debt. For example, by automating certain tasks in the risk scoring process, CRA estimates that repetitive tasks will be reduced by 50 per cent once fully implemented. This reinvestment will help protect the tax base, with an estimated positive fiscal impact of $1.1 billion annually from 2028-29 onwards.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Canada Revenue Agency					
Modernising Government Operations	118.1	179.0	235.1	235.1	235.1
Savings to be reinvested	*-74.2*	*-115.5*	*-148.7*	*-154.8*	*-121.6*
Total (net)	**43.9**	**63.5**	**86.4**	**80.2**	**113.5**
Strengthening tax compliance and debt collection: new revenues/lower expenses	655	887	1,171	1,107	1,107
Net fiscal impact	**699.0**	**950.3**	**1,257.3**	**1,187.6**	**1,220.9**

Canadian Heritage

Department of Canadian Heritage

To meet up to 15 per cent in savings targets over three years, the Department of Canadian Heritage (PCH) will refocus its cultural programming to meet the evolving needs of recipients and ensure program effectiveness. The funding envelope of the Canada Cultural Spaces Fund will be reduced and reoriented to focus solely on funding specialized equipment in the cultural sector, offering a cost-effective way to upgrade cultural facilities. The Canada Periodical Fund will be refocused to incentivize the creation of original Canadian editorial content only, no longer funding paid subscriptions and single-copy sales. This approach prioritizes production of quality Canadian editorial and journalistic content, regardless of the platform. The government remains committed to arts and culture, with proposed funding in Budget 2025 for the cultural economy and CBC/Radio-Canada.

To ensure efficiency, effectiveness and alignment with its core mandate, PCH will reorganize its internal services and program administration to consolidate efforts, reduce overlap, and modernize workflows. PCH will transform its transfer payment delivery model, standardizing processes, consolidating functions, and replacing fragmented systems with a modern digital platform. Savings will also be achieved by refocusing on core priorities, including the closing of the Gift Bank for Ministers and senior officials and transitioning to a focus on digital interpretation products, which will support a wide variety of languages, including Indigenous languages.

The Canadian Radio-television and Telecommunications Commission will also be employing AI in the operations of the Spam Reporting Centre to continue to protect Canadians from unsolicited commercial communications in a more efficient, cost-effective manner.

Parks Canada Agency

To meet up to 15 per cent in savings targets over three years, the Parks Canada Agency (PC) will maximize efficiencies while continuing to deliver services to Canadians by refocusing its organisational structure and business unit functions to avoid duplication of work, as well as ceasing or reducing lower priority activities, such as library services.

PC will also focus on providing visitor services that are aligned with its core business, like limiting PC's participation and presence in off-site community events and festivals.

millions of dollars	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Canadian Heritage					
Modernising Government Operations	3.7	7.2	17.2	17.2	17.2
Recalibrating Government Programs	31.0	42.0	75.9	75.9	75.9
Sub-Total	**34.7**	**49.2**	**93.1**	**93.1**	**93.1**
Parks Canada Agency					
Modernising Government Operations	24.6	45.3	75.0	75.0	75.0
Sub-Total	**24.6**	**45.3**	**75.0**	**75.0**	**75.0**
Canadian Museum for Human Rights	**1.6**	**2.3**	**3.2**	**3.2**	**3.2**
Canadian Museum of History	**2.4**	**4.3**	**5.9**	**5.1**	**5.1**
Canadian Museum of Immigration at Pier 21	**0.8**	**1.0**	**1.3**	**1.3**	**1.3**
Canadian Radio-television and Telecommunications Commission	**0.4**	**0.5**	**0.8**	**0.8**	**0.8**
Library and Archives Canada	**11.1**	**14.7**	**22.1**	**22.1**	**22.1**
National Film Board	**1.8**	**2.9**	**3.3**	**3.3**	**3.3**
The National Battlefields Commission	**0.7**	**1.0**	**1.4**	**1.4**	**1.4**
Total	**78.0**	**121.3**	**206.2**	**205.4**	**205.4**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Crown-Indigenous Relations and Northern Affairs

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) has an essential mandate to renew nation-to-nation, Inuit-Crown and, government-to-government relationships between Canada and First Nations, Inuit and Métis and to respond to the unique needs of Northerners.

To protect Crown-Indigenous relations, CIRNAC will be identifying savings of 2 per cent of its review base while continuing to modernize Government of Canada structures to support the self-determined priorities of Indigenous Peoples.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Crown-Indigenous Relations and Northern Affairs Canada					
Total	**69.3**	**69.3**	**69.3**	**69.3**	**69.3**

Note: Final allocation between review themes to be determined following Budget 2025. Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Employment and Workforce Development

To meet up to 15 per cent in savings targets over three years, Employment and Social Development Canada (ESDC) will implement operational efficiencies and a targeted recalibration of its programs and its approach to delivering them, with a focus on ensuring that government funding generates real results for Canadians in core areas of federal responsibility. These efficiencies will be advanced while continuing to empower workers in Budget 2025 by expanding the **Union Training and Innovation Program** to boost union-based apprenticeship training in the Red Seal trades and investing in a **Foreign Credential Recognition Action Fund** to help qualified foreign-trained professionals contribute more quickly to Canada's workforce.

To improve its efficiency, ESDC will increase its use of artificial intelligence to streamline and automate internal processes, reduce its real property portfolio by decreasing general office space, consolidate management and administrative support functions, reduce reliance on external consultants, and limit travel and conference attendance. ESDC will also streamline program delivery by consolidating the Canada Service Corps program and the Supports for Student Learning Program to bring down administration costs.

ESDC will also increase its focus on core federal responsibilities and reduce or eliminate spending where it is duplicated by other federal departments or provinces and territories.

ESDC will shift funding away from programs where there is reduced or limited need. To ensure funding goes to programs with the greatest impact, ESDC will decrease funding to underperforming programs and those with limited effectiveness and overlap with other federal initiatives.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Employment and Social Development Canada					
Modernising Government Operations	86.4	103.9	101.7	101.7	101.7
Streamlining Program Delivery	0.6	50.4	50.4	50.4	50.4
Recalibrating Government Programs	69.7	365.5	628.5	628.5	628.5
Sub-Total	**156.8**	**519.8**	**780.5**	**780.5**	**780.5**
Canadian Centre for Occupational Health and Safety	**0.5**	**0.6**	**0.9**	**0.9**	**0.9**
Total	**157.2**	**520.4**	**781.5**	**781.5**	**781.5**

Energy and Natural Resources

To meet up to 15 per cent in savings targets over three years, Natural Resources Canada (NRCan) will optimize internal processes to reduce administrative burden, reducing management layers, and adopting new approaches to leverage AI. The department will also prioritize its science mandate and consolidate operations of the Office of the Surveyor General in the North.

NRCan will streamline its suite of programming, winding down several programs like the Canada Greener Homes Grant. In addition, the department will recalibrate its support under certain programs to prioritize projects that deliver the most benefits for Canadians.

NRCan will also end the 2 Billion Trees program. Existing contribution agreements and commitments will be honoured, and uncommitted funds will be returned. The government remains committed to sustainable forest management practices – to date, the program has committed to planting nearly 1 billion trees.

These efforts will better orient the work of the department to advance the government's new climate competitiveness strategy, including supporting critical minerals projects, and free up resources to drive investment in clean growth projects. In Budget 2025, the government will provide $2 billion, on a cash basis, starting in 2026-27, to NRCan to create the **Critical Minerals Sovereign Fund** to make strategic investments in critical minerals projects and companies.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Natural Resources Canada					
Modernising Government Operations	59.6	42.0	84.6	84.6	84.6
Streamlining Program Delivery	13.0	48.7	94.4	143.3	143.3
Recalibrating Government Programs	193.8	341.1	378.9	438.5	468.0
Sub-Total	**266.4**	**431.7**	**557.9**	**666.4**	**695.9**
Atomic Energy of Canada Limited	**1.6**	**2.1**	**3.2**	**3.2**	**3.2**
Total	**268.0**	**433.8**	**561.0**	**669.5**	**699.0**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Environment and Climate Change

The **Climate Competitiveness Strategy** outlines how the government is committed to continuing to spur the investments needed to achieve a net-zero economy, including through Investment Tax Credits.

To meet up to 15 per cent in savings targets over three years and streamline program delivery, Environment and Climate Change Canada (ECCC) will prioritize activities within its core mandate. This includes reducing or winding down activities and programming that are not core to the Department's mandate or which can be delivered more effectively through another department. ECCC will continue its important work on Indigenous engagement, but will consolidate this function, which is currently distributed across teams in the Department. ECCC will also streamline its nature programming to simplify engagement with stakeholders and reduce administrative burden.

ECCC will improve day-to-day operating efficiency by eliminating redundancies and standardizing administrative support. It will reduce its physical footprint by ending some small lease agreements and eliminating external training contracts in favour of in-house activities. Standardizing support models and consolidating functions will streamline operations and enable better integration of automation tools.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Environment and Climate Change Canada					
Modernising Government Operations	236.8	244.4	282.6	282.6	302.9
Sub-Total	**236.8**	**244.4**	**282.6**	**282.6**	**302.9**
Canada Water Agency	**0.7**	**0.7**	**1.2**	**1.2**	**1.2**
Impact Assessment Agency of Canada	**7.9**	**10.5**	**15.8**	**15.8**	**15.8**
Total	**245.4**	**255.6**	**299.6**	**299.6**	**319.9**

Finance

Finance Canada will consolidate various functions, optimise organisational structures, realign resources towards high-impact, priority work and achieve efficiencies in the day-to-day management of Canada's official international reserves.

Following a thorough review of operating costs, the Department will rationalise back-office expenditures, such as travel, printing, and hospitality. The Department will also shift toward greater automation and AI research capabilities. To optimise the organisational structures, the Department will integrate policy and oversight teams to improve coordination and reduce duplication. Some structural realignments and consolidation related to corporate and administrative services will be made to enhance efficiency within the organisation, while ensuring ongoing accountability.

Recognising changing government priorities, the Department will use existing capacity to support ongoing work on programs.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Department of Finance*					
Modernising Government Operations	10.7	14.2	21.3	21.3	21.3
Sub-Total	**10.7**	**14.2**	**21.3**	**21.3**	**21.3**
Financial Transactions and Reports Analysis Centre of Canada	**3.3**	**4.4**	**6.6**	**6.6**	**6.6**
Office of the Superintendent of Financial Institutions	**0.1**	**0.1**	**0.2**	**0.2**	**0.2**
Total	**14.1**	**18.7**	**28.1**	**28.1**	**28.1**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

* Includes $5 million in annual savings from the optimisation of risk management practices associated with the Exchange Fund Account.

Fisheries and Oceans

To meet up to 15 per cent in savings targets over three years, the Department of Fisheries and Oceans (DFO) will wind down research and monitoring activities that have either achieved their objectives or for which alternative data sources exist, scale back certain policy and program capabilities, reduce management layers, and right-size internal services.

In addition, DFO will leverage artificial intelligence and other digital tools to modernize Canada's fisheries management system. Reducing the use of burdensome paper-based tools will free up time for fisheries officers to spend in communities and on the water enforcing fisheries regulations.

DFO will also reduce reviews and formal authorizations required for small, routine, low-risk projects—such as culverts and drains—by providing standardized guidance that will enable project proponents to self-assess compliance with legal and regulatory requirements. Simplifying these reviews, which require disproportionate administrative effort, will allow DFO to focus on projects that pose a higher risk to fish and their habitat. As outlined in Budget 2025, the government will ensure harbours are fully operated, in good working condition, and managed and maintained by self-sufficient harbour authorities who represent the interests of users and communities.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Department of Fisheries and Oceans					
Modernising Government Operations	54.5	101.9	193.8	193.8	192.7
Total	**54.5**	**101.9**	**193.8**	**193.8**	**192.7**

Global Affairs

To meet up to 15 per cent in savings targets over three years, Global Affairs Canada (GAC) is refocusing Canada's international presence in the areas of advocacy, security, and development, as well as implementing targeted reforms across its trade and investment portfolio to better align with current strategic priorities and the geo-political context.

As part of these adjustments, there will be reductions in development funding to global health programming, where Canada's contribution has grown disproportionately relative to other similar economies, and to some international financial institutions, which receive significant support through other sources, and where Canada's contributions can be leveraged further. Some bilateral development programs will also be refined and adjusted. These changes are expected to re-baseline the International Assistance Envelope to pre-COVID levels.

GAC will implement reforms across its trade and investment portfolio, including modernising the Trade Commissioner Service, and refocusing certain trade support programs. Collectively, these measures aim to reduce duplication, lower administrative overhead and focus efforts on high-impact services for Canadian businesses.

GAC will also implement a range of measures to find efficiencies across Canada's mission network, including revamping emergency preparedness and Modernising consular services. It will reduce its mission expenditures through a number of strategies, including consolidating embassies with multiple properties into fewer buildings, acquiring Crown-owned properties in certain cases, and co-locating some offices with allies where appropriate.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Global Affairs Canada					
Modernising Government Operations	90.4	156.6	259.0	259.0	259.0
Recalibrating Government Programs	470.4	590.5	861.3	861.8	861.8
Sub-Total	**560.8**	**747.0**	**1,120.3**	**1,120.9**	**1,120.9**
Canada Commercial Corporation	**0.0**	**0.2**	**0.2**	**0.2**	**0.2**
International Development Research Centre	**11.4**	**15.2**	**22.9**	**22.9**	**23.5**
Invest in Canada Hub	**2.5**	**3.3**	**4.2**	**4.2**	**4.2**
Total	**574.7**	**765.8**	**1,147.6**	**1,148.1**	**1,148.7**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Health

Health Canada

To meet up to 15 per cent in savings targets over three years, Health Canada (HC) will enable modern, risk-based regulatory processes while ensuring that health and safety are not compromised. Activities selected for reduction have consistently shown low demand, overlap with other jurisdictions or sectors, or provide minimal health benefits.

HC will also recalibrate internal science and research activities to better align them with the department's regulatory and policy mandates.

Canadian Food Inspection Agency

To meet up to 15 per cent in savings targets over three years, the Canadian Food Inspection Agency (CFIA) will reduce overlap and duplication within the organisation, such as by ensuring accountability for each business line, reducing non-core research activities to focus on high-priority diagnostic methods, and consolidating lab services to focus on essential testing and avoid the need for costly capital upgrades. At the same time, investments in secure digital platforms and export certificate digitalisation will be made to increase efficiencies and better support our exporters.

CFIA will also implement changes to certain areas of program delivery to realize additional efficiencies and modernize its programs, while maintaining its focus on core activities and high-risk priorities. This includes moving from paper-based pet export certificates to modernised digital platforms that improve convenience, reduce delays, and enhance service quality, as well as reducing overlap in some animal disease testing. Activities that will be phased out include decommissioning some vehicle washing stations, discontinuing duplicative dispute resolution services over food grade, and winding down functions that are no longer required to address health risk linked to the trade of pets.

Public Health Agency of Canada

To meet up to 15 per cent in savings targets over three years, Public Health Agency of Canada (PHAC) will implement operational efficiencies and a targeted recalibration of its programs, while preserving critical functions that keep Canadians safe.

PHAC will streamline its program delivery by consolidating grants and contributions programs into larger funds. While these new funds will operate with a lower overall funding envelope once temporary funding ends, their impact will be increased by targeting investments to core federal public health priorities that are central to PHAC's mandate, supporting delivery partners that demonstrate clear and measurable public health outcomes aligned with the new funds' objectives, and leveraging increased program flexibility and responsiveness.

As PHAC transitions from peak-pandemic operations to a more sustainable federal posture, it will allow some temporary funding to end and will optimize contracting based on demand forecasts and procurement strategies. This approach will minimize waste and costs without compromising public health.

PHAC will also reduce its back-office costs by standardizing administrative processes, streamlining roles and responsibilities, leveraging enhanced IT solutions, and eliminating redundancies.

In addition, the Patented Medical Prices Review Board will modernise its hearings by leveraging existing technology, enabling faster and more cost-effective procedural processes.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Health Canada					
Modernising Government Operations	21.7	74.3	132.9	135.7	135.9
Recalibrating Government Programs	66.1	78.2	65.2	75.0	75.0
Sub-Total	**87.8**	**152.5**	**198.2**	**210.7**	**210.9**
Canadian Food Inspection Agency					
Modernising Government Operations	3.8	70.3	80.5	80.5	80.5
Sub-Total	**3.8**	**70.3**	**80.5**	**80.5**	**80.5**
Public Health Agency of Canada					
Modernising Government Operations	4.6	60.9	60.9	60.9	60.9
Streamlining Program Delivery	8.1	11.6	27.9	27.9	27.9
Sub-Total	**12.7**	**72.6**	**88.8**	**88.8**	**88.8**
Patented Medicine Prices Review Board	**1.2**	**1.7**	**2.5**	**2.5**	**2.5**
Total	**105.6**	**297.0**	**370.0**	**382.5**	**382.6**

Housing, Infrastructure and Communities

Housing, Infrastructure and Communities Canada

Budget 2025 will reorient how the government delivers infrastructure funding to support needs across the country. This will help Housing, Infrastructure and Communities Canada (HICC) to deliver on significant generational investments, including launching the **Build Communities Strong Fund** to invest in a growing Canadian economy.

To meet up to 15 per cent in savings targets over three years, there will be a realignment to current HICC programming. This includes implementing three horizontal efficiency initiatives to review the executive cadre, with the goal of streamlining management and operations.

HICC will prioritize two services as part of the Climate Toolkit for Housing and Infrastructure, specifically the online Climate Insight Platform and the Roster of Experts. This approach will provide local communities with easy access to current information, tools and resources, while offering those with limited capacity timely technical advice and guidance through the Roster of Experts.

A portion of uncommitted funding from the Canada Public Transit Fund will be reallocated to the Build Communities Strong Fund where transit projects will continue to be eligible. Further, the Minister of Housing and Infrastructure will identify opportunities to streamline burdensome requirements in the existing Canada Public Transit Fund to accelerate delivery of projects and help our cities, provinces and territories build new projects faster and better.

Canada Mortgage and Housing Corporation

Canada's housing challenges have evolved, and so must the Canada Mortgage and Housing Corporation (CMHC), as a key partner in finding solutions. The government has announced **Build Canada Homes** which will partner with industry, other levels of government, and Indigenous communities to build affordable housing at scale and at speed.

With an initial investment of $13 billion over five years on a cash basis, starting in 2025-26, **Build Canada Homes** provides an opportunity to re-evaluate CMHC's resources and programming to ensure they are aligned with this important priority.

To meet up to 15 per cent in savings targets over three years, CMHC will wind down certain programs that do not directly increase housing supply or target Canadians in housing need. The Canada Secondary Suite Loan program, which is not yet operational, will not be implemented as it has a large potential to overlap with the government's homeowner insured mortgage rule changes announced in January 2025. For other programs it is proposing to wind down, the objectives will be achieved by **Build Canada Homes**.

CMHC will maintain its funding for initiatives that address the housing crisis, including the Apartment Construction Loan Program and supports to increase access to housing for Indigenous people residing in urban, rural and northern regions.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Housing, Infrastructure and Communities Canada					
Modernising Government Operations	16.3	16.3	15.9	15.9	15.9
Streamlining Program Delivery	6.3	23.4	23.4	23.4	23.4
Recalibrating Government Programs	466.1	609.0	932.7	776.1	776.1
Sub-Total	**488.7**	**648.8**	**972.0**	**815.4**	**815.4**
Canada Mortgage and Housing Corporation					
Recalibrating Government Programs	284.1	451.9	808.6	856.4	859.9
Sub-Total	**284.1**	**451.9**	**808.6**	**856.4**	**859.9**
The Jacques-Cartier and Champlain Bridges Inc.	13.2	15.2	18.3	27.1	26.9
Total	**786.0**	**1,115.8**	**1,799.0**	**1,698.9**	**1,702.2**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Immigration, Refugees and Citizenship

To meet up to 15 per cent in savings targets over three years, Immigration, Refugees and Citizenship Canada (IRCC) is rationalizing programming, while upholding the government's long-standing commitment to resettle the world's most vulnerable. This includes targeted adjustments to programs, including adjusting the Interim Housing Assistance Program commensurate with the decline in asylum claimants.

To reduce duplication and streamline delivery, IRCC will transfer responsibility for employer-focused compliance inspections under the International Mobility Program (IMP) to Employment and Social Development Canada. Both organizations conduct parallel inspections under separate programs (the IMP and the Temporary Foreign Worker Program), using similar tools and authorities, resulting in duplication of effort, oversight, and internal service demands. This change would simplify the compliance landscape for employers, while supporting more coherent federal oversight.

IRCC will also readjust the Settlement Program to implement limits to program eligibility for economic immigrants. The program will continue to support most recent arrivals to overcome barriers in integrating into Canadian society. IRCC will also introduce a modest co-payment model to its Interim Federal Health Program for supplemental health products or services (such as prescription medication and dental care).

Finally, IRCC will streamline its internal services – using technology to improve productivity, reducing the number of external consultants and investing in internal capacity, and reevaluating human resources requirements, including management layers.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Immigration, Refugees and Citizenship Canada					
Modernising Government Operations	140.4	255.1	278.2	259.1	259.1
Streamlining Program Delivery	121.1	198.3	245.3	258.8	259.5
Recalibrating Government Programs	21.0	93.6	95.6	95.6	95.6
Total	**282.3**	**546.9**	**619.1**	**613.5**	**614.2**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Indigenous Services

Indigenous Services Canada (ISC) has a mandate to improve access to high quality services for First Nations, Inuit and Métis. The Department works collaboratively with partners to support and empower Indigenous Peoples to independently deliver services and address the socio-economic conditions in their communities.

To protect services to Indigenous peoples, ISC will be identifying savings of 2 per cent of its review base while recognizing the essential role of effective and efficient program and service delivery in addressing the persistent socio-economic gaps experienced by Indigenous communities throughout the country.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Indigenous Services Canada Total	**494.0**	**494.0**	**494.0**	**494.0**	**494.0**

Note: Final allocation between review themes to be determined following Budget 2025.

Innovation, Science and Industry

Innovation, Science and Economic Development Canada

To meet up to 15 per cent in savings targets over three years, Innovation, Science and Economic Development Canada (ISED) will reorient its skills programming to avoid duplication, while seeking to limit impacts on stakeholders and clients. Focusing on initiatives that have achieved their goals or are no longer fit-for-purpose, ISED will reduce or wind down certain programming. These actions to be more efficient are complemented by the government's recent investment of $5 billion over six years, starting in 2025-26, for the **Strategic Response Fund** which will provide flexible terms to help firms in all sectors and regions impacted by tariffs to adapt, diversify, and grow.

ISED will reprioritize its science and industry programming to improve alignment with its core mandate and reduce overlap with other federal, provincial, and territorial investments. This will include, among other things, not renewing certain funding envelopes in the Global Innovation Clusters and the Strategic Innovation Fund, namely the Net Zero Accelerator due to declining demand, where initiatives have accomplished their goals or may be superseded by other programming.

To better align its programs with current priorities and reduce redundancies, ISED will transfer the Canadian Small Business Financing Program to the Business Development Bank of Canada. ISED will also streamline its business support services, such as Digital Services to Business, to improve efficiency. Targeted reductions will be made in certain entrepreneurial and innovation programs as well as at the Canada Foundation for Innovation.

Finally, ISED will realize additional savings by reducing its operational and capital footprint to become more agile and improve service delivery. This will include streamlining administrative functions, flattening management structures, reducing specialized personnel, and lowering reliance on external consultants.

National Research Council of Canada

To meet up to 15 per cent in savings targets over three years, the National Research Council of Canada (NRC) will reorganize its operations and research activities to focus on the most relevant and impactful areas. This includes divesting from some research capabilities, including exploring options to best position the Canadian Photonics Fabrication Centre to attract private capital,

scale its operations, and serve as a platform for Canadian innovation and new photonic applications, including in the face of the rise of AI and related compute infrastructure.

NRC will focus its Industrial Research Assistance Program (IRAP) by adjusting contributions to some program streams, while not impacting strategic sectors. This approach will ensure equitable support across industries or regions, while preserving IRAP's capacity to identify and invest in new, emerging technologies, and keep pace with the speed of industry.

NRC will also redistribute capabilities to enable more effective service delivery while allowing the most strategic activities to be maintained, including delivering an ambitious defence industrialization agenda, and optimizing research centre operations.

Statistics Canada

To meet up to 15 per cent in savings targets over three years, Statistics Canada (StatsCan) will increase the efficiency of its statistical programs by adopting new tools and methods to reduce costs while continuing to deliver relevant and high-quality data for Canadians. For example, the frequency of data collection will be reduced where the requirements can be met through statistical modelling or other modern methods. In addition, adjustments will be made to the frequency and level of detail collected for data sets which demonstrate less relevance to Canadians.

StatsCan will also modernize processes, flatten management structures, and modernize its internal services. These changes will build on the agency's prior strategic investments in technology, particularly in artificial intelligence, machine learning and automation, which have already been shown to improve operational efficiency and responsiveness.

Collectively, these measures will ensure that the agency remains sustainable and focused on delivering the most critical and relevant data for Canadians. Statistics Canada's commitment to quality, integrity, and evidence-based support for government and Canadians will remain unchanged.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Innovation, Science and Economic Development Canada					

Modernising Government Operations	16.0	30.0	51.3	51.3	51.3
Streamlining Program Delivery	11.4	12.6	46.5	26.5	26.5
Recalibrating Government Programs	696.3	752.4	838.7	838.7	838.7
Sub-Total	**723.8**	**795.0**	**936.5**	**916.5**	**916.5**
National Research Council of Canada					
Modernising Government Operations	17.5	34.3	48.3	49.4	49.4
Recalibrating Government Programs	77.8	92.8	142.4	141.2	141.2
Sub-Total	**95.3**	**127.1**	**190.6**	**190.6**	**190.6**
Statistics Canada					
Modernising Government Operations	54.0	72.1	108.1	104.7	104.7
Sub-Total	**54.0**	**72.1**	**108.1**	**104.7**	**104.7**
Canadian Space Agency	**6.7**	**11.9**	**14.4**	**8.3**	**8.3**
Canadian Tourism Commission	**4.8**	**6.5**	**6.9**	**6.9**	**6.9**
Total	**884.6**	**1,012.6**	**1,256.6**	**1,227.2**	**1,227.2**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Justice

To meet up to 15 per cent in savings targets over three years, the Department of Justice will introduce process efficiencies and standardization, which will include amalgamating business units, reducing redundancies, imposing leaner management and leveraging AI. These investments in AI, specifically advanced analytics and automation tools, will help address the growing demand for legal services more efficiently.

To more effectively deliver legal services, the Department of Justice will explore opportunities to review limits to access the informal procedure in income tax and GST appeals at the Tax Court of Canada. Increasing these limits, which have not been updated since 2013, will promote cost-effective dispute resolution, and lower litigation cost for Canadians and Canadian businesses and the federal government. These changes will require legislative amendments.

The Canadian Human Rights Commission is introducing an organizational realignment and implementing a more streamlined structure, which includes consolidating the roles of the Chief Commissioner and Deputy Chief Commissioner.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Department of Justice					
Modernising Government Operations	22.8	30.9	43.5	43.5	43.5
Sub-Total	**22.8**	**30.9**	**43.5**	**43.5**	**43.5**
Administrative Tribunals Support Service of Canada	**5.2**	**6.9**	**10.3**	**10.3**	**10.3**
Canadian Human Rights Commission	**0.5**	**1.2**	**2.5**	**2.5**	**2.5**
Law Commission of Canada	**0.3**	**0.4**	**0.6**	**0.6**	**0.6**
Office of the Director of Public Prosecutions	**0.1**	**0.9**	**0.9**	**0.9**	**0.9**
Total	**28.8**	**40.3**	**57.8**	**57.8**	**57.8**

National Defence

Our Government is making a generational investment in defence that will create good, high-paying careers for Canadians, and strengthen our economy and collective resilience. Recognizing its essential mandate to protect our sovereignty and secure our borders, the Department of National Defence (DND) was provided with a reduction target of 2 per cent of its review base. Streamlining and recalibrating current spending that is not cost effective will free up resources that could be reinvested in defence and help Canada achieve the North Atlantic Treaty Organization's Defence Investment Pledge.

To achieve savings, DND will retire selected fleets that are nearing the end of their service lives, face rising sustainment costs, and that either no longer align with future Canadian Armed Forces operational requirements or for which replacement capabilities have already been identified. Retiring these increasingly costly platforms, which have diminishing strategic value, will ensure that resources are focused on acquiring and fielding modern capabilities for the Canadian Armed Forces.

In parallel, DND will readjust its real property portfolio through divestment of underutilized, obsolete or surplus assets. Where appropriate, divested assets may be repurposed by other levels of government or the private sector, creating additional public value.

DND will also expand the use of the proven Energy Performance Contract model to retrofit defence facilities with energy-efficient systems financed by third-party Energy Service Companies who are repaid directly from guaranteed utility cost savings. This is a scalable and low-risk solution that reduces recurring costs, modernizes defence infrastructure, and advances Canada's climate commitments while ensuring fiscal discipline.

Finally, DND will modernize governance practices and internal services to address systemic inefficiencies that create bottlenecks and contribute to project delivery delays that result in increased costs. Reducing these administrative burdens will allow DND and its partners to focus on execution rather than process and accelerate the delivery of new capabilities.

The Canadian Coast Guard joined DND on September 2, 2025. As it integrates with the defence team, opportunities to improve efficiency and effectiveness and reduce duplication will be identified.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Department of National Defence					
Modernising Government Operations	459.4	459.7	460.3	460.3	457.3
Sub-Total	**459.4**	**459.7**	**460.3**	**460.3**	**457.3**
Communications Security Establishment	**19.9**	**19.9**	**19.9**	**19.9**	**19.9**
Total	**479.3**	**479.6**	**480.2**	**480.2**	**477.2**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Privy Council

To meet up to 15 per cent in savings targets over three years, the Privy Council Office (PCO) will recalibrate to programming that is no longer a priority or has objectives that overlap and could be better delivered by other departments, such as the Clean Growth Office and PCO programming for Public Lands and Housing.

PCO will also modernize its organization to deliver efficiencies, including automating external correspondence, modernising the administration of Governor in Council appointees, and improving its processes to support Cabinet Committees. PCO will also consolidate its internal services, including human resources, finance and information technology.

PCO will revisit its programs where functions may be overlapping and duplicative with what is delivered by other organizations. For example, this could include working with security partners to rationalize resources dedicated to analysing intelligence information within government.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Privy Council Office					
Modernising Government Operations	14.9	19.9	29.8	29.8	29.8
Sub-Total	**14.9**	**19.9**	**29.8**	**29.8**	**29.8**
Canadian Transportation Accident Investigation and Safety Board	**0.7**	**0.9**	**1.4**	**1.4**	**1.4**
Public Service Commission	**2.6**	**4.8**	**4.6**	**4.6**	**4.6**
Secretariat of the National Security and Intelligence Committee of Parliamentarians	**0.3**	**0.4**	**0.5**	**0.5**	**0.5**
Total	**18.4**	**25.9**	**36.3**	**36.3**	**36.3**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Public Safety

Department of Public Safety and Emergency Preparedness

To strengthen its mandate to keep Canadians safe from a range of risks, including natural disasters, crime and terrorism, while meeting up to 15 per cent in savings targets over three years, Public Safety and Emergency Preparedness (PSEP) will work to become a leaner, more efficient department to better serve Canadians. This will be done by rightsizing leadership by reducing executive and administrative roles to flatten organizational structures and enhance productivity, consolidating internal functions to eliminate duplication and improve service delivery and discontinuing services with minimal operational impact, such as the Centre for Resilience and Continuity Management and the Public Safety Library. PSEP will also leverage technology and AI to automate tasks, and reduce software licensing requirements to achieve savings.

PSEP will also refocus on core aspects of federal emergency management responsibilities. Emergency management functions and programs at PSEP have evolved in response to growing risks and demands. However, this evolution has often been fragmented—units have adapted independently while others have remained unchanged despite shifting priorities. At the same time, emerging priorities—such as national readiness and response capacity—require sustained attention and dedicated resources. Modernising the organisational structure will address inefficiencies and create space to strategically advance critical and emergencies priorities.

Canada Border Services Agency

Recognizing its essential mandate to protect our sovereignty and secure our border and keep communities safe, the Canada Border Services Agency (CBSA) was provided with a reduction target of 2 per cent of its review base. Proposed savings will not impact border security, revenue collection or commercial facilitation operations.

To achieve operating efficiencies, CBSA will reduce the cost of using and maintaining its equipment and IT assets by decommissioning legacy software applications. Recognizing the lifecycle of vehicles in Canada, CBSA will reduce the pace of replacing fleet vehicles—extending its fleet lifecycle from 7 to 10 years and will review the structure of its national headquarters to standardize organizational structures. It will reduce discretionary spending on travel and training, and review overtime spending, while assigning resources with a focus on service delivery needs (e.g., border wait times or other performance metrics) when making decisions on overtime spending.

These efficiencies will complement measures announced by the Prime Minister on October 17, 2025 to provide $617.7 million over five years, starting in 2025-26, with $51.3 million in remaining amortisation and $198.3 million ongoing through Budget 2025 to support CBSA core operations and increase the CBSA's recruit stipend. This funding is complementary to the **$1.3 billion Border Plan** announced in December 2024, which together will allow the CBSA to hire up to 1,000 new officers.

Correctional Service Canada

To meet up to 15 per cent in savings targets over three years, Correctional Service Canada (CSC) will transform the way it works through greater integration of its programming and case management, better use of digital tools, and by realigning and Modernising its internal services, to improve efficiency and outcomes.

In addition, operational efficiencies will be realized through efforts such as the restructuring of the Parole Officer orientation training, which will modernize delivery, tailor content, and better support new officers in their roles.

CSC's internal services teams will refocus on critical priorities, flatten organizational structures, align with modern practices, and reduce administrative burden. This will include optimization of its office footprint and a reorganization of its regional arrangements to improve efficiency, consistency, and accountability in its work. This renewed structure and way of working will strengthen CSC's ability to build partnerships (e.g., with provinces, territories, Indigenous governments, and community organizations) and make the organization more agile.

Royal Canadian Mounted Police

Recognizing its essential mandate to keep Canadians safe and secure and protect our sovereignty, the Royal Canadian Mounted Police (RCMP) was provided with a reduction target of 2 per cent of its review base. Proposed savings will not impact policing operations. Budget 2025 makes significant investments in the RCMP to expand its capacity by hiring 1,000 personnel to increase federal policing capacity across Canada to combat crime.

The RCMP will reduce expenditures at its national headquarters by centralizing, restructuring and right-sizing key national and administrative functions by Modernising processes and more effectively using existing tools, technology and systems.

The RCMP will also adjust how it delivers the Cannabis for Medical Purposes benefit. Currently, the program reimburses medical cannabis at a rate of $8.50 per gram, which is significantly above the market price. RCMP will transition to reimburse at $6.00 per gram – which still remains above, but closer to the market price. This adjustment maintains existing entitlements to meet the needs of RCMP members, while ensuring the government is paying a fair price to provide this support. For those members who already purchase medical cannabis for $6.00 per gram or less, they will see no change.

Government of Canada benefits are generally escalated annually using the Consumer Price Index (CPI), with limited exceptions. CPI is widely considered to be the most accurate and transparent measure to ensure that benefits keep up with the cost of living. As part of the Comprehensive Expenditure Review, the government announces its intention to propose amendments to index Disability Pension benefits to the CPI for RCMP serving and retired members. These changes will ensure benefits are indexed in a transparent manner consistent with approaches used for other benefits such as the Canada Child Benefit, Old Age Security, federal government pension plans, and well as the Canada Pension Plan.

For the adjustment to the disability pension indexation and the Cannabis for Medical Purposes benefit, savings represent actuarial accounting adjustments of employee future benefits. Savings on a cash basis will be gradual, being realized over time as benefit payments are issued at a lower rate compared to the current status quo.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Public Safety and Emergency Preparedness					
Modernising Government Operations	15.3	20.4	30.6	30.6	30.6
Sub-Total	**15.3**	**20.4**	**30.6**	**30.6**	**30.6**
Canada Border Services Agency					
Modernising Government Operations	52.0	52.0	52.0	52.0	52.0
Sub-Total	**52.0**	**52.0**	**52.0**	**52.0**	**52.0**
Correctional Service of Canada					
Modernising Government Operations	75.6	104.9	132.2	132.2	132.2
Sub-Total	**75.6**	**104.9**	**132.2**	**132.2**	**132.2**
Royal Canadian Mounted Police					
Modernising Government Operations	1,599.9	1,525.3	1,521.6	1,432.9	713.3
Sub-Total	1,599.9	1,525.3	1,521.6	1,432.9	713.3
Canadian Security Intelligence Service	**14.4**	**14.4**	**14.4**	**14.4**	**14.4**
Office of the Correctional Investigator of Canada	**0.5**	**0.7**	**1.1**	**1.1**	**1.1**
Parole Board of Canada	**4.4**	**5.8**	**8.5**	**8.5**	**8.5**
Total	**1,762.2**	**1,723.6**	**1,760.5**	**1,671.7**	**952.2**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Financial impact of RCMP reductions on a cash basis

millions of dollars, cash basis

	2026-2027	*2027-2028*	*2028-2029*	*2029-2030*	*Ongoing*
Royal Canadian Mounted Police					
Modernising Government Operations	*39.2*	*42.9*	*50.8*	*60.1*	*697.3*
Total	***39.2***	***42.9***	***50.8***	***60.1***	***697.3***

Public Services and Procurement

Public Services and Procurement Canada

To meet up to 15 per cent in savings targets over three years, Public Services and Procurement Canada (PSPC) will undertake strategic realignments to reduce ongoing costs to operate programs and efficiently deliver services as a common service provider for the government. PSPC will reduce ongoing costs for its Real Property Revolving Fund, by focusing on core mandates, Modernising operations, and reducing duplicative functions. PSPC will wind down activities of the Canada General Standards Board, as this optional service will be better served via alternative organizations given that there are 15 other accredited Standards Development Organizations operating in Canada.

To further achieve efficiencies, PSPC will reduce funding to pilot and innovation projects for Laboratories Canada.

PSPC will also review its internal processes to reduce administrative requirements, and delayer management. It will advance digital delivery of procurement-related documents and better manage project delivery, and reduce spending on professional services and travel. The Department will also implement the use of AI chat bots and self-service tools to improve service delivery.

These measures to enhance efficiency will support PSPC's delivery of the **Buy Canadian Policy**, as announced by the Prime Minister on September 5, 2025.

Shared Services Canada

To meet up to 15 per cent in savings targets over three years, Shared Services Canada (SSC) will be implementing efficiencies government-wide by standardizing platforms, including realigning enterprise software offerings to match current needs, eliminating low-use or redundant licences, and eliminating non-essential fixed lines.

SSC will also retire outdated technologies, systems and infrastructure that are costly to operate, difficult to secure, and limit innovation. This includes migrating workloads and hardware from remaining legacy data centres into modern facilities to reduce outage risks to support critical services, and shrink the government's costly legacy IT footprint. SSC will review, consolidate and renegotiate contracts to eliminate duplication, secure better pricing, and align spending with enterprise needs. By transitioning to modernized, cost-effective solutions, significant savings will be achieved through ending or reducing support for legacy systems, which are often expensive to maintain and operate due to outdated technologies and higher risks of system failure.

To modernize workflows, reduce manual effort and optimize service delivery, SSC will leverage emerging technologies to automate repetitive tasks, use AI-driven tools to optimize operations and service delivery, automating common IT support requests to reduce call volumes and costs while improving user experience.

SSC will also build up its in-house capacity and expertise to reduce spending on external consultants and contractors for ongoing operations. By developing internal skills, re-skilling staff, and optimizing resource allocation, SSC will lower contracted service costs while strengthening institutional knowledge.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Public Services and Procurement Canada					
Modernising Government Operations	108.9	147.0	190.8	195.6	190.2
Sub-Total	**108.9**	**147.0**	**190.8**	**195.6**	**190.2**
Shared Services Canada					
Modernising Government Operations	159.3	212.4	318.5	318.5	318.5
Sub-Total	**159.3**	**212.4**	**318.5**	**318.5**	**318.5**
National Capital Commission	**7.2**	**9.6**	**14.4**	**14.4**	**14.4**
Total	**275.3**	**369.0**	**523.8**	**528.6**	**523.1**

Transport

Transport Canada

To meet up to 15 per cent in savings targets over three years, Transport Canada (TC) will implement a more modern and flexible regulatory and oversight regime that will allow the department to respond to rapid technological change, modernize services, facilitate regulatory compliance, and allocate resources more efficiently. These actions will help Transport Canada deliver for Canadians, including through the new **Trade Diversification Corridors Fund** – a fund of $5 billion over seven years, starting in 2025-26, to strengthen supply chains, unlock new export opportunities and build a more resilient, diversified economy.

Capitalizing on the work under the Government's Reducing Regulatory Red Tape initiative, TC will deploy advanced technology and automation, where possible, to reduce duplication, modernize processes, and more closely align activities with the department's mandate to support a safe and secure, efficient and environmentally responsible transportation system. This integration of innovative practices and technologies with TC's expert workforce will also maximize the impact of its oversight and inspection efforts while seeking to reduce regulatory burden on industries.

TC will also further refine its program portfolio to better align with its core mandate and with evolving industry needs. As part of this strategic realignment, TC will phase out, or reduce, selected programs that overlap with initiatives that are better delivered by other departments, or which have successfully fulfilled their objectives. This includes the Incentives for Medium- and Heavy-Duty Zero-Emission Vehicles program, which will conclude at the end of 2025-26.

TC will also implement a series of initiatives to reorient its operations and administrative structures. This includes consolidating management layers, centralizing internal services, and restructuring regional offices to ensure they reflect Canada's evolving transportation landscape. TC's aviation services, which provide a range of aviation services to government departments and agencies, will be restructured, transferring most core aviation services functions and assets to the Department of National Defence, while seeking to leverage commercial offerings where appropriate. The high standard of training and certification of pilots will be maintained, with no impact on commercial and non-commercial pilots in Canada.

Canadian Air Transport Security Authority

To meet up to 15 per cent in savings targets over three years, the Canadian Air Transport Security Authority (CATSA) will deliver efficiencies without impacting the public, air travelers and stakeholders. CATSA will reduce its day-to-day expenses by minimizing spending on professional services, leveraging technology to automate certain processes and functions, and modernising its organizational structure.

CATSA will also work with Transport Canada to implement regulatory modernization opportunities to improve efficiencies, with no impact on the security of travelers. This includes alignment with recent changes implemented by the United States, and the introduction of other labour-saving best practices to modernize service delivery.

Embracing innovation will also drive efficiencies and strengthen national security. This will include deploying automated systems to detect prohibited items at pre-board screening checkpoints and enhance screening efficiency. CATSA will further examine opportunities to integrate this technology into screening processes with Transport Canada. Savings will materialize once these technologies have been integrated within existing security infrastructure in alignment with global best practices following extensive validation and testing.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Transport Canada					
Modernising Government Operations	25.3	38.0	86.2	91.7	91.7
Recalibrating Government Programs	301.8	268.0	298.0	298.0	298.0
Sub-Total	**327.1**	**306.1**	**384.2**	**389.7**	**389.7**
Canadian Air Transport Security Authority					
Modernising Government Operations	30.5	31.8	48.9	48.9	48.9
Sub-Total	**30.5**	**31.8**	**48.9**	**48.9**	**48.9**
Alto (formerly VIA HFR)	**36.9**	**27.2**	**38.6**	**24.3**	**0.0**
Marine Atlantic Inc.	**1.0**	**3.7**	**4.0**	**4.1**	**4.8**
VIA Rail	**6.5**	**8.2**	**11.6**	**11.6**	**11.6**
Total	**402.0**	**377.1**	**487.3**	**478.6**	**455.0**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Treasury Board

The Treasury Board of Canada Secretariat (TBS) continues to play a vital leadership role in managing government resources—including finance, human resources, and information technology—while evolving to meet the needs of a modern public service. To meet up to 15 per cent in savings targets over three years, TBS will refocus on its core business functions and modernize its organizational structure and processes to enhance agility and efficiency.

To support this shift, TBS will reorient initiatives that have achieved their intended goals or where opportunities exist to integrate efforts more effectively. For example, having developed policy, guidance, centralized tools and oversight mechanisms to support the Government of Canada's Enterprise Cyber Security Strategy, TBS will allow the related temporary funding to wind down and reorient its role toward strategic coordination and support. TBS will recalibrate its involvement in the Low Carbon Fuel Production Program, shifting toward direct collaboration with organizations that are best positioned to reduce greenhouse gas emissions and adopt low-carbon solutions.

TBS will also transform its internal operations by consolidating work units, rightsizing management and administrative support, and Modernising key processes. This includes enhancing leadership development and talent management programs, and leveraging automation to drive consistency, scalability, and service excellence across the organization.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Treasury Board Secretariat					
Modernising Government Operations	28.9	38.5	57.8	57.8	57.8
Sub-Total	**28.9**	**38.5**	**57.8**	**57.8**	**57.8**
Canada School of Public Service	**5.5**	**7.3**	**10.9**	**10.9**	**10.9**
Total	**34.3**	**45.8**	**68.7**	**68.7**	**68.7**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Veterans Affairs

To meet up to 15 per cent in savings targets over three years, Veterans Affairs Canada (VAC) is implementing program changes while protecting client-facing services. The government is committed to ensuring Veterans receive the timely, compassionate support they need, as demonstrated through the financial commitment in Budget 2025 for stabilising the processing capacity for disability benefits applications and modernising IT infrastructure.

Similar to the RCMP, VAC will adjust how it delivers the Cannabis for Medical Purposes benefit. Currently, the program reimburses medical cannabis at a rate of $8.50 per gram, which is significantly above the market price. VAC will transition to reimburse at $6.00 per gram – which still remains above, but closer to the market price. This adjustment maintains existing entitlements to meet the needs of Veterans, while ensuring the government is paying a fair price to provide this support. For those Veterans who already purchase medical cannabis for $6.00 per gram or less, they will see no change. Savings represent an actuarial accounting adjustment of employee future benefits. Savings on a cash basis will be gradual, being realized over time as benefit payments are issued at a lower rate compared to the current status quo.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Department of Veterans Affairs					
Modernising Government Operations	1,186.0	1,195.0	1,064.0	788.0	374.0
Total	**1,186.0**	**1,195.0**	**1,064.0**	**788.0**	**374.0**

Note: Organisations in this portfolio that are not listed in this table are not part of the planned reductions in Budget 2025.

Financial impact of VAC reductions on a cash basis

millions of dollars, cash basis

	2026-2027	*2027-2028*	*2028-2029*	*2029-2030*	*Ongoing*
Modernising Government Operations	*88.0*	*101.0*	*110.0*	*119.0*	*129.0*
Total	***88.0***	***101.0***	***110.0***	***119.0***	***129.0***

Women and Gender Equality

The Department for Women and Gender Equality (WAGE) empowers women and 2SLGBTQI+ people through programs that enhance meaningful participation in our economy. The Department's work extends across government, and affects the lives of Canadians, ensuring that women, girls, and 2SLGBTQI+ people can achieve their full potential.

Budget 2025 proposes to provide WAGE with funding of $528.4 million over four years, starting in 2026-27, with $132.1 million ongoing, to continue conducting its critical work towards eliminating discrimination and advancing the rights of women and 2SLGBTQI+ communities.

To protect the essential mandate of WAGE, the department will be identifying savings of 2 per cent of its review base.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Women and Gender Equality Canada					
Total	**8.0**	**8.0**	**8.0**	**8.0**	**8.0**

Note: Final allocation between review themes to be determined following Budget 2025.

Modernising Operations at the Federal Research Granting Councils

The federal research granting councils, the Canadian Institutes of Health Research (CIHR), the Natural Sciences and Engineering Research Council of Canada (NSERC) and the Social Sciences and Humanities Research Council of Canada (SSHRC), play an important role in advancing the government's growth agenda by advancing research and attracting top international research talent.

To protect the essential role of the federal research granting councils, these organizations will achieve savings of 2 per cent of their respective review bases.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Research Granting Councils					
Total	**83.0**	**83.0**	**83.0**	**83.0**	**83.0**

Note: Final allocation between review themes to be determined following Budget 2025.

Modernising Operations at the Regional Development Agencies

To meet up to 15 per cent in savings targets over three years, the Regional Development Agencies (RDAs) will recalibrate their programming suite to focus on their mandate to promote long-term economic development. The agencies will reprioritize their respective Regional Economic Growth through Innovation programs towards support that strengthens their regions' economic development, focusing on investments that drive economic growth. The RDAs will also wind down the Tourism Growth Program after 2025-26, with the industry continuing to be supported by regular programming.

The RDAs will also modernise their operations and internal services to reflect their program funding going forward and will implement targeted process improvements by optimizing their workflows and reducing duplication by integrating new technologies. Through digital transformation and integrating AI, as well as simplifying processes, the RDAs will increase their efficiency and minimize the impact of the reductions on client services.

These recalibrations are complemented by the recent provision of **$1 billion to the RDAs to support a Regional Tariff Response Initiative**.

millions of dollars

	2026-2027	2027-2028	2028-2029	2029-2030	Ongoing
Regional Development Agencies					
Modernising Government Operations	104.9	135.5	203.5	193.3	193.3
Total	**104.9**	**135.5**	**203.5**	**193.3**	**193.3**

Tax Measures: Supplementary Information

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Overview

This annex provides detailed information on tax measures proposed in the Budget.

Table 1 lists these measures and provides estimates of their fiscal impact.

The annex also provides Notices of Ways and Means Motion to amend the *Income Tax Act*, the *Excise Tax Act*, the *Underused Housing Tax Act* and the *Select Luxury Items Tax Act* and draft amendments to various regulations.

In this annex, all references to "Budget Day" are to be read as references to the day on which this Budget is presented.

Table 1
Revenue Impacts of Proposed Tax Measures[1, 2]
(millions of dollars)

	2025–2026	2026–2027	2027–2028	2028–2029	2029-2030	Total
Personal Income Tax						
Personal Support Workers Tax Credit	70	285	290	295	305	1,245
Less: Amounts Provisioned in the Fiscal Framework	-282	-289	-296	-304	-	-1,171
Automatic Federal Benefits for Lower-Income Individuals	-	-	15	56	103	174
Top-Up Tax Credit	10	15	15	15	15	70
Qualified Investments for Registered Plans	-	-	-	-	-	-
Information Sharing – Worker Misclassification	-	-	-	-	-	-
Home Accessibility Tax Credit	-1	-5	-5	-5	-5	-21
21-Year Rule	-	-	-	-	-	-
Canada Carbon Rebate	-	-	-	-	-	-
Business Income Tax						
Immediate Expensing for Manufacturing and Processing Buildings	45	280	310	265	265	1,165
Scientific Research and Experimental Development Tax Incentive Program	3	70	85	65	70	293
Agricultural Cooperatives: Patronage Dividends Paid in Shares	-	8	9	8	8	33
Critical Mineral Exploration Tax Credit	4	2	-1	-	-	5
Clean Technology Manufacturing Investment Tax Credit	-	1	1	1	1	4
Investment Tax Credit for Carbon Capture, Utilization, and Storage	-	-	-	-	-	-
Clean Electricity Investment Tax Credit and Canada Growth Fund	-	-	-	-	-	-
Tax Deferral Through Tiered Corporate Structures	-	-470	-30	-20	-20	-540
Eligible activities under the Canadian Exploration Expense	-	-	-	-	-	-
International Tax Measures						
Transfer Pricing	-10	-55	-100	-145	-200	-510
Investment Income Derived from Assets Supporting Canadian Insurance Risks	-	-50	-70	-70	-65	-255
Sales and Excise Tax Measures						
Underused Housing Tax	30	30	30	30	30	150
Luxury Tax on Aircraft and Vessels	11	26	31	31	36	135
Carousel Fraud	-	-15	-25	-25	-25	-90
GST/HST Treatment of Manual Osteopathic Services	-	-	-	-	-	-

[1] A positive amount represents a decrease in revenue; a negative amount represents an increase in revenue.
[2] A "–" indicates a nil amount, a small amount (less than $500,000) or an amount that cannot be determined in respect of a measure that is intended to protect the tax base.

Personal Income Tax Measures

Personal Support Workers Tax Credit

Budget 2025 proposes to introduce a temporary Personal Support Workers Tax Credit, which would provide eligible personal support workers working for eligible health care establishments with a refundable tax credit of 5 per cent of eligible earnings, providing a credit value of up to $1,100.

Eligible Personal Support Worker

A number of conditions would need to be met to be considered an eligible personal support worker. The person must ordinarily provide one-on-one care and essential support to optimise and maintain another individual's health, well-being, safety, autonomy, and comfort, consistent with that individual's health care needs as directed by a regulated health care professional or a provincial community health organization. The person's main employment duties must include helping patients with activities of daily living and mobilization.

Eligible Health Care Establishment

Eligible health care establishments would be hospitals, nursing care facilities, residential care facilities, community care facilities for the elderly, home health care establishments, and other similar regulated health care establishments.

Eligible Earnings

Eligible earnings would include all taxable employment income, including wages and salaries, and employment benefits (as well as similar tax-exempt income and benefits earned on a reserve) that is earned as an eligible personal support worker performing employment duties for eligible health care establishments.

Amounts earned in British Columbia, Newfoundland and Labrador, and the Northwest Territories would not be eligible, as these jurisdictions have signed bilateral agreements with the federal government to include a "Personal Support Workers and Related Professions Addendum" to their *Aging with Dignity* funding agreements, which provide funding over five years to increase personal support workers' wages.

Employers would need to certify their employees' eligible earnings in prescribed form and manner.

Other

Individuals would need to file a tax return to be eligible for this refundable tax credit. If an eligible individual dies during a calendar year, any tax return filed by the individual's legal representative would be deemed to have been filed by the individual.

Where an eligible individual becomes bankrupt in a taxation year, that individual's eligible earnings from both the pre-bankruptcy and post-bankruptcy period would be taken into consideration when computing this tax credit.

Coming into Force

This measure would apply to the 2026 to 2030 taxation years.

Automatic Federal Benefits for Lower-Income Individuals

Canada's tax system is based on self-assessment and self-reporting. The *Income Tax Act* requires individuals with tax payable to file a tax return. In general, individuals also need to file a tax return annually to receive the benefit and credit payments delivered through the tax system, because the Canada Revenue Agency (CRA) determines entitlement for most benefits on net income.

Budget 2025 proposes to amend the *Income Tax Act* to grant the CRA the discretionary authority to file a tax return for a taxation year on behalf of an individual (other than a trust) who meets all the following criteria:

- the individual's taxable income for the taxation year is below the lower of either the federal basic personal amount or provincial equivalent (plus the age amount and/or disability amount, where applicable);
- all income of the individual for the taxation year is from sources for which specified information returns have been filed with the CRA;
- at least once in the preceding three taxation years, the individual has not filed a return;
    - the individual has otherwise not filed a return for the taxation year prior to, or within 90 days following, the tax filing deadline for the year; and
- any other criteria, as determined by the Minister of National Revenue.

Prior to filing a return on behalf of an eligible individual, the CRA would provide the individual with the information it has available at the time in respect of their tax return. The eligible individual would have 90 days to review the information and submit changes to the CRA. If the eligible individual does not confirm the

information (with or without changes) by the end of the 90 days, the CRA could file a tax return on the individual's behalf. The CRA would then issue a notice of assessment, and subsequently determine and issue the individual's credit and benefit entitlements.

Certain basic information, such as marital status, may require confirmation from the individual before the CRA can issue a payment of benefits. Some entitlements require a return to be filed by the individual's spouse or common-law partner. The CRA may be able to file a return on behalf of the individual's spouse if it is determined that they meet the criteria.

The existing assessment, objection, and appeal processes would apply to assessments issued under these provisions. If it is determined after a tax return has been filed by the CRA that the taxpayer did not meet the requirements for automatic tax filing, the tax return will be deemed not to have been filed.

Individuals would be able to opt out of automatic tax filing.

This measure would apply to the 2025 and subsequent taxation years (i.e., filing could begin in 2026).

Consultation

The government is seeking Canadians' views on this measure. Interested parties are invited to send written representations to the Department of Finance Canada at autotaxfiling-autoimpot@fin.gc.ca by January 30, 2026.

Top-Up Tax Credit

The rate applied to most non-refundable tax credits is based on the first marginal personal income tax rate. The middle-class tax cut announced in May 2025, and included in Bill C-4, currently before Parliament, would reduce the first marginal personal income tax rate, and thus the rate applied to most non-refundable tax credits, from 15 per cent to 14.5 per cent for the 2025 taxation year, and to 14 per cent for the 2026 and subsequent taxation years.

In very rare cases where an individual's non-refundable tax credit amounts exceed the first income tax bracket threshold ($57,375 in 2025), the decrease in the value of these credits may exceed their tax savings from the rate reduction. This could happen in circumstances where an individual claims a large one-time expense, such as amounts for high tuition or medical expenses, or claims a combination of large tax credits. In some cases, these claims are for both themselves and a dependant, or include amounts carried forward from previous years.

To ensure that no one in this circumstance has their tax liability increased by the middle-class tax cut, and to help Canadians transition to the lower credit rate, Budget 2025 proposes to introduce a new non-refundable Top-Up Tax Credit. The credit would effectively maintain the current 15-per-cent rate for non-refundable tax credits claimed on amounts in excess of the first income tax bracket threshold.

The Top-Up Tax Credit would apply for the 2025 to 2030 taxation years.

Qualified Investments for Registered Plans

Budget 2024 invited stakeholders to provide suggestions on improving the clarity and coherence of the qualified investments regime for seven types of registered plans: Registered Retirement Savings Plans (RRSPs), Registered Retirement Income Funds (RRIFs), Tax-Free Savings Accounts (TFSAs), Registered Education Savings Plans (RESPs), Registered Disability Savings Plans (RDSPs), First Home Savings Accounts (FHSAs), and Deferred Profit Sharing Plans (DPSPs). The qualified investment regime governs what these plans can invest in. A broad range of assets are qualified investments, including mutual funds, publicly traded securities, government and corporate bonds, and guaranteed investment certificates.

Based on feedback received through the consultation process, Budget 2025 proposes the following amendments to simplify, streamline, and harmonise the qualified investment rules.

Small Business Investments

There are two sets of rules for registered plan investments in small businesses. The first set of rules applies to RRSPs, RRIFs, TFSAs, RESPs, and FHSAs, while the second set of rules applies only to RRSPs, RRIFs, RESPs, and DPSPs. Neither set of rules applies to RDSPs. The first set of rules provides for investments in what are known as specified small business corporations, venture capital corporations, and specified cooperative corporations. The second set of rules provides for investments in eligible corporations, small business investment limited partnerships, and small business investment trusts.

Each category of investments contains a number of specific rules and restrictions, which must be met in order to qualify. There is duplication and complexity within these rules, which leads to uncertainty as to which rules are meant to apply in a particular case and has led to some investment categories being underutilised. As examples, the eligible corporation rules have significant overlap with the specified

small business corporation rules and, in 2024, there were no small business investment trusts reported in Canada.

Budget 2025 proposes to simplify and streamline the rules relating to registered plan investments in small businesses, while maintaining the ability of registered plans to make such investments. In particular, the more broadly applicable first set of rules would be maintained and extended to RDSPs, while the second set of rules would be repealed. As a result,

- RDSPs would be permitted to acquire shares of specified small business corporations, venture capital corporations, and specified cooperative corporations; and
- Shares of eligible corporations and interests in small business investment limited partnerships and small business investment trusts would no longer be qualified investments.

These amendments would apply as of January 1, 2027. Interests in small business investment limited partnerships and small business investment trusts that are acquired before 2027 under the current rules would continue to be qualified investments. It is intended that shares of eligible corporations would continue to be qualified investments under the rules relating to specified small business corporations that would be maintained.

Registered Investment Regime

Registered investments are qualified investments for all registered plans. For a corporation or a trust to be a registered investment, it must be registered with the Canada Revenue Agency.

Units of a mutual fund trust are qualified investments, but the mutual fund trust can also be a registered investment. In order for a trust or corporation that is not sufficiently widely held (e.g., a trust that does not have the 150 unitholders required to qualify as a mutual fund trust) to qualify as a registered investment, the trust or corporation must hold only investments that would be qualified investments for the types of registered plans for which it is registered. Otherwise, the trust or corporation would be liable to pay a monthly tax of up to one per cent of the acquisition-date fair market value of the non-qualified investment. Stakeholders have suggested that the registration process does not add sufficient value to justify its associated compliance and administration burdens.

Budget 2025 proposes to replace the registered investment regime with two new categories of qualified investments which do not involve registration:

- Units of a trust that is subject to the requirements of National Instrument 81–102 published by the Canadian Securities Administrators (which regulates certain mutual funds and non-redeemable investment funds); and
- Units of a trust that is an investment fund (as defined in existing tax rules) managed by a registered investment fund manager as described in National Instrument 31–103 published by the Canadian Securities Administrators.

It is generally expected that units or shares of funds that were registered investments would continue to qualify, either under existing rules or under one or both of the new categories of qualified investment trusts.

The registered investment regime would be repealed as of January 1, 2027. The new qualified investment trust rules would apply as of Budget Day.

Other Changes

Budget 2025 also proposes to make a number of other technical legislative amendments to simplify the qualified investment rules. Notably, the qualified investment rules for six types of registered plans (i.e., all plans except DPSPs) would be consolidated into one definition in the *Income Tax Act*.

In addition, the list of qualified investments prescribed in the *Income Tax Regulations* would be updated and reorganised by asset class (e.g., debt instruments or equity instruments). These changes are intended to make the rules simpler and clearer.

Information Sharing – Worker Misclassification

Budget 2024 announced that Employment and Social Development Canada (ESDC) and the Canada Revenue Agency (CRA) would enter into data-sharing agreements to facilitate inspections and enforcement to address worker misclassification. The misclassification of employees as independent contractors is of particular concern in the trucking industry. ESDC recently began sharing information with the CRA, but information-sharing restrictions in the tax rules prevent the CRA from sharing the required information with ESDC.

Budget 2025 proposes to amend the information sharing provisions of the *Income Tax Act* and the *Excise Tax Act* to allow the CRA to share taxpayer information (under the *Income Tax Act*) and confidential information (under the *Excise Tax Act*) with ESDC for the purposes of the administration and enforcement of the *Canada Labour Code* as it relates to the classification of workers.

This measure would come into force on royal assent of the enacting legislation.

Home Accessibility Tax Credit

The Home Accessibility Tax Credit is a non-refundable tax credit that applies at the lowest personal income tax rate on up to $20,000 of eligible home renovation or alteration expenses per calendar year. Expenses must be incurred to improve the safety, accessibility, or functionality of an eligible dwelling of a qualifying individual who is aged 65 or older or eligible for the Disability Tax Credit.

The Medical Expense Tax Credit is a non-refundable tax credit that applies at the lowest personal income tax rate on the amount of qualifying medical and disability-related expenses in excess of the lesser of $2,834 (for 2025) and 3 per cent of the claimant's net income. Medical Expense Tax Credit-eligible expenses include certain costs to build or renovate a home to improve access or mobility for persons with disabilities.

At present, if the eligibility criteria for both credits are met, taxpayers can claim both credits in respect of the same expense.

Budget 2025 proposes to amend the *Income Tax Act* such that an expense claimed under the Medical Expense Tax Credit cannot also be claimed under the Home Accessibility Tax Credit.

This measure would apply to the 2026 and subsequent taxation years.

21-Year Rule

Personal trusts are generally deemed to have disposed of their capital property and certain other property for fair market value proceeds on the 21st anniversary of their creation, and every 21st anniversary thereafter (the "21-year rule"). This prevents personal trusts from being used to indefinitely postpone tax on accrued gains.

Where property is transferred by a trust on a tax-deferred basis to a new trust, a rule prevents the avoidance of the 21-year rule. In that case, the new trust essentially inherits the earlier 21-year anniversary of the old trust. This ensures that the transferred property remains subject to the same 21-year period that applied to the old trust.

Certain tax avoidance planning techniques have been employed to transfer trust property indirectly to a new trust to avoid both the 21-year rule and the anti-avoidance rule. For example, this planning may involve trust property being

transferred on a tax-deferred basis to a beneficiary that is a corporation owned by a new trust. This planning seeks to do indirectly what cannot be done directly.

Budget 2025 proposes to broaden the current anti-avoidance rule for direct trust-to-trust transfers to include indirect transfers of trust property to other trusts.

This measure would apply in respect of transfers of property that occur on or after Budget Day.

Canada Carbon Rebate

The Canada Carbon Rebate (CCR) is the main mechanism for returning proceeds from the federal fuel charge directly to Canadians residing in provinces where the charge applied, provided they meet eligibility requirements (including filing a tax return).

With the removal of the federal fuel charge as of April 1, 2025, the government provided a final quarterly CCR payment starting in April 2025 to eligible households.

To support the winding down of mechanisms to return fuel charge proceeds, Budget 2025 proposes to amend the *Income Tax Act* to provide that no CCR payments would be made in respect of tax returns, or adjustment requests, filed after October 30, 2026.

Business Income Tax Measures

Immediate Expensing for Manufacturing and Processing Buildings

The capital cost allowance (CCA) system determines the deductions that a business may claim each year for income tax purposes in respect of the capital cost of its depreciable property. Depreciable property is generally divided into CCA classes with each having its own rate in the *Income Tax Regulations*. These rates generally align with the expected useful life of the assets in their classes.

Currently, eligible buildings in Canada used to manufacture or process goods for sale or lease (manufacturing or processing buildings) are prescribed a CCA rate of ten per cent. This includes the regular CCA rate of four per cent under Class 1, plus an additional allowance of six per cent for manufacturing or processing buildings. To be eligible for the six-per-cent additional allowance, at least 90 per cent of the

building's floor space must be used to manufacture or process goods for sale or lease.

Budget 2025 proposes to provide temporary immediate expensing for the cost of eligible manufacturing or processing buildings, including the cost of eligible additions or alterations made to such buildings. The enhanced allowance would provide a 100-per-cent deduction in the first taxation year that eligible property is used for manufacturing or processing, provided the minimum 90-per-cent floor space requirement is met.

Property that has been used, or acquired for use, for any purpose before it is acquired by the taxpayer would be eligible for immediate expensing only if both of the following conditions are met:

- neither the taxpayer nor a non-arm's-length person previously owned the property; and
- the property has not been transferred to the taxpayer on a tax-deferred "rollover" basis.

In cases where a taxpayer benefits from immediate expensing of a manufacturing or processing building, and the use of the building is subsequently changed, recapture rules may apply.

This measure would be effective for eligible property that is acquired on or after Budget Day and is first used for manufacturing or processing before 2030. An enhanced first-year CCA rate of 75 per cent would be provided for eligible property that is first used for manufacturing or processing in 2030 or 2031, and a rate of 55 per cent would be provided for eligible property that is first used for manufacturing or processing in 2032 or 2033. The enhanced rate would not be available for property that is first used for manufacturing or processing after 2033.

Scientific Research and Experimental Development Tax Incentive Program

Under the Scientific Research and Experimental Development (SR&ED) tax incentive program, qualifying expenditures are fully deductible in the year they are incurred. Additionally, these expenditures are generally eligible for an investment tax credit.

The tax credit is provided at two rates:

- A fully refundable tax credit at an enhanced rate of 35 per cent is available for

Canadian-controlled private corporations (CCPCs) on up to $3 million of qualified SR&ED expenditures annually. The $3 million expenditure limit is gradually phased out where a CCPC's taxable capital employed in Canada for the previous taxation year is between $10 million and $50 million. This limit is shared within an associated group.

- A non-refundable tax credit at the general rate of 15 per cent is available for corporations other than CCPCs and for qualified SR&ED expenditures of CCPCs that do not qualify for the enhanced credit.

The *2024 Fall Economic Statement* proposed a number of changes to the SR&ED program that would:

- increase the expenditure limit from $3 million to $4.5 million and increase the lower and upper prior-year taxable capital phase-out boundaries to $15 million and $75 million, respectively;
- extend eligibility for the enhanced tax credit to eligible Canadian public corporations; and
- restore the eligibility of SR&ED capital expenditures for both the deduction against income and investment tax credit components of the SR&ED program.

The government confirms its intention to introduce legislation to implement these measures.

Enhanced Credit Expenditure Limit

Budget 2025 proposes to further increase the expenditure limit on which the SR&ED program's enhanced 35-per-cent tax credit can be earned, from the previously announced $4.5 million to $6 million.

This measure would apply for taxation years that begin on or after December 16, 2024 (i.e., the date of the *2024 Fall Economic Statement*).

Agricultural Cooperatives: Patronage Dividends Paid in Shares

Prior to 2005, patronage dividends paid in shares by an agricultural cooperative to its members were taxable to the members in the year the shares were received. The cooperative paying the dividend was also required to withhold an amount from the dividend and remit it to the Canada Revenue Agency on account of the recipient's tax liability.

In 2005, the tax rules were amended to allow for the temporary deferral of income taxes and withholding obligations on patronage dividends received as eligible

shares until the disposition (including a deemed disposition) of the shares. An eligible share must not, except in the case of death, disability or ceasing to be a member, be redeemable or retractable within five years of its issue. The current measure is set to expire at the end of 2025.

Budget 2025 proposes to extend this measure to apply in respect of eligible shares issued before the end of 2030.

Critical Mineral Exploration Tax Credit

Flow-through shares allow corporations to renounce or "flow through" Canadian exploration expenses (CEE), including Canadian renewable and conservation expenses (CRCE), and Canadian development expenses (CDE) to investors, who can deduct the expenses in calculating their own taxable income (at a 100-per-cent rate for CEE, including for CRCE, and at a 30-per-cent rate on a declining-balance basis for CDE).

The Critical Mineral Exploration Tax Credit (CMETC) provides an additional income tax benefit for individuals who invest in eligible flow-through shares. The CMETC is equal to 30 per cent of specified mineral exploration expenses incurred in Canada and renounced to flow-through share investors. The following critical minerals are currently eligible for the CMETC: nickel, cobalt, graphite, copper, rare earth elements, vanadium, tellurium, gallium, scandium, titanium, magnesium, zinc, platinum group metals, uranium, and lithium (including lithium from brines).

Budget 2025 proposes to expand the eligibility of the CMETC to include the following additional critical minerals: bismuth, cesium, chromium, fluorspar, germanium, indium, manganese, molybdenum, niobium, tantalum, tin, and tungsten.

This measure would apply to expenditures renounced under eligible flow-through share agreements entered into after Budget Day and on or before March 31, 2027.

Clean Technology Manufacturing Investment Tax Credit

The Clean Technology Manufacturing investment tax credit is a refundable tax credit equal to 30 per cent of the cost of investments in new machinery and equipment used to manufacture or process key clean technologies, or to extract, process, or recycle critical minerals essential for clean technology supply chains (i.e., lithium, cobalt, nickel, graphite, copper, and rare earth elements).

Budget 2025 proposes to expand the list of critical minerals eligible for the Clean Technology Manufacturing investment tax credit to include antimony, indium, gallium, germanium, and scandium.

This measure would apply in respect of property that is acquired and becomes available for use on or after Budget Day.

Investment Tax Credit for Carbon Capture, Utilization, and Storage

The Carbon Capture, Utilization, and Storage (CCUS) investment tax credit is a refundable tax credit that provides support for eligible expenditures relating to CCUS.

The CCUS tax credit provides three different credit rates depending on the purpose of the equipment, with the following credit rates applying to eligible CCUS expenditures incurred from the start of 2022 to the end of 2030:

- 60 per cent for eligible capture equipment used in a direct air capture project;
- 50 per cent for all other eligible capture equipment; and
- 37.5 per cent for eligible transportation, storage and use equipment.

Eligible expenditures that are incurred from the start of 2031 to the end of 2040 are subject to the lower credit rates set out below:

- 30 per cent for eligible capture equipment used in a direct air capture project;
- 25 per cent for all other eligible capture equipment; and
- 18.75 per cent for eligible transportation, storage and use equipment.

The extent to which the CCUS tax credit is available to a CCUS project and respective eligible equipment depends on the end use of the carbon dioxide (CO_2) being captured. Eligible uses include dedicated geological storage and storage in concrete, but not enhanced oil recovery (EOR).

Extension of Full Tax Credit Rates

Budget 2025 proposes to extend the availability of the full credit rates by five years, so that the full rates apply to eligible expenditures incurred from the start of 2022 to the end of 2035. Eligible expenditures that are incurred from the start of 2036 to the end of 2040 would continue to be subject to the lower credit rates described above.

The government will also postpone by five years the review of the CCUS investment tax credit rates that was announced in Budget 2022. Under this new timeline, the review will be undertaken before 2035 (rather than before 2030).

Clean Electricity Investment Tax Credit and Canada Growth Fund

The Clean Electricity investment tax credit is a refundable credit equal to 15 per cent of the capital cost of eligible investments in equipment related to low-emitting electricity generation, electricity storage, and the transmission of electricity between provinces and territories.

This tax credit would be available to taxable Canadian corporations, provincial and territorial Crown corporations, corporations owned by municipalities or Indigenous communities, pension investment corporations, and the Canada Infrastructure Bank. The capital cost of property that is eligible for the Clean Electricity investment tax credit may be reduced by government assistance that a taxpayer receives.

Budget 2025 proposes to include the Canada Growth Fund as an eligible entity under the Clean Electricity investment tax credit.

Budget 2025 also proposes to introduce an exception so that financing provided by the Canada Growth Fund would not reduce the cost of eligible property for the purpose of computing the Clean Electricity investment tax credit.

These measures would apply to eligible property that is acquired and that becomes available for use on or after Budget Day.

Tax Deferral Through Tiered Corporate Structures

The *Income Tax Act* includes a set of rules that seek to prevent the use of Canadian-controlled private corporations (CCPC) to defer personal income tax on investment income. Investment income earned by a CCPC is subject to an additional refundable tax that increases the corporation's tax rate to approximate the highest marginal combined federal-provincial personal income tax rate. A corporation is entitled to a refund of a portion of this additional tax when it pays a taxable dividend. The refund reflects the fact that a shareholder who is an individual is subject to personal income tax on a taxable dividend.

Unlike an individual shareholder, a corporate shareholder is generally not subject to income tax on a taxable dividend received from another corporation because it can

claim an offsetting inter-corporate dividend deduction. However, additional anti-deferral rules in Part IV of the *Income Tax Act* may impose a special refundable tax on the recipient corporation when it receives the taxable dividend. In particular, if the recipient corporation receives a taxable dividend from a "connected corporation" (generally, a corporation that owns shares carrying more than 10 per cent of the votes and value of the payer corporation), a refundable tax is levied on the recipient corporation corresponding to the amount of the payer corporation's dividend refund.

Part IV tax is payable by the recipient corporation on the balance-due day for its taxation year in which the dividend is received. This day can be after the balance-due day for the payer corporation's taxation year in which the dividend was paid. Certain tax planning techniques have been employed to take advantage of this timing difference to defer, at times indefinitely, the tax liability on investment income by interposing corporations with staggered year ends in a corporate chain. For example, a corporation may pay a taxable dividend at a time that is in the payer corporation's 2025 taxation year and in the recipient corporation's 2026 taxation year, in order to defer the tax liability on the investment income of the corporate group to the recipient's balance-due day for its 2026 taxation year (rather than being payable on the payer corporation's balance-due day for 2025).

Budget 2025 proposes to limit the deferral of tax on investment income using tiered corporate structures with mismatched year ends. In general terms, the proposed limitation would suspend the dividend refund that could be claimed by a payer corporation on the payment of a taxable dividend to an affiliated recipient corporation if the recipient corporation's balance-due day for the taxation year in which the dividend was received ends after the payer corporation's balance-due day for the taxation year in which the dividend was paid. The determination of whether the dividend payer and payee are affiliated would be based on current affiliation rules in the *Income Tax Act*.

This rule would not apply if each corporate dividend recipient in the chain of affiliated corporations pays a subsequent dividend on or before the payer's balance-due day, such that no deferral is achieved by the affiliated corporate group. To accommodate *bona fide* commercial transactions, the rule would also not apply to a dividend payer that is subject to an acquisition of control where it pays a dividend within 30 days before the acquisition of control.

The payer corporation would generally be entitled to claim the suspended dividend refund in a subsequent taxation year when the recipient corporation pays a taxable dividend to a non-affiliated corporation or an individual shareholder.

This measure would apply to taxation years that begin on or after Budget Day.

Eligible activities under the Canadian Exploration Expense

Canadian exploration expenses (CEE) may include expenses incurred by a taxpayer for the purpose of determining the existence, location, extent, or quality of a mineral resource in Canada.

CEE is a category of tax deduction that can be transferred from mining corporations via flow-through shares to equity investors, who can then claim a 100-per-cent immediate deduction on account of CEE. Further, individuals (other than trusts) who invest in these flow-through shares may be able to claim the Mineral Exploration Tax Credit or the Critical Mineral Exploration Tax Credit in respect of certain types of CEE.

The determination of a mineral resource's "quality" for CEE purposes has historically been interpreted by the Canada Revenue Agency (CRA) to relate to the resource's underlying physical characteristics. Expenses for technical studies (which are typically undertaken to assess a mineral resource's engineering feasibility and economic viability as a mining project, rather than its underlying physical characteristics) have generally been viewed by the CRA as being excluded from CEE.

A recent decision of the Supreme Court of British Columbia held that the reference to "quality" under the provincial equivalent of the federal CEE definition could be interpreted to include the economic viability, and not just the physical characteristics, of a mineral resource.

Budget 2025 proposes to amend the Income Tax Act to clarify that expenses incurred for the purpose of determining the quality of a mineral resource in Canada do not include expenses related to determining the economic viability or engineering feasibility of the mineral resource.

This amendment would apply as of Budget Day.

International Tax Measures

Transfer Pricing

For tax purposes, transfer pricing rules are used to allocate profit among the various entities of a multinational enterprise (MNE) group. The accepted international standard is the arm's length principle set out in Article 9 (Associated

Enterprises) of the Organisation for Economic Co-operation and Development (OECD) Model Tax Convention on Income and Capital and included in Canada's bilateral tax treaties. In addition, the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (the "OECD Transfer Pricing Guidelines") present internationally agreed principles and provide guidelines for the application of the arm's length principle.

Recognising that MNE groups may establish conditions in their intra-group relations that differ from those that would be established between independent enterprises, and that such differences may result in distortions in the profits accrued by associated enterprises, the arm's length principle requires that the profits accrued by associated enterprises be in accord with the profits that would have accrued had the conditions been those that would have been made between independent enterprises.

Domestic transfer pricing rules are required to ensure that the income recognised for Canadian tax purposes properly reflects the respective contributions of taxpayers and participating non-arm's length persons in cross-border transactions. Budget 2021 announced the government's intention to consult on updating Canada's transfer pricing rules.

After consideration of stakeholder comments received during the consultation period, Budget 2025 proposes to modernise Canada's transfer pricing rules to better align with the international consensus on the application of the arm's length principle. In addition, an interpretation rule would be added to ensure that Canada's transfer pricing rules are applied in a manner consistent with the analytic framework set out by the OECD Transfer Pricing Guidelines.

The new rules would provide more detail on how cross-border transactions between non-arm's length persons must be analysed. To assist this analysis, a new transfer pricing adjustment application rule would apply if two conditions are met: (i) there is a transaction or series of transactions between a taxpayer and a non-resident person with whom the taxpayer does not deal at arm's length; and (ii) the transaction or series (once it has been analysed and determined) includes actual conditions different from arm's length conditions. The actual conditions are determined not only by the contractual terms of the transaction or series, but also by other "economically relevant characteristics", including the conduct of the participants.

The resulting comparability analysis is at the heart of the arm's length principle. The arm's length principle requires the following determination: what conditions would

have been included in respect of the transaction or series that has been analysed and determined had the participants been dealing at arm's length in comparable circumstances, taking into account the options realistically available to them at the time of entering into the transaction or series?

The Transfer Pricing Guidelines describe the different methods that can be used to determine whether the conditions of an in-scope transaction or series are consistent with the arm's length principle. The new rules would provide that this determination should be made through an analysis where the most appropriate method is selected and applied in accordance with the Transfer Pricing Guidelines. The new rules would also provide that a transaction or series will be considered to include conditions that differ from arm's length conditions where: (i) a condition does not exist as an actual condition, but would have existed had the participants to the in-scope transaction or series been dealing at arm's length in comparable circumstances; or (ii) the participants would not have entered into the transaction or series, or would have entered into a different transaction or series, had they been dealing at arm's length in comparable circumstances.

The main factors required for a transfer pricing analysis would be set out in the new definition of "economically relevant characteristics". The new rules would require any in-scope transaction or series to be analysed and determined with reference to the economically relevant characteristics of the transaction or series. The economically relevant characteristics are used at both steps of the comparability analysis to establish: (i) the starting point for the object to be compared by accurately analysing and determining the in-scope transaction or series; and (ii) the hypothetical comparator.

The economically relevant characteristics of a transaction or series would be defined to include five comparability factors: contractual terms, functional profile, characteristics of the property or service, economic and market context, and business strategies. The first two comparability factors require consideration of the "actual conduct" of the parties to the transaction. This is intended to ensure that the factual substance of the transaction or series must be considered (instead of just its legal form). Formal conditions recognised in contracts are clarified and supplemented by the analysis of the conduct of the participants and the other economically relevant characteristics of the transaction or series.

In addition, a new definition of "arm's length conditions" would require the comparison to posit what the actual participants to the in-scope transaction or series would have done if they had been dealing at arm's length, and not what other theoretical parties dealing at arm's length might have done.

A new transfer pricing adjustment rule would provide that where the conditions of the transfer pricing application rule are met, then any amounts that would be determined for the purpose of applying the provisions of the *Income Tax Act* in respect of the taxpayer's taxation year are to be adjusted to the quantum or nature of the amounts that would have been determined if the arm's length conditions in respect of the transaction or series would have applied.

Existing transfer pricing rules allow for, where specific conditions are met, the substitution of the in-scope transaction with the transaction that would have been entered into by parties dealing at arm's length under terms and conditions that would have been made between them. These rules would be replaced by the inclusion of a new definition of "arm's length conditions" that would allow adjustments to reflect the fact that, in some cases, had the participants been dealing at arm's length, they would have entered into a different transaction or series or would not have entered into a transaction or series at all. In accordance with the Transfer Pricing Guidelines, and consistent with the interpretation rule, an in-scope transaction or series accurately analysed and determined should be replaced with an alternative transaction or series, or no transaction or series at all, only in exceptional circumstances.

In addition, the new rules would modify certain administrative measures. These are intended to balance the need for the Canada Revenue Agency to have timely, accurate, and relevant information to conduct transfer pricing risk assessments and efficient audits, while not imposing excessive or unnecessary compliance burdens on taxpayers. They include:

- providing relief for taxpayers through an increase in the threshold for the transfer pricing penalty to apply from an assessment (from a $5 million transfer pricing adjustment to a $10 million adjustment);
- clarifying the transfer pricing documentation requirements and also more closely aligning them with the new definitions and the requirements to select and apply the most appropriate method;
- providing for simplified documentation requirements when prescribed conditions are met; and
- reducing the time to provide transfer pricing documentation from 3 months to 30 days (whereas the requirement for taxpayers and partnerships to make or obtain the appropriate records or documentation by their documentation-due date for any given year or period would remain unchanged).

This measure would apply to taxation years that begin after Budget Day.

Investment Income Derived from Assets Supporting Canadian Insurance Risks

The Canadian tax system contains rules that protect the tax base by preventing taxpayers from avoiding Canadian tax by shifting certain income to other jurisdictions. For example, income earned by a controlled foreign affiliate of a taxpayer resident in Canada may be treated as foreign accrual property income (FAPI), which is taxable in the hands of the Canadian taxpayer on an accrual basis. A specific rule in the FAPI regime is intended to prevent avoidance of Canadian tax by shifting income from a business involving the insurance of Canadian risks (i.e., risks in respect of persons resident in Canada, property situated in Canada, or businesses carried on in Canada) into a foreign affiliate. Under that rule, the insurance business income is included in computing the affiliate's FAPI.

Core activities that are essential to an insurance business include the investment of funds collected through insurance premiums, with the resulting investment income helping to support claims arising on the occurrence of insured events. This is the case whether the assets are held by an insurer directly, or indirectly through a foreign affiliate of the insurer as part of their integrated insurance business. In fact, invested assets indirectly held by a foreign affiliate that are held to back Canadian risks are generally regarded as backing Canadian risks for actuarial and regulatory reporting purposes. In contrast, some taxpayers have taken the position that the specific FAPI rule does not apply to such investment income arising on such assets.

Budget 2025 proposes to clarify that investment income derived from assets held by a foreign affiliate to back Canadian risks is included in FAPI regardless of which entity holds those assets. Investment income derived from assets backing Canadian risks encompasses both income from assets held to back such risks and assets included in regulatory surplus that back such risks.

This measure would apply to taxation years that begin after Budget Day.

Sales and Excise Tax Measures

Underused Housing Tax

The Underused Housing Tax (UHT) took effect on January 1, 2022 and applies to certain owners of vacant or underused residential property in Canada, generally non-resident, non-Canadians. The UHT is imposed on an annual basis at a rate of 1 per cent on the value of the property.

Budget 2025 proposes to eliminate the UHT as of the 2025 calendar year. As a result, no UHT would be payable and no UHT returns would be required to be filed in respect of the 2025 and subsequent calendar years.

All UHT requirements continue to apply in respect of the 2022 to 2024 calendar years. Penalties and/or interest for failing to file a UHT return as and when required, or for failing to pay UHT when it becomes due, will also continue to apply in respect of the 2022 to 2024 calendar years.

Luxury Tax on Aircraft and Vessels

The federal government imposes a tax on subject vehicles and subject aircraft with a value above $100,000 and subject vessels (e.g., boats) with a value above $250,000. The luxury tax is equal to the lesser of 10 per cent of the total value of the subject item and 20 per cent of the value above the relevant threshold. The tax is generally imposed on sales, importations, leases, and certain improvements of subject vehicles, subject aircraft, and subject vessels.

Budget 2025 proposes to amend the *Select Luxury Items Tax Act* (SLITA) to end the luxury tax on subject aircraft and subject vessels. All instances of the tax would cease to be payable after Budget Day, including the tax on sales, the tax on importations, and the tax on improvements.

Registered vendors in respect of these items would be required to file a final return covering the reporting period that includes Budget Day. Registrations in respect of subject aircraft and subject vessels under the SLITA would be maintained after Budget Day, allowing registered vendors the opportunity to claim rebates for which they are eligible (e.g., in the case of export). However, returns in respect of these items would otherwise no longer need to be filed for subsequent reporting periods. Finally, all registrations in respect of subject aircraft and subject vessels would be automatically cancelled on February 1, 2028, after which time vendors would no longer be able to claim rebates.

Carousel Fraud

In recent years, certain individuals and groups have been trying to take advantage of the Canadian tax system by engaging in carousel fraud schemes to obtain unwarranted tax benefits. These illegal schemes undermine the tax system and are continuously evolving. Carousel fraud schemes exploit the general design of a value-added tax system, such as the Goods and Services Tax/Harmonized Sales Tax (GST/HST), by using a series of real or fraudulent transactions where at least one

person, often known as the “missing trader”, collects GST/HST in respect of a supply of property or services but does not remit it to the government.

In the 2024 Fall Economic Statement, the government announced that it was exploring options to combat carousel schemes.

Budget 2025 announces proposed changes to the *Excise Tax Act* (the “Act”) to help prevent carousel fraud and improve the overall fairness of the Canadian tax system. Specifically, the government is proposing to introduce a new reverse charge mechanism (RCM) beginning with certain supplies in the telecommunications sector.

The federal government invites individuals, stakeholders, organizations and associations, Indigenous partners, and other interested parties to share their feedback on these proposals by emailing Consultation-Legislation@fin.gc.ca by January 12, 2026. This will allow feedback to be taken into consideration prior to finalizing the design of the new rules and the tabling of enacting legislation.

Proposed New Rules

Specified Supplies

The proposed new RCM would apply to supplies of specified telecommunication services, which would be telecommunication services that enable:

- speech communication that is instant or with only a negligible delay between the transmission and the receipt of signals; or
- the transmission of writing, images and sounds or information of any nature when provided in connection with services that enable such speech communication.

For example, this would include supplies of voice-over internet protocol (VoIP) minutes.

Remittance Requirement (Reverse Charge Rules)

Under the proposed new rules, suppliers would not be required to collect the GST/HST payable on the supply. Instead, when the RCM applies to a supply of specified telecommunication services, recipients would be required to self-assess and report the tax payable in their GST/HST return and, if entitled, would be eligible to claim an input tax credit (ITC) in the same return provided that they accounted for the GST/HST payable.

Limited Application

The RCM would apply to supplies of specified telecommunication services provided that the recipient is registered under Subdivision D of Division V of Part IX of the Act and all or substantially all of the specified telecommunication services are acquired by the recipient for the purpose of resupplying the specified telecommunication services.

Input Tax Credit Eligibility

Under existing GST/HST rules, a person who is registered, or who is required to be registered, may claim ITCs for previous reporting periods in respect of property or services acquired or imported for consumption, use or supply in the course of a commercial activity. The ability to claim ITCs for supplies subject to the RCM (or that would have been subject to the RCM if the person was registered), however, would be limited to persons that are registered at the time the tax becomes payable or is paid without having become payable in respect of the supply.

Rebate Eligibility

Under existing GST/HST rules, persons that have paid an amount of tax (by mistake or otherwise) that was not payable may be entitled to claim a rebate for tax paid in error. Under the proposed new rules, however, a rebate for tax paid in error on a supply subject to the RCM would be limited to cases where the person had paid the amount to the Receiver General. Recipients who have erroneously paid the tax to a supplier may request a refund of the tax paid directly from the supplier (e.g., by means of a credit note) rather than from the government.

Invoice Requirements

Under the proposed new rules, suppliers would be required to indicate on their invoices that a supply is subject to the RCM, signalling that the recipient should therefore account for the GST/HST.

Regulations

The government will continue to monitor and assess the presence of carousel fraud in Canada in order to determine whether other supplies should also be subject to an RCM in the future. In this regard, the proposed new rules would include a new legal authority that would allow the government to make other supplies subject to an RCM by means of regulations.

GST/HST Treatment of Manual Osteopathic Services

Under the Goods and Services Tax/Harmonized Sales Tax (GST/HST), services covered under a provincial public health care plan are generally tax-exempt. In

addition, most health care services rendered to individuals by physicians, dentists and certain other health care practitioners set out in the GST/HST legislation are also tax-exempt.

The list of GST/HST-exempt health care services currently includes an outdated reference to osteopathic services. This was originally intended to cover services rendered by osteopathic doctors, who have since been regulated as osteopathic physicians and are now therefore covered by the general exemption for individuals who practice the profession of medicine. The exemption was not intended to apply to the services of manual osteopathic service providers who are not osteopathic doctors. On June 6, 2025, New Brunswick passed legislation to become the first province to establish a regulatory body to govern the profession of manual osteopathy. As a result, osteopathic services supplied by qualifying manual osteopathic service providers who are not osteopathic physicians have unintentionally become tax-exempt under the GST/HST legislation.

Budget 2025 proposes to clarify the longstanding policy that osteopathic services rendered by individuals who are not osteopathic physicians are taxable under the GST/HST.

This measure would apply to supplies made after June 5, 2025, except that it would not apply to a supply of osteopathic services made after June 5, 2025 but on or before Budget Day if the supplier did not charge, collect or remit any amount as or on account of tax in respect of the supply.

Strategic Environmental and Economic Assessment Statement

In accordance with the Cabinet Directive on Strategic Environmental and Economic Assessment, a strategic environmental assessment was conducted for the following measures:

- Critical Mineral Exploration Tax Credit;
- Clean Technology Manufacturing Investment Tax Credit; and
- Investment Tax Credit for Carbon Capture, Utilization, and Storage.

With respect to the Critical Mineral Exploration Tax Credit measure, it was found that mineral exploration, as well as new mining and related processing activities that could follow from successful exploration efforts, can be associated with a variety of environmental impacts to soil, water and air and, as a result, could have an impact on the targets and actions in the Federal Sustainable Development

Strategy. Potential nature and biodiversity effects could also arise, particularly from mining activity that could subsequently follow from mineral exploration. All such activities, however, are subject to applicable federal and provincial environmental regulations, including project-specific environmental assessments where required. Further, the measure supports exploration for certain critical minerals that may be important in supporting the transition to a low carbon economy.

With respect to the Clean Technology Manufacturing Investment Tax Credit measure, mining activities can have direct negative impacts on local habitat such as through increased soil erosion and mine runoff. All such activities, however, are subject to applicable federal and provincial environmental regulations. If the measure results in a greater adoption of clean technologies in Canada then it could have positive impacts towards achieving several of Canada's sustainable development goals.

The Investment Tax Credit for Carbon Capture, Utilization, and Storage measure is expected to help reduce greenhouse gas emissions over the 2030 to 2050 timeframe and as such contribute to Canada's goal of achieving net zero by 2050.

In accordance with the Cabinet Directive on Strategic Environmental and Economic Assessment, a strategic economic assessment was conducted for the following measures:

- Personal Support Workers Tax Credit;
- Immediate Expensing for Manufacturing or Processing Buildings;
- Investment Tax Credit for Carbon Capture, Utilization, and Storage;
- Tax Deferral Through Tiered Corporate Structures; and
- Transfer Pricing.

With respect to the Personal Support Workers Tax Credit measure, it was found that it would have a short-term impact on the healthcare sector and could lead to positive but modest impacts in terms of real GDP and consumption.

With respect to the Immediate Expensing for Manufacturing or Processing Buildings measure, it was found that the measure would have a positive economic impact on the manufacturing or processing sector. Positive impacts on GDP are expected from increased business investment in response to this measure.

With respect to the Investment Tax Credit for Carbon Capture, Utilization, and Storage measure, it was found that the measure would have a positive economic

impact at the national level (though impacts would be regionally concentrated), partly due to the incremental capital investments supported by the measure.

With respect to the Tax Deferral Through Tiered Corporate Structures and Transfer Pricing measures, it was found that they would support the integrity of the tax system and would positively contribute to fiscal sustainability.

Previously Announced Measures

Budget 2025 confirms that the government has considered each of the outstanding tax measures announced by the previous government and confirms that it intends to proceed with the following measures, as modified to take into account consultations and deliberations since their release.

- Legislative and regulatory proposals released on August 15, 2025, including with respect to the following measures:
  - Capital Gains Rollover on Small Business Investments;
  - Reporting by Non-profit Organizations, subject to a deferred application date for taxation years beginning January 1, 2027 or later (the government is reviewing the feedback it received from consultations with stakeholders and will release final proposals in due course that minimise any additional administrative burden and clarify which organizations are, or are not, subject to the new requirement);
  - Scientific Research and Experimental Development Tax Incentive Program;
  - Crypto-Asset Reporting Framework and the Common Reporting Standard (subject to a deferred application date of January 1, 2027);
  - Tax exemption for sales to Employee Ownership Trusts;
  - Tax exemption for sales to Worker Cooperatives;
  - Non-Compliance with Information Requests;
  - Excessive Interest and Financing Expenses Limitation Rules;
  - Substantive CCPCs;
  - Goods and Services Tax/Harmonized Sales Tax (GST/HST) rules for the redemption of coupons;
  - Technical tax amendments to the *Income Tax Act* and the *Income Tax Regulations* (subject to a deferred application date for reporting by bare trusts, so that it would apply to taxation years ending on or after December 31, 2026);
  - Technical amendments to the *Global Minimum Tax Act*; and
  - Technical amendments relating to the GST/HST and excise levies.
- Legislative proposals released on June 30, 2025, to ensure that all Canada Carbon Rebates for Small Businesses are provided tax-free, and to extend the filing deadline for the 2019 to 2023 calendar years.
- The extension of the Mineral Exploration Tax Credit announced on March 3, 2025.
- Legislative proposals released on January 23, 2025, to extend the 2024 charitable donations deadline.
- Legislative and regulatory proposals announced in the *2024 Fall Economic*

Statement, including with respect to the following measures:

- Exempting the Canada Disability Benefit from Income;
- Expanding Eligibility under the Clean Electricity Investment Tax Credit to the Canada Infrastructure Bank;
- Modifying the Small Nuclear Energy Eligibility under the Clean Technology Investment Tax Credit;
- Expanding Eligibility under the Clean Hydrogen Investment Tax Credit to Methane Pyrolysis; and
- Extension of the Accelerated Investment Incentive and Immediate Expensing Measures.

- Legislative and regulatory proposals to remove the GST on the construction of new student residences released on November 19, 2024.
- Legislative amendments to give effect to the suspension of the Agreement Between the Government of Canada and the Government of the Russian Federation for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital under domestic law as of November 18, 2024.
- Legislative and regulatory proposals released on August 12, 2024, including with respect to the following measures:
  - Alternative Minimum Tax (other than changes related to resource expense deductions);
  - Disability Supports Deduction;
  - Charities and Qualified Donees;
  - Registered Education Savings Plans;
  - Avoidance of Tax Debts;
  - Mutual Fund Corporations;
  - Synthetic Equity Arrangements;
  - Manipulation of Bankrupt Status;
  - Accelerated Capital Cost Allowance for Productivity-Enhancing Assets;
  - Accelerated Capital Cost Allowance for Purpose-Built Rental Housing;
  - Withholding for Non-Resident Service Providers;
  - Regulations related to the application of the Enhanced (100-per-cent) GST Rental Rebate to cooperative housing corporations;
  - Clean Electricity Investment Tax Credit;
  - Expanding eligibility under the Clean Technology Investment Tax Credit to support generation of electricity and heat from waste biomass;

    - Proposed expansion of eligibility for the Clean Technology Manufacturing Investment Tax Credit to support Polymetallic Extraction and Processing;
    - Amendments to the Global Minimum Tax Act and the Income Tax Conventions Interpretation Act;
    - Technical tax amendments to the *Income Tax Act* and the *Income Tax Regulations*; and
    - Technical amendments relating to the GST/HST, excise levies and other taxes and charges.
- Legislative proposals released on July 12, 2024, related to implementing an opt-in Fuel, Alcohol, Cannabis, Tobacco and Vaping (FACT) value-added sales tax framework for interested Indigenous governments.
- The proposed exemption from the Alternative Minimum Tax for certain trusts for the benefit of Indigenous groups announced in Budget 2024.
- The proposed increase in the Lifetime Capital Gains Exemption to apply to up to $1.25 million of eligible capital gains announced in Budget 2024.
- Legislative and regulatory proposals announced in Budget 2024 with respect to a new importation limit for packaged raw leaf tobacco for personal use.
- Tax measures to amend the *Excise Tax Act*, the *Air Travellers Security Charge Act*, the *Excise Act, 2001* and the *Select Luxury Items Tax Act* to give effect to the proposals relating to non-compliance with information requests and to avoidance of tax debts announced in Budget 2024.
- Legislative and regulatory proposals released on August 4, 2023, including with respect to the following measures:
    - Technical amendments to GST/HST rules for financial institutions;
    - Tax-exempt sales of motive fuels for export; and
    - Revised Luxury Tax draft regulations to provide greater clarity on the tax treatment of luxury items.
- Legislative and regulatory proposals released on August 9, 2022, including with respect to the following measures:
    - Technical amendments to the *Income Tax Act* and *Income Tax Regulations*; and
    - Remaining legislative and regulatory proposals relating to the GST/HST, excise levies and other taxes and charges.
- Legislative amendments to implement the Hybrid Mismatch Arrangements rules announced in Budget 2021.

- The income tax measure announced on December 20, 2019, to extend the maturation period of amateur athlete trusts maturing in 2019 by one year, from eight years to nine years.

Budget 2025 also reaffirms the government's commitment to move forward as required with other technical amendments to improve the certainty and integrity of the tax system.

Notice of Ways and Means Motion to Amend the Income Tax Act and the Income Tax Regulations

That it is expedient to amend the *Income Tax Act* (the "Act") and the *Income Tax Regulations* (the "Regulations") as follows:

Personal Support Workers Tax Credit

1 (1) The *Income Tax Act* is amended by adding the following after section 122.92:

SUBDIVISION A.7

Personal Support Worker Tax Credit

Definitions

122.93 (1) The following definitions apply in this section.

eligible health care establishment means a hospital, nursing care facility, residential care facility, community care facility for the elderly, home health care establishment and similar regulated health care establishments. (*établissement de soins de santé admissible*)

eligible personal support worker, for a taxation year, means an individual

(a) who performs duties of employment in the capacity of a personal support worker for an eligible health care establishment during the taxation year (in this definition referred to as the "duties for the year");

(b) who, in the course of performing the duties for the year, ordinarily provides one-on-one care and essential support to optimize and maintain another individual's health, well-being, safety, autonomy and comfort consistent with that other individual's health care needs as directed by a regulated health care professional or a provincial or community health organization; and

(c) whose main duties of employment, in respect of the duties for the year, include assisting individuals with activities of daily living and mobilization. (*préposé aux services de soutien à la personne admissible*)

return of income, filed by an eligible personal support worker for a taxation year, means a return of income (other than a return of income under subsection 70(2) or 104(23), paragraph 128(2)(e) or subsection 150(4)) that is required to be filed for the taxation year or that would be required to be filed if the eligible personal support worker had tax payable under this Part for the taxation year. (*déclaration de revenu*)

yearly eligible remuneration of an individual for a taxation year means the total of all amounts, each of which

(a) would be, in the absence of section 8 and paragraph 81(1)(a), the individual's income for the taxation year from an office or employment as an eligible personal support worker for an eligible health care establishment in a province, other than duties performed in Newfoundland and Labrador, the Northwest Territories and British Columbia; and

(b) is certified by the individual's employer in the prescribed form and manner to be an amount that satisfies the description under paragraph (a). (*rémunération annuelle admissible*)

Deemed overpayment — yearly eligible remuneration

(2) An eligible personal support worker, for a taxation year that begins after 2025 and that ends before 2031, who files a return of income for the taxation year and makes a claim under this subsection, is deemed to have paid, at the end of the taxation year, on account of tax payable under this Part for the taxation year, an amount equal to the lesser of

(a) $1,100, and

(b) 5% of the eligible personal support worker's yearly eligible remuneration for the taxation year.

Effect of bankruptcy

(3) For the purpose of this Subdivision, if an individual becomes bankrupt in a particular calendar year

(a) despite subsection 128(2), any reference to a taxation year of the individual (other than in this subsection) is deemed to be a reference to the particular calendar year; and

(b) the individual's yearly eligible remuneration for the taxation year ending on December 31 of the particular calendar year is deemed to include the individual's yearly eligible remuneration for the taxation year that begins on January 1 of the particular calendar year.

Special rules in the event of death

(4) For the purpose of this Subdivision, if an individual dies before the end of a calendar year, any return of income filed by a legal representative of the individual is deemed to be a return of income filed by the individual.

(2) Subsection (1) applies to the 2026 and subsequent taxation years.

2 (1) Paragraph 152(1)(b) of the Act is replaced by the following:

(b) the amount of tax, if any, deemed by any of subsections 120(2) or (2.2), 122.5(3) to (3.003), 122.51(2), 122.7(2) or (3), 122.72(1), 122.8(4), 122.9(2), 122.91(1), 122.93(2), 125.4(3), 125.5(3), 125.6(2) or (2.1), 127.1(1), 127.41(3), 127.44(2), 127.45(2), 127.48(2), 127.49(2) or 210.2(3) or (4) to be paid on account of the taxpayer's tax payable under this Part for the year.

(2) Paragraph 152(4.2)(b) of the Act is replaced by the following:

(b) redetermine the amount, if any, deemed by any of subsections 120(2) or (2.2), 122.5(3) to (3.003), 122.51(2), 122.7(2) or (3), 122.8(4), 122.9(2), 122.91(1), 122.93(2), 127.1(1), 127.41(3) or 210.2(3) or (4) to be paid on account of the taxpayer's tax payable under this Part for the year or deemed by subsection 122.61(1) to be an overpayment on account of the taxpayer's liability under this Part for the year.

(3) Subsections (1) and (2) apply to the 2026 and subsequent taxation years.

3 (1) Subsection 163(2) of the Act is amended by adding the following after paragraph (c.6):

(c.7) the amount, if any, by which

(i) the amount that would be deemed by subsection 122.93(2) to have been paid for the year by the person if that amount were calculated by reference to the person's claim for the year under that subsection

exceeds

(ii) the amount that is deemed by that subsection to be paid for the year by the person,

(2) Subsection (1) applies to the 2026 and subsequent taxation years.

Automatic Federal Benefits for Lower-Income Individuals

1 (1) Subsection 150.1(4) of the Act is replaced by the following:

Declaration

(4) If a return of income of a taxpayer for a taxation year is filed by way of electronic filing by a particular person (in this subsection referred to as the "filer") other than the person who is required to file the return, or the Minister pursuant to section 150.2, the person who is required to file the return shall make an information return in prescribed form containing prescribed information, retain a copy of it and provide the filer with the information return, and that return and the copy shall be deemed to be a record referred to in section 230 in respect of the filer and the other person.

(2) Subsection (1) applies to the 2025 and subsequent taxation years.

2 (1) The Act is amended by adding the following after section 150.1:

Conditions

150.2 (1) The Minister may file a return of income for a taxation year of an individual (other than a trust) resident in Canada throughout the year if the following conditions are satisfied:

(a) the individual has not notified the Minister not to file a return of income for the year on the individual's behalf;

(b) the individual has not filed a return of income for at least one of the three immediately preceding taxation years;

(c) the individual has not filed a return of income for the year on or before the day that is 90 days after the filing-due date for the year;

(d) all of the individual's income for the year, if any, was reported in an information return filed with the Minister for the year;

(e) the individual's taxable income for the year does not exceed the lesser of

(i) the amount determined by the formula

A + B + C

where

A is the amount determined under subsection 118(1.1) for the year,

B is the amount, if any, that may be deducted by the individual for the year under subsection 118(2), and

C is the amount, if any, that may be deducted by the individual for the year under subsection 118.3(1), and

(ii) the amount determined by the formula

D + E + F

where

D is, in the case of an individual resident at the end of the year, in

(A) Quebec, the amount determined for A in subparagraph (i), or

(B) a province other than Quebec, the amount, if any, determined for the year under provincial income tax law similar in substance to subsection 118(1.1),

E is, in the case of an individual resident at the end of the year, in

(A) Quebec, the amount determined for B in subparagraph (i), or

(B) a province other than Quebec, the amount, if any, determined for the year under provincial income tax law similar in substance to subsection 118(2), and

F is, in the case of an individual resident at the end of the year, in

(A) Quebec, the amount determined for C in subparagraph (i), or

(B) a province other than Quebec, the amount, if any, determined for the year under provincial income tax law similar in substance to subsection 118.3(1);

(f) the Minister has notified the individual of the information filed with the Minister for the year and the individual has not, within 90 days after the day on which the notice is mailed or sent electronically by the Minister,

(i) otherwise filed a return of income for the year, or

(ii) notified the Minister of corrections to be made to the information on file with the Minister that would increase the individual's taxable income for the year beyond the amount permitted under paragraph (e); and

(g) the individual meets such other conditions as the Minister may specify, if any.

Invalid filing

(2) If a return of income is filed under this section for a taxation year of an individual who did not meet the conditions in subsection (1), the return is deemed to have never been filed.

Deemed filing

(3) Subject to subsection (2), for the purposes of this Act, a return of income for a taxation year of an individual is deemed to have been filed by the individual at the time of its filing by the Minister in accordance with subsection (1).

(4) Subsection (1) applies to the 2025 and subsequent taxation years.

Top-Up Tax Credit

1 (1) If Bill C-4, introduced in the 1st session of the 45th Parliament and entitled the *Making Life More Affordable for Canadians Act*, receives royal assent, then section 118 of the *Income Tax Act* is amended by adding the following after subsection (10):

Top-up tax credit

(11) For the purpose of computing the tax payable under this Part by an individual for a taxation year that is after 2024 and before 2031, there may be deducted the amount determined by the formula

$$(A - B \times C) \times D$$

where

A is the amount determined by the formula

$$E + F$$

where

E is the total of all amounts each of which is an amount deducted by the individual in computing the individual's tax payable for the year under this Part under any of subsections (1), (2), (3) and (10), and sections 118.01, 118.041, 118.05, 118.06, 118.07, 118.2, 118.3, 118.5, 118.61, 118.62, 118.7, 118.8 and 118.9, and

F is the lesser of

(a) the amount deducted by the individual in computing the individual's tax payable for the year under this Part under section 118.1, and

(b) $200 multiplied by the appropriate percentage for the year;

B is the appropriate percentage for the year;

C is the first dollar amount for the year referred to in paragraph 117(2)(b); and

D is,

(a) if the taxation year is 2025, 3.45%, and

(b) in any other case, 7.14%.

(2) Subsection (1) is deemed to have come into force on January 1, 2025.

2 (1) If Bill C-4, introduced in the 1st session of the 45th Parliament and entitled the *Making Life More Affordable for Canadians Act*, receives royal assent, then the description of C in subsection 118.61(1) of the *Income Tax Act* is replaced by the following:

C is the lesser of the value of B and the amount that would be the individual's tax payable under this Part for the year if no amount were deductible under this Division (other than an amount deductible under this section and any of subsections 118(1) to (10) and sections 118.01 to 118.07, 118.3 and 118.7);

(2) If Bill C-4, introduced in the 1st session of the 45th Parliament and entitled the *Making Life More Affordable for Canadians Act*, receives royal assent, then paragraph 118.61(2)(b) of the *Income Tax Act* is replaced by the following:

(b) the amount that would be the individual's tax payable under this Part for the year if no amount were deductible under this Division (other than an amount deductible under this section and any of subsections 118(1) to (10) and sections 118.01 to 118.07, 118.3 and 118.7).

(3) Subsections (1) and (2) are deemed to have come into force on January 1, 2025.

Qualified Investments for Registered Plans

1 (1) Paragraph 108(2)(c) of the Act is replaced by the following:

(c) the fair market value of the property of the trust at the end of 1993 was primarily attributable to real property or an interest in real property — or to immovables or a real right in immovables — and the trust was a unit trust throughout any calendar year that ended before 1994 and the fair market value of the property of the trust at the particular time is primarily attributable to property described in paragraph (a) or subparagraph (c)(i) of the definition *qualified investment* in subsection 207.01(1), real property or an interest in real property — or immovables or a real right in immovables — or any combination of those properties.

(2) Subsection (1) comes into force on January 1, 2027.

2 (1) Paragraph (a) of the definition *qualified REIT property* in subsection 122.1(1) of the Act is replaced by the following:

(a) a real or immovable property that is capital property, an eligible resale property, an indebtedness of a Canadian corporation represented by a bankers' acceptance, a property described in paragraph (a) or subparagraph (c)(i) of the definition *qualified investment* in subsection 207.01(1) or a deposit with a credit union;

(2) Paragraph (d) of the definition *real estate investment trust* in subsection 122.1(1) of the Act is replaced by the following:

(d) at each time in the taxation year an amount, that is equal to 75% or more of the equity value of the trust at that time, is the amount that is the total fair market value of all properties held by the trust each of which is a real or immovable property that is capital property, an eligible resale property, an indebtedness of a Canadian corporation represented by a bankers' acceptance, a property described in paragraph (a) or subparagraph (c)(i) of the definition *qualified investment* in subsection 207.01(1) or a deposit with a credit union; and

(3) Subsections (1) and (2) come into force on January 1, 2027.

3 (1) Paragraph 132.2(3)(h) of the Act is replaced by the following:

(h) where a share to which paragraph (g) applies would, if this Act were read without reference to this paragraph, cease to be a *qualified investment* (as defined in section 204 or subsection 207.01(1)) as a consequence of the qualifying exchange, the share is deemed to be a qualified investment until the earlier of the day that is 60 days after the day that includes the transfer time and the time at which it is disposed of in accordance with paragraph (g);

(2) Subsections (1) comes into force on January 1, 2027.

4 (1) Subparagraph (g)(iii) of the definition *eligible trust* in subsection 135.2(1) of the Act is replaced by the following:

(iii) property described in paragraph (a) or subparagraph (c)(i) of the definition *qualified investment* in subsection 207.01(1) or a deposit with a credit union;

(2) Subsection (1) comes into force on January 1, 2027.

5 (1) The definition *qualified investment* in subsection 146(1) of the Act is repealed.

(2) Subparagraph 146(4)(b)(ii) of the Act is replaced by the following:

(ii) such portion of the amount determined under subparagraph (i) in respect of the trust for the year as can reasonably be considered to be income from, or from the disposition of, a *qualified investment* (as defined in subsection 207.01(1)) for the trust; and

(3) Subsections (1) and (2) come into force on January 1, 2027.

6 (1) The definition *qualified investment* in subsection 146.1(1) of the Act is repealed.

(2) The portion of subsection 146.1(5) of the Act before paragraph (a) is replaced by the following:

Trust not taxable

(5) No tax is payable under this Part by a trust that is governed by a RESP on its taxable income for a taxation year, except that, if at any time in the taxation year, it holds a property that is a *non-qualified investment* (as defined in subsection 207.01(1)) for the trust, tax is payable under this Part by the trust on the amount that would be its taxable income for the taxation year if it had no income or losses from sources other than non-qualified investments, and no capital gains or capital losses other than from dispositions of non-qualified investments, and for that purpose,

(3) Subsections (1) and (2) come into force on January 1, 2027.

7 (1) The definition *qualified investment* in subsection 146.3(1) of the Act is repealed.

(2) The description of A in the definition *minimum amount* in subsection 146.3(1) of the Act is replaced by the following:

A is the total fair market value of all properties held in connection with the fund at the beginning of the year (other than annuity contracts held by the plan trust that, at the beginning of the calendar year, are described in paragraph (j) of the definition *qualified investment* in subsection 207.01(1));

(3) Paragraph (a) of the description of C in the definition *minimum amount* in subsection 146.3(1) of the Act is replaced by the following:

(a) a periodic payment under an annuity contract described in paragraph (j) of the definition *qualified investment* in subsection 207.01(1) that is held by the trust at the beginning of the year and is paid to the trust in the year, or

(4) The portion of paragraph 146.3(2)(e.1) of the Act before subparagraph (i) is replaced by the following:

(e.1) if the fund does not govern a trust or the fund governs a trust created before 1998 that does not hold an annuity contract as a *qualified investment* (as defined in subsection 207.01(1)) for the trust, the fund provides that if an

annuitant, at any time, directs that the carrier transfer all or part of the property held in connection with the fund, or an amount equal to its value at that time, to another registered retirement income fund of the annuitant or in accordance with subsection (14.1), the transferor shall retain an amount equal to the lesser of

(5) Clause 146.3(2)(e.2)(i)(B) of the Act is replaced by the following:

(B) an annuity contract described, immediately after the transfer, in paragraph (g) of the definition *qualified investment* in subsection 207.01(1), and

(6) Subparagraph 146.3(3)(e)(ii) of the Act is replaced by the following:

(ii) such portion of the amount determined under subparagraph (i) in respect of the trust for the year as can reasonably be considered to be income from, or from the disposition of, a *qualified investment* (as defined in subsection 207.01(1)) for the trust.

(7) Paragraph 146.3(6.4)(a) of the Act is replaced by the following:

(a) at any time after the death of the annuitant, a trust governed by the fund held an investment that is a *non-qualified investment* (as defined in subsection 207.01(1)); or

(8) The portion of subsection 146.3(9) of the Act before paragraph (b) is replaced by the following:

Tax payable on income from non-qualified investment

(9) If a trust that is governed by a RRIF holds, at any time in a taxation year, a property that is a *non-qualified investment* (as defined in subsection 207.01(1)),

(a) tax is payable under this Part by the trust on the amount that its taxable income for the year would be if it had no incomes or losses from sources other than non-qualified investments or no capital gains or capital losses other than from dispositions of non-qualified investments, as the case may be; and

(9) Subsections (1) to (8) come into force on January 1, 2027.

8 (1) The definition *qualified investment* in subsection 146.4(1) of the Act is repealed.

(2) The descriptions of A and B in paragraph (b) of the definition *specified maximum amount* in subsection 146.4(1) of the Act are replaced by the following:

A is 10% of the fair market value of the property held by the plan trust at the beginning of the calendar year (other than annuity contracts held by the plan trust that, at the beginning of the calendar year, are described in paragraph (i) of the definition *qualified investment* in subsection 207.01(1)), and

B is the total of all amounts each of which is

(i) a periodic payment under an annuity contract described in paragraph (i) of the definition *qualified investment* in subsection 207.01(1) that is held by the plan trust at the beginning of the calendar year and paid to the plan trust in the calendar year, or

(ii) if the periodic payment under the contract is not made to the plan trust because the plan trust disposed of the right to that payment in the calendar year, a reasonable estimate of that payment on the assumption that the contract had been held throughout the calendar year and no rights under the contract were disposed of in the calendar year. (*plafond*)

(3) The description of A in paragraph 146.4(4)(l) of the Act is replaced by the following:

A is the fair market value of the property held by the plan trust at the beginning of the calendar year (other than annuity contracts held by the plan trust that, at the beginning of the calendar year, are described in paragraph (i) of the definition *qualified investment* in subsection 207.01(1)),

(4) Subparagraph (i) of the description of D in paragraph 146.4(4)(l) of the Act is replaced by the following:

(i) a periodic payment under an annuity contract described in paragraph (i) of the definition *qualified investment* in subsection 207.01(1) that is held by the plan trust at the beginning of the calendar year and paid to the plan trust in the calendar year, or

(5) The portion of paragraph 146.4(5)(b) of the Act before subparagraph (i) is replaced by the following:

(b) if the trust is not otherwise taxable under paragraph (a) on its taxable income for the year and, at any time in the year, it carries on one or more businesses or holds a property that is a *non-qualified investment* (as defined in subsection 207.01(1)) for the trust, tax is payable under this Part by the trust on the amount that its taxable income for the year would be if it had no incomes or losses from sources other than those businesses and non-qualified investments, and no capital gains or losses other than from dispositions of non-qualified investments, and for this purpose,

(6) Subsections (1) to (5) come into force on January 1, 2027.

9 (1) The definition *debt obligation* in section 204 of the Act is repealed.

(2) The definition *qualified investment* in section 204 of the Act is replaced by the following:

qualified investment for a trust governed by a deferred profit sharing plan or revoked plan means, with the exception of excluded property in relation to the trust,

(a) an investment described in any of paragraphs (a) to (g) of the definition *qualified investment* in subsection 207.01(1),

(b) an investment described under section 5001, paragraph 5002(a) to (c) or section 5003 or 5004 of the *Income Tax Regulations*, other than an investment described in any of paragraphs 5006(a) to (e) if the references in those paragraphs to "a connected person under the registered plan" were read as references to "a beneficiary or an employer under the deferred profit sharing plan or revoked plan and any person who does not deal at arm's length with that person",

(c) equity shares of a corporation by which, before the date of acquisition by the trust of the shares, payments have been made in trust to a trustee under the plan for the benefit of beneficiaries thereunder, if the shares are of a class in respect of which

(i) there is no restriction on their transferability, and

(ii) in each of four taxation years of the corporation in the period of the corporation's five consecutive taxation years that ended less than 12 months before the date of acquisition of the shares by the trust, and in the corporation's last taxation year in that period, the corporation

(A) paid a dividend on each share of the class of an amount not less than 4% of the cost per share of the shares to the trust, or

(B) had earnings attributable to the shares of the class of an amount not less than the amount obtained when 4% of the cost per share to the trust of the shares is multiplied by the total number of shares of the class that were outstanding immediately after the acquisition, and

(d) a contract with a licensed annuities provider for an annuity payable to an employee who is a beneficiary under the plan beginning not later than the end of the year in which the employee attains 71 years of age, the guaranteed term of which, if any, does not exceed 15 years; (*placement admissible*)

(3) Subsections (1) and (2) come into force on January 1, 2027.

10 (1) Part X.2 of the Act is repealed.

(2) Subsection (1) comes into force on January 1, 2027.

11 (1) Paragraph (a) of the definition *reserve* in subsection 204.8(1) of the Act is replaced by the following:

(a) property described in paragraph (a), (b) or (f) or subparagraphs (c)(i) to (iv) of the definition *qualified investment* in subsection 207.01(1), and

(2) Subsection (1) comes into force on January 1, 2027.

12 (1) The description of C in the definition *excess ALDA transfer* in subsection 205(1) of the Act is amended by adding "and" at the end of paragraph (b) and by replacing paragraphs (c) and (d) by the following:

(c) if the transferor plan is a registered retirement savings plan or a registered retirement income fund, contracts for annuities held in connection with the plan or fund other than annuities described in paragraph (g) of the definition *qualified investment* in subsection 207.01(1),

(2) Subsection (1) comes into force on January 1, 2027.

13 (1) The preamble of subsection 207.01(1) of the Act is replaced by the following:

Definitions

207.01 (1) The following definitions and the definitions in subsections 146(1) (other than the definition *benefit*), 146.1(1), 146.2(1), 146.3(1), 146.4(1) and 146.6(1) apply in this Part and Part L of the *Income Tax Regulations*.

(2) The definition *qualified investment* in subsection 207.01(1) of the Act is replaced by the following:

qualified investment for a trust governed by a registered plan means

(a) money (other than money the fair market value of which exceeds its stated value as legal tender in the country of issuance or money that is held for its numismatic value) and deposits (within the meaning assigned by the *Canada Deposit Insurance Corporation Act* or with a branch in Canada of a bank) of such money standing to the credit of the trust;

(b) a guaranteed investment certificate issued by a trust company incorporated under the laws of Canada or of a province;

(c) a bond, debenture, note or similar obligation

(i) described in paragraph (a) of the definition *fully exempt interest* in subsection 212(3),

(ii) issued by a corporation, mutual fund trust or limited partnership the shares or units of which are listed on a designated stock exchange in Canada,

(iii) issued by a corporation the shares of which are listed on a designated stock exchange outside Canada,

(iv) issued by an authorized foreign bank and payable at a branch in Canada of the bank,

(v) that was issued as part of a single issue of debt of at least $25 million with an investment grade rating from a prescribed credit rating agency (or had such a rating at the time the debt obligation is acquired by the trust),

(vi) that was issued on a continuous basis under a debt issuance program, provided that at least $25 million of debt under the program had been issued and is outstanding with an investment grade rating from a prescribed credit rating agency (or had such a rating at the time the debt obligation is acquired by the trust),

(vii) that was acquired by the trust in exchange for a debt obligation that satisfied the condition in subparagraph (v) or (vi) as part of a proposal or an arrangement that has been approved by a court under the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act*, or

(viii) issued by a public corporation (other than a mortgage investment corporation);

(d) a security (other than a future contract or other derivative instrument in respect of which the holder's risk of loss may exceed the holder's cost) that is listed on a designated stock exchange;

(e) a share of the capital stock of a public corporation (other than a mortgage investment corporation);

(f) an investment contract described in subparagraph (b)(ii) of the definition *retirement savings plan* in subsection 146(1) and issued by a corporation approved by the Governor in Council for the purposes of that subparagraph;

(g) a contract for an annuity issued by a licensed annuities provider if

(i) the trust is the only person that, disregarding a subsequent transfer of the contract by the trust, is or may become entitled to an annuity payment under the contract, and

(ii) the holder of the contract has a right to surrender the contract at any time for an amount that would, if reasonable sales and administration charges were ignored, approximate the value of funds that could otherwise be applied to fund future periodic payments under the contract;

(h) if the registered plan is a RESP, an investment that was acquired by the trust before October 28, 1998;

(i) if the registered plan is a RDSP, a contract for an annuity issued by a licensed annuities provider if

(i) annual or more frequent periodic payments are or may be made under the contract to the holder of the contract,

(ii) the trust is the only person who, disregarding any subsequent transfer of the contract by the trust, is or may become entitled to any annuity payments under the contract,

(iii) neither the time nor the amount of any payment under the contract may vary because of the length of any life, other than the life of the beneficiary under the RDSP (in this paragraph referred to as the "RDSP beneficiary"),

(iv) the day on which the periodic payments began or are to begin is not later than the end of the later of

(A) the year in which the RDSP beneficiary attains the age of 60 years, and

(B) the year following the year in which the contract was acquired by the trust,

(v) the periodic payments are payable for the life of the RDSP beneficiary and either there is no guaranteed period under the contract or there is a guaranteed period that does not exceed 15 years,

(vi) the periodic payments

(A) are equal, or

(B) are not equal solely because of one or more adjustments that would, if the contract were an annuity under a retirement savings plan, be in accordance with subparagraphs 146(3)(b)(iii) to (v) or that arise because of a uniform reduction in the entitlement to the periodic payments as a consequence of a partial surrender of rights to the periodic payments, and

(vii) the contract requires that, in the event the plan must be terminated in accordance with paragraph 146.4(4)(p), any amounts that would otherwise be payable after the termination be commuted into a single payment;

(j) if the registered plan is a RRIF, a contract for an annuity issued by a licensed annuities provider if

(i) annual or more frequent periodic payments are or may be made under the contract to the holder of the contract,

(ii) the trust is the only person who, disregarding any subsequent transfer of the contract by the trust, is or may become entitled to any annuity payments under the contract,

(iii) neither the time nor the amount of any payment under the contract may vary because of the length of any life, other than

(A) if the annuitant under the RRIF (in this paragraph referred to as the "RRIF annuitant") has made the election referred to in the definition *retirement income fund* in subsection 146.3(1) in respect of the fund and a spouse or common-law partner, the life of the RRIF annuitant or the life of the spouse or common-law partner, and

(B) in any other case, the life of the RRIF annuitant,

(iv) the day on which the periodic payments began or are to begin (in this paragraph referred to as the "start date") is not later than the end of the year following the year in which the contract was acquired by the trust,

(v) either

(A) the periodic payments are payable for the life of the RRIF annuitant or the joint lives of the RRIF annuitant and the RRIF annuitant's spouse or common-law partner and either there is no guaranteed period under the contract or there is a guaranteed period that begins at the start date and does not exceed a term equal to 90 years minus the lesser of

(I) the age in whole years at the start date of the RRIF annuitant (determined on the assumption that the RRIF annuitant is alive at the start date), and

(II) the age in whole years at the start date of a spouse or common-law partner of the RRIF annuitant (determined on the assumption that a spouse or common-law partner of the RRIF annuitant at the time the contract was acquired is a spouse or common-law partner of the RRIF annuitant at the start date), or

(B) the periodic payments are payable for a term equal to

(I) 90 years minus the age described in subclause (A)(I), or

(II) 90 years minus the age described in subclause (A)(II), and

(vi) the periodic payments

(A) are equal, or

(B) are not equal solely because of one or more adjustments that would, if the contract were an annuity under a retirement savings plan, be in accordance with subparagraphs 146(3)(b)(iii) to 146(3)(b)(v) or that arise because of a uniform reduction in the entitlement to the periodic payments as a consequence of a partial surrender of rights to the periodic payments;

(k) if the registered plan is a RRSP, a contract for an annuity issued by a licensed annuities provider if it

(i) is described in the definition *retirement income* in subsection 146(1) in respect of the annuitant under the RRSP (in this paragraph referred to as the "RRSP annuitant"), or

(ii) meets the following conditions:

(A) annual or more frequent periodic payments are or may be made under the contract to the holder of the contract,

(B) the trust is the only person who, disregarding any subsequent transfer of the contract by the trust, is or may become entitled to any annuity payments under the contract,

(C) neither the time nor the amount of any payment under the contract may vary because of the length of any life, other than the life of the RRSP annuitant,

(D) the day on which the periodic payments began or are to begin (in this subparagraph referred to as the "start date") is not later than the end of the year in which the RRSP annuitant attains 72 years of age,

(E) either

(I) the periodic payments are payable for the life of the RRSP annuitant and either there is no guaranteed period under the contract or there is a guaranteed period that begins at the start date and does not exceed a term equal to 90 years minus the lesser of

1 the age in whole years at the start date of the RRSP annuitant (determined on the assumption that the RRSP annuitant is alive at the start date), and

2 the age in whole years at the start date of a spouse or common-law partner of the RRSP annuitant (determined on the assumption that a spouse or common-law partner of the RRSP annuitant at the time the contract was acquired is a spouse or common-law partner of the RRSP annuitant at the start date), or

(II) the periodic payments are payable for a term equal to

1 90 years minus the age described in sub-subclause (I)1, or

2 90 years minus the age described in sub-subclause (I)2, and

(F) the periodic payments

(I) are equal, or

(II) are not equal solely because of one or more adjustments that would, if the contract were an annuity under a retirement savings plan, be in accordance with subparagraphs 146(3)(b)(iii) to (v) or that arise because of a uniform reduction in the entitlement to the periodic payments as a consequence of a partial surrender of rights to the periodic payments; and

(l) a prescribed investment. (*placement admissible*)

(3) Paragraphs (a) and (b) of the definition *excluded property* in subsection 207.01(1) of the Act are replaced by the following:

(a) property described in subparagraph 5001(h)(ii) of the *Income Tax Regulations*;

(b) an equity of a mutual fund corporation or mutual fund trust if

(i) either

(A) the equity is equity of a mutual fund corporation or mutual fund trust that derives all or substantially all its value from one or more mutual funds that are subject to, and substantially comply with, the requirements of *National Instrument 81–102 Investment Funds*, as amended from time to time, of the Canadian Securities Administrators, or

(B) the corporation or trust follows a reasonable policy of investment diversification,

(ii) the time is

(A) during the 24-month period that begins on the day on which the first taxation year of the corporation or trust begins,

(B) during the 24-month period that ends on the day on which the last taxation year of the corporation or trust ends, or

(C) where the equity is a share of the capital stock of a mutual fund corporation and the share derives all or substantially all its value from a particular mutual fund,

(I) during the 24-month period that begins on the day on which the particular mutual fund is established, or

(II) during the 24-month period that ends on the day on which the particular mutual fund is terminated,

(iii) it is reasonable to conclude that none of the main purposes of the structure of the corporation or trust, or of the terms and conditions of the equity, is to accommodate transactions or events that could affect the fair market value of the property held by the trust governed by the registered plan in a manner that would not occur in a normal commercial or investment context in which parties deal with each other at arm's length and act prudently, knowledgeably and willingly, and

(iv) it is reasonable to conclude that none of the main purposes of the incorporation, establishment or operation of the corporation or trust, or of the particular mutual fund, is to benefit from this paragraph; or

(4) Paragraph 207.01(12)(c) of the Act is replaced by the following:

(c) the property is, or would be if it was not a prohibited investment at the time it was acquired by the exchanging trust, a qualified investment for the exchanging trust immediately after the exchange time; and

(5) Subsections (1) to (4) come into force on January 1, 2027.

14 (1) Paragraph (d) of the definition *excluded trust* in subsection 211.6(1) of the Act is replaced by the following:

(d) if the trust is not a trust to which paragraph (e) applies, acquires at that time any property that is not described in any of paragraphs (a) and (b) and subparagraph (c)(i) of the definition *qualified investment* in subsection 207.01(1);

(2) Subparagraph (e)(i) of the definition *excluded trust* in subsection 211.6(1) of the Act is replaced by the following:

(i) acquires at that time any property that is not described in any of paragraphs (a), (b), (c) and (d) of the definition *qualified investment* in subsection 207.01(1), or

(3) Paragraph (a) of the definition *prohibited investment* in subsection 211.6(1) of the Act is replaced by the following:

(a) at the time it was acquired by the trust, was described in any of subparagraphs (c)(ii) to (vii) or paragraph (d) of the definition *qualified investment* in subsection 207.01(1); and

(3) Subsections (1) to (3) come into force on January 1, 2027.

15 (1) Clauses 233.2(4)(c)(ii)(E) and (F) of the Act are replaced by the following:

(F) a trust in which all persons beneficially interested are persons described in clauses (A) to (D), or

(2) Subsection (1) comes into force on January 1, 2027.

16 (1) Paragraph (a) of the definition *specified Canadian entity* in subsection 233.3(1) of the Act is amended by adding "or" at the end of subparagraph (vi) and by repealing subparagraph (vii).

(2) Subparagraph (a)(viii) of the definition *specified Canadian entity* in subsection 233.3(1) of the Act is replaced by the following:

(viii) a trust in which all persons beneficially interested are persons described in subparagraphs (i) to (vi); and

(3) Subsections (1) and (2) come into force on January 1, 2027.

17 (1) The definition *registered investment* in subsection 248(1) of the Act is repealed.

(2) Subsection (1) comes into force on January 1, 2027.

18 (1) The definition *designated provisions* in subsection 259(5) of the Act is replaced by the following:

designated provisions means sections 146, 146.1 to 146.4 and 146.6 and Parts X, XI.01 and XI.1, as they apply in respect of investments that are not qualified investments for a trust, and Part X.2; (*dispositions désignées*)

(2) The definition *designated provisions* in subsection 259(5) of the Act is replaced by the following:

designated provisions means sections 146, 146.1 to 146.4 and 146.6 and Parts X, XI.01 and XI.1, as they apply in respect of investments that are not qualified investments for a trust; (*dispositions désignées*)

(3) The definition *specified taxpayer* in subsection 259(5) of the Act is replaced by the following:

specified taxpayer means a taxpayer that is a registered investment or that is described in any of paragraphs 149(1)(r), (s), (u) to (u.2), (u.4) and (x). (*contribuable déterminé*)

(4) The definition *specified taxpayer* in subsection 259(5) of the Act is replaced by the following:

specified taxpayer means a taxpayer that is described in any of paragraphs 149(1)(r), (s), (u) to (u.2), (u.4) and (x). (*contribuable déterminé*)

(5) The portion of the definition *qualified trust* in subsection 259(5) of the Act before paragraph (a) is replaced by the following:

qualified trust at any time means a trust (other than a trust that is prescribed to be a small business investment trust) where

(6) Subsections (1) and (3) are deemed to have come into force on April 1, 2023.

(7) Subsections (2), (4) and (5) come into force on January 1, 2027.

Income Tax Regulations

19 (1) Subsection 221(1) of the *Income Tax Regulations* is replaced by the following:

221 (1) In this section, ***reporting person*** means

(a) a mutual fund corporation;

(b) an investment corporation;

(c) a mutual fund trust;

(d) a trust described in paragraph 4900(1)(d.21);

(e) a trust described in paragraph 4900(1)(d.22); or

(f) a small business investment trust (within the meaning assigned by subsection 5103(1)).

(2) Paragraphs 221(1)(d) and (e) of the Regulations are replaced by the following:

(d) a trust described in paragraph 5003(a);

(e) a trust described in paragraph 5003(b); or

(3) Subsection 221(2) of the Regulations is replaced by the following:

(2) If in any taxation year a reporting person claims that a share of its capital stock issued by it, or an interest as a beneficiary under it, is a qualified investment under section 204 or 207.01 of the Act, the reporting person shall, in respect of the year and within 90 days after the end of the year, make an information return in prescribed form.

(4) Subsection (1) applies to the 2026 taxation year.

(5) Subsections (2) and (3) come into force on January 1, 2027.

20 (1) Subsection 4900(1) of the Regulations is amended by adding the following after paragraph (d.2):

(d.21) a unit of a trust that is subject to, and substantially complies with, the requirements of *National Instrument 81–102 Investment Funds*, as amended from time to time, of the Canadian Securities Administrators;

(d.22) a unit of a trust that is an *investment fund* (as defined in subsection 251.2(1) of the Act), provided that the investments of the trust are managed by a person that is registered as an investment fund manager as described in *National Instrument 31–103 Registration Requirements, Exemptions and Ongoing Registrant Obligations*, as amended from time to time, of the Canadian Securities Administrators;

(2) Subsection (1) is deemed to come into force on Budget Day.

21 (1) Part XLIX of the Regulations is replaced by the following:

PART L

Qualified and Prohibited Investments for Registered Plans

Interpretation

5000 The following definitions apply in this Part.

connected person, under a *registered plan* (as defined in subsection 207.01(1) of the Act) governing a trust, means a person that is a *controlling individual* (as defined in subsection 207.01(1) of the Act) of the plan or a beneficiary of the trust and any other person or partnership that does not deal at arm's length with that person. (*personne rattachée*)

specified cooperative corporation means

(a) a *cooperative corporation* as defined in subsection 136(2) of the Act; or

(b) a corporation that would be a *cooperative corporation* as defined in subsection 136(2) of the Act if the purpose described in that subsection were the purpose of providing employment to the corporation's members or customers. (*coopérative déterminée*)

specified small business corporation, at any time, means a corporation (other than a cooperative corporation) that would, at that time or at the end of the last taxation year of the corporation that ended before that time, be a small business corporation if the reference to "Canadian-controlled private corporation" in the definition *small business corporation* in subsection 248(1) of the Act were read as a reference to "Canadian corporation (other than a corporation controlled at that time, directly or indirectly in any manner whatever, by one or more non-resident persons)". (*société déterminée exploitant une petite entreprise*)

Debt Instruments

5001 For the purposes of paragraph (l) of the definition *qualified investment* in subsection 207.01(1) of the Act, each of the following investments is prescribed as a qualified investment for a trust governed by a registered plan at a particular time if at that time it is

(a) an indebtedness of a Canadian corporation represented by a bankers' acceptance;

(b) a bond, debenture, note or similar obligation of a Canadian corporation if

(i) payment of the principal amount of the obligation and the interest on the principal amount is guaranteed by a corporation or a mutual fund trust whose shares or units, as the case may be, are listed on a designated stock exchange in Canada,

(ii) the corporation is controlled directly or indirectly by one or more corporations or mutual fund trusts described in subparagraph (i), or

(iii) payment of the principal amount of which is guaranteed by His Majesty in right of a province under the *Community Development Bonds Act*, C.C.S.M., c. C160;

(c) a bond, debenture, note or similar obligation issued by, or a deposit with, a credit union;

(d) a bond, debenture, note or similar obligation issued by a *cooperative corporation* (as defined in 136(2) of the Act) if

(i) throughout the taxation year of the corporation immediately preceding the year in which the obligation was acquired by the plan trust, the corporation had at least 100 shareholders, or if all its shareholders were corporations, 50 shareholders, and

(ii) no more than 5% of the fair market value of all obligations of the corporation are held by one or more plan trusts that share the same *controlling individual* (as defined in subsection 207.01(1) of the Act) or beneficiary;

(e) a bond, debenture, note or similar obligation of a Canadian corporation if, at the time the obligation is acquired by the plan trust, the corporation that issued the obligation is a corporation that

(i) is, or is controlled by, a corporation that has issued and outstanding share capital carried in its books at not less than $25 million, and

(ii) has issued and outstanding bonds, debentures, notes or similar obligations having in the aggregate a principal amount of at least $10 million

(A) that are held by at least 300 different persons,

(B) for which one or more prospectus, registration statement or similar document was filed with and, where required by law, accepted for filing by a public authority in Canada in accordance with the laws of Canada or a province, and

(C) for which there was a lawful distribution to the public of those bonds, debentures, notes or similar obligations in accordance with the document described in clause (B);

(f) a debt issued by a Canadian corporation (other than a corporation with share capital) if the taxable income of the corporation is exempt from tax under Part I of the Act because of paragraph 149(1)(l) of the Act and

(i) before the particular time and after 1995, the corporation

(A) acquired, for a total consideration of not less than $25 million, property from His Majesty in right of Canada or a province, and

(B) put that property to a use that is the same as or similar to the use to which the property was put before the acquisition described in clause (A), or

(ii) at the time of the acquisition of the debt by the plan trust, it was reasonable to expect that subparagraph (i) would apply in respect of the debt no later than one year after the time of the acquisition;

(g) a debt issued by a Canadian corporation (other than a corporation with share capital) if the taxable income of the corporation is exempt from tax under Part I of the Act because of paragraph 149(1)(l) of the Act and

(i) the debt is issued by the corporation as part of an issue of debt by the corporation for an amount of at least $25 million, or

(ii) at the time of the acquisition of the debt by the plan trust, the corporation had issued debt as part of a single issue for an amount of at least $25 million;

(h) a debt obligation of a debtor, or an interest (or for civil law a right) in that debt obligation, if it is

(i) fully secured by a mortgage, charge, hypothec or similar instrument in respect of real or immovable property situated in Canada, or would be fully secured were it not for a decline in the fair market value of the property after the debt obligation was issued, or

(ii) secured by a mortgage, charge, hypothec or similar instrument in respect of real or immovable property situated in Canada and is

(A) administered by an approved lender under the *National Housing Act*, and

(B) insured under the *National Housing Act* or by a corporation that offers its services to the public in Canada as an insurer of mortgages or hypothecary claims and that is approved as a private insurer of mortgages or hypothecary claims by the Superintendent of Financial Institutions under subsection 6(1) of the *Office of the Superintendent of Financial Institutions Act*; or

(i) a certificate evidencing an undivided interest, or for civil law an undivided right, in one or more properties if

(i) all or substantially all of the fair market value of the certificate is attributable to property that is, or is incidental to, a debt obligation secured by

(A) a mortgage, charge, hypothec, or similar instrument in respect of real or immovable property situated in Canada, or

(B) property described in paragraph (a) or subparagraph (c)(i) of the definition *qualified investment* in subsection 207.01(1) of the Act that was substituted for the security referred to in clause (A) under the terms of the debt obligation,

(ii) the certificate, at the time of its acquisition by the plan trust, has an investment-grade rating with a credit rating agency referred to in section 5005, and

(iii) the certificate is issued as part of an issue of certificates by the issuer for a total amount of at least $25 million.

Equity Instruments

5002 For the purposes of paragraph (l) of the definition *qualified investment* in subsection 207.01(1) of the Act, each of the following investments is prescribed as a qualified investment for a trust governed by a registered plan at a particular time if at that time it is

(a) a share of the capital stock of a mortgage investment corporation;

(b) a share of, or similar interest in, a credit union;

(c) an American Depositary Receipt where the property represented by the receipt is listed on a designated stock exchange;

(d) a share of the capital stock of a specified small business corporation;

(e) a share of the capital stock of a venture capital corporation described in any of sections 6700 to 6700.2; or

(f) a share of the capital or capital stock of a specified cooperative corporation.

Trusts

5003 For the purposes of paragraph (l) of the definition *qualified investment* in subsection 207.01(1) of the Act, each of the following investments is prescribed as a qualified investment for a trust governed by a registered plan at a particular time if at that time it is a unit of a trust that is

(a) subject to, and substantially complies with, the requirements of *National Instrument 81–102 Investment Funds*, as amended from time to time, of the Canadian Securities Administrators;

(b) an *investment fund* (as defined in subsection 251.2(1)), provided that the investments of the trust are managed by a person that is registered as an investment fund manager as described in *National Instrument 31–103 Registration Requirements, Exemptions and Ongoing Registrant Obligations*, as amended from time to time, of the Canadian Securities Administrators;

(c) a mutual fund trust (or would be a mutual fund trust if it had been created after 1999); or

(d) a small business investment trust (within the meaning assigned by subsection 5103(1)) that

(i) was acquired by the trust before January 1, 2027,

(ii) was a qualified investment for the trust at the time it was acquired, and

(iii) would, at the particular time, be a qualified investment for the trust under the Regulations as they read on December 31, 2026.

Other Prescribed Investments

5004 For the purposes of paragraph (l) of the definition *qualified investment* in subsection 207.01(1) of the Act, each of the following investments is prescribed as a qualified investment for a trust governed by a registered plan at a particular time if at that time it is

(a) an option, a warrant or a similar right (each of which is, in this paragraph, referred to as the "security") issued by a person or partnership (in this paragraph referred to as the "issuer") that gives the holder the right to acquire, either immediately or in the future, property all of which is a qualified investment for the plan trust or to receive a cash settlement in lieu of delivery of that property, where the property is

(i) a share of the capital stock of, a unit of, or a debt issued by, the issuer or another person or partnership that does not, when the security is issued, deal at arm's length with the issuer; or

(ii) a warrant issued by the issuer or another person or partnership that does not, when the security is issued, deal at arm's length with the issuer, and that gives the holder the right to acquire a share or unit described in subparagraph (i);

(b) gold (with a minimum fineness of 995 parts per 1000) or silver (with a minimum fineness of 999 parts per 1000), in the form of or represented by

(i) a legal tender bullion coin produced by the Royal Canadian Mint that

(A) has a fair market value at the particular time not exceeding 110 per cent of the fair market value of the coin's gold or silver content and

(B) is acquired by the trust directly from the Royal Canadian Mint or from a bank, a trust company, a credit union, an insurance corporation or a registered securities dealer that is resident in Canada and subject by law to the supervision of a regulating authority that is the Superintendent of Financial Institutions or a similar authority of a province,

(ii) a bullion bar, ingot or wafer produced by a refiner on the London Bullion Market Association's good delivery list for gold or silver, as the case may be, that is

(A) stamped with the fineness, weight and the refiner's hallmark, and

(B) acquired directly from the refiner or a person described in clause (i)(B), or

(iii) a certificate issued by a person described in clause (i)(B) representing a claim of the holder of the certificate to property held by the issuer of the certificate, if

(A) the property would be property described in subparagraph (i) or (ii) if those subparagraphs were read without reference to clauses (i)(B) and (ii)(B), respectively, and

(B) the certificate is acquired by the trust directly from the issuer of the certificate or a person described in clause (i)(B); or

(c) an interest of a limited partner in a small business investment limited partnership (within the meaning assigned by subsection 5102(1)) that

(i) was acquired by the trust before January 1, 2027,

(ii) was a qualified investment for the trust at the time it was acquired, and

(iii) would, at the particular time, be a qualified investment for the trust under the Regulations as they read on December 31, 2026.

Prescribed Credit Rating Agency

5005 For the purposes of subparagraphs (c)(v) and (vi) of the definition *qualified investment* in subsection 207.01(1) of the Act, each of the following is a prescribed credit rating agency:

(a) A.M. Best Company, Inc.;

(b) DBRS Limited;

(c) Fitch Ratings, Inc.;

(d) Moody's Investors Service, Inc.;

(e) Standard & Poor's Financial Services LLC; and

(f) a subsidiary or affiliate of a company listed in any of paragraphs (a) to (e), to the extent that it provides credit rating services outside of Canada on behalf of the company in respect of which it is the subsidiary or affiliate.

Prescribed Prohibited Property

5006 For the purposes of paragraph (d) of the definition *prohibited investment* in subsection 207.01(1) of the Act, each of the following is a prescribed property for a trust at a particular time if at that time it is

(a) a share of the capital stock of a mortgage investment corporation that holds any indebtedness, whether by way of mortgage or otherwise, of a person who is a connected person under the registered plan governing the trust;

(b) an option, a warrant or a similar right that is issued by a connected person under the registered plan governing the trust;

(c) a bond, debenture, note or similar obligation issued by, or a deposit with, a credit union that granted any benefit or privilege as a result of the ownership by the trust of a share or obligation of, or a deposit with, the credit union to a person who is a connected person under the registered plan governing the trust, if the benefit was granted during the calendar year in which the particular time occurs, or, where the person continues to enjoy the benefit or privilege, in a prior year;

(d) a bond, debenture, note or similar obligation issued by a *cooperative corporation* (as defined in subsection 136(2) of the Act) that granted any benefit or privilege as a result of the ownership by the trust of a share or obligation of the corporation to a person who is a connected person under the registered plan governing the trust, if the benefit was granted during the calendar year in which the particular time occurs, or, where the person continues to enjoy the benefit or privilege, in a prior year;

(e) a bankers' acceptance that represents an indebtedness of a Canadian corporation that is a connected person under the registered plan governing the trust; and

(f) a share of the capital or capital stock of a specified cooperative corporation if

(i) ownership of the share or a share identical to the share is a condition of membership in the corporation, and

(ii) a connected person under the registered plan governing the trust

(A) has received a payment from the corporation pursuant to an *allocation in proportion to patronage* (as defined in subsection 135(4) of the Act) in respect of *consumer goods or services* (as defined in subsection 135(4) of the Act), or

(B) can reasonably be expected to receive a payment described in clause (A), after the acquisition of the share by the plan trust.

(2) Subsection (1) comes into force on January 1, 2027.

22 (1) The heading "Deferred Income Plans, Investments in Small Business" before section 5100 of the Regulations is replaced by the following:

PART LI

Small Business Investments

(2) Subsection (1) comes into force on January 1, 2027.

23 (1) The definition *specified property* in subsection 5100(1) of the Regulations is replaced by the following:

specified property means property described in paragraph (a), (b) or (f) or subparagraphs (c)(i) to (iv) of the definition *qualified investment* in subsection 207.01(1) of the Act. (*bien déterminé*)

(2) Subsection (1) comes into force on January 1, 2027.

Information Sharing – Worker Misclassification

1 Paragraph 241(4)(d) of the Act is amended by adding the following after subparagraph (x.1):

> **(x.2)** to an official of the Department of Employment and Social Development solely for the purpose of the administration or enforcement of the *Canada Labour Code* as it relates to the misclassification of employees,

Home Accessibility Tax Credit

1 (1) The definition *qualifying expenditure* in subsection 118.041(1) of the Act is amended by striking out "or" at the end of paragraph (i), by adding "or" at the end of paragraph (j) and by adding the following after paragraph (j):

> **(k)** that is included in computing a deduction under section 118.2 for any taxpayer for any taxation year. (*dépense admissible*)

(2) Subsection 118.041(4) of the Act is repealed.

(3) Subsections (1) and (2) come into force or are deemed to have come into force on January 1, 2026.

21-Year Rule

1 (1) The portion of subsection 104(5.8) of the Act before paragraph (a) is replaced by the following:

Trust transfers

(5.8) Where capital property, land included in inventory, Canadian resource property or foreign resource property is transferred, directly or indirectly in any manner whatever, at a particular time by a trust (in this subsection referred to as the "transferor trust") to another trust (in this subsection referred to as the "transferee trust") in circumstances in which subsection 107(2) or 107.4(3) or paragraph (f) of the definition *disposition* in subsection 248(1) applies,

(2) Subsection (1) applies in respect of transfers of property that occur on or after Budget Day.

Canada Carbon Rebate

1 The Act is modified to give effect to the proposals relating to the Canada Carbon Rebate as described in the budget documents tabled by the Minister of Finance in the House of Commons on Budget Day.

Immediate Expensing for Manufacturing and Processing Buildings

1 The Act is modified to give effect to the proposals relating to the Immediate Expensing for Manufacturing and Processing Buildings as described in the budget documents tabled by the Minister of Finance in the House of Commons on Budget Day.

Scientific Research and Experimental Development Tax Incentive Program

1 (1) Subsection 127(10.2) is replaced by the following:

Expenditure limit — CCPC

(10.2) For the purpose of subsection (10.1), a particular Canadian-controlled private corporation's expenditure limit for a particular taxation year is the amount determined by the formula

$6 million × ($60 million – A)/$60 million

where

A is

(a) nil, if the following amount is less than or equal to $15 million:

(i) if the particular corporation is not associated with any other corporation in the particular taxation year, the amount that is its taxable capital employed in Canada (within the meaning assigned by section 181.2 or 181.3) for its immediately preceding taxation year, and

(ii) if the particular corporation is associated with one or more other corporations in the particular taxation year, the amount that is the total of all amounts, each of which is the taxable capital employed in Canada (within the meaning assigned by section 181.2 or 181.3) of the particular corporation for its, or of one of the other corporations for its, last taxation year that ended in the last calendar year that ended before the end of the particular taxation year, and

(b) in any other case, the lesser of $60 million and the amount by which the amount determined under subparagraph (a)(i) or (ii), as the case may be, exceeds $15 million.

(2) Subsection 127(10.6) of the Act is replaced by the following:

Expenditure limit determination in certain cases

(10.5) Notwithstanding any other provision of this section,

(a) where a Canadian-controlled private corporation (in this paragraph referred to as the "first corporation") has more than one taxation year ending in the same calendar year and it is associated in two or more of those taxation years with another Canadian-controlled private corporation that has a taxation year ending in that calendar year, the expenditure limit of the first corporation for each taxation year in which it is associated with the other corporation ending in that calendar year is, subject to the application of paragraph (b), an amount equal to its expenditure limit for the first such taxation year determined without reference to paragraph (b); and

(b) where a Canadian-controlled private corporation has a taxation year that is less than 51 weeks, its expenditure limit for the year is that proportion of its expenditure limit for the year determined without reference to this paragraph that the number of days in the year is of 365.

Expenditure limit — ECPC

(10.6) For the purpose of subsection (10.1), a particular eligible Canadian public corporation's expenditure limit for a particular taxation year is the amount determined by the formula

$6 million × ($60 million – A)/$60 million

where

A is

(a) nil, if the following amount is less than or equal to $15 million:

(i) if the particular corporation is not a member of a consolidated group in the particular taxation year, the amount that is the average, over the period of three fiscal years immediately preceding and ending before the particular taxation year, of its annual revenue based on the amounts reflected in the financial statements of the corporation, and

(ii) if the particular corporation is a member of a consolidated group in the particular taxation year, the amount that is the average, over the period of three fiscal years immediately preceding and ending before the particular taxation year, of the annual revenue reflected in the consolidated financial statements of the group, and

(b) in any other case, the lesser of $60 million and the amount by which the amount determined under subparagraph (a)(i) or (ii), as the case may be, exceeds $15 million.

Expenditure limits — consolidated ECPCs

(10.61) Notwithstanding subsection (10.6), the expenditure limit for a taxation year of an eligible Canadian public corporation that is, at any time in the year, a member of a consolidated group is, except as otherwise provided in this section, nil.

Consolidated ECPCs

(10.62) If all of the eligible Canadian public corporations that are members of a consolidated group file with the Minister in prescribed form an agreement under which, for the purpose of subsection (10.1), they allocate an amount to one or more of them for the year and the amount so allocated or the total of the amounts so allocated, as the case may be, does not exceed the amount determined for the year by the formula in subsection (10.6), the expenditure limit for the year of each of the corporations is the amount so allocated to it.

Failure to file agreement

(10.63) If any of the eligible Canadian public corporations that are members of a consolidated group fails to file with the Minister an agreement as contemplated by subsection (10.62) within 30 days after notice in writing by the Minister is forwarded to any of them that such an agreement is required for the purposes of this Part, the Minister shall, for the purpose of subsection (10.1), allocate an amount to one or more of them for the year, which amount or the total of which amounts, as the case may be, shall equal the amount determined for the year by the formula in subsection (10.6), and in any such case the expenditure limit for the year of each of the corporations is the amount so allocated to it.

Determinations in certain cases

(10.64) Notwithstanding any other provision of this section,

(a) where an eligible Canadian public corporation (in this paragraph referred to as the "first corporation") has more than one taxation year ending in the same calendar year and in two or more of those taxation years it is a member of a consolidated group in which another eligible Canadian public corporation has a taxation year ending in that calendar year, the expenditure limit of the first corporation for each taxation year in which it is in the same group as the other corporation ending in that calendar year is, subject to the application of paragraph (b), an amount equal to its expenditure limit for the first such taxation year determined without reference to paragraph (b);

(b) where an eligible Canadian public corporation has a taxation year that is less than 51 weeks, its expenditure limit for the year is that proportion of its expenditure limit for the year determined without reference to this paragraph that the number of days in the year is of 365;

(c) for the purpose of subparagraph (a)(i) of the description of A in subsection (10.6), where one or more of the fiscal years of an eligible Canadian public corporation is less than 51 weeks, the revenue reflected in the financial statements for each of those fiscal years shall be determined by multiplying that amount by the ratio that 365 is of the number of days in that year;

(d) for the purpose of subparagraph (a)(ii) of the description of A in subsection (10.6), where one or more of the fiscal years of the ultimate parent entity of a consolidated group is less than 51 weeks, the revenue reflected in the consolidated financial statements of the entity for each of those fiscal years shall be determined by multiplying that amount by the ratio that 365 is of the number of days in that year; and

(e) for the purpose of subparagraphs (a)(i) and (ii) of the description of A in the formula in subsection (10.6),

(i) the average annual revenue referred to in each subparagraph is to be calculated over the actual number of fiscal years if there are less than three fiscal periods immediately preceding and ending before the particular taxation year, and

(ii) if paragraph (10.32)(c) applies, the average annual revenue referred to in that paragraph is to be calculated over the actual number of fiscal years if there are less than three fiscal years immediately preceding and ending in the calendar year referred to in that paragraph.

(3) Subsections (1) and (2) apply to taxation years that begin on or after December 16, 2024.

Agricultural Cooperatives: Patronage Dividends Paid in Shares

1 Paragraph (a) of the definition *tax deferred cooperative share* in subsection 135.1(1) of the Act is replaced by the following:

(a) issued, after 2005 and before 2031, by an agricultural cooperative corporation to a person or partnership that is at the time the share is issued an eligible member of the agricultural cooperative corporation, pursuant to an allocation in proportion to patronage;

Critical Mineral Exploration Tax Credit

1 (1) The definition *critical mineral* in subsection 127(9) of the Act is replaced by the following:

critical mineral means bismuth, cesium, chromium, cobalt, copper, fluorspar, gallium, germanium, graphite, indium, lithium, magnesium, manganese, molybdenum, nickel, niobium, a platinum group metal, a rare earth element, scandium, tantalum, tellurium, tin, titanium, tungsten, uranium, vanadium or zinc; (*minéral critique*)

(2) Subsection (1) applies in respect of expenses renounced under a flow-through share agreement entered into after Budget Day.

Clean Technology Manufacturing Investment Tax Credit

1 (1) The definition *qualifying material* in subsection 127.49(1) of the Act is amended by striking out "and" at the end of paragraph (e) and by adding the following after subparagraph (f):

(g) antimony;

(h) gallium;

(i) germanium;

(j) indium; and

(k) scandium.

(2) Subsection (1) applies in respect of property that is acquired and becomes available for use on or after Budget Day.

Investment Tax Credit for Carbon Capture, Utilization, and Storage

1 (1) Paragraphs (a) and (b) of the definition *specified percentage* in subsection 127.44(1) of the Act are replaced by the following:

(a) qualified carbon capture expenditure if incurred in respect of carbon capture

(i) directly from ambient air

(A) after 2021 and before 2036, 60%,

(B) after 2035 and before 2041, 30%, or

(C) after 2040, 0%, or

(ii) other than directly from ambient air

(A) after 2021 and before 2036, 50%,

(B) after 2035 and before 2041, 25%, or

(C) after 2040, 0%; and

(b) qualified carbon transportation expenditure, qualified carbon storage expenditure or qualified carbon use expenditure if incurred

(i) after 2021 and before 2036, 37 1/2%,

(ii) after 2035 and before 2041, 18 3/4%, or

(iii) after 2040, 0%. (*pourcentage déterminé*)

(2) Subsection (1) is deemed to have come into force on Budget Day.

Clean Electricity Investment Tax Credit and Canada Growth Fund

1 The Act is modified to give effect to the proposals relating to the Clean Electricity Investment Tax Credit and Canada Growth Fund as described in the budget documents tabled by the Minister of Finance in the House of Commons on Budget Day.

Tax Deferral Through Tiered Corporate Structures

1 (1) Paragraph 87(2)(j.6) of the Act is replaced by the following:

Continuing corporation

(j.6) for the purposes of paragraphs 12(1)(t) and (x), subsections 12(2.2) and 13(7.1), (7.4) and (24), paragraphs 13(27)(b) and (28)(c), subsections 13(29) and 18(9.1), paragraphs 20(1)(e), (e.1), (v) and (hh), sections 20.1 and 32, paragraph 37(1)(c), subsection 39(13), subparagraphs 53(2)(c)(vi) and (h)(ii), paragraph 53(2)(s), subsections 53(2.1), 66(11.4), 66.7(11) and 84.1(2.31) and (2.32), section 110.61, subsections 127(10.2) and 129(1.3) to (1.32), section 139.1, subsection 152(4.3), the determination of D in the definition *undepreciated capital cost* in subsection 13(21), the determination of L in the definition *cumulative Canadian exploration expense* in subsection 66.1(6) and the definition *qualifying business transfer* in subsection 248(1), the new corporation is deemed to be the same corporation as, and a continuation of, each predecessor corporation;

(2) Subsection (1) applies to taxation years that begin on or after Budget Day.

2 (1) Subsection 129(1.2) of the Act is replaced by the following:

Dividends deemed not to be taxable dividends

(1.2) Where a dividend is paid on a share of the capital stock of a corporation and the share (or another share for which the share was substituted) was acquired by its holder in a transaction or as part of a series of transactions one of the main purposes of which was to enable the corporation (or another corporation affiliated with the corporation) to obtain a dividend refund, the dividend shall, for the purposes of subsections (1) and (1.3) to (1.32), be deemed not to be a taxable dividend.

Staggered year ends — dividend refund suspension

(1.3) For the purpose of subsection (1) and subject to subsection (1.31), the amount of a dividend paid by a corporation (in this subsection and subsections (1.31) and (1.32) referred to as the "payer corporation") — other than a dividend to

which paragraph 55(3)(a) or (b) applies in the course of a reorganization — is deemed not to be a taxable dividend to the extent that the dividend is received, directly or indirectly through one or more trusts or partnerships, by another corporation (in subsections (1.31) and (1.32) referred to as a "payee corporation") that:

(a) is affiliated with the payer corporation immediately before the time the dividend is paid;

(b) is a private corporation or a subject corporation (within the meaning assigned by subsection 186(3)); and

(c) has a balance-due day for the taxation year in which it received the dividend that is after the balance-due day for the taxation year of the payer corporation (in subsection (1.31) referred to as the "payer-due day") in which it paid the dividend.

Exclusion

(1.31) Subsection (1.3) does not apply to a dividend if:

(a) the following conditions are satisfied:

(i) in the taxation year of the payee corporation in which the dividend was received, the payee corporation paid, on or before the payer-due day, one or more taxable dividends (in this subsection referred to as the "payee dividend") the total amount of which equals or exceeds the amount of the dividend received by the payee corporation,

(ii) if applicable, in the taxation year of each corporation (in this subsection referred to as a "grandparent corporation") that is affiliated with the payer corporation immediately before the time the dividend is paid and that received, directly or indirectly through one or more trusts, partnerships or grandparent corporations, all or a portion of the payee dividend, the grandparent corporation paid, on or before the payer-due day, one or more taxable dividends (in this subsection referred to as the "grandparent dividend") the total amount of which equals or exceeds the amount of the payee dividend received, directly or indirectly, by the grandparent corporation, and

(iii) no portion of the payee dividend referred to in subparagraph (i) or the grandparent dividend referred to in subparagraph (ii) is otherwise relied on by any taxpayer to avoid the application of subsection (1.3); or

(b) the payer corporation was subject to a loss restriction event within 30 days after the payer corporation paid the dividend that, but for this paragraph, would be subject to subsection (1.3).

Release of suspended dividend refund

(1.32) For the purpose of subsection (1), a payer corporation is deemed to have paid at the end of a particular taxation year a taxable dividend equal to the amount of a dividend that was subject to subsection (1.3) in a taxation year of the payer corporation preceding the particular taxation year (in this subsection referred to as the "suspended dividend") if the following conditions are met:

(a) between the time the suspended dividend was paid and the end of the particular taxation year

(i) the payer corporation was not subject to a loss restriction event, and

(ii) the payee corporation, and if applicable each grandparent corporation (described in subparagraph (1.31)(a)(ii) at the time subsection (1.3) applied to the payer corporation in respect of the suspended dividend), paid one or more taxable dividends the total amount of which equals or exceeds the amount of the suspended dividend, and the dividends were received, directly or indirectly through one or more trusts, partnerships or grandparent corporations, by a taxpayer that was not

(A) a corporation that was affiliated with the payer corporation immediately before the time the suspended dividend was paid, or

(B) a private corporation or a subject corporation, within the meaning assigned by subsection 186(3), (in this subsection referred to as the "connected corporation") that was connected, within the meaning assigned by subsection 186(4), with the payee corporation or a grandparent corporation at the time that the payee corporation or the grandparent corporation paid the taxable dividend, unless:

(I) in the taxation year of the connected corporation in which the dividend was received, the connected corporation paid, by the end of the particular taxation year, one or more taxable dividends (in this subsection referred to as the "connected dividend") the total amount of which equals or exceeds the amount of the dividend received, and

(II) if applicable, in the taxation year of each corporation (in this subsection referred to as a "connected parent or grandparent corporation") that is connected (within the meaning assigned by subsection 186(4)) with the connected corporation immediately before the time the connected dividend is paid and that received, directly or indirectly through one or more trusts, partnerships or connected parent or grandparent corporations, all or a portion of the connected dividend, the connected parent or grandparent corporation paid, by the end of the particular taxation year, one or more taxable dividends the total amount of which equals or exceeds their share of the connected dividend received;

(b) no amount in respect of the taxable dividends paid under paragraph (a) are relied on by any taxpayer (other than the payer corporation) to

(i) obtain a dividend refund under subsection (1), or

(ii) avoid the application of subsection (1.3); and

(c) this subsection has not previously applied in respect of the suspended dividend.

Assessments

(1.33) Despite subsections 152(4) to (5), such assessments, reassessments, determinations and redeterminations may be made as are necessary to give effect to subsections (1.3) to (1.32).

(2) Subsection (1) applies to dividends paid in taxation years that begin on or after Budget Day.

3 (1) The portion of paragraph 186(1)(b) of the Act before subparagraph (i) is replaced by the following:

(b) all amounts, each of which is an amount in respect of an assessable dividend received by the particular corporation in the year from a private corporation or a subject corporation that was a payer corporation connected with the particular corporation, equal to that proportion of the payer corporation's dividend refund (within the meaning assigned by paragraph 129(1)(a), if this Act were read without reference to subsection 129(1.32)) for its taxation year in which it paid the dividend that

(2) Subparagraph 186(1)(b)(i) of the Act is replaced by the following:

(i) the amount of the dividend received by the particular corporation (excluding any amount subject to subsection 129(1.3))

(3) Subparagraph 186(1)(b)(ii) of the Act is replaced by the following:

(ii) the total of all taxable dividends paid by the payer corporation in its taxation year in which it paid the dividend and at a time when it was a private corporation or a subject corporation (excluding any amount subject to subsection 129(1.3))

(4) Subsections (1) to (3) are deemed to come into force on Budget Day.

Eligible activities under the Canadian Exploration Expense

1 The Act is modified to give effect to the proposals relating to the Eligible activities under the Canadian Exploration Expense as described in the budget documents tabled by the Minister of Finance in the House of Commons on Budget Day.

Transfer Pricing

1 (1) Subsection 142.7(4) of the Act is replaced by the following:

Deemed fair market value

(4) If a Canadian affiliate of an entrant bank and the entrant bank make an election under subsection (3) in respect of a transfer of property by the Canadian affiliate to the entrant bank, for the purposes of subsections 15(1), 52(2), 69(1), (4) and (5), 246(1) and 247(2.02) in respect of the transfer, the fair market value of the property is deemed to be the amount agreed by the Canadian affiliate and the entrant bank in their election.

(2) Subsection (1) applies to taxation years and fiscal periods that begin after Budget Day.

2 (1) The definitions *arm's length allocation*, *arm's length transfer price*, *tax benefit* and *transfer price* in subsection 247(1) of the Act are repealed.

(2) The definitions *transfer pricing income adjustment* and *transfer pricing income setoff adjustment* in subsection 247(1) of the Act are replaced by the following:

transfer pricing income adjustment of a taxpayer for a taxation year means the total of all amounts each of which is the amount, if any, by which an adjustment made under subsection (2.02) (other than an adjustment included in determining a transfer pricing capital adjustment of the taxpayer for a taxation year) would result in an increase in the taxpayer's income for the year or a decrease in a loss of the taxpayer for the year from a source if that adjustment were the only adjustment made under subsection (2.02). (*redressement de revenu*)

transfer pricing income setoff adjustment of a taxpayer for a taxation year means the total of all amounts each of which is the amount, if any, by which an adjustment made under subsection (2.02) (other than an adjustment included in determining a transfer pricing capital setoff adjustment of the taxpayer for a taxation year) would result in a decrease in the taxpayer's income for the year or an increase in a loss of the taxpayer for the year from a source if that adjustment were the only adjustment made under subsection (2.02). (*redressement compensatoire de revenu*)

(3) Subparagraph (a)(i) of the definition *transfer pricing capital adjustment* in subsection 247(1) of the Act is replaced by the following:

(i) 1/2 of the amount, if any, by which the adjusted cost base to the taxpayer of a capital property (other than a depreciable property) is reduced in the year because of an adjustment made under subsection (2.02), or

(4) Subparagraph (a)(iii) of the definition *transfer pricing capital adjustment* in subsection 247(1) of the Act is replaced by the following:

(iii) the amount, if any, by which the capital cost to the taxpayer of a depreciable property is reduced in the year because of an adjustment made under subsection (2.02); and

(5) Subparagraph (b)(i) of the definition *transfer pricing capital adjustment* in subsection 247(1) of the Act is replaced by the following:

(i) 1/2 of the amount, if any, by which the adjusted cost base to a partnership of a capital property (other than a depreciable property) is reduced in a fiscal period that ends in the year because of an adjustment made under subsection (2.02), and

(6) Subparagraph (b)(iii) of the definition *transfer pricing capital adjustment* in subsection 247(1) of the Act is replaced by the following:

(iii) the amount, if any, by which the capital cost to a partnership of a depreciable property is reduced in the period because of an adjustment made under subsection (2.02),

(7) Subsection 247(1) of the Act is amended by adding the following in alphabetical order:

actual conditions means, in respect of a transaction or series of transactions, the conditions that actually apply between any of the participants in the transaction or series. (*conditions réelles*)

arm's length conditions means, in respect of a transaction or series of transactions, the conditions that would have applied had the participants been dealing at arm's length in comparable circumstances, including the possibility that no transaction or series, or a different transaction or series, would have been concluded had the participants been dealing at arm's length in comparable circumstances. (*conditions de pleine concurrence*)

economically relevant characteristics, in respect of a transaction or series of transactions, includes

(a) to the extent that the following contractual terms are not inconsistent with the actual conduct of the participants in the transaction or series,

(i) the contractual terms of the transaction or series, and

(ii) the contractual terms of each other transaction or series that is relevant to the transaction or series and that involves at least one of the participants or any other member of the multinational enterprise group;

(b) the actual conduct of the participants in the transaction or series, and in particular the functions performed by those participants, taking into account

(i) assets used and risks assumed,

(ii) how those functions relate to the wider generation of value by the multinational enterprise group to which the participants belong,

(iii) circumstances surrounding the transaction or series, and

(iv) industry practices;

(c) the characteristics of any property transferred or service provided;

(d) the economic circumstances of the participants and of the market in which the participants operate; and

(e) the business strategies pursued by the participants. (*caractéristiques économiquement pertinentes*)

multinational enterprise group means the group made up of the taxpayer or the partnership, or member of the partnership, and the non-resident person (or a partnership of which the non-resident person is a member) who are participants in a transaction or series of transactions referred to in subsection (2), as well as any other person that does not deal at arm's length with at least one of the participants. (*groupe d'entreprises multinationales*)

Transfer Pricing Guidelines means

(a) if no text is prescribed under paragraph (b), the *OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations*, as adopted by the Committee on Fiscal Affairs on January 7, 2022; or

(b) any text prescribed by regulation. (*Principes applicables en matière de prix de transfert*)

(8) Subsection 247(2) of the Act is replaced by the following:

Delineation of transaction or series

(1.1) For the purposes of this section, a transaction or series of transactions is to be analyzed and determined with reference to the economically relevant characteristics of the transaction or series.

Interpretation of conditions

(1.2) For the purposes of the definitions *actual conditions* and *arm's length conditions* in subsection (1), the word "conditions" is to be interpreted broadly, and includes, but is not limited to, price, rate, gross margin, net margin, the

division of profit, contributions to costs and any commercial or financial information relevant to the determination of the quantum or nature of initial amounts or adjusted amounts, as the case may be.

Transfer pricing adjustment — application

(2) Subsection (2.02) applies to a taxpayer or a partnership in respect of a transaction or series of transactions if

(a) the taxpayer or the partnership and a non-resident person with whom the taxpayer or the partnership, or a member of the partnership, does not deal at arm's length (or a partnership of which the non-resident person is a member) are participants in the transaction or series; and

(b) the transaction or series includes actual conditions different from arm's length conditions.

Transfer pricing adjustment — deeming rule

(2.01) For the purposes of paragraph (2)(b), a transaction or series of transactions is deemed to include actual conditions different from arm's length conditions if a condition does not exist in respect of the transaction or series, but would have existed had the participants in the transaction or series been dealing at arm's length in comparable circumstances.

Transfer pricing adjustment

(2.02) If this subsection applies to a taxpayer or a partnership in respect of a transaction or series of transactions, any amounts (in this section referred to as the "initial amounts") that would be determined for the purposes of applying the provisions of this Act (if this Act were read without reference to this section and section 245) in respect of the taxpayer or the partnership for a taxation year or fiscal period are to be adjusted (in this section referred to as an "adjustment") to the quantum or nature of the amounts (in this section referred to as the "adjusted amounts") that would have been determined if arm's length conditions in respect of the transaction or series had applied.

Transfer Pricing Guidelines

(2.03) For the purposes of determining the effect of this Part in relation to a taxpayer or a partnership, each of the analysis and determination of a transaction or series of transactions under subsection (1.1), the identification of arm's length conditions under paragraph (2)(b) and the determination of amounts under subsection (2.02) are to be made so as to best achieve consistency with the Transfer Pricing Guidelines.

Most appropriate method

(2.04) For the purposes of this Part, whether a transaction or series of transactions includes actual conditions that differ from arm's length conditions is to be determined through an analysis where the most appropriate method is selected and applied in accordance with the Transfer Pricing Guidelines.

(9) The portion of subsection 247(2.1) of the Act before paragraph (a) is replaced by the following:

Ordering

(2.1) For the purpose of applying subsection (2.02) in the context of the other provisions of this Act, the following order is to be applied:

(10) Paragraph 247(2.1)(c) of the Act is replaced by the following:

(c) then apply each of the provisions of this Act (other than subsection (2.02) and, for greater certainty, including section 245) using the adjusted amounts.

(11) Subparagraphs 247(3)(a)(ii) and (iii) of the Act are replaced by the following:

(ii) the total of all amounts each of which is the portion of the taxpayer's transfer pricing capital adjustment or transfer pricing income adjustment for the year that can reasonably be considered to relate to a particular transaction or series of transactions, where

(A) the transaction or series is a qualifying cost contribution arrangement in which the taxpayer or a partnership of which the taxpayer is a member is a participant, or

(B) in any other case, the taxpayer or a partnership of which the taxpayer is a member made reasonable efforts to determine amounts that are based on arm's length conditions in respect of the transaction or series, and to use those amounts for the purposes of this Act, and

(iii) the total of all amounts, each of which is the portion of the taxpayer's transfer pricing capital setoff adjustment or transfer pricing income setoff adjustment for the year that can reasonably be considered to relate to a particular transaction or series, where

(A) the transaction or series is a qualifying cost contribution arrangement in which the taxpayer or a partnership of which the taxpayer is a member is a participant, or

(B) in any other case, the taxpayer or a partnership of which the taxpayer is a member made reasonable efforts to determine amounts that are based on arm's length conditions in respect of the transaction or series, and to use those amounts for the purposes of this Act,

(12) Subparagraphs 247(3)(b)(i) and (ii) of the Act are replaced by the following:

(i) 10% of the amount that would be the taxpayer's gross revenue for the year if this Act were read without reference to subsection (2.02), subsections 69(1) and (1.2) and section 245, and

(ii) $10,000,000.

(13) Subsection 247(4) of the Act is replaced by the following:

Contemporaneous documentation

(4) For the purposes of subsection (3) and the definition *qualifying cost contribution arrangement* in subsection (1), a taxpayer or a partnership is deemed not to have made reasonable efforts to determine and use amounts that are based on arm's length conditions in respect of a transaction or series of transactions or not to have participated in a transaction or series that is a qualifying cost contribution arrangement, unless the taxpayer or the partnership, as the case may be,

(a) makes or obtains, on or before the taxpayer's or partnership's documentation-due date for the taxation year or fiscal period, as the case may be, in which the transaction or series is entered into, records or documents that provide a description that is complete and accurate in all material respects of

(i) the property or services to which the transaction or series relates,

(ii) the contractual terms of the transaction or series and their relationship, if any, to the contractual terms of each other transaction or series that is relevant to the transaction or series and that involves at least one of the participants or any other member of the multinational enterprise group,

(iii) the identity of the participants and their relationship to each other at the time the transaction or series was entered into,

(iv) the functions performed by each of the participants in the transaction or series, based on their actual conduct, taking into account

(A) assets used and risks assumed,

(B) how those functions relate to the wider generation of value by the multinational enterprise group to which the participants belong,

(C) circumstances surrounding the transaction or series, and

(D) industry practices,

(v) the data and methods considered and the analysis performed to determine amounts that are based on arm's length conditions and to select and apply the most appropriate method in accordance with the Transfer Pricing Guidelines in respect of the transaction or series, and

(vi) the economic circumstances, assumptions, policies and business strategies, if any, that influenced the determination of the amounts that are based on arm's length conditions in respect of the transaction or series;

(b) for each subsequent taxation year or fiscal period, if any, in which the transaction or series continues, makes or obtains, on or before the taxpayer's or partnership's documentation-due date for that year or period, as the case may be, records or documents that completely and accurately describe each material change in the year or period to the matters referred to in any of subparagraphs (4)(a)(i) to (vi) in respect of the transaction or series; and

(c) provides the records or documents described in paragraphs (4)(a) and (b) to the Minister within 30 days after service, made personally or by registered or certified mail, of a written request therefor.

Contemporaneous documentation simplification measures

(4.1) Subsection (4) does not apply to a taxpayer or partnership for a particular taxation year or fiscal period in respect of a transaction or series if the taxpayer or partnership

(a) meets prescribed conditions; and

(b) makes, obtains and provides prescribed documentation in prescribed manner.

(14) Subsection 247(7) of the Act is replaced by the following:

Exclusion — loans to certain controlled foreign affiliates

(7) Where, in a taxation year of a corporation resident in Canada, a non-resident person owes an amount to the corporation, the non-resident person is a controlled foreign affiliate of the corporation for the purpose of section 17 throughout the period in the year during which the amount is owing and it is established that the amount owing is an amount owing described in paragraph 17(8)(a) or (b), subsection (2.02) does not apply to adjust the amount of interest paid, payable or accruing in the year on the amount owing.

(15) The portion of subsection 247(7.1) of the Act before paragraph (a) is replaced by the following:

Exclusion — certain guarantees

(7.1) Subsection (2.02) does not apply to adjust an amount of consideration paid, payable or accruing to a corporation resident in Canada (in this subsection referred to as the "parent") in a taxation year of the parent for the provision of a guarantee to a person or partnership (in this subsection referred to as the "lender") for the repayment, in whole or in part, of a particular amount owing to the lender by a non-resident person, if

(16) Subsection 247(10) of the Act is replaced by the following:

No adjustment unless appropriate

(10) An adjustment (other than an adjustment that results in or increases a transfer pricing capital adjustment or a transfer pricing income adjustment of a taxpayer for a taxation year) shall not be made under subsection (2.02) unless, in the opinion of the Minister, the circumstances are such that it would be appropriate that the adjustment be made.

(17) Subparagraph 247(12)(b)(i) of the Act is amended by striking out "and" at the end of clause (A) and by replacing clause (B) with the following:

(B) the definition *transfer pricing capital adjustment* in subsection (1) were read without reference to the references therein to "1/2 of", and

(C) the definition *transfer pricing income adjustment* in subsection (1) were read as follows: "of a taxpayer for a taxation year means the total of all amounts each of which is the amount, if any, that would result, from an adjustment made under subsection (2.02) (other than an adjustment included in determining a transfer pricing

capital adjustment of the taxpayer for a taxation year), in an increase in the taxpayer's income for the year or a decrease in a loss of the taxpayer for the year from a source if that adjustment were the only adjustment made under subsection (2.02)"

(18) Subparagraph 247(12)(b)(ii) of the Act is amended by striking out "and" at the end of clause (A) and by replacing clause (B) with the following:

(B) the definition *transfer pricing capital adjustment* in subsection (1) were read without reference to the references therein to "1/2 of",

(C) the definition *transfer pricing income adjustment* in subsection (1) were read as follows: "of a taxpayer for a taxation year means the total of all amounts each of which is the amount, if any, that would result, from an adjustment made under subsection (2.02) (other than an adjustment included in determining a transfer pricing capital adjustment of the taxpayer for a taxation year), in an increase in the taxpayer's income for the year or a decrease in a loss of the taxpayer for the year from a source if that adjustment were the only adjustment made under subsection (2.02)", and

(D) the definition *transfer pricing income setoff adjustment* in subsection (1) were read as follows: "of a taxpayer for a taxation year means the total of all amounts each of which is the amount, if any, that would result, from an adjustment made under subsection (2.02) (other than an adjustment included in determining a transfer pricing capital setoff adjustment of the taxpayer for a taxation year), in a decrease in the taxpayer's income for the year or in an increase in a loss of the taxpayer for the year from a source if that adjustment were the only adjustment made under subsection (2.02)".

(19) Subsections (1) to (18) apply to taxation years and fiscal periods that begin after Budget Day.

Investment Income Derived from Assets Supporting Canadian Insurance Risks

1 (1) Subparagraph 95(2)(a.2)(i) of the Act is replaced by the following:

(i) there shall be included the income of the affiliate for the year from the insurance of specified Canadian risks (which, for the purposes of this paragraph, includes the reinsurance of specified Canadian risks and the holding of any property by the affiliate in connection with the insurance or reinsurance of specified Canadian risks by any person or partnership), unless more than 90% of the gross revenue of the affiliate for the year from the insurance of risks (net of reinsurance ceded) was in respect of the insurance of risks (other than specified Canadian risks) of persons with whom the affiliate deals at arm's length,

(2) Subsection (1) applies to taxation years of a foreign affiliate of a taxpayer that begin after Budget Day.

Notice of Ways and Means Motion to amend the *Excise Tax Act*

That it is expedient to amend the *Excise Tax Act* as follows:

GST/HST Treatment of Manual Osteopathic Services

1 (1) The portion of the definition *practitioner* in section 1 of Part II of Schedule V to the *Excise Tax Act* before paragraph (b) is replaced by the following:

practitioner, in respect of a supply of optometric, chiropractic, physiotherapy, chiropodic, podiatric, audiological, speech-language pathology, occupational therapy, psychological, psychotherapy, counselling therapy, midwifery, dietetic, acupuncture or naturopathic services, means a person who

(a) practises the profession of optometry, chiropractic, physiotherapy, chiropody, podiatry, audiology, speech-language pathology, occupational therapy, psychology, psychotherapy, counselling therapy, midwifery, dietetics, acupuncture or naturopathy as a naturopathic doctor, as the case may be,

(2) Subsection (1) is deemed to have come into force on the day after Budget Day.

2 (1) Paragraph 7(f) of Part II of Schedule V to the Act is repealed.

(2) Subsection (1) applies to supplies made after June 5, 2025, except that it does not apply to a supply of osteopathic services made after June 5, 2025 but on or before Budget Day if the supplier did not charge, collect or remit any amount as or on account of tax under Part IX of the Act in respect of the supply.

Information Sharing – Worker Misclassification

3 Paragraph 295(5)(d) of the Act is amended by adding the following after subparagraph (v.1):

(v.2) to an official of the Department of Employment and Social Development solely for the purpose of the administration or enforcement of the *Canada Labour Code* as it relates to the misclassification of employees,

Notice of Ways and Means Motion to amend the *Underused Housing Tax Act* and a Related Text

That it is expedient to amend the *Underused Housing Tax Act* and a related text as follows:

Underused Housing Tax

Amendments to the *Underused Housing Tax Act*

1 The *Underused Housing Tax Act* is amended by adding the following after section 1:

Non-application

Tax not payable

1.1 No tax is payable under subsection 6(3) by a person in respect of a residential property for 2025 and subsequent calendar years.

2 The Act is amended by adding the following before section 7:

Return not required

6.1 Despite sections 7 and 10, a person is not required to file a return for a residential property for 2025 and subsequent calendar years.

Repeal of the *Underused Housing Tax Act*

Repeal

3 (1) The *Underused Housing Tax Act*, section 10 of chapter 5 of the Statutes of Canada, 2022, is repealed.

(2) Subsection (1) comes into force on January 1, 2035.

Repeal of the *Underused Housing Tax Regulations*

Repeal

4 (1) The *Underused Housing Tax Regulations* are repealed.

(2) Subsection (1) comes into force on January 1, 2035.

Notice of Ways and Means Motion to amend the *Select Luxury Items Tax Act*

That it is expedient to amend the *Select Luxury Items Tax Act* as follows:

Luxury Tax on Aircraft and Vessels

1 (1) The *Select Luxury Items Tax Act* is amended by adding the following after section 1:

Non-application

Tax not payable – aircraft and vessels

1.1 Despite anything in this Act, tax under Division 2 of Part 1 in respect of a subject aircraft or subject vessel is not payable if, in the absence of this section, the tax would become payable under that Division after Budget Day.

(2) Subsection (1) is deemed to have come into force on the day after Budget Day.

2 (1) Subsection 50(6) of the Act is replaced by the following:

Registration not required

(6) Despite subsection (3), a person is not required to be registered for the purposes of this Act as a vendor in respect of

(a) subject aircraft or subject vessels after Budget Day; or

(b) a type of subject item if the person is a prescribed person.

(2) Subsection (1) is deemed to have come into force on the day after Budget Day.

3 (1) The Act is amended by adding the following after section 52:

Registrations cancelled – aircraft and vessels

52.1 Every registration under this Division in respect of subject aircraft or subject vessels is cancelled on February 1, 2028.

(2) Subsection (1) is deemed to have come into force on the day after Budget Day.

4 (1) Section 55 of the Act is amended by adding the following after subsection (3):

No requirement to file – aircraft and vessels

(3.1) Despite subsection (1), a return for a reporting period of a person that begins after December 2025 is not required to be filed if

(a) the person is registered under this Division as a vendor in respect of subject aircraft or subject vessels;

(b) the person is neither registered nor required to be registered under this Division in respect of subject vehicles; and

(c) no tax becomes payable by the person during the reporting period.

(2) Subsection 55(3.1) of the Act, as enacted by subsection (1), is repealed.

(3) Subsection (1) is deemed to have come into force on the day after Budget Day.

(4) Subsection (2) comes into force on February 1, 2028.

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Annex 4
Debt Management Strategy

Introduction

The *2026-27 Debt Management Strategy* sets out the Government of Canada's objectives, strategy, and borrowing plans for its domestic and foreign debt program and the management of its official international reserves.

The *Financial Administration Act (FAA)* requires that the Minister of Finance table, in each House of Parliament, a report on the anticipated borrowing to be undertaken in the fiscal year ahead, including the purposes for which the money will be borrowed and the management of the public debt, no later than 30 sitting days after the beginning of the fiscal year.

The Debt Management Strategy is usually included with the Budget as it permits an assessment of the Government of Canada's borrowing needs alongside contextual information included in Annex 1, such as overall financial requirements. Following the government's decision to move to a fall budgeting cycle, starting with Budget 2025, this Debt Management Strategy includes a preliminary borrowing plan for 2026-27, with an update to be provided in advance of the 2026-27 fiscal year. The update will allow for the inclusion of any adjustments to the fiscal or economic environment ahead of the implementation of the 2026-27 Debt Management Strategy.

This Debt Management Strategy also includes an update to the *2025-26 Debt Management Strategy* released in July 2025. Overall, the borrowing program is projected to be slightly lower for the remainder of fiscal year 2025-26 resulting in a downward revision to treasury bill issuance.

Objectives

The fundamental objectives of debt management are to raise stable and low-cost funding to meet the financial requirements of the Government of Canada and to maintain a well-functioning market for Government of Canada securities.

The government is committed to managing the debt program in a prudent manner to ensure a balanced debt structure that contributes to maintaining the stability of debt costs and to reducing the risk of the debt portfolio.

Having access to a well-functioning government securities market contributes to lower costs and less volatile pricing for the government, ensuring that funds can be raised efficiently over time to meet the government's financial requirements.

The Debt Management Strategy provides transparency on the government's borrowing plans to support a liquid and well-functioning market for Government of Canada securities and ensures the long-term sustainability of the government's borrowing program.

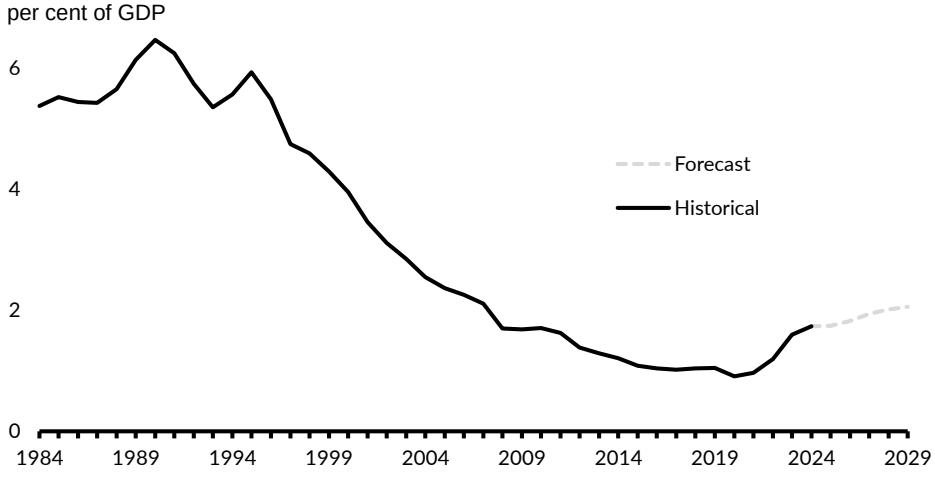
The government closely monitors financial markets and will adjust issuance if necessary to appropriately respond to shifts in market demand or changes to financial requirements.

Outlook for Government of Canada Debt and Public Debt Charges

As a result of the government’s responsible fiscal management, Canada continues to have a desirable fiscal and debt position relative to international peers. Canada continues to have the lowest net debt-to-GDP ratio of G7 countries. Rating agencies cite Canada's effective and predictable policymaking, stable political institutions, economic resilience and diversity, well-regulated financial markets, and monetary and fiscal policy flexibility as drivers of the strong credit profile. Canada is rated AAA (equivalent) by Moody’s, S&P, and DBRS, and AA+ by Fitch. The government continues to monitor public debt charges and is committed to maintaining stable and low debt servicing costs. The government now projects that public debt charges will amount to $55.6 billion in 2025-26, or 1.8 per cent of gross domestic product (GDP), and increase to 2.1 per cent by 2029-30.

Despite the rise of interest rates since 2022, the government’s debt charges as a share of GDP remain sustainable, near historical lows, and below the historical average over the past 40 years of 3.2 per cent. Maintaining low debt charges as a percentage of GDP reflects the government’s prudent debt management in minimising debt servicing costs over recent years.

Chart A4.1 – Public Debt Charges Since 1984



Sources: *Fiscal References Tables* for historical data; Department of Finance Canada calculations for forecasts.

Update to the 2025-26 Borrowing Plan

The *2025-26 Debt Management Strategy* released in July 2025 included projected financial requirements for measures announced between the Fall Economic Statement and June 9, 2025.

Financial requirements for 2025-26 have declined slightly from what was projected in the *2025-26 Debt Management Strategy* released in July 2025. As a result, treasury bill issuance will decline slightly. Should actual borrowing needs differ between now and the end of the fiscal year, debt issuance will be adjusted initially through changes in the issuance of treasury bills.

The bond program is not forecast to change for the remainder of 2025-26. The 30-year benchmark range (see Table A4.4 below) is being adjusted to ensure that the current benchmark building cycle is maintained.

2026-27 Borrowing Program

In 2026-27, borrowing needs are projected to remain in line with those of 2025-26. The outlined objectives of raising stable low-cost funding and maintaining a well-functioning market have led the government to retain the broad parameters of the 2025-26 borrowing program for 2026-27. To ensure that the market has timely and updated information ahead of the 2026-27 fiscal year, an update will be provided to account for any evolution of the economic or fiscal environment.

Highlights from the Consultations

In September 2025, the Department of Finance and the Bank of Canada held 30 meetings to hear the views of market participants. These consultations, which are an integral part of the debt management process, specifically sought views on issues related to the design and operation of the Government of Canada's domestic debt program for 2026-27.

Overall, market participants viewed the Canadian bond market as functioning effectively despite periodic volatility in global bond markets. Consistency and predictability continued to be important priorities for bond market participants. The current mix of tenors for issuance was broadly viewed as being appropriate and well balanced. It was noted that elevated issuance from all levels of government was leading to some challenges for Canadian dealers with respect to balance sheet capacity.

In the treasury bill sector, market participants also expressed a general preference to keep treasury bill issuance around $300 billon, and satisfaction with the issuance size and mix of products.

Projected Borrowing Activities for 2026-27

The projected sources and uses of borrowings for 2025-26 and 2026-27 are presented in Table A4.1. The comparison of actual sources and uses of borrowings against projections will be reported in the *Debt Management Report* for the corresponding fiscal year, which is released soon after the *Public Accounts of Canada*.

Sources of Borrowings

The aggregate principal amount of money to be borrowed by the government in 2026-27 is projected to be $594 billion, down from $614 billion in 2025-26. Seventy-five per cent of the total borrowings will be used to refinance maturing debt. This level of borrowing is consistent with the current legislated limit of $2,126 billion set out in the *Borrowing Authority Act*.

Actual borrowings for the year may be higher or lower than expected due to economic and fiscal outcomes differing from projections, the timing of cash transactions, and other factors such as changes in foreign reserve needs and Crown corporation borrowings. To adjust for these unexpected changes in financial requirements, debt issuance can be altered during the year, typically first through changes in the issuance of treasury bills. The government may also adjust issuance for bonds in response to larger changes or shifts in market demand.

Uses of Borrowings

Domestic Borrowing

The projected 2026-27 gross issuance of domestic bonds and treasury bills (i.e., domestic borrowing program) totals $589 billion (see Table A4.2). This reflects requirements to refinance $440 billion of maturing debt, in addition to projected financial requirements of $149 billion, which includes $30 billion to fund purchases of Canada Mortgage Bonds. The government's financial requirements are subject to economic conditions and other developments which may lead to revisions.

Foreign Borrowing

The government may also borrow an equivalent of $5 billion CAD in foreign currencies, for the purpose of managing its official international reserves as part of its global bond program (more details below).

Table A4.1
Planned Actual Sources and Uses for 2026-27
Billions of dollars

Sources of borrowings	**2025-26**	**2026-27**
Payable in Canadian currency		
Treasury bills[1]	293	291
Bonds	316	298
Total payable in Canadian currency	609	589
Payable in foreign currencies	5	5
Total sources of borrowings	**614**	**594**
Uses of borrowings		
Refinancing needs		
Payable in Canadian currency		
Treasury bills	285	293
Bonds	186	147
Retail debt	0	0
Total payable in Canadian currency	471	440
Payable in foreign currencies	5	5
Total refinancing needs	**476**	**445**
Financial requirement		
Budgetary balance	78	65
Non-budgetary transactions		
Pension and other accounts	-20	-4
Non-financial assets	6	14

Sources of borrowings	2025-26	2026-27
Loans, investments, and advances		
Of which:		
Loans to enterprise Crown corporations	66	48
Other	7	10
Other transactions[2]	1	16
Total financial requirement	**138**	**149**
Total uses of borrowings	**614**	**594**
Net increase or decrease (-) in cash	0	0
Change in other unmatured debt transactions[3]	0	0

Source: Department of Finance Canada calculations.

Notes: Numbers may not add due to rounding. In the uses of borrowings section, a negative sign denotes a financial source.

[1] Treasury bills are rolled over, or refinanced, a number of times during the year. This results in a larger number of new issues per year than the stock outstanding at the end of the fiscal year, which is presented in the table.

[2] Other transactions primarily comprise the conversion of accrual transactions to cash inflows and outflows for taxes and other accounts receivable, provincial, and territorial tax collection agreements, amounts payable to taxpayers and other liabilities, and foreign exchange accounts.

[3] Includes unamortised discounts on debt issues, accrued interest, obligations related to capital leases and other unmatured debt.

Table A4.2

Projected Domestic Gross Issuance of Bonds and Bills for 2025-26 and 2026-27[1]

Billions of dollars, end of fiscal year

	2024-25 Actual	2025-26 Estimated	2026-27 Projected
Treasury bills	**285**	**293**	**291**
Bonds			
2-year	94	120	110
5-year	63	84	80
10-year	63	84	80
30-year	17	24	24
Green bond[2]	4	4	4
Total bonds	**241**	**316**	**298**
Total domestic issuance	**526**	**609**	**589**
Share of long bonds (10-year+) to total bonds	33%	34%	35%
Share of treasury bills to total issuance	54%	48%	49%

Sources: Bank of Canada; Department of Finance Canada calculations.

Notes: Numbers may not add due to rounding.

[1] Issuance subject to expenditure availability and market conditions.

[2] Green bond issuances may be higher or lower, according to market conditions.

Composition of Market Debt

The total stock of market debt is projected to reach $1,761 billion by the end of 2026-27 (Table A4.3).

Table A4.3
Change in Composition of Market Debt
Billions of dollars, end of fiscal year

	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Estimated	2026-27 Projected
Domestic bonds	1,038	1,081	1,163	1,293	1,444
Treasury bills	202	267	285	293	291
Foreign debt	16	22	29	30	26
Total market debt	**1,256**	**1,370**	**1,477**	**1,616**	**1,761**

Treasury Bill Program

The projected borrowing plan for 2026-27 anticipates a target stock of $291 billion in treasury bills by March 31, 2027. The government considers that the 3-, 6- and 12-month tenors appropriately reflect the market demand for short-term government issuance and will maintain its current bi-weekly auction schedule.

2026-27 Bond Program

Annual gross bond issuance is projected to be $298 billion in 2026-27, down from $316 in 2025-26. Issuance has been decreased in the 2-year, 5-year, and 10-year sectors relative to 2025-26. Bond issuance is projected to comprise just over half of total borrowing. Of the bond program, 35 per cent will be in tenors with maturities of 10 or more years, up slightly from 34 per cent in 2025-26.

Maturity Date Cycles and Benchmark Bond Target Size Ranges

The government will maintain the benchmark target size ranges and number of planned auctions, with the exception of the 30-year benchmark which will be adjusted to ensure the current benchmark building cycle is maintained (see Tables A4.4 and A4.5).

Table A4.4
Maturity Date Patterns and Benchmark Size Ranges
billions of dollars

	Feb.	Mar.	May	June	Aug.	Sept.	Nov.	Dec.
2-year	26-34		26-34		26-34		26-34	
5-year		38-46				38-46		
10-year				38-46				38-46
30-year								28-38

Source: Department of Finance Canada.
Note: These amounts do not include coupon payments.

Table A4.5
Number of Planned Auctions for 2025-26 and Projected Auctions for 2026-27
billions of dollars

Sector	Planned Bond Auctions
2-year	20
5-year	16
10-year	16
30-year	8

Source: Department of Finance Canada.

The dates of each auction will continue to be announced through the Quarterly Bond Schedule, which is published on the Bank of Canada's website prior to the start of each quarter.

Legislative Proposals to Support Building a New Canadian Economy and Defending Canada

The *Borrowing Authority Act* specifies the maximum amount of borrowings that can be undertaken by the Government of Canada and agent Crown corporations, as well as Canada Mortgage Bonds that can be guaranteed by the Canada Mortgage and Housing Corporation.

To support the growing investment in Canada's economy and defence capabilities, Budget 2025 proposes to amend the *Borrowing Authority Act* to increase the maximum amount that can be borrowed from $2,126 billion to $2,541 billion.

Green Bond Program

In October 2025, the government completed its first transaction of 2025-26 via a $2.5 billion dual tranche issuance which saw strong demand from green and socially responsible investors and attracted a mix of Canadian and international investors. $1 billion of a new 30-year green bond was issued, alongside a $1.5 billion re-opening of the 7-year bond first issued in 2025.

Canada's green bond program continues to support the growth of the sustainable finance market in Canada and highlights Canada's investments in climate action and the environment. The government remains committed to regular green bond issuances and will explore the development of a Sustainable Bond Framework that would allow for the issuance of both green and transition bonds to be aligned with Made-in-Canada Sustainable Investment Guidelines ("taxonomy"), and to expand the Framework to incorporate economic sectors as the taxonomy is being developed.

Canada Mortgage Bonds

The Government of Canada, as part of its agenda to catalyse major investments in housing and to build homes at a rate not seen since the Second World War, will increase the Canada Mortgage Bonds (CMB) annual issuance limit from $60 billion to $80 billion, starting in 2026. The increase in this cost-effective funding will solely apply to multi-unit housing.

The government will maintain the current pace of its purchases of CMBs, up to $30 billion annually, to allow the private market full access to the additional issuance.

Management of Canada's Official International Reserves

The Exchange Fund Account (EFA), managed by the Minister of Finance on behalf of the Government of Canada, represents the largest component of Canada's official international reserves. It is a portfolio of Canada's liquid foreign exchange reserves and special drawing rights available to aid in the control and protection of the external value of the Canadian dollar and as a source of liquidity to the government, if needed. In addition to the EFA, Canada's official international reserves include Canada's reserve position held at the International Monetary Fund.

The government borrows to invest in liquid reserves, which are maintained at a level at or above 3 per cent of GDP. Foreign currency bond issuance for 2026-27 may be up to an equivalent of $5 billion CAD but may vary depending on market conditions.

Canada's issuance of foreign currency denominated debt is used exclusively to fund official international reserves. Global bonds denominated in US dollars or euros have been issued 13 times since 2009 with the most recent one being in March 2025.

Further information on foreign currency funding and the foreign reserve assets is available in the *Report on the Management of Canada's Official International Reserves* and in *The Fiscal Monitor*.

Bond Buyback Program

The government announced the resumption of the Government of Canada Cash Management Bond Buyback program in November 2022. This treasury management operation is intended to effectively manage the government's cash flows ahead of large bond maturities.

The government plans to continue conducting cash management bond buybacks in 2026-27.

Cash Management

The core objective of cash management is to ensure that the government has sufficient cash available at all times to meet its operating and liquidity requirements.

As part of the prudent management of cash balances, the government reintroduced morning Receiver General auctions on February 21, 2024.

Aside from cash deployed in the morning Receiver General auctions, the government's cash is on deposit with the Bank of Canada, including operational balances and balances held for prudential liquidity. Periodic updates on the liquidity position are available in *The Fiscal Monitor*.

Prudential Liquidity

The government holds liquid financial assets in the form of domestic cash deposits and foreign exchange reserves to safeguard its ability to meet payment obligations, including coupon and principal payments, in situations where normal access to funding markets may be disrupted or delayed. The government's overall liquidity levels are managed to normally cover at least one month of projected net cash flows, including coupon payments and debt refinancing needs.

Annex 5
Legislative Measures

This annex includes a number of measures (other than tax-related measures) that would be implemented through legislation.

Subject of the Measure	Proposed Legislative Action
Completion of the Consumer-Driven Banking Legislative Framework	In Budget 2025, the government proposes to introduce legislation to complete the consumer-driven banking legislative framework, which will enable secure financial data sharing in Canada and make other related amendments.
Personal Information Protection and Electronic Documents Amendments	In Budget 2025, the government proposes to amend the *Personal Information Protection and Electronic Documents Act* (PIPEDA) to provide a data-mobility right that will facilitate an economy-wide approach to data sharing.
Creating a regulated space for Stablecoins	In Budget 2025, the government proposes to introduce legislation to regulate the issuance of fiat-backed stablecoins by non-prudentially regulated issuers in Canada, including related amendments to the *Retail Payment Activities Act*.
Helping credit unions grow and compete	In Budget 2025, the government proposes to amend the *Bank Act*, the *Canada Deposit Insurance Corporation Act*, and the *Financial Consumer Agency of Canada Act*, to support federal credit unions' growth, via amalgamation or asset acquisitions, and to make it easier for credit unions to enter the federal framework, including by providing the flexibility for them to continue their existing auto leasing business on a permanent basis.
Strengthening Small Banks' Access for Brokered Deposits	In Budget 2025, the government proposes to amend the *Bank Act* to allow for regulations that would ensure distribution channels for brokered deposits are not unduly limited.

Subject of the Measure	Proposed Legislative Action
Allow small FRFIs to grow larger without changing ownership structure	In Budget 2025, the government proposes to amend the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to raise the equity threshold for the 35 per cent public holding requirement from $2 billion to $4 billion and make other related amendments.
Renewing the sunset provision of the financial institutions statutes	In Budget 2025, the government proposes to amend the *Bank Act*, the *Insurance Companies Act*, and the *Trust and Loan Companies Act* to renew the sunset provision to June 30, 2033.
Restricting Non-Compete Agreements	In Budget 2025, the government proposes to amend the *Canada Labour Code* to restrict the use of non-compete agreements.
Build Canada Homes	In Budget 2025, the government proposes to introduce legislation establishing a statutory appropriation of up to $11.5 billion on a cash basis to defray costs related to Build Canada Homes and a statutory appropriation of up to $1.515 billion on a cash basis to capitalise Canada Lands Company Ltd to support housing construction on properties held by the corporation. The Government also proposes to introduce legislation establishing the final organisational form of Build Canada Homes.
Enhancing access to funds deposited by cheque	In Budget 2025, the government proposes to amend the *Bank Act* to increase the first amount immediately available to consumers from a deposited cheque to $150 and eliminate the distinction between cheque funds deposited in person or via other means.
Making the National School Food Program Permanent	In Budget 2025, the government proposes to introduce legislation to make the National School Food Program permanent.

Subject of the Measure	Proposed Legislative Action
Extending Employment Insurance Parental benefits during Bereavement	In Budget 2025, the government proposes to amend the *Employment Insurance Act* to allow claimants receiving Employment Insurance parental benefits to access an additional eight weeks of parental benefits in the event of the death of the child.
Early Retirement Benefits for Frontline Workers in the Public Service	In Budget 2025, the government proposes to amend the *Public Service Superannuation Act* to extend the operational service early retirement program to additional frontline employee groups in the Public Service Pension Plan. This special retirement benefit will allow firefighters, border services officers, parliamentary protection officers, and other frontline employees to retire earlier with an immediate unreduced pension after completing 25 years of actual operational service, or at age 50 with 25 years of actual and deemed operational service combined (at least 10 years of actual), as is presently available to employees of Correctional Service Canada working in a federal correctional institution. The proposed amendments would also ensure consistency in treatment for all eligible employees, allowing for career mobility within the public service.
Strengthening the review of foreign banks investments	In Budget 2025, the government proposes to amend the *Bank Act* to enable the review of certain types of investments in Canadian businesses by foreign banks and their affiliates for national security risks.
Combatting financial fraud	In Budget 2025, the government proposes to amend the *Bank Act* to require banks to have policies and procedures to detect and prevent consumer-targeted fraud and to mitigate its impacts, to report data on fraud to the Commissioner of the Financial Consumer Agency of Canada which would be aggregated in an annual

Subject of the Measure	Proposed Legislative Action
	report from the Commissioner to the Minister, to obtain express consent of consumers to enable or disable certain account features, to permit consumers to disable certain account features, and to allow consumers to adjust maximum transaction amounts, and make related amendments.
Clarifying the authority to administer RCMP benefits	In Budget 2025, the government proposes to make amendments to the *Royal Canadian Mounted Police Superannuation Act*, as well as any other consequential, coordinating or transitional amendments as necessary, to clarify, retroactively and on a prospective basis, the authority to administer and adjudicate disability award applications and to deliver health treatment for RCMP members, former members, and survivors and to delegate certain functions to an eligible federal organisation.
Modernising Canada's Biosecurity Oversight Framework	In Budget 2025, the government proposes to amend the *Human Pathogens and Toxins Act* to modernise the Act and strengthen oversight of human pathogens and toxins.
Indexing RCMP Disability Pensions to the Consumer Price Index	In Budget 2025, the government proposes legislative amendments and/or regulations to modify the escalation formula of the Disability Pension, so that the benefit is indexed based on the Consumer Price Index alone, for serving and retired RCMP members and for related benefits, effective January 2027. These proposed legislative amendments and/or regulations would also clarify the escalation formula for the Disability Pension Benefit and related benefits for CAF members, veterans and serving and retired RCMP members (including on a retroactive basis).

Subject of the Measure	Proposed Legislative Action
	The government also proposes legislative changes to the *Department of Veterans Affairs Act* and its regulations to clarify the methodology used to calculate the Accommodation and Meals charge in the Long-Term Care Program on both a retroactive and go-forward basis. Legislative measures are also proposed to clarify and make explicit that VAC had the authority to prorate certain indexation adjustments in the calculation of the now repealed Earnings Loss Benefit under the *Canadian Forces Members and Veterans Re-establishment and Compensation Act* and its regulations.
Legislative amendments to the *Tax Court of Canada Act*	In Budget 2025, the government proposes legislative amendments to the *Tax Court of Canada Act* to increase certain amount limits to access the informal procedure.
Sustainable Pesticide Management	In Budget 2025, the government proposes to amend legislation to remove cyclical pesticide re-evaluations to enable modern, risk-based oversight.
Transfer the Canada Small Business Financing Program to the Business Development Bank of Canada	In Budget 2025, the government proposes legislation to transfer the responsibility for the delivery of the Canada Small Business Financing Program to the Business Development Bank of Canada.
Amendments to the *Canadian Human Rights Act*	In Budget 2025, the government proposes to amend the *Canadian Human Rights Act* to make changes to the organisational structure of the Canadian Human Rights Commission.

Subject of the Measure	Proposed Legislative Action
Amendments to the *International Development Research Centre Act*	In Budget 2025, the government proposes to amend the *International Development Research Centre Act* to update the requirements relevant to quorum and Canadian citizenship. The amendments would reduce the size of the Board of Governors from 14 to 12 members and reduce governance expenses through the reduction of honoraria, travel and in-person Board meetings (holding more virtual meetings). Reducing the number of Governors would not have an adverse impact on the Board's oversight and would align its size with that of other Crown corporations' boards.
Workforce Renewal	In Budget 2025, the government proposes to amend the *Public Service Superannuation Act* and the *Income Tax Regulations* to offer an Early Retirement Incentive Program through the Public Service Pension Plan. Eligible public servants will be able to retire with an immediate pension based on years of service with no penalty for early retirement, provided they leave the federal public service in accordance with and subject to the parameters of the program.
Collective Bargaining in Good Faith	In Budget 2025, the government proposes to amend the *Federal Public Sector Labour Relations Act* to adjust the collective bargaining dispute resolution framework.
Equitable Public Sector Retirement Benefits	In Budget 2025, the government proposes to amend federal public sector pension legislation to restore the two per cent public sector pension benefit rate for the Public Service Pension Plan and the pension plans for the Canadian Forces and the Royal Canadian Mounted Police.

Subject of the Measure	Proposed Legislative Action
Government Efficiencies	In the spirit of the 60-day regulatory review, the government further intends to introduce a variety of targeted amendments to legislation in order to increase government efficiency and operational effectiveness. This includes amendments that would streamline low-risk internal processes, modernise outdated requirements, eliminate unnecessary and burdensome reporting requirements, remove unnecessary barriers to agile regulation-making, align legislative and regulatory authorities across government and provide for the delegation of certain matters where appropriate. Results of this review will be available in Budget 2026.
Strengthening the financial sector transaction approval process to include additional considerations	In Budget 2025, the government proposes to amend the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to set out additional matters to consider in financial sector transaction approvals.
Modernising limits on borrowing and portfolio investments	In Budget 2025, the government proposes to make amendments to the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to repeal provisions relating to certain technical limits found in these statutes and replace them with more flexible OSFI guidance, including limits on borrowing and portfolio investments in commercial loans, real property and equity.
Electronic delivery of governance documents in the financial institutions statutes	In Budget 2025, the government proposes to amend the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to include a "notice-and-access" method of delivery of governance documents, while retaining owners' rights to request delivery by mail.

Subject of the Measure	Proposed Legislative Action
Bearer instruments in the financial institutions statutes	In Budget 2025, the government proposes to amend the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to prohibit federally regulated financial institutions from issuing documents that evidence conversion privileges, options, or rights to acquire a share in bearer form.
Supporting Canadians during branch closures	In Budget 2025, the government proposes to amend the *Bank Act* to require that banks provide public notice of branch closures on their websites; to prohibit the charging of certain account switching or closure fees from the time the bank gives notice of its intent to close a branch until 12 months following their branch closure; and, to require that banks that offer to open accounts to individuals who are not physically present at a branch have sufficient authentication processes to verify digital versions of identification documents.
Enhancing the Office of the Superintendent of Financial Institutions' authorities to protect the financial sector against integrity and security risks	In Budget 2025, the government proposes to amend the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to enhance the Superintendent of Financial Institutions' authorities to address integrity and security risks. The government also proposes to amend the *Office of the Superintendent of Financial Institutions Act* to expand the Superintendent's ability to receive and share information with federal government agencies and bodies.
Protect against the disclosure of sensitive information collected and produced under the *Retail Payment Activities Act*	In Budget 2025, the government proposes to amend the *Access to Information Act*, to protect against the disclosure of confidential information collected and produced under the *Retail Payment Activities Act*.

Subject of the Measure	Proposed Legislative Action
Protect the Minister of Finance and government officials against risks of civil liability	In Budget 2025, the government proposes to amend the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to provide that the Minister of Finance and government officials are protected against civil liability in the good faith performance or omission of actions under those Acts.
Targeted Windfall Profit Charge	In Budget 2025, the government proposes to amend the *Special Economic Measures Act* to, among other things, (a) authorise the Governor in Council to make regulations requiring financial institutions to provide to the Minister of Finance information on property that is in their possession or control and that is owned, held or controlled by a person, including a foreign state, identified under that Act and information on profits realised from such property; and (b) authorise the Minister of Finance to make an order directing a financial institution to pay such profits to the Receiver General.
Mitigating Potential Financial Sector Risks from Sanctions	In Budget 2025, the government proposes to amend the *Special Economic Measures Act* to provide that the Minister of Finance must be consulted before an order or regulation identifying certain persons is made under subsection 4(1) of that Act.
Establishing a Financial Crimes Agency	In Budget 2025, the government proposes to create a new Act, with consequential, coordinating, and transitional amendments to other statutes that may be required, to establish a Financial Crimes Agency, which would be Canada's lead enforcement agency against financial crime.

Subject of the Measure	Proposed Legislative Action
Addressing Some of the Most Common Types of Money Laundering	In Budget 2025, the government proposes to amend the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to restrict the acceptance of: cash deposits from one person into the account of another person; and a cash payment, donation or deposit of $10,000 or more.
Clarifying Public-Private Information Sharing for the Integrated Money Laundering Intelligence Partnership (IMLIP)	In Budget 2025, the government proposes to amend the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* with related amendments to the *Personal Information Protection and Electronic Documents Act* to clarify public to private information sharing provisions to help better detect and deter money laundering and support the recently created IMLIP between banks and law enforcement.
Anti-Money Laundering and Anti-Terrorist Financing Technical Amendments	In Budget 2025, the government proposes to amend the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA), and Schedule II of the *Access to Information Act*, to ensure confidentiality of beneficial ownership discrepancy reports received pursuant to paragraph 73(1)(c) of the PCMLTFA. In Budget 2025, the government proposes to amend the PCMLTFA to clarify that regulations under the PCMLTFA are made on the recommendation of the Minister of Finance. In Budget 2025, the government proposes to amend the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations* (PCMLTFR) to ensure inclusion of mortgage administrators, mortgage brokers, mortgage lenders in subsection 4.1(c) In Budget 2025, the government proposes to amend the PCMLTFA and the PCMLTFR to provide that certain provisions apply to all financial donations, regardless of whether the donation is ‘charitable’.

Subject of the Measure	Proposed Legislative Action
Strengthening Anti-Money Laundering and Anti-Terrorist Financing (AML/ATF) supervision, compliance, and enforcement	In Budget 2025, the government proposes to amend the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Administrative Monetary Penalty Regulations* to strengthen AML/ATF supervision, compliance, enforcement, and information sharing, including by better identifying the businesses and professionals with AML/ATF obligations, increasing penalties, and introducing a new compliance agreement framework.
Review of Financial Institutions Supervisory Committee Membership	In Budget 2025, the government proposes to amend the *Office of the Superintendent of Financial Institutions Act* and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to make the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) a member of the Financial Institutions Supervisory Committee (FISC) and enable FINTRAC and current FISC members to exchange regulatory and supervisory information relevant to the mandate and objectives of FISC.
Support for Homeownership and Multi-Unit Rental Housing Construction	In Budget 2025, the government proposes to amend the *National Housing Act* to increase CMHC's guarantees in force limit to $1 trillion and to decouple this limit from the corporation's insurance in force limit. It would also introduce amendments to the *Protection of Residential Mortgage* or *Hypothecary Insurance Act* to increase the protected limit for mortgage or hypothecary loans insured under that Act to $500 billion.
Increasing the Maximum Amount of the Borrowing Authority Act	In Budget 2025, the government proposes to introduce amendments to the *Borrowing Authority Act* to increase the government's total borrowing limit specified under section 4 of that Act.

Subject of the Measure	Proposed Legislative Action
Building High-Speed Rail Faster	In Budget 2025, the government proposes to introduce legislation to accelerate the development of Alto high-speed rail.
Obsolete or Surplus Goods – Pilot for Donated Goods	In Budget 2025, the government proposes to amend the *Customs Tariff* to allow for duty drawback for certain goods when they are donated to a registered charity under the *Income Tax Act*, provided they are to be used in the organisation's charitable programs and not re-sold in Canada.
Legislative Amendments to the *Export and Import Permits Act*	In Budget 2025, the government proposes to amend the *Export and Import Permits Act* to allow the government to restrict the importation or exportation of items in response to actions of another country that harm Canada or to create more secure and reliable supply chains.
Legislative Amendments to Enable Lending to Indigenous Special Purpose Vehicles	In Budget 2025, the government announces its intention to amend the *First Nations Fiscal Management Act* to enable the First Nations Finance Authority to lend to Indigenous special purpose vehicles and further enhance access to capital support for Indigenous groups seeking equity participation in economic and resource development projects.
Legislative Amendments to the *Naskapi and the Cree-Naskapi Commission Act*	In Budget 2025, the government proposes to amend the *Naskapi and the Cree-Naskapi Commission Act* to clarify Naskapi Police authority on Naskapi lands and eliminate inconsistencies with the *Northeastern Quebec Agreement*.
Legislative Amendments to the *Department of Employment and Social Development Act*	In Budget 2025, the government proposes to amend the *Department of Employment and Social Development Act* to enable the delivery of integrated and efficient services across government.

Subject of the Measure	Proposed Legislative Action
Legislative Amendments to the *Administrative Tribunals Support Service of Canada Act* and to the *Canadian Environmental Protection Act*	In Budget 2025, the government proposes to amend the *Administrative Tribunals Support Service of Canada Act*, to allow the Minister of Justice to amend the Schedule in respect of territorial boards, and the *Canadian Environmental Protection Act* to statutorily constitute the Environmental Protection Tribunal of Canada, as well as make any consequential amendments to other statutes.
Legislative Amendments to the *Judges Act*	In Budget 2025, the government proposes to amend the *Judges Act* to move 10 judicial positions in Ontario to Unified Family Courts positions (8 positions) and Ontario Court of Appeal positions (2 positions).
Legislative Amendments to the *Government Annuities Improvement Act*	In Budget 2025, the government proposes to amend the *Government Annuities Improvement Act* to eliminate the legislative requirement for a duplicative audit of the Government Annuities Account.
Legislative Amendments to the *Tobacco and Vaping Products Act*	In Budget 2025, the government proposes to amend the *Tobacco and Vaping Products Act* to extend the legislative review cycle of the Act from two years to five years.
Protecting Artists' and Creators' Copyrights	In Budget 2025, the government proposes to amend the *Copyright Act* to create an Artist's Resale Right in Canada, ensuring Canadian visual artists benefit from future sales of their work.
Legislative Amendments to the *Aeronautics Act* and the *Canada Transportation Act*	In Budget 2025, the government proposes to amend the *Aeronautics Act* to further strengthen Canada's aviation safety and security regime, and to amend the *Canada Transportation Act* to make temporary orders respecting international standards or obligations within all modes of transportation.

Subject of the Measure	Proposed Legislative Action
Canada Development Investment Corporation (CDEV) Enabling Legislation	In Budget 2025, the government proposes to introduce enabling legislation to continue the Canada Development Investment Corporation (CDEV) as a special Act corporation, including the power for the Minister of Finance to acquire shares of CDEV or lend to it from the Consolidated Revenue Fund.
Critical Minerals Sovereign Fund	In Budget 2025, the government proposes to introduce legislation or amend existing legislation in order to create a Critical Minerals Sovereign Fund to make equity investments, provide loan guarantees, and enter into offtake agreements for critical minerals projects and companies.
Legislative Amendments to Enable Divestiture of Freshwater Fish Marketing Corporation	In Budget 2025, the government proposes to amend the *Freshwater Fish Marketing Act* to permit the divestiture of the Freshwater Fish Marketing Corporation.
Legislative Amendments to the *Canadian Energy Regulator Act*	In Budget 2025, the government proposes to amend the *Canadian Energy Regulator Act* to increase the maximum duration for export licences of liquified natural gas from 40 years to 50 years.
Legislative Amendments to the *Red Tape Reduction Act*	In Budget 2025, the government proposes to amend the *Red Tape Reduction Act* to provide all federal ministers with the authority to enable regulatory sandboxes through issuing temporary and limited exemptions from legislative or regulatory requirements to allow for testing of products, services, processes, or new regulatory approaches.
Legislative Amendments to the *Farm Credit Canada Act*	In Budget 2025, the government proposes to amend the *Farm Credit Canada Act* to require regular legislative reviews to ensure alignment with the needs of the agriculture and agri-food sector.

Subject of the Measure	Proposed Legislative Action
Penalising Predatory Debt Advisors	In Budget 2025, to protect Canadians from receiving irresponsible advice from unlicensed debt advisors, the government proposes to add civil remedies, including restitution, for non-compliance with the *Bankruptcy and Insolvency Act*, and increase the maximum criminal fines under that Act from $5,000 to $100,000 for individuals, and to $1 million for corporations.
Amendments to the *Territorial Lands Act*	In Budget 2025, the government announces its intention to introduce amendments to the *Territorial Lands Act* to protect and advance the national interests of Canada and the interests of Inuit in Nunavut.
Amendments to the *Broadcasting Act*	In Budget 2025, the government proposes to amend the *Broadcasting Act* to restore the right to privacy of individuals to the interpretation provisions and remove a duplicative provision relating to official languages.
Amendments to the *Building Canada Act*	In Budget 2025, the government proposes to amend the *Building Canada Act* to add to the information that must be included in the public registry of national interest projects the extent to which each project can contribute to clean growth and to meeting Canada's objectives with respect to climate change.
Amendments to the *Canada Post Corporation Act*	In Budget 2025, the government proposes to amend the *Canada Post Corporation Act* to deregulate the setting of postage rates.
Modernising the *Energy Efficiency Act*	In Budget 2025, the government proposes to amend the *Energy Efficiency Act* to modernise the Act, including to provide for regulatory sandboxes, incorporation by reference to simplify and streamline regulatory development, new statistical powers, coverage for online retailers, and updated fines.

Subject of the Measure	Proposed Legislative Action
Amendments to the *Canadian Environmental Protection Act*, *1999*	In Budget 2025, the government proposes to amend the *Canadian Environmental Protection Act*, *1999* to eliminate the automatic five-year termination date for equivalency and administrative agreements.
Amendments to the *Competition Act*	In Budget 2025, the government proposes to amend the *Competition Act* to update the greenwashing provisions by removing the requirement for businesses to substantiate their environmental benefit claims based on internationally recognised methodology standards and the ability for third parties to bring cases directly to the Competition Tribunal for greenwashing complaints.
Canada Infrastructure Bank	In Budget 2025, the government proposes to amend the *Canada Infrastructure Bank Act* to increase the statutory appropriation limit for the Canada Infrastructure Bank from $35 billion to $45 billion.
Faster dissolution of federal corporations listed as terrorist entities	In Budget 2025, the government proposes to amend the *Canada Business Corporations Act*, the *Canada Not-for-profit Corporations Act*, and the *Canada Cooperatives Act* to allow for quicker dissolution of a federal corporation when it is listed as a terrorist entity under the *Criminal Code*.
Building one Canadian economy	In Budget 2025, the government proposes to introduce legislation to give the Major Projects Office greater independence and managerial flexibility to facilitate its work to advance major projects and streamline federal regulatory project approval.
Improving the Integrity of Student Financial Assistance	In Budget 2025, the government proposes to amend the *Canada Student Financial Assistance Act* to address integrity issues related to private educational institutions.

Annex 6
Impacts Report

A Stronger Canada Through Diversity

Canada has made important progress in advancing equal opportunities for women and other underrepresented groups, but vigilance and sustained efforts are required to maintain the gains achieved. Embedding gender and diversity considerations into decision-making is smart policy and helps improve outcomes for Canadians. By ensuring that policies reflect the identities and values of Canadians, we reinforce the unity that makes Canada strong, enabling everyone to contribute to a resilient and sustainable future.

This budget is about building a new Canadian economy and an even stronger Canada. It invests in growth and innovation, keeps life affordable for Canadians, protects our sovereignty, and reflects the diversity of our people. By leveraging Gender-based Analysis Plus, care was taken in developing this budget to better understand how proposed measures could affect women and diverse groups, and to take action where systemic barriers persist. The following measures in particular will open up new opportunities and lead to fairer outcomes:

- Expanding home ownership opportunities for younger Canadians and families through the **Goods and Services Tax rebate for first-time home buyers**.
- Addressing housing pressures through **Build Canada Homes** will benefit women, seniors, and those more likely to rent.
- Partnering with Indigenous Peoples at the **Major Projects Office** through the **Indigenous Advisory Council** to ensure that Indigenous economic participation is embedded in major projects advancements.
- Better integrating newcomers through **faster recognition of foreign credentials** in health care and the skilled trades, which in turn help improve services for Canadians.
- Increasing access to financial services, through **consumer-driven banking**, particularly benefitting lower-income households.

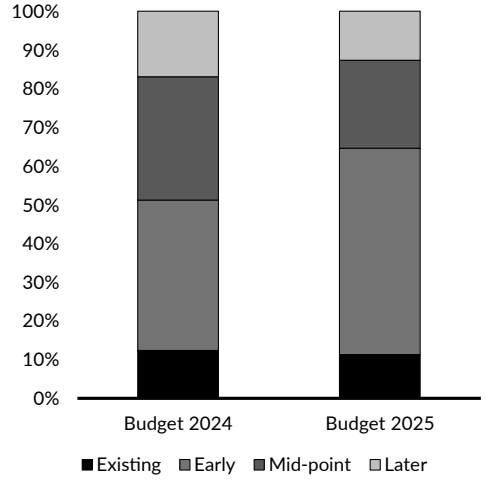
- Expanding economic opportunities and bolstering infrastructure for Indigenous people, and rural and remote communities, through the **Trade Diversification Corridors Fund** and **Arctic Infrastructure Fund**.
- Modernising the **Canadian Armed Forces** enhances opportunities for youth to serve and lead.
- Keeping Canadian communities safe by **enhancing the Canada Border Services Agency** and **strengthening Federal Law Enforcement** to combat transnational criminal networks and other threats to Canada.
- Ensuring diverse Canadian voices are represented in our media landscape, by **boosting CBC/Radio-Canada funding.**

Gender-Based Analysis Plus Summary of Budget 2025

Timing of GBA Plus

Chart A6.1

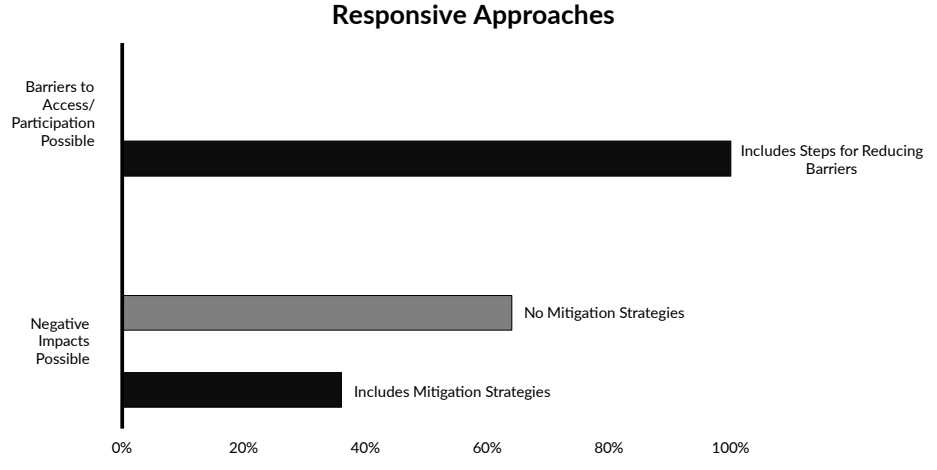
Timing of GBA Plus



Budget 2025 shows continued improvement in the timeliness of GBA Plus, with 53 per cent of budget measures supported by GBA Plus at the early stage, up from 39 per cent in the last budget. This reflects steady progress since 2019, when only a limited number of measures undertook early-stage analysis. Relative to last budget, fewer programs relied on existing analyses for program extensions or conducted GBA Plus at the midpoint and later stages. Better disaggregated data, stronger departmental capacity, and sustained collaboration with Women and Gender Equality Canada (WAGE) have embedded GBA Plus across the policy cycle, particularly the budget process. This approach aligns with the Auditor General's 2022 recommendations for strengthening the application of GBA Plus.

GBA Plus Responsive Approaches

Chart A6.2



A strength of Canada's gender budgeting approach is its attention to identifying barriers for women and other underrepresented groups, and integrating mitigation actions into program design to address them. The barriers identified for some Budget 2025 measures include access to participation, language, disability, rural or remote geography, and the digital divide. In Budget 2025, in all instances where measures identified a barrier, the measure also developed a responsive approach to address it.

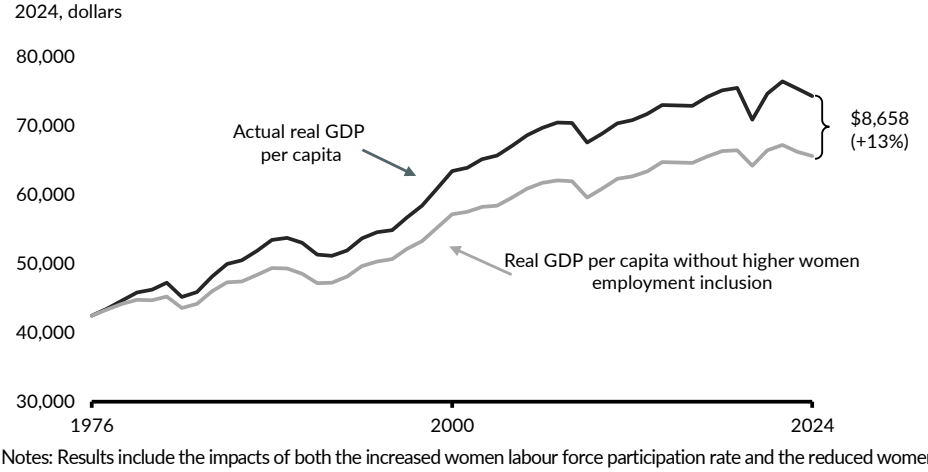
Advancing Gender Equality

The Gender Results Framework (GRF) enables the government to focus on what drives progress toward gender equality. In Budget 2025, measures that are expected to deliver measurable gender equality gains for women, gender-diverse people, and other disadvantaged groups include **Permanent Funding for the Department for Women and Gender Equality** announced on October 29, 2025 which helps advance the GRF goal on *Gender-Based Violence and Access to Justice*. This funding will stabilise and renew work to improve women's and girls' economic security and leadership, strengthen federal action to address gender-based violence for Indigenous and other underserved populations, and support 2SLGBTQI+ communities. This will help ensure that people facing intersecting barriers, including Indigenous women and girls, women and girls with disabilities, Black and other racialised women and girls, and 2SLGBTQI+ people, can access the supports they need.

How Is Canada Doing on Gender Equality?

Advancing gender equality is not just about creating a more equitable society. An economy that provides equal opportunities is a prosperous economy because it is able to make full use of its most valuable resource—the skills and abilities of all its people. This is illustrated by the contribution to economic growth in Canada attributable to increases in women's workforce participation in recent decades. Over the past 50 years, greater employment of women has driven Canada's real gross domestic product (GDP) per capita 13 per cent higher today than it would have been otherwise, representing an increase in income of $8,658 for each Canadian in 2024.

The Impact of Greater Women's Employment in the Workforce on Real GDP per Capita

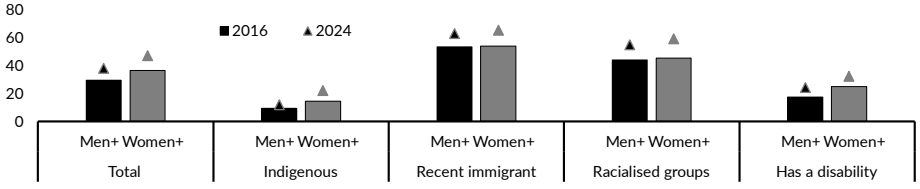


Notes: Results include the impacts of both the increased women labour force participation rate and the reduced women unemployment rate. The balance of the increase in real GDP per capita was the result of productivity improvements.
Sources: Statistics Canada; Department of Finance Canada calculations.

This highlights the potential for women and other underrepresented groups to further strengthen their contributions to the Canadian economy and support increased future prosperity in the face of demographic change, technological advances and global trade realignment. At the same time, there remains a need for ongoing monitoring of how diverse communities access educational opportunities, engage in the economy and society, and experience risks such as poverty and food insecurity.

Education and Skills Development

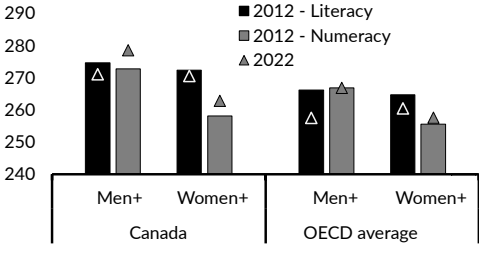
University at Bachelor's Degree Level or Above (Highest Education), 25-54 Years (%)* **



Skills are the foundation of opportunity, and much of the advancement towards gender equality in Canada can be traced to narrowing educational gaps between women and men.

Substantial progress has been made since 2016 in increasing overall educational attainment for women as well as for Indigenous people, newcomers and persons with disabilities. While women are more likely than men to have attained a bachelor's degree or above, and have been since the early 2000s, they remain less likely to enroll in the fields of science, technology, engineering and mathematics (STEM). However, over the past decade the share of women enrolled in STEM fields has increased from 20 per cent to 24 per cent.

Literacy and Numeracy Test Scores, 16-65 years*

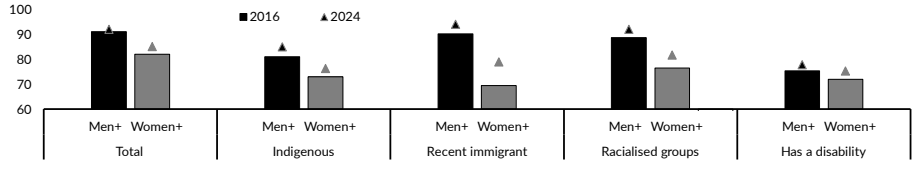


The gender gap in STEM-related fields is consistent with a persistent numeracy gap at the adult level, despite the improving numeracy scores for both genders and strong literacy scores in international comparisons.

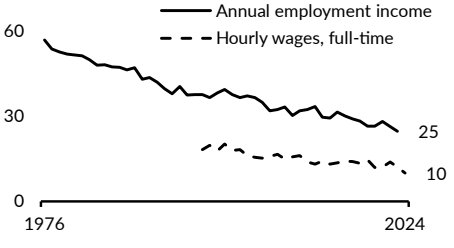
Earnings and Participation in the Labour Market

Strong labour market conditions and reduced child care costs have helped to foster greater participation in the workforce. Despite this progress, continued efforts are required to secure equal participation for women and other underrepresented groups.

Labour Force Participation Rate, 25-54 Years (%)* **



Gender Gap in Income and Wages, 25-54 Years (%)

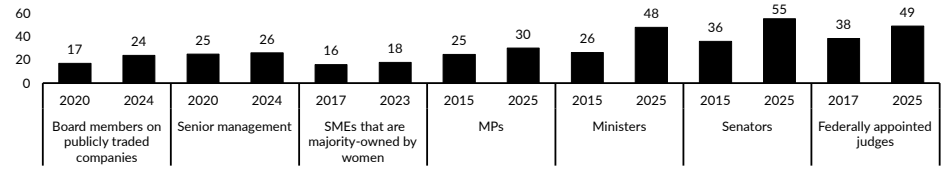


Gender gaps in earnings have narrowed over the past few decades, with the gap in annual earnings reduced to 25 per cent (10 per cent for full-time hourly wages). Still, women, along with Indigenous people, racialised groups, and newcomers, are overrepresented in low-wage work. Women's involuntary part-time employment (working part-time because they are unable to find a full-time job or are forced to work fewer hours due to economic or business conditions) has declined, yet women's full-time employment rate remains 10 percentage points lower than that of men, which is partly due to greater caregiving responsibilities.

Representation in Leadership Roles

Despite the progress in increasing women's representation in leadership positions, Canada's societal makeup is not yet reflected at all levels of decision-making. The power gap persists in business sector leadership, with the proportions of women on boards at publicly traded companies, in senior management positions, and in entrepreneurship all remaining below one-third.

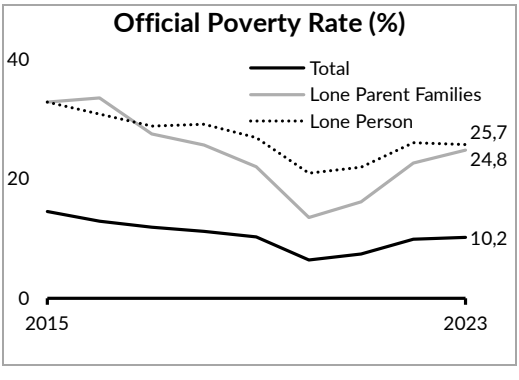
Representation of Women in Leadership Positions (%)***



Canada has achieved gender parity in the Senate, with near-parity in Cabinet, among federally appointed judges and a majority-women Supreme Court. However, women occupy less than one-third of seats in the House of Commons, which highlights potential systemic barriers that may deter women from engaging in federal politics. Yet importantly, the new government has the largest women's caucus in recent history. At 39 per cent, this gap is smaller for provincial and territorial legislators in Canada. Additionally, significant diversity gaps remain in policing.

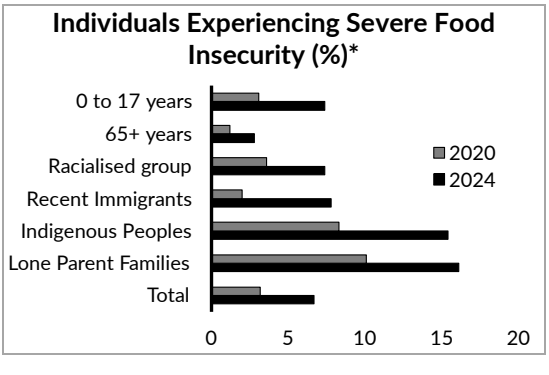
Poverty Risk and Health Outcomes

Certain vulnerable groups remain disproportionately affected by poverty including single people, lone-parent families, and racialised populations.



These groups often face systemic barriers to financial security, making them more vulnerable to financial instability, food insecurity, and lack of adequate affordable housing.

Cost of living pressures continued to drive an increase in the proportion of Canadians who experience severe food insecurity in 2024, a trend that has continued since 2020. Lone-parent families, of which 78 per cent are headed by women, continue to experience the highest rates of food insecurity, alongside Indigenous people, visible minority populations, and children, underscoring the continued economic vulnerability of certain populations.



Notes: * As the non-binary population is small, data aggregation to a two-category gender protects confidentiality. People in the category "non-binary persons" are distributed into the other two-gender categories and denoted by the "+" symbol. Prior to 2022, distinction by gender is not available. Recent immigrants are persons who landed in Canada within the last 10 years. Indigenous are Indigenous people living off reserve only. ** Percentage with university at bachelor's level or above and labour force participation rates for "Has a disability" are from the Canadian Survey on Disability and are for 2017 and 2022. For racialised groups, 2016 values are from the Census of Population 2016 and 2024 values are from the Labour Force Survey (both defined by gender). *** MPs, Ministers, Senators and federally appointed judges as of October 1, 2025.

Sources: Labour Force Survey, Programme for the International Assessment of Adult Competencies, Canadian Income Survey, Diversity of Boards of Directors and Senior Management of Federal Distributing Corporations annual reports, Survey on Financing and Growth of Small and Medium Enterprises, Library of Parliament, Office of the Commissioner for Federal Judicial Affairs Canada.

Disaggregated Data on Gender Equality: In early 2025, the Department of Finance Canada partnered with Statistics Canada to launch new interactive dashboards to modernise how gender and diversity outcomes are reported. Using digital tools these dashboards deliver more efficient and user-friendly reporting. The dashboards can be accessed at the Gender, Diversity and Inclusion Statistics Hub on Statistics Canada's website (www.statcan.gc.ca/hub-carrefour/gdis-sgdi/index-eng.htm).

Detailed Summary of Impacts by Measure

Consistent with the requirements of the *Canadian Gender Budgeting Act*, this detailed summary provides information on the gender and diversity impacts of new measures in this budget.

Guide to interpreting Expected Impacts: This table shows notable demographic benefits (direct and indirect) of new measures in Budget 2025, as well as how they are expected to contribute to Canada's Quality of Life Framework, and where applicable, advance gender equality. The table also flags measures which benefit underrepresented groups.

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact
Chapter sub-section			
Measure title	Notable gender, income or age impacts	Quality of Life Domain implicated by measure	Total net fiscal impact over five years, in millions of dollars

Gender: expected gender characteristics of the benefiting group

- oo Predominantly women (80 per cent or more women)
- o Majority women (60 per cent - 79 per cent women)
- ● Majority men (60 per cent - 79 per cent)
- ●● Predominantly men (80 per cent or more)

Income: expected benefits from an income distribution perspective

- ▼▼ Predominantly low-income people (Strongly progressive)
- ▼ Majority low-income people (Somewhat progressive)
- ▲ Majority high-income people (Somewhat regressive)
- ▲▲ Predominantly high-income people (Strongly regressive)

Age: expected benefits from a generational perspective

- ◇ Predominantly youth, children and/or future generations
- ◆ Predominantly seniors or the baby boom generation

All Demographics: No single group expected to benefit proportionally more than others

- ◯ All Demographics

Gender Equality: Contributes to Gender Results Framework goals

- ★ Gender Equality

Diversity: Specific groups expected to benefit proportionally more than others

- \+ Specific groups: Indigenous Peoples, persons with disabilities, racialised Canadians, 2SLGBTQI+, newcomers, rural populations, lone-parent households

Quality of Life Domains

- **Prosperity:** the economic domain, encompassing income and growth, employment and skills and learning and economic security
- **Health:** physical and mental health, and care systems that enable people to thrive through all stages of life
- **Environment:** natural and built environments that meet human needs such as clean air and water, as well as ecological integrity and stewardship dimensions such as greenhouse gas emissions
- **Society:** includes culture and identity, inclusion, social cohesion and connection, and time use
- **Good Governance:** includes democracy and institutions, safety and security and justice and human rights

Table A6.1 Overview of Expected Impacts

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Chapter 1 – Building a Stronger Canadian Economy			
Launching the Major Projects Office	◯ All demographics	Prosperity Society	*234*
Federal Initiative on Consultation	▼ Income + Indigenous	Prosperity Good Governance	*10*
Boosting Major Project Financing	◯ All demographics +Indigenous	Prosperity Environment Good Governance	*n/a*
Immediate Expensing for Manufacturing and Processing Buildings	● Men ▲ Income	Prosperity	*1, 165*
Accelerated Capital Cost Allowances for Low-Carbon Liquefied Natural Gas Facilities	● Men ▲ Income	Prosperity	*325*
Enhancing the Scientific Research and Experimental Development Tax Incentives	● Men ▲ Income	Prosperity	*293*
Seizing the Full Potential of Artificial Intelligence	● Men ▲ Income	Prosperity	*126*
Artificial Intelligence and Technology Measurement Program	◯ All demographics	Prosperity Good Governance	*0*
Protecting Canadian Intellectual Property	● Men	Prosperity	*182*
Investing to Build High-Growth Companies and Emerging Fund Managers	● Men ▲ Income	Prosperity	*81*
2026-2028 Immigration Levels Plan	+ Newcomers ◇Youth	Prosperity Society	*308*

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Improving Foreign Credential Recognition	▼ Income +Racialised + Newcomers	Prosperity Society	*0*
Recruiting International Talent	▲ Income	Prosperity Good Governance	*879*
Catalysing Investment in Airports and Ports	▲ Income	Prosperity Good Governance	*0*
Investing in Local and Regional Airports	+Indigenous +Rural populations	Prosperity Health	*55*
Generational Infrastructure Investments	◯ All demographics	Prosperity	*9,027*
Extending the Carbon Capture, Utilization, and Storage Investment Tax Credit	● Men ▲ Income	Prosperity Environment	n/a
Expanding the List of Critical Minerals for the Clean Technology Manufacturing Investment Tax Credit	● Men ▲ Income	Prosperity Environment	*4*
Critical Minerals Sovereign Fund	● Men + Indigenous + Rural populations	Prosperity	*208*
First and Last Mile Fund	● Men ▲ Income + Indigenous + Rural populations	Prosperity	*372*
Expansion of the Critical Mineral Exploration Tax Credit	● Men ▲▲ Income	Prosperity Environment	*5*
Mobilising Capital for Transition to Net-Zero	● Men ▲ Income ◆Seniors	Prosperity Environment Good Governance	*n/a*
Legislative Amendments Related to Climate Competitiveness Strategy	◯ All demographics	Environment Good Governance	*n/a*
Reducing Barriers to Account Switching	◯ All demographics	Prosperity	*n/a*
Bank Fees Report	◯ All demographics	Prosperity	*n/a*
Helping Credit Unions Grow and Compete	◯ All demographics	Prosperity	*n/a*
Allow Small FRFIs to Grow Larger Without Changing Ownership Structure	◯ All demographics	Prosperity	*n/a*
Strengthening Small Banks' Access for Brokered Deposits	◯ All demographics	Prosperity	n/a
Advancing Consumer-Driven Banking	▼ Income	Prosperity Good Governance	*8*

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Introducing a Regulated Space for Stablecoins	● Men ◇Youth	Prosperity Good Governance	*10*
Restricting Non-Compete Agreements	◯ All demographics	Prosperity Good Governance	*n/a*
Improving VIA Rail Service in the Corridor	○ Women	Environment	*8*
Supporting Medical School Infrastructure	◇Youth	Health	*25*
Landfill Methane Regulations	◯ All demographics	Health Environment	*15*
Chapter 2 – Shifting from Reliance to Resilience			
Becoming our Own Best Customer	● Men	Prosperity	*157*
Trade Infrastructure Strategy	● Men	Prosperity Environment Good Governance	*4,150*
Making New Business-to-Business Connections in Europe	◯ All demographics	Prosperity Environment	*8*
Removing Barriers and Modernising Trade	◯ All demographics	Prosperity	20
Seizing International Opportunities Through Trade Finance	● Men ▲ Income	Prosperity	*11*
Revitalising CanExport	◯ All demographics	Prosperity	*54*
Support Canadian Firms' Innovation-to-Export Pipeline	◯ All demographics	Prosperity	*6*
SME Export Readiness Initiative	● Men	Prosperity	*47*
Nuclear Energy Export Promotion	● Men	Prosperity	*4*
Expanded Clean Technology Demonstration Initiative	● Men ▲ Income	Prosperity Environment	*40*
Enhancing Canada's Trade Access Through Digital Modernisation	● Men ▲ Income	Prosperity Good Governance	*61*
Securing Market Access for Agri-Food and Seafood	● Men ▲ Income	Prosperity	*33*
Migrating the Canada Tariff Finder	◯ All demographics	n/a	*1*
Trade Controls to Defend Canada's Steel Industry	● Men ▲ Income	Prosperity Good Governance	*9*
Enhancing Economic Expertise on Exporting Sectors	◯ All demographics	Prosperity	*2*
Amendments to AgriStability	● Men ▲ Income ◆Seniors	Prosperity	*0*

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Chapter 3 – Empowering Canadians			
Launching Build Canada Homes*	▼ Income ★Gender Equality	Prosperity	*6,695*
First-Time Home Buyers' GST Rebate*	▲ Income	Prosperity	*3,910*
Training the Next Generation of Canadian Builders*	● Men ◇Youth ★Gender Equality	Prosperity	*75*
Strengthening First Nations Infrastructure Financing and Access to Clean Water	○ Women ▼▼ Income +Indigenous ★ Gender Equality	Prosperity Health Good Governance	*2,331*
Supporting Indigenous Housing and Infrastructure	▼▼ Income +Indigenous ★Gender Equality	Prosperity Health Good Governance	*0*
Middle Class Tax Cut*	◯ All demographics	Prosperity	*27,245*
Cancelling the Divisive Consumer Carbon Price*	▲ Income	Prosperity	*4,185*
Delivering Automatic Federal Benefits for Low-Income Individuals*	▼▼ Income	Prosperity	*245*
Making the National School Food Program Permanent*	▼ Income ◇Youth +Indigenous + Racialised ★Gender Equality	Prosperity Health	*217*
Enhancing Access to Funds Deposited by Cheque	▼ Income ◆ Seniors	Prosperity	*n/a*
Addressing Economic Abuse	○ Women ▼ Income ◆ Seniors ★Gender Equality	Prosperity Society	*n/a*
Protecting Workers Against Improper Classification*	● Men + Racialised	Prosperity	*-83*
Delivering for Personal Support Workers	○○ Women ▼ Income + Racialised	Prosperity	*74*
Helping Youth Find and Keep Jobs	▼ Income ◇Youth ★Gender Equality	Prosperity	*1,518*
Advancing the Youth Climate Corps	▼ Income ◇Youth	Prosperity Environment	*40*
Permanent Funding for the Department for	○ Women	Prosperity	*528*

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Women and Gender Equality*	+ Racialised + 2SLGBTQI+ +Indigenous ★Gender Equality	Society	
Connecting Canadians Through Cultural Experiences and Community Celebrations	◯ All demographics	Society	*101*
Investing in Canadian Creators and the Cultural Economy	◯ All demographics	Prosperity Society	*402*
Protecting Artists' and Creators' Copyrights	▼ Income	Prosperity Society	*n/a*
Protecting our National Broadcaster: CBC/Radio-Canada	▼ Income	Society Good Governance	*150*
Renewing the Canada Strong Pass	◇Youth ▼ Income	Society Environment	*116*
Supporting the Royal Canadian Geographical Society	◇Youth	Society	*0*
Lowering Barriers to Access the Canada Disability Benefit	+ Persons with Disabilities ▼▼ Income ★Gender Equality	Prosperity	*116*
Supporting the FIFA Men's World Cup 2026	◯ All demographics	Society Good Governance	*100*
Funding for the Terry Fox Research Institute	◆Seniors	Health	*80*
Top-Up Tax Credit	▲ Income ◆Seniors	Prosperity	*70*
Extending Employment Insurance Parental Benefits during Bereavement	○ Women	Prosperity	*17*
Chapter 4 – Protecting Canada's Sovereignty and Security			
Rebuilding, Rearming and Reinvesting in the Canadian Armed Forces	● Men	Prosperity Society Good Governance	*55,882*
A New Defence Investment Agency	● Men	Good Governance	*71*
Operation REASSURANCE	● Men	Good Governance	*2,649*
Operation AMARNA	● Men	Good Governance	*181*
Strengthening Federal Law Enforcement	◯ All demographics	Society Good Governance	*1,741*
Establishing a Financial Crimes Agency	◯ All demographics	Society Good Governance	*n/a*

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Enhancing the Canada Border Services Agency	◯ All demographics	Prosperity Society Good Governance	*618*
Enhancing the Canada Border Services Agency – Early Retirement Benefits for Frontline Workers in the Public Service	● Men ▲ Income	Prosperity	*163*
Modernising the Meteorological Service of Canada	◯ All demographics	Prosperity Environment Good Governance	*1,136*
Renewing Canada's National Public Alerting System	◯ All demographics	Environment Good Governance	*55*
Improving Preclearance at Canada's Borders	● Men ▼ Income	Prosperity Good Governance	*15*
Removing Assault-Style Firearms from our Streets	● Men ◇Youth ★Gender Equality	Society	*39*
Strengthening Canada's Emergency Management	◯ All demographics	Environment	*258*
Combatting Financial Fraud	◯ All demographics	Prosperity Good Governance	*n/a*
Ensuring Crime Doesn't Pay	◯ All demographics	Prosperity Good Governance	*n/a*
Improving Asylum Claim Processing Efficiency	▼ Income + Newcomers	Society Good Governance	*66*
Support for NATO's Ukraine Comprehensive Assistance Package	◯ All demographics	Good Governance	*0*
Chapter 5 – Creating a More Efficient and Effective Government			
Comprehensive Expenditure Review and Optimizing Productivity in Government	◯ All demographics	Prosperity Good Governance	*-51,967*
Reinvestment to Improve Compliance and Debt Collection	◯ All demographics	Prosperity	*-3,985*
Workforce Renewal	◆Seniors	Good Governance	*1.511*
Equitable Public Sector Retirement Benefits – Pension Modernization	◯ All demographics	Prosperity Good Governance	*-1,094*
Equitable Public Sector Retirement Benefits – Pensioners' Dental Services Plan	◆Seniors	Prosperity Good Governance	*-102*
Collective Bargaining in Good Faith	◯ All demographics	Prosperity Good Governance	*n/a*
Improving the Integrity of Student Financial Assistance	oo Women ▼ Income ◇Youth	Prosperity Good Governance	*-1,025*

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Faster Services for Veterans	● Men + Veterans ★Gender Equality	Health	*185*
Investment Income Derived from Assets Supporting Canadian Insurance Risks	◯ All demographics	Prosperity	*-255*
Tax Deferral Through Tiered Corporate Structures	◯ All demographics	Prosperity Good Governance	*-540*
Reforming and Modernising Canada's Transfer Pricing Rules	◯ All demographics	Prosperity Good Governance	*-510*
Combatting Carousel Fraud	◯ All demographics	Prosperity Good Governance	*-90*
Luxury Tax on Aircraft and Vessels	● Men ▲▲ Income	Prosperity	*135*
Eliminating the Underused Housing Tax	◯ All demographics	Prosperity	*150*
Administrative Funding for the Clean Economy Tax Credits	● Men ▲ Income	Prosperity Environment	*146*
Administrative Funding for Tax Fairness for Global Corporations	◯ All demographics	Good Governance	*221*
Funding Advertising for Communicating to Canadians	◯ All demographics	n/a	*345*
Real-Time Employer Reported Payroll Information Pilot	◯ All demographics	n/a	*29*
Advancing a Common Government of Canada Desktop Solution	◯ All demographics	n/a	*0*
Continuing Collection of Emergency Benefits Overpayments	◯ All demographics	Prosperity Good Governance	*123*
Canadian Nuclear Safety Commission Human Resources Information Technology Modernisation	◯ All demographics	Prosperity Environment	*0*
Home Accessibility Tax Credit	◯ All demographics	Prosperity	*-21*
Agricultural Cooperatives: Patronage Dividends Paid in Shares	▼ Income	Prosperity	*33*
Legislative Measures			
Building High-Speed Rail Faster	◯ All demographics	Prosperity Good Governance	*n/a*
Renewing the Sunset Provision of the Financial Institutions Statutes	◯ All demographics	Good Governance	*n/a*
Modernising Canada's Biosecurity Oversight Framework	◯ All demographics ★Gender Equality	Prosperity Health Environment Good Governance	*n/a*

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Strengthening the Financial Sector Transaction Approval Process to Include Additional Considerations	◯ All demographics	Prosperity	*n/a*
Modernising Limits on Borrowing and Portfolio Investments	◯ All demographics	Good Governance	*n/a*
Electronic Delivery of Governance Documents in the Financial Institutions Statutes	◯ All demographics	Good Governance	*n/a*
Bearer Instruments in the Financial Institutions Statutes	◯ All demographics	Good Governance	*n/a*
Supporting Canadians During Branch Closures	◆Seniors	Prosperity	*n/a*
Enhancing the Office of the Superintendent of Financial Institutions' Authorities to Protect the Financial Sector Against Integrity and Security Risks	◯ All demographics	Good Governance	*n/a*
Protect Against the Disclosure of Sensitive Information Collected and Produced Under the *Retail Payment Activities Act*	◯ All demographics	Good Governance	*n/a*
Protect the Minister of Finance and Government Officials Against Risks of Civil Liability	◯ All demographics	Good Governance	*n/a*
Targeted Windfall Profit Charge	◯ All demographics	Good Governance	*n/a*
Mitigating Potential Financial Sector Risks From Sanctions	◯ All demographics	Good Governance	*n/a*
Anti-Money Laundering and Anti-Terrorist Financing Technical Amendments	◯ All demographics	Prosperity Good Governance	*n/a*
Strengthening Anti-Money Laundering and Anti-Terrorist Financing Supervision, Compliance, and Enforcement	◯ All demographics	Prosperity Good Governance	*n/a*
Review of Financial Institutions Supervisory Committee Membership	◯ All demographics	Good Governance	*n/a*
Support for Homeownership and Multi-Unit Rental Housing Construction	◯ All demographics	Good Governance	*n/a*
Increasing the Amount of the *Borrowing Authority Act*	◯ All demographics	Good Governance	*n/a*
Legislative Amendments to the *Export and Import Permits Act*	◯ All demographics	Prosperity Good Governance	*n/a*
Obsolete or Surplus Goods – Pilot for Donated Goods	▼ Income	Environment Society Good Governance	*n/a*
Legislative Amendments to Enable Lending to Special Purpose Vehicles	+Indigenous	Prosperity Good Governance	*n/a*
Legislative Amendments to the *Naskapi and the Cree-Naskapi Commission Act*	+Indigenous	Society Good Governance	*n/a*
Legislative Amendments to the *Department of Employment and Social Development Act*	▼ Income	Society Good Governance	*n/a*

	Expected Direct or Indirect Benefits	Quality of Life Impacts	Net Fiscal Impact *millions of dollars*
Legislative Amendments to the *Administrative Tribunals Support Service of Canada Act* and to the *Canadian Environmental Protection Act*	◯ All demographics	Good Governance	*n/a*
Legislative Amendments to the *Judges Act*	◯ All demographics ★Gender Equality	Society Good Governance	*n/a*
Legislative Amendments to the *Government Annuities Improvement Act*	◯ All demographics	Good Governance	*n/a*
Legislative Amendments to the *Tobacco and Vaping Products Act*	▼▼ Income	Good Governance	*n/a*
Legislative Amendments to the *Aeronautics Act* and *Canada Transportation Act*	● Men	Good Governance	*n/a*
Canada Development Investment Corporation Enabling Legislation	◯ All demographics	Good Governance	*n/a*
Enabling Divestiture of the Freshwater Fish Marketing Corporation	◯ All demographics	Prosperity	*n/a*
Legislative Amendments to the *Canadian Energy Regulator Act*	● Men	Prosperity	*n/a*
Legislative amendments to the *Red Tape Reduction Act*	◯ All demographics	Prosperity Good Governance	*n/a*
Legislative amendments to the *Farm Credit Canada Act*	● Men ▲▲ Income	Prosperity Good Governance	*n/a*
Penalising Predatory Debt Advisors	◯ All demographics	Good Governance	*n/a*
Amendments to the *Territorial Lands* Act	+Indigenous ● Men	Good Governance	*n/a*
Amendments to the *Broadcasting Act*	◯ All demographics	n/a	*n/a*
Amendments to the *Canada Post Corporation Act*	◯ All demographics	n/a	*n/a*
Faster dissolution of federal corporations listed as terrorist entities	◯ All demographics	Good Governance	*n/a*
Supplementary Tax Measures			
Qualified Investments for Registered Plans	▲ Income	Good Governance	*n/a*
21-Year Rule	◯ All demographics	Prosperity Good Governance	*n/a*
GST/HST Treatment of Manual Osteopathic Services	◯ All demographics	Good Governance	*n/a*

**These measures were announced prior to November 4, 2025. Given their gender and diversity impacts, they are included in this annex.*

Gender and Diversity Impact Summaries

Launching the Major Projects Office

Funding to the Major Projects Office, which will serve as a "single window" to advance major projects in Canada and streamline federal regulatory project approval.

This measure will benefit all Canadians, as the Office will help accelerate nation-building projects that contribute to long-term prosperity. The major projects the Office could support are spread across a range of sectors and regions. Economic opportunities in construction and natural resources would indirectly benefit more men, as women comprise less than 30 per cent of the workforce in both sectors.

Federal Initiative on Consultation

Funding to Crown-Indigenous Relations and Northern Affairs Canada to continue supporting Indigenous participation in consultation processes through the Federal Initiative on Consultation, including for projects of national interest.

This measure would directly benefit Indigenous communities by enhancing their capacity to participate in Crown consultation processes, ensuring that the perspectives, rights, and interests of implicated First Nations, Métis, and Inuit communities are understood during major project development. Coordinated and more predictable Crown-Indigenous consultations will contribute to greater certainty for all parties, providing a clear path for Indigenous communities to contribute to, and benefit from, projects of national interest. As Indigenous people have a lower average annual income than non-Indigenous people in Canada, support for Indigenous participation in consultation processes is expected to benefit primarily lower-income communities.

Boosting Major Project Financing

Proposes guidance to the Canada Infrastructure Bank (CIB), Export Development Canada, Canada Growth Fund, and the Canada Indigenous Loan Guarantee Corporation (CILGC) to work with the Major Projects Office to coordinate federal financing for nation-building projects and follow a strategic financing framework. It also proposes to increase CIB's statutory capital envelope from $35 billion to $45 billion and proposes more ways for CILGC to guarantee Indigenous investment in new build projects, and to enable the CIB to invest in any nation-building projects that have been referred to the Major Projects Office.

This measure would benefit all Canadians, as an increased statutory capital envelope will finance more projects that are in the public interest. Improved coordination between federal Crown corporations will help catalyse private investment, support the Canadian economy, and accelerate nation-building projects, while delivering value for money for taxpayers. This measure will also benefit Indigenous groups, as it will facilitate Indigenous investment in new build projects.

Immediate Expensing for Manufacturing and Processing Buildings

The measure would provide immediate expensing for manufacturing and processing buildings.

The measure would benefit businesses in manufacturing and processing industries. Owners and shareholders of businesses tend to be men, older, and have higher incomes. Resulting indirect employment opportunities would predominantly benefit men., since they are more likely to work in the manufacturing or processing sector, but would be more balanced with respect to income. More broadly, investment in capital that could improve business productivity would be of benefit to all Canadians.

Accelerated Capital Cost Allowances for Low-Carbon Liquefied Natural Gas Facilities

The measures would reinstate accelerated capital cost allowances for liquefied natural gas equipment and related buildings, but only for low-carbon liquefied natural gas facilities. To be eligible, a facility would need to meet new high standards of emissions performance. Two levels of support would be available, which would depend on the emissions performance of a facility. Details regarding the new emissions performance requirements for these additional allowances will be provided at a later date.

The measures would benefit businesses in the natural gas liquefaction industry. Owners and shareholders of businesses tend to be men, older, and have higher incomes. Resulting indirect employment opportunities would predominantly benefit men. These benefits would be concentrated in British Columbia, Alberta, and Saskatchewan, where Canada's natural gas production is primarily located. Currently, most liquefied natural gas projects are planned to be located in British Columbia.

Enhancing the Scientific Research and Experimental Development Tax Incentives

This measure would modify the Scientific Research and Experimental Development tax incentive program by increasing, from $4.5 to $6 million, the expenditure limit on which the program's enhanced 35-per-cent tax credit can be earned.

This measure would benefit businesses that perform research and development (R&D). Owners and shareholders of businesses tend to be men, older, and have higher incomes. Workers in industries and occupations where business R&D is more prevalent, who are also more likely to be men and have higher income, could also indirectly benefit. However, as technological and scientific advancements could diffuse throughout the economy and generate productivity gains, benefits could spread to all Canadians.

Seizing the Full Potential of Artificial Intelligence

Funding to support large-scale sovereign public artificial intelligence (AI) infrastructure that will boost AI compute availability and support access to sovereign AI compute capacity.

This measure will primarily benefit highly educated men in the regions of British Columbia, Alberta, Ontario, and Québec where the majority of the AI ecosystem is concentrated. Approximately 70 per cent of AI workers are men with tertiary/advanced degrees. Around 50 per cent of AI jobs are classified as 'well paying' with annual salaries in the range of $82,000 or more. This measure will also indirectly support Canadian industry and academia and provide additional benefits to the Canadian AI ecosystem, such as increasing productivity.

Artificial Intelligence and Technology Measurement Program

Funding to the Artificial Intelligence (AI) and Technology Measurement Program (TechStat), to support data and insights to measure how AI is used by organisations and understand its impact on Canadian society, the labour force, and the economy.

This measure will benefit all Canadians by providing policy makers with timely and relevant data to conduct thorough analysis and better understand technology's contribution to, and impact on, businesses, government, and Canadians. This measure will also provide data and insights on access to digital infrastructure and technology use across different demographic characteristics.

Protecting Canadian Intellectual Property

Funding to Innovation, Science and Economic Development Canada and the National Research Council of Canada to renew Elevate IP as well as the Innovation Asset Collective and IP Assist, to continue to support Canadian SMEs with their intellectual property (IP) needs.

This measure would directly benefit innovative small- and medium-sized enterprises (SMEs) with the potential to own IP. Innovative SMEs are majority owned by men (65.6 per cent) and SME owners are typically highly educated.

GBA Plus Responsive Approach: Women, Indigenous people, and racialised communities may face challenges in accessing IP services. To address these barriers, the Elevate IP program requires recipients to develop and implement Inclusion, Diversity, Equity and Accessibility Action Plans, and directs targeted supports to underrepresented groups to provide access to IP services.

Investing to Build High-Growth Companies and Emerging Fund Managers

Funding for the Business Development Bank of Canada to launch the Venture and Growth Capital Catalyst Initiative, a fund-of-funds that would incentivise pension funds and other institutional investor participation, as well as funding for the government to develop and implement a new strategy that supports firms facing early growth-stage funding gaps.

Men are expected to disproportionately benefit from this initiative, as they are overrepresented among venture capital fund managers and entrepreneurs receiving investments from these fund managers. Indirect benefits are expected to accrue more broadly to workers employed by entrepreneurs receiving investments, as well as investors who may benefit from a strengthened innovation ecosystem and the long-term growth of high-potential companies. This initiative may benefit those with middle to higher incomes, including investors and employees of high-growth potential companies.

2026-2028 Immigration Levels Plan

The 2026-2028 Immigration Levels Plan stabilises permanent resident admission targets at 380,000 per year for three years, while setting a target for new temporary resident arrivals at 385,000 in 2026 and 370,000 in 2027 and 2028. In addition, over the next two years, Canada will undertake a one-time measure to recognize eligible Protected Persons in Canada as permanent residents and a one-time measure to accelerate the conversion of up to 33,000 work permit holders to permanent residency.

These measures would benefit newcomers to Canada by supporting their integration, which contributes to positive economic and social outcomes. Newcomer men have a moderately higher employment rate than their Canadian-born counterparts, while newcomer women face significant labour market challenges, with lower employment rates compared to Canadian-born women. Establishing immigration targets also contributes to a sustainable and well-managed immigration system and supports long-term economic, social, and cultural benefits for all Canadians.

Improving Foreign Credential Recognition

Funding to Employment and Social Development Canada to work with provinces and territories to improve the fairness, transparency, timeliness, and consistency of foreign credential recognition processes, with a focus on health and construction sectors.

This measure would benefit internationally trained professionals, with a post-secondary degree seeking employment in a regulated occupation, particularly in the health and construction sectors. Both women and men, who are overrepresented in the health and skilled trades sectors respectively, would benefit. While newcomers are highly educated, with nearly half having at least a bachelor's degree, they face higher unemployment and overqualification compared to those who are Canadian-born and are less likely to find employment in their field. Racialised people, who make up roughly 80 per cent of newcomers, would benefit significantly.

Recruiting International Talent

Launching the International Talent Attraction Strategy to recruit top-tier international researchers to Canadian universities to strengthen the Canadian research ecosystem.

This measure is expected to benefit all Canadians by driving economic growth. It would also directly benefit top-performing international researchers and Canadian post secondary institutions, who would benefit from the recruited talent's research expertise. Top-tier researchers tend to have higher incomes.

Catalysing Investment in Airports and Ports

Exploring potential improvements under the National Airports System (NAS) governance model, including amendments to ground leases and measures to crowd-in additional private investment, including from institutional investors.

This measure is expected to benefit Canadian and international travellers who use NAS airports by supporting investments in airport infrastructure and amenities while keeping airport user fees competitive through improved efficiency. Based on Statistics Canada's Survey of Household Spending (2023), the propensity to fly for personal travel is highly correlated to income. As a result, this measure is likely to have a greater impact on high- and middle-income Canadians.

Investing in Local and Regional Airports

Funding to Transport Canada to support safety-related infrastructure projects at local and regional airports.

This measure would directly benefit rural and remote communities by maintaining essential air connectivity. This access is vital for timely health care, fresh food delivery, and broader economic development. One in nine Canadians lives in a community deemed 'moderately,' 'more,' or 'most' remote, with Indigenous people likely to live in more remote regions. The construction and engineering sectors would indirectly benefit from new infrastructure projects, with the workforce in these sectors being disproportionately men (e.g., 86.4 per cent in the construction sector).

Generational Infrastructure Investments

Launching a new Build Communities Strong Fund to support public infrastructure projects of local and regional significance.

This measure will benefit all Canadians through investments in public infrastructure, across a wide range of infrastructure classes, with the likelihood of impacts varying by project type and geographic location. This measure would indirectly benefit the construction sector, which predominantly employs men (86.4 per cent) of working age with medium income.

Extending the Carbon Capture, Utilization, and Storage Investment Tax Credit

Extending by five years the full credit rates under the Carbon Capture, Utilization, and Storage (CCUS) investment tax credit, from 2031 to 2035. Credit rates would be reduced by half from 2036 to 2040.

This measure would benefit businesses in the utilities, manufacturing, processing, engineering, oil and gas and construction sectors—particularly those located in Western Canada. Shareholders and employees of businesses that invest in CCUS would directly benefit. Generally, these groups are disproportionately older men and high-income earners. Increased economic activity from the measure would have a positive impact on GDP per capita. The emission reductions will positively impact all Canadians, but in particular youth and future generations, by reducing the negative impacts associated with climate change.

Expanding the List of Critical Minerals for the Clean Technology Manufacturing Investment Tax Credit

The measure would expand the list of eligible critical minerals for the Clean Technology Manufacturing investment tax credit to include the production of antimony, indium, gallium, germanium, and scandium.

This measure would directly benefit eligible corporations and may encourage incremental investment in extraction and processing related to critical minerals used in clean technologies. This increased investment may contribute to firm growth and increased productivity of workers in Canada, leading to higher wages. Workers in mining, quarrying, oil, or gas tend to earn higher income than the average Canadian and are disproportionately men (82 per cent), working-aged (90 per cent), or Indigenous (9 per cent). All Canadians will benefit from investments towards a low-carbon economy, particularly younger generations and vulnerable populations including women, Indigenous people, and people in rural communities, who are disproportionately impacted by climate change.

Critical Minerals Sovereign Fund

Funding to Natural Resources Canada to create the Critical Minerals Sovereign Fund, which will make strategic investments in critical minerals projects and companies, including equity investments, loan guarantees, and offtake agreements.

All Canadians would benefit from positive impacts on Canada's growth and productivity through increased investment in critical minerals projects and companies in Canada. The measure would directly benefit workers in the mining sector, who are predominantly men, as well as Canadians who reside in rural and remote communities, including Indigenous Peoples (First Nations, Inuit, Métis) and people who reside in Canada's North where many potential mining opportunities exist. The measure may offer opportunities for Indigenous economic reconciliation and support local employment growth. Indirect benefits would accrue to people employed in the construction and transportation sectors through temporary employment. Workers in these sectors are disproportionately men.

First and Last Mile Fund

Funding to Natural Resources Canada to create the First and Last Mile Fund to foster the development of Canada's critical minerals value chains.

All Canadians would benefit from positive impacts on Canada's growth and productivity through increased supply chain efficiency and new market opportunities in the mining sector. Direct benefits would accrue to owners, operators, and users of mining infrastructure. Mining projects are largely located in rural and remote regions of the country. This measure would indirectly benefit workers in the mining industry, which predominantly employs men of core working-age (ages 25 to 54) who earn wages that exceed the national average across. Indigenous people account for 11 per cent of mining's labour force, amongst the highest representation by industry in Canada.

Expansion of the Critical Mineral Exploration Tax Credit

Expanding the eligibility of the Critical Mineral Exploration Tax Credit to include additional critical minerals. This measure would apply to expenditures renounced under eligible flow-through share agreements entered into after Budget Day and on or before March 31, 2027.

The measure would benefit individuals who invest in flow-through shares of mining exploration companies. These individuals tend to be men with higher incomes. Businesses engaged in mineral exploration would also benefit. Mining workers, who tend to be men, and some communities, including Northern and Indigenous communities, may also indirectly benefit. The measure may incentivise the future supply of certain critical minerals.

Mobilising Capital for Transition to Net-Zero

Selection of an external organisation to lead the development of made-in-Canada sustainable investment guidelines (also known as a taxonomy).

Made-in-Canada sustainable investment guidelines could improve the functioning of the financial system, which would benefit all Canadians. However, men, high-income people, and seniors who tend to be wealthier and have more investments could disproportionately benefit. Furthermore, sustainable investment guidelines could have downstream benefits for all Canadians, especially younger generations, and vulnerable populations, including women, Indigenous people, and rural and coastal communities, who are disproportionately impacted by climate change, by mobilising capital in support of Canada's net-zero transition.

Legislative Amendments Related to Climate Competitiveness Strategy

Introducing amendments to the *Competition Act*, the *Energy Efficiency Act*, and the *Canadian Environmental Protection Act, 1999* to support investment certainty and the adoption of energy efficient goods.

All Canadians are expected to benefit from this measure. While the amendments are expected to have no significant impact on greenhouse gas emissions, they are expected to provide greater investment certainty and offer legislative or regulatory efficiencies.

Reducing Barriers to Account Switching

Introducing regulations that would prohibit transfer fees, introduce transfer timelines, and enhance disclosures related to registered and investment account transfers. The government also intends to work with banks on ways to simplify the process of switching primary chequing accounts.

These measures will benefit all Canadians, as they are aimed at improving competition in the financial sector generally. If Canadians are more readily able to transfer deposit, registered or investment accounts to other financial institutions, financial institutions will compete for clients more vigorously, resulting in lower prices and/or better-quality services for all Canadians. Canadians holding registered and investment accounts, which are more prevalent among higher-income people, may disproportionately benefit, as these transfers will be smoother and less costly.

Bank Fees Report

The government is requesting that the Financial Consumer Agency of Canada (FCAC) prepare a report on the structure level and transparency of fees charged by Canadian banks.

The FCAC report is expected to enhance public understanding of the level and transparency of bank fees in Canada, which will benefit all Canadians.

Helping Credit Unions Grow and Compete

Proposes legislative amendments to the *Bank Act* and *Canada Deposit Insurance Corporation Act* and other statutes as needed to make entrance requirements for federal credit unions less burdensome and make it easier for federal credit unions to scale through amalgamations and acquisitions.

All Canadians will benefit from improvements to the federal credit union framework since allowing more financial institutions like credit unions to grow will create more competition in the financial sector. Competition drives down fees, improves interest rates on deposits, and leads to better customer services as banks compete for market share, bringing benefits to the diverse regions across Canada that credit unions serve. Competition in the sector can also drive efficiency and support economic development and productivity as banks are driven to allocate capital to their most productive uses.

Allow Small FRFIs to Grow Larger Without Changing Ownership Structure

Proposes legislative amendments to the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to raise the threshold for the 35 per cent public holding requirement from $2 billion to $4 billion.

This measure is expected to help small financial institutions grow and compete. All Canadians will benefit from improvements that support the growth and competitiveness of smaller financial institutions, because increased competition in the financial sector supports lower prices and better-quality financial services.

Strengthening Small Banks' Access for Brokered Deposits

Proposes a legislative amendment to the *Bank Act* to prevent banks from unduly limiting access to their distribution channels for brokered deposits.

All Canadians will benefit from improvements that support the growth and competitiveness of smaller financial institutions, which supports lower prices and high-quality financial services.

Advancing Consumer-Driven Banking

Proposes legislation to complete the Consumer-Driven Banking Framework, transferring its governance to the Bank of Canada, and a legislative amendment to the *Personal Information Protection and Electronic Documents Act* that will grant Canadians a right to data mobility, supporting an economy-wide approach to data sharing.

All Canadians are expected to benefit from this measure, as it will promote competition and reduce risks in the financial services industry by regulating financial data sharing. For consumers, this could mean greater financial inclusion, more informed financial decisions, and better management and mitigation of financial stressors. For businesses, it could mean improved access to new forms of financing and reduced administrative burden from better integration and automation of key functions.

Introducing a Regulated Space for Stablecoins

Introducing regulations for the safe innovation of digital assets by regulating the issuance of fiat-backed stablecoins.

Regulating stablecoin issuance will benefit all Canadians by ensuring that stablecoins are backed by quality reserves, with appropriate redemption policies established and appropriate safeguards for data security and risk management. While all Canadians will benefit, research done by the Financial Consumer Agency of Canada in 2023-2024 has found that men and young Canadians are more likely to own stablecoins, meaning that this measure will disproportionately benefit them by ensuring those assets are secure.

Restricting Non-Compete Agreements

Proposes a legislative amendment to the *Canada Labour Code* to restrict non-compete agreements that distort the labour market while hindering competition and labour mobility.

This measure is expected to benefit workers across Canada by improving job matches and reducing barriers to labour mobility. Higher competition for talent is expected to raise wages and productivity, supporting broad-based gains across age, education, and income groups.

Improving VIA Rail Service in the Corridor

Funding proposed for VIA Rail Canada to implement technologies to improve on-time performance on its corridor services.

This measure would directly benefit people who use VIA Rail's corridor services. Across all VIA Rail routes, women make up 60 per cent of ridership, young people and students make up 20 per cent, and seniors make up 13 per cent.

Supporting Medical School Infrastructure

Funding to support Toronto Metropolitan University's (TMU) School of Medicine through the construction of a new student building at TMU's Brampton campus and to establish primary care teaching clinics in surrounding communities.

This measure will benefit the TMU School of Medicine. Direct beneficiaries would be students of the medical school, as support for auxiliary infrastructure will improve their experiences. In 2020, the Association of Faculties of Medicine in Canada estimated that enrollment in Canadian medical schools is broadly gender balanced, but that enrollees were less likely than the census average to be Black, Indigenous, or from rural areas. Indirect benefits are expected to accrue to communities around TMU that will be served by new primary care teaching clinics. Longer-term benefits will accrue to all Canadians through an increased number of certified doctors and healthcare professionals.

Landfill Methane Regulations

Funding to Environment and Climate Change Canada to implement and enforce methane regulations for large landfills.

Reducing emissions of methane, which are a potent greenhouse gas, is expected to reduce health care costs and lower health impacts from poor air quality, which would benefit those who are especially vulnerable to pollution, including seniors, children and those with pre-existing medical conditions. Reducing emissions provides the greatest benefit to future generations, in terms of reduced climate impacts.

Becoming Our Own Best Customer

Funding to Public Services and Procurement Canada, the Treasury Board Secretariat, and Innovation, Science and Economic Development Canada to implement a Buy Canadian Policy, enabling more Canadian companies to participate in federal procurement.

This measure would benefit Canadian businesses by prioritising Canadian suppliers in federal procurement contracts, which would spur domestic demand and create potential opportunities for growth. As this includes a specific priority to ensure the steel and softwood lumber sectors are supported, this measure would likely benefit men more, as they are overrepresented in these sectors. Small- and medium-sized businesses will also benefit from a specific program under this new policy. About 65 per cent of small- and medium-sized businesses are owned by men.

Trade Infrastructure Strategy

Funding to support the development of trade and transportation infrastructure through the creation of the Trade Diversification Corridors Fund (TDCF) and Arctic Infrastructure Fund (AIF).

This measure would benefit all Canadians, by positively impacting Canada's growth trajectory, productivity, and GDP per capita through increased supply chain efficiency and by facilitating new market opportunities for Canadian businesses. Direct benefits would accrue to owners, operators, and users of infrastructure facilitated by the TDCF and AIF across a variety of regions, with the AIF particularly benefiting transportation users in northern regions. Users of supported infrastructure would generally be Canadian businesses looking to export and import goods. Indirect benefits would accrue to the construction and transportation industries, which predominantly employ men: in the 2021 Census, 86.4 per cent of those working in the construction industry identified as men.

Making New Business-to-Business Connections in Europe

Funding to Global Affairs Canada to undertake new Minister-led trade missions to the European Union (EU) and offer financial support to Chambers of Commerce in the region.

This measure would benefit Canadian companies, and their employees that are seeking new business ties with Europe. By promoting expanded trade and investment with Europe, this measure will directly enhance economic growth, helping to create a stronger Canadian economy for the benefit of all Canadians.

Removing Barriers and Modernising Trade

Funding to Global Affairs Canada to enhance capacity to negotiate and implement trade and investment related agreements.

This measure would benefit Canadian businesses by increasing Canada's capacity to advance trade and investment agreements, which play a key role in opening new markets for Canadian exporters and reducing the barriers businesses face under existing agreements. By increasing opportunities for Canadian businesses to diversify trade, this measure would directly enhance economic growth, helping to create a stronger Canadian economy for the benefit of all Canadians.

Seizing International Opportunities Through Trade Finance

Funding to create a concessional trade finance envelope, delivered by Export Development Canada to encourage international partners to buy Canadian.

Workers at Canadian companies that export capital goods and/or undertake large projects overseas would benefit from this measure. Median wages in utilities, construction, manufacturing, and professional, scientific & technical services are at or above the overall median (up to 67 per cent higher), with men making up around 70 per cent of employment across these sectors. In addition, this measure is expected to benefit buyers and communities in developing countries, as it lowers the cost of borrowing for projects that can support long-term growth.

Revitalising CanExport

Funding to Global Affairs Canada to expand the CanExport program to better support Canadian companies in diversifying their exports to markets abroad.

This measure would benefit Canadian companies, including the owners and employees, seeking to export their products to new markets. Men may disproportionately benefit, as they have higher ownership of businesses in Canada (65 per cent). Although the CanExport program is open to all Canadian-owned companies, the majority of participants are small- and medium-sized enterprises. Support to help these companies expand their exports and reach new markets will increase growth and make the Canadian economy more resilient, benefitting all Canadians.

Support Canadian Firms' Innovation-to-Export Pipeline

Funding to Global Affairs Canada to support Canadian firms' innovation-to-export pipeline.

This measure would benefit Canadian technology companies seeking to access international markets or expand their export opportunities. By promoting domestic competitiveness through innovation and international partnerships, this measure would directly enhance economic growth, helping to create a stronger Canadian economy for the benefit of all Canadians.

SME Export Readiness Initiative

Funding to Innovation, Science and Economic Development Canada for the small- and medium-sized enterprises (SME) Export Readiness Initiative, to support training to help SMEs develop capabilities to enter and be successful in international markets.

This measure would benefit all SMEs which are newly exporting or wanting to start exporting. As such, the program will benefit owners and employees of such SMEs. Men may disproportionately benefit, as they are more likely to be majority owners of SMEs (65 per cent).

Nuclear Energy Export Promotion

Funding to Natural Resources Canada to maintain capacity to promote nuclear energy exports and strategic engagement in key export markets.

All Canadians would benefit from diversification of nuclear energy exports, which can support new opportunities for Canadian firms and helps make our trade more resilient. Successful nuclear energy export promotion would directly benefit those employed in the nuclear industry and related supply chains. Women are underrepresented in the Canadian nuclear sector, making up about 22 per cent of the workforce in 2021. Salaries in the sector range from middle income to upper middle income.

Expanded Clean Technology Demonstration Initiative

Funding to National Research Council of Canada's Industrial Research Assistance Program to expand the Clean Technology Demonstration initiative to global markets.

This measure would benefit Canadian SMEs by supporting the demonstration and deployment of clean technology solutions. In 2023, 65 per cent of Canadian SMEs were majority owned by men, 17 per cent were majority owned by women and 18 per cent were owned equally by men and women. Additionally, as of 2023, approximately 71 per cent of the environment and clean technology workforce were men, and the sector's annual wage was 38.8 per cent higher than the national average. The measure is also expected to generate long-term indirect benefits for all Canadians by supporting the transition to a net-zero economy.

Enhancing Canada's Trade Access Through Digital Modernisation

Funding to the Canadian Food Inspection Agency (CFIA) to enhance its digital capacity to enable the safe and efficient trade of agricultural and agri-food products.

This measure would benefit producers and processors looking to export their agrifood and seafood products as it would enable a more efficient trading system, reducing burden on firms and time for requests to be processed. The agriculture sector predominately employs men, with a higher proportion of workers who are older in the case of farm operators, and who also have a higher average family income compared to all Canadians.

GBA Plus Responsive Approach: The greater use of digital systems may create barriers for some firms (e.g. with limited access to high-speed internet) or persons with disabilities (e.g. with visual impairments). However, digital systems may make it easier for some to more efficiently access these services, as manual processes require access to transportation, efficient mail service, fine motor skills for signing, etc. The CFIA will gather real-time feedback to assess and address potential challenges, including by maintaining access to paper-based forms for users having difficulty with online systems.

Securing Market Access for Agri-Food and Seafood

Funding to the Canadian Food Inspection Agency to enable two-way trade in agriculture and seafood, such as to enable regulatory compliance to access foreign markets.

These efforts are expected to benefit workers and firms in the agriculture and agri-food sectors, including manufacturing, currently or looking to trade internationally. The agriculture sector predominately employs men, with a higher proportion of workers who are older in the case of farm operators, and who also have a higher average family income compared to all Canadians.

Migrate the Canada Tariff Finder to the Trade Commissioner Service's Digital Experience Platform

Funding to Global Affairs Canada to maintain the Canada Tariff Finder. The site provides essential information on tariff rates in world markets to Canadian companies and individuals.

This measure would benefit all Canadians, but notably business owners that import or export products to other countries, as well as individuals seeking tariff information about specific markets. With greater transparency on global tariff rates, Canadian businesses can plan more effectively, avoid unexpected costs, and strengthen their competitiveness abroad to help grow a stronger Canadian economy.

Implement Trade Controls to Defend Canada's Steel Industry

Funding to Global Affairs Canada to support the effective implementation of trade controls to defend the steel industry from trade diversion and global excess capacity.

This measure will have direct positive impacts for workers in the steel sector. It is expected that this measure will primarily benefit working-age men, given that they are overrepresented (over 80 per cent) in the workforce composition of the primary metals manufacturing sector in Canada, with regional concentration in Ontario and Québec. On average, workers in the primary metal manufacturing sector earned over $130,000 of total annual compensation in 2024 (including benefits and pension.

Enhancing Economic Expertise on Exporting Sectors

Funding to Global Affairs Canada, to support of augmenting economic analysis and policy expertise on exporting sectors.

This measure would benefit Canadian businesses by increasing Canada's capacity to advance trade and investment agreements, which play a key role in opening new markets for Canadian exporters and reducing the barriers businesses face under existing agreements. By enabling more refined targeting of opportunities for Canadian businesses to diversify trade, this measure would directly enhance economic growth, helping to create a stronger Canadian economy for the benefit of all Canadians.

Amendments to AgriStability

Funding for amendments to the FPT cost-shared AgriStability program to make pasture-related feed costs eligible under the program.

This measure will directly benefit livestock producers who have pasture-related feed charges, such as cow/calf, sheep, and goat producers. Primary beneficiaries are more likely to be older, White men, given the demographic makeup of the livestock sector. Cow/calf, sheep, and goat farming operations are located across Canada, with higher representation in certain provinces. The majority of cow/calf producers are located in Alberta (40 per cent), Saskatchewan (27 per cent), and Manitoba (17 per cent). The majority of sheep and goat operations are located in Ontario (35 per cent), British Columbia (19 per cent), Québec (18 per cent), and Alberta (12 per cent).

GBA Plus Responsive Approach: While specific barriers to program participation are not known at this time, the government recognises that underrepresented and marginalised groups in the sector can face barriers in accessing financial resources. Collection of disaggregated data under the AgriStability program is beginning on a voluntary basis in fall 2025. This will help to better understand the demographic groups represented among AgriStability participants, and barriers to accessing the program.

Launching Build Canada Homes

Funding and proposed legislation for Build Canada Homes, to support the construction of affordable homes and a more productive homebuilding industry.

The expected impact is to increase the number of homes across Canada, increase the size of the non-market housing sector, increase productivity in the housing sector, and improve housing affordability. Increasing affordable and non-market housing will benefit groups in greatest need of affordable housing, including lower-income individuals and families, and equity-seeking groups, including Indigenous people, racialised people, women, seniors and persons with disabilities. This measure will also indirectly benefit men, who are more likely to work in construction and account for 86.4 per cent of employees in this sector.

First-Time Home Buyers' GST Rebate

This measure would eliminate the GST on new homes valued at or under $1 million for first-time home buyers and reduce the GST on new homes valued between $1 million and $1.5 million for first-time home buyers.

This measure would benefit Canadians who do not yet own their home. This group is mostly 34 years old or younger, roughly gender-balanced and has a higher median household income compared to the median Canadian household income.

Training the Next Generation of Canadian Builders

Funding to Employment and Social Development Canada (ESDC) to help develop the trades workforce by expanding the Union Training and Innovation Program.

This measure would benefit unionised apprentices, union groups and employers in Red Seal trades by supporting the training of apprentices and building Canada's trades workforce. According to ESDC, men account for 89 per cent of apprentices in Red Seal trade programs compared to 11 per cent of women. The median age for new apprentices in Red Seal training is 25 years old. Also, 2021 Census data shows that approximately 77 per cent of workers in Red Seal trade occupations were White.

GBA Plus Responsive Approach: Women, persons with disabilities, people who identify as Indigenous, 2SLGBTQI+ people, racialised people, and newcomers are underrepresented in apprenticeship training programs. These groups face a range of barriers including lack of mentors, inaccessible workplaces, and limited outreach targeting their participation. To address these barriers, ESDC will give priority to projects that include equity groups in apprenticeship training and use innovative approaches to address challenges these groups face in participating and succeeding in the Red Seal trades.

Strengthening First Nations Infrastructure Financing and Access to Clean Water

Funding to Indigenous Services Canada to support First Nations' access to safe and clean drinking water and effective wastewater management on reserves. The government will also continue to explore new financing tools to expand options available to First Nations to advance their infrastructure priorities, such as the creation of a bonding and surety pilot project for First Nations contractors on-reserve and a standalone pilot scheme to monetize federal transfers to support financing for First Nations infrastructure on reserve.

This measure will benefit First Nations communities on reserve by enabling the continued operation, maintenance, repair, and replacement of water and wastewater infrastructure and access to financing tools available to communities to advance their infrastructure priorities. Reliable access to clean, safe drinking water has a direct positive impact on economic and social outcomes, including productivity, educational attainment, and overall health and well-being. Those expected to benefit most directly include lower-income community members, those more vulnerable to health complications (such as young children, elders, and persons with disabilities), and their caregivers. Since women are most likely to take on caregiver roles in their families and communities, they are also expected to disproportionately benefit from this measure.

Supporting Indigenous Housing and Infrastructure

Raising the Canada Infrastructure Bank's target for investments in Indigenous infrastructure that benefit First Nations, Inuit and Métis communities across its priority sectors. The government will work with First Nations, Inuit, and Métis partners to identify and support Indigenous housing needs and priorities.

This measure will benefit Indigenous communities by supporting the construction of community infrastructure projects. The construction and operation of infrastructure in Indigenous communities is expected increase employment opportunities for Indigenous people residing in those communities with further benefits flowing from indirect economic development opportunities catalysed by investments in infrastructure. This measure will also benefit First Nations, Inuit, and Métis communities by improving access to affordable housing. Reliable access to adequate housing is directly related to improved socio-economic outcomes (e.g., educational, productivity and physical and mental health) with benefits disproportionately experienced by lower-income households.

The Middle-Class Tax Cut

Reducing the lowest marginal personal income tax rate from 15 per cent to 14 per cent, effective July 1, 2025.

Nearly all Canadians who owe personal income tax would benefit from this measure. Average tax savings are expected to be higher for individuals with taxable income exceeding the first tax bracket ($57,375 in 2025), though the bulk of total tax relief would go to those in the two lowest brackets, including nearly half to those in the first bracket. Individuals claiming large non-refundable tax credits, and Canadians under the age of 18 who tend not to owe tax may benefit less. The measure is expected to be gender balanced, with 52 per cent and 48 per cent of benefiting individuals being men and women, respectively.

Cancelling the Divisive Consumer Carbon Price

On March 14, 2025, the government announced that the federal fuel charge will cease to apply, effective April 1, 2025, and also removed requirements for provinces and territories to have a consumer-facing carbon price as of that date. Direct fuel charge proceeds return mechanisms for Canadians, small- and medium-sized businesses, farmers, and Indigenous governments are also being wound down. Residents of provinces where the fuel charge applied received a final Canada Carbon Rebate payment in April 2025.

All Canadians would benefit from lower fuel costs, but the net impact of removing the fuel charge and winding down proceeds return mechanisms will depend on consumption of fuel by households, farmers, small- and medium-sized businesses, and Indigenous governments.

Delivering Automatic Federal Benefits for Low-Income Individuals

The measure would provide pre-filled income tax returns starting for the 2026 tax year that would reach up to 5.5 million low-income Canadians by the 2028 tax year. The measure would also grant the Canada Revenue Agency the legislative authority to file a tax return on behalf of certain eligible individuals with lower incomes.

The pre-filled income tax returns and legislative changes would increase the amount of federal benefits distributed to eligible individuals. Eligible individuals would generally have income below the federal Basic Personal Amount of $16,129. The eligible population would be relatively gender balanced, with 54 per cent being men and 46 per cent being women, and age balanced.

Making the National School Food Program Permanent

New legislation and funding to Employment and Social Development Canada, Indigenous Services Canada, and Crown-Indigenous Relations and Northern Affairs Canada to make the National School Food Program permanent.

This measure will primarily benefit children through improved learning outcomes, particularly for those who are at higher risk of experiencing food insecurity. Data from Statistics Canada shows that in 2022, 16.9 per cent of Canadians were food insecure, compared with 12.9 per cent in 2021. Overall, the proportion of people living in households experiencing food insecurity has increased by 5.3 percentage points from 2018 to 2022. Studies from Statistics Canada show that children living in lone-parent families (particularly women lone-parent families), children belonging to racialised group or Indigenous children are at a greater risk of experiencing food insecurity.

Enhancing Access to Funds Deposited by Cheque

Proposes legislative amendments to the *Bank Act*, and amendments to the *Financial Consumer Protection Framework Regulations* and the *Access to Funds Regulations* to increase and speed up access to funds deposited using cheques.

Increasing the amount of cheque funds available immediately would benefit low-income Canadians and seniors by helping to reduce reliance on costly short-term credit, such as payday loans or overdraft protection, or avoid non-sufficient funds fees. These groups are more likely to receive wages or benefits by cheque and have limited savings or credit access. Data from Statistics Canada shows that these households are about twice as likely to report difficulty meeting short-term obligations. Faster access to deposited funds would help with timely bill payments, reduce penalty fees, and ease financial stress, supporting greater financial inclusion and stability across vulnerable populations.

Code of Conduct for the Prevention of Economic Abuse

Working with stakeholders and banks to develop a voluntary Code of Conduct for the Prevention of Economic Abuse.

This measure would benefit groups most affected by economic abuse including women, lower-income households, Indigenous communities, and racialised Canadians. Data from 2018 shows that Indigenous women are three times more likely to experience financial abuse by an intimate partner compared to non-Indigenous women. Further, a 2022 study found that economic abuse appears to be more prevalent among women than men, and among racialised groups than White populations. The same study found that about 50 per cent of those with household incomes less than $30,000 have experienced economic abuse.

GBA Plus Responsive Approach: Economic abuse does not affect all groups equally. Women, seniors, newcomers, and persons with disabilities are more likely to experience barriers to financial independence, compounded by intersecting factors such as language, immigration status, caregiving responsibilities, and cultural norms. The code of conduct will be designed to reflect these diverse experiences, reduce systemic barriers, and ensure equitable access to safe and supportive banking services.

Protecting Workers Against Improper Classification

Funding for the Canada Revenue Agency to implement a compliance program that addresses non-compliance issues related to contract workers, lifting the moratorium on reporting fees for service in the trucking industry, as well as allowing the Canada Revenue Agency to share information with Employment and Social Development Canada to address worker misclassification.

This measure would benefit truck drivers in Canada by helping ensure that they are afforded their labour law rights and that proper income tax, Canada Pension Plan and Employment Insurance withholdings and remittances are made for these individuals. Over 90 per cent of transportation sector workers are men and approximately 35 per cent are newcomers to Canada.

Delivering for Personal Support Workers

This measure would introduce a Personal Support Workers Tax Credit, under which eligible personal support workers could claim a refundable tax credit equal to 5 per cent of their eligible earnings, providing support of up to $1,100 per year. It would be available for the 2026 to 2030 taxation years.

This measure would benefit personal support workers, who are disproportionately women, Black or racialised, newcomers, working-age and have low to modest incomes. According to the 2021 Census, around 86 per cent of personal support workers were women. Black or racialised people were overrepresented, at around 39 per cent of all personal support workers, compared to 24 per cent of the Canadian population aged 15 and older. The average employment income of personal support workers was around $34,000 in 2020, compared to $50,000 for all of those aged 15 years and over with employment income.

Helping Youth Find and Keep Jobs

Funding to support youth employment and skills development opportunities for youth under Canada Summer Jobs, the horizontal Youth Employment and Skills Strategy, and the Student Work Placement Program.

This measure will benefit young people through employment services, training opportunities, and employment-related support. While Canada Summer Jobs will benefit youth, projects funded under the horizontal Youth Employment and Skills Strategy will particularly benefit youth facing barriers to employment (i.e., those who have not completed high school, are newcomers, are racialised, have disabilities, or are in rural areas). Funding for the Student Work Placement Program will benefit youth enrolled in post-secondary education. Placements funded through these programs have been, and are expected to be, gender balanced. Employers and organisations that receive wage subsidies or funding will indirectly benefit through improved access to labour supply.

Advancing the Youth Climate Corps

Funding to Employment and Social Development Canada to create a Youth Climate Corps to provide paid skills training for young Canadians.

This measure would benefit young people through additional employment and/or training opportunities in support of climate emergency and recovery response as well as climate resilience across the country. Youth generally have lower incomes than the general working population.

Permanent Funding for the Department for Women and Gender Equality

Funding to the Department for Women and Gender Equality to continue advancing work to ensure all communities can benefit from the country's economic growth and development.

This measure would directly benefit women and girls, in particular women and girls with disabilities, Black, Indigenous and racialised women and girls, and 2SLGBTQI+ people. These groups are at higher risk of experiencing gender-based violence and also face increased barriers in accessing supports and services due to systemic inequalities, such as sexism, homophobia, transphobia, racism and poverty. This measure indirectly promotes equality, equity, and inclusion, benefitting all Canadians.

Connecting Canadians Through Cultural Experiences and Community Celebrations

Funding to Canadian Heritage and Environment and Climate Change Canada, for festivals, and community-driven cultural events across the country.

This measure would benefit all Canadians by encouraging people to attend festivals and other local cultural events, which helps to strengthen participation, community identity, and expands cultural access for Canadians. Canadian artists, cultural workers, volunteers, and event organisers who participate in community events and celebrations would also benefit, by providing employment opportunities.

Investing in Canadian Creators and the Cultural Economy

Funding to Canadian Heritage to support Canadian creators and the cultural economy. Funding will support the Canada Music Fund, TV5MONDEplus, Telefilm, the Canada Media Fund, the National Film Board, the Canada Council for the Arts, and the Canada Periodical Fund's Special Measures for Journalism.

All Canadians would benefit from cultural content, presentations, and news that reflect their local communities and Canada's diversity. This measure will indirectly benefit professional artists and Canadians working in the audiovisual, performing arts, and news media sectors as a result of the employment opportunities that would be created.

Protecting Artists' and Creators' Copyrights

Amendments to the *Copyright Act* to establish an artist's resale right in Canada.

This measure is expected to benefit visual artists in Canada, particularly Indigenous visual artists, who make up a higher proportion of visual artists (4.1 per cent) relative to other artforms (3.1 per cent). In 2015 visual artists had a median income of $20,000 compared to $41,000 for cultural workers and $43,500 for all workers.

Protecting Our National Broadcaster: CBC/Radio-Canada

Funding for the CBC/Radio-Canada to strengthen its mandate to serve the public and to better reflect the needs of Canadians from a public broadcaster in the 21st century.

All Canadians who use CBC/Radio-Canada's services would benefit, particularly those who do not have access to comparable alternatives, including low-income people, residents of smaller communities, and official language minority communities, where CBC/Radio-Canada may be the sole or primary news provider. Older Canadians would also benefit, as they tend to rely more on CBC/Radio-Canada's radio and television services. A 2025 survey by Pollara Strategic Insights showed that 44 per cent of people aged 60 and older consume CBC/Radio-Canada content "most days". CBC/Radio-Canada's youth programs also have a large audience, with children's content averaging 2.67 million virtual visits per month in 2023-24.

Renewing the Canada Strong Pass

Funding to renew the Canada Strong Pass between December 2025 and January 2026 as well as in Summer 2026.

This measure will benefit all Canadians, particularly families with children under the age of 18 and youth ages 18 to 24 given that most of the available discounts apply specifically to these groups. Lower-income people will also benefit as the potential savings from the available discounts represent a higher proportion of their disposable income.

Supporting the Royal Canadian Geographical Society

Funding for the Royal Canadian Geographical Society.

This measure would benefit all Canadians. However, there would be particular benefits for younger Canadians, by providing the Royal Canadian Geographical Society with stable funding to sustain and grow its educational and public programming.

Lowering Barriers to Access the Canada Disability Benefit

Funding for a one-time supplemental Canada Disability Benefit payment of $150 in respect of each Disability Tax Credit certification, or re-certification, giving rise to a Canada Disability Benefit entitlement.

This measure would benefit low-income working-age (18 to 64) persons with disabilities by increasing their financial well-being. Statistics published with the Canada Disability Benefit announcement in Budget 2024 based on 2017 data indicated that working-age persons with disabilities experience poverty at about twice the rate of working-age Canadians without disabilities. As well, among persons with disabilities, persons from racialised communities were somewhat more likely to live in poverty, while First Nations people living off reserve and Métis reported having one or more disabilities in relatively higher proportions compared to all Canadians age 15 and older.

Supporting the FIFA Men's World Cup 2026

Funding for Department of Canadian Heritage, Royal Canadian Mounted Police, Canada Border Services Agency, Canadian Food Inspection Agency, Canadian Air Transport Security Authority, and Immigration, Refugees and Citizenship Canada for their activities in support of the FIFA Men's World Cup 2026.

Federal activities to support Toronto's and Vancouver's hosting of the FIFA Men's World Cup 2026 will benefit residents in these two cities and surrounding areas, as well as domestic and international visitors.

Funding for the Terry Fox Research Institute

Funding to support the Terry Fox Research Institute's research into precision oncology treatments.

This measure will directly benefit Canadians living with cancer. Although cancer can and does occur at all ages, over 90 per cent of cancer diagnoses are in individuals 50 or older. Overall rates of cancer prevalence are similar across gender, geographic region, and income level.

Top-Up Tax Credit

Introducing a temporary, non-refundable Top-Up Tax Credit for individuals whose non-refundable credits exceed the first tax bracket and who could owe more tax due to the reduction of the first personal tax rate and related credit rate.

The measure would benefit a small number of individuals who claim very large non-refundable tax credits that exceed the top of the first bracket threshold ($57,375 in 2025). The benefiting group is expected to be relatively gender balanced, with average tax savings increasing with the taxpayer's income. Seniors are expected to receive a comparatively higher share of the benefits.

Extending Employment Insurance Parental Benefits During Bereavement

Funding for Employment and Social Development Canada and amendments to the *Employment Insurance Act* to allow claimants receiving Employment Insurance (EI) parental benefits to access up to eight additional weeks of parental benefits after a child's death.

This measure would benefit parents who are receiving EI maternity or parental benefits at the time of the death of their child by providing them with access to up to eight weeks of EI parental benefits after the child's death. Women are expected to benefit more than men, as women are more likely to receive EI maternity and parental benefits, and also receive these benefits for longer. In 2023-24, 69 per cent of new parental benefits claims were by women and 91 per cent of total EI maternity and parental benefits paid went to women.

Rebuilding, Rearming, and Reinvesting in the Canadian Armed Forces

Funding to the Department of National Defence and other departments to rebuild, rearm, and reinvest in the Canadian Armed Forces (CAF).

This measure would benefit all Canadians and the citizens of our allied partners by supporting the North Atlantic Treaty Organization's (NATO) collective defence and helping to preserve the rules-based international order upon which Canada's security and economic interests depend. Members of CAF would indirectly benefit by having the resources and equipment they need to protect Canadian and allied sovereignty. Data from 2024 indicates that 16.6 per cent of CAF members identify as women, 9.4 per cent as racialised, and 2.8 per cent as Indigenous. Workers in defence industries, of whom 27 per cent are women, would also indirectly benefit from the increased access to capital and bolstered supply chains for these companies.

A New Defence Investment Agency

Funding to Public Services and Procurement Canada to establish the Defence Investment Agency and to increase capacity and modernise its Industrial Security Program to support the Defence Investment Agency and Canada's defence industry.

This measure would benefit all Canadians by ensuring Canada's military is equipped to perform in operations at home and abroad, which helps to preserve the rules-based international order upon which Canada's security and economic interests depend. For members of the Canadian Armed Forces, who are predominantly White men, procuring defence capabilities will improve working conditions and help ensure they have the equipment needed to fulfill their duties. Indirectly, benefits will accrue to workers in the defence and science, technology, engineering, and mathematics industries, which predominantly employ men.

Operation REASSURANCE

Funding to the Department of National Defence in support of the renewal of Operation REASSURANCE, to continue the Canadian Armed Forces' (CAF) largest overseas mission to deter Russian aggression and defend NATO territory.

This measure would benefit all Canadians and the citizens of our allied partners, especially in Central and Eastern Europe, by supporting NATO's collective defence and helping to preserve the rules-based international order upon which Canada and our allies' security and economic interests depend. The populations of Canada and Central and Eastern European countries are largely gender-balanced. Additionally, members of the CAF would indirectly benefit by having the resources and equipment they need to perform the operation. Data from 2024 indicates that 16.6 per cent of CAF members identify as women, 9.4 per cent as racialised, and 2.8 per cent as Indigenous.

Operation AMARNA

Funding to the Department of National Defence in support of the renewal of Operation AMARNA, to support the Canadian Armed Forces' (CAF) contribution to strengthening peace and security in the Middle East.

This measure would benefit all Canadians, by strengthening peace and security in the Middle East, which helps to preserve the rules-based international order upon which Canada and our allies' security, and economic interests depend. The populations of Canada and Middle East countries are gender-balanced. Additionally, members of the CAF would indirectly benefit by having the resources and equipment they need to perform the operation. Data from 2024 indicates that 16.6 per cent of CAF members identify as women, 9.4 per cent as racialised, and 2.8 per cent as Indigenous.

Strengthening Federal Law Enforcement

Funding to the Royal Canadian Mounted Police (RCMP) to strengthen its capacity, and increase the cadet recruitment allowance.

Strengthening the RCMP is expected to have broad-reaching benefits for all Canadians as it will enhance the organisation's ability to respond to a wide range of criminal and security threats including national security and transnational criminal networks.

Establishing a Financial Crimes Agency

The government will create a new *Act*, with consequential amendments to other statues, to establish a Financial Crimes Agency, which would be Canada's lead enforcement agency against financial crime.

Combatting financial crime, including fraud and money laundering, benefits all Canadians by protecting them and the integrity of Canada's financial system. All Canadians, regardless of age, gender, or income level, can be potential victims of fraud. Combatting money laundering indirectly helps to combat linked criminal offences that generate proceeds of crime (such as human trafficking, drug and weapons smuggling, and fraud). Victims of these linked offences comprise various diverse, often vulnerable, groups with different characteristics, among these are women, Indigenous people, black and racialised communities, seniors, and newcomers.

Enhancing the Canada Border Services Agency

Funding to the Canada Border Services Agency (CBSA) to bolster its capacity to manage the secure cross-border flow of goods and travelers, and to uphold the integrity of Canada's surtax and trade remedy system.

This measure would broadly benefit all Canadians by making communities safer, as it will strengthen the CBSA's ability to detect, examine, and interdict illicit goods at the border. It will also help combat criminal activities associated with smuggling and the drug trade, related to importing drugs and drug precursors and exporting domestically manufactured substances. Securing our border will also benefit Canadians from a stronger international reputation, and the protection of Canadian business interests from unfair trade practices.

Enhancing the Canada Border Services Agency – Early Retirement Benefits for Frontline Workers in the Public Service

Proposed legislative amendments to the *Public Service Superannuation Act* to extend early retirement benefits to operational members (i.e., frontline workers) of the Public Service Pension Plan.

This measure will directly benefit operational frontline members of the Public Service Pension Plan (PSPP), by enabling them to retire earlier at an unreduced pension. These beneficiaries are predominantly men. For example, the Border Services group was 59 per cent men in 2024, while the Firefighters group in the Core Public Administration was 95 per cent men. This measure will also indirectly benefit the dependents of these plan members. As at March 31, 2023, contributors to the PSPP who qualified for operational service had average pensionable earnings of approximately $120,000, compared to a median market income of $68,700 for Canadian families and unattached individuals in 2022.

Modernising the Meteorological Service of Canada

Funding to Environment and Climate Change Canada and Shared Services Canada to procure the next High-Performance Computing (HPC) solution for the Meteorological Service of Canada and to modernise HPC operations.

This measure would benefit all Canadians through improved meteorological services. Improved weather and climate forecasting would disproportionately benefit groups that are more vulnerable to adverse impacts of extreme weather such as heat, flooding or wildfires. This includes seniors, young children, pregnant people, persons with disabilities, people with low socio-economic status, and Indigenous people. Canadians working in weather-sensitive sectors such as agriculture and transportation would also benefit. The measure would indirectly benefit the information technology and engineering sectors and its workforce, which predominantly comprises men, with high levels of education and middle to high income.

Renewing Canada's National Public Alerting System

Funding to support the implementation of a new National Public Alerting System model to protect Canadians during emergency events.

This measure would positively benefit all Canadians by alerting people when an emergency (i.e., as natural disasters or urgent situations such as Amber Alerts) occurs near them and their communities. Since some groups, including seniors, persons with disabilities, Indigenous people, and low-income households, are disproportionately vulnerable to disasters, this measure could positively impact these groups by providing timely and critical information during an emergency so that they may seek relevant assistance.

Improving Preclearance at Canada's Borders

Funding to Transport Canada to develop and implement a new preclearance access regime, along with digital solutions to maximise efficiency in security screening activities.

This measure would benefit all Canadians by supporting a more secure transportation system. However, there would be particular benefits for employees who require unescorted access to U.S. preclearance areas within airports and marine facilities to be able to work in these facilities. Applicants tend to be men (62 per cent) who are lower income (majority earning less than $20 per hour). Increased efficiency in security screening activities would also benefit the transportation sector by facilitating the hiring of employees.

Removing Assault-Style Firearms from our Streets

Re-align funding for the continuation of the Assault-Style Firearms Compensation Program in the most efficient and cost-effective way possible within its existing funding envelope.

This measure would benefit groups most often targeted by violence involving a firearm, including men who are both the primary perpetrators of firearm-related violence and its main victims. In 2023, 56 per cent of victims of police-reported firearm-related violent crime were men aged 18 and older. This measure may also benefit youth and young adults who are accused of firearm-related crime at a higher rate than any other age group. In addition, women, Indigenous people, and Black and racialised people, who account for a significant portion of victims of firearm-related violence, could also be positively affected.

Strengthening Canada's Emergency Management

Funding to Natural Resources Canada to lease four aircraft to bolster provincial and territorial aerial firefighting capacity

Supporting provincial and territorial aerial firefighting capacity would benefit all Canadians, particularly those in who live in regions that are at heightened risk of wildfires.

Combatting Financial Fraud

This measure will help combat financial fraud against Canadians by developing a whole-of-government strategy and enhancing *Bank Act* consumer protections by requiring banks to have policies and procedures to address consumer-targeted fraud, allow consumers to adjust certain account capabilities, and report fraud data to the Financial Consumer Agency of Canada.

This measure would benefit all Canadians, regardless of age, gender, or income level, who can be potential victims of fraud. According to the Canadian Anti-Fraud Centre, seniors are more likely to be defrauded through conventional methods, such as direct telephone calls, rather than cyber-enabled fraud. However, younger age groups are increasingly being victimised by nuanced and age-specific forms of fraud, such as through the use of digital platforms.

Ensuring Crime Doesn't Pay

Proposes legislative amendments to: 1) the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) to restrict the acceptance of: cash deposits from one person into the account of another person; and a cash payment donation or deposit of $10,000 or more; and the PCMLTFA with related amendments to the *Personal Information Protection and Electronic Documents Act* to clarify public to private information sharing provisions to help better detect and deter money laundering and support the recently created Integrated Money Laundering Intelligence Partnership between banks and law enforcement.

Combatting financial crime benefits all Canadians by protecting Canadians and the integrity of Canada's financial system. Combatting money laundering indirectly helps to combat linked criminal offences that generate proceeds of crime (such as human trafficking, drug and weapons smuggling, and fraud). Victims of these linked offences are comprised of various diverse, often vulnerable, groups with different characteristics, among these are women, Indigenous people, black and racialised communities, seniors, and newcomers.

Improving Asylum Claim Processing Efficiency

Funding for the Immigration and Refugee Board of Canada to support asylum claim processing.

This measure would benefit asylum claimants in Canada through more timely decisions on their claims. Asylum claimants arriving in Canada are a diverse group. The top source countries for asylum claimants referred to the Immigration and Refugee Board in the first half of 2025 (January to June) were India, Haiti, Nigeria, Iran, Mexico, Bangladesh, and China. In 2023-24, 38 per cent of asylum claimants in Canada identified as women and 61 per cent as men (less than 1 per cent other). Asylum claimants tend to be lower income, particularly upon arrival in Canada.

NATO's Ukraine Comprehensive Assistance Package

Funding to support the enhancement of Ukraine's security and defence institutions and deter Russian aggression, while also enabling interoperability with NATO.

This measure would benefit Ukraine and its population by supporting their security and defence against Russia's invasion. This includes benefitting women and children, as they are disproportionately negatively affected by conflict. By supporting Ukraine's right to self-determination, Canadians would indirectly benefit through the bolstering of the rules-based international system under which Canadians thrive.

Comprehensive Expenditure Review and Optimizing Productivity in Government

The Comprehensive Expenditure Review (CER) of government spending has assessed if programs are meeting their objectives, are core to the federal mandate and complement, rather than duplicate, services delivered by other federal departments or other levels of government. Future reviews will focus on horizontal themes such as consolidation program administration, scaling artificial intelligence implementation and reviewing business subsidies and skills programming.

All Canadians will benefit from modernizing government, right-sizing programs, improving efficiency, and delivering better services and results. This measure allows the government to spend more on generational investments which grow the economy, while also protecting essential programs to make life more affordable. All CER proposals were developed using Gender-Based Analysis Plus to assess impacts on diverse Canadians, including vulnerable groups. Statutory transfers payments to provinces, territories and individuals are outside the scope of the review. Horizontal reviews would examine programs where changes to make them more efficient and effective could benefit all Canadians or specific groups.

Reinvestment to Improve Compliance and Debt Collection

Funding for the Canada Revenue Agency to reinvest in high priority areas to improve compliance and debt collection.

This measure will benefit all Canadians by improving productivity and efficiency of the Canada Revenue Agency in carrying out its compliance and debt collection activities. Additionally, this measure will help maintain the integrity of the tax system by reducing the growth in tax debt and protecting revenues important for sustaining benefits and services for all Canadians.

Workforce Renewal

To manage reductions to the public service from the Comprehensive Expenditure Review to greatest extent possible through attrition and voluntary departures, this measure proposes to amend the *Public Service Superannuation Act* and the Income Tax Regulations to offer a voluntary Early Retirement Incentive (ERI) program through the Public Service Pension Plan.

All Canadians will benefit from the improved fiscal outlook as a result of the Comprehensive Expenditure Review. The ERI program is targeted at public servants who are 50 years of age or older who will be able to retire early with an unreduced pension in accordance and subject to the parameters of the program. The public service is 56.8 per cent women, but as the program is voluntary, it is unknown what the demographic profile of participants would be. All else equal, the pension waiver under the program could be more valuable to women, as they have a higher life expectancy than men at age 50 (33.9 years compared to 29.1 years).

Equitable Public Sector Retirement Benefits – Pension Modernization

The government will initiate consultations with key stakeholders for the federal government pension plans to align the plans with the Canada Pension Plan and Quebec Pension Plan enhancements.

All Canadians will benefit from the government's stronger financial position as a result of this adjustment. Some federal employees who prefer to have higher net pay would benefit from the measure. Employees who would prefer to defer their current income in exchange for higher pension payments could arguably be negatively impacted. Women represent approximately 57 per cent of contributors to the Public Service Pension Plan, 17 per cent of contributors to the Canadian Armed Forces Pension Plan and 19 per cent of contributors to the Royal Canadian Mounted Police Pension Plan.

GBA Plus Responsive Approach: Negative impacts on employees who may wish to save more for retirement would be mitigated as those individuals will be able to direct their increased take-home pay towards their Registered Retirement Savings Plan, as they will have increased contribution room as a result of the proposed changes.

Equitable Public Sector Retirement Benefits – Pensioners' Dental Services Plan

The government will consult stakeholders on changing the Pensioners' Dental Services Plan so that, going forward, the years of service required to be eligible for the Plan in retirement would increase from two to six years.

All Canadians will benefit from the improved fiscal outlook stemming from the savings that will be delivered this measure. Public servants retiring with less than six years of service and their dependents could be negatively impacted, as they may no longer be eligible for post-retirement dental benefits. There are no anticipated negative impacts for existing members of the Pensioners' Dental Services Plan or public servants who retire with less than six years of service due to disability and receive benefits through the Public Service Pension Plan.

GBA Plus Responsive Approach: Public servants who retire with less than six years of service due to disability and receive benefits through the Public Service Pension Plan would still be eligible for coverage. For others, who do not retire with the requisite amount of service, they may be eligible for similar coverage under the Canadian Dental Care Plan.

Collective Bargaining in Good Faith

Budget 2025 proposes to introduce amendments to the *Federal Public Sector Labour Relations Act* to ensure the government can attract and retain the necessary public service talent, while respecting the Government of Canada's fiscal circumstances relative to its stated budgetary policies and objectives.

Federal public servants will continue to benefit from a labour relations regime that respects collective bargaining in good faith. They will further benefit from a greater certainty and transparency on the factors an arbitration boards would take into account when making an arbitral award. All Canadians will benefit from a public service labour relations arbitration framework which gives a preponderance towards attracting and retaining talent to meet the needs of Canadians, while also considering Canada's fiscal position.

Improving the Integrity of Student Financial Assistance

Proposes legislative and regulatory amendments to address program integrity issues and promote fairness and efficiency.

This measure would benefit youth aged 18 to 24 as it would direct students to public institutions that tend to result in better educational outcomes. Women are expected to benefit more as they comprise a higher portion of student aid recipients (60 per cent in 2022-23). It would also benefit all Canadians by contributing to the financial sustainability of student aid and enabling more efficient utilisation of public funds.

GBA Plus Responsive Approach: As this measure limits student aid flowing to attendees of private institutions, it is possible that some students would be negatively impacted. It is expected, however, that implementation of this measure will direct students to alternate public institutions that tend to have better educational outcomes. Employment and Social Development Canada would also maintain the authority to consider exemptions and include specific private educational institutions on a case-by-case basis to ensure that negative impacts on students and their communities can be mitigated.

Faster Services for Veterans

Funding to Veterans Affairs Canada to stabilise its temporary disability benefits workforce and to modernise disability benefits operational processes and Information Technology infrastructure.

This measure will benefit CAF members and veterans who have been diagnosed with a medical condition or disability related to their military service, such as a physical injury, chronic illness, or mental health disorder, by ensuing they receive timely decisions on their disability benefit applications and faster access to financial support and associated services. As CAF members are predominantly men, this group is expected to benefit more than women. This measure will also indirectly benefit the families and caretakers of veterans and military members by improving the quality of VAC's services and making it easier to access eligible benefits and supports.

Investment Income Derived from Assets Supporting Canadian Insurance Risks

Clarifying that income derived from assets held by a foreign affiliate of a Canadian insurance company that support Canadian insurance risks is taxable in Canada.

This tax integrity measure would benefit all Canadians by ensuring a fair and efficient tax system and by protecting the tax base.

Tax Deferral Through Tiered Corporate Structures

Preventing the deferral of income tax payable by private corporations on investment income by interposing corporations with staggered year-ends.

This tax integrity measure would benefit all Canadians by ensuring a fair and efficient tax system and by protecting the tax base.

Reforming and Modernising Canada's Transfer Pricing Rules

Implementing modifications to the existing transfer pricing rules to better align the domestic rules with the international consensus reflected in the Organisation for Economic Co-operation and Development Transfer Pricing Guidelines.

As a tax integrity measure, this proposal is expected to benefit all Canadians by protecting the tax base. This measure is expected to improve tax fairness and equality by ensuring multinational enterprises do not artificially shift their profits outside of Canada.

Combatting Carousel Fraud

Proposed reverse charge mechanism to address carousel fraud under the Goods and Services Tax/Harmonized Sales Tax, beginning with certain supplies in the telecommunications sector.

This is a tax integrity measure aimed at preventing carousel fraud and improving the fairness and efficiency of the tax system. This measure will benefit all Canadians by helping to protect Canada's revenue base, which supports programs and benefits that improve the quality of life for all Canadians.

Luxury Tax on Aircraft and Vessels

Eliminating the subject aircraft and subject vessel components of the luxury tax base.

This measure would provide relief to the aviation and boating industries and increase the overall efficiency of the luxury tax framework. It would provide tax relief to individuals who would otherwise pay the luxury tax on the purchase or lease of subject aircraft and subject vessels, who are disproportionately higher income and primarily men. It would also support employment if it leads to an increase in sales.

Eliminating the Underused Housing Tax

Eliminating the Underused Housing Tax (UHT) beginning with the 2025 calendar year to reduce compliance costs for taxpayers and administrative costs for government.

This measure would benefit all Canadians by making the tax system more efficient. It would also benefit residential property owners that are currently required to pay the UHT and/or file an annual UHT return, which is a group that is roughly gender-balanced, with a higher median household and individual income compared to the general population. This group likely includes a high percentage of non-resident, non-Canadians.

Administrative Funding for the Clean Economy Tax Credits

Funding for the Canada Revenue Agency to administer the Clean Economy Investment Tax Credits.

This measure would benefit Canadian businesses by addressing the backlog for processing claims associated with these tax credits. These are particularly beneficial for companies in the utilities, manufacturing, processing, engineering, oil and gas and construction sectors, particularly if they are located in Western Canada. Shareholders and employees of these companies are disproportionately older men and high-income earners. Advancing efforts on net-zero transition will benefit all Canadians, especially youth and future generations, by reducing negative climate impacts.

Administrative Funding for Tax Fairness for Global Corporations

Funding for the Canada Revenue Agency to ensure integrity and to deliver on the commitments related to tax fairness for global corporations, specifically 1) Global Minimum Tax, 2) Excessive Interest and Financing Expense Limitation rules and 3) Mandatory Disclosure Rules.

This tax integrity measure would benefit all Canadians by ensuring large global and digital corporations pay their fair share of taxes.

Funding Advertising for Communicating to Canadians

Funding for the Privy Council Office to increase the annual limit of the Central Advertising Fund, supporting the effective communication of government policy.

This measure benefits all Canadians by ensuring they receive clear and timely information about their rights and responsibilities, the programs and services that affect them, and any potential risks to health, safety, and the environment, enabling informed decisions and easier access to support. This measure will also indirectly benefit the advertising industry in Canada. According to Statistics Canada data on occupation unit groups by gender, advertising, marketing and public relations managers and professionals have higher proportions of women than men.

Real-time Employer Reported Payroll Pilot

Funding for Employment and Social Development Canada to launch a pilot project to assess whether Employment Insurance (EI) eligibility and entitlement can be determined accurately and securely using real-time payroll information.

While this measure is a pilot, it is expected to influence future decisions that would primarily benefit Canadian workers (i.e., Canadians with employment income), EI benefit applicants and recipients, and businesses of all sizes by reducing the reporting burden, improving program and service delivery, and streamlining employers' and employees' interactions with the federal government.

Advancing a Common Government of Canada Desktop Solution

Funding for Shared Services Canada (SSC) to advance the proof-of-concept phase for a common government-wide desktop solution and to explore transitioning government departments to a standardised, cloud-managed desktop service.

This measure would benefit federal public service workers in pilot departments through reduced complexity of desktop systems, standardised information technology security, and increased portability of devices. Notably, the federal public service is roughly gender balanced, with 56.8 per cent of employees and 54.5 per cent of executives identifying as women as of March 31, 2024. There may be indirect positive impacts for federal public servants with disabilities, as new information technology solutions tend to have more accessibility features and interoperability.

Continuing Collection of Emergency Benefits Overpayments

Funding for Employment and Social Development Canada to support collection of overpayments related to the COVID-19 emergency benefits, in collaboration with the Canada Revenue Agency. Post-payment verifications concluded on March 31, 2025, but collection of overpayments will continue until March 31, 2028.

This measure will benefit all Canadians by recovering overpayments from those who were not the intended beneficiaries of the emergency benefits and contribute to more efficient utilisation of public funds.

GBA Plus Responsive Approach: Collection of overpayments could impose burden on low-income Canadians. That said, to minimise negative impacts for Canadians, this measure focuses on clients who have the highest likelihood of repayment. Where possible, Employment and Social Development Canada and the Canada Revenue Agency will negotiate flexible repayment terms with clients, based on their ability to pay.

Canadian Nuclear Safety Commission Human Resources Information Technology System Modernisation

Funding to the Canadian Nuclear Safety Commission (CNSC) in support of the modernisation of its human resources information technology system.

This measure will reduce time lost to paper-based tracking, strengthening organisational efficiency and productivity. A more efficient CNSC will be able to review nuclear projects more rapidly, costing less overall to both taxpayers and licensees, which tend to be utilities that ultimately pass on costs to consumers. It will also enable these projects to get off the ground more rapidly to provide much needed power earlier. It will therefore benefit all Canadians.

Home Accessibility Tax Credit

Modifying the Home Accessibility Tax Credit to no longer allow an expense to be claimed under this credit if it has been claimed under the Medical Expense Tax Credit.

While all Canadians would benefit from reduced debt or more effective government spending, those who may have claimed the same expenses under the Home Accessibility Tax Credit and under the Medical Expense Tax Credit could be negatively affected. Claimants of the Home Accessibility Tax Credit disproportionately include those aged 65+, those who claim the Disability Tax Credit, and those with relatively high family incomes.

Agricultural Cooperatives: Patronage Dividends Paid in Shares

Extending the period during which agricultural cooperatives can distribute tax-deferred patronage dividends paid in shares to their members until the end of 2030.

This measure would benefit members of agricultural cooperatives. It would be fairly gender balanced. Most beneficiaries live in the province of Québec and have taxable income of less than $50,000 per year.

Building High-Speed Rail Faster

Proposes legislative amendments to streamline approval processes and reduce regulatory uncertainties for the Alto High-Speed Rail project.

This measure is not expected to have significant direct impacts on particular groups. Indigenous communities and other underrepresented groups are being engaged to inform the design of the Alto high-speed rail project and develop their capacity and readiness to economically participate in the project's its design and construction. A completed project would directly benefit travellers in the Québec City to Toronto corridor through the provision of faster and more reliable passenger rail service. These travellers are more likely to be students, highly educated, and middle-income households.

Renewing the Sunset Provision of the Financial Institutions Statutes

Proposes legislative amendments to the *Bank Act*, the *Insurance Companies Act*, and the *Trust and Loan Companies Act* to renew the sunset provision for 7 years to June 30, 2033.

All Canadians will benefit from this measure, as it will permit federally regulated financial institutions to carry on business in Canada beyond June 30, 2026. Furthermore, the sunset provision drives the timing of the regular review of the statutes, which ensures that the statutes remain up to date, technically sounds and responsive to emerging trends in the financial sector.

Modernising Canada's Biosecurity Oversight Framework

Proposes legislative amendments to help the Public Health Agency of Canada to modernise Canada's biosecurity oversight framework through the *Human Pathogens and Toxins Act*.

This measure would benefit all Canadians by helping to address biosecurity risks and helping to prevent the release of pathogens that could have a negative impact on the health of Canadians. Those at higher risk for adverse outcomes related to existing and emerging public health emergencies, such as people with pre-existing health conditions, children, and older adults, may benefit more. An additional benefit of strengthening biosecurity at biocontainment facilities is the protection it affords to Canada's research and development investments, national interests, and international reputation, all of which could be affected by a deliberate pathogen release.

Strengthening the Financial Sector Transaction Approval Process to Include Additional Considerations

Proposes legislative amendments to the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to enable additional considerations in financial sector transaction approval processes.

This measure will benefit all Canadians, by fostering the sound administration of federal laws that support a safe and secure financial sector.

Modernising Limits on Borrowing and Portfolio Investments

Proposes legislative amendments to the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to repeal limits on borrowing and portfolio investments in commercial loans, real estate and equity, as applicable, and replace them with more flexible guidance from The Office of the Superintendent of Financial Institutions.

This measure will benefit all Canadians from the government being able to respond more quickly to emerging risks in the financial sector.

Electronic Delivery of Governance Documents in the Financial Institutions Statutes

Proposes legislative amendments to the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to include a "notice-and-access" method of delivery of governance documents, while retaining owners' right to request delivery by mail.

This measure will benefit all Canadians by allowing federally regulated financial institutions to more efficiently communicate with their owners (for example, shareholders). Allowing for increased use of electronic communications reduces the environmental impact of generating and circulating paper documents.

Bearer Instruments in the Financial Institutions Statutes

Proposes legislative amendments to the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to prohibit federally regulated financial institutions from issuing documents that evidence conversion privileges, options, or rights to acquire a share in bearer form.

Anonymous ownership of bearer instruments can facilitate money laundering and terrorist financing. All Canadians will benefit from safeguarding the integrity of federally regulated financial institutions and a safe and secure financial sector.

Supporting Canadians During Branch Closures

Proposes legislative amendments to the *Bank Act* to mitigate impacts of branch closures by lowering switching costs for consumers looking to move accounts to other institutions following closure of their branch, by providing notice of upcoming closures on bank websites, and by clarifying requirements for online account opening.

This measure will benefit Canadians in rural and remote areas who lack geographically convenient access to in-person financial services. This amendment will help ensure that such groups have clear processes for opening bank accounts remotely and are protected from unfair barriers when changing banking services after the closure of a local branch.

Enhancing the Office of the Superintendent of Financial Institutions' Authorities to Protect the Financial Sector Against Integrity and Security Risks

Proposes legislative amendments to the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to enhance the Office of the Superintendent of Financial Institution's (OSFI) authorities to address integrity and security risks. It will also introduce changes to the *Office of the Superintendent of Financial Institutions Act* to bolster the Superintendent's ability to receive and share information with federal government agencies and bodies.

These changes are intended to positively affect Canadians as a whole by improving the protection of the financial sector from integrity and security threats. Strengthening OSFI's ability to share information related to its mandate would benefit all Canadians by better positioning Canada to protect the integrity of its financial system and maintain Canadians' confidence in their financial institutions.

Protect Against the Disclosure of Sensitive Information Collected and Produced Under the *Retail Payment Activities Act*

Proposes a legislative amendment to the *Access to Information Act* to protect against the disclosure of confidential information collected and produced under the *Retail Payment Activities Act*.

These changes are intended to benefit all Canadians by protecting confidential information related to the supervision of payment service providers. This will help promote compliance with the *Retail Payment Activities Act*, which contributes to a safe and secure retail payment sector.

Protect the Minister of Finance and Government Officials Against Risks of Civil Liability

Proposes legislative amendments to the *Bank Act*, *Insurance Companies Act*, and *Trust and Loan Companies Act* to provide that the Minister of Finance and government officials are protected against civil liability in the good faith performance or omission of actions under those Acts.

This measure benefits all Canadians by fostering the sound administration of federal laws that support a safe and secure financial sector.

Targeted Windfall Profit Charge

Proposes a legislative amendment to the *Special Economic Measures Act*.

The targeted windfall profit charge will benefit all Canadians by enabling profits from sanctioned property to serve public policy objectives.

Mitigating Potential Financial Sector Risks From Sanctions

Proposes a legislative amendment to the *Special Economic Measures Act* to provide that the Minister of Finance must be consulted before an order or regulation identifying certain persons is made under subsection 4(1) of that Act.

Mitigating potential financial sector risks from sanctions will benefit all Canadians by protecting the integrity of the financial sector.

Anti-Money Laundering and Anti-Terrorist Financing Technical Amendments

Proposes legislative amendments to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, *Access to Information Act*, and *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations* to make technical amendments to enhance clarity and realise efficiencies.

Combatting financial crime benefits all Canadians by protecting Canadians and the integrity of Canada's financial system. This measure also indirectly helps to combat linked criminal offences that generate proceeds of crime (such as human trafficking, drug and weapons smuggling, and fraud). Victims of these linked offences comprise various diverse, often vulnerable, groups with different characteristics, among these are women, Indigenous people, black and racialised communities, seniors, and newcomers.

Strengthening Anti-Money Laundering and Anti-Terrorist Financing Supervision, Compliance, and Enforcement

Proposes legislative amendments to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Administrative Monetary Penalty Regulations* to strengthen AML/ATF supervision, compliance, enforcement, and information sharing, including by better identifying the businesses and professionals with AML/ATF obligations, increasing penalties, and introducing a new compliance agreement framework.

Combatting financial crime benefits all Canadians by protecting Canadians and the integrity of Canada's financial system. This measure also indirectly helps to combat linked criminal offences that generate proceeds of crime (such as human trafficking, drug and weapons smuggling, and fraud). Victims of these linked offences comprise various diverse, often vulnerable, groups with different characteristics, among these are women, Indigenous people, black and racialised communities, seniors, and newcomers.

Review of the Financial Institutions Supervisory Committee Membership

Proposes legislative amendments to the *Office of the Superintendent of Financial Institutions Act* and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) to make the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) a member of the Financial Institutions Supervisory Committee (FISC) and enable FINTRAC and current FISC members to exchange regulatory and supervisory information relevant to the mandate and objective of FISC.

Enhancing information sharing and coordination among federal agencies with financial sector responsibilities supports high standards of regulatory compliance by federally regulated financial institutions benefitting all Canadians.

Support for Homeownership and Multi-Unit Rental Housing Construction

Proposes a legislative amendment to the *National Housing Act* to increase the guarantees-in-force limit to $1 trillion and to decouple this limit from the insurance-in-force limit. It would also introduce legislative amendments to the *Protection of Residential Mortgage or Hypothecary Insurance Act* to increase the protected limit for mortgage or hypothecary loans insured under that Act to $500 billion.

No differential impacts as all Canadians will benefit from improvements to the financial sector framework.

Increasing the Amount of the *Borrowing Authority Act*

Proposes a legislative amendment to the *Borrowing Authority Act* limit to support the Government of Canada's initiatives to Support Building a New Canadian economy and Defending Canada.

All Canadians will benefit from prudent and responsible management of the government's borrowing program.

Legislative Amendments to the *Export and Import Permits Act*

Proposes legislative amendments to the *Export and Import Permits Act* to allow the government to restrict the importation or exportation of items in response to actions of another country that harm Canada or to create more secure and reliable supply chains.

This measure would benefit all Canadians by providing additional tools for the government to help protect Canada's economic security.

Obsolete or Surplus Goods – Pilot for Donated Goods

Proposes a legislative amendment to the *Customs Tariff* to allow for duty drawback for certain goods when they are donated to a registered charity under the *Income Tax Act*, provided they are to be used in the organisation's charitable programs and not re-sold in Canada.

This measure is primarily expected to benefit frontline charities and low-income people who use charitable services to meet their essential needs, including clothing. This group includes low-income women and men, as well as those who are unable to work due to mental or physical illness, work multiple part-time jobs, or are currently searching for work.

Enable Lending to Indigenous Special Purpose Vehicles

Proposes the government's intention to make legislative amendments to the *First Nations Fiscal Management Act* (FNFMA) that will enable the First Nations Finance Authority to lend to Indigenous special purpose vehicles, which is expected to expand options for affordable financing and better support Indigenous equity participation in major economic projects.

These amendments would benefit First Nations not yet scheduled to the FNFMA, as well as Inuit and Métis with a modern treaty or self-government agreement with Canada. Economic and resource development projects disproportionately affect fields dominated by men (e.g., construction, trades, engineering) but additional employment opportunities may become available for women in related service sectors (e.g., administration, accommodation). Employment opportunities are likely to benefit people across the income spectrum and thereby directly improve economic outcomes (income, wealth generation, poverty reduction) and indirectly improve social outcomes (housing and food security, education, health and well-being) in Indigenous communities at large.

Legislative Amendments to the *Naskapi and the Cree-Naskapi Commission Act*

Proposes legislative amendments to the *Naskapi and the Cree-Naskapi Commission Act* to clarify Naskapi Police authority on Naskapi lands and eliminate inconsistencies with the *Northeastern Quebec Agreement*.

This measure would directly benefit members of Naskapi Nation of Kawawachikamach and positively impact the Naskapi-Crown relationship by reducing the potential for conflicting interpretations of Naskapi Police's authority on Naskapi lands. Clarifying the authority of Naskapi Police would further benefit members of the Naskapi Nation, by supporting the provision of culturally appropriate policing services. Setting clear parameters for policing service delivery is expected to increase feelings of legitimacy for Indigenous peace officers and overall safety within the community.

Legislative Amendments to the *Department of Employment and Social Development Act*

Proposes legislative amendments to the *Department of Employment and Social Development Act* to enable the delivery of more integrated and efficient services across government.

These amendments would benefit all Canadians by enabling the development of more efficient and convenient government services. Modernising legislative authorities to support information sharing and digital services would particularly benefit groups facing barriers due to outdated, paper-based processes, particularly seniors, newcomers, persons with disabilities and rural residents. Lower-income people may also benefit, as these amendments would make it easier to access income support programs and benefits. These amendments would also benefit Canadians by reducing the burden of repeatedly providing personal information across government services.

GBA Plus Responsive Approach: Digital literacy gaps among seniors, connectivity issues in rural and remote areas, and language barriers for newcomers can create obstacles to navigating digital platforms and accessing online government services. Additionally, persons with disabilities who require in-person support may face exclusion if digital services become the dominant method of service delivery. Maintaining in-person and phone-based service options would help ensure accessibility for those unable or unwilling to use digital platforms.

Legislative Amendments to the *Administrative Tribunals Support Service of Canada Act* and to the *Canadian Environmental Protection Act*

Proposes legislative amendments to the *Administrative Tribunals Support Service of Canada Act*, *Canadian Environmental Protection Act*, and others to enable the provision of more efficient tribunal support services to the Environmental Protection Tribunal of Canada and to territorial bodies.

This measure would benefit all Canadians by providing administrative support to territorial bodies, such as labour tribunals. The measure may also disproportionately benefit Indigenous people given that they represent a larger share of the population in the territories relative to other regions in Canada. For example, the Yukon population is 22 per cent Indigenous, compared to the national average of 5 per cent.

Legislative Amendments to the *Judges Act*

Proposes legislative amendments to the *Judges Act* to allocate judicial resources to Ontario through 8 Unified Family Courts (UFCs) positions and 2 Ontario Court of Appeal positions.

This measure is intended to directly benefit people and families who are involved with the family justice system, particularly women since UFCs help improve access to justice in family matters, including conflict involving gender-based violence. Low- or middle-income families who are unrepresented and family members who face language and cultural barriers would also benefit from UFCs, as they help increase accessibility to justice resources for these groups. Additionally, this measure would help promote a fair justice system as judges would be selected through a federal appointment process that seeks to promote gender balance and diversity.

Legislative Amendments to the *Government Annuities Improvement Act*

Proposes a legislative amendment to the *Government Annuities Improvement Act* to eliminate the legislative requirement for a duplicative audit of the Government Annuities Account.

This measure will modestly benefit all Canadians through the elimination of duplicative audit requirements for the Government Annuities Account. Canadians and annuitants will continue to have access to the same information through the Public Accounts, or the actuarial reports published by the Chief Actuary.

Legislative Amendments to the *Tobacco and Vaping Products Act*

Proposes legislative amendments to the *Tobacco and Vaping Products Act* to extend the legislative review cycle from two to five years.

The amendments would benefit all Canadians by allowing Health Canada more time to consult broadly and consider more complex aspects of the legislation. Extending the review cycle would also provide more time to engage Indigenous communities, which have historically had lower participation rates in regulatory processes. Individuals who smoke and vape would also benefit from the amendments, with particular benefits for lower-income Canadians, who smoke at higher rates than the general population.

Legislative Amendments to the *Aeronautics Act* and *Canada Transportation Act*

Proposes legislative amendments to the *Aeronautics Act* to improve Canada's aviation safety and security regime, and to the *Canada Transportation Act* to ensure regulatory alignment with international standards.

This measure would benefit all Canadians through improvements in the safety and efficiency of the transportation system. It is expected to have a disproportionate positive benefit for the transportation sector. Specifically, amendments to the *Aeronautics Act* would directly benefit air travelers, who are mostly middle- to high-income earners, and the Canadian air transportation sector more broadly, in which men comprise 61 per cent of the workforce.

Canada Development Investment Corporation Enabling Legislation

Proposes enabling legislation for the Canada Development Investment Corporation (CDEV) to set out the corporation's current mandate in statute and provide greater transparency about the corporation and its activities.

Enabling legislation for CDEV is expected to benefit all Canadians by providing greater clarity and transparency concerning the corporation and its activities. It would further support CDEV in the fulfillment of its commercial mandate.

Enabling Divestiture of the Freshwater Fish Marketing Corporation

Proposes legislative amendments to the *Freshwater Fish Marketing Act* to enable the advancement of the divestiture of the Freshwater Fish Marketing Corporation (FFMC).

This measure would support the eventual divestiture of the FFMC should an acceptable bid be identified. As fish harvesters from rural, northern, and predominantly Indigenous communities receive approximately 80 per cent of the returns from FFMC operations, they may be disproportionately impacted from an eventual divestiture. A divestiture may also benefit Canadian taxpayers by eliminating future financial liabilities to the Crown, consistent with prudent financial stewardship, while transitioning the entity to an ownership and governance model that can remain competitive in today's open market.

GBA Plus Responsive Approach: Fish harvesters from remote, northern, and predominantly Indigenous communities may face risks as a result of the divestiture due to a potential reduction or elimination of transport, processing and marketing services to their communities. To mitigate these risks, the divestiture process includes evaluation criteria that promote economic reconciliation and the maintenance of services to rural and remote communities. Additionally, Indigenous organisations, which have historically faced barriers to accessing capital, have been provided the opportunity to access capacity funding to facilitate their participation in the competitive bidding process.

Legislative Amendments to the *Canadian Energy Regulator Act*

Proposes legislative amendments to the *Canadian Energy Regulator Act* to enable longer licensing timeframes for liquid natural gas exports.

These amendments may benefit workers in the energy and construction sectors in British Columbia, as longer licensing timeframes for liquid natural gas (LNG) projects could lead to further economic activity, including job opportunities. Workers who are men would predominantly benefit, as data from the British Columbia Construction Association shows women made up less than 5 per cent of the construction workforce in British Columbia in 2023. Permanent jobs created by LNG projects are also expected to mostly benefit men, as women represented 24.7 per cent of the workforce in the Canadian energy sector in 2023, according to the Canadian Centre for Energy Information.

Legislative Amendments to the *Red Tape Reduction Act*

Proposes legislative amendments to the *Red Tape Reduction Act* to provide all federal ministers with the authority to enable regulatory sandboxes through issuing temporary and limited exemptions from legislative or regulatory requirements to allow for testing of products, services, processes, or new regulatory approaches.

This measure would benefit all Canadians by allowing for modernised regulations that could better improve health, safety, and the environment for all. The measure could also result in indirect benefits of improved productivity, innovation, and economic growth outcomes for Canadians.

Legislative Amendments to the *Farm Credit Canada Act*

Proposes legislative amendments to the *Farm Credit Canada Act* to require regular legislative reviews to ensure alignment with the needs of the agriculture and agri-food sector.

This measure would benefit owners of farms and businesses in the agriculture and agri-food sectors by ensuring Farm Credit Canada's activities are responsive to the changing needs of the sector. Farm operators are predominately older White men, and farm families tend to have higher average incomes compared to all Canadians. Traditionally underrepresented groups such as women, youth, Indigenous, 2SLGBTQI+, and Black and racialised entrepreneurs may particularly benefit from regular legislative reviews to better enable Farm Credit Canada to align its activities with their specific needs.

Penalising Predatory Debt Advisors

Proposes a legislative amendment to expand the enforcement powers of the Office of the Superintendent of Bankruptcy by adding a civil fine and restitution for non-compliance with offences detailed in subsection 202(1) of the *Bankruptcy and Insolvency Act*, and to increase the maximum criminal fine for non-compliance with that Act from $5,000 to $100,000 for individuals, and $1 million for corporations.

This measure benefits all Canadians as the *Bankruptcy and Insolvency Act* is a law of general application but may benefit financially vulnerable groups more. A 2020 survey by the Financial Consumer Agency of Canada found that women (58 per cent), especially older women, low-income households (73 per cent), Indigenous people (74 per cent), and newcomers (66 per cent) reported higher financial vulnerability, with lower levels of financial literacy being a compounding factor.

Legislative Amendments to the *Territorial Lands Act*

Proposes to introduce amendments to the *Territorial Lands Act* to protect and advance the national interests of Canada and the interests of Inuit in Nunavut.

The amendments would benefit Inuit and other Northerners in Nunavut by supporting resource development initiatives that advance local and national interests. The measure is expected to benefit people across income and age spectrums, but men are expected to benefit disproportionately given that they are overrepresented in the workforce of resource extraction industries.

Amendments to the *Broadcasting Act*

Proposes to introduce amendments to the *Broadcasting Act* to restore the right to privacy of individuals to the interpretation provisions and remove a duplicative provision relating to official languages.

All Canadians will benefit from this measure, but no disproportionate impacts are expected for any particular group.

Legislative Amendments to the *Canada Post Corporation Act*

Proposes amendments to the *Canada Post Corporation Act* to modernise and expedite the stamp rate-setting process by allowing Canada Post Corporation to set postage rates.

This measure is expected to benefit all Canadians by helping improve the future financial sustainability of Canada Post operations. Canadians across all regions of the country, including in remote and underserved communities, who rely on the delivery of lettermail by Canada Post, will be positively impacted.

Faster dissolution of federal corporations listed as terrorist entities

Proposes amendments to the *Canada Business Corporations Act*, the *Canada Not-for-profit Corporations Act*, and the *Canada Cooperatives Act* to allow for quicker dissolution of a federal corporation when it is listed as a terrorist entity under the *Criminal Code*.

This measure would benefit all Canadians by strengthening federal anti-terrorism tools and by helping to maintain public trust in our institutions, including the federal corporate registry.

Qualified Investments for Registered Plans

Proposes to simplify and harmonise the qualified investment rules that apply to certain registered plans (e.g., Registered Retirement Savings Plans (RRSPs) and Tax-Free Savings Accounts (TFSAs)). In particular, this measure would streamline the rules relating to small business investments and replace the registered investment regime with new categories of qualified investments as of 2027.

This measure would benefit the millions of Canadians who have contributed to certain registered plans. For instance, according to the 2021 census, 34 per cent of Canadian households contributed to RRSPs and 45 per cent to TFSAs. Moreover, roughly half of all contributors to RRSPs and TFSAs are women, though women tend to make smaller contributions on average. Additionally, higher-income households are more likely to contribute to these plans. Certain registered plans also benefit targeted groups such as persons with disabilities, parents, students, and first-time home buyers.

21-Year Rule

Proposes to broaden an anti-avoidance rule in the *Income Tax Act* that prevents direct trust-to-trust property transfers from being used to defer income tax on accrued property gains beyond 21 years to include indirect transfers of trust property to other trusts.

This tax integrity measure would benefit all Canadians by ensuring a fair and efficient tax system and by protecting the tax base.

Treatment of Manual Osteopathic Services

Proposes to remove the duplicative and outdated relieving provisions for osteopathic services in the Goods and Services Tax/Harmonized Sales Tax legislation.

This tax integrity measure would benefit all Canadians by ensuring a fair and efficient tax system and by protecting the tax base.

Detailed Results (2026-27)

Planned Results for 2026-27

Management of Litigation and Claims is seeking to achieve **3** results in 2026-27. Progress towards meeting these results will be measured using **4** indicators. Progress towards meeting these results will be measured using **4** indicators. Assessed performance against these indicators will be reported in **fall 2027**.

Filter results

Expand all | Collapse all

Results

▶ Childhood Claims negotiations/out-of-court settlements are achieved

▼ First Nations have access to a resolution environment for their specific claims

Indicator	Average assessment time of specific claims, from time filed with the Minister to formal response from the Minister **New**
Date to achieve target	March 2027
Target	Target not specified
Methodology	Rationale: Average time of the assessment period represents the time spent on the first stage of claims resolution, and is indicative of how effectively Canada carries out research and assessment of First Nations' claims. Respecting the legislated timeframe of 3 years helps ensure First Nations feel their claims are being taken seriously and prevents filing of the claims at the Specific Claims Tribunal. Baseline: 6.2 years (March 31, 2008) Calculation/Formula: Calculation of the average time between the moment the claim is filed with the Minister and the issuance of a letter stating whether Canada will negotiate the claim, for claims for which the assessment is completed (i.e., a letter is issued) within a fiscal year. Measurement Strategy: At the end of each year Specific Claims Branch will consult the Specific Claims database to calculate the length of the assessment period for the claims which were the subject of a letter from Canada offering to negotiate compensation or not within that fiscal year. Note: This indicator does not include claims that were reassessed following an earlier decision not to negotiate compensation, as they do not undergo the full assessment process. Previous years targets are not available due to not being an indicator at the time. Data availability (GBA Plus): Gender-based: TBD Distinction-based: Available for First Nations Other GBA Plus categories: TBD

Indicator	Average time specific claims are in negotiation, from Canada's offer to negotiate to resolution by negotiated settlement **New**
Date to achieve target	March 2027
Target	Target not specified
Methodology	Rationale: Average time claims are in negotiation represents the time spent on the later stage of claims resolution (after the Minister offers to negotiate compensation), and how effectively Canada is carrying out settlement of First Nations' claims. Respecting the legislated timeframe of 3 years helps ensures First Nations feel their claims are taken seriously and addressed in a timely manner. It functions as an important marker of Canada's ability to negotiate with First Nations and to ensure that Canada's preferred option of negotiation is a credible alternative to litigation of claims. Meeting the target helps prevent filing of the claims at the Specific Claims Tribunal. Baseline: 11.6 years (March 31, 2008) Calculation/Formula: Calculation of time between Canada offering to negotiate compensation to claim settlement, for all claims which were settled within a fiscal year. Measurement Strategy: At the end of each fiscal year Specific Claims Branch will consult the database to calculate the average time of claims in negotiation that were settled during the fiscal year. Note: This indicator excludes certain claims which have unclear or missing data on Negotiation time, such as when having moved to and from litigation at the Specific Claims Tribunal or in courts, or being settled out-of-court. The total number of these claims from 2016-2024 is 27, of the 286 claims settled during the time period. Time in negotiation is a projection based on currently available information – The department has limited control over external factors such as First Nations' negotiations methods and acceptance of negotiation or compensation offers. Data availability (GBA Plus): Gender-based: TBD Distinction-based: Available for First Nations Other GBA Plus categories: TBD

▶ Past injustices are recognized and resolved

Data sources: **Departmental Results Reports**, **Departmental Plans**, **Public Accounts of Canada**

Datasets: **Performance information (results and indicators) by Program and by Organization**, **Planned performance information (results and indicators) by Program and by Organization**, **Expenditures and Planned Spending by Program**, **Actual and Planned Full-Time Equivalents (FTEs) by Program**

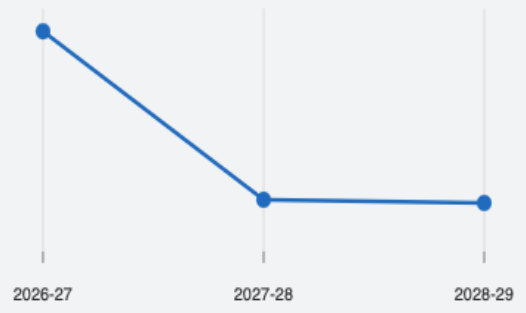
▶ **Footnote(s)**

Profile

Name	Management of Litigation and Claims
Description	This Program addresses historic grievances raised by Indigenous Peoples against the federal government, including specific claims, special claims, and childhood claims. These grievances can arise from past harms related to the administration of land and other First Nation assets, the fulfillment of historic treaties, and abuses experienced by Indigenous people in educational and care settings. The Program seeks to resolve these claims fairly and efficiently, preferably outside the court system. In doing so, it supports the recognition and respect of Indigenous rights and fulfills the Crown's outstanding legal obligations. The Program plays a key role in renewing Crown-Indigenous relations by fostering trust, accountability, and reconciliation.
Activity Code	BWM17

Spending and Employment Trend

Spending | Employment

This year (2026-27)	In 2 years time (2028-29)	Long term Trend (2026-27 to 2028-29)
spending will be $7.4 B	spending is planned to decrease to $1.6 B	

Additional terms: Full-Time Equivalent (FTE)

Data sources: Departmental Results Reports, Departmental Plans, Public Accounts of Canada

Datasets: Expenditures and Planned Spending by Program, Actual and Planned Full-Time Equivalents (FTEs) by Program

▶ Footnote(s)

Where does this Program fit in the government structure?

Government of Canada

- Crown-Indigenous Relations and Northern Affairs (Ministerial Portfolio)
  - Crown-Indigenous Relations and Northern Affairs Canada
    - Crown-Indigenous Relations
      - Management of Litigation and Claims

Crown-Indigenous Relations and Northern Affairs Canada's 2026-27 Departmental Plan

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Aussi disponible en français sous le titre : Plan ministériel 2026–2027 de Relations Couronne-Autochtones et Affaires du Nord

At a glance

This departmental plan details Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC) priorities, plans, and associated costs for the upcoming three fiscal years.

These plans align with the priorities outlined in the Mandate Letter, as well as CIRNAC's Vision, mission, raison d'être and operating context.

Key priorities

CIRNAC identified the following key priorities for 2026–27:

- Renew the Nation-to-Nation, Inuit-Crown, government-to-government relationship between Canada and First Nations, Inuit, Métis and Modern Treaty and Self-Governing partners;
- Affirm and respect Indigenous rights, and support self-determination;
- Lead the Government of Canada's work in the North and Arctic.

Comprehensive Expenditure Review

The government is committed to restraining the growth of day-to-day operational spending to make investments that will grow the economy and benefit Canadians.

As part of meeting this commitment, the department as a whole is planning the following spending reductions:

- **2026–27:** $69,300,000
- **2027–28:** $69,300,000
- **2028–29:** $69,300,000

Further details will be made available upon implementation.

The figures in this departmental plan do not reflect these reductions.

Highlights for CIRNAC in 2026–27

CIRNAC is committed to working together with First Nations, Inuit, and Métis communities, and Modern Treaty Self-Governing partners to support their goals as they take back decision-making over their lands and governance. The United Nations Declaration on the Rights of Indigenous Peoples will continue to guide the work on reconciliation, Indigenous self-determination, and consultation. The department is also committed to improving the quality of life of Northerners and supporting Indigenous-led efforts to grow a strong, prosperous North and Arctic.

In 2026–27, total planned spending (including internal services) for CIRNAC is $11,868,639,770 and total planned full-time equivalent staff (including internal services) is 1,634.

Summary of planned results

The following provides a summary of the results the department plans to achieve in 2026–27 under its main areas of activity, called "core responsibilities."

▼ Core responsibility 1: Crown-Indigenous Relations

To support results under Crown-Indigenous Relations, CIRNAC will:

- support the Department of Justice in implementing the *United Nations Declaration on the Rights of Indigenous Peoples Act* Action Plan;
- support the timely processing of additions to reserve requests and continue working on redesigning the Additions to Reserve Policy;

- support Indigenous groups' capacity to participate in recognition of rights and self-determination discussion tables, and long-term planning and investment cycles;
- continue Specific Claims resolution, as well as the resolution of litigation and the negotiation of settlement agreements;
- advance and implement the Truth and Reconciliation Commission's Calls to Action under CIRNAC's responsibility, and support the interdepartmental coordination of the 76 Calls to Action requiring the federal government's sole or shared leadership;
- collaborate with Indigenous women's and 2SLGBTQI+ organizations, and support initiatives included in the Missing and Murdered Indigenous Women, Girls, and 2SLGBTQQIA+ People National Action Plan;
- support family members and Survivors of missing and murdered Indigenous women, girls, Two-Spirit and gender-diverse people in their healing journey;
- collaborate with Indigenous partners through various engagement mechanisms;
- continue to develop the commitments outlined in Canada's Collaborative Modern Treaty Implementation Policy;
- increase the number of Treaties, agreements and other constructive arrangements that realize self-determination and advance reconciliation, as well as support their management and implementation;
- implement the requirements of the Cabinet Directive on the Federal Approach to Modern Treaty Implementation;
- support the implementation of the Cabinet Directive on the Inuit Nunangat Policy;
- enhance the *First Nations Fiscal Management Act* regime to enable lending to Indigenous-owned corporations or limited partnerships, known as special purpose vehicles, to ensure it continues to meet the needs of First Nations governments in collaboration with the four First Nations fiscal institutions;
- continue collaborating with First Nations partners to develop a modern solution for land registration and support the development of the First Nations Land Governance Registry;
- work with Indigenous partners to address housing needs and improve the quality of housing within Inuit, Métis and Modern Treaty, Self-Governing communities;
- work with Self-Governing Indigenous governments to implement their education sectoral agreements, and continue to advance collaborative work to define the gap in other critical areas, such as infrastructure, land and resources, and Indigenous languages programming.

Planned spending: $10,505,939,108
Planned human resources: 769
More information about Crown-Indigenous Relations can be found in the full plan.

▼ Core responsibility 2: Northern and Arctic Affairs

To support results under Northern and Arctic Affairs, CIRNAC will:

- continue discussions with partners to advance the Arctic and Northern Policy Framework by aligning federal investments with partner-identified priorities;
- assess and advance solutions to respond to Canada's critical housing needs in the North;

- advance the implementation of the Nunavut lands and resources devolution;
- continue to invest in northern post-secondary education, research capacity and monitoring, and land based education learning opportunities;
- engage Northerners and scientists in research and monitoring related to long-range contaminants and emerging environmental pressures;
- support food security and sovereignty in isolated and northern communities;
- help northern and Indigenous communities transition from diesel to clean, renewable and reliable energy;
- support climate change adaptation projects and climate monitoring projects;
- manage and advance the remediation of approximately 150 northern contaminated sites, including major mine remediation projects;
- promote the northern and Arctic resources economy while protecting the environment through land-use planning, impact assessment, water licensing, and conservation initiatives;
- advance northern regulatory processes under the Canadian Critical Minerals Strategy, supporting community and regulatory system readiness for major projects;
- work with partners to conduct marine research, harvest studies, and environmental monitoring to strengthen northern knowledge systems and support sustainable resource use.

Planned spending: $1,207,136,650
Planned human resources: 373
More information about Northern and Arctic Affairs can be found in the full plan.

For complete information on CIRNAC's total planned spending and human resources, read the Planned spending and human resources section of the full plan.

From the Minister of Crown-Indigenous Relations

The Honourable Rebecca Alty, P.C., M.P.
Minister of Crown-Indigenous Relations

I am pleased to share our 2026–27 Departmental Plan at such a critical time in Canada's history. Since the election, I've listened to First Nations, Inuit, Métis, and Modern-Treaty and Self-Governing partners. Their priorities guide this plan.

We are at a moment that demands urgency and action. Communities are facing a number of challenges and pressures, from infrastructure and housing to jobs and the economy. Although some priorities differ from community to community, the message I hear is consistent and clear: we need to act faster. Our success depends on stronger partnerships, respect for rights, and listening to the people impacted by the decisions we make.

Building on Canada's commitment to the United Nations Declaration on the Rights of Indigenous Peoples, the Government is Building Canada Strong in partnership with Indigenous governments. In Budget 2025, we are empowering Indigenous communities with tools and resources so that they can exercise real control over their lands, their resources, and their futures.

Over three years, we are investing $10.1 million to expand the Federal Initiative on Consultation. We will add three new Indigenous-led resource centres, continue to work with communities on consultation guidelines, and provide the support they need to take part in important decisions that affect their communities.

Bringing land back to First Nations more quickly is a top priority. Through a reformed Additions to Reserve process, Nations can create economic development and address their housing, commercial and other needs. For example, in October 2025, Canada and the Snuneymuxw First Nation announced the addition of nearly 195 acres of federal land in Nanaimo, British Columbia, to the Nation's reserve, enabling mixed-use development plans that include housing, commercial spaces, and other economic opportunities.

The Government of Canada is working together with First Nations, Inuit, Métis, and Modern Treaty and Self-Governing First Nations, Indigenous northern partners and territorial governments by delivering direct investments to partners to address housing needs by increasing housing supply, reducing overcrowding and homelessness, improving housing conditions, and strengthening community supports. Through Build Canada Homes, we will also allocate the remaining $2.8 billion for the Urban, Rural, and Northern Housing Strategy, including collaborating with the Nunavut Housing Corporation and Nunavut Tunngavik Incorporated to build more than 750 public, affordable, and supportive housing units in Nunavut.

In the year ahead, our main work is to recognize and support Section 35 rights, with the goal of cutting red tape and making it easier for Indigenous governments to manage their affairs. This past year, several Modern Treaties and Self-Government agreements were ratified and are now in the final stages of the process. This includes, for example, the Self-Government Treaty we developed in partnership with the Manitoba Métis Federation.

I also understand the importance of settling longstanding historic injustices as a foundation for our future relationship with Section 35 rights-holders. I was pleased to celebrate the settlement with James Smith Cree Nation, along with other recent settlements, such as with Flying Dust First Nation. Negotiated settlements help to right past wrongs, renew relationships, and advance reconciliation for the benefit of all Canadians. These claims can also provide First Nations with the capital to advance on economic development initiatives or invest in new opportunities for communities which can benefit First Nations for generations to come.

Protecting Indigenous women, girls, and 2SLGBTQI+ People remains critical. The voices of Survivors, families, and Indigenous organizations will continue to guide our work as we address the crisis of Missing and Murdered Indigenous Women, Girls and 2SLGBTQI+ People. We will continue funding Indigenous-led projects, like the Indigenous-led Data Research Projects Program, which improves data on missing and murdered Indigenous women, girls, and 2SLGBTQI+ people. This work strengthens evidence, supports prevention, and informs action.

This plan reflects what we value most: partnership, accountability, and results. However, most importantly, it puts those values into action by advancing priorities set by Indigenous Peoples.

The Honourable Rebecca Alty, P.C., M.P.
Minister of Crown-Indigenous Relations

From the Minister of Northern and Arctic Affairs and Minister responsible for the Canadian Northern Economic Development Agency

Life in the North and Arctic has always been shaped by a deep connection to the land, strong communities, and enduring cultures. That foundation remains constant even as the strategic environment around the North is changing rapidly.

Northern and Arctic communities are now at the centre of national and global attention. Decisions taken in the coming years will shape Canada's sovereignty posture, economic resilience, and security architecture for decades. Human security underpins national security in the North. There is no enduring Canadian sovereignty without resilient communities, reliable infrastructure, and sustainable economic opportunity across Northern and Arctic regions.

The Honourable Rebecca Chartrand, P.C., M.P.

Minister of Northern and Arctic Affairs and Minister responsible for the Canadian Northern Economic Development Agency

As the Government advances the Defence Industrial Strategy and strengthens Arctic security, Northern and Arctic Affairs will contribute through disciplined, coordinated delivery. This requires alignment across departments and sustained partnership with Indigenous, Inuit, First Nations, municipal, provincial, and territorial governments. Meeting this moment responsibly requires improving how nationally significant Northern and Arctic infrastructure advances from proposal to regulatory review. Speed without stabilization increases risk.

In 2026–27, the department will strengthen pre-regulatory alignment by clarifying governance frameworks, consultation sequencing, Indigenous participation readiness, and long-term operations and maintenance sustainability before projects enter formal review. This approach reduces litigation exposure, stabilizes timelines, and improves capital confidence while respecting Treaty-based co-management systems.

Northern communities continue to face rising costs, climate pressures, and infrastructure gaps that require coordinated and predictable action. A key priority this year is strengthening Nutrition North Canada to better respond to affordability pressures. The program will continue to address food costs while supporting broader efforts to strengthen food security and sustainable local food systems in partnership with Northern and Indigenous communities.

In March 2026, the department will convene Northern and Indigenous partners, stakeholders, and leaders to identify actionable measures to advance food security and food sovereignty across the North. In 2026–27, we will continue working with the Government of Nunavut and Nunavut Tunngavik Incorporated to implement the Nunavut Lands and Resources Devolution Agreement by April 1, 2027. This milestone advances Inuit leadership in resource management and brings decision-making closer to communities.

Across the North, Indigenous communities are advancing clean energy solutions while adapting to a changing climate. The department will support initiatives that improve energy reliability, reduce diesel dependence, and strengthen climate resilience to protect homes, infrastructure, and harvesting routes.

The 2026–27 Departmental Plan sets a clear course for disciplined execution — strengthening community resilience while improving regulatory readiness for strategic infrastructure. Through coordinated delivery and sustained partnership, we will support a Northern and Arctic future that is stable, secure, and economically strong for generations to come.

The Honourable Rebecca Chartrand, P.C., M.P.
Minister of Northern and Arctic Affairs and Minister responsible for the Canadian Northern Economic Development Agency

Plans to deliver on core responsibilities and internal services

Core responsibilities and internal services

- Core responsibility 1: Crown-Indigenous Relations

- Core responsibility 2: Northern and Arctic Affairs
- Internal services

Core responsibility 1: Crown-Indigenous Relations

▼ In this section

- Description
- Quality of life impacts
- Indicators, results and targets
- Plans to achieve results
- Gender-based Analysis Plus
- Planned resources to achieve results
- Program inventory
- Summary of changes to reporting framework since last year

Description

Strengthening Crown-Indigenous relationships based on respect by engaging in collaborative initiatives, forming meaningful partnerships, and actively affirming and implementing Indigenous rights and Treaties, through a whole-of-government approach, which will foster reconciliation and advance self-determination.

Quality of life impacts

This core responsibility contributes to the "Good Governance" domain of the Quality of Life Framework for Canada and, more specifically, to "Indigenous Self-Determination" and "Discrimination and Unfair Treatment", through all the activities mentioned in the core responsibility description.

Indicators, results and targets

This section presents details on the department's indicators, the actual results from the three most recently reported fiscal years, the targets and target dates for Crown-Indigenous Relations. Details are presented by departmental result.

Table 1: Nation-to-Nation, Inuit-Crown, government-to-government relationships are renewed

Table 1 provides a summary of the target and actual results for each indicator associated with the results under Crown-Indigenous Relations.

Departmental Result Indicators	Actual Results	2026–27 Target	Date to achieve target
Cumulative number of specific claims resolved since the Program's inception in 1973	2022–23: New in 2026–27 2023–24: New in 2026–27 2024–25: New in 2026–27	806	March 31, 2027
Percentage of former residential schools for which investigation work has been conducted	2022–23: New in 2023–24 2023–24: 61% 2024–25: 61%	86%	March 31, 2027
Percentage of First Nations, Inuit, and Métis partners participating in Crown-Indigenous engagement mechanisms	2022–23: New in 2026–27 2023–24: New in 2026–27 2024–25: New in 2026–27	80%	March 31, 2027

Percentage of Modern Treaty and Self-Governing partners participating in the Intergovernmental Leaders' Forum	2022–23: New in 2026–27 2023–24: New in 2026–27 2024–25: New in 2026–27	90%	March 31, 2027

Table 2: Indigenous Peoples exercise self-determination

Table 2 provides a summary of the target and actual results for each indicator associated with the results under Crown-Indigenous Relations.

Departmental Result Indicators	Actual Results	2026–27 Target	Date to achieve target
Percentage of First Nations that assert jurisdiction over fiscal management	2022–23: 58% 2023–24: 59.3% 2024–25: 64.8%	68%	March 31, 2027
Percentage of First Nations that assert jurisdiction over land management	2022–23: 17.9% 2023–24: 19.7% 2024–25: 20.3%	22%	March 31, 2027
Number of Treaties, Self-Government agreements and other constructive arrangements that have been concluded	2022–23: 60 2023–24: 77 2024–25: 94	105	March 31, 2027

Additional information on the detailed results and performance information for CIRNAC's program inventory is available on GC InfoBase.

Plans to achieve results

The following section describes the planned results for Crown-Indigenous Relations in 2026–27.

▼ Nation-to-Nation, Inuit-Crown, government-to-government relationships are renewed

The renewal of Nation-to-Nation, Inuit-Crown, and government-to-government relationships reflects Canada's commitment to respectful and equal partnerships with Indigenous Peoples. This supports the redress of past and ongoing injustices, focuses on Indigenous voices in decision-making, and is rooted in mutual recognition, accountability, and collaboration.

Results we plan to achieve

Renewing relationships begins with addressing long-standing grievances through fair, negotiated resolutions. Specific Claims address past wrongs against First Nations and settlements can support First Nations to invest in their communities and pursue economic development. The Government of Canada works with First Nations to resolve outstanding Specific Claims primarily through negotiated settlements. CIRNAC has a target of resolving 35 Specific Claims in 2026–27 and aims to meet its 100% target for complying with the legislated timeline under the *Specific Claims Tribunal Act*, which allows up to three years for completing claims assessments. CIRNAC will continue exploring options for operational improvements that further align the Specific Claims resolution process with the United Nations Declaration (UN Declaration) on the Rights of Indigenous Peoples. The department will also continue to gather First Nations perspectives on the process and learn about the impacts of settlements on communities through voluntary feedback from First Nations.

Strengthening relationships includes fair, negotiated resolutions and litigation practices that reflect partnership, respect rights, and build confidence. CIRNAC partners with the Department of Justice to manage the resolution of litigation, including negotiating settlement agreements out of court or supporting litigation through the court system, in accordance with the Attorney General of Canada's Directive on Civil Litigation Involving Indigenous Peoples, taking into consideration the UN Declaration and helping to establish Canada's Indigenous jurisprudence. As per the Directive and the 10 Principles respecting the Government of Canada's relationship with Indigenous Peoples, wherever possible, CIRNAC prioritizes the resolution of litigation cases through negotiation and settlement to promote reconciliation.

Rebuilding trust also means resolving childhood claims in ways that support healing and community well-being. Canada is committed to resolving Indigenous childhood claims litigation outside of the courts, wherever possible. Settlements are designed to balance individual compensation with forward-looking investments to support healing, wellness, education, language, culture and commemoration.

Renewing relationships also requires sustained, Survivor-centred work that advances truth, healing, and transparency. All of the Truth and Reconciliation Commission's 94 Calls to Action aim to reduce inequality and close socio-economic gaps. The Government of Canada has been working towards full implementation of the 76 Truth and Reconciliation Commission Calls to Action requiring the federal government's sole or shared leadership. In 2026–27, CIRNAC will continue to support whole-of-government efforts towards the implementation of these Calls to Action, working collaboratively with Indigenous Peoples, communities, and partners to drive meaningful progress. Additionally, CIRNAC will work closely with the newly established National Council for Reconciliation (Call to Action 53) – an independent, Indigenous-led body – to support its mandate to advance reconciliation, monitor progress on the Calls to Action, and identify emerging opportunities for collaboration.

Deepening relationships is supported by transparent, Survivor-informed access to information. In 2026–27, CIRNAC will continue to implement Calls to Action 72 to 76 regarding Missing Children and Burial Information. More specifically, the department will continue to support and collaborate with the National Centre for Truth and Reconciliation (NCTR) to update and maintain the National Residential School Student Death Register (Call to Action 72), and develop and maintain the National Residential School Cemetery Register (Call to Action 73). This includes providing stable, predictable funding over two years to the NCTR to ensure it can successfully perform its mandate. This ongoing work will increase the information available to families and Survivors of missing or deceased children from former residential schools.

Moreover, to advance Calls to Action 74 to 76, CIRNAC will continue supporting community-led initiatives centered on the needs of Survivors to locate, document, and memorialize undocumented burial sites and graves associated with the 140 residential schools included in the Indian Residential Schools Settlement Agreement (IRSSA) and the five residential schools included in the Newfoundland and Labrador Residential Schools Settlement Agreement (Anderson). This will include supporting initiatives to honour families' wishes to identify and repatriate children's remains through the Residential Schools Missing Children Community Support Fund in a stable manner over the next two years. To inform the program redesign, CIRNAC will undertake an evaluation of the program and deepen its engagement with Survivors and Indigenous communities.

Strengthening relationships is further supported by coordinated efforts with families, Survivors, and Indigenous partners to address the Missing and Murdered Indigenous Women and Girls (MMIWG) crisis. In 2026–27, the federal government will continue to track progress in advancing its contribution to the *Missing and Murdered Indigenous Women, Girls and 2SLGBTQQIA+ People National Action Plan* through the *Federal Pathway to Address Missing and Murdered Indigenous Women, Girls and 2SLGBTQQIA+ People*, *Annual Progress Report*. This will include efforts to find

efficiencies in the reporting process, identify gaps in actions to advance the Calls for Justice, and ensure that information on federal progress to advance the Calls for Justice is detailed, distinctions-based, transparent about funding, and broadly accessible and relevant to families and Survivors.

Building on previous successful collaboration with Indigenous partners and provincial and territorial governments, in 2026–27, CIRNAC will host the 2027 National Indigenous-Federal-Provincial-Territorial (IFPT) Meeting on MMIWG and 2SLGBTQI+ People. The IFPT serves as a mechanism to support important dialogue between national and regional Indigenous organizations, families, Survivors, and government leaders to sustain momentum to address the crisis of MMIWG and 2SLGBTQI+ People. Also, building on the final report on the engagement led by Giganawenimaanaanig to co-develop a regional Red Dress Alert System with Indigenous partners, CIRNAC will advance further collaboration with Giganawenimaanaanig, the Province of Manitoba and other partners through 2026–27. Multi-year projects will also continue to receive funding this fiscal year under the Indigenous-Led Data Research Projects Program, which aims to improve data methodologies specific to MMIWG and 2SLGBTQI+ People.

CIRNAC is committed to supporting family members and Survivors of MMIWG and 2SLGBTQI+ people in finding healing in whatever form is meaningful to them. Projects will continue to receive funding through 2026–27 under the Support for the Wellbeing of Families and Survivors of Missing and Murdered Indigenous Women, Girls and 2SLGBTQQIA+ People Contribution Program. This program supports Indigenous-led, trauma-informed, culturally relevant resources that are accessible to family members and Survivors.

Furthermore, in 2026–27, through the Indigenous Women's and 2SLGBTQI+ program, CIRNAC will support projects focused on community engagement, leadership development, governance, community-driven research, and priority-setting, while reducing administrative burden through streamlined reporting. Aligned with the *UN Declaration Act* Action Plan (Measure 70), the Calls for Justice, and Sustainable Development Goals (SDGs) 5 and 10, the program supports the social, economic, and civic participation of Indigenous women and 2SLGBTQI+ People and strengthens their leadership in decision-making.

Partnerships with Indigenous women's organizations help integrate gender-based and culturally informed perspectives in federal policy. The department will continue to collaborate with national and regional Indigenous women's organizations to implement the whole-of-government relationship agreements and advance shared priorities. In 2026–27, CIRNAC will advance this work consistent with the UN Declaration, SDG 5.5 (women's leadership in decision-making), and Call for Justice 18.1 (addressing systemic social, economic, and political marginalization). The department will support results-focused initiatives that strengthen Indigenous women's leadership and influence in federal decision-making (UN Declaration Act Action Plan Measure 69). This includes supporting research, engagement, and leadership activities; coordinating federal engagement on economic inclusion, safety, and gendered inequalities; and strengthening mechanisms that enable Indigenous women's organizations to inform federal policy, program, and legislative processes.

Distinctions-based tables provide predictable venues to set priorities and co-develop policy together. In 2017, Permanent Bilateral Mechanisms (PBMs) were established with leaders of the Assembly of First Nations (AFN), Inuit Tapiriit Kanatami (ITK) and the four Inuit Treaty Organizations, and the Métis National Council (MNC) and its then governing members, to identify joint priorities, co-develop policies, and monitor progress. CIRNAC remains committed to strengthening Crown-Indigenous relationships with First Nations, Inuit, and Métis partners through distinctions-based fora.

Through the Inuit-Crown Partnership Committee, CIRNAC will continue working with Inuit leaders to address complex, cross-cutting issues and advance transformational change based on Inuit self-determined priorities for Inuit Nunangat. In collaboration with First Nations and Métis leadership, CIRNAC will build on lessons learned to

evolve the existing bilateral structures by developing new approaches that support these relationships in ways that are responsive to how partners want to engage with the federal government going forward.

Regular engagement among Indigenous, federal, and territorial leaders sustains momentum and resolves issues across governments. The Intergovernmental Leaders' Forum remains a permanent annual forum bringing together the Prime Minister, relevant Ministers, and leaders of Modern Treaty and Self-Governing Indigenous governments for direct conversations on significant matters of concern. CIRNAC will continue to work with Modern Treaty and Self-Governing partners to advance priorities through this forum.

Strong relationships with Indigenous partners require consistent, rights-respecting consultation across government. CIRNAC will continue to support the whole-of-government approach to consultation and accommodation through enhanced guidance and interdepartmental coordination to help ensure the Crown meets its constitutional obligations, as well as its commitments under the UN Declaration and the *UN Declaration Act*.

Advancing these relationships requires clear guidance and practical tools that support meaningful consultation on decisions that may affect rights. The Government of Canada has a duty to consult and, where appropriate, accommodate Indigenous groups when it contemplates actions that might negatively impact Aboriginal or Treaty rights. CIRNAC will continue to support this whole-of-government approach to ensure the Crown fulfills its constitutional obligations and commitments under the *Building Canada Act*, UN Declaration, and the *United Nations Declaration Act*. The department will continue to advance whole-of-government policy initiatives and provide advice on major project assessments, including projects of national interest, by providing guidance, advice, and tools to support federal officials in other departments, including the Major Projects Office, to undertake meaningful consultation, accommodation, and engagement.

Budget 2023 provided funding for CIRNAC to engage with Indigenous groups and renew the guidelines for federal officials to fulfill the Crown's Duty to Consult and Accommodate. Renewing these guidelines in partnership with Indigenous Peoples is essential to adequately equip federal officials to work meaningfully with Indigenous communities. The first phase of regional engagements were held from February 2024 to September 2025. A second phase began at the end of 2024–25 and continued throughout 2025–26. The new guidelines will be finalized and launched in 2026–27.

CIRNAC remains committed to partnering with Indigenous Peoples through the co-development and implementation of consultation protocol agreements and consultation resource centres. These initiatives create clear processes for federal departments to follow when consulting on potential adverse impacts to established or asserted Aboriginal or Treaty rights and provide much-needed capacity supports for Indigenous groups to respond to consultation requests. Currently, CIRNAC is funding the implementation of 13 consultation protocols (supporting 41 First Nations and nine Métis collectives) and co-developing five new protocols (representing 15 First Nation communities and one self-identified Indigenous community asserting Indigenous rights). CIRNAC also funds five consultation resource centres.

The department will continue to ensure that Indigenous rights and interests are known to federal officials by making regular system enhancements and content updates to the Aboriginal and Treaty Rights Information System (ATRIS). These updates facilitate information sharing in support of consultation, including for major projects, and will include co-developing system content with Indigenous partners where appropriate. CIRNAC will also explore options to modernize ATRIS to better support whole-of-government efficiency and keep pace with the growing complexity of Indigenous consultation.

In 2026–27, CIRNAC will continue fostering renewed Nation-to-Nation, Inuit-Crown, and government-to-government relationships with Indigenous partners who hold Modern Treaties, stand-alone Self-Government arrangements, sectoral agreements, and board-type organizations. By maintaining collaborative relationships with Indigenous partners, the department will support Indigenous-led initiatives to rebuild and reconstitute their historic nations, advance self-determination, and reduce socio-economic gaps between Indigenous and non-Indigenous peoples. The department will aim to ensure that all public government institutions and Modern Treaty partners have access to stable and ongoing funding for their programs and services.

Deepening these relationships includes joint work on jurisdiction and service arrangements that reflect partners' priorities. The department will also continue strengthening relationships with Indigenous partners and supporting Indigenous rights to self-determination through negotiating amendments to existing Modern Treaty and Self-Government agreements. CIRNAC will continue exploratory and preliminary discussions with partners in the Northwest Territories to assume responsibility for education, including early childhood education. Within the same region, the department will continue to advance and negotiate the renewal of the Intergovernmental Services Agreement with the Tłı̨chǫ Government.

To support the management of Modern Treaties and Self-Government agreements, CIRNAC will also continue to engage with partners to draft and renew implementation plans, which set a common understanding for how parties will implement final and Self-Government agreements. These discussions will be held with different partners across Canada. The department will continue its work to support Indigenous partners in assuming responsibilities for programs and services.

This fiscal year, CIRNAC will continue to implement the renewed Nunavut Agreement Implementation Contract (2024–34), which provides a 10-year funding framework to implement the commitments made under the Nunavut Agreement. This includes historic investments of $1.5B from 2024 to 2034 and $77.6M annually in ongoing funding. This funding will support Nunavut Tunngavik Incorporated, the Government of Nunavut, the five Institutions of Public Government (including three Regional Wildlife Organizations and 27 Hunters and Trappers Organizations), and Pilimmaksaivik, the Federal Centre of Excellence for Inuit Employment in Nunavut.

▼ Indigenous Peoples exercise self-determination

The affirmation and implementation of Indigenous Peoples' inherent right to self-determination, including the right to Self-Government, is essential for promoting reconciliation and empowering Indigenous communities to shape their own social, economic and political development, thereby contributing to an equitable and sustainable society.

Results we plan to achieve

UN Declaration–aligned measures advance self-determination across social, economic, and cultural priorities. CIRNAC will continue to make progress in implementing the *UN Declaration Act* Action Plan (2023-2028) measures which it leads. According to the UN Declaration, Indigenous Peoples have the right "to the improvement of their economic and social conditions, including, among other things, in the areas of education, employment, vocational training and retraining, housing, sanitation, health and social security".

Advancing self-determination begins with rights-based negotiations that recognize Indigenous jurisdiction and reflect community priorities. Modern Treaties, Self-Government agreements and other constructive arrangements are the foundations for transformative change that move us away from colonial systems of administration and governance. These agreements advance Indigenous political, economic, and cultural development while providing

increased predictability over lands and natural resources necessary to transform the Canadian economy. In 2026–27, CIRNAC will continue to advance section 35 rights-based discussions that lead to substantive agreements addressing the needs, interests, and priorities of Indigenous partners.

CIRNAC will work in partnership with historical (pre-1975) Treaty First Nations through the offices of the Treaty Commissions in Saskatchewan and Manitoba to review and support historic Treaty relationships. In British Columbia, successful community ratification votes were held for the K'ómoks, Kitselas, and Kitsumkalum Modern Treaties. The next steps include ratification of the three Modern Treaties by the Government of British Columbia and the Government of Canada. Signing of these Modern Treaties is targeted for 2026–27, followed by the federal legislative process. In the North, two Modern Treaties and a related binding agreement are anticipated to be signed. Once in effect, these agreements will constitutionally protect certain First Nation and Inuit rights with respect to harvesting, land ownership, and resource management in the Northwest Territories, Nunavut, and northern Manitoba.

A rights-based negotiation framework helps clarify jurisdiction, ownership, and recognition of Indigenous-owned lands, supporting self-determination. The Recognition and Reconciliation of Rights Policy for Treaty Negotiations in British Columbia supports a rights-based approach to the negotiation of Treaties, agreements and other constructive arrangements among Canada, British Columbia and participating Indigenous nations in British Columbia. In 2026–27, CIRNAC will continue to implement the policy in partnership with the other principals to the British Columbia Treaty process (the First Nations Summit and the Province of British Columbia). The parties will continue to advance the development of an annex, as outlined in Schedule A of the Policy (Commitments to Further Work) pertaining to the jurisdiction, form of ownership, and constitutional status of Indigenous-owned lands.

Clear implementation processes help integrate self-determination into federal decisions. The purpose of Canada's Collaborative Modern Treaty Implementation Policy, released in 2023, is to increase understanding and awareness of the importance of the implementation of Modern Treaties, with the specific goal of advancing a systemic shift in the federal public service's institutional culture, reflected in behaviour, decision-making, and actions at every level of the federal government. Additionally, the policy's key principles will guide federal officials in upholding the spirit and intent of Modern Treaties and provide clear direction to deputy heads on their responsibilities for overseeing implementation. In 2026–27, collaborative work will continue to focus on priorities set by the Modern Treaty Implementation Policy Working Group in March 2023: revising the *Cabinet Directive on the Federal Approach to Modern Treaty Implementation* and improving dispute resolution processes. The department will continue to support Bill C-10 (An Act respecting the Commissioner for Modern Treaty Implementation), introduced by the Minister of Crown-Indigenous Relations in September 2025, as it continues to be considered in Parliament.

In parallel, CIRNAC is working with Indigenous Modern Treaty partners and more than 45 federal departments and agencies to co-develop an updated *Cabinet Directive on the Federal Approach to Modern Treaty Implementation*. This work responds to issues identified through evaluations and partner feedback and will better align the directive with *Canada's Collaborative Modern Treaty Implementation Policy*, commitments under the *UN Declaration Act* Action Plan, and related federal priorities focused on Treaty evolution, sustainable implementation, and improved outcomes for Indigenous Modern Treaty partners. Drafting the updated Cabinet Directive is underway, but requires continued engagement with Indigenous and federal partners to review specific provisions, operational expectations, and supporting tools. CIRNAC will solicit proposals through an annual call for proposals to support projects that advance Modern Treaty and Self-Government agreement implementation.

CIRNAC will also continue its work on the Collaborative Fiscal Policy Development Process, a whole-of-government initiative involving federal officials and representatives of 30 Self-Governing Indigenous governments to co-develop expenditure need methodologies and approaches as set out in *Canada's Collaborative Self-Government Fiscal Policy*.

Stronger fiscal and infrastructure institutions increase access to capital and expand Indigenous jurisdiction. The *First Nations Fiscal Management Act* provides First Nations with a legislative and institutional framework through which to assert and exercise jurisdiction in the areas of financial management, taxation, and access to capital markets and more recently, respecting the provision of services and infrastructure. In 2026–27, the department will continue to co-develop amendments to the *First Nations Fiscal Management Act* to enhance access to the pooled borrowing regime for Indigenous corporations, limited partnerships, and non-profit organizations. Facilitating access to the pooled borrowing regime for Self-Governing First Nations; and supporting enhancements to Indigenous tax jurisdiction frameworks are key priorities of Indigenous partners.

Budget 2025 announced the government's intention to explore the creation of new infrastructure financing tools and expand the options available to communities to deliver critical infrastructure. Canada also committed to further enhance access to capital for Indigenous groups seeking equity participation in economic and resource development projects. In 2026–27, the department and the First Nations Finance Authority will continue to work on policy co-development related to proposed amendments to the *First Nations Fiscal Management Act* to enable lending to Indigenous-owned corporations or limited partnerships, known as special purpose vehicles. CIRNAC will also work with Indigenous Services Canada (ISC) to support exploratory pilots enabling on-reserve construction companies to bid for infrastructure projects and First Nations to monetize federal transfers to secure financing for infrastructure.

Robust land governance frameworks led by First Nations support local decision-making. The Framework Agreement on First Nation Land Management enables participating communities to withdraw their lands from the land management provisions of the *Indian Act*, and to implement First Nation governance and laws with respect to their land, resources and environment. Continuing work on the commitment made in Budget 2023 to support the development of a First Nation-led land registry system, CIRNAC has been working closely with the Lands Advisory Board and the First Nations Land Management Resource Centre to develop the First Nation Land Governance Registry. This registry will be managed and administered by the new not-for-profit First Nation Land Governance Registry Incorporated to support registry and land management for First Nations with operational land codes pursuant to the Framework Agreement on First Nation Land Management, as well as any Self-Governing First Nation with section 91(24) lands that chooses to use it for land registration.

CIRNAC will continue collaborating with First Nation partners to complete the development of this modern registry solution for land management. Further funding and authorities will be sought to begin phased implementation of the First Nation Land Governance Registry late in the fiscal year, targeting full implementation by 2028–29. CIRNAC will also continue to co-develop future legislative, regulatory, and Framework Agreement amendments required to advance the development of the Registry as part of the broader mandate for First Nation self-determination over their lands.

Improving land expansion processes helps communities advance their own priorities. Additions to Reserve (ATR) are parcels of land added to an existing reserve or used to create a new one in rural or urban settings. Over the coming year, CIRNAC will finalize the revised ATR Policy and supporting directives, while implementation tools from ISC are expected within 12 months of the finalization of the revised Policy. The updated framework is intended to clarify and accelerate the ATR process and better support the economic and community development of First Nations communities. In 2026–27, the department will develop an implementation plan, create new tools, conduct validation

engagement with First Nations partners, explore legislative amendments, and launch a pilot project to establish a First Nation-led organization to assist with ATR proposals. The department will also continue working with ISC, who leads the assessment of ATR proposals.

Community-led housing and infrastructure investments strengthen local control and improve well-being. In 2026–27, CIRNAC will continue to support housing and infrastructure in Modern Treaty and Self-Governing First Nations, Inuit, and Métis communities. For these Indigenous partners, the facilitation of transfer payments will continue to support the implementation of housing and infrastructure initiatives from Budgets 2018, 2022, 2023, and 2024. This includes support for new construction and renovation of existing housing and infrastructure, as well as operations and maintenance. Additionally, the department will continue supporting Inuit, Métis and Modern Treaty and Self-Governing partners implementation of the Urban, Rural, and Northern Indigenous Housing Strategy.

Building upon work in the Collaborative Fiscal Policy Development Process on infrastructure, CIRNAC is now engaging with Modern Treaty and Self-Governing First Nations on an assessment of housing expenditure needs associated with the obligations in their agreements with Canada.

With regard to education, Canada has entered into several sectoral and Self-Government agreements which provide jurisdictional control over education. These agreements enable Indigenous Peoples to establish and control their education systems and institutions by providing services that better reflect student needs and by delivering culturally-appropriate education. The effective implementation of sectoral education Self-Government agreements is an integral component of advancing reconciliation, self-determination, and bridging socio-economic gaps between Indigenous and non-Indigenous communities. In 2026–27, CIRNAC will collaborate closely with Indigenous governments to implement these agreements and improve student educational outcomes in participating communities. Specifically, there are nine sectoral education agreements in partnership with Indigenous governments in British Columbia, Ontario, and Nova Scotia, and one in development in Quebec, where the department will support partners in the delivery of education programs and services.

CIRNAC will also continue to support Indigenous partners with sectoral governance Self-Government agreements and standalone Self-Government arrangements, which enable them to assume control over certain functions to govern themselves. These may include, but are not limited to, new powers to enact laws addressing matters of common concern to Indigenous Peoples; to establish institutions, procedures, and processes that help promote effective governance, economic prosperity, social well-being, and healthy communities.

Expanding school food programs with Indigenous governments supports locally led approaches to children's health. In 2026–27, as a result of the Budget 2025 announcement, which confirmed the permanence of the National School Food Program, CIRNAC will work with Economic and Social Development Canada to incorporate the ongoing commitment in partnership with Inuit, Métis and Modern Treaty and Self-Governing partners. This will help ensure more children across the country have access to healthy meals while improving health and social outcomes for Indigenous children.

Finally, co-developing approaches to citizenship strengthens community authority and self-determination. The department will advance its work on implementing Action Plan Measure 2.9 under the *UN Declaration Act* Action Plan to consult and co-develop alternatives to *Indian Act* registration and membership, leading toward increased self-determination for First Nation citizenship.

Gender-based Analysis Plus

Negotiation of Treaties, Self-Government Agreements and Other Constructive Arrangements: Data is collected and disaggregated to help ensure that negotiation processes are as inclusive as possible. For example, provincial and territorial level data is used to support regional equity. The following types of demographic data are used to support GBA Plus:

- Population totals by community and region, disaggregated by gender;
- Percentages of Indigenous and non-Indigenous population by community and region;
- Age and income distribution data for Indigenous and non-Indigenous populations by community and region, disaggregated by gender; and
- Percentages of women and men who are members of community or regional boards, committees, or other governance entities.

Management of Treaties and Agreements: To better understand gaps in socio-economic outcomes—including those between Indigenous and non-Indigenous communities—CIRNAC will conduct a pilot study using quantitative data provided by Self-Governing Indigenous governments through Statistics Canada. The study will draw on a set of indicators co-developed by the Social Well-Being Working Group under the Collaborative Fiscal Policy Development Process and will integrate Indigenous knowledge and perspectives. CIRNAC will also apply a GBA Plus lens to identify how different population groups within communities may experience outcomes differently. This pilot study will lay the foundation for more in-depth studies using both qualitative and quantitative data to further strengthen understanding of socio-economic outcomes.

Guidance and Advice on Duty to Consult: The department will collect available disaggregated data on most of its program indicators in the Performance Information Profile every year to assess trends and address barriers or gaps. This will include disaggregated data on Indigenous groups accessing the program, such as their distinctions group (First Nations, Inuit, Métis) and location (province or territory), as well as data on participants in the program's webinar system, tailored training offerings, learning events, and training on ATRIS and the Legal Duty to Consult. Data is also collected on questions received from federal officials and the public. The department also collects data during engagement sessions, including information on which diverse grassroots organizations participate (quantitative, through registration lists) and input from these organizations in engagement discussions (qualitative, through engagement participation and written submissions). This information is captured in engagement records, summaries, and the interim *What We Learned Report*.

Support for Indigenous Engagement and Capacity: In 2026–27, the program will introduce a new application and reporting tool that collects disaggregated data and incorporates qualitative information to enrich quantitative results, supporting inclusive, equity-informed evaluation and helping identify gaps and barriers. These tools and approaches will strengthen the department's capacity to assess impacts across gender, identity, and geography, support evidence-based decision-making, and ensure that program design and implementation reflect the diverse experiences of Indigenous women and 2SLGBTQI+ People.

Under the project '*Gender Equality in the Arctic IV*', which is a Sustainable Development Working Group project being undertaken during the Kingdom of Denmark's chairship of the Arctic Council (2025–2027), CIRNAC will build upon the previous phase of work, the pan-Arctic *Gender Equality in the Arctic IV* report, to address knowledge gaps and identify recommendations for future action. This fifth iteration will focus on a circumpolar assessment of available gender-disaggregated data and recommendations for addressing gaps in availability. The project will also produce a series of podcasts to amplify diverse Arctic perspectives on the complex realities of crime and violence, as well as local insights into possible solutions. In this regard, Canada and its circumpolar partners will develop processes to ensure that gender

perspectives, contributions, and knowledge are adequately considered at all stages of the Council's project work. They will also seek collaboration among national statistical agencies, Permanent Participant Organizations, and Arctic Council working groups to develop approaches for addressing the lack of gender-disaggregated data available in the region.

Support for Indigenous-led Services and Programming: CIRNAC will collect data through the Inuit Art Foundation to provide more detail and assess whether it is improving the quality of life for Northerners and reducing gaps in social outcomes, using data that reference the programs being delivered. It will also collect data through Inuit Counselling in the South to determine how many communities are benefiting from the services provided, as well the number of clients supported annually. To strengthen future data collection and analysis, CIRNAC is encouraging Indigenous partners to consider and track GBA Plus data. For example, for the Urban, Rural and Northern Indigenous Housing Strategy, CIRNAC is encouraging Métis partners to incorporate GBA Plus data into housing projects, where possible.

Indigenous Institutional Development and Land Management: CIRNAC collects data on the number of First Nations scheduled under the *First Nations Fiscal Management Act*, the provinces in which they are located, the levels of financial management certification each scheduled First Nation has achieved, the number of taxing First Nations under the Act and the tax revenue collected, as well as the value of loans issued by the First Nation Finance Authority. This data is owned by the *First Nations Fiscal Management Act* institutions. These institutions may collect additional data to support GBA Plus analysis in a manner complementary to the data CIRNAC gathers through the program, should they choose to do so. Similarly, any data collected by the Lands Advisory Board and the First Nations Land Management Resource Centre on land management under the Framework Agreement on First Nation Land Management is under their control and management. Although CIRNAC may receive such information, it does not track it separately or direct what needs to be tracked in relation to GBA plus.

Residential Schools Legacy: CIRNAC will collect data on program recipients as part of its regular reporting exercises during the program's duration to contribute to a better understanding of impacts through a GBA Plus lens. In addition, the performance indicators for this program will be disaggregated by Indigenous distinction (First Nations, Inuit, Métis) and region (province and/or territory) to monitor impact, assess trends, and identify any potential gaps in program uptake or coverage.

Management of Litigation and Claims: Although there is currently no tracking or data collection at negotiation tables, discussions are underway to determine the most appropriate approach for gathering disaggregated data for intersectional analysis while ensuring that Indigenous data sovereignty is respected.

Efforts are underway to reform the Specific Claims program to address longstanding concerns by First Nations about the fairness of the process, improve collaboration, and enhance access to resources. Specific Claim settlements support First Nations in their economic development goals and opportunities. As an interim measure, CIRNAC has updated the Performance Information Profile to clarify the program's results narrative, strengthened its performance indicators, aligned them with recently reported results, and responded to a recent evaluation of the program. Federal negotiators practice inclusive communication and are mindful that colonial and patriarchal structures, as well as rhetoric, may impact negotiations. CIRNAC will continue to ensure that underrepresented groups have a voice by engaging with rights holders and co-developing policy and process reforms with First Nations partners.

Planned resources to achieve results

Table 3: Planned resources to achieve results for Crown-Indigenous Relations

Table 3 provides a summary of the planned spending and full-time equivalents required to achieve results.

Resource	Planned
Spending	$10,505,939,108

Full-time equivalents	769

Complete financial and human resources information for CIRNAC's program inventory is available on GC InfoBase.

Program inventory

Crown-Indigenous Relations is supported by the following programs:

- Negotiation of Treaties, Self-Government Agreements and Other Constructive Arrangements
- Management of Treaties and Agreements
- Guidance and Advice on Duty to Consult
- Support for Indigenous Engagement and Capacity
- Support for Indigenous-led Services and Programming
- Indigenous Institutional Development and Land Management
- Residential Schools Legacy
- Management of Litigation and Claims

Additional information related to the program inventory for Crown-Indigenous Relations is available on the Results page on GC InfoBase.

Summary of changes to the reporting framework since last year

Table 4: Summary of changes to the reporting framework since last year

Disclaimer: The following section was originally presented as a table. It has been converted into a text-only format to support accessibility while preserving the original content.

Core responsibility Description

2025–26: Supporting Indigenous organizations, individuals, communities and governments in advancing reconciliation and self-determination through strengthening Crown-Indigenous relationships based on respect, cooperation, partnership, the affirmation and implementation of Indigenous rights.
2026–27: Strengthening Crown-Indigenous relationships based on respect by engaging in collaborative initiatives, forming meaningful partnerships, and actively affirming and implementing Indigenous rights and Treaties, through a whole-of-government approach, which will foster reconciliation and advance self-determination.
Change: Revised
Reason for change: To simplify, clarify, and modernize the language

Departmental Result

2025–26: Past injustices are recognized and resolved
2026–27: Nation-to-Nation, Inuit-Crown, government-to-government relationships are renewed
Change: Revised
Reason for change: To more accurately reflect CIRNAC's mandate, including efforts to address historical and current injustices, and to emphasize collaboration and engagement

Departmental Result

2025–26:

- Indigenous Peoples advance their institutional structures and governance

- Indigenous Peoples determine their political, economic, social and cultural development

2026–27: Indigenous Peoples exercise self-determination
Change: Merged
Reason for change: To reduce confusion and eliminate duplication between the 2 previous results

Departmental Result

2025–26: Indigenous Peoples strengthen their socio-economic conditions and well-being
2026–27: Not applicable
Change: Removed
Reason for change: To better align with CIRNAC's core mandate and to avoid duplication with responsibilities held by other departments

Departmental Result Indicator

2025–26: Number of specific claims resolved by the department
2026–27: Cumulative number of specific claims resolved since the Program's inception in 1973
Change: Replaced
Reason for change: To better demonstrate progress over time

Departmental Result Indicator

2025–26: Number of additions to reserves completed
2026–27: Not applicable
Change: Removed
Reason for change: To sharpen the focus of the DRF on key files where CIRNAC holds primary responsibility for most of the process

Departmental Result Indicator

2025–26: Percentage of Truth and Reconciliation Commission Calls to Action that are implemented
2026–27: Not applicable
Change: Removed
Reason for change: CIRNAC's contribution had been maximized; however, CIRNAC will continue to report on the Calls to Action through the narrative in its annual reports

Departmental Result Indicator

2025–26: Not applicable
2026–27: Percentage of First Nations, Inuit, and Métis partners participating in Crown-Indigenous engagement mechanisms
Change: New
Reason for change: To assess progress in renewing relationships between the Crown and Indigenous Peoples

Departmental Result Indicator

2025–26: Not applicable
2026–27: Percentage of Modern Treaty and Self-Governing partners participating in the Intergovernmental Leaders' Forum
Change: New
Reason for change: To assess progress in renewing relationships between the Crown and Indigenous Peoples

Departmental Result Indicator

2025–26: Percentage of First Nations that have opted into an Indian Act alternative
2026–27: Not applicable
Change: Removed
Reason for change: Due to duplication with other indicators

Departmental Result Indicator

2025–26: Percentage of Indigenous groups that have enhanced their governance capacity
2026–27: Not applicable
Change: Removed
Reason for change: Methodological and data-related limitations

Departmental Result Indicator

2025–26: Annual number of priorities identified through the permanent bilateral mechanisms that result in policies, funding or legislation
2026–27: Not applicable
Change: Removed
Reason for change: Methodological and data-related limitations

Departmental Result Indicator

2025–26: Percentage of Indigenous people that have reached preliminary types of co-developed agreements
2026–27: Not applicable
Change: Removed
Reason for change: Methodological and data-related limitations

Departmental Result Indicator

2025–26: Percentage of Indigenous people with whom Treaties, Self-Government agreements and other constructive arrangements have been concluded
2026–27: Not applicable
Change: Removed
Reason for change: Due to overlap with the indicator above, as both captured similar aspects of the Departmental Result

Departmental Result Indicator

2025–26: Average Community Well-Being Index score for Modern Treaty and Self-Government agreement holders
2026–27: Not applicable
Change: Removed
Reason for change: To better align with CIRNAC's mandate and due to data limitations associated with the 5-year Census cycle, which limits annual reporting capacity

Departmental Result Indicator

2025–26: Percentage of Indigenous groups with concluded arrangements demonstrating an increase in the Community Well-Being Index score
2026–27: Not applicable

Change: Removed
Reason for change: To better align with CIRNAC's mandate and due to data limitations associated with the 5-year Census cycle, which limits annual reporting capacity

Departmental Result Indicator

2025–26: Percentage of First Nations schools associated with a sectoral education agreement that provides culturally-based curriculum
2026–27: Not applicable
Change: Removed
Reason for change: To sharpen the focus on key files where annual progress can be more effectively observed and measured

Departmental Result Indicator

2025–26: Number of missing and murdered Indigenous women and girls family members and survivors who have received supports from a culturally-relevant provider for their healing journey
2026–27: Not applicable
Change: Removed
Reason for change: Methodological and data-related limitations

Program

2025–26: Management and Implementation of Agreements and Treaties
2026–27: Management of Treaties and Agreements
Change: Revised
Reason for change: Simplified

Program

2025–26: Consultation and Accommodation
2026–27: Guidance and Advice on Duty to Consult
Change: Revised
Reason for change: To more clearly reflect the program's scope and responsibilities

Program

2025–26: Indigenous Engagement and Capacity Support
2026–27: Support for Indigenous Engagement and Capacity
Change: Revised
Reason for change: To more clearly reflect the program's scope and responsibilities

Program

2025–26: Indigenous-led Services
2026–27: Support for Indigenous-led Services and Programming
Change: Revised
Reason for change: To more clearly reflect the program's scope and responsibilities

Program

2025–26: First Nations Jurisdiction over Land and Fiscal Management
2026–27: Indigenous Institutional Development and Land Management
Change: Revised
Reason for change: To more clearly reflect the program's scope and responsibilities

Program

2025–26:

- Specific Claims
- Other Claims

2026–27: Management of Litigation and Claims
Change: Merged
Reason for change: Shared ultimate outcome

Core responsibility 2: Northern and Arctic Affairs

▼ In this section

- Description
- Quality of life impacts
- Indicators, results and targets
- Plans to achieve results
- Gender-based Analysis Plus
- Planned resources to achieve results
- Program inventory
- Summary of changes to reporting framework since last year

Description

Supporting Canada's northern and arctic organizations, individuals, communities, and governments through targeted initiatives and collaborative efforts in the pursuit of an inclusive, prosperous, and self-sufficient North.

Quality of life impacts

This core responsibility contributes to the "Good Governance" domain of the Quality of Life Framework for Canada and, more specifically, to "Canada's place in the world". It also contributes to the "Environment" domain and, more specifically, to "Climate change adaptation" and "Greenhouse gas emissions". Both domains are supported through all of the activities mentioned in the core responsibility description.

Indicators, results and targets

This section presents details on the department's indicators, the actual results from the three most recently reported fiscal years, the targets and target dates for Northern and Arctic Affairs. Details are presented by departmental result.

Table 5: The Northern and Arctic region is prosperous and sustainable

Table 5 provides a summary of the target and actual results for each indicator associated with the results under Northern and Arctic Affairs.

Departmental Result Indicators	Actual Results	2026–27 Target	Date to achieve target
Number of discussions held with	2022–23: New in 2026–27	To be	March 31, 2027

provincial/territorial governments and Indigenous partners to advance shared priorities	2023–24: New in 2026–27 2024–25: New in 2026–27	determined [a]	
Percentage of federal science policy and initiatives that integrate Northern, Arctic and Indigenous perspectives	2022–23: New in 2026–27 2023–24: New in 2026–27 2024–25: New in 2026–27	80%	March 31, 2027
Percentage of eligible communities implementing hunting, harvesting and food sharing initiatives	2022–23: New in 2026–27 2023–24: New in 2026–27 2024–25: New in 2026–27	75%	March 31, 2027
Litres of diesel avoided annually with clean energy	2022–23: 830,000 litres [b] 2023–24: 1,000,000 litres [b] 2024–25: 1,800,000 litres [b]	7,000,000 litres	March 31, 2030
Percentage of high-priority northern contaminated sites that are being actively managed	2022–23: 92% 2023–24: 90% 2024–25: 92%	80%	March 31, 2027

a Methodology to be developed to establish a baseline for 2026–27 and set future targets.

b Although the target is cumulative and the date to achieve is 2030, annual results are available.

Additional information on the detailed results and performance information for CIRNAC's program inventory is available on GC InfoBase.

Plans to achieve results

The following section describes the planned results for Northern and Arctic Affairs in 2026–27.

The Northern and Arctic region is prosperous and sustainable

The strategic federal coordination, the co-management with territorial governments, and the delivery of programming are essential to ensuring that social, economic and political development of the North and the Arctic is promoted, while addressing the distinct needs of northern and Indigenous communities. This approach fosters sustainable management rooted in multiple ways of knowing, shared governance, environmental stewardship, and scientific leadership, laying the foundation for a prosperous future.

Results we plan to achieve

Canada's Arctic and Northern Policy Framework (ANPF), which was co-developed with Indigenous, territorial, and provincial partners, aims to achieve a shared vision of the future where northern and Arctic people are thriving, strong, and safe. The ANPF remains a foundational document. To ensure coordination of initiatives that advance Arctic and northern priorities, engagement with Arctic and northern partners is ongoing and is anticipated to continue through 2026–27 at both the political and officials' levels, through a variety of mechanisms including the Inuit-Crown Partnership Committee, the Northwest Territories Council of Leaders, the Yukon Intergovernmental Forum, and other tables.

Strong regional engagement ensures federal actions support locally defined needs and long-term northern sustainability. The department relies on meaningful input from regional offices who have regular on-the-ground relationships with local communities. Headquarters maintains regular communication with the regional offices, which play critical roles in advancing federal priorities in the North and Arctic by supporting program delivery and ongoing engagement with Indigenous, territorial, and provincial partners. Through their proximity to Arctic and northern

partners, regional offices help ensure that federal initiatives are responsive to regional needs, aligned with local governance and implementation structures, and informed by northern realities. In 2026–27, regional offices will continue to support collaboration, coordination, and information sharing across federal departments and with partners to advance shared Arctic and northern priorities.

Housing is essential to support healthy families and communities in the North and across Canada. Through continued investment and ongoing work with territorial and Indigenous partners, CIRNAC is working to ensure that all Northerners have access to sustainable, affordable, and safe housing, and to support health and well-being through made-in-the-North solutions. Key housing related activities for 2026–27 include the continued provision of financial support to First Nation communities without Modern Treaty and lands in the Northwest Territories as well as Métis communities situated in the Northwest Territories.

In 2023–24, the Government of Canada, the Government of Nunavut, and Nunavut Tunngavik Incorporated (the Parties) signed the historic Nunavut Lands and Resources Devolution Final Agreement. The three-year collaborative implementation phase began immediately following the signing, as stipulated in the Agreement. Year 3 of the implementation plan will be advanced throughout 2026–27. Devolution supports sustainable prosperity by strengthening local control over lands, resources, and decision-making.

Expanding northern education and training opportunities supports long-term prosperity. The Polaris Science Building at Yukon University will be well on its way to completion in 2026–27 and will include design elements agreed upon by the university's Indigenous Advisory Council. The Dechinta Centre for Research and Learning is expected to continue its land-based, community-designed, University of British Columbia-accredited post-secondary courses in early 2026–27.

Collaboration across the circumpolar region supports sustainable development and environmental protection. Through the Arctic Council's Sustainable Development Working Group (SDWG), the Canadian delegation will support reports related to mental wellness, renewable energy, economic assessments and development in the Arctic, and gender equality. SDWG projects in these areas are underway in collaboration with Iceland, the United States, the Kingdom of Denmark, Finland, Norway, the Inuit Circumpolar Council, the Saami Council, the Arctic Athabaskan Council, and the Aleut International Association.

Reducing exposure to contaminants supports healthy communities and sustainable harvesting practices. The CIRNAC-led Northern Contaminants Program will continue to engage Northerners and scientists in research and monitoring related to long-range contaminants in the North. The results inform actions to reduce and, wherever possible, eliminate contaminants in traditionally-harvested foods, while providing information that assists informed decision-making by individuals and communities in their food use. In 2026–27, the program will provide funding and support for projects across the North related to long-range contaminants and human health, environmental monitoring and research, community-based monitoring, and communications and outreach. The program will assess the state of knowledge on microplastic pollution in the North and develop a monitoring framework for microplastic pollution, contributing to the federal horizontal initiative on *Zero Plastic Waste and the Circular Economy*.

Access to nutritious, affordable food is essential for healthy, prosperous northern communities. The Nutrition North Canada (NNC) program supports food security in isolated northern communities by improving access to and affordability of retail, country, and locally-produced food, and other essential items in 124 eligible communities. The program contributes to the ANPF goal of ensuring that Canadian Arctic and northern Indigenous Peoples are resilient and healthy.

Specifically, the program continues to build on recent expansions with a proactive food-systems approach. These expansions include improvements to the subsidy, increased funding for the Harvesters Support Grant and Community Food Programs Fund, and the introduction of NNC's Food Security Research Grant. NNC continues to evolve with guidance from Indigenous and northern partners, increasingly adopting a food-systems and co-delivery approach to

advance food security and food sovereignty. The program regularly engages with its Advisory Board, the Indigenous Working Group, and the Inuit-Crown Food Security Working Group to collaboratively develop strategies that strengthen program effectiveness.

In 2024, the department launched an evaluation of NNC to inform program improvements. Its terms of reference and design were founded on the direct involvement of Indigenous partners, local communities, Elders, Knowledge Keepers, and others affected by NNC. Results, which will help inform the program's future, are expected to be published in 2026. Throughout 2026–27, NNC will work with partners to address findings and recommendations from the report.

NNC will be hosting a Food Sovereignty Summit in partnership with Food Banks Canada (March 2026). The event will bring together community recipients (community leaders, members, youth, and Elders), the NNC Advisory Board and Indigenous Working Group, retailers and suppliers, airlines, non-profit stakeholders, and program officials. Central to this initiative is a whole-of-government response to strengthen the resilience of the northern food economy. The summit will provide a forum to share ideas, best practices, and pathways for advancing food security, food sovereignty, and local economic development in the North. Outcomes of the summit will inform policy enhancements in 2026–27.

Phase 2 of the Food Security Research Grant is underway, with funding scheduled for release in March 2026. These Indigenous-led projects will focus on ways to improve food security in northern, isolated communities and will help guide the future direction of the NNC program.

Collectively, these activities will provide a path forward for NNC program reform. Direction from evaluations, validated with partners, will inform program activities for 2026–27. In the meantime, CIRNAC will continue to plan engagement activities and develop communications materials for public distribution to better highlight and increase awareness of the components of NNC.

Transitioning from diesel to clean, reliable energy supports sustainable growth, healthier communities, and local jobs. Northern and Arctic residents are exposed to the impacts of changing environments due to a number of factors, including rapid climate change, remoteness and inaccessibility, cold temperatures, aging and inefficient infrastructure, and floods and wildfires. CIRNAC is working to ensure that Indigenous and northern communities are resilient to these changing environments, enabling them to respond more effectively to these challenges. Many remote Indigenous and northern communities still rely on imported diesel fuel for heat and electricity. However, to reduce environmental, social, and health-related impacts, many communities are now pursuing cleaner and more sustainable sources of energy. Investing in wind, hydro, and solar energy is a vital opportunity to ensure clean growth, generate skilled jobs, and advance Indigenous self-determination.

The Northern Responsible Energy Approach for Community Heat and Electricity (REACHE) program is part of Wah-ila-toos, a multi-departmental Indigenous and remote communities clean energy hub which supports northern and Indigenous communities in their transition from diesel to clean, renewable, and reliable energy. In 2026–27, the program will fund renewable energy installations, energy-efficiency projects, and related capacity-building initiatives in the 3 territories and across Inuit Nunangat. The program is expected to reduce diesel consumption by 7 million litres by 2030.

CIRNAC will also fund community-led climate change adaptation projects and climate monitoring projects in northern and Indigenous communities that support self-determined community priorities, through a suite of climate change programs: Climate Change Preparedness in the North, First Nation Adapt, and Indigenous Community-Based Climate Monitoring. In 2026–27, the department will support Indigenous and northern communities in adapting to climate change impacts through risk assessments, adaptation planning projects, and initiatives that facilitate the collection and co-application of scientific data and Indigenous knowledge for community-based climate monitoring. Additionally, CIRNAC will support the implementation of adaptation measures in the North, such as permafrost modeling and the redesign, retrofit, or upgrading of vulnerable infrastructure.

Addressing contaminated sites protects northern environments and supports safe, sustainable community development. Over the course of this year, CIRNAC will manage its portfolio of approximately 150 northern contaminated sites. These sites pose significant risks to the environment and human health and safety in the 3 territories. The department will continue to invest in strategies with northern and Indigenous partners to address these risks as part of its commitment to the territorial governments and Indigenous rights holders. In 2026–27, CIRNAC will place an increased focus on maximizing northern and Indigenous employment, procurement, training, and long-term economic benefits associated with major mine remediation projects, recognizing that contaminated sites represent the largest share of expenditures under Northern and Arctic Affairs. The department will also strengthen planning for post-remediation land use to ensure communities benefit from restored lands over the long term.

To support sustainable development, CIRNAC is advancing regulatory efficiency and resource management initiatives. It will do so by carrying out its responsibilities in resource co-management processes related to land-use planning, impact assessment, and water and land licensing/permitting. Meaningful Indigenous and northern participation will be supported through the implementation of the Northern Participant Funding Program. CIRNAC's support for and participation in relevant conservation initiatives also advances these objectives.

Additionally, CIRNAC will advance the Northern Regulatory Initiative of the Canadian Critical Minerals Strategy, which seeks to create efficiencies in northern resource management processes while respecting and reflecting unique northern contexts. In 2026–27, CIRNAC will administer contributions to Indigenous governments and organizations in all 3 territories to support community and regulatory system readiness for major projects, including in critical minerals, Arctic infrastructure, and projects of national interest. The department will also work with northern co-management boards and partners to make environmental assessment and regulatory processes more efficient and inclusive. CIRNAC will continue to advance opportunities for multi-party dialogues and information sharing among partners and support other federal departments in implementing northern elements of the Strategy. This work will also align regulatory readiness with major mine remediation projects to ensure long-term planning, environmental stability, and economic opportunity are integrated across the northern project pipeline.

The functions of the Northern Regulatory Initiative and the Northern Participant Funding Program will be enhanced by funding announced in Budget 2025: $25.5M over 4 years, beginning in 2025–26, to help accelerate regulatory processes in Canada's North.

CIRNAC continues to work with Indigenous partners and other federal government departments to support marine conservation. These efforts strengthen capacity in the North, reinforce Indigenous-led stewardship, and support regional conservation priorities. This work contributes to the establishment of marine protected areas and helps advance progress toward conserving 30% of Canada's waters by 2030, while remaining grounded in Indigenous values and priorities. CIRNAC also contributes to the Arctic Council to inform the sustainable development and protection of the Arctic marine environment.

Modernized northern legislation supports responsible development and long-term regional prosperity. In August 2023, the Government of Canada signed the *Western Arctic–Tariuq (Offshore) Accord* with the Inuvialuit Regional Corporation, the Government of Yukon, and the Government of the Northwest Territories. The Accord establishes a 4-party joint-management regime for the regulation of oil and gas activities in the Western Arctic offshore and assigns Northerners as the primary beneficiaries of the revenues from oil and gas activities in the Accord area. CIRNAC committed to introduce the *Western Arctic–Tariuq Offshore Petroleum Resources Accord Implementation Act* in Parliament as soon as possible after the signing date in August 2023. It remains a departmental priority, and CIRNAC is actively working with Justice Canada to draft the Accord's implementing legislation and undertake consultation with Accord partners.

In Budget 2025, the government announced its intention to introduce amendments to the *Territorial Lands Act* to protect and advance Canada's national interests and the interests of Inuit in Nunavut. The amendments would benefit Inuit and other Northerners in Nunavut by supporting resource development initiatives that advance local and national priorities. CIRNAC intends to consult with partners and Indigenous governments on these amendments.

Gender-based Analysis Plus

Nutrition North: CIRNAC receives progress reports from recipients on harvesting and food-sharing activities supported through the Harvesters Support Grant. These reports offer valuable qualitative insights into how the Grant is helping vulnerable groups, such as women and Elders, which helps to inform the program's work. Ongoing engagement with Indigenous partners further deepens the program's understanding of the lived experiences of women and other vulnerable groups within eligible communities. In parallel, NNC has expanded its partnerships with food banks, non-profits, local producers, and Indigenous organizations to strengthen food distribution networks and local food economies. This expansion is already making a difference in several communities, improving access to food for women, children, young or lone parents, people with disabilities, Elders, and other vulnerable groups. To demonstrate, since the first food bank onboarded in 2022, more than 425,500 kilograms of free food has been shipped to eligible communities.

The department has also introduced the Food Security Research Grant to support Indigenous-led research projects aimed at enhancing the program's operations, transparency, and accountability. All funded projects have incorporated a GBA Plus lens across their research design, methods, analysis, interpretation, and dissemination, ensuring that their findings contribute to more inclusive and equitable program improvements.

Northern Contaminated Sites: The department measures the percentage of training hours and person-hours received by Northerners, Indigenous Peoples, women, and Indigenous women, as well as the percentage of expenditures through contracts awarded to Indigenous and northern businesses, while working to ensure that these groups benefit most from remediation activities.

Climate Change Adaptation and Clean Energy: Initiatives under the program include a recipient reporting question about how project activities incorporated the views of women, gender-diverse peoples, youth, Elders, and/or people with disabilities. In addition, the Northern REACHE program monitors the percentage of projects that have taken steps to include culturally competent GBA Plus measures. The programs have been using a distinctions-based approach to allocate funding while supporting community priorities and encouraging communities to submit projects that include knowledge transfer and cultural continuity. While targets are primarily set as pan-northern or pan-Indigenous, initiatives under the program collect information on a distinctions basis, such as distinction type, on region, or geographic considerations such as remoteness, and whether a project is youth-led or has a youth focus.

Northern Sustainable Management: The Northern Participant Funding Program includes a GBA Plus performance indicator that tracks how many recipients incorporated GBA Plus into their funded activities and interventions. The Northern Regulatory Initiative also collects participant data in regulatory dialogues, land use planning, and impact assessment activities, to ensure views of various knowledge holders (e.g. elders, youth, women) are included in priority setting, reports, and decision-making.

Northern Strategic Policy and Governance: With regard to the Nunavut Devolution Lands and Resources Devolution Agreement, the department uses data to monitor program impacts by gender and diversity. A key aspect is the implementation of the Transitional Human Resources Development Strategy, co-developed by the parties to the agreement. GBA Plus analysis found that the primary demographic group to benefit from devolution will be residents of Nunavut—primarily Inuit of working age—who are underrepresented in the federal and territorial government workforces. These individuals have strong ties to the land and resources that the Government of Nunavut will be

responsible for managing after devolution, and they will therefore be sought out for training, development, and recruitment as the Transitional Human Resource Development Strategy is implemented. Devolution-related responsibilities will require occupations in management, science (physical and earth sciences, geosciences, environmental sciences), project management, policy and planning, and regulatory administration. GBA Plus identified barriers for both Inuit men and women in these roles. However, the Strategy aims to reduce these barriers through Nunavut-based programing, training and accredited learning opportunities, on-the-job training, learner supports, and program promotion and outreach. Implementation of the Strategy will include ongoing monitoring by the parties and reporting of program impacts in terms of diversity and gender.

To assess its progress on gender-based issues for post-secondary education initiatives, CIRNAC relies on data available through its partners, such as territorial governments and post-secondary institutions in the North and the Arctic supported by the post-secondary education program. Annual reports are collected from institutions such as the Dechinta Centre for Research and Learning and Yukon University. The department utilizes gender- and regionally-aggregated data provided by these partners to assess the inclusivity of the institutions and their programs, including the percentage of Indigenous staff and students, the percentage of Indigenous graduates, and support for diversity of gender expression and sexual orientation. Additionally, CIRNAC accesses available data from Statistics Canada, including census data aggregated by region, gender, and Indigenous identity. Currently, the department aggregates these data sources to support GBA Plus results. It also continues to explore options for integrating GBA Plus into reporting requirements for future funding recipients, where feasible.

In advancing Indigenous housing in the North, it is the funding recipients themselves who drive the application of GBA Plus and determine how best to ensure their housing needs are met in ways that respect GBA Plus principles. By leading the design and implementation of housing solutions, recipients are able to reflect the diverse realities of their communities, including the unique needs of women, Elders, youth, persons with disabilities, and households facing systemic barriers. This community-led approach ensures that housing strategies are culturally appropriate, inclusive, and responsive to intersectional factors such as geography, income, and governance structures, while promoting reconciliation, equity, and sustainable development.

Northern Science Leadership: Applicants are not asked to confirm their gender identity when applying to the Northern Contaminants Program. This type of quantitative data would demonstrate the level of support for women in science; however, there is currently no plan to collect this information. The Northern Contaminants Program does not currently collect sufficient data to enable monitoring and/or reporting of program impacts by gender and diversity. The program's Management Committee will consider potential methods to collect adequate GBA Plus data in the Call for Proposals for 2027.

Planned resources to achieve results

Table 6: Planned resources to achieve results for Northern and Arctic Affairs

Table 6 provides a summary of the planned spending and full-time equivalents required to achieve results.

Resource	Planned
Spending	$1,207,136,650
Full-time equivalents	373

Complete financial and human resources information for CIRNAC's program inventory is available on GC InfoBase.

Program inventory

Northern and Arctic Affairs is supported by the following programs:

- Nutrition North
- Northern Contaminated Sites
- Climate Change Adaptation and Clean Energy
- Northern Sustainable Management
- Northern Strategic Policy and Governance
- Northern Science Leadership

Additional information related to the program inventory for Northern and Arctic Affairs is available on the Results page on GC InfoBase.

Summary of changes to the reporting framework since last year

Table 7: Summary of changes to the reporting framework since last year

Disclaimer: The following section was originally presented as a table. It has been converted into a text-only format to support accessibility while preserving the original content.

Core Responsibility

2025–26: Northern Affairs
2026–27: Northern and Arctic Affairs
Change: Revised
Reason for change: To align with the Minister's updated title

Core Responsibility Description

2025–26: Supporting Canada's Arctic and northern organizations, individuals, communities and governments in the pursuit of a strong, inclusive, vibrant, prosperous and self-sufficient North, the vision of Canada's Arctic and Northern Policy Framework. This includes federal coordination, science leadership, natural resource and environmental management, effective delivery of federal programming, as well as Indigenous and territorial relations.
2026–27: Supporting Canada's northern and arctic organizations, individuals, communities, and governments through targeted initiatives and collaborative efforts in the pursuit of an inclusive, prosperous, and self-sufficient North.
Change: Revised
Reason for change: To simplify, clarify, and modernize the language

Departmental Result

2025–26:

- Northerners and Indigenous Peoples advance their political, economic and social governance development
- Northern and Indigenous communities are resilient to changing environmental conditions
- Northern lands, waters, and natural resources are sustainably managed

2026–27: The Northern and Arctic region is prosperous and sustainable
Change: Merged
Reason for change: To clarify and simplify the Northern and Arctic Affairs results story

Departmental Result Indicator

2025–26: Average Community Well-Being Index score for communities in the North
2026–27: Not applicable
Change: Removed
Reason for change: To better align with CIRNAC's mandate and due to data limitations associated with the 5-year Census cycle, which limits annual reporting capacity

Departmental Result Indicator

2025–26: Number of devolution phases in Nunavut completed
2026–27: Not applicable
Change: Removed
Reason for change: The Nunavut devolution process is nearing completion

Departmental Result Indicator

2025–26: Percentage of reports produced by the Arctic Council that include Canadian content
2026–27: Not applicable
Change: Removed
Reason for change: To sharpen the focus of the DRF on key files

Departmental Result Indicator

2025–26: Percent change in recipient self-assessment of food sovereignty
2026–27: Not applicable
Change: Removed
Reason for change: Methodological and data-related limitations

Departmental Result Indicator

2025–26: Percentage of income required to purchase sufficient nutritious food
2026–27: Not applicable
Change: Removed
Reason for change: Methodological and data-related limitations

Departmental Result Indicator

2025–26: Not applicable
2026–27: Percentage of eligible communities implementing hunting, harvesting and food sharing initiatives
Change: New
Reason for change: To measure the impact of the Harvester Support Grant and to better capture progress in supporting traditional harvesting activities

Departmental Result Indicator

2025–26: Not applicable
2026–27: Number of discussions held with provincial/territorial governments and Indigenous partners to advance shared priorities
Change: New
Reason for change: To accurately capture CIRNAC's coordination efforts in the North and Arctic

Departmental Result Indicator

2025–26: Percentage of climate change assessments and plans for which measures have been implemented
2026–27: Not applicable
Change: Removed
Reason for change: To sharpen the focus on key files where annual progress can be more effectively observed and measured

Departmental Result Indicator

2025–26: Percentage of contaminant information available to inform public health guidance and individual food choices
2026–27: Not applicable
Change: Removed
Reason for change: To sharpen the focus on key files where annual progress can be more effectively observed and measured

Departmental Result Indicator

2025–26: Percentage of Indigenous and northern groups who report that their participation improved completed impact assessments
2026–27: Not applicable
Change: Removed
Reason for change: To sharpen the focus on key files where annual progress can be more effectively observed and measured

Departmental Result Indicator

2025–26: Percentage of regulatory requests for which measures are taken to ensure long-term sustainability of water and land resources in the North
2026–27: Not applicable
Change: Removed
Reason for change: To sharpen the focus on key files where annual progress can be more effectively observed and measured

Departmental Result Indicator

2025–26: Not applicable
2026–27: Percentage of federal science policy and initiatives that integrate Northern, Arctic and Indigenous perspectives
Change: New
Reason for change: To more accurately reflect CIRNAC's role in incorporating diverse ways of knowing into science policy and initiatives

Program

2025–26:

- Northern and Arctic Environmental Sustainability
- Northern Regulatory and Legislative Frameworks

2026–27: Northern Sustainable Management
Change: Merged
Reason for change: Shared ultimate outcome

Program

2025–26: Northern and Arctic Governance and Partnerships
2026–27: Northern Strategic Policy and Governance
Change: Merged
Reason for change: Shared ultimate outcome

Program

2025–26:

- Northern Strategic and Science Policy
- Northern Science Leadership

2026–27: Northern Strategic and Science Policy
Change: Split
Reason for change: Files related to science in the North and Arctic were separated to provide clearer focus and accountability in this area

Internal services

▼ In this section

- Description
- Plans to achieve results
- Planned resources to achieve results
- Planning for contracts awarded to Indigenous businesses

Description

Internal services are the services that are provided within a department so that it can meet its corporate obligations and deliver its programs. There are 10 categories of internal services:

- acquisition management services
- communications services
- financial management services
- human resources management services
- information management services
- information technology services
- legal services
- materiel management services
- management and oversight services
- real property management services

Plans to achieve results

This section presents details on the department's plans to achieve results and meet targets for internal services.

Aligned to the Clerk's priorities CIRNAC internal services will centre around focused delivery of government priorities, simplifying and modernizing internal processes, fostering an inclusive and ethical culture, advancing public service renewal and talent strategies, strengthening accountability and performance, and maintaining trusted, non-partisan advice at the heart of government decision-making.

As such, in 2026–27, the department will continue efforts towards reviewing its internal services to identify potential efficiencies. This will also include collaboration with Indigenous Services Canada with respect to the shared services delivery model as well as Justice Canada in regards to legal services, an essential component of CIRNAC's mandate for the conclusion of settlement agreements as well as litigation management.

In support of greater accessibility, CIRNAC will implement its Accessibility Plan and accelerate responses to accommodation measures and inclusive workplace practices. More specifically, a centralized service model, including a centralized fund for accommodation measures. The department will also implement its updated Code of Values and Ethics by providing training, tools, and awareness sessions to support ethical leadership and informed decision-making. Transparency will be further supported through the publication of the Departmental Report on Disclosure of Wrongdoing and Misconduct on the department's external website.

CIRNAC's Inclusion, Diversity, Equity and Anti-Racism (IDEAR) Secretariat will continue its efforts to mobilize various employee networks, internal partners, stakeholders, working groups, and senior management in response to the Clerk of the Privy Council's Call to Action on Anti-Racism, Equity, and Inclusion in the Federal Public Service. This work is also guided by the Knowledge Circle for Indigenous Inclusion's *Many Voices, One Mind: A Pathway to Reconciliation* report and Dr. Rachel Zellars' *Study on the Black Executive Community in the Federal Public Service* (PDF).

By prioritizing inclusion, equity, and well-being, CIRNAC will continue to support employees through organizational change and foster a resilient, safe, and respectful workplace. These measures aim to foster workforce diversity, raise awareness, promote inclusion, improve retention, and measure progress.

Additionally, informed classification and staffing decisions will continue to ensure the workforce remains aligned with departmental priorities and the current budgetary context. CIRNAC will support employees in career transitions by helping them understand their options and rights, and by promoting services available for mental health and well-being. The department will maintain its active role in Public Services and Procurement Canada's integrated strategy for human resources and pay, focusing on implementing the Unified Actions for Pay initiative and preparing for the transition to a new human resources and pay system.

Enterprise Information Management, Data Management, and Information Technology (IM/DM/IT) capabilities are foundational to CIRNAC's ability to deliver timely, high-quality, and culturally appropriate services that advance reconciliation and support Indigenous Peoples. In 2026–27, CIRNAC will strengthen digital capacity through an Indigenous-informed, enterprise-wide approach that enables the ethical and responsible use of generative artificial intelligence and intelligent automation to improve service quality, timeliness, and decision-making.

The department will foster innovation while reinforcing strong data, privacy, and security foundations. Governance for IM/DM/IT will be further strengthened to support effective oversight, risk management, and alignment with departmental priorities. CIRNAC will also modernize and rationalize its application portfolio, adopt fit-for-purpose enterprise solutions, and improve access to reliable IM/IT services - particularly in the North - to better support program delivery.

Taken together, these initiatives represent a deliberate transformation of CIRNAC's internal services—one that simplifies how the department works, strengthens accountability, and maximizes efficiency and effectiveness in support of delivering results for Indigenous Peoples and Canadians.

Planned resources to achieve results

Table 8: Planned resources to achieve results for internal services this year

Table 8 provides a summary of the planned spending and full-time equivalents required to achieve results.

Resource	Planned
Spending	$155,564,012
Full-time equivalents	492

Complete financial and human resources information for CIRNAC's program inventory is available on GC InfoBase.

Planning for contracts awarded to Indigenous businesses

CIRNAC uses competitive processes through mandatory Public Services and Procurement Canada supply arrangements for its contracts awarded to Indigenous vendors. This ensures fair, open and transparent contracting processes. The department will encourage Indigenous procurement and undertake further gap analysis to identify possible areas for exemption where Indigenous capacity is not available.

Table 9: Percentage of contracts planned and awarded to Indigenous businesses

Table 9 presents the current, actual results with forecasted and planned results for the total percentage of contracts the department awarded to Indigenous businesses.

5% Reporting Field	2024–25 Actual Result	2025–26 Forecasted Result	2026–27 Planned Result
Total percentage of contracts with Indigenous businesses	4.55%	8%	5%

Department-wide considerations

▼ In this section

- Related government priorities
- Key risks

Related government priorities

United Nations 2030 Agenda for Sustainable Development and the UN Sustainable Development Goals (SDGs)

SDG 1: No poverty

NNC's programming aligns with goal 1 of the Arctic and Northern Policy Framework (ANPF): "Canadian Arctic and northern Indigenous Peoples are resilient and healthy". The ANPF goals and objectives are intended to guide federal policy in the region until 2030 and beyond, informed by the United Nations' 2030 SDGs. Consequently, NNC is working towards SDG 1 and towards eradicating hunger by 2030.

SDG 2: Zero hunger

The NNC subsidy helps reduce the cost of nutritious food and essential items in 124 isolated communities, making them more affordable for residents. In 2022, the program expanded to include non-profit organizations, enabling them to provide free food in eligible communities. To strengthen evidence-based decision-making, NNC also launched an Indigenous-led research program designed to address critical data gaps, inform policy development, and offer deeper insights into how the program can better meet the needs of Northerners. Phase 2 of the Food Security Research Grant has recently launched and will announce the grant winners in early 2026.

In addition, NNC introduced the Harvesters Support Grant (HSG) in 2020 to assist hunting and harvesting activities in eligible communities, supporting local food systems while helping restore and revitalize cultural practices. Building on this, Budget 2021 enabled the creation of the Community Food Programs Fund, which supports local food security initiatives such as bulk buying, school and Elder meal programs.

SDG 4: Quality education

Implementation of the ANPF includes objectives related to improving the quality of education available to Northerners, toward closing gaps in their educational outcomes. Investments allocated to the department through the fiscal framework have been made to improve accessibility to post-secondary education and will contribute to advancing SDG 4, particularly by increasing the knowledge and skills required for employment and sustainable development through improvements to post-secondary education programs and facilities available to Northerners and Indigenous Peoples. Reconciliation is both a goal of the ANPF and a guiding principle that runs through all of its other goals and objectives. Collaboration with framework partners is ongoing to support the social and political self-determination that underpins reconciliation and to implement the reconciliation-related objectives of the framework. Strategic investments allocated through the fiscal framework toward northern post-secondary education reflect this approach and help provide quality education that is culturally relevant for Northerners and Indigenous Peoples, including through the incorporation of Indigenous knowledge and skills and land-based learning activities.

SDG 5: Gender Equality

Whole-of-government relationship agreements with national Indigenous women's organizations advance SDG 5 by ensuring intersectional gender-based analysis informs federal efforts. The Supporting Indigenous Women's and 2SLGBTQI+ Organizations program contributes to advancing SDG 5 through the provision of project funding, including for projects that strengthen GBA Plus capacity in grassroots and regional organizations.

SDG 7: Affordable and clean energy

The Northern REACHE program supports clean energy initiatives in northern, Indigenous and remote communities with the aim of reducing reliance on diesel. Northern REACHE supports SDG 7 by improving access to clean energy. The program is part of Wah-ila-toos, an interdepartmental single-window initiative designed to streamline access to federal clean energy funding and resources for remote and Indigenous communities.

SDG 8: Decent Work and Economic Growth

CIRNAC's commitment to both the redesigning of the ATR policy as well as its support in relation to the Framework Agreement on First Nation Land Management contributes to SDG 8 and represents a significant move toward fostering strong Indigenous partnerships and self-sustainability. The ATR policy redesign will enable First Nations to reclaim traditional lands, resulting in increased land market efficiency, access to credit, tenure security, and competitiveness. The Framework Agreement on First Nation Land Management empowers Indigenous communities to exercise jurisdiction, control, and management over their resources, fostering local economic development. The development of a First Nation Land Governance Registry is a management initiative to support First Nation jurisdiction over their lands. These initiatives provide tools for land administration and governance, creating an environment that encourages economic development.

SDG 9: Industry, innovation and infrastructure

CIRNAC contributes to this goal through supports and investments for housing and infrastructure, improves the quality of life, narrows the socio-economic gaps, and increases Indigenous participation in the economy. CIRNAC provides funding through federal budget initiatives, including the distinctions-based housing strategies and the Urban, Rural, and

Northern Indigenous Housing Strategy, to support safe and affordable housing. This funding advances SDG 9 by ensuring that First Nations living off-reserve, communities without Modern Treaties in the Northwest Territories, Métis communities in the Northwest Territories, and territorial governments (where applicable) have access to resources for housing and housing-related infrastructure across Canada's territories.

SDG 10: Reduced inequality

CIRNAC contributes to advancing this goal through the negotiation of Treaties, Self-Government agreements and other constructive arrangements, which reconcile Indigenous rights with Crown sovereignty. The intent is to help co-create an enabling environment where Indigenous groups can exercise their right to self-determination, including economic self-determination, to improve the political, cultural, and socio-economic conditions within their communities.

The Federal Interlocutor Contribution Program (FICP) contributes to advancing SDG 10 by continuing to enhance relationships with Métis, as well as non-status and off-reserve Indigenous organizations and communities across the country. The program helps build the organizational capacity, governance, stability, and accountability of these organizations to effectively represent their constituents, build partnerships with governments and private sector, and improve socio-economic outcomes.

The Supporting Indigenous Women's and 2SLGBTQI+ Organizations program advances SDG 10 by providing project funding that strengthens Indigenous women's and 2SLGBTQI+ organizations and helps address intersectional inequalities. In 2026–27, CIRNAC will focus on deepening these partnerships and enhancing collaboration with federal departments to better align horizontal mandates, improve investment effectiveness, and support coordinated efforts to reduce systemic barriers for Indigenous women, girls, and 2SLGBTQI+ people.

The First Nations Fiscal Management Act (FNFMA), its institutions, and the on-going enhancements to the regime contribute towards advancing SDG 10 by reducing inequality and addressing historical barriers and gaps experienced by Indigenous Peoples, including jurisdictional, capacity, and access-to-capital gaps. The FNFMA regime plays an important role in advancing self-determination and economic growth in First Nations communities. It is an optional, First Nations-led alternative to the *Indian Act* that provides First Nations with a legislative and institutional framework to exercise jurisdiction in the areas of financial management, property taxation, access to capital markets, and, more recently, infrastructure.

CIRNAC also contributes towards SDG 10 through its management and implementation of negotiated agreements and Treaties that place decision-making power into the hands of Indigenous governments, who make their own choices about how to deliver programs and services to their communities. This helps close the gap between Indigenous Peoples and non-Indigenous Canadians in education attainment through Modern Treaty, Self-Governing and sectoral education agreements; living conditions through housing and infrastructure funding; and overall health outcomes.

SDG 12: Responsible Consumption and Production

Management of waste, resources and chemicals is a key component under Federal Sustainable Development Strategy (FSDS) Goal 12: Reduce Waste and Transition to Zero-Emissions Vehicles. The Northern Abandoned Mine Reclamation Program is directly contributing to a key implementation strategy of this goal: Remediating High-Priority Contaminated Sites. By using environmentally-sound management and public procurement practices, the goal is to reduce environmental and human health risks from known federal contaminated sites and associated federal liabilities by focusing on the highest priority sites.

SDG 13: Climate action

CIRNAC's climate change programming supports this goal by helping to strengthen resilience and adaptive capacity to climate-related hazards and building regional and local capacity. Specifically, by supporting community-driven climate adaptation actions, both Climate Change Preparedness in the North and First Nation Adapt are helping Indigenous and northern communities build climate resiliency through self-determined adaptation projects. By working with Indigenous Peoples across Canada to monitor climate and climate change impacts, the Indigenous Community-based Climate Monitoring Program is supporting Indigenous communities, groups, and governments in gathering data that help make informed decisions by using a blend of Indigenous knowledge and science. Given the Arctic's particular sensitivity to the effects of climate change, managing contaminated sites in the North requires consideration of climate change in the planning and implementation of remediation, for instance in areas where there is discontinuous permafrost. Integrating climate change measures into strategies and planning supports FSDS Goal 13: Take Action on Climate Change and its Impacts.

SDG 14: Life below water

CIRNAC's participation in the Marine Conservation Targets initiative supports this goal by advancing projects with northern Indigenous organizations and communities, and other partners, which will enhance ocean conservation and the sustainable use of marine resources. Local priorities are discussed with Indigenous organizations across the Arctic to collaboratively develop Indigenous knowledge and scientific studies that collect environmental, social, and cultural information. Strengthening this knowledge base will help inform the sustainable use of the marine environment and the establishment of protected and conservation sites in the Arctic. By supporting Indigenous-led programs and projects, the department is helping to advance work that responds to regional interests, enhances capacity, and aligns with the goals of the UN Declaration and the Inuit Nunangat Declaration on Inuit-Crown partnerships, which establish the need for collaboration on marine conservation.

SDG 16: Peace, justice and strong institutions

Advancing the departmental goal of recognizing and resolving past injustices by addressing the ongoing impacts of the residential schools system is an essential foundation for achieving peaceful, just and inclusive societies. The Residential Schools Legacy Program administers funding for the implementation of the Truth and Reconciliation Commission's Calls to Actions 72–76 in support of SDG 16. Program funding supports Indigenous community-led initiatives to locate, document, commemorate, and memorialize unmarked burial sites associated with former residential schools. CIRNAC collaborates with the NCTR regarding the National Residential School Student Death Register and National Residential School Cemetery Register. The department will also continue to lead a horizontal initiative involving 6 federal departments and agencies to address the ongoing impacts of the residential schools system and commemorate their history and legacy in a whole-of-government approach.

More information on CIRNAC's contributions to Canada's Federal Implementation Plan on the 2030 Agenda and the Federal Sustainable Development Strategy can be found in our Departmental Sustainable Development Strategy.

Artificial Intelligence

CIRNAC promotes the responsible, ethical, and Indigenous-informed use of Artificial Intelligence (AI) in alignment with the *Guide on the Use of Generative AI* and the Treasury Board AI Strategy, which provide a federal vision, governance expectations, and practical guidance for employees. As CIRNAC advances its AI agenda, the department will strengthen AI readiness through key instruments:

- The AI & Digital 3-Year Roadmap, which guides adoption and innovation
- The CIRNAC Data Strategy, which supports ethical data stewardship and Indigenous data sovereignty
- Ongoing generative AI training to ensure responsible use

Together, these initiatives position CIRNAC to integrate AI safely and effectively into future operations.

Key risks

The department carries out its mandate in a highly complex and rapidly changing environment, characterized by numerous interdependencies. The degree of anticipated change, the extent of interdependencies, and the complexities of CIRNAC's business all require cohesion and coordination across partners and stakeholders – without which costly impacts of misalignment may occur, including financial, legal, operational, and reputational consequences. The department's ability to operate effectively and cohesively with its partners depends largely on how it manages its operations.

In addition to risks related to its strategic and operational changes, the department faces risks stemming from climate change. Changing and extreme climatic conditions and events are having serious effects on the communities served by the department – particularly in the North, a sensitive and important region, both ecologically and geopolitically. Management has identified key risks and developed responses related to the department's ability to sustain northern development, safeguard the environment, and remain resilient.

The department will maintain and strengthen whole-of-government, interdepartmental, federal/provincial/territorial, and Indigenous-partner efforts to ensure coordination and alignment. This includes various governance structures, Cabinet Committees, and Deputy Minister tables related to Modern Treaty and Self-Government obligations, as well as collaborations with Indigenous governments and organizations, and with provinces and territories on key matters such as the ANPF and the work of the National Council for Reconciliation. The CIRNAC-ISC policy committee will continue advancing joint policy initiatives, while the department's Litigation Management Committee ensures alignment on legal matters. CIRNAC's governance committees are increasingly focusing on matters of policy direction. Innovative approaches are being used to finalize agreements that align with the UN Declaration and the principles of self-determination. This includes the Inuit Nunangat Policy, updating guidelines for Federal Consultation and Accommodation and a new principles-based approach to Indigenous communities' ratification of concluded agreements, supporting Indigenous decision-making processes.

With respect to the North, the risk of possible misalignment will be mitigated through a range of governance and collaborative arrangements, including the ANPF governance structures and the Deputy Minister's Arctic Committee – both of which foster important interdepartmental and intergovernmental collaboration.

Finally, risks related to the environment and climate change in the North will be mitigated by investments in contaminated sites programs, most notably through the department's Northern Abandoned Mine Reclamation Program and the renewal of the Federal Contaminated Sites Action Plan, along with various monitoring and oversight activities and programs.

Planned spending and human resources

This section provides an overview of CIRNAC's planned spending and human resources for the next three fiscal years and of planned spending for 2026–27 with actual spending from previous years.

▼ In this section

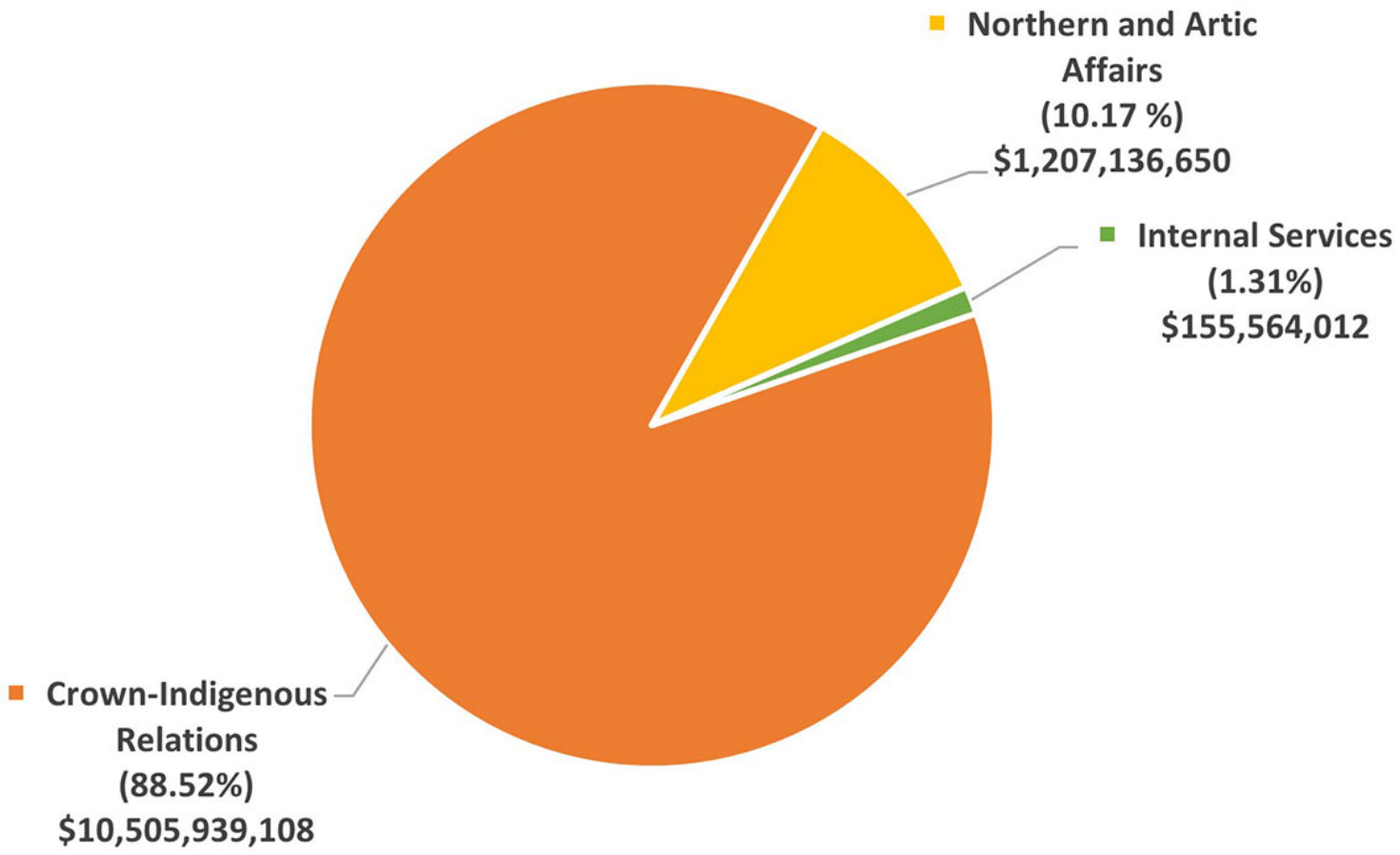
- Spending
- Funding
- Future-oriented condensed statement of operations
- Human resources

Spending

This section presents an overview of the department's planned expenditures from 2023–24 to 2028–29.

Graph 1 Planned spending by core responsibility in 2026–27

Graph 1 presents how much the department plans to spend in 2026–27 to carry out core responsibilities and internal services.



▼ Text alternative for Graph 1 Planned spending by core responsibility in 2026–27

Core responsibilities and internal services	2026–27 planned spending
Crown-Indigenous Relations	$10,505,939,108
Northern and Arctic Affairs	$1,207,136,650
Internal services	$155,564,012

▼ Analysis of planned spending by core responsibility

CIRNAC's planned spending for 2026–27 is $10,505,9M for Crown-Indigenous Relations, $1,207,1M for Northern and Arctic Affairs, and $155,6M for internal services. The major items for Crown-Indigenous Relations are as follows:

- $1.5B to settle specific claims
- $1.1B to settle land-related claims and litigation
- $1.0B for Agricultural Benefits Claims
- $1.0B for Compensation Related to Losses Incurred Through the Diminishing Purchasing Power of Annuity

Payments with Treaty 8 First Nations - Past Annuity Settlements with Treaty 8 First Nations
- $ 0.6B to Advance the Northern Abandoned Mine Reclamation Program
- $ 0.4B to settle the Mclean Litigation

Budgetary performance summary

Table 10: Three-year spending summary for core responsibilities and internal services (dollars)

Table 10 presents CIRNAC's spending over the past three years to carry out its core responsibilities and for internal services. Amounts for the 2025–26 fiscal year are forecasted based on spending to date.

Core responsibilities and Internal services	2023–24 Actual Expenditures	2024–25 Actual Expenditures	2025–26 Forecast Spending
Crown-Indigenous Relations	15,198,392,487	13,056,432,727	13,081,704,465
Northern and Arctic Affairs	957,536,148	1,015,184,110	1,338,815,721
Subtotal	**16,155,928,635**	**14,071,616,837**	**14,420,520,186**
Internal services	194,677,920	178,034,082	162,155,396
Total	**16,350,606,555**	**14,249,650,919**	**14,582,675,582**

▼ Analysis of the past three years of spending

For 2023–24 and 2024–25, the figures represent the actual expenditures as reported in the Public Accounts of Canada, while those for 2025–26 represent the forecasted expenditures to year-end.

For the period of 2023–24 to 2024–25, actual spending has decreased from $16.4B to $14.3B. The variance of $2.1B is mainly due to a decrease in the funding for initiatives such as:

- Restoule Settlement Agreement (-$5B)
- Gottfriedson Band Class Settlement Agreement (-$2.8B)

The decrease is offset by increased funding for:

- Agricultural Benefits Claims ($4.6B)
- Land-related claims ($0.5B)
- Historical claims settlement ($0.5B)
- Quebec Education Agreements ($200K)

For the period of 2024–25 to 2025–26, spending is expected to increase from $14.3B to $14.6B. The increase of $0.3B is mainly due to:

- $1.8B for Exercise of Crown Discretion - Whitesand

This increase is offset by reduced funding for:

- $1.5B for the Specific Claims Settlements

More financial information from previous years is available on the Finances section of GC Infobase.

Table 11: Planned three-year spending on core responsibilities and internal services (dollars)

Table 11 presents CIRNAC's planned spending over the next three years by core responsibilities and for internal services.

Core responsibilities and Internal	2026–27 Planned	2027–28 Planned	2028–29 Planned

services	Spending	Spending	Spending
Crown-Indigenous Relations	10,505,939,108	4,494,854,366	4,076,750,271
Northern and Arctic Affairs	1,207,136,650	1,002,905,366	981,886,327
Subtotal	**11,713,075,758**	**5,497,759,732**	**5,058,636,598**
Internal services	155,564,012	153,339,898	151,622,243
Total	**11,868,639,770**	**5,651,099,630**	**5,210,258,841**

▼ Analysis of the next three years of spending

For the period of 2026–27 to 2027–28, spending is expected to decrease from $11.9B to $5.7B. The variance of $6.2B is mainly due to a decrease in the funding for several initiatives such as:

- $1.5B for the settlement of specific claims
- $1.1B to settle land-related claims and litigation
- $1.0B for Compensation Related to Losses Incurred Through the Diminishing Purchasing Power of Annuity Payments with Treaty 8 First Nations
- $0.8B for Agricultural Benefits Claims

For the period of 2027–28 to 2028–29, spending is expected to decrease from $5.7B to $5.2B. The variance of $0.5B is mainly due to a decrease in the funding for initiatives such as:

- $135M for housing and infrastructure in Indigenous communities
- $123M for the Indigenous Early Learning and Child Care Transformation Initiative
- $51M for Métis Nation Housing Strategy Years 4 to 10 of a 10-year Budget 2018 Investment
- $40M for Unlocking Budget 2018 Inuit-specific housing funding, years 4 to 10 (2021–22 to 2027–28)

More detailed financial information on planned spending is available on the Finances section of GC Infobase.

Table 12: Budgetary gross and net planned spending summary (dollars)

Table 12 reconciles gross planned spending with net spending for 2026–27.

Core responsibilities and Internal services	2026–27 Gross planned spending (dollars)	2026–27 Planned revenues netted against spending (dollars)	2026–27 Planned net spending (authorities used)
Crown-Indigenous Relations	10,505,939,108	0	10,505,939,108
Northern and Arctic Affairs	1,207,136,650	0	1,207,136,650
Subtotal	**11,713,075,758**	**0**	**11,713,075,758**
Internal services	178,174,483	22,610,471	155,564,012
Total	**11,891,250,241**	**22,610,471**	**11,868,639,770**

▼ Analysis of budgetary gross and net planned spending summary

The revenues netted against expenditures in the table above are for the provision of internal support services under section 29.2 of the Financial Administration Act. CIRNAC provides internal support services to another department, including audit and legal services, correspondence management and reporting services, and access to information and privacy services.

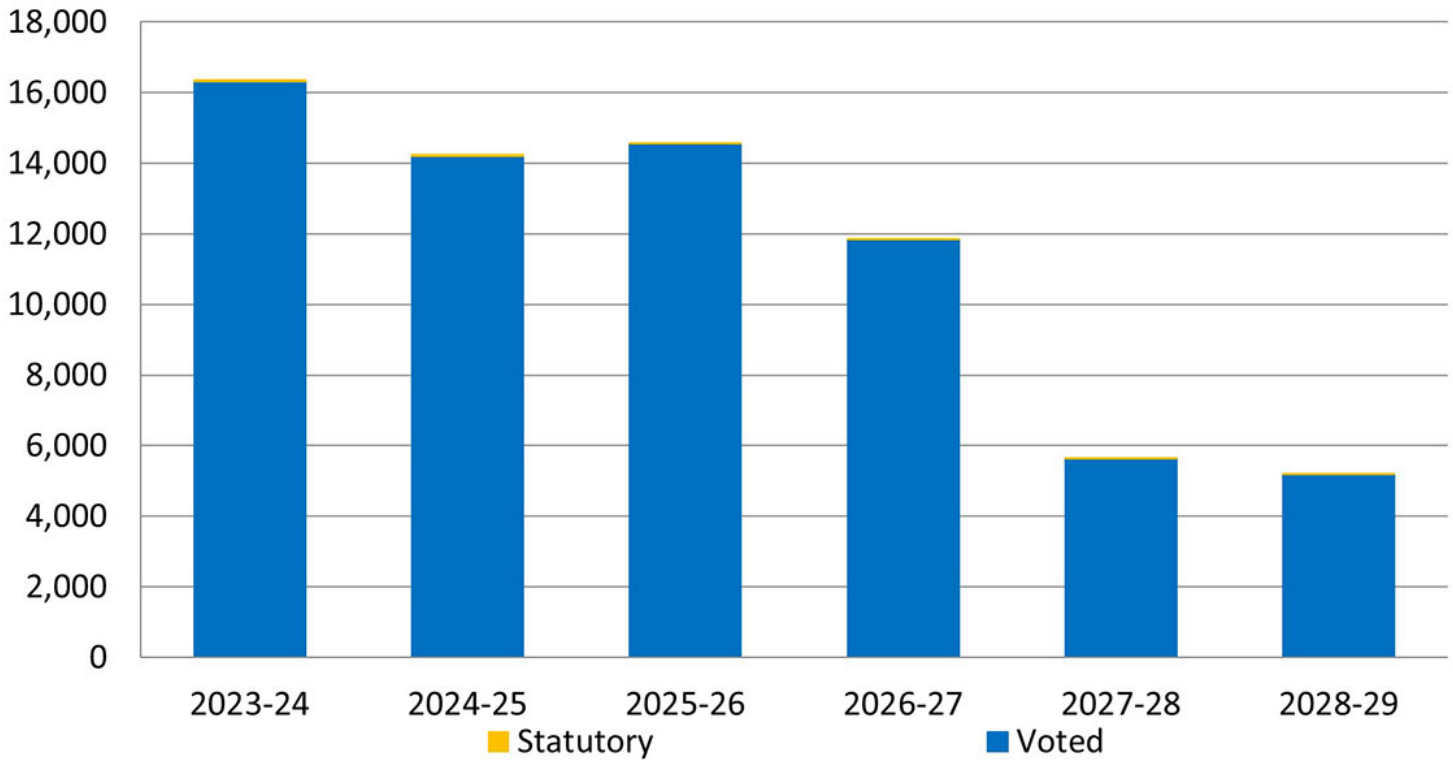
Information on the alignment of CIRNAC's spending with Government of Canada's spending and activities is available on GC InfoBase.

Funding

This section provides an overview of the department's voted and statutory funding for its core responsibilities and for internal services. For further information on funding authorities, consult the Government of Canada budgets and expenditures.

Graph 2: Approved funding (statutory and voted) over a six-year period

Graph 2 summarizes the department's approved voted and statutory funding from 2023–24 to 2028–29 (in millions).



▼ Text alternative for Graph 2: Approved funding (statutory and voted) over a six-year period

Fiscal year	Total	Voted	Statutory
2023–24	16,351	16,310	41
2024–25	14,304	14,250	54
2025–26	14,583	14,546	37
2026–27	11,869	11,835	34
2027–28	5,651	5,620	31
2028–29	5,211	5,181	30

▼ Analysis of statutory and voted funding over a six-year period

This stacked bar graph depicts spending from 2023–24 to 2028–29:

- Total spending in 2023–24 was $16,351M. Of this amount, $16,310M was voted spending and $41M was statutory spending.
- Total spending in 2024–25 was $14,304M. Of this amount, $14,250M is voted spending and $54M is statutory spending.
- Planned spending in 2025–26 is $14,583M. Of this amount, $14,546M is voted spending and $37M is statutory spending.
- Planned spending in 2026–27 is $11,869M. Of this amount, $11,835M is voted spending and $34M is statutory spending.
- Planned spending in 2027–28 is $5,651M. Of this amount, $5,620M is voted spending and $31M is statutory spending.
- Planned spending in 2028–29 is $5,211M. Of this amount, $5,181M is voted spending and $30M is statutory spending.

For further information on CIRNAC's departmental appropriations, consult the 2026–27 Main Estimates.

Future-oriented condensed statement of operations

The future-oriented condensed statement of operations provides an overview of CIRNAC's operations for 2025–26 to 2026–27.

Table 13: Future-oriented condensed statement of operations for the year ended March 31, 2027 (dollars)

Table 13 summarizes the expenses and revenues which net to the cost of operations before government funding and transfers for 2025–26 to 2026–27. The forecast and planned amounts in this statement of operations were prepared on an accrual basis. The forecast and planned amounts presented in other sections of the Departmental Plan were prepared on an expenditure basis. Amounts may therefore differ.

Financial information	2025–26 Forecast results	2026–27 Planned results	Difference (Planned results minus forecasted)
Total expenses	17,837,387,412	13,369,081,352	(4,468,306,060)
Total revenues	21,422,423	22,639,355	1,216,932
Net cost of operations before government funding and transfers	17,815,964,989	13,346,441,997	(4,469,522,992)

▼ Analysis of forecasted and planned results

Expenses

Total expenses for 2026–27 planned results are $13,369M, representing a $4,468M decrease from the previous year's forecasted total expenses of $17,837M. The decrease is mainly due to a decrease in grants to Crown-Indigenous Relations' programs and a decrease in the accrual adjustment related to the provision for claims and litigation.

2026–27 planned expenses by core responsibilities are as follows:

- Crown-Indigenous Relations $12,475M (93.3%); and
- Northern and Arctic Affairs $691M (5.2%).

The remainder of the total expenses include Internal Services in the amount of $210M (1.6%) and expenses incurred on behalf of the Government of Canada in the amount of -$7M (0.05%).

Revenues

Total revenues for 2026–27 planned results are $22.6M, representing an increase of $1.2M compared to the previous year's forecasted total revenues of $21.4M. The increase is mainly from the revenues for the provision of services to other government departments.

A more detailed Future-Oriented Statement of Operations and associated Notes for 2026–27 including a reconciliation of the net cost of operations with the requested authorities, is available on CIRNAC's website.

Human resources

This section presents an overview of the department's actual and planned human resources from 2023–24 to 2028–29.

Table 14: Actual human resources for core responsibilities and internal services

Table 14 shows a summary of human resources, in full-time equivalents, for CIRNAC's core responsibilities and for its internal services for the previous three fiscal years. Human resources for the 2025–26 fiscal year are forecasted based on year to date.

Core responsibilities and internal services	2023–24 Actual full-time equivalents	2024–25 Actual full-time equivalents	2025–26 Forecasted full-time equivalents
Crown-Indigenous Relations	959	992	869
Northern and Arctic Affairs	365	399	379
Subtotal	**1,324**	**1,391**	**1,248**
Internal services	861	540	506
Total	**2,185**	**1,931**	**1,754**

▼ Analysis of human resources over the last three years

The decrease of 177 full-time equivalents from 2024–25 to 2025–26, is mainly reflects the sunset of funding for:

- Cowessess First Nation's Child and Family Services Law
- Indigenous infrastructure projects
- Federal framework to address the legacy of residential schools

Table 15: Human resources planning summary for core responsibilities and internal services

Table 15 shows information on human resources, in full-time equivalents, for each of CIRNAC's core responsibilities and for its internal services planned for the next three years.

Core responsibilities and internal services	2026–27 Planned full-time equivalents	2027–28 Planned full-time equivalents	2028–29 Planned full-time equivalents
Crown-Indigenous Relations	769	735	687
Northern and Arctic Affairs	373	363	341
Subtotal	**1,142**	**1,098**	**1,028**
Internal services	492	486	482
Total	**1,634**	**1,584**	**1,510**

▼ Analysis of human resources for the next three years

The decrease of 120 full-time equivalents from 2025–26 to 2026–27 is due to the sunset of funding for:

- Recognition of Indigenous Rights and Self-Determination
- Canada's New Marine Conservation Targets

The decrease of 50 full-time equivalents from 2026–27 to 2027–28 reflects the sunset of funding for:

- Self-Governing and Modern Treaty First Nation, Inuit, and Métis housing
- Supporting the development of a National Action Plan to eliminate violence against Indigenous women, girls, and 2SLGBTQI+ people
- Continued implementation of An Act respecting First Nations, Inuit and Métis children, youth and families
- Transitioning diesel reliant Indigenous communities onto clean energy

The decrease of 74 full-time equivalents from 2027–28 to 2028–29 reflects the sunset of funding for:

- Implementation of the *Impact Assessment Act*
- Continued implementation of Truth and Reconciliation Commission's Calls to Action 74 to 76
- More inclusive Indigenous participation in northern environmental decision-making
- Supporting Future Arctic Offshore Energy

Supplementary information tables

The following supplementary information tables are available on CIRNAC's website:

- Details on transfer payment programs
- Horizontal Initiatives
  - Nutrition North Canada
  - Missing and Murdered Indigenous Women, Girls, and 2SLGBTQI+ People
  - Implementing the Federal Framework to Address the Legacy of Residential Schools
- Regulatory and Permitting Efficiency for Clean Growth Projects

Information on CIRNAC's departmental sustainable development strategy can be found on CIRNAC's website.

Federal tax expenditures

CIRNAC's Departmental Plan does not include information on tax expenditures.

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures.

This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs as well as evaluations and GBA Plus of tax expenditures.

Corporate information

▼ Departmental profile

Appropriate ministers:

The Honourable Rebecca Alty (Minister of Crown-Indigenous Relations) and the Honourable Rebecca Chartrand (Minister of Northern and Arctic Affairs and Minister responsible for the Canadian Northern Economic Development Agency)

Institutional head:

Valerie Gideon, Deputy Minister, Crown-Indigenous Relations and Northern Affairs

Ministerial portfolio:

Department of Crown-Indigenous Relations and Northern Affairs

Enabling instrument(s):

Department of Crown-Indigenous Relations and Northern Affairs Act, S.C. 2019, c. 29, s. 337

Year of commencement:

July 15, 2019

Other:

None

▼ Departmental contact information

Telephone:

Toll-free: 1-800-567-9604

Fax:

1-866-817-3977

Email:

- General and statistical inquiries and publication distribution: infopubs@sac-isc.gc.ca
- Media inquiries (communications): RCAANC.media.CIRNAC@sac-isc.gc.ca
- Departmental library: hqlibraryreference@sac-isc.gc.ca

Website:

www.canada.ca/en/crown-indigenous-relations-northern-affairs.html

Definitions

▼ List of terms

appropriation (crédit)
Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, departments or individuals; and payments to Crown corporations.

core responsibility (responsabilité essentielle)
An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)
A report on the plans and expected performance of an appropriated department over a 3year period. Departmental Plans are usually tabled in Parliament each spring.

departmental result (résultat ministériel)
A consequence or outcome that a department seeks to achieve. A departmental result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

departmental result indicator (indicateur de résultat ministériel)
A quantitative measure of progress on a departmental result.

departmental results framework (cadre ministériel des résultats)
A framework that connects the department's core responsibilities to its departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)
A report on a department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

full-time equivalent (équivalent temps plein)
A measure of the extent to which an employee represents a full person-year charge against a departmental budget. For a particular position, the full-time equivalent figure is the ratio of number of hours the person actually works divided by the standard number of hours set out in the person's collective agreement.

gender-based analysis plus (GBA Plus) (analyse comparative entre les sexes plus [ACS Plus])
Is an analytical tool used to support the development of responsive and inclusive policies, programs, and other initiatives. GBA Plus is a process for understanding who is impacted by the issue or opportunity being addressed by the initiative; identifying how the initiative could be tailored to meet diverse needs of the people most impacted; and anticipating and mitigating any barriers to accessing or benefitting from the initiative. GBA Plus is an intersectional analysis that goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography (including rurality), language, race, religion, and sexual orientation.

Using GBA Plus involves taking a gender- and diversity-sensitive approach to our work. Considering all intersecting identity factors as part of GBA Plus, not only sex and gender, is a Government of Canada commitment.

government priorities (priorités gouvernementales)
For the purpose of the 2026–27 Departmental Plan, government priorities are the high-level themes outlining the government's agenda in the 2025 Speech from the Throne.

horizontal initiative (initiative horizontale)
An initiative where two or more federal departments are given funding to pursue a shared outcome, often linked to a government priority.

Indigenous business (entreprise autochtones)
Requirements for verifying Indigenous businesses for the purposes of the departmental result report are available through the Indigenous Services Canada Mandatory minimum 5% Indigenous procurement target website.

non budgetary expenditures (dépenses non budgétaires)
Non-budgetary authorities that comprise assets and liabilities transactions for loans, investments and advances, or specified purpose accounts, that have been established under specific statutes or under non-statutory authorities in the Estimates and elsewhere. Non-budgetary transactions are those expenditures and receipts related to the government's financial claims on, and obligations to, outside parties. These consist of transactions in loans, investments and advances; in cash and accounts receivable; in public money received or collected for specified purposes; and in all other assets and liabilities. Other assets and liabilities, not specifically defined in G to P authority codes are to be recorded to an R authority code, which is the residual authority code for all other assets and liabilities.

performance (rendement)
What a department did with its resources to achieve its results, how well those results compare to what the department intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)
A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of a department, program, policy or initiative respecting expected results.

plan (plan)
The articulation of strategic choices, which provides information on how a department intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

planned spending (dépenses prévues)
For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)
Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

program inventory (répertoire des programmes)
Identifies all the department's programs and describes how resources are organized to contribute to the department's core responsibilities and results.

result (résultat)
A consequence attributed, in part, to a department, policy, program or initiative. Results are not within the control of a single department, policy, program or initiative; instead they are within the area of the department's influence.

statutory expenditures (dépenses législatives)
Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

target (cible)
A measurable performance or success level that a department, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)
Expenditures that Parliament approves annually through an appropriation act. The vote wording becomes the governing conditions under which these expenditures may be made.

Did you find what you were looking for? Yes No

What was wrong?

- I can't **find** the information
- The information is hard to **understand**
- There was an error or something **didn't work**
- Other reason

Please provide more details

You will not receive a reply. Don't include personal information (telephone, email, SIN, financial, medical, or work details).

Maximum 300 characters

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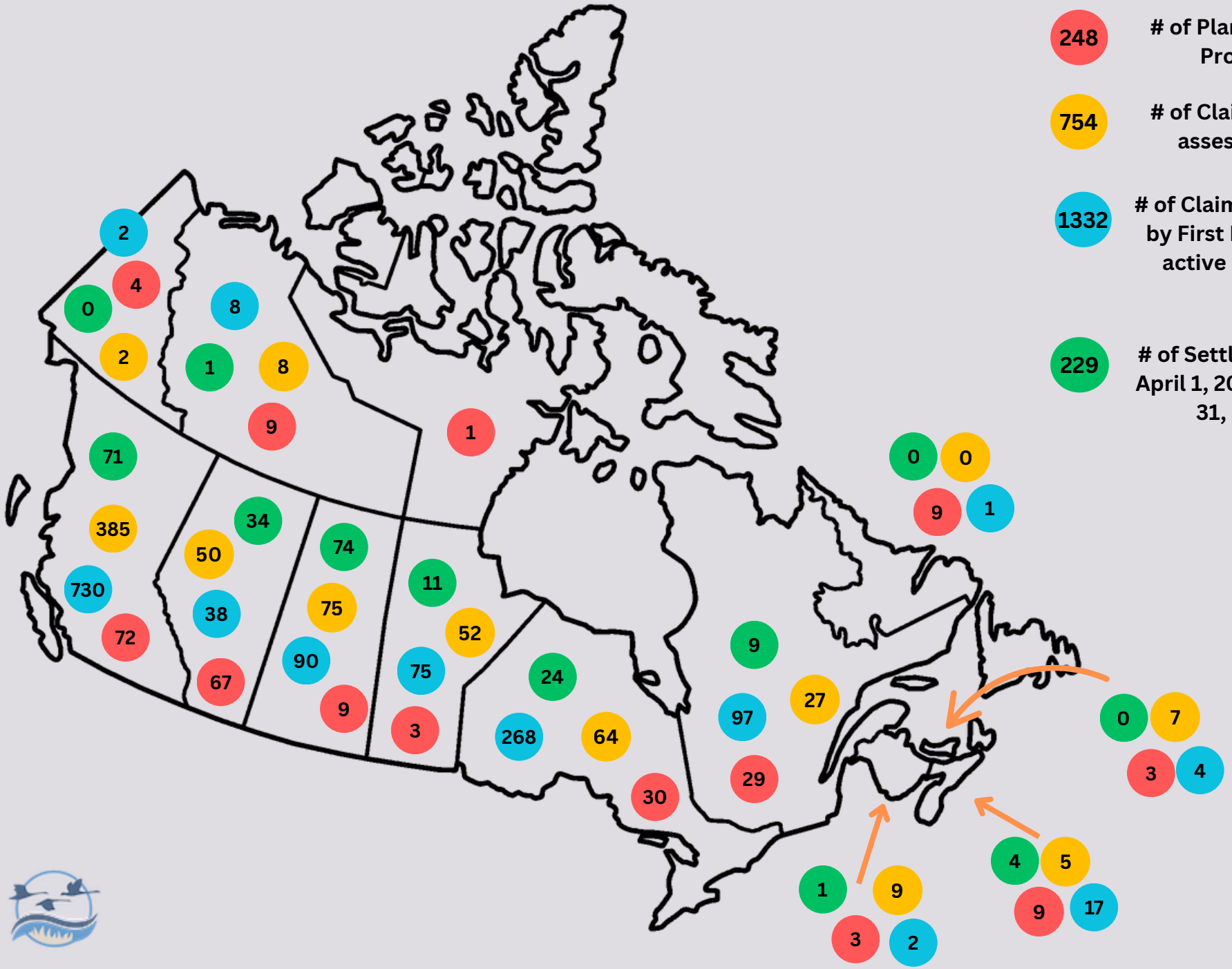
Date modified: 2026-03-13

The Geography of Economic Reconciliation



Geography of Economic Reconciliation

1 - https://nrcan-rncan.maps.arcgis.com/apps/dashboards/5ab61c54487e4d05a4ff83c84e018cde

2 - Data related to settled claims, and claims under assessment (which include in negotiations under review at SCB, at the Tribunal or waiting for First Nations' response) is available here: https://tinyurl.com/yc4pu995

3 - This data is made available to the CRU/Funders working group members and members of the National Claims Research Directors. This table was last received in FY 2024-2025 from Cross-Sector Initiatives under Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) . The table we reviewed and utilized is identified as GCDOCS # 135648338, noted as "CSI - SCR: Fiscal Year Data Tracker".

4 - https://services.aadnc-aandc.gc.ca/scbri_e/main/reportingcentre/external/externalreporting.aspx

SPECIFIC CLAIMS RESEARCH FUNDING
Emerging Challenges and Principles for Collaboration

A Report by the National Claims Research Directors

July 6, 2020

EXECUTIVE SUMMARY

From the mid-2000s to 2016, Canada and the directors of claims research units (CRUs) worked together via the CRU-Funding Services Working Group to develop approaches to funding and reporting that support the research and development of specific claims. In recent years, however, the working group has ceased to meet, due in part to multiple pressures and limited funding. In May 2020, Shelie Laforest, Acting Senior Director at Indigenous Services Canada, agreed to reconvene the CRU-Funding Services Working Group.

The National Claims Research Directors (NCRD) supports the working group as a key mechanism for a collaborative and transparent approach to making decisions about research funding. We formally request that a first meeting of the working group be planned as soon as is feasible.

This report is intended as a backgrounder to support and advance discussions at the working group when it reconvenes. The report articulates the principles of the group, as developed over years of dialogue: open communication, flexibility, autonomy, and less onerous reporting. It then describes six challenges identified by research directors in an online survey and follow-up emails:

1. In the templates attached to call letters, Funding Services is now asking people to account for travel in advance and in onerous detail.
2. In the letters of offer, certain eligible line items are excluded.
3. In the letters of offer, flexibility to support essential training is curtailed.
4. In the letters of offer, the disbursement schedule appears to differ for different organizations.
5. Canada applies a funding formula that prescribes a maximum of $25,000 per claim, regardless of the stage of the claim.
6. Funding applications face delays at Funding Services and the schedule of applying for/receiving funds is confusing and causes challenges for planning and administration of CRU work.

We also describe survey respondents' views on communications and the need for a more systematic approach to dialogue and information sharing with CRUs. This approach will include – but not be limited to – the ongoing discussions of the working group.

Introduction

From the mid-2000s to 2016, Canada and the directors of claims research units (CRUs) worked together via the CRU-Funding Services Working Group to develop approaches to funding and reporting that support the research and development of specific claims. The working group's aim was to jointly develop funding and reporting procedures that reflected the real process of research, which is often non-linear, affected by contingencies related to communities and materials.

In recent years, however, the working group has ceased to meet, due in part to multiple pressures on CRUs, staff turnover, and cuts to research funding of 40 to 60 percent, starting in 2014. Dialogue and engagement on funding processes has become fragmented and limited – funding-related news travels among the claims research community mostly by word of mouth.

In 2020, directors of CRUs receiving call letters and offers of funding were concerned to see changes to requirements and guidelines. They had not been consulted on these changes, some of which would result in significant demands on their time or present barriers to carrying out planned research programs. They were also concerned that Canada was making changes unilaterally. "What happened to the federal government commitment to consult First Nations and their organizations!" wrote one director.

In May 2020, Shelie Laforest, Acting Senior Director at Indigenous Services Canada, agreed to reconvene the CRU-Funding Services Working Group.

The National Claims Research Directors (NCRD) supports the working group as a key mechanism for a collaborative and transparent approach to making decisions about research funding. With this report, the NCRD would like to formally request that a first meeting of the working group be planned as soon as is feasible. We hope that the working group will be able to address barriers faced by the claims research community, including those created by Canada's recently imposed changes.

The NCRD has undertaken a survey of its members across Canada to identify key challenges related to the administration of funding; we also followed up with research directors via email on the specific topics that arose in the survey. We record our findings in this report, which we hope will support the efforts of the working group when it reconvenes.[1] As we describe below, respondents identified six immediate challenges they face in the research funding process; four of these challenges were created by Canada's recent changes. We explore each of these six issues and include direct quotes from survey respondents. We also describe respondents' views on the current state of communication and information sharing with Funding Services.

First, however, we provide a brief background on the working group and the principles it established for collaboration: open communication, flexibility, autonomy, and less onerous reporting. These principles were often implicit in the way the group worked together and its approach to decisions about the administration of funding. They arose as a result of dialogue regarding the need to work jointly and the

[1] The National Claims Research Directors (NCRD) is a national body of specialized technicians who manage over 30 CRUs across Canada. These CRUs are mandated to research and develop evidence to support the advancement of specific claims for hundreds of First Nations. A priority in our work is to ensure that claims resolution practices are fair, timely, and informed by the experience and expertise of First Nations and the CRUs who work to research and develop claims on their behalf. See Appendix A for the survey questions.

need for Canada to listen to CRU perspectives. While the drive for the working group came from CRUs pushing back against structural bias in the system, we understand that the outcomes have also proved beneficial for Funding Services.

Here we articulate these principles explicitly to support the working group's approach and agenda when its work resumes.

The CRU-Funding Services Working Group: Principles of Collaboration

Transparency and dialogue around research funding procedures is essential, as CRUs have the expertise regarding what will and will not work for claims research funding procedures. The CRU-Funding Services Working Group created a space for dialogue on specific claims to occur in an open, systematic way.

The working group met annually (more often if issues arose) and corresponded and held conference calls regularly. It also engaged a broader network of research directors in ongoing dialogue: it held joint sessions at the National Claims Research Workshop (NCRW) and members attended annual research directors meetings. At these meetings, working group members collected feedback from research directors from across Canada; these concerns were then used as the basis for discussions when the working group met.

As the group is now set to reconvene, we wish to emphasize the principles that made it effective in order to support discussion around a common view of the working group's approach. Many of these principles were based on shared understanding that developed over time; not all were explicitly articulated. We built this list based on review of past working group documents, including emails, meeting agendas and summaries, and the stages of research document.

1. **Open communication and a joint approach:** The working group seeks to build a relationship that supports ongoing dialogue and collaborative decision-making regarding research funding processes. Unilateralism, poor communication, and a failure to solicit or even accept feedback from First Nations are problems that have plagued specific claims processes since their inception. Such problems have been repeatedly identified by the claimant community but also by government reviews (such as the 2016 study by the Office of the Auditor General[2]).

2. **Flexibility:** Research directors need to be able to move money to meet the changing demands specific to their unit and work plans. The administration of CRUs is complex and dynamic, and rigid rules about the allocation and use of funds constitute a major barrier.

3. **Autonomy:** Research directors need the authority to oversee their operations and make decisions that will best advance claims research on behalf of First Nations. Micromanagement or controlling intervention by an outside agency unfamiliar with the context and practical

[2] Office of the Auditor General, 2016. *Report 6—First Nations Specific Claims—Indigenous and Northern Affairs Canada*. Available at https://www.oag-bvg.gc.ca/internet/English/parl_oag_201611_06_e_41835.html. The report notes, for example, that INAC was aware of the barriers faced by First Nations in the specific claims process, but "was unable to demonstrate that it had a formal process to gather information and feedback about these concerns and make the required improvements."

considerations of claims work creates barriers and delays, as well as feelings of frustration and distrust.

4. **Less onerous reporting:** Approaches to planning and reporting need to be streamlined and reflective of the actual processes of research, which is often non-linear. Research directors run busy operations with many tasks running concurrently, and their work in the administration of funding must be efficient and clear. We have been told that reducing the burden of reporting is a benefit to staff at Funding Services, too.

Past working group dialogue has resulted in several constructive and collaboratively generated outcomes. The group was an effective mechanism to communicate and address ongoing or emerging concerns; these changes reflect the four principles (table 1).

Outcome	Principles
The working group developed approaches to support research directors in moving funds (10 percent movement within budget categories) without prior approval. In 2015, as a direct result of working group collaboration, Funding Services informed research directors that they can "move money however [they] need in order to support claims research without approval." (In this latter stage, the 10 percent limit for moving funds across categories was removed; research directors could move the money as needed to meet program needs, without prior approval.)	Flexibility, autonomy, a joint approach
The working group organized joint CRU-Canada sessions at the annual National Claims Research Workshop. These included topics such as "Working with Cash Flow," "The Development of Work Plans," and "The Reporting System."	Open communication, a joint approach
The working group created the stages of research document, which standardized reporting methods, allowing CRUs to report on all activities and revise the work plan to reflect and accommodate the stages of research. This also allowed for easier and standardized review by funding officers. This document was jointly created and was reviewed as needed to make sure that it accounted for the work being done. Reviews were done jointly with input from CRUs, Funding Services, and the Specific Claims Branch (SCB).	Flexibility, less onerous reporting, open communication, a joint approach
The working group reduced reporting from four times per year to two times, drastically reducing the burden on CRU directors and funding officers alike.	Autonomy, less onerous reporting
The working group engaged in ongoing dialogue regarding multi-year funding; CRUs have long advocated for a multi-year approach. While this approach has not yet been formally developed, some CRUs do receive multi-year funding and CRUs continue to request this change (in our survey, 82 percent of respondents said that this change was a way in which Canada could better support claims research and development).	Autonomy, flexibility, less onerous reporting

Table 1. Outcomes of work by the CRU-Funding Services Working Group

The NCRD looks forward to continuing its participation in this important work with the working group to collaboratively advance funding approaches that support CRUs in overseeing and administering their research programs in keeping with the principles outlined above.

Challenges Identified by NCRD Members

The NCRD surveyed its members about recent changes to research funding and about what would most help research directors in their management of CRUs. We identify six key issues here, noting that these are just starting points for ongoing discussion about what funding approaches will continue to work best for all parties. As well, we include a brief discussion on the need for better communication; lack of information was a key challenge identified by survey respondents.

Recent changes

1. **In the templates attached to call letters, Funding Services is now asking people to account for travel in advance and in onerous detail.** This includes anticipating the number and costs of individual flights, hotels, and meals for each employee for each trip and anticipating the number of days/hours each researcher will work on each claim. For larger organizations whose work plans include between 20 and 180 claims and whose researchers carry between 5 and 20 claims, this kind of planning work would take considerable time away from producing claims. Further, travel arises in response to research and is not always foreseeable. "The expectation is unrealistic – and not really possible," wrote one research director in the survey. "The funding justification is very tedious (travel, you have to account for every expenditure)," wrote another.

2. **In the letters of offer, certain essential and formerly eligible line items are excluded or reduced.** Certain items necessary for the production of claims and that had previously been allowed were no longer supported. Eligible items that respondents reported removed included document orders, storage for off-site documents, and document printing. Other respondents reported salary costs being reduced. Funding Services removed or reduced the amounts requested in these categories without discussing the changes with the CRUs involved. "There were amounts removed or revised… (with no explanation or communication)," wrote one survey respondent. "It's mystifying why this item was removed from the budget," wrote another. Another was told that particular adjusted amounts were the "maximum NSD could support." Previously, any reductions or changes to funding of specific categories would be done in conversation with the CRU; further, if the CRU did receive less money, the unit would still have the authority to decide how to allocate the funds. Deleting whole categories or reducing funds without conversation are examples of the kind of unilateral, top-down approach CRUs have long sought to change.

3. **In the letters of offer, flexibility to offer and support essential training is curtailed.** Research directors have fought hard to have the flexibility to spend money where it needed to be spent to fulfill their work plans. In the past, some research directors spent money on training and funding officers accepted these costs; this year, training costs were cut. "I can't even begin to imagine how training could be an ineligible expense," wrote one research director. (This respondent noted that government employees are regularly provided with necessary training opportunities and CRUs should have the discretion to support staff learning as needed if the principle of fairness is to apply.) Training is "a long overdue gap that needs to be assessed and addressed," wrote another respondent. In an email follow-up, research directors described the specific needs for capacity building at their CRUs. For example, they said that researchers need training in using new technologies and tools, building and updating skills on accessing information via ever-changing

ATI processes, and managing growing archives of research materials that continue to have vital evidentiary importance for multiple claims. Dialogue on costs to support training is needed; fairness and the ongoing working relationship should be priorities.

4. **In the letters of offer, the disbursement schedule appears to differ for different organizations.** Some CRUs receive monthly payments, others quarterly. Some receive lump sums up front and then a second, later payment. (One CRU expressed concern regarding the monthly disbursement schedule. "Given the history of delays in getting funds, how are we to have faith that this [disbursement schedule] is of value to us," wrote one respondent. "Additionally, how are we to cover our costs with much smaller monthly disbursements?") Our survey indicates a lack of clarity regarding disbursement schedules that needs to be addressed. This highlights a related, but ongoing issue that was raised: regardless of disbursement schedule, the first payment is late. One reason is that funding approval does not occur until the new fiscal year has already started (sometimes not until summer or fall). Funds do not flow until after offer is made. As a result, the CRU has to cash manage sometimes for months; this issue of delay is discussed further below.

Ongoing issues

5. **Canada applies a funding formula that prescribes a maximum of $25,000 per claim, regardless of the stage of the claim.** One respondent observed: "It is not favorable to have such a rigid formula of a maximum amount as there is no merits or consideration given then towards what is in fact actually required to do the research needed. Each claim's research and path can be very different." Another noted, "Capping per claim at the very low end doesn't do justice, it prevents First Nations from filing their claims and we simply cannot do our work with the low budget amounts they are offering." Another wrote: "our First Nation Specific Claims history goes back to 1850… with many overlapping federal and provincial transactions during the period and transactions that continue to this day that need to be researched. Obviously, $25,000 to research one of our specific claims is not sufficient." This is an issue related to autonomy and flexibility, as described above, as it raises questions about CRU's ability to make decisions about moving funds to best fulfill their work plans. It also raises questions regarding access to justice if Nations receive insufficient funds to develop claims.

6. **Funding applications face delays at Funding Services and the schedule of applying for/receiving funds is confusing and causes challenges for planning and administration of CRU work**. In the survey, 91 percent of respondents said that earlier review and response by Funding Services to CRU proposals would better support claims research and development. (This issue of delays predates COVID-related challenges; CRUs have faced these problems for decades.) "The calendar in which the funding operates is very unsustainable," wrote one respondent. The call letters go out in December, Directors of CRUs submit funding proposals in January, wait until April or May to receive a funding offer (often after having repeatedly prompted funding officers), and then wait until July/August before the money flows to their accounts. "A full research year or the full fiscal year is 12 months but we really only have half a year," noted a respondent. Past work of the working group resulted in CRUs being given the ability to carry over funding to help "bridge the gap" between when the offer is received and when funding flows. Not all organizations, however, can cash manage until funding flows

because they do not have alternate revenue sources to do it. Further, this carry-over does not address the significant delay between when the proposals are due and when offers are sent out. "Ultimately, the timelines and turnaround on responses and execution of funding offers needs a complete overhaul so the exaggerated delays in getting funds is eliminated," wrote one survey respondent.

Communications

The survey asked respondents about their experiences with communications regarding the new requirements and templates. In total 73 percent said that they were "not informed about the changes" (9 percent said they were "well-informed"; 9 percent said they were "partly informed" and 9 percent were "unsure"). "I did not find out about new templates until I reviewed the call letter about a month after I received it," wrote one respondent. "It did not occur to me to review the budget templates because in the past changes to these have been made collaboratively. I was not expecting changes."

Several survey respondents expressed dismay that Funding Services had failed to provide basic information on these changes:

- "I would expect that substantive reporting expectations would be officially introduced to us rather than changing templates without notice – there wasn't even a reference made within the call letter."
- "I want to be fully informed rather than continuing to be put in a position of posing questions."
- "It doesn't make any sense to me that every time they decide something, they do it without letting anyone know and then don't provide anyone with the changes"
- "There have been no communications about any changes to our offer. Usually when they provide less than what we ask for, it is up to us to adjust our budgets to best accommodate our work plan. These imposed changes are unilateral, paternalistic and a backwards step."

Lack of communications between Funding Services and CRUs is a systemic and ongoing problem, particularly since the working group has stopped meeting. Survey respondents identified communication issues related to collaborating with and informing CRUs of changes to funding procedures, templates, and allowable costs. Respondents who reached out to their funding officers with questions about these changes describe their interactions as unclear. One wrote: "our communications with our funding officers have been nothing short of confusing … we have heard widely disparate directives on funding matters this fiscal year … despite NSD suggesting in the proposal letters that there has been a consistent methodology employed in the allocation of funds this fiscal year, it has not been applied uniformly."

Overall, respondents expressed concern with Canada's unilateralism and the lack of a fair and equal process for making changes. "What is concerning is that [Funding Services] is implementing changes unilaterally without consultation via the established working group," wrote one respondent. Another respondent noted that this was a pattern, a much-too-familiar issue that goes unaddressed: "Each time changes are made without consulting the CRUs, we raise this as an issue in INAC's communication problems, yet they never take any of this into consideration."

Respondents identified (in a multiple-choice list) four ways that Funding Services could better support CRU efforts to apply for and report on funds:

- Opportunities for feedback from research directors before new procedures are implemented (91 percent)
- Regular briefings/updates on current activities related to research funding (73 percent)
- Notices of all changes to policies of procedures (73 percent)
- Presentations by Funding Services or the CRU-Funding Services Working Group at research director meetings or workshops (73 percent)

While these CRU-identified means of communication could be part of an approach, Funding Services needs to develop a comprehensive communications strategy (in conversation with CRUs, including at working group meetings).

Summary

Moving forward, a fair, collaborative, and transparent process is required for decision-making related to research funding. Research funding has an established (if lapsed) mechanism for collaborative work. The NCRD supports the call for the reconvening of the CRU-Funding Services Working Group and asks for Canada to set a date to host the first meeting. Several of these recent changes will need to be undone, so that CRUs can continue to make the necessary decisions regarding their programs of work. Other challenges are more significant, cross-cutting issues that must be addressed by the working group over time. All actions, both immediate and long-term, must be taken via a process of real and sustained dialogue.

Appendix A: CRU survey on research funding (with responses)

May 14–19, 2020

1. Have you received your 2020-2021 letter of offer?

2. If yes, did your CRU receive adequate funding to carry out its planned activities? Please explain. If possible, please estimate what percentage of funds you received versus the amount you requested.

3. The 2020–2021 call letters and letters of offer contain new funding templates and reporting requirements. Were you aware that changes to research funding processes and templates were planned? If so, when and how did you learn about these changes?

4. Do these new requirements and templates make things easier or more difficult for you to carry out or report on your work? Please explain.

5. With these new requirements and templates, will your reporting take

6. With these new reporting requirements, will budgeting and work planning be

    - Easier
    - More difficult
    - The same
    - Unsure

7. With these new requirements and templates do you have

    - More flexibility
    - Less flexibility
    - The same amount of flexibility
    - Unsure

8. A key principle of the CRU–Funding Services Working Group has been that CRUs should have the authority and autonomy to make decisions related to using funds as needed to support the research and development of claims. Do these changes to budget templates provide your CRU with

    - Greater autonomy
    - Less autonomy
    - The same amount of autonomy
    - Unsure

9. Some CRUs have reported that, in their letters of offer, dollar limits have been placed on certain budget amounts. Did your letter of offer include any limits on specific budget categories or other changes to allowable expenses?

    - Yes

- No

10. Another key principle of the CRU-Funding Services Working Group is open communication. Given your experiences with the new requirements and templates, would you say you were

    - Well-informed about the changes
    - Partly informed about the changes
    - Not informed about the changes
    - Unsure

11. What changes to funding or reporting would you like to see to better support claims research and development at your CRU? Please select all that apply.

    - Multi-year funding
    - Earlier review and response by Funding Services to CRU proposals
    - More collaboration on changes to funding procedures
    - Less involvement by Canada in administering our budgets
    - More involvement by Canada in administering our budgets
    - Other ideas for changes (please explain)

12. What types of communication from Funding Services would support your efforts to apply for and report on funds? Please select all that apply.

    - Regular briefings/updates on current activities related to research funding
    - Opportunities for feedback from research directors before new procedures are implemented
    - Notices of all changes to policies of procedures
    - Regular online “town hall”-type updates”
    - Presentations by Funding Services or the CRU-Funding Services Working Group at research director meetings or workshops
    - Other ideas for change (please explain)

13. Please provide any additional comments.

AN OPEN LETTER TO PRIME MINISTER STEPHEN HARPER ON THE RESOLUTION OF SPECIFIC CLAIMS

March 8, 2015

The Right Honorable Stephen Harper
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2

Dear Prime Minister Harper,

As First Nations citizens, specific claims practitioners, lawyers and Canadians committed to the just, fair and timely resolution of specific claims in Canada, we present the enclosed report prepared by the National Claims Research Directors and call on you to act immediately upon the report's recommendations.

Claims Research Directors manage over 30 claims research associations across Canada and are responsible for advancing hundreds of specific claims for hundreds of First Nations. They are uniquely positioned to witness and participate in all parts of the specific claims process.

The enclosed report, *In Bad Faith: Justice At Last and Canada's Failure to Resolve Specific Claims*, details Canada's failure to fulfill its commitments to fairly resolve specific claims. Specific claims are historic wrongdoings committed by the Crown against First Nations that are rooted in racially discriminatory ideas, legislation and policies which Canada has publicly acknowledged and committed to redress. The legacy of this continues to impact First Nations communities to the present day. Unresolved specific claims impinge upon economic opportunities, housing, and access to resources and are often at the root of conflicts between First Nations, their neighbours and government. AANDC's recent treatment of specific claims is setting the stage for further conflict.

In Bad Faith challenges recent public assertions made by Aboriginal Affairs and Northern Development Canada (AANDC) that proclaim the success of *Canada's Specific Claims Action Plan: Justice At Last*. The report presents a review and analysis of available reports and data, and input from First Nations, and concludes that your government has effectively abandoned negotiation as the preferred and just means of resolving specific claims. Contrary to the promises articulated in *Justice at Last,* your government has allowed for longstanding historical grievances to remain unresolved, along with the significant burden of debt and uncertainty that these claims represent for all Canadians.

In 2014, James Anaya, then United Nations Special Rapporteur on the rights of Indigenous Peoples observed that Canada's claims processes are "…mired in difficulties. As a result of these difficulties, many First Nations have all but given up on them. Worse yet, in many cases it appears that these processes have contributed to a deterioration rather than a renewal of the relationship between indigenous peoples and the Canadian state." Anaya urges that the Government of Canada "should instead acknowledge that the public interest is not opposed to, but rather includes, aboriginal concerns."

The UN Committee on the Elimination of Racial Discrimination has called for a "comprehensive strategy" to uphold the human rights of Indigenous peoples in Canada, including a national plan of action to implement the *UN Declaration on the Rights of Indigenous Peoples* (UNDRIP). Canada's endorsement of

the UNDRIP underlines its obligation to ensure justice for First Nations in Canada and improve its relations with First Nations. This includes ensuring that specific claims are resolved with finality through collaboration and negotiation with First Nations and creating the conditions for these processes to occur by providing adequate resources.

Specific claims will not be resolved if Canada continues to engage in the practices detailed in the enclosed report, nor will they disappear without honorable government leadership that respects the principles of justice articulated in its own policy documents. The debt burden on Canadians is mounting and the already fragile relationship between Canada and First Nations is in danger of further deterioration. With an upcoming federal election, we urge you to implement the recommendations outlined in our report and uphold the promises made in *Justice At Last* to settle specific claims through fair, honorable and timely negotiations with First Nations, and ensure that the human rights of First Nations are fully respected.

Sincerely,

?Aq'am Community, Councillor Marty Williams
'Namgis First Nation, Chief Councillor Debra Hanuse
Adams Lake Indian Band, Chief Robin Billy
Aitchelitz First Nation, Chief Angie Bailey
Alexis Creek First Nation, Chief Percy Guichon
Barriere Lake First Nation, Chief Casey Ratt
Beausoleil First Nation, Chief Monague
Blood Tribe/Kainai, Councilor and Tribal Government Committee Chairperson Dorothy First Rider
Bonaparte Indian Band, Chief Ryan Day
Boothroyd Indian Band, Chief Rick Campbell
Boston Bar Indian Band, Chief Dolores O'Donaghey
Chawathil First Nation, Chief Rhoda Perers
Cheam First Nation, Chief Sidney Douglas
Chippewas of Rama First Nation, Chief Rodney Noganosh
Chippewas of Thames First Nation, Chief R. K. Joe Miskokomon
Coldwater Indian Band, Chief Lee Spahan
Cowichan Tribes, Chief William Seymour
Deh Gah Gotie First Nations, Chief Joachim Bonnetrouge
Doig River First Nation, Chief Norman Davis
Eagle Village First Nation, Chief Madeleine Paul
Fort Nelson First Nation, Chief Liz Logan
Gitsegukla First Nation, Chief Clifford Sampare
Halfway River First Nation, Chief Darlene Hunter
Hesquiaht, Chief April Charleson
High Bar First Nation, Chief Larry Fletcher
Katzie First Nation, Chief Susan Miller and Council
Kitasoo/Xaixais First Nation, Resource Stewardship Director Douglas Neasloss
K'omoks First Nation, Chief Rob Everson
Kwakiutl Band Council, Chief Coreen Child
Kwiakah First Nation, Chief Steven Dick
Kwikwasut’inuxw Haxwa’mis First Nation, Chief Bob Chamberlin
Kwikwetlem First Nation, Councillor Ed Hall

Lhoosk'uz Dene Nation, Chief Liliane Squinas
Lhtako Dene Nation, Chief Terry Boucher
Liidlii Kue First Nation, Sub-Chief Steven Jose
Lil'wat First Nation, Chief Lucinda Phillips
Lower Kootenay Band, Chief Jason Louie
Lower Nicola Indian Band, Chief Aaron Sam
Lower Similkameen Indian Band, Chief Keith Crow
Lytton First Nation, Chief Janet Webster
Magnetawan First Nation, Chief Diabo
Nadleh Whut'en First Nation, Chief Martin Louie
Nak’azdli Whut’en, Chief Fred Sam
Neskonlith Indian Band, Chief Judy Wilson
Nicomen Indian Band, Chief Donna Gallinger
Nooaitch Indian Band, Chief Marcel Shackelly
Okanagan Indian Band, Chief Byron Louis
Opaskwayak Cree Nation, Chief Michael G. Constant
Oregon Jack Creek Indian Band, Grand Chief Bob Pasco
Osoyoos Indian Band, Councillor Tony Baptiste
Penticton Indian Band, Chief Jonathan Kruger
Prophet River First Nation, Chief Lynette Tsakoza
Saulteau First Nations, Chief Nathan Parenteau
Shackan Indian Band, Grand Chief Percy Joe
Sheshegwaning First Nation, Chief Joe Endanawas
Shuswap Indian Band, Head Councillor Barbara Cote
Shxw'ow'hamel First Nation, Si:Yam Council Member Irene Smith
Simpcw First Nation, Chief Rita Matthew
Siska Indian Band, Chief Fred Sampson
Six Nations Elected Council, Chief G. Ava Hill
Skawahlook First Nation, Chief Maureen Chapman
Skeetchestn Indian Band, Chief Ron Ignace
Skowkale First Nation, Councillor Jeffrey Point
Skuppuh Indian Band, Chief Doug McIntyre
Snuneymuxw First Nation, Councillor Sandra Good
Splatsín First Nation, Chief Wayne Christian
Spuzzum First Nation, Chief James Hobart
Squiala First Nation, Chief David Jimmie
Sts'ailes Band, Chief Harvey Paul
Sucker Creek First Nation, Chief Jim Badger
Sumas First Nation, Chief Dalton Silver
Thessalon First Nation, Chief Alfred Bisaillon
Timiskaming First Nation, Chief Terence McBride
Tk'emlúps te Secwépemc, Chief Shane Gottfriedson
Tla-o-qui-aht First Nation, Councillor Terry Dorward
Tsartlip First Nation, Chief Don Tom
Tsawaout First Nation, Chief Harvey Underwood
Tseshaht First Nation, Chief Hugh Braker
Ts'kw'aylaxw First Nation, Chief Francis Alec
Tsleil-Waututh Nation, Councillor Jen Thomas

Tsleil-Waututh Nation, Councillor Deanna George
Tzeachten First Nation, Chief Glenda Campbell
Upper Nicola Band, Chief Harvey McLeod
Upper Similkameen Indian Band, Chief Charlotte Mitchell
Wahnapitae First Nation, Chief Ted Roque
West Moberly First Nations, Chief Roland Willson
Westbank First Nation, Chief Robert Louie
Whispering Pines/Clinton Indian Band, Chief Michael LeBourdais
Wikwemikong Unceded Indian Reserve, Ogimaa Duke Peltier
Williams Lake Band, Chief Anne Louie
Wolf Lake First Nation, Chief Harry St Denis
Xaxli'p First Nations, Chief Darrell Bob Sr.
Xeni Gwet'in First Nations, Councillor Marilyn Baptiste
Yunesit'in Government, Chief Russell Myers Ross

Tribal Councils
Carrier Sekani Tribal Council, Tribal Chief Terry Teegee
Confederacy of Mainland Mi'kmaq, Donald Julien, C.M., O.N.S., DCL, DHumL
Council of Chiefs of the Mohawk Council of Kahnawà:ke, Grand Chief Michael Ahríhrhon Delisle Jr
Heiltsuk Tribal Council, Councillor Travis Hall
Mohawk Council of Akwesasne, Grand Chief Mike Kanentakeron Mitchell
Nuu-chah-nulth Tribal Council, Vice-President Ken Watts
Shuswap Nation Tribal Council, Tribal Chief Shane Gottfriedson

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Anishinabek Nation Grand Council, Chief Patrick Madahbee
Federation of Saskatchewan Indian Nations, Vice Chief Edward Dutch Lerat
First Nations Summit, Grand Chief Ed John, Cheryl Casimer & Robert Phillips
Grand Council of the Crees (Eeyou Istchee)/Cree Nation Government
Union of B.C. Indian Chiefs, Grand Chief Stewart Phillip

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Deputy Critic for Aboriginal Health, Carol Hughes, MP
Official Opposition Critic for Ethics, Privacy, and Access to Information, Charlie Angus, MP
Official Opposition Critic for Finance, Nathan Cullen, MP
Official Opposition Critic for Aboriginal Affairs, Niki Ashton, MP
Official Opposition Critic for Industry, Peggy Nash, MP
Deputy Critic for Intergovernmental Aboriginal Affairs, Romeo Saganash, MP
On behalf of the Liberal Caucus, Liberal Critic for Aboriginal Affairs, Hon. Carolyn Bennett, M.D., MP

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Alliance of Tribal Nations, Research Director, Mark Point
Assembly of First Nations, Director, Implementing Rights, Tonio Sadik
Confederacy of Mainland Mi'kmaq, Research Manager, Mary Jane Stevens
Confederacy of Mainland Mi'kmaq, Director History & Culture, Tim Bernard
Conseil Tribal Mamuitun, Research Director, Denis Brassard

Cowichan Tribes, Research Director, Dianne Hinkley
Lesser Slave Lake Indian Regional Council, T.A.R.R. Research Director, Peter Havlik
Mi'kmaq Confederacy of P.E.I., Research Director, Tammy MacDonald
Mohawk Council of Akwesasne, Manager of Aboriginal Rights and Research Office, Cactus Cook Sunday
Mohawk Council of Kahnawà:ke, Project Leader, Winona Poslon-Lahache
Nishnawbe-Aski Nation, Research Director, Luke Hunter
Nlaka'pamux Nation Tribal Council, Research Director, Debbie Abbott
Six Nations Lands Research Office, Research Director, Lonny Bomberry
Specific Claims Research Centre, Research Coordinator, Mona Donovan
Stoney Nation, Research Director, Ian Getty
T.A.R.R. Centre of Manitoba, Inc. Research Director, Patricia Myran
T.A.R.R. Centre of NS, Inc. Research Director, Jim Micheal
T.A.R.R. Treaty 3, Research Director, Andy Sky
Treaty 8 Tribal Association, T.A.R.R. Manager, Leone Nippard
Tsuu T'ina Nation CRU, Research Director, Jim Big Plume
UBCIC Specific Claims Research Program, Research Director, Jody Woods
Union of Ontario Indians/Anishinabek Nation, Treaty Research Coordinator, Alicia McLeod

Like Minded Organisations
Assembly of First Nations, National Chief Perry Bellegarde
Alliance of Tribal Nations, Grand Chief Clarence Pennier
Amnesty International Canada
BC Specific Claims Working Group Chair, Chief Maureen Chapman
BCAFN Spokesperson and Director, Chief Maureen Chapman
Canadian Friends Service Committee (Quakers)
KAIROS: Canadian Ecumenical Justice Initiatives
Leclair Historical Research, Toronto Laurie Leclair, Principal
Leclair Historical Research, Toronto Dr. Colin McFarquhar, Researcher
Leclair Historical Research, Toronto Yvonne Boothroyd, Associate
Union of B.C. Indian Chiefs, Coola Louis, Women's Representative
Union of Ontario Indians, Dr. Rhonda Telford, Historian
Union of Ontario Indians, Dr. David Shanahan, Historian
Arnold Peters, Chawathil First Nation
Katharine Owen, Halifax, N.S.
Marilyn Brennan, Maple Ridge, B.C.
Victor C. Pearson, Port Alberni, B.C.
Kathryn Lennon, Vancouver, B.C.
Christopher Carter, Vancouver, B.C.
Elisabeth Donnelly, Vancouver, B.C.
Tegan Brock, Peterborough, ON

AN OPEN LETTER TO PRIME MINISTER STEPHEN HARPER ON THE RESOLUTION OF SPECIFIC CLAIMS

DATE
The Right Honorable Stephen Harper
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2

Dear Prime Minister Harper,

As First Nations citizens, specific claims practitioners, lawyers and Canadians committed to the just, fair and timely resolution of specific claims in Canada, we present the enclosed report prepared by the National Claims Research Directors and call on you to act immediately upon the report's recommendations.

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In Bad Faith challenges recent public assertions made by Aboriginal Affairs and Northern Development Canada (AANDC) that proclaim the success of *Canada's Specific Claims Action Plan: Justice At Last*. The report presents a review and analysis of available reports and data, and input from First Nations, and concludes that your government has effectively abandoned negotiation as the preferred and just means of resolving specific claims. Contrary to the promises articulated in *Justice at Last,* your government has allowed for longstanding historical grievances to remain unresolved, along with the significant burden of debt and uncertainty that these claims represent for all Canadians.

In 2014, James Anaya, then United Nations Special Rapporteur on the rights of Indigenous Peoples observed that Canada's claims processes are "…mired in difficulties. As a result of these difficulties, many First Nations have all but given up on them. Worse yet, in many cases it appears that these processes have contributed to a deterioration rather than a renewal of the relationship between indigenous peoples and the Canadian state." Anaya urges that the Government of Canada "should instead acknowledge that the public interest is not opposed to, but rather includes, aboriginal concerns."

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Sincerely,

No Access, No Justice:

Canada's Implementation of *Justice at Last* and the Failure to Resolve Claims

Presented on June 20, 2016

Joint Submission by Directors of Claims Research Units from Across Canada to the Performance Audit of the Specific Claims Action Plan: *Justice at Last*

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Executive Summary

This submission seeks to address the broad question, “Are specific claims being resolved?” It includes correspondence, reports, data, and case studies as evidence of how Canada’s implementation of its Specific Claims Action Plan: Justice at Last has created enormous barriers for Indigenous Nations to access a fair process for the resolution of their specific claims. The current implementation of the process amounts to a significant barrier to justice.

In particular, this submission looks at how cuts to funding for the research and development of specific claims have resulted in hundreds of claims being denied the resources to research them or languishing at preliminary research stages.

This submission also documents the circumstances and impacts on Indigenous Nations that are being denied adequate funding to participate in the Specific Claims Tribunal and how inadequate funding for the Tribunal’s operations is impeding its ability to review claims in a timely way.

We have documented the unnecessarily stringent and inappropriate application of the Minimum Standard. SCB’s failure to adhere to this standard and its use of “Minor Technical Issues” in claim reviews creates significant capacity burdens and delays for Indigenous Nations, diverting needed resources from claims research to attend to often frivolous, inconsequential issues.

This submission looks at Indigenous Nations’ access to and use of INAC’s Mediation Centre, documenting a widespread mistrust of these INAC-centered services and an unwillingness on the part of Canada to engage in mediation.

It provides evidence of Canada’s misconduct during negotiations, including SCB’s reinterpretation of a legislated three-year timeline. Originally intended as a tool for Indigenous Nations to compel Canada to negotiate in good faith, it has been adopted by the Specific Claims Branch as a three-year operational model that resulted in hundreds of “backlogged” claims unilaterally closed without finality, rather than resolved.

The submission provides examples of how, since 2008, the Specific Claims Branch has habitually engaged in a strategy of accepting as valid only the most minor components of a claim and rejecting the substantive grievances. These “partial acceptances” are often accompanied or directly followed by a settlement offer based only on an estimated low value of a portion of the claim and notification that the claim’s low value makes it eligible for an “expedited settlement process” that did not include actual negotiations. Acceptance, negotiation and settlement of these minor components is conditional upon a First Nation agreeing to sign a release on the entirety of the claim, including the allegations rejected by Canada for negotiation. This marks a dramatic shift in Canada’s approach to negotiations since the introduction of Justice at Last.

Prior to Justice at Last, where Canada agreed there was a breach, an entire **claim** was accepted for negotiations, rather than small portions or individual allegations. The extent of the breach and value of the claim were determined through negotiations.

Throughout, this submission documents instances of INAC's poor communication of policy changes, changes in negotiation strategies and sharing information about internal review processes to Indigenous Nations and CRUs. It also documents efforts of CRUs to obtain this information and repeated requests by CRUs that INAC officials communicate directly about issues of funding, capacity and internal review policies, demonstrating our frustration when our efforts yield no results or responses.

The authors of this submission are aware that the scope of this audit is limited to those aspects of Justice at Last that operate apart from the Tribunal. There are a number of occasions where we ask you to reconsider this.

First, a number of Tribunal decisions shed light on Canada's implementation and communication of the specific claims policy itself as well as its negotiation practices.

Second, we address the failure of Canada to fulfill its Justice at Last promise to work with the Assembly of First Nations to develop a policy to address claims valued at over $150 million. We consider this issue to be within the purview of an audit of Justice at Last since the commitments were made as part of the Specific Claims Action Plan. We have also been directed by some of the First Nations engaged in the specific claims process to address this issue with you.

Third, we deal briefly with access to mediation at the Tribunal to demonstrate that Canada has been unwilling to engage in mediation at all stages of the process. We also look at funding for Indigenous claimants to participate in the Specific Claims Tribunal, considered the centrepiece of Justice at Last, and the only recourse for Indigenous Nations with claims that cannot be settled through the specific claims negotiation process.

Due to time constraints, we do not address concerns relating to external forces that undermine the resolution of claims. These include but are not limited to:

1. Funding cuts to Library and Archives Canada and other document repositories
2. Policy changes and issues at Library and Archives Canada
3. Changes to routine re: "informal" document access policies at INAC

To aid in your examination of these concerns, we direct your attention to a joint submission by Claims Research Directors to the Review of the Access to Information legislation. This submission is currently being drafted and should be available to you by mid-July.

This submission is organized thematically according to the substantive concerns of CRUs and First Nations with the specific claims process since the introduction of Justice at Last. The documents included in each section are organized chronologically in most instances. Case

studies, where applicable, appear at the end of each section. In instances where we have been unable to provide direct evidence due to lack of access to the requisite documentation, we have indicated files that the Auditor may review.

At our Research Directors meeting in May, you indicated this audit was being guided by the overall question: “Are specific claims being resolved?” Research Directors submit that Canada’s implementation of its Specific Claims Action Plan: Justice at Last has created enormous barriers for Indigenous Nations to access a fair process for the resolution of their specific claims and continues to undermine the reconciliatory aims of the new Liberal government.

Are specific Claims Being Resolved? No.

IN BAD FAITH:

JUSTICE AT LAST AND CANADA'S FAILURE TO RESOLVE SPECIFIC CLAIMS

Joint Report Presented to
Prime Minister Stephen Harper

Prepared by National Claims Research Directors

March 9th, 2015

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2. April 2013. Final Report. Aboriginal Affairs and Northern Development Canada. "Summative Evaluation of the Specific Claims Action Plan, Project No. 12029." Government of Canada: Evaluation, Performance Measurement, and Review Branch – Audit and Evaluation Sector. As stated in the Evaluation's Executive Summary, "The primary purpose of the evaluation is to obtain an independent and neutral perspective on how well the Action Plan is achieving its expected outcomes. Evaluation results were based on the analysis and triangulation of data obtained through document and data review, file review and key informant interviews." As stated by PRA Inc., the company hired to perform the evaluation, the interviews conducted with First Nations representatives consisted of a questionnaire intended to communicate to AANDC "the experience acquired under the Action Plan and its impact in dealing with specific claims." The Action Plan makes a commitment to work with First Nations to improve the specific claims resolution process, and carry out a five-year review of the Action Plan to assess progress and make improvements to the system. The questionnaire was developed by Canada without consultation with First Nations. Available online at: http://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ-AEV/STAGING/texte text/ev_spcap_1385136300660_eng.pdf

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9. Fall 2014. "Specific Claims Survey." Union of B.C. Indian Chiefs. An informal, qualitative survey developed by the Union of B.C. Indian Chiefs Research Department in consultation with other Claims Research Units and distributed to CRUs across Canada and individual First Nations. It was conducted in August 2014 to which 16 Claims Research Units responded representing 282 First Nations and 339 claims from across Canada. It is important to note this survey only represents the experiences of the respondents and the number of respondent Claims Research Units (CRUS) is far lower than the total number of CRUs that are currently operational. Though the survey is not comprehensive, it provides a representative look into First Nations experiences with the process.

EXECUTIVE SUMMARY

This report addresses five incorrect conclusions and misleading statements made by Aboriginal Affairs and Northern Development Canada (AANDC) regarding the success of the Government of Canada's *Specific Claims Action Plan: Justice At Last*, its official policy for resolving specific claims since 2007.

The need for this report is urgent, since Canada has made public its intention to effectively terminate the *Justice At Last* program in the 2016-2017 fiscal year by discontinuing program funding. AANDC rationalizes this decision in light of false statements that *Justice At Last* has met its objectives.

The overarching objective of *Justice At Last* is the just, fair and timely resolution of specific claims through negotiations with First Nations claimants. Achieving this primary objective will also relieve Canadian taxpayers of these outstanding debts to First Nations, achieve justice for First Nations and legal certainty for all Canadians and foster Crown-First Nations reconciliation.

AANDC highlights five achievements that provide evidence of *Justice At Last*'s success:

1. Fewer specific claims are entering the system
2. The backlog of specific claims has been eliminated
3. Specific claims that have been accepted by the Minister are being negotiated
4. Access to mediation has been successfully established for First Nations
5. The Specific Claims Tribunal is fulfilling its legislative requirements and is meeting the expectations of First Nations by providing a final, just, and timely mechanism for resolving claims

An analysis of AANDC data and input from First Nations currently involved in the specific claims process shows that contrary to AANDC reports and public announcements, the five achievements outlined above have not been attained.

First, the number of specific claims entering the system is increasing due to the Specific Claims Branch's internal policy of accepting for negotiation only minor portions of claim submissions and demanding legal releases of liability on the bulk of substantive allegations. This is forcing First Nations to file as separate claims, related but distinct events/issues which might otherwise have been grouped together in one claim. The effect is an increase in the number of new claims to be filed with the Specific Claims Branch.

Second, the backlog of claims has not been eliminated with any finality since the vast majority of claims still remain unresolved. AANDC's widespread rejection of the majority of claims that formed the backlog has resulted in these longstanding grievances being transferred to the Specific Claims Tribunal or returned to the system in the form of multiple discrete allegations.

Third, Canada refuses to negotiate the majority of claims accepted by the Minister despite publicly reporting otherwise. In practice, AANDC unilaterally and without consultation imposes a preliminary value upon each claim. The Specific Claims Branch identifies the majority of these claims as "small value" claims and denies First Nations the opportunity to negotiate them. First Nations are receiving limited take-it-or-leave-it offers with arbitrary, short deadlines in which to accept or reject them. The basis for Canada's offer is often not provided. Negotiation and its attendant protocols are inoperative and refused outright by Specific Claims Branch officials.

Fourth, despite a public commitment to work jointly with First Nations to develop a mediation unit, Canada unilaterally established a mediation service, administered by AANDC staff within AANDC offices. First Nations have publicly criticized this mediation unit for its appearance of conflict of interest. First Nations' requests for mediation services are routinely denied by Specific Claims Branch officials. Further, with the prevalence of "take-it-or-leave it" offers there is much less opportunity for mediation.

Lastly, the Specific Claims Tribunal, mandated to provide First Nations with a legal mechanism for obtaining binding decisions on the validity of claims rejected by Canada or in stalled negotiations, is seeing its independence, authority and legitimacy undermined and resources curtailed by the government who currently lauds it as one of its successes.[a]

This report challenges Canada's statements about the success of *Justice At Last* and also advances recommendations to realign the specific claims resolution process *in practice* with the principles of *Justice At Last*.

[a] Canada's 2013-2014 *Report on Plans and Priorities* lists Specific Claims under its "Co-operative Relationships Program" which "seeks reconciliation and the strengthening of the relationship between governments and Aboriginal groups through mutual respect, trust, understanding, shared responsibilities, accountability and dialogue. ... Through relationships built on trust, respectful partnerships will be established which may ultimately help to contribute to the strengthening of the social, economic and cultural well-being of Aboriginal communities and ultimately more active participation and engagement in the broader Canadian society. Online at: http://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ-AI/STAGING/texte-text/2013-14RPP_pdf_1363177576527_eng.pdf

INTRODUCTION

Our intent in writing this report is to respond as a matter of public record to Aboriginal Affairs and Northern Development Canada (AANDC) internal reviews, reports, official public announcements and comments regarding the success of the Government of Canada's 2007 Specific Claims Action Plan, *Justice At Last.* A widely circulated public evaluation of this kind is urgently required as these reports contain misleading statements and erroneous conclusions due to AANDC's selective interpretation of incomplete data collected and produced by the Specific Claims Branch. AANDC's use of its own publications and contracted studies to analyze its own performance and formulate conclusions about the implementation of *Justice At Last* is skewed toward reporting successful outcomes while masking its fundamental failure to uphold public commitments made to First Nations and all Canadians to ensure fairness, transparency and the just resolution of outstanding claims.

AANDC's actual departmental practices and their consequences for First Nations claims directly contradict all reports of success and accomplishment. Through drastic funding cuts to claims in research and development, the rejection of most claims during assessment or negotiations, settlement processes that leave little or no room for good faith negotiation, and attempts to compromise and challenge the authority and the legitimacy of the Specific Claims Tribunal, the Government of Canada is effectively abandoning the very initiative that it introduced and now lauds as an example of positive change in Crown-First Nations relations.

The implications of this cannot be understated: hundreds of claims will be left unresolved, yet again leaving First Nations communities with increasing frustration and little recourse. Meanwhile, false reports of successful outcomes and of fulfilling commitments to First Nations have clearly informed AANDC's 2014-15 *Report on Plans and Priorities* which reveals that planned spending dollars for the Aboriginal Rights and Interests Program will be reduced by almost 60% in the 2016-2017 fiscal year as a result of "the sunset of funding … for Justice At Last: Specific Claims Action Plan."[1] The planned termination of *Justice At Last* and the absence of any discussion with First Nations about this plan reflect AANDC's preoccupation with expediency at the expense of justice and its misplaced confidence that the Canadian public will simply applaud the apparent cost savings. It is shortsighted in the extreme. Hundreds of unresolved claims will linger without any process for settling these outstanding grievances, inviting confrontation and further conflict.

To address AANDC reports of its achievements and the perceived suitability of "sunsetting" *Justice At Last*, this report examines the five key achievements AANDC attributes to its implementation of the *Justice At Last* policy:

1. Fewer specific claims are entering the system
2. The backlog of specific claims has been eliminated
3. Specific claims that have been accepted by the Minister are being negotiated
4. Access to mediation has been successfully established for First Nations
5. The Specific Claims Tribunal is fulfilling its legislative requirements and is meeting the expectations of First Nations in providing a final, just, and timely mechanism for resolving claims

This report also considers how these results have been obtained by examining Canada's interpretation of its own data on specific claims. This evaluation will also review additional available data and input from First Nations engaged in the specific claims process to provide a balanced account of the achievements of *Justice at Last*. It advances a series of recommendations to resolve the hundreds of specific claims accepted by Canada, but denied negotiations, and those awaiting research, development and submission to the Specific Claims Branch.

BACKGROUND

For almost 50 years, First Nations in Canada have sought an independent and impartial process for the resolution of historical land and treaty related grievances. In 1973, Canada acknowledged the need to address these longstanding injustices when it announced a policy for the resolution of specific claims, formally articulated in 1982 in a document called *Outstanding Business: A Native Claims Policy*.[2] The policy provided a framework for assessing "specific claims," defined as claims dealing with Canada's failure to fulfill historical lawful obligations to protect reserve lands and assets from alienation,

encroachment and mismanagement. The policy was established as a mechanism to address and compensate First Nations for historical injustices through negotiated settlements in the interest of fairness and reconciliation. The specific claims process was also a means of documenting and recognizing past wrongs and resulting loss as well as providing a way forward toward establishing Crown-First Nations trust and reconciliation.

In practice, the specific claims process has been characterized by an inherent conflict of interest, absence of timelines for resolving claims, an increasing and insurmountable backlog of claims awaiting legal opinions on validity, and a lack of funding for research and negotiation.

JUSTICE AT LAST – COMMITMENT TO A NEW APPROACH

In 2007, then Minister of Indian Affairs Jim Prentice introduced the *Specific Claims Action Plan*, characterized as a dramatic reformation of Canada's specific claims policy. The plan, titled *Justice at Last*, was structured around four independent "pillars" that addressed both the abysmal backlog of claims (about 800)[3] that had languished for years while awaiting legal opinions and the glaring conflict of interest whereby Canada assessed claims against itself. The pillars included:

1. Impartiality and fairness through the creation of an independent, binding tribunal to make decisions about claims rejected for negotiation or when negotiations fail
2. Greater transparency through dedicated funding for specific claims settlements
3. Faster processing of claims via more human and financial resources, a streamlined approach to processing to better address the diversity and complexity of specific claims as well as "special efforts" made to negotiate small value claims which account for about half of claims in the system
4. Better access to mediation by establishing an independent mediation body to help to jump-start stalled negotiations and lead to "mutually beneficial agreements"[4]

Most importantly, *Justice at Last* renewed and strengthened Canada's commitment to settle specific claims through negotiation instead of litigation:

> *The Government of Canada prefers to resolve claims by negotiating settlements with First Nations. In contrast to litigation, negotiated settlements are jointly developed by the parties working together to ensure fairness for all. Negotiations are less adversarial, more cost-effective and avoid the risks of court-imposed settlements where outcomes can be uncertain. Just as important, they help build relationships and generate multiple benefits for all Canadians.*[5]

Canada claimed the four pillars articulated in *Justice At Last* together with a commitment to fair negotiations would restore confidence in the specific claims resolution process and settle the mounting burden of debt these specific claims represent:

> *The immediate priority is to bring justice to First Nation claimants with legitimate grievances and certainty to government, industry and all Canadians. By ensuring impartiality and fairness, greater transparency, faster processing and better access to mediation, this plan will achieve the objective of restoring confidence in the integrity and effectiveness of the system to resolve specific claims. Equally important, as Canada fulfils its lawful obligations to First Nations and eliminates the backlog in the system, taxpayers will be relieved of this outstanding debt.*[6]

Canada also claimed that settling the outstanding debt owed to First Nations would result in certainty for government, industry and local residents as well as increased economic opportunities for First Nations through the availability of settlement funds to invest in their communities. And most importantly, First Nations would achieve long sought-after justice, which would in turn foster reconciliation:

> *Ultimately, righting past wrongs is simply the right thing to do. Settling claims helps Canadians come to terms with our history while bringing closure to longstanding grievances for First Nations. Most important, it fosters better relations among First Nations and other Canadians, so we can move forward together to realize a better, shared future.*[7]

When introducing the *Specific Claims Tribunal Act* to the Canadian Parliament in 2008, then Indian Affairs Minister Chuck Strahl described it as a means of bringing about justice:

> *The proposed legislation is also historic because when we think deeply about this, this new approach is about more than specific claims. It is about achieving fundamental justice and fairness. It is about building a stronger and more stable economy and ensuring equal opportunity for all Canadians to work and prosper. It is about creating legal certainty for first nations and their partners in industry and area communities. Most important, it is about enabling members of first nations and their fellow Canadians to move on and move forward together.* [8]

THE SPECIFIC CLAIMS PROCESS

AANDC's *Specific Claims Policy and Process Guide* describes the specific claims process as comprised of four stages:

1. **Submission.** A First Nation submits its claim to the Minister.
2. **Early Review: Minimum Standard.** The Minister reviews the submission within 6 months for compliance with a Minimum Standard articulated in the policy. A claim is deemed filed when the Minister notifies a First Nation in writing that its claim submission meets the Minimum Standard.
3. **Research and Assessment.** The Minister has three years to assess the validity of the claim and either accept it for negotiation or reject the claim on the grounds that Canada has no lawful obligation regarding the allegation made by the First Nation. If a claim is rejected for negotiation, a First Nation may file its claim with the Specific Claims Tribunal for a decision on validity and compensation.
4. **Negotiation and Settlement.** If a claim is accepted for negotiation, negotiations will begin. If after three years no resolution has been achieved, a First Nation has the option of withdrawing and filing its claim with the Specific Claims Tribunal for a binding decision on compensation.[9]

AANDC's breakdown of the specific claims process omits the Claim Research and Development stage. This is the pre-submission stage during which a First Nation researches and prepares the claim for submission to the Minister. Preparing specific claims for filing with the Minister is a difficult, specialized, time-consuming and costly task; not one entered into lightly by First Nations. The 2006 Senate Standing Committee report on Aboriginal Peoples noted:

> *…First Nations do not make allegations against the government without going to considerable trouble. The claimant band (First Nation) first must locate, acquire, and assemble ample supporting documentation, then outline thoroughly the meaning of all evidence with respect to the allegations and, finally, acquire legal analysis prior to submitting a Specific Claim*.[10]

AANDC's public reporting on specific claims neglects data concerning specific claims in Research and Development, leaving an important stage of the process out of any performance evaluation or public reporting, despite its ready access to this data. AANDC provides research and development funding annually to Claims Research Units and individual First Nations to carry out the complex and costly work of gathering historical evidence from public and private record repositories, conducting the requisite legal analysis and preparing the claim submission in accordance with the Minimum Standard. [b]

Research and development are integral to a First Nation's claim submission, resulting in the formal allegation, supporting evidence and legal justification of the claim. This stage of the process, which may take from six months to five years depending on the complexity of the claim and the availability of resources, is funded by AANDC based on detailed work plans provided by First Nations that report the status of pre-submission claims. Any comprehensive and accurate evaluation of the achievements of the specific claims process must also include the Research and Development stage since it provides information on the actual number of claims in the system and would permit AANDC to make informed projections

[b] The *Policy and Process Guide* stipulates, "First Nations are responsible for researching their own claims and submitting those claims in accordance with the Minimum Standard." 2009. Guide. Indian and Northern Affairs Canada. "The Specific Claims Policy and Process Guide." Ottawa: Minister of Public Works and Government Services Canada, p. 10.

regarding future claims activity. This data is available from AANDC's Funding Services Negotiations Unit (FSAGNU) of the Treaty and Aboriginal Governance Sector.

Analysis of AANDC's Five Stated Achievements

AANDC highlights the following five assertions as primary achievements of *Justice At Last*:

1. Fewer specific claims are entering the system
2. The backlog of specific claims has been eliminated
3. Specific claims that have been accepted by the Minister are being negotiated
4. Access to mediation has been successfully established for First Nations
5. The Specific Claims Tribunal is fulfilling its legislative requirements and meeting the expectations of First Nations by providing a final, just, and timely mechanism for resolving claims

Each of these assertions will now be examined in more detail.

1. Fewer Specific Claims Are Entering the System

Public reporting by AANDC states First Nations are submitting fewer claims which creates the false impression that there are fewer claims in the overall system and that the need for the specific claims process, and its attendant funding, is diminishing. In its 2013 *Summative Evaluation*, AANDC reports that fewer claims are submitted to the Minister each year. The report lists the number of new claims submitted for the fiscal years 2008-2009 to 2011-2012 and concludes there has been a slow decrease in the number of new claims, first to 49 in 2010-2011 and a further decrease to 35 in 2011-2012.[11] AANDC includes the following graph to substantiate this claim:[12]

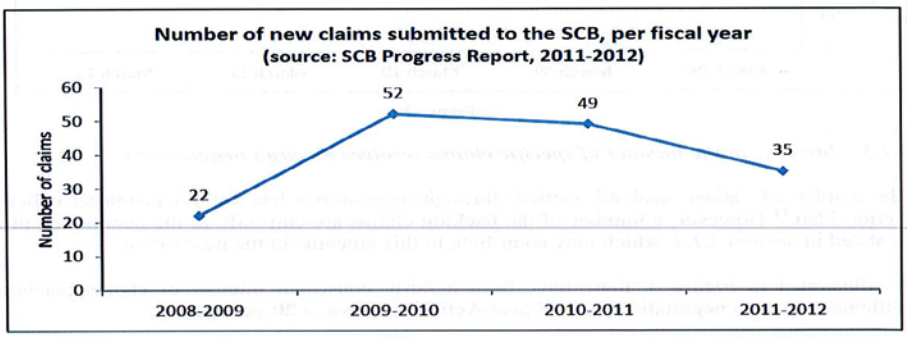


Figure 1

Claims In Research and Development Excluded From Data

These figures ignore AANDC data that tracks claims currently in Research and Development (i.e. those claims that are currently being prepared by First Nations to be submitted to the Minister). First Nations report the status of these claims annually to FSAGNU, the division of AANDC that funds First Nations to research claims. However, a *Specific Claims Survey* conducted in 2014 provides some helpful information.

Of the 339 claims represented in the *Specific Claims Survey*, respondents identified 230 that are currently in Research and Development. These claims will be filed with the Minister in the coming years but are not reflected in AANDC's reports. Without reference to claims in development, Canada's data suggests that the submission of specific claims is diminishing. This is not the case.

AANDC's figures relating to the decrease in new filed claims do not take into account two important factors that have lengthened the time needed to develop specific claims. The first is AANDC's refusal to accept additional evidence and submissions after claims are filed with the Minister. Whereas previously, First Nations had multiple opportunities to make

additional submissions, including in response to the SCB confirming research, now all possible bases must be covered by the initial (and only) submission. The second factor that has come into play is AANDC's rigid application of the Minimum Standard. First Nations are required to meet rigorous rules of document production well above litigation standards, including providing transcripts of a substantial portion of historical document collections. AANDC now devotes substantial SCB resources (previously devoted to confirming research and historical reviews of the substantive issues of claims) to policing First Nation adherence to these standards. Claims are routinely bounced for even minor document issues. Both of these factors have a chilling effect on the filing of claims, with First Nations engaged in a much more prolonged and expensive research and document preparation process. Ironically, First Nations have observed that while imposing the strictest rules on First Nations research, AANDC routinely produces sub-standard documents that contravene the Minimum Standard.

Claims on 2014 CRU Work Plans

The number of claims to be filed in the future is likely much higher than the survey results suggest since only a portion of Canada's approximately 600 recognized First Nations[13] participated in the survey. Further, specific claims that were not funded at the time of the survey are not reflected in the statistics presented. For instance, one respondent identified 40 new claims for which the claims research unit (CRU) did not receive funding in the 2013-2014 fiscal year (and therefore could not advance). It is also important to note that in 2014-2015, CRUs across Canada received significant funding cuts from AANDC, some upwards of 60%.

New Claims:

Of the 230 claims represented in the survey in Research and Development, 76 (33%) were identified as "new" for the 2014-2015 fiscal year. The survey also asked respondents to project the number of new claims they anticipated adding in the next five years. Respondents projected approximately 200-300 new claims would be added in the next five years.

Where do New Claims Come From?

Historically, specific claims arose in the following ways:

- Research or a legal evaluation of one issue uncovers evidence for another specific claim
- A First Nation's Chief and Council may identify an issue that fits within the specific claims policy
- A community member identifies an issue that he or she believes may give rise to a specific claim

Since *Justice at Last*, we have seen a dramatic increase in the number of new claims being developed. This is in part a direct result of Canada's practice of partial acceptances whereby Canada offers to negotiate the least substantive portions of a claim while demanding a full and final legal release on the remaining allegations made in a specific claim submission. Agreeing to accept Canada's terms as a precondition for negotiating the claim means that a First Nation *cannot pursue the rejected portions of its claim* at the Specific Claims Tribunal or via other mechanisms. The 2014 *Specific Claims Survey* strongly suggests that most First Nations do not accept these offers, in large part, because they exclude the substantive allegations made in the First Nations' specific claims.[14]

As an initial response to this practice, First Nations withdrew many of their multiple issue claims and resubmitted them as multiple individual claims. This increased in the number of new specific claims in the system has resulted in more research, administrative and legal costs that are not supported by additional research funding.

An increase in new claims can also be expected with the clarifications of factual and legal issues coming out of the Tribunal decisions. These decisions will clarify many previously unsettled questions relating to the content and breach of Canada's legal obligations in typical specific claim *scenarios* as well as applicable compensation principles.

The Minimum Standard as Gatekeeper

The specific claims policy that arose out of *Justice at Last* includes a new "Minimum Standard for Filing a Specific Claim Submission with the Minister of Aboriginal Affairs and Northern Development Canada."[15] The Minimum Standard is a set of requirements created by the Specific Claims Branch (SCB) regarding the type of information a First Nation must include in its specific claim submission and the way that information must be presented to be considered officially filed by the SCB.

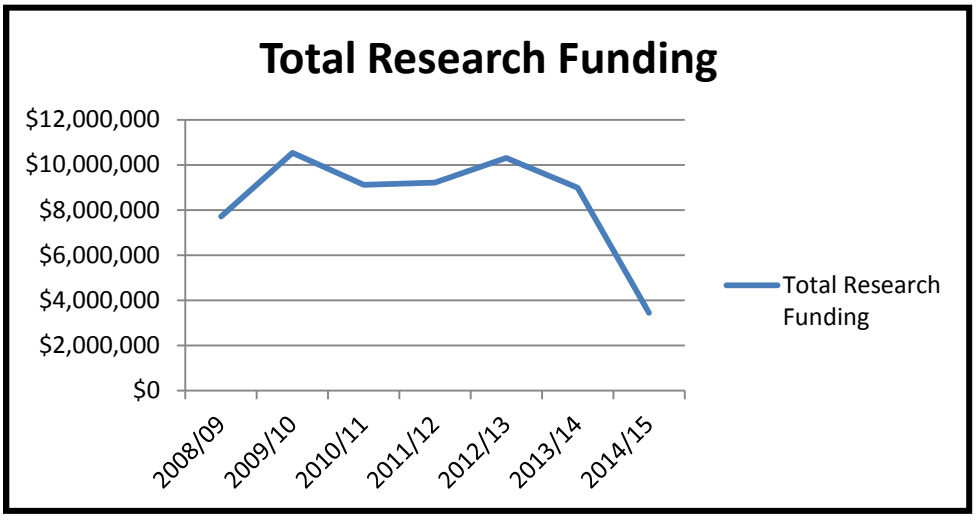
The application of the Minimum Standard should be reasonable and reflect best practices in research. However, the SCB applies the Minimum Standard in an inconsistent and onerous manner, creating hundreds of hours of additional work by a First Nation in order to meet SCB's formal requirements and have its claim submission deemed filed by the Minister (the first step in AANDC's specific claims process).[c]

SCB's unreasonable application of the Minimum Standard is imposing burdensome costs and delays on First Nations preparing specific claims, which is impacting First Nations' ability to complete new claim submissions and skewing the official figures regarding new claims entering the system as a result since Canada reports a reduction in the numbers of new claims being submitted.[d] Respondents to the *Specific Claims Survey* have expressed concern that SCB's unreasonable application of the Minimum Standard is a deliberate attempt to restrict the number of new claims on its inventory.

Research Funding

AANDC is aware of the increase of claims in Research and Development as this is detailed in CRUs' Biannual Work Plans provided to AANDC.

Despite this increase in new claims, in February 2014, CRUs and First Nations received 30-60% cuts to their research funding for specific claims, justified in part by AANDC's figures on claims submitted to SCB. The chart below, derived from funding data provided by FSAGNU, shows research funding levels from 2008 to 2014/15.



CRUs report that cuts to research funding levels has severely impeded their ability to advance the claims that are currently on their work plans or to begin work on new claims. Massive cuts to specific claims research funding have made AANDC's expectation of fewer claims being submitted a self-fulfilling prophecy. The principal implication of this is that First Nations are being denied access to justice.

2. The Backlog is Eliminated

Public reporting by AANDC states the backlog of claims awaiting resolution prior to *Justice At Last* has been eliminated. AANDC contends that specific claims in the backlog as of October 2008 have been reviewed, assessed and either concluded

[c] First Nations report that SCB is imposing unreasonable demands for transcriptions of fully legible, sometimes typed documents; demanding photocopies of entire books that are readily available; and, demanding the replacement of documents that contain small marks (sometimes made by AANDC officials themselves).

[d] Respondents to the *Specific Claims Survey* indicate they regularly spend 50-100 hours per claims preparing or upgrading claims so that they meet the minimum standard. They identify most of this work as unnecessary and suggest that the standards applied to specific claims far exceed those required for regular court setting.

or in negotiations.[e] Yet, AANDC's own data demonstrates that the majority of these claims remain unresolved. They have either been rejected, in which case they will seek resolution at the Specific Claims Tribunal, or concluded without finality through arbitrary file closures, in which case they will likely be resubmitted or filed with the Specific Claims Tribunal.

WHAT IS THE BACKLOG?

Justice At Last identified "nearly 800 outstanding claims in Canada**,** with roughly 630 of these stuck in bottlenecks at the front end of the system."[16] Elsewhere in the document the "bottleneck" of claims is highlighted as a growing problem and a key impetus for Canada's development of its *Specific Claims Action Plan*:

> *…The specific claims program has come under enormous pressure, with the number of claims in the federal system doubling between 1993 and 2006. There is a logjam of claims stuck in the system awaiting attention and action. About 70% of unresolved claims are bottlenecked at the front end of the process at the assessment stage.*
>
> *The average processing time for a claim is now approximately 13 years. Since two times more claims are submitted each year than are resolved, the inventory and backlog continue to grow. This has led to repeated calls from all quarters for more resources to speed up the process.*[17]

First Nations, CRUs, and advocacy groups had been voicing strong objections to Canada's delayed response to claim submissions for years. The bottleneck was largely identified as a function of a shortage of lawyers at the Department of Justice being assigned First Nations' specific claim submissions to assess whether Canada had any outstanding legal obligation. This resulted in First Nations waiting years, often decades, to receive notification as to whether their claim would be accepted for negotiation.

As stated in *Justice at Last*, "Canada's firm commitment to First Nations" included a promise to "resolve the existing backlog of claims" and that "50% of all claims currently in the system will be concluded."[18] These results were to be achieved by increasing resources, legislating a three-year timeline for Canada to provide a First Nation with a decision on their claim's validity, bundling small claims at SCB's internal research and assessment stages, "to speed up decisions regarding their validity," taking a "streamlined approach to processing," and taking advantage of existing resources to support the early review process.[19] Additionally, Canada would undertake "special efforts" to negotiate "small value claims – which account for about 50% of cases now in the system" more quickly.[20]

Thus, when AANDC officials refer to the backlog they mean "claims in assessment at the time the *Specific Claims Tribunal Act* came into effect"[21] on October 16, 2008. They include all claims (approximately 800) filed with the Specific Claims Branch on or before that date.

CANADA ASSERTS THE BACKLOG HAS BEEN ELIMINATED

According to AANDC's April 2013 *Summative Evaluation*, one of the key results that AANDC set out to achieve in the first three to five years of the *Specific Claims Action Plan* was a "Complete review and assessment of all existing and new specific claims by the end of the fiscal year 2010-2011."[22] The report asserts "The backlog of claims in assessment at the time the *Specific Claims Tribunal Act* came into effect has been cleared."[23] It further states:

> *The Specific Claims Branch has eliminated the backlog of claims that were in the research and assessment stage at the time that the* Specific Claims Tribunal Act *came into effect in October 2008. … In October 2008, a total of 541*

[e] AANDC website describes the review and assessment stage as follows: When a claim is being assessed, this means that Canada is completing a historical and legal review of the facts of the claim to determine whether it owes a lawful obligation to the First Nation. This phase of the process has three steps:

Step 1 – **Research:** The First Nation has submitted its claim to Canada and the claim meets the Minimum Standard for claim submissions. Canada is reviewing the historical research submitted by the First Nation to support its claim.

Step 2 – **Department of Justice preparing legal opinion:** At this stage, the claim is with the Department of Justice where a legal analysis is conducted to determine whether there is an outstanding lawful obligation to the First Nation.

Step 3 – **Legal opinion signed:** The Department of Justice has completed its legal analysis of the claim, which is being reviewed by Aboriginal Affairs and Northern Development Canada; a decision is pending from Canada on whether to accept the claim for negotiation.

Online at: https://www.aadnc-aandc.gc.ca/eng/1100100030300/1100100030301

> *files were in research and assessment. Three years later, in October 2011, all these files had been assessed and all of the associated First Nation claimants had been informed about the outcome of that assessment.*
>
> *With the backlog cleared, the Specific Claims Branch does not anticipate difficulties in completing the research and assessment process for new claims submitted by First Nations. …*[24]

AANDC's announcement of its clearing of the backlog has led the Specific Claims Branch to contemplate redefining its role in the claims process:

> *The transition from the SCB Repackaged Claims to the SCB Historical Review recognizes the end an era. Free from years of accumulated pressure from the Backlog, SCB can return to the grassroots of in-house research, taking the lead in becoming the expert on research methodology and historical elements as they relate to the allegations of the First Nation's claim.*[25]

The claims that formed the backlog are reported on the Specific Claims Branch's online *Status Report on Specific Claims*. Claim assessment categories include:

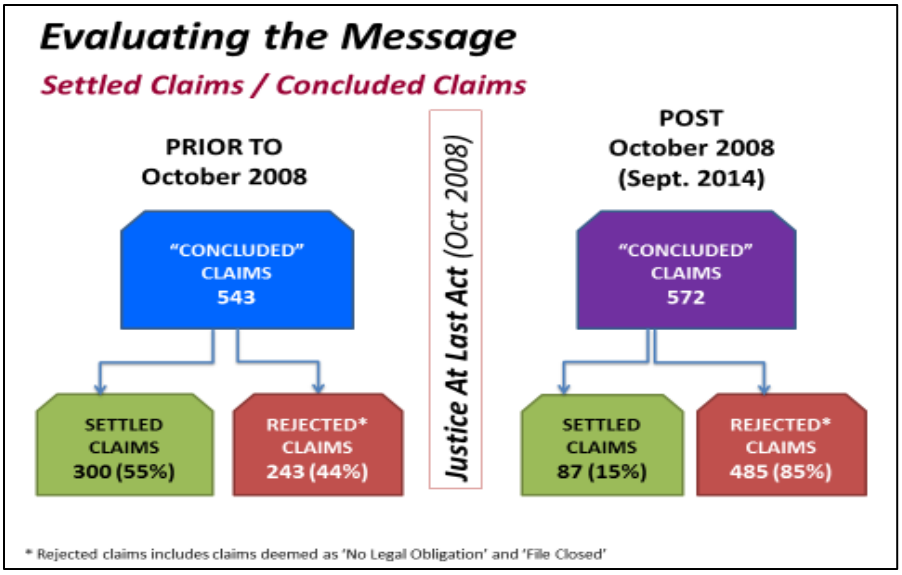
Under Assessment Research	In Negotiations	Concluded
• Justice Department Preparing Legal Opinion • Legal Opinion Signed	• Active • Inactive	• Settled Through Negotiations • No Lawful Obligation Found • Resolved Through Administrative Remedy • File Closed

Of the 800 claims AANDC included in the backlog in October 2008, 600 (75%) have been officially "concluded" without finality, according to the *Summative Evaluation*: 292 of these have been rejected outright (in Canada's view that they have not disclosed any outstanding legal obligation), and 308 have had their files closed[f]. In actuality, 75% of the backlog remains.

The Assembly of First Nations examined AANDC's publicly available data on concluded claims prior to and after the implementation of *Justice At Last*. Their review found that the number of concluded claims did not differ significantly between the two periods (543 prior to October 2008 and 572 after October 2008).

However, prior to *Justice At Last*, 300 claims (55%) were settled through negotiations, compared with only 87 (15%) under *Justice At Last*; 243 claims (44%) were either rejected or had their files closed prior to *Justice At Last*, while 485 (85%) of claims were rejected or had their files closed under the *Justice At Last* policy. Canada has dealt with the backlog of claims by failing to resolve the vast majority of them:[26]

[f] According to AANDC file closure is defined as "claims that would not fall within the scope of the Specific Claims Policy, a First Nation that would decide to withdraw its claims or to reject an offer made by Canada." See the *Summative Evaluation,* p. 18 for more information.



"Concluded Without Finality:" Two New Backlogs or the Same Old Backlog?

The *Summative Evaluation* additionally categorizes concluded claims in two ways: concluded "with finality" and concluded "without finality." Claims concluded with finality are those that received a "complete and final redress of the claim." [27] Claims concluded without finality are those where "no lawful obligation" was found or the claim file was "closed." [28]

The *Summative Evaluation* reports that, "Significant numbers of specific claims have been concluded without finality: There are hundreds of claims that could be proceeding to the Tribunal, or resubmitted as a new claim to the specific claims process." [29] One of the recommendations that emerged from the *Summative Evaluation* was that AANDC develop a risk strategy to "manage the large number of claims that are considered 'concluded' by AANDC but which have the potential to be submitted to the Tribunal or submitted as a new claim to the specific claims process." [30] The "Management Response" to this recommendation was to commit to undertaking a specific claims risk assessment framework. [31] The impact of this framework on actual claims resolution is not known and First Nations have not been invited to participate. [g]

Backlog Still Persists if Claims are Not Concluded with Finality

Contrary to AANDC statements and reports, the backlog has not been eliminated. It persists in the form of unresolved claims. The backlog has been repackaged and effectively transferred to the Specific Claims Tribunal or returned to the pre-submission stage in the form of new claims re-entering the process.

The astonishing numbers of unresolved claims due to rejections and file closures are completely at odds with the Government of Canada's statements in *Justice At Last* and the entire rationale for eschewing litigation in favour of establishing a claims resolution process:

> *Canadians' commitment to justice demands that these legal obligations are discharged and our outstanding debts to First Nations paid in full.* [32]

And:

> *The Government of Canada is accountable for legally-binding treaties and agreements signed by previous governments between the Crown and First Nations and has a duty to honour past commitments made with First Nations. Centuries may have passed since a treaty was signed, but this does not diminish Canada's obligation to keep its promises.* [33]

[g] Information surrounding the Specific Claims risk assessment framework is currently the subject of an Access to Information Request.

Statements in the *Summative Evaluation* suggest the policies flowing from *Justice at Last* stand apart from its guiding principles:

> *As every stage of the specific claims process is voluntary, it is important to note that the specific claim process does not force a claim to be addressed with finality. A First Nation chooses to submit a claim, to negotiate it with Canada, and to decide whether or not to accept a settlement agreement. Furthermore, it is only a First Nation that can make the decision to submit a claim to the Tribunal. Likewise, Canada assesses whether the claim has validity and determines whether or not to enter into negotiations and what would be considered fair compensation.*
>
> *Therefore, the specific claims process is designed to achieve finality but it does not guarantee that finality will happen in all cases. This is particularly evident by the claims that Canada determined did not disclose an outstanding lawful obligation and the claims falling under the file closure category, which includes, amongst others, claims where a First Nations decide not to accept the settlement offer. AANDC considers these claims to be concluded but First Nations have not provided Canada with a release and an indemnity with respect to these claims. Therefore, there is a risk that a number of these claims can be submitted to the Specific Claims Tribunal or submitted as a new claim to the specific claims process at any point in the future.*[34]

While the specific claims process may not "force a claim to be addressed with finality" or guarantee finality, *Justice at Last* does promise a fair, collaborative approach geared towards claims resolution, not simply claims processing.

The Link Between the Backlog, Funding and Claims Resolution

An AANDC 2014-2015 planning document[35] suggests the trend will be to continue dramatic cuts to specific claims funding that will effectively phase out *Justice at Last* by 2016. Tables A and B below show that planned spending dollars for the Aboriginal Rights and Interests Program and the Specific Claims Program in particular will be reduced by almost 60% in the 2016-2017 fiscal year as a result of "the sunset[h] of funding and associated FTEs for Justice At Last: Specific Claims Action Plan."[36] The planned termination of *Justice At Last* with the resulting massive funding cuts would mean essentially the end of the specific claims process, and the abandonment by Canada of hundreds of new claims that are currently in the system and that continue to come to light, as well as the vast majority of claims reported to be cleared from the backlog that are still unresolved.

Table A: Planned Spending on the Aboriginal Rights and Interests[i] Program[37]

Budgetary Financial Resources (dollars)				Human Resources (FTEs)		
2014–2015 Main Estimates	2014–2015 Planned Spending	2015–2016 Planned Spending	2016–2017 Planned Spending	2014–2015	2015–2016	2016–2017
826,318,323	826,318,323	810,894,607	339,129,838	266	259	226

P 1.2 Aboriginal Rights and Interests is the reorganization of the former P 1.2 Co-operative Relationships.

The decrease in 2015–2016 primarily reflects the sunset of funding and associated FTEs for the reconciliation and management of Métis Aboriginal rights, while the decrease in 2016–2017 primarily reflects the sunset of funding and associated FTEs for Justice at Last: Specific Claims Action Plan.

[h] AANDC's report defines a "Sunset Program" as a time-limited program that does not have ongoing funding or policy authority. When the program is set to expire, a decision must be made as to whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

[i] According to the document, " The Aboriginal Rights and Interests Program contributes to The Government Strategic Outcome. It seeks to strengthen collaboration between governments and Aboriginal groups through mutual respect, trust, understanding, shared responsibilities, accountability, dialogue and negotiation concerning the rights and interests of Aboriginal peoples.

Table B: Planned Spending on the Specific Claims Sub-Program[38]

Budgetary Financial Resources (dollars)			Human Resources (FTEs)		
2014–2015 Planned Spending	2015–2016 Planned Spending	2016–2017 Planned Spending	2014–2015	2015–2016	2016–2017
735,583,085	731,770,925	262,192,631	77	77	44

AANDC is proceeding as if Pillar 3 of *Justice at Last* - faster processing of claims - has been fulfilled. In actuality, AANDC's handling of the backlog by rejecting or closing claims and transferring the burden to the Specific Claims Tribunal or to the front end of the process undermines the principal objective of *Justice At Last*: the just resolution of specific claims through meaningful negotiation.

3. Claims Accepted By The Minister Are Being Negotiated

Public reporting by AANDC asserts Canada is negotiating claims fairly, has developed a process to negotiate small value claims and is currently negotiating a greater number of claims than prior to *Justice at Last*. Each of these assertions is false.

According to the Government of Canada, *Justice At Last* represents a "new, decisive approach to restore confidence in the integrity and effectiveness of the process to resolve specific claims."[39] *Justice At Last* itself is replete with references to the benefits of negotiating settlements with First Nations as opposed to litigating specific claims in court:

> *… To honour its obligations and right these past wrongs, Canada negotiates settlements that provide justice to First Nation claimants as well as fairness and certainty for all Canadians. Negotiation is always better than confrontation in securing peaceful settlements that respect the interests of all parties.*[40]
>
> *The Government of Canada prefers to resolve claims by negotiating settlements with First Nations. In contrast to litigation, negotiated settlements are jointly developed by the parties working together to ensure fairness for all. Negotiations are less adversarial, more cost-effective and avoid the risks of court-imposed settlements where outcomes can be uncertain. Just as important, they help build relationships and generate multiple benefits for all Canadians.*[41]
>
> *Negotiations lead to "win-win" situations that balance the rights of all Canadians; they ensure that settlements lead to a just resolution of First Nations' claims and are fair to all parties.*[42]
>
> *The Government of Canada reaffirms that negotiation remains its preferred method to settle claims, as this is invariably more effective than confrontation and adversarial approaches.*[43]

According to *Justice At Last*, negotiations provide justice and certainty, are collaborative and less adversarial, lead to fair resolutions, and are more effective than the confrontational approach modeled in the courts.

The Negotiation Process outlined in *Justice at Last*

Justice At Last contains a useful description of the specific claims negotiation process itself:

> *If an outstanding lawful obligation is found and damages are owed, Canada offers to negotiate a settlement with the First Nation. As a first step, Canada and the First Nation generally negotiate a Protocol Agreement. This creates a framework for negotiations and a process for information-sharing.*
>
> *The negotiators then develop a work plan. They also need to agree how to determine the amount of compensation that will be paid to the First Nation when the claim is settled. Studies on economic losses caused by the claim are often done to help negotiators start discussions on how much compensation would be fair to resolve the claim.*

> *Once the parties reach a consensus, the text of a legal agreement is drafted and then submitted to a vote by the First Nation. Following a favourable vote and approval by Canada, the settlement becomes legally binding on the parties. The final step is to implement the settlement. This includes the payment of cash and, in some cases, the transfer of land, as appropriate.*[44]

This approach is reflected in AANDC's *Guide to the Specific Claims Negotiation Process,* which details the nine steps involved in the process:[45]

> **STEP 1: Claim Accepted for Negotiation:** Following a historical and legal review, specific claims are accepted for negotiation when Canada concludes it has an outstanding lawful obligation to the First Nation.
>
> **STEP 2: Joint Negotiation Protocol Agreement Reached:** This is an agreement that sets out the process and "ground rules" for negotiations. It includes studies, timetables, etc.
>
> **STEP 3: Studies/Research on Compensation:** Research and studies help negotiators determine the amount of compensation that should be paid to a First Nation when its claim is settled.
>
> **STEP 4: Discussions on Compensation:** The negotiators review the studies and work to reach consensus on how much compensation would be fair to settle the claim.
>
> **STEP 5: Settlement Proposal and Drafting of a Final Settlement Agreement:** The negotiators agree on the key terms of a proposed settlement. The settlement agreement is then drafted.
>
> **STEP 6: Settlement Agreement Initialed by Negotiators:** Negotiators for the First Nation and the government initial the agreement.
>
> **STEP 7: First Nation Ratification Vote:** First Nation members have an opportunity to say yes or no to the settlement agreement through a community vote.
>
> **STEP 8: Ratification by Canada:** If approved by the First Nation membership, the next step is for the First Nation leadership and the Minister of Indian Affairs and Northern Development to sign the settlement agreement.
>
> **STEP 9: Implementation of the Agreement:** Land is transferred, or cash is paid, as appropriate.

At odds with both this description in *Justice At Last* and AANDC's *Guide* is the treatment of both "small value" and "large value"[j] specific claims that AANDC asserts it accepts for negotiation.

Small Value Claims Removed from Access to Negotiations

Justice At Last promises to introduce a procedure to quickly negotiate "small value" claims in its discussion of Canada's commitment to Pillar 3, faster processing and improving internal government procedures:

> *The goal is for all new claims to receive a preliminary assessment within six months to identify those that qualify for negotiation and to sort them for faster processing. Similar claims will be bundled at the research and assessment stages to speed up decisions regarding their validity. Small value claims will undergo an expedited legal review to quickly conclude whether they will be accepted for negotiation.*
>
> *… Special efforts will be made to negotiate small value claims – which account for about 50% of cases now in the system – more quickly.*[46]

[j] JAL defines "large value" claims as those valued over $150 million and provides that "Separate arrangements will be established outside the specific claims process" to handle these claims which Canada views as "relatively rare but more difficult." As it stands, no separate process has been developed to resolve these claims. They are referred to Cabinet and the process for dealing with them has never been formally articulated.

Justice At Last does not define "small value" claims or ascribe a compensation amount to them. However, evidence summarized by Justice Patrick Smith in the Aundek Omni Kaning (AOK) Tribunal decision helps to clarify AANDC's internal policy:

> *A small value claim is one which Canada believes, at the time the letter of acceptance is written, could be settled for compensation of less than three (3) million dollars.*[47]

The AOK decision also revealed that a determination of claim valuation occurs during the "Early Review Process" prior to a claim being accepted for negotiation. During this process, a claim is reviewed by AANDC's Valuation and Mandating Unit of the Specific Claims Branch "…to set a preliminary value for the claim. This is the stage where a claim may be categorized as a small value claim, although the preliminary value may be adjusted at a later date."[48] Following the early review, the Specific Claims Branch forwards its recommendation, including the determined preliminary value of a claim, to the Claims Advisory Committee, which is made up of AANDC senior officials.

In April 2014, the National Claims Research Directors (NCRD) received from the Specific Claims Branch a copy of the "Early Review Process Briefing Document,"[49] currently used in the preliminary assessment of specific claims. The document showed that a preliminary valuation of a claim is completed at this stage. A claim is categorized according to one of the following values:

- Small value - under $3 million
- Normal value - between $3 and $150 million[k]
- Large value - over $150 million
- "Unsure" of value[50]

There is no clear indication of how this early valuation is determined. Responding to questions in May 2014 about the rationale, process, criteria, and authority for making claim valuations prior to accepting claims for negotiation, Kathy Green, the Director of Research and Policy at the Specific Claims Branch, stated that early claim valuations are made for the purpose of assigning proportional resources to process a claim, and that a valuation is made by reviewing the value of other similar claims. She stated that no formal valuation assessments are conducted, nor are First Nations claimants funded or invited to provide input at this stage. Ms. Green assured the National Claims Research Directors (NCRD) in attendance at the meeting that the valuation amount is not fixed, nor does it determine how an accepted claim will be negotiated.

Despite this assurance, the valuation categories in the Early Review Process document coincide with the approach to negotiations being undertaken by the Specific Claims Branch. In the AOK hearings at the Tribunal, AANDC officials indicated that claim valuation for the purposes of determining negotiation approaches does occur during the early review process.

Evidence given in the AOK hearing has confirmed that First Nations are categorically excluded from the process of valuating their claims for the purposes of initiating negotiations. As summarized by Justice Smith, "A claimant is not consulted or does not participate in the calculation of the preliminary value of a small value claim or the classification of the claim as a small value claim."[51]

Claims that are unilaterally valued by Canada at less than $3 million enter into an "expedited legal review"[52] process whereby there are excluded from eligibility for negotiation loan funding and from engaging in "negotiation activity." According to Justice Smith's summation of the evidence presented at the AOK hearing,

[k] "Normal value" claims, that is, claims accepted for negotiation and valued by Canada between $3illion and 150 million, are eligible for limited loan funding. A First Nation whose claim is placed into this category may apply for loan funding which "may cover the costs of paying the claimant's negotiators, legal counsel, consultants, travel, meeting facilities, meals, accommodation, appraisers, economists, actuaries and ratification of the settlement."[k] Despite the nominal designations, survey data acquired from First Nations and Claims Research Units across Canada reveals that "normal" claims form a significant minority of claims accepted for negotiation by the Specific Claims Branch.

> *For a small value claim there is no loan funding available because Canada does not expect any significant negotiation activity. Instead, the offer of settlement made by Canada includes a lump sum to cover costs.*[53]

Discrepancies in Public Reporting about Claims in Negotiations

First Nations with claims that Canada has valued under $3 million receive a take-it or-leave-it offer of one-time lump sum payments, usually up to $50,000, to cover the legal costs of reviewing and responding to Canada's terms of acceptance of the claim and settlement offer, as well as obtaining community input and direction. These claims are reported to the public as "in negotiations."[54]

The Specific Claims Branch does not make information on claim value and related approaches to negotiations publicly available. However, *Justice At Last* cited the percentage of small value claims at 50% when it was announced in 2007.[l]

Regardless, Specific Claims Branch expects no "significant negotiation activity"[55] to take place regarding the majority of claims it reports as *accepted for negotiation*.

The Meaning of "Negotiation"

Negotiation is a process by which an agreement between parties is reached through discussion and compromise, that is, engaging in back and forth communication with each other with the sincere intention of reaching a voluntary agreement.

Justice Patrick Smith of the Specific Claims Tribunal has clarified that in the context of section 16(1)(a) of the *Specific Claims Tribunal Act* and of Aboriginal claims, negotiation requires:

> *…consistency with s. 35 of the* Constitution Act, 1982*, the principles of reconciliation and "good faith", and the honour of the Crown. Interpretation should be liberal and generous with respect to ambiguities, which should be resolved in favour of First Nations.*[56]

If a commitment to negotiated settlements as articulated in *Justice At Last* underpins Canada's specific claims resolution policy, and if negotiation and a non-adversarial position drive Canada's approach to settling its debts to First Nations communities, how is it that the majority of claims accepted for negotiation are not expected to generate any significant negotiation activity? What is happening instead?

The Specific Claims Negotiation Process is not being Followed

Instead of initiating a process of negotiation beginning with a Joint Negotiation Protocol Agreement as described in the *Guide to the Specific Claims Negotiation Process*, a First Nation receives a notification letter that its specific claim has been accepted for negotiation. If Canada has designated the claim "small value," these letters are accompanied or followed by a non-negotiable offer of settlement, a one-time sum to cover legal costs and a 60 to 90 day deadline to accept and respond to the offer or have the claim file closed.[57] File closures result in the Specific Claims Branch stopping all work on the claim and devoting no more internal resources to it. The claim has effectively come to an end unless the First Nation submits new evidence warranting reconsideration of the claim.[58] The claim is reported as "File Closed" on the *Status Report on Specific Claims,* which is publicly available on AANDC's website and is considered a "concluded" claim for both internal and public statistical and evaluative purposes.[59]

According to the 2014 *Specific Claims Survey*, many of the "small value" claims accepted for negotiation are, in actuality, minor portions of larger, more complex claims. As discussed above, the substantive allegations are routinely rejected by Canada or Canada limits the extent of its liability to extremely narrow, severed timeframes. The unilateral calculation of claim values by SCB is determined based on only the accepted, usually minor, allegations. Thus, the practice of partial acceptances has become a tool to divert larger claims into the "small value" claims category and address claims quickly at the expense of fair negotiations and fair compensation.

[l] The number of claims that have been unilaterally assessed as "small value" – and therefore eligible for the "expedited settlement process" is currently the subject of an Access to Information Request.

In addition to Canada making "take-it-or-leave-it" offers, the small value settlement offers are conditional upon the First Nation signing a full and final legal release on the entirety of the claim submission, preventing a First Nation from reopening the substantive allegations at any time in the future through any other process.[60] 80% of respondents to the *Specific Claims Survey* have received partial offers on relatively small portions of their claims while 75% indicated they received demands for releases on rejected allegations that they identify as substantive.[61]

In the AOK Tribunal case and in other First Nations' accounts, these non-negotiable settlement offers are considered by the First Nation to be wholly inadequate and often insulting; the one-time payment to cover legal costs in lieu of a meaningful negotiation process is an exploitation of the real poverty experienced by most First Nations communities in Canada.

One BC First Nation articulated its dissatisfaction with Canada's practices in a February 2012 letter to its AANDC negotiator:

> *[The First Nation] would rather leave this outstanding grievance for a just and fair resolution to be achieved by one of our future generations than allow this generation, and in particular this Council, to sign a deal that is so fundamentally flawed and so fundamentally underestimates the strength and resolve of our community.*
>
> *Some of the reasons for our decision to wholly reject Canada's settlement offer include the following considerations. Firstly, the amount of the offer is an insult. It takes the most minimalist and technical approach to the wrong and assigns the least financial value possible. … Secondly, the enticement of the negotiation expenses - $50,000.00 - is not something [the First Nation] is prepared to bite at. Obviously, and as you are no doubt aware, our community could certainly put $50,000.00 to good use and benefit. These are monies that are needed in and by our community. However, there is a principle here, and [the First Nation] is resolved not to fall for Canada's trickery. In talking with the leaders of other First Nations, we learned that they have also been offered very, very little value to the wrong but significant monies (at least significant for these communities) as "expenses" to settle the claim. Canada's approach is dishonourable – either taking, or attempting to take, advantage of our poverty. Each specific claim is significant. In each case, we relied on Canada to administer and manage our lands to our best use and benefit. And then, when many decades later, Canada agrees that perhaps things could have been done better, the offer to settle raises instead a new grievance. As I say, [the First Nation] has decided to reject Canada's offer, to not fall for the carrot, and leave the door open for a truly negotiated settlement in the future.*[62]

The lump-sum "negotiations" payments are insufficient for First Nations to assess, to attempt to negotiate, and to respond to all aspects of Canada's offers. First Nations' attempts to communicate with Canada regarding the take-it-or-leave-it settlement offers are routinely dismissed, leading Justice Smith to characterize the process for small value claims as:

> *…paternalistic, self-serving, arbitrary and disrespectful of First Nations. It falls short of upholding the honour of the Crown, and its implied principle of "good faith" required in all negotiations Canada undertakes with First Nations. Such a position affords no room for the principles of reconciliation, accommodation and consultation that the Supreme Court, in many decisions, has described as being the foundation of Canada's relationship with First Nations.*[63]

Rigid, take-it-or-leave-it offers made without discussion or explanation, with fixed arbitrary deadlines do not constitute negotiations of any sort. They are ultimatums.

Misleading Reports of More Claims in Negotiations

As a matter of internal policy, Canada refuses to negotiate "small value" claims, which account for most claims in the system. Yet, AANDC publicly reports that, "…the total number of claims in negotiation has increased significantly under the Action Plan [*Justice At Last*]."[64] AANDC states the number of claims in negotiation in 2012 was double the number in negotiation in 2008, and in 2013, reported 280 claims in negotiation.

A critical review of the publicly accessible *Specific Claims Status Report* completed in September and November 2014 found 92 claims currently in negotiation, suggesting that in the 19 months since AANDC's report, close to 200 claims have been settled through negotiations. Yet the Status Report clearly indicates that approximately only 20 claims have been settled in that time period.[65]

AANDC also reports on a "Historical Acceptance Rate" (HAR) as a measure of its success in dealing with specific claims. The HAR refers to the "…proportion of all claims researched and assessed since 1973 where Canada concluded that a claim disclosed an outstanding lawful obligation,"[66] meaning, the proportion of claims submitted that are accepted for negotiations. In the five years since the implementation of *Justice at Last*, the average annual HAR is reported at 64%, yet the inventory records that only about 15% of submitted claims result in negotiated settlements.

AANDC's 2013-14 Departmental Performance Report indicates that, "Canada is negotiating 100% of the 231 claims accepted for negotiation." If these statistics hold true, Canada is clearly including its one-time, take-it-or-leave-it offers to First Nations with small value claims in its negotiation total. We know that, in actuality, the majority of claims are being effectively barred from any negotiation process whatsoever. This is not conjecture. It is confirmed by AANDC's own definition of its small claims expedited settlement process and by Justice Patrick Smith in the AOK Tribunal decision.

Public Reports via the House of Commons Standing Committee on Aboriginal Affairs

Public reporting on the status of specific claims also occurs in the form of studies performed by the Standing Committee on Aboriginal Affairs and Northern Development,[67] whereby departmental officials report to Parliament on the status of the Specific Claims Program. In October 2011, Director General of the Specific Claims Branch Anik Dupont testified and answered questions about the nature of claim negotiations:

> ***Mr. David Wilks (Kootenay—Columbia, CP**C):*
> *… I specifically just want to talk about the offer, and arguably it's probably one of the more important parts of the negotiation. But in terms of the offer, do first nations agree to negotiate with Canada? And are first nations consulted before a settlement offer is made?*
>
> ***Ms. Anik Dupont:***
> *When the minister accepts the claim for negotiations, a letter is sent to the first nation, which explains what is the basis on which we agreed to negotiate. Following this, the first nation has to confirm its agreement with a band council resolution to the department stating that it agrees with the terms of the letter and that it wishes to commence negotiations.*
>
> *Sometimes through studies or other work that we look at, we value what the claim is, what the components of the claim are. So either the studies or the work at the table are done—sometimes jointly, sometimes by the first nation—to inform and develop what we believe is the value of the claim. That work is all done jointly with the first nation.*
>
> *Then once the negotiators have an idea of what the value of the claim is, the negotiator has to seek a mandate to be able to present the first nation with an offer.*
>
> *So the first nations have a general idea of where we're going and what we're going to be looking at by way of compensation. The negotiator comes in, develops the mandate, seeks approval for it, and then goes back to the first nation and presents a written offer to the first nation explaining how we arrived at this offer.*
>
> ***Mr. David Wilks:***
> *To clarify, the joint research and discussions take place with both parties?*

> ***Ms. Anik Dupont**:*
> *Yes. Sometimes the first nation may wish to do their own research, and sometimes we do it jointly. It's all worked out. Each and every table is different, for a variety of different reasons.*[68]

Ms. Dupont's statement that the work of determining settlement offers is "all done jointly with the first nation" is a misrepresentation of the facts. This may be true for larger valued claims, but it is certainly untrue of the process for small value claims. It contradicts statements made by AANDC staff under oath. It contradicts statements made by Kathy Green (second in rank to Ms. Dupont) to the Research Directors from CRUs Canada wide, and it contradicts the reported experiences of First Nations and their legal counsel attempting to negotiate their specific claims.

A First Nations Tool Becomes an "Operational Model"

Why is Canada abandoning both the principles and practice of negotiation as articulated in *Justice At Last* for the majority of claims it explicitly accepts for negotiation?

According to section 16 of the *Specific Claims Tribunal Act* a First Nation may file a claim with the Tribunal if it has been rejected or if "… three years have elapsed after the day on which the Minister has notified the First Nation in writing of the Minister's decision to negotiate the claim, in whole or in part, and the claim has not been resolved by a final settlement agreement."[69]

In other words, a First Nation may access the Specific Claims Tribunal if, after three years of negotiations, the First Nation assesses that negotiations are not occurring in a satisfactory way. This three-year timeline was intended as a tool for First Nations to compel Canada to negotiate and resolve specific claims in good faith. First Nations are not obligated to file claims with the Tribunal. In fact, if First Nations are content with the progress of negotiations, they may opt to continue talks beyond three years.

However, Canada has been using the legislated three-year timeline as an "operational model" whereby Canada has internally determined it must "address" specific claims within this time period. AANDC's April 2011 *Formative Evaluation of the Specific Claims Action Plan* states:

> *In reviewing the negotiation process in light of the Action Plan, INAC decided the Department would attempt to negotiate and settle all valid claims within a three-year period following the notice from the Minister to the First Nation claimant offering to negotiate a settlement.*
>
> *In practical terms, this decision became an operational model. …*[70]

In theory, the operational model functions to conclude negotiations within a three-year time period, which AANDC officials agree is their interpretation of the Act.[71] In practice, the operational model derails negotiations by ignoring the intent of the legislated timeline, which is to compel Canada to negotiate. As articulated in the *Formative Evaluation*:

> *Nowhere in the* Specific Claims Tribunal Act *or in the Specific Claims Policy itself, is there an obligation to negotiate a settlement within three years. ... Evidence gathered as part of this evaluation indicates that there is little incentive for a First Nation to abandon a negotiation table and turn to the Tribunal simply because this option has become available.*

and,

> *… that this operational model will not be sustainable for larger and more complex claims.*[72]

Canada is prioritizing expediency over its duty to negotiate in good faith. This outcome was observed in the *Formative Evaluation*:

> *Finding from the evaluation suggests that INAC's negotiators may appear more prompt to table so-called* final *offers, which have little chance of being accepted by First Nations, in order to close a file before the end of the three-year period.*[73]

This timeline is also described by Anik Dupont in her October 2011 testimony to the Standing Committee:

> ***Mr. Rob Clarke (Desnethé—Missinippi—Churchill River, CPC)****:*
> *First, how does the department decide to end the negotiations?*
>
> ***Ms. Anik Dupont:***
> *Do you mean to conclude negotiations or...?*
>
> ***Mr. Rob Clarke:***
> *Yes.*
>
> ***Ms. Anik Dupont:***
> *Well, in the course of the negotiations, once we've established that we have an understanding of what the claim looks like and how we're going to be compensating, and once we put a value to what the claim is, we come in to get a mandate to settle these claims.*
>
> *Then, once an offer is made to the first nation and they make the decision whether or not to accept the claim, if they accept it we finalize. They may have a ratification vote, depending; there are thresholds for ratification. If the first nation votes in favour and they agree to the settlement and to the trust, we seek approval to ratify the agreement. Then we make payment to the first nation.*
>
> ***Mr. Rob Clarke:***
> *Do the first nations want to continue with negotiations past the three years?*
>
> ***Ms. Anik Dupont:***
> *I guess from the first nations' point of view, it's getting used to the concept that we come in and this will take three years. It's been a difficult adaptation for everyone when it comes to the pace and how we need to focus more at the tables.*
>
> *The first nations sometimes feel that, yes, they are being pushed and shoved through the process, but we have a lot of discussions with them, and they understand that the ultimate goal is for us to get them in front of a settlement sooner rather than later.*[74]

The deadlines being imposed on First Nations by the Specific Claims Branch to accept Canada's offers are wholly artificial since there is nothing in the Act or policy suggesting Canada will terminate negotiations at the end of three years. There are also arbitrary deadlines imposed on First Nations with "small value" claims, where they are given 60 or 90 days to accept Canada's one-time settlement offer. Since Canada is either refusing to negotiate small value claims or terminating negotiations, it is clear that the bureaucratic imperative to close files quickly in a pantomime of efficiency and public accountability trumps good faith negotiations to resolve specific claims with finality and in the spirit of reconciliation. As AANDC's *Formative Evaluation* observes:

> *Finding from the evaluation suggests that INAC's negotiators may appear more prompt to table so-called* final offers*, which have little chance of being accepted by First Nations, in order to close a file before the end of the three-year period. ... What appears concerning, however, is the extent of the increase in the number of files closed. This is six to eight times higher than what was experienced before the Action Plan.*[75]

4. Access to Mediation has been Established for First Nations

Public reporting by AANDC asserts Canada has created better access to mediation for First Nations engaged in the specific claims negotiation process and that First Nations are not using the mediation services available to them. This assertion needs to be addressed as it creates the false impression that First Nations are refusing to avail themselves of a viable dispute resolution alternative.

The *Specific Claims Action Plan* promised "better access to mediation" through a "neutral third party" where "Every reasonable effort will be made to achieve negotiated settlements and cases would only go to the tribunal when all other avenues have been exhausted."[76]

As a performance measure, AANDC tasked itself with the following: "Through discussions with First Nation leaders, develop and implement a strategy to allow for greater use of mediation services."[77] ANNDC reports that "access to mediation has been achieved; however, parties are not making use of the better access to mediation."[78] Despite these commitments and public reports, in fact there are very few opportunities for mediation in the specific claims process; and where mediation is a real option, independent services have not been provided to First Nations who request them.

What is Mediation?

AANDC's "Frequently Asked Questions – About Mediation Services for Claim Negotiations" website describes mediation as:

> *…an important and valuable mechanism to assist the parties in a dispute to overcome obstacles or impasses and reach negotiated agreements.*
>
> *Mediators employ various tools, including facilitated communications, problem-solving and option-building to help the negotiating parties to effectively and efficiently reach mutually acceptable agreements and settlements. Mediators do not have the authority to impose binding solutions, but instead encourage the parties to resolve issues collaboratively.*[79]

The Creation of a Mediation Centre

Our records indicate that, in 2008, the Assembly of First Nations (AFN) and Canada began to jointly develop a framework for a new Alternate Dispute Resolution Centre for specific claims negotiations. However, Canada subsequently ended discussions with the AFN on this matter.

Instead, AANDC established a unit within its own offices to administer and provide mediation services from within the Department. Then Minister Strahl's justification for this was articulated in a letter to the National Chief Shawn Atleo: "it is my position that independent mediation services to parties during specific claim negotiations can most effectively and efficiently be provided through the Department."[80] Rather than establishing a neutral, independent mediation body as promised in *Justice At Last*, AANDC officials unilaterally developed a roster of mediators, and the mediation unit is housed in AANDC offices. The AFN opposed AANDC's mediation schemes as indicated in this 2010 letter from the AFN National Chief to then Minister Chuck Strahl:

> *…the key elements of independence and neutrality that are the cornerstone to facilitation / mediation services are severely compromised by this final option.*
>
> *…*
>
> *The impartial nature of the services needed by the parties – require these services to be administered and provided by a neutral party that is not in any way otherwise involved in the issue(s). The Department's option eliminates impartiality. This option has the* appearance *of bias since the Department would be in the position of convening the alternative dispute resolution process and participate as a party.*[81]

AANDC's *Summative Evaluation* suggests that First Nations are not taking advantage of mediation services because they may not be aware of them. However, the report provides no data to support this assumption. Further, the AFN as well as other First Nations organizations have demonstrated their knowledge of AANDC's mediation unit through their widespread and public opposition to it. As noted above, the degradation of the negotiation process especially in relation to small claims means that there is much less opportunity for mediation in the specific claims process. Another reason why First Nations are not using AANDC's mediation scheme for specific claims is because it is not perceived as independent, since it was established and is administrated by AANDC. A First Nation may also be reluctant to request mediation if they believe Canada will not consent as it would constitute waste of time and resources.

The few First Nations who have attempted to access mediation have reported that Canada either refused to engage or walked away after mediation began; the perception exits that Canada will not agree to mediation in most cases. As identified in the 2014 *Specific Claims Survey*, of 283 First Nations, only two First Nations sought mediation for their claims. In both cases, they indicated Canada agreed to and then walked away from mediation.[82]

5. The Specific Claims Tribunal is Fulfilling its Legislative Requirements and Meeting First Nations' Expectations

Public reporting by AANDC states that the creation of the Specific Claims Tribunal is one of the primary achievements of its *Specific Claims Action Plan*. The *Summative Evaluation* reports that:

> *The Specific Claims Tribunal has been established, including the Registry, which supports the work of the Tribunal.*[83]

and

> *Over time, negotiated settlements, decisions from the Tribunal and the body of law that will emerge from the Tribunal are expected to contribute to a greater level of justice and certainty.*[84]

The Tribunal was established through the *Specific Claims Tribunal Act* on October 17, 2008, and it became operational in June 2011. To date, the Tribunal has issued a number of decisions which have helped to clarify procedural, factual, and legal issues common to many specific claims and have paved the way for the resolution of a number of claims with similar issues.[85] The Tribunal process, if properly resourced, can be expected to result in future in a predictable legal framework for the often complex issues advanced in specific claims, thus greatly enhancing the prospect of claim resolution and reconciliation through negotiated settlement agreements. Yet despite its early successes and future promise, Canada is currently imposing changes to the Tribunal that are significantly compromising the Tribunal's independence, perceived legitimacy, and continued operations.

Principles Behind the Creation of the Specific Claims Tribunal

The first pillar of *Justice at Last* is impartiality and fairness through the creation of an independent claims tribunal. *Justice at Last* states:

> *…Canada will create an independent tribunal that can make binding decisions where claims are rejected for negotiation or when negotiations fail. … The independent tribunal will be made up of retired or sitting judges. These judges will have the necessary experience, capacity and credibility to examine historical facts and evidence and to address complex legal questions surrounding Canada's legal obligations and determine appropriate levels of compensation.*
>
> *There are three scenarios in which a First Nation could file a claim with the Tribunal:*
>
> - *when a claim is not accepted for negotiation by Canada;*
> - *in cases where all parties agree that a claim that has already been accepted should be referred for a binding decision; or,*
> - *after three years of unsuccessful negotiations.*

> *… In all cases, these interventions will bring greater fairness to the process while accelerating the settlement of outstanding claims.*[86]

The Tribunal has the authority to make final and binding decisions on specific claims, which according to then Department of Justice Lawyer Robert Winogren are subject only to judicial review, which he described as:

> *…a process wherein if the jurisdiction of the tribunal is in question, then that jurisdiction can be questioned; otherwise it's a final decision.*
>
> *…*
>
> *There are no appeal provisions, so the case can't be reconsidered on its merits. ... The only provision for review is judicial review, which is an administrative remedy, available when a judge exceeds his jurisdiction*.[87]

DISSOLUTION OF A DEDICATED REGISTRY: TRIBUNAL'S INDEPENDENCE UNDERMINED

In June 2014 Canada passed the *Administrative Tribunals Support Services of Canada Act* (*ATSSCA*), which came into force on November 1, 2014. The *Act* established the Administrative Tribunals Support Services of Canada to "consolidate the provision of support services to 11 administrative tribunals by way of a single, integrated organization."[88] As a result, the Registry of Specific Claims ceased its operations on October 31, 2014 and its staff and resources have been transferred to the ATSSC. The ATSSC is now responsible for determining administrative procedures and providing all facilities and support services, including financial, research and analysis services, to the Specific Claims Tribunal.[89]

The Registry, which had its origins in the *Specific Claims Tribunal Act*, was described as being responsible for:

> *…managing the processing of claims including: intake and tracking of submitted claims; managing the logistics of proceedings (including scheduling of proceedings); processing warrants, subpoenas, and writs; managing information and records; and providing services to the public in both official languages.* [90]

Prior to the transfer of its financial and human resources to the ATSSC, the Registry emphasized the crucial importance of fulfilling its mandate:

> *… These services support the independent resolution of claims fairly, without delay, and with an efficient, effective, and economic application of resources. The Registry must exercise these functions in a manner that protects the administrative and adjudicative independence of the Specific Claims Tribunal.* ***Independence is central to the role of the Specific Claims Tribunal and its ability to resolve claims fairly****.*[91] [emphasis added]

While the federal government asserts that: "Decision-making independence in relation to the tribunals' adjudicative and substantive functions (including investigation and mediation) will be fully preserved, and the tribunals will maintain control over their rules and procedures,"[92] First Nations have grave concerns that the Tribunal's power to make decisions on spending and resource allocation will be significantly hampered under the new administrative service. These concerns are compounded by the fact that any loss of financial independence could, in effect, represent diminished operational control.

Further, First Nations are also concerned that the Tribunal's independence will be significantly compromised as the service will lack the requisite understanding of the complexities involved in the Tribunal fulfilling its mandate. The Tribunal is predicated upon judicial independence from the Government of Canada. Any curtailment of the Tribunal's independence puts the legitimacy of the Tribunal at risk.

Understaffing and Underfunding Impairing the Tribunal's Ability to Function

On November 14th, 2014 the Chair of the Specific Claims Tribunal, Justice Harry Slade, released his Annual Report. Justice Slade warns that crippling understaffing and considerable funding shortfalls will impair the ability of the Tribunal to function:

> *The Tribunal has neither a sufficient number of members to address its present and future case load in a timely manner, if at all. Nor is it, … assured of its ability to continue to function with adequate protection of its independence.*
>
> *…The Tribunal will fail.*[93]

Justice Slade states that, despite raising these concerns with the Ministers of Justice and Aboriginal Affairs, "There has been no adequate response from Government."[94]

For a body of law to emerge from the Tribunal that contributes to "a greater level of justice and certainty," the Tribunal must be properly staffed and resourced in accordance with the provisions of the *Specific Claims Tribunal Act* and must be permitted the independence needed to conduct its work in accordance with the rationale articulated in *Justice At Last*.

Funding for First Nations Participation at the Tribunal Resulting in Depleted Research Budgets

A First Nation who files a claim with the Specific Claims Tribunal receives contribution funding authorized and distributed through AANDC's Funding Services for Aboriginal Governance and Negotiation Unit (FSAGNU). This contribution funding is drawn from AANDC's total annual budget for the research and development of specific claims, which totaled $6 million in the 2014-1015 fiscal year.

In 2014-15, claims research units across Canada received 30 to 60 percent cuts to their annual funding for the research and development of specific claims. At a May 2014 national meeting FSAGNU officials informed directors of claims research units that of the $6 million allocated to claims research and development in 2014-2015, $2 million had been set aside to cover the costs of First Nations taking claims to the Tribunal.[95]

As the Specific Claims Branch is rejecting claims in higher numbers and refusing to negotiate the majority of claims, the Tribunal will see dramatic increases in the number of claims awaiting final resolution. Funding for claims at the Tribunal will have a direct, adverse effect on research funding; in fact, First Nations Tribunal funding will be at the expense of research and development funding in a cycle of diminishing returns: the more claims that the Tribunal is forced to hear because Canada will not resolve claims through negotiations, the less money there is to conduct the research necessary to advance claims to the Tribunal.

Legislated Five Year Review of the *SCTA*

October 16, 2013 marked the fifth anniversary of the coming into force of the *Specific Claims Tribunal Act*. The Act stipulates that within one year of the anniversary the Minister must conduct a review "of the mandate and structure of the Tribunal, of its efficiency and effectiveness of operation and of any other matters related to [the Act]"[96] and that First Nations must be given an opportunity to make representations as part of the review. There has been no formal invitation to First Nations specifically to make submissions to the review, however, Canada has released an "engagement paper" titled *Seeking Comment on the Five Year Review of the Specific Claims Tribunal Act* and invited all Canadians to make electronic submissions by April 15, 2015. Upon examination it appears that Canada's formal engagement process consists of responding to questions that are focused on the Tribunal's expediency and efficiency and implicitly suggest the Tribunal's shortcomings are administrative problems to be solved by transferring select power from the Tribunal to another administrative body, rather than addressing Canada's substantial and chronic under-resourcing of the Tribunal. It also severs the operation of the Tribunal from the concrete application of the specific claims policy and the implementation of internal directives that directly impact the case load and expectations of the Tribunal.

RECOMMENDATIONS

OVERALL

The failure of *Justice at Last* reflects a deep and growing rift between First Nations and the Crown – one that is characterized by a profound mistrust towards government processes, systems, promises, and, most importantly, honour. All recommendations below are prefaced by the overarching need for joint oversight of the process moving forward if trust is ever to be rebuilt. Further, hundreds of claims under the current process have been left in limbo – returning us to a time when a massive backlog of unresolved claims characterized the claims process. These recommendations provide Canada with tangible, achievable steps that can be taken to finally achieve *Justice at Last*.

RESOURCING/FUNDING

1. Immediately restore and increase funding to research and develop specific claims based on the number of new claims in development and taking into account that the research must be comprehensive and that documents must meet the Minimum Standard. Some of this funding could be redirected from the Specific Claims Branch who report a reduced work plan. Immediate restoration of specific claims research funding would allow current and new claims to be researched and developed giving these claims access to the resolution promised by *Justice at Last*.
2. Provide funding to the Tribunal to adequately address the volume of claims that can be expected to be filed with the Tribunal due to the large number of rejected claims and file closures.
3. Provide adequate funding to First Nations who have claims filed with the Tribunal.
4. Provide resources to all claimants at all stages of the claims process at levels commensurate with the new demands on claimants at the filing stage, as well as in the event that they go before the Tribunal.
5. Renew commitment to annual specific claims settlement fund at current or increased levels.
6. Provide funding for First Nations to initiate and participate in Judicial Reviews of Tribunal decisions commensurate with the resources available to Canada to engage in Judicial review.

NEGOTIATIONS AND MEDIATION

7. Abandon the practice of partial acceptances with blanket releases. Releases should only be considered for allegations that have been resolved - not on rejected allegations (which can access the Tribunal).
8. Abandon the practice of making settlement offers, unilateral decisions and underfunding – because these approaches undermine reconciliation and true resolution.
9. Abandon the practice of assigning value to a claim without consultation with First Nations. AANDC officials are not qualified to make these valuations and their unilateral imposition undermines negotiations.
10. Unpin imposed claim value from negotiation strategies. Process "small value" claims in the same way as "normal" claims. These are historical grievances that require reconciliation and acknowledgement.
11. Immediately cease referring to the issuance of non-negotiable, final, take-it-or-leave-it offers as "negotiation."
12. Abandon conflict-of-interest laden mediation services established by AANDC and reconvene discussions with the Assembly of First Nations to establish a truly independent Mediation Centre.
13. Under this new, independent Mediation Centre, identify and develop opportunities for mediation, and engage in mediation with First Nations.

PUBLIC REPORTING

14. Through meaningful dialogue with First Nations, jointly develop and apply performance measures to assess the clearing of the backlog. These should be guided by the principle that claims in the backlog are only cleared when they are concluded with finality. Reporting should be based on these performance measures.
15. Incorporate data on claims that are currently in Research and Development into reports and projections.
16. Public reporting should be explicit about claims that have been accepted/negotiated/expedited offer rejected etc.
17. Public reporting should indicate which negotiation scheme a claim has entered into (expedited/small claims, etc.) – until this practice is halted.

OVERSIGHT

18. Convene a Senate Standing Committee Study into *Justice at Last* in which First Nations are directly involved.

TRIBUNAL

19. Restore the independence of the Tribunal by keeping the administration of the Tribunal separate from the centralized administrative unit created by recent legislation.
20. Work with the Judiciary to ensure the Tribunal is adequately staffed.
21. Integrate Tribunal decisions into the assessment of claims.
22. Create a streamlined process whereby First Nations can request that that their rejected or closed claims be re-assessed in light of Tribunal decisions.

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Impaired Access

SUBMISSION TO THE

STANDING COMMITTEE ON ACCESS TO INFORMATION, PRIVACY AND ETHICS

REGARDING BILL C-58

"An Act to Amend the Access to Information Act and the Privacy Act and to Make Consequential Amendments to Other Acts"

October 16, 2017

Submitted by National Claims Research Directors

Executive Summary:

The National Claims Research Directors is a national body of specialized technicians who manage over thirty centralized Claims Research Units mandated to research and develop specific claims on behalf of First Nations. Much of our work is focussed on the development of claims against the Government of Canada related to its breach of lawful obligations against First Nations, pursuant to the Specific Claims Policy and the *Specific Claims Tribunal Act*, as well as other disputes related to Treaties and Aboriginal title and rights. We work closely with First Nations communities, legal counsel, funding administrators, Canada's Specific Claims Branch of Indigenous and Northern Affairs (INAC), claims negotiators, and the Specific Claims Tribunal. The nature of our work requires us to routinely access thousands of records from federal government departments and agencies.

We wish to outline our grave concerns about the content of Bill C-58. We strongly oppose the bill as currently drafted and urgently call on the Committee to withdraw the bill and engage in full and meaningful consultation with First Nations regarding reforms to access to information legislation.

Bill C-58 will greatly impair the ability of First Nations to document their claims, grievances, and disputes with the Government of Canada and will significantly impede First Nations' access to justice in resolving their claims. As such, Bill C-58 contravenes the Government of Canada's commitment to reconciliation with First Nations, and violates the *Principles respecting the Government of Canada's relationship with Indigenous peoples* announced by Justice Minister and Attorney General of Canada Jody Wilson-Raybould in July 2017.

The Bill will hinder efforts by Canada to meet the standards of redress for historical wrongs articulated in the *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP), as it represents a significant regression of First Nations' existing rights of access to information.

The Office of the Auditor General of Canada (OAG) recently conducted an audit of Canada's specific claims process. The OAG's report, released in November 2016, concluded that Canada's department of Indigenous and Northern Affairs introduced numerous barriers that hindered the resolution of claims, including restricting information.

If passed into law, Bill C-58 will impose substantive new barriers to the resolution of First Nations' claims. It will also provide legislative authority for the suppression of evidence which First Nations require to pursue and resolve their claims against Canada. It will exacerbate Canada's existing conflict of interest with respect to resolving First Nations' claims against itself. The bill will also create barriers to First Nations obtaining information which is integral to their operation as governments.

On June 29, 2016, we presented a submission to this Committee outlining our concerns regarding efforts then underway to reform the *Access to Information Act* and the *Privacy Act*. We recommended full, meaningful consultation with First Nations as equal partners. We note that

Bill C-58 has been developed unilaterally, without any effort to consult First Nations, contrary to Canada's commitment to a Nation-to-Nation relationship and to work in equal partnership with First Nations. This contradicts Canada's obligations under the UNDRIP, which requires States to consult and cooperate in good faith with Indigenous peoples to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.

Access to federal records is crucial to First Nations for the resolution of their claims since Canada – in particular, the Department of Indigenous and Northern Affairs - holds the vast majority of the evidence required to adequately and accurately document First Nations claims as required by the federal Specific Claims Policy. This puts Canada in a clear conflict of interest. Bill C-58 introduces new barriers to accessing information and thus provides ample new tools for Canada to further entrench this conflict of interest.

We have particular concerns about revisions to section 6 of the bill (*Request for access to record*). Bill C-58 introduces stringent criteria for accessing government records, requiring applicants to specify the subject matter, type and date of all records sought. We agree with the Information Commissioner that these requirements will act as deterrents and are inappropriate in instances where First Nations researchers must investigate broadly, and in the absence of departmental finding aids, or access to file organizational structures. To enshrine this kind of triple requirement into legislation is overly prescriptive and appears intended to stifle legitimate requests

Section 6.1 provides grounds for serious concern, in that it provides legislative grounds for government bodies to deny a request for records on the basis that the applicant has already been given access or may access the record by other means. First Nations are encouraged to make informal requests for information to the federal department in question. In many cases, this does not result in substantive disclosure. As a result, once the initially released information has been reviewed, a formal access to information request will be filed. Section 6.1 will prevent a First Nation from making a formal ATI request if their initial informal request was not satisfactory. INAC staff already employ this rationale in denying access to records; Bill C-58 will provide the legislative justification for doing so.

Taken together, the elements contained in section 6 will provide Canada with ample means to frustrate First Nations in their efforts to gather the evidence required to document their claims, grievances and disputes against Canada. They will also provide an easy way to suppress the release of such evidence.

<u>Recommendation</u>:

In keeping with Canada's commitments to reconciliation and to implement the UNDRIP, as well as ensuring access to justice for First Nations, we call on the committee to withdraw Bill C-58 and engage in full and meaningful consultation with First Nations regarding legislative reforms to access to information. We also fully endorse the recommendations to improve Bill C-58 made by the Information Commissioner of Canada in her September 2017 report.

Introduction:

This submission has been prepared by National Claims Research Directors. We are a national body of technicians who manage over thirty centralized Claims Research Units mandated to research and develop specific claims on behalf of First Nations. We work closely with Indigenous communities, legal counsel, funding administrators, Canada's Specific Claims Branch of Indigenous and Northern Affairs, claims negotiators, and the Specific Claims Tribunal, and are regularly involved in in accessing information from federal government departments and agencies.

We are mandated by First Nations to document and develop evidence related to their histories, claims, disputes and grievances. Much of our work is focussed on the development of claims against the Government of Canada related to its breach of lawful obligations against First Nation communities, pursuant to the Specific Claims Policy and the *Specific Claims Tribunal Act*, as well as other disputes related to Treaties and Aboriginal title and rights.

We wish to express our grave concerns about the content of Bill C-58, and to alert you to the fact that, as currently drafted, the C-58 will greatly hinder the ability of First Nations to document their claims, grievances and disputes with the Government of Canada.

Bill C-58 will greatly impair the ability of First Nations to document their claims, grievances and disputes with the Government of Canada and will significantly impede First Nations' access to justice in resolving their claims.

The Office of the Auditor General of Canada (OAG) recently conducted an audit of Canada's specific claims process. The OAG's report, released in November 2016, concluded that Canada's department of Indigenous and Northern Affairs introduced numerous barriers that hindered the resolution of claims, including restricting information[1].

If Bill C-58 is passed into law, it will impose substantive new barriers to the resolution of First Nations claims and will provide legislative cover for the suppression of evidence which First Nations require to pursue and resolve their claims against Canada. It will exacerbate the federal government's existing conflict of interest with respect to claims by First Nations against Canada. Moreover, the legislation, as drafted, will add barriers to First Nations obtaining information which is integral to their operation as governments.

Moreover, Bill C-58 has been developed unilaterally, without any effort to consult First Nations in any substantive or meaningful way, or to consider their rights and interests.

The Bill will also hinder efforts by Canada to meet the standards of redress for historical wrongs articulated in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as it represents a significant regression of First Nations' existing rights of access to information.

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[1] Office of the Auditor General of Canada, *Report 6—First Nations Specific Claims—Indigenous and Northern Affairs Canada*, November 2016.

For these reasons, Bill C-58 contravenes the Government of Canada's commitment to reconciliation with First Nations.

<u>The Uniqueness of First Nations Interests</u>:

When it comes to access to information, our interests and rights are of a different character than other constituencies such as the general public or the media. We work for First Nation governments which have a recognized right of access to federal records, in particular, to document their claims, disputes and grievances with the Crown. This right is articulated in section 8(2)(k) of the *Privacy Act* which states that personal information under the control of a government institution may be disclosed:

> *to any aboriginal government, association of aboriginal people, Indian band, government institution or part thereof, or to any person acting on behalf of such government, association, band, institution or part thereof, for the purpose of researching or validating the claims, disputes or grievances of any of the aboriginal peoples of Canada;*

The Federal Court of Canada has also recognized and affirmed that Canada must disclose government records to First Nations conducting research to pursue claims against the Crown in accordance with section 35 of the *Constitution Act, 1982*, by virtue of its fiduciary duty, and to uphold the honour of the Crown[2].

In this context, the federal government, while owing a fiduciary duty to First Nations, is often the defendant in claims involving redress for illegal actions that have resulted in the widespread dispossession of First Nations regarding their lands and resources. In addition, Canada now controls access to the majority of documentary evidence necessary for supporting First Nations claims.

Any attempt to modify the legislative basis for access to information stands to have a disproportionate impact on First Nations and their ability to identify and gather the evidence required to substantiate and resolve their claims, disputes and grievances with Canada.

Since the federal government holds the vast majority of the evidence required to document First Nations claims, disputes and grievances against the Crown, it is in a conflict of interest. Bill C-58 ignores the Crown's duty to disclose records to First Nations, and instead provides ample new tools for officials and governments to further entrench this conflict of interest.

[2] 2006 FC 132.

Lack of Consultation on Bill C-58:

We note that section 2 of Bill C-58 states that the purpose of the Act is:

> to enhance the accountability and transparency of federal institutions in order to promote an open and democratic society and to enable public debate on the conduct of those institutions.

With respect to the ability of First Nations to gather evidence required to document their claims, disputes and grievance against the Crown, Bill C-58 will set First Nations' efforts back decades, and provide Canada with substantive tools to suppress information regarding the conduct of federal departments and officials.

On June 29, 2016, we made a submission to this Committee outlining some of the issues and concerns we had identified with respect to efforts then underway to "modernize" the *Access to Information Act* and the *Privacy Act*[3] (enclosed). Since the Committee has never contacted us regarding the submission, we are not certain if the brief ever came to the attention of Committee members.

Since making our submission in June 2016, we have made numerous attempts to engage directly with the Treasury Board Secretariat, and to seek meaningful consultation on the development of any legislative initiatives related to these matters. We have been unsuccessful in those efforts. Although Treasury Board Secretariat staff have been in communication with us, it has only been to inform us as to what the Government of Canada has decided, not to consult us in a meaningful way or discuss the issues we have raised. We find this deeply troubling, and in direct contradiction to this government's stated commitment to developing a new relationship with First Nations.

We are deeply disappointed that we have been largely disregarded in the process to date, despite being directly affected by the contents of the bill.

We heard in the spring of 2017 that the President of Treasury Board announced that changes to the access to information regime would slow down, because his government "wanted to get it right". We have conducted a thorough reading of Bill C-58, and have concluded that this government has instead got it woefully wrong. As it now stands, Bill C-58 will prejudice First Nations' existing right of access to information held by the federal government, and their ability to gather the evidence required to document their claims, grievances and disputes against the federal government.

We also refer you to a paper which was commissioned by the federal government and prepared by lawyer Mark Stevenson in 2001 during previous efforts at legislative reform. This document was commissioned by Canada during a previous effort at amending the access to information

[3] National Claims Research Directors, *Joint Submission to the Standing Committee on Access to Information, Privacy and Ethics and First Nations Experience with Access to Information*, June 29, 2016.

legislative framework. Although it is 16 years old, it does identify many of the high-level issues affecting any consideration of changes to the access to information legislative regime. It does not appear to us that any of these issues have been considered or addressed in this government's development of Bill C-58, although we did provide a copy of this to Treasury Board Secretariat Staff some months ago.

This lack of consultation contravenes Canada's obligations under the UNDRIP, which requires States to consult and cooperate in good faith with Indigenous peoples to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them[4].

It also contradicts the stated commitment of this government to a "Nation-to-Nation" relationship with First Nations, reconciliation, and decolonization. We have seen a very public commitment by the Minister of Justice to engage in a review of policy and legislation related to First Nations, while at the same time, the same government is adopting new legislation without consulting First Nations and without any apparent consideration of the damaging impact the proposed legislation will have on First Nations and their ability to resolve their claims, disputes and grievances with the federal Crown.

Bill C-58 and the unilateral process through which it has been developed clearly violates several of the *Principles respecting the Government of Canada's relationship with Indigenous peoples* announced by Justice Minister and Attorney General of Canada Jody Wilson-Raybould in July 2017, most notably, principles 3 and 6[5]:

> *3. The Government of Canada recognizes that it must uphold the honour of the Crown, which requires the federal government and its departments, agencies, and officials to act with honour, integrity, good faith, and fairness in all of its dealings with Indigenous peoples.*
>
> *6. The Government of Canada recognizes that meaningful engagement with Indigenous peoples aims to secure their free, prior, and informed consent when Canada proposes to take actions which impact them and their rights, including their lands, territories and resources.*

This contradiction should be extremely worrisome to government, including the members of this Committee.

We have been told by officials that our concerns may be addressed in "Phase 2" of access to information reform. Based on Canada's conduct to date, we have no confidence in this kind of assurance. The time for substantive engagement with First Nation is now, at the legislative

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[4] United Nations General Assembly, Article 19, *United Nations Declaration on the Rights of Indigenous Peoples*, September 13, 2007.

[5] Canada, *Principles respecting the Government of Canada's relationship with Indigenous peoples*, July 14, 2017. Available at http://www.justice.gc.ca/eng/csj-sjc/principles-principes.html

reform stage. Once the draft measures are enacted into law, they will become very difficult to challenge and First Nations' rights of access will be prejudiced and irreparably harmed.

Non-Disclosure at INAC:

Some specific background needs to be provided regarding the Department of Indigenous and Northern Affairs Canada (INAC). INAC holds a considerable amount of information on First Nations, treaties, and policy. This includes materials related to the claims, disputes and grievances of First Nations, as well as records which are integral to their operations as governments, such as membership files, survey and reserve files, and treaty annuity files.

There was a protocol on informal access requests which was put into place two decades ago - this was to serve as an alternative to formal ATI requests, and explicitly intended to facilitate ease of access of materials required to document First Nations' claims, disputes and grievances. But over successive governments it was eroded to the point where it is currently dysfunctional, and badly in need of repair and a renewed commitment.

In the meantime, we have been forced to rely more on the formal ATI route which, based on our day to day experience, is characterized by non-cooperation, non-disclosure and unreasonable delay. There is a culture of indifference, secrecy and non-disclosure at INAC which has yet to be dismantled or fully addressed.

Over the past twelve years, our ability to obtain access to information from INAC in a timely basis has been severely reduced by the actions of officials. It has worsened since the 2015 election of the current government. Given this context, Bill C-58 will only increase the ability of INAC officials to restrict or refuse access to information required to document First Nations' claims, grievances and disputes. This is an alarming prospect.

Section 6 Raises Significant Concerns:

Because of significant constraints related to time and resources, in this submission we will focus on section 6 of Bill C-58. This section, if passed into law, will have a prejudicial and devastating effect on First Nations' ability to gather the evidence to document their claims, grievances and disputes against Canada.

As previously discussed, in the case of First Nations' claims, the federal government is the defendant. It also holds the majority of the evidence necessary to support any claim. It also owes a fiduciary duty to the First Nation. However, section 6 seems tailor made to suppress First Nations' ability to document and pursue their claims:

Section 6 Request for access to record

> *6.0 A request for access to a record under this Part shall be made in writing to the government institution that has control of the record and shall set out the following information and provide sufficient detail to enable an experienced employee of the institution to identify the record with a reasonable effort:*
> *(a) the specific subject matter of the request;*
> *(b) the type of record being requested;*
> *(c) the period for which the record is being requested or the date of the record.*

The requirement that an applicant include specific subject matter, details as to type of record being requested, and the period for which the record being requested, is far too prescriptive, and will give officials license to stonewall and refuse legitimate requests.

In many cases, when starting out to gather evidence on a claim, the initial request for information is necessarily broad and general. Or, it may include a date range, or a type of record, or the subject matter, but not all three, or necessarily any of them. This is partly because - unlike the Library and Archives Canada - INAC does not provide finding aids, or access to its file organizational structure, or allow First Nation researchers to search for themselves. We are dependent on the discretion of department officials to provide the materials; there is scant oversight.

Currently, when we make ATI requests to INAC that contain all three of these criteria, we are still being refused access or meeting requests for unreasonably lengthy time extensions, forcing us to appeal to the Office of the Information Commissioner.

Again, to enshrine this kind of triple requirement into legislation is overly prescriptive and will stifle legitimate requests. It will provide department staff with an easy way to clear their desks and dispense with First Nations' requests for information relating to their claims, disputes and grievances against the Crown. Given the prevailing ATI culture at INAC, this would be a recipe for disaster.

Section 6.1 provides further grounds for serious concern:

> *Reasons for declining to act on request*
> *6.1 (1) The head of a government institution may, before giving a person access to a record or refusing to do so, decline to act on the person's request if, in the opinion of the head of the institution,*
> *(a) the request does not meet the requirements set out in section 6;*
> *(b) the person has already been given access to the record or may access the record by other means;*
> *(c) the request is for such a large number of records or necessitates a search through such a large number of records that acting on the request would unreasonably interfere with the operations of the government institution, even with a reasonable extension of the time limit set out in section 7; or*

(d) the request is vexatious, is made in bad faith or is otherwise an abuse of the right to make a request for access to records.

We have already identified the problems posed by section 6.1(a). Tying refusal to these three prescriptive criteria is unreasonable and ignores First Nations' right of access to materials held by the federal government.

Section 6.1(b) is also ripe for abuse. Quite often, a First Nation will begin the search for evidence by making an informal request for information to the government department in question. In many cases, this does not result in substantive disclosure. As a result, once the initially released information has been reviewed, a formal access to information request will be filed. Section 6.1(1) (b) will prevent a First Nation from making a formal ATI request if their initial informal request was not satisfactory.

Rationales like the one given legitimacy in section 6.1(c) are already being used amply by INAC ATI staff to frustrate requests for records in connection with land claims. Quite often the evidence required to document First Nations' claims, grievances and disputes is substantial. Government controls the files, government has a duty to disclose. And yet Bill C-58 would use the volume of evidence as grounds for refusing access.

We urge the Committee to consider the fact that the government itself requires that First Nations collect and produce abundant evidence required to document their claims, disputes and grievances, whether for negotiation (specific and comprehensive claims) or litigation (the Specific Claims Tribunal or the regular courts). A First Nation cannot enter into a forum to resolve these claims, disputes and grievances unless they have first collected and presented the required evidence. Bill C-58 will provide Canada with the tools to frustrate and prevent First Nations obtaining access to these materials.

Taken together, the elements contained in section 6 will provide government staff and officials with expansive means to frustrate First Nations in their efforts to gather the evidence required to document their claims, grievances and disputes against Canada. They will also provide an easy way to suppress the release of such evidence.

Conclusion and Key Recommendation:

First Nations are disappointed and discouraged that the Government of Canada - which continues to make much in public regarding its commitment to Indigenous issues and reconciliation - would at this pivotal moment propose legislation which is tailor-made to prevent First Nations from gathering the evidence required to resolve their claims, disputes and grievances, and obtain true reconciliation.

We have articulated two key concerns regarding Bill C-58:

1. There has been virtually no consultation with First Nations on this bill, despite our

repeated efforts over the last 16 months to engage the Treasury Board Secretariat and the Committee.

2. The bill itself, in particular, section 6, is deeply flawed and, if passed into law, will have the effect of rolling back First Nations' existing rights of access to information; C-58 provides legislative justification for the suppression of evidence required to document First Nations' claims, disputes and grievances.

Recommendation:

In keeping with Canada's commitments to reconciliation and to implement the UNDRIP, as well as ensuring access to justice for First Nations, we call on the committee to withdraw Bill C-58 and engage in full and meaningful consultation with First Nations regarding legislative reforms to access to information. We also fully endorse the recommendations to improve Bill C-58 made by the Information Commissioner of Canada in her September 2017 report.

Despite Canada's commitment to creating an accessible and transparent government, Bill C-58 will impose significant additional barriers to First Nations in their efforts to obtain justice in resolving their claims.

We would be pleased to follow up with the Committee if you have additional questions. Please contact:

Peter DiGangi, Director, Policy & Research, Algonquin Nation Secretariat
Email: digangi@algonquinnation.ca Phone: 613-722-3268

Jody Woods, Director of Research, Union of British Columbia Indian Chiefs
Email: jwoods@ubcic.bc.ca Phone: 604-684-0231

Enclosures

1. National Claims Research Directors, *Joint Submission to the Standing Committee on Access to Information, Privacy and Ethics and First Nations Experience with Access to Information*, June 29, 2016.
2. Mark Stevenson, *A Report for the Access to Information Review Task Force on Selected Concerns of First Nations People*, 2001.
3. Letter from BC Regional Chief Terry Teegee to the Standing Committee on Access to Information, Privacy and Ethics, October 16, 2017 appending BCAFN Resolution 23/2017 Withdrawal of Bill C-58 (*an Act to Amend the Access to Information Act and the Privacy Act and to make Consequential Amendments to other Acts*)

Impaired Access

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Taken together, the elements contained in section 6 will provide Canada with ample means to frustrate First Nations in their efforts to gather the evidence required to document their claims, grievances and disputes against Canada. They will also provide an easy way to suppress the release of such evidence.

<u>Recommendation</u>:

In keeping with Canada's commitments to reconciliation and to implement the UNDRIP, as well as ensuring access to justice for First Nations, we call on the committee to withdraw Bill C-58 and engage in full and meaningful consultation with First Nations regarding legislative reforms to access to information. We also fully endorse the recommendations to improve Bill C-58 made by the Information Commissioner of Canada in her September 2017 report.

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We wish to express our grave concerns about the content of Bill C-58, and to alert you to the fact that, as currently drafted, the C-58 will greatly hinder the ability of First Nations to document their claims, grievances and disputes with the Government of Canada.

Bill C-58 will greatly impair the ability of First Nations to document their claims, grievances and disputes with the Government of Canada and will significantly impede First Nations' access to justice in resolving their claims.

The Office of the Auditor General of Canada (OAG) recently conducted an audit of Canada's specific claims process. The OAG's report, released in November 2016, concluded that Canada's department of Indigenous and Northern Affairs introduced numerous barriers that hindered the resolution of claims, including restricting information[1].

If Bill C-58 is passed into law, it will impose substantive new barriers to the resolution of First Nations claims and will provide legislative cover for the suppression of evidence which First Nations require to pursue and resolve their claims against Canada. It will exacerbate the federal government's existing conflict of interest with respect to claims by First Nations against Canada. Moreover, the legislation, as drafted, will add barriers to First Nations obtaining information which is integral to their operation as governments.

Moreover, Bill C-58 has been developed unilaterally, without any effort to consult First Nations in any substantive or meaningful way, or to consider their rights and interests.

The Bill will also hinder efforts by Canada to meet the standards of redress for historical wrongs articulated in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as it represents a significant regression of First Nations' existing rights of access to information.

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[1] Office of the Auditor General of Canada, *Report 6—First Nations Specific Claims—Indigenous and Northern Affairs Canada*, November 2016.

For these reasons, Bill C-58 contravenes the Government of Canada's commitment to reconciliation with First Nations.

<u>The Uniqueness of First Nations Interests</u>:

When it comes to access to information, our interests and rights are of a different character than other constituencies such as the general public or the media. We work for First Nation governments which have a recognized right of access to federal records, in particular, to document their claims, disputes and grievances with the Crown. This right is articulated in section 8(2)(k) of the *Privacy Act* which states that personal information under the control of a government institution may be disclosed:

> *to any aboriginal government, association of aboriginal people, Indian band, government institution or part thereof, or to any person acting on behalf of such government, association, band, institution or part thereof, for the purpose of researching or validating the claims, disputes or grievances of any of the aboriginal peoples of Canada;*

The Federal Court of Canada has also recognized and affirmed that Canada must disclose government records to First Nations conducting research to pursue claims against the Crown in accordance with section 35 of the *Constitution Act, 1982*, by virtue of its fiduciary duty, and to uphold the honour of the Crown[2].

In this context, the federal government, while owing a fiduciary duty to First Nations, is often the defendant in claims involving redress for illegal actions that have resulted in the widespread dispossession of First Nations regarding their lands and resources. In addition, Canada now controls access to the majority of documentary evidence necessary for supporting First Nations claims.

Any attempt to modify the legislative basis for access to information stands to have a disproportionate impact on First Nations and their ability to identify and gather the evidence required to substantiate and resolve their claims, disputes and grievances with Canada.

Since the federal government holds the vast majority of the evidence required to document First Nations claims, disputes and grievances against the Crown, it is in a conflict of interest. Bill C-58 ignores the Crown's duty to disclose records to First Nations, and instead provides ample new tools for officials and governments to further entrench this conflict of interest.

[2] 2006 FC 132.

Lack of Consultation on Bill C-58:

We note that section 2 of Bill C-58 states that the purpose of the Act is:

> to enhance the accountability and transparency of federal institutions in order to promote an open and democratic society and to enable public debate on the conduct of those institutions.

With respect to the ability of First Nations to gather evidence required to document their claims, disputes and grievance against the Crown, Bill C-58 will set First Nations' efforts back decades, and provide Canada with substantive tools to suppress information regarding the conduct of federal departments and officials.

On June 29, 2016, we made a submission to this Committee outlining some of the issues and concerns we had identified with respect to efforts then underway to "modernize" the *Access to Information Act* and the *Privacy Act*[3] (enclosed). Since the Committee has never contacted us regarding the submission, we are not certain if the brief ever came to the attention of Committee members.

Since making our submission in June 2016, we have made numerous attempts to engage directly with the Treasury Board Secretariat, and to seek meaningful consultation on the development of any legislative initiatives related to these matters. We have been unsuccessful in those efforts. Although Treasury Board Secretariat staff have been in communication with us, it has only been to inform us as to what the Government of Canada has decided, not to consult us in a meaningful way or discuss the issues we have raised. We find this deeply troubling, and in direct contradiction to this government's stated commitment to developing a new relationship with First Nations.

We are deeply disappointed that we have been largely disregarded in the process to date, despite being directly affected by the contents of the bill.

We heard in the spring of 2017 that the President of Treasury Board announced that changes to the access to information regime would slow down, because his government "wanted to get it right". We have conducted a thorough reading of Bill C-58, and have concluded that this government has instead got it woefully wrong. As it now stands, Bill C-58 will prejudice First Nations' existing right of access to information held by the federal government, and their ability to gather the evidence required to document their claims, grievances and disputes against the federal government.

We also refer you to a paper which was commissioned by the federal government and prepared by lawyer Mark Stevenson in 2001 during previous efforts at legislative reform. This document was commissioned by Canada during a previous effort at amending the access to information

[3] National Claims Research Directors, *Joint Submission to the Standing Committee on Access to Information, Privacy and Ethics and First Nations Experience with Access to Information*, June 29, 2016.

legislative framework. Although it is 16 years old, it does identify many of the high-level issues affecting any consideration of changes to the access to information legislative regime. It does not appear to us that any of these issues have been considered or addressed in this government's development of Bill C-58, although we did provide a copy of this to Treasury Board Secretariat Staff some months ago.

This lack of consultation contravenes Canada's obligations under the UNDRIP, which requires States to consult and cooperate in good faith with Indigenous peoples to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them[4].

It also contradicts the stated commitment of this government to a "Nation-to-Nation" relationship with First Nations, reconciliation, and decolonization. We have seen a very public commitment by the Minister of Justice to engage in a review of policy and legislation related to First Nations, while at the same time, the same government is adopting new legislation without consulting First Nations and without any apparent consideration of the damaging impact the proposed legislation will have on First Nations and their ability to resolve their claims, disputes and grievances with the federal Crown.

Bill C-58 and the unilateral process through which it has been developed clearly violates several of the *Principles respecting the Government of Canada's relationship with Indigenous peoples* announced by Justice Minister and Attorney General of Canada Jody Wilson-Raybould in July 2017, most notably, principles 3 and 6[5]:

> *3. The Government of Canada recognizes that it must uphold the honour of the Crown, which requires the federal government and its departments, agencies, and officials to act with honour, integrity, good faith, and fairness in all of its dealings with Indigenous peoples.*
>
> *6. The Government of Canada recognizes that meaningful engagement with Indigenous peoples aims to secure their free, prior, and informed consent when Canada proposes to take actions which impact them and their rights, including their lands, territories and resources.*

This contradiction should be extremely worrisome to government, including the members of this Committee.

We have been told by officials that our concerns may be addressed in "Phase 2" of access to information reform. Based on Canada's conduct to date, we have no confidence in this kind of assurance. The time for substantive engagement with First Nation is now, at the legislative

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[4] United Nations General Assembly, Article 19, *United Nations Declaration on the Rights of Indigenous Peoples*, September 13, 2007.

[5] Canada, *Principles respecting the Government of Canada's relationship with Indigenous peoples*, July 14, 2017. Available at http://www.justice.gc.ca/eng/csj-sjc/principles-principes.html

reform stage. Once the draft measures are enacted into law, they will become very difficult to challenge and First Nations' rights of access will be prejudiced and irreparably harmed.

Non-Disclosure at INAC:

Some specific background needs to be provided regarding the Department of Indigenous and Northern Affairs Canada (INAC). INAC holds a considerable amount of information on First Nations, treaties, and policy. This includes materials related to the claims, disputes and grievances of First Nations, as well as records which are integral to their operations as governments, such as membership files, survey and reserve files, and treaty annuity files.

There was a protocol on informal access requests which was put into place two decades ago - this was to serve as an alternative to formal ATI requests, and explicitly intended to facilitate ease of access of materials required to document First Nations' claims, disputes and grievances. But over successive governments it was eroded to the point where it is currently dysfunctional, and badly in need of repair and a renewed commitment.

In the meantime, we have been forced to rely more on the formal ATI route which, based on our day to day experience, is characterized by non-cooperation, non-disclosure and unreasonable delay. There is a culture of indifference, secrecy and non-disclosure at INAC which has yet to be dismantled or fully addressed.

Over the past twelve years, our ability to obtain access to information from INAC in a timely basis has been severely reduced by the actions of officials. It has worsened since the 2015 election of the current government. Given this context, Bill C-58 will only increase the ability of INAC officials to restrict or refuse access to information required to document First Nations' claims, grievances and disputes. This is an alarming prospect.

Section 6 Raises Significant Concerns:

Because of significant constraints related to time and resources, in this submission we will focus on section 6 of Bill C-58. This section, if passed into law, will have a prejudicial and devastating effect on First Nations' ability to gather the evidence to document their claims, grievances and disputes against Canada.

As previously discussed, in the case of First Nations' claims, the federal government is the defendant. It also holds the majority of the evidence necessary to support any claim. It also owes a fiduciary duty to the First Nation. However, section 6 seems tailor made to suppress First Nations' ability to document and pursue their claims:

Section 6 Request for access to record

> *6.0 A request for access to a record under this Part shall be made in writing to the government institution that has control of the record and shall set out the following information and provide sufficient detail to enable an experienced employee of the institution to identify the record with a reasonable effort:*
> *(a) the specific subject matter of the request;*
> *(b) the type of record being requested;*
> *(c) the period for which the record is being requested or the date of the record.*

The requirement that an applicant include specific subject matter, details as to type of record being requested, and the period for which the record being requested, is far too prescriptive, and will give officials license to stonewall and refuse legitimate requests.

In many cases, when starting out to gather evidence on a claim, the initial request for information is necessarily broad and general. Or, it may include a date range, or a type of record, or the subject matter, but not all three, or necessarily any of them. This is partly because - unlike the Library and Archives Canada - INAC does not provide finding aids, or access to its file organizational structure, or allow First Nation researchers to search for themselves. We are dependent on the discretion of department officials to provide the materials; there is scant oversight.

Currently, when we make ATI requests to INAC that contain all three of these criteria, we are still being refused access or meeting requests for unreasonably lengthy time extensions, forcing us to appeal to the Office of the Information Commissioner.

Again, to enshrine this kind of triple requirement into legislation is overly prescriptive and will stifle legitimate requests. It will provide department staff with an easy way to clear their desks and dispense with First Nations' requests for information relating to their claims, disputes and grievances against the Crown. Given the prevailing ATI culture at INAC, this would be a recipe for disaster.

Section 6.1 provides further grounds for serious concern:

> *Reasons for declining to act on request*
> *6.1 (1) The head of a government institution may, before giving a person access to a record or refusing to do so, decline to act on the person's request if, in the opinion of the head of the institution,*
> *(a) the request does not meet the requirements set out in section 6;*
> *(b) the person has already been given access to the record or may access the record by other means;*
> *(c) the request is for such a large number of records or necessitates a search through such a large number of records that acting on the request would unreasonably interfere with the operations of the government institution, even with a reasonable extension of the time limit set out in section 7; or*

(d) the request is vexatious, is made in bad faith or is otherwise an abuse of the right to make a request for access to records.

We have already identified the problems posed by section 6.1(a). Tying refusal to these three prescriptive criteria is unreasonable and ignores First Nations' right of access to materials held by the federal government.

Section 6.1(b) is also ripe for abuse. Quite often, a First Nation will begin the search for evidence by making an informal request for information to the government department in question. In many cases, this does not result in substantive disclosure. As a result, once the initially released information has been reviewed, a formal access to information request will be filed. Section 6.1(1) (b) will prevent a First Nation from making a formal ATI request if their initial informal request was not satisfactory.

Rationales like the one given legitimacy in section 6.1(c) are already being used amply by INAC ATI staff to frustrate requests for records in connection with land claims. Quite often the evidence required to document First Nations' claims, grievances and disputes is substantial. Government controls the files, government has a duty to disclose. And yet Bill C-58 would use the volume of evidence as grounds for refusing access.

We urge the Committee to consider the fact that the government itself requires that First Nations collect and produce abundant evidence required to document their claims, disputes and grievances, whether for negotiation (specific and comprehensive claims) or litigation (the Specific Claims Tribunal or the regular courts). A First Nation cannot enter into a forum to resolve these claims, disputes and grievances unless they have first collected and presented the required evidence. Bill C-58 will provide Canada with the tools to frustrate and prevent First Nations obtaining access to these materials.

Taken together, the elements contained in section 6 will provide government staff and officials with expansive means to frustrate First Nations in their efforts to gather the evidence required to document their claims, grievances and disputes against Canada. They will also provide an easy way to suppress the release of such evidence.

Conclusion and Key Recommendation:

First Nations are disappointed and discouraged that the Government of Canada - which continues to make much in public regarding its commitment to Indigenous issues and reconciliation - would at this pivotal moment propose legislation which is tailor-made to prevent First Nations from gathering the evidence required to resolve their claims, disputes and grievances, and obtain true reconciliation.

We have articulated two key concerns regarding Bill C-58:

1. There has been virtually no consultation with First Nations on this bill, despite our

repeated efforts over the last 16 months to engage the Treasury Board Secretariat and the Committee.

2. The bill itself, in particular, section 6, is deeply flawed and, if passed into law, will have the effect of rolling back First Nations' existing rights of access to information; C-58 provides legislative justification for the suppression of evidence required to document First Nations' claims, disputes and grievances.

Recommendation:

In keeping with Canada's commitments to reconciliation and to implement the UNDRIP, as well as ensuring access to justice for First Nations, we call on the committee to withdraw Bill C-58 and engage in full and meaningful consultation with First Nations regarding legislative reforms to access to information. We also fully endorse the recommendations to improve Bill C-58 made by the Information Commissioner of Canada in her September 2017 report.

Despite Canada's commitment to creating an accessible and transparent government, Bill C-58 will impose significant additional barriers to First Nations in their efforts to obtain justice in resolving their claims.

We would be pleased to follow up with the Committee if you have additional questions. Please contact:

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Enclosures

1. National Claims Research Directors, *Joint Submission to the Standing Committee on Access to Information, Privacy and Ethics and First Nations Experience with Access to Information*, June 29, 2016.
2. Mark Stevenson, *A Report for the Access to Information Review Task Force on Selected Concerns of First Nations People*, 2001.
3. Letter from BC Regional Chief Terry Teegee to the Standing Committee on Access to Information, Privacy and Ethics, October 16, 2017 appending BCAFN Resolution 23/2017 Withdrawal of Bill C-58 (*an Act to Amend the Access to Information Act and the Privacy Act and to make Consequential Amendments to other Acts*)

The Impacts of Bill C-58 on First Nations' Access to Information

A Discussion Paper Following the Review of Bill C-58 by the Senate Committee on Legal and Constitutional Affairs

National Claims Research Directors and Union of BC Indian Chiefs
March 20, 2019

Introduction

This paper is intended to further a discussion regarding how Canada's proposed changes to federal access to information legislation will affect Indigenous peoples' right of information access, specifically, First Nations' ability to conduct necessary research to substantiate their land claims and longstanding historical grievances against the Crown. It is our expectation that this paper will serve as a belated beginning of meaningful, sustained engagement to ensure complete and timely access to information for Indigenous researchers and organizations working on behalf of Indigenous communities.

"Access to information" describes a legal right of access to information held by government departments and other public bodies. In Canada, formal requests for government information may be made under the federal *Access to Information Act*. Indigenous researchers rely heavily on both formal and informal access to information procedures to access federal government records.[1]

Prime Minister Trudeau's public commitment to open government, transparency, and accountability prompted a government review of Canada's access to information and privacy legislation. Then Treasury Board President Scott Brison, tasked with the review, introduced a revised *Access to Information Act* – Bill C-58 – in June 2017. The National Claims Research Directors, representing approximately 400 First Nations, made repeated attempts to engage with the Treasury Board Secretariat (TBS) concerning First Nations' information rights and the potential impacts of new legislation on Indigenous peoples in Canada. Despite these efforts, legislative development and drafting proceeded unilaterally, without any consultation with First Nations or their representative organizations.

This paper considers the proposed legislation in light of Indigenous peoples' unique needs regarding access to information held by the federal government, the importance of guaranteeing access to information to advance Indigenous-Crown reconciliation in Canada, the legal basis supporting First Nations' rights of access, as well as whether Bill C-58 provides full and timely access to information and addresses Canada's longstanding conflict of interest in retaining control of the majority of records required by First Nations to support their claims.

Our findings show that despite this government's public commitments, there continue to be numerous barriers and delays in obtaining access to records held at federal government departments which will be exacerbated by the changes proposed in Bill C-58. Despite a clear right of access affirmed by Canadian courts and articulated in international human rights instruments, Indigenous peoples' access to information is impeded by Canada's overarching conflict of interest whereby federal government departments retain the majority of records necessary to substantiate First Nations claims. The proposed changes to the *Access to Information Act* articulated in Bill C-58 will further entrench Canada's conflict of interest.

[1] Provinces, territories, municipalities and some First Nations governments also have access to information laws and procedures; however, the focus of this paper is on federal laws and processes.

Our principal recommendation is twofold:

1. Withdraw the current bill and initiate meaningful engagement with First Nations and their representative organizations, consistent with the honour of the Crown and the aim of Indigenous-Crown reconciliation.
2. Jointly develop a new legislative initiative or independent oversight mechanism that removes federal departmental bureaucrats from their current roles as information gatekeepers in order to guarantee Indigenous peoples' right of complete and timely access to information.

About the Authors

National Claims Research Directors (NCRD) is a national body of specialized technicians who manage over thirty centralized Claims Research Units mandated to research and develop evidence related to the claims, grievances, and disputes between First Nations and the Crown. Much of the NCRD's work is focused on the development of specific claims against the federal government related to its breach of lawful obligations against First Nations, pursuant to the Specific Claims Policy and the *Specific Claims Tribunal Act*. The NCRD is also involved in the development of claims related to Aboriginal title and rights and treaty entitlements, and in litigation support on a range of issues related to the claims, disputes and grievances of First Nations. In the course of this work NCRD members routinely access thousands of records from federal government departments and agencies.

Union of BC Indian Chiefs (UBCIC) is a not-for-profit organization that supports Indigenous Nations in asserting and implementing their Aboriginal title, rights, treaty rights, and right of self-determination as peoples. The UBCIC is also an NGO in Special Consultative Status with the Economic and Social Council of the United Nations. The UBCIC's policy advisors, analysts, and research staff regularly rely upon the federal Access to Information regime to obtain necessary records from public bodies in the course of their work on behalf of Indigenous Nations and communities in BC. The UBCIC advocates at the federal and provincial levels to ensure government transparency and accountability and to remove existing barriers to Indigenous peoples' access to information.

Sources

Our discussion is informed primarily by a national survey of First Nations claims researchers on their experiences with formal and informal access to information at federal government departments and agencies, a legal review of Bill C-58 conducted by First Peoples Law, as well as testimony and written submissions delivered to the Standing Senate Committee on Legal and Constitutional Affairs (CLCA), designated to study the bill.

National Digital Survey of Indigenous Researchers, Organizations and Staff

We undertook a national survey of First Nations researchers to gather and assess their experiences with access to information processes, as well as their information needs and challenges. The survey asked questions pertaining to both formal ATI procedures (written requests for records made under the federal *Access to Information Act*) as well as informal access requests (requests for records made without going through the ATIA, usually as a first course of action to obtain records, occasionally in accordance with the terms of a prior agreement between the requester and a public body, such as between First Nations and CIRNAC).

We launched the survey in mid-October 2018 for one month. The 20-minute survey contained 46 questions related to users' experience with making formal and informal requests for records (frequency, familiarity

with procedures and associated requirements for submitting requests), common research subjects and public bodies typically contacted for records, legislated timeframes for responding to requests for records, delays, experiences with exemptions and redacted information, quality of records, and communication (see appendix one)

Eighteen researchers completed the survey, representing 12 First Nations Claims Research Units (CRUs) in Quebec, Ontario, Manitoba, Alberta, and British Columbia. The CRUs conduct historical land rights research for approximately 225 First Nations related to breaches of legal obligations under treaties, the Indian Act and other statutes, as well as conduct research related to title and rights.

Case studies submitted by the NCRD

In October 2018, in preparation for a submission to the Standing Senate Committee on Legal and Constitutional Affairs (CLCA) tasked with reviewing Bill C-58, research directors submitted written case studies documenting examples of barriers accessing necessary government records through both formal and informal access to information procedures. Twelve case studies were appended to the NCRD's submission.

Legal review of Bill C-58 and Related Legal Issues

The Indigenous Bar Association in conjunction with the UBCIC and NCRD contracted First Peoples Law to conduct a legal review of Bill C-58 and proposed amendments from the perspective of Indigenous peoples' rights as articulated in the *United Nations Declaration on the Rights of Indigenous Peoples* (UN Declaration), case law, and the requirements of Indigenous-Crown reconciliation. This review was carried out in consultation with the NCRD and UBCIC.

Review of Selected Transcripts of Senate Committee Hearings and Submissions

We reviewed relevant testimony given by witnesses who appeared before the Senate Committee during the 2018 fall hearings, and reviewed relevant formal written submissions related to the Senate Committee's review of Bill C-58.

Legislative Background

Prior to winning the federal election in October 2015, the Liberal party articulated its commitment to open and transparent government. To fulfill this commitment, the mandate letter from the Prime Minister Trudeau to Treasury Board President Scott Brison included the review of federal access to information legislation as one of government's top priorities:

> Work with the Minister of Justice to enhance the openness of government, including leading a review of the Access to Information Act to ensure that Canadians have easier access to their own personal information, that the Information Commissioner is empowered to order government information to be released and that the Act applies appropriately to the Prime Minister's and Ministers' Offices, as well as administrative institutions that support Parliament and the courts.[2]

Bill C-58 *An Act to amend the Access to Information Act and the Privacy Act and to make consequential amendments to other Acts* was drafted by Treasury Board and introduced at first reading in the House of Commons on June 19, 2017. After passing second reading it was referred to the House Standing Committee on Access to Information, Privacy and Ethics on September 27, 2017. The NCRD made written submissions

[2] Letter from Prime Minister Trudeau to TBS President Scott Brison, November 16, 2015.

to the legislative Committee in June 2016 and October 2017, and was also invited to provide evidence at the hearings in October 2017. The NCRD interventions voiced opposition to the bill on the grounds that there was no consultation with First Nations regarding the legislation, and that it would adversely affect First Nations' rights of access to information.

The bill was sent to the Senate in December 2017 and referred to the Senate Committee on Legal and Constitutional Affairs (CLCA) in June 2018. The CLCA held hearings in fall. The NCRD, represented by Peter Di Gangi (Algonquin Nation Secretariat) and the Indigenous Bar Association (IBA), represented by Bruce McIvor, appeared in person before the CLCA on November 1, 2018, as did Regional Chief Marlene Poitras, representing the Assembly of First Nations (AFN). All answered questions related to their testimony. The NCRD and IBA, as well as the BC Specific Claims Working Group[3] provided written submissions to the CLCA for its consideration of C-58.

Indigenous Peoples' Unique Interests in Accessing Information

The right to access information is integral to Indigenous peoples' pursuit of justice for centuries of wrongs committed by colonial and successive federal governments and is fundamental to Indigenous peoples' efforts to resolve a range of historical grievances rooted in past and ongoing colonial policies and processes[4]. The legal review of Bill C-58 conducted by First Peoples Law identifies several reasons why Indigenous peoples are regularly required to access information in possession of the federal government, including specific claims (historical breaches of the Crown's legal obligations), comprehensive claims (modern treaty agreements), Aboriginal title, rights, and treaty rights litigation, and other historical grievances, such as those pertaining to residential schools or child welfare[5].

The specific claims process exemplifies First Nations' necessary reliance on access to information processes to participate in state mechanisms developed to resolve claims against the Crown. The specific claims process is the federal government's approach to dealing with historical wrongs related to illegal alienations of Indigenous lands, mismanagement of Indigenous assets held "in trust" by the government, and the non-fulfilment of treaties. These are historical breaches of the *Indian Act* that relate to Canada's failure to reserve village sites or protect reserve lands, fishing sites, gravesites and other sacred lands, and water rights.

Researchers must review thousands of historical records of both federal and provincial government departments to gather the extensive documentation and historical evidence required to develop and ground a First Nation's claim and submit it for adjudication to the Specific Claims Branch of CIRNAC or file it with the Specific Claims Tribunal. Currently there are hundreds of specific claims being researched in British Columbia alone.[6] Our national survey shows that 94 percent of respondents rely on both formal and

[3] The BC Specific Claims Working Group (BCSCWG) is a group of Indigenous leaders and specific claims technicians, created via resolution by the Union of BC Indian Chiefs in 2013. The BCSCWG is tasked with advocating for the fair and just resolution of BC specific claims and advancing specific claims resolution as a key component of reconciliation between Indigenous peoples and Canada.

[4] McIvor and Gunn, First Peoples Law, *Legal Review of Bill C-58*, October 25, 2018, p. 5.

[5] Ibid, p. 5.

[6] The UBCIC alone has 165 claims on its 2019 work plan. This number would increase if resources allowed. Currently Claims Research Units and individual First Nations submit annual funding proposals to the Specific Claims Branch of CIRNCA based on a projected work plan. In 2014, the Harper Government made drastic cuts to claims research funding (between 30 and 60 percent nationwide). Despite constant appeals from First Nations and CRUs, and commitments from the Minister, this funding has not been restored, leaving hundreds of claims on hold.

informal access to information processes to obtain government records necessary for substantiating their specific claims[7].

The right to redress for the dispossession of lands and resources is articulated in the *United Nations Declaration on the Rights of Indigenous Peoples* (UN Declaration)[8]:

> *Article 8*
> 2. States shall provide effective mechanisms for prevention of, and redress for:
> (*b*) Any action which has the aim or effect of dispossessing them of their lands, territories or resources;

The resolution of Indigenous peoples' claims and historical grievances, articulated as a right under the UN Declaration, is also central to advancing reconciliation between Indigenous peoples and the Crown. The Government of Canada makes the following statement to this effect on its Specific Claims webpage:

> Canada has embarked on a journey of reconciliation between Indigenous and non-Indigenous peoples. It is a necessary journey to address a long history of colonialism and the scars it has left.
> …
> Settling specific claims is one of the many steps on the journey to reconciliation with First Nations and helps create a better future for everyone. Specific claim settlements help to right past wrongs, renew relationships and advance reconciliation in a way that respects the rights of First Nations and all Canadians.[9]

The preamble to the *Specific Claims Resolution Act* also identifies First Nations-Crown reconciliation as its aim when it states that "resolving specific claims will promote reconciliation between First Nations and the Crown".[10]

Since complete and timely access to information is integral to preparing sound, well-documented claims against the Crown, Indigenous peoples' right of access to information and their ability to exercise this right has significant implications for fulfilling the federal government's lawful obligations to First Nations and for achieving reconciliation.

Indigenous Peoples' Right to Access Information

The relationship between Indigenous peoples' right to access information, the just and timely resolution of claims and reconciliation is reiterated in the legal review conducted by First Peoples Law:

> Ensuring that Indigenous Peoples have timely and transparent access to information required to advance and resolve outstanding claims against the Crown is necessary to further the process of reconciliation.[11]

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[7] Fifty-five percent of respondents rely on ATI processes for land title and territory claims; and 44 percent for research related to treaties (see appendix X for complete breakdown of research topics).
[8] United Nations General Assembly, Article 8.2(b), *United Nations Declaration on the Rights of Indigenous Peoples*, September 13, 2007.
[9] Government of Canada, "Specific Claims" online: https://www.rcaanc-cirnac.gc.ca/eng/1100100030291/1539617582343, accessed March 5, 2019.
[10] Canada, *Specific Claims Tribunal Act*, (SC 2008, C22). Available at https://laws-lois.justice.gc.ca/eng/acts/S-15.36/page-1.html
[11] McIvor and Gunn, p. 5.

Canada's colonial past and Indigenous peoples' unique relationship with the federal Crown have led the courts to confirm Indigenous peoples' distinct rights to access information:

> Canadian courts have recognized that the federal government is required to disclose records to First Nations conducting research to pursue claims against the Crown by virtue of section 35(1), the Crown's fiduciary obligations, and the honour of the Crown.[12]

The Federal Court of Canada has underscored the importance of the Crown disclosing records in its possession which are necessary to support section 35 claims, rather than supressing evidence.

The legal review also notes that full access to information is supported by the Federal Court of Appeal:

> Similarly, the Federal Court of Appeal has confirmed that, where Indigenous Peoples require federally-controlled documents to support research in respect of land claims, access will take priority over protections for personal information.[13]

The importance of disclosing records to Indigenous communities for legitimating land claims is underscored in section 8(2)(k) of the federal *Privacy Act* which allows public bodies to disclose personal information to Aboriginal peoples or people working on their behalf for the purposes of validating claims and grievances against the Crown.[14] Indigenous researchers and organizations working on behalf of First Nations routinely file for access according to this provision. Survey results indicate that 66 percent of respondents regularly include 8(2)(k) forms with their requests for records, while only 11 percent have never done so.

The legal review also notes that Indigenous peoples' right to access information is supported by the *UN Declaration on the Rights of Indigenous Peoples*, citing Article 40, which stresses a right of access to justice through fair and timely procedures for dispute resolution with states.[15] Former Chief Justice of the Supreme Court of Canada Beverley McLaughlin has emphasized the significance of Article 40, remarking that:

> Article 40 of the *UN Declaration on the Rights of Indigenous Peoples*, endorsed by Canada, recognizes the right of indigenous peoples to have their disputes with states resolved promptly and to obtain effective remedies for the infringement of their individual and collective rights.[16]

Access to information is a fundamental component of just and fair processes for claims resolution:

> Indigenous Peoples' right to just and fair procedures and effective remedies for claims against the federal Crown as set out in the UN Declaration requires access to information necessary to support and develop those claims. As such, the UN Declaration supports Indigenous Peoples' right to access federally-controlled information for the purpose of resolving claims against the Crown.[17]

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[12] Ibid.
[13] McIvor and Gunn, p. 6.
[14] *Privacy Act* (R.S.C., 1985 c. P-21) accessed November 13, 2018 at https://laws-lois.justice.gc.ca/eng/acts/P-21/index.html
[15] Ibid, p. 6.
[16] Mclaughlin, Beverley, "Remarks of the Right Honourable Beverley McLaughlin, PC, Chief Justice of Canada." Annual Conference of the Canadian Institute for the Administration of Justice, Saskatoon, Saskatchewan, October 16, 2015, p. 12.
[17] McIvor and Gunn, p. 6.

Canada has committed to implementing the UN Declaration, and as such the instrument's provisions must guide Canada's conduct in providing full and timely access.

Canada's Conflict of Interest

Though the UN Declaration and Canadian courts instruct Canada to make information available to First Nations to support their claims and grievances, federal government departments are reluctant to provide First Nations with the information they require.

The majority of documentary evidence necessary for substantiating Indigenous peoples' claims and grievances against the Crown is currently controlled by Canada, in the possession of federal departments, such as Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC). Canada is in a clear conflict of interest since it is able to control what information is available in claims against it.[18] Informal access protocols developed in 1999 to alleviate the need to go through formal access to information procedures, while initially constructive, have been rendered ineffective due to non-cooperation, non-disclosure, and unreasonable delay, a corollary of Canada's adversarial approach to specific claims resolution.[19]

One hundred percent of our survey respondents said they require records from CIRNAC on a regular basis and all expressed frustration with Canada's reluctance to grant full, timely access. Researchers complain of a dearth of find aids, inadequate technical and administrative support when making inquiries, time-consuming runarounds characterized by an adversarial approach by government staff, and perhaps most importantly, a failure to have confidence that they have received all the documents they need. Respondents repeatedly called for "more transparency" and a need to "change the culture of government secrecy (we have the right to access these records)."[20]

Testifying before the CLCA on Bill C-58, Senator Renée Dupuis, Chair of the Indian Specific Claims Commission[21] from 2003 until the creation of the Specific Claims Tribunal in 2009, discussed the dilemma of First Nations wanting to bring forward claims against the Crown:

> We have put First Nations in the position of claimants without guaranteeing them full and direct access to the documents they need to meet the requirement we have imposed on them to prove their title.[22]

Senator Dupuis addressed Canada's conflict of interest directly, stating:

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[18] Canada's conflict of interest extends to the entirety of the management and assessment of First Nations' claims filed for adjudication through the specific claims process, as it adjudicates all claims itself. The exception is those claims filed with the Specific Claims Tribunal under the terms articulated in the *federal Specific Claims Tribunal Act*. However, only those claims Canada has rejected for negotiation, whose negotiations are at an impasse, or whose assessments exceed a three-year legislated deadline are eligible for adjudication at the Tribunal. Claims whose value is estimated above $150 million are also ineligible and must proceed through Cabinet without the participation of the First Nation or their legal counsel.

[19] Submissions to the CLAC by the NCRD, IBA, and BCSCWG.

[20] 2018 National Survey. Researchers also note that many federal documents once available online via the Indian Lands Registry System have been removed due to more stringent applications of the *Privacy Act* within CIRNAC. Though CIRNAC provides web access to First Nations claims researchers upon request, researchers note the process is more cumbersome and yields fewer documents.

[21] The Indian Specific Claims Commission (ISCC), which ran from 1991 until 2009, was an independent review body tasked with conducting impartial inquiries of First Nations specific claims rejected by Canada, or the compensation criteria Canada proposed in negotiating First Nations claims. The ISCC's decisions were non-binding on the federal government.

[22] Senator Renée Dupuis testimony to CLAC, November 8, 2018.

> In this case, the government has possession of the historical and documentary records, even though it is one of the parties in a potential dispute. As a result, if those files disappear, there is nothing left.

Responding to questions about why records of such historical importance are not transferred to Library and Archives Canada (LAC) "whose mandate is to preserve our heritage," Senator Dupuis stated:

> …the system does not work well. In terms of the access to information system or a preliminary request, people may have an idea what they are looking for, but do not know what the record actually contains. That is very difficult to predict, and the answer in some cases is that the record is too voluminous. This is not a satisfactory way for the government to fulfill its legal obligations. Moreover, it leaves the First Nation entirely at the government's mercy.

Despite LAC's mandate, which emphasizes preservation, advancement of knowledge, accessibility and cooperation, perhaps because of it, CIRNAC's practice is to retain records – some dating from the 19th century – within the department, rather than transfer them to LAC. The Union of BC Indian Chiefs, which participates in a working group aimed at facilitating informal access to CIRNAC records, has been told by the department's director of information management that CIRNAC retains all records "that still have business value to the department." When asked what constitutes "business value," how it is determined, who determines it and if there are departmental guidelines for making this determination, the UBCIC received no response.[23] Consequently, tens of thousands of boxes of documents remain at department offices or warehouses, compromising the physical integrity and completeness of the historical record.[24]

This threat to the completeness of the historical record was discussed by Senator Dupuis who remarked that:

> …the current system does not allow access to the records and does not guarantee that the records will be conserved.
>
> …
>
> Managing these documentary records is more an issue of preserving evidence and must be handled as such…They must not be managed like the department's administrative files. Special rules must apply to their conservation. [25]

The Union of BC Indian Chiefs has heard informally that staff at Library and Archives Canada (LAC) are deeply concerned about CIRNAC's lack of expertise related to record preservation. They have expressed worries regarding the consequences for the long-term survival of records due to CIRNAC's reluctance to transfer its files to the public institution set up for that purpose.[26] Such unwillingness to make records available and ensure that they are preserved according to professional archival standards severely compromises the ability of First Nations to document their claims and puts them at a tremendous disadvantage when Canada has complete access.

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[23] Pierre Desroches, Director, Corporate Information Management Directorate, CIRNAC and ISC (Indigenous Services Canada), Email to Jody Woods, UBCIC Research Director, September 6, 2018.

[24] CIRNA officials have indicated that that CIRNA / ISC holds approximately 60 kilometres of physical records relating to its operations, as well as another 10km+ of documents awaiting transfer from the former Medical Services Branch of Health Canada.

[25] Dupuis, November 8, 2018.

[26] Informal conversation between UBCIC and LAC staff, December 2018.

Persisting in this unfair practice and attempting to justify it with vague rationales while simultaneously championing open government and stressing the importance of claims resolution for reconciliation constitutes dishonourable conduct on the part of the federal government. The Supreme Court of Canada, in its decision in *Haida*, has stressed the Crown's obligation to act honourably in the resolution of claims:

> In all its dealings with Aboriginal peoples, from the assertion of sovereignty to the resolution of claims and the implementation of treaties, the Crown must act honourably. Nothing less is required if we are to achieve 'the reconciliation of the pre-existence of aboriginal societies with the sovereignty of the Crown.[27]

The notion that the Crown must act honourably in all its dealings with Indigenous peoples has been reiterated by the British Columbia Court of Appeal and the Specific Claims Tribunal.[28] Since Crown honour extends to the resolution of claims, Canada's conflict of interest impedes the resolution of claims through systemic unfairness and inequality. It prevents the Crown from fulfilling its obligation to act honourably.

Current Barriers to Access to Information Faced by Indigenous Peoples

Our survey shows that under the current access to information and privacy regime, Indigenous peoples regularly face significant barriers in obtaining complete and timely access to records. Barriers to accessing federal government records significantly inhibit Indigenous peoples' ability to achieve justice for past wrongs through the state mechanisms established for this purpose. The barriers faced by Indigenous Nations seeking information access must be specifically and systematically targeted, such that rights to redress are advanced and protected. Indigenous peoples routinely experience the following barriers when attempting to obtain federal government records through access to information:

1. *Prolonged, unacceptable delays in obtaining information.* Researchers are regularly asked to waive legislated timelines – often multiple times for a single request for records – resulting in serious delays meeting deadlines, jeopardizing relationships with funders and the Indigenous communities on whose behalf they carry out their work. Our survey showed the following:
    - 83 percent of respondents were notified by government bodies that time extensions beyond the 30-day legislated timeframe were needed to fulfill their access to information requests due to the high volume of records requested;
    - Over 50 percent of respondents reported that these time extensions were not met.
    - 40 percent of respondents reported waiting over 90 days to receive records.
    - 80 percent of respondents reported these delays were not warranted based on the volume of records they finally received.
    - 68 percent of respondents experienced prolonged delays without receiving any communication from the government body whatsoever.

2. *Unreasonably broad applications by public bodies of the exceptions to disclosure under the Act, resulting in excessive redactions or failures to release information.* Sections 13 (government confidences), 19 (personal information), 20 (third party information), and 23 (solicitor-client privilege) are routinely invoked, even in cases where disclosure would not prejudice a third party or constitute an unreasonable invasion of privacy under the Act. We note that the disclosure provision given to public bodies under section 8(2)(k) of the *Privacy Act*, which implicitly

[27] Cited in Alisa Lombard and Aubrey Charette, "Crown Honour and the SCT: Honourable Litigation?", prepared for the BC Specific Claims Working Group, September 13, 2018. .
[28] Lombard and Charette, "Crown Honour and the SCT: Honourable Litigation?", prepared for the BC Specific Claims Working Group, September 13, 2018.

recognizes the resolution of Indigenous claims and grievances as a matter of justice, often fails to yield the necessary disclosure of records. Since Nations are compelled to produce a wide range of government records to substantiate their land claims and grievances against the Crown, challenges obtaining these records are a substantial barrier to achieving justice for land-related grievances.

3. *Public bodies using extra-legislative rationales, such as "not relevant" as a basis for withholding information.* Redactions are routinely made, and disclosure is regularly refused without statutory justification, even if records are publicly available elsewhere. In some cases, release of records is refused outright when information analysts deem documentation which authorizes access – such as band council resolutions – invalid, contrary to law.[29]

4. *Public bodies failing to transfer records to government archives, resulting in decades' worth of missing information.* This is resulting in inexplicable gaps in the historical record upon which Indigenous Nations depend to substantiate their claims and grievances, as described above.

5. *Inadequate resourcing and training of information management analysts.* Insufficient resourcing and inadequate training has resulted in inappropriate and inconsistent applications of the exemptions under the Act and delay. One survey respondent stated, "It's hit and miss with formal/informal requests to federal departments. Too much is left to the discretion of [the] individual or government of the day. Not enough training for staff so that they understand FN rights to access." Another, in response to a question asking what would improve the current ATI system, stated, "Increase resources for ATI shops and program staff; legislative and policy reform that takes FN rights and interests into account; send all historical records from INAC to LAC where they belong; in the interim, INAC should make its finding aids and computerized databases of files available to researchers."

New Barriers Introduced Through Bill C-58

The legal analysis of Bill C-58 conducted by First Peoples Law concludes that, as currently drafted, Bill C-58 will create significant new barriers for Indigenous Nations trying to access information for land claims and other purposes, exacerbate the problems outlined above, and will thereby hinder efforts by Canada to meet the minimum standards for redress for historical wrongs articulated in the UN Declaration, contrary to its international obligations and domestic commitments.

The legal analysis demonstrates that the bill ignores the Crown's duty to disclose records to Indigenous Nations and provides many new ways for officials to delay or deny access to information (for example, the provisions set out in section 6, which is overly prescriptive and will suppress legitimate requests).[30] The bill will also exacerbate Canada's conflict of interest and provide legislative authority for the suppression of evidence; recent amendments to section 6.1(1) do not allay these concerns.[31]

The legal review notes that Bill C-58 will expand a government body's ability to impose additional fees both now and if additional regulations are enacted in conjunction with the legislation in the future.[32]

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[29] The issue of Band Council Resolution (BCR) validity came to a head when CIRNAC information analysts refused to release documentation to the UBCIC on the grounds that a First Nation's BCR authorizing access was no longer valid due to a change in Chief and Council after an election. A legal review concluding that CIRNAC's practice had no basis in law prompted Minister Bennett, in February 2016, to clarify in writing that all BCRs would be accepted as valid, regardless of changes in First Nations leadership.

[30] McIvor and Gunn, p. 8.

[31] Ibid, pp. 8-10.

[32] Ibid, pp. 10-11.

The proactive disclosure requirements set out in C-58 are also insufficient for ensuring the protection of Indigenous peoples' access to justice, as they prevent the Information Commissioner from exercising oversight in relation to the proactive disclosure requirement and errs too heavily on the discretion of government bodies to disclose; the lack of any compliance mechanism in the bill ensures this.[33]

Proposed Amendments to Bill C-58

We have been monitoring developments in the Senate as the CLCA has continued its study of the bill. We note that the bill's sponsor in the Senate, Senator Pierrette Ringuette, has proposed amendments which would remove the most egregious elements of section 6 of the bill. This change is welcome but fails to address the lack of substantive consultation, the many other issues which have been identified with the bill, as well as the systemic problems that Indigenous Nations face with regard to access to federal records. For these matters to be addressed properly, sustained and meaningful engagement between the federal government and Indigenous Nations and their representative organizations is required. To uphold the honour of the Crown, it must be made a priority.

Need for Substantive Consultation on Access to Information Reform

Bill C-58 was created unilaterally, without consultation or meaningful engagement with Indigenous Nations or their representative organizations, contrary to Canada's commitment to a Nation-to-Nation relationship, to work in equal partnership with Indigenous Nations, to uphold the honour of the Crown, and implement the UN Declaration.[34]

Article 19 of the UN Declaration provides that:

> States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.[35]

Any attempt to change access to information legislation will have a unique impact on Indigenous Nations; if passed into law, Bill C-58 will hinder the just resolution of longstanding claims against the federal Crown.

Any legislative review must make meaningful, direct dialogue with Indigenous Nations a priority and reject cursory actions that only create the illusion of meaningful change. This work must be guided by transparency, due process, and full enactment of the government-to-government approaches articulated within the UN Declaration. These guiding principles are not just future outcomes of some consultative process but must be built into these processes from the start.

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[33] Ibid, pp. 11-12.

[34] In September 2018, Treasury Board Secretariat agreed to a proposal to provide funding for the national survey and legal review referenced throughout this report; it also provided funding to draft the discussion paper. However, it would not fund any form of direct engagement between First Nations and Canada on the basis that engagement was beyond the scope of strict funding guidelines.

[35] United Nations General Assembly, Article 19, *United Nations Declaration on the Rights of Indigenous Peoples*, September 13, 2007.

Independent Oversight/Separate Legislation to Guarantee Timely and Complete Access

Given Indigenous peoples' right of access to information, articulated in Canadian law and supported by the UN Declaration, federal government records must be seen as evidence that needs to be preserved rather than proprietary holdings of CIRNAC released at their discretion. First Nations have long expressed what Senator Dupuis summed up in her testimony: "the current system does not work," and "the current access to information system cannot adequately address the context of specific claims."[36]

The NCRD and the UBCIC through the submission of the BC Specific Claims Working Group endorsed the amendments recommended by First Peoples Law if withdrawal of Bill C-58 was not possible. However, due to the systemic nature of the issues outlined above, amendments will not address the fundamental problems which impede First Nations' rights of access to information. Senator Dupuis made a similar statement to the CLAC, remarking that "an amendment to a bill, as worded in the spirit of the current act, would not be a satisfactory solution to deal with the issue of land claims."[37]

In her testimony, guided by her expertise dealing with First Nations claims, Senator Dupuis advanced the idea of an independent body to oversee First Nations' access to information:

> I am certainly of the view that there needs to be an independent body of some sort that could become the depository of all this documentation, which would not put the First Nations in their current situation where the federal government has all the files and decides upon which criteria it will accept a specific claim. The federal government is, under its own criteria, financing some research. There's no guarantee that the First Nation has access to the totality of the file. … There is a uniqueness in the process. Part of the file is under Indian Affairs…and the Justice Department because it is giving advice on the validity of that claim. So I think there is a need to take the conservation and access to the file somewhere else than where it is currently.[38]

Substantive engagement is required to jointly develop an independent process that is guided by principles of fairness and equality. To fulfill its obligation to act honourably, Canada must commit to such a process of engagement with First Nations, rather than tenaciously protecting its own unfair advantage by refusing to remove its conflict of interest.

Recommendations

In accordance with the principles of justice, fairness, and equality, and in the interest of reconciliation, we make the following recommendations.

We recommend that the Government of Canada immediately work in full partnership with Indigenous Nations and their representative organizations to develop and enact mutually agreed-upon changes to policy and legislation regarding access to information and privacy, such that transparency, openness, and fairness are guaranteed and Indigenous Nations' rights (especially the rights to joint oversight, access to justice and redress for past wrongs) are implemented, as per the *UN Declaration of the Rights of Indigenous Peoples* and the federal government's commitments to Crown-Indigenous reconciliation.

[36] Dupuis testimony.
[37] Ibid.
[38] Dupuis testimony.

Canada will need to address with Indigenous peoples implications regarding the nature and scope of rights of access for "Aboriginal peoples" within the meaning of the *Constitution Act, 1982*, and between individual and collective rights of access.

Canada will also need to ensure that the particular needs of French-speaking First Nations are taken into account.

This could include the following actions, to be undertaken in cooperation between Indigenous Nations and Canada:

- The development of new legislation specifically addressing the custody and management of federal records which may constitute evidence in connection with Indigenous nations' claims, disputes and grievances against the Crown.
- An immediate and ongoing process to address systemic problems with informal and formal access to federal records, with particular attention to CIRNAC/ISC, to make timely, concrete and meaningful changes to bring current practises up to the standards required by the UN Declaration and Canadian law. This would include more detailed definitions of the problems, identification of solutions, and action to implement measures.
- In conjunction with the above, the establishment of an oversight mechanism to ensure that federal departments comply with their legal obligations under international and Canadian law.

Next Steps

1. We recommend that the Government of Canada commit to the immediate establishment and resourcing of a joint committee, to include representatives of the Treasury Board Secretariat and in cooperation with Indigenous Nations and their representative organizations, which would include within its terms of reference:

- To further document and define existing barriers to access, including measurement of existing regimes against international and Canadian legal standards and requirements;
- Develop specific responses to address those barriers, which may include legislative, policy and regulatory measures;
- Develop interim measures to address critical barriers in the short term;
- This group would include, on the federal side, representatives of key federal departments and agencies on an as-needed basis (TBS, CIRNAC/ISC, LAC, DOJ)
- This group would address issues specific to First Nations' rights of access to information arising from their claims, disputes and grievances with Canada;
- This group could also address more general issues arising from Indigenous peoples' rights of access to government records.

2. We recommend that the Government of Canada provide resourcing to enable the NCRD to continue to study this issue and engage with TBS and relevant federal departments. This would include resources to:
    - Engage in internal discussion and consultation;
    - Commission a legal review of issues arising from CIRNAC/ISC's control over evidence related to First Nations' claims, disputes and grievances against the Crown;
    - Commission a legal review on the UN Declaration's standards as they apply to First Nations' access to federal records.

Appendix One
National Online Survey

The purpose of this survey is to gather information about Indigenous people's experience using Canada's access to information (ATI) procedures to obtain records from government departments and public bodies (such as Crown corporations).

"Access to information" describes a legal right of access to information held by government departments and other public bodies. In Canada, requests for government information (other than personal information) may be made under the federal Access to Information Act. Informal access to information procedures are also used by Indigenous researchers to facilitate access to government records. Provinces, territories, municipalities and some First Nations governments also have access to information laws and procedures; the focus of this survey is on federal laws and processes.

We will use the information you provide to produce a publicly available user guide for Indigenous researchers to explain access to information procedures and help with accessing government records. The survey information will also be used to help us advocate for Indigenous peoples' information rights.

ABOUT THIS SURVEY

We estimate that the survey will take about 20 minutes to complete.

Please answer whatever questions you can; all information you can offer is very helpful. Feel free to skip any questions that are not relevant to your experience.

Confidentiality: All information you provide will be kept anonymous. No individuals, Nations, or organizations will be identified by name in any materials related to this survey.

1. Name:

2. Contact phone number or email address:

3. Nation or organization:

4. Job title or description:

5. Have you ever filed a federal access to information (ATI) request as part of your job?

- ○ Yes
- ○ No

6. Approximately how many times a year do you file access to information requests? Please indicate if these are formal or informal.

7. Please indicate any non-federal access to information processes you have used in your work? Select all that apply.

- ☐ Provincial freedom of information processes
- ☐ Municipal freedom of information processes

- ☐ First Nation access to information framework
- ☐ I have not used any non-federal processes
- ☐ Other (please specify)

8. Before filing an access to information request, do you ever try to obtain records informally? If so, please explain how (select all that apply).

- ☐ Sending a letter
- ☐ Sending an email
- ☐ Talking to someone by phone
- ☐ Written agreement with a government agency to obtain records informally
- ☐ I do not try to obtain records informally
- ☐ Other (please specify)

9. How did you learn about about procedures for making access to information requests?

- ☐ Employer
- ☐ Workshop or seminar
- ☐ Academic institution
- ☐ Public library
- ☐ Government website
- ☐ Other (please specify)

10. Have you ever received instruction or training regarding access to information procedures?

- ○ Yes
- ○ No

If so, explain what kind of training and from where.

11. Have you ever submitted an 8(2)(k) form as part of your request for records? If so, is this a regular part of what you do when filing access to information requests?

(Section 8(2)(k) of Canada's Privacy Act allows public bodies to disclose personal information: "to any aboriginal government, association of aboriginal people, Indian band, government institution or part thereof, or to any person acting on behalf of such government, association, band, institution or part thereof, for the purpose of researching or validating the claims, disputes or grievances of any of the aboriginal peoples of Canada.")

- ☐ Yes, I have submitted an 8(2)(k) form once or twice.
- ☐ Yes, I regularly submit 8(2)(k) forms.
- ☐ No, I have never submitted an 8(2)(k) form.

12. What area of research do the records support? Please select all that apply.

- [ ] Land title and territory claims
- [ ] Specific claims
- [ ] Children and families
- [ ] Citizenship
- [ ] Safety of Indigenous women and girls
- [ ] Education
- [ ] Residential schools
- [ ] Emergency management
- [ ] Environmental management
- [ ] Fiscal relationships
- [ ] Fisheries and aquaculture
- [ ] Forestry
- [ ] Health
- [ ] Housing
- [ ] Justice
- [ ] Languages
- [ ] Policing
- [ ] Treaties
- [ ] Water
- [ ] Other (please specify)

13. What best describes the time period of the records you request? Choose all that apply.

- [ ] Pre 1930
- [ ] 1930-1960
- [ ] 1960-1980
- [ ] 1980-2000
- [ ] 2000-present

14. To which government departments have you submitted access to information requests (select all that apply):

- [ ] Indigenous and Northern Affairs
- [ ] Agriculture
- [ ] Auditor General of Canada

- [ ] Canadian Heritage
- [ ] Canadian Human Rights Commission
- [ ] Employment and Social Development Canada
- [ ] Environment Canada
- [ ] Department of Finance
- [ ] Fisheries and Oceans Canada
- [ ] Health Canada
- [ ] Department of Justice
- [ ] Library and Archives Canada
- [ ] Public Works and Government Services Canada
- [ ] RCMP
- [ ] Statistics Canada
- [ ] Transport Canada
- [ ] Treasury Board of Canada

Other (please specify)

15. To which public bodies have you submitted access to information requests? Please select all that apply.

- [ ] Canadian Broadcasting Corporation (CBC)
- [ ] Canada Land Company Limited
- [ ] VIA Rail
- [ ] Canada Post
- [ ] Bank of Canada
- [ ] Other (please specify)

16. Have you ever filed an informal request for records released pursuant to a previous ATI request?

- ○ Yes
- ○ No

17. What method do you use to make access to information requests? (Please check all that apply.)

- [ ] Government website
- [ ] Written letter

18. Which of the following documentation have you been required to provide with your access to information request to support or authorize your request? Please select all that apply.

- [ ] Band council resolution
- [ ] Researcher authorization
- [ ] Employment authorization
- [ ] Other (please specify)

19. Have any of these supporting documents ever been challenged or refused?

- ○ Yes
- ○ No

If so, what was the reason?

20. There is a $5 fee required to file each access to information request. Has this fee ever prevented you from filing a request for records?

- ○ Yes
- ○ No

21. Do you have any other costs associated with preparing, filing, receiving and processing access to information requests?

- ○ Yes
- ○ No

If yes, please describe these costs.

22. Does your operational budget cover the costs of preparing and filing access to information requests?

- ○ Yes
- ○ No

23. Section 7 of the federal Access to Information Act states that government institutions must respond to requests and release responsive records within 30 days of receiving a request. On average, approximately how long does it take you to receive records from the time you file an access to information request?

- ○ 10 days
- ○ 20 days
- ○ 30 days
- ○ 60 days
- ○ 90 days
- ○ More than 90 days

24. Section 9 of the Act allows government institutions to extend the 30-day time limit in some circumstances. Has a government institution ever notified you that it has extended the deadline to respond to your ATI request?

- ○ Yes
- ○ No
- ○ Don't know

25. What reasons were given for requiring the extension? Please select all that apply.

- ☐ Government agency is understaffed
- ☐ High volume of records
- ☐ Delays obtaining responses from government agencies involved
- ☐ Other (please specify)

26. In your experience, is the deadline extension usually met?

- ○ Yes
- ○ No

27. Where deadlines were extended, do you feel the extensions were warranted based on the records you received?

- ○ Yes
- ○ No

28. Has a government institution ever failed to respond to your request on time without claiming a formal deadline extension or failed to meet an extended timeline?

- ○ Yes
- ○ No

29. While your request is in process, do you ever communicate with the analyst handling your request?

- ○ Yes
- ○ No

30. How would you rate your interactions with the information analyst handling your request?

- ○ Extremely helpful
- ○ Very helpful
- ○ Somewhat helpful
- ○ Not so helpful
- ○ Not at all helpful

31. Have you ever had an access to information request you filed yield no records?

- Yes
- No

32. How do you get copies of the records you requested?

- The department or public body makes the copies for me
- I make the copies
- Both
- It's different at different departments/public bodies

33. In what format do you usually receive documents? Select all that apply.

- Paper
- Electronic transfer on secure site
- CD

Other (please specify)

34. If the copies are provided by the government department or public body, how would you rate your satisfaction with the legibility of the copies you receive?

- Very satisfied
- Satisfied
- Neither satisfied nor dissatisfied
- Dissatisfied
- Very dissatisfied

35. Have you ever had records redacted (removed) due to an exemption for releasing records under the Access to Information Act?

- Yes
- No

36. Please identify any exemptions that were used to withhold records (select all that apply):

- s. 13 (government confidences)
- s. 14 (federal-provincial affairs)
- s. 16 (law enforcement and investigations)
- s. 18 (economic interests of Canada)
- s. 19 personal information
- s. 20 (third party information)

- [ ] s. 21 (government advice)
- [ ] s. 23 (solicitor-client privilege)
- [ ] Can't remember
- [ ] Other (please specify)

37. Did you understand the meaning of the exemptions and why the records were not provided to you?

- ○ Yes
- ○ No

38. Have you ever filed a formal complaint as outlined in section 30 of the Access to Information Act? If yes, what was the nature of your complaint?

- [ ] I have never filed a complaint.
- [ ] Yes, due to excessive redactions
- [ ] Yes, due to portions of records withheld without explanation
- [ ] Yes, due to no records being released
- [ ] Yes, due to excessive delay receiving records
- [ ] Yes, due to poor copies
- [ ] Other (please specify)

39. Was your complaint handled in a timely way?

- ○ Yes
- ○ No

40. How would you rate the effectiveness of the complaint process?

- ○ Extremely effective
- ○ Very effective
- ○ Somewhat effective
- ○ Not so effective
- ○ Not at all effective

41. How would you describe your interactions with the investigator handling your complaint?

- ○ Extremely helpful
- ○ Very helpful
- ○ Somewhat helpful
- ○ Not so helpful

- Not at all helpful

42. The federal government has proposed changes to the Access to Information Act through Bill C-58, which is currently being reviewed by the Senate. Are you familiar with the bill?

- Yes
- No

43. Have you ever participated in discussions about or been involved in access to information reform?

- Yes
- No

If so, please describe your involvement.

44. What would you do to improve the current ATI system?

45. Please add anything that you feel is important or that we may have missed, including any thoughts about non-federal access to information processes.

46. Would you agree to being contacted with follow-up questions?

- Yes
- No

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Legal Review of Bill C-58

Prepared for the Union of B.C. Indian Chiefs,
National Claims Research Directors
& the Indigenous Bar Association

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October 25, 2018

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Executive Summary

Indigenous Peoples in Canada have a distinct interest in accessing federally-controlled information, including to pursue and resolve historic and current grievances and claims against the federal Crown, to protect and advance their Aboriginal Title, Rights and Treaty rights, and in relation to matters affecting their governance, policy, economic, social and cultural interests. The importance of ensuring Indigenous Peoples' access to information in the possession of the federal Crown has been recognized by Canadian courts and is reflected in federal legislation and international instruments. However, under the current access to information and privacy regime in Canada, Indigenous Peoples regularly face legal and bureaucratic challenges and delays in obtaining complete and timely access to information.

The proposed amendments to Canada's access to information and privacy regime as set out in *Bill C-58, An Act to amend the Access to Information Act and the Privacy Act and to make consequential amendments to other Acts*[1] have the potential to impose significant additional barriers to Indigenous Peoples' ability to access federally-controlled legislation. If passed into law, the amendments in Bill C-58 will provide government institutions with additional legislative bases to deny access to information requests from Indigenous Peoples, reduce the oversight and authority of the Office of the Information Commissioner, and perpetuate the differential treatment of many Indigenous governments relative to federal, provincial and municipal governments and Indigenous groups who have entered into comprehensive claims agreements with the federal government. Importantly, Canada has largely failed to consult with Indigenous Peoples regarding Bill C-58, despite repeated requests for engagement by Indigenous organizations.

The provisions in the current version of Bill C-58 are contrary to the honour of the Crown and Canada's commitment to a renewed relationship with Indigenous Peoples including through the implementation of the *United Nations Declaration on the Rights of Indigenous Peoples*. If enacted, the amendments will affect Indigenous Peoples' rights under section 35(1) of the *Constitution Act, 1982* and hinder the resolution of longstanding claims against the federal Crown. Amendments are required to the Bill in order to address these concerns and ensure that Indigenous Peoples have timely access to the information they require to pursue claims against the Crown, protect and advance their Aboriginal Title, Rights and Treaty rights, and carry out governmental operations on behalf of their members.

Prepared on behalf of the Union of BC Indian Chiefs, National Claims Research Directors and the Indigenous Bar Association.

[1] *Bill C-58, An Act to amend the Access to Information Act and the Privacy Act and to make consequential amendments to other Acts*, 1st Sess, 42nd Parl, 2018, cl 6 (as passed by the House of Commons 6 December 2017). [Bill C-58]

Introduction

This report provides our review and proposed recommendations for Bill C-58 on behalf of the Union of BC Indian Chiefs, National Claims Research Directors and the Indigenous Bar Association.

Bill C-58 proposes changes to access to information and related privacy issues in respect of information in the possession of the federal government as set out in the current *Access to Information Act* and *Privacy Act*.[2] The Bill is currently before the Senate. Since being introduced into the House of Commons, Bill C-58 has been criticized by both Indigenous and non-Indigenous organizations for imposing additional barriers to accessing government-held information.[3] This report is intended to build on existing critiques of Bill C-58 with a focus on impacts of the Bill on Indigenous Peoples, both as rights-holders under section 35(1) of the *Constitution Act, 1982* and as government organizations. Specifically, this report provides analysis and recommendations to address concerns regarding (1) substantive issues with Bill C-58 which will adversely impact Indigenous Peoples' right to access information; and (2) the federal Crown's failure to consult with Indigenous Peoples on the development of Bill C-58.

Part I sets out background information on the importance of accessing information for Indigenous Peoples, and Indigenous Peoples' right of access as recognized by Canadian courts and legislation. Part II provides an overview of Bill C-58 and an analysis of substantive issues of concern for Indigenous Peoples in the current version of the Bill. Part III sets out concerns regarding the federal Crown's failure to consult with Indigenous Peoples in relation to the Bill. Part IV provides a summary of recommendations to address concerns about Bill C-58 and Indigenous Peoples' access to information held by the federal government more broadly.

I. Background

The following is a brief overview of impacts on Indigenous Peoples as a result of existing information and privacy legislation, along with an overview Indigenous Peoples' legal right to access information as confirmed by the courts and legislation.

a. Impacts on Indigenous Peoples

As a consequence of the historic and ongoing process of colonialism in Canada, Indigenous Peoples are regularly required to access information in the possession of the federal government for a host of reasons related to claims, grievances and governance issues, including the following:

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[2] *Access to Information Act*, RSC 1985, c A-1 [*Access to Information Act*]; *Privacy Act*, RSC 1985, c P-21 [*Privacy Act*]

[3] See for example Canada, *Office of the Information Commissioner of Canada, Failing to Strike the Right Balance for Transparency – Recommendations to improve Bill C-58: An Act to Amend the Access to Information Act and the Privacy Act and to Make Consequential Amendments to Other Acts, Information Commissioner of Canada* (Ottawa: Office of the Information Commissioner of Canada), September 2017 [2017 OIC Report]; *Impaired Access* – Submission to the Standing Committee on Information, Privacy and Ethics. October 16, 2017. National Claims Research Directors [2017 NCRD Submission]; Joint Submission to the Standing Committee on Information, Privacy and Ethics and First Nations Experience with Access to Information. June 29, 2016. Directors from Claims Research Units Across Canada. [2016 Joint Submission]

i. Comprehensive & Specific Claims

Indigenous Peoples across Canada regularly pursue claims against Canada through Canada's comprehensive and specific claims processes regarding the resolution of issues related to Aboriginal Title and Rights, as protected pursuant to section 35(1) of the *Constitution Act* and historic grievances against the federal Crown's failure to fulfil its lawful obligations to Indigenous Peoples.[4] In both cases, Indigenous Peoples are required to provide extensive documentation and historical evidence to develop, support and advance claims in negotiations with Canada or before the Specific Claims Tribunal. The majority of the records required to document the claims are in the possession of the federal government.

ii. Other Historical Grievances

Indigenous Peoples require access to pursue additional historic and present-day grievances against the Crown outside of the comprehensive and specific claims context, including in relation to residential schools, child welfare the appropriation of Indigenous Peoples' cultural and religious materials and artefacts by Canadian museums.[5] In the vast majority of situations, information required to address these issues is possessed by the federal Crown.

iii. Aboriginal Title, Rights and Treaty Rights Litigation

Indigenous Peoples also require access to information in the possession of the federal government in order to advance their section 35 rights and enforce the Crown's constitutional obligations in respect of those rights. Indigenous Peoples are regularly required to use legal processes established by Canadian courts to protect and advance their section 35 rights. As with comprehensive claims, the processes established by Canadian courts for advancing claims in relation to Title, Rights and Treaty Rights or related litigation to protect those rights require significant amounts of historical information which is frequently held solely by the federal Crown.

iv. Status under the Indian Act

The *Indian Act* sets out the federal government's definition of who qualifies as an "Indian" and is entitled to corresponding benefits.[6] In cases where an individual applies for status under the *Indian Act* or to appeal a decision in which he or she has been wrongly denied status, he or she requires historical information in the possession of the federal government, including genealogical records, to substantiate the claim. Without access to this information, individuals who would otherwise be entitled to status are unable to access the benefits as provided for under the *Indian Act.*

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[4] In June 2018 the federal government announced that it intended to renew its approach to comprehensive claims pursuant to its *Comprehensive Land Claims Policy* and released its interim policy, entitled *Renewing the Comprehensive Land Claims Policy: Towards a Framework for Addressing Section 35 Aboriginal Rights.* For the purpose of this report, the term "comprehensive claims" is used to refer to the negotiation of land claims or modern treaties pursuant to either policy. The term "specific claims" refers to claims made by First Nations against Canada pursuant to Canada's *Specific Claims Policy* or before the Specific Claims Tribunal in relation the administration of land and other First Nation assets and to the fulfilment of historic treaties and other agreements.

[5] The importance of addressing these and other issues is recognized in the Truth and Reconciliation Commission's Calls to Action.

[6] *Indian Act*, RSC 1985, c I-5 [*Indian Act*]

v. Governance Issues

Indigenous Peoples and their representative organizations require access to federal records for matters affecting their governance, policy, economic, social and cultural interests. Access to federal records is also critical in advancing Indigenous Peoples' self-determination, which has been repeatedly identified as a key issue by both the federal government and Indigenous Peoples.

vi. Commercial Interests

Indigenous Peoples are affected by information and privacy legislation in relation to commercial transactions, particularly where a First Nation or its nominee is a party. First Nations frequently engage in commercial transactions in which the federal government is a party (including, for example, contracts with the Department of National Defence or proponents under the federal Procurement Strategy for Aboriginal Business). Having access to federal records to inform the First Nation's negotiation strategy or due diligence process is critical to ensure a level playing field for First Nations relative to other companies in the commercial context.

In each of the cases outlined above the majority of relevant records is in the possession of the federal government. As a consequence of Canada's control over this information and its importance to Indigenous Peoples, modifications to the legislative basis for access to information or privacy rights will disproportionately affect Indigenous Peoples' ability to obtain the information necessary to substantiate and advance their claims pursuant to processes established by Canada, and to proceed with the process of reconciliation.

b. Indigenous Peoples' Right to Access Information

As a consequence of Canada's colonial past and Indigenous Peoples' unique relationship with the federal Crown the courts have confirmed that Indigenous Peoples have distinct rights to access information which are recognized by federal legislation and international instruments.

i. Canadian Courts & Legislation

The reconciliation of Indigenous Peoples and non-Indigenous Canadians and their respective claims, interests and ambitions in a mutually-respectful relationship is the fundamental objective of section 35(1).[7] Ensuring that Indigenous Peoples have timely and transparent access to information required to advance and resolve outstanding claims against the Crown is necessary to further the process of reconciliation.

Canadian courts have recognized that the federal government is required to disclose records to First Nations conducting research to pursue claims against the Crown by virtue of section 35(1), the Crown's fiduciary obligations, and the honour of the Crown. According to the Federal Court, it would be inconsistent with the purpose of section 35 for the federal government to possess but be entitled to suppress the evidence necessary for Indigenous Peoples to pursue and resolve their

[7] *Beckman v. Little Salmon/Carmacks First Nation*, [2010] 3 SCR 103, 2010 SCC 53 (CanLII) at para 10 [*Beckman*]; *Mikisew Cree First Nation v. Canada (Minister of Canadian Heritage),* [2005] 3 SCR 388, 2005 SCC 69 (CanLII) at para 1. [*Mikisew* 2005]

claims.[8] Rather, the duty to negotiate in good faith, which is an implicit aspect of section 35(1), requires that the Crown disclose records in its possession which are relevant to the proof of section 35 claims.[9]

Similarly, the Federal Court of Appeal has confirmed that, where Indigenous Peoples require federally-controlled documents to support research in respect of land claims, access will take priority over protections for personal information.[10] This priority is further reflected in the *Privacy Act* itself, which provides for the provision of information under the control of a government institution to "any aboriginal government, association of aboriginal people, Indian band, government institution or part thereof, or to any person acting on behalf of such government, association, band, institution or part thereof, for the purpose of researching or validating the claims, disputes or grievances of any of the aboriginal peoples of Canada."[11]

ii. The United Nations Declaration on the Rights of Indigenous Peoples

Canada has committed to implementing the *United Nations Declaration on the Rights of Indigenous Peoples* (UN Declaration) through reviewing its laws and policies as guided by the UN Declaration and its *Principles respecting the Government of Canada's relationship with Indigenous peoples*.[12]

Article 40 of the UN Declaration provides that:

> Indigenous peoples have the right to access to and prompt decision through just and fair procedures for the resolution of conflicts and disputes with States or other parties, as well as to effective remedies for all infringements of their individual and collective rights. Such a decision shall give due consideration to the customs, traditions, rules and legal systems of the indigenous peoples concerned and international human rights.

Indigenous Peoples' right to just and fair procedures and effective remedies for claims against the federal Crown as set out in the UN Declaration requires access to information necessary to support and develop those claims. As such, the UN Declaration supports Indigenous Peoples' right to access federally-controlled information for the purpose of resolving claims against the Crown.

c. Concerns with Accessing Information

As set about above, Indigenous Peoples are directly and disproportionately affected by federal information and privacy legislation, and are recognized as holding rights to access that information. However, under the current legislation Indigenous Peoples regularly face legal and bureaucratic challenges and delays in obtaining complete and timely access to information necessary to pursue claims against the federal Crown.

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[8] *Canada (Information Commissioner) v. Canada (Minister of Industry)*, [2006] 4 FCR 241, 2006 FC 132 (CanLII) [*Canada (Information Commissioner) v. Canada* FC] at para 45-6.
[9] *Canada (Information Commissioner) v. Canada (Minister of Industry)*, [2006] 4 FCR 241, 2006 FC 132 (CanLII) [*Canada (Information Commissioner) v. Canada* FC] at para 45-6.
[10] *Canada (Information Commissioner) v. Canada (Minister of Industry)*, [2008] 1 FCR 231, 2007 FCA 212 (CanLII) [*Canada (Information Commissioner) v. Canada)* FCA] at para 13.
[11] *Privacy Act,* s.8(2)(k)
[12] http://www.justice.gc.ca/eng/csj-sjc/principles-principes.html [accessed September 24, 2018]

Indigenous Peoples' concerns about accessing federally-controlled information is particularly significant given the context in which many disclosure requests take place. As the Federal Court has noted, "[i]t would be absurd and wrong if the Crown had the evidence the Aboriginal people required to prove their land claim, but the Government was entitled to suppress it."[13] However, in many cases this is the direct effect of the current federal access to information regime. For example, the federal Crown generally holds the majority of the evidence necessary to document specific claims and Aboriginal Title, Rights and Treaty Rights litigation, but is also the respondent/defendant in those proceedings. As a result, the current regime places Canada in a direct conflict of interest by virtue of the fact that it both possesses and controls access to the information required by Indigenous Peoples to pursue claims against the federal Crown.

II. Substantive Concerns with Bill C-58

The following section provides an overview of the current status of Bill C-58 and the key concerns identified by Indigenous Peoples with the current version of the Bill.

a. Overview

Bill C-58 was first introduced into the House of Commons by the Liberal government in June 2017. It has since passed through second and third readings at the House and has been reviewed and amended by the Standing Committee on Access to Information, Privacy and Ethics (Committee). The amended version of the Bill has received first and second readings in the Senate and is now before the Standing Senate Committee on Legal and Constitutional Affairs for review.

Bill C-58 has attracted significant criticism. For example, in 2017 Claims Research Units from across Canada submitted a report to the Committee with the endorsement of a number of First Nations, Tribal Councils and Indigenous organizations. The submission called for the withdrawal of the Bill and for the federal Crown to commence meaningful consultation with Indigenous Peoples regarding proposed legislative changes to access and privacy laws. Also in 2017, the Assembly of First Nations passed a resolution calling on the federal government to withdraw Bill C-58 and to consider, recognize and accommodate First Nations' rights of access to information in current and future legislative or administrative changes related to the access to information regime.

Despite these concerns, minimal substantive amendments have been made to Bill C-58 and Indigenous Peoples continue to raise concerns about the potential implications of the current version of the Bill now before the Senate. Key issues in the current text of the Bill, including the sufficiency of the amendments to date, are discussed in further detail in the following section.

b. Analysis

As discussed above, Indigenous Peoples have a distinct interest in accessing information in the possession of the federal Crown in order to pursue and resolve historic and current grievances and claims. Consequently, Indigenous Peoples stand to be disproportionately affected by any amendments to federal information and privacy legislation.

[13] *Canada (Information Commissioner) v. Canada* FC at para. 46.

The following provisions in Bill C-58 have the potential to impose significant additional barriers to Indigenous Peoples' ability to access federally-controlled legislation:

i. Request for access to record

Section 6 of the *Access to Information Act* currently provides that a request for access to a record shall be made in writing and shall provide sufficient detail to enable an experienced employee of the institution, with reasonable effort, to identify the record.

By contrast, section 6 of Bill C-58 provides that a request for access to a record shall, in addition to the requirements set out in the current *Access to Information Act*, also provide (a) the specific subject matter of the request; (b) the type of record being requested; and (c) the period for which the record is being requested or the date of the record.[14]

If passed into law, section 6 of Bill C-58 would impose additional, unreasonable requirements on Indigenous Peoples seeking access to information regarding historical claims including specific and comprehensive claims, Aboriginal Title, Rights and Treaty rights litigation, documents pertaining to *Indian Act* status and documents required for the operation of First Nation governments. As the National Claims Research Directors noted in their 2017 submission to the Committee, the additional requirements to access information have the potential to act as deterrents to legitimate requests for information and to stifle the pursuit of claims brought by Indigenous Peoples against the Crown.[15]

Concerns with the proposed amendments in section 6 have been expressly recognized by the federal government. In testimony before the Standing Senate Committee on Legal and Constitutional Affairs (Senate Standing Committee) on October 3, 2018 Scott Brison, President of the Treasury Board and Minister of Digital Government, acknowledged that, based on discussions with Indigenous leaders, the new requirements for accessing information in section 6 were unnecessary and could potentially be misused, particularly in the context of land claims.[16] Minister Brison recommended that the Senate Standing Committee eliminate the proposed requirements in section 6 that requests for information include the subject matter, time period and the type of record sought.[17]

ii. Declining to Act on a Request

The proposed amendments to the *Access to Information Act* include section 6.1(1), which provide that in certain circumstances a government institution may decline to act on an information request.

Section 6.1(1) as originally proposed provided the head of a government institution, acting on its own, with authority to deny a request for information if it determined that the person had already received prior access to the information, was requesting an unreasonably large number of records, or making a request that is vexatious or in bad faith. It has since been amended to include a requirement that the Information Commissioner approve a decision to decline to act on a request.

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[14] Bill C-58, s.6.
[15] 2017 NRCD Submission at p. 3.
[16] Canada. Parliament. Senate. The Senate Standing Committee on Legal and Constitutional Affairs. *Evidence.* 1st sess, 42nd Parliament, Oct. 3, 2018. https://sencanada.ca/en/Content/SEN/Committee/421/lcjc/54261-e [Senate Standing Committee Evidence] [accessed October 18, 2018]
[17] Senate Standing Committee Evidence.

The current draft provides that with the Information Commissioner's written approval the head of a government institution may decline to act on a person's request if he or she is of the opinion that:

> (a) the person has already been given access to the record or may access the record by other means;
> (b) the request is for such a large number of records or necessitates a search through such a large number of records that acting on the request would unreasonably interfere with the operations of the government institution, even with a reasonable extension of the time limit set out in section 7; or
> (c) the request is vexatious, is made in bad faith or is otherwise an abuse of the right to make a request for access to records.[18]

Section 6.1(1) continues to raise significant concerns for Indigenous Peoples for the following reasons:

- It provides the head of a government institution with new powers to decline to act on an information request with the approval of the Information Commissioner. This power, with or without approval of the Information Commissioner, is not available under the current *Access to Information Act*. The change therefore expands the head of government's powers to deny access.

- It provides legislative justification for federal representatives to deny a request for records on the basis that an applicant has already been given access by other means. For Indigenous Peoples pursuing research to support claims against the federal Crown, this provision increases the risk that formal access to information requests will be denied if they have already sought that information through informal requests and received a response which provides some of the requested information but is incomplete or otherwise unsatisfactory.

- It provides government institutions with the legislative basis to deny information requests where the information has been previously requested and lost, or where a change in circumstances could result in the disclosure of additional information. For Indigenous Peoples who pursue claims against the federal Crown over periods which often span decades, and often over the course of changes to leadership and administrative staff, the ability to re-request information where information has been lost or circumstances have changed is critical.

- It permits institutions to decline to act on a request where the requester is deemed to be able to access the records by other means, including information which may be publicly available online. This provision has the potential to disproportionately impact Indigenous Peoples based in remote communities without regular access to the internet or public libraries.

- The provision provides the head of the government institution in receipt of the request to decline to fulfil a request where the size of the disclosure would interfere with the operating of the institution without specifying what would constitute an unacceptably large volume of

[18] Bill C-58, s.6.1(1).

documents. This provision provides the government with the discretion to decline access requests from Indigenous Peoples seeking to document claims against the Crown which have taken place over a significant period of time and which may entail the disclosure of large or unknown amounts of documents, particularly in the context of Aboriginal Title, Rights and Treaty rights litigation and for specific and comprehensive claims.

- Section 6.1(1)(c) does not define what constitutes a request that is vexatious or made in bad faith.[19] Providing a government institution with discretion to determine a vexatious or bad faith request raises the possibility that legitimate requests from Indigenous Peoples could be denied based on an overly broad interpretation of the language in section 6.1(1)(c).

As a result, section 6.1(1) continues to provide additional legislative bases for federal institutions to suppress or withhold records which Indigenous Peoples require in order to document and advance claims against the Crown.

iii. Fees

Section 11 of the current *Access to Information Act* provides that individuals requesting access to information may be required to pay fees, including an application fee not exceeding $25;[20] costs for the reproduction of documents;[21] costs for the conversion of records into an alternative format;[22] and additional fees for every hour in excess of five hours that is reasonably required to search for and prepare a record.[23]

Section 7(1) of Bill C-58 would replace sections 11(1)-(3) of the *Access to Information Act* with the following:

> 11 (1) Subject to this section, a person who makes a request for access to a record under this Part shall pay, at the time the request is made, any application fee of not more than $25, that may be prescribed by regulation.
>
> Additional payment
>
> (2) The head of the government institution to which the request is made may require, in addition to the fee payable under subsection (1), payment of an amount prescribed by regulation or calculated in the manner prescribed by regulation and may require that the payment be made before access to the record is given.[24]

If passed into law, Bill C-58 would maintain an institution's ability to charge a $25 application fee, but would also replace the list of additional potential fees set out in the current legislation with a general provision permitting the institution to impose additional fees in an amount prescribed by regulation. This change expands a government institution's discretion to impose additional fees,

[19] Senate Standing Committee Evidence.
[20] *Access to Information Act,* s.11.(1)(a).
[21] *Access to Information Act,* s.11(1)(b).
[22] *Access to Information Act,* s.11(1)(c).
[23] *Access to Information Act,* s.11(2).
[24] Bill C-58 s.7(1).

including for reasons beyond those enumerated in the current legislation, and raises the possibility that further fees will be required if additional regulations are enacted at a future date.

Section 7(1) has the potential to create further barriers to Indigenous Peoples seeking access to federally-controlled records by increasing government discretion to impose fees for accessing information beyond those set out in section 11 of the *Access to Information Act*. The Bill also fails to address the fact that requiring Indigenous Peoples to pay fees to access records to pursue grievances against the federal Crown or to conduct government operations is contrary to Indigenous Peoples' recognized right to access such information, and the Crown's corresponding duty to facilitate that access.

vi. Proactive Disclosure

Part 2 of Bill C-58 introduces proactive disclosure requirements for public office-holders, including ministers' officers, organizations that support Parliament, and bodies that provide administrative support to the courts.[25]

The proactive disclosure requirements set out in Bill C-58 raise a number of concerns, including the following:

- The Bill prohibits the Information Commissioner from exercising any oversight function in respect of the proactive disclosure requirements.[26]

- Contrary to campaign promises made by the Liberal government, the proactive disclosure requirements do not open ministers' offices to access to information requests under Part 1.

- Rather than subjecting the government to a public right of access, the regime effectively permits the federal government to determine what information it chooses to disclose.

- Timelines for proactive disclosure are significantly longer than the timelines for access to information under the current legislation. Increased delays associated with proactive disclosure requirements are particularly detrimental to Indigenous Peoples engaged in litigation and other time-sensitive proceedings.

- The disclosure of information under the proactive disclosure requirements, regardless of in what form that information is disclosed, could be used as basis for the head of a government institution to deny a request for information under section 6.1(1)(a) of Bill C-58 on the basis that the information has already been providing by other means.

- There is no mechanism in Bill C-58 to ensure compliance with the government's proactive disclosure obligations.

[25] Bill C-58, Part 2. For the purposes of this report, "proactive disclosure" refers to the release of federally-controlled information prior to that information being requested through an access to information request under the *Access to Information Act*.
[26] Bill C-58, s.91(1).

As with other aspects of Bill C-58, the concerns identified above have the potential to disproportionately affect Indigenous Peoples seeking access to records in the possession of the federal government in order to resolve grievances against the federal Crown, advance their Aboriginal Title, Rights and Treaty rights, and carry out operations related to First Nation governance.

v. Indigenous Governments

The *Access to Information Act* subjects most First Nation governments to differential treatment for the purpose of accessing federally-controlled information relative to federal, provincial and municipal governments, as well as relative to Indigenous groups which have negotiated modern land claims agreements with the federal government. Bill C-58 fails to address this issue, and in so doing perpetuates discriminatory treatment of Indigenous governments who are not party to comprehensive claim agreements.

Under section 13 of the current *Access to Information Act,* the head of a government institution may refuse to disclose requested information where the documents contain information that was obtained in confidence from another government, including an "aboriginal government."[27] The term "aboriginal government" is limited to specific groups identified in the legislation which have negotiated comprehensive claims agreements with the federal government.[28] By contrast, Indigenous governments and other groups which do not meet the definition of an "aboriginal government" are generally treated as "third parties"' under section 20 the *Access to Information Act*. Pursuant to section 20, the head of a government institution may refuse to disclose third party information, but only if it meets the specific criteria set out in that section.[29]

As a result of the current provisions in the legislation, First Nations under the *Indian Act,* Nations operating under other forms of traditional governance, and other Indigenous representative organizations are excluded from the automatic protections extended to other governments in relation to confidential information. These provisions disadvantage Indigenous Peoples who choose not to engage in comprehensive claim negotiations relative to those that do. Importantly, it also poses a serious risk that confidential and sensitive information, including information relating to a First Nation's governance matters as well as information prepared and disclosed as part of consultation processes with the Crown such as information pertaining to traditional knowledge, practices and land use, will be disclosed to outside parties.

Other Canadian jurisdictions have developed access to information requirements which extends protections for confidential information to Indigenous communities other than those who are parties to modern treaties.[30] However, Bill C-58 contains no provisions which would address this

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[27] *Access to Information Act,* s.13(1)(e).
[28] *Access to Information Act,* s.13(3).
[29] *Access to Information Act,* s. 20(1).
[30] For example, s.15.1(1) of the Ontario *Freedom of Information and Protection of Privacy Act*, RSO 1990, c F.31 provides that a head may refuse to disclose a record where the disclosure could (A) prejudice the conduct of relations between an Aboriginal community and the Government of Ontario or an institution; or (b) reveal information received in confidence from an Aboriginal community by an institution. S.15.1(2) defines an "Aboriginal community" as including (a) a band within the meaning of the *Indian Act*; (b) (b) an Aboriginal organization or community that is negotiating or has negotiated with the Government of Canada or the Government of Ontario on matters relating to, (i) Aboriginal or

issue or place Indigenous governments on a level playing field with other governments. If passed into law, the Bill would perpetuate the differential treatment of First Nations and other Indigenous governments in the current access to information regime.

vi. Powers of the Information Commissioner

Bill C-58 includes provisions which reduce the ability of the Information Commissioner to seek judicial review of a decision to deny an access request, including the ability to initiate a review on behalf of an Indigenous organization which requested the information.

Section 42(1) of the current *Access to Information Act* provides the Information Commissioner with authority to apply to the Court for a review of a refusal to disclose a requested record with the consent of the person who requested access and to appear before the Court on behalf of a person who has applied for a review.[31] As a result, under the current regime the Information Commissioner is empowered to bring an application for judicial review of a decision to deny access to information on behalf of an Indigenous group.[32] This provides Indigenous Peoples with an opportunity to challenge a decision to withhold information with the support of the Information Commissioner and without having to bear the full costs associated with legal proceedings.

By contrast, section 42(1) of Bill C-58 provides only that the Information Commissioner may (a) appear before the Court on behalf of a complainant; or (b) appear as a party to a review with leave of the Court.[33] The amended provision in Bill C-58 does not provide the Information Commissioner with authority to independently initiate a review of a decision to deny a request for access to information or to initiate a review on behalf of an Indigenous group who submitted an access request. The removal of this power places an additional limit on Indigenous Peoples' ability to challenge decisions to refuse information requests, and is particularly troubling in light of the other provisions in the Bill which extend the legislative bases on which a government would be allowed to refuse a request.

On October 3, members of the Senate Committee raised concerns about proposed changes to the order-making powers of the Information Commissioner under Bill C-58, including the fact that under Bill C-58 the Information Commissioner no longer has the power to initiate a juridical review in the name of a complainant.[34] For example, Senator Serge Joyal noted that:

> At present the commissioner may initiate a court review with the complainant's consent when an institution refuses to follow a recommendation. But under Bill C-58, the commissioner would not be able to apply to a court review. In other words, you send the citizens back to its own in the court system, whereby at present the commissioner more or less takes upon himself, with the consensual of the complainant, to go to court. What is the rationale in the bill to make access easier in the context that you deprive the complainant from the support of the commissioner to go to court? [35]

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treaty rights under section 35 of the *Constitution Act, 1982*, or (ii) a treaty, land claim or self-government agreement, and (c) any other Aboriginal organization or community prescribed by the regulations.

[31] *Access to Information Act,* s. 42(1).

[32] See for example *Canada (Information Commissioner) v. Canada* FC.

[33] Bill C-58, s.19.

[34] Senate Standing Committee Evidence.

[35] Senate Standing Committee Evidence.

In response to this concern, Minister Brison confirmed that if a government institution failed to comply with an order to disclose information, the only available recourse for the Information Commissioner would be to seek recourse through mandamus proceedings in Federal Court.[36] The reduced powers of the Information Commissioner as set out in Bill C-58 could significantly affect Indigenous Peoples, both by removing the Information Commissioner's ability to initiate a review of a decision to deny an access request on its own behalf, as well as on behalf of the Indigenous group which requested the information.

III. Consultation & Engagement

In addition to the substantive concerns outlined in Part II, First Nations have raised concerns that Canada has failed to meaningfully consult and accommodate Indigenous Peoples regarding the potential impacts of Bill C-58 on their section 35 rights. The following provides a brief overview of the Crown's consultation obligations and concerns regarding its failure to properly engage with Indigenous Peoples in respect of Bill C-58.

a. The Crown's Consultation Obligations

i. Section 35(1) & the Honour of the Crown

The Crown has a duty to consult with Indigenous Peoples prior to decisions where it has knowledge, real or constructive, of the existence of an Aboriginal or Treaty right and contemplates conduct which might adversely affect that right.[37] The duty to consult is a constitutional imperative grounded in the honour of the Crown.[38] The obligation extends beyond decisions which have an immediate impact on lands and resources to strategic, higher-level decisions which have the potential to affect Indigenous Peoples' section 35 rights.[39]

The issue of whether the duty to consult is triggered in the context of proposed legislative amendments was considered by the Supreme Court of Canada in 2018 in *Mikisew Cree First Nation v. Canada*.[40] In its decision, the majority of the court held that the duty to consult is not triggered in respect of proposed legislative amendments.[41] However, the Court emphasized that the fact that the duty to consult doctrine does not apply directly to the legislative sphere does not absolve the Crown of its obligation to conduct itself honourably in its dealings with Indigenous Peoples.[42] The Supreme Court's comment on this issue echo those of the Federal Court of Appeal in the same case, which confirmed that it is good policy for ministers to engage with Indigenous groups on legislative

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[36] Senate Standing Committee Evidence.
[37] *Haida Nation v. British Columbia (Minister of Forests)*, [2004] 3 SCR 511, 2004 SCC 73 (CanLII) [*Haida*] at para. 35.
[38] *Rio Tinto Alcan Inc. v. Carrier Sekani Tribal Council*, [2010] 2 SCR 650, 2010 SCC 43 (CanLII) [*Carrier Sekani*] at para. 32.
[39] *Carrier Sekani* at para. 44.
[40] *Mikisew Cree First Nation v. Canada (Governor General in Council)*, 2018 SCC 40 (CanLII) [*Mikisew* 2018].
[41] *Mikisew* 2018. Although the majority of the Supreme Court determined that the duty to consult does not extend to the legislature, in a dissenting opinion Justices Abella and Martin held at para. 75 that the duty to consult "attaches itself to all exercises of Crown power, including legislative action."
[42] *Mikisew* 2018 at para. 52.

initiatives which may affect their rights or interests regardless of whether the legislative process triggers the duty to consult.[43]

ii. United Nations Declaration on the Rights of Indigenous Peoples

In addition to the honour of the Crown and the Crown's constitutional obligations to consult with Indigenous Peoples, the Crown has specific obligations flowing from the UN Declaration. In particular, Article 19 provides that:

> States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.

As such, the UN Declaration expressly confirms the Crown's obligation to consult prior to enacting legislation which may affect Indigenous Peoples.

b. Consultation on Bill C-58

If passed into law Bill C-58 will affect Indigenous Peoples' section 35 rights and hinder the resolution of longstanding claims against the federal Crown. Given the significance of these impacts, there is a strong argument, notwithstanding the Supreme Court's recent decision in *Mikisew,* that Canada should engage in meaningful consultation with Indigenous organizations on Bill C-58 based both on the honour of the Crown, the UN Declaration and as a matter of sound public policy. Engaging in consultation prior to enacting the Bill is also critical to the federal Crown's commitment to engage in a renewed relationship based on recognition, partnership and respect, and to minimizing the potential for future litigation challenging aspects of the Bill on the basis that they infringe Indigenous Peoples' constitutionally-protected rights.

However, despite repeated requests for engagement Canada has largely failed to engage with Indigenous Peoples regarding Bill C-58, including for the following reasons:

- The Bill was drafted and introduced by the federal government without the direct involvement of Indigenous Peoples or their representative organizations at any stage of the process.

- Since its introduction, communications from Crown representatives to Indigenous Peoples regarding Bill C-58 has been limited to providing updates on decisions regarding the Bill which have already been made, rather than to engaging with Indigenous Peoples about how their concerns about the proposed legislative changes will be addressed.

- Canada has failed to provide adequate funding to enable Indigenous Peoples to meaningfully participate in engagement. In recent months the federal Crown has made some funding available to Indigenous Peoples, limited to a study of the Bill (including this legal analysis) and the current access to information regime. However, this support explicitly excluded

[43] *Canada (Governor General in Council) v. Mikisew Cree First Nation*, [2017] 3 FCR 298, 2016 FCA 311 (CanLII) at para. 61.

actual engagement in the legislative process. To date, funding has not been provided to meet with federal representatives or otherwise engage in the iterative dialogue which the consultation process requires.

- Indigenous organizations have been informed that their concerns may be addressed in a future phase of access to information reform after the Bill is passed into law. This approach is contrary to the recent decision of the Federal Court of Appeal affirming that consultation requires an iterative process of dialogue between parties, and that commitments to consult after-the-fact are insufficient to discharge the Crowns' constitutional obligations.[44] It also ignores the reality that the potential prejudice to Indigenous Peoples' interests will be much harder to address, mitigate and accommodate once the Bill is passed into law.

To fulfil the honour of the Crown, Canada's commitments to Indigenous Peoples, and the requirements set out in the UN Declaration, the federal Crown should at a minimum be prepared to engage in meaningful two-way dialogue with Indigenous Peoples and take steps to substantially address their concerns about Bill C-58. Although the precise requirements of any consultation process will vary with the circumstances, the federal Crown should at minimum:

- inform itself of the potential impacts of the proposed action or decision on Indigenous Peoples;[45]

- listen carefully to Indigenous Peoples and attempt to minimize adverse effects;[46]

- whenever possible, integrate responses to Indigenous Peoples' concerns into its plan of action.[47]

- engage in a considered, two-way dialogue with the intention of substantially addressing Indigenous Peoples' concerns as identified in the consultation process;[48]

- be prepared to amend proposals in light of information received during consultation;[49]

- provide written reasons to Indigenous Peoples regarding its decisions in order to safeguard against other issues overshadowing or displacing the issue of impacts on Indigenous rights;[50]

- do more than provide vague or generic responses that concerns can be addressed at a later date after decisions are made; [51]

- ensure the participation of a federal representative with a mandate to respond meaningfully to Indigenous Peoples concerns;[52] and

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[44] See for example *Tsleil-Waututh Nation v. Canada (Attorney General),* 2017 FCA 128 (CanLII) [*Tsleil-Waututh*].
[45] *Tsleil-Waututh* at para. 503, citing *Mikisew* 2005 at para. 55
[46] *Mikisew* 2005 at para. 64.
[47] *Mikisew* 2005 at para. 64.
[48] *Tsleil-Waututh* at para. 496, citing *Haida* at para. 42.
[49] *Tsleil-Waututh* at para. 501, citing *Haida* at para 46.
[50] *Tsleil-Waututh* at para. 502, citing *Gitxaala Nation v. Canada*, 2016 FCA 187 (CanLII) at para. 315.
[51] *Tsleil-Waututh* at para. 653.

- provide access to adequate funding to enable Indigenous Peoples to participate on an informed basis on all aspects of the consultation process.[53]

In the context of Bill C-58 specifically, the federal Crown should approach the consultation process prepared to listen and substantially address concerns raised by Indigenous Peoples, including by amending provisions in the Bill in response to their concerns. Where proposed changes are not made, the Crown should provide Indigenous Peoples with written reasons explaining why it cannot do so. Engagement must take place with properly-mandated federal representatives with authority to make decisions and address concerns.

Importantly, engagement should take place on an immediate basis rather than after the Bill has been passed into law or in the Phase II review period. This issue is particularly relevant to both Indigenous Peoples and the Crown in light of the recent *Mikisew* decision, which confirms Indigenous Peoples' right to challenge legislation on the basis that it infringes an Aboriginal or Treaty right. If the Crown wishes to avoid potential future challenges to the litigation, engagement prior to passing the Bill into law is essential. Finally, Canada should also make available adequate funding to Indigenous Peoples to participate in all aspects of engagement on the Bill, not on a limited or restricted basis.

While engaging in consultation now cannot address the Crown's initial failure to engage with Indigenous Peoples about Bill C-58, the implementation of a robust process of engagement at this point would nevertheless provide Indigenous Peoples with an opportunity to voice their concerns and for the Crown to ensure that those concerns are substantially addressed before the Bill becomes law.

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[52] *Tsleil-Waututh* at para. 599.

[53] *Saugeen First Nation v. Ontario (MNRF)*, 2017 ONSC 3456 (CanLII) at para. 26; *Wabauskang First Nation v. Minister of Northern Development and Mines et al*, 2014 ONSC 4424 (CanLII) at para. 232; *Clyde River* at para. 47. See also *Dene Tha' First Nation v. Canada (Minister of Environment)*, 2006 FC 1354 (CanLII) at para. 114.

IV. Recommendations

Collectively, the provisions in Bill C-58 are contrary to the Crown's constitutional obligation as confirmed by the courts to disclose information relevant to Indigenous Peoples' claims and grievances, and will impose additional barriers on the Crown's ability to fulfil its commitment to a renewed relationship with Indigenous Peoples including through the implementation of the UN Declaration. We recommend the following to address the concerns discussed above with both Bill C-58 and the access to information regime in Canada more broadly:

1. Purpose of the Act

i. Recommendation: The purpose of the *Access to Information Act* should be amended to acknowledge the importance of providing Indigenous Peoples with timely access to federally-controlled information.

ii. Proposed amendments: Amend section 2 of the *Information Act* by adding the following language at (2)(1)(b):

Purpose of the Act

2 (1) The purpose of this Act is to:

…

(b) consistent with Canada's obligations pursuant to section 35(1) of the *Constitution Act, 1982;* the *United Nations Declaration on the Rights of Indigenous Peoples;* the *Principles respecting the Government of Canada's relationship with Indigenous peoples* and the Calls to Action of the Truth and Reconciliation Commission of Canada, ensure that Indigenous Peoples are provided with timely access to federally-controlled information as necessary to advance the process of reconciliation between Indigenous Peoples and the Crown.

2. Definitions

i. Recommendation: Include a definition of "Indigenous Government" in the *Access to Information Act* which encompasses Indigenous communities and representative organizations beyond those who have negotiated comprehensive claims or self-government agreements with the federal Crown.

ii. Recommendation: Bill C-58 should include the following definition as an amendment to section 3 of the *Access to Information Act*:

Definitions

3 In this Act,

Indigenous Government means:

(a) a band within the meaning of the *Indian Act* (Canada),

(b) an Indigenous organization or community that is negotiating with the Government of Canada or a provincial or territorial government in Canada on matters relating to:

(i) Aboriginal or treaty rights under section 35 of the *Constitution Act, 1982*; or

(ii) a treaty, land claim or self-government agreement;

(c) an individual or organization carrying out research on behalf of an Indigenous Government; or

(d) any other Indigenous organization or community prescribed by the regulations.

3. Request for access to record

i. Recommendation: Section 6 of Bill C-58 should be revised to ensure it does not impose additional barriers to accessing information on Indigenous Peoples and their representative organizations and governments.

ii. Proposed amendments: Delete the proposed amendments in section of Bill C-58. In the alternative, if the amendments are not deleted, amend section of the Bill to read:

Request for Access to Record

6 (1) A request for access to a record under this Part, other than a request by an Indigenous Government, shall be made in writing to the government institution that has control of the record and shall set out the following information and provide sufficient detail to enable an experienced employee of the institution to identify the record with a reasonable effort:

(a) the specific subject matter of the request;

(b) the type of record being requested;

(c) the period for which the record is being requested or the date of the record.

Request for Access to Record – Other

(2) A request for access to a record under this Part by:

(a) an Indigenous Government; or

(b) an individual, where the request for access relates to a record pertaining to the individual's status as an "Indian" within the meaning of the *Indian Act,*

shall be made in writing to the government institution that has control of the record and shall provide sufficient detail to enable an experienced employee of the institution with a reasonable effort to identify the record.

4. Reasons for declining to act on a request

i. Recommendation: Section 6.1 of the Bill should be deleted or otherwise amended to protect Indigenous Peoples from being denied access to information as a result of new powers to decline a request proposed in the Bill.

ii. Proposed Amendments: Delete section 6.1(1) of Bill C-58. In the alternative, if section 6.1 is not deleted, amend sections 6.1 to include the following:

Exemption

6.1 (3) Section 6.1(1) of this Act does not apply to a request to access a record submitted by:

(a) an Indigenous Government; or

(b) an individual, where the request for access relates to a record pertaining to the individual's status as an "Indian" within the meaning of the *Indian Act*.

5. Fees

i. Recommendation: The power of a government institution to impose fees for requests to access pursuant to section 11 of the *Access to Information Act* should be rescinded.

ii. Proposed Amendments: Include a provision in Bill C-58 deleting section 11 of the *Access to Information Act*. In the alternative, if section 11 of the *Access to Information Act* is not deleted, amend section 7 of Bill C-58 to include:

Exemption

11 (3) Sections 11(1) and (2) of this Act do not apply to a request to access a record submitted by:

(a) an Indigenous Government; or

(b) an individual, where the request for access relates to a record pertaining to the individual's status as an "Indian" within the meaning of the *Indian Act,* RSC 1985, c I-5.

6. Proactive Disclosure

i. Recommendation: The proactive disclosure provisions in Part 2 of Bill C-58 should be amended to provide for appropriate oversight mechanisms to ensure timeliness and accountability in respect of proactive disclosure requirements.

ii. Proposed Amendments: Section 91(1) should be deleted from Bill C-58. Additional specific amendments to Part 2 should be developed based on further input from Indigenous Peoples.

7. Protections for Indigenous Governments

i. Recommendation: Indigenous Peoples' governments and their representative organizations should be included in the list of entities entitled to automatic protection from disclosure of information provided in confidence to the federal government.

ii. Proposed Amendments: Include the following amendments to the *Access to Information Act* in Bill C-58:

Information obtained in confidence

13 (1) Subject to subsection (2), the head of a government institution shall refuse to disclose any record requested under this Act that contains information that was obtained in confidence from

…

(f) an Indigenous Government.

8. Powers of the Information Commissioner

i. Recommendation: Restore the Information Commissioner's authority to initiate a review of a decision to deny a request for access to information.

ii. Proposed Amendments: Delete section 42 of Bill C-58. In the alternative, if section 42 is not deleted, amend section 42 to include:

Information Commissioner may appear

42 The Information Commissioner may

…

(c) apply to the Court, within the time limits prescribed by section 41, for a review of any refusal to disclose a record requested under this Act or a part thereof by an Indigenous Government, if the Information Commissioner has the consent of the Indigenous Government that submitted the request.

9. Indigenous Review Officer

i. Recommendation: In consultation with Indigenous Peoples, establish an independent Indigenous Review Officer pursuant to the *Access to Information Act* with the authority to review decisions to deny access requests from Indigenous Governments, hear complaints from Indigenous Governments regarding access issues; make recommendations to improve the access to information regime in respect of Indigenous Peoples; and apply to the Court for a review of refusal to disclose a request to an Indigenous Government.

ii. Proposed Amendments:

Appointment

The Governor in Council shall, by commission under the Great Seal, appoint an Indigenous Review Officer after:

(i) consultation with the leader of every recognized party in the Senate and House of Commons;

(ii) consultation with any Indigenous Government which requests to be consulted in respect of the appointment of the Indigenous Review Officer; and

(iii) approval of the appointment by resolution of the Senate and House of Commons and approval by any participating Indigenous Governments.

Powers of the Indigenous Review Officer

The Indigenous Review Officer may:

(i) carry out an independent review of a decision of a head of government institution to deny an access request from an Indigenous Government;

(ii) hear a complaint submitted by an Indigenous Government regarding the timeliness or adequacy of a head of government institution's response to an access request from an Indigenous Government;

(iii) on completion of a review under (i) or the hearing of a complaint under (ii), prepare a report to the designated Minister, the Indigenous Government which submitted the access request and the head of the government institution which denied the access request setting out recommendations to address concerns identified in the course of the review or complaint process and to minimize the potential for those concerns to arise in respect of future access requests; and

(iv) apply to the Court for a review of any refusal to disclose a record requested under this Act or a part thereof by an Indigenous Government, if the Indigenous Review Officer has the consent of the Indigenous Government that submitted the request.

References

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Bill C-58, An Act to amend the Access to Information Act and the Privacy Act and to make consequential amendments to other Acts, 1st Sess, 42nd Parl, 2018, cl 6 (as passed by the House of Commons 6 December 2017)

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Privacy Act, RSC 1985, c P-21

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c. Submissions & Reports

Canada, Office of the Information Commissioner of Canada, Failing to Strike the Right Balance for Transparency – Recommendations to improve Bill C-58: An Act to Amend the Access to Information Act and the Privacy Act and to Make Consequential Amendments to Other Acts, Information Commissioner of Canada (Ottawa: Office of the Information Commissioner of Canada)

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Impaired Access – Submission to the Standing Committee on Information, Privacy and Ethics. October 16, 2017. National Claims Research Directors

Joint Submission to the Standing Committee on Information, Privacy and Ethics and First Nations Experience with Access to Information. June 29, 2016. Directors from Claims Research Units Across Canada.

d. Other

Canada. Parliament. Senate. The Senate Standing Committee on Legal and Constitutional Affairs. *Evidence*. 1st sess, 42nd Parliament, Oct. 3, 2018.

Resolution No. 102/2017. Call on the Government of Canada to Withdraw Bill C-58. Assembly of First Nations Special Chiefs Assembly, December 7, 2017

United Nations Declaration on the Rights of Indigenous Peoples

From: **Archives Society of Alberta** info@archivesalberta.org
Subject: Elimination of DHCP and Cuts to ATIP
Date: February 5, 2026 at 2:46 PM
To: archives@lslirctarr.ca

View this email in your browser

archives
SOCIETY OF ALBERTA

Documentary Heritage Communities Program Cancellation

The ASA recently received news from Leslie Weir, Library and Archivist of Canada, regarding cuts in Canadian Heritage and the elimination of the Documentary Heritage Communities Program (DHCP) as well as funding cuts to ATIP. We would like to share this message with our membership:

—-

Dear colleagues,

Following the adoption of the Government of Canada's 2025 Budget and a thorough analysis of the impacts on Library and Archives Canada (LAC) resulting from the Comprehensive Expenditure Review, we can now confirm our plan to meet our budget reduction targets of 15 % for the next three years. The measures taken in 2025 in response to the 2023 Budget resulted in some reductions, but they remain insufficient to meet the new financial targets.

The institution will therefore need to implement the following changes which will take effect throughout the next three fiscal years:

- **Permanent discontinuation of the Documentary Heritage Communities Program (DHCP)**. As a result, LAC will cease the annual $1.35 million in funding provided to external documentary heritage organizations, which will also lead to a reduction in related internal support functions.

Through the DHCP, LAC has invested nearly $15 million from its operating budget over the past 10 years. The DHCP has helped supporting local organizations from diverse

backgrounds in their efforts to preserve, describe, and make accessible Canada's documentary heritage. We would like to thank the organizations and everyone who has supported this program over the years.

- **Gradual reductions over a three-year period in the Access to Information and Privacy (ATIP) and Proactive Access functions.** This funding will be reduced by $13.6M, which will impact not only positions in the ATIP Branch, but also other positions across the organization that were funded with this temporary funding.

Further information on all the measures that LAC will need to implement over the next three years will be shared in the coming months.

Thank you for your ongoing cooperation and support during this period of transition, as we adapt our ways of working to continue preserving, promoting, and making accessible the many facets of Canada's documentary heritage for present and future generations.

Leslie Weir (she-her)
Librarian and Archivist of Canada
—-

Background

The archival community had a grant program, National Archival Development Program (NADP), which was available to accredited archival institutions across the country. This program ran for 27 years and was eliminated in 2012. NADP was a $1.7 million program administered by the Canadian Council of Archives (CCA) that distributed funding across the country.

In 2015, DHCP began and although many of our members were ineligible, it was a good option for some sites, especially those which were starting new archival programs. The grant was administered by Library and Archives Canada and had an annual funding envelope of 1.35 million which was distributed across the country. Past DHCP projects can be found here.

What We Can Do

We do not have to be passive in the elimination of grant funding. If we do not fight for funding for archives, nobody else will. There are actions that we can take as the archival community.

Suggested Actions:

- Write to the Minister of Canadian Identity and Culture and your MP about why archives need a grant program. You can include in your letters protest to the discontinuation of the DHCP program and reductions to ATIP. Letters can be on behalf of your institution and on behalf of you as

an individual.

- Invite your MP to your archives and if you receive a positive response, spread awareness of what your archives does and how lack of grant funding harms the archival program.

- Call your MP. Call the Minister of Canadian Identity and Culture. Prepare a message about how the lack of funding impacts your archives. This method is the most effective, especially if many of us are calling. If you feel uncomfortable, call during off-hours and leave a voicemail with your prepared message.

Contact Information:

Hon. Marc Miller, Minister of Canadian Identity and Culture
Marc.Miller@parl.gc.ca
House of Commons *
Ottawa, Ontario,
Canada
K1A 0A6

Telephone: 613-995-6403

Find your MP Contact Information Here: https://www.ourcommons.ca/members/en

Messaging

Elements you can include in your messaging are the following.

1) Discuss a grant project your archives received either from NADP or DHCP and how meaningful the grant was to you.
2) Archives bring the unique story of Canadians to life. Archives are essential for Canadian identity and underfunding Canadian archival institutions results in a lack of understanding our culture's uniqueness.
3) Remember to discuss something positive that you have accomplished and how more funding can result in more amazing things. Do not lead the conversation with negatives. Think about how your archives can make your MP look good.
4) Archives provide a vital public service that assist Canadians in building and sharing knowledge of their past and present.
5) Archives are a trusted source of information. In an era of misinformation, AI and fake news, it is vital to resource reliable information.

We also recommend that you look at the Call to Action Package that the Association of Canadian Archivists released. The package includes messaging templates.

ASA would like to thank you in advance. ASA's Board of Directors has submitted a letter to the Honourable Marc Miller, Minister of Identity and Culture, but it is important that many communities are heard. Together, we are a stronger voice and together we can restore funding for our sector!

ACA Call to Action Package

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Submission to the House of Commons' Standing Committee on Access to Information, Privacy and Ethics (ETHI) Regarding Its Study of the *Access to Information Act*

Union of BC Indian Chiefs' British Columbia Specific Claims Working Group
December 5, 2022

INTRODUCTION

Specific claims are historical grievances brought against the federal government by First Nations when Canada fails to fulfill its lawful obligations as set out in statutes, treaties, agreements, or the Crown's reserve creation policies. The historical actions illegally undertaken by colonial governments and successive governments of Canada have resulted in First Nations' widespread dispossession of their reserve lands, villages, fishing areas, burial and other sacred sites, as well as access to water and other resources. There are hundreds of unresolved claims in Canada that continue to impact First Nations economically, socially, and culturally.

This submission proceeds on the basis that Canada's *Access to Information Act* and its regulatory and procedural mechanisms are neither adequate nor appropriate to upholding and implementing First Nations' right of redress for historical grievances against the federal government and impedes their access to justice. This determination is based on foundational, legally supported human rights principles and Canada's public commitment to prioritize reconciliation with Indigenous peoples and uphold the honour of the Crown.

First Nations claims researchers across the country have identified systemic problems with Canada's processes for accessing information held by the federal government. Claims researchers repeatedly cite as barriers to justice Canada's conflict of interest in controlling access to records required by First Nations to provide evidence of Canada's historical wrongdoing, as well as issues with obtaining timely and complete access to information. Legislative and administrative remedies are ineffective and indicate a need for independent oversight and dedicated staff who understand the reconciliatory imperative of resolving First Nations' historical claims.. Overall, there must be a new system of information management developed in full partnership with First Nations.

WHO WE ARE

Union of British Columbia Indian Chiefs (UBCIC) is a not-for-profit organization that supports First Nations in asserting and implementing their inherent Title and Rights, Treaty Rights, and Right of Self-Determination as peoples. The UBCIC is also an NGO in Special Consultative Status with the Economic and Social Council of the United Nations. Through the **British Columbia Specific Claims Working Group (BCSCWG)**, we advocate for the fair and just resolution of specific claims arising in BC and advancing specific claims as a national political priority. Working in ongoing dialogue with First Nations, claims research units, legal counsel, and others, we hold Canada accountable for changes to policy and practices and advocate for systemic reform to uphold the rights of First Nations as articulated in the *United*

Nations Declaration on the Rights of Indigenous Peoples (UN Declaration). The UBCIC's research staff rely upon federal access to information mechanisms to obtain necessary records from public bodies in the course of their work on behalf of First Nations in BC. The UBCIC advocates at the federal and provincial levels to ensure government transparency and accountability and to remove existing barriers to First Nations' access to information.

FOUNDATIONAL PRINCIPLES TO ENSURE FIRST NATIONS' ACCESS TO JUSTICE

Our discussion of how Canada's *Access to Information Act* affects First Nations claims researchers' full access to justice is founded upon the following principles:

1. First Nations' human rights must be fully upheld
2. Canada's reconciliatory mandate must be an actionable priority
3. First Nations have unique information rights
4. Full access to information is integral tothe specific claims resolution process
5. Canada must uphold the honour of the Crown

Principle 1: First Nations' human rights must be fully upheld

On June 21, 2021, the *United Nations Declaration on the Rights of Indigenous Peoples Act* (UN Declaration Act) received royal assent and came into force in Canada and as such all necessary measures must be taken to ensure that the *UN Declaration on the Rights of Indigenous Peoples* (UN Declaration) is upheld and its objectives are met. The Prime Minister's December 16, 2021 mandate letters to ministers direct each of them to implement the UN Declaration and work in partnership with Indigenous peoples to advance their rights.

First Nations' right to redress for historical losses is articulated in article 28 of the UN Declaration, while article 27 requires that processes of redress must be fair, independent, impartial, open, and transparent, and incorporate Indigenous laws and worldviews. Article 40 articulates Indigenous peoples' right to effective and timely remedies, and article 19 sets out the minimum standards states must meet, including obtaining Indigenous peoples' free, prior, and informed consent, in the development of all legislative, regulatory, and administrative regimes that affect them.[1]

Human rights principles such as self-determination, respect for First Nations rights and title holders, and obtaining First Nations' free, prior, and informed consent must be incorporated into and underpin all processes for developing, reviewing, and amending federal access to information and privacy legislation and associated regulatory and administrative processes.

Principle 2: Canada's reconciliatory mandate must be an actionable priority

[1] *United Nations Declaration on the Rights of Indigenous Peoples*, Resolution adopted by the General Assembly, September 13, 2007. Available at https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf

Just and fair redress for historical losses is a legal right and a political imperative if Canada intends to move toward reconciliation with First Nations. Reconciliation has been deemed by the courts and all levels of government to be in the public interest and a political priority. The Department of Justice's 2018 *Principles Respecting the Government of Canada's Relationship with Indigenous Peoples* recognizes that reconciliation is a fundamental purpose of section 35 of the *Constitution Act, 1982*, and should guide the transformation of the relationship between Indigenous peoples and the Crown, and guide the implementation of the UN Declaration.[2]

The December 16, 2021 mandate letter from the Prime Minister to the Treasury Board President underscores "the need to move faster on the path of reconciliation". Canada's access to information regimes, including all processes of review and reform, must align with Canada's explicit public reconciliatory objectives. Concrete actions to advance reconciliation must be taken in full partnership with First Nations, as per article 19 of the UN Declaration.

Principle 3: First Nations have unique information rights

First Nations have unique rights of data sovereignty that are supported by the UN Declaration and embedded within First Nations' laws, protocols, and governance structures. Rights of data sovereignty rest on principles of ownership, control, access, and possession,[3] and the decisions each Nation makes regarding their exercise and implementation.

While the full extent of First Nations' data sovereignty rights is beyond the scope of this submission,[4] it is important to note that among the types of information included in the accepted definition of First Nations' data is information "[a]bout First Nations reserve and traditional lands, waters, resources, and the environment,"[5] much of which is held by federal government departments and essential for First Nations to substantiate historical grievances against Canada.

First Nations' right of data sovereignty conflicts with Canada's unilaterally controlled access to information regime and the colonial system it reinforces and perpetuates. The stated purpose of the *Access to Information Act* is "to enhance the accountability and transparency of federal institutions in order to promote an open and democratic society and to enable public debate on the conduct of those institutions."[6] Canada rationalizes public access to information in accordance with "the principles that government information should be available to the public, that necessary exceptions to the right of access should be limited and specific and that decisions on the disclosure of government information should be reviewed independently from government." The type of information that may be sought through access to information processes is defined as "government information" under Canada's ownership, possession, and control.

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[2] Department of Justice Canada, *Principles Respecting the Government of Canada's Relationship with Indigenous Peoples*, 2018.
[3] Defined by the First Nations Information Governance Centre as OCAP® principles.
[4] Please see First Nations Information Governance Centre, *Exploration of the Impacts of Canada's Information Management Regime on First Nations' Data Sovereignty*, August 2022.
[5] Ibid, p. 8.
[6] *Access to Information Act*, section 2.

Data sovereignty principles and the OCAP® principles highlight a gap in understanding between the *Access to Information Act*'s stated purpose in assuming ownership over records pertaining to First Nations, and Canada's numerous and varied breaches of its legal obligations to First Nations. The vital importance of First Nations having access to historical records held by the federal government and their right of redress mean that First Nations have a unique interest and a unique right of access to information that is qualitatively different from that of a Canadian citizen.

A true Nation-to-Nation approach that upholds the rights of First Nations articulated in the UN Declaration demands that Canada recognize and respect First Nations' data sovereignty over their own records and facilitate full access to records held by the federal government and its agencies that First Nations are able to utilize as they deem necessary.

Principle 4: Full access to information is integral tothe specific claims resolution process

Full access to information is necessary for First Nations to participate in Canada's mechanisms of redress for the resolution of First Nations' historical claims. The federal specific claims process and Specific Claims Tribunal require First Nations to submit documentary evidence to support their claims.

Canada's *Specific Claims Policy and Process Guide* sets out strict requirements for filing a specific claim in "Annex A, Minimum Standard" (legislatively enforced through the Specific Claims Tribunal Act).[7] The "Minimum Standard for Kind of Information" requires a First Nation to submit an historical report and supporting documents (complete copies of primary documents and relevant excerpts of secondary documents) that substantiate a First Nation's allegations of Canada's wrongdoing laid out in the claim. A single claim often requires hundreds of evidentiary documents to substantiate an allegation. The "Minimum Standard for Form and Manner" requires supporting documents to be complete, as well as accurately and fully referenced. A claim will not be deemed officially filed by the Minister of Crown-Indigenous Relations unless the minimum standard is met, thereby excluding the claim from an assessment on its validity and acceptance for negotiation by Canada's Specific Claims Branch. Similarly, a claim that does not meet the minimum standard is excluded from adjudication at the Specific Claims Tribunal since to become eligible at the Tribunal, a claim must have first received an assessment from the Specific Claims Branch.

Since the majority of documents required to support First Nations' historical grievances are in the possession and control of federal government institutions, First Nations must have full access to this information in order to participate fully and fairly in processes to resolve specific claims.

Principle 5: Canada must uphold the honour of the Crown

The Supreme Court of Canada, in its 2004 decision in Haida, has stressed the Crown's obligation to act honourably in the resolution of claims.[8] The notion that the Crown must act honourably in

[7] The Minimum Standard is also set out as a requirement in section 16 of the federal *Specific Claims Tribunal Act*.
[8] 2004 SCC 73.

all its dealings with Indigenous peoples has been reiterated by the British Columbia Court of Appeal and the Specific Claims Tribunal.[9] Since Crown honour extends to the resolution of claims, Canada must take all necessary steps to ensure that First Nations have complete and timely access to the information they require to resolve their claims. The Department of Justice's *Principles Respecting the Government of Canada's Relationship with Indigenous Peoples* acknowledges, "The Government of Canada recognizes that it must uphold the honour of the Crown, which requires the federal government and its departments, agencies, and officials to act with honour, integrity, good faith, and fairness in all of its dealings with Indigenous peoples."[10]

Specific claims rest on the whether Canada fulfilled its legal obligations to First Nations in the context of its fiduciary obligations, such as to protect First Nations' recognized interests in land, in the creation of Indian reserves, in seeking surrenders, or expropriating Indian reserve lands for a public purpose. The fiduciary nature of the historical relationship between First Nations and the Crown results in Canada's duty to fully disclose documents in its possession since they are in the interests of First Nations seeking resolution of their historical grievances.

CANADA'S CONFLICT OF INTEREST IN CONTROLLING ACCESS TO INFORMATION IMPEDES FIRST NATIONS' ACCESS TO JUSTICE

Specific claims arise when Canada fails to fulfill its legal obligations to First Nations. Canada's specific claims policy requires First Nations to substantiate their historical claims with documentary evidence. The majority of the historical evidence First Nations require to support their claims is controlled by Canada in federal government institutions. Since Canada controls access to the evidence First Nations require to substantiate their historical claims against the Crown through the *Access to Information Act*, it is in an unfair and untenable conflict of interest.

Canada's conflict of interest in controlling access to records First Nations must obtain to support their claims against the Crown is an extension of the conflict of interest inherent in the specific claims process itself. For decades First Nations have advocated unequivocally for a fully independent specific claims resolution process that fully eliminates Canada's conflict of interest from all parts of the process. This includes its control of the funding, management and assessment of claims made against it, its control over access to the documentary evidence required to support claims, and its reliance solely on Canada's system of common and civil law used to assess and adjudicate claims.

The First Nations Information Governance Centre recognizes that in reconceptualizing information management in Canada to include data sovereignty, Canada must give "due regard to the Crown's position as potential adversary in First Nations claims against the Crown and facilitate free, liberal, and timely access to data for claims research."[11] Canada's conflict of interest is the overarching barrier to First Nations' full and equitable access to justice, violates

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[9] A. Lombard and A. Charette, "Crown Honour and the SCT: Honourable Litigation?" prepared for the BC Specific Claims Working Group, September 13, 2018.

[10] Department of Justice, *Principles Respecting the Government of Canada's Relationship with Indigenous Peoples*, 2018.

[11] First Nations Information Governance Centre, "Exploration of the impact of Canada's information management regime on First Nations Data," August 2022.

the human rights principles articulated in the UN Declaration, obstructs reconciliation based on trust and mutual respect between sovereign, self-determining Nations, and renders the "honour of the Crown" a duplicitous trope.

The First Nations claims community regularly expresses concerns related to Canada's conflict of interest in managing access to information requests and determining what information is disclosed to a requesting First Nation. Those concerns arise in part from Canada's overly zealous and inconsistent application of statutory exemptions, but also because Canada unilaterally determines the relevance of requested documents without the need to provide justification to the requestor on documents which are not disclosed because Canada deems them irrelevant. Relevance must be determined by the researcher investigating the nature of a First Nation's allegation of historical wrongdoing by Canada, rather than the party alleged to have committed the wrongdoing.

Claims researchers also cite the Crown-Indigenous Relations' practice of retaining records deemed to have "business value to the department" instead of transferring them to Library and Archives Canada. What "business value" entails has never been explained by the department.[12] Consequently, tens of thousands of boxes of records remain at department offices or warehouses, compromising the physical integrity of the materials and First Nations' access to a complete historical record.

Claims researchers also tell us that they have no confidence that the government provides them with the full extent of the document package or existing information pertaining to their requests and linked it directly to Canada's control of the process. Since Canada decides what to release regarding records in legal claims made against itself, First Nations are systemically disadvantaged in terms of equality and fairness in accessing justice.

Recent cases involving the Crown's disclosure of documents in a high value claim give no reason to be confident that the Canada will act honourably. In a case before the Canadian Human Rights Tribunal in *First Nations Child Caring Society v. Canada*, Canada knowingly failed to disclose over 90,000 relevant documents to the complainant, many of which were prejudicial to its case, causing significant costs and protracted delay.[13] Further, the Crown was found to have inappropriately interpreted the exemptions to disclosure under the *Access to Information Act*, resulting in the redaction of relevant information not subject to proper exemption. The disclosure regime largely relies on the Crown's honour to disclose fully and exempt lawfully.

Political and legal frameworks adopted by Canada now mandate fair, independent, transparent, and open mechanisms of redress for First Nations' historical land-related losses. Canada is presently engaged with the Assembly of First Nations and First Nations representatives to jointly develop a new independent institutional body to manage and assess claims in accordance with the human rights standards articulated in the UN Declaration. Access to information must be a

[12] This message was communicated by Pierre Desroches, then Director, Corporate Information Management Directorate, CIRNAC and ISC (Indigenous Services Canada), in an email to Jody Woods, UBCIC Research Director, September 6, 2018.
[13] *First Nations Child and Family Caring Society of Canada et al v Canada*, 2019 CHRT 1.

key component of that initiative to ensure First Nations' full access to justice for the resolution of their specific claims.

SYSTEMIC PROBLEMS WITH ACCESS TO INFORMATION PROCESSES

First Nations researchers cite significant systemic problems with federal access to information processes that create barriers to receiving the information they require to support their specific claims. These barriers include prolonged, unreasonable, and costly delays receiving records, as well as delays receiving clear communication regarding the status of filed requests. Researchers also highlight overly broad and inconsistently applied exemptions by Canada's access to information analysts, and excessively redacted documents compromising their ability to obtain the full extent of existing information to support First Nations' claims. Claims researchers also report a deterioration in the system overall since the beginning of the COVID pandemic. The systemic problems highlighted by claims researchers contravene the legally supported principles to ensure full access to justice for First Nations.

Prolonged and unreasonable delays receiving responses and records

Extensive delays are the norm for First Nations claims researchers, who are required, due to the complex and historical nature of specific claims, to make multiple requests for access to large volumes of records that span lengthy time periods – often decades, if not timeframes exceeding one hundred years or more. As a result, federal departments often have large volumes of records pertaining to requests for records and that must be reviewed.

Faced with such large volumes of records, analysts routinely ask claims researchers to significantly narrow the scope of their requests to mitigate delay, but this narrowing is antithetical to the researchers' purpose. Testifying before the Senate Committee regarding Bill C-58, former Chair of the Indian Specific Claims Commission Senator Renée Dupuis stated:

> *…the system does not work well. In terms of the access to information system or a preliminary request, people may have an idea what they are looking for, but do not know what the record actually contains. That is very difficult to predict, and the answer in some cases is that the record is too voluminous. This is not a satisfactory way for the*
>
> *government to fulfill its legal obligations. Moreover, it leaves the First Nation entirely at the government's mercy.*[14]

Extensions are the norm due to structural shortcomings

Section 9 of the *Access to Information Act* allows government institutions to extend the 30-day time limit in some circumstances. First Nations claims researchers report that extensions are the norm and that it routinely takes more than 90 days from the date of submitting a request to receive any records at all, often taking between three to nine months to receive records after making a request. Several UBCIC researchers have reported to us that they are still waiting on responses to access to information requests that they filed in 2019.

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[14] Senator Renée Dupuis testimony to the Senate Committee on Legal and Constitutional Affairs, November 8, 2018.

When claims researcher were asked to cite the reasons they were given by information analysts explaining the need for a time extension, the majority reported that time extensions were due to "departmental impacts because of COVID", "understaffing resulting in an inability to deal with the large volume of requests", "interference with government operations", and that "the system is overwhelmed." According to one researcher, an information manager at one government department stated candidly that the access to information system was not designed to handle the volume of requests that are submitted now on a regular basis and protracted delays are unavoidable. Many claims researchers note that the extensive delays receiving responses to their access to information requests result in financial burdens for their organizations or individual First Nations. Representatives of claim research units highlight the potential punitive impacts on their annual funding allocations due to failures to meet projected work plan timelines as a result of delays receiving necessary records to develop claims.

Prolonged systemic delays contravene principles that ensure First Nations' access to justice
The prolonged, unreasonable, and systemic delays receiving responses to access to information requests contravene the principles outlined above that must be upheld to ensure First Nations have full access to justice for historical grievances. Since access to information is an integral part of the specific claims process, the rampant delays described by claims researchers jeopardize First Nations' ability to access and participate in mechanisms of redress, as is their right under article 28 of the UN Declaration. The extent and nature of the delays receiving records contravenes First Nations' right to a timely remedy as set out in article 40. First Nations' right to a "fair, independent, impartial, open, and transparent" process of redress as articulated in article 27 is also breached since Canada's representatives at the Specific Claims Branch and Department of Justice are not subject to the same delays in obtaining federally held records they require to assess First Nations' claims and conduct their own research. The delays First Nations experience receiving records they require as evidence for their claims undermines data sovereignty principles. Finally, the lack of clear and timely communication by Canada's representatives around access processes and delays compromises both the honour of the Crown and reconciliation as First Nations' distrust that they are being treated fairly.

Overly broad and inconsistently applied exemptions
Under the *Access to Information Act* federal government institutions have legislative authority to refuse to disclose information to requestors based on a number of criteria. The various criteria include records obtained in confidence from other governments, records related to international affairs, law enforcement and investigations, audits and investigations, safety of individuals, national economic interests, as well as personal and third-party information, and information pertaining to government operations, a wide category that includes advice and solicitor-client privilege.

First Nations claims researchers report that sections 13 (government confidences), 19 (personal information), 20 (third party information), and 23 (solicitor-client privilege) are routinely invoked by Canada, even in cases where disclosure would not prejudice a third party or constitute an unreasonable invasion of privacy under the Act. They also report that the disclosure provision given to government institutions under section 8(2)(k) of the *Privacy Act*, which implicitly recognizes the resolution of First Nations claims and grievances as a matter of justice, often fails to yield the necessary disclosure of records.

The discretionary application of the Act leads to vast inconsistencies and results in gaps in the historical records and makes it difficult to substantiate allegations. Researchers describe having to file separate access to information requests to individual government departments likely to be holding the same set of records in the hope of piecing together a complete picture based on inconsistently applied exemptions and redactions.

Canada's use of exemptions contravenes principles that ensure First Nations' access to justice Since First Nations are compelled to produce evidence-based historical reports to participate in processes of redress for their historical land claims and grievances against Canada, the above noted challenges obtaining complete records are a substantial barrier to First Nations' access to justice. The right to redress cannot be upheld if First Nations are prevented from accessing the entirely of records they are required to produce under the specific claims policy and the *Specific Claims Tribunal Act*. As First Nations claims researchers' information requests are subject to exemptions under the Act, Canada's comparative access to the full extent of records held by federal institutions contravenes article 27 of the UN Declaration, which sets out as a minimum standard that redress processes must be "fair, independent, impartial, open and transparent". The relationship between Canada's use of exemptions and delay also undermines First Nations' right to timely and effective remedies (article 40).

Importantly, Canada's failure to provide complete records when First Nations require them to support their historical claims wholly undermines First Nations' full access to justice. The discretionary system of reviewing records for disclosure and applying exemptions to providing complete records to First Nations claims researchers creates a legislatively sanctioned unfairness since Canada's agents decide what is released, to the detriment of First Nations seeking justice for their claims. Canada's conflict of interest here is incontrovertible. Canada should uphold the honour of the Crown by recognizing its inherent conflict of interest and First Nations' right of data sovereignty by facilitating full access to records required for substantiating claims.

AVAILABLE LEGISLATIVE AND ADMINISTRATIVE REMEDIES ARE INEFFECTIVE

The legislative and administrative remedies enacted to date to assist First Nations claims researchers continue to be ineffective in ensuring full access to justice for First Nations in resolving their historical claims against Canada. Legislative initiatives, such as including provisions allowing the disclosure of personal information under the *Privacy Act*,[15] provisions to file formal complaints under the *Access to Information Act*,[16] and amendments to the *Access to Information Act* introduced under Bill C-58 have done little to ensure First Nations have access to the evidence they require to support their claims. The Department of Indian and Northern Affairs Canada's introduction of an informal access to information policy in 1999, updated in

[15] Under section 8(2)(k) of the *Privacy Act*, personal information controlled by government institutions may be disclosed "*to any aboriginal government, association of aboriginal people, Indian band, government institution or part thereof, or to any person acting on behalf of such government, association, band, institution or part thereof, for the purpose of researching or validating the claims, disputes or grievances of any of the aboriginal peoples of Canada*".

[16] Sections 30 to 37 of the *Access to Information Act* set out the provisions related to the Information Commissioner's investigation of complaints.

2017,[17] to alleviate First Nations' need to go through formal and time-consuming access procedures when obtaining records from that department is ineffective. This is due to understaffing, poor communication, and an adversarial approach to implementation, resulting in non-disclosure of records, lengthy delay, lack of communication, and a lack of accountability.

Available legislative and administrative remedies enacted to date to assist First Nations claims researchers do not ensure full access to justice for First Nations in resolving their historical claims against Canada. First Nations cannot exercise their right to redress for historical grievances if they cannot obtain the supporting evidence the process requires.

ENGAGEMENT ON REFORM

Changes to Canada's *Access to Information Act*, regulatory framework, and administrative procedures, will have a unique impact on First Nations' abilities to access and achieve justice for their historical grievances against the Crown. As such, all legislative, regulatory, and administrative reviews must make meaningful, direct dialogue with First Nations a priority. This work must be guided from the outset by transparency, due process, and full enactment of the government-to-government approaches articulated in the UN Declaration.

RECOMMENDATIONS

We submit the following recommendations to ensure First Nations' full and fair access to justice for resolving their historical claims against the Crown:

1. Human rights principles such as self-determination, respect for First Nations rights and title holders, and obtaining First Nations' free, prior, and informed consent must be incorporated into and underpin all processes for developing, reviewing, and amending federal access to information legislation and associated regulatory and administrative processes.
2. Canada's conflict of interest in controlling First Nations' access to records they require to substantiate their claims against the Crown must be fully eliminated. Treasury Board must work in full partnership with First Nations and their representative organizations to work toward developing a new information access regime that upholds First Nations rights as articulated under the UN Declaration, including the right of First Nations' data sovereignty.
3. In the interim, Canada must recognize its duty of full disclosure and uphold the honour of the Crown by working in full partnership with First Nations to develop a mechanism of independent oversight that ensures First Nations' full and timely access to records held by federal government institutions for purposes of substantiating historical claims.
4. Canada must take immediate steps to make First Nations' requests for access to information held by federal government institutions a priority by hiring additional dedicated staff to expedite existing and impending requests as soon as possible.
5. Canada's information analysts and staff must be informed about First Nations specific claims and First Nations' rights of redress and information rights, as well as the

[17] Please see https://www.rcaanc-cirnac.gc.ca/eng/1584194702771/1584194720627.

imperative of Crown-Indigenous reconciliation. They must also be instructed that they too are required to uphold the honour of the Crown.

6. Canada must remove the $5 application fee for First Nations claims researchers making requests for records under the *Access to Information Act*.

Canada must take immediate steps to make meaningful, direct dialogue with First Nations and their representative organizations a priority from the outset of all future policy work. Engagement that occurs as an afterthought with unrealistic time constraints or is under-resourced fails to uphold the transparency, due process, and full enactment of the government-to-government approaches articulated within the UN Declaration.

Full Disclosure:

Canada's Conflict of Interest in Controlling First Nations' Access to Information

A Discussion Paper Respecting the One Year Review of the *Access to Information Act*, and the Modernization of the *Privacy Act*

National Claims Research Directors and Union of BC Indian Chiefs

November 4, 2022

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INTRODUCTION

Specific claims are historical grievances brought against the federal government by First Nations when Canada fails to fulfill its lawful obligations as set out in statutes, treaties, agreements, or the Crown's reserve creation policies. The historical actions illegally undertaken by colonial governments and successive governments of Canada have resulted in First Nations' widespread dispossession of their reserve lands, villages, fishing areas, burial and other sacred sites, as well as access to water and other resources. There are hundreds of unresolved claims in Canada that continue to impact First Nations economically, socially, and culturally.

In 2016, when the Office of the Auditor General was conducting its audit of Indigenous and Northern Affairs Canada's management of the resolution of First Nations' specific claims, the auditor conducted a series of interviews with directors of Claims Research Units across the country to ascertain their views on the fairness and effectiveness of the federal government's claims resolution policy and process. Research directors, responsible for advancing hundreds of claims on behalf of First Nations, were asked to explain to the auditor how specific claims are researched. When they outlined the research process and explained the need to go through formal and informal access to information processes[1] to obtain copies of the hundreds, sometimes thousands of government-held documents needed to support a First Nation's claim allegation, the auditor interjected, asking why First Nations specific claims researchers had to go through formal access to information processes to obtain historical records they needed to substantiate their claims against the federal government.

This discussion paper proceeds on the basis that Canada's information management regime – the *Access to Information Act*, the *Privacy Act*, and their respective regulatory and procedural mechanisms – is neither adequate nor appropriate to upholding and implementing First Nations' right of redress for historical grievances against the federal government and impedes their access to justice. This determination is made on the basis of foundational, legally supported human rights principles and Canada's public commitment to prioritize reconciliation with Indigenous peoples and uphold the honour of the Crown. Canada's conflict of interest in managing and assessing claims against itself extends to its control over access to information First Nations legally require in order to resolve their claims. Survey and interview responses by First Nations claims researchers across the country identify a myriad of systemic problems with Canada's processes for accessing information held by the federal government. Claims researchers repeatedly cite as barriers to justice Canada's conflict of interest in controlling access to records required by First Nations to provide evidence of Canada's historical wrongdoing, as well as longstanding and systemic issues with obtaining timely and complete

[1] "Access to information" describes a legal right of access to information held by government departments and other public bodies. In Canada, formal requests for government information may be made under the federal Access to Information Act. Indigenous researchers rely heavily on both formal and informal access to information procedures to access federal government records." National Claims Research Directors and Union of BC Indian Chiefs, *The Impacts of Bill C-58 on First Nations' Access to Information: A Discussion Paper Following the Review of Bill C-58 by the Senate Committee on Legal and Constitutional Affairs*, March 20, 2019.

access to information. According to claims researchers, legislative and administrative remedies are ineffective and indicate a need for independent oversight and dedicated staff who understand the reconciliatory imperative of resolving First Nations' historical claims in the short term. Overall, there must be a new system of information management developed in full partnership with First Nations so that their right of redress is upheld and full access to justice is ensured.

About the Authors

National Claims Research Directors (NCRD) is a national body of specialized technicians who manage over thirty centralized Claims Research Units (CRUs) mandated to research and develop evidence related to the claims, grievances, and disputes between First Nations and the Crown. Much of the NCRD's work is focused on the development of specific claims against the federal government related to its breach of lawful obligations against First Nations, pursuant to Canada's specific claims policy and *Specific Claims Tribunal Act*. The NCRD is also involved in the development of claims related to First Nations' title and rights and treaty entitlements, and in litigation support on a range of issues related to the claims, disputes, and grievances of First Nations. In the course of this work NCRD members collectively access hundreds of thousands of records from federal government institutions over the course a given year.

Union of British Columbia Indian Chiefs (UBCIC) is a not-for-profit organization that supports First Nations in asserting and implementing their inherent Title and Rights, Treaty Rights, and Right of Self-Determination as peoples. The UBCIC is also an NGO in Special Consultative Status with the Economic and Social Council of the United Nations. Through the **British Columbia Specific Claims Working Group (BCSCWG)**, we advocate for the fair and just resolution of specific claims arising in BC and advancing specific claims as a national political priority. Working in ongoing dialogue with First Nations, claims research units, legal counsel, and others, we hold Canada accountable for changes to policy and practices and advocate for systemic reform to uphold the rights of First Nations as articulated in the *United Nations Declaration on the Rights of Indigenous Peoples* (UN Declaration). The UBCIC's research staff rely upon federal access to information mechanisms to obtain necessary records from public bodies in the course of their work on behalf of First Nations in BC. The UBCIC advocates at the federal and provincial levels to ensure government transparency and accountability and to remove existing barriers to First Nations' access to information.

First Nations Claims Research Unit (CRU)-Canada Working Group on Access to Information was formed in 2016 to address barriers faced by First Nations specific claims researchers across Canada in obtaining records from government departments through formal and informal access to information mechanisms at Crown-Indigenous Relations and Northern Affairs Canada. The First Nations CRU side of this working group has provided guidance and technical support to this project.

Methodology

This discussion paper is the culmination of the results of a national user survey, legal reviews of the *Access to Information Act* since the passing of Bill C-58 and the *Privacy Act,* reviews of existing documents, submissions, and reports, and case studies via in-depth interviews related to First Nations requestors' experiences obtaining records for the purposes of substantiating historical claims against Canada. This discussion paper also considered existing reports, presentations and documents related to access to information. The overarching objective of these activities is to inform sustained and substantive engagement between First Nations claims practitioners and Canada to address information rights, privacy, and the regulatory regimes around the federal *Access to Information* and *Privacy Acts*.

About the Survey

The 2022 *National Survey for Claims Researchers on Access to Information and the Privacy Act* was launched in mid-July 2022 and closed on September 15, 2022 (see Appendix A). This survey sought to gather information from First Nations researchers and assess their experiences with access to information processes, as well as their information needs and challenges. The survey consisted of 51 questions pertaining to both formal access to information procedures (written requests for records made under the federal *Access to Information Act*) as well as informal access requests (requests for records made without going through the Act, usually as a first course of action to obtain records, occasionally in accordance with the terms of a prior agreement between the requester and a public body, such as between First Nations and CIRNAC). The survey also included questions related to the *Privacy Act*, communication and engagement.

Questions were structed both as multiple choice and to elicit narrative responses and provided respondents with opportunities to share their experiences beyond the narrow frame of the particular questions posed. These narrative answers garnered rich responses and case studies, demonstrating the extensive frustrations and barriers to access that claims researchers experience on a regular basis.

Survey Response and Participation

The survey was distributed in French and English, via flyer at in-person meetings, mass email and personalized emails, social media and UBCIC's website, by fax to remote First Nations, and by word-of-mouth between researchers and Research Directors. Participation was significant, with a total of 33 participants from across all regions of Canada representing work on hundreds of specific claims. Overall participation increased by 50 percent over our 2018 survey.

All respondents had familiarity with filing access to information requests and file an average of five formal or informal requests annually. Some individuals file only one per year, others up to 30 annually. Informal requests are most often made by phone or email. Requests are primarily made to Crown-Indigenous Relations and Northern Affairs, Library and Archives Canada, and

Indigenous Services Canada. Respondents are seeking files that cover a wide time range, from pre-1930 till the present day.

FOUNDATIONAL PRINCIPLES TO ENSURE FIRST NATIONS' ACCESS TO JUSTICE

Our discussion of Canada's information management regime and how access to information and privacy mechanisms impact First Nations claims researchers' full access to justice is founded upon the following principles:

1. First Nations' human rights must be fully upheld
2. Canada's reconciliatory mandate must be an actionable priority
3. First Nations have unique information rights
4. Full access to information is an integral component of the specific claims resolution process
5. Canada must uphold the honour of the Crown

Principle 1: First Nations' human rights must be fully upheld

On June 21, 2021, the *United Nations Declaration on the Rights of Indigenous Peoples Act* (UN Declaration Act) received royal assent and came into force in Canada and as such all necessary measures must be taken to ensure that the *UN Declaration on the Rights of Indigenous Peoples* (UN Declaration) is upheld and its objectives are met. The Prime Minister's December 16, 2021 mandate letters to ministers direct each of them to implement the UN Declaration and work in partnership with Indigenous peoples to advance their rights.

First Nations' right to redress for historical losses is articulated in article 28 of the UN Declaration:

> *1. Indigenous peoples have the right to redress, by means that can include restitution or, when this is not possible, just, fair and equitable compensation, for the lands, territories and resources which they have traditionally owned or otherwise occupied or used, and which have been confiscated, taken, occupied, used or damaged without their free, prior and informed consent.*
> *2. Unless otherwise freely agreed upon by the peoples concerned, compensation shall take the form of lands, territories and resources equal in quality, size and legal status or of monetary compensation or other appropriate redress.*

Article 27 requires that processes of redress must be fair, independent, impartial, open, and transparent, and incorporate Indigenous laws and worldviews:

> *States shall establish and implement, in conjunction with indigenous peoples concerned, a fair, independent, impartial, open and transparent process, giving due recognition to indigenous peoples' laws, traditions, customs and land tenure systems, to recognize and*

> *adjudicate the rights of indigenous peoples pertaining to their lands, territories and resources, including those which were traditionally owned or otherwise occupied or used. Indigenous peoples shall have the right to participate in this process.*

Article 40 articulates Indigenous peoples' right to effective and timely remedies:

> *Indigenous peoples have the right to access to and prompt decision through just and fair procedures for the resolution of conflicts and disputes with States or other parties, as well as to effective remedies for all infringements of their individual and collective rights. Such a decision shall give due consideration to the customs, traditions, rules and legal systems of the indigenous peoples concerned and international human rights.*

Article 19 sets out the minimum standards states must meet in the development of all legislative, regulatory, and administrative regimes that affect First Nations:

> *States shall consult and cooperate in good faith with the Indigenous peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.*

Human rights principles such as self-determination, respect for First Nations rights and title holders, and obtaining First Nations' free, prior, and informed consent must be incorporated into and underpin all processes for developing, reviewing, and amending federal access to information and privacy legislation and associated regulatory and administrative processes.

Principle 2: Canada's reconciliatory mandate must be an actionable priority

Just and fair redress for historical losses is a legal right and a political imperative if Canada intends to move toward reconciliation with First Nations. Reconciliation has been deemed by the courts and all levels of government to be in the public interest and a political priority. The Department of Justice's 2018 *Principles Respecting the Government of Canada's Relationship with Indigenous Peoples* recognizes that reconciliation is a fundamental purpose of section 35 of the Constitution Act, 1982, and should guide the transformation of the relationship between Indigenous peoples and the Crown, and guide the implementation of the UN Declaration.[2] The December 16, 2021 mandate letter from the Prime Minister to the Treasury Board President and the Minister of Justice underscores "the need to move faster on the path of reconciliation". Canada's access to information and privacy regimes, including all processes of review and reform, must align with Canada's explicit public reconciliatory objectives. Concrete actions to advance reconciliation must be taken in full partnership with First Nations, as per article 19 of the UN Declaration.

[2] Department of Justice Canada, *Principles Respecting the Government of Canada's Relationship with Indigenous Peoples*, 2018.

Principle 3: First Nations have unique information rights

First Nations have unique rights of data sovereignty that are supported by the UN Declaration and embedded within First Nations' laws, protocols, and governance structures. Rights of data sovereignty rest on principles of ownership, control, access, and possession,[3] and the decisions each Nation makes regarding their exercise and implementation.

While the full extent of First Nations' data sovereignty rights is beyond the scope of this discussion paper,[4] it is important to note that among the types of information included in the accepted definition of First Nations' data is information "[a]bout First Nations reserve and traditional lands, waters, resources, and the environment,"[5] much of which is held by federal government departments and essential for First Nations to substantiate historical grievances against Canada.

First Nations' right of data sovereignty conflicts with Canada's unilaterally controlled access to information and privacy regimes and the colonial systems they reinforce and perpetuate. The stated purpose of the *Access to Information Act* is "to enhance the accountability and transparency of federal institutions in order to promote an open and democratic society and to enable public debate on the conduct of those institutions."[6] Canada rationalizes public access to information in accordance with "the principles that government information should be available to the public, that necessary exceptions to the right of access should be limited and specific and that decisions on the disclosure of government information should be reviewed independently from government." The type of information that may be sought through access to information processes and is defined as "government information" under Canada's ownership, possession, and control.

Data sovereignty principles and the OCAP® principles highlight a gap in understanding between the *Access to Information Act's* stated purpose in assuming ownership over records pertaining to First Nations, and Canada's numerous and varied breaches of its legal obligations to First Nations. The vital importance of First Nations having access to historical records held by the federal government and their right to redress mean that First Nations have a unique interest and a unique right of access to information that is qualitatively different from that of a Canadian citizen.

A true Nation-to-Nation approach that upholds the rights of First Nations articulated in the UN Declaration demands that Canada recognize and respect First Nations' data sovereignty over their own records and facilitate full access to records held by the federal government and its agencies that First Nations are able to utilize as they deem necessary.

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[3] Defined by the FNIGC as OCAP® principles.

[4] Please see First Nations Information Governance Centre, *Exploration of the Impacts of Canada's Information Management Regime on First Nations' Data Sovereignty*, August 2022.

[5] Ibid, p. 8

[6] *Access to Information Act*, section 2.

Principle 4: Full access to information is an integral component of the specific claims resolution process

Full access to information is necessary for First Nations to participate in Canada's mechanisms of redress for the resolution of First Nations' historical claims. The federal specific claims process and Specific Claims Tribunal require First Nations to submit documentary evidence to support their claims.

Canada's *Specific Claims Policy and Process Guide* sets out strict requirements for filing a specific claim in "Annex A, Minimum Standard" (legislatively enforced through the *Specific Claims Tribunal Act*).[7] The "Minimum Standard for Kind of Information" requires a First Nation to submit an historical report and supporting documents (complete copies of primary documents and relevant excerpts of secondary documents) that substantiate a First Nation's allegations of Canada's wrongdoing laid out in the claim. A single claim often requires hundreds of evidentiary documents to substantiate an allegation. The "Minimum Standard for Form and Manner" requires supporting documents to be complete, as well as accurately and fully referenced. A claim will not be deemed officially filed by the Minister of Crown-Indigenous Relations unless the minimum standard is met, thereby excluding the claim from an assessment on its validity and acceptance for negotiation by Canada's Specific Claims Branch. Similarly, a claim that does not meet the minimum standard is excluded from adjudication at the Specific Claims Tribunal since to become eligible at the Tribunal, a claim must have first received an assessment from the Specific Claims Branch.

Since the majority of documents required to support First Nations' historical grievances are in the possession and control of federal government institutions, First Nations must have full access to this information in order to participate fully and fairly in processes to resolve specific claims.

Principle 5: Canada must uphold the honour of the Crown

The Supreme Court of Canada, in its 2004 decision in *Haida*, has stressed the Crown's obligation to act honourably in the resolution of claims:

> *In all its dealings with Aboriginal peoples, from the assertion of sovereignty to the resolution of claims and the implementation of treaties, the Crown must act honourably. Nothing less is required if we are to achieve 'the reconciliation of the pre-existence of aboriginal societies with the sovereignty of the Crown.*[8]

The notion that the Crown must act honourably in all its dealings with Indigenous peoples has been reiterated by the British Columbia Court of Appeal and the Specific Claims Tribunal.[9] Since

[7] The Minimum Standard is also set out as a requirement in section 16 of the federal *Specific Claims Tribunal Act*.
[8] 2004 SCC 73, cited in Alisa Lombard and Aubrey Charette, "Crown Honour and the SCT: Honourable Litigation?" prepared for the BC Specific Claims Working Group, September 13, 2018.
[9] Lombard and Charette, "Crown Honour and the SCT: Honourable Litigation?" prepared for the BC Specific Claims Working Group, September 13, 2018.

Crown honour extends to the resolution of claims, Canada must take all necessary steps to ensure that First Nations have complete and timely access to the information they require to resolve their claims. The Department of Justice's P*rinciples Respecting the Government of Canada's Relationship with Indigenous Peoples* acknowledges, "The Government of Canada recognizes that it must uphold the honour of the Crown, which requires the federal government and its departments, agencies, and officials to act with honour, integrity, good faith, and fairness in all of its dealings with Indigenous peoples."[10]

Specific claims rest on the whether Canada fulfilled its legal obligations to First Nations in the context of its fiduciary obligations, such as to protect First Nations' recognized interests in land, in the creation of Indian reserves, in seeking surrenders, or expropriating Indian reserve lands for a public purpose, in other words, preserving reserve lands and protect such lands and the First Nation from exploitation. The fiduciary nature of the historical relationship between First Nations and the Crown results in Canada's duty to fully disclose documents in its possession since they are in the interests of First Nations seeking resolution of their historical grievances.

CANADA'S CONFLICT OF INTEREST IN CONTROLLING ACCESS TO RECORDS IMPEDES FIRST NATIONS'ACCESS TO JUSTICE

Specific claims arise when Canada fails to fulfill its legal obligations to First Nations. Canada's specific claims policy requires First Nations to substantiate their historical claims with documentary evidence. The majority of the historical evidence First Nations require to support their claims is controlled by Canada in federal government institutions. Since Canada controls access to the evidence First Nations require to substantiate their historical claims against the Crown through the *Access to Information Act* and the *Privacy Act*, it is in an unfair and untenable conflict of interest.

Canada's conflict of interest in controlling access to records First Nations must obtain to support their claims against the Crown is an extension of the conflict of interest inherent in the specific claims process itself. For decades First Nations have advocated unequivocally for a fully independent specific claims resolution process that fully eliminates Canada's conflict of interest from all parts of the process. This includes its control of the funding, management and assessment of claims made against it, its control over access to the documentary evidence required to support claims, and its reliance solely on Canada's system of common and civil law used to assess and adjudicate claims.

In our 2019 discussion paper on the impacts on First Nations of Bill C-58, we highlighted Canada's conflict of interest in controlling access to information held by federal institutions that First Nations require to support the fair resolution of their claims. The First Nations Information Governance Centre recognizes that in reconceptualizing information management in Canada to

[10] Department of Justice, *Principles Respecting the Government of Canada's Relationship with Indigenous Peoples*, 2018

include data sovereignty, Canada must give "due regard to the Crown's position as potential adversary in First Nations claims against the Crown and facilitate free, liberal, and timely access to data for claims research."[11] Canada's conflict of interest is the overarching barrier to First Nations' full and equitable access to justice, violates the human rights principles articulated in the UN Declaration, obstructs reconciliation based on trust and mutual respect between sovereign, self-determining Nations, and renders the "honour of the Crown" a duplicitous trope.

In their survey responses and comments, First Nations researchers overwhelmingly identify Canada's conflict of interest as a significant barrier to receiving information through federal access to information mechanisms. Survey responses reveal acute concerns from the First Nations claims community that Canada is in an inherent conflict of interest in managing access to information requests and determining what information is disclosed to a requesting First Nation. Those concerns arise in part from Canada's overly zealous and inconsistent application of statutory exemptions, but also because Canada unilaterally determines the relevance of requested documents without the need to provide justification to the requestor on documents which are not disclosed because Canada deems them irrelevant. Relevance must be determined by the researcher investigating the nature of a First Nation's allegation of historical wrongdoing by Canada, rather than the party alleged to have committed the wrongdoing.

Claims researchers also cite the documented departmental practice whereby Crown-Indigenous Relations retains records deemed to have "business value to the department" instead of transferring them to Library and Archives Canada. What "business value" actually entails has never been explained by the department. Consequently, tens of thousands of boxes of records remain at department offices or warehouses, compromising the physical integrity of the materials and First Nations' access to a complete historical record.

A majority of respondents stated that they were not confident that the government had provided them with the full extent of the document package or existing information pertaining to their request and linked it directly to Canada's control of the process, stating that releasing all records "is not in the gov's best interest", that "[t]he more sensitive the topic, the less confident I am that I'll be seeing everything I should be seeing", or "[w]hen you submit a request that spans over several years, but you only get a few pages back, it just feels suspect". One respondent emphatically stated, "relying on the Crown to do the right thing [is] not wise in my experience." Since Canada decides what to release regarding records in legal claims made against itself, First Nations are systemically disadvantaged in terms of equality and fairness in accessing justice.

Overwhelmingly, survey respondents expressed frustration with Canada's control over the information needed to support claims. As one interviewee stated,

[11] First Nations Information Governance Centre, "Exploration of the impact of Canada's information management regime on First Nations Data," August 2022.

> *We don't even know the full extent of what they have. Even trying to discover that is a major problem. We have to completely rely on the government to disclose what records they have to begin with and they've proven time and again that they can't be trusted to disclose everything. The process is based on trust, which is ironic because specific claims are all about Canada's dishonourable conduct.*

Recent cases involving the Crown's disclosure of documents in a high value claim give no reason to be confident that the Canada will act honourably. In a case before the Canadian Human Rights Tribunal in *First Nations Child Caring Society v. Canada*, Canada knowingly failed to disclose over 90,000 relevant documents to the complainant, many of which were prejudicial to its case, causing significant costs and protracted delay.[12] Further, the Crown was found to have inappropriately interpreted the exemptions to disclosure under the *Access to Information Act*, resulting in the redaction of relevant information not subject to proper exemption. The disclosure regime largely relies on the Crown's honour to disclose fully and exempt lawfully.

Political and legal frameworks adopted by Canada now mandate fair, independent, transparent, and open mechanisms of redress for First Nations' historical land-related losses. Canada is presently engaged with the Assembly of First Nations and First Nations representatives to jointly develop a new independent institutional body to manage and assess claims in accordance with the human rights standards articulated in the UN Declaration. Access to information must be a key component of that initiative to ensure First Nations' full access to justice for the resolution of their specific claims.

SYSTEMIC PROBLEMS WITH ACCESS TO INFORMATION PROCESSES

In our survey, First Nations researchers cited significant systemic problems with federal access to information processes that create barriers to receiving the information they require to support their specific claims. These barriers are consistent with those identified by the NCRD in 2019 and include prolonged, unreasonable, and costly delays receiving records, as well as delays receiving clear communication regarding the status of filed requests. Survey respondents also highlighted the overly broad and inconsistently applied exemptions by Canada's access to information analysts, and excessively redacted documents compromising their ability to obtain the full extent of existing information to support First Nations' claims. Claims researchers also report a deterioration in the system overall since the beginning of the COVID pandemic. The systemic problems highlighted by claims researchers contravene the legally supported principles to ensure full access to justice for First Nations.

Prolonged and unreasonable delays receiving responses and records

The Treasury Board of Canada's website outlines relevant legislative timelines for government institutions to respond to information requests in both the *Access to Information Act* and the *Privacy Act*. The website also takes steps to manage public expectations about Canada's ability

[12] *First Nations Child and Family Caring Society of Canada et al v Canada*, 2019 CHRT 1.

to meet legislative timelines by highlighting the legislative grounds for an extension for the government to respond to requests:

> *Government institutions have 30 days to respond to an access to information request or a request for personal information. The institution may be able to process your request more quickly if your request is more specific and detailed.*
>
> *For a request made under the Access to Information Act, an extension beyond the original 30 days may be taken if the request involves a large number of records, or if consultations with other government institutions or third parties are necessary because the records include information provided by them. If an extension is required, you will be notified within the first 30 days and told the reason why more time is needed.*
>
> *For a request for personal information made under the Privacy Act, government institutions may take an extension of up to 30 additional days if meeting the 30-day deadline would unreasonably interfere with the operation of the government institution, or consultations with other government institutions or third parties are required. If an extension is required, you will be notified within the first 30 days and told the reason why more time is needed.*[13]

Extensive delays are, in fact, the norm for First Nations claims researchers, who are required, due to the complex and historical nature of specific claims, to make multiple requests for access to large volumes of records that span lengthy time periods – often decades, if not timeframes exceeding one hundred years or more. For example, a researcher may be seeking records that date from the 1910s or earlier due to the historical nature of the grievance being investigated. Many of these records are actively held by federal government departments, such as Crown-Indigenous Relations, rather than Library and Archives Canada, since they are deemed to have ongoing "business value to the department".[14] As a result, federal departments often have large volumes of records pertaining to requests for records and that must be reviewed. Faced with such large volumes of records, analysts routinely ask claims researchers to significantly narrow the scope of their requests to mitigate delay. However, it is antithetical to a claim researcher's purpose to require them to narrow the scope of their requests. Testifying before the Senate Committee regarding Bill C-58, former Chair of the Indian Specific Claims Commission Senator Renée Dupuis stated:

> *…the system does not work well. In terms of the access to information system or a preliminary request, people may have an idea what they are looking for, but do not know what the record actually contains. That is very difficult to predict, and the answer in some cases is that the record is too voluminous. This is not a satisfactory way for the*

[13] https://www.canada.ca/en/treasury-board-secretariat/services/access-information-privacy/access-information/how-access-information-personal-information-requests-wor. k.html, Accessed October 21, 2022.
[14] We raised this issue in our 2019 submission on Bill C-58. This message was communicated by Pierre Desroches, then Director, Corporate Information Management Directorate, CIRNAC and ISC (Indigenous Services Canada), in an email to Jody Woods, UBCIC Research Director, September 6, 2018.

> *government to fulfill its legal obligations. Moreover, it leaves the First Nation entirely at the government's mercy.*[15]

Meaning of the 30-day response time

Regarding the legislated 30-day response time set out in section 7 of the *Access to Information Act*, half of our survey respondents stated that they typically received a notice acknowledging their request beyond 30 days. Those respondents who received responses to their request within the 30-day legislated timeframe report that the responses received are often simple acknowledgements without any detailed information, that is, "confirmation emails, without any indication of a decision." Other respondents stated the norm is they receive no response unless they repeatedly follow up on requests, remarking, "Several times I've filed a request and not heard back at all until following up via e-mail over 45 days later."

Overwhelmingly, respondents reported that Canada interprets its legislated 30-day timeframe as a deadline to acknowledge receipt of an access to information request, rather than a deadline to produce the requested records. One researcher stated, "I've heard back within 30 days but then not heard back about the status of my request for over four months, at which point I was told that staff were beginning to process my request." Many respondents also commented on the slippery definition of the 30-day response time. As one survey respondent remarked:

> *30 day response time? I don't even know what that means. It can't mean the timeline within which Canada is supposed to provide records. Or else I would receive all my records within 30 days of my request. But that's what Canada's website states. What it seems to mean from my perspective is that departments send us an email within 30 days saying they received our request and usually tell us it's going take way longer than 30 days.*

Extensions are the norm due to structural shortcomings

Section 9 of the *Access to Information Act* allows government institutions to extend the 30-day time limit in some circumstances. A majority of researchers surveyed reported that extensions were the norm, with over one-third of respondents stating they failed to receive any notification pertaining to the extension at all. Many respondents state they must undertake significant follow-up to receive a response: "More than once I have received no response until I send multiple follow-up e-mails. I generally don't expect to hear back regarding an ATIP request for six months." Of those researchers who indicated that an extension had been taken to fulfill their request, nearly 60 percent reported that the extension was not met. When asked for details on notifications on further extensions, one researcher reported, "I have been told there will be an extension on the extension."

[15] Senator Renée Dupuis testimony to the Senate Committee on Legal and Constitutional Affairs, November 8, 2018.

A majority of researchers reported it routinely takes more than 90 days from the date of submitting a request to receive any records at all, while several researchers stated that it takes far longer to receive records. One survey respondent described their overall experience: “I have found that it generally takes 3-9 months to receive records after making a request. I have never received a request within 30 days.” Another commented that one request “was delayed 210 days. I made a note of when the date would be and made sure to email them back near that date. I then got a poorly copied pdf that was completely useless the day before my 210 days would have been up. This was later remedied but it should never have taken that long.” This is not an anomaly. As one claims researcher stated, “The time involved from start to finish for an ATI request can be years at the worst, certainly months waiting for processing, then months waiting for docs to be copied and mailed. Sometimes claims have to go ahead without this potentially corroborating information.” Several researchers have reported to us during interviews that they are still waiting on responses to access to information requests that they filed in 2019.

When claims researcher were asked to cite the reasons they were given by information analysts explaining the need for a time extension, the majority reported that time extensions were due to “departmental impacts because of COVID”, “understaffing resulting in an inability to deal with the large volume of requests”, “interference with government operations”, and that “the system is overwhelmed.” Several analysts blamed the broad nature of the access to information request itself, and said that without significantly narrowing the scope of the request, they didn’t know if or when it could be fulfilled. One-third of respondents were told by information analysts that delays were due to difficulty obtaining responses from government agencies involved, referencing the internal processes by which access to information analysts obtain records from departmental officials. According to one researcher, an information manager at one government department stated candidly that the access to information system was not designed to handle the volume of requests that are submitted now on a regular basis and protracted delays are unavoidable.

Costs associated with delays receiving records

Many claims researchers note that the extensive delays receiving responses to their access to information requests result in financial burdens for their organizations or individual First Nations. As one survey respondent stated, “Time consumed by constant back and forth with officials…squeezes time and resources from underfunded First Nation organizations.” Another referred to the impacts of delays on staffing costs: “Due to delays and roadblocks, we face additional delay-related costs to manage the processing of information requests regularly. We often have to "chase" departments for updates on our requests or remind them they exist!”

Other representatives of claim research units highlighted the potential punitive impacts on their annual funding allocations due to failures to meet projected work plan timelines as a result of delays receiving necessary records to develop claims. “We’re always asked by our funders to show that claim development is progressing and there is always a fear that if a claim is stalled because of long delays getting documents, they may curtail our funding.”

Prolonged systemic delays contravene principles that ensure First Nations' access to justice

The prolonged, unreasonable, and systemic delays receiving responses to access to information requests contravene the principles outlined above that must be upheld to ensure First Nations have full access to justice for historical grievances. Since access to information is an integral part of the specific claims process, the rampant delays described by claims researchers jeopardize First Nations' ability to access and participate in mechanisms of redress, as is their right under article 28 of the UN Declaration. The extent and nature of the delays receiving records contravenes First Nations' right to a timely remedy as set out in article 40. First Nations' right to a "fair, independent, impartial, open, and transparent" process of redress as articulated in article 27 is also breached since Canada's representatives at the Specific Claims Branch and Department of Justice are not subject to the same delays in obtaining federally held records they require to assess First Nations' claims and conduct their own research. The delays First Nations experience receiving records they require as evidence for their claims undermines data sovereignty principles. Finally, the lack of clear and timely communication by Canada's representatives around access processes and delays compromises both the honour of the Crown and reconciliation as First Nations' distrust that they are being treated fairly.

Overly broad and inconsistently applied exemptions

Under the *Access to Information Act* federal government institutions have legislative authority to refuse to disclose information to requestors based on a number of criteria. The various criteria include records obtained in confidence from other governments, records related to international affairs, law enforcement and investigations, audits and investigations, safety of individuals, national economic interests, as well as personal and third party information, and information pertaining to government operations, a wide category that includes advice and solicitor-client privilege.

As was the case when we conducted our first survey in 2018, First Nations claims researchers report that sections 13 (government confidences), 19 (personal information), 20 (third party information), and 23 (solicitor-client privilege) are routinely invoked by Canada, even in cases where disclosure would not prejudice a third party or constitute an unreasonable invasion of privacy under the Act. They also report that the disclosure provision given to government institutions under section 8(2)(k) of the *Privacy Act*, which implicitly recognizes the resolution of First Nations claims and grievances as a matter of justice, often fails to yield the necessary disclosure of records.

The majority of our survey respondents state that they regularly have files redacted under sections 13, 19, 20, and 23 of the Act. They also report that the discretionary application of the Act leads to vast inconsistencies, the effects of which were summarized by one respondent in the following way:

> *Often the redacted material has been done by junior staff or interns who don't know what documents are publicly available. Often such documents are so heavily redacted that they are unusable. This can impact research significantly. There is always a lack of*

consistency - one time hardly anything is redacted, other times the whole document is blacked out. Researching with such documents as these is like doing a jigsaw with no edges or picture - time consuming and error producing.

Claims researchers also report that the discretionary and inconsistent application of exemptions under the Act result in 'gaps in the historical records and makes it difficult to substantiate allegations." A researcher's detailed explanation highlights the impacts of inconsistently applied exemptions and excessive redactions on their ability to adequate prepare the historical report required for filing a specific claim:

I have inherited thousands of pages of ATI'd records from past researchers on my claims. Redaction of records is extremely inconsistent from analyst to analyst. In some cases, it has rendered records completely unusable. At best, it often obfuscates key information. For example, the names of people can be important for tracing the history of particular parcels of land or issues. This is one of the most redacted things in ATI packages, and can be quite pointless because those names are then fully visible in open, unredacted records from that exact same time period. In other cases, entire documents are removed from a response package with minimal explanation. This creates significant and unknowable gaps in correspondence that either need to be re-requested (and hope you find a more sympathetic analyst) or simply can't be properly covered in your report.

Another researcher pointed to receiving generalized summaries indicating redactions without any precision or specificity. This has a direct impact on the researcher's ability to gain a full understanding of the historical events that contextualize and ground specific claims:

Often redactions are generally noted with the release letter so we don't see what records were actually held back. It can create gaps in our chronology without a way to explain it in our research reports.

Survey respondents also observed that redactions signal a discrepancy in access between First Nations claims researchers and Canada's employees tasked with conducting research on a claim after it has been submitted to the Specific Claims Branch of Crown-Indigenous Relations for assessment. One respondent commented, "I often wonder if these are [the] records that Canada finds that we didn't include in our research after the Claim is submitted." Another made the following observation:

After SCB reviews our specific claim submissions, they often turn up "new" documents – versions of which we had obtained through ATI but they were too heavily redacted to be of use. In the end, this means Canada has better access than we do to records that can support our historical claims. How is that fair or appropriate?

Survey respondents also report having to file separate access to information requests to individual government departments likely to be holding the same set of records in the hope of piecing together a complete picture based on inconsistently applied exemptions and

redactions. One researcher stated, “What we received in terms of redactions from each department was vastly different. And, in comparing it…we discovered the redactions made little sense and did not seem relevant to the sections of the Act that were cited.”

Several respondents also tied the issue of inconsistently applied exemptions to frustrations with delay, commenting that the need to make repeated applications to different departments in the hopes of obtaining complete records. They reported that this compounds the delays they experience with access to information processes as a whole.

Several respondents noted that when formal complaints are filed under the Act and are eventually investigated by the Office of the Information Commissioner, in almost all cases additional records are released. Claims researchers highlighted their lack of trust in the ability of information analysts tasked with reviewing their requests. As one researcher commented, “It shows that they don’t always apply the Act correctly and who knows what other information we’re missing as a result of that.”

Canada’s use of exemptions contravenes principles that ensure First Nations’ access to justice

Since First Nations are compelled to produce evidence-based historical reports to participate in processes of redress for their historical land claims and grievances against Canada, the above-noted challenges obtaining complete records are a substantial barrier to First Nations’ access to justice. The right to redress cannot be upheld if First Nations are prevented from accessing the entirely of records they are required to produce under the specific claims policy and the *Specific Claims Tribunal Act*. As First Nations claims researchers’ information requests are subject to exemptions under the Act, Canada’s comparative access to the full extent of records held by federal institutions contravenes article 27 of the UN Declaration, which sets out as a minimum standard that redress processes must be “fair, independent, impartial, open and transparent”. The relationship between Canada’s use of exemptions and delay also undermines First Nations’ right to timely and effective remedies (article 40).

Importantly, Canada’s failure to provide complete records when First Nations require them to support their historical claims wholly undermines First Nations’ full access to justice. The discretionary system of reviewing records for disclosure and applying exemptions to providing complete records to First Nations claims researchers creates a legislatively sanctioned unfairness since Canada’s agents decide what is released, to the detriment of First Nations seeking justice for their claims. Canada’s conflict of interest here is incontrovertible. Rather than asking First Nations to assume the honour of the Crown guides the discretion given to Canada’s agents to perform their tasks under the Act and apply exemptions only when necessary, Canada should uphold the honour of the Crown by recognizing its inherent conflict of interest and First Nations’ right of data sovereignty by facilitating full access to records required for substantiating claims.

AVAILABLE LEGISLATIVE AND ADMINISTRATIVE REMEDIES ARE INEFECTIVE

The legislative and administrative remedies enacted to date to assist First Nations claims researchers continue to be ineffective in ensuring full access to justice for First Nations in resolving their historical claims against Canada. Legislative initiatives, such as including provisions allowing the disclosure of personal information under the *Privacy Act*, provisions to file formal complaints under the *Access to Information Act*, and amendments to the *Access to Information Act* introduced under Bill C-58 have done little to ensure First Nations have access to the evidence they require to support their claims. The Department of Indian and Northern Affairs Canada's introduction of an informal access to information policy in 1999 to alleviate First Nations' need to go through formal and time-consuming access procedures when obtaining records from that department is ineffective. This is due to understaffing, poor communication, and an adversarial approach to implementation, resulting in non-disclosure of records, lengthy delay, lack of communication, and a lack of accountability.

Provisions for disclosure under the *Privacy Act*

Under section 8(2)(k) of the federal *Privacy Act*, personal information controlled by government institutions may be disclosed,

> *to any aboriginal government, association of aboriginal people, Indian band, government institution or part thereof, or to any person acting on behalf of such government, association, band, institution or part thereof, for the purpose of researching or validating the claims, disputes or grievances of any of the aboriginal peoples of Canada"*[16]

Claims researchers needing to apply – formally or informally – for access to records held by federal institutions such as Crown-Indigenous Relations and Library and Archives Canada must complete "8(2)(k) forms"[17] to gain access to records containing information deemed personal information under the *Privacy Act* and exempt from disclosure under the *Access to Information Act*. A band council resolution or letter of authorization from a First Nation must be included along with the 8(2)(k) form. Both the form and authorizing document must receive a signature of approval from the department's Director of Access to Information and Privacy.

Over one-third of our survey respondents reported having their 8(2)(k) forms or other supporting documentation challenged. One respondent commented, "I have had many issues getting 8(2)(k)'s accepted and approved. Trying to have multiple names of researchers on the form has been an issue." Researchers also report "major delays" as a result of having to have 8(2)(k) forms approved. Claims researchers completing formal undertakings under the provisions of 8(2)(j) of the *Privacy Act* report similar problems. Claims researchers also cite

[16] Canada, Privacy Act, available at https://laws-lois.justice.gc.ca/eng/ACTS/P-21/page-1.html#h-397260
[17] "Request for Personal Information by Aboriginal Claims Researchers Under Paragraph 8(2)(k)".

numerous instances where information analysts have rejected the validity of band council resolutions on the basis of an electoral change of leadership or expiry dates. Although these reasons have been demonstrated to have no basis in law, and were formally denounced by former Minister of Crown-Indigenous Relations, Carolyn Bennett, in February 2016, such assertions by Canada's information analysts persist. A majority of survey respondents report that the submission of the requisite forms still fails to yield the records they need.

Provisions for filing complaints under the *Access to Information Act*

While there exist provisions in the *Privacy Act* to enable the release of personal information to claims researchers, the only recourse for researchers to obtain information withheld under exemptions in the *Access to Information Act* for other purposes, such as information related to third parties, or solicitor-client privilege, is to file a formal complaint with the Office of the Information Commissioner. Sections 30 to 37 of the *Access to Information Act* set out the provisions related to the Information Commissioner's investigation of complaints.

Claims researchers reported on their experiences with the legislated complaints process. Most survey respondents filed complaints due to excessive redactions, while others filed complaints related to records held without legislative rationales, excessive delays receiving records, as well as receiving poor quality copies. Only two respondents found that the complaint process was "somewhat effective." The majority of respondents assessed the complaint process as ineffective and cited the lengthy delays in having an investigation opened. Several respondents noted that it took over three years to receive communication from the Office of the Information Commissioner that a file was being opened and their complaint assigned to an investigator. As one respondent wrote, "The timelines to have complaints addressed is years, so often useless for claims."

Amendments to the *Access to Information Act* introduced by Bill C-58

Bill C-58 introduced a series of changes to the *Access to Information Act*, notably granting the Information Commissioner the power to make binding decisions associated with access to information requests. Resulting orders may focus on the release of government records, time extensions, the language of access, and the format of disclosed information.[18] Due to the delay associated with the complaint process identified above, this change has had little impact on the ability of claims researchers to obtain the necessary records to substantiate First Nations' claims in a timely or effective way. Even if delay was not a factor, there is no guarantee that First Nations' right to information they require as evidence would be upheld.

Claims researchers note that new provisions in section 6 pertaining to information requests deemed vexatious, made in bad faith, or otherwise abuse the right of access, as well as provisions for proactive disclosure contained in sections 71 to 91 have not significantly increased the records which are being made available to them.

[18] These changes are reflected in section 36(1) of the Act.

Protocols to access information informally

In 1999, Indian and Northern Affairs Canada (INAC) and the First Nations claims research community worked in partnership to develop initiatives to facilitate informal access to records held by the department. The informal access process was developed in response to First Nations claims researchers' frustrations gaining timely and fair access to departmental records through formal access to information processes. A June 17, 1999 internal memorandum circulated by INAC to the department's assistant deputy ministers, directors general at all levels, and information managers affirmed INAC's commitment in "assisting First Nations with their claims research". The memo also affirmed that "First Nations have a right to information held by the department to validate their claims, disputes, and grievances." The memo summarized the requirements of First Nations researchers pertaining to accessing records held by the department in the context of First Nations' right to information:

> *First Nations researchers request numerous DIAND records on an ongoing basis and these requests ought to be processed informally. Only in exceptional circumstances would First Nations researchers resort to the formal ATIP process to access records.*[19]

The memo proceeds to outline several initiatives to facilitate informal access to records held by INAC, including the implementation of new procedures for departmental records and program staff at all levels, the development of an explanatory guide pertaining to the review of "sensitive" material, the development and distribution of a pamphlet[20] to assist First Nations claims researchers, the creation of a joint working group comprised of First Nations claims researchers as well as departmental records, claims, library, and ATIP staff to identify access issues as they arise, and plans to hold information sessions for departmental staff and First Nations claims researchers "to promote a better understanding of everyone's role in accessing departmental records." The memo concludes:

> File review is a program responsibility and this letter is intended to be our delegated authority to all DIAND staff to respond in a timely fashion to all informal requests for information. Because of the many steps involved to provide access to DIAND records, we are seeking Program staff's cooperation in respecting the two to three week time period to review files and identify material to be removed by Records staff.

While still recognizing the systemic unfairness due to the continuation of Canada's conflict of interest in controlling access to federally held records, claims researchers engaged in research activity in the early 2000s reported improvements in obtaining access to records held by INAC through this process. Since the introduction of Justice At Last[21] in 2007, claims researchers

[19] Indian and Northern Affairs Canada, "Requests for Records and File Review," June 17, 1999.
[20] *Native Claims Research Guidelines for Formal Access to Records*
[21] Canada's revised specific claims policy.

emphatically state that the situation has deteriorated, reaching a low point in 2015 that continues to the present day.[22]

In 2017, frustrated by the adversarial approach and non-cooperation of Crown-Indigenous Relations staff, First Nations claims researchers renewed the joint working group to address issues with the informal access to information process. However, according to claims researchers involved in the working group, discussions were often contentious and combative, with CIRNAC's representatives taking a proprietary, gatekeeping approach to records held by the department. The First Nations claims researchers involved in the working group provided feedback on a revised policy statement that reaffirmed the principles underlying the informal access process at CIRNAC. The policy statement also reiterated the recommended two-to-three-week timeline to review files, as well as provided input on procedures newly drafted by CIRNAC. However, implementation of the policy remains mired in delay, non-disclosure, and poor communication. Survey respondents report that this situation has been exacerbated due to the COVID-19 pandemic to the point of rendering the informal access process completely dysfunctional.

Survey respondents and interviewees describe how the informal access process is no longer an effective remedy for gaining full and timely access to records from CIRNAC. Researchers cited lengthy delays that rival the formal access to information process, with one survey respondent noting, "I have requests going back to 2018." Claims researchers commented on the absence of accountability and inconsistent applications of the informal access policy across regions. One interviewee stated, "[E]veryone has different experiences with how this policy is (or is not) applied." Many researchers reported being unaware of changes to procedures around informal access or being told about new requirements to forward 8(2)(k) applications to headquarters for authorization, a process that survey respondents say takes months to complete. As one interviewee stated, "Doesn't this kind of defeat the purpose of an informal process, if we have to get a signature from an ATIP official to formalize things?" Another remarked, "Only when I followed up after waiting months to receive a response to my informal request for a file list did I learn that this signature was a requirement. I wasn't notified and I'd still be waiting if I hadn't followed up."

In the meantime, claims researchers have been forced to rely on formal access to information mechanisms to obtain records from CIRNAC, which they say reflects a culture of indifference, secrecy, and non-disclosure which has yet to be dismantled or fully addressed.[23]

Available remedies fail to uphold principles that ensure First Nations' access to justice

Available legislative and administrative remedies enacted to date to assist First Nations claims researchers do not ensure full access to justice for First Nations in resolving their historical

[22] See National Claims Research Directors, 2017, "Impaired Access: Submission to the Standing Committee on Access to Information, Privacy and Ethics Regarding Bill C-58"
[23] National Claims Research Directors, 2017, "Impaired Access: Submission to the Standing Committee on Access to Information, Privacy and Ethics Regarding Bill C-58"

claims against Canada. Again, First Nations cannot exercise their right to redress for historical grievances if they cannot obtain the supporting evidence the process requires. Neither the legislative remedies under the *Privacy Act* or the *Access to Information Act* since the passing of Bill C-58 provides claims researchers with full access to the records they need. That Canada retains control over the documents, has full access, and the discretion to decide what may be disclosed to First Nations claims researchers contravenes First Nations' right to "a fair, independent, impartial, open and transparent process" as articulated in article 40 of the UN Declaration. It also contravenes rights to information and data sovereignty. Canada's implementation of the informal access process similarly fails to uphold First Nations' rights as well as the honour of the Crown since it prioritizes its own proprietary interests over principles of access to justice and the need to advance reconciliation through the fair and timely resolution of First Nations' historical claims.

ENGAGEMENT ON REFORM

Changes to Canada's information management regime, including changes to legislation, regulatory frameworks, and administrative procedures, will have a unique impact on First Nations' abilities to access and achieve justice for their historical grievances against the Crown. As such, all legislative, regulatory, and administrative reviews must make meaningful, direct dialogue with First Nations a priority. This work must be guided by transparency, due process, and full enactment of the government-to-government approaches articulated in the UN Declaration, which sets out in article 19:

> *States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.*

This legally supported principle must be built into all processes from the beginning and continue for the duration.

The process of reforming the *Access to Information Act* through Bill C-58 which began in 2015 and ended with the bill receiving royal assent in June 2019 fell far short of the minimum standard of good faith consultation and cooperation and obtaining First Nations' free, prior, and informed consent articulated in the UN Declaration. The bill was created unilaterally without consultation or meaningful engagement with First Nations or their representative organizations. After significant advocacy efforts by First Nations claims researchers, their representative organizations were provided with support from Treasury Board to prepare a discussion paper on Bill C-58's effects on First Nations' access to information while the bill was with the Senate Committee tasked with its review. Treasury Board also assured First Nations claims researchers that substantive engagement with them would occur during the one-year review of the legislation.

In 2019, Justice Canada invited the NCRD to participate in a preliminary technical engagement to bring forward First Nations' issues and concerns to inform Canada's approach to reforming the *Privacy Act*. The NCRD made a submission to the technical engagement in November 2019 to initiate a process of substantive engagement between the Department of Justice and the NCRD related legislative reform.

While the COVID-19 pandemic necessitated extending timelines for the mandatory one-year legislative review of the *Access to Information Act*, we note that the NCRD has been reaching out to Treasury Board since 2020 to obtain a firm commitment, supported by adequate resourcing, that substantive engagement with First Nations claims researchers *specifically* was a priority and would take place.

In the second half of 2020, Treasury Board indicated that five national Indigenous organizations would be invited to participate in some form of engagement and that other Indigenous organizations and groups would be contacted to discuss approaches and timelines for them to participate. While the NCRD continued to receive assurances at meetings that an engagement process would be established on the impacts of Canada's access to information regime on First Nations claims researchers similar in scope to previous engagement related to Bill C-58, claims researchers continued to stress the need for adequate time for such a process to take place, rather than being subject to narrow timeframes that falls short of the minimum standard for engagement set out in the UN Declaration. Communications throughout 2021 to the spring of 2022 did little to advance this engagement; rather, they pointed research directors to existing public consultation processes and deadlines.

The majority of respondents to our survey indicated that their organizations had not been contacted by Treasury Board or the Department of Justice, or they were not sure if engagement had occurred. Approximately one-third of respondents indicated they had attended NCRD meetings at which Treasury Board and Department of Justice representatives presented information on their respective legislative reviews, but that the presentations "did not appear to be productive," largely because these were viewed as information-sharing sessions rather than substantive engagement.

In late spring 2022, Treasury Board and Department of Justice worked together to streamline funding to support the NCRD's proposal to prepare and carry out a national survey, conduct a legal review, and conduct further research, culminating in a discussion paper to be completed by the end of October 2022. The need to accommodate Treasury Board's timelines regarding preparing its own report to parliament, and evasive and inconsistent communications regarding the exact nature and timeframe of departmental processes, curtailed any prospect of meaningful engagement in the years since Bill C-58's passing. It is imperative that such engagement take place with both Treasury Board and the Department of Justice without delay to address the concerns highlighted in this paper and adhere to Canada's reconciliatory mandate and uphold First Nations' human rights.

RECOMMENDATIONS

The NCRD makes the following recommendations to ensure First Nations' full and fair access to justice for resolving their historical claims against the Crown. These recommendations are informed by the foundational principles of upholding First Nations right to fair, independent, impartial, open, transparent, and timely processes of redress for historical grievances that respect Indigenous laws, their right of data sovereignty, and engage with them in good faith to obtain their free, prior, and informed consent. Our recommendations also rely on Canada upholding the honour of the Crown and acting on its reconciliatory mandate by recognizing its conflict of interest in controlling information held by government institutions that First Nations require to proceed with historical claims against the Crown, and taking immediate steps to eliminate it.

1. Human rights principles such as self-determination, respect for First Nations rights and title holders, and obtaining First Nations' free, prior, and informed consent must be incorporated into and underpin all processes for developing, reviewing, and amending federal access to information and privacy legislation and associated regulatory and administrative processes.
2. Canada's conflict of interest in controlling First Nations' access to records they require to substantiate their claims against the Crown must be fully eliminated. Since Canada's conflict of interest in managing and funding the specific claims process and assessing First Nations specific claims extends to its control of access to information held by federal institutions, Treasury Board and Department of Justice must work in full partnership with First Nations and their representative organizations to work toward developing a new information management regime as part of a new Independent Centre for the Resolution of Specific Claims. The new information management regime must uphold First Nations rights as articulated under the UN Declaration, including the right of First Nations' data sovereignty.
3. In the interim, Canada must recognize its duty of full disclosure and uphold the honour of the Crown by working in full partnership with First Nations to develop a mechanism of independent oversight that ensures First Nations' full and timely access to records held by federal government institutions for purposes of substantiating historical claims.
4. Canada must take immediate steps to make First Nations claims researchers' requests for access to information held by federal government institutions a priority by hiring additional dedicated staff to expedite existing and impending requests as soon as possible.
5. Canada's information analysts and staff must be informed about First Nations specific claims and First Nations' rights of redress and information rights, as well as the imperative of Crown-Indigenous reconciliation. They must also be instructed that they too are required to uphold the honour of the Crown.
6. Canada must remove the $5 application fee for First Nations claims researchers making requests for records under the *Access to Information Act*.
7. Canada must uphold First Nations' right of data sovereignty and remove any provisions that restrict First Nations' use of their own information obtained by federal institutions.

8. Canada must take immediate steps to make meaningful, direct dialogue with First Nations and their representative organizations a priority from the outset of all future policy work. Engagement that occurs as an afterthought with unrealistic time constraints or is under-resourced fails to uphold the transparency, due process, and full enactment of the government-to-government approaches articulated within the UN Declaration.

From: **Association of Canadian Archivists** communications@archivists.ca
Subject: Message to ACA Members - Documentary Heritage Communities Program (DHCP) Funding Cut
Date: February 5, 2026 at 8:25 AM
To: Courtney DeMaeyer archives@lslirctarr.ca

Association of Canadian Archivists
Association canadienne des archivistes

5 February 2026

Dear Courtney,

Early this week the ACA Board received an email from Leslie Weir, Library and Archivist of Canada, informing us that the Documentary Heritage Communities Program (DHCP) has been permanently discontinued and that there will be reductions to the Access to Information and Privacy (ATIP) functions. These measures are the result of cuts in the federal budget.

The DCHP provides program funding that helps underfunded community-based organizations increase access to, and awareness of their holdings; and increase their capacity to keep and preserve Canada's documentary heritage. Over the past 10 years, the DHCP has provided $16 million in funding to support more than 400 projects aimed at preserving and increasing access to local, regional, and national history.

The ACA Board is sending letters to the Minister of Canadian Identity and Culture and Minister responsible for Official Languages, the Honourable Marc Miller, protesting the elimination of the DHCP and the reduction to ATIP. We have also completed a call to action to restore the DCHP that we will publish in this month's Scope and Content and on the ACA website. Please watch for the next issue of Scope and Content and lend your voice to our cause!

The Board of Directors for the Association of Canadian Archivists

Contact Us

SPECIFIC CLAIMS RESEARCH FUNDING
Emerging Challenges and Principles for Collaboration

A Report by the National Claims Research Directors

July 6, 2020

EXECUTIVE SUMMARY

From the mid-2000s to 2016, Canada and the directors of claims research units (CRUs) worked together via the CRU-Funding Services Working Group to develop approaches to funding and reporting that support the research and development of specific claims. In recent years, however, the working group has ceased to meet, due in part to multiple pressures and limited funding. In May 2020, Shelie Laforest, Acting Senior Director at Indigenous Services Canada, agreed to reconvene the CRU-Funding Services Working Group.

The National Claims Research Directors (NCRD) supports the working group as a key mechanism for a collaborative and transparent approach to making decisions about research funding. We formally request that a first meeting of the working group be planned as soon as is feasible.

This report is intended as a backgrounder to support and advance discussions at the working group when it reconvenes. The report articulates the principles of the group, as developed over years of dialogue: open communication, flexibility, autonomy, and less onerous reporting. It then describes six challenges identified by research directors in an online survey and follow-up emails:

1. In the templates attached to call letters, Funding Services is now asking people to account for travel in advance and in onerous detail.
2. In the letters of offer, certain eligible line items are excluded.
3. In the letters of offer, flexibility to support essential training is curtailed.
4. In the letters of offer, the disbursement schedule appears to differ for different organizations.
5. Canada applies a funding formula that prescribes a maximum of $25,000 per claim, regardless of the stage of the claim.
6. Funding applications face delays at Funding Services and the schedule of applying for/receiving funds is confusing and causes challenges for planning and administration of CRU work.

We also describe survey respondents' views on communications and the need for a more systematic approach to dialogue and information sharing with CRUs. This approach will include – but not be limited to – the ongoing discussions of the working group.

Introduction

From the mid-2000s to 2016, Canada and the directors of claims research units (CRUs) worked together via the CRU-Funding Services Working Group to develop approaches to funding and reporting that support the research and development of specific claims. The working group's aim was to jointly develop funding and reporting procedures that reflected the real process of research, which is often non-linear, affected by contingencies related to communities and materials.

In recent years, however, the working group has ceased to meet, due in part to multiple pressures on CRUs, staff turnover, and cuts to research funding of 40 to 60 percent, starting in 2014. Dialogue and engagement on funding processes has become fragmented and limited – funding-related news travels among the claims research community mostly by word of mouth.

In 2020, directors of CRUs receiving call letters and offers of funding were concerned to see changes to requirements and guidelines. They had not been consulted on these changes, some of which would result in significant demands on their time or present barriers to carrying out planned research programs. They were also concerned that Canada was making changes unilaterally. "What happened to the federal government commitment to consult First Nations and their organizations!" wrote one director.

In May 2020, Shelie Laforest, Acting Senior Director at Indigenous Services Canada, agreed to reconvene the CRU-Funding Services Working Group.

The National Claims Research Directors (NCRD) supports the working group as a key mechanism for a collaborative and transparent approach to making decisions about research funding. With this report, the NCRD would like to formally request that a first meeting of the working group be planned as soon as is feasible. We hope that the working group will be able to address barriers faced by the claims research community, including those created by Canada's recently imposed changes.

The NCRD has undertaken a survey of its members across Canada to identify key challenges related to the administration of funding; we also followed up with research directors via email on the specific topics that arose in the survey. We record our findings in this report, which we hope will support the efforts of the working group when it reconvenes.[1] As we describe below, respondents identified six immediate challenges they face in the research funding process; four of these challenges were created by Canada's recent changes. We explore each of these six issues and include direct quotes from survey respondents. We also describe respondents' views on the current state of communication and information sharing with Funding Services.

First, however, we provide a brief background on the working group and the principles it established for collaboration: open communication, flexibility, autonomy, and less onerous reporting. These principles were often implicit in the way the group worked together and its approach to decisions about the administration of funding. They arose as a result of dialogue regarding the need to work jointly and the

[1] The National Claims Research Directors (NCRD) is a national body of specialized technicians who manage over 30 CRUs across Canada. These CRUs are mandated to research and develop evidence to support the advancement of specific claims for hundreds of First Nations. A priority in our work is to ensure that claims resolution practices are fair, timely, and informed by the experience and expertise of First Nations and the CRUs who work to research and develop claims on their behalf. See Appendix A for the survey questions.

need for Canada to listen to CRU perspectives. While the drive for the working group came from CRUs pushing back against structural bias in the system, we understand that the outcomes have also proved beneficial for Funding Services.

Here we articulate these principles explicitly to support the working group's approach and agenda when its work resumes.

The CRU-Funding Services Working Group: Principles of Collaboration

Transparency and dialogue around research funding procedures is essential, as CRUs have the expertise regarding what will and will not work for claims research funding procedures. The CRU-Funding Services Working Group created a space for dialogue on specific claims to occur in an open, systematic way.

The working group met annually (more often if issues arose) and corresponded and held conference calls regularly. It also engaged a broader network of research directors in ongoing dialogue: it held joint sessions at the National Claims Research Workshop (NCRW) and members attended annual research directors meetings. At these meetings, working group members collected feedback from research directors from across Canada; these concerns were then used as the basis for discussions when the working group met.

As the group is now set to reconvene, we wish to emphasize the principles that made it effective in order to support discussion around a common view of the working group's approach. Many of these principles were based on shared understanding that developed over time; not all were explicitly articulated. We built this list based on review of past working group documents, including emails, meeting agendas and summaries, and the stages of research document.

1. **Open communication and a joint approach:** The working group seeks to build a relationship that supports ongoing dialogue and collaborative decision-making regarding research funding processes. Unilateralism, poor communication, and a failure to solicit or even accept feedback from First Nations are problems that have plagued specific claims processes since their inception. Such problems have been repeatedly identified by the claimant community but also by government reviews (such as the 2016 study by the Office of the Auditor General[2]).

2. **Flexibility:** Research directors need to be able to move money to meet the changing demands specific to their unit and work plans. The administration of CRUs is complex and dynamic, and rigid rules about the allocation and use of funds constitute a major barrier.

3. **Autonomy:** Research directors need the authority to oversee their operations and make decisions that will best advance claims research on behalf of First Nations. Micromanagement or controlling intervention by an outside agency unfamiliar with the context and practical

[2] Office of the Auditor General, 2016. *Report 6—First Nations Specific Claims—Indigenous and Northern Affairs Canada*. Available at https://www.oag-bvg.gc.ca/internet/English/parl_oag_201611_06_e_41835.html. The report notes, for example, that INAC was aware of the barriers faced by First Nations in the specific claims process, but "was unable to demonstrate that it had a formal process to gather information and feedback about these concerns and make the required improvements."

considerations of claims work creates barriers and delays, as well as feelings of frustration and distrust.

4. **Less onerous reporting:** Approaches to planning and reporting need to be streamlined and reflective of the actual processes of research, which is often non-linear. Research directors run busy operations with many tasks running concurrently, and their work in the administration of funding must be efficient and clear. We have been told that reducing the burden of reporting is a benefit to staff at Funding Services, too.

Past working group dialogue has resulted in several constructive and collaboratively generated outcomes. The group was an effective mechanism to communicate and address ongoing or emerging concerns; these changes reflect the four principles (table 1).

Outcome	Principles
The working group developed approaches to support research directors in moving funds (10 percent movement within budget categories) without prior approval. In 2015, as a direct result of working group collaboration, Funding Services informed research directors that they can "move money however [they] need in order to support claims research without approval." (In this latter stage, the 10 percent limit for moving funds across categories was removed; research directors could move the money as needed to meet program needs, without prior approval.)	Flexibility, autonomy, a joint approach
The working group organized joint CRU-Canada sessions at the annual National Claims Research Workshop. These included topics such as "Working with Cash Flow," "The Development of Work Plans," and "The Reporting System."	Open communication, a joint approach
The working group created the stages of research document, which standardized reporting methods, allowing CRUs to report on all activities and revise the work plan to reflect and accommodate the stages of research. This also allowed for easier and standardized review by funding officers. This document was jointly created and was reviewed as needed to make sure that it accounted for the work being done. Reviews were done jointly with input from CRUs, Funding Services, and the Specific Claims Branch (SCB).	Flexibility, less onerous reporting, open communication, a joint approach
The working group reduced reporting from four times per year to two times, drastically reducing the burden on CRU directors and funding officers alike.	Autonomy, less onerous reporting
The working group engaged in ongoing dialogue regarding multi-year funding; CRUs have long advocated for a multi-year approach. While this approach has not yet been formally developed, some CRUs do receive multi-year funding and CRUs continue to request this change (in our survey, 82 percent of respondents said that this change was a way in which Canada could better support claims research and development).	Autonomy, flexibility, less onerous reporting

Table 1. Outcomes of work by the CRU-Funding Services Working Group

The NCRD looks forward to continuing its participation in this important work with the working group to collaboratively advance funding approaches that support CRUs in overseeing and administering their research programs in keeping with the principles outlined above.

Challenges Identified by NCRD Members

The NCRD surveyed its members about recent changes to research funding and about what would most help research directors in their management of CRUs. We identify six key issues here, noting that these are just starting points for ongoing discussion about what funding approaches will continue to work best for all parties. As well, we include a brief discussion on the need for better communication; lack of information was a key challenge identified by survey respondents.

Recent changes

1. **In the templates attached to call letters, Funding Services is now asking people to account for travel in advance and in onerous detail.** This includes anticipating the number and costs of individual flights, hotels, and meals for each employee for each trip and anticipating the number of days/hours each researcher will work on each claim. For larger organizations whose work plans include between 20 and 180 claims and whose researchers carry between 5 and 20 claims, this kind of planning work would take considerable time away from producing claims. Further, travel arises in response to research and is not always foreseeable. "The expectation is unrealistic – and not really possible," wrote one research director in the survey. "The funding justification is very tedious (travel, you have to account for every expenditure)," wrote another.

2. **In the letters of offer, certain essential and formerly eligible line items are excluded or reduced.** Certain items necessary for the production of claims and that had previously been allowed were no longer supported. Eligible items that respondents reported removed included document orders, storage for off-site documents, and document printing. Other respondents reported salary costs being reduced. Funding Services removed or reduced the amounts requested in these categories without discussing the changes with the CRUs involved. "There were amounts removed or revised… (with no explanation or communication)," wrote one survey respondent. "It's mystifying why this item was removed from the budget," wrote another. Another was told that particular adjusted amounts were the "maximum NSD could support." Previously, any reductions or changes to funding of specific categories would be done in conversation with the CRU; further, if the CRU did receive less money, the unit would still have the authority to decide how to allocate the funds. Deleting whole categories or reducing funds without conversation are examples of the kind of unilateral, top-down approach CRUs have long sought to change.

3. **In the letters of offer, flexibility to offer and support essential training is curtailed.** Research directors have fought hard to have the flexibility to spend money where it needed to be spent to fulfill their work plans. In the past, some research directors spent money on training and funding officers accepted these costs; this year, training costs were cut. "I can't even begin to imagine how training could be an ineligible expense," wrote one research director. (This respondent noted that government employees are regularly provided with necessary training opportunities and CRUs should have the discretion to support staff learning as needed if the principle of fairness is to apply.) Training is "a long overdue gap that needs to be assessed and addressed," wrote another respondent. In an email follow-up, research directors described the specific needs for capacity building at their CRUs. For example, they said that researchers need training in using new technologies and tools, building and updating skills on accessing information via ever-changing

ATI processes, and managing growing archives of research materials that continue to have vital evidentiary importance for multiple claims. Dialogue on costs to support training is needed; fairness and the ongoing working relationship should be priorities.

4. **In the letters of offer, the disbursement schedule appears to differ for different organizations.** Some CRUs receive monthly payments, others quarterly. Some receive lump sums up front and then a second, later payment. (One CRU expressed concern regarding the monthly disbursement schedule. "Given the history of delays in getting funds, how are we to have faith that this [disbursement schedule] is of value to us," wrote one respondent. "Additionally, how are we to cover our costs with much smaller monthly disbursements?") Our survey indicates a lack of clarity regarding disbursement schedules that needs to be addressed. This highlights a related, but ongoing issue that was raised: regardless of disbursement schedule, the first payment is late. One reason is that funding approval does not occur until the new fiscal year has already started (sometimes not until summer or fall). Funds do not flow until after offer is made. As a result, the CRU has to cash manage sometimes for months; this issue of delay is discussed further below.

Ongoing issues

5. **Canada applies a funding formula that prescribes a maximum of $25,000 per claim, regardless of the stage of the claim.** One respondent observed: "It is not favorable to have such a rigid formula of a maximum amount as there is no merits or consideration given then towards what is in fact actually required to do the research needed. Each claim's research and path can be very different." Another noted, "Capping per claim at the very low end doesn't do justice, it prevents First Nations from filing their claims and we simply cannot do our work with the low budget amounts they are offering." Another wrote: "our First Nation Specific Claims history goes back to 1850… with many overlapping federal and provincial transactions during the period and transactions that continue to this day that need to be researched. Obviously, $25,000 to research one of our specific claims is not sufficient." This is an issue related to autonomy and flexibility, as described above, as it raises questions about CRU's ability to make decisions about moving funds to best fulfill their work plans. It also raises questions regarding access to justice if Nations receive insufficient funds to develop claims.

6. **Funding applications face delays at Funding Services and the schedule of applying for/receiving funds is confusing and causes challenges for planning and administration of CRU work**. In the survey, 91 percent of respondents said that earlier review and response by Funding Services to CRU proposals would better support claims research and development. (This issue of delays predates COVID-related challenges; CRUs have faced these problems for decades.) "The calendar in which the funding operates is very unsustainable," wrote one respondent. The call letters go out in December, Directors of CRUs submit funding proposals in January, wait until April or May to receive a funding offer (often after having repeatedly prompted funding officers), and then wait until July/August before the money flows to their accounts. "A full research year or the full fiscal year is 12 months but we really only have half a year," noted a respondent. Past work of the working group resulted in CRUs being given the ability to carry over funding to help "bridge the gap" between when the offer is received and when funding flows. Not all organizations, however, can cash manage until funding flows

because they do not have alternate revenue sources to do it. Further, this carry-over does not address the significant delay between when the proposals are due and when offers are sent out. "Ultimately, the timelines and turnaround on responses and execution of funding offers needs a complete overhaul so the exaggerated delays in getting funds is eliminated," wrote one survey respondent.

Communications

The survey asked respondents about their experiences with communications regarding the new requirements and templates. In total 73 percent said that they were "not informed about the changes" (9 percent said they were "well-informed"; 9 percent said they were "partly informed" and 9 percent were "unsure"). "I did not find out about new templates until I reviewed the call letter about a month after I received it," wrote one respondent. "It did not occur to me to review the budget templates because in the past changes to these have been made collaboratively. I was not expecting changes."

Several survey respondents expressed dismay that Funding Services had failed to provide basic information on these changes:

- "I would expect that substantive reporting expectations would be officially introduced to us rather than changing templates without notice – there wasn't even a reference made within the call letter."
- "I want to be fully informed rather than continuing to be put in a position of posing questions."
- "It doesn't make any sense to me that every time they decide something, they do it without letting anyone know and then don't provide anyone with the changes"
- "There have been no communications about any changes to our offer. Usually when they provide less than what we ask for, it is up to us to adjust our budgets to best accommodate our work plan. These imposed changes are unilateral, paternalistic and a backwards step."

Lack of communications between Funding Services and CRUs is a systemic and ongoing problem, particularly since the working group has stopped meeting. Survey respondents identified communication issues related to collaborating with and informing CRUs of changes to funding procedures, templates, and allowable costs. Respondents who reached out to their funding officers with questions about these changes describe their interactions as unclear. One wrote: "our communications with our funding officers have been nothing short of confusing … we have heard widely disparate directives on funding matters this fiscal year … despite NSD suggesting in the proposal letters that there has been a consistent methodology employed in the allocation of funds this fiscal year, it has not been applied uniformly."

Overall, respondents expressed concern with Canada's unilateralism and the lack of a fair and equal process for making changes. "What is concerning is that [Funding Services] is implementing changes unilaterally without consultation via the established working group," wrote one respondent. Another respondent noted that this was a pattern, a much-too-familiar issue that goes unaddressed: "Each time changes are made without consulting the CRUs, we raise this as an issue in INAC's communication problems, yet they never take any of this into consideration."

Respondents identified (in a multiple-choice list) four ways that Funding Services could better support CRU efforts to apply for and report on funds:

- Opportunities for feedback from research directors before new procedures are implemented (91 percent)
- Regular briefings/updates on current activities related to research funding (73 percent)
- Notices of all changes to policies of procedures (73 percent)
- Presentations by Funding Services or the CRU-Funding Services Working Group at research director meetings or workshops (73 percent)

While these CRU-identified means of communication could be part of an approach, Funding Services needs to develop a comprehensive communications strategy (in conversation with CRUs, including at working group meetings).

Summary

Moving forward, a fair, collaborative, and transparent process is required for decision-making related to research funding. Research funding has an established (if lapsed) mechanism for collaborative work. The NCRD supports the call for the reconvening of the CRU-Funding Services Working Group and asks for Canada to set a date to host the first meeting. Several of these recent changes will need to be undone, so that CRUs can continue to make the necessary decisions regarding their programs of work. Other challenges are more significant, cross-cutting issues that must be addressed by the working group over time. All actions, both immediate and long-term, must be taken via a process of real and sustained dialogue.

Appendix A: CRU survey on research funding (with responses)

May 14–19, 2020

1. Have you received your 2020-2021 letter of offer?

2. If yes, did your CRU receive adequate funding to carry out its planned activities? Please explain. If possible, please estimate what percentage of funds you received versus the amount you requested.

3. The 2020–2021 call letters and letters of offer contain new funding templates and reporting requirements. Were you aware that changes to research funding processes and templates were planned? If so, when and how did you learn about these changes?

4. Do these new requirements and templates make things easier or more difficult for you to carry out or report on your work? Please explain.

5. With these new requirements and templates, will your reporting take

6. With these new reporting requirements, will budgeting and work planning be

    - Easier
    - More difficult
    - The same
    - Unsure

7. With these new requirements and templates do you have

    - More flexibility
    - Less flexibility
    - The same amount of flexibility
    - Unsure

8. A key principle of the CRU–Funding Services Working Group has been that CRUs should have the authority and autonomy to make decisions related to using funds as needed to support the research and development of claims. Do these changes to budget templates provide your CRU with

    - Greater autonomy
    - Less autonomy
    - The same amount of autonomy
    - Unsure

9. Some CRUs have reported that, in their letters of offer, dollar limits have been placed on certain budget amounts. Did your letter of offer include any limits on specific budget categories or other changes to allowable expenses?

    - Yes

- No

10. Another key principle of the CRU-Funding Services Working Group is open communication. Given your experiences with the new requirements and templates, would you say you were

    - Well-informed about the changes
    - Partly informed about the changes
    - Not informed about the changes
    - Unsure

11. What changes to funding or reporting would you like to see to better support claims research and development at your CRU? Please select all that apply.

    - Multi-year funding
    - Earlier review and response by Funding Services to CRU proposals
    - More collaboration on changes to funding procedures
    - Less involvement by Canada in administering our budgets
    - More involvement by Canada in administering our budgets
    - Other ideas for changes (please explain)

12. What types of communication from Funding Services would support your efforts to apply for and report on funds? Please select all that apply.

    - Regular briefings/updates on current activities related to research funding
    - Opportunities for feedback from research directors before new procedures are implemented
    - Notices of all changes to policies of procedures
    - Regular online “town hall”-type updates”
    - Presentations by Funding Services or the CRU-Funding Services Working Group at research director meetings or workshops
    - Other ideas for change (please explain)

13. Please provide any additional comments.

TAKING ACTION, BUILDING TRUST

A Response to the Office of the Auditor General's Report on Specific Claims

Presented to Minister Carolyn Bennett

Prepared by National Claims Research Directors

JANUARY 2017

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TAKING ACTION, BUILDING TRUST

A Response to the Office of the Auditor General's Report on Specific Claims

Presented to Minister Carolyn Bennett
Prepared by National Claims Research Directors

EXECUTIVE SUMMARY

In 2015–16, the Office of the Auditor General of Canada (OAG) conducted an audit of the specific claims process. Directors of specific claims research units (CRUs) from across Canada prepared a joint, comprehensive, evidence-based submission for the audit called *No Access, No Justice*, which documented how Canada's implementation of the specific claims policy created enormous barriers for Indigenous Nations seeking to access a fair process for their specific claims. *No Access, No Justice* included twenty recommendations: tangible, achievable steps that Canada could undertake to create a more equal and transparent process that would support the just resolution of specific claims.

The OAG report, called *Report 6—First Nations Specific Claims—Indigenous and Northern Affairs Canada* (released November 2016), documents how Canada is failing in its duty to adequately manage the resolution of specific claims. The report shows that Canada repeatedly misrepresented progress on specific claims, underfunded essential aspects of the process, failed to incorporate feedback from Indigenous Nations, refused to engage in real negotiation, and created significant barriers to successful claims resolution. The OAG report included ten recommendations for enhancing fairness and transparency; Indigenous and Northern Affairs Canada (INAC) agreed with all of them.

In this response, we compare recommendations from *No Access, No Justice* with those from the OAG report to identify concrete actions that INAC can take within the next six months to begin to restore trust in the process, enhancing transparency and facilitating genuine collaboration into the future. These actions are organized under seven key areas of substantive concern – funding, treatment of "small-value" claims, mediation, communication, reporting, joint oversight, and the Specific Claims Tribunal – and are summarized in the report conclusion.

Overall, this response calls for an end to INAC's secrecy and unilateralism and recommends tangible measures of accountability. We call for Canada to take immediate and sustained action on funding to address the increasingly unequal distribution of resources in the system and enable Indigenous Nations' full and equal participation in the specific claims process. We also recommend that issues related to the Specific Claims Tribunal be included in current discussions related to the

review of specific claims policy. Throughout, we emphasize that specific claims practitioners (Indigenous Nations and CRUs actively involved in preparing and negotiating specific claims) must be proactively and directly engaged in the review of policies and practices. These practitioners have worked for years within a system of mounting obstacles; their feedback is essential to the creation of more equitable and transparent processes that will lead to the just resolution of specific claims.

In the spirit of accountability and real change, we ask INAC to publicly release, by June 30, 2017, a report describing work undertaken and the specific results achieved on these actions. As we explain in this report, real action on specific claims will be a test case of the Liberal government's intention to honour its promises and act upon Canada's obligations as a signatory of the United Nations (UN) Declaration on the Rights of Indigenous Peoples.

Introduction: Building trust to create an equitable working relationship

In 2015–16, the Office of the Auditor General (OAG) reviewed the implementation and impacts of Indigenous and Northern Affairs Canada's Specific Claims Action Plan: Justice at Last. The OAG audit asked, "Are specific claims being resolved?" As a group, the National Claims Research Directors prepared a comprehensive, evidence-based submission for the audit, called *No Access, No Justice: Canada's Implementation of Justice at Last and the Failure to Resolve Specific Claims*.[1] To the OAG's question, we answered, "No."

No Access, No Justice documented how Canada's implementation of Justice at Last created enormous barriers for Indigenous Nations seeking to access a fair process to resolve their specific claims. Implementation of Justice at Last not only failed to establish the fairer, faster, and more transparent process that the plan itself was supposed to ensure; it also created many new obstacles that impeded claim resolution and generated widespread mistrust of the process among Indigenous Nations. Auditor General Michael Ferguson fully and strongly agreed with our position, saying publicly at the release of the report that changes to negotiation and funding had created barriers that made claim resolution more difficult. "The Department was aware of these barriers," Ferguson said, "but did not address them."

The Department could not help but be aware of these barriers; as our submission documented, between 2008 and 2015, Indigenous Nations and CRUs sent repeated and extensive communications to the Department, raising concerns about new obstacles in the process. During this time, Indigenous Nations made dozens of written, publicly available interventions – submissions, press releases, open letters, and calls for engagement. These efforts met with inertia and silence, as did many attempts to solicit even basic information about program changes.

This silence was one major source of frustration and mistrust. Another was the information that the Department did in fact share with CRUs and/or make public. The Department consistently misreported progress on claims, releasing misleading information that over-reported success and concealed the negative effects of the implementation of Justice at Last. The audit concluded that, overall, the Department's "public reporting of results was incomplete and masked actual outcomes" (section 6.73). For example, in April 2013, INAC publicly announced that it had cleared the backlog of specific claims when in fact it had unilaterally closed hundreds of claims rather than resolving them. (These "closed" claims actually contribute to a new backlog, as they must either be addressed by the Tribunal or will re-enter the system via resubmission.)

[1] The National Claims Research Directors form a national body of technicians who manage over thirty centralized CRUs mandated to research and develop specific claims on behalf of Indigenous Nations. As practitioners who work closely with communities, legal counsel, funding administrators, the Specific Claims Branch, claims negotiators, and Specific Claims Tribunal members, the National Claims Research Directors are uniquely positioned to analyze specific claims policies and processes and recommend ways to improve their fairness and efficiency.

In *No Access, No Justice*, we wrote that INAC's implementation of Justice at Last amounted to dishonourable conduct on Canada's part that has resulted in a deep and growing rift between Indigenous Nations and the Crown – one characterized by a profound mistrust toward government processes, systems, and promises. The National Claims Research Directors made twenty recommendations for improvement of the equity and accessibility of specific claims processes. The OAG report made ten recommendations; these paralleled ours. The OAG report also includes responses from INAC to each recommendation; in every case, INAC agreed, and the Department repeatedly noted that it is currently working with the Assembly of First Nations (AFN) to "establish a process in which Canada will work collaboratively with First Nations to identify fair and practical measures to improve the specific claims process." The Department and the AFN are now working together within the framework of an AFN/INAC Joint Technical Working Group on Specific Claims.

The Liberal government has signaled its intention to approach specific claims differently. In November 2016, Minister Carolyn Bennett released her report on a five-year review of the Specific Claims Tribunal Act; she writes that "A key aspect of reconciliation is the resolution of historical grievances" and concludes that "it is time for Canada to re-engage in constructive dialogue regarding the specific claims process." After facing years of obfuscation, stonewalling, and deliberate attempts to delay or block claims resolution, Indigenous Nations look forward to constructive dialogue, and also to seeing concrete evidence of Canada's willingness to address bias in the process and move toward a more just and equitable working relationship.

In this response, we compare recommendations from *No Access, No Justice* with those from the OAG report to identify immediate actions that INAC can take to begin to restore trust in the process – to enhance transparency and facilitate genuine collaboration into the future. This response translates the two sets of recommendations into concrete activities that can commence within six months. These actions and measures are organized under seven key areas of substantive concern: funding, treatment of "small-value" claims, mediation, communication, reporting, joint oversight, and the Specific Claims Tribunal. Overall, we call for a fairer allocation of resources, greater transparency, and better communication. We repeatedly emphasize that the participation of specific claims practitioners (Indigenous Nations and CRUs) is essential in any program reviews that seek to create a transparent and equitable specific claims process and on any bodies that oversee implementation of policy and procedural changes.

Specific claims arise out of racially discriminatory legislation and policies that resulted in the alienation of traditional Indigenous lands, resources, and ways of life. Redress, restitution, and compensation for this alienation constitute a human right of Indigenous peoples and an obligation of Canada as a signatory to the UN Declaration of the Rights of Indigenous Peoples (UNDRIP). Policy reform and institutional renewal must now be in line with this Declaration – and therefore must be undertaken in full and equal partnership with Indigenous Nations. As a signatory of the UNDRIP, Canada must align its actions, starting now, toward developing this partnership and creating fair and transparent systems for redress. Immediate, concrete

action on specific claims reform will demonstrate Canada's intention to move toward fulfillment of its international obligations.

1. Funding

Overall, funding changes made under Justice at Last worked systematically to undermine Indigenous Nations' position in the specific claims process. The increasingly unequal distribution of resources created a growing imbalance in capacity for participation and a sense that the system was actively working against Indigenous Nations' ability to prepare and negotiate claims. For example, the OAG report highlights how INAC's internal expenditures (2013–16) stayed constant while average annual funding for Indigenous Nations participation fell by over 35 percent in the same period.

Article 39 of the UNDRIP recognizes that "Indigenous peoples have the right to have access to financial and technical assistance from states … for the enjoyment of the rights contained in this declaration." However, underfunding and inequity in resources are undermining Indigenous Nations' role as full and equal partners in specific claims processes (and thus their right to access processes of redress). The UN Committee on the Elimination of Racial Discrimination expressed concern regarding the financial burdens Indigenous Nations incurred in seeking to resolve land disputes via specific claims (see CERD/C/CAN/CO/19-20, pages 6–7).

Recommendations from *No Access, No Justice*:

- Immediately restore and increase funding to research and develop specific claims based on the number of new claims in development and taking into account that the research must be comprehensive and that documents must meet the Minimum Standard.
- Provide resources to all claimants at all stages of the claims process at levels commensurate with the new demands on claimants at the filing stage, as well as in the event that they go before the Tribunal.
- Renew commitment to annual specific claims settlement funding at current or increased levels.

Recommendations from OAG report:

- In cooperation with First Nations, INAC should develop a clear and consistent methodology for funding to First Nations to adequately support the research and preparation of claims.
- In cooperation with First Nations, INAC should develop an evidence-based methodology for loan funding to adequately support First Nations' participation in the negotiation process.

Summary and immediate actions:

Both our submission and the OAG report state that funding must be adequate to support Indigenous Nations' research and preparation of claims and participation in negotiation. The OAG report suggests joint creation of a methodology by which funding levels are established. We agree with the creation of a consistent and transparent funding mechanism. Research funding must be commensurate with the actual increased costs associated with all aspects of claim preparation (e.g. rising legal fees). The distribution of funds between government and Indigenous Nations must also be made equitable; ongoing transparency and public accountability are needed to ensure the fair arrangement of resources. We suggest four actions Canada can undertake immediately as concrete evidence of its willingness to address funding-related bias in specific claims processes:

- Immediately restore annual research funding to 2009 levels.
- Provide adequate and equitable funding to support Indigenous Nations filing claims with the Tribunal (including during preparation of the statement of claim and participation in any judicial review of Tribunal decisions).
- During development of a consistent funding methodology, focus on equity in the distribution of resources (i.e. funds to Indigenous Nations must be on par with those provided to INAC and Department of Justice staff) for all stages of the process.
- Develop a joint funding implementation committee with regular public reporting requirements.

2. Treatment of "small-value" claims

In a 2015 report called *In Bad Faith: Justice at Last and Canada's Failure to Resolve Specific Claims*, CRU Directors noted that Canada was refusing to negotiate the majority of claims accepted by the Minister, despite publicly reporting otherwise. The Department was unilaterally imposing a preliminary value upon each claim. The Department identified the majority of these claims as "small value" when, in fact (as we found in a 2014 Specific Claims Survey), many of them were only small portions of much larger and more complex claims. A claim designated "small value" was then directed to an expedited resolution process; Indigenous Nations were denied the opportunity to negotiate it. Canada demanded releases on the remaining substantive portions of the claim as a condition of settlement. Indigenous Nations then received limited take-it-or-leave-it offers with arbitrary, short deadlines in which to accept or reject them. The basis for Canada's offer was often not provided. Negotiation was refused outright by SCB officials.

"Paternalistic, self-serving, arbitrary and disrespectful of First Nations" was how a decision from the Specific Claims Tribunal characterized the Department's approach to "small-value" claims. (The OAG report cites this decision; see section 6.41.)

Recommendations from *No Access, No Justice*:

- Abandon the practice of partial acceptances with blanket releases. Releases should only be considered for allegations that have been resolved – not on rejected allegations (which can access the Tribunal).
- Abandon the practices of making settlement offers, unilateral decisions, and underfunding, because these approaches undermine reconciliation and true resolution.
- Abandon the practice of assigning value to a claim without consultation with First Nations. INAC officials are not qualified to make these valuations and their unilateral imposition undermines negotiations.
- Unpin imposed claim value from negotiation strategies. Process "small-value" claims in the same way as "normal" claims. These are historical grievances that require reconciliation and acknowledgement.
- Immediately cease referring to the issuance of non-negotiable, final, take-it-or-leave-it offers as "negotiation."

Recommendations from the OAG report:

- In cooperation with First Nations, INAC should make its negotiation practices to expedite small-value claims (up to $3 million) acceptable to both parties.

Summary and immediate actions:

Both the Nations Claims Research Directors' submission and OAG report highlighted the lack of equity in the way the SCB designates "small-value" claims and then abandons negotiation. We agree with the OAG recommendation that INAC must make its practices with respect to small-value claims acceptable to both parties. We also recommend that the valuation of a claim should be a negotiated, transparent, and properly resourced process. The Department can take immediate actions to demonstrate a shift toward a fairer and mutually acceptable treatment of these claims:

- Cease the practice of partial acceptances with blanket releases.
- Cease the practice of unilaterally valuing claims during the assessment phase.
- Negotiate with Indigenous Nations in a fair and transparent way to establish the value of all claims before any offer is generated.
- Negotiate all claims regardless of value.
- Immediately stop issuing non-negotiable, final, take-it-or-leave-it settlement offers.

3. Mediation

Better access to mediation was one of the four key pillars of Justice at Last. In its public reporting, Canada wrote that Indigenous Nations were failing to use the mediation services available to them and suggested that Indigenous Nations might be unaware of these services.

However, in *No Access, No Justice*, we documented widespread mistrust of mediation as established. To save money, Canada abandoned a joint AFN/INAC process for creating an independent mediation centre and instead unilaterally hired the mediators and housed the office within INAC. The result was a lack of independence. In addition, Canada repeatedly demonstrated unwillingness to engage in mediation. A 2014 *Specific Claims Survey* reported that of the 283 represented Indigenous Nations, only 2 sought mediation for their claims. Both Nations reported that Canada agreed to mediation but then walked away.

Recommendations from *No Access, No Justice*:

- Abandon the conflict-of-interest-laden mediation services established by INAC and reconvene discussions with the Assembly of First Nations to establish a truly independent mediation centre.
- Under this new, independent mediation centre, identify and develop opportunities for mediation, and engage in mediation with First Nations.

Recommendations from the OAG report:

- INAC should work with First Nations to develop and implement a strategy to use mediation more frequently.

Summary and immediate actions:

Both the Nations Claims Research Directors' submission and the OAG report recognize that the mediation centre – housed within INAC – lacks independence and neutrality. A joint process to create and staff an independent mediation centre is essential. This process will take time. In the interim, we advance two recommendations for INAC in its approach to mediation:

- Acknowledge the illegitimacy of its in-house approach to mediation.
- Work with Indigenous Nations and claims practitioners to develop a protocol for the creation and operation of a truly independent mediation centre.

4. Communication

Our submission to the audit documented numerous instances of INAC's failure to communicate with CRUs and Indigenous Nations. We showed that the Department consistently neglected to inform these groups regarding changes in policy and negotiation strategies or internal review processes, in spite of extensive efforts by CRUs to obtain this information. We frequently had to engage in the time-consuming process of making Access to Information (ATI) requests to access basic details about changes to specific claims policies and processes (e.g. in 2014, we filed a request for records pertaining to AANDC's 2012–13 evaluation of the Specific Claims Action Plan and internal procedures – to which CRUs and First Nations made many representations). In general, *No Access, No Justice* showed that INAC failed to provide information that would better allow CRUs and Indigenous Nations to

prepare claims or participate in claims-related processes. The OAG report agreed with our assessment of INAC's communication and practices.

Recommendations from *No Access, No Justice*:

- Through meaningful dialogue with First Nations, jointly develop and apply performance measures to assess the clearing of the backlog. These should be guided by the principle that claims in the backlog are only cleared when they are concluded with finality. Reporting should be based on these performance measures.
- Incorporate data on claims that are currently in research and development into reports and projections.

Recommendations from the OAG report:

- INAC should work with First Nations to ensure that its process to resolve claims includes a step where First Nations are made aware of the facts that the Department of Justice will rely on to assess whether First Nations claims disclose an outstanding lawful obligation for the Government of Canada.

Summary and immediate actions:

Clear and *proactive* communication will be essential to rebuilding trust in the process and moving toward a working relationship. Communication must be regular and transparent. Furthermore, it must be bilateral: the Department needs to create regular opportunities for program-improving feedback from CRUs and Indigenous Nations. To this end, we have three immediate action items that will begin to create trust in the Department and build a foundation for an ongoing working relationship:

- Create regular opportunities for Indigenous Nations and CRUs to provide input into policy changes and the Department's practices. To facilitate this engagement, provide special bulletins on any upcoming changes to program policy and practices (including concrete details on how these changes will affect the preparation, submission, and negotiation of claims).
- Continue working with Indigenous Nations and CRUs to jointly develop clear and reasonable guidelines pertaining to the minimum standard and minor technical issues. Communicate these guidelines to all Indigenous Nations and claim practitioners.
- Provide regular updates to Indigenous Nations and CRUs on program operations and results.

5. Public reporting

The Department's deliberate misrepresentation of program progress was a key source of frustration among Indigenous Nations and CRUs, as documented in *No Access, No Justice*. For example, as we've described, the Department released information about how it had "cleared"

the backlog of claims, though this accounting was based on very limited and misleading performance measures.

The OAG report also strongly condemns INAC's approach to public reporting. It notes that monitoring and reporting of activities and results are an essential part of INAC's accountability for specific claims overall. And yet, the OAG report finds, INAC's "public reports were incomplete and did not contain the information needed to understand the actual results of the specific claims process. More specifically, the Department did not publicly report some negative results of the process." In short, public reporting worked to conceal the barriers created by implementation of Justice at Last and create false representations of success.

Recommendations from *No Access, No Justice*:

- Public reporting should be explicit about claims that have been accepted, negotiated, expedited, or had the offer rejected.

Recommendations from the OAG report:

- INAC should clearly report complete information about the specific claims process to allow the government and Canadians to assess real results.
- INAC should update its website to reflect the full range of negotiation practices for all types of specific claims.
- INAC should keep the information on the specific claims process on its website up to date.

Summary and immediate actions:

The provision of clear, accurate, and up-to-date information is an essential step toward creating a fair and balanced representation of the process, so that participants and the public can fairly appraise its work. We recommend two actions within the next six months that will demonstrate transparency and accountability:

- Immediately update the INAC website to accurately represent the status of individual claims and claims resolution overall. (Label claims as "closed" only when they have been settled and payment has made or else the Specific Claims Tribunal has decided on their validity and the compensation due. Include in statistics the claims that are currently in research and development stages.)
- Six months from present (i.e. by the end of June 2017), release a publicly available, evidence-based report outlining concrete progress on the recommendations within the National Claims Research Directors' response to the audit. (The Directors will then respond to this report.)

6. Joint oversight

In the report *In Bad Faith*, the CRU Directors suggested that Canada should convene a Senate Standing Committee study into Justice At Last in which Indigenous Nations are directly involved. We recognized the need for overall assessment and review of the specific claims process, with joint oversight between Indigenous Nations and Canada. The OAG likewise suggested a review of INAC's systems and practices to ensure that the process is collaborative.

Recommendations from the OAG report:

- In collaboration with First Nations, INAC should review its systems and practices to understand why the majority of claims are not settled through negotiation and improve the resolution of claims in line with the aims of Justice at Last.
- In collaboration with First Nations, INAC should develop practices to gather, monitor, and respond to information and feedback about the specific claims process. These practices should be designed to improve the specific claims process and its outcomes.

Summary and immediate actions:

We support the auditor's recommendation of a review of INAC's systems and practices. The AFN/INAC Joint Working Group will be one key forum for this review. However, the review should also include oversight by Indigenous Nations stakeholders – communities and organizations directly engaged with specific claims processes. Essential to this process is genuine collaboration: an end to INAC unilateralism. Our recommendations for immediate actions on the issue of oversight pertain to steps INAC can take to facilitate transparency and accountability of the review:

- Release regular progress reports on the AFN/INAC Joint Technical Working Group on Specific Claims, including main activities undertaken and decisions made.
- Strike a joint oversight committee that includes claims practitioners for implementation of any policy or program changes.
- Continue working groups involving CRUs and Indigenous Nations who are actively involved in preparing, submitting, and negotiating specific claims and create new ones as need arises.

7. The Specific Claims Tribunal

An independent claims tribunal was the government's action on the "impartiality and fairness" pillar of Justice at Last. The Specific Claims Tribunal has already issued numerous decisions that have clarified many issues common to specific claims; over time, if properly resourced, the Tribunal process could create a predictable legal framework, thus facilitating claims resolution. However, our findings in *No Access, No Justice* revealed Indigenous Nations' significant concerns related to the capacity and independence of the Tribunal. As well, a lack of resources undermines Indigenous Nations' ability to take their claims to the Tribunal.

The audit did not assess processes related to the Tribunal. Furthermore, at the release of her November 2016 report, Minister Bennett stated that Indigenous Nations generally expressed satisfaction with the Tribunal and were more concerned with specific claims processes. However, a 2015 AFN Independent Expert Panel Report found – as the CRUs did – that Indigenous Nations were concerned about staffing levels and administrative autonomy at the Tribunal. The 2014 annual report of the Chair of the Tribunal (by Justice Harry Slade) raised these same concerns (see http://www.sct-trp.ca/pdf/Annual%20Report%202014.pdf, page 2).

Operations of this body are essential to the equitable function of the specific claims process as a whole. We therefore included Tribunal-related concerns in *No Access, No Justice* and continue to raise them here.

Recommendations from *No Access, No Justice*:

- Provide funding to the Tribunal to adequately address the volume of claims that can be expected to be filed with the Tribunal due to the large number of rejected claims and file closures. Provide adequate funding to First Nations who have claims filed with the Tribunal. Provide funding for First Nations to initiate and participate in judicial reviews of Tribunal decisions commensurate with the resources available to Canada to engage in judicial review.
- Restore the independence of the Tribunal by keeping the administration of the Tribunal separate from the centralized administrative unit created by recent legislation.
- Work with the Judiciary to ensure the Tribunal is adequately staffed.
- Integrate Tribunal decisions into the assessment of claims.
- Create a streamlined process whereby Indigenous Nations can request that their rejected or closed claims be reassessed in light of Tribunal decisions.

Summary and immediate actions:

Lack of funding creates a barrier for Indigenous Nations wanting to take their claims to the Tribunal. Our key immediate action, therefore, addresses this deficit; above, we recommended that Canada provide adequate funding to support Indigenous Nations filing claims at the Tribunal. Over the longer term, the Department needs to institute a clear and transparent methodology for Indigenous Nations to access Tribunal funding. This methodology is separate from the one being devised from research and development money, and should take into account all parts of the Tribunal process (e.g. preparation of the statement of claim, preliminary case conferences, hearings, community visits).

Our interim recommendations for immediate action are to ensure that the Tribunal is not excluded from ongoing program review processes:

- Include the Tribunal in the joint work involving Indigenous Nations around revision of the specific claims process as a whole, in order to address key issues of capacity (e.g.

adequate number of appointments and French-fluent staff) and independence (e.g. administration of the Tribunal separated from the current centralized administrative unit).
- Solicit, pay for, and publicly release independent legal analysis demonstrating (a) how Tribunal decisions have been integrated into claims assessment processes to date and (b) how this integration can be improved over time. (This analysis should be repeated annually, under guidance of the Joint Working Group, such that INAC's integration of Tribunal decisions into claims assessment processes can be monitored over time.)

Conclusion: Immediate actions for change

In response to the question guiding the federal audit of specific claims – "Are specific claims being resolved?" – we answered, "No." The Auditor has joined us in calling for an end to the unilateralism, misinformation, and secrecy that has characterized the specific claims process, and which has alienated Indigenous Nations and generated multiple barriers to the just resolution of claims.

The UN Declaration on the Rights of Indigenous Peoples affirms that Indigenous Nations have a right to redress and to "just and fair procedures for the resolution of conflicts and disputes with States." Overall, the Declaration sets out "a standard of achievement to be pursued in a spirit of partnership and mutual respect" (page 4). This spirit has been deeply lacking in specific claims processes and the implementation of Justice at Last. Systematic bias has continuously undermined Indigenous Nations' capacity to act as full and equal partners in specific claims processes, which, paradoxically, are intended to address longstanding historical wrongs and promote equity and reconciliation.

As of May 10, 2016, Canada announced its full support and implementation of the UNDRIP, and a key tenet of the Liberal Party platform is a "renewed, nation-to-nation relationship with Indigenous Peoples, based on recognition, rights, respect, cooperation, and partnership." Minister Carolyn Bennett has promised to bring these principles to bear on specific claims policy, committing to working with the AFN, Indigenous Nations, and other interested parties, and to implementing all ten recommendations from the OAG report. Her press release after the audit states that all Canadians benefit when "we take concrete steps to advance reconciliation with Indigenous Nations." In that spirit, we have recommended key actions that, in addition to its longer-term collaborative work with the AFN, the Department can undertake without delay to indicate a new approach to specific claims and to bring about immediate and positive changes that reflect the principles of reconciliation and good faith:

1. Funding

- Immediately restore annual research funding to 2009 levels.
- Provide adequate and equitable funding to support Indigenous Nations filing claims with the Tribunal (including during preparation of the statement of claim and participation in any judicial review of Tribunal decisions).

- During development of a consistent funding methodology, focus on equity in the distribution of resources (i.e. funds to Indigenous Nations must be on par with those provided to INAC and Department of Justice staff) for all stages of the process.
- Develop a joint funding implementation committee with regular public reporting requirements.

2. Treatment of "small-value" claims

- Cease the practice of partial acceptances with blanket releases.
- Cease the practice of unilaterally valuing claims during the assessment phase.
- Negotiate with Indigenous Nations in a fair and transparent way to establish the value of all claims before any offer is generated.
- Negotiate all claims regardless of value.
- Immediately stop issuing non-negotiable, final, take-it-or-leave-it settlement offers.

3. Mediation

- Acknowledge the illegitimacy of INAC's in-house approach to mediation.
- Work with Indigenous Nations and claims practitioners to develop a protocol for the creation and operation of a truly independent mediation centre.

4. Communication

- Create regular opportunities for Indigenous Nations and CRUs to provide input into policy changes and the Department's practices. To facilitate this engagement, provide special bulletins on any upcoming changes to program policy and practices (including concrete details on how these changes will affect the preparation, submission, and negotiation of claims).
- Continue working with Indigenous Nations and CRUs to jointly develop clear and reasonable guidelines pertaining to the minimum standard and minor technical issues. Communicate these guidelines to all Indigenous Nations and claim practitioners.
- Provide regular updates to Indigenous Nations and CRUs on program operations and results.

5. Public reporting

- Immediately update the INAC website to accurately represent the status of individual claims and claims resolution overall. (Label claims as "closed" only when they have been settled and payment has made or else the Specific Claims Tribunal has decided on their validity and the compensation due. Include in statistics the claims that are currently in research and development stages.)
- Six months from present (i.e. by the end of June 2017), release a publicly available, evidence-based report outlining concrete progress on the recommendations within

the National Claims Research Directors' response to the audit. (The Directors will then respond to this report.)

6. Joint oversight

- Release regular progress reports on the AFN/INAC Joint Technical Working Group on Specific Claims, including main activities undertaken and decisions made.
- Strike a joint oversight committee that includes claims practitioners for implementation of any policy or program changes.
- Continue working groups involving CRUs and Indigenous Nations who are actively involved in preparing, submitting, and negotiating specific claims and create new ones as need arises.

7. The Specific Claims Tribunal

- Include the Tribunal in the joint work around revision of the specific claims process as a whole, in order to address key issues of capacity (e.g. adequate number of appointments and French-fluent staff) and independence (e.g. administration of the Tribunal separated from the current centralized administrative unit).
- Solicit, pay for, and publicly release independent legal analysis demonstrating (a) how Tribunal decisions have been integrated into claims assessment processes to date and (b) how this integration can be improved over time. (This analysis should be repeated annually, under guidance of the Joint Working Group, such that INAC's integration of Tribunal decisions into claims assessment processes can be monitored over time.)

We are asking INAC to release a six-month progress report in June 2017, outlining actions undertaken and results achieved on the items outlined in this response. The Liberal government's immediate and concrete action will indicate its willingness to create fair and transparent processes to address long-standing historical grievances and begin a new relationship.

Crown-Indigenous Relations and Northern Affairs Canada (Re), 2025 OIC 42

Date: 2025-08-01
OIC file number: 5823-00326
Access request number: A-2022-00167 / MN

Summary

The complainant alleged that Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC had improperly withheld information under paragraph 20(1)(b) (confidential third party financial, commercial, scientific or technical information), paragraph 20(1)(c) (financial impact on a third party), and section 23 (solicitor-client and litigation privilege) of the *Access to Information Act*. This was in response to an access request for the agreement, land claim settlement signed in the year 2000 between the federal Canadian government and the Squamish band.

Neither CIRNAC nor the third party showed that the information met the requirements of the exemptions - in particular how there was a clear and direct connection between the disclosure of any specific information and a risk of harm, that the information could result in a reasonable expectation of interference with negotiations, or that privilege applies. The Information Commissioner ordered CIRNAC to disclose the records in their entirety. CIRNAC gave notice to the Commissioner that it would not be disclosing the records.

Complaint

[1] The complainant alleged that Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) had improperly withheld information under paragraph 20(1)(b) (confidential third party financial, commercial, scientific or technical information), paragraph 20(1)(c) (financial impact on a third party) and section 23 (solicitor-client and litigation privilege) of the *Access to Information Act*. This was in response to an access request for the "agreement, land claim settlement signed in the year 2000 between the federal Canadian government and the Squamish band".

[2] The allegation falls within paragraph 30(1)(a) of the Act.

Investigation

[3] When an institution withholds information, including information related to third parties, the third parties and/or the institution bears the burden of showing that refusing to grant access is justified.

[4] The Office of the Information Commissioner (OIC) sought representations from both the Squamish Nation (the third party) and CIRNAC pursuant to section 35 of the Act. While CIRNAC decided to no longer rely on paragraph 20(1)(b) to withhold information, they continue to maintain that the entirety of the responsive records are properly withheld under paragraph 20(1)(c) and section 23. A response was not received from the third party.

[5] The OIC also notified the third party pursuant to subsection 36.3(1) of my intention to order CIRNAC to disclose the information at issue. The third party responded, indicating that they remain opposed to the disclosure of the information. Further, the Squamish Nation's position is that "the settlement agreement is exempted under ss. 20(1)(b), 20(1)(c), and 20(1)(d) of the Access to Information Act as well as common law settlement privilege". The third party did not further elaborate on its position.

Paragraph 20(1)(c): financial impact on a third party

[6] Paragraph 20(1)(c) requires institutions to refuse to disclose information that, if disclosed, could reasonably be expected to have a material financial impact on a third party (that is, a private company or individual, but not the person who made the access request) or harm its competitive position.

[7] To claim this exemption with regard to financial impact on a third party, institutions must show the following:

- Disclosing the information could result in material financial loss or gain to the third party.
- There is a reasonable expectation that this harm could occur—that is, the expectation is well beyond a mere possibility.

[8] To claim this exemption with regard to competitive position, institutions must show the following:

- Disclosing the information could injure the competitive position of the third party.
- There is a reasonable expectation that this prejudice could occur—that is, the expectation is well beyond a mere possibility.

[9] When these requirements are met, and the third party to whom the information relates consents to its disclosure, subsection 20(5) requires institutions to reasonably exercise their discretion to decide whether to disclose the information.

[10] In addition, when the requirements are met, subsection 20(6) requires institutions to reasonably exercise their discretion to decide whether to disclose the information for public health or public safety reasons, or to protect the environment, when both of the following circumstances (listed in subsection 20(6)) exist:

- disclosure of the information would be in the public interest; and
- the public interest in disclosure clearly outweighs any financial impact on the third party, any prejudice to the security of the third party's structures, networks or systems, or competitive position, or any interference with its contractual or other negotiations.

[11] However, subsections 20(2) and 20(4) specifically prohibit institutions from using paragraph 20(1)(c) to refuse to disclose information that contains the results of product or environmental testing carried out by or on behalf of a government institution, unless the testing was done for a fee for an individual or an organization other than a government institution.

Does the information meet the requirements of the exemption?

[12] CIRNAC maintains their application of paragraph 20(1)(c), concurrently with section 23, to withhold the entirety of the records.

[13] It is generally accepted that publicly available information does not meet the requirements for exemption under section 20, either as a class of documents or under a harms test, and would require strong evidence that the information in the public domain would not be used (*Merck Frosst Canada Ltd. v. Canada (Health)*, 2012 SCC 3, paras. 208-209).

Section 23: litigation privilege

[21] Section 23 allows institutions to refuse to disclose information subject to solicitor-client privilege or the professional secrecy of advocates and notaries when the information relates to legal advice given to a client. Section 23 also allows institutions to refuse to disclose information subject to litigation privilege when the information was prepared or gathered for the purpose of litigation.

[22] To claim this exemption with regard to solicitor-client privilege, institutions must show the following:

- The information consists of communication between a lawyer or notary and his or her client.
- That communication relates directly to the seeking or giving of legal advice, including all the exchanges of information needed to give legal advice.
- The parties intend the communication and advice to remain confidential.

[23] To claim this exemption with regard to litigation, institutions must show the following:

- The information was prepared or gathered for the dominant purpose of litigation.
- The litigation either is in progress or is reasonably expected to occur.

[24] Litigation privilege generally expires when the litigation ends, except when related litigation is pending or is reasonably expected to occur.

[25] When these requirements are met, institutions (as the owner of the privilege) must then reasonably exercise their discretion to decide whether to disclose the information.

Does the information meet the requirements of the exemption?

[26] CIRNAC maintains their application of section 23, concurrently with paragraph 20(1)(c), to withhold the entirety of the records.

[32] CIRNAC also argued that there is pending litigation before the court concerning the records, associated with access request ISC-A-2021-00059 ("ISC litigation"). For the same reasons as above, I also cannot accept that the ISC litigation is a "related litigation" for which litigation privilege applies.

[33] The ISC litigation was commenced in 2024 and relates to an access to information proceeding while the settlement agreement was reached in 2000 and settled multiple claims made by the Squamish Nation relating to reserve-based claims and other *Indian Act* related claims against the federal government. The two proceedings spring from a different juridical source, involve different parties and legal issues, and for those reasons they are unrelated. As the two proceedings do not raise common issues or share an essential purpose, the privilege does not apply (*Blank*, ibid, at para 39).

[34] Furthermore, the ISC litigation commenced in 2024, as a result of an investigation completed by the OIC, was nowhere near in progress or reasonably expected to occur when the records were created or prepared. I cannot accept that the document was gathered to "prepare the case for trial" or relate to the "zone of privacy" which the privilege is meant to protect. CIRNAC has not provided any other representations which have convinced me that litigation privilege or section 23 could apply in the circumstance. Consequently, I cannot accept that the record was prepared or gathered for the dominant purpose related to or in contemplation of the ISC litigation. Finally, even if litigation privilege could at one point have applied to any portions of the records at issue, the fact that the records were shared between opposing parties and, in some instances, filed publicly with the Court, would implicitly waive any prospective privilege claimed.

Outcome

[36] The complaint is well founded because CIRNAC did not properly apply paragraph 20(1)(b), paragraph 21(1)(c), or section 23 when responding to the access request.

Order

I order the Minister of Crown-Indigenous Relations to disclose the records in their entirety.

Initial report and notice from institution

On June 25, 2025, I issued my initial report to the Minister of Crown-Indigenous Relations setting out my order.

On July 24, 2025, the Minister gave me notice that she would not be implementing the order. The Minister represented that while they had taken the OIC's perspective into consideration, the disclosure of this information, which was submitted to Canada in confidence during the comprehensive land claims assessment process, will have significant adverse impacts on Canada's relationship with the Squamish Nation and CIRNAC's ability to conduct confidential and without-prejudice discussions; that releasing this information will indicate to the Squamish Nation that it cannot trust that the information it shares with Canada, in confidence, will be treated as such; and that CIRNAC consulted with the Squamish Nation, and it has stated that its documents are confidential, relate to land claims, and cannot be released. CIRNAC represented that they maintain their position in withholding records.

I remind the Minister that, if she does not plan to implement my order, she must apply to the Federal Court for a review by the deadline set out below.

Review by Federal Court

When an allegation in a complaint falls under paragraph 30(1)(a), (b), (c), (d), (d.1) or (e) of the Act, the complainant has the right to apply to the Federal Court for a review. When the Information Commissioner makes an order(s), the institution also has the right to apply for a review.

Whoever applies for a review must do so within 35 business days after the date of this report and serve a copy of the application for review to the relevant parties, as per section 43. If no one applies for a review by this deadline, the order(s) takes effect on the 36th business day after the date of this report.

Date modified:

Submit a complaint

Crown-Indigenous Relations and Northern Affairs Canada (Re), 2026 OIC 3

Date: 2026-01-06
OIC file number: 5825-01230
Access request number: CIRNAC-A-2025-00049

Summary

The complainant alleged that Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) took an extension for an unreasonable amount of time under subsection 9(1) of the *Access to Information Act*, and that it improperly processed two requests as one. The request was for updated Consultation Agreement between Canada and the MNA and related documents from January 1, 2024, to May 20, 2025. The allegation falls under paragraph 30(1)(c) of the Act.

The Information Commissioner concluded that the time extension taken by CIRNAC was unreasonable. In particular, a consultation with 12 pages of records was sent to the Department of Justice (Justice) with a response time of an estimated 90 days, based on Justice's service standards. In the absence of any additional complexity, the Information Commissioner determined that the 90-day timeline was not justified.

The Information Commissioner concluded that it was not unreasonable for CIRNAC to treat the request as singular, in the circumstances of this request.

The Information Commissioner ordered that CIRNAC provide a complete response to the access request no later than 36 business days following the date of the final report.

CIRNAC gave notice to the Commissioner that it would be implementing the order.

The complaint is well founded.

Complaint

[1] The complainant alleged that the extension of time Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) took under subsection 9(1) of the *Access to Information Act* to respond to an access request was unreasonable, and that it improperly processed two requests as one. The request was for the following:

1. Copy of the updated Consultation Agreement between Canada and the MNA, the Metis Nation of Alberta Association, also known as the Metis Nation within Alberta, also known as the Otipemisiwak Metis Government (the "Agreement")
2. Copy of any internal government records, such as memoranda, briefings, briefing notes, directives, policy, policy decisions, analyses, reports, correspondence as to how to implement the Agreement generally and how to implement the Agreement in relation to other Metis groups, entities, or communities in Alberta

[2] **Date range from January 1, 2024 to May 20, 2025, for the records requested**.

[3] The allegation falls under paragraph 30(1)(c) of the Act.

Investigation

[4] CIRNAC received the access request on May 20, 2025, and extended the period within which it had to respond by 180 days under paragraph 9(1)(a), 90 days under paragraph 9(1)(b), and 30 days under paragraph 9(1)(c). Taking into account the total length of the extension (300 days), the time limit for a response would be April 20, 2026.

Reasonable length of extension of time

[5] Paragraphs 9(1)(a), (b) and (c) allow institutions to extend the 30-day period for responding to access requests if the length of the extension of time is reasonable and justified in the circumstances. If this requirement is not met, the extension of time is not valid, with the result that 30 days remains the applicable time limit for responding to the request.

[6] In taking an extension of time, an institution must show the following:

- It made a serious effort to assess the necessary length of the extension of time.
- There is a link between the reasons the extension of time is needed and the length of the extension.
- The calculation of the length of the extension was sufficiently rigorous, logical and supportable, such that it would pass a reasonableness review.

Was the length of the extension under 9(1)(a) reasonable given the circumstances?

[7] CIRNAC claimed a total of 180 days for volume-related interference.

[8] In their representations, CIRNAC stated that a total of 485 pages of electronic records were retrieved in response to the request and noted a standard search for these records. CIRNAC did not provide any justifiable evidence to support that the number of records would unreasonably interfere with their operations. In light of this, I am not satisfied that the request produced a large volume of records, or that it required a search through a large volume of records, and that the processing of such would unreasonably interfere with CIRNAC's operations.

[9] Based on the above, I conclude that CIRNAC failed to demonstrate that the length of time claimed under paragraph 9(1)(a) is reasonable.

Was the length of the extension under 9(1)(b) reasonable given the circumstances?

[10] CIRNAC claimed 90 days in order to consult with the Public Services and Procurement Canada (PSPC) and the Department of Justice (Justice).

- CIRNAC stated that 12 pages of records were sent to both PSPC and Justice on September 22, 2025.
- CIRNAC stated that Justice's service standards state that consultations will take between 90 and 180 business days regardless of page count. In light of this, CIRNAC set a consultation response deadline of October 22, 2025, but also noted that Justice's service standards may affect this timeline.

[11] Together, however, the above facts do not demonstrate that there is a link between the reasons for the extension of time and its length or that CIRNAC made a serious attempt to determine the length of the extension under paragraph 9(1)(b).

[12] While service standards of other government departments can reasonably be part of the decision-making process, it should not be the only factor considered when determining timelines. Justice's estimate of a minimum of 90 days for 12 pages equates to a review of a mere 1/10th of a page per day. CIRNAC's representations lack evidence of sufficient volume, security classification, or any other complexity to support this timeline.

[13] Based on the above, I conclude that CIRNAC failed to demonstrate that the length of time claimed under paragraph 9(1)(b) is reasonable. CIRNAC did not provide sufficient evidence to show that claiming an additional 90 days for consultations was reasonable in the present circumstances.

Is the length of the extension of time under paragraph 9(1)(c) reasonable given the circumstances?

[14] CIRNAC took the 30-day portion of the extension of time under paragraph 9(1)(c).

[15] However, CIRNAC had not responded to the access request when the 30-day extension expired on July 19, 2025. I therefore conclude that CIRNAC did not meet its obligation to respond to the request within the extended period. The issue of whether the extension of time under paragraphs 9(1)(c) was reasonable is moot.

Subsection 10(3): deemed refusal of access

[16] Since the extensions under paragraph 9(1)(a) and (b) are invalid, and CIRNAC did not respond by the extended time limit it took under paragraph 9(1)(c), I conclude that CIRNAC is deemed to have refused access pursuant to subsection 10(3).

[17] As a result, CIRNAC officials were asked to provide further information about the processing of the request.

[18] CIRNAC stated that it was still awaiting responses for consultations from both PSPC and Justice, as well as one third-party. As such, CIRNAC's planned response date was set to March 16, 2026.

[19] CIRNAC has a statutory obligation to ensure that access requests are responded to in accordance with the requirements of the Act on records that are under its control. While recognizing that in some circumstances, it may be appropriate for an institution to consult another one for the purpose of responding to a request, the institution in receipt of the request bears the ultimate responsibility in ensuring that the consultation process does not unduly delay access.

[20] Where a consulted institution fails to provide recommendations within a reasonable period of time, the institution in receipt of the request is ultimately required to provide the requester with a timely response, without the benefit of the consulted institution's recommendations.

[21] Any additional day that is taken to respond to this request is another day by which the complainant's rights of access are being denied. This lack of responsiveness is in clear contravention of CIRNAC's obligations under the Act and undermines the credibility of the access system.

Subsection 30(1)(f)

Did CIRNAC improperly process two complaints as one?

[22] The complainant stated that the original request email submitted reflected two separate requests. In their original access request, the complainant specifies that the email they submitted is for "two requests", and proceeds to numbering them accordingly. As such, the complainant expected that this request was being processed as two separate requests rather than being treated as one.

[23] In representations provided by both CIRNAC and the complainant, a series of email correspondences regarding the request were issued.

- May 20, 2025: CIRNAC issued an acknowledgement letter to the complainant via email. The subject line and body of the email differ, in that the subject refers to a singular "request", and the body refers to plural "requests". However, the complainant had been assigned a single access request number by CIRNAC.
- May 23, 2025: CIRNAC issued a request for clarification. As the complainant made the same request to both Indigenous Services Canada (ISC) and CIRNAC, the letter addresses them both, thereby referring to two separate access request numbers.

[24] While the complainant believed that they were clear in defining their request as two unique requests, individual requests are usually made separately, and it is also not uncommon for a request to come in the form of a numbered list. As such, it is not beyond reason for CIRNAC to have still interpreted it as a single request. Furthermore, while the inconsistent nature of the wording in CIRNAC's correspondence to the complainant could have been misconstrued as the request having been interpreted as either one or two requests, the assignment of a single access request number provided sufficient indication of the former.

[25] Accuracy of interpretation of requests is a combined effort between the requester and the requested institution. While CIRNAC bears some responsibility, their interpretation is justified, and in this case, it was equally the responsibility of the complainant to ensure that their request was being treated in the way they intended. Indeed, the information provided in CIRNAC's correspondence provided indication of this misinterpretation and presented ample opportunity for the complainant to clarify and amend CIRNAC's treatment of the requests as singular before processing began.

[26] As such, the OIC is satisfied that CIRNAC was justified in processing the requests as one.

Outcome

[27] The complaint is well founded.

Order

I order the Minister of Crown-Indigenous Relations to provide a complete response to the access request no later than 36 business days following the date of the final report.

Initial report and notice from institution

On December 5, 2025, I issued my initial report to the Minister setting out my order.

On December 22, 2025, the Corporate Secretary gave me notice that CIRNAC would be implementing my order.

Review by Federal Court

When an allegation in a complaint falls under paragraph 30(1)(a), (b), (c), (d), (d.1) or (e) of the Act, the complainant has the right to apply to the Federal Court for a review. When the Information Commissioner makes an order(s), the institution also has the right to apply for a review. Whoever applies for a review must do so within 35 business days after the date of this report and serve a copy of the application for review to the relevant parties, as per section 43. If no one applies for a review by this deadline, this order takes effect on the 36th business day after the date of this report.

Date modified:
2026-02-25

Crown-Indigenous Relations and Northern Affairs Canada (Re), 2026 OIC 11

Date: 2026-01-27
OIC file number: 5824-00643
Access request number: A-2023-00225/AK

Summary

The complainant alleged that Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) had improperly withheld information under paragraph 20(1)(b) (confidential third-party financial, commercial, scientific or technical information), paragraph 20(1)(c) (financial impact on a third party), and section 23 (solicitor-client and litigation privilege) of the *Access to Information Act*. This was in response to an access request for the agreement, land claim settlement signed in the year 2000 between the federal Canadian government and the Squamish Nation.

Neither CIRNAC nor the third party showed that the information met the requirements of the exemptions - in particular how there was a clear and direct connection between the disclosure of any specific information and a risk of harm, that the information could result in a reasonable expectation of interference with negotiations, or that privilege applies. The Information Commissioner ordered CIRNAC to disclose the records in their entirety. CIRNAC gave notice to the Commissioner that it would not be disclosing the records.

Complaint

[1] The complainant alleged that Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) had improperly withheld information under paragraph 20(1)(b) (confidential third-party financial, commercial, scientific or technical information), paragraph 20(1)(c) (financial impact on a third party), and section 23 (solicitor-client and litigation privilege) of the *Access to Information Act* in response to an access request for a settlement agreement between Squamish Nation and the Federal Government from 2000. This agreement concerned a claim made by Squamish Nation from 1977, seeking compensation for the wrongful taking of the lands at Kitsilano Point in 1913. The claim was settled in 2000 with the Federal Government paying Squamish Nation $92.5 million ("Settlement Agreement" or "Agreement").

[2] The allegation falls under paragraph 30(1)(a) of the Act.

Investigation

[3] When an institution withholds information, including information related to third parties, the third parties and/or the institution bears the burden of showing that refusing to grant access is justified.

[4] The Office of the Information Commissioner (OIC) sought representations from both the third party, the Squamish Nation and CIRNAC pursuant to section 35 of the Act. CIRNAC maintained that the responsive records, in their entirety, are properly withheld under paragraph 20(1)(b), paragraph 20(1)(c) and section 23, and, during the investigation, decided also to rely on paragraph 20(1)(d) (negotiations by a third party) and paragraph 18(b) (competitive position of government institutions or negotiations by government institutions) to withhold the information. The Squamish Nation's position was that the information should continue to be exempt under paragraph 20(1)(b), paragraph 20(1)(c) and paragraph 20(1)(d).

[5] The OIC also notified the Squamish Nation pursuant to subsection 36.3(1) of my intention to order CIRNAC to disclose the information at issue. The Squamish Nation responded on August 1, 2025, indicating that it remains opposed to the disclosure of the information. Further, the Squamish Nation's position is that "the settlement agreement is exempted under ss. 20(1)(b), 20(1)(c), and 20(1)(d) of the *Access to Information Act* as well as common law settlement privilege". The Squamish Nation did not further elaborate on its position.

Paragraph 18(b): competitive position of government institutions, negotiations by government institutions

[6] Paragraph 18(b) allows institutions to refuse to disclose information that, if disclosed, could reasonably be expected to harm the competitive position or interfere with contractual or other negotiations of a government institution.

[7] To claim this exemption with regard to competitive position, institutions must show the following:

- Disclosing the information could injure the competitive position of a government institution.
- There is a reasonable expectation that this harm could occur—that is, the expectation is well beyond a mere possibility.

[8] To claim this exemption with regard to contractual or other negotiations, institutions must show the following:

- Contractual or other negotiations are under way or will be conducted in the future.
- Disclosing the information could interfere with the negotiations.
- There is a reasonable expectation that this harm could occur—that is, the expectation is well beyond a mere possibility.

[9] When these requirements are met, institutions must then reasonably exercise their discretion to decide whether to disclose the information.

Does the information meet the requirements of the exemption?

[10] CIRNAC has applied paragraph 18(b), concurrent with paragraph 21(1)(b), paragraph 20(1)(c), paragraph 20(1)(d), and section 23, to withhold the entirety of the records. CIRNAC did not apply paragraph 18(b) when it originally responded to the access request but invoked it during the course of the investigation.

[11] CIRNAC represented that should these records be released, "Canada **may** have other third parties engage in litigation for lands disclosed in the settlement agreement that Squamish Nation is currently not pursuing at this time. Canada's negotiations **may** be jeopardized by the fact the third parties **may** have a negotiation advantage or other third parties feeling mistrust of Canada."

[12] CIRNAC has only alluded to the mere possibility that contractual or other negotiations **may** be conducted in the future, providing no concrete representations to show that these contractual or other negotiations are under way or **will** be conducted in the future.

[13] The word "interference" in paragraph 18(b), which uses the same wording as paragraph 20(1)(d), denotes an "obstruction" or "thwarting" of the negotiations (See, for example: *Saint John Shipbuilding Ltd. v. Canada (Minister of Supply and Services)*, 1990 CanLII 8108 (FCA) ("*Saint John Shipbuilding*"); *Canadian Tobacco Manufacturers' Council v. Canada (Minister of National Revenue)*, 2003 FC 1037, at para. 133). Heightened competition flowing from disclosure is not enough (See, for example: *Société Gamma Inc. v. Canada (Secretary of State)* (1994), 79 F.T.R. 42). The courts have established that paragraph 20(1)(d) must refer to an obstruction to negotiations rather than merely the heightening of competition which might flow from disclosure (See *Société Gamma Inc. v. Canada (Secretary of State)* (1994)). CIRNAC's representations did not convince me that the release of the information would result in an obstruction of negotiation by government institutions.

[14] The Supreme Court has established that the accepted formulation for alleged harm is "reasonable expectation of probable harm". Parties must demonstrate a clear and direct link between the disclosure of the information at issue and a risk of harm that goes well beyond mere possibility, although risk need not be established on a balance of probabilities (*Merck Frosst Canada Ltd. v. Canada (Health),* 2012 SCC 3, paras 194-197).

[15] CIRNAC's submissions do not demonstrate how disclosure of the information at issue could reasonably be expected to interfere or impede negotiations for lands in the future. Furthermore, CIRNAC's representations do not demonstrate how disclosure of the information in question would likely, i.e. beyond a mere possibility, allow an actual or potential third party to harm its competitive position. Indeed, the harm alleged seems to me to be speculative in nature.

[16] I conclude that the information does not meet the requirements of paragraph 18(b). Consequently, there is no need to examine the issue of discretion.

Paragraph 20(1)(b): confidential third-party financial, commercial, scientific or technical information

[17] Paragraph 20(1)(b) requires institutions to refuse to disclose confidential financial, commercial, scientific or technical information provided to a government institution by a third party (that is, a private company or individual, but not the person who made the access request).

[18] To claim this exemption, institutions must show the following:

- The information is financial, commercial, scientific or technical.
- The information is confidential.
- The third party supplied the information to a government institution.
- The third party has consistently treated the information as confidential.

[19] When these requirements are met, and the third party to whom the information relates consents to its disclosure, subsection 20(5) requires institutions to reasonably exercise their discretion to decide whether to disclose the information.

[20] In addition, when the requirements are met, subsection 20(6) requires institutions to reasonably exercise their discretion to decide whether to disclose the information for public health or public safety reasons, or to protect the environment, when both of the following circumstances (listed in subsection 20(6)) exist:

- disclosure of the information would be in the public interest; and
- the public interest in disclosure clearly outweighs any financial impact on the third party, any prejudice to the security of the third party's structures, networks or systems, or competitive position, or any interference with its contractual or other negotiations.

[21] However, subsections 20(2) and 20(4) specifically prohibit institutions from using paragraph 20(1)(b) to refuse to disclose information that contains the results of product or environmental testing carried out by or on behalf of a government institution, unless the testing was done for a fee for an individual or an organization other than a government institution.

Does the information meet the requirements of the exemption?

[22] CIRNAC has applied paragraph 20(1)(b), concurrent with paragraph 18(b), paragraph 20(1)(c), paragraph 20(1)(d), and section 23, to withhold the entirety of the records.

[23] While CIRNAC represents that "technically, a settlement agreement contains financial, commercial and technical information about the lands, monies and concessions of the third party", no representations were provided to demonstrate that *all* of the withheld information falls within the ordinary meaning of the terms "financial", "commercial", "scientific", or "technical" (*Merck Frosst Canada Ltd. V. Canada (Health)*, 2012 SCC3). While there are small portions of information within the agreement that appear to constitute financial information, such the settlement amount which has already been disclosed by the Minister, most of the information does not meet this requirement. The fact that a record was created within a context that may have financial or commercial implications is insufficient to establish that the entire record contains information that is financial or commercial under paragraph 20(1)(b) of the Act (*Appleton & Associates v. Canada (Clerk of the Privy Council Office*), 2007 FC 640, para. 26).

[24] The second requirement of paragraph 20(1)(b) is that the information be confidential by an objective standard. As a result, a party claiming that information is confidential under paragraph 20(1)(b) must establish that each of the following conditions are met:

- the content of the record is not available from sources otherwise accessible by the public or obtainable by observation or independent study by a member of the public acting on their own;
- the information originates and is communicated in circumstances giving rise to a reasonable expectation of confidence that it will not be disclosed;
- and the information, whether provided by law or supplied voluntarily, be communicated in the context of a relationship which is either a fiduciary relationship or one that is not contrary to the public interest, and which will be fostered for the public benefit by confidential communication. (see *Merck Frosst Canada Ltd. v. Canada (Health)*, 2012 SCC 3, para. 133; *Canada (Information Commissioner) v. Canada (Transportation Accident Investigation and Safety Board)*, 2006 FCA 157, para. 72; *Air Atonabee Ltd. v. Canada (Minister of Transport)*, (1989) 27 FTR 194 (F.C.T.D.)).

[25] During the investigation, the OIC noted that the Settlement Agreement consists of information that is, **to an extent**, in the public domain. More specifically, the then department of Indigenous and Northern Affairs Canada (INAC) made public the basis upon which the settlement was reached, including the specific settlement amount agreed to and some details of the claims resolved (see Press Release and backgrounder (June 2000).

[26] Regarding the first part of the confidentiality test, while the records in their entirety do not appear to be publicly available, as noted above, information about the specific settlement amount and details of the claims resolved are available from sources accessible to the public. While CIRNAC reiterated that not **all** of the information was in the public domain, they failed to address how the exemption applied to information that is publicly available.

[27] Regarding the second part of the confidentiality test, CIRNAC argues that the agreement "was created as a negotiation between the government and Squamish Nation" and that "the information contained within is a negotiation process … where Squamish Nation has provided the information contained in the records in confidence as part of the settlement process." It is unclear whether CIRNAC is suggesting that Agreement in its entirety reflects without prejudice communication and therefore protected by settlement privilege. CIRNAC "assumed that the supply of information took traditional routes such as meeting and information packages sent between the two parties" but provided no representations establishing that the Agreement contains information that is protected by settlement privilege or that it was originated with and was communicated with, a reasonable expectation of confidence that it not be disclosed. In any event, CIRNAC's assumption "that the supply of information took traditional routes" is insufficient to stablish the three part test that settlement privilege applies and/or establish that it was supplied under circumstances giving rise to a reasonable expectation of confidence (see *Appleton*, para 24 and (*Ottawa Football Club v. Canada (Minister of Fitness and Amateur Sport)*, [1989] 2 F.C. 480).

[28] Furthermore, it is difficult to reconcile that the parties had a reasonable expectation of confidentiality or that the privilege was not waived, given the INAC's press release and backgrounder.

[29] Finally, regarding the third part of the confidentiality test, CIRNAC did not provide sufficient evidence to confirm that the information was communicated to the government within a relationship that is either fiduciary or not contrary to the public interest and that will be fostered for the public benefit by confidential communication.

[30] The third requirement of paragraph 20(1)(b) is that the third party supplied the information to a government institution. The settlement agreement was created as a negotiation between the government and the Squamish Nation, and as such it is unclear how it could be considered to be supplied by the Squamish Nation. The case law under the Act demonstrates that negotiated terms do not constitute information that is supplied by a third party (*Canada Post Corp. v. National Capital Commission*, 2002 FCT 700, para. 14; see also: *Halifax Developments Ltd. v. Minister of Public Works*, (1994) FCJ No. 2035 (QL) (F.C.T.D.).

[31] The fourth requirement of paragraph 20(1)(b) is that the third party has consistently treated the information as confidential. Again, while CIRNAC repeatedly stated that the information is confidential, no representations were provided to indicate that the information has consistently been treated as confidential by the Squamish Nation. A statement that the information was consistently treated as confidential is generally insufficient to meet this requirement (*Canada (Information Commissioner) v. Canada (Atlantic Canada Opportunities Agency)* (1999), 250 N.R. 314 (FCA) In order to meet this requirement, the Federal Court held that third parties were required to provide evidence showing "careful consistent measures to restrict access to the information" (*Canada post v. National Capital Commission*, 2002 F.C.J. no 982, at paras 11-14.) Neither CIRNAC nor Squamish Nation provided any representations showing how Squamish Nation consistently treated the Settlement Agreement as confidential including any measures that were taken by Squamish Nation to ensure that the confidentiality was maintained by its members.

[32] In light of the above, I conclude that none of the withheld information meets all four requirements for exemption pursuant to paragraph 20(1)(b).

Did the institution reasonably exercise its discretion to decide whether to disclose the information?

[33] I conclude that the circumstances set out in subsections 20(5) and 20(6) did not exist when CIRNAC responded to the access request. Consequently, there is no need to examine the issue of discretion.

Paragraph 20(1)(c): financial impact on a third party

[34] Paragraph 20(1)(c) requires institutions to refuse to disclose information that, if disclosed, could reasonably be expected to have a material financial impact on a third party (that is, a private company or individual, but not the person who made the access request) or harm its competitive position.

[35] To claim this exemption with regard to financial impact on a third party, institutions must show the following:

- Disclosing the information could result in material financial loss or gain to the third party.
- There is a reasonable expectation that this harm could occur—that is, the expectation is well beyond a mere possibility.

[36] To claim this exemption with regard to competitive position, institutions must show the following:

- Disclosing the information could injure the competitive position of the third party.

- There is a reasonable expectation that this prejudice could occur—that is, the expectation is well beyond a mere possibility.

[37] When these requirements are met, and the third party to whom the information relates consents to its disclosure, subsection 20(5) requires institutions to reasonably exercise their discretion to decide whether to disclose the information.

[38] In addition, when the requirements are met, subsection 20(6) requires institutions to reasonably exercise their discretion to decide whether to disclose the information for public health or public safety reasons, or to protect the environment, when both of the following circumstances (listed in subsection 20(6)) exist:

- disclosure of the information would be in the public interest; and
- the public interest in disclosure clearly outweighs any financial impact on the third party, any prejudice to the security of the third party's structures, networks or systems, or competitive position, or any interference with its contractual or other negotiations.

[39] However, subsections 20(2) and 20(4) specifically prohibit institutions from using paragraph 20(1)(c) to refuse to disclose information that contains the results of product or environmental testing carried out by or on behalf of a government institution, unless the testing was done for a fee for an individual or an organization other than a government institution.

Does the information meet the requirements of the exemption?

[40] CIRNAC has applied paragraph 20(1)(c), concurrent with paragraph 18(b), paragraph 20(1)(b), paragraph 20(1)(d), and section 23, to withhold the entirety of the records.

[41] It is generally accepted that publicly available information does not meet the requirements for exemption under section 20, either as a class of documents or under a harms test, and would require strong evidence that the information in the public domain would not be used (*Merck Frosst Canada Ltd. V. Canada (Health)*, 2012 SCC 3, paras. 208-209).

[42] During the course of its investigation, the OIC confirmed that the settlement agreement consists of information that is, to a significant extent, in the public domain. More specifically, INAC made public the basis upon which the settlement was reached, including the specific settlement amount agreed to and some details of the claims resolved (see Press release and backgrounder (June 2000)).

[43] Notwithstanding the public availability of much of the information at issue, CIRNAC maintains that because the records contain information that is not public, disclosing the records could reasonably be expected to result in a harm described in paragraph 20(1)(c).

[44] While I accept that the entirety of the responsive records, or the information contained therein, may not be public, neither CIRNAC nor the Squamish Nation has shown how any of the information within the responsive records could reasonably be expected to result in a harm described in paragraph 20(1)(c) if disclosed. CIRNAC did not address the publicly available information. CIRNAC referred in general terms to non-public information pertaining to a Trust Agreement, Canada's relief from certain fiduciary obligations, and conditions precedent agreed to by the Squamish Nation, without identifying which information, if disclosed could reasonably be expected to result in harm. It went on to assert that other parties will use these concessions in current and future negotiations, thereby harming Squamish Nation's competitive position, resulting in delays, loss of money due to potential lost revenues and increased legal and other fees. CIRNAC offered no cogent explanation of how any particular information in the records at issue could have such an effect. It did not identify how any of the particular negotiations could reasonably be expected to be impacted by disclosure of any of the information at issue.

[45] As neither CIRNAC nor the Squamish Nation provided any clear and direct connection between the disclosure of any specific information and a risk of harm described in paragraph 20(1)(c) that is well beyond the merely possible or speculative, it has not been established that the exemption applies (*Merck Frosst Canada v. Canada (Health)*, 2012 SCC 3, at paras. 197, 206).

[46] Even if CIRNAC was entitled to withhold information, given the public availability of some of the information, CIRNAC must ensure that public access to information is restricted as little as possible. Section 25 of the Act requires the disclosure of any portions of a record that does not contain information that warrants exemption and can reasonably be severed from information that must be withheld. CIRNAC's position that the entirety of the record should be withheld despite the amount of information publicly available is hard to reconcile with its severance obligations set out in section 25.

[47] Consequently, I conclude that the information does not meet the requirements of paragraph 20(1)(c).

Did the institution reasonably exercise its discretion to decide whether to disclose the information?

[48] In conclude that the circumstances set out in subsections 20(5) and 20(6) did not exist when CIRNAC responded to the access request. Consequently, there is no need to examine the issue of discretion.

Paragraph 20(1)(d): negotiations by a third party

[49] Paragraph 20(1)(d) requires institutions to refuse to disclose information that, if disclosed, could reasonably be expected to interfere with the contractual or other negotiations of a third party (that is, a private company or individual, but not the person who made the access request).

[50] To claim this exemption, institutions must show the following:

- A third party is or will be conducting contractual or other negotiations.
- Disclosing the information could interfere with those negotiations.
- There is a reasonable expectation that this harm could occur—that is, the expectation is well beyond a mere possibility.

[51] When these requirements are met, and the third party to whom the information relates consents to its disclosure, subsection 20(5) requires institutions to reasonably exercise their discretion to decide whether to disclose the information.

[52] In addition, when the requirements are met, subsection 20(6) requires institutions to reasonably exercise their discretion to decide whether to disclose the information for public health or public safety reasons, or to protect the environment, when both of the following circumstances (listed in subsection 20(6)) exist:

- disclosure of the information would be in the public interest; and
- the public interest in disclosure clearly outweighs any financial impact on the third party, any prejudice to the security of the third party's structures, networks or systems, or competitive position, or any interference with its contractual or other negotiations.

[53] However, subsections 20(2) and 20(4) specifically prohibit institutions from using paragraph 20(1)(d) to refuse to disclose information that contains the results of product or environmental testing carried out by or on behalf of a government institution, unless the testing was done for a fee for an individual or an organization other than a government institution.

Does the information meet the requirements of the exemption?

[54] CIRNAC has applied paragraph 20(1)(d), concurrent with paragraph 18(b), paragraph 20(1)(b), paragraph 20(1)(c), and section 23, to withhold the entirety of the records. CIRNAC did not apply paragraph 20(1)(d) when it originally responded to the access request but invoked it during the course of the investigation.

[55] The word "interference" in paragraph 20(1)(d) denotes an "obstruction" or "thwarting" of the negotiations (See, for example: *Saint John Shipbuilding Ltd. v. Canada (Minister of Supply and Services)*, 1990 CanLII 8108 (FCA) ("*Saint John Shipbuilding*"); *Canadian Tobacco Manufacturers' Council v. Canada (Minister of National Revenue)*, 2003 FC 1037, at para. 133). Heightened competition flowing from disclosure is not enough (See, for example: *Société Gamma Inc. v. Canada (Secretary of State)* (1994), 79 F.T.R. 42).

[56] It also must be shown that the interference to the third party's actual negotiations is reasonably expected, meaning that it is considerably above a mere possibility. (*Merck*, **supra**). The fear of interference in the form of an obstruction to actual contractual or other negotiations cannot be merely speculative. It must be supported by cogent and credible evidence.

[57] CIRNAC, in support of its position that paragraph 20(1)(d) applies, asserted that:

- the Squamish Nation is currently negotiating with the federal government and local government regarding the use of lands within and adjacent to "Kitsilano IR 6";
- the Squamish Nation had "...counter claims from other indigenous bands seeking settlements against the Crown"; and
- disclosing the records would provide "...information not publicly available to groups who may wish to initiate additional claims against the Squamish Nation and in turn, the Crown".

[58] These submissions fall short of establishing that the requirements of paragraph 20(1)(d) are met.

[59] CIRNAC failed to demonstrate how the disclosure of the records, or any particular information therein, could thwart or obstruct such negotiations, much less establish that such an outcome could reasonably be expected to occur.

[60] Claims that the Squamish Nation's negotiations with the federal government could reasonably be expected to be interfered with are certainly undermined by the fact that the Squamish Nation and the Crown are already privy to the Agreement as signatories of the Settlement. Any interference with negotiations involving counter claims against the Squamish Nation by other indigenous groups are difficult to envision given that such claims appear to have been settled in advance of CIRNAC's receipt of the access request. As noted in the British Columbia Supreme Court:

> The Musqueam and Tsleil-Waututh had also initiated proceedings claiming that the federal government had failed to protect its interests when allocating the Kitsilano Reserve to the Nation. In 2000, the Nation settled their action and received $92.5 million. The claims by the Musqueam and Tsleil-Waututh were dismissed in 2001. As a result, the original grant of the reserve lands to the [Squamish] Nation was affirmed. (**Kits Point Residents Association v Vancouver (City)**, 2023 BCSC 1706, para 18; see also **Mathias v The Queen**, 2000 CanLII 16282 (FC))

[61] Finally, alleged harms flowing from disclosure are further difficult to envision given the extent to which information concerning the Settlement are already in the public domain.

[62] Since CIRNAC failed to show that the disclosure of the information could result in a reasonable expectation of interference with negotiations, I conclude that the information does not meet the requirements of paragraph 20(1)(d).

Did the institution reasonably exercise its discretion to decide whether to disclose the information?

[63] I conclude that the circumstances set out in subsections 20(5) and 20(6) did not exist when CIRNAC responded to the access request. Consequently, there is no need to examine the issue of discretion.

Section 23: solicitor-client and litigation privilege

[64] Section 23 allows institutions to refuse to disclose information subject to solicitor-client privilege or the professional secrecy of advocates and notaries when the information relates to legal advice given to a client. Section 23 also allows institutions to refuse to disclose information subject to litigation privilege when the information was prepared or gathered for the purpose of litigation.

[65] To claim this exemption with regard to solicitor-client privilege, institutions must show the following:

- The information consists of communication between a lawyer or notary and his or her client.
- That communication relates directly to the seeking or giving of legal advice, including all the exchanges of information needed to give legal advice.
- The parties intend the communication and advice to remain confidential.

[66] To claim this exemption with regard to litigation privilege, institutions must show the following:

- The information was prepared or gathered for the dominant purpose of litigation.
- The litigation either is in progress or is reasonably expected to occur.

[67] Litigation privilege generally expires when the litigation ends, except when related litigation is pending or is reasonably expected to occur.

[68] When these requirements are met, institutions (as the owner of the privilege) must then reasonably exercise their discretion to decide whether to disclose the information.

Does the information meet the requirements of the exemption?

[69] CIRNAC has applied section 23, concurrent with paragraph 18(b), paragraph 21(1)(b), paragraph 20(1)(c), and paragraph 20(1)(d), to withhold the entirety of the responsive records.

[70] CIRNAC has claimed that the responsive records are subject to legal advice privilege and / or litigation privilege, so as to fall within the scope of section 23. Having reviewed the records at issue and considered CIRNAC's submissions I am not satisfied that either privilege applies.

[71] CIRNAC, in support of its claim that the records are subject to legal advice privilege, submitted that the records include information provided as advice to CIRNAC from the Department of Justice Canada in consideration of mutual promises contained within the settlement agreement.

[72] As previously noted, the records at issue consist of a settlement agreement between two distinct parties, the Squamish Nation and the Crown. While the substance of what was agreed may have been informed by advice received by the respective parties' legal counsel, no portions of the agreement consist of communications between a lawyer / notary and their client for the purpose of seeking or obtaining legal advice. It is also apparent that there was no intention for the Settlement Agreement to be kept confidential as between a solicitor / notary and their client, as the Agreement was shared and agreed to by adversarial parties with opposing interests. As such, it is not clear that the requirements of solicitor-client privilege in the form of legal advice privilege are met and how it was not waived when shared with the opposing party. Furthermore, the Federal Court confirmed that section 23 does not encompass "settlement negotiations" (*Blood Band v. Canada (Minister of Indian and Northern Development*, 2003 FC 1397, at para 55.)

[73] With regard to litigation privilege, CIRNAC rightfully concedes that the Settlement Agreement was not gathered for the dominant purpose of litigation. As mentioned above, the Settlement Agreement was created to settle a litigious dispute between two opposing parties and could therefore not be created under the "zone of privacy" to facilitate the investigation and preparation of a case for trial for which the litigation privilege was intended (*Blank v. Canada (Minister of Justice)*, 2006 SCC 39). A settlement agreement, mutually agreed to by opposing parties, in no way advances these objectives.

[74] Rather, CIRNAC argues that the Settlement Agreement itself is subject to ongoing or separate litigation. While litigation privilege may be extended by "related proceedings", the related proceedings must necessarily involve "the same or related parties and arise from the same or a related cause of action" or "issues common to the initial action" (**Blank**, ibid, at para 39).

[75] The litigation reference by CIRNAC relates to an access request made to Indigenous Services Canda (ISC) ISC-A-2021-00059 ("ISC litigation"). That litigation was commenced in 2024 and initiated under the Act, while the actions that preceded the Settlement Agreement related to reserve-based claims and other *Indian Act* related claims made by Squamish Nation against the federal government. The two proceedings spring from different juridical sources, involve different parties and legal issues, and for those reasons they are unrelated. As the two proceedings do not raise common issues or share an essential purpose, litigation privilege does not apply (**Blank**, ibid, at para 39). Furthermore, the ISC litigation was nowhere near in progress or reasonably expected to occur when the Agreement was created or prepared. I cannot accept that the Settlement Agreement was gathered to "prepare the case for trial" or relate to the "zone of privacy" which the privilege is meant to protect.

[76] While I have no doubt that ISC would have received legal advice in relation to its current ATIP litigation as suggested, CIRNAC has failed to convince me how the information contained in the Agreement (which was created in 2000) in any way reflects the legal advice that could have been given in a litigation that was commenced 24 years later. CIRNAC has not provided any other representations which have convinced me that litigation privilege or legal advice privilege could apply in the circumstance.

[77] Finally, although the ATIP is a shared service of both ISC and CIRNAC, each institution are distinct legal entities under the Act. While the Settlement Agreement may be the subject of whether it can be disclosed in the ISC litigation, the record was under the control of a distinct government institution and was responsive to a different access request. Therefore, each Head of government institution bears the onus to individually respond to request and justify the refusal.

[78] Considering the above, I conclude that the information does not meet the requirements of section 23. Consequently, there is no need to examine the issue of discretion.

Settlement Privilege

[79] In their representations, both Squamish Nation and CIRNAC's submit that settlement privilege applies to restrict disclosure of the records, but neither party elaborates nor demonstrates how the privilege clearly applies in the circumstance.

[80] CIRNAC for its part appears to argue settlement privilege to demonstrate the confidential nature of the Settlement Agreement, while Squamish Nation appears to assert settlement privilege as a stand-alone basis for refusing disclosure.

[81] In response to CIRNAC's position, the privileged or confidential nature of a record is not, **in and of itself,** a sufficient basis that meets the requirements of paragraphs 18(b), and 20(1)(b), (c) or (d). Paragraphs 20(1)(c), (d) as well as 18(b) are harms-based exemptions. Therefore, the Minister must demonstrate how the stated harm(s) could reasonably be expected to occur as a result of the disclosure of the Agreement, or parts thereof. While paragraph 20(1)(b) is a class-based exemption, the Agreement must fall under one (or more) of the stated classes of information **and** meet the remaining requirements of paragraph 20(1)(b). It is insufficient to state that the Agreement intended to be privileged and/or treated as confidential by the parties. In all cases, the Minister must meet **all** the requirements of the stated exemption to justify the refusal.

[82] To the extent that settlement privilege is being relied upon as a stand-alone basis to refuse disclosure by the Squamish Nation, the common law cannot be invoked as a stand-alone basis for refusing disclosure of records under the Act (*Appleton*, supra para 24; *Blank* supra, at paras 66-68). Given the scheme and its purpose, the Act provides for a general right of access to any record under the control of government institutions, subject only to necessary exceptions, which should be limited and specific. The "necessary exceptions" were decided by Parliament and must therefore be confined to those expressly stated under the Act (*Rubin v. Canada (Minister of Transport),* 1997 CanLII 6385 (FCA)). Therefore, if records under the control of an institution are subject to settlement privilege, they must fall within one of the exceptions specified within the Act to justify being withheld.

[83] While settlement privilege **does not** fall under section 23, the Federal Court has confirmed that it falls within section 20(1)(d) (**Appleton**, **supra** at para 24; and **Blood Band, supra** at para. 55). For the reasons already stated above, I am not satisfied that the Minister or Squamish Nation has met their burden in meeting the criteria of paragraph 20(1)(d).

[84] Even if settlement privilege were found to be a stand-alone basis for refusal under the Act, Squamish Nation has failed to demonstrate that settlement privilege applies to responsive records, and/or that the privilege has not been waived given the amount of information about the Settlement Agreement that was disclosed publicly. Alternatively, to the extent that settlement privilege could be found to apply to the responsive records, and that the common law privilege could be used as a stand-alone basis for refusing disclosure, I would conclude that the prevailing public interest to the right of access outweighs the public interest in encouraging settlement in the circumstances (*Sable Offshore Energy Inc. v. Ameron International Corp.,* 2003 SCC 37). In my view, the quasi-constitutional right of access provided for under the Act, the restrictive language used to describe the exception to the general right of access, the explicit inclusion of other common law privileges as classed based exemption under the Act and the omission of settlement privilege therein, and the respect for the legislative scheme and legislative intent, all outweigh the public interest in preserving the privilege in the circumstances.

Outcome

[85] The complaint is well founded because CIRNAC did not properly apply paragraph 18(b), paragraph 20(1)(b), paragraph 21(1)(c), paragraph 20(1)(d) or section 23 when responding to the access request.

Order

I order the Minister of Crown-Indigenous Relations to disclose the records in their entirety.

Initial report and notice from institution

On December 18, 2025, I issued my initial report to the Minister of Crown-Indigenous Relations setting out my order.

On January 21, 2026, the Minister gave me notice that CIRNAC would not be implementing the order.

I remind the Minister that if she does not plan to implement my order, she must apply to the Federal Court within timelines set out below.

Review by Federal Court

When an allegation in a complaint falls under paragraph 30(1)(a), (b), (c), (d), (d.1) or (e) of the Act, the complainant has the right to apply to the Federal Court for a review. When the Information Commissioner makes an order(s), the institution also has the right to apply for a review. Whoever applies for a review must do so within 35 business days after the date of this report and serve a copy of the application for review to the relevant parties, as per section 43. If no one applies for a review by this deadline, the order(s) takes effect on the 36th business day after the date of this report.

Date modified:
2026-03-18

Submit a complaint

Crown-Indigenous Relations and Northern Affairs Canada 2026 OIC 10

Date: 2026-01-13
OIC file number: 5825-01409
Access request number: CIRNAC-A-2024-00232

Summary

The complainant alleged that Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) did not respond within the extended period under subsection 9(1) of the *Access to Information Act* to an access request. The request was for the following:

"From April 1, 2021 all "Activity Progress Reports" regarding the Tk'emlups Indian Residential School Survivor Project or any related "missing children" program as referenced in the attached records."

The allegation falls under paragraph 30(1)(a) of the Act.

The investigation determined that CIRNAC did not respond by the extended date and is deemed to have refused access to the requested records under subsection 10(3).

According to CIRNAC, the delay was caused by "resource limitations".

The Information Commissioner determined that the delay in the review of records is unacceptable as nothing in the Act allows CIRNAC to delay processing requests due to limited staff or other competing priorities.

The Information Commissioner ordered that CIRNAC provide a complete response to the access request no later than 36 business days after the date of the final report.

CIRNAC gave notice to the Commissioner that it would be implementing the order.

The complaint is well founded.

Complaint

[1] The complainant alleged that Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) did not respond within the extended period under subsection 9(1) of the *Access to Information Act* to an access request. The request was for the following:

> From April 1, 2021 all "Activity Progress Reports" regarding the Tk'emlups Indian Residential School Survivor Project or any related "missing children" program as referenced in the attached records.

[2] The allegation falls under paragraph 30(1)(a) of the Act.

Investigation

Time limits for responding to access requests

[3] Section 7 requires institutions to respond to access requests within 30 days unless they have transferred a request to another institution or validly extended the 30-day period for responding by meeting the requirements of section 9. When an institution does not respond to a request within the 30-day or extended period, it is deemed to have refused access to the requested records under subsection 10(3).

[4] Nevertheless, the institution is still required to provide a response to the access request.

What is a response?

[5] The response must be in writing and indicate whether the institution is giving access to any or part of the requested records.

- When the response indicates that the institution has **given access** to the records or part of them, the institution must provide access to those records.
- When the response indicates that the institution has **denied access** to the records or part of them, the institution must explain that the records do not exist or that the institution has exempted them, or part of them, under a specific provision, which the institution must name.

[6] In specific circumstances, the institution may refuse to confirm or deny in its response whether records exist under subsection 10(2).

Did the institution respond within the time limits?

[7] CIRNAC received the request on January 24, 2025. On March 3, 2025, CIRNAC extended the period within which it had to respond to the request by 120 days under paragraph 9(1)(a) and (c), making the time limit to respond June 23, 2025.

[8] CIRNAC did not respond to the access request by that date. I conclude, therefore, that CIRNAC did not meet its obligation to respond within the extended period. CIRNAC is deemed to have refused access to the requested records under subsection 10(3).

[9] Based on information provided by CIRNAC, two Offices of Primary Interest, Resolution & Partnerships, and Policy & Strategic Decision, were tasked with retrieving relevant records on January 27, 2025. In total, 576 pages of relevant records were received in response to the tasking. CIRNAC stated that the review of records has not yet begun as “ATIP does not have sufficient capacity to start the analysis of this file, given current resource limitations”. As the review of records has not begun, CIRNAC is not certain whether consultations with other institutions or third parties will be necessary. CIRNAC did not provide a planned date for a complete response to the access request.

[10] I find the time taken by CIRNAC to advance the processing of this request unacceptable. Nothing in the Act allows CIRNAC to delay processing requests due to limited staff or other competing priorities. As such, any additional time that is taken to respond to this request is another day by which the complainant’s rights of access are being denied. This lack of responsiveness is in clear contravention of CIRNAC’s obligations under the Act and undermines the credibility of the access system.

[11] Considering the length of time that the response to the access request has been outstanding and CIRNAC’s responsibility to provide the complainant with a timely response, I find that CIRNAC must respond to the request without further delay.

Outcome

[12] The complaint is well founded.

Order

I order the Minister of Crown-Indigenous Relations and Northern Affairs to provide a complete response to the access request no later than 36 business days following the date of the final report.

Initial report and notice from institution

On December 8, 2025, I issued my initial report to the Minister setting out my order.

On December 19, 2025, the Corporate Secretary, Crown-Indigenous Relations and Northern Affairs Canada, gave me notice that CIRNAC would be implementing my order.

Review by Federal Court

When an allegation in a complaint falls under paragraph 30(1)(a), (b), (c), (d), (d.1) or (e) of the Act, the complainant has the right to apply to the Federal Court for a review. When the Information Commissioner makes an order(s), the institution also has the right to apply for a review. Whoever applies for a review must do so within 35 business days after the date of this report and serve a copy of the application for review to the relevant parties, as per section 43. If no one applies for a review by this deadline, this order takes effect on the 36th business day after the date of this report.

Date modified:
2026-03-04

Indigenous Services Canada (Re), 2025 OIC 1

Date:2025-01-13
OIC file number: 5823-03025
Access request number: A-2023-00192

Summary

The complainant alleged that Indigenous Services Canada (ISC (Indigenous Services Canada)) did not conduct a reasonable search in response to an access request under the *Access to Information Act* for the following:

All documents, including but not limited to email and letter correspondence, research, studies, memos, drafts, decks and meeting minutes, etc. regarding housing space accommodation guides, housing space guides, space criteria, occupancy rates or capacity for house designs for reserve, rural, native or Indigenous communities from the Department of Indian Affairs and Northern Affairs/Indian and Northern Affairs Canada/Indigenous Services Canada from 1960 to 1990.

The allegation falls within paragraph 30(1)(a) of the Act.

The investigation determined that the Offices of Primary Interest did not retrieve all relevant records when they were tasked to do so. ISC was unable to show that it conducted a reasonable search for all the records responsive to the access request. The Office of the Information Commissioner (OIC (Office of the Information Commissioner)) asked ISC to conduct a subsequent search for all relevant records. The first additional search again resulted in no records. However, the OIC asked ISC to conduct another search. As a result, 800 additional pages of responsive records were identified.

The Information Commissioner ordered that ISC provide an interim release to the access request within 36 business days following the date of the final report and to provide the final response to the access request no later than 60 business days following the date of the final report.

ISC gave notice to the Commissioner that it would be implementing the order.

The complaint is well founded.

Complaint

[1] The complainant alleged that Indigenous Services Canada (ISC) did not conduct a reasonable search in response to an access request under the *Access to Information Act* for the following:

[2] All documents, including but not limited to email and letter correspondence, research, studies, memos, drafts, decks and meeting minutes, etc. regarding housing space accommodation guides, housing space guides, space criteria, occupancy rates or capacity for house designs for reserve, rural, native or Indigenous communities from the Department of Indian Affairs and Northern Affairs/Indian and Northern Affairs Canada/Indigenous Services Canada from 1960 to 1990.

[3] The allegation falls within paragraph 30(1)(a) of the Act.

Investigation

[4] ISC was required to conduct a reasonable search for records that fall within the scope of the access request—that is, one or more experienced employees, knowledgeable in the subject matter of the request, must have made reasonable efforts to identify and locate all records reasonably related to the request.

[5] A reasonable search involves a level of effort that would be expected of any fair, sensible person tasked with searching for responsive records where they are likely to be stored.

[6] This search does not have to be perfect. An institution is therefore not required to prove with absolute certainty that further records do not exist. Institutions must however be able to show that they took reasonable steps to identify and locate responsive records.

Did the institution conduct a reasonable search for records?

[7] ISC tasked its Regional Operations Branch for the requested records. In its response, the Branch advised the *Access to Information and Privacy* (ATIP (Access to Information and Privacy)) office that it does not maintain on-reserve housing records at the program level for the period requested (1960 to 1990). The Branch proposed that the request be redirected to ISC's archival records management (NCR Archival Research).

[8] In its response to the access request, ISC advised that no responsive records exist. ISC also recommended to the complainant that the request be redirected to ISC's archival records management (NCR Archival Research) and provided the email address.

[9] The complainant represented to the Office of the Information Commissioner (OIC) the following:

- The search terms were selected from the title and content of public documents including "Housing space accommodation guide for reserve communities" (1979), Department of Indian Affairs and Northern Development.
- The search terms in the request were selected from the title and content of public documents including "Housing space accommodation guide for reserve communities" (1979), Department of Indian Affairs and Northern Development. The document is labelled fourth draft and stamped as 'Approved for tabling at branch managers' meeting' with sign offs. This led the complainant to believe there would be a record of previous drafts, meeting minutes, communications regarding any drafts or other related documents.

[10] The OIC was not convinced that a reasonable search for the requested records was conducted. Along with the complainant's questions about ISC's nil records response to the access request, the OIC questioned ISC's ATIP office why it would be the responsibility of the complainant to contact ISC's archival records management rather than ATIP officials tasking that office for responsive records.

[11] ISC acknowledged that this suggestion was a "miscommunication" between the ATIP office and the complainant and that the NRC Archival Research group had now been properly tasked for the records along with a subsequent call out to the Regional Operations branch. In response, ISC advised the subsequent search did not yield any results.

[12] While the OIC acknowledged that the appropriate Offices of Primary Interest had finally been tasked, questions remained about why ISC's archives would not hold the requested records. The OIC also shared, with ISC, the complainant's representations above.

[13] In response, ISC advised that its archives team was again questioned about possible records. This time, approximately 24,000 pages of records were found that could be relevant to the request. Recognizing the large scope and more possible delays given the volume of records, the complainant agreed to work with ISC officials to narrow the scope of the request.

[14] With the assistance and agreement of the complainant, the request was narrowed to exclude email and letter correspondence and funding and/or statistical data. The complainant clarified that only final versions were being requested unless there is no final version, in which case, the complainant asked for the most recent draft.

[15] The narrowed parameters of the request resulted in 800 pages of records. ISC officials advised the OIC that consultations with another government institution and a third party are required. Responses to the consultations are due by December 16, 2024. An interim release of records that are not subject to the consultations is being prepared and will be sent to the requester shortly.

[16] In light of the above, I must conclude that ISC did not conduct a reasonable search for responsive records at the time it first processed the request.

Outcome

[17] The complaint is well founded.

Order

I order the Minister of Indigenous Services to:

1. Complete the retrieval of all records responsive to the request.
2. Process all additional pages of records located as a result of the additional searches.
3. On all records not subject to consultation, provide an interim release to the requester no later than 36 business days following the date of the final report.
4. Provide the final response to the access request no later than 60 business days following the date of the final report.
5. Give the complainant access to responsive records, unless access to them, or to part of them, may be refused under a specific provision(s) of Part 1 of the Act. When this is the case, name the provision(s).

Initial report and notice from institution

On November 27, 2024, I issued my initial report to the Minister setting out my order(s).

On December 23, 2024, the Minister gave me notice that she would be implementing my order(s). The Minister advised me that the request is awaiting consultation responses and an interim response has been provided to the complainant. A final response to the complainant will be provided no later than 60 business days after the final report.

Review by Federal Court

When an allegation in a complaint falls under paragraph 30(1)(a), (b), (c), (d), (d.1) or (e) of the Act, the complainant has the right to apply to the Federal Court for a review. When the Information Commissioner makes an order(s), the institution also has the right to apply for a review. Whoever applies for a review must do so within 35 business days after the date of this report and serve a copy of the application for review to the relevant parties, as per section 43. If no one applies for a review by this deadline, this order takes effect on the 36th business day after the date of this report.

Date modified:
2025-03-04

Submit a complaint

Indigenous Services Canada (Re), 2025 OIC 27

Date: 2025-04-15
OIC file number: 5823-01873
Access request number: A-2023-00106

Summary

The complainant alleged that Indigenous Services Canada did not conduct a reasonable search in response to an access request under the *Access to Information Act* for entries found in the Service Administration Log. The allegation falls under paragraph 30(1)(a) of the Act.

Indigenous Services Canada advised that at the time the response to the access request was provided, no records had been located. Indigenous Services Canada informed the Office of the Information Commissioner that 3,286 pages of records were received by Indigenous Services Canada's access to information and privacy unit after the response had been sent to the requester.

The Information Commissioner ordered that the Minister of Indigenous Services Canada provide a new response to the complainant by May 31, 2025.

The Minister of Indigenous Services Canada gave notice to the Commissioner that it would be implementing the order.

The complaint is well founded.

Complaint

[1] The complainant alleged that Indigenous Services Canada (ISC (Indigenous Services Canada)) had not conducted a reasonable search for records in response to an access request under the *Access to Information Act*. The request was for all entries found in the Service Administration Log, and any accompanying information such as incident notes, for suicide occurrence forms and medevac data entries related to suicide, substance use, or mental health, from Jan. 1, 2019, to Jul. 7, 2020. The allegation falls under paragraph 30(1)(a) of the Act.

Investigation

Reasonable search

[2] ISC was required to conduct a reasonable search for records that fall within the scope of the access request—that is, one or more experienced employees, knowledgeable in the subject matter of the request, must have made reasonable efforts to identify and locate all records reasonably related to the request.

[3] A reasonable search involves a level of effort that would be expected of any fair, sensible person tasked with searching for responsive records where they are likely to be stored.

[4] This search does not have to be perfect. An institution is therefore not required to prove with absolute certainty that further records do not exist. Institutions must however be able to show that they took reasonable steps to identify and locate responsive records.

Did the institution conduct a reasonable search for records?

[5] The Office of the Information Commissioner (OIC) requested representations from ISC on the reasonableness of the search conducted to locate all responsive records. ISC advised that at the time the response to the access request was provided, no records had been located. ISC informed the OIC that 3,286 pages of records were received by ISC's access to information and privacy unit after the response had been sent to the requester. ISC agreed to progress these records but stated that it would need to conduct consultations on the records. ISC estimated that it could provide a new response by the end of May 2025.

[6] Based on the above, I conclude that ISC did not initially conduct a reasonable search for records when it responded to the request.

Outcome

[7] The complaint is well founded.

Orders and recommendations

I order the Minister of Indigenous Services to do the following:

1. Provide a new response to the complainant by May 31, 2025.
2. Give the complainant access to responsive records, unless access to them, or part of them, may be refused under a specific provision(s) of Part 1 of the Act. When this is the case, name the provision(s).

Initial report and notice from institution

On March 14, 2025, I issued my initial report to the Minister of Indigenous Services setting out my orders.

On April 10, 2025, the Minister of Indigenous Services gave me notice that she would be implementing the orders.

Review by Federal Court

When an allegation in a complaint falls under paragraph 30(1)(a), (b), (c), (d), (d.1) or (e) of the Act, the complainant has the right to apply to the Federal Court for a review. When the Information Commissioner makes an order(s), the institution also has the right to apply for a review.

Whoever applies for a review must do so within 35 business days after the date of this report and serve a copy of the application for review to the relevant parties, as per section 43. If no one applies for a review by this deadline, the order(s) takes effect on the 36th business day after the date of this report.

Date modified:
2025-06-09

Decisions

Decisions

The Information Commissioner publishes* the final reports on her investigations on this website when she deems them to be of value in providing guidance to both institutions and complainants.

The Office of the Information Commissioner has established the **Decisions Database** to enable users to search final reports and other decisions, which outline the reasons and principles behind the Commissioner's decisions and filter them using a number of criteria.

This database is updated regularly and continues to grow as more final reports, decisions and orders are added. The dates indicated refer to the date on which the decision was rendered.

Institutions are legally obliged to abide by an order from the Commissioner unless they apply to the Federal Court for a review of the matter that is the subject of the order. The *Access to Information Act* does not provide any other alternative to complying with the order.

To learn more about the Information Commissioner's orders and her decisions on applications for permission to decline to act on an access request, please visit Frequently asked questions.

Other Corporate publications are available on the website.

***** Note

Please note that under subsection 37(3.2) of the Act, final reports cannot be published prior to the expiration of the timelines for applications for judicial review before the Federal Court.

Final reports may only be published a minimum of 36 business days after the date of the final report. When third parties and/or the Privacy Commissioner receive a copy of a final report, the report may only be published 46 business days after the date of the final report.

Keywords or order number

Search

Filters

2025

Indigenous Services Canada

Decision Type Please check all that apply

- Declining to act on a request
- Timeframe for submitting a complaint
- Ceasing to investigate
- Recommendation
- Order
- Final report

7 decisions found

Sort by Newest first

Aug 6 2025

Indigenous Services Canada, 5824-03570

Institution: Indigenous Services Canada
Section of the Act: 7
Decision Type: Delay in responding to a request
Order
Institution file #: A-2024-00060
Did the institution give notice it would implement the order? : Yes

Summary

Order: provide a complete response to the access request no later than 36 business days following the date of the final report.

Jul 25 2025

Indigenous Services Canada, 5824-04661

Institution: Indigenous Services Canada
Section of the Act: 7
Decision Type: Delay in responding to a request
Order
Institution file #: ISC-A-2024-00205
Did the institution give notice it would implement the order? : Yes

Summary

Order: provide a complete response to the access request no later than 60 business days following the date of the final report.

May 14 2025

Indigenous Services Canada, A-2024-00104

Institution: Indigenous Services Canada
Section of the Act: 7
Decision Type: Delay in responding to a request
Order
Institution file #: 5824-03002
Did the institution give notice it would implement the order? : Yes

Summary

Order: provide a complete response to the access request no later than 36 business days following the date of the final report.

Apr 15 2025

Indigenous Services Canada (Re), 2025 OIC 27

More

Institution: Indigenous Services Canada
Section of the Act: 30(1)(a)
Decision Type: Recommendation
Order

Final report

Summary

The complainant alleged that Indigenous Services Canada did not conduct a reasonable search in

Read more

Mar 28 2025

Indigenous Services Canada, 5824-02484

Institution: Indigenous Services Canada
Section of the Act: 7
Decision Type: Delay in responding to a request
Order
Institution file #: ISC-A-2024-00046
Did the institution give notice it would implement the order? : Yes

Summary

Order: provide a complete response to the access request no later than 36 business days following the date of the final report.

Mar 25 2025

Indigenous Services Canada, 5824-02444

Institution: Indigenous Services Canada
Section of the Act: 7
Decision Type: Delay in responding to a request
Order
Institution file #: ISC-A-2023-00323
Did the institution give notice it would implement the order? : Yes

Summary

Order: provide a complete response to the access request no later than 36 business days following the date of the final report.

Jan 13 2025

Indigenous Services Canada (Re), 2025 OIC 1

More

Institution: Indigenous Services Canada
Section of the Act: 30(1)(a)
Decision Type: Final report

Summary

The complainant alleged that Indigenous Services Canada (ISC (Indigenous Services Canada)) did not conduct a reasonable search in response to an access request under the *Access to Information Act* for the following:

Read more

Date modified:

2025-10-28

Decisions

Decisions

The Information Commissioner publishes* the final reports on her investigations on this website when she deems them to be of value in providing guidance to both institutions and complainants.

The Office of the Information Commissioner has established the **Decisions Database** to enable users to search final reports and other decisions, which outline the reasons and principles behind the Commissioner's decisions and filter them using a number of criteria.

This database is updated regularly and continues to grow as more final reports, decisions and orders are added. The dates indicated refer to the date on which the decision was rendered.

Institutions are legally obliged to abide by an order from the Commissioner unless they apply to the Federal Court for a review of the matter that is the subject of the order. The *Access to Information Act* does not provide any other alternative to complying with the order.

To learn more about the Information Commissioner's orders and her decisions on applications for permission to decline to act on an access request, please visit Frequently asked questions.

Other Corporate publications are available on the website.

***** Note

Please note that under subsection 37(3.2) of the Act, final reports cannot be published prior to the expiration of the timelines for applications for judicial review before the Federal Court.

Final reports may only be published a minimum of 36 business days after the date of the final report. When third parties and/or the Privacy Commissioner receive a copy of a final report, the report may only be published 46 business days after the date of the final report.

Keywords or order number

Search

Filters

2026

Indigenous Services Canada

Decision Type Please check all that apply

- ☐ Declining to act on a request
- ☐ Timeframe for submitting a complaint
- ☐ Ceasing to investigate
- ☐ Recommendation
- ☐ Order
- ☐ Final report

1 decisions found

Sort by Newest first

Jan 28 2026

Indigenous Services Canada, 5825-02529

Institution: Indigenous Services Canada
Section of the Act: 7
Decision Type: Delay in responding to a request
Order
Institution file #: ISC-A-2025-00004
Did the institution give notice it would implement the order? : Yes

Summary

Order: provide a complete response to the access request no later than June 30, 2026.

Date modified:
2025-10-28

2024-25 Annual Report on the Administration of the Privacy Act

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Introduction

The *Privacy Act* (Act) safeguards the privacy of individuals by protecting personal information held by government institutions. The Act also gives individuals the right to access their own personal information. The Office of the Information Commissioner (OIC) has been subject to the *Privacy Act* since 2007. The OIC pursues all measures to protect personal information and provide prompt access to the personal information it holds in response to requests.

This report, prepared and tabled in accordance with section 72 of the *Privacy Act*, reviews the OIC's privacy-related activities for 2024–25.

The Office of the Information Commissioner (OIC) was created in 1983 under the *Access to Information Act* to support the work of the Information Commissioner. The mandate of the OIC is to conduct efficient, fair and confidential investigations into complaints about government institutions' handling of access to information requests. Investigators conduct these enquiries in private, giving all parties the opportunity to present their positions on the matters under investigation.

The OIC supports the Commissioner in her advisory role to Parliament and parliamentary committees on all matters pertaining to access to information. The OIC actively supports freedom of information in Canada through targeted initiatives such as Right to Know Week and ongoing dialogue with Canadians, Parliament and government institutions.

Organizational Structure

The OIC supports the Information Commissioner in her advisory role to Parliament and parliamentary committees on all matters pertaining to access to information.

The Commissioner is supported by a staff complement of approximately 124 employees, including a senior management team of three deputy commissioners:

- Deputy Commissioner, Investigations and Governance
- Deputy Commissioner, Legal Services and Public Affairs
- Deputy Commissioner, Corporate Services, Strategic Planning and Transformation Services

The Access to Information and Privacy Secretariat falls under the Corporate Services, Strategic Planning, and Transformation Services Sector. The ATIP Manager and the Deputy Commissioner of Corporate Services, Strategic Planning, and Transformation Services hold full-delegated authority under the Act.

The OIC has a small team of specialists who carry out the organization's Access to Information and Privacy (ATIP) activities. In 2024–25, the ATIP team consisted of the ATIP Manager and 2 ATIP Officers. Secretariat members process requests, proactively publish completed Access requests, provide training on access and privacy matters to new employees, and develop and implement policies and procedures to ensure that the institution meets its obligations under the Acts.

The OIC was not party to any service agreements under section 73.1 of the *Privacy Act*.

Delegation Order

The following delegation order was in effect May 16, 2024:

Commissariat à l'information du Canada
Office of the Information Commissioner of Canada

30 Victoria,
Gatineau, Québec · K1A 1H3 ·

Arrêté de délégation en vertu de la *Loi sur l'accès à l'information et de la Loi sur la protection des renseignements personnels*

Delegation orders for the purpose of the *Access to Information Act* and the *Privacy Act*

En vertu de l'article 95(1) de la *Loi sur l'accès à l'information* (LAI) et en vertu de l'article 73(1) de la *Loi sur la protection des renseignements personnels* (LPRP), la Commissaire à l'information du Canada délègue aux titulaires des postes mentionnés à l'annexe ci-après, ainsi qu'aux personnes occupant à titre intérimaire lesdits postes, les attributions dont elle est investie en qualité de responsable d'une institution fédérale, c'est-à-dire le Commissariat à l'information du Canada. Le présent arrêté de délégation annule et remplace tout arrêté antérieur fait en vertu de l'article 95 de la LAI et en vertu de l'article 73(1) de la LPRP.

The Information Commissioner of Canada, pursuant to Section 95(1) of the *Access to Information Act* (ATIA) and pursuant to Section 73(1) of the *Privacy Act*, hereby designates the persons holding the positions set out in the schedule hereto, or the persons occupying on an acting basis those positions, to exercise the powers and functions of the Information Commissioner of Canada as the head of a government institution that is, the Office of the Information Commissioner of Canada. This Delegation Order supersedes all previous Delegation Orders pursuant to section 95 of the ATIA and pursuant to section 73(1) of the *Privacy Act*.

Cet arrêté de délégation prend effet le 3 juin 2024.

This delegation order is effective on June 3, 2024.

Fait à Gatineau, ce 16e jour de mai 2024.

Dated, at the City of Gatineau, this 16th day of May 2024.

Maynard, Caroline

Digitally signed by Maynard, Caroline
Date: 2024.05.16 19:27:54 -04'00'

Caroline Maynard
Commissaire à l'information du Canada
Information Commissioner of Canada

Text version

2024–25 Performance

Appendix A contains the OIC's statistical report on the *Privacy Act* for 2024–25. The following sets out some highlights from that report, along with notable trends related to workload, timeliness and disclosure over the last 5 years.

Workload

The OIC saw a decrease in the number of requests received in 2024–25 but not in the total number of pages processed. More specifically, 25 new requests were received, which represents a decrease of 39% from the previous fiscal year. However, a total of 16,808 pages were processed, which represents an increase of 280.19%.

No informal privacy requests were received during this reporting period.

No requests carried over from 2023–24 but two (2) requests were carried forward into 2025–26.

No requests for consultation were received within the reporting period.

Timeliness

The OIC completed 92% of privacy requests within the reporting period and all requests processed in 2024–25 were completed on time. This ongoing commitment to ensuring timely access to information has been a pillar of the OIC's Access to Information and Privacy program for over 10 years. Members of the ATIP team monitor file status on an ongoing basis to ensure that all files are dealt with within statutory deadlines. This is accomplished through regular reports drawn from our case management system.

The average time taken to respond to privacy requests was 12.7 days for 2024–25 compared to 17.4 days in 2023–24.

Two extensions were taken under section 15 of the *Privacy Act*. Of the 23 requests completed in 2024–25, fifteen (15) were completed within 1-15 days, seven (7) were completed within 16-30 days, and one (1) was completed within 31-60 days.

Disclosure

The OIC disclosed all records for four (4) of the requests (17.4%) in 2024–25. The records were disclosed in part for another five (5) requests (21.7%) whereas twelve (12) requests had no responsive records (52.2%).

No requests were treated informally and none were abandoned. Overall, the OIC disclosed 4,292 pages.

In 2024–25, the OIC claimed exemptions to withhold information in five (5) of the 23 requests processed. The most frequently used exemptions this year was subsection 22(1)(b) (law enforcement and investigations) and section 26 (personal information of someone other than the requester), both of which were applied in response to three (3) requests.

The OIC made no disclosures of personal information in the public interest under paragraph 8(2)(m).

Complaints

The Office of the Privacy Commissioner did not receive any complaints about the OIC's handling of privacy matters in 2024–25.

Training and Awareness

The OIC ATIP team provides ongoing training on access and privacy matters to OIC employees. In 2024–25, the Secretariat held formal training sessions for all new employees. A total of 14 new employees participated in these sessions. Informal training sessions were held on an ad hoc basis with current employees, as required.

Policies, Guidelines, and Procedures

No new policies, guidelines and procedures were implemented during this reporting period.

Initiatives and Projects to Improve Privacy

A couple of initiatives were undertaken in 2024–25 to improve access to information and privacy within the OIC.

Update of PIA Checklist

The OIC developed an internal checklist tool to determine if a new PIA is required when looking to implement or update a new or existing program or service that contains personal information.

Implementation of SharePoint

In order to modernize its file management system, improve efficiency and collaboration, and align with the Government of Canada's implementation of SharePoint as a tool for information management and digital government initiatives, the OIC fully implemented this solution as its central repository in 2024–25. SharePoint is used to support compliance with TBS policies, such as the Policy on Service and Digital, and to enhance collaboration and productivity within the OIC.

Summary of Key Issues and Actions Taken on Complaints

No key issues or actions taken on complaints to report.

Material Privacy Breaches

There were no material breaches reported in 2024–25

Privacy Impact Assessments

There were no Privacy Impact Assessment (PIA) completed in 2024–25.

Public Interest Disclosures

The OIC made no disclosures of personal information in the public interest under paragraph 8(2)(m).

Monitoring Compliance

The OIC monitors compliance with the *Privacy Act* in a variety of ways. This includes regular meetings with the team as a whole, bilateral meetings, and reporting file status via a weekly report shared with management.

In order to ensure that timelines are respected, the OIC ATIP Secretariat only consults other government institutions when absolutely necessary, and in a manner that ensures timely responses and is in line with the Implementation Notice published by Treasury Board Secretariat.

The right of public access to information is reflected in contracts, information sharing agreements and arrangements via the inclusion of standard clauses to ensure awareness of obligations under the *Access to Information Act* and the *Privacy Act*.

Annex A

Statistical Report on the *Privacy Act*

Name of institution: Office of the Information Commissioner of Canada

Reporting period: 2024-04-01 to 2025-03-31

Section 1: Requests Under the *Privacy Act*

1.1 Number of requests received

		Number of Requests
Received during reporting period		25
Outstanding from previous reporting periods		0
• Outstanding from previous reporting period	0	

• Outstanding from more than one reporting period	0	
Total		**25**
Closed during reporting period		23
Carried over to next reporting period		2
• Carried over within legislated timeline	2	
• Carried over beyond legislated timeline	0	

1.2 Channels of requests

Source	Number of Requests
Online	20
E-mail	5
Mail	0
In person	0
Phone	0
Fax	0
Total	**25**

Section 2: Informal requests

2.1 Number of informal requests

		Number of Requests
Received during reporting period		0
Outstanding from previous reporting periods		0
• Outstanding from previous reporting period	0	
• Outstanding from more than one reporting period	0	
Total		**0**
Closed during reporting period		0
Carried over to next reporting period		0

2.2 Channels of informal requests

Source	Number of Requests

Online	0
E-mail	0
Mail	0
In person	0
Phone	0
Fax	0
Total	**0**

2.3 Completion time of informal requests

Completion Time							
1 to 15 Days	16 to 30 Days	31 to 60 Days	61 to 120 Days	121 to 180 Days	181 to 365 Days	More Than 365 Days	Total
0	0	0	0	0	0	0	**0**

2.4 Pages released informally

Less Than 100 Pages Released		100-500 Pages Released		501-1000 Pages Released		1001-5000 Pages Released		More Than 5000 Pages Released	
Number of Requests	Pages Released	Number of Requests	Pages Released	Number of Requests	Pages Released	Number of Requests	Pages Released	Number of Requests	Pages Released
0	0	0	0	0	0	0	0	0	0

Section 3: Requests Closed During the Reporting Period

3.1 Disposition and completion time

Disposition of Requests	Completion Time							
	1 to 15 Days	16 to 30 Days	31 to 60 Days	61 to 120 Days	121 to 180 Days	181 to 365 Days	More Than 365 Days	Total
All disclosed	3	1	0	0	0	0	0	**4**
Disclosed in part	0	4	1	0	0	0	0	**5**
All exempted	0	0	0	0	0	0	0	**0**
All excluded	0	2	0	0	0	0	0	**0**
No records exist	12	15	0	0	0	0	0	**14**
Request abandoned	0	0	0	0	0	0	0	**0**
Neither confirmed nor denied	0	0	0	0	0	0	0	**0**

Total	**15**	**7**	**1**	**0**	**0**	**0**	**0**	**23**

3.2 Exemptions

Section	Number of Requests	Section	Number of Requests	Section	Number of Requests
18(2)	0	22(1)(a)(i)	0	23(a)	0
19(1)(a)	0	22(1)(a)(ii)	0	23(b)	0
19(1)(b)	0	22(1)(a)(iii)	0	24(a)	0
19(1)(c)	0	22(1)(b)	3	24(b)	0
19(1)(d)	0	22(1)(c)	0	25	0
19(1)(e)	0	22(2)	0	26	3
19(1)(f)	0	22.1	0	27	2
20	0	22.2	0	27.1	0
21	0	22.3	0	28	0
		22.4	0		

3.3 Exclusions

Section	Number of Requests	Section	Number of Requests	Section	Number of Requests
69(1)(a)	0	70(1)	0	70(1)(d)	0
69(1)(b)	0	70(1)(a)	0	70(1)(e)	0
69.1	0	70(1)(b)	0	70(1)(f)	0
		70(1)(c)	0	70.1	0

3.4 Format of information released

Paper	Electronic				Other
	E-record	Data set	Video	Audio	
0	9	0	0	0	0

3.5 Complexity

3.5.1 Relevant pages processed and disclosed for paper and e-record formats

Number of Pages Processed	Number of Pages Disclosed	Number of Requests
16808	4292	9

3.5.2 Relevant pages processed by request disposition for paper and e-record formats by size of requests

Disposition	Less Than 100 Pages Processed		100-500 Pages Processed		501-1000 Pages Processed		1001-5000 Pages Processed		More Than 5000 Pages Processed	
	Number of Requests	Pages Processed	Number of Requests	Pages Processed	Number of Requests	Pages Processed	Number of Requests	Pages Processed	Number of Requests	Pages Processed
All disclosed	3	10	0	0	0	0	1	2152	0	0
Disclosed in part	1	34	2	464	1	901	0	0	1	13247
All exempted	0	0	0	0	0	0	0	0	0	0
All excluded	0	0	0	0	0	0	0	0	0	0
Request abandoned	0	0	0	0	0	0	0	0	0	0
Neither confirmed nor denied	0	0	0	0	0	0	0	0	0	0
Total	**4**	**44**	**2**	**464**	**1**	**901**	**1**	**2152**	**1**	**13247**

3.5.3 Relevant minutes processed and disclosed for audio formats

Number of Minutes Processed	Number of Minutes Disclosed	Number of Requests
0	0	0

3.5.4 Relevant minutes processed per request disposition for audio formats by size of requests

Disposition	Less than 60 Minutes processed		60-120 Minutes processed		More than 120 Minutes processed	
	Number of requests	Minutes Processed	Number of requests	Minutes Processed	Number of requests	Minutes Processed
All disclosed	0	0	0	0	0	0
Disclosed in part	0	0	0	0	0	0
All exempted	0	0	0	0	0	0
All excluded	0	0	0	0	0	0
Request abandoned	0	0	0	0	0	0
Neither confirmed nor denied	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

3.5.5 Relevant minutes processed and disclosed for video formats

Number of Minutes Processed	Number of Minutes Disclosed	Number of Requests
0	0	0

3.5.6 Relevant minutes processed per request disposition for video formats by size of requests

Disposition	Less than 60 Minutes processed		60-120 Minutes processed		More than 120 Minutes processed	
	Number of requests	Minutes Processed	Number of requests	Minutes Processed	Number of requests	Minutes Processed
All disclosed	0	0	0	0	0	0
Disclosed in part	0	0	0	0	0	0
All exempted	0	0	0	0	0	0
All excluded	0	0	0	0	0	0
Request abandoned	0	0	0	0	0	0
Neither confirmed nor denied	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

3.5.7 Other complexities

Disposition	Consultation Required	Legal Advice Sought	Interwoven Information	Other	Total
All disclosed	0	0	0	0	0
Disclosed in part	0	1	0	0	1
All exempted	0	0	0	0	0
All excluded	0	0	0	0	0
Request abandoned	0	0	0	0	0
Neither confirmed nor denied	0	0	0	0	0
Total	**0**	**1**	**0**	**0**	**1**

3.6 Closed requests

3.6.1 Number of requests closed within legislated timelines

Number of requests closed within legislated timelines	23
Percentage of requests closed within legislated timelines (%)	100

3.7 Deemed refusals

3.7.1 Reasons for not meeting legislated timelines

Number of requests closed past the legislated timelines	Principal Reason			
	Interference with operations / Workload	External Consultation	Internal Consultation	Other
0	0	0	0	0

3.7.2 Request closed beyond legislated timelines (including any extension taken)

Number of days past legislated timelines	Number of requests past legislated timeline where no extension was taken	Number of requests past legislated timeline where an extension was taken	Total
1 to 15 days	0	0	**0**
16 to 30 days	0	0	**0**
31 to 60 days	0	0	**0**
61 to 120 days	0	0	**0**
121 to 180 days	0	0	**0**
181 to 365 days	0	0	**0**
More than 365 days	0	0	**0**
Total	**0**	**0**	**0**

3.8 Requests for translation

Translation Requests	Accepted	Refused	Total
English to French	0	0	**0**
French to English	0	0	**0**
Total	**0**	**0**	**0**

Section 4: Disclosures Under Subsections 8(2) and 8(5)

Paragraph 8(2)(e)	Paragraph 8(2)(m)	Subsection 8(5)	Total
0	0	0	**0**

Section 5: Requests for Correction of Personal Information and Notations

Disposition for Correction Requests Received	Number
Notations attached	0
Requests for correction accepted	0
Total	**0**

Section 6: Extensions

6.1 Reasons for extensions

	15(a)(i) Interference with operations				15a)(ii) Consultation			15(b)

Number of requests where an extension was taken	Further review required to determine exemptions	Large volume of pages	Large volume of requests	Documents are difficult to obtain	Cabinet ConfidenceSection (Section 70)	External	Internal	Translation purposes or conversion
2	0	2	0	0	0	0	0	0

6.2 Length of extensions

	15(a)(i) Interference with operations				15a)(ii) Consultation			15(b) Translation purposes or conversion
Length of Extensions	Further review required to determine exemptions	Large volume of pages	Large volume of requests	Documents are difficult to obtain	Cabinet ConfidenceSection (Section 70)	External	Internal	
1 to 15 days	0	0	0	0	0	0	0	0
16 to 30 days	0	2	0	0	0	0	0	0
31 days or greater								0
Total	**0**	**2**	**0**	**0**	**0**	**0**	**0**	**0**

Section 7: Consultations Received From Other Institutions and Organizations

7.1 Consultations received from other Government of Canada institutions and other organizations

Consultations	Other Government of Canada Institutions	Number of Pages to Review	Other Organizations	Number of Pages to Review
Received during the reporting period	0	0	0	0
Outstanding from the previous reporting period	0	0	0	0
Total	**0**	**0**	**0**	**0**
Closed during the reporting period	0	0	0	0
Carried over within negotiated timelines	0	0	0	0
Carried over beyond negotiated timelines	0	0	0	0

7.2 Recommendations and completion time for consultations received from other Government of Canada institutions

Recommendation	Number of Days Required to Complete Consultation Requests							
	1 to 15 Days	16 to 30 Days	31 to 60 Days	61 to 120 Days	121 to 180 Days	181 to 365 Days	More Than 365 Days	Total
Disclose entirely	0	0	0	0	0	0	0	0

Disclose in part	0	0	0	0	0	0	0	0
Exempt entirely	0	0	0	0	0	0	0	0
Exclude entirely	0	0	0	0	0	0	0	0
Consult other institution	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

7.3 Recommendations and completion time for consultations received from other organizations outside the Government of Canada

Recommendation	Number of days required to complete consultation requests							
	1 to 15 Days	16 to 30 Days	31 to 60 Days	61 to 120 Days	121 to 180 Days	181 to 365 Days	More Than 365 Days	Total
Disclose entirely	0	0	0	0	0	0	0	**0**
Disclose in part	0	0	0	0	0	0	0	**0**
Exempt entirely	0	0	0	0	0	0	0	**0**
Exclude entirely	0	0	0	0	0	0	0	**0**
Consult other institution	0	0	0	0	0	0	0	**0**
Other	0	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Section 8: Completion Time of Consultations on Cabinet Confidences

8.1 Requests with Legal Services

Number of Days	Fewer Than 100 Pages Processed		100-500 Pages Processed		501-1000 Pages Processed		1001-5000 Pages Processed		More than 5000 Pages Processed	
	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed
1 to 15	0	0	0	0	0	0	0	0	0	0
16 to 30	0	0	0	0	0	0	0	0	0	0
31 to 60	0	0	0	0	0	0	0	0	0	0
61 to 120	0	0	0	0	0	0	0	0	0	0
121 to 180	0	0	0	0	0	0	0	0	0	0
181 to 365	0	0	0	0	0	0	0	0	0	0
More than 365	0	0	0	0	0	0	0	0	0	0

Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

8.2 Requests with Privy Council Office

Number of Days	Fewer Than 100 Pages Processed		100-500 Pages Processed		501-1000 Pages Processed		1001-5000 Pages Processed		More than 5000 Pages Processed	
	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed
1 to 15	0	0	0	0	0	0	0	0	0	0
16 to 30	0	0	0	0	0	0	0	0	0	0
31 to 60	0	0	0	0	0	0	0	0	0	0
61 to 120	0	0	0	0	0	0	0	0	0	0
121 to 180	0	0	0	0	0	0	0	0	0	0
181 to 365	0	0	0	0	0	0	0	0	0	0
More than 365	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Section 9: Complaints and Investigations Notices Received

Section 31	Section 33	Section 35	Court action	Total
0	0	0	0	0

Section 10: Privacy Impact Assessments (PIAs) and Personal Information Banks (PIBs)

10.1 Privacy Impact Assessments

Number of PIAs completed	2
Number of PIAs modified	0

10.2 Institution-specific and Central Personal Information Banks

Personal Information Banks	Active	Created	Terminated	Modified
Institution-specific	4	1	0	0
Central	53	0	0	0
Total	**57**	**1**	**0**	**0**

Section 11: Privacy Breaches

11.1 Material Privacy Breaches reported

Number of material privacy breaches reported to TBS	0
Number of material privacy breaches reported to OPC	0

11.2 Non-Material Privacy Breaches

Number of non-material privacy breaches	2

Section 12: Resources Related to the *Privacy Act*

12.1 Allocated Costs

Expenditures		Amount
Salaries		$86,891
Overtime		$0
Goods and Services		$0
• Professional services contracts	$0	
• Other	$0	
Total		**$86,891**

12.2 Human Resources

Resources	Person Years Dedicated to Privacy Activities
Full-time employees	1.000
Part-time and casual employees	0.000
Regional staff	0.000
Consultants and agency personnel	0.000
Students	0.000
Total	**1.000**

Note: Enter values to three decimal places.

Supplemental Statistical report on the *Access to Information Act* and the *Privacy Act*

Name of institution: Office of the Information Commissioner of Canada

Reporting period: 2024-04-01 to 2025-03-31

Section 1: Requests Carried Over and Complaints Under the *Access to Information Act*

1.1 Requests carried over to next reporting period, broken down by reporting period received

Reporting Period Requests Carried Over Were Received	Requests Carried Over that are *Within* Legislated Timelines as of March 31, 2025	Requests Carried Over that are *Beyond* Legislated Timelines as of March 31, 2025	Total
Received in 2024-25	3	0	**3**
Received in 2023-24	0	0	**0**
Received in 2022-23	0	0	**0**
Received in 2021-22	0	0	**0**
Received in 2020-21	0	0	**0**
Received in 2019-20	0	0	**0**
Received in 2018-19	0	0	**0**
Received in 2017-18	0	0	**0**
Received in 2016-17	0	0	**0**
Received in 2015-16 or earlier	0	0	**0**
Total	**3**	**0**	**3**

1.2 Active complaints with the Information Commissioner of Canada. broken down by reporting period

Reporting Period Active Complaints Were Received by institution	Number of Active Complaints
Received in 2024-25	1
Received in 2023-24	0
Received in 2022-23	0
Received in 2021-22	0
Received in 2020-21	0
Received in 2019-20	0
Received in 2018-19	0
Received in 2017-18	0
Received in 2016-17	0

Received in 2015-16 or earlier	0
Total	**1**

Section 2: Requests Carried Over and Active Complaints Under the *Privacy Act*

2.1 Requests carried over to next reporting period, broken down by reporting period received

Reporting Period Requests Carried Over Were Received	Request Carried Over that are Within Legislated Timelines as of March 31, 2025	Requests Carried Over that are *Beyond* Legislated Timelines as of March 31, 2025	Total
Received in 2024-25	2	0	**2**
Received in 2023-24	0	0	**0**
Received in 2022-23	0	0	**0**
Received in 2021-22	0	0	**0**
Received in 2020-21	0	0	**0**
Received in 2019-20	0	0	**0**
Received in 2018-19	0	0	**0**
Received in 2017-18	0	0	**0**
Received in 2016-17	0	0	**0**
Received in 2015-16 or earlier	0	0	**0**
Total	**0**	**0**	**0**

2.2 Active complaints with the Privacy Commissioner of Canada, broken down by reporting period

Reporting Period Active Complaints Were Received by institutions	Number of Active Complaints
Received in 2024-25	0
Received in 2023-24	0
Received in 2022-23	0
Received in 2021-23	0
Received in 2020-21	0
Received in 2019-20	0
Received in 2018-19	0
Received in 2017-18	0
Received in 2016-17	0

Received in 2015-16 or earlier	0
Total	**0**

Section 3: Social Insurance Number

Has your institution begun a new collection or new consistent use of the SIN in 2024-2025?	**No**

Section 4: Universal Access under the Privacy Act

How many requests were received from confirmed foreigh nationals outside of Canada in 2024-2025	**1**

Date modified:

2025-09-23

Submit a complaint

Information Commissioner of Canada

Commissaire à l'information du Canada

Annual Report 2024-2025

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Message from the Commissioner

This report highlights the work carried out by the Office of the Information Commissioner (OIC) to uphold the right of access to information during the 2024–2025 fiscal year. Through investigations, providing guidance to complainants and institutions, and offering advice to Parliament, my team and I continued to deliver tangible results for Canadians.

Under different circumstances, this report would have been written as a bookend to my seven-year term. However, when I received official confirmation late last year that I was being renewed as Information Commissioner of Canada, my team and I were only in the earliest stages of drafting the report. As a result, it reflects the ongoing nature, and not the conclusion, of the work I undertook when I was appointed Information Commissioner in 2018. I am proud of my team's achievements, but that does not blind me to that fact that much remains to be done.

I am supported in my work by a strong and dedicated team. The OIC has emerged as an employer of choice, with high retention rates and strong employee engagement. Through efficient resource management—including space optimization, modernized information management tools and the reallocation of funds to strengthen investigative capacity—we have enhanced our ability to deliver on my mandate effectively.

I am extremely proud of what my office has accomplished. My team and I have made the most of our capacity to deliver meaningful results. With resources commensurate with the workload, I am confident we could build on these successes and further strengthen compliance with the *Access to Information Act*.

From the beginning, my greatest priority has been ensuring compliance with the *Access to Information Act*. When necessary, I have not hesitated to make orders and take legal action to enforce compliance with the law. My efforts have also focused on fostering a dynamic and effective OIC.

In my engagement with government institutions, I have emphasized the importance of leadership, sound record-keeping and robust information management—especially during the extraordinary period of the pandemic. I have also advocated for a funding mechanism for my office that would respect my independence as an Agent of Parliament.

As I begin my second mandate, I remain deeply committed to safeguarding Canadians' right of access to information. Building on the progress achieved since 2018, my renewed vision for the OIC is to establish the organization as a model of excellence. This involves continuously improving our processes—including those related to information management—and investing in modern tools. In my second term, I will also maintain my focus on results, even as I continue to push for the changes to the Act that are required to forge the access system that best serves Canada.

This is why I will continue advocating for legislative reform, promoting the benefits of a change in culture within institutions, and taking decisive action to reduce delays in responding to access to information requests. I also look forward to playing an active role in a full and comprehensive overhaul of the Act, set to begin in June 2025. The past seven years have provided me with a wealth of experience and insights that will benefit this work.

I am grateful for the opportunity to continue in the role of Information Commissioner and am proud to carry on this important work on behalf of Canadians. Now more than ever, I believe that government institutions have a fundamental responsibility to build public confidence and to counter disinformation through transparency. Communicating openly and in a timely fashion about matters that affect Canadians is key to maintaining credibility and reinforcing trust. Strengthening transparency and accountability is not only good governance, it is vital to upholding the integrity of democracy.

CAROLINE MAYNARD
Information Commissioner of Canada

The system that supports the administration of the Act remains stuck in the era of filing cabinets and typewriters in which it was born. It is 2025, and the information landscape has evolved dramatically since the 1980s. Transforming the information management system—and the processes used to gather and share information—to provide timely access for Canadians is within reach.

2024–2025: year in review

Spring

Commissioner raises financial and compliance concerns before parliamentary committee

Commissioner Maynard appears twice before the House of Commons Standing Committee on Access to Information, Privacy and Ethics to discuss the OIC's Main Estimates and financial challenges. She highlights growing institutional non-compliance with her orders, and explains that the OIC has a structure deficit and that this shortfall will affect operations. She later addresses these issues in a letter to the Acting Secretary of the Treasury Board.

Revisiting immigration-related access to information challenges

The Commissioner tables a special report exploring the root causes of the growing number of access to information requests directed to the Canada Border Services Agency (CBSA). The report underscores a persistent issue identified in the Commissioner's 2021 systemic investigation against Immigration, Refugees and Citizenship Canada: that it fails to provide clients with direct access to their personal information, relying instead on the access system. As a result, requesters increasingly turn to CBSA—which has access to the same data through shared systems—placing undue strain on this institution and the broader federal access regime.

Beyond strategies and plans: calling for legislative change

In her letter to the President of the Treasury Board presenting her 2023-2024 Annual Report, the Commissioner comments on the Government of Canada Trust and Transparency Strategy and Access to Information Modernization Action Plan. In her view, the measures announced by the Government will not be sufficient to resolve longstanding issues that imperil the right of access.

Access to information in the digital age: a global call for transparency

The Commissioner is a signatory to the joint statement released during the 15th International Conference of Information Commissioners. The statement affirms the importance of transparency and accountability. Alongside information commissioners from around the world, she calls on governments to leverage digital technologies to make information more accessible, streamline administrative processes and foster greater citizen engagement.

Summer

Supporting truth and reconciliation through access to information

Following the Commissioner's appearance at the Standing Senate Committee on Indigenous Peoples in February 2024, the Committee releases a report containing 11 recommendations to improve access to residential school records. Four of these recommendations focus on access to information, including ensuring the Act reflects rights set out in the United Nations Declaration on the Rights of Indigenous Peoples, and providing broader discretionary powers to institutions to disclose records when the public interest warrants.

Summer

Championing transparency during Right to Know Week

During Right to Know Week, the Commissioner issues a statement reaffirming the fundamental role of the right of access in democratic societies, and underscoring the importance of building transparency into government policies, programs and processes from the outset. To mark the occasion, she also delivers a presentation to the federal access to information and privacy community, which draws more than 450 attendees.

Appearance at the Standing Senate Committee on National Finance

The Commissioner appears before the Standing Senate Committee on National Finance to discuss the OIC's Main Estimates, taking the opportunity to underscore the need for a funding model that reflects her independence as an Agent of Parliament.

Fall

Commissioners from across Canada connect

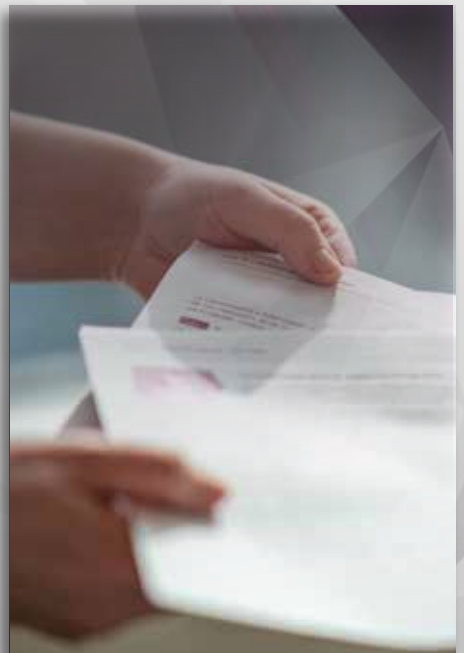
At the 2024 Annual Meeting of Federal, Provincial and Territorial Information and Privacy Commissioners and Ombuds in Toronto, the Commissioner joins her counterparts in reaffirming a collective commitment to protecting access rights. Together, they adopt a joint resolution urging their respective governments to take transparency into account early in the design of systems, administrative processes, and governance models, and to embed it in their day-to-day operations.

Commissioner confirmed for second term

Following the Commissioner's appearance before the House of Commons Standing Committee on Access to Information, Privacy and Ethics and the confirmation of her appointment in both the House of Commons and the Senate, the Prime Minister announces Commissioner Maynard's reappointment as Information Commissioner of Canada for another seven-year term.

Engaging with legal professionals on access issues

The Commissioner and senior leaders from the OIC attend the Canadian Bar Association's Privacy and Access Law Conference. She moderates a panel discussing the balance between the protection of solicitor-client privilege in the public sector and Canadians' right to access historical legal information held by government. The Commissioner also takes part in the Regulators' Perspective panel on current issues in the access field.



Commissioner chairs Federal, Provincial and Territorial Investigators Conference to foster collaboration

The Commissioner chairs the 2024 Federal, Provincial and Territorial Investigators Conference, an initiative launched in 2021 to foster collaboration among investigators working for Canada's information and privacy regulators. The conference provides an opportunity to share knowledge and investigation best practices.

Lessons learned and future goals

In a speech to access and privacy professionals, the Commissioner reflects on key lessons learned during her first term, and provides a retrospective on her activities over the past year. Looking to the future, she outlines areas of focus for her recently confirmed second term.

2024–2025: year in review – Continued

Winter

Transparency starts at the top

Throughout the winter, the Commissioner engages with senior leaders and executive committees across government, including at the Department of National Defence, Global Affairs Canada, the Department of Finance Canada, and Public Services and Procurement Canada. In these meetings, and other similar meetings she held earlier in the year, she stresses the critical role of leadership in making transparency an operational priority and a core institutional value.

Amplifying the message: OIC management promotes transparency and innovation

OIC directors of investigations promote government transparency to various audiences, echoing the Commissioner's message.

Whether speaking to students in an Information Privacy Law class at Queen's University or participating in key events over the course of the year such as the Digital Government Leaders Summit and National Research Claims Directors' conference, OIC officials highlight, among other topics, the importance of strong information management for leveraging artificial intelligence within the access system.

Commissioner's second term: promoting a culture of transparency and advancing efficiency

The Commissioner begins her second term on March 1, 2025. She identifies her major goals, which include pushing for changes to the Act, advocating for a more efficient and responsive access to information system, and promoting a culture of transparency within institutions.

Steady progress on specific priorities yields tangible results: the story of the Commissioner's first term

Commissioner Maynard's first seven-year term focused on four key priorities: reducing the inventory of complaints, preparing for and implementing changes to the *Access to Information Act*, enhancing transparency in the day-to-day operations of the OIC, and strengthening collaboration with various stakeholders. Achieving tangible results in each area has laid a strong foundation for continued progress. With her first term having concluded in 2024–2025, this annual report provides a timely opportunity to look back at these accomplishments.

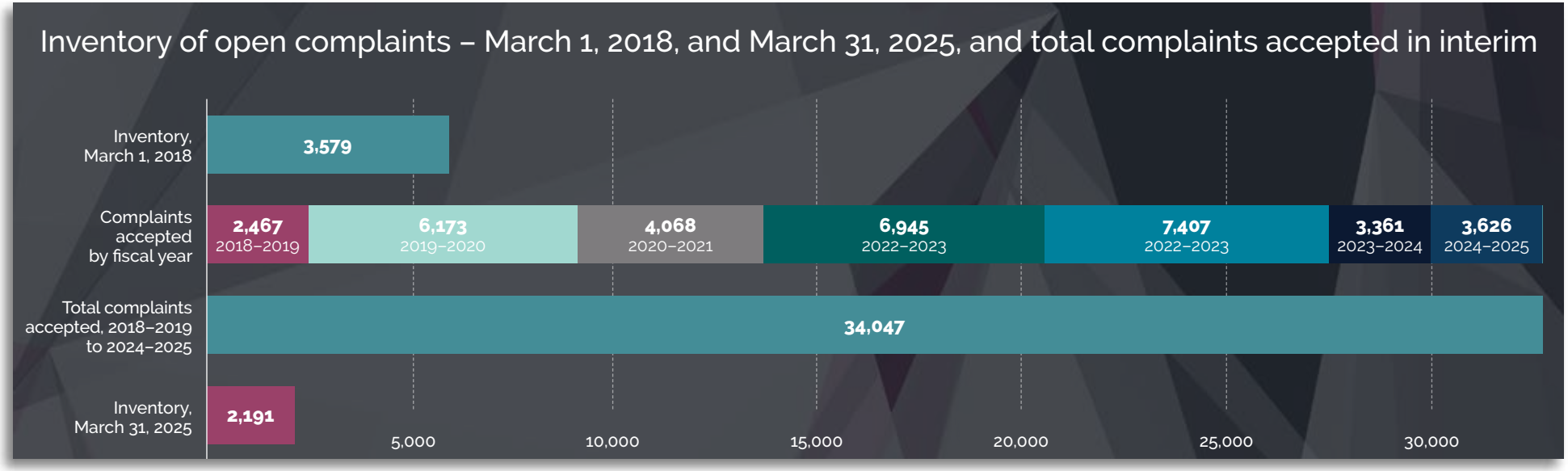
Reducing the inventory amid influx of new complaints

When she was appointed on March 1, 2018, the Commissioner's first priority was to address the inventory of complaints she had inherited, while continuing to investigate new complaints. There were more than 3,500 open complaints when she started, some of which had been in the inventory for more than 10 years.

The OIC concentrated on concluding more complaints each year by streamlining processes and introducing innovative practices. These improvements steadily increased the number of investigations completed year over year. By the end of her first term, the inventory had shrunk to fewer than 2,200 complaints.

In 2020, the OIC introduced a strategic plan centered on innovation and transformation to guide its efforts to achieve its mission. To build on this progress, the Commissioner launched a multi-phase evaluation of the Investigations program in 2021. This began with a review of the OIC Registry (the group that receives new complaints and reviews their admissibility), followed by a 2022 evaluation of the Investigations program from the perspectives of institutions and senior officers.

By the end of 2024–2025, the Commissioner had dealt with a record number of new complaints and essentially eliminated the inventory she had inherited when she began her first term.



The final phase—a consultation with complainants—was completed last year, closing the loop on a comprehensive evaluation process.

The response to this consultation, published in the fall of 2024, reaffirmed the Commissioner's strong focus on continuous improvement—an approach she has championed since Day 1. Although the OIC does not control the number of complaints it receives, or their complexity, the entire organization remains committed to refining its operations and ensuring the right of access for Canadians is upheld.

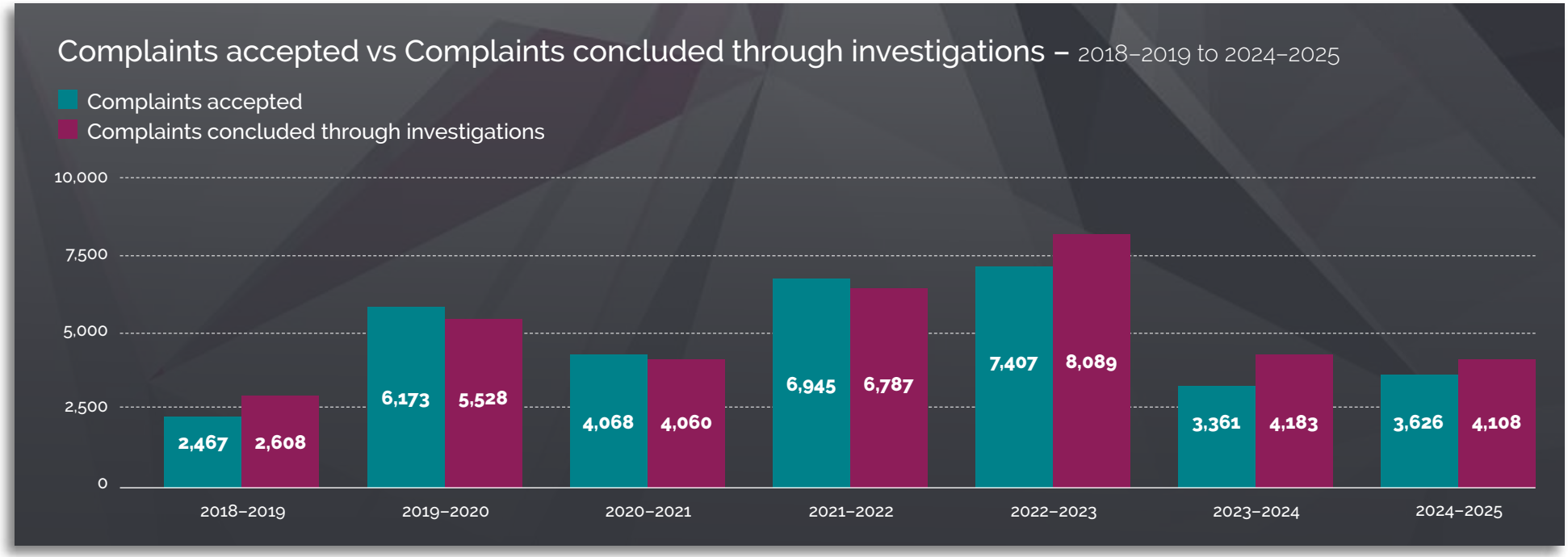
Ensuring complainants receive the information to which they are entitled

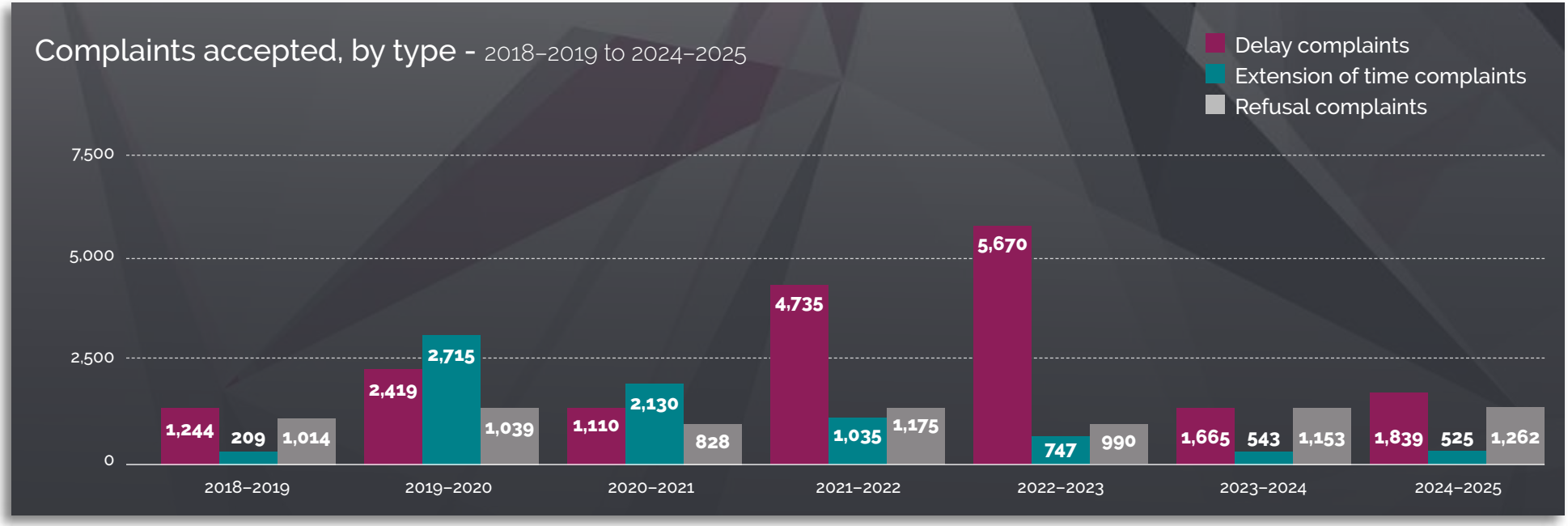
Between 2018 and 2025, the OIC reduced its inventory by 38% and concluded 4% more complaints than it accepted during this period.

The volume of complaints fluctuates from year to year. Significant spikes in delay complaints during 2021–2022 and 2022–2023 were driven by prospective immigrants' representatives reporting a lack of response to access requests for immigration files. Since then, improvements in access request processing by Immigration, Refugees and Citizenship Canada, among other factors, have led to a substantial decline in this type of complaint.

The Commissioner also initiated six systemic investigations—two of which focused on access to immigration-related information—to address broader issues. She dedicated resources to these efforts, believing they pay dividends by getting at the root causes of chronic issues that plague the federal access system.

Recommendations stemming from these investigations are detailed in special reports tabled to Parliament. One systemic investigation into records related to the ArriveCAN application will be completed during 2025–2026.





The OIC investigates complaints from requesters who believe institutions did not respect their rights under Part 1 of the *Access to Information Act*.

DELAY COMPLAINTS focus on institutions' lack of response to access requests within the deadlines set out in the Act.

EXTENSION OF TIME COMPLAINTS focus on whether the extra time an institution decided to take to respond to a request is reasonable or was taken for legitimate reasons, or whether the institution followed the rules in the Act for claiming extensions.

REFUSAL COMPLAINTS concern institutions' application of exemptions and exclusions under the Act, the adequacy of their record searches, the application of fees, the provision of records in a particular official language, the provision of records in alternative formats, publications under section 5 of the Act, and other matters relating to requesting or obtaining access to records.

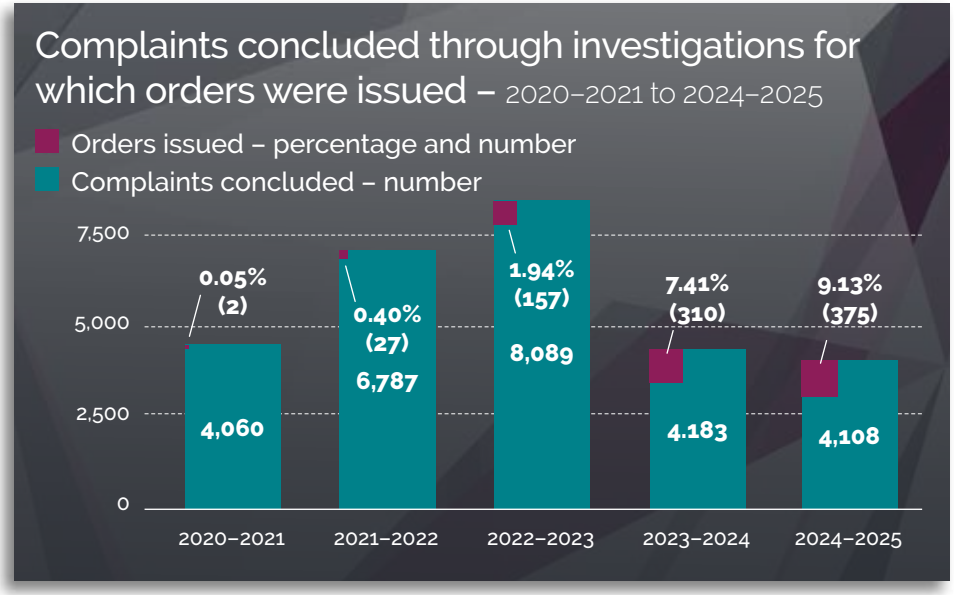
Preparing for and implementing changes to the *Access to Information Act*

The Commissioner's second priority was to prepare for the implementation of Bill C-58, which amended the *Access to Information Act* in June 2019.

Prior to 2019, the Information Commissioner's authority was limited to issuing recommendations when a complaint was determined to be well founded. Bill C-58 gave the Information Commissioner the power to issue binding orders to institutions when complaints are well founded.

Most complaints concluded by the OIC do not require the Commissioner to issue orders. However, the proportion of complaints with orders is increasing—from 0.05% of all complaints concluded in 2020–2021 to over 9% in 2024–2025.

Another new provision of the Act introduced in Bill C-58 allows institutions to seek the Information Commissioner's approval to decline to act on an access request if, in the opinion of the head of the institution, the request is vexatious, made in bad faith or otherwise an abuse of the right to make a request for access to records. To date, the Commissioner has received 76 such applications. Of these, she has granted 13. Summaries of the Commissioner's decisions are available on the OIC's website.



When orders are ignored: addressing institutional non-compliance

In 2022–2023, the Commissioner began expressing concerns about institutions that were neither implementing her orders nor seeking a review before the Federal Court, as the Act requires. By ignoring her orders, these institutions were breaking the law. In the face of this intransigence, the Commissioner has since launched legal proceedings against such institutions. In 2023–2024, she began initiating applications for a writ of mandamus before the Court to compel compliance with her orders. A writ of mandamus is a remedy asking a court to order a public authority to perform a legal duty.

In March 2025, the Commissioner raised this issue in a letter to the President of Treasury Board, emphasizing that relying on costly and time-consuming legal proceedings wastes resources and undermines the intent of the Act. She urged the President to issue clear guidance to institutions, reminding them of their legal obligation to either comply with her orders or seek judicial review.

The Commissioner intends to put the spotlight on this issue once again during the next legislative review, scheduled to begin in 2025.

Ensuring that the OIC's day-to-day work is open and transparent

The Commissioner's third priority was to provide clear guidance on her interpretation of the Act and the approach of her office when conducting investigations, to help all parties to a complaint understand the OIC's position. To this end, the OIC regularly published guidance on the OIC website and updated the Frequently Asked Questions.

Since the 2019 amendments to the Act, the Commissioner may publish final reports detailing the results of her investigations. The OIC publishes many of these final reports in its Decisions Database, along with all the Commissioner's orders. These final reports are also available on CanLII, which provides access to decisions from all Canadian courts as well as numerous tribunals.

Collaborating with parliamentarians, complainants, institutions and other stakeholders

The Commissioner's fourth and final priority was to collaborate with parliamentarians, complainants and other stakeholders to address barriers in the system, and with government institutions to help them meet their obligations under the Act. Throughout her first term, she took part in more than 150 meetings and delivered presentations to parliamentarians, senior officials, ministers and public servants of various institutions, including annual meetings with members of the access to information and privacy community.

In January 2021, the Commissioner submitted a number of recommendations for changes to the system and further amendments to the Act as part of the Government's review of access to information. Since then, she has reiterated her calls to modernize the Act. In addition, she appeared more than 20 times in front of seven parliamentary committees, providing information on her operations and advice to parliamentarians in the context of various studies, including one by the House of Commons Standing Committee on Access to Information, Privacy and Ethics on the state of Canada's access to information system.

The Commissioner has been playing a leading role within the Canadian community of information commissioners and ombuds, notably as chair of the annual conference of federal, provincial and territorial investigators, which she was instrumental in establishing in 2021. On the international stage, she has been an active member of the International Conference of Information Commissioners.

A year of success and continued progress

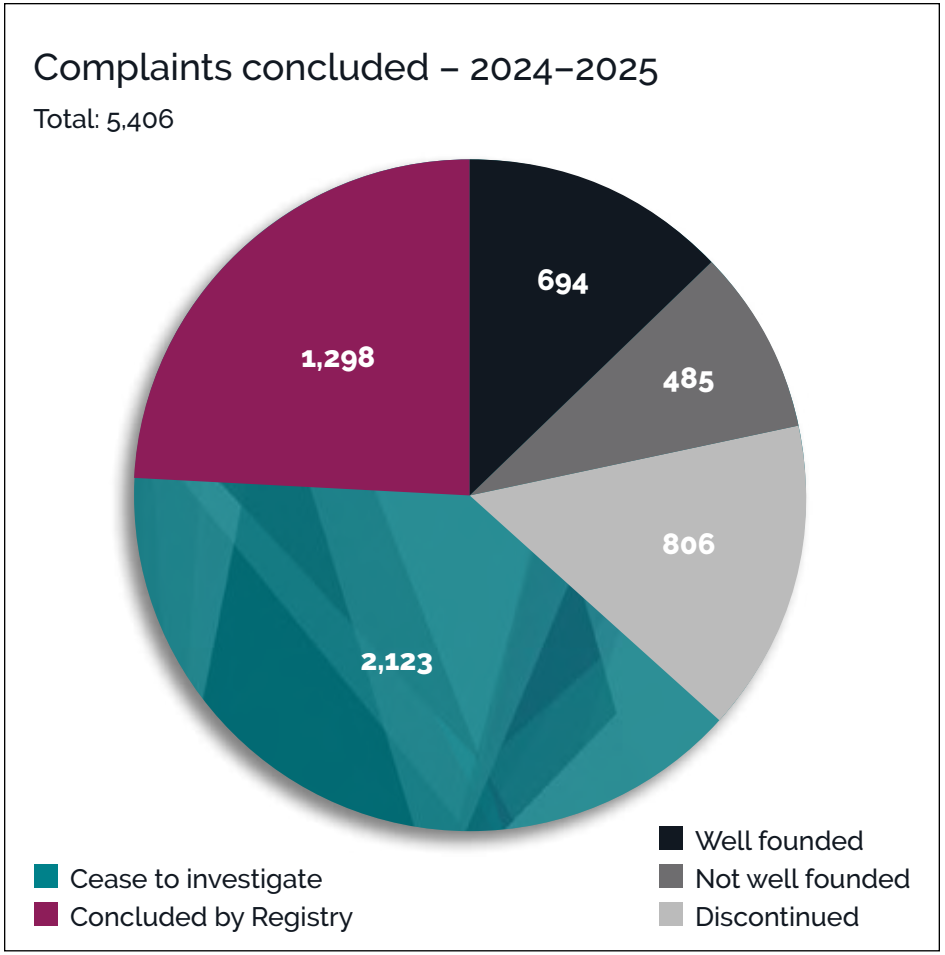
Improving complaint resolution and reducing the inventory

During 2024–2025, the OIC concluded 5,406 complaints. Complainants can expect one of several outcomes upon submitting a complaint. While 13% of complaints concluded in 2024–2025 were determined to be well founded and 9% not well founded, 39% were either discontinued by the complainant or concluded by the OIC Registry because they were received outside legislative time limits or otherwise inadmissible.

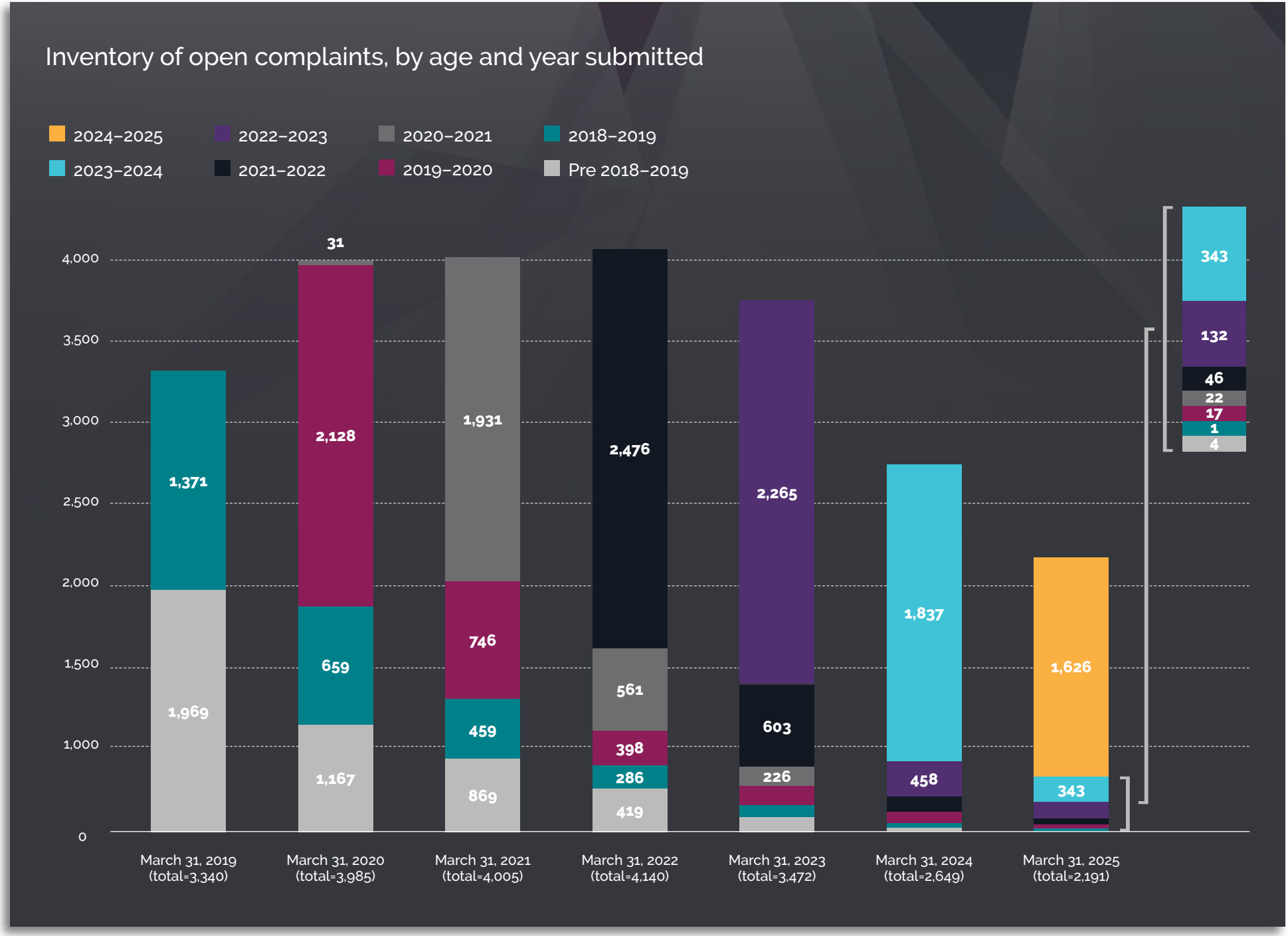
The investigations into the remaining 2,123 complaints were ceased, most often because, as a result of the OIC's inquiries and work, the complainant received a response to their access request, making further investigation unnecessary.

The OIC also continued to make substantial progress in resolving the most complex complaints in the inventory this year. As of March 31, 2025, the inventory contained 2,191 complaints, which is nearly 40% fewer than on Day 1 of the Commissioner's first term.

The OIC began 2025–2026 with an inventory largely composed of complaints that were either under active investigation or were recently received and awaiting assignment to an investigator.



Inventory of open complaints, by age and year submitted



Complaint activity in 2024–2025

	Complaints carried over and received in 2024-2025			Complaints concluded in 2024–2025						Complaints in inventory, March 31, 2025
	Complaints in inventory, April 1, 2024	Complaints submitted in 2024–2025	Total	Concluded by Registry*	Well founded	Not well founded	Discon-tinued	Cease to investigate	Total	
Immigration, Refugees and Citizenship Canada	170	925	1,095	n/a	15	16	320	528	879	216
Canada Border Services Agency	534	161	695	n/a	30	23	51	418	522	173
Department of National Defence	95	381	476	n/a	100	36	12	184	332	144
Privy Council Office	255	219	474	n/a	94	54	23	84	255	219
Global Affairs Canada	231	217	448	n/a	36	11	218	68	333	115
Royal Canadian Mounted Police	203	153	356	n/a	16	69	23	97	205	151
Transport Canada	57	274	331	n/a	29	12	9	59	109	222
Library and Archives Canada	143	178	321	n/a	65	18	20	86	189	132
Canada Revenue Agency	136	93	229	n/a	32	21	21	49	123	106
Health Canada	56	147	203	n/a	34	11	4	95	144	59
Public Services and Procurement Canada	111	48	159	n/a	18	41	16	56	131	28
Indigenous Services Canada	49	39	88	n/a	8	11	3	21	43	45
Employment and Social Development Canada	49	35	84	n/a	19	5	1	22	47	37
Department of Justice Canada	41	39	80	n/a	17	17	5	18	57	23
Canadian Heritage	32	45	77	n/a	15	14	1	19	49	28
Department of Finance Canada	23	53	76	n/a	1	5	5	24	35	41
Canadian Security Intelligence Service	35	36	71	n/a	10	10	4	22	46	25
Public Safety Canada	29	41	70	n/a	3	8	2	24	37	33
Environment and Climate Change Canada	18	48	66	n/a	16	5	1	28	50	16
Correctional Service Canada	28	37	65	n/a	9	3	2	28	42	23
Innovation, Science and Economic Development Canada	30	25	55	n/a	11	8	2	14	35	20
Treasury Board of Canada Secretariat	16	30	46	n/a	5	5	2	12	24	22
Natural Resources Canada	16	28	44	n/a	12	8	4	10	34	10
Fisheries and Oceans Canada	14	28	42	n/a	6	6	5	7	24	18
Public Health Agency of Canada	18	20	38	n/a	11	3	1	6	21	17
Subtotal	2,389	3,300	5,689	n/a	612	420	755	1,979	3,766	1,923
Other institutions (71)	284	326	610	n/a	82	65	51	144	342	268
Not accepted for investigation	n/a	1,298	1,298	1,298	n/a	n/a	n/a	n/a	1,298	n/a
Total	2,673	4,924	7,597	1,298	694	485	806	2,123	5,406	2,191

*Complaints concluded by the OIC Registry were not broken down by institution since they were not accepted for investigation.

Why are some complaints not investigated?

Complaints must meet a series of requirements to ensure the Commissioner has the power to investigate them. The OIC Registry is responsible for reviewing complaints to determine whether they are admissible.

This year, the Registry concluded 1,298 complaints. These included complaints submitted after the 60-day deadline, as well as complaints against institutions not subject to the *Access to Information Act*. When a complaint is determined to be inadmissible, the complainant receives a written decision from the OIC Registry outlining the reasons.

Federal Court examines OIC Registry decision

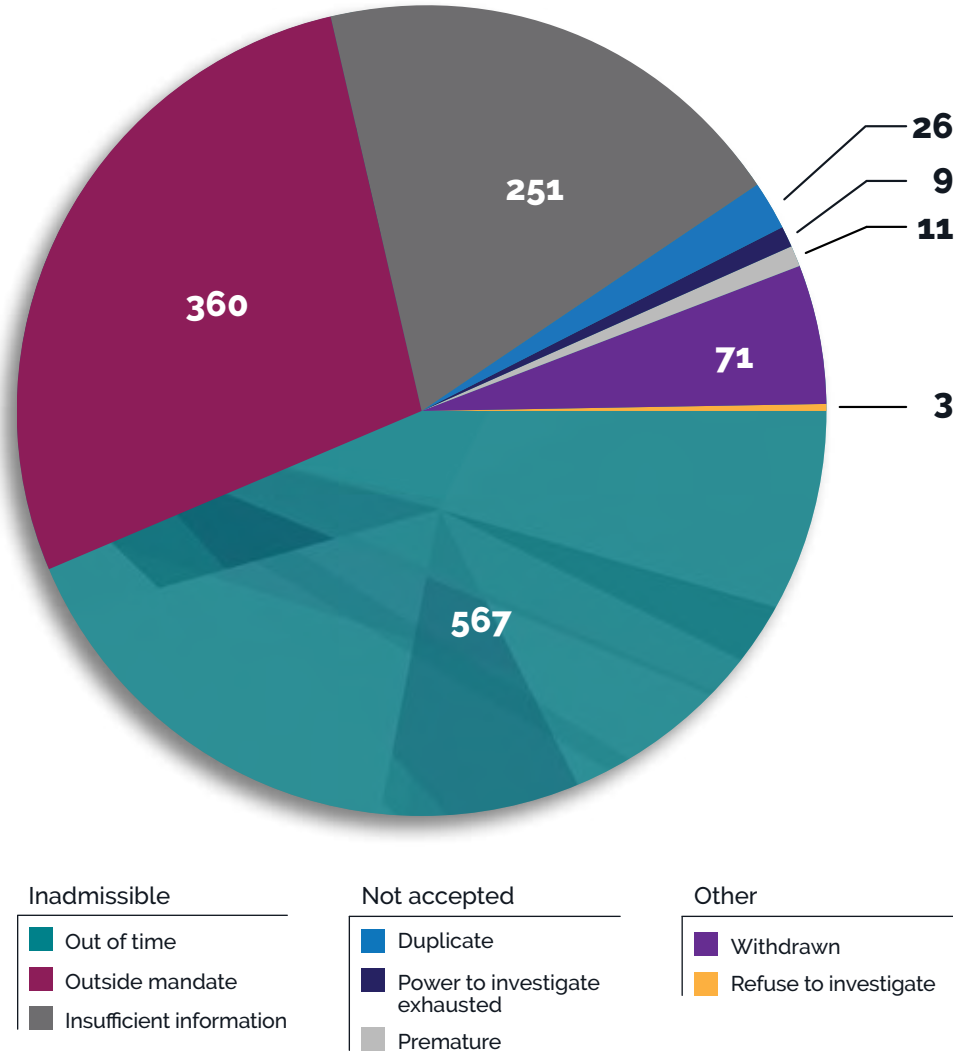
A complainant had submitted a complaint against the Canada Revenue Agency concerning redactions made on documents and alleging that some documents were missing. The Registry did not accept the complaint, determining that the allegation about the redactions was outside the Commissioner's jurisdiction because the documents had not been disclosed in response to an access request. The Registry also concluded that the allegation about missing documents had been submitted after the 60-day time limit. The complainant sought a judicial review of the Commissioner's decision.

In *Chabursky v. Canada (Attorney General)*, the Federal Court concluded that the Commissioner's decision was reasonable. It found that the documents had been provided to the complainant outside the context of an access request, confirming that the Commissioner had no jurisdiction to investigate the complaint. The Court also found it reasonable for the Commissioner to conclude that the allegation about missing records was submitted outside the 60-day limit set out in section 31 of the Act. Finally, it rejected the complainant's argument that the Commissioner's decision violated subsection 4(2.1), which outlines the duty to make every reasonable effort to assist requesters, affirming that this duty rests with the head of the government institution, not the OIC.

This year, the OIC received a total of 4,924 complaints. After review, however, 3,626 were accepted and 1,298 were concluded by Registry.

Complaints concluded by Registry – 2024-2025

Total: 1,298



Why does the OIC refuse or cease to investigate some complaints?

Generally, the Commissioner must investigate all admissible complaints. However, she has the authority under subsection 30(4) of the Act to refuse or cease to investigate complaints, even when they are within her power to investigate.

There are certain circumstances under which the Commissioner will exercise this authority. For example, when an institution responds to an access request before an investigation into a delay complaint has begun or is complete, or when previously withheld information is disclosed before an investigation into a complaint about the application of exemptions is finished.

While some complainants may still hope to receive a confirmation that their complaint was well founded once their specific issue is resolved, the Commissioner does not have the authority to impose sanctions on the institution. Proceeding with the investigation of matters that have already been resolved would serve no practical purpose and would not provide any further relief to the complainant.

Trivial, frivolous or vexatious complaints, or those made in bad faith

The Commissioner may also decide to refuse or cease to investigate complaints that are, in her view, trivial, frivolous or vexatious, or made in bad faith:

- A trivial complaint is generally a complaint that is trite or of little or no importance.
- A frivolous complaint also often concerns trivial matters. These complaints could also be senseless, foolish or fanciful.
- A vexatious complaint is generally a complaint made for an improper purpose, consciously or not. Such complaints may include those primarily directed towards harassing or oppressing others, including institutions and individuals.
- A complaint made in bad faith involves conscious wrongdoing and/or an improper or dishonest motive. It is more than simply bad judgment or negligence. Such complaints include those intended to mislead and/or deceive.

The OIC's website provides additional guidance and summaries on the Commissioner's decisions to refuse or cease to investigate complaints.

Discontinued complaints

Complainants may choose to withdraw their complaint when they no longer require the OIC to investigate their allegations. For example, they may no longer need the information they requested, or the circumstances that prompted their complaint may have changed. Complaints may also be discontinued when complainants have received sufficient information from the institution during the investigation or are satisfied with the explanations provided in support of the response received. In some cases, the investigation is nearly complete when complainants decide to withdraw their complaint.

Once a complaint is discontinued, the Commissioner no longer has the authority to pursue the investigation. However, she may initiate her own complaint if she is satisfied that there are reasonable grounds to investigate the matter, including when she determines that an investigation is necessary to promote the right of access.

The Commissioner's ability to refuse or cease investigating complaints gives her the flexibility to allocate her resources more effectively, focusing her efforts on complaints in which requesters have yet to receive the information they are seeking.

This, in turn, allows for a more effective allocation of resources across the access to information system, since the units responsible for handling complaints within institutions subject to the Act are also responsible for processing access requests. Ceasing to investigate such complaints enables institutions to free up resources to process requests more rapidly or address other active complaints.

Expanded guidance for complainants and institutions

In 2024–2025, the Commissioner continued to update and add to the guidance on her website for complainants, institutions and other stakeholders.

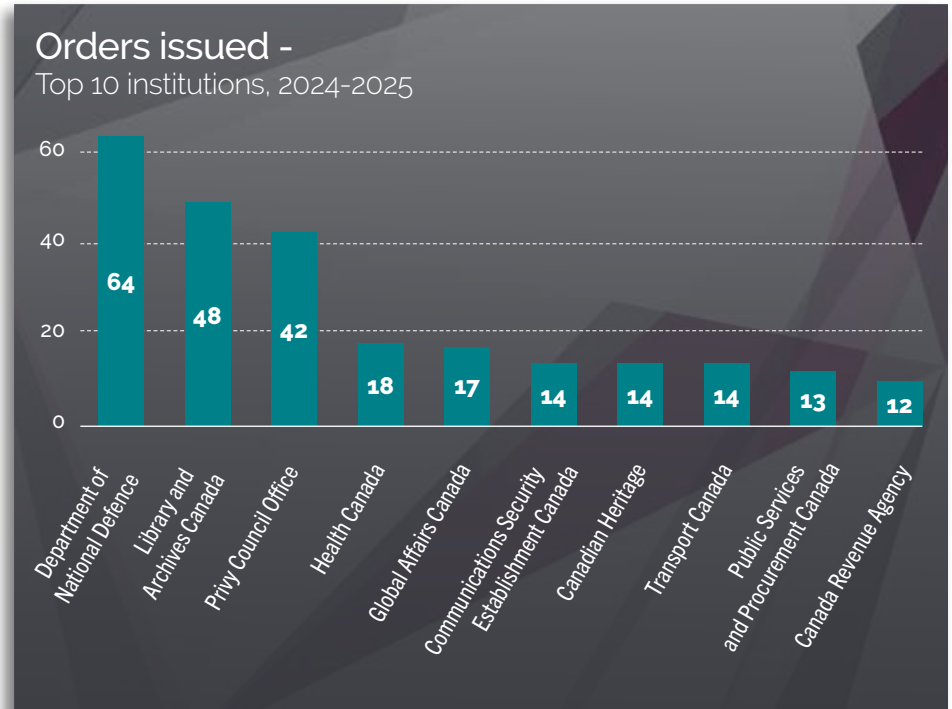
A new page updated each quarter provides statistics on the Commissioner's caseload—including how it changes over the year and between years—and the outcomes of all new complaints submitted. A new guide focuses on the Commissioner's interpretation of, and case law associated with, the exemption under section 16 of the Act. This provision allows institutions to withhold information related to law enforcement, investigations and the security of penal institutions. A second new guide focuses on institutions' exercise of discretion under the Act. The guide looks at who within an institution may exercise discretion related to disclosing information in response to access requests, and how. The guide also examines the elements considered by the Commissioner to determine whether an institution's exercise of discretion was reasonable.

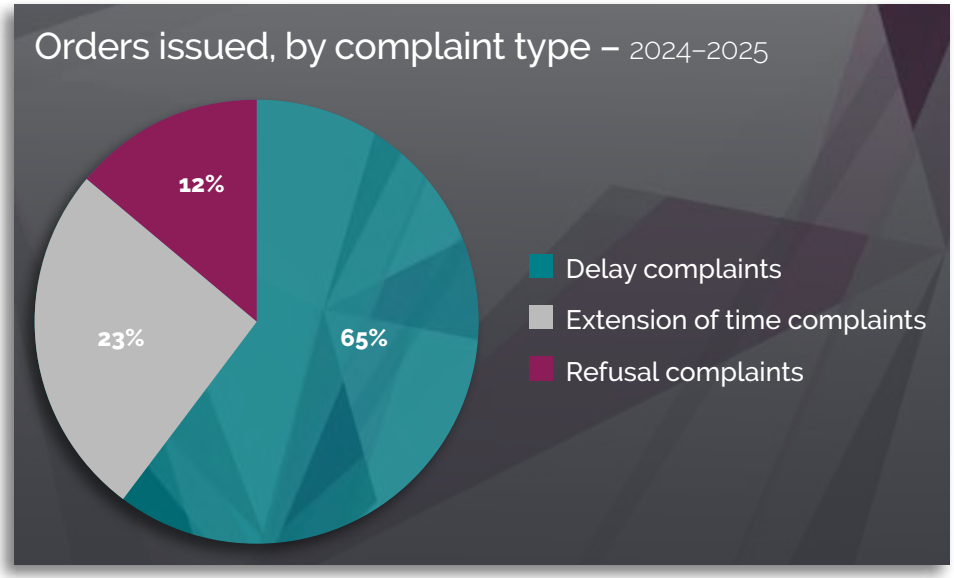
In addition, the guidance on the applications institutions may submit to the Commissioner when seeking her approval to decline to act on an access request was also revised. These updates provide additional key information for both institutions and requesters. The web page now includes explanations and examples of the various reasons institutions may decide to make such applications, including that requests are, in the opinion of the head of the institution, trivial or vexatious.

Strengthening accountability: the Commissioner's orders in 2024–2025

The Commissioner has the authority to issue orders when complaints are well founded. Orders require institutions to fulfill their obligations under the Act. All orders help chart the path forward for transparency and timely access.

In 2024–2025, the Commissioner issued 375 orders, the majority of which related to delay complaints.





The Commissioner's orders are legally binding, meaning that institutions must implement them unless they apply to the Federal Court for a review. In 2024–2025, four institutions went to court for such a review. Of the 31 cases, 29 concerned delay complaints, one related to an extension of time complaint for which the Commissioner ordered the institution to respond to the access request, and one involved a refusal complaint for which she ordered the institution to disclose records.

In the case involving an order issued after an investigation into a refusal complaint, the complainant alleged that Indigenous Services Canada (ISC) had improperly withheld information under paragraph 20(1)(c) (financial impact on a third party), paragraph 20(1)(d) (negotiations by a third party) and section 23 (solicitor-client and litigation privilege) of the Act. This was in response to an access request for the settlement agreement between the Crown and the Squamish Nation relating to Kitsilano Point and area, as well as all related maps and appendices.

Neither ISC nor the third party showed that the information met the requirements of the exemptions. Specifically, these parties did not establish a clear and direct connection between the disclosure of any specific information and a risk of harm, show that the information could result in a reasonable expectation of interference with negotiations, or prove that solicitor-client and litigation privilege applied.

As a result, the Commissioner ordered ISC to disclose the records in their entirety. ISC gave notice to the Commissioner that it would not disclose the records and applied for a review before the Federal Court. The case is ongoing.

Federal Court reviews of Commissioner's orders – 2024-2025

Institution	Delay complaint cases	Extension of time complaint cases	Refusal complaint cases
Department of National Defence	20		
Library and Archives Canada	6	1	
Communications Security Establishment Canada	3		
Indigenous Services Canada			1

Federal Court of Appeal and Federal Court rulings on access to information

Two decisions were also rendered this year regarding orders on refusal complaints.

1 Federal Court of Appeal rules on Export Development Canada's challenge to information disclosure

The case raised the issue of whether the redacted information was exempt from the right of access under subsection 24(1) of the *Access to Information Act* (which incorporates the prohibition on disclosure contained in section 24.3 of the *Export Development Act*, as listed in Schedule II of the *Access to Information Act*) and/or section 18.1 of the *Access to Information Act*. The Commissioner had ordered Export Development Canada (EDC) to disclose a policy type and number, as well as maximum liability amounts, which had been withheld under subsections 18.1(1) and 24(1).

EDC sought review of the Commissioner's order before the Federal Court. The Federal Court rejected EDC's application and ordered the institution to release the information at issue. EDC appealed the decision. The Federal Court of Appeal allowed the appeal, ruling that the disclosure of the disputed information is exempted under subsection 24(1).

The Court of Appeal concluded that the words "obtained by" in section 24.3 of the *Export Development Act* must be interpreted broadly to mean not only information received from a third party (including its customers) but also information created through EDC's own efforts. Although the Court of Appeal did not determine whether the information could also be withheld under section 18.1 of the *Access to Information Act*, it did state that the Federal Court had erred in its interpretation of this provision.

2 Federal Court upholds OIC's decision on Public Services and Procurement Canada's control of records

The complainant alleged that Public Services and Procurement Canada (PSPC) had failed to conduct a reasonable search for records in response to an access request for the Health Protection Building (Tunney's Pasture) Whole Building Designated Substances Report. The Commissioner concluded that the complaint was well founded and that the documents were under PSPC's control, and thus subject to the Act. She ordered PSPC to retrieve the records and process them in accordance with the Act. PSPC challenged the order in Federal Court.

The Court had to determine whether the documents were under the control of PSPC. The Federal Court ruled in favour of the OIC, concluding that records related to the subcontract were indeed under the control of PSPC. In making this determination, the Court applied the PM's Agenda Test, which was established by the Supreme Court of Canada in Canada (*Information Commissioner) v Canada (Minister of National Defence)*.

Revisiting areas of concern

Continuing struggles and slow progress at the Department of National Defence

Five years ago, in her systemic investigation into the Department of National Defence (DND), the Commissioner identified concerns in nine key areas, including the impact of competing priorities on the ability of program areas to fulfill their duty to respond to access requests and their awareness of responsibilities under the Act. While DND had made some progress following the 2020 systemic investigation, OIC investigations over the past three years indicate that DND continues to struggle to provide timely responses to access requests, mainly due to two key factors:

- the disregard of some program areas for their responsibilities to provide records to the access to information unit in a timely manner
- the access to information unit's resulting inability to take necessary actions, including determining the length of any extensions of time for responding to access requests that might be needed.

DND's latest Annual Report to Parliament regarding the administration of the *Access to Information Act* highlights these challenges. In 2023–2024, DND responded to less than 58% of access requests within legislated timelines, a 4.5% decrease from the previous reporting period. The Commissioner views this downward trend as unacceptable, raising serious questions about DND's commitment to transparency and accountability.

This year, in final reports following investigations into delay complaints, the Commissioner recommended the following corrective measures.

- that the Minister of National Defence develop proper processes and procedures to ensure that program areas abide by their responsibilities to provide responsive records in a timely fashion to DND's access to information unit
- that the Minister of National Defence develop performance indicators to hold senior officials accountable for delays in providing responsive records to the access to information unit.

In response to the Commissioner's recommendations, DND established a multidisciplinary team to address concerns related to access to information. At the end of 2024–2025, the institution reported to the Commissioner on actions it has taken to improve access to information operations, including the following:

- developing and rolling out a playbook for program areas with detailed instructions on responding to access requests
- establishing a case management system to allow program areas to monitor requests and deadlines
- enabling CAF members to access their personal records by the end of 2025–2026
- formalizing and communicating performance expectations to senior leadership and those who have a role in responding to access requests.

Commissioner calls out DND on its failure to comply with her orders

In December 2024, the Commissioner met with senior DND and Canadian Armed Forces leaders to express serious concerns about DND's failure to comply with her orders, noting that DND had neither implemented them nor exercised its right to apply to the Federal Court for a review. To compel the institution to comply, she had to apply for a writ of mandamus. Of the eight such applications made during her first term, five concerned DND.

During the meeting, she emphasized the role of senior leaders in promoting transparency by setting an example and ensuring public servants fulfill their responsibility to provide timely access to information. While access to information units play a key role, compliance with the Act is a responsibility shared by all.

In response to the Commissioner's March 2025 letter to the Deputy Minister of National Defence, DND also indicated that it plans, in the spring of 2025, to issue a directive on access to information and an updated information management directive related to the stewardship of digital assets.

According to DND, the institution's primary goal is to significantly improve compliance within two years by adjusting processes, implementing automation and artificial intelligence tools, and onboarding more full-time analysts. This will reduce the time analysts spend addressing complaints and litigation, freeing up capacity to address the backlog of access requests. These timelines take into account the mandatory rollout of a new case management system, which will require testing and training during 2025–2026.

Since Canadians have a right to expect meaningful progress, the Commissioner will closely monitor DND's implementation of these plans, with a sharp focus on the concrete results DND delivers in improving compliance with the Act. The success of these efforts will be measured by their effectiveness in ensuring timely access, strengthening institutional transparency and fostering accountability. The Commissioner expects DND to comply with the legislation.

Lack of concrete results at Immigration, Refugees and Citizenship Canada

In her May 2024 follow-up systemic investigation into immigration-related access to information, the Commissioner found that requesters were continuing to use the access system to obtain information related to their immigration applications. This state of affairs follows from the lack of progress by Immigration, Refugees and Citizenship Canada (IRCC) to develop a digital client service solution to provide a more efficient alternative to the access system, as recommended by the Commissioner in her 2021 special report Access at issue: Challenging the status quo.

At the end of 2024–2025, IRCC reported that it plans to introduce new functionality to the Client Experience Platform (CXP) to improve access to information. Features will include near real-time application status tracking, the ability to view the officer decision note (to better understand why an application was declined) and greater transparency regarding the information and documents submitted with the application. In addition, IRCC "recognizes that clients, and their representatives, are eager to have the functionality within the new online account and throughout 2025 and 2026, the CXP online experience will be available to a greater number of clients/users and will include additional functionality to support an enhanced client experience. Until then, clients may continue to seek information through the Access to *Information Act*, or the *Privacy Act*."

While the Commissioner welcomes these developments, she remains deeply dissatisfied that IRCC has yet to achieve the results it has been promising. Four years after she issued recommendations stemming from her systemic investigation, individuals are still relying on the access system to obtain basic information about their immigration files. Despite subsequent announcements and plans for improvement, concrete results are lacking, and the planned initiatives have yet to materialize or lead to meaningful change for requesters.

Upholding the right of access amid workforce reductions

As part of Budget 2023, federal departments were tasked with developing savings plans to return spending to pre-pandemic levels. Over the next three years, IRCC will reduce its current and planned workforce by approximately 3,300 positions.

The Commissioner is concerned that this reduction could place an additional strain on IRCC's access to information unit, further delaying individuals' access to information to which they are legally entitled. She is also worried that similar reductions across other institutions could affect Canadians' right to timely access to information.

Delayed reporting and ongoing timeliness issues

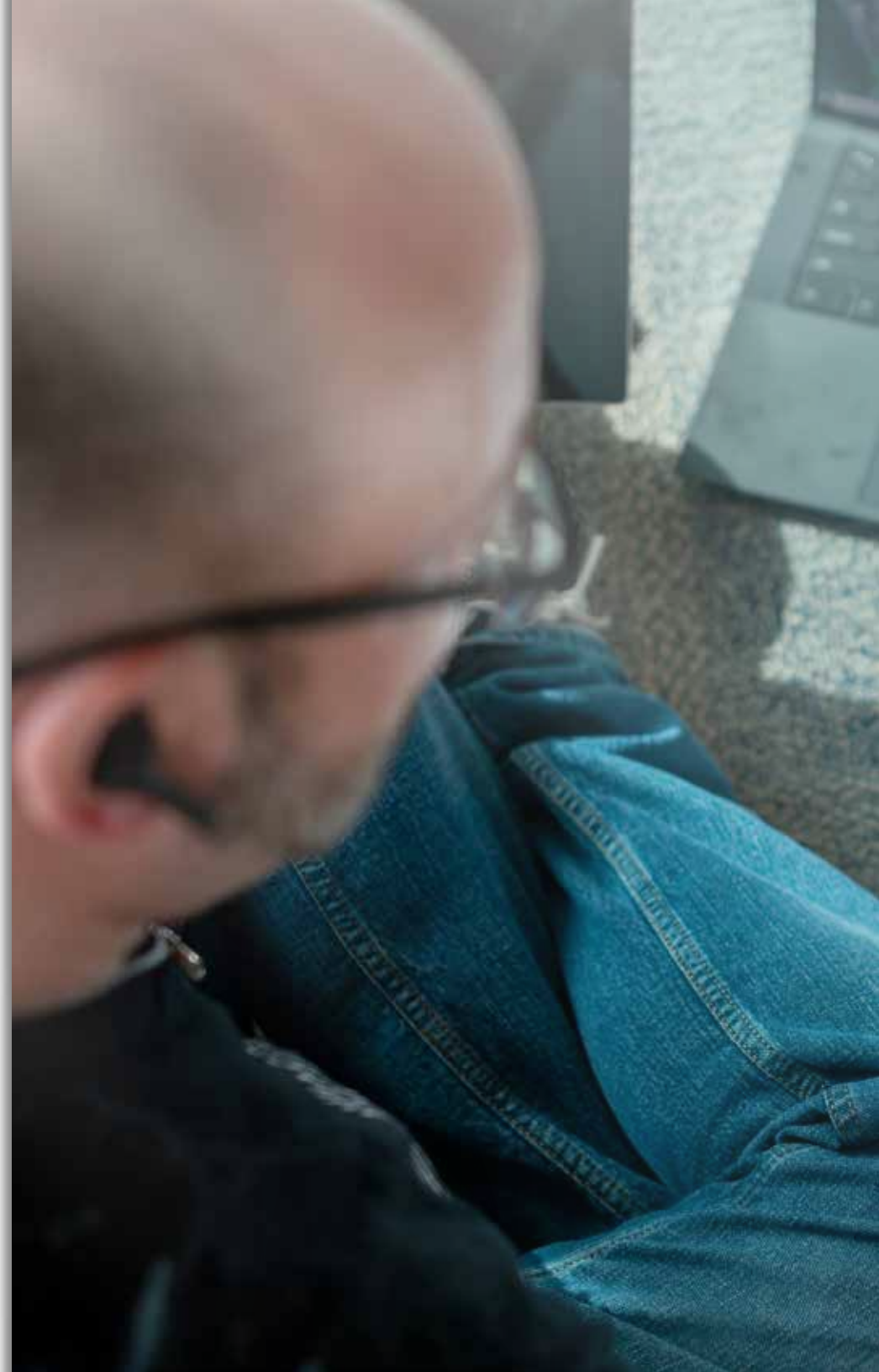
The Treasury Board of Canada Secretariat (TBS) typically releases in late fall annual performance statistics on institutions' compliance with the Act. This means that data for the previous fiscal year becomes available approximately nine months after year-end. This delay in reporting, and the very cursory analysis provided, prevent the OIC from identifying emerging trends in real time. This is a highly unsatisfactory state of affairs, and the Commissioner believes that Canadians would benefit from TBS's adopting a more rigorous and time-sensitive approach to reporting statistics, as other countries have done.

Using its own limited resources, the OIC analyzed institutions' performance based on this data.

One persistent trend reported by TBS and confirmed by the Commissioner is the ongoing challenges around timeliness: nearly 30% of access requests were not responded to within legislated timelines in 2023–2024.

In that same year, the number of access requests in the system reached its highest level since the start of the Commissioner's first term. While fewer requests were made in 2023–2024, the overall volume (including requests carried over from previous years) continues to grow. Nearly 10% of all institutions ended the year with at least 50% more requests than they started with.

While challenges persist, some institutions have made significant improvements: 2023–2024 marks the first time since 2018–2019 that more access requests were closed than received.



About the Office of the Information Commissioner

The purpose of Canada's *Access to Information Act*, which came into force in 1983, is to provide a right of access to records under the control of government institutions, while ensuring that the use of exemptions and exclusions is limited and specific.

The Act entrusts the Information Commissioner of Canada with the independent review of any matters relating to requesting or obtaining access to records under Part 1 of the Act. The OIC was established to support the Information Commissioner in her capacity as an independent Agent of Parliament.

The OIC seeks to enforce the Act, using the full range of tools and powers at the Commissioner's disposal. These include negotiating with complainants and institutions, and making orders and recommendations to resolve matters at the conclusion of investigations.

The OIC supports the Commissioner in her advisory role to Parliament and parliamentary committees on all matters pertaining to access to information. The OIC also champions greater freedom of information in Canada through various initiatives, such as Right to Know.

The Information Commissioner carries out confidential investigations about government institutions' handling of access requests, giving all parties the opportunity to present their positions.

Annex – Annual Report of the Ad Hoc Information Commissioner

According to the *Access to Information Act*, the Office of the Information Commissioner (OIC) is subject to the very legislation it oversees. This means that individuals have the right to request information from the OIC and where they remain dissatisfied with the processing of their requests filed with the OIC, they may complain to the Ad Hoc Information Commissioner.

For those investigations, I review the steps undertaken by the OIC in its handling of the access to information request, including its duty to assist obligation, timeliness, and the completeness of the response issued with a thorough analysis of the facts, representations provided by both parties, and the use of legal exemptions to bar access to requested information. Complaint investigations are concluded with written findings, highlighting the rules governing rights of access to information held by the OIC, and emphasizing those where the OIC refused to grant access to certain types of information. These findings continue to be intended to promote a better understanding of access rights for requested information contained in OIC records and raise a greater awareness of how the Act applies to the OIC.

The past fiscal year was a busy period once again. From April 1, 2024 to March 31, 2025, I handled 91 matters as this breakdown indicates:

- **Prior year complaint investigated and concluded:** 1
- **Prior year complaint under review abandoned:** 1
- **New complaints investigated and concluded:** 8
- **New complaints commenced/ carried over:** 1
- **Other files (time extension, access to information):** 2
- **Complaints redirected to proper institution:** 46
- **No action required type complaints:** 32

As in the case of complaints where I file written findings, I take the time to reply to those who require assistance for cases I cannot accept, such as complaints for individuals that need to be redirected to the appropriate provincial or federal oversight offices. I provide explanations as to my role and redirect them to the correct institution through website links. Doing so provides a helpful public service in my view. In other instances, I am copied in correspondence to several federal government officials where individuals present their concerns. For those, I verify whether I am able to review those cases before determining whether further action on my part is required.

The work of the Ad Hoc Commissioner is intended not only to provide a necessary review of the work of the OIC when challenged on access to information requests cases, but it also provides a helpful public service in my view. I have genuinely enjoyed performing this work over the years.

Respectfully submitted,
Anne E. Bertrand, KC/cr
Ad Hoc Information Commissionner

A sincere

THANK YOU

to all OIC employees who contributed to the production of this annual report, which was developed entirely in-house.

Information Commissioner of Canada

Commissaire à l'information du Canada

OFFICE OF THE INFORMATION COMMISSIONER OF CANADA

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Annual Report 2024-2025

2024–25 Annual Report on the Administration of the Access to Information Act

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Introduction

The purpose of the *Access to Information Act* (Act) is to protect the public's right to access records under the control of government institutions, while ensuring that the use of exemptions and exclusions is limited and specific. The Act also specifies that any decisions on the disclosure of information should be reviewed independently of government. This report, prepared and tabled in accordance with section 94 of the *Access to Information Act* and section 20 of the *Service Fees Act*, reviews the Office of the Information Commissioner (OIC)'s access to information activities for 2024–25.

The OIC was created in 1983 under the *Access to Information Act* to support the work of the Information Commissioner. The mandate of the OIC is to conduct efficient, fair and confidential investigations into complaints about government institutions' handling of access to information requests. Investigators conduct these investigations in private, giving all parties involved the opportunity to present their positions on the matters under investigation.

The OIC supports the Commissioner in her advisory role to Parliament and parliamentary committees on all matters pertaining to access to information. The OIC actively supports freedom of information in Canada through targeted initiatives such as Right to Know Week and ongoing dialogue with Canadians, Parliament and government institutions.

Organizational Structure

The OIC supports the Information Commissioner in her advisory role to Parliament and parliamentary committees on all matters pertaining to access to information.

The Commissioner is supported by a complement of approximately 124 employees, including a senior management team of three deputy commissioners:

- Deputy Commissioner, Investigations and Governance
- Deputy Commissioner, Legal Services and Public Affairs
- Deputy Commissioner, Corporate Services, Strategic Planning and Transformation Services

The Access to Information and Privacy Secretariat falls under the Corporate Services, Strategic Planning, and Transformation Services Sector. The ATIP Manager and the Deputy Commissioner of Corporate Services, Strategic Planning, and Transformation Services hold full-delegated authority under the Act.

The OIC has a small team of specialists who carry out the organization's Access to Information and Privacy (ATIP) activities. In 2024–25, the ATIP team consisted of the ATIP Manager and 2 ATIP Officers. Secretariat members process requests, proactively publish completed Access requests, provide training on access and privacy matters to new employees, and develop and implement policies and procedures to ensure that the institution meets its obligations under the Acts.

The OIC ensures that all proactive disclosure requirements are posted within legislated deadlines.

The OIC was not party to any service agreements under section 96 of the *Access to Information Act*.

Information Commissioner Ad Hoc

Requesters who are of the view that the OIC has improperly handled their access request are entitled to file a complaint. To prevent any perception of a conflict of interest and to provide a fair complaint process, the Information Commissioner Ad Hoc investigates complaints regarding access requests submitted to the OIC.

Anne E. Bertrand has been the Information Commissioner Ad Hoc effective June 1, 2018.

Delegation Order(s)

The following delegation orders were in effect May 16, 2024:

Commissariat à l'information du Canada
Office of the Information Commissioner of Canada

30 Victoria,
Gatineau, Québec · K1A 1H3 ·

Arrêté de délégation en vertu de la *Loi sur l'accès à l'information et de la Loi sur la protection des renseignements personnels*

Delegation orders for the purpose of the *Access to Information Act* and the *Privacy Act*

En vertu de l'article 95(1) de la *Loi sur l'accès à l'information* (LAI) et en vertu de l'article 73(1) de la *Loi sur la protection des renseignements personnels* (LPRP), la Commissaire à l'information du Canada délègue aux titulaires des postes mentionnés à l'annexe ci-après, ainsi qu'aux personnes occupant à titre intérimaire lesdits postes, les attributions dont elle est investie en qualité de responsable d'une institution fédérale, c'est-à-dire le Commissariat à l'information du Canada. Le présent arrêté de délégation annule et remplace tout arrêté antérieur fait en vertu de l'article 95 de la LAI et en vertu de l'article 73(1) de la LPRP.

The Information Commissioner of Canada, pursuant to Section 95(1) of the *Access to Information Act* (ATIA) and pursuant to Section 73(1) of the *Privacy Act*, hereby designates the persons holding the positions set out in the schedule hereto, or the persons occupying on an acting basis those positions, to exercise the powers and functions of the Information Commissioner of Canada as the head of a government institution that is, the Office of the Information Commissioner of Canada. This Delegation Order supersedes all previous Delegation Orders pursuant to section 95 of the ATIA and pursuant to section 73(1) of the *Privacy Act*.

Cet arrêté de délégation prend effet le 3 juin 2024.

This delegation order is effective on June 3, 2024.

Fait à Gatineau, ce 16e jour de mai 2024.

Dated, at the City of Gatineau, this 16th day of May 2024.

Maynard, Caroline

Digitally signed by Maynard, Caroline
Date: 2024.05.16 19:27:54 -04'00'

Caroline Maynard
Commissaire à l'information du Canada
Information Commissioner of Canada

Annexe / Schedule

Poste / Position	***Loi sur la protection des renseignements personnels* et *Règlement sur la protection des renseignements personnels* /*Privacy Act* and *Privacy Regulations***	***Loi sur l'accès à l'information* et *Règlement sur l'accès à l'information* / *Access to Information Act* and *Access to Information Regulations***
Sous-commissaire, Services corporatifs, Planification stratégique et Services de transformation/ Deputy Commissioner, Corporate Services, Strategic Planning and Transformation Services	Autorité absolue / Full Authority	Autorité absolue / Full Authority
Directrice principale en ressources humaines, AIPRP et gouvernance corporative/ Senior Director of Human Resources, ATIP and Corporate Governance	Autorité absolue / Full Authority	Autorité absolue / Full Authority
Gestionnaire, Accès à l'information et protection des renseignements personnels / Manager, Access to Information and Privacy	Autorité absolue / Full Authority	Autorité absolue / Full Authority
Agent de l'AIPRP / ATIP Officer	Articles de la *Loi* / Sections of the Act: aucune délégation / no delegation Articles du *Règlement* / Sections of the Regulations : 11(2), 11(4)	Articles de la *Loi* / Sections of the Act: 4(2.1), 8(1), 27(1), 27(4) Article du *Règlement* / Section of the Regulations: 6(1)

Text version

2024–25 Performance

Appendix A contains the OIC's statistical report on the *Access to Information Act* for 2024–25. The following sets out some highlights from that report, along with notable trends related to workload, timeliness and disclosure over the last 5 years.

Workload

The OIC saw a decrease in most areas in 2024–25, except for the total amount of pages processed and the number of informal requests processed.

53 new requests were received, a decrease of 23.2% from the previous fiscal year, which resulted in 53,325 pages being processed – an increase of 201.92% from 2023-24.

2 consultation requests were received which represents a decrease of 75%.

87 informal requests were received, which represents an increase of 74.8%.

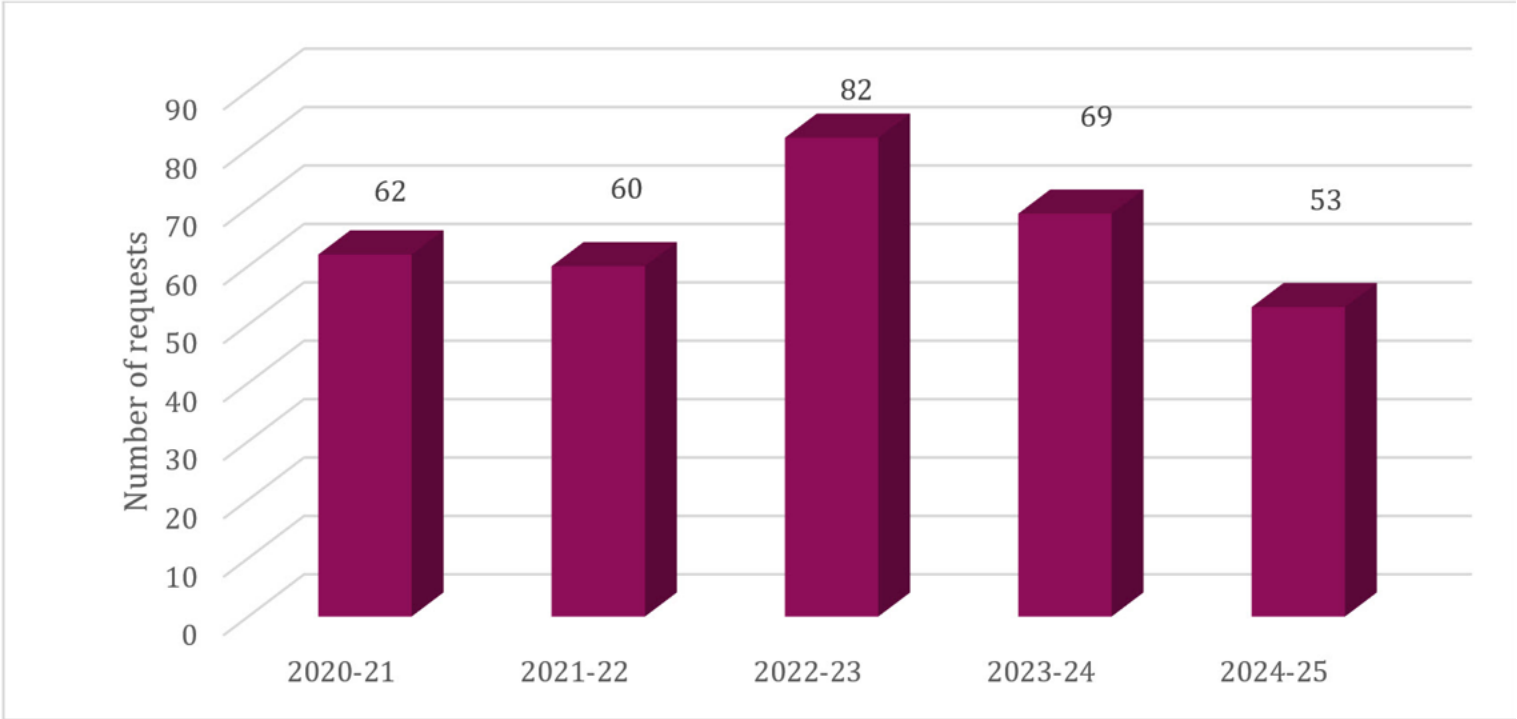
Two requests were carried over from 2023–24 and completed in 2024–25. Three requests were carried over to 2025–26. All requests were closed within their legislated deadlines in 2024–25.

As Figure 1 shows, the annual volume of formal requests can fluctuate widely at the OIC.

Figure 1: New Requests, 2020–21 to 2024–25

Workload Highlights, 2024–25

Requests carried over from 2023-24	2
New requests	53
Requests completed	52
Requests carried over to 2025-26	3
Number of pages processed	53,325
Informal requests received and completed	87
Consultation requests received and completed	2

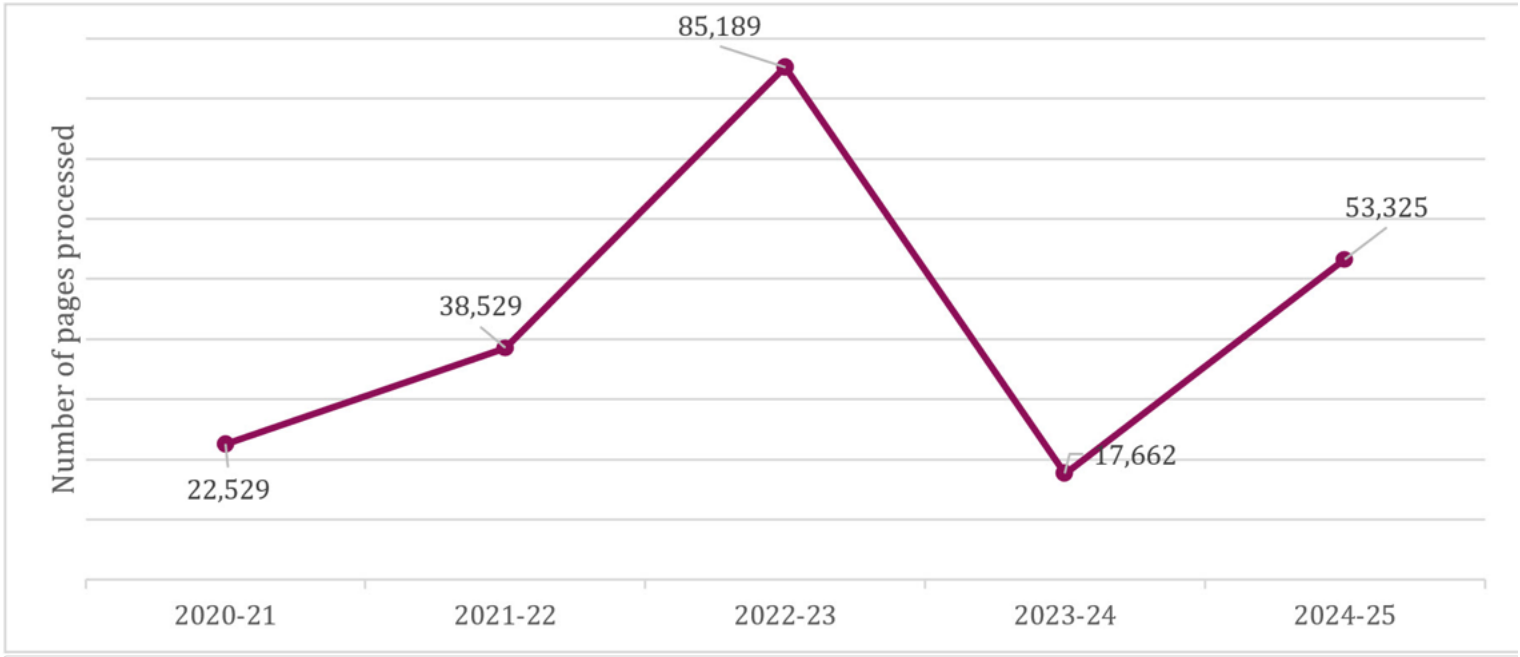


Text version

Over the years, trends have shown that the majority of requests received by the OIC originate with members of the public. In 2024–25, 40 requests (75.5%) were received from members of the public, 6 (11.3%) requests received from decline to identify, 3 (5.6%) from Academia, 0 from Business, 1 (1.8%) from Organizations, and 3 (5.6%) from the Media.

Given the OIC's work investigating complaints, the OIC receives numerous requests related to complaints each year. In 2024–25, the majority of the requests received were for information regarding specific investigations or for general investigations guidance documents.

Figure 2: Number of Pages Processed, 2020–21 to 2024–25



Text version

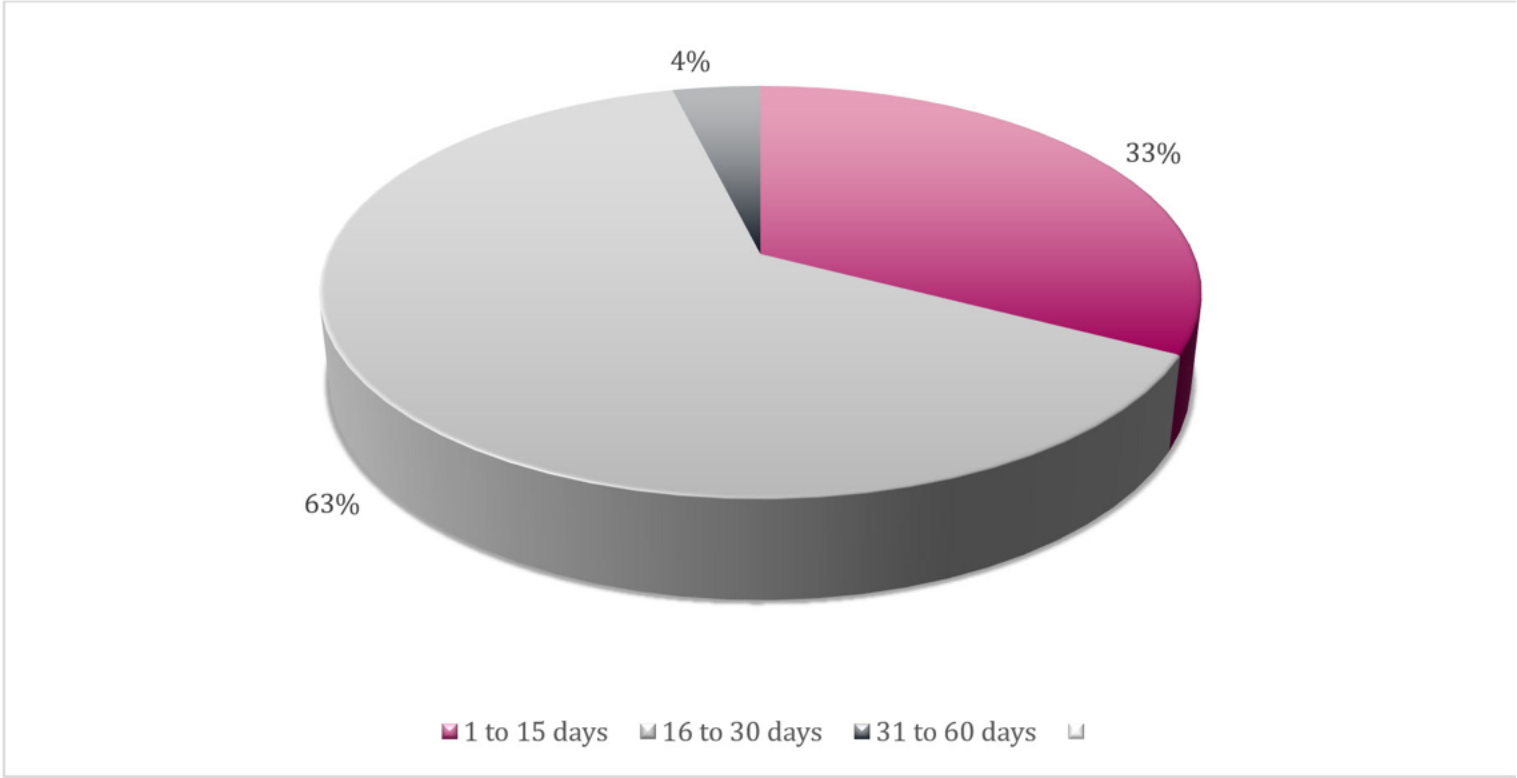
In 2024–25, the OIC processed 53,325 pages in response to formal access to information requests. In addition to formal access requests, the OIC receives **informal requests** each year. These are often requests for records that have previously been released. The OIC responded to 87 such requests in 2024–25, processing a total of 24,959 pages. This means that a total of 78,284 pages were processed in response to formal and informal access to information requests.

The OIC received 2 requests for consultations in 2024–25. This represents a decrease of six requests compared to 2023–24. The OIC does not provide recommendations on the application of exemptions in response to consultation requests under the *Access to Information Act*. This is because the Commissioner could later be required to investigate complaints about the institution's use of those provisions of the Act to withhold information. Not making recommendations allows the Commissioner to maintain impartiality and avoid conflicts of interest.

Timeliness

A hallmark of exemplary service to requesters is timeliness. Indeed, responding to access requests as promptly as possible underpins the entire access system.

Figure 3: Completion Time for Access Requests, 2024–25



Text version

The *Access to Information Act* sets 30 days as the timeframe within which institutions must respond to requests. When institutions determine that they will be unable to complete a request in 30 days, they may take a time extension, provided at least one of the conditions found in section 9 of the Act are present. In keeping with the principle of timeliness, the OIC strives to make these extensions as short as possible.

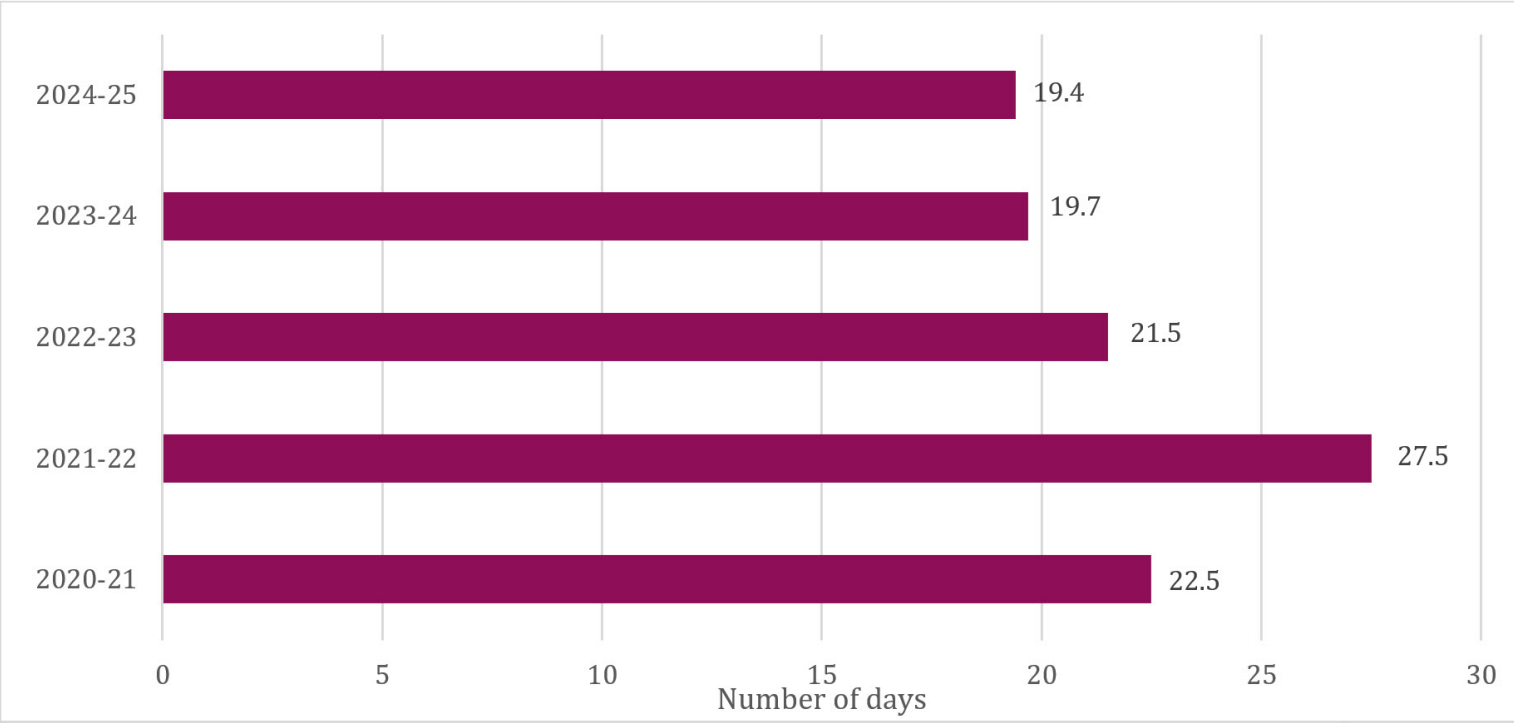
File status is monitored on an ongoing basis by all members of the ATIP team to ensure that all files are completed within statutory deadlines. This is done through the use of regular reports drawn from the OIC's case management system. Senior management is kept up to date on the files through weekly briefings.

Of the 52 requests the OIC closed in 2024–25, 96.2% were completed in **less than 30 days** (Figure 3); with 32.7% completed in 15 days or less and 63.5% completed in 16 to 30 days.

In 2024–25, the OIC took two **time extensions** as per subsection of section 9. Both extensions were for less than 30 days.

The OIC completed all 52 requests in 2024–25 by their deadline (or the extended date), such that the OIC had no "**deemed refusals**."

Figure 4: Average Completion Time for Requests, 2020–21 to 2024–25



Text version

Another measure of timeliness is the **average time it takes to complete a request**. The OIC's average completion time for requests for 2024–25 was **19.4 days**, a slight decrease from the previous year.

As Figure 4 shows, over the last five years, the OIC has consistently achieved an average completion time of less than 30 days.

Disclosure

The purpose of the *Access to Information Act* is to protect the right to access records under the control of government institutions, while ensuring that the use of any exemptions or exclusions is limited and specific. In line with this purpose, the OIC seeks to release as much information as possible to requesters and withhold only what is necessary.

In 2024–25, the OIC disclosed all records in response to 12 requests (23.1%) of the 52 files completed. These included requests for various guidance documents, internal procedural documents and other routine documents.

The OIC released part of the information requested for 21 files (40.4%). In many of these cases, the requests were related to investigations. The OIC cannot release any records related to an investigation unless the investigation and all related proceedings are concluded. At that time, some records may be released, as set out in section 16.1 of the Act.

In 2024–25, the OIC received 12 requests for which no records were found. This represents 23.1% of the total request volume.

Exemptions Claimed

The OIC claimed 5 different exemptions to sever information when responding to requests throughout the 26 files where information was redacted. There were no exclusions invoked.

Paragraph 16.1(1)(c) of the Act, which specifically exempts records associated with the OIC's investigations, was invoked in 21 of the 26 files where information was withheld. This is a mandatory exemption.

Disposition of Completed Requests, 2024–25

Disposition	Number of requests (percentage of total)
All disclosed	12 (23.1%)
Disclosed in part	21 (40.4%)
All exempted	5 (9.6%)
No records exist	12 (23.1%)
Request transferred	0 (0%)
Request abandoned	2 (3.8%)
Neither confirm nor denied	0 (0%)
Total	52 (100%)

As in previous years, paragraph 16.1(1)(c) was the OIC's most commonly claimed exemption during this reporting period. Subsection 19(1), which requires the severance of personal information, was the second-most used exemption, having been invoked in 6 of the 26 files. This is also a mandatory exemption.

The Act also excludes certain information, such as Cabinet confidences (section 69) or information that is available for purchase (subsection 68(a)). No exclusions were invoked by the OIC in 2024–25.

Training and Awareness

The OIC raises awareness regarding the right of access in Canada through targeted initiatives such as Right to Know Week and ongoing dialogue with Canadians, Parliament and government institutions.

The OIC ATIP team provides ongoing training on access and privacy matters to OIC employees. In 2024–25, the Secretariat held formal training sessions for all new employees. A total of 14 employees participated in these sessions. Informal training sessions were held on an ad hoc basis with current employees as required. The Legal Services team also offered in-depth training on the Act to all new investigators.

Policies, Guidelines and Procedures

Our institution initiated a review of current policies, guidelines (i.e. updated web awareness information, Qs & As) and procedures (i.e. internal tools and approval templates) during this reporting period which are planned to be updated and implemented by the next reporting period.

Proactive Publication under Part 2 of the *Access to Information Act*

The OIC is a government institution listed in Schedule I of the *Access to Information Act*.

The OIC fulfilled its obligation for proactive disclosure requirements by ensuring all relevant information was posted online by the prescribed publication timeline. For 2024–25, the OIC achieved 100% compliance.

Legislative Requirement	Section	Publication Timeline	Directorate Responsible	Publication Location
All Government Institutions as defined in section 3 of the *Access to Information Act*				
Travel Expenses	82	Within 30 days after the end of the month of reimbursement	Corporate Services	Travel Expenses
Hospitality Expenses	83	Within 30 days after the end of the month of reimbursement	Corporate Services	Hospitality Expenses
Reports tabled in Parliament	84	Within 30 days after tabling	Public Affairs	Reports Tabled in Parliament
Government entities or Departments, agencies, and other bodies subject to the Act and listed in Schedules I, I.1, or II of the *Financial Administration Act*				
Contract Over $10,000	86	Q1-3: Within 30 days after the quarter Q4: Within 60 days after the quarter	Corporate Services	Contracts over $10,000
Grants & Contributions over $25,000	87	Within 30 days after the quarter	Corporate Services	Grants and Contributions
Packages of briefing materials prepared for new or incoming deputy heads or equivalent	88(a)	Within 120 days after appointment	Public Affairs	Briefing Materials for New Deputy Heads
Titles and reference numbers of memoranda prepared for a deputy head or equivalent, that is received by their office	88(b)	Within 30 days after the end of the month received	Public Affairs	Briefing Note Titles and Numbers
Packages of briefing materials prepared for a deputy head or equivalent's appearance before a committee of Parliament	88(c)	Within 120 days after appearance	Public Affairs	Briefing Materials Appearance Before Parliament

Government institutions that are departments named in Schedule I to the *Financial Administration Act* or portions of the core public administration named in Schedule IV to that Act				
Reclassification of positions	85	Within 30 days after the quarter	Corporate Services	Position Reclassification
Non-Legislated Proactive Disclosure				
Access to Information Summaries	N/A	Within 30 days of the month it was completed	Public Affairs	ATI Requests Summaries

Initiatives and Projects to Improve Access to Information

A few projects were initiated in 2024–25 such as the development of awareness material and optimization of internal processes to improve access to information within the OIC which are planned to be fully implemented in 2025-2026.

Implementation of SharePoint

In order to modernize its file management system, improve efficiency and collaboration and align with the Government of Canada's implementation of SharePoint as a tool for information management and digital government initiatives, the OIC fully implemented this solution as its central repository in 2024–25. SharePoint is used to support compliance with TBS policies, such as the Policy on Service and Digital, and to enhance collaboration and productivity within the OIC.

Summary of Key Issues and Actions Taken on Complaints

In 2024–25, the Information Commissioner Ad Hoc received 8 complaints about the OIC's handling of access requests. Of the eight complaints investigated; none were deemed Well-Founded. The annual report of the Information Commissioner Ad Hoc was published as an appendix of the Commissioner's annual report.

With the goal of resolving complaints promptly, the OIC responded quickly to the Ad Hoc Commissioner's requests and in all cases.

Eight (8) complaints were received during 2024–25 and 1 was carried over to fiscal year 2025–26.

Reporting on Access to Information fees for the purposes of the *Service Fees Act*

The *Service Fees Act* requires a responsible authority to report annually to Parliament on the fees collected by the institution.

With respect to fees collected under the *Access to Information Act*, the information below is reported in accordance with the requirements of section 20 of the *Service Fees Act*.

- Enabling authority: *Access to Information Act*
- Fee payable: A $5.00 application fee is the only fee charged for an ATI request, however the OIC waives this fee to prevent barriers to access.
- Total revenue: $0
- Fees waived or refunded: The total amount of waived fees for this reporting period is $265.
- Cost of operating the program: $215,586.

Monitoring Compliance

The OIC monitors compliance with the *Access to Information Act* in a variety of ways. This includes regular team meetings, bilateral meetings, and reporting file status via a weekly report shared with management.

In order to ensure that timelines are respected, the OIC ATIP Secretariat only consults other government institutions when absolutely necessary, and in a manner that ensures timely responses and is in line with the Implementation Notice published by Treasury Board Secretariat.

The right of public access to information is reflected in contracts, information sharing agreements and arrangements via the inclusion of standard clauses to ensure awareness of obligations under the *Access to Information Act* and the *Privacy Act*.

Each sector within the OIC is responsible for monitoring the accuracy and completeness of proactively published information within their sphere of responsibility.

Appendix A

Statistical Report on the *Access to Information Act*

Name of institution: Office of the Information Commissioner of Canada

Reporting period: 2024-04-01 to 2025-03-31

Section 1: Requests Under the *Access to Information Act*

1.1 Number of requests

		Number of Requests
Received during reporting period		53
Outstanding from previous reporting periods		2
• Outstanding from previous reporting period	2	
• Outstanding from more than one reporting period	0	
Total		**55**
Closed during reporting period		52
Carried over to next reporting period		3
• Carried over within legislated timeline	3	
• Carried over beyond legislated timeline	0	

1.2 Sources of requests

Source	Number of Requests
Media	3
Academia	3
Business (private sector)	0
Organization	1
Public	40
Decline to Identify	6
Total	**53**

1.3 Channels of requests

Source	Number of Requests
Online	25
E-mail	22
Mail	6
In person	0
Phone	0
Fax	0
Total	**53**

Section 2: Informal Requests

2.1 Number of informal requests

		Number of Requests
Received during reporting period		87
Outstanding from previous reporting periods		0
• Outstanding from previous reporting period	0	
• Outstanding from more than one reporting period	0	
Total		**87**
Closed during reporting period		87
Carried over to next reporting period		0

2.2 Channels of informal requests

Source	Number of Requests
Online	83
E-mail	4
Mail	0
In person	0
Phone	0
Fax	0
Total	**87**

2.3 Completion time of informal requests

Completion Time							
1 to 15 Days	16 to 30 Days	31 to 60 Days	61 to 120 Days	121 to 180 Days	181 to 365 Days	More Than 365 Days	Total
67	20	0	0	0	0	0	**87**

2.4 Pages released informally

Less Than 100 Pages Released		100-500 Pages Released		501-1000 Pages Released		1001-5000 Pages Released		More Than 5000 Pages Released	
Number of Requests	Pages Released	Number of Requests	Pages Released	Number of Requests	Pages Released	Number of Requests	Pages Released	Number of Requests	Pages Released
69	1639	12	2478	5	3043	0	0	1	17799

2.5 Pages re-released informally

Less Than 100 Pages Re-released		100-500 Pages Re-released		501-1000 Pages Re-released		1001-5000 Pages Re-released		More Than 5000 Pages Re-released	
Number of Requests	Pages Re-released	Number of Requests	Pages Re-released	Number of Requests	Pages Re-released	Number of Requests	Pages Re-released	Number of Requests	Pages Re-released
0	0	0	0	0	0	0	0	0	0

Section 3: Applications to the Information Commissioner on Declining to Act on Requests

	Number of Requests
Outstanding from previous reporting period	0
Sent during reporting period	0
Total	**0**
Approved by the Information Commissioner during reporting period	0
Declined by the Information Commissioner during reporting period	0
Withdrawn during reporting period	0
Carried over to next reporting period	0

Section 4: Requests Closed During the Reporting Period

4.1 Disposition and completion time

Disposition of Requests	Completion Time							
	1 to 15 Days	16 to 30 Days	31 to 60 Days	61 to 120 Days	121 to 180 Days	181 to 365 Days	More Than 365 Days	Total
All disclosed	2	9	1	0	0	0	0	**12**
Disclosed in part	3	17	1	0	0	0	0	**21**
All exempted	1	4	0	0	0	0	0	**5**
All excluded	0	0	0	0	0	0	0	**0**
No records exist	10	2	0	0	0	0	0	**12**
Request transferred	1	0	0	0	0	0	0	**1**
Request abandoned	0	1	0	0	0	0	0	**1**
Neither confirmed nor denied	0	0	0	0	0	0	0	**0**
Declined to act with the approval of the Information Commissioner	0	0	0	0	0	0	0	**0**
Total	**17**	**33**	**2**	**0**	**0**	**0**	**0**	**52**

4.2 Exemptions

Section	Number of Requests	Section	Number of Requests	Section	Number of Requests	Section	Number of Requests
13(1)(a)	0	16(2)	0	18(a)	0	20.1	0
13(1)(b)	0	16(2)(a)	0	18(b)	0	20.2	0
13(1)(c)	0	16(2)(b)	0	18(c)	0	20.4	0
13(1)(d)	0	16(2)(c)	0	18(d)	0	21(1)(a)	0
13(1)(e)	0	16(3)	0	18.1(1)(a)	0	21(1)(b)	0
14	0	16.1(1)(a)	0	18.1(1)(b)	0	21(1)(c)	0
14(a)	0	16.1(1)(b)	0	18.1(1)(c)	0	21(1)(d)	0
14(b)	0	16.1(1)(c)	21	18.1(1)(d)	0	22	0
15(1)	1	16.1(1)(d)	0	19(1)	6	22.1(1)	0
15(1) - I.A.*	0	16.2(1)	0	20(1)(a)	0	23	5
15(1) - Def.*	0	16.3	0	20(1)(b)	0	23.1	0
15(1) - S.A.*	0	16.4(1)(a)	0	20(1)(b.1)	0	24(1)	0
16(1)(a)(i)	0	16.4(1)(b)	0	20(1)(c)	0	26	0
16(1)(a)(ii)	0	16.5	0	20(1)(d)	0		

16(1)(a)(iii)	0	16.6	0				
16(1)(b)	0	17	0				
16(1)(c)	2						
16(1)(d)	0						

* I.A.: International Affairs Def.: Defence of Canada S.A.: Subversive Activities

4.3 Exclusions

Section	Number of Requests	Section	Number of Requests	Section	Number of Requests
68(a)	0	69(1)	0	69(1)(g) re (a)	0
68(b)	0	69(1)(a)	0	69(1)(g) re (b)	0
68(c)	0	69(1)(b)	0	69(1)(g) re (c)	0
68.1	0	69(1)(c)	0	69(1)(g) re (d)	0
68.2(a)	0	69(1)(d)	0	69(1)(g) re (e)	0
68.2(b)	0	69(1)(e)	0	69(1)(g) re (f)	0
		69(1)(f)	0	69.1(1)	0

4.4 Format of information released

Paper	Electronic				Other
	E-record	Data set	Video	Audio	
0	33	0	0	0	0

4.5 Complexity

4.5.1 Relevant pages processed and disclosed for paper and e-record formats

Number of Pages Processed	Number of Pages Disclosed	Number of Requests
53325	53046	39

4.5.2 Relevant pages processed per request disposition for paper and e-record formats by size of requests

Disposition	Less Than 100 Pages Processed		100-500 Pages Processed		501-1000 Pages Processed		1001-5000 Pages Processed		More Than 5000 Pages Processed	
	Number of Requests	Pages Processed	Number of Requests	Pages Processed	Number of Requests	Pages Processed	Number of Requests	Pages Processed	Number of Requests	Pages Processed
All disclosed	11	237	0	0	0	0	1	2152	0	0

Disclosed in part	9	278	6	1296	2	1499	2	4595	2	43079
All exempted	5	189	0	0	0	0	0	0	0	0
All excluded	0	0	0	0	0	0	0	0	0	0
Request abandoned	1	0	0	0	0	0	0	0	0	0
Neither confirmed nor denied	0	0	0	0	0	0	0	0	0	0
Declined to act with the approval of the Information Commissioner	0	0	0	0	0	0	0	0	0	0
Total	**26**	**704**	**6**	**1296**	**2**	**1499**	**3**	**6747**	**2**	**43079**

4.5.3 Relevant minutes processed and disclosed for audio formats

Number of Minutes Processed	Number of Minutes Disclosed	Number of Requests
0	0	0

4.5.4 Relevant minutes processed per request disposition for audio formats by size of requests

Disposition	Less Than 60 Minutes Processed		60 - 120 Minutes Processed		More than 120 Minutes Processed	
	Number of Requests	Minutes Processed	Number of Requests	Minutes Processed	Number of Requests	Minutes Processed
All disclosed	0	0	0	0	0	0
Disclosed in part	0	0	0	0	0	0
All exempted	0	0	0	0	0	0
All excluded	0	0	0	0	0	0
Request abandoned	0	0	0	0	0	0
Neither confirmed nor denied	0	0	0	0	0	0
Declined to act with the approval of the Information Commissioner	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

4.5.5 Relevant minutes processed and disclosed for video formats

Number of Minutes Processed	Number of Minutes Disclosed	Number of Requests
0	0	0

4.5.6 Relevant minutes processed per request disposition for video formats by size of requests

Disposition	Less Than 60 Minutes Processed		60 - 120 Minutes Processed		More than 120 Minutes Processed	
	Number of Requests	Minutes Processed	Number of Requests	Minutes Processed	Number of Requests	Minutes Processed
All disclosed	0	0	0	0	0	0
Disclosed in part	0	0	0	0	0	0
All exempted	0	0	0	0	0	0
All excluded	0	0	0	0	0	0
Request abandoned	0	0	0	0	0	0
Neither confirmed nor denied	0	0	0	0	0	0
Declined to act with the approval of the Information Commissioner	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

4.5.7 Other complexities

Disposition	Consultation Required	Legal Advice Sought	Other	Total
All disclosed	1	0	0	**1**
Disclosed in part	1	3	0	**4**
All exempted	0	1	0	**1**
All excluded	0	0	0	**0**
Request abandoned	0	0	0	**0**
Neither confirmed nor denied	0	0	0	**0**
Declined to act with the approval of the Information Commissioner	0	0	0	**0**
Total	**2**	**4**	**0**	**6**

4.6 Closed requests

4.6.1 Requests closed within legislated timelines

Number of requests closed within legislated timelines	52
Percentage of requests closed within legislated timelines (%)	100

4.7 Deemed refusals

4.7.1 Reasons for not meeting legislated timelines

	Principal Reason			

Number of requests closed past the legislated timelines	Interference with operations/ Workload	External Consultation	Internal Consultation	Other
0	0	0	0	0

4.7.2 Requests closed beyond legislated timelines (including any extension taken)

Number of days past legislated timelines	Number of requests past legislated timeline where no extension was taken	Number of requests past legislated timeline where an extension was taken	Total
1 to 15 days	0	0	**0**
16 to 30 days	0	0	**0**
31 to 60 days	0	0	**0**
61 to 120 days	0	0	**0**
121 to 180 days	0	0	**0**
181 to 365 days	0	0	**0**
More than 365 days	0	0	**0**
Total	**0**	**0**	**0**

4.8 Requests for translation

Translation Requests	Accepted	Refused	Total
English to French	0	0	**0**
French to English	0	0	**0**
Total	**0**	**0**	**0**

Section 5: Extensions

5.1 Reasons for extensions and disposition of requests

Disposition of Requests Where an Extension Was Taken	9(1)(a) Interference With Operations/ Workload	9(1)(b) Consultation		9(1)(c) Third-Party Notice
		Section 69	Other	
All disclosed	1	0	1	0
Disclosed in part	0	0	1	0
All exempted	0	0	0	0
All excluded	0	0	0	0
Request abandoned	0	0	0	0

No records exist	0	0	0	0
Declined to act with the approval of the Information Commissioner	0	0	0	0
Total	**1**	**0**	**2**	**0**

5.2 Length of extensions

Length of Extensions	9(1)(a) Interference With Operations/ Workload	9(1)(b) Consultation		9(1)(c) Third-Party Notice
		Section 69	Other	
30 days or less	1	0	2	0
31 to 60 days	0	0	0	0
61 to 120 days	0	0	0	0
121 to 180 days	0	0	0	0
181 to 365 days	0	0	0	0
365 days or more	0	0	0	0
Total	**1**	**0**	**2**	**0**

Section 6: Fees

Fee Type	Fee Collected		Fee Waived		Fee Refunded	
	Number of Requests	Amount	Number of Requests	Amount	Number of Requests	Amount
Application	0	$0.00	0	$0.00	0	$0.00
Other fees	0	$0.00	0	$0.00	0	$0.00
Total	**0**	**$0.00**	**0**	**$0.00**	**0**	**$0.00**

Section 7: Consultations Received From Other Institutions and Organizations

7.1 Consultations received from other Government of Canada institutions and other organizations

Consultations	Other Government of Canada Institutions	Number of Pages to Review	Other Organizations	Number of Pages to Review
Received during the reporting period	2	0	0	0
Outstanding from the previous reporting period	0	0	0	0

Total	**2**	**0**	**0**	**0**
Closed during the reporting period	2	0	0	0
Carried over within negotiated timelines	0	0	0	0
Carried over beyond negotiated timelines	0	0	0	0

7.2 Recommendations and completion time for consultations received from other Government of Canada institutions

Recommendation	Number of Days Required to Complete Consultation Requests							
	1 to 15 Days	16 to 30 Days	31 to 60 Days	61 to 120 Days	121 to 180 Days	181 to 365 Days	More Than 365 Days	Total
Disclose entirely	0	0	0	0	0	0	0	**0**
Disclose in part	0	0	0	0	0	0	0	**0**
Exempt entirely	0	0	0	0	0	0	0	**0**
Exclude entirely	0	0	0	0	0	0	0	**0**
Consult other institution	0	0	0	0	0	0	0	**0**
Other	2	0	0	0	0	0	0	**2**
Total	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**2**

7.3 Recommendations and completion time for consultations received from other organizations outside the Government of Canada

Recommendation	Number of Days Required to Complete Consultation Requests							
	1 to 15 Days	16 to 30 Days	31 to 60 Days	61 to 120 Days	121 to 180 Days	181 to 365 Days	More Than 365 Days	Total
Disclose entirely	0	0	0	0	0	0	0	**0**
Disclose in part	0	0	0	0	0	0	0	**0**
Exempt entirely	0	0	0	0	0	0	0	**0**
Exclude entirely	0	0	0	0	0	0	0	**0**
Consult other institution	0	0	0	0	0	0	0	**0**
Other	0	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Section 8: Completion Time of Consultations on Cabinet Confidences

8.1 Requests with Legal Services

Number of Days	Fewer Than 100 Pages Processed		100-500 Pages Processed		501-1000 Pages Processed		1001-5000 Pages Processed		More Than 5000 Pages Processed	
	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed
1 to 15	0	0	0	0	0	0	0	0	0	0
16 to 30	0	0	0	0	0	0	0	0	0	0
31 to 60	0	0	0	0	0	0	0	0	0	0
61 to 120	0	0	0	0	0	0	0	0	0	0
121 to 180	0	0	0	0	0	0	0	0	0	0
181 to 365	0	0	0	0	0	0	0	0	0	0
More than 365	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

8.2 Requests with Privy Council Office

Number of Days	Fewer Than 100 Pages Processed		100-500 Pages Processed		501-1000 Pages Processed		1001-5000 Pages Processed		More Than 5000 Pages Processed	
	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed	Number of Requests	Pages Disclosed
1 to 15	0	0	0	0	0	0	0	0	0	0
16 to 30	0	0	0	0	0	0	0	0	0	0
31 to 60	0	0	0	0	0	0	0	0	0	0
61 to 120	0	0	0	0	0	0	0	0	0	0
121 to 180	0	0	0	0	0	0	0	0	0	0
181 to 365	0	0	0	0	0	0	0	0	0	0
More than 365	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Section 9: Investigations and Reports of finding

9.1 Investigations

Section 32 Notice of intention to investigate	Subsection 30(5) Ceased to investigate	Section 35 Formal Representations

8	0	8

9.2 Investigations and Reports of finding

Section 37(1) Initial Reports			Section 37(2) Final Reports		
Received	Containing recommendations issued by the Information Commissioner	Containing orders issued by the Information Commissioner	Received	Containing recommendations issued by the Information Commissioner	Containing orders issued by the Information Commissioner
0	0	0	8	0	0

Section 10: Court Action

10.1 Court actions on complaints

Section 41				
Complainant (1)	Institution (2)	Third Party (3)	Privacy Commissioner (4)	Total
1	0	0	0	1

10.2 Court actions on third party notifications under paragraph 28(1)(b)

Section 44 - under paragraph 28(1)(b)
0

Section 11: Resources Related to the *Access to Information Act*

11.1 Allocated Costs

Expenditures		Amount
Salaries		$215,586
Overtime		$0
Goods and Services		$0
• Professional services contracts	$0	
• Other	$0	
Total		**$215,586**

11.2 Human Resources

Resources	Person Years Dedicated to Access to Information Activities
Full-time employees	2.000
Part-time and casual employees	0.000
Regional staff	0.000
Consultants and agency personnel	0.000
Students	0.000
Total	**2.000**

Note: Enter values to three decimal places.

Supplemental Statistical report on the *Access to Information Act* and the *Privacy Act*

Name of institution: Office of the Information Commissioner of Canada

Reporting period: 2024-04-01 to 2025-03-31

Section 1: Requests Carried Over and Complaints Under the *Access to Information Act*

1.1 Requests carried over to next reporting period, broken down by reporting period received

Reporting Period Requests Carried Over Were Received	Requests Carried Over that are *Within* Legislated Timelines as of March 31, 2025	Requests Carried Over that are *Beyond* Legislated Timelines as of March 31, 2025	Total
Received in 2024-25	3	0	**3**
Received in 2023-24	0	0	**0**
Received in 2022-23	0	0	**0**
Received in 2021-22	0	0	**0**
Received in 2020-21	0	0	**0**
Received in 2019-20	0	0	**0**
Received in 2018-19	0	0	**0**
Received in 2017-18	0	0	**0**
Received in 2016-17	0	0	**0**
Received in 2015-16 or earlier	0	0	**0**
Total	**3**	**0**	**3**

1.2 Active complaints with the Information Commissioner of Canada. broken down by reporting period

Reporting Period Active Complaints Were Received by institution	Number of Active Complaints
Received in 2024-25	1
Received in 2023-24	0
Received in 2022-23	0
Received in 2021-22	0
Received in 2020-21	0
Received in 2019-20	0
Received in 2018-19	0
Received in 2017-18	0
Received in 2016-17	0
Received in 2015-16 or earlier	0
Total	**1**

Section 2: Requests Carried Over and Active Complaints Under the *Privacy Act*

2.1 Requests carried over to next reporting period, broken down by reporting period received

Reporting Period Requests Carried Over Were Received	Request Carried Over that are Within Legislated Timelines as of March 31, 2025	Requests Carried Over that are *Beyond* Legislated Timelines as of March 31, 2025	Total
Received in 2024-25	2	0	**2**
Received in 2023-24	0	0	**0**
Received in 2022-23	0	0	**0**
Received in 2021-22	0	0	**0**
Received in 2020-21	0	0	**0**
Received in 2019-20	0	0	**0**
Received in 2018-19	0	0	**0**
Received in 2017-18	0	0	**0**
Received in 2016-17	0	0	**0**
Received in 2015-16 or earlier	0	0	**0**
Total	**0**	**0**	**0**

2.2 Active complaints with the Privacy Commissioner of Canada, broken down by reporting period

Reporting Period Active Complaints Were Received by institutions	Number of Active Complaints
Received in 2024-25	0
Received in 2023-24	0
Received in 2022-23	0
Received in 2021-23	0
Received in 2020-21	0
Received in 2019-20	0
Received in 2018-19	0
Received in 2017-18	0
Received in 2016-17	0
Received in 2015-16 or earlier	0
Total	**0**

Section 3: Social Insurance Number

Has your institution begun a new collection or new consistent use of the SIN in 2024-2025?	**No**

Section 4: Universal Access under the Privacy Act

How many requests were received from confirmed foreigh nationals outside of Canada in 2024-2025	**1**

Date modified:
2025-09-23

2025-2026 Departmental plan

On this page:

- From the Commissioner
- Plans to deliver on core responsibilities and internal services
  - Core responsibility: Government Transparency
  - Internal services
- Planned spending and human resources
  - Spending
  - Funding
  - Future-oriented condensed statement of operations
  - Human resources
- Corporate information
- Supplementary information tables
- Federal tax expenditures
- Definitions

From the Commissioner

The renewal of my mandate as Canada's Information Commissioner in November 2024 represents continuity for both the Office of the Information Commissioner (OIC (Office of the Information Commissioner)) and the federal access to information system. It also enables me to confirm several of the priorities that will guide the OIC's operations throughout fiscal year 2025-26 and beyond.

While my focus will continue to be on investigating complaints and providing advice to Parliament, I intend to build on the progress made during my initial mandate (2018-2025), with activities focused on promoting transparency, strengthening collaboration, ensuring compliance with the requirements of the *Access to Information Act*, fostering innovation and enhancing the efficiency of our operations.

First and foremost, I remain committed to promoting a culture of transparency within federal institutions, where "transparency by default" guides the design of programs, policies and services, ensuring information is made available proactively rather than only upon request. I affirmed this

commitment, together with my provincial and territorial counterparts, in a joint resolution issued at the end of 2024. Whenever possible, I will engage with public servants of all levels to emphasize their responsibilities in the areas of transparency and access to information. By adopting the right mindset, we can reduce the strain on an access to information system that continues to be plagued by unacceptable delays and excessive redactions.

I will continue to provide guidance and ensure that institutions respect their statutory obligations when Canadian are requesting or obtaining access to documents, including issuing orders and taking any necessary legal action. In addition, I plan to undertake more systemic investigations, when I determine these are warranted, to identify and address root causes of dysfunction within the system, providing recommendations to improve overall performance.

With the review of the *Access to Information Act*on the horizon, I will advocate for the modernization of the federal access law to reflect current technological and societal realities. This includes addressing outdated provisions, incorporating new standards for transparency and accountability, and revisiting the funding mechanism for my office, which remains crucial to ensuring that the OIC has the necessary resources to operate effectively and independently.

Through this departmental plan, my team and I reaffirm our commitment to uphold the right of access to information for all Canadians.

Reducing the inventory of complaints submitted to my office remains a priority, with the goal of ensuring that this inventory consists only of complaints dating back no more than two years. In an environment of limited resources, assessing how artificial intelligence and other technological innovations can be leveraged to allow my team to further streamline our processes, automate routine tasks, and improve the efficiency of handling complaints, ensuring that new complaints are assigned and processed as quickly as possible to the benefit of Canadians.

I am convinced that by focusing on these priorities, my team and I can build on the progress made during my previous term and continue to uphold the right of access to information for all Canadians.

Plans to deliver on core responsibilities and internal services

Core responsibility and internal services

- Core responsibility: Government Transparency
- Internal services

Core responsibility: Government Transparency

In this section

- Description
- Quality of life impacts
- Indicators, results and targets
- Plans to achieve results
- Key risks
- Planned resources to achieve results
- Program inventory

Description

The Information Commissioner is the first level of independent review of government decisions relating to requests for information under the control of government institutions. The second level of independent review is performed by the Federal Court.

Quality of life impacts

This core responsibility contributes to the “Good Governance” theme of the Quality of Life Framework for Canada and, more specifically, “confidence in institutions,” through all activities associated with Government transparency.

Indicators, results and targets

This section presents details on the department’s indicators, the actual results from the three most recently reported fiscal years, the targets and target dates approved in 2025-26 for Government Transparency. Details are presented by departmental result.

Table 1: Canadians receive timely resolution of complaints on how federal institutions process access to information requests.

Table 1 provides a summary of the target and actual results for each indicator associated with the results under Canadians receive timely resolution of complaints on how federal institutions process access to information requests.

Departmental Result Indicators	Actual Results	Target	Date to achieve target
Percentage of refusal complaints assigned to investigators within 120 days of being registered	2021-22: 28.6% 2022-23: 32.4% 2023-24: 28.1%	At least 85%	March 31, 2026
Percentage of investigations of administrative complaints completed within 90 days	2021-22: 61.8% 2022-23: 83.4% 2023-24: 78.8%	At least 85%	March 31, 2026
Percentage of administrative complaints assigned to investigators within 30 days of being registered	2021-22: 27.7% 2022-23: 33.0% 2023-24: 14.9%	At least 85%	March 31, 2026
Percentage of investigations of refusal complaints completed within 270 days	2021-22: 64.0% 2022-23: 54.8% 2023-24: 61.2%	At least 85%	March 31, 2026
Complaint investigations completed each year is equal to or more than the complaints received	2021-22: 98% 2022-23: 109% 2023-24: 124%	At least 100%	March 31, 2026
Commissioner's orders are published within 120 days of being issued	2021-22: 63% 2022-23: 58% 2023-24: 98%	100%	March 31, 2026

The OIC is working towards meeting all its targets but also remains committed to balancing the investigation of new complaints and resolving older complaints from its inventory, ensuring fairness and progress. By the end of 2024-25, a minimal number of complaints filed prior to 2023 will remain in the inventory. Maintaining a contemporary inventory will help the OIC in achieving its timeliness targets in future years. Various factors continue to influence the pace of investigations, including the complexity of cases, the sensitivity of information, and the workload of the institutions under review. The OIC continues to focus on streamlining its work processes to maximize productivity. The timely assignment of complaints also requires a skilled and adequately resourced team of investigators, capable of managing the workload effectively. The OIC also continues to invest in its resources, and actively backfills vacancies annually. However, budgetary constraints limit its ability to expand its investigative workforce beyond its current capacity.

Additional information on the detailed results and performance information for the OIC's program inventory is available on GC InfoBase.

Plans to achieve results

The following section describes the planned results for Government Transparency in 2025-26.

Departmental Result: Canadians receive timely resolution of complaints on how federal institutions process access to information requests.

The OIC does not control how many complaints will be made each year. It receives complaints for 2 to 4% of all access to information requests made, meaning that if the volume of requests grows, the volume of complaints will grow proportionally.

The existing inventory consists of a wide variety of complaints, from federal employees wishing to access their personal human resource records to complaints about immigration, tax records, or national security. Tackling the OIC's inventory of complaints not only requires efficient processes, but also trained investigators with the capacity and security level to take on new work.

The Commissioner continues to be focussed on ensuring the OIC's processes are efficient in order to investigate complaints in a timely manner by:

- reducing the amount of time the OIC takes to assign a complaint,
- reducing the time it takes to complete an investigation once assigned, and
- ensuring the alignment of legal resources with operational requirements.

When the OIC both assigns and concludes complaint investigations in a timely manner, it ensures Canadians receive the information to which they are entitled without undue delay. It also ensures that, if required, it also ensures that, if necessary, the second level of independent control, the Federal Court, is rapidly accessible.

To accomplish these goals, the OIC and institutions under complaint must be adequately funded. Currently, there are more complaints in the OIC inventory than can be assigned. An adequately funded OIC ensures a sufficient number of investigators to permit the assigning of complaint investigations in a timely manner. The Commissioner will continue to advocate for a funding model that provides the OIC with the resources needed to operate and which reflects her status as an independent agent of Parliament. The Commissioner will also continue to advocate for ATIP teams within institutions as they too must keep pace with an ever-increasing workload.

The Commissioner voiced her concerns about the Government's Trust and Transparency Strategy issued in May 2024, and noted the lack of concrete commitments or measurable outcomes. The *Access to Information Act*, which came into force in 1983, no longer meets the needs of Canadians in the twenty-first century. Without legislative change, the access to information regime cannot be fully modernized. The government has set 2025 as the start date for the legislative review and the Commissioner looks forward to providing advice on amendments that are urgently needed.

The Commissioner will also increase the support she provides to institutions and complainants in the form of guidance, presentations, meetings and of course, through the publication of her decisions.

The OIC publishes all of the Commissioner's orders on delay complaints and all final reports on refusal complaints for which an order is made. The OIC also publishes summaries of the Commissioner's decisions pursuant to subsection 6.1(1) (applications for the Commissioner's approval to decline to act on an access request) and when the Commissioner deems them to be of value in providing guidance to both institutions and requesters. While this is a resource-intensive process, involving legal review, translation and web publishing, it is vital to ensuring decisions made by the Commissioner are transparent and contribute to a better understanding of how the Commissioner applies the Act. Increasingly, institutions and complainants refer to published decisions to frame their arguments and negotiate whenever possible, an informal resolution to the issue at hand.

While the informal resolution of complaints is by far the most efficient way to conclude an investigation, the Commissioner will not hesitate, when necessary, to use the full extent of her powers, including making orders.

Legal support is essential to both the investigative process and any litigation following the conclusion of a complaint. As the Commissioner continues to issue orders, ensuing litigation continues to increase accordingly. While only a small portion of complaints result in litigation before the Federal Court, the Commissioner's ability to defend her orders, and seek strategic interventions when appropriate, is an integral part of her role of ensuring that the Act is properly applied by institutions. To that end, the OIC continues to work to increase its capacity in legal services through the recruitment and retention of experienced legal counsel to ensure the necessary legal support, both during investigations and before the courts.

The OIC will continue to balance the needs and preferences of its employees, as well as operational requirements to sustain a hybrid work environment that is inclusive, equitable, transparent and high-performing. The OIC is transforming operations by including a new centralized records management database and collaborative platform, as well as additional secure information technology equipment and software, and advancing migration to cloud computing.

Key risks

The OIC currently lacks an independent funding model to provide it with the necessary resources to operate fully and that reflects the Commissioner's status as an independent agent of Parliament. Although the OIC has been successful in reducing its backlog of complaints, Canadians are still facing longer than necessary delays when seeking a timely resolution of their complaints due to insufficient funding. The OIC will continue to advocate for an independent funding model that ensures the OIC has the resources required to meet its mandate and that maintains Canadians confidence in the access to information system.

In spite of its small size, the OIC is wholly responsible for its own IT services and support, and must ensure that it keeps pace with an ever-changing and evolving IT landscape by continuously upgrading IT infrastructure and software. Although these investments will increase the efficiency of the OIC's operations and improve cybersecurity, the cost and effort required by the IT team represents a significant burden on a small organization. The OIC's mitigation strategy is to fund its technology infrastructure modernization projects by using carry-forward funds from one year to the next and extending the project over several years.

It is impossible to predict the number of complaints the OIC will receive each year, nor the number of orders which will be challenged in court. As a result, the OIC faces an operational risk due to this lack of predictability. Although the OIC's funding and resources have remained stable from year to year, the number of complaints submitted to the OIC fluctuates annually, and the amount of litigation involving the Commissioner has drastically increased since 2021-22. While various factors may influence this volume, including the resources allocated to institutions' ATIP units, the OIC has no control over the volume of complaints received and the corresponding workload. Similarly, because the Act requires that institutions apply for a review before the Federal Court when they do not intend to implement the Commissioner's orders, the OIC has no control over the number of reviews brought before the courts. So far, the OIC has been managing this risk by temporarily reallocating resources internally. Should the volume of litigation remain high, this will require a reassessment of permanent funding for the OIC's legal services unit.

Planned resources to achieve results

Table 2: Planned resources to achieve results for Government Transparency this year

Table 2 provides a summary of the planned spending and full-time equivalents required to achieve results.

Resource	Planned
Spending	12,417,529
Full-time equivalents	95

Complete financial and human resources information for the OIC's program inventory is available on GC InfoBase.

Gender-based analysis plus

The OIC helps Canadians obtain access to information about government activities and decisions, including gender based (GBA+) information. However, the confidentiality requirements of investigations conducted pursuant to the *Access to Information Act* hamper GBA+ data collection efforts. In 2023-2024, the OIC completed a complainant consultation about its program delivery including the accessibility and inclusivity of its investigation processes. There were no significant barriers identified by complainants. Additional details on the impact of GPA+ at the OIC is presented in the GBA+ Supplementary Information Table.

United Nations 2030 Agenda for Sustainable Development and the UN Sustainable Development Goals

In 2022–2023, the OIC initialized the development of its sustainable development strategy and will make every effort to review the possibility of integrating certain key elements of the 2030 Agenda for Sustainable Development that align with its operating context. The OIC has only one mandate and program and operates as an independent agency. As such, key target and key goals are not directly related to any specific government initiative.

More information on the OIC's contributions to Canada's Federal Implementation Plan on the 2030 Agenda and the Federal Sustainable Development Strategy can be found in our Departmental Sustainable Development Strategy.

Innovation

The OIC plans to explore how artificial intelligence can be used in order to improve the efficiency of ATIP and complaint processes. Learning from others, applying an adequate risk management framework, and making the best use of modern technology all have the potential to transform the ATIP landscape.

Translation is one area where the use of technology has already yielded considerable benefits for the organization. Thanks to the adoption of computer-assisted translation software and machine translation tools, the linguistic services unit has managed to keep pace with the increased volume of publication of final reports and guidance, all of which must be translated to comply with official languages requirements. Going forward, the OIC, which has already

begun using artificial intelligence tools to support the drafting of texts, reports and various communications products, will build upon these promising early results by piloting AI-based tools with a view to fully integrating them. Adopting such powerful tools will increase drafting, editing, and translation capacity within the organization without resorting to additional human resources.

Program inventory

Government Transparency is supported by the following programs:

- Compliance with access to information obligations

Additional information related to the program inventory for Government Transparency is available on the Results page on GC InfoBase.

Internal services

In this section

- Description
- Plans to achieve results
- Planned resources to achieve results
- Planning for contracts awarded to Indigenous businesses

Description

Internal services are the services that are provided within a department so that it can meet its corporate obligations and deliver its programs. There are 9 categories of internal services:

- management and oversight services
- communications services
- human resources management services
- financial management services
- information management services
- information technology services
- real property management services
- materiel management services
- acquisition management services

Plans to achieve results

In recent years the OIC has invested in new information management and information technology systems. These new systems are benefiting the OIC by providing the investigations program with more reliable and simpler technology that enhances collaboration. In 2025/26, the OIC will continue to make strategic investments in new technologies to make the OIC's operations more efficient and enhance cybersecurity.

The OIC has established an innovation working group that is tasked with looking for ways to adopt emerging technologies that could lead to operational efficiencies. The OIC aims to launch pilot projects during the year with the potential to reduce the time and effort in certain areas of the OIC's operations. These include moving more services to cloud computing with the planned adoption of SharePoint Online in the year.

In 2025/26 the completion of the OIC's work to reduce its office footprint will produce savings for the organization resulting from a decrease in the OIC's office space.

The Strategic Planning team will work with the Commissioner as she develops her plans and priorities for her second term and will help update the OIC's corporate risk profile.

The Finance team will support the Commissioner as she continues pursuing an independent funding mechanism for the OIC. The OIC with the help of its strategic partner, the Canadian Human Rights Commission, are planning to upgrade the financial management system in 2025/26.

The Public Affairs team will continue to support the Commissioner in her role as agent of Parliament and advocate for a strong federal access to information system, managing the Commissioner's external relations with all stakeholders, including parliamentarians and leaders of institutions subject to the Act. The team will also support the program through the provision of linguistic services, strategic advice, developing internal and external communications products, conducting media relations, and leveraging the OIC's digital presence on the web and social media to share information with various audiences.

Planned resources to achieve results

Table 3: Planned resources to achieve results for internal services this year

Table 3 provides a summary of the planned spending and full-time equivalents required to achieve results.

Resource	Planned
Spending	5,321,798
Full-time equivalents	29

Complete financial and human resources information for the OIC's program inventory is available on GC InfoBase.

Planning for contracts awarded to Indigenous businesses

Government of Canada departments are to meet a target of awarding at least 5% of the total value of contracts to Indigenous businesses each year. This commitment is to be fully implemented by the end of 2024-25. The OIC reached this goal in 2022-23.

The measures that OIC has taken and will continue to take to achieve the 5% minimum target include:

- disseminating communiqués to inform OIC budget managers of this commitment;
- ensuring that necessary training is provided to budget managers and contracting specialists; and
- multi-year contract considerations

As a smaller organization, the OIC relies on the Canadian Human Rights Commission (CHRC) for procurement services, and will continue to work jointly with CHRC to continue to achieve this contracting target. The OIC plans to continue to achieve its 5% target by procuring IM/IT services from Indigenous firms, as this particular segment represents the highest operational expenditure for the organization.

Table 4: Percentage of contracts planned and awarded to Indigenous businesses

Table 4 presents the current, actual results with forecasted and planned results for the total percentage of contracts the department awarded to Indigenous businesses.

5% Reporting Field	2023-24 Actual Result	2024-25 Forecasted Result	2025-26 Planned Result
Total percentage of contracts with Indigenous businesses	45%	28%	5%

Planned spending and human resources

This section provides an overview of the OIC's planned spending and human resources for the next three fiscal years and compares planned spending for 2025-26 with actual spending from previous years.

In this section

- Spending
- Funding
- Future-oriented condensed statement of operations
- Human resources

Spending

This section presents an overview of the department's planned expenditures from 2022-23 to 2027-28.

Budgetary performance summary

Table 5: Three-year spending summary for core responsibilities and internal services (dollars)

Table 5 presents how much money the OIC spent over the past three years to carry out its core responsibilities and for internal services. Amounts for the current fiscal year are forecasted based on spending to date.

Core responsibilities and Internal services	2022-2023 Actual Expenditures	2023-24 Actual Expenditures	2024-2025 Forecast Spending
Government transparency	11,149,529	12,399,598	12,976,009
Subtotal	**11,149,529**	**12,399,598**	**12,976,009**
Internal services	5,373,546	5,764,576	5,561,147
Total	**16,523,075**	**18,164,174**	**18,537,156**

Analysis of the past three years of spending

Actual expenditures in 2023–2024 are higher than previous years due to the new implementation of new collective agreements which resulted in retroactive payments and higher rates of pay for most employees. The OIC plans to spend $18.5M in 2024-25, a small increase over 2023-24 due again to the implementation of new collective agreements.

More financial information from previous years is available on the Finances section of GC Infobase.

Table 6: Planned three-year spending on core responsibilities and internal services (dollars)

Table 6 presents how much money the OIC's plans to spend over the next three years to carry out its core responsibilities and for internal services.

Core responsibilities and Internal services	2025-26 Planned Spending	2026-27 Planned Spending	2027-28 Planned Spending
Government Transparency	12,417,529	12,426,602	12,426,602
Subtotal	**12,417,529**	**12,426,602**	**12,426,602**
Internal services	5,321,798	5,325,686	5,325,686
Total	**17,739,327**	**17,752,288**	**17,752,288**

Analysis of the next three years of spending

The OIC plans to spend $17.7 million in 2025–26 and $17.8M in ongoing years. The vast majority of the OIC's spending is for salaries and associated employee costs.

More detailed financial information on planned spending is available on the Finances section of GC Infobase.

Funding

This section provides an overview of the department's voted and statutory funding for its core responsibilities and for internal services. For further information on funding authorities, consult the Government of Canada budgets and expenditures.

Graph 1: Approved funding (statutory and voted) over a six-year period

Graph 1 summarizes the department's approved voted and statutory funding from 2022-23 to 2027-28.

Text version

Analysis of statutory and voted funding over a six-year period

The OIC spent $16.5M in 2022-23 and $18.2 million in 2023–2024 to carry out its program and meet its strategic outcome. Spending was higher in 2023–2024 due to additional funding received for the implementation of new collective agreements.

The OIC plans to spend $18.5M in 2024-25, a small increase over 2023-24 due again to the implementation of new collective agreements. Spending in 2025–26 and ongoing is expected to be approximately $18M as funding returns to base levels. Planned spending in 2026-27 and later years does not include any additional funding for new collective agreements which will expire over the next several years. When these new collective agreements are signed, the OIC expects to receive additional funding from the Treasury Board of Canada Secretariat to cover the cost of these agreements.

The Commissioner is committed to ensuring that the OIC uses its financial resources in the most strategic and responsible manner to continually improve service delivery and ensure that investigations and other activities aimed at enhancing government openness and transparency have the most impact. The vast majority of the OIC's spending (87 percent) was for salaries and associated employee costs.

For further information on the OIC's departmental appropriations, consult the 2025-26 Main Estimates.

Future-oriented condensed statement of operations

The future-oriented condensed statement of operations provides an overview of the OIC's operations for 2024-25 to 2025-26.

Table 7: Future-oriented condensed statement of operations for the year ended March 31, 2026 (dollars)

Table 7 summarizes the expenses and revenues which net to the cost of operations before government funding and transfers for 2024-25 to 2025-26. The forecast and planned amounts in this statement of operations were prepared on an accrual basis. The forecast and planned amounts presented in other sections of the Departmental Plan were prepared on an expenditure basis. Amounts may therefore differ.

Financial information	2024-25 Forecast results	2025-26 Planned results	Difference (Planned results minus forecasted)
Total expenses	21,387,156	20,584,327	-802,829
Total revenues	0	0	0
Net cost of operations before government funding and transfers	21,387,156	20,584,327	-802,829

Analysis of forecasted and planned results

Planned spending in 2025-26 is expected to be lower than 2024-25 due to the additional costs associated with the implementation of new collective agreements in 2024-25. Spending in 2025-26 is expected to return to normal on-going funding levels.

Parliamentary authorities

The OIC is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the OIC differs from financial reporting according to generally accepted accounting principles because authorities are based mainly on cash flow requirements. Items recognized in the Future-Oriented Statement of Operations in one year may be funded through parliamentary authorities in prior, current, or future years. Accordingly, the OIC has different net cost of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following table.

Table 8: Reconciliation of net costs of operations to authorities forecast

Table 8 shows a reconciliation of the net cost of operations before government funding and transfers from the future-oriented condensed statement of operations to the authorities forecast.

Financial information	2024-25 Forecast results	2025-26 Planned results
Net cost of operations before government funding and transfers	**21,387,156**	**20,584,327**
Adjustment for items affecting net cost of operations but not affecting authorities:		
Amortization of tangible capital assets	-550,000	-500,000
Services provided without charge by other government departments	-2,600,000	-2,675,000
Total items affecting net cost of operations but not affecting authorities	**-3,150,000**	**-3,175,000**
Adjustments for items not affecting net cost of operations but affecting authorities:		
Acquisitions of tangible capital assets	300,000	330,000
Total items not affecting net cost of operations but affecting authorities	**300,000**	**330,000**
Requested authorities forecasted to be used	**18,537,156**	**17,739,327**

Human resources

This section presents an overview of the department's actual and planned human resources from 2022-23 to 2027-28.

Table 9: Actual human resources for core responsibilities and internal services

Table 9 shows a summary of human resources, in full-time equivalents, for the OIC's core responsibilities and for its internal services for the previous three fiscal years. Human resources for the current fiscal year are forecasted based on year to date.

Core responsibilities and internal services	2022-23 Actual full-time equivalents	2023-24 Actual full-time equivalents	2024-25 Forecasted full-ti
Government transparency	91	87	
Subtotal	**91**	**87**	
Internal services	34	33	
Total	**125**	**120**	

Analysis of human resources over the last three years

The decrease in actual FTEs in 2023–2024 was due to several departures in the year which resulted in

positions being vacant until a staffing action was completed. As of April 1, 2024, 98% of positions

were staffed.

Table 10: Human resources planning summary for core responsibilities and internal services

Table 10 shows information on human resources, in full-time equivalents, for each of the OIC's core responsibilities and for its internal services planned for the next three years.

Core responsibilities and internal services	2025-26 Planned full-time equivalents	2026-27 Planned full-time equivalents	2027-28 Planned full-time equivalents
Government transparency	95	95	95
Subtotal	**95**	**95**	**95**
Internal services	29	29	29
Total	**124**	**124**	**124**

Analysis of human resources for the next three years

The OIC had originally planned for 129 FTEs for the next three years. Due to the unanticipated structural

deficit, resulting from the cost of covering unfunded salary increases under new collective agreements, the planned FTEs have been reduced to 124 FTEs.

Departmental contact information

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Supplementary information tables

The following supplementary information tables are available on the OIC's website:

- Gender-based analysis plus

Information on the OIC's departmental sustainable development strategy can be found on OIC's website.

Federal tax expenditures

The OIC's Departmental Plan does not include information on tax expenditures.

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures.

This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs as well as evaluations and GBA Plus of tax expenditures.

Definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, departments or individuals; and payments to Crown corporations.

core responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a 3year period. Departmental Plans are usually tabled in Parliament each spring.

departmental result (résultat ministériel)

A consequence or outcome that a department seeks to achieve. A departmental result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

departmental result indicator (indicateur de résultat ministériel)

A quantitative measure of progress on a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that connects the department's core responsibilities to its departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on a department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. For a particular position, the full-time equivalent figure is the ratio of number of hours the person actually works divided by the standard number of hours set out in the person's collective agreement.

gender-based analysis plus (GBA Plus) (analyse comparative entre les sexes plus [ACS Plus])

Is an analytical tool used to support the development of responsive and inclusive policies, programs, and other initiatives. GBA Plus is a process for understanding who is impacted by the issue or opportunity being addressed by the initiative; identifying how the initiative could be tailored to meet diverse needs of the people most impacted; and anticipating and mitigating any barriers to accessing or benefitting from the initiative. GBA Plus is an intersectional analysis that goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography (including rurality), language, race, religion, and sexual orientation.

Using GBA Plus involves taking a gender- and diversity-sensitive approach to our work. Considering all intersecting identity factors as part of GBA Plus, not only sex and gender, is a Government of Canada commitment.

government priorities (priorités gouvernementales)

For the purpose of the 2025-26 Departmental Plan, government priorities are the high-level themes outlining the government's agenda in the most recent Speech from the Throne.

horizontal initiative (initiative horizontale)

An initiative where two or more federal departments are given funding to pursue a shared outcome, often linked to a government priority.

Indigenous business (entreprise autochtones)

For the purpose of the Directive on the Management of Procurement Appendix E: Mandatory Procedures for Contracts Awarded to Indigenous Businesses and the Government of Canada's commitment that a mandatory minimum target of 5% of the total value of contracts is awarded to Indigenous businesses, a department that meets the definition and requirements as defined by the Indigenous Business Directory.

non-budgetary expenditures (dépenses non budgétaires)

Non-budgetary authorities that comprise assets and liabilities transactions for loans, investments and advances, or specified purpose accounts, that have been established under specific statutes or under non-statutory authorities in the Estimates and elsewhere. Non-budgetary transactions are those expenditures and receipts related to the government's financial claims on, and obligations to, outside parties. These consist of transactions in loans, investments and advances; in cash and accounts receivable; in public money received or collected for specified purposes; and in all other assets and liabilities. Other assets and liabilities, not specifically defined in G to P authority codes are to be recorded to an R authority code, which is the residual authority code for all other assets and liabilities.

performance (rendement)

What a department did with its resources to achieve its results, how well those results compare to what the department intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of a department, program, policy or initiative respecting expected results.

plan(plan)

The articulation of strategic choices, which provides information on how a department intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

program inventory (répertoire des programmes)

Identifies all the department's programs and describes how resources are organized to contribute to the department's core responsibilities and results.

result (résultat)

A consequence attributed, in part, to a department, policy, program or initiative. Results are not within the control of a single department, policy, program or initiative; instead they are within the area of the department's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

target (cible)

A measurable performance or success level that a department, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an appropriation act. The vote wording becomes the governing conditions under which these expenditures may be made.

Date modified:
2025-06-17

2026-2027 Departmental Plan

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At a glance

This departmental plan details the Office of the Information Commissioner of Canada's (OIC) priorities, plans and associated costs for the upcoming three fiscal years.

This plans aligns with the priorities outlined in the OIC's vision, mission, raison d'être and operating context.

Key priorities

The OIC identified the following key priorities for 2026–27:

- continuing to uphold the right of access by conducting timely investigations, issuing guidance, engaging with government institutions and complainants, and taking legal action as required
- Encouraging improvements to the federal access to information system, including through the ongoing legislative review of the *Access to Information Act*
- leveraging technology and refining processes to improve efficiency and maximize overall performance in the face of budgetary pressures
- expanding engagement initiatives with various parties.

Comprehensive Expenditure Review

The government is committed to restraining the growth of day-to-day operational spending to make investments that will grow the economy and benefit Canadians.

The OIC does not have planned reductions under the Comprehensive Expenditure Review since Agents of Parliament were exempted from this exercise. Although the OIC was not required to submit specific reduction proposals under the CER, the OIC is committed as always to operating efficiently and managing public resources responsibly, while carrying out its essential role in ensuring that the access information right is respected. In recent years, the OIC has taken many steps to maximize efficiencies and ensure the maximum number of resources can be committed to core program delivery. As a result, the OIC has been very successful in reducing the size and the age of complaints in its inventory, but Canadians are still facing longer than necessary delays in accessing the information to which they are entitled. While committed to respecting the spirit of the exercise, the OIC does not want to lose the momentum created in recent years and will work to avoid a return to a growing backlog of complaints that harms Canadians' right of access to information.

The OIC will respect the spirit of the exercise by doing the following:

- absorbing a funding shortfall related to new collective agreements, that resulted the OIC in reducing the maximum number of full-time equivalents by approximately 4%.
- proactively reduced the OIC's physical workspace by approximately one quarter in 2025-26 to reduce operating expenses and better reflect the workspace needs of OIC employees.
- examining ways to partner with other government organizations to share costs
- continuing to optimize its processes and exploring ways the OIC can use new technology to save costs and enhance productivity.

This Department Plan reflects these measures.

Highlights for the Office of the Information Commissioner of Canada in 2026–27

The OIC's mission outlines three areas on which to focus our work and make our vision a reality:

Investigations: Access delayed is access denied, so we make every effort to complete our investigations promptly, while respecting the requirements of the Act and the rules of procedural fairness.

Operations: We strive to be a model of openness and transparency in every aspect of our business, to help parties to complaints and the public understand what we do and why.

Expertise: We draw on more than 40 years of experience investigating complaints to help answer the broader questions surrounding access to information, to provide advice to Parliament and to assist other stakeholders.

In addition, we will pursue three strategies to achieve our vision, deliver our mission and live out our values:

- Invest our resources effectively
- Innovate and optimize
- Maintain and enhance credibility

In 2026–27, total planned spending (including internal services) for the OIC is $17,970,812 and total planned full-time equivalent staff (including internal services) is 124.

Summary of planned results

The following provides a summary of the results the department plans to achieve in 2026–27 under its main areas of activity, called "core responsibilities."

Core responsibility: Government Transparency

The Information Commissioner is the first level of independent review of government decisions relating to requests for information under the control of government institutions covered by the *Access to Information Act*. The second level of independent review is performed by the Federal Court.

Planned spending: $12,579,568

Planned human resources: 95

More information about government transparency can be found in the full plan.

For complete information on the OIC's total planned spending and human resources, read the Planned spending and human resources section of the full plan.

From the Commissioner

As I begin the second year of my renewed mandate as Information Commissioner, my team and I remain deeply committed to ensuring that Canadians can fully exercise their right of access to information, both today and in the years ahead. This right is essential to the integrity of Canadian democracy, and protecting it requires sustained commitment, collaboration and leadership across government.

The past year has demonstrated both the value and the urgency of strengthening the federal access to information system. Through our investigations, our guidance to institutions, complainants and other parties, as well as our advice to Parliament, we continued to deliver tangible results for Canadians.

I am proud of this work, yet I remain aware that significant challenges continue to undermine confidence in the access system, including delays and uneven compliance with the *Access to Information Act*. Addressing these long-standing issues remains central to my role and to the work ahead.

Looking ahead to 2026–27, my office's efforts will be guided by four key priorities aimed at strengthening accountability, improving performance and fostering a culture of openness across federal institutions.

- We will continue upholding the right of access by conducting timely investigations, issuing clear guidance, engaging with institutions and complainants, and using the full extent of my authority—including issuing orders and pursuing legal action when necessary—to ensure compliance with the law.
- We will foster improvements to the federal access to information system, including through the ongoing review of the Act. After more than four decades, the legislation must be modernized to reflect today's realities and technologies as well as Canadians' expectations and needs.
- We will leverage technology and refine our processes to improve efficiency and maximize performance in the face of continued budgetary pressures. Modern tools and thoughtful process improvements are essential to providing effective service to Canadians.
- We will expand collaboration and engagement initiatives to support the culture change required within the public service to advance transparency and reinforce public trust. This includes co-hosting, alongside the Office of the Privacy Commissioner of Canada, the 2026 Annual Meeting of federal, provincial and territorial information and privacy commissioners and ombuds in the National Capital Region.

These priorities reflect both continuity and renewed ambition. As we work toward a more modern, efficient and accountable access to information system, I am confident that my office will continue to model excellence through transparency, innovation and responsible stewardship of public resources.

Caroline Maynard
Information Commissioner of Canada

Plans to deliver on core responsibility and internal services

Core responsibility and internal services

- Core responsibility: Government Transparency
- Internal services

Core responsibility: Government Transparency

In this section

- Description
- Quality of life impacts
- Indicators, results and targets
- Plans to achieve results
- Gender-based Analysis Plus
- Planned resources to achieve results
- Program inventory
- Summary of changes to reporting framework since last year

Description

The Information Commissioner is the first level of independent review of government decisions relating to requests for information under the control of government institutions covered by the *Access to Information Act*. The second level of independent review is performed by the Federal Court.

Quality of life impacts

This core responsibility contributes to the "Good Governance" theme of the Quality of Life Framework for Canada and, more specifically, "confidence in institutions," through all activities associated with Government Transparency.

Indicators, results and targets

This section presents details on the department's indicators, the actual results from the three most recently reported fiscal years, the targets and target dates for Government Transparency. Details are presented by departmental result.

Table 1: Canadians receive timely resolution of complaints on how federal institutions process access to information requests.

Table 1 provides a summary of the target and actual results for each indicator associated with the results under "Canadians receive timely resolution of complaints on how federal institutions process access to information requests."

Departmental Result Indicators	Actual Results	2026–27 Target	Date to achieve target
Percentage of investigations of delay complaints concluded within 90 days of being assigned to an investigator	2022–23: 85.4% 2023–24: 80.9% 2024–25: 80.8%	At least 85%	March 2027
Percentage of investigations of extension of time complaints concluded within 120 days of being assigned to an investigator	2022–23: 82.0% 2023–24: 74.7% 2024–25: 62.4%	At least 85%	March 2027
	2022–23: 54.8%		

Percentage of investigations of refusal complaints concluded within 270 days of being assigned to an investigator	2023–24: 61.6% 2024–25: 71.2%	At least 85%	March 2027
Percentage of delay complaints assigned to investigators within 30 days of completion of the complaint intake process	2022–23: 66.3% 2023–24: 40.1% 2024–25: 56.9%	At least 85%	March 2027
Percentage of extension of time complaints assigned to investigators within 30 days of completion of the complaint intake process	2022–23: 49.1% 2023–24: 48.9% 2024–25: 56.2%	At least 85%	March 2027
Percentage of refusal complaints assigned to investigators within 120 days of completion of the complaint intake process	2022–23: 60.6% 2023–24: 42.9% 2024–25: 50.9%	At least 85%	March 2027
Percentage of admissible complaints that are less than two years old	2022–23: 82.6% 2023–24: 86.8% 2024–25: 90.1%	At least 85%	March 2027

Additional information on detailed results and performance information for the OIC's program inventory is available on GC InfoBase.

The OIC is working towards meeting all its targets but also remains committed to balancing the investigation of new complaints and resolving older complaints from its inventory of open complaints, ensuring fairness and progress.

By the end of 2026–27, a minimal number of complaints submitted prior to 2025 will remain in the inventory. Maintaining a contemporary inventory will help the OIC achieve its timeliness targets in future years.

Various factors influence the pace of investigations, including the complexity of the access requests and records, the sensitivity of the information requested, the workload of the institutions and the quantity and the quality of observations received from the various parties, including third parties.

The OIC continues to focus on streamlining its processes to maximize productivity. The timely assignment of complaints also requires a skilled and adequately resourced team to receive, review and determine the admissibility of complaints. In turn, timely assignment requires appropriately sized and resourced teams of skilled investigators to meet demand and then complete investigations efficiently.

The OIC also continues to invest its limited resources judiciously and actively backfills vacancies. However, budgetary constraints limit its ability to expand its investigative workforce beyond its current capacity.

Additional information on detailed results and performance information for the OIC's program inventory is available on GC InfoBase.

Plans to achieve results

The following section describes the planned results for Government Transparency in 2026–27.

Departmental Result: Canadians receive timely resolution of complaints on how federal institutions process access to information requests.

The OIC does not control how many complaints are submitted each year. It receives complaints for 2 to 4% of all access to information requests made, meaning that if the volume of requests grows, the volume of complaints will grow proportionally.

The existing inventory consists of a wide variety of complaints, from federal employees wishing to access their personal human resource records to complaints involving immigration, tax or national security records. Tackling the OIC's inventory of complaints requires not only efficient processes but also trained investigators with the capacity and security clearance to take on new work.

The Commissioner continues to be focussed on ensuring the OIC's processes are efficient in order to investigate complaints in a timely manner by doing, amongst others, the following:

- reducing the amount of time the OIC takes to assign a complaint
- reducing the time it takes to complete an investigation once assigned
- ensuring the alignment of legal resources with operational requirements
- ensuring her decisions are posted online to establish precedents to help parties to an investigation
- publishing relevant information on her website to help parties understanding the investigation framework.

The OIC seeks to ensure Canadians receive the information to which they are entitled without undue delay by assigning and concluding complaint investigations in a timely manner. This also helps ensure that, if required, parties to complaints have prompt access to the second level of independent review, the Federal Court.

To accomplish this objective, both the OIC and the access to information units of institutions under complaint must be adequately funded. Currently, there are more complaints in the OIC inventory than can be assigned immediately upon determination of admissibility. The Commissioner will continue to advocate for a funding model that provides the OIC with the resources needed to operate and that reflects her status as an independent agent of Parliament. The Commissioner will also continue to advocate for the adequate resourcing of access to information and privacy teams within institutions, since they, too, must be able to keep pace with an ever-increasing workload.

The Commissioner will also continue to provide support to institutions and complainants in the form of guidance, presentations and meetings, and through the publication of her decisions.

The OIC publishes all the Commissioner's orders on delay complaints and all final reports on refusal and extension of time complaints for which an order is made. The OIC also publishes summaries of the Commissioner's decisions pursuant to subsection 6.1(1) (applications for the Commissioner's approval to decline to act on an access request) when the Commissioner deems them to be of value as guidance to both institutions and requesters. While this is a resource-intensive process, involving translation, web publishing and frequently involving legal review, it is vital to ensuring decisions made by the Commissioner are transparent and contribute to a better understanding of how the Commissioner applies the Act. Increasingly, institutions and complainants refer to published decisions to frame their arguments and negotiate, whenever possible, a resolution to the issue at hand.

Work is ongoing to develop and refine standard language, wording, and guidance to ensure that reports are clear and concise. The OIC also uses an AI-powered translation tool to accelerate the publication process, improve consistency, and allow translators to focus on higher-value review and quality assurance.

While the resolution of complaints is by far the most efficient way to conclude an investigation, the Commissioner will not hesitate, when necessary, to use the full extent of her powers, including issuing orders to resolve matters under investigation. In 2024-25, the OIC concluded 4,108 complaints through investigations in 2024–25 and orders were issued in 375 (or 9.13%).

Legal support is essential to investigations and 6.1 applications as well as to any litigation following the conclusion of a complaint, whether it is because the Commissioner refused to investigate or stop doing so, or because the complaint is inadmissible, or well founded or not. The type of legal proceedings is becoming more diverse and the issues raised are more complex. The OIC does not anticipate that the volume of litigation will decrease in any material way The Commissioner's ability to act as a named respondent, to take legal action, and seek strategic interventions when appropriate is an integral part of her role to ensure that institutions properly apply the Act. To that end, the OIC continues to work to increase its capacity in this area through the training and retention of experienced legal counsel, and by streamlining processes and leveraging technology. The government launched the legislative review of the *Access to Information Act* in June 2025. The Commissioner will be contributing to this review by providing her perspectives on urgently needed amendments. Without legislative change, the access to information system cannot be fully modernized. Reform is essential since the Act, which came into force in 1983, no longer meets the needs of Canadians in the 21st century. The Commissioner as a matter of principle is opposed to any measure that would weaken her order-making power and has always viewed the 2019 amendments to the Act that introduced her order-making power as a positive first step, but only a first step, toward the necessary modernization of the Act. Further legislative changes must build on these positive first steps, not backtrack on them

Gender-based Analysis Plus

The OIC helps Canadians obtain access to information about government activities and decisions, including gender- based (GBA+) information. By giving Canadian's access to information about government activities and decisions, the OIC has the potential to help the government meet all the goals in its Gender Results Framework. Due to privacy and confidentially requirements, the OIC does not collect or analyze GBA+ data from complainants. However, this process ensures equal treatment and prevents discrimination in any form.

In 2024–25, the OIC completed a complainant consultation about its program delivery, including the accessibility and inclusivity of its investigation processes. Complainants identified no significant barriers.

Planned resources to achieve results

Table 2: Planned resources to achieve results for Government Transparency

Table 2 provides a summary of the planned spending and full-time equivalents required to achieve results.

Resource	Planned
Spending	12,579,568
Full-time equivalents	95

Complete financial and human resources information for the OIC's program inventory is available on GC InfoBase.

Program inventory

Government Transparency is supported by the following programs:

- Compliance with the access to information obligations

Additional information related to the program inventory for Government Transparency is available on the Results page on GC InfoBase.

Summary of changes to reporting framework since last year

The OIC has updated its Departmental Result Indicators in this Departmental Plan to reflect the key performance indicators for its core responsibility and program. The new Indicators are included in Table 1 above.

Internal services

In this section

- Description
- Plans to achieve results
- Planned resources to achieve results
- Planning for contracts awarded to Indigenous businesses

Description

Internal services are the services that are provided within a department so that it can meet its corporate obligations and deliver its programs. There are nine categories of internal services:

- acquisition management services
- communications services
- financial management services
- human resources management services
- information management services
- information technology services
- material management services
- management and oversight services
- real property management services

Plans to achieve results

This section presents details the department's plans to achieve results and meet targets for internal services.

For the last several years, the OIC has been committed to investing in new information management and information technology systems to make the organization more efficient. The OIC is starting to see the return on these investments, and these projects will continue in 2026–27. The focus for this period will be on maximizing the efficiency gains from new cloud-based tools, particularly the SharePoint Online solution implemented in 2025–26. In 2026–27, the OIC will configure and optimize this core platform to unlock its full potential. This work, alongside moving more services to the cloud, will generate additional opportunities to optimize processes, allow for greater automation, and provide the ability to expand the use of artificial intelligence tools.

The IT team has also been working collaboratively with the Investigations and Governance and Legal Services branches to better understand their technological needs and the pressure points in their processes. Together, these teams are looking at ways that existing tools can be enhanced and exploring new applications that could make the Investigations program and Legal Services more efficient. The ultimate goal is to provide investigators, the registry and legal counsel with tools that enable greater automation, optimize efficiency and make their work easier.

Although the OIC is exempt from the Government of Canada's Comprehensive Expenditure Review, it is committed to respecting the spirit of the initiative by ensuring financial resources are spent in a manner that maximizes value for Canadians. To this end, the Finance team will work with management to ensure that resources are allocated and spent to optimize the efficiency of the OIC's core mandate.

The Public Affairs team will continue to support the Commissioner in her role as an agent of Parliament and advocate for a strong federal access to information system, managing the Commissioner's relations with various parties, including parliamentarians and leaders of institutions subject to the Act. The team will also support the program by providing linguistic services, offering strategic advice, developing communications products, conducting media relations, and leveraging the OIC's digital presence on the web and social media to share information with various audiences.

Planned resources to achieve results

Table 3: Planned resources to achieve results for internal services this year

Table 3 provides a summary of the planned spending and full-time equivalents required to achieve results.

Resource	Planned
Spending	5,391,244
Full-time equivalents	29

Complete financial and human resources information for the OIC's program inventory is available on GC InfoBase.

Planning for contracts awarded to Indigenous businesses

The OIC has exceeded the minimum 5% target of contracts awarded to Indigenous businesses every year since 2022–23 and plans to exceed the target again in 2025–26 and 2026–27. The OIC was able to exceed this target by procuring IM and IT services from Indigenous firms, since these services represent the highest operational expenditures for the organization.

The measures OIC has taken and will continue to take to achieve the 5% minimum target include the following:

- disseminating communiqués to inform OIC budget managers of this commitment
- ensuring that necessary training is provided to budget managers and contracting specialists
- considering the impact of multi-year contracts.

As a small organization, the OIC relies on the Canadian Human Rights Commission (CHRC) for procurement services and will continue to work jointly with CHRC to achieve the contract target.

Table 4: Percentage of contracts planned and awarded to Indigenous businesses

Table 4 presents the current, actual results with forecasted and planned results for the total percentage of contracts the department awarded to Indigenous businesses.

5% Reporting Field	2024-25 Actual Result	2025-26 Forecasted Result	2026-27 Planned Result
Total percentage of contracts with Indigenous businesses	48%	28%	14%

Department-wide considerations

- Related government priorities
- Key risks

Related government priorities

United Nations 2030 Agenda for Sustainable Development and the UN Sustainable Development Goals

In 2022–23, the OIC developed its sustainable development strategy and integrated certain key elements of the 2030 Agenda for Sustainable Development that align with its operating context. The OIC has only one mandate and program and operates as an independent agency. As such, key targets and goals are not directly related to any specific government initiative.

More information on the OIC's contributions to Canada's Federal Implementation Plan on the 2030 Agenda and the Federal Sustainable Development Strategy can be found in our Departmental Sustainable Development Strategy.

Artificial Intelligence

As the Government has noted in the AI Strategy for the Federal Public Service 2025–2027, artificial intelligence provides enormous potential benefits through more efficient operations and enhanced service delivery for Canadians. Along with the benefits, AI also introduces new risks. The OIC is committed to balancing the benefits of AI with risks related to cost, security, privacy and the quality of information produced by AI tools.

To support the adoption of AI, the OIC has released guidelines on the appropriate use of generative artificial intelligence tools to assist employees in clarifying their roles and responsibilities regarding the use of this technology, and to provide guidance on how to benefit from corresponding tools while mitigating risk.

Employees at the OIC may currently use AI with non-sensitive data, and AI tools are being used across the OIC for tasks such as editing texts, generating images for presentations, summarizing publicly available information, brainstorming, research and learning.

To further assist employees, the OIC has requires employees to take two training courses to ensure they are using AI securely and appropriately. The OIC is also encouraging employees to attend information sessions offered by the Canada School of Public Service, to ensure they can develop their skills in this emerging area.

The OIC has been investing significantly in recent years in new IT and IM systems. The future expansion of the use of AI tools has been an important consideration when making decisions about these investments, with the goal being to move more applications and data into a format that will allow for the expanded use of AI in the near future.

To this oversee transformation, the OIC has established an Optimization Initiative working group. The group is tasked with exploring ways the OIC can enhance productivity and looking for solutions with minimal cost. Across the OIC, teams are looking at the potential benefits and risks of adopting AI in their processes. A particular focus is on automation with the goal of simplifying the transfer of information across systems and reducing the need for time-consuming, repetitive tasks. As an example, the Finance team has started a project to use new features and applications in existing software with the goal of simplifying and speeding up decision making.

In addition, over the past year, the OIC's Linguistic Services team has been using an AI-based neural machine translation tool combined with a translation memory, which has helped optimize its operations. In 2026–27, the team plans to adopt an AI-assisted translation workflow tool even better suited to its needs. The objective is to reduce the cost of translation with no impact on the quality of the work.

Key risks

It is impossible to predict the number of complaints the OIC will receive each year, nor the number of orders that will be challenged in court. Various factors may influence this volume, including the resources allocated to institutions' access to information and privacy units. This unpredictability creates a major operation risk for the OIC. While funding and resources have remained stable, complaints fluctuate annually, and litigation has risen sharply since 2021–22, with the OIC being responsible for all litigation internally. The OIC has been managing this risk by temporarily reallocating resources internally. Should the volume and complexity of litigation remain high, this will require a reassessment of permanent funding for the OIC's legal services unit.

Despite its small size, the OIC is wholly responsible for its own IT services and support, and must ensure that it keeps pace with an ever-changing IT landscape by continuously upgrading IT infrastructure and software. Although these investments will increase the efficiency of the OIC's operations and improve cybersecurity, the cost and effort required by the IT team represents a significant burden on a small organization. The challenge is further

increased by the growing cost of IT hardware and software while funding remains static. The OIC's mitigation strategy is to fund its technology infrastructure modernization projects by using carry-forward funds from one year to the next and extending key projects over several years.

Although the OIC has been successful in reducing its inventory of complaints, Canadians are still facing longer than necessary delays in accessing the information to which they are entitled. As the Government and the OIC enter a period of greater fiscal restraint, the OIC does not want to lose the progress it has made. Although the OIC is committed to ensuring that financial resources are spent responsibly, there is the potential that limited financial resources will impact Canadians' right to information. The OIC will continue to advocate for an independent funding model that provides the resources required to meet its mandate and that maintains Canadians confidence in the access to information system.

Planned spending and human resources

This section provides an overview of the OIC's planned spending and human resources for the next three fiscal years and of planned spending for 2026-27 with actual spending from previous years.

In this section

- Spending
- Funding
- Future-oriented condensed statement of operations
- Human resources

Spending

This section presents an overview of the department's planned expenditures from 2023-24 to 2028-29.

Budgetary performance summary

Table 5: Three-year spending summary for core responsibilities and internal services (dollars)

Table 5 presents the OIC's spending over the past three years to carry out its core responsibilities and for internal services. Amounts for the 2025–26 fiscal year are forecasted based on spending to date.

Core responsibilities and Internal services	2023-2024 Actual Expenditures	2024-25 Actual Expenditures	2025-2026 Forecast Spending
Government Transparency	12,399,598	12,857,733	12,919,572
Subtotal	12,399,598	12,857,733	12,919,572
Internal services	5,764,576	5,309,236	5,536,960
Total (s)	18,164,174	18,166,969	18,456,532

Analysis of the past three years of spending

The OIC spent $18.2 million in 2024–25, which is consistent with the amount spent in 2023–24 and plans to spend $18.5 million in 2025–26. The reason for the increase in 2025–26 is that the OIC plans to use funds carried over from the prior fiscal year.

The OIC is committed to spending the maximum amount possible on its core responsibility and minimizing spending on internal services.

More financial information from previous years is available on the Finances section of GC Infobase.

Table 6: Planned three-year spending on core responsibilities and internal services (dollars)

Table 6 presents the OIC's planned spending over the next three years by core responsibilities and for internal services.

Core responsibilities and Internal services	2026-27 Planned Spending	2027-28 Planned Spending	2028-29 Planned Spending
Government Transparency	12,579,568	12,579,568	12,579,568

Subtotal	12,579,568	12,579,568	12,579,568
Internal services	5,391,244	5,391,244	5,391,244
Total	17,970,812	17,970,812	17,970,812

Analysis of the next three years of spending

The OIC plans to spend $17.9 million in 2026–27 and in ongoing years. The vast majority of the OIC's spending is for salaries and associated employee costs

More detailed financial information on planned spending is available on the Finances section of GC Infobase.

Funding

This section provides an overview of the department's voted and statutory funding for its core responsibilities and for internal services. For further information on funding authorities, consult the Government of Canada budgets and expenditures.

Graph 1: Approved funding (statutory and voted) over a six-year period

Graph 1 summarizes the department's approved voted and statutory funding from 2023-24 to 2028-29.

Text version

Analysis of statutory and voted funding over a six-year period

The OIC spent $18.2 million in 2024–25 to carry out its program and meet its strategic outcome, which was consistent with the spending in 2023–24.

The OIC expects to spend $18.5 million in 2025–26, a small increase from prior year largely due to planned spending of amounts carried forward from the prior year.

Spending in 2026–27 and ongoing is expected to be approximately $17.9 million as funding remains at base levels. Planned spending in 2026–27 and later years does not include any additional funding for new collective agreements after the current ones expire in the next several years. When these new collective agreements are signed, the OIC expects to receive additional funding from TBS to cover the full cost of these agreements.

The Commissioner is committed to ensuring that the OIC uses its financial resources in the most strategic and responsible manner to continually improve service delivery and ensure that investigations and other activities aimed at enhancing government openness and transparency have the most impact. The vast majority of the OIC's spending (88% in 2024–25) was for salaries and associated employee costs.

For further information on the OIC's departmental appropriations, consult the 2026–27 Main Estimates.

Future-oriented condensed statement of operations

The future-oriented condensed statement of operations provides an overview of the OIC's operations for 2025–26 to 2026–27.

Table 7: Future-oriented condensed statement of operations for the year ended March 31, 2027 (dollars)

Table 7 summarizes the expenses and revenues which net to the cost of operations before government funding and transfers for 2025–26 to 2026–27. The forecast and planned amounts in this statement of operations were prepared on an accrual basis. The forecast and planned amounts presented in other sections of the Departmental Plan were prepared on an expenditure basis. Amounts will therefore differ.

Financial information	2025-26 Forecast results	2026-27 Planned results	Difference (Planned results minus forecasted)
Total expenses	21,211,532	20,640,812	–570,720
Total revenues	–	–	–
Net cost of operations before government funding and transfers	21,211,532	20,640,812	–570,720

Analysis of forecasted and planned results

Planned spending in 2026–27 is expected to be lower as the 2025–26 forecast results includes amounts carried forward from prior years that the OIC plans to spend in 2025-26.

Parliamentary authorities

The OIC is financed by the Government of Canada through parliamentary authorities. Financial reporting of authorities provided to the OIC differs from financial reporting according to generally accepted accounting principles because authorities are based mainly on cash flow requirements. Items recognized in the Future-Oriented Statement of Operations in one year may be funded through parliamentary authorities in prior, current or future years. Accordingly, the OIC has a different net cost of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following table.

Table 8: Reconciliation of net costs of operations to authorities forecast

Table 8 shows a reconciliation of the net cost of operations before government funding and transfers from the Future-Oriented Statement of Operations to the authorities forecast.

Financial information	2025-26 Forecastresults	2026-27 Planned results
Net cost of operations before government funding and transfers	21,211,532	20,640,812
Adjustment for items affecting net cost of operations but not affecting authorities:		
Amortization of tangible capital assets	–620,000	–670,000
Services provided without charge by other government departments	–2,300,000	–2,400,000
Total items affecting net cost of operations but not affecting authorities	–2,920,000	–3,070,000
Adjustments for items not affecting net cost of operations but affecting authorities:		

Acquisitions of tangible capital assets	165,000	400,000
Total items not affecting net cost of operations but affecting authorities	165,000	400,000
Requested authorities forecasted to be used	18,456,532	17,970,812

Human resources

This section presents an overview of the department's actual and planned human resources from 2023–24 to 2028–29.

Table 9: Actual human resources for core responsibilities and internal services

Table 9 shows a summary of human resources, in full-time equivalents, for the OIC's core responsibilities and for its internal services for the previous three fiscal years. Human resources for the 2025–26 fiscal year are forecasted based on year to date.

Core responsibilities and internal services	2023-24 Actual full-time equivalents	2024-25 Actual full-time equivalents	2025-26 Forecasted full-time equivalents
Government Transparency	87	88	95
Subtotal	87	88	95
Internal services	33	31	29
Total	120	119	124

Analysis of human resources over the last three years

The actual number of FTEs in 2024–25 was consistent with 2023–24. In 2025–26, the OIC is expecting to reach its maximum FTEs of 124.

Table 10: Human resources planning summary for core responsibilities and internal services

Table 10 shows information on human resources, in full-time equivalents, for each of the OIC's core responsibilities and for its internal services planned for the next three years.

Core responsibilities and internal services	2026-27 Planned full-time equivalents	2027-28 Planned full-time equivalents	2028-29 Planned full-time equivalents
Government Transparency	95	95	95
Subtotal	95	95	95
Internal services	29	29	29
Total	124	124	124

Analysis of human resources for the next three years

The OIC had originally planned for 129 FTEs for the next three years. Due to the unanticipated structural deficit resulting from the cost of covering unfunded salary increases under new collective agreements, the planned FTEs have been reduced to 124.

Supplementary information tables

Information on the OIC's departmental sustainable development strategy can be found on the OIC's website.

Federal tax expenditures

The OIC's Departmental Plan does not include information on tax expenditures.

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures.

This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs as well as evaluations and GBA Plus of tax expenditures.

Corporate information

Departmental contact information

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Definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, departments or individuals; and payments to Crown corporations.

core responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a 3year period. Departmental Plans are usually tabled in Parliament each spring.

departmental result (résultat ministériel)

A consequence or outcome that a department seeks to achieve. A departmental result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

departmental result indicator (indicateur de résultat ministériel)

A quantitative measure of progress on a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that connects the department's core responsibilities to its departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on a department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. For a particular position, the full-time

equivalent figure is the ratio of number of hours the person actually works divided by the standard number of hours set out in the person's collective agreement.

gender-based analysis plus (GBA Plus) (analyse comparative entre les sexes plus [ACS Plus])

Is an analytical tool used to support the development of responsive and inclusive policies, programs, and other initiatives. GBA Plus is a process for understanding who is impacted by the issue or opportunity being addressed by the initiative; identifying how the initiative could be tailored to meet diverse needs of the people most impacted; and anticipating and mitigating any barriers to accessing or benefitting from the initiative. GBA Plus is an intersectional analysis that goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography (including rurality), language, race, religion, and sexual orientation.

Using GBA Plus involves taking a gender- and diversity-sensitive approach to our work. Considering all intersecting identity factors as part of GBA Plus, not only sex and gender, is a Government of Canada commitment.

government priorities (priorités gouvernementales)

For the purpose of the 2026-27 Departmental Plan, government priorities are the high-level themes outlining the government's agenda in the 2025 Speech from the Throne.

horizontal initiative (initiative horizontale)

An initiative where two or more federal departments are given funding to pursue a shared outcome, often linked to a government priority.

Indigenous business (entreprise autochtones)

Requirements for verifying Indigenous businesses for the purposes of the departmental result report are available through the Indigenous Services Canada Mandatory minimum 5% Indigenous procurement target website.

non-budgetary expenditures (dépenses non budgétaires)

Non-budgetary authorities tShat comprise assets and liabilities transactions for loans, investments and advances, or specified purpose accounts, that have been established under specific statutes or under non-statutory authorities in the Estimates and elsewhere. Non-budgetary transactions are those expenditures and receipts related to the government's financial claims on, and obligations to, outside parties. These consist of transactions in loans, investments and advances; in cash and accounts receivable; in public money received or collected for specified purposes; and in all other assets and liabilities. Other assets and liabilities, not specifically defined in G to P authority codes are to be recorded to an R authority code, which is the residual authority code for all other assets and liabilities.

performance (rendement)

What a department did with its resources to achieve its results, how well those results compare to what the department intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of a department, program, policy or initiative respecting expected results.

plan (plan)

The articulation of strategic choices, which provides information on how a department intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

program inventory (répertoire des programmes)

Identifies all the department's programs and describes how resources are organized to contribute to the department's core responsibilities and results.

result (résultat)

A consequence attributed, in part, to a department, policy, program or initiative. Results are not within the control of a single department, policy, program or initiative; instead they are within the area of the department's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

target (cible)

A measurable performance or success level that a department, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an appropriation act. The vote wording becomes the governing conditions under which these expenditures may be made.

Date modified:
2026-03-13

Information Commissioner expresses reservations with Government's initial step in the review of the Access to Information Act

Gatineau, Quebec, March 6, 2026 – Following the publication of the Government of Canada's 2025 review of the Access to Information Act: Policy approaches on March 5, 2026, Information Commissioner Caroline Maynard has released the following statement:

"I have mixed feelings regarding this publication, the first evidence of any forward progress in the review of access to information launched last June.

On the one hand, I am relieved that unlike its 2020 review, the Government appears to be open to making changes to the *Access to Information Act*. I am also pleased to be consulted on potential changes to the law. The last time legislative amendments were adopted in 2019 through the passage of Bill C-58, my office had no opportunity to provide input until the proposed amendments had already been tabled in Parliament.

On the other hand, I feel that the government has stumbled with its first step, for several reasons:

Firstly, I am disappointed with the lack of ambition on display, which reflects an insufficient appreciation of the seriousness of the challenges facing Canada's access to information system. Canadians should expect a review that addresses longstanding, well-documented problems with the access to information regime. Unfortunately, the policy approaches presented largely ignore many of the stakeholders' existing recommendations and fall well short of what is required to strengthen transparency. In several respects, these proposals appear designed to ease what government institutions perceive as administrative burdens rather than to uphold Canadians' right to know.

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In particular, I am surprised that the document avoids the most pressing issue facing the system today: the unacceptable delays experienced by requesters. The majority of complaints my office receives—and the overwhelming majority of orders I issue—relate to institutions' failure to respond within legislated timelines. Long-overdue reforms such as expanding the application of the Act, subjecting Cabinet confidences to the Information Commissioner's oversight, limiting overly broad exemptions, and establishing maximum timelines for consultations are simply absent.

While the certification of my orders by the Federal Court of Canada is finally being considered, several other proposals such as the suggestion that my office should place greater emphasis on mediation; or requiring the publication of my decision's rationale, appear to be based on misconceptions as to how I carry out my investigations and report my findings. The fact that my office already concludes approximately 90% of complaints without issuing an order and publishes its final reports through a public database appear to have been overlooked.

Finally, I am troubled by measures that would weaken the right of access—including limiting access to "official records" or delaying access during emergencies. As I emphasized during the COVID-19 pandemic, crises do not restrict the public's right to transparency. When governments exercise extraordinary powers and spend extraordinary sums, timely access to information becomes even more, not less, essential.

I have informed the President of the Treasury Board that I cannot, at this point, support several of the proposals. It appears that, contrary to feedback provided by stakeholders in previous consultations, the government's proposals put administrative convenience ahead of protecting and enhancing a quasi-constitutional right.

Despite the narrow focus of this consultation, I trust that the Government will consider other substantive legislative improvements, beyond those proposed in the policy approaches. I continue to believe that this review can ultimately result in the changes to both the law and the system that are so urgently required. Once my office has completed a thorough analysis of the policy paper, I will provide detailed recommendations on the issues that we feel must be addressed.

Ultimately, this reform must strengthen—not erode—the right of Canadians to know how decisions are made and how their institutions operate. I am committed to playing a constructive role in ensuring this goal is achieved."

Date modified:
2026-03-06

Information Commissioner's appearance before the Standing Committee on Access to Information, Privacy and Ethics

February 9, 2026
Ottawa, ON

(Check against delivery)

Thank you for the opportunity to once again appear before this committee to talk about access to information.

I understand that the committee wishes to focus on two areas today: the use of instant messaging and information management within the public service, and the performance of the Privy Council Office (PCO) in the area of access to Information.

I would like to first clarify some information management responsibilities.

The Treasury Board of Canada Secretariat (TBS) establishes Information Management policies for the federal public service.

Library and Archives Canada (LAC), however, is responsible for establishing the retention and disposition authorities that govern how federal institutions must manage, preserve, and ultimately dispose of their records.

Each government institution must then set its own Information Management practices, including those governing transitory records.

That being said, some aspects of records management do become relevant to my investigations the moment an access request is made to institutions subject to the *Access to Information Act*.

I would like to point out that there is no obligation to create records under the Act. The Act only applies once a record exists – in any form. This includes transitory records.

Retention policies vary according to the type of record and can range from days to decades. These policies are a good and necessary thing for proper information management, but they must be accompanied by training and founded on some basic principles.

Some of these are spelled out in the message I sent to institutions last week and provided to this committee ahead of time. I hope you have had the opportunity to review this message. It affirms that records created using digital collaboration tools, such as Microsoft Teams, must be managed in a manner that upholds the right of access to information.

Turning to the second topic, let me start off by saying that the order-making power is a key tool at my disposal. Orders enable me to conclude complaints that we have been unable to resolve by other means.

I would like to highlight some statistics on orders in the handout I provided to this committee which tell an important story.

It is interesting to note that while the Department of National Defence (DND) and LAC have received the most orders so far since 2019, in the case of both institutions, the number of orders I have been required to issue is declining. Unfortunately, the data shows the opposite trend with respect to PCO.

The example of DND and LAC shows how institutions can improve their performance when they address the issues that have resulted in orders.

Timeliness tends to be the greatest challenge for transparency at PCO and has resulted in the high number of orders to respond to late requests. Good information management practices include transferring records of archival value to LAC in a timely manner. However, PCO continues to struggle with a high volume of requests related to records that are between 35 and 69 years old.

PCO's central role in the implementation of the government's priorities makes timely access to its information even more vital. Improving access to information at PCO presents an ideal opportunity to lead by example.

I will be happy to answer any questions on these or other topics you would like to address with me today. However, I cannot talk about any investigations as they are confidential.

Thank you

Date modified:
2026-02-10

Submit a complaint

Information Commissioner's appearance before the Standing Committee on Government Operations and Estimates

February 5, 2026
Ottawa, ON

(Check against delivery)

Thank you, Mr. Chair and members of the Committee, for the invitation to appear before you today.

Since I do not appear before this Committee very often, I would like to briefly talk about my mandate.

I am the independent Agent of Parliament responsible for overseeing the federal access to information regime. My mandate is to investigate complaints, ensure that institutions comply with their legal obligations under the *Access to Information Act*, and uphold Canadians' right of access to government information.

This role is essential to transparency, accountability, and the integrity of our democratic institutions.

As you know, under the Comprehensive Expenditure Review, institutions across government are reviewing public spending to ensure it is responsible, cost-effective, and delivers real results for Canadians.

While my office is not directly affected by the Review, we respect its spirit by modernizing processes, maximizing operational efficiencies, and deploying resources strategically, while maintaining our core mandate.

As the government seeks to reduce expenditures, leaders must keep in mind that access to information is not a service. It is a quasi-constitutional right grounded in law, and it must be treated as such.

This right is put at risk by cuts to Access to Information and Privacy teams as well as to the program areas that hold the records.

In a digital world flooded with misinformation—where Artificial Intelligence can distort content and falsehoods spread rapidly on social media—timely access to reliable information is more crucial than ever. It empowers us to separate fact from fiction and understand what drives government decisions.

Turning to the Review of the *Access to Information Act* launched last June by the Treasury Board Secretariat, it is important to note that multiple studies and reviews have already highlighted that changes are necessary. While I will reserve detailed comment until the government's policy paper is released, the Review presents a critical opportunity for meaningful reform.

As I recently wrote to the President of the Treasury Board, this review must not become a justification for further secrecy. It must expand access, modernize the framework, and reinforce independent oversight. The public's right to know is fundamental to our democracy, and any review must strengthen that right.

In that vein, I would like to talk about one legislative amendment introduced in 2019 that has had a significant positive impact on the overall access system and on the work done by my office: the order-making power.

When I find that an institution has not complied with the Act, and there is a corrective action to be taken, I can order the institution to do so. I want to highlight the fact that this authority is used sparingly. I only issue orders when efforts to make institutions comply with their statutory obligations are unsuccessful.

Up to January of the current fiscal year, only 230 of the nearly 3,000 complaints concluded through investigations resulted in orders being issued. That represents less than 8% of complaints. This figure demonstrates that my authority to make order is exercised appropriately and is not overused.

The data also shows that I issue orders mostly in cases involving delay or extension of time complaints. These are situations where institutions have already missed the statutory deadline for responding, sometimes by months.

In such cases, the order simply directs the institutions to do what the law already requires them to do: provide the response that the requester is entitled to under the Act.

In closing, I want to state that, as a matter of principle, I am categorically opposed to any measure that would weaken the order-making power.

Revisiting this authority would represent a step backward for transparency, accountability, and the federal access to information system.

Thank you. I would be pleased to answer your questions.

Date modified:
2026-02-05

Submit a complaint

Information Commissioner of Canada
Commissaire à l'information du Canada

ACCESS AT ISSUE:
THE CHALLENGE OF ACCESSING OUR COLLECTIVE MEMORY

Systemic Investigation of Library and Archives Canada

Special Report to Parliament
April 26, 2022

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Message from the Commissioner

For the period under investigation, almost 80% of the requests completed by LAC did not comply with the time frames set out in the Act.

Library and Archives Canada (LAC) acquires, processes, preserves and provides access to Canada's documentary heritage, and serves as the continuing memory of the Government of Canada and its institutions.

There has been significant and growing public criticism of LAC by journalists, academics and others who decry the excessive wait times and lack of responses that characterize this institution's management of access requests. Over the last few years, my office has collected evidence through complaint investigations confirming that LAC has not been responding to access requests within legislated deadlines. A somewhat alarming picture begins to emerge as the current situation is further complicated by the stream of new complaints about delayed responses during the COVID-19 pandemic, together with an absence of concrete action by LAC's leadership to address the underlying problems.

My recent systemic investigation found several issues impeding LAC's ability to provide access to the information under its control. In particular, the investigation concluded that LAC is not meeting its obligations under the *Access to Information Act*.

As the minister responsible for LAC, the Minister of Canadian Heritage was made aware of my findings and the 10 recommendations that resulted from this investigation in January 2022.

While the Minister agreed to implement most of my recommendations, I remain disappointed by an apparent lack of engagement to make concrete and positive improvements. The Minister's response is included as an appendix to this special report; my assessment of his response to my findings and recommendations can be found in the final report of the investigation.

Given the many and varied responsibilities LAC's Access to Information and Privacy (ATIP) office carries out, my recommendations, if implemented, would enable significant improvements to be made to LAC's ATIP program, including making the proper resourcing of ATIP operations a higher priority. The Minister's leadership will be needed in addressing the bleak state of LAC's access to information program, and in seeing the necessary work through to completion.

Aside from bringing to light numerous issues specific to LAC, this investigation also affords me the opportunity to draw Parliament's attention to two of the broader challenges facing Canada's access to information system:

- **the manner in which consultations on access requests are conducted between institutions; and**
- **the lack of a Government-wide framework for the declassification of records.**

These two issues create significant backlogs within LAC given its unique mandate but also impact access in many institutions. Both are areas where I had previously signalled that action was required. As timeliness across the system continues to deteriorate, the consequences of inaction can no longer be ignored.

These issues, explored in more detail in this special report, are critical and should be treated as such by Parliament and all institutions subject to the *Access to Information Act*.

Caroline Maynard
Information Commissioner of Canada

The challenges that LAC is facing cannot all be addressed through its own actions.

I call upon the Government to take a broader perspective in its efforts to improve access to information, and to find solutions that address the root causes of these problems.

- Information Commissioner of Canada

The Information Commissioner made the following 10 recommendations.

The final report concluding the investigation can be found here.

1. Direct LAC ATIP officials to use their delegated authority to respond to all access requests with outstanding consultations forthwith.
2. Direct LAC ATIP officials, for new access requests requiring consultations, to establish a rigorous process to determine the length of time the consultations should take and to respond to those requests before the expiry of the extension sought, with or without the institutions' input.
3. Process all pending access requests for records classified as Top Secret forthwith, even as implementation and certification of new infrastructure continues.
4. Respond to the backlog of access requests that resulted from LAC suspending ATIP operations during the pandemic.
5. Implement fully functional infrastructure to allow ATIP officials to process Secret and Top Secret records efficiently.
6. Ensure ATIP officials have access to the LAC network and record-processing software at all times, so LAC is always in a position to respond to access requests.
7. Require institutions to review and, whenever possible, declassify or downgrade the classification of records prior to transferring them to LAC.
8. Negotiate adequate funding for LAC's ATIP office to support new programs introduced by other institutions.
9. Review and adjust the permanent funding for the various units with the ATIP office to reflect their workload.
10. Publish on the LAC website by the end of 2022 the concrete results achieved to implement these recommendations and provide quarterly updates.

THEMES

For this special report, two issues impacting not only LAC but Canada's access to information system as a whole are addressed under the following themes:

1. Lengthy consultations delay access
2. Barriers to transparency arise as a consequence of failing to declassify records

Lengthy consultations delay access

When responding to access requests, one institution may consult another about disclosing records that relate to the second institution for various reasons, including in order to apply necessary exemptions and appropriately exercise discretion to withhold information.

Section 7 of the *Access to Information Act* requires institutions to respond to access requests within 30 days. Under the Act, institutions may extend the time limit for responding when consultations are necessary to comply with the access request and cannot be completed within the 30-day time limit, provided the extension is reasonable in the circumstances.

Institutions *may* consult another about disclosing records that relate to them, but are *not* obligated to do so.

When can consultations be problematic?

The Act does not specify a time limit within which a consulted institution must respond. This is a significant reason why institutions tend to prioritize responding to their own access requests, rather than consultation requests. Ultimately, this results in delays.

LAC plays a unique role as it holds records it did not create

Consultations are a source of delays across the system, but are particularly problematic for LAC.

It is understandable that LAC consults other institutions to get their recommendations on the release of information. For the most part, LAC does not create the records it holds. However, LAC's expertise in the historical value and meaning of the records in its custody must be recognized. LAC archivists curate collections of historical records, study the events described in the records, publish articles and write books on these events and subjects.

Instead of recognizing this expertise and using it to apply necessary exemptions, LAC waits to receive a reply to the consultation request before responding—as do most institutions in this situation as demonstrated in various investigations conducted by the Office of the Information Commissioner (OIC).

When LAC consults, it does not normally frame the advice sought or carve out the specific information for which advice is sought. Such preliminary analysis—with a view to focussing consultations—would improve the ability of consulted institutions to respond within a reasonable time. All institutions are expected to exercise their authority to exempt and disclose records under the terms of the Act, without adding time for unnecessary consultations.

Beyond the systemic investigation of Library and Archives Canada

Since consultations are neither mandatory nor bound by time limits, ATIP officials must be prepared to respond to access requests without input from the consulted institution, if the latter does not provide its recommendations within a reasonable period.

In her January 2021 submission to the Government's ongoing review of the access to information regime, the Commissioner noted that her investigations have revealed that:

- Even though under the Treasury Board Secretariat's Interim Directive on the Administration of the *Access to Information Act* institutions must give the same importance to consultation requests as access requests, institutions generally prioritize responding to access requests that they have received, over responding to consultations from others.
- Institutions establish broad standards for responding to consultation requests amongst themselves. Generally speaking, these standards are solely based on the number of pages at issue in the consultation. The establishment of such standards means that institutions are failing to consider the type of exemption, the sensitivity of the information, and the contents or age of records when setting a reasonable time limit for responding to consultation requests.

In the Commissioner's view, the Interim Directive on the Administration of the *Access to Information Act* should also better reflect the non-mandatory nature of consultations under the Act. The Interim Directive must be strengthened to clarify that consultations should take place **only when needed** and provide guidance on determining whether a consultation is required or not.

The Commissioner reiterates what she stated in her submission to the review of the access to information regime:

The Access to Information Act *should provide a clearer process for institutions that decide to have a consultation and set out a maximum length of time for consultations required in order to respond to access requests. Requiring consulted institutions to respond within a specific time frame would help reduce processing times for access requests.*

Barriers to transparency arise as a consequence of failing to declassify records

Information is classified to protect Canada's interests, individuals and assets. Implementing adequate safeguards to ensure classified information is not inadvertently disclosed is costly but essential to the proper functioning of the federal government.

Once information is classified however, there is no legislated requirement to revisit—and thereby downgrade or declassify—the records when the protection is no longer required.

Why declassification matters

An access request can be made for any record under the control of an institution, regardless of its security classification. Information is withheld based on the application of exemptions under the Act and not on its security classification.

However, if a record is highly classified, processing it under the Act is cumbersome and costly as it requires secure infrastructure and rigid processes, and can be handled only by employees with the appropriate security clearance.

By declassifying records when it is reasonable to do so, institutions would allow easier access to information no longer sensitive as declassified records can be more easily processed.

In addition to making a general contribution to transparency, responsibility and open government, declassification and the dissemination of Canada's important historical national security and intelligence records would alleviate pressure on the access system.

How is the lack of a declassification system affecting LAC?

The security designation of a record does not determine whether information warrants being withheld under, for example, section 13 (confidential information from government bodies) or section 15 (international affairs, national security and defence) of the Act. However, this designation often contributes to overreliance on these exemptions out of an abundance of caution. It also extends the time required to process access requests and to consult other institutions, due to stringent security requirements that heavily encumber every step of the process.

There is no legislated obligation for institutions to review, declassify or downgrade classified records before they are transferred to LAC. As a result, even if the original security implications of releasing the contents of records no longer exist, the lack of a declassification program is contributing to delays when LAC receives access requests for such records.

Canada, Australia, New Zealand, the United Kingdom and the United States form the Five Eyes intelligence alliance. Canada is the only member without a national declassification program.

Some progress has been observed

During the systemic investigation, the OIC learned that an Interdepartmental Declassification Working Group will launch a pilot project to declassify records of the Joint Intelligence Committee dating from 1943 to 1960 and held at a variety of institutions.

In addition, Public Safety Canada, in collaboration with the National Security and Intelligence community, LAC and the Treasury Board Secretariat, is spearheading declassification projects. It remains to be seen if this work will yield tangible results. That said, these initiatives, like other key actions on access currently in the works, are a step in the right direction.

As things currently stand, handling classified information is an extremely complicated and lengthy process. Any initiative that aims at either declassifying or lowering the classification level of documents both facilitates the processing of access requests and enhances access overall.

Ultimately, in order to uphold the right of access, it is essential that the federal government adopt a standardized approach to declassification across institutions in order to render records more easily accessible.

Beyond the systemic investigation of Library and Archives Canada

The Information Commissioner has sounded the alarm on the need for a proper declassification system for Canada on more than one occasion, including during the 2019 Open Government Partnership Summit, where she chaired a panel discussion on declassification. In February 2020, the OIC published a declassification strategy developed by Wesley Wark, who had served as the rapporteur for the panel. This strategy presents 15 recommendations on how Canada could move forward with its own declassification program.

In her foreword to this paper, the Commissioner bemoans the fact that Canada lacks a declassification regime for historical national security and intelligence-related records. The access to information system is ill equipped to be the de facto means by which the sensitivity of historical national security and intelligence related records is to be reviewed.

As a result, many national security and intelligence-related classified records sought through access requests are the subject of complaints to the OIC—and the work involved in investigating these types of complaints is immense.

In the two years since this strategy was presented to the National Security Transparency Advisory Group, the situation has changed very little at the OIC, with 20% of the inventory of 5000 files continuing to be made up of complaints involving this type of records.

The Commissioner reiterates what she stated in her submission to the review of the access to information regime:

National security records often become less sensitive over time. A proper declassification system based on regular reviews and consensus by experts would enable researchers and others to gain access to records that are no longer sensitive to national security, through mechanisms other than the Act. This would alleviate pressure on the access to information regime and achieve a better result for all stakeholders.

CONCLUSION

Final thoughts from the Commissioner

It is my sincere hope that Parliamentarians will give the poor state of access within LAC and many other government institutions the attention it deserves.

Final thoughts from the Commissioner

The failure of any government institution to uphold the right of access is unacceptable, but when the institution is mandated to provide access to our collective memory as Canadians, addressing the problem is all the more urgent. The inability of LAC to discharge its access to information obligations also impairs its ability to fulfill its mandate.

That said, LAC alone is unable to address some of the issues raised by this investigation. This is why I have brought particular focus in this special report to findings that confirm views I have communicated in the past:

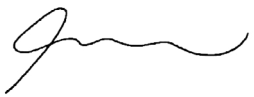
Consultations between institutions are a chronic source of delay in processing access requests. A rigorous and strict consultation regime across institutions is required—one that can be enforced and will be adhered to by all institutions in order to facilitate the processing of access requests in a timely manner.

Canada is in urgent need of a declassification system. A good declassification program should seek to open records up so they are made available beyond the access to information system. Creating such system will involve the active participation of a number of institutions.

The Minister of Canadian Heritage has committed LAC to providing biannual updates on progress towards implementing the recommendations I made in the course of this systemic investigation. I will follow these updates with interest and sincerely hope that my recommendations will improve access for Canadians.

While I expect that the ongoing access to information review will result in proposed amendments to the Act, if the access regime is to work properly, immediately addressing urgent issues like those raised in this special report is essential. These require the attention of heads of government institutions now—including from the President of the Treasury Board, whose secretariat is responsible for providing direction and guidance to institutions on the application of the Act and the interpretation of related policies.

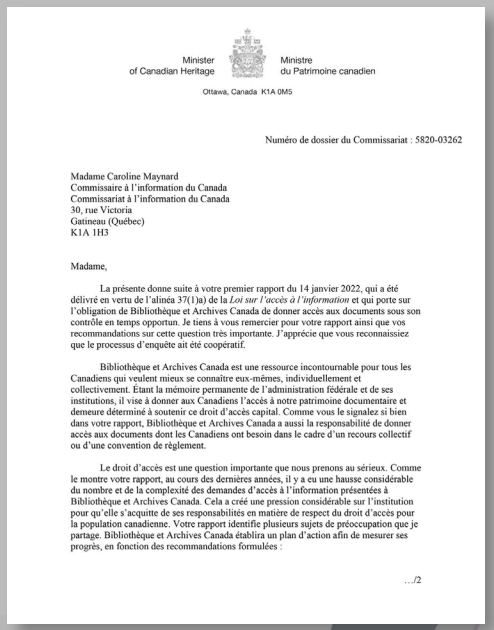
I call upon the Government and all Parliamentarians to give the matters I have raised in this report the attention they deserve.



Caroline Maynard
Information Commissioner of Canada

ANNEX

Response from the Minister of Canadian Heritage



Minister of Canadian Heritage / Ministre du Patrimoine canadien

Ottawa, Canada K1A 0M5

Numéro de dossier du Commissariat : 5820-03262

Madame Caroline Maynard
Commissaire à l'information du Canada
Commissariat à l'information du Canada
30, rue Victoria
Gatineau (Québec)
K1A 1H3

Madame,

La présente donne suite à votre premier rapport du 14 janvier 2022, qui a été délivré en vertu de l'alinéa 37(1)a) de la *Loi sur l'accès à l'information* et qui porte sur l'obligation de Bibliothèque et Archives Canada de donner accès aux documents sous son contrôle en temps opportun. Je tiens à vous remercier pour votre rapport ainsi que vos recommandations sur cette question très importante. J'apprécie que vous reconnaissiez que le processus d'enquête ait été coopératif.

Bibliothèque et Archives Canada est une ressource incontournable pour tous les Canadiens qui veulent mieux se connaître eux-mêmes, individuellement et collectivement. Étant la mémoire permanente de l'administration fédérale et de ses institutions, il vise à donner aux Canadiens l'accès à notre patrimoine documentaire et demeure déterminé à soutenir ce droit d'accès capital. Comme vous le signalez si bien dans votre rapport, Bibliothèque et Archives Canada a aussi la responsabilité de donner accès aux documents dont les Canadiens ont besoin dans le cadre d'un recours collectif ou d'une convention de règlement.

Le droit d'accès est une question importante que nous prenons au sérieux. Comme le montre votre rapport, au cours des dernières années, il y a eu une hausse considérable du nombre et de la complexité des demandes d'accès à l'information présentées à Bibliothèque et Archives Canada. Cela a créé une pression considérable sur l'institution pour qu'elle s'acquitte de ses responsabilités en matière de respect du droit d'accès pour la population canadienne. Votre rapport identifie plusieurs sujets de préoccupation que je partage. Bibliothèque et Archives Canada établira un plan d'action afin de mesurer ses progrès, en fonction des recommandations formulées :

…/2

Letter from the Minister of Canadian Heritage received by the OIC on February 14, 2022, that responds to the Commissioner's findings and provides a further update regarding LAC actions.

Response from the Minister of Canadian Heritage

Translation from the OIC

OIC file number: 5820–03262

Caroline Maynard
Information Commissioner of Canada
Office of the Information Commissioner of Canada
30 Victoria Street
Gatineau, Quebec K1A 1H3

Dear Commissioner Maynard:

This is in response to your initial report of January 14, 2022, which was issued pursuant to paragraph 37(1)(a) of the *Access to Information Act* and addresses Library and Archives Canada's obligation to provide records under its control in a timely manner. I would like to thank you for your report and recommendations on this very important issue. As well, I am glad that the investigation process was done in a collaborative manner.

Library and Archives Canada (LAC) is a key resource for all Canadians who want to learn more about themselves, both individually and collectively. As the permanent memory of the Government of Canada and its institutions, it aims to provide Canadians with access to our documentary heritage and is committed to supporting this vital right of access. As you so rightly point out in your report, LAC also has a responsibility to provide access to records needed by Canadians as part of a class action or settlement agreement.

The right of access is an important issue that we take seriously. As your report shows, in recent years there has been a significant increase in the number and complexity of access to information requests made to LAC. This has put considerable pressure on the institution to fulfill its responsibilities to uphold Canadians' right of access. Your report identifies several areas of concern that I share. LAC will develop an action plan to measure its progress, based on the recommendations made:

- Improve the processes the institution uses for responding to access to information and privacy requests, including making greater use of delegated authorities and adopting a systematic approach to declassifying records;
- Put in place adequate infrastructure to process access to information and privacy requests, particularly for records classified as Secret and Top Secret;
- Secure the necessary funding and resources that correspond to the current workload and support the various business lines associated with the access and privacy request functions.

LAC will develop processes to better exercise its delegated authorities, including training for its staff. Appropriate use of consultations will continue where in-depth knowledge of the requester is required, but the institution will consider partial disclosure of information, where possible. It will also work with its client

organizations to improve the consultation process, including establishing clear service standards for systematic follow-ups and prioritization of requests. LAC will assess all of its current workflows to develop a risk-based framework that provides guidance on when and how delegated authorities can be applied to reduce consultations. At the same time, the institution will continue to recruit and develop the internal expertise it needs to use its delegated authorities to make decisions without consultation and reduce response time.

Library and Archives Canada is also committed to seriously reducing its backlog of access to information and privacy requests. Operations were temporarily suspended due to pandemic-related health and safety measures, and since government records are primarily paper-based, operations require staff to be on-site for a portion of each request. It is important to note that LAC must continue to comply with the health and safety recommendations of the jurisdictions in which it operates. All available access to information staff (i.e., who are not dealing with litigation or other urgent client requests) are now working to reduce the backlog. LAC will conduct targeted recruitment and implement new workflows to increase its capacity. A dedicated complaints unit is being set up and will be operational by April 2022. In accordance with the *Access to Information Act*, LAC will respond to these requests in the order in which they were received.

In your report, you raise the issue of restricted records and their declassification and recommend that government institutions be required to review and, where possible, declassify or downgrade the classification of their records before transferring them to LAC.

Since the Treasury Board of Canada Secretariat is responsible for establishing and implementing information management policies and practices within the Government of Canada, I sent your report to my colleague, the President of the Treasury Board. LAC is contributing to ongoing government-wide efforts on downgrading or lowering document security clearances across government institutions. LAC will keep your office informed of developments.

Library and Archives Canada has taken steps to improve its infrastructure for processing Secret records. In October 2021, LAC implemented a new IT solution to help process Top Secret records. However, we know there is still work to be done. LAC is taking steps to improve the handling of these records and expects to have greater capacity to process Top Secret records in 2023, alongside the continued recruitment and training of staff to process requests for access to Top Secret records. The institution is committed to processing these outstanding requests as quickly as possible and, in accordance with the *Access to Information Act*, in the order in which they were received.

Your report acknowledges that, given the increased workload, LAC required adequate funding to support the various business lines associated with its access to information and privacy functions. To address these concerns, LAC actively consults with the departments involved to ensure that its resource needs are considered when new government programs or litigation settlements require access to government records under its control. This issue is particularly important to me.

You requested that Library and Archives Canada post updates on its website regarding the concrete results it has achieved in implementing your recommendations. I have asked the institution to prepare a comprehensive action plan in response to your report and recommendations. LAC will provide updates on progress on a semi-annual basis beginning in late 2022.

Thank you for your ongoing support and commitment to this important issue. My department will continue to work closely with LAC to ensure that access requests are processed more quickly and efficiently. Openness and transparency remain priorities for our government, and I am committed to upholding these values.

I have taken the liberty of copying my response to the Librarian and Archivist of Canada, Ms. Leslie Weir, for information and action.

Yours sincerely,

The Honourable Pablo Rodriguez, P.C., M.P.

cc: Leslie Weir, Librarian and Archivist of Canada

Letter to the Chair of the Standing Senate Committee on Indigenous Peoples (APPA)

March 7, 2024

Senator Brian Francis
Chair of the Standing Senate Committee on Indigenous Peoples (APPA)
The Senate of Canada
Ottawa, Ontario
K1A 0A4

Dear Mr. Chair:

I am writing to follow up on a number of items mentioned during my appearance at APPA on February 26, 2024. I am grateful to the committee for inviting me to appear and I commend their interest in exploring how the access to information system can further contribute to reconciliation.

During my appearance, members asked me what changes would be needed to remove systemic barriers to access to information, in particular for Indigenous Peoples. In January 2021, in the context of the government's review of the access to information regime, I submitted recommendations to enhance government institutions' transparency. Among these recommendations is the need to include in the *Access to Information Act* a general public interest provision, which, I believe, could greatly benefit Indigenous communities.

The inclusion of an obligation to disclose in access to information legislation recognizes the importance of public access to critical, urgent information held by the government, and the latter's obligation to provide this information without delay. Six provincial jurisdictions have provisions requiring institutions, whether or not an access request is made, to disclose without delay information about a risk of significant harm to the health or safety of the public or to the environment.

In addition, and as mentioned in my opening remarks, Part II of the *Act* requires the proactive publication of specific information of public interest, without requiring that an access request be made. In my submission to the government's review, I recommended that the *Act* should contain an independent review mechanism to ensure that institutions comply with the requirements with respect to the publication of information listed in Part II of the Act. While appearing in front of your committee, I also touched on the importance of voluntary disclosure of information, which goes beyond what is legally required. I have been vocal about the need for institutions to disclose more information voluntarily and independently of the legal obligation of proactive publication, and I will continue to do so.

Throughout my appearance, the use of discretion by institutions to disclose more information was also raised. The Act contains exemptions that are discretionary, such as section 23, which protects information that is subject to solicitor client privilege or to litigation privilege. In Ontario (Public Safety and Security) v. Criminal Lawyers' Association, 2010 SCC 23, the Supreme Court of Canada explained that "a discretion conferred by statute must be exercised consistently with the purposes underlying its grant" and that "to properly exercise this discretion, the head must weigh the considerations for and against disclosure, including the public interest in disclosure." Although the Court in that case went on to conclude that because of the near absolute nature of legal advice privilege, presumptively the protection of the privilege will outweigh other factors favouring disclosure, it recognized that there may be exceptional circumstances where that privilege must yield.

Furthering reconciliation may well be one of those exceptional circumstances. At a minimum, it is a factor weighing in favour of disclosure that must be considered by institutions when exercising their discretion.

Furthermore, I have found that the age of the records is also a relevant factor that must be taken into account in the exercise of discretion. Institutions must consider the purpose underlying the exemption and whether the interest underlying this privilege would in fact be harmed by the disclosure of the record at issue; the public interest in the records' release; the likelihood of any prospect of injury, or lack thereof, from disclosure; and the extent to which disclosure will further Canada's commitment to reconciliation and acknowledgement of the Rights of Indigenous People.

In addition, the *United Nations Declaration on the Rights of Indigenous People Act* requires the federal government to take all measures necessary to ensure that the laws of Canada are consistent with the United Nations Declaration on the Rights of Indigenous Peoples (the UN Declaration) and to prepare and implement an action plan to achieve the objectives of the UN Declaration. The UN Declaration speaks to the need for access to government information, while the federal government's Action Plan 2023-2028 outlines the ongoing work to achieve greater access to information. The government has an obligation to consider the disclosure of information in this context.

Finally, you may also be aware that the Standing Committee on Access to Information, Privacy and Ethics completed a study on the access to information system last June. The Committee recommended that the government work with Indigenous Peoples to remove barriers to access to information as well as to develop a mechanism of independent oversight that ensures their full and timely access to records held by government institutions for purposes of substantiating historical claims. I believe that recommendations found in this report could have a positive impact on enhancing access to information and translate into actual results if the Government commits to their implementation.

Should you and the other members of the Standing Senate Committee on Indigenous Peoples have any questions following this letter, please have the committee staff contact Manon Côté, my Manager of Parliamentary and Stakeholders Relations, by email (parl@oic-ci.gc.ca).

Sincerely,

Caroline Maynard
Information Commissioner of Canada

c.c.: Mr. David M. Arnot, Deputy Chair
Standing Senate Committee on Indigenous Peoples

Ms. Andrea Mugny, Clerk
Standing Senate Committee on Indigenous Peoples

Date modified:
2024-05-12

Letter to the Clerk of the Privy Council and Secretary to the Cabinet (July 2025)

July 15, 2025

Mr. Michael Sabia
Clerk of the Privy Council and Secretary to Cabinet
80 Wellington Street
Ottawa, Ontario
K1A 0A3

Dear Mr. Sabia:

Please accept my sincere congratulations on your appointment as Clerk of the Privy Council and Secretary to Cabinet.

I read your July 7 message with great interest and fully share your view that public servants must focus on priorities, simplify processes, and demonstrate accountability. This vision closely reflects how I carry out my role as Information Commissioner, where I consistently emphasize the importance of delivering concrete results for Canadians both across institutions subject to the *Access to Information Act* and within my own office.

I also welcome your reminder to public servants to be proud of the work they do serving Canada and Canadians. I have frequently remarked that public servants—who have every reason to take pride in their work—should welcome every opportunity to share it openly, helping Canadians better understand their actions and decisions. At a time of growing misinformation and public skepticism, the access to information system provides an avenue by which the federal public service, through greater openness and transparency, can demonstrate accountability and build trust in government institutions.

As I noted in my May 2025 letter to the Prime Minister, since I took on the role of Information Commissioner in 2018, I have observed a steady decline in the access system, to the point where it no longer serves its intended purpose. Too often, when responding to access to information requests, public servants focus primarily on what the law allows them to withhold, failing to keep in mind its fundamental objective, which is to enable access to information that can and should be disclosed.

The public service now has a real opportunity to change this paradigm—shifting focus from what to protect to what to share—while simplifying processes and demonstrating accountability.

I am confident that you are well positioned to lead the charge on a new approach where Canadians benefit from a public service that respects the *Access to Information Act* and provides the information they are entitled to in a timely manner. I also trust you will encourage the adoption of best practices in information management, which has become increasingly problematic, throughout the federal administration.

I would welcome the opportunity to meet with you at your earliest convenience to discuss how we can achieve meaningful results in an area that has seen persistent decline over the years, or to address any other topics you may wish to raise. To arrange a meeting, please have your staff contact Manon Côté, my Manager of Parliamentary and Stakeholders Relations, by email (manon.cote@oic-ci.gc.ca).

Caroline Maynard
Information Commissioner of Canada

Date modified:
2025-07-16

Letter to the President of the Treasury Board (January 2026)

January 13, 2026

The Honorable Shafqat Ali, P.C., M.P.
President of the Treasury Board
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Minister:

I write to you for an update on the progress of the 2025 review of the *Access to Information Act*. This review was launched last June and, while I understand that significant work has been completed by your department, I am concerned about the relatively slow pace of advancement.

The 2025 review promises to "build on the conclusion of the 2020 review", stating that:

> Public trust in government is essential for a healthy and functioning democracy. Building and maintaining public trust requires that the government operate in a transparent, accountable and participatory manner. This is supported by a modern and effective federal access to information regime.

As I indicated in my letter of July 4, 2025, I was very pleased to read this as these views are directly aligned with my own.

Since assuming the role of Information Commissioner in 2018, I have observed that Canada's access-to-information system has steadily deteriorated. It no longer fulfills its basic purpose, a decline underscored by the Treasury Board Secretariat's most recent statistics.

With the House of Commons returning on January 26, I expect the Standing Committee on Access to Information, Privacy and Ethics will turn its attention to this issue. I am also aware that a draft policy paper has been circulating within your department; a redacted version, obtained through an independent access to information request, was recently shared with my office. It is my hope that you will finalize this and any other documents relevant to the review so that they be released publicly, allowing me and other stakeholders to review and comment on the government's proposals.

The review must not become a justification for further secrecy. It must expand access, modernize the framework, and reinforce independent oversight. The public's right to know is fundamental to our democracy, and any review must strengthen that right.

Canadians deserve a swift, results-driven review that directly addresses the Act's failures. I would welcome the opportunity to meet and discuss this further, as I intend to play an active role in ensuring the review delivers meaningful reform. I trust you will take the necessary steps to advance this work.

Yours respectfully,

Caroline Maynard
Information Commissioner of Canada

cc.: Bill Matthews, Secretary of the Treasury Board

Dominic Rochon, Chief Information Officer of Canada

Date modified:
2026-01-19

Letter to the President of the Treasury Board (July 2025)

July 4, 2025

The Honorable Shafqat Ali, P.C., M.P.
President of the Treasury Board
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Minister:

I am writing to extend my congratulations on your appointment as President of the Treasury Board, and to provide some early thoughts on the recently announced 2025 review of the *Access to Information Act*.

Let me begin by affirming that I am deeply committed to playing a constructive part in this first five-year review of the Act. It is my hope that our offices will continue to engage in a productive dialogue as the Treasury Board of Canada Secretariat (TBS) embarks on this process, so that the review may be conducted as efficiently as possible. To that end, I would like to reiterate some of the guiding principles I believe should be followed for a comprehensive and effective review:

The review must be results-focused

The review that was recently launched is required by law, but even if that were not the case, changes to the Act and the system that supports it would still be desperately needed. Since I took on the role of Information Commissioner in 2018, I have observed a steady decline in the access to information system, to the point where it no longer serves its intended purpose: to enable access to information that *can* and *should* be disclosed. Throughout my tenure as Commissioner, I have detailed the various ways in which this decline has manifested itself, both through my testimony before parliamentary committees, and through the reports I have published, proposing solutions whenever I could.

The common thread running through my recommended fixes for the many issues that ail the system is the need for concrete results. And yet far too often, the government has proposed strategies that tinker around the edges of the system and plans with no hard timelines or solid deliverables, ultimately amounting to little. With the Prime Minister signalling that his government will be focused on getting things done, it is

my hope that this new ethos will be reflected in the manner that the review is carried out, and that real change will ensue. By way of example, one area where change is desperately needed is the government's management of information, where various deficiencies cripple institutions' capacity to provide timely access.

The review must be conducted expeditiously

I expect that TBS is currently in the process of fleshing out the "formal engagement activities" mentioned on the 2025 review web page. As the reports and submissions listed on that same page make clear, there has been no shortage of consultations on the topic of access to information since 2015. In my view, it would be a waste of both time and resources to repeat the lengthy consultation exercise that characterized the 2020 review. As I pointed out in my recent letter to the Prime Minister, there is a broad consensus that an overhaul of the legislation is urgently needed, and widespread agreement on what specific changes are necessary. I have little reason to believe that further consultation would yield any additional insight that would justify a similar delay this time around.

The review must explicitly address shortcomings within the Act itself

Administrative and operational changes are indeed required, but these alone will not suffice. As I communicated to your predecessor, I remain unconvinced that the Access to Information Modernization Action Plan announced last year, with its repackaging of previously announced initiatives, will result in timely and significant improvements. While I fully agree that the areas of focus identified for the 2025 review are worthy of attention, the five-year review mandated under subsection 93(1) of the Act calls for the Minister (you) to undertake a review of the *Act itself*. I therefore expect that the Act will be re-opened to fully address some of the most intractable issues that have been identified, and I will continue to press for long-overdue legislative changes, including:

- broadening the application of the Act to include the offices of the Prime Minister and ministers;
- subjecting Cabinet confidences to the Act;
- limiting the application of certain exemptions, such as section 21, which relates to advice and recommendations and add a public interest override provision; and
- setting out a maximum length of time for consultations needed to respond to access requests.

I have recently established a legislative reform project team within my office with a mandate to provide recommendations that go beyond these proposals, following up and building upon the recommendations found in my 2021 submission to the government's last review. We will use the experience gained since that submission to craft clear, evidence-based expert recommendations for improvements to the *Access to Information Act*.

In my view what is needed is a review undertaken in good faith, focused on results, conducted in an expeditious manner and with the goal of proposing substantive changes – that must include legislative changes—required to address serious deficiencies in the access to information system.

In closing, I would like to make two additional points: The Government has signaled that public service reductions are on the horizon. While details have yet to be shared, government leaders must keep in mind that access to information is not a service. It is a quasi-constitutional right grounded in law, and it must be treated as such. In concrete terms, this means that the Access to Information and Privacy function must be resourced in a manner that respects this legal obligation. Furthermore, in the coming months, I will be seeking your support for a funding model for my office like the models under which other Agents of Parliament operate. This is a topic I have raised with your predecessors, and it continues to be my view that a funding mechanism for my office that reflects my independence should be put in place.

I look forward to meeting with you at your earliest possible convenience to discuss any of the points I have raised in this letter or any other topics you may wish to address.

Caroline Maynard
Information Commissioner of Canada

cc.: Bill Matthews, Secretary of the Treasury Board of Canada

Date modified:
2025-07-08

Submit a complaint

Letter to the Prime Minister (May 2025)

May 13, 2025

The Right Honourable Mark Carney, P.C., M.P.
Prime Minister of Canada
80 Wellington Street
Ottawa, Ontario
K1A 0A2

Dear Prime Minister:

Please accept my sincere congratulations on your swearing-in as Prime Minister and your election to the House of Commons.

As Information Commissioner of Canada, I am entrusted with upholding Canadians' right of access to information, recognized as a quasi-constitutional right by the Supreme Court of Canada. I fulfill this mandate by providing advice to Parliament and by investigating complaints regarding government institutions' handling of requests made under the *Access to Information Act*.

I noted with great interest your recent comments reported in the media—that you believe that an objective review of access to information would serve Canadians well—as well as your own observations regarding your experiences with the system. I can assure you that your concerns are shared by me, and many others. Since I took on the role of Information Commissioner in 2018, I have observed a steady decline in the access to information system, to the point where it no longer serves its intended purpose. By focusing too heavily on what the law permits them to redact, institutions have lost sight of the law's core purpose — to enable access to information that *can* and *should* be disclosed.

There is a broad consensus that an overhaul of both the legislation and the system is urgently needed, with multiple studies and reviews highlighting widespread agreement on the necessary changes. As I stated last November during my appearance before the House of Commons Standing Committee on Access to Information, Privacy and Ethics, the policy and legislative changes that I recommend are based on experience and endorsed by stakeholders, which is why I intend to once again play an active role in this essential exercise in buttressing one of the fundamental pillars of our democracy.

The law currently provides for a review of the Act every five years. Since the last review was launched in June of 2020 following the previous year's reforms to the Act, your pledge to conduct another is both timely and welcome. I look forward to its launch prior to the deadline of June 21, 2025.

It is my hope that the review will be conducted expeditiously. I am encouraged by your focus on government productivity and your stated intent to transform government by better leveraging technology. These have the potential to pay great dividends in the areas of access and information management.

The time for action has come. At this critical moment in the history of our country, Canadians must have confidence in their government. Therefore, I call upon your government to adopt a transparency-by-default ethos and approach to governance, as advocated by me and fellow provincial and territorial information commissioners and ombuds, coupled with a commitment to providing Canadians with the information they are entitled to in a timely manner. Both could go a long way toward securing the trust of Canadians while helping combat misinformation and disinformation.

In closing, I hope to have the opportunity to meet with you at your earliest convenience to discuss the important matters I have raised in this letter and begin a constructive dialogue on how the access to information system can better serve Canadians.

Yours respectfully,

Caroline Maynard
Information Commissioner of Canada

c.c.: The Honorable Shafqat Ali, President of the Treasury Board of Canada
Mr. John Hannaford, Clerk of the Privy Council and Secretary to the Cabinet

Date modified:
2025-05-15

Letter to the Standing Committee on Access to Information, Privacy and Ethics (ETHI) (June 2024)

June 3, 2024

John Brassard, M.P.
Chair of the Standing Committee on Access to Information, Privacy and Ethics (ETHI)
Sixth Floor, 131 Queen Street
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Mr. Chair:

I am writing to follow up on items mentioned during my appearance before ETHI on May 16, 2024. I am thankful for the committee's continued interest in access to information and government transparency.

One of the questions raised during my appearance related to my involvement in litigation. I can report that since the beginning of my mandate in March 2018, I have been involved in 53 legal proceedings. I am including detailed information in the annex.

Since the 2019 amendments to the *Access to Information Act*, I may make any order that I consider appropriate to resolve the matters at issue in well-founded complaints submitted to my office on or after June 21, 2019. For complaints submitted before that date, I can only make recommendations.

Institutions are legally obliged to abide by my orders. That said, they have the right to challenge my orders by applying to the Federal Court for a review of the matter that is the subject of the orders. If institutions do not, however, comply with my order or ask the Federal Court for a review, I can file an application for a writ of mandamus. A writ of mandamus is an extraordinary remedy asking a court to order a public authority to perform a legal duty.

As I explained during my previous appearance before the committee, the process of obtaining a writ of mandamus expends my office's resources and those of institutions that are deploying their own legal resources to respond to these applications. This should not be necessary since my orders are supposed to be legally binding.

On the topic of resources, I would like to provide an update on my office's budget shortfall, which I outlined in my opening remarks on May 16. I met with the Acting Secretary of the Treasury Board the day after my appearance at ETHI and our officials are pursuing discussions regarding my office's funding needs. I will keep the committee informed of any significant developments on this matter.

Should you or any member of the Standing Committee on Access to Information, Privacy and Ethics have any questions following this letter, please have the committee staff contact Manon Côté, my Manager of Parliamentary and Stakeholders Relations, by email (manon.cote@oic-ci.gc.ca).

Sincerely,

Caroline Maynard

Information Commissioner of Canada

c.c.:

Mr. Darren Fisher, Vice-Chair
Standing Committee on Access to Information, Privacy and Ethics

Mr. René Villemure, Vice-Chair
Standing Committee on Access to Information, Privacy and Ethics

Ms. Nancy Vohl, Clerk
Standing Committee on Access to Information, Privacy and Ethics

Annex

- The first order to be challenged was in 2022-2023. For earlier fiscal years, different litigation categories are presented in the graph below.

Text version

- Both graphs present the number of legal proceedings initiated for each fiscal year. Some remain active for more than one year.

Text version

Date modified:
2024-06-05

Submit a complaint

Letter to the Standing Committee on Access to Information, Privacy and Ethics (ETHI) (May 2024)

May 3, 2024

John Brassard, M.P.
Chair of the Standing Committee on Access to Information, Privacy and Ethics (ETHI)
Sixth Floor, 131 Queen Street
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Mr. Chair:

I am writing to follow up on a number of items mentioned during my appearance at ETHI on

April 18, 2024. I am thankful for the committee's continued advocacy for access to information and government transparency.

The topic of criminality as it relates to obstructing the right of access was raised during my appearance. There are two sections of the *Access to Information Act* (the Act) that provides for criminal offences: section 67, which prohibits the obstruction of investigations, and section 67.1, which prohibits destroying, altering, falsifying or concealing records with the intent of denying a right of access.

As mentioned during my appearance, I have no authority to investigate criminal offences. I can only disclose information to the Attorney General if there is evidence of a possible commission of an offence by a director, officer or employee of a government institution, under subsection 63(2)of the Act.

As requested by the Committee, please find below the cases in which information was disclosed to the Attorney General in the past. Despite what I stated during my appearance, there are actually five cases, not six. I apologize for any confusion this may have caused.

- March 25, 2010, regarding deleted records at the National Gallery of Canada;
- March 26, 2015, regarding the Royal Canadian Mounted Police's (RCMP) destruction of the long-gun registry;
- May 30, 2017, regarding email deletion at Shared Services Canada;
- September 10, 2018, regarding a possible obstruction of the right of access at the RCMP;
- February 27, 2019, regarding the Department of National Defence and Canadian Armed Forces concealing records.

Please note there are two additional investigations where the Commissioner at the time concluded that interference occurred in some files. These could not be referred under subsection 63(2) of the Act as the person involved was not an officer or an employee of a government institution:

- March 11, 2011, regarding political interference by a staff member in the minister's office regarding a record at Public Works and Government Services Canada
- April 10, 2014, regarding political interference by a group of ministerial staff from 2008 to 2010

I would like to point our that in my observations to the Government's review of Access to Information, I recommended that the Act be amended to enable the Information Commissioner to disclose to *the appropriate authority* information relating to the commission of an offence against a law of Canada or a province by *any* person (Recommendations 16 and 17).

During my appearance, I was also asked by a member of the committee to provide an example of a vexatious access to information request. You can find 19 cases in the OIC's decision database that refer to applications submitted by institutions to decline to act on requests that are vexatious, made in bad faith or otherwise an abuse of the right to make a request for access to records, under subsection 6.1(1) of the Act. Each of them outlines the reasons and principles behind my decisions.

As requested, I am also pleased to provide the number of complaints older than five years in my office's inventory. We began fiscal year 2024-2025 with 2,654 complaints. Of that total, 42 complaints are older than 2019-2020, representing 1,6 % of my inventory.

In addition, as I mentioned during my appearance, the $1,2 million in additional funding provided to my office's 2024-2025 Main Estimates was provided to cover the salary increases associated with renewed collective agreements negotiated by the Treasury Board Secretariat and therefore does not represent an increase in funding for my office.

Finally, with respect to the request for all the documents produced in connection with the four court mandamus proceedings that I initiated to compel compliance with my orders, I have attached to this letter a list of documents (representing 97 pages) that were produced in **one of the four** mandamus proceedings, for your information. For efficiency purposes, since translation would be required in order for me to share the documents with the Committee, I would like to confirm which documents the Committee would like to receive for the mandamuses filed. I am available should the committee wish to discuss this matter further.

Should you and the other members of the Standing Committee on Access to Information, Privacy and Ethics have any questions following this letter, please have the committee staff contact Manon Côté, my Manager of Parliamentary and Stakeholders Relations, by email

(parl@oic-ci.gc.ca).

Sincerely,

Caroline Maynard
Information Commissioner of Canada

c.c.: Mr. Darren Fisher, Vice-Chair

Standing Committee on Access to Information, Privacy and Ethics

Mr. René Villemure, Vice-Chair
Standing Committee on Access to Information, Privacy and Ethics

Ms. Nancy Vohl, Clerk
Standing Committee on Access to Information, Privacy and Ethics

Annex

Documents associated with the mandamus filled against Trans Mountain Corporation

- Applicant's motion record – Motion for judgment on consent (95 pages)
  - Notice of Motion
  - Notice of application
  - Affidavits – Office of the Information Commissioner of Canada
  - Written representations in support of the motion for judgment on consent
  - Consent of the parties to the motion

    - Draft Order
- Order from the Court (2 pages)

Date modified:

2024-05-13

Submit a complaint

Message to federal institutions subject to the Access to Information Act regarding the use of digital collaboration tools and the retention of records

February 4, 2026

Strong information management policies and practices that uphold access to information rights must remain central as institutions contend with budget cuts, staff reductions, employee departures, and potential realignment or restructuring in the coming months.

I recognize that information management in the public service is the responsibility of the Treasury Board of Canada Secretariat (TBS). I also acknowledge the responsibility of Library and Archives Canada (LAC) to establish retention and disposition authorities that govern how federal institutions manage, preserve, and ultimately dispose of their records, including transitory records.

However, some aspects of records management by institutions subject to the *Access to Information Act* become relevant to my office the moment an access request is made. This relevance is heightened by the widespread use of digital collaboration tools such as Microsoft Teams. These tools are designed to modernize and streamline public service workflows, but often operate with limited default retention periods that, if not properly managed, can put access to information rights at risk.

Institutions must ensure that records created using these tools are managed in a manner that upholds the right of access to information.

To that end, I wish to remind you of the following:

- Institutions should only adopt digital tools that ensure they can still fulfill their responsibilities and obligations under the Act.
- Institutions must task program areas in a timely manner once access requests are received to prevent inadvertent deletion of relevant records, especially on platforms with automatic deletion processes.
- Program areas must in turn provide to their Access to Information and Privacy unit all records that are responsive to the access request, regardless of whether they are transitory or constitute information of business value.
- If information of business value held on Microsoft Teams or any other digital collaboration tool that has not been stored elsewhere under existing retention policies is destroyed, the institution may not be able to provide the information sought through an access request.
- While the TBS and LAC information management and retention policies provide a solid framework, their effective implementation is essential. Inadequate application of these policies—particularly regarding retention settings in digital collaboration tools—can compromise an institution's ability to meet its obligations under the Act.
- Deleting information with the intent to deny a right of access is an offence under section 67.1 of the Act.

I am confident that by implementing policies with these considerations in mind, institutions can properly manage their information, while upholding the right of access to information and ensuring transparency and public accountability.

Caroline Maynard
Information Commissioner of Canada

Date modified:
2026-02-04

Quarterly statistics

Quarterly statistics

The Office of the Information Commissioner (OIC) publishes statistics about its complaint caseload and related work, including decisions by the OIC Registry (the group that receives, reviews and processes new complaints) about whether complaints are admissible, and investigations into admissible complaints.

The following graphs are updated quarterly and are supplemented by data in the Information Commissioner's annual report.

For more information on the OIC's investigations-related performance targets and progress against them, consult the Departmental Plan and Departmental Results Report.

- Age of complaints in inventory
- Complaints submitted
- Complaints submitted and concluded
- Outcomes of concluded complaints
- Complaints concluded through investigations with orders
- Applications for permission to decline to act on access requests

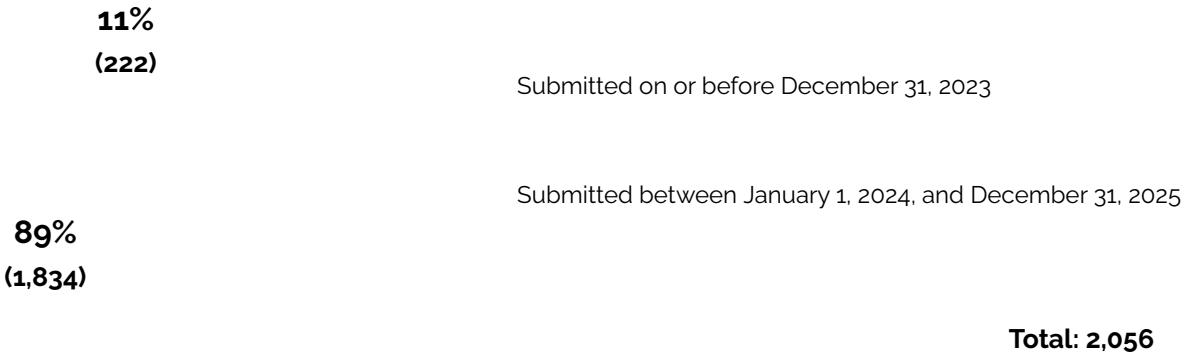
Age of complaints in inventory

The Information Commissioner strives to have as contemporary an inventory of complaints to investigate as possible.

There were 2,056 complaints admissible for investigation in the inventory on December 31, 2025. Of these, 222 (11%) were more than two years old (submitted on or before December 31, 2023). The remaining 1,834 (89%) were submitted between January 1, 2024, and December 31, 2025.

The OIC's goal is always to have 15% or less of the complaints in the inventory be older than two years.

Age of complaints in inventory, December 31, 2025



Text version

Complaints submitted

The OIC categorizes complaints submitted into three types:

- **Delay complaints**: these focus on institutions' lack of response to access requests after the deadlines set out in the *Access to Information Act*.
- **Extension of time complaints**: these focus on whether the extra time an institution decided to take to respond to an access request is reasonable, whether the extension of time was taken for legitimate reasons, or whether the institution followed the rules in the Act for claiming the extension.
- **Refusal complaints**: these focus on institutions' application of exemptions and exclusions under the Act, the adequacy of their record searches, the application of fees, the provision of records in a particular official language, the provision of records in alternative formats, publications under sectio 5 of the Act, and other matters relating to requesting or obtaining access to records.

In the third quarter of 2025–26, complainants submitted 473 delay complaints, 88 extension of time complaints and 275 refusal complaints. In addition, 475 complaints submitted were determined not to be admissible for investigation.

On December 31, 2025, the OIC was in the process of determining the admissibility of 77 other complaints.

Complaints submitted, April 1, 2025, to December 31, 2025

Total: 4,182

Q1 = April 1, 2025, to June 30, 2025
Q2 = July 1, 2025, to September 30, 2025
Q3 = October 1, 2025, to December 31, 2025

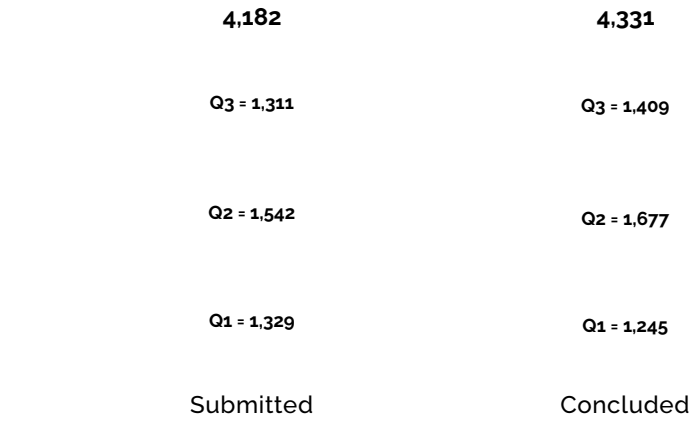
Text version

Complaints submitted and concluded

In the third quarter of 2025–26, complainants submitted 1,311 complaints, while the OIC concluded 1,409. As of December 31, 2025, 4,182 complaints had been submitted and 4,331 concluded for the year.

On December 31, 2025, the OIC was in the process of determining the admissibility of 77 other complaints.

Complaints submitted and complaints concluded, April 1, 2025, to December 31, 2025



Q1 = April 1, 2025, to June 30, 2025
Q2 = July 1, 2025, to September 30, 2025
Q3 = October 1, 2025, to December 31, 2025

Text version

Outcomes of concluded complaints

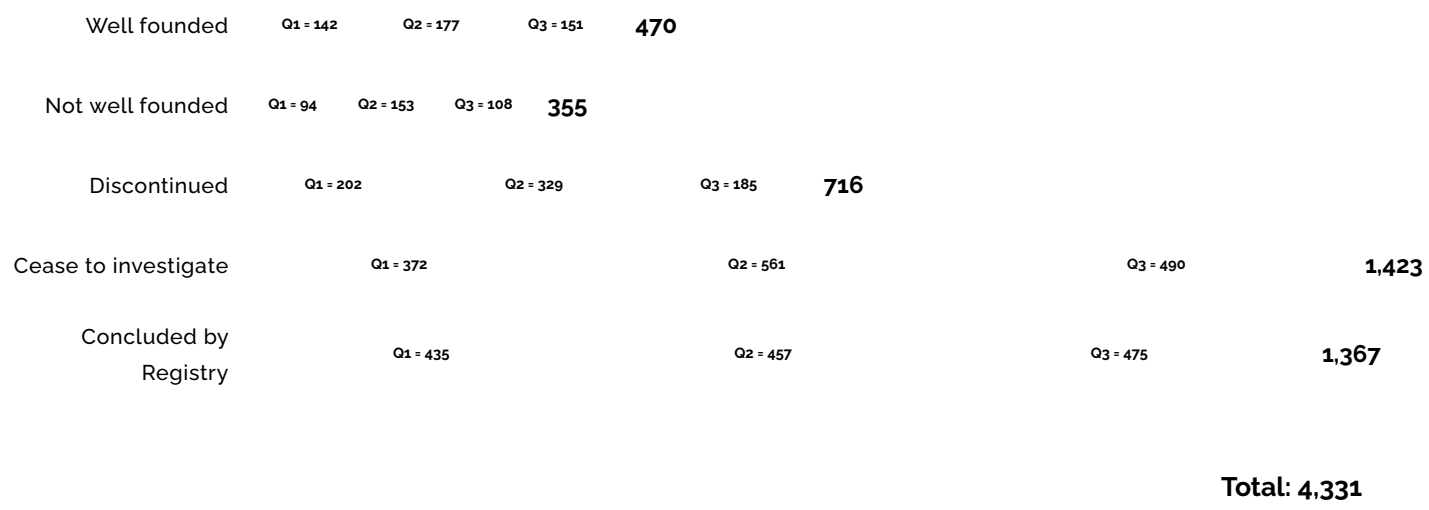
Complainants can receive one of several outcomes when they submit a complaint:

- a finding of **well founded** or **not well founded** after an investigation
- **discontinued**, when complainants choose to withdraw complaints
- **ceased to investigate**, when the Commissioner stops an investigation, most often when it is no longer necessary because the complainant has received a response to their access request as a result of the OIC's work
- **concluded by Registry**, when the OIC Registry (the group that receives, reviews and processes new complaints) concludes complaints as not admissible for investigation (e.g. complaints submitted late or outside the Commissioner's mandate) or the Commissioner refuses to investigate the

In the third quarter of 2025–26, the OIC concluded 259 complaints as well founded or not well founded, and 185 were discontinued. The Commissioner ceased to investigate 490 complaints, and 475 were concluded by the Registry.

More information: What are the possible outcomes for my complaint?

Outcomes of complaints concluded, April 1, 2025, to December 31, 2025



Q1 = April 1, 2025, to June 30, 2025
Q2 = July 1, 2025, to September 30, 2025
Q3 = October 1, 2025, to December 31, 2025

Text version

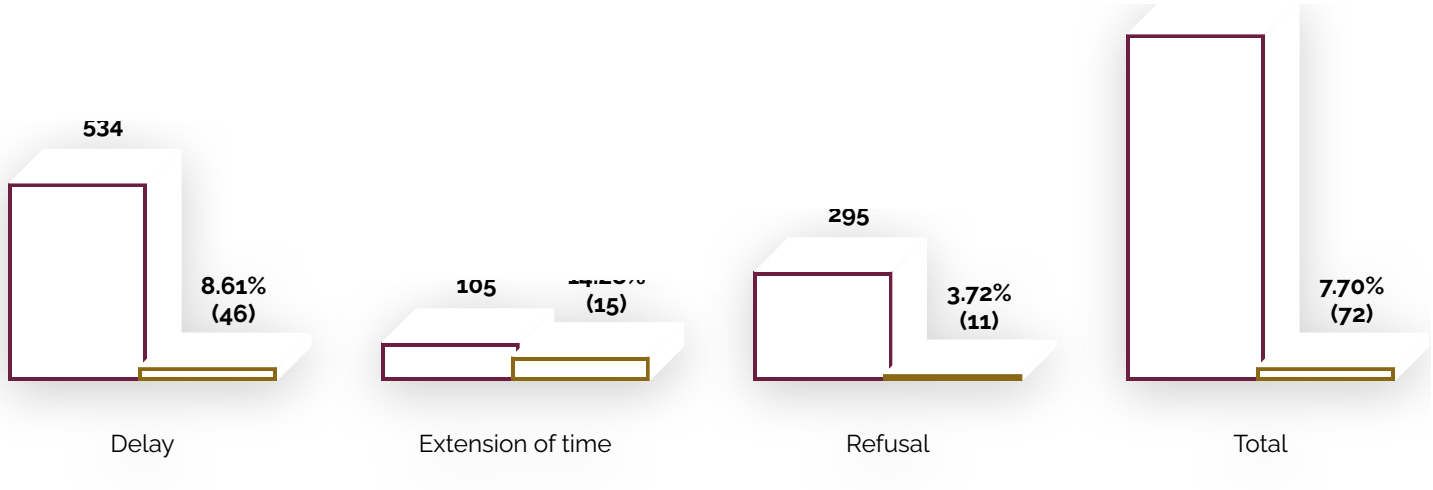
Complaints concluded through investigations with orders

The majority of complaints the OIC concludes do not require the Commissioner to issue orders.

In the third quarter of 2025–26, 72 complaints required orders. This amounts to 7.70% of all complaints concluded through investigations and 47.68% of al well-founded complaints (those for which the Commissioner has the power to issue orders).

More information: Information Commissioner's orders

Complaints concluded through investigations with orders, October 1, 2025, to December 31, 2025



Number of complaints concluded through investigations

Percentage (number) of orders issued

Text version

Applications for permission to decline to act on access requests

Institutions may apply to the Commissioner for permission to decline to act on access requests. They may choose to do this when they are of the view th the requests are vexatious, made in bad faith or an abuse of the right to make a request for access to records.

In the third quarter of 2025–26, the Commissioner received 5 such applications, 1 was completed (granted) and 7 had been carried over from the previou quarter, leaving a total of 11 ongoing applications.

More information: Commissioner's approval to decline to act on an access request, Process: seeking the Information Commissioner's approval to decline act on an access request under section 6.1, Frequently asked questions

Applications for permission to decline to act on access requests

Status of application	April 1, 2025, to June 30, 2025	July 1, 2025, to September 30, 2025	October 1, 2025, to December 31, 2025
Carried over	2	7	
Received	5	2	
Completed	0	2	
Granted	0	0	
Denied	0	1	
Withdrawn	0	1	
Ongoing	7	7	

Date modified:
2026-01-16

Submit a complaint