



News Release

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Representative calls for end to discriminatory child welfare funding practices

VICTORIA – British Columbia’s Representative for Children and Youth (RCY) is calling upon the provincial government through the Ministry of Children and Family Development (MCFD) to end discriminatory funding practices and adopt Canadian Human Rights Tribunal principles for Indigenous child welfare funding in B.C. in a report released today.

The report, *At a Crossroads: The roadmap from fiscal discrimination to equity in Indigenous child welfare*, which sought to map child welfare funding and service delivery in B.C., highlights funding practices by MCFD that, at the federal level, have already been deemed discriminatory through a Canadian Human Rights Tribunal ruling. It also points out the need for the ministry to update its fiscal management system so that public funds allocated to First Nations, Métis, Inuit and Urban Indigenous child welfare can be aligned with stated spending objectives and declared government and ministry priorities regarding reconciliation.

“The findings of this report are troubling,” said Representative Jennifer Charlesworth. “First, the level of child welfare services a First Nations, Métis, Inuit or Urban Indigenous child or family receives depends on where they live – on- or off-reserve, due to differing funding sources – and who they are served by. This leads to gaps and inequities that have no place in a province committed to reconciliation.

“Second, MCFD’s system for allocating funding is so broken that it is not possible to link ministry funding with the commitments to reconciliation government has made or to outcomes for kids. Without knowing how much money is spent on Indigenous child welfare and what the outcomes of those expenditures are, how can any assessment be made of how well First Nations, Métis, Inuit and Urban Indigenous children and families are being supported in B.C.?”

The intent of the report was to map the fiscal ecosystem of funding to services in order to reveal gaps and to create a comprehensive picture of how – and how much – money is being spent on First Nations, Métis, Inuit and Urban Indigenous compared with non-Indigenous child and family services, how that spending translates into services being delivered, and what kinds of outcomes are being achieved for young people.

The task demanded that the Representative examine both federal and provincial funding practices to gain a full understanding. However, the complexity of child welfare funding is such that it was necessary to work with experts to accurately assess federal and provincial fiscal systems. The Representative contracted with the Institute of Fiscal Studies and Democracy to gather and analyze federal and provincial data and drew from this work to establish her findings and recommendations. The Institute’s report, *Resource analysis in the provision of Indigenous and non-Indigenous child and family services in British Columbia*, is appended to the RCY report. It was also necessary for

RCY to work with a former MCFD Executive Director with expertise in ministry finances to interpret complex internal practices.

From the data gathered, the Representative made two startling findings: first, that resource allocation to a young person depends on where they live – on- or off-reserve. This is because funding sources differ depending on residency. Funding for on-reserve child welfare services for those First Nations who work with Indigenous Child and Family Service (ICFS) Agencies comes from the federal government which, as a result of the 2016 Canadian Human Rights Tribunal ruling, funds services – including culturally rooted, needs-based prevention services – at actual costs. For off-reserve services, funding comes from the provincial government for child welfare and does not include prevention services. It is funded at lower rates and is also not based on needs. A third category of funding exists for on-reserve services for those First Nations who do not have their own ICFS Agencies. For these children, the federal government provides funding for services, but it relies on a different methodology that pre-dates the Canadian Human Rights Tribunal ruling and the funding is transmitted through MCFD, which cannot definitively say how much of it reaches the First Nation. First Nations on-reserve served by MCFD, as well as First Nations, Métis, Inuit and Urban Indigenous children living off-reserve are at the greatest disadvantage because provincial funding for services for them is much less than for their counterparts living on-reserve.

“These funding differences put ICFS Agencies who support First Nations, Métis or Urban Indigenous children and youth residing off-reserve at a significant disadvantage because they do not receive any benefit from the Canadian Human Rights Tribunal ruling,” Charlesworth said. “Some Agencies serve both on- and off-reserve children, and for them, the funding differences are most starkly visible. Those Agencies receive funding from both the federal and provincial governments depending on where each child resides. Different children are allocated different levels of funding based on residence. This is fiscal discrimination, and it needs to end.”

The Representative’s other main finding is that it is not possible to create a map of the fiscal ecosystem between First Nations, Métis, Inuit and Urban Indigenous compared to non-Indigenous child welfare services using provincial data, nor is it possible to connect spending with stated government priorities. The necessary information is simply not tracked.

The Representative makes three key recommendations to address these findings:

- that MCFD adopt the Canadian Human Rights Tribunal principles of funding and provide funding models that are culturally based and needs-based, that provide for substantive equality for all First Nations, Métis, Inuit and Urban Indigenous children, and that prioritize culturally based community wellness and prevention services
- that MCFD update its ministry-specific fiscal management tools and reporting practices to align public funds allocated to First Nations, Métis, Inuit and Urban Indigenous child welfare to stated spending objectives and declared government and ministry priorities
- that MCFD incorporate the Grandmother Perspective, as described in the Office of the Human Rights Commissioner’s 2020 report on disaggregated data collection, to collect disaggregated race-based data to understand the diverse and greater needs of the First Nations, Métis, Inuit and Urban Indigenous populations it serves.

“We understand that this is challenging and complex,” said Mary Teegee, B.C. representative on the National Advisory Committee of First Nations Child and Family Services Reform and a board member of the First Nations Child & Family Caring Society of Canada. “However, that cannot be the reason we do not correct these inequities. With our federal partners, we have entered an era of

long-term reform for Indigenous child and family services. We are seeking the same relationship with the Province. When we know better, we must do better. The time is now to do better and correct the funding gap for our off-reserve relatives.”

“A starting point to eliminating fiscal discrimination is to develop a clear understanding of the populations you serve,” Charlesworth said. “Adopting the Grandmother Perspective means data collection will be done with the meaningful and respectful involvement of the people affected and communities, not government, will lead the way in determining what their needs are. Nothing less will do.”

The full report is available [here](https://rcybc.ca/reports-and-publications/crossroads): <https://rcybc.ca/reports-and-publications/crossroads>

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