

PAVING THE WAY: KEY HIGHLIGHTS OF THE 2024 FEDERAL BUDGET FOR INDIGENOUS PEOPLES

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Truth and reconciliation

CIBC proudly acknowledges the unique histories, cultures, and contributions of Indigenous communities in Canada, and accepts the responsibility as an institution to contribute to education as well as creating respectful relationships with Indigenous communities. CIBC has formally launched a Reconciliation Action Committee to build a framework with clear and measurable commitments that will accelerate progress while responding to Call to Action #92 of the Truth and Reconciliation Commission of Canada.

Summary

In its 2024 federal budget, Canada demonstrates its ongoing commitment to reconciliation with Indigenous Peoples through a series of targeted initiatives. Economic development takes center stage with the introduction of the Indigenous Loan Guarantee Program, aimed at unlocking capital for Indigenous projects. Affordable housing is prioritized, with plans to create 3.87 million new homes by 2031, including support for Indigenous communities. Education is highlighted, with significant investments in K-12 and post-secondary education, alongside efforts to preserve Indigenous languages and cultures. Social and healthcare initiatives focus on addressing mental health challenges, combating anti-Indigenous racism, and supporting the Red Dress Alert initiative. Environmental conservation efforts include investments in Indigenous-led conservation initiatives and support for Canada's national parks. Overall, Budget 2024 signifies a significant step towards reconciliation and Indigenous empowerment, paving the way for a more inclusive and prosperous future.

Introduction

The CIBC Indigenous Markets team has conducted a thorough review of the 2024 federal budget and aims to provide our clients with a comprehensive summary of its key highlights. As a responsible and socially conscious investment firm, we believe it is our obligation to keep our clients informed about the latest government policies affecting the Indigenous communities we serve.

While recognizing that there is still much progress to be made in addressing the needs and aspirations of Indigenous Peoples, we find encouragement in the steps outlined in the budget to advance the economic and social wellbeing of Indigenous communities nationwide.

Budget 2024 reaffirms the government's dedication to reconciliation with Indigenous Peoples through targeted investments aimed at addressing persistent disparities and promoting Indigenous self-determination. These investments span various sectors, including economic development, education, culture, education, social and healthcare access, and community safety, with the goal of creating opportunities for Indigenous Peoples to prosper on their own terms. This commitment encourages a fairer and more inclusive Canada for present and future generations.

Economic Development

Indigenous Loan Guarantee Program

To address barriers faced by Indigenous communities in accessing capital for natural resource and energy projects, Budget 2024 introduces the Indigenous Loan Guarantee Program. With up to \$5 billion in loan guarantees, the program aims to unlock economic opportunities and support Indigenous economic development priorities. Eligibility will recognize Indigenous governments and their wholly owned entities, with a sector-agnostic approach prioritizing economic reconciliation and self-determination. Natural Resources Canada will handle intake and capacity building, while a new subsidiary of the Canada Development Investment Corporation will administer the loan guarantees. Additionally, \$16.5 million over two years will support capacity funding and program delivery.

More Affordable Homes

Budget 2024 and Canada's Housing Plan outline a strategy to unlock 3.87 million new homes by 2031, including 2 million net new homes beyond existing projections. Collaboration is essential to achieve this goal. The government will engage with all levels of government, builders, and importantly, Indigenous communities. Recognizing the unique housing challenges faced by Indigenous peoples, the government is committed to working with communities to address their housing needs.

A New Canada Housing Infrastructure Fund

Building more homes requires putting in place the essential infrastructure to support growing communities and denser, more vibrant, and liveable neighbourhoods. Budget 2024 introduces a \$6 billion allocation over 10 years to Infrastructure Canada for the Canada Housing Infrastructure Fund. This fund aims to accelerate housing-related infrastructure projects, with \$1 billion directly allocated to municipalities and \$5 billion for provincial and territorial agreements. To access this funding, provinces must commit to actions that increase housing supply, including zoning reforms and adopting changes to the National Building Code. Importantly, provinces must allocate at least 20 percent of their funding to northern, rural, and Indigenous communities, ensuring equitable distribution and addressing the unique housing needs of Indigenous peoples.

Building Homes in Indigenous Communities

The federal government has demonstrated its commitment to improving housing access for Indigenous communities through substantial investments, totaling over \$6.7 billion since 2015. Additionally, a further \$4.3 billion has been allocated for an Urban, Rural, and Northern Indigenous Housing strategy, scheduled to launch in 2024-25. Collaboration between Indigenous Services Canada and the Canada Mortgage Housing Corporation has already

resulted in the construction of more than 22,000 homes across 611 First Nations communities. However, challenges persist in urban, rural, and northern areas.

Growing Businesses to Create More Jobs

The federal government has established various programs and initiatives to support the growth of small and medium-sized businesses and promote economic development. Among these initiatives is a \$150 million investment in the Indigenous Growth Fund. This fund aims to attract additional investors and serve as a sustainable source of capital, facilitating the ongoing success of Indigenous businesses.

Boosting Indigenous Economic Opportunity

Budget 2024 prioritizes Indigenous economic empowerment, allocating \$350 million over five years to Indigenous Financial Institutions, with an additional \$30 million designated for Métis Capital Corporations. The Indigenous Tourism Association of Canada will receive \$2.5 million in 2024-25, while \$36 million over three years will bolster the Strategic Partnerships Initiatives' Clean Energy program. These investments aim to dismantle barriers, enable full economic participation, and foster prosperity within Indigenous communities, supporting entrepreneurs and future generations.

Education

Investing in First Nations Education

Recognizing the importance of education in shaping the future of Indigenous communities, Budget 2024 proposes significant investments in First Nations kindergarten to grade-12 education. This includes \$649.4 million over two years to enhance elementary and secondary education on reserves and \$545.1 million over three years for K-12 infrastructure improvements, creating safe and conducive learning environments for First Nations students.

Supporting First Nations Post-Secondary Education

To address disparities in post-secondary education attainment, Budget 2024 increases support for First Nations post-secondary students through the Post-Secondary Student Support Program. With an allocation of \$242.7 million over three years, starting in 2024-25, this initiative aims to improve access to post-secondary education opportunities for First Nations students. Additionally, ongoing support for Inuit and Métis post-secondary education strategies ensures continued investment in their educational success.

Investing in Homegrown Research Talent

Budget 2024 prioritizes investment in Canadian researchers, emphasizing their vital role in driving innovation and prosperity. To retain top talent, scholarships and fellowships will be

significantly increased and streamlined into one program. Additionally, \$30 million over three years will be allocated to support Indigenous researchers and communities, fostering their involvement in research and innovation initiatives.

Food

Resolving Food Insecurity

The federal government recognizes the importance of ensuring every child in Canada has access to adequate nutrition for a fair start in life. Rising grocery prices have made it challenging for families, including Indigenous ones, to afford nutritious food. To address this, Budget 2024 announces the creation of a National School Food Program, allocating \$1 billion over five years to expand access to school food programs. This initiative will benefit First Nations, Inuit, and Métis communities, as well as Self-Governing and Modern Treaty Partners, who often face high rates of food insecurity. Expected to serve over 400,000 children annually, the program will provide significant savings for families, particularly lower-income ones, and is slated to begin support as early as the 2024-25 school year. This commitment underscores the government's dedication to ensuring Indigenous children have the resources they need for a healthier and more equitable future.

In addition, Budget 2024 proposes to allocate \$62.9 million over three years, starting in 2024-25, to renew and expand the Local Food Infrastructure Fund. This initiative aims to support community organizations across Canada in investing in local food infrastructure, with priority given to Indigenous and Black communities, as well as other equity-deserving groups. Additionally, part of the expansion will focus on improving infrastructure for school food programs, complementing the National School Food Program.

Taxes

Clean Electricity Investment Tax Credit

Canada's electricity demand is anticipated to double by 2050, requiring a significant increase in capacity for a clean, reliable, and affordable grid. While Canada already boasts one of the world's cleanest electricity grids, certain regions, including those with Indigenous communities, require substantial investments to meet these standards. Budget 2023 introduced the Clean Electricity investment tax credit to support this transition, and Budget 2024 provides details on its design and implementation. The tax credit offers a 15% refundable rate for eligible investments in low-emitting electricity generation systems, stationary electricity storage systems, and interprovincial transmission. It is available to corporations, including those owned by Indigenous communities, with

Crown corporations also eligible under specific conditions. Compliance with robust labour requirements, including prevailing union wages and apprenticeship opportunities, is necessary to receive the full tax credit.

Environment

Empowering Indigenous-Led Conservation for a Sustainable Future

Since 2015, the federal government has dedicated over \$160 billion to advance Canada's clean economy and mitigate emissions, with additional investments to safeguard the environment and preserve natural habitats. Building on these efforts, Budget 2024 introduces new measures to enhance the nation's safety, health, and prosperity. This includes allocating \$800 million to bolster Indigenous-led conservation initiatives within Canada. By showcasing exemplary practices at COP15, hosted by Canada, these efforts aim to demonstrate the effective integration of traditional Indigenous knowledge in environmental protection.

Investing in Canada's Parks

Canadians take great pride in the natural wonders that our country has to offer. Parks Canada protects and conserves some of the most iconic places in Canada for the enjoyment of Canadians—and visitors from around the world. There are over 200 world-renowned national parks, national marine conservation areas, national urban parks, and national historic sites in Canada. These parks support good jobs, support our tourism industry, and they preserve and protect Canada's natural and historical legacy. The 2024 Budget announced several funds in support of these parks to help ensure that they continue to be there for generations to come. Many of these parks are located within Indigenous territories and are guided by Indigenous knowledge and world-class science. Among the mentioned parks are the Pituamkek National Park Reserve on PEI, BC's Great Bear Sea, and the Ojibway National Urban Park in Windsor.

First Nations Emergency Management and Preparedness

Budget 2024 addresses the urgent need for improved emergency management and preparedness in Indigenous communities, particularly in response to escalating wildfire threats. Given the record-breaking devastation of the 2023 wildfire season, proactive measures are essential to safeguard lives and infrastructure. The budget proposes \$9 million to support Indigenous governments affected by the 2023 wildfires in the Northwest Territories and allocates \$145.2 million over five years for developing climate resilience and structural mitigation strategies in collaboration with

First Nations. Additionally, \$20.9 million over three years will be directed towards the First Nations Fire Protection Strategy, focusing on distributing fire safety equipment and implementing educational programs to enhance community safety on-reserve.

Culture

Preserving Indigenous Cultures

Recognizing the importance of preserving Indigenous languages and cultures, Budget 2024 proposes significant investments. This includes \$225 million over five years to support Indigenous languages and cultures programs, in line with the Indigenous Languages Act. Another \$65 million over five years will be allocated to the Indigenous Screen Office to promote Indigenous storytelling and representation in the media.

Social

Addressing the Legacy of Residential Schools

Budget 2024 commits \$91 million over two years to support communities in documenting, locating, and memorializing burial sites at former residential schools. Additionally, \$5 million over three years will help establish a program to combat Residential School denialism, addressing the ongoing impacts of residential school trauma.

Supporting Urban Indigenous Communities

Addressing the unique challenges faced by Indigenous Peoples in urban areas, Budget 2024 provides \$60 million over two years to support Friendship Centres across Canada. These centres play a crucial role in delivering culturally appropriate programs and services to urban Indigenous Peoples, spanning various areas such as health, housing, education, and community wellness.

Empowering Indigenous Youth

The federal government is answering the call to action from the Truth and Reconciliation Commission by providing additional funding to support Indigenous youth empowerment initiatives. Building on its collaboration with Indigenous Youth Roots, a national organization focused on leadership and reconciliation programming for Indigenous youth, Budget 2024 allocates \$12.5 million over two years to Crown-Indigenous Relations and Northern Affairs Canada. This funding will enable Indigenous Youth Roots to identify and partner with Indigenous-led organizations, ensuring the continuation of vital programming that empowers Indigenous youth.

Ensuring Indigenous Children Thrive

Budget 2024 prioritizes supporting Indigenous communities in reclaiming jurisdiction over child and family services, aiming to keep Indigenous children connected to their communities and cultural identities. With a commitment of \$1.8 billion over 11 years, starting in 2023-24, the government aims to empower communities under an Act respecting First Nations, Inuit, and Métis children, youth, and families. Additionally, \$167.5 million over two years will be allocated to ensure Inuit children have access to essential health, social, and educational services.

On-Reserve Income Assistance

Budget 2024 introduces significant investments in the On-Reserve Income Assistance program, aimed at supporting on-reserve residents and eligible First Nations individuals in Yukon. Over five years, starting in 2024-25, \$596.2 million will be allocated for income support on reserve, with an additional \$119.2 million annually thereafter. Additionally, \$117.6 million over three years will be dedicated to enhancing job opportunities through case management and pre-employment support. Moreover, \$213.5 million over five years will be allocated to implement income supports for eligible persons with disabilities, ensuring parity with supports available off reserve. These investments represent the first time in Canadian history that income support programs for First Nations persons with disabilities on reserve, and eligible individuals in Yukon, will be comparable to those off reserve.

Support for Indigenous Justice Programming

The federal government's commitment to addressing the overrepresentation of Indigenous people in the justice system and discrimination within it is evident in Budget 2024. To support this goal, the government proposes allocating \$87 million over five years, with an ongoing annual commitment of \$11.3 million, to the Department of Justice for Indigenous justice programming. This funding will include initiatives such as the Indigenous Justice Program and the Indigenous Courtwork Program, aimed at providing culturally appropriate and community-based justice services. Additionally, \$5.5 million over three years will continue efforts to revitalize Indigenous laws and legal systems, while \$25.1 million over three years will support capacity building and engagement during the development and initial implementation of the Indigenous Justice Strategy.

Red Dress Alert

In response to ongoing efforts to address Missing and Murdered Indigenous Women and Girls (MMIWG), Budget 2024 allocates \$1.3 million over three years to co-develop a regional Red Dress Alert system with Indigenous partners. This initiative builds upon previous commitments, including the \$2.2 billion investment over five years for the National

Inquiry into MMIWG and the launch of the Red Dress Alert in Budget 2023. Recognizing the need for regionally-tailored approaches, the government has engaged with Indigenous communities, provinces, and territories to ensure the effectiveness of the alert system in meeting the diverse needs of Indigenous populations across the country.

In addition, the federal government has allocated \$20 million to support efforts, in partnership with the Government of Manitoba, Indigenous partners, and impacted families, to search the Prairie Green Landfill for the remains of missing and murdered Indigenous women. This funding supplements previous support for feasibility and planning assessments. The ongoing search underscores the national crisis of missing and murdered Indigenous women, girls, and 2SLGBTQIA+ people, highlighting the government's commitment to implementing the Federal Pathway to Address Missing and Murdered Indigenous Women, Girls and 2SLGBTQIA+ People and supporting healing and justice for victims and their communities.

First Nations and Inuit-led Policing

Budget 2024 proposes significant investments to address policing challenges in First Nations and Inuit communities. This includes allocating funds to the First Nations and Inuit Policing Program, supporting the work of Public Safety Canada's Indigenous Secretariat, and financing the repair, renovation, and replacement of policing facilities. These initiatives aim to enhance community safety and ensure culturally appropriate law enforcement services. Moreover, ongoing collaboration with Indigenous partners continues to develop legislation recognizing First Nations policing as an essential service.

Healthcare

Addressing the Overdose Crisis in Municipalities and Indigenous Communities

The devastating impact of the ongoing overdose crisis is felt across communities nationwide, with increasing drug toxicity and high opioid-related death rates remaining pressing public health challenges. Tragically, the crisis claims an average of 22 Canadian lives daily, with many victims experiencing homelessness and acute mental health needs. In recognition of this urgent issue, Budget 2024 proposes a \$150 million allocation over three years to Health Canada for an Emergency Treatment Fund. This fund, open to municipalities and Indigenous communities, aims to facilitate rapid responses to emergent, critical needs arising from the opioid crisis.

First Nations and Inuit Health

Budget 2024 aims to enhance healthcare services for First Nations and Inuit communities, focusing on equitable access and self-determination. The proposed investments include \$562.5 million in 2024-25 for the Non-Insured Health Benefits

Program, covering essential services like mental health care and medical travel. Additionally, \$390.4 million over four years will fund the construction and renovation of health facilities, supporting initiatives such as the Virtual Health Hub. Moreover, \$104.9 million over five years will bolster health transformation efforts, enabling First Nations to design and deliver services according to their needs. Finally, \$57.5 million over three years will contribute to the construction of the Mercury Care Home in Grassy Narrows First Nation, building on previous federal commitments.

Supporting Indigenous Mental Health

Budget 2024 acknowledges the mental health challenges faced by Indigenous Peoples due to colonial legacies, proposing a \$630.2 million investment over two years to enhance access to culturally sensitive mental health services. This aims to address higher rates of conditions like post-traumatic stress disorder and depression among Indigenous youth, especially those on reserves, while promoting resilience and well-being through culturally appropriate strategies.

Addressing Anti-Indigenous Racism in Health Care

Budget 2024 addresses the issue of anti-Indigenous racism in healthcare, spurred by tragic events like the death of Joyce Echaquan. It introduces Joyce's Principle, aiming to ensure equitable access to healthcare without discrimination. To support this principle, the budget proposes a \$167.6 million investment over five years to combat racism and discrimination in healthcare, promoting respect and safety for Indigenous Peoples by enhancing patient advocacy, increasing Indigenous representation in the health profession, and fostering culturally respectful healthcare systems.

Governance

Section 35 Negotiations

The federal government commits to working with Indigenous communities to recognize and protect their rights as affirmed in Section 35 of the Constitution Act, 1982. Over 170 active discussion tables across the country aim to conclude modern treaties and self-government agreements. Budget 2024 proposes \$96.4 million over two years to ensure Indigenous communities can fully participate in the negotiation process.

Renewing First Nations Core Governance and New Fiscal Relationship Funding

To support First Nations governance and self-determination, Budget 2024 allocates \$275 million over two years to Indigenous Services Canada for Indigenous Governance and Capacity programs. Additionally, \$12.6 million over two years will advance the New Fiscal Relationship with First Nations communities.

The path forward

The 2024 Federal Budget provides a wide range of support and investment in Canada's Indigenous communities. This ongoing commitment is vital to building a better and more equitable future, but much work remains. As engagements strengthen, the measures described in the 2024 budget are an encouraging move towards improving Indigenous economic participation, supporting Indigenous governance and building Indigenous prosperity.

At CIBC Asset Management, we are proud to be involved in supporting Indigenous Nations and communities to meet their financial needs. Our commitment to Indigenous economic development is long-standing, and we remain dedicated to partnering with Indigenous communities and businesses to build a more prosperous and sustainable future for all. We look forward to continuing our work with Indigenous partners in the years ahead.

Let's connect

Should you have any questions about this report, or would like to explore how CIBC can help you and your Nation, please do not hesitate to connect with us.



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About CIBC Asset Management, Indigenous Markets

As a North American leader in the financial industry, CIBC Asset Management is committed to supporting First Nations, Métis, and Inuit communities in achieving wellness and financial prosperity. We work in partnership with Chief and Council, trustees, and community members to manage assets with respect to culture, beliefs and values.

Our partnership model can create a significant impact through building long-term relationships, offering financial expertise, and transferring knowledge with community leaders and members to improve financial prosperity.

CIBC Asset Management capabilities

CIBC Asset Management's Indigenous Markets team is dedicated to providing comprehensive financial solutions to Indigenous communities across Canada. Our team offers:

Collaborative Partnership: With a deep-rooted history of collaboration, we forge strong partnerships with Indigenous communities based on mutual respect, trust, and understanding. Our collaborative approach involves active engagement with community members, leaders, and stakeholders to co-create financial solutions that are tailored to meet the unique goals and aspirations of each community.

Ongoing Support and Guidance: We recognize that achieving long-term financial success requires more than just initial implementation – it requires ongoing support, guidance, and adaptation. That's why we remain committed to providing continuous assistance, advice, and resources to Indigenous communities throughout their financial journey. Our dedicated team of professionals is available to offer personalized support, refine financial plans, and adapt strategies to changing circumstances and goals.

Sustainable Financial Solutions: By integrating environmental, social, and governance (ESG) considerations into our investment strategies, we ensure that our initiatives not only deliver financial returns but also contribute positively to the well-being of the environment and society. This commitment extends across all aspects of our operations, from investment selection to portfolio management, reflecting our dedication to responsible and sustainable investing practices.

Access to Resources and Networks: We understand the importance of access to resources and networks in fostering economic empowerment and resilience within Indigenous communities. That's why we provide access to a wide network of industry experts, facilitating collaboration and knowledge-sharing. Additionally, we support capacity-building initiatives aimed at strengthening financial management skills within Indigenous communities, empowering community members to take control of their financial futures and build a foundation for long-term prosperity.

Contact us any time

To learn more about this report and how we can help your Nation or community, please contact [Jean-François Bélanger](#).

For more insights, connect with us on [LinkedIn](#) or visit our [website](#).

Source: [Budget 2024 – Fairness for every generation](#)

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