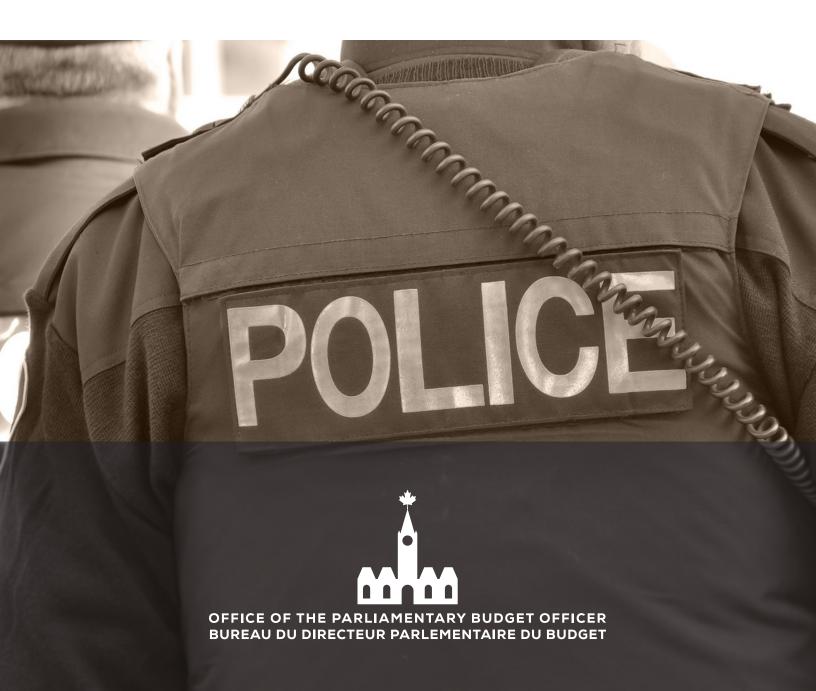


Overview of First Nations and Inuit police funding and spending



The Parliamentary Budget Officer (PBO) supports Parliament by providing economic and financial analysis for the purposes of raising the quality of parliamentary debate and promoting greater budget transparency and accountability.

In response to a request by the Standing Committee on Indigenous and Northern Affairs, this report presents an overview of First Nations and Inuit police funding and spending.

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Table of Contents

Highlights	1
Summary	2
Background	4
Analysis	5
Planned versus actual spending	5
Selected First Nations and Inuit police services	7
Funding arrangements	.11
Notes	.12

Highlights

Over 2015-16 to 2024-25, planned federal funding for First Nations and Inuit policing through the First Nations and Inuit Policing Program (FNIPP) and the First Nations and Inuit Policing Facilities Program (FNIPFP) increased from \$123 million to \$395 million, representing an average annual growth rate of 12.3 per cent.

Since 2021-22, program funds have not been fully spent as provincial-territorial partners faced challenges in providing their required cost-share funding to implement expanded federal funding commitments announced in Budget 2021, in part because of a misalignment of funding cycles.

Most stakeholders believe self-administered First Nations and Inuit police services are underfunded, and there is a need for federal legislation that recognizes First Nations policing as an essential service. While the federal government previously committed to table such legislation, the Minister of Public Safety wants to secure funding prior to its introduction. The cost of funding resulting from such federal legislation is currently not known.

Following the Nishnawbe Aski Police Service opting into the *Community Safety and Policing Act* of Ontario, the estimated resources required to provide the reevaluated service levels have doubled (from about 260 officers to a plan of 500 officers). To cover 52 per cent of the cost of this planned increase would require more funding than what is currently available in the FNIPP envelope. If all First Nations and Inuit police services were to be considered essential services, even if they would not all need a doubling of resources, the FNIPP would still require significant additional funding.

Summary

On September 24, 2025, the Standing Committee on Indigenous and Northern Affairs requested that the PBO prepare research and comparative analysis of Indigenous policing provided through the First Nations and Inuit Policing Program (FNIPP) and non-Indigenous police services.

Indigenous policing is a complex and sensitive topic. An adequate comparative analysis of costs to provide policing in First Nations and Inuit communities needs to consider multiple factors. Given the relatively short time to provide a report to the committee and the significant amount of time it took to determine the availability and obtain data from Public Safety Canada, this report does not attempt to provide a comparative analysis of Indigenous versus non-Indigenous policing. Instead, it examines funding and expenditures trends for the FNIPP and the First Nations and Inuit Policing Facilities Program (FNIPFP) as well as for four self-administered First Nations and Inuit police services.

Over 2015-16 to 2024-25, our period of study, planned funding for FNIPP increased from \$123 million to \$344 million, and to \$395 million including FNIPFP. Since 2015-16, funding has increased at an average annual rate of 12.3 per cent. The largest increases were observed in 2018-19 following the introduction of the FNIPFP and a 2.75 per cent escalator to FNIPP and following the Budget 2021 announcement of increased funding for FNIPP and FNIPFP.

Despite First Nations and Inuit police services asking for additional funds, the increased funding from Budget 2021 resulted in some funds being unspent. This was a result of provincial-territorial partners having challenges in securing their required cost-share funding to implement expanded federal funding commitments, in part because of a misalignment of funding cycles.

A sample of four self-administered First Nations and Inuit police services demonstrates substantial variation in per-capita funding and spending. Higher per-capita funding is generally observed in communities lacking year-round road access. Between 2015-16 and 2023-24, community funding increases varied from 40 to 323 per cent, while the overall program envelope grew by about 170 per cent.

Most stakeholders believe there is a need for federal legislation that recognizes First Nations policing as an essential service to address the lack of funding and predictability in funding. While the federal government previously committed to table such legislation,

Overview of First Nations and Inuit police services funding and spending

the Minister of Public Safety now wants to secure funding prior to its introduction. The cost of funding First Nations and Inuit police services following the introduction of such federal legislation is currently not known.

Following the Nishnawbe Aski Police Service opting into the Community Safety and Policing Act of Ontario, the estimated resources required to provide the standard reevaluated service levels have doubled (from about 260 officers to a plan of 500 officers). To cover 52 per cent of the cost of this planned increase would require more funding than what is currently available in the FNIPP envelope. If all First Nations and Inuit police services were to be considered essential services, even if they would not all need a doubling of resources, the FNIPP would still require significant additional funding.

Background

In response to a <u>request by the Standing Committee on Indigenous and Northern Affairs</u>, this report provides analysis of funding and spending trends of policing provided through the First Nations and Inuit Policing Program (FNIPP).

Indigenous policing is a complex and sensitive topic. An adequate comparative analysis of costs to provide policing in First Nations and Inuit communities needs to consider factors such as remoteness and geography, unique cultural needs, historical trauma, call volumes and crime severity indexes rather than simple metrics such as the number of officers per population size. Given the limited time provided to report back to the Committee and the significant amount of time it took to determine the availability and obtain data from Public Safety Canada, this report does not attempt to provide a comparative analysis of Indigenous versus non-Indigenous policing.¹

The FNIPP is a contribution program administered by Public Safety Canada since 1991-92 and supports culturally appropriate and responsive policing and community safety services in roughly 450 First Nations and Inuit communities across Canada. It funds the negotiated policing agreements among the federal government, provincial or territorial governments for First Nations or Inuit community police services.² While Indigenous affairs are a federal responsibility, provinces and territories are responsible for the administration of justice and play a central role in regulating and funding policing services in First Nations and Inuit communities.³ Under the FNIPP, eligible costs of the policing agreements are shared: 52 per cent federal and 48 per cent provincial-territorial.⁴ Funding through FNIPP currently supports two main types of policing agreements: Self-Administered (SA) Police Service Agreements and Community Tripartite Agreements (CTA).⁵

The First Nations and Inuit Policing Facilities Program (FNIPFP) was announced on November 15, 2018.⁶ As a contribution program administered by Public Safety Canada, the FNIPFP provides funding to repair, renovate, and replace policing facilities in First Nations and Inuit communities.⁷ It follows the same cost-sharing structure as the FNIPP (52 per cent federal and 48 per cent provincial-territorial), reflecting the shared interest of policing in First Nations and Inuit communities. It is scheduled to end in 2028-29.⁸

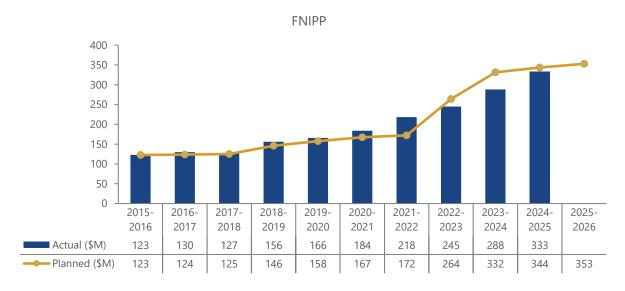
Analysis

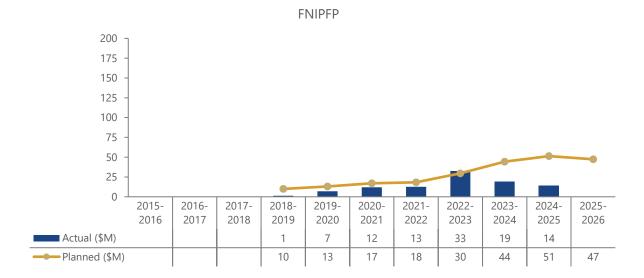
Planned versus actual spending

Over 2015-16 to 2024-25, planned funding for the First Nations and Inuit Policing Program (FNIPP) increased from \$123 million to \$344 million, and to \$395 million including the First Nations and Inuit Policing Facilities Program (FNIPFP). Since 2015-16, funding has increased at an average annual rate of 12.3 per cent. The largest increases were observed following the introduction of the FNIPFP and a 2.75 per cent escalator to the FNIPP in 2018-19, as well as the Budget 2021 announcement of increased funding for FNIPP and FNIPFP.

Figure 1 reveals that after the funding increase announced in Budget 2021, actual spending started to be lower than planned, both for the FNIPP and the FNIPFP.⁹ These unspent funds are carried forward to future years.

Figure 1
Actual versus planned spending through the FNIPP and FNIPFP, 2015-16 to 2025-26, millions of dollars





Source:

Office of the Parliamentary Budget Officer.

Note:

Actual and Planned spending figures are from Public Safety Canada's Departmental Plans and Departmental Results Reports.

Public Safety Canada notes that recent differences between actual and planned spending for FNIPP are due to challenges faced by provincial-territorial partners in securing their required cost-share funding to implement expanded federal funding commitments, in part because of a misalignment of funding cycles. This caused funding through FNIPP to be carried forward to future years. In 2021-22, the higher spending than planned, was attributed to new funding received through Supplementary Estimates.¹⁰

A recent evaluation of FNIPFP highlights delays in approvals within Public Safety Canada resulted in the misalignment of funding cycles at the provincial level as a cause of the funding being underspent. Other factors include the COVID-19 pandemic, short construction seasons in remote communities and a lack of project management expertise at Public Safety Canada and within communities.¹¹

Selected First Nations and Inuit police services

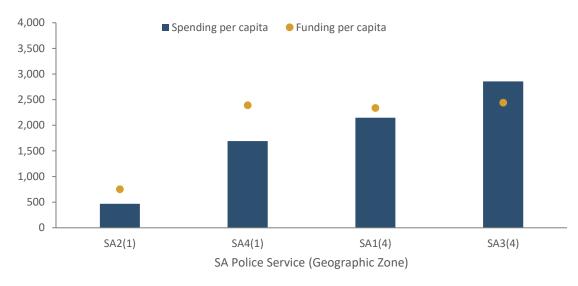
PBO and Public Safety Canada agreed upon a selected sample of four First Nations and Inuit police services under the Self-Administered (SA) police agreements that were representative of different geographic locations. To maintain anonymity, the names of the police services, regions where the police services are located, and their size are not identified. A code from SA1 to SA4 was randomly assigned.

Under SA agreements, the communities are allowed, in a time-limited funding agreement, to carry over unspent funding remaining at the end of each fiscal year for use in the next fiscal year. This funding arrangement can result in differences between total funding available and funding spent in a fiscal year.

Figure 2 reveals some variation in funding per capita between police services and their location. Two of the three police services receiving most funding per capita are in communities with no year-round road access to an urban centre, and as a result experience higher transportation costs. The third police service is in a community close to an urban centre. While geographic zone of the territory where the officers are operating factor in allocating funds, it is just one of many factors used under FNIPP.

Apart from SA2, funding per capita in 2023-24 averaged about \$2,400 for each of the police services in our sample.

Figure 2
Per capita spending and funding through FNIPP by Self-Administered Police Service (SA), 2023-24, dollars



Source:

Office of the Parliamentary Budget Officer and Public Safety Canada.

Note:

Funding includes contributions under FNIPP, but excludes funding obtained through other sources.

Geographic zone for communities served by selected First Nations and Inuit police services are defined by Crown-Indigenous Relations and Northern Affairs Canada. Geographic zone 1: community is located within 50 km of the nearest urban centre to which it has year-round road access; and Geographic zone 4: community has no year-round road access to a service centre.

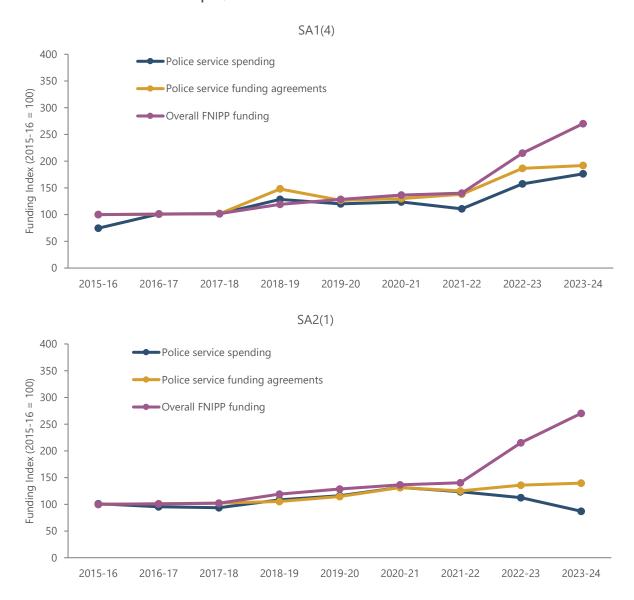
Figure 3 presents annual growth of spending and funding to the selected police services as well as for the total federal FNIPP envelope. From 2015-16 to 2023-24, funding increases varied across each community ranging from a 40 to 323 per cent increase over this period, while the total FNIPP envelope grew by 170 per cent. However, starting in 2021-22, these police services spent an average of 12 per cent less than their funding available through agreements.

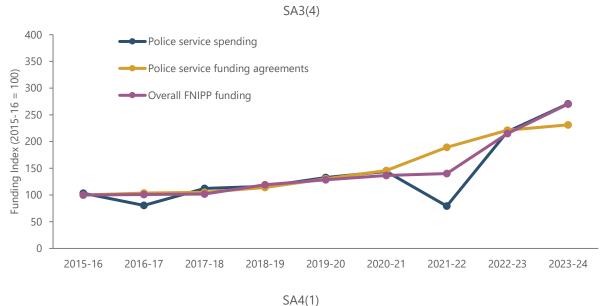
The federal government announced additional funding in Budget 2021 for FNIPP to stabilize existing police services and to expand the program to new First Nations and Inuit communities starting in 2022-23. The impact of this announcement can be seen in the growth of overall FNIPP funding.

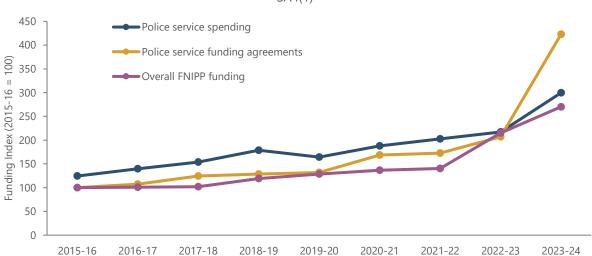
This increase to FNIPP was announced for new officers in existing agreements, to support communities that wish to join an existing First Nations and Inuit self-

administered police service, and to bolster police service budgets. Most selected communities did experience an increase in annual funding at one point since this announcement. However, SA4 is the only police service that saw its FNIPP funding outpace growth in the program envelope. The increase for SA4 was primarily due to a doubling of its funding between 2022-23 and 2023-24, bringing it in line with funding per capita of SA1 and SA3 (Figure 2).

Figure 3
Annual growth of police service spending/funding and total federal FNIPP envelope, 2015-16 to 2023-24







Source:

Office of the Parliamentary Budget Officer and Public Safety Canada.

Note:

First Nations and Inuit police services annual funding and spending, and FNIPP envelope indexed to 2015-16 annual funding. Funding to police services includes contributions under FNIPP, but excludes funding obtained through other sources.

Geographic zone for communities served by selected First Nations and Inuit police services are defined by Crown-Indigenous Relations and Northern Affairs Canada. Geographic zone 1: community is located within 50 km of the nearest service centre to which it has year-round road access; and Geographic zone 4: community has no year-round road access to a service centre.

Funding arrangements

Under the terms and conditions of FNIPP, the 52 per cent federal and 48 per cent provincial-territorial cost sharing arrangement under FNIPP reflects the shared interest of policing in First Nations and Inuit communities. That said, this arrangement does not guarantee full payment of all eligible expenses related to policing. While unspent funding can be carried over to the next fiscal year, this type of arrangement can lead to uncertainty as funding depends on time limited contribution agreements.

While there has been a steady increase in funding since 2015-16, First Nations and Inuit police services still indicate that they are underfunded and that the uncertainty with program funding leads to short-term contribution agreements, disrupting long-term planning. Most stakeholders believe there is a need for federal legislation that recognizes First Nations policing as an essential service to address the funding gap.¹³ While the federal government previously committed to table such legislation in Budget 2021 (and reiterated in Budget 2022), the Minister of Public Safety wants to secure funding prior to its introduction.¹⁴ The cost of funding resulting from such federal legislation is currently not known.

Recently, the Nishnawbe Aski Police Service (NAPS) Board opted into the *Community Safety and Policing Act* of Ontario to address gaps it identified within its police service under FNIPP.¹⁵ As a consequence of opting in, service levels were reevaluated for NAPS and it was identified that the number of officers would need to double.¹⁶ The additional funding necessary for this increase in NAPS is currently not available in the FNIPP envelope. While NAPS is the largest Indigenous police service in Canada, it is only one of 9 self-administered First Nations police services in Ontario receiving funding through the FNIPP. If other First Nations police services were to increase their service levels based on their unique needs, they would likely face the same shortfall in terms of funds available. Note that these other police services might not necessarily need a doubling in the number of officers.

Notes

- ¹ As the Auditor General's 2024 report noted, Public Safety Canada lacks modernized information technology systems to efficiently monitor and track program spending. In response to our information request for financial information about the program, we received scans of printed documents containing data tables. When asked for electronic copies of this data in a workbook format, Public Safety Canada officials told us they did not have the information in this format.
- ² There are various types of transfer payments available. A contribution is a transfer payment subject to performance conditions specified in a funding agreement. A contribution is to be accounted for and is subject to audit. Treasury Board of Canada Secretariat. Policy on Transfer Payments
- ³ Public Safety Canada. <u>Public Safety Canada 2023 Summer Issues Book, Indigenous Policing and Reconciliation</u>.
- ⁴ Public Safety Canada. <u>First Nations and Inuit Policing Program</u> and <u>Department Plan</u> <u>2025-2026 Details on transfer payment programs</u>.
- ⁵ Self-Administered (SA) Police Service Agreements, where a First Nations or Inuit police service provides day-to-day policing services to a community; and Community Tripartite Agreements (CTA), where a contingent of police officers from the Royal Canadian Mounted Police (RCMP) provide dedicated policing to a First Nations or Inuit community that is intended to supplement the existing contract police services provided to that community. Public Safety Canada. Department Results Report 2023 to 2024, Supplementary information tables, Details on transfer payment programs, <u>First Nations and Inuit Policing Program</u>.

SA and CTA represent very different agreements. Police services under SA agreements provide communities with a higher degree of autonomy and local direction over police services, and they demand a correspondingly greater investment of community resources in governance and administration. In contrast, police services under CTA, are provided through existing police services for the province or region, and communities may benefit from access to those services' larger pools of resources and training opportunities. The Council of Canadian Academies. Toward Peace, Harmony, and Well-Being: Policing in Indigenous Communities.

- ⁶ Public Safety Canada. <u>Government of Canada is investing in safer First Nation and Inuit police facilities</u>, November 15, 2018.
- ⁷ Public Safety Canada. <u>First Nation and Inuit Policing Facilities Program</u> and <u>Evaluation</u> <u>of the First Nations and Inuit Policing Facilities Program</u>.
- ⁸ Budget 2024 provided \$200 million over five years beginning in 2024-2025 to support further repairs. Public Safety Canada. Transition Binder: Associate Minister of Public Safety Canada 2024 Transition Reference Book, <u>Indigenous Affairs Branch Overview</u>.
- ⁹ A similar finding was also outlined in the Auditor's General 2024 report on the First Nations and Inuit Policing Program.
- ¹⁰ Public Safety Canada. Department Results Report 2021 to 2022, Supplementary information tables, <u>Details on transfer payment programs</u>.
- ¹¹ Public Safety Canada. <u>Evaluation of the First Nations and Inuit Policing Facilities</u> <u>Program</u>, September 16, 2025.
- ¹² Public Safety Canada. Minister LeBlanc's Appearance before the Standing Committee on Indigenous and Northern Affairs (INAN), June 3, 2024. <u>Parliamentary Committee Notes: First Nations and Inuit Policing Program</u>.
- ¹³ Public Safety Canada. <u>Summary of the 2022 Federal Engagement on First Nations</u> <u>Police Services Legislation What We Heard Report</u>.
- ¹⁴ Hon. Gary Anandasangaree, P.C., M.P., Minister of Public Safety, appearance at Standing Committee on Indigenous and Northern Affairs (INAN) on November 5, 2025. <u>Standing Committee on Indigenous and Northern Affairs, Evidence number 10, Unedited copy.</u>
- ¹⁵ CBC News. <u>Nishnawbe Aski Police Service signs agreement with Ontario to become an essential service | CBC News.</u> December 11, 2024.
- ¹⁶ Ministry of the Solicitor General, Government of Ontario. <u>Ontario Signs Historic</u> <u>Agreement with Largest First Nations Police Service in Canada | Ontario Newsroom</u>. News release, December 10, 2024.