

ASSEMBLY OF FIRST NATIONS
FIRST NATIONS LABOUR MARKET STRATEGY
DRAFT FOR DISCUSSION – NOT FOR DISTRIBUTION
ISSUE PAPER 7- Term, 10 Years

DESCRIPTION:

To provide an approach to achieve a ‘predictable, stable, long term’ environment for FNLMS

OPTIONS:

1. 10 year agreements with periodic performance review (3 years)
2. 5 year agreements with performance review and extension for a further 5 years
3. Indefinite agreements with approval of funding for a 3 year rolling budget and periodic, tri-annual performance review
4. Other not suggested here

RATIONALE:

Labour market issues are long term, require professional program and service delivery and strong, stable institutions that are culturally sensitive.

Even five-year program renewals have been managed so as to introduce a great deal of instability and bureaucracy into the strategy first creating uncertainty and instability and then a rush for renewal that undermines policy adjustments.

FNLMS will be indeterminate if embedded in a Statute; agreements with FNLMA need to be long term with a design that allows for performance review and adjustment without creating instability

CONSIDERATIONS:

The term of agreements is related to several factors:

- Risk, short agreements are perceived by some officials to reduce risk and entitlement even though they introduce uncertainty, instability and bureaucracy into the design; ie, they reduce financial risk but increase risk to outcomes
- Adjustment to changing conditions becomes extremely difficult or impossible if funds are committed for the long term
- The need for performance review, correction and renewal of plans and priorities at the agreement level
- The issues addressed by the program
 - Projects with finite duration
 - Ongoing societal needs such as homelessness, skills and employment, policing, housing, etc

Different design models can accommodate multi-year funding:

- 3 or 5 year duration followed by a **new agreement**
- 1 year duration with annual review and **amendment or extension** (annual review can also follow a 3 or 5 year initial period)
- **Indefinite duration** with approval of funding on an annual basis

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Term should reflect the issues being addressed and means to address them:

- long term issues call for long term approaches
- “transferring” to First Nations the responsibility for labour market programs and services through transfer payments requires capacity and institutional development to be successful

FNLMS requires 1) a long term approach and 2) institution and capacity building as objectives for First Nations to assume responsibility and exercise autonomous decision making and the term of agreements should reflect this

RECOMMENDED OPTION:

Indefinite agreements with 1) annual approval of a three year budget and 2) performance review on a three year cycle to be completed at least 6 months before agreement end date.

DECISION:

DATE AND VERSION:

Draft 1, November 23, 2016