

Historic and Underwhelming: An Indigenous Analysis of Budget 2021

By: Riley Yesno

A RECURRING TREND I've noticed in Trudeau's Liberal administration is an affinity for proclaiming their work as "historic" and "unprecedented" — evoking a sense that they are pushing forward truly revolutionary and progressive agendas.

Last week's 2021 Federal Budget announcement certainly adhered to this trend.

Significant investments in childcare and COVID-relief were just some of the government's key commitments. Chrystia Freeland's first Federal Budget as Finance Minister also promised to support people living in Indigenous communities: "over \$18 billion over the next five years, to improve the quality of life and create new opportunities" (p. 245), quadrupling the \$4.5 billion commitment made in the previous 2019 budget.

This massive increase in dollars certainly lends to the image of the revolutionary, progressive agenda the Liberals are going for — but a closer look at where precisely those dollars are committed contrasts with expert opinions on the changes actually needed to transform the relationship with Indigenous communities. What at first appears to be radical may just be sizable investments in the status quo.

The 700-plus page budget makes many promises that require a deeper analysis from an Indigenous perspective. In my view, the main takeaways are:

1. Much of these "unprecedented" dollars remain insufficient and poorly allocated — arguably further entrenching inequity in some cases.
2. Not enough support is offered to local grassroots organizations who do a majority of the day-to-day community work — all on little to no budget. The most marginalized among us are still largely secondary priority to large, often non-Indigenous, organizations seeking "reconciliation dollars."

This government has long had a problem making flashy promises that they do not follow through. We should believe in promises of transformation only when we see it happening on the ground, in the community.

WHERE IS THE MONEY GOING?

\$18 billion is a lot of money. Chapter 8 of the 2021 Budget, dedicated to investments in Indigenous communities, outlines four major themes for spending. These include: "Healthy

and Vibrant Communities,” “Building Infrastructure and Economic Growth,” “Responding to the Tragedy of Missing and Murdered Indigenous Women and Girls (MMIWG),” and “Walking the Path to Reconciliation and Self Determination” (pp. 272–273).

The first section on “Healthy and Vibrant Communities” deals mainly with health and education. Here, I am particularly struck by the \$4.54 million allocated every year for five years to address health inequities caused by climate change (p. 248). Measure that against the actual climate mitigation measures in the budget, and this commitment seems like an admission of failure. Executive Director of Climate Action Network Canada, Catherine Abreu, asserts that **Canada’s emission reduction goals remain insufficient** even in this relatively climate-conscious budget. This is especially concerning considering that **Canada has never once met a climate goal**, even at this level of ambition.

While millions of dollars allocated to mitigating climate change’s health impacts initially seems respectable, not enough is being done to address the root problem. This is one of many instances where Budget 2021 fails to produce bold or radical change under the guise of seemingly progressive commitments. Indigenous communities will be able to do very little with these funds.

Under the spending commitments for “Building Infrastructure and Economic Growth,” there are further funding insufficiencies. For example, **NDP MP Mumilaaq Qaqqaq was quick to point out on Twitter** that the proposed \$25 million towards housing in the North paled in comparison to the immediate \$500 million Nunavut Tunngavik Incorporated called for to address the housing crisis in Nunavut. Addressing insufficient infrastructure has been a demand of Indigenous communities and experts for decades. According to the Public Policy Forum, **it will take an estimated \$30 billion to close the infrastructure gap**. Suddenly \$18 billion does not seem so transformative.

This financial commitment shows that the government recognizes the issue but identifies it as one that can still wait to be fixed. Even though overcrowding, improper ventilation, and homelessness are especially dangerous now during COVID-19, we still see a lack of urgency in their commitments.

Further, the government appears to prioritize the Calls for Justice from the Missing and Murdered Indigenous Women and Girls (MMIWG) Inquiry, but only names one direct call from the Final Report (that is 1.8, which recommends sustainable core funding to Indigenous communities and organizations to “create, deliver, and disseminate prevention programs, education, and awareness campaigns” on anti-violence for Indigenous families). It is hard to believe all 231 Calls are appropriately supported here. What is certainly being supported, though, is policing. The federal government committed around \$200 million every year for policing in Indigenous communities, compared to \$13 million for Indigenous-led community safety work. Policing, notably, is a contributing factor to the MMIWG crisis, and these investments stand in direct defiance of calls for defunding and abolition that are especially prominent in this political and social moment.

So yes, \$18 billion is a lot of money, but so is the amount that Canada would need to put forward to appropriately address the harms in Indigenous communities (for which they are largely responsible via years of chronic underfunding and subjugation). Indeed, as has been highlighted in the Yellowhead Institute’s forthcoming Report, **Cash Back**, Canada continues to ignore “catch up” costs — that is, the recognition that,

First Nations are not moving forward from the same starting point as provincial and territorial governments. By all indicators, they will be starting from a significant gap in housing stock, education, health care access, etc. Many programs will cost more if they are catching up and not just keeping up (p. 32).

As “historic and unprecedented” as this Budget may be, that does not mean it is sufficient.

WHAT ABOUT THE GRASSROOTS?

The final theme of spending, “Walking the Path to Reconciliation and Self-Determination,” perfectly highlights my second takeaway, which is that the Liberal government clearly does not value the work of smaller, frontline, grassroots organizations. Instead, Budget 2021 starkly shows which partners they seek to have a “most important relationship” with.

Gabrielle Fayant, the Co-CEO of a grassroots youth-focused community organization based in Ottawa, A7G, **wrote on Tuesday:** “White organizations taking money for ‘reconciliation’ while grassroots Indigenous groups struggle is not a TRC Call to Action.” I found this reflection especially timely after reviewing last Monday’s budget, realizing it did not mention the word “grassroots” once or name organizations I’d consider grassroots.

The specific organizations and sectors explicitly promised funding only includes Indigenous business and entrepreneurial organizations, Canadian Heritage, Crown-Indigenous Relations and Northern Affairs Canada (CIR-NAC), and other government facilitated/funded, non-Indigenous-led organizations. While funds may be allocated to community groups from some of these departments and organizations, there are no stated commitments. Where “community partners” are indicated, the language is notably vague and promises considerably less money than the aforementioned institutions.

Not once were land and water protectors or youth and 2SLGBTQ+ organizations named as beneficiaries in this budget. With this in mind, it is fair to say that a considerable amount of the Federal government’s designated resources will be put in the hands of either exclusively large-scale Indigenous operators or non-Indigenous leaders/organizations. This is especially concerning considering it is grassroots organizations similar to A7G, who without an existing, reliable funding base, find it most difficult to continue their work due to the impact of the COVID-19 pandemic and who are, at the same time, doing some of the most pressing work.

The inaccessibility described above is not so different from budgets past. I do not mean to imply that it is. Rather, I hope to show that bigger commitments do not automatically equate to “historic” or “radical” impacts. We also need to have larger conversations about how “reconciliation” has become, in many cases, a new and lucrative economy for organizations to claim funding in exchange for supposed trickle-down impacts in Indigenous communities.

Those Indigenous folks who deal with community empowerment or safety daily have been overlooked, and I can only reason that ground support is mainly side-stepped because it would undermine the control Canada demands over Indigenous spending and growth.

I’LL BELIEVE IT WHEN I SEE IT

The last point I want to emphasize is that many of the promises Justin Trudeau’s Liberal government makes in Budget 2021 are the same ones they made when they were first elected in 2015.

Ensuring access to clean drinking water in all Indigenous communities stands out as one of the most notable promises and failures of this government. Using the excuse of the COVID-19 pandemic, the federal government **missed their self-imposed deadline** to lift all boil water advisories in Canada this past March. Fifty-eight advisories remain in 38 communities. You would think that an ongoing public health crisis where proper sanitation

is essential to slowing viral spread would have urged that commitment to happen ahead of schedule, but apparently not.

Now, Budget 2021 promises \$31.3 million a year on top of existing funding for four years to address water advisories. **According to researchers**, as of 2018, it was estimated to cost almost \$6 billion to appropriately address all water advisories. Further, no new target date has been set to eliminate the remaining advisories — an assurance of accountability that communities can no longer hold the government to.

The federal government also **missed their deadline** to have a national action plan for MMIWG last June. Once again, this makes their new commitments to addressing the MMIWG crisis hold less weight.

Overall, any positive elements of Monday's Budget don't have me feeling hopeful. The announcement of federal dollars is only one small step in the larger project of seeing substantive improvements in the lives of Indigenous people both on-reserve and off.

CONCLUSION

We must resist resigning our analysis of Budget 2021 to seeing it as “generous” as the Liberals would undoubtedly like us to do.

Indeed, as **Cash Back** succinctly puts it, the Department of Indian Affairs sees this spending as simply “relief (...) not an Indigenous ‘right,’ but ‘given at the pleasure of the Branch.’” Before analyzing this federal budget, we must first recognize that “the policy of ‘enough to keep them alive’ has been the backbone of the fiscal approach since Confederation.”

Budget 2021 does not offer the financial support necessary to appropriately transform the systems causing the inequities. Unsurprisingly, I would characterize this budget as explicitly reformist at best and implicitly regressive at worst. Recognizing, too, it can be both of these things at once.

If you, like me, believe that Indigenous-led, grassroots, youth, 2SLGBTQ+ organizers are the ones offering our communities the clearest path to a prosperous future, Budget 2021 is not the place to look for aid in pursuing that path.

Overall, I feel the appropriate response to the Budget is to demand more, celebrating any improvements it may help facilitate only when we can look back on this moment from a truly revolutionary place.

ENDNOTES:

¹Special Joint Committee, Minutes of Proceedings and Evidence (1947): 367-369.

CITATION: Citation: Yesno, Riley. “Historic and Underwhelming: An Indigenous Analysis of Budget 2021” Yellowhead Institute. 26 April 2021. <https://yellowheadinstitute.org/2021/04/26/historic-and-underwhelming-an-indigenous-analysis-of-budget-2021/>