

Federal Background Paper Accountability for Results Roundtable Follow-up Session

Introduction

In April 2004, Prime Minister Paul Martin convened the first Canada-Aboriginal Peoples Roundtable. The Roundtable brought together representatives of federal and provincial/territorial governments with First Nations, Métis and Inuit leadership from across Canada. That first discussion focused on what could be done to create transformative change in the relationship between Canada and First Nations, Métis and Inuit, in order to foster better outcomes in the lives of Aboriginal people, who remain significantly disadvantaged in comparison with the rest of the Canadian population, based on data in any socio-economic indicator. In the words of the Prime Minister, “The end result of our objectives, once we achieve them, must be to put an end to the terrible assumption that Aboriginal Canadians will always be a little – or a lot – worse off than other Canadians.”

The Prime Minister committed the Government of Canada to hold follow-up sessions in six sectoral areas: health; life-long learning; housing; economic opportunities; negotiations; and accounting for results. In addition, the October 2004 Speech from the Throne stated, “the Government and Aboriginal people will together develop specific quality-of-life indicators and a ‘Report Card’ to hold all to account and to drive progress.” As a first step towards the development of an Aboriginal report card, Treasury Board Secretariat included, for the first time, a chapter on Aboriginal peoples in the publication *Canada’s Performance 2004*, released in December 2004.

The goal of this background paper on accountability for results is to enhance the discussion that will take place at the January 25-26, 2005 follow-up session on Accountability for Results, by:

- outlining overarching issues;
- providing examples of perspectives on accountability and results;
- examining existing mechanisms that promote accountability;
- providing examples of accountability and reporting models;
- asking key questions about accountability and results.

The background paper is not intended as a policy statement by Treasury Board Secretariat or the Government of Canada. Much of the material in the paper is drawn from other sources and referenced as such. We hope the paper will assist participants at the January 2005 session by stimulating the discussion, which will form part of the policy development process.

Overarching Issues

The term *accountability* can be defined as *an obligation to answer for performance*. This obligation or responsibility can rest with a government or other type of institution, or sometimes with an individual. Accountability requires providing evidence of how the government, institution or individual has performed in meeting previously-defined requirements. Typically, this has been accomplished through some form of reporting. More recently, greater emphasis has been placed on establishing the expected outcomes and the reporting on accomplishments or achievements relating to outcomes. While reporting is not the only way that accountability can be achieved, it is one of the main ones and constitutes much

of the focus of this paper. In addition, there are a number of factors that can affect accountability, some of which are outlined below.

Relationship

Any form of accountability for results, including a report card, is tied to the underlying relationship between government and First Nations, Métis and Inuit, and its sub-structure. Are the parties involved, equal partners, and therefore equally accountable for results? Are there structures in place that support that partnership? Is there reciprocity with the relationship, i.e. do both parties (or multiple parties) in the relationship share in the accountability and reporting?

The extent of possible accountability relationships could be shown like this (arrow = ‘accountable to’):

All governments ⇒ to their citizens
Aboriginal institutions/governments ⇒ to membership/citizens
All governments administering Aboriginal programs ⇒ to Aboriginal program participants/beneficiaries and other Canadians
Funding recipients ⇒ to funding providers

In this scenario, citizens and governments, funding recipients and funding providers, are parallel, on exactly the same level. It is neither top-down, nor bottom-up, and assumes a high degree of consensus and shared interest amongst everyone on their objectives. It introduces the concept that the delivery agents of programs may be accountable, in part, to program participants or beneficiaries. So, for example, land claims signatory organizations like the Inuvialuit Regional Corporation publish annual reports available to all beneficiaries (and in fact to all Canadians), describing how land claims benefits are being managed. Some federal government programs, like Aboriginal Head Start in Urban and Northern Communities, have published annual data about program activities and participants, that assist program sites in telling their community members what the program is about.

Accountability for results with money

An estimated \$8.8 billion is to be spent by the federal government on Aboriginal programs and services in 2004-2005.¹ The federal government is concerned about accountability to Canadians for those expenditures, and ensuring that expenditures are as effective as possible. As the users of programs and services, Many Aboriginal people are concerned that the expenditures reach their intended target – to benefit First Nations, Métis and Inuit – and not primarily to benefit self-sustaining bureaucracies.

Accountability for results in programs and services

In accountability for results in programs and services (an estimated 240 federal Aboriginal-specific programs, and a number of programs funded by provincial/territorial governments), there are a number of critical factors: what are the intended outcomes for a specific program or policy, how are they defined, and by whom? By whom and how are policies and programs delivered? To what extent are the First Nations, Métis and Inuit program participants involved in the design of the program evaluation?

¹ Further information is provided in the Report on Plans and Priorities of the Department of Indian Affairs and Northern Development at <http://www.tbs-sct.gc.ca/est-pre/20042005/INAC-AINC>.

Are the questions that Aboriginal people might ask about a program's effectiveness, for example those relating more closely to local community benefits, considered in the design of an evaluation? How are program evaluation results and performance measurement methods employed to contribute to continuous improvements in programs and policy?

Accountability for (or counting) people

First Nations, Métis and Inuit are differentiated by cultures, languages and geography. They are also differentiated by the types of targeted programs and services for which they are eligible from different governments. On a statistical level, First Nations, Métis and Inuit are also differentiated by the widely varying amounts of information available on distinctive Aboriginal groups. Significantly more data are available for First Nations people living on reserves, than for any other Aboriginal community. As the desired information becomes more specific, data sources are fewer, and the specific data sets may have not been collected (for example, data on high school attainment for Métis in a specific province). Some data may only be available on an aggregated basis (i.e., statistics for all Aboriginal people on a national basis, but not by province/territory or cultural group).

First Nations reporting to federal organizations

An issue primarily relevant to First Nations (but with some relevance to other Aboriginal institutions reporting on funding to the federal government) is the extent of reporting required by federal funders. In a 2002 report, the Office of the Auditor General (OAG) found that:

First Nations reporting requirements established by federal government organizations are a significant burden, especially for communities with fewer than 500 residents. We estimated that at least 168 reports are required annually by the four federal organizations that provided the most funding for major federal programs.

The OAG found that reporting requirements were overlapping and duplicative; made little use of federal departments; provided limited information on performance and results; and concluded,

Steps need to be taken to streamline reporting requirements. The current program structure established by the federal organizations is an obstacle to reforming reporting requirements and needs to be reviewed.

More effective, smarter reporting should reduce the administrative burden on First Nations and other Aboriginal institutions.

Perspectives on Accountability and Results

Perspectives on 'accountability' and definitions of 'results' vary. The Report of the Royal Commission on Aboriginal Peoples (RCAP) quotes from a brief that it had received, to the effect that in traditional Aboriginal societies, "leaders were viewed as servants of the people and were expected to uphold the values inherent in the community. Accountability was not simply a goal or aim of the system, it was embedded in the very make-up of the system."² Additional perspectives are cited below.

² RCAP Report, Vol. 2, Chapter 3, p. 130.

Government of Canada Inherent Right Policy

The federal Inherent Right Policy (1995) discusses the accountability expectations (of the federal government) for self-governing Aboriginal entities. The Policy does not discuss the accountability of the federal government to First Nations, Métis and Inuit. It states:

Aboriginal governments and institutions should be fully accountable to their members or clients for all decisions made and actions taken in the exercise of their jurisdiction or authority. Mechanisms to ensure political and financial accountability should be comparable to those in place for other governments and institutions of similar size, although they need not be identical in all respects.

Mechanisms to ensure political accountability must be developed and ratified by the Aboriginal group concerned, and set out in an internal constitution so that they are transparent to all members, and to others who deal with the Aboriginal governments or institutions.

[...] Mechanisms to ensure administrative and financial accountability to members and to clients must also be established, and should be no less stringent than those existing for other governments and institutions of comparable size. Such mechanisms should respect the principles of transparency, disclosure and redress.

Federal government accountability to all Canadians

The Treasury Board Secretariat document *Results for Canadians* provides a discussion of the federal government's perspective:

As citizens, Canadians have a right to fair, equitable and reasonable treatment from federal government institutions. As clients, Canadians have a right to accessible service that meets their priorities for improvement. And as taxpayers, Canadians rightfully expect cost-effectiveness or best value in the delivery of government programs and services. [...]

In any interaction with a department or agency, all three dimensions are often brought into play and the public interest is served when they are properly balanced. Public service employees in any department or agency must be conscious of the needs of their clients. At the same time, the entire federal system must work together to ensure that the interests of Canadians - as citizens and taxpayers, as well as clients - are continually factored into program and service design and delivery.

Assembly of First Nations

As an example of one Aboriginal perspective, the Assembly of First Nations' (AFN) Policy Statement on Achieving Results refers to the Auditor General's 2002 report on reporting requirements for First Nations, and goes on to state:

First Nations recognize that effective governments are first and foremost capable governments. To this end there are several critical steps including the development of a professional public service and the effective collaboration and networking of institutions and organizations that must be addressed.

Creating transformative change in this area requires that we work together to consider the development of offices for First Nations Audit and Ombudsman functions.

Over the shorter term, we want to work directly with the federal government to directly address the findings of the Auditor General and

- *To identify and remedy the lack of coordination on critical issues such as housing and justice*
- *To further the initial work of the AFN/Chartered General Accountants process to establish effective, appropriate standards for reporting and accountability, and*
- *To provide policy development assistance for First Nations, sharing best practices and models*
- *To ease the reporting and administrative burden on First Nations and to ensure First Nations needs are considered*
- *To develop specific approaches including recruitment, retention and training of a model First Nation public service.*

Department of Indian Affairs and Northern Development

In a 1998 report prepared for the Research and Analysis Directorate, Department of Indian Affairs and Northern Development entitled “A Review of Literature on Fiscal Relationships,” the following discussion on the accountability of First Nations and the federal government is provided:

Accountability in the context of fiscal arrangements with First Nations has focused on the relationships between the First Nation and the federal government, which involves ministerial responsibility, and between First Nation people and their local First Nation governments. There are therefore two separate compacts from which accountability can flow, one in the government-to-government association, and the other from the recipient government's connection to its own people. If the expectations in these two arenas are contradictory, there will be conflict, which will diminish the likelihood of success, as the recipient government tries to deal with competing interests. Conversely, when both compacts are strengthened and dedicated to the objectives of the fiscal relationships, there is a greater likelihood of success. Strong accountability between the recipient government and its citizens may reduce the need for onerous accountability to the funding agency.

Existing Canadian mechanisms for accountability and results in the Aboriginal context

Canada does not currently have any one, clear mechanism to ensure accountability and results in the Aboriginal context. There are a number of mechanisms that have been and will continue, no doubt, to be used to advocate for accountability and results:

Parliament

The Westminster parliamentary system provides Members of Parliament and Senators, and the political parties they represent, with opportunities to question government expenditures and policies, and provide the governing party with opportunities to promote its expenditures and policies. MPs and Senators can pose any question that they wish in the House or Senate, in relation to actions, expenditures and legislative initiatives of the government. A central feature of the parliamentary system is the doctrine of ministerial responsibility, wherein power flows from the Crown and is exercised by ministers who, in turn, are accountable to Parliament.

Questioning of ministers or departmental representatives can take place through the work of committees of the House or Senate; perhaps most relevant in the Aboriginal context, the Standing Committee on Aboriginal Affairs and Northern Development examines issues or legislative initiatives proposed by the government. Committees have the power to summon witnesses who are not Parliamentarians, who can be public servants, political advocates of particular issues, or members of communities, to obtain their perspectives. Other Parliamentary committees, such as the Sub-Committee on Children and Youth at Risk, which studied early childhood education for Aboriginal children on and off-reserve, have also performed useful work in the Aboriginal context.

Independent institutions of the Parliamentary system, such as the Office of the Auditor General, focus on areas of expenditures relating to Aboriginal people in its reports. Within the past few years, Auditor General's reports have examined issues such as the reporting burden of First Nations; land claims implementation; and problems with the educational system for First Nations children on reserve.

Public service

Underneath, and taking its direction from the Parliamentary system, is the public service, the non-partisan structure that supports the government. The public service administers the public funding that is spent to benefit First Nations, Métis and Inuit institutions, communities and people, typically through a range of funding agreements with Aboriginal organizations or governments. Aboriginal people and institutions can and do intervene with public servants to try to influence policy, levels of funding, changes to programs, and individual grievances. The relationship can be quite close between public servants and Aboriginal communities in specific sectors, or can be so distant as to appear meaningless.

Program environment

The current federal Aboriginal program environment is complex, with 240 programs offered by 32 federal departments and agencies. The largest share of program expenditures are for basic services for First Nations on reserve (e.g., education, social development, infrastructure, health and band support) and for comprehensive and specific land claims. The federal government has largely devolved program delivery to First Nations governments and other Aboriginal institutions. In devolving programs, departments and agencies have developed many funding authorities and transfer payment mechanisms.

Civil society

First Nations, Métis and Inuit and their institutions have a long history of interacting and intervening, initially with the British Crown and now with federal and provincial/territorial governments, to inform governments about their positions, and press for policy changes. This system is acknowledged by consultation exercises undertaken by governments, and by government financial support of a range of Aboriginal organizations, including at the national level. The requirement for consultation on government actions that may affect an Aboriginal right that has been clearly asserted has recently been enshrined by the Supreme Court of Canada *Taku/Haida* decision. The media also highlights issues between Aboriginal parties and the government, and can be a critical factor in the ‘court of public opinion.’

The courts

Especially since the Canadian Charter of Rights and Freedoms became part of the Constitution in 1982, Aboriginal people and organizations have used the judicial system for redress of grievances or to support the assertion of rights. Court decisions such as the Supreme Court of Canada *Calder* decision (prior to the *Constitution Act, 1982*), *Sparrow*, *Delgamuukw*, *Marshall* and *Powley*, have profoundly affected government policy.

Existing mechanisms for accountability and results, while sometimes useful, do not perform the same functions as could a report card. The Government of Canada therefore supports the development of an Aboriginal report card, as a new mechanism to improve transparency and accountability for results.

Report Card Models

There are no Canadian models of a comprehensive report card in the Aboriginal context. There is at least one sectoral Aboriginal model in development, the Aboriginal Health Reporting Framework (AHRF); and there are other Canadian models not specific to Aboriginal peoples. Other countries with indigenous populations -- New Zealand, Australia – are experimenting with accountability and reporting in reference to their indigenous people. Some models of other report cards are presented in Annex A.

Aboriginal Health Reporting Framework (AHRF)

The AHRF is a sector-specific reporting model, arising from a commitment in the 2003 First Ministers’ Accord on Health Renewal, which states, “First Ministers direct Health Ministers to consult with Aboriginal peoples on the development of a comparable Aboriginal Health Reporting Framework.”

The responsibility for the development of the Aboriginal Health Reporting Framework (AHRF) within the federal/provincial/territorial structure was given to the F/P/T Advisory Committee on Governance and Accountability (ACGA). The ACGA struck a Task Group made up of representatives from the federal government, provinces and territories and the five national Aboriginal organizations. The AHRF Task Group is co-chaired by First Nations and Inuit Health Branch, Health Canada and a representative of the British Columbia Ministry of Health Planning.

The process to develop an AHRF takes into consideration:

- providing a model to understand health disparities between Aboriginal people and non-Aboriginal people;
- being inclusive, and respectful of cultural needs/expectations;
- being cognizant of principles relating to data ownership, control, access and possession;
- incorporating tenets of prior agreements.
- integrating performance indicator expertise with community interests to establish a scientifically rigorous model.

The process has two stages: In Stage 1, parties will arrive at an agreement on the parameters of the framework; identify sources of data; and collect information on relevant national and international initiatives. Stage 2 will include a community dialogue (the parameters of which will be defined in Stage 1), and moving toward a consensus on content and process for an AHRF.

The engagement of Aboriginal groups will be a central part of the activities.

AHRF will focus on comparability of indicators with those defined by ACGA (e.g., primary care, home care, catastrophic drug coverage, medical equipment, health human resources etc.) but may not be identical. Indicator sources will likely rely primarily on health and administrative databases in F/P/T jurisdictions.

New Zealand Maori

New Zealand has been developing models of reporting and accountability in reference to the indigenous Maori population that are different from anything currently in place in Canada. In 1992 the New Zealand government created Te Puni Kōkiri, the Ministry of Māori Development. Currently, Te Puni Kōkiri's work focuses on providing high quality policy advice to Government and other agencies, and has begun recently to provide services to assist Māori achieve their development aims. It publishes an annual report (not a report card), which includes audited financial statements, and a Statement of Service Objectives in five different areas. Te Puni Kōkiri reports to the New Zealand government's Minister of Maori Affairs, who is currently a Maori Member of Parliament.³

Aboriginal people in Australia

In August 2004 the Australian federal government Department of Immigration and Multicultural and Indigenous Affairs launched a new 'whole-of-government' approach to the delivery of programs and services for indigenous Australians, replacing the Aboriginal and Torres Strait Islander Commission (ATSIC) and its associated service delivery agency. The Australian government policy statement, "New arrangements in Indigenous Affairs" provides a National Framework of Principles for Delivering Services to Indigenous Australians. The Framework refers to establishing transparency and accountability, by:

- *Strengthening the accountability of governments for the effectiveness of their programs and services through regular performance review, evaluation and reporting.*

³ More information on Te Puni Kokiri is available from its website, www.tpk.govt.nz.

- *Ensuring the accountability of organisations for the government funds that they administer on behalf of Indigenous people.*
- *Tasking the Productivity Commission to continue to measure the effect of the Council of Australian Governments (COAG) commitment through the jointly-agreed set of indicators.*

As of December 1, 2004, the legislation to abolish the ATSIC was being reintroduced in the Australian Parliament.⁴

Key questions about accountability and results

It has been said about Canadians that our success may lie in being able to ask the right questions, without necessarily knowing what the answers are. In the area of accountability and results, asking the right questions might be a starting point.

Who is reporting for what?

Can First Nations, Métis and Inuit institutions be expected to account for any and all federal government money that flows their way? – This has not been typical of the funding relationship between the federal and provincial/territorial governments, where in most cases there are minimal accountability requirements for some federal funding, e.g. the Canada Health and Social Transfer (CHST) or the constitutionally-protected regional equalization payments. The federal/provincial/territorial relationship has been evolving, however; recent agreements, such as Early Learning and Child Care in 2000, have all governments reporting to Canadians in a shared report on expenditures in a given field.

Who is reporting to whom?

Concern has been expressed by many Aboriginal people that improved accountability for results not be defined as consisting of more reporting by First Nations, Métis and Inuit, to the governments that fund programs and services, but that accountability be defined more reciprocally.

How will reporting lead to improved results?

In an ideal world, all parties — governments and citizens — would be accountable for their actions and be able to report on them. In the Canada-Aboriginal context, the situation is still far from ideal. If reporting were improved, it could have several effects:

- More focused data on the situation of Aboriginal populations could assist in targeting resources, e.g., if specific health problems were found to be more prevalent in Aboriginal populations (middle ear infections, i.e., ‘otitis media,’ in Inuit children) new program approaches could be developed to meet them;
- Better reporting on program participation and outcomes could allow modifications to program design, e.g., if an Aboriginal skills training program is found to have a significant gender imbalance, specific approaches could be inserted into the program to correct the imbalance; and

⁴ More information about this initiative is available at www.indigenous.gov.au.

- More specific information about Aboriginal populations could help to inform all Canadians about the realities of Aboriginal people and engage Canadians in solutions, e.g., closing the gap in educational attainment between Aboriginal people and other Canadians.

Possible elements of an Aboriginal Report Card (ARC)

Better accountability for results is a shared responsibility. The federal government must do its part. It must be able to demonstrate to all Canadians, and particularly to Aboriginal Canadians, what results are expected and being achieved as Canada and First Nations, Métis and Inuit work towards improving the socio-economic conditions of Aboriginal peoples in this country. The Government of Canada proposes that developing an ARC will help illustrate where efforts are successful, or alternately where more attention needs to be paid.

There are many opportunities for cooperative work in developing an ARC. Federal government, provinces and territories, First Nations, Métis and Inuit partners, key stakeholders and experts will need to jointly develop a framework for the ARC, in order to ensure its continued relevance and appropriateness. Provincial and territorial governmental participation in the development process would be desirable, given their role in the direct delivery of services and the collection of outcome data. It would be especially important in relation to non-reserve-based Aboriginal people.

The ARC could outline a set number of socio-economic results to be achieved, and reporting on indicators that could be used to track and measure progress towards the desired results. It could incorporate the following elements:

- Shared outcomes: all partners (federal, provincial/territorial and Aboriginal) would agree on outcomes to be tracked over time, *e.g., health status of Aboriginal people equivalent to that of other Canadians;*
- Shared indicators: partners agree on indicators that could be used to track results, *e.g., life expectancy as an indicator of health status;*
- Shared data: partners agree to share data with each other, *e.g., provincial/territorial vital statistics aggregated to arrive at national data (or disaggregated to provide community-level data);*
- Coordination of reporting: parties could report together or separately as long as there is agreement to prevent duplication, *e.g., provinces and territories could choose to develop separate reports on the Aboriginal population in their jurisdiction, or distinct Aboriginal peoples may choose to develop separate reports, but all could draw on common data sources;*

Reporting in a range of thematic areas: the thematic areas of Health, Life Long Learning, Economic Opportunity, Negotiations and Housing are suggested by the organizational structure of the Roundtable Follow-up sessions. Annual reports could focus on different thematic areas in different years, or different thematic areas in different jurisdictions, *e.g., Alberta could report one year on educational achievement of Aboriginal people in that province; the federal government could report on economic development on reserves in the same year.*

The Government of Canada looks forward to the opportunity to discuss accountability for results with participants at the January 25-26, 2005 Roundtable follow-up session.