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# Estimating First Nations and Inuit police services funding gap



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER  
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

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 provides an estimate of the operational funding gap for First Nations and Inuit police services supported by the First Nations and Inuit Policing Program. It also projects the value of one-time costs to meet provincially estimated service needs.

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**Interim Parliamentary Budget Officer**

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# Highlights

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PBO estimates the federal cost of the annual operational funding gap for First Nations and Inuit communities served by self-administered police services under the First Nations and Inuit Policing Program to be \$232.5 million as of 2026-27, which represents 103.0 per cent of projected federal funding under self-administered agreements. This gap is primarily driven by the need for 841 additional funded officers, equivalent to an increase of 54.8 per cent relative to projected levels under self-administered agreements.

Based on the resource needs estimated by provinces, all self-administered First Nations and Inuit police services are estimated to have an operational funding gap as of 2026-27, ranging from 1.4 per cent to 572.3 per cent of projected funding.

In addition, PBO estimates the value of federal one-time costs to meet provincially estimated service needs to be \$946.6 million as of 2026-27. These one-time costs include induction training, equipment, and infrastructure that could be incurred over multiple fiscal years.

# Summary

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In response to [a request by the Standing Committee on Indigenous and Northern Affairs](#), this report provides an estimate of the operational funding gap for First Nations and Inuit communities served by self-administered police services supported by the First Nations and Inuit Policing Program (FNIPP). It also projects the value of one-time costs to meet provincially estimated service needs, which vary by jurisdiction as each is responsible for the administration of justice.<sup>1</sup>

Potential federal legislation may introduce elements which differ from existing provincial requirements, affecting resource needs and associated costs. While no specific legislation has been tabled by the Government, Public Safety Canada has published proposed elements.<sup>2</sup> With no timeline, community characteristics and policing needs at implementation may tangibly differ from those today.

This report considers the 36 self-administered police services supported by FNIPP through Self-Administered Policing Agreements in 2024-25. The difference between projected annual operating funding to meet provincially estimated service needs and that projected under self-administered agreements as of 2026-27 represents the operational funding gap.

PBO estimates an operational funding gap of \$447.2 million as of 2026-27, equivalent to 103.0 per cent of projected funding under self-administered agreements (Table S-1). Using the FNIPP cost-sharing ratio of 52 per cent, the federal cost of the operational funding gap is estimated at \$232.5 million as of 2026-27. These projections cover recurring items such as wages, ongoing training, and routine operations.<sup>3</sup> This gap is primarily driven by the need for 841 additional funded officers, equivalent to an increase of 54.8 per cent relative to projected levels under current funding agreements.

## Table S-1

### Estimated operational funding gap as of 2026-27

Projection	Total (\$ millions)	Federal (\$ millions)	Number of funded officers
Self-administered agreements	434.0	225.7	1,536
Service needs	881.2	458.2	2,377
Estimated gap	447.2	232.5	841

Source:

Office of the Parliamentary Budget Officer and Public Safety Canada.

Note:

Differences may not reconcile due to rounding. Number of funded officers was provided by Public Safety Canada as of December 2025, with figures under 'Service needs' estimated by provincial authorities.

Our [November 25, 2025 report](#) identifies possible reasons for this gap, including federal and provincial-territorial budget constraints, misaligned financial cycles, and differing service standards across jurisdictions.

PBO's cost estimate does not account for changes to FNIPP funding since 2024-25 or for additional funding sources through other federal or provincial initiatives. Further cost increases could occur if additional communities pursue Self-Administered Policing Agreements. Potential federal legislation may introduce elements which differ from existing provincial requirements, affecting resource needs and associated costs. With no timeline, community characteristics and policing needs at implementation may tangibly differ from those today.

PBO estimates the value of one-time costs to meet provincially estimated service needs at \$1,820.4 million as of 2026-27 (Tables S-2). Using the FNIPP cost-sharing ratio of 52 per cent, the value of federal one-time costs is projected to be \$946.6 million as of 2026-27. This reflects the cost of non-recurring capacity-building items, such as induction training, equipment, and infrastructure.<sup>4</sup> In the event sufficient funding is secured, these costs would likely be incurred over multiple fiscal years depending on the readiness of each police service.

**Table S-2**

Estimated value of one-time costs as of 2026-27, millions of dollars

<b>Category</b>	<b>Total</b>	<b>Federal</b>
<b>Induction training</b>	31.8	16.5
<b>Equipment</b>	119.1	61.9
<b>Infrastructure</b>	1,669.6	868.2
<b>Total</b>	1,820.4	946.6

Source:

Office of the Parliamentary Budget Officer and Public Safety Canada.

Note:

Totals may not add due to rounding. Infrastructure-related funding is also provided by the First Nations and Inuit Policing Facilities Program (FNIPFP).

# Background

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In response to [a request by the Standing Committee on Indigenous and Northern Affairs](#), as part of its study of Indigenous Policing and Public Safety, this report provides an estimate of the annual operational funding gap for First Nations and Inuit communities served by self-administered police services supported by the First Nations and Inuit Policing Program (FNIPP). It also projects the value of one-time costs to meet provincially estimated service needs, which vary by jurisdiction as each is responsible for the administration of justice.

Most First Nations and Inuit communities receive police services through Self-Administered or Community Tripartite Policing Agreements negotiated between the federal government, provincial or territorial governments, and First Nations and Inuit communities under the FNIPP.<sup>5</sup> Funding under FNIPP is shared: 52 per cent federal and 48 per cent provincial-territorial.<sup>6</sup> Public Safety Canada and provincial or territorial governments monitor the application of the terms and conditions set out in each agreement, as well as guidelines on eligible expenses and how funds can be spent. In addition, the federal government also provides one-time funding for facilities through the First Nations and Inuit Policing Facilities Program (FNIPFP) under the same cost-sharing structure.<sup>7</sup>

A recent evaluation of the FNIPP calls attention to the finite allocated budget, which has led to what most stakeholders believe is an underfunding of FNIPP-funded policing agreements. As a result, the scope and nature of policing services available to participating communities are limited and face ongoing operating challenges that hamper the working conditions of FNIPP-funded officers and can impact their physical and mental wellbeing.<sup>8</sup>

Our estimates focus on First Nations and Inuit communities with Self-Administered Policing Agreements under FNIPP.<sup>9</sup> Under Self-Administered Policing Agreements, communities are responsible for establishing and administering their own police service. This is done by creating a police governance board according to provincial or territorial policing legislation. A police governance board is responsible for public oversight as well as police officer staffing and training matters. Like non-Indigenous municipal police services, these independent police services are led by a Chief of Police who reports to the police governance board.<sup>10</sup>

Table 1 provides an overview of existing self-administered police services supported by FNIPP.<sup>11</sup> There is considerable variation in the size of self-administered police services, reflecting community traits and preferences. As of December 2025, 36 Self-Administered Policing Agreements served 160 First Nations and Inuit communities with a total population of 178,139.

**Table 1**  
Self-Administered Policing Agreements by province

Province	Number of agreements	Number of communities served	Size of population served	Number of funded officers
Quebec	22	44	78,966	664
Ontario	8	82	61,957	592
Manitoba	1	12	18,656	162
Saskatchewan	1	5	2,388	10
Alberta	3	7	13,358	92
British Columbia	1	10	2,814	16
<b>Total</b>	<b>36</b>	<b>160</b>	<b>178,139</b>	<b>1,536</b>

Source:  
Public Safety Canada.

Table 2 presents the distribution of communities by geography type using data from Public Safety Canada, which is informed by Crown-Indigenous Relations and Northern Affairs Canada’s geographic zones.<sup>12</sup> Non-remote communities have year-round road access and are near service centres, road-access communities also have year-round road access but are over 50 km from the nearest service centre, and fly-in communities lack year-round road access. Nearly half of residents served reside in non-remote communities, which tend to have larger populations than road access and fly-in communities.

**Table 2**  
 Number of communities under Self-Administered Policing  
 Agreements by geography type

Geography type	Number of communities	Size of population served	Average community size
Non-remote	60	84,061	1,401
Road access	58	51,857	894
Fly-in	42	42,221	1,005
<b>Total</b>	160	178,139	1,113

Source:

Office of the Parliamentary Budget Officer and Public Safety Canada.

Note:

Geography types follow the categories provided by Public Safety Canada, which is informed by Crown-Indigenous Relations and Northern Affairs Canada's geographic zones.

# Cost Estimate

Projected operating funding to meet provincially estimated service needs is compared to projected funding under self-administered agreements to estimate an operational funding gap as of 2026-27.

The 2026-27 value of one-time costs to meet provincially estimated service needs is also projected.

## Results

PBO estimates an operational funding gap of \$447.2 million as of 2026-27, equivalent to 103.0 per cent of projected funding under self-administered agreements. Using the FNIPP cost-sharing ratio of 52 per cent, the federal cost of the operational funding gap is estimated at \$232.5 million as of 2026-27. These projections cover recurring items such as wages, ongoing training, and routine operations.<sup>13</sup> This gap is primarily driven by the need for 841 additional funded officers, equivalent to an increase of 54.8 per cent relative to projected levels under current funding agreements.

**Table 3**

Estimated operational funding gap as of 2026-27

Projection	Total (\$ millions)	Federal (\$ millions)	Number of funded officers
Self-administered agreements	434.0	225.7	1,536
Service needs	881.2	458.2	2,377
Estimated gap	447.2	232.5	841

Source:

Office of the Parliamentary Budget Officer and Public Safety Canada.

Note:

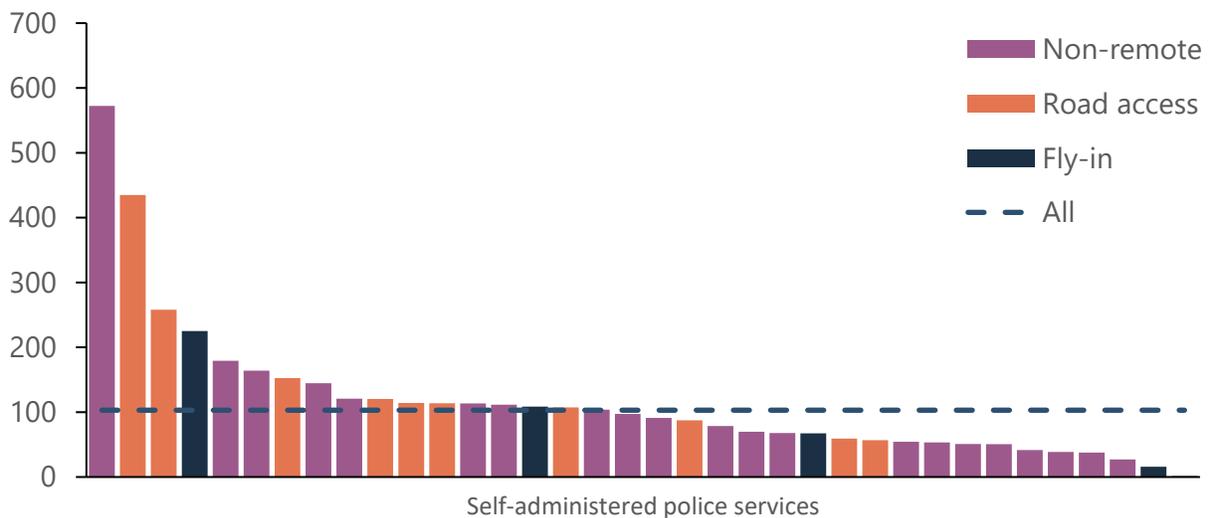
Differences may not reconcile due to rounding. Number of funded officers was provided by Public Safety Canada as of December 2025, with figures under 'Service needs' estimated by provincial authorities.

Our [November 25, 2025 report](#) identifies possible reasons for this gap, including federal and provincial-territorial budget constraints, misaligned financial cycles, and differing service standards across jurisdictions.

PBO’s cost estimate does not account for changes to FNIPP funding since 2024-25 or for additional funding sources through other federal or provincial initiatives. Further cost increases could occur if additional communities pursue Self-Administered Policing Agreements. Potential federal legislation may introduce elements which differ from existing provincial requirements, affecting resource needs and associated costs. With no timeline, community characteristics and policing needs at implementation may tangibly differ from those today.

Examining estimated operational funding gaps by police service provides further insight into the diverse needs of communities served by self-administered police services supported by FNIPP. Figure 1 presents each police service’s estimated operational funding gap as a per cent of projected operating funding under their respective agreement.

**Figure 1**  
 Estimated operational funding gap as of 2026-27 by self-administered police service, per cent



Source:  
 Office of the Parliamentary Budget Officer.

Note:

Geography types follow the categories provided by Public Safety Canada, which is informed by Crown-Indigenous Relations and Northern Affairs Canada’s geographic zones. Mixed-geography services are classified by their most remote community.

Variation is observed within geographic groups, implying factors beyond remoteness impact the magnitude of estimated operational funding gaps. Across all services, the gap is estimated to be 103.0 per cent of projected operating funding under self-administered agreements. Individual police service gaps range from 1.4 per cent to 572.3 per cent.

There is also wide variation in the scale of funded officer gaps. Across all services, the estimated gap is 54.8 per cent of 2024-25 funded officers. Individual police service gaps range from 0.0 per cent to 450.0 per cent.

PBO estimates the value of one-time costs to meet provincially estimated service needs at \$1,820.4 million as of 2026-27. Using the FNIPP cost-sharing ratio of 52 per cent, the value of federal one-time costs is projected to be \$946.6 million as of 2026-27. This reflects the cost of non-recurring capacity-building items, such as induction training, equipment, and infrastructure.<sup>14</sup> In the event sufficient funding is secured, these costs would likely be incurred over multiple fiscal years depending on the readiness of each police service.

## Table 4

Estimated value of one-time costs as of 2026-27, millions of dollars

Category	Total	Federal
Induction training	31.8	16.5
Equipment	119.1	61.9
Infrastructure	1,669.6	868.2
<b>Total</b>	<b>1,820.4</b>	<b>946.6</b>

Source:

Office of the Parliamentary Budget Officer and Public Safety Canada.

Note:

Totals may not add due to rounding. Infrastructure-related funding is also provided by FNIPFP.

# Data and Methodology

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Operating funding under self-administered agreements was projected for 2026-27 by applying a 2.75 per cent escalator to 2024-25 FNIPP funding figures provided in Information Request IR0876.<sup>15</sup> This projection does not account for changes to FNIPP funding since 2024-25 or for additional funding sources through other federal or provincial initiatives.

Resource needs estimated by provinces are obtained from Public Safety Canada through Information Request IR0875.<sup>16</sup> These include uniform and non-uniform staffing levels, equipment, and facilities as estimated by provincial authorities.

Unit costs draw on financial data from First Nations and Inuit as well as non-Indigenous police services across Canada. To prevent unit costs from reflecting geographic characteristics specific to source communities, non-remote equivalents are estimated where appropriate. The median of these non-remote values forms the baseline unit cost estimates.<sup>17</sup>

For each police service, baseline unit costs are adjusted to reflect shipping, living, and fuel costs in the communities served.<sup>18</sup> These were grown in line with inflation in PBO's economic and fiscal outlook to reflect fiscal year 2026-27.<sup>19</sup>

Adjusted unit costs are combined with estimated resources to project operating costs under provincially estimated service needs as of 2026-27. The same approach is used to project the 2026-27 value of one-time costs. The service needs estimated by provinces rely on assumptions intended to support planning rather than prescribe budgets for First Nations and Inuit police services.

The projected operational funding gap does not account for any elements under potential federal legislation which may differ from provincially estimated service needs. Any divergence could result in a change of costs for federal and provincial governments. While no specific legislation has been tabled by the Government, Public Safety Canada has published proposed elements.<sup>20</sup> Further cost increases could occur if additional communities pursue Self-Administered Policing Agreements.

# Notes

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<sup>1</sup> For more information consult [Federal, Provincial and Territorial Responsibilities in Canada's Criminal Justice System](#).

<sup>2</sup> For more information consult [Proposed Elements to inform the First Nations Police Services Legislation](#).

<sup>3</sup> Routine operations include wear-and-tear equipment replacement costs. Purchases needed during the capacity ramp-up, such as new firearms and vehicles, are included in one-time equipment costs.

<sup>4</sup> One-time equipment covers purchases needed during the capacity ramp-up, such as new firearms and vehicles. Routine wear-and-tear equipment replacement costs are included in annual operating cost projections.

<sup>5</sup> There are over 680 First Nations and Inuit communities in Canada. As of December 2025, 160 were covered by Self-administered agreements, 245 by Community Tripartite Agreements (CTA), 23 by Quadripartite Community Agreements and legacy Ontario First Nations Policing Agreements (similar to CTAs), and another 30 received services for Community Safety Officers, for a total of 458 communities served under the FNIPP.

<sup>6</sup> For more information consult [First Nations and Inuit Policing Program](#).

<sup>7</sup> For more information consult [First Nations and Inuit Policing Facilities Program](#).

<sup>8</sup> Public Safety Canada (2022). [Evaluation of the First Nations and Inuit Policing Program](#), page 37.

<sup>9</sup> Under a Community Tripartite Policing Agreement (CTA), the First Nation or Inuit community has dedicated officers from an existing police service, typically the Royal Canadian Mounted Police (RCMP). Unlike the case of communities working under Self-Administered Policing Agreements, communities with a CTA have an advisory body with no responsibility for police governance.

<sup>10</sup> In Quebec, the Band Council hires the Director of police, police officers, and support staff. The self-administered police service is under the direction of the Director of the police service who reports to the Band Council. For more information consult [Illustrative Case Studies of First Nations Policing Program Models](#), page 11-13.

<sup>11</sup> The number of funded police officers (1,536) is higher than the number of positions that were filled in December 2025 (1,232). This is because several self-administered police services are experiencing difficulties in recruiting and retaining staff. These difficulties may stem from working conditions that are sometimes less attractive than those in neighboring non-indigenous police services, particularly in terms of retirement pensions. These less attractive conditions are partly attributable to the funding shortfall.

<sup>12</sup> For more information consult [First Nations Profiles Definitions](#).

<sup>13</sup> Routine operations include wear-and-tear equipment replacement costs. Purchases needed during the capacity ramp-up, such as new firearms and vehicles, are included in one-time equipment costs.

<sup>14</sup> One-time equipment covers purchases needed during the capacity ramp-up, such as new firearms and vehicles. Routine wear-and-tear equipment replacement costs are included in annual operating cost projections.

<sup>15</sup> For more information consult [Information Request IR0876](#) and [Public Safety Canada News Release, November 2018](#).

<sup>16</sup> For more information consult [Information Request IR0875](#).

<sup>17</sup> Exceptions include repair and maintenance, employee benefits, and overtime costs.

<sup>18</sup> For more information consult [Approach for Adjusting Program Funding to Account for Remoteness of First Nations Communities](#). Fuel costs are adjusted using province-specific values provided in [Information Request IR0875](#).

<sup>19</sup> PBO, [Economic and Fiscal Outlook – September 2025](#)

<sup>20</sup> For more information consult [Proposed Elements to inform the First Nations Police Services Legislation](#).

