



NEWS RELEASE

Indigenous spending up 50% since 2015 despite evidence that more money won't solve chronic problems

Jan. 26, 2021

For Immediate Release

CALGARY—If policymakers want to help improve living standards in Indigenous communities, particularly in remote areas of Canada, they should help foster the construction of roads and other infrastructure between these struggling communities and larger population centres—not simply spend more money on government programs, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“A constant flood of money from Ottawa has failed to solve the problems plaguing small remote First Nation communities yet the federal government continues to increase federal spending on Indigenous programs without material reforms,” said Tom Flanagan, Fraser Institute senior fellow and author of *Promise and Performance: Recent Trends in Government Expenditures on Indigenous Peoples*.

For example, from 1981 to 2016, the latest year of comparable data, federal spending on Indigenous programs increased fourfold yet the gap in the average Community Well-Being Index, which measures the well-being of individual communities, between First Nations and other Canadian communities barely budged. In fact, in 1981 the gap was 19.5 compared to 19.1 in 2016.

And yet, according to federal budget projections, from fiscal year 2015-16 to 2021-22, federal spending on Indigenous programs will increase by 50 per cent—from \$11 billion to more than \$17 billion.

“Clearly, more money hasn’t meaningfully improved living standards for First Nations in Canada, so Ottawa and other levels of governments should focus on reform and improving transportation and communications infrastructure to better connect remote Indigenous communities with the broader economy,” Flanagan said.

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