

GOVERNMENT RESPONSE TO THE THIRD REPORT OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS, ACCESS TO SAFE DRINKING WATER IN FIRST NATIONS COMMUNITIES

INTRODUCTION

The Government of Canada welcomes the Standing Committee on Public Accounts (the Committee) report, presented in June 2021 and re-adopted in February 2022, on the important issue of safe drinking water in First Nations communities. Improving access to clean, safe drinking water in First Nations communities is a key priority of the Government of Canada.

The Government of Canada supports the four recommendations set out in the Committee's report, each of which aligns with actions the Government of Canada is taking to ensure that First Nations communities have access to safe drinking water, now and in the future.

BACKGROUND

The Government of Canada works with First Nations partners to ensure all First Nations communities have reliable access to safe, clean water. On reserve, the provision of safe drinking water is a shared responsibility among First Nations communities and the Government of Canada. First Nations own and operate their water and wastewater systems and design and construct facilities. First Nations are responsible for the planning, design, procurement, construction, and operation and maintenance of on-reserve infrastructure. First Nations also monitor water and wastewater systems and issue and rescind drinking water advisories, typically on the recommendation of an Environmental Public Health Officer.

Indigenous Services Canada (ISC) provides advice and financial support to First Nations communities for their public water and wastewater systems, and ensures that drinking water quality verification monitoring programs are in place. To that end, ISC works directly with First Nations to assist communities in monitoring drinking water quality in all water systems at tap. This includes providing advice and guidance about drinking water safety and wastewater disposal and reviewing infrastructure project proposals from a public health perspective. ISC also provides funding for water services and infrastructure, including the construction, upgrade, operation and maintenance of water treatment facilities on First Nations reserves. Funding is based on community plans and priorities and also supports the training and certification of water system operators.

Drinking water advisories are tools used to ensure public safety and represent a sign of a well-functioning public health prevention system. Drinking water advisories are issued to protect the public from drinking water that is potentially unsafe, or confirmed to be unsafe.

A short-term drinking water advisory (ST DWA) means there is a temporary water quality issue on a specific water system. A drinking water advisory that has been in effect for more than 12 months points to a more systemic issue and is referred to as a long-term drinking water

advisory (LT DWA). Drinking water advisories are put in place for various reasons. For instance, a community may issue an advisory if there are problems with the overall water system, such as water line breaks, equipment failure, or poor filtration/disinfection during water treatment. Communities may also choose to issue a drinking water advisory as a precautionary measure, such as when there are emergency repairs in the water distribution system or if a community does not have a trained water system operator.

Since 2016, the Government of Canada has committed over \$5.2 billion for First Nations to build and repair water and wastewater infrastructure and support effective management and maintenance of water systems on reserves. This includes commitments made as part of Budget 2021 of \$1.043 billion over two years, starting in 2022-23, to support water and wastewater infrastructure projects. The funding will ensure that ISC can continue to support First Nations in the planning, procurement, construction, and commissioning of water and wastewater capital projects both for new builds, as well as system repairs and upgrades. Budget 2021 also announced an additional \$125.2 million over four years, starting in 2022-23, and \$31.3 million ongoing thereafter, to continue to support First Nations communities' reliable access to clean water and to help ensure the safe delivery of health and social services on reserve. This funding supports the continued provision of environmental public health services on reserve, including water quality monitoring programs. In addition, Budget 2022 proposes to provide \$398 million over two years, starting in 2022-23, to support community infrastructure on reserve, of which at least \$247 million will be directed toward water and wastewater infrastructure, to enable the completion of water and wastewater projects to ensure the lifting of LT DWAs and ST DWAs from public systems on reserve.

Since 2016, and as of December 31, 2021, more than \$2.29 billion of targeted funding has been invested to support water and wastewater projects in 587 First Nations communities serving approximately 466,000 people. With support from the Government of Canada, First Nations have replaced or renovated water and wastewater infrastructure, built capacity by training operators, lifted LT DWAs, and prevented short-term advisories from becoming long term. First Nations have used Government of Canada funding to launch 873 water and wastewater projects, consisting of 108 new water and wastewater treatment plants and lagoons, 555 projects to renovate or upgrade existing infrastructure, 115 feasibility studies and design projects, and 95 supporting projects and initiatives such as operator training and support, development of source water protection plans, and other water and wastewater related studies and assessments.

Further demonstrating the Government's ongoing commitment to improve sustainable access to clean water in First Nations communities, on December 22, 2021, the courts approved a Settlement Agreement to resolve class action litigation related to safe drinking water in First Nations communities. This Safe Drinking Water for First Nations Class Action Settlement Agreement addresses important concerns identified by First Nations represented in the class action lawsuits, with the implementation of the following:

- Approximately \$1.5 billion in compensation for individuals deprived of clean drinking

water during LT DWAs;

- The creation of a \$400 million First Nation Economic and Cultural Restoration Fund;
- The renewed commitment to Canada's Action Plan for the lifting of all LT DWAs;
- The creation of a First Nations Advisory Committee on Safe Drinking Water;
- The support for First Nations to develop their own safe drinking water by-laws and initiatives;
- A commitment of at least \$6 billion to support reliable access to safe drinking water on reserves; and,
- A commitment to make all reasonable efforts to introduce legislation repealing the *Safe Drinking Water for First Nations Act* by March 31, 2022, and to develop and introduce replacement legislation, in consultation with First Nations, by December 31, 2022.

ISC is also supporting Indigenous peoples to independently develop and deliver services to address the socio-economic conditions in their communities. ISC is working with First Nations on a community-by-community basis to develop and implement programs and initiatives that will increase capacity building and readiness for the transfer of service delivery, with an understanding of the need for a holistic, community-based approach. ISC is also building partnerships with First Nations organizations that have a mandate from their leadership to advance the shared objective of transferring infrastructure service delivery from ISC to First Nations. As of December 31, 2021, \$57.8 million (excluding operating expenses) has been invested toward 16 programs and initiatives that support self-determination by building capacity and readiness.

At the regional level, the Atlantic First Nations Water Authority (AFNWA), through engagements with First Nations leadership, communities, and technicians, is finalizing the creation of a First Nations-led utility, which is expected to serve up to 17 First Nations communities in the Atlantic region. In June 2020, the Deputy Minister of ISC and the Water Authority signed a Framework Agreement that created a path for the transfer of water and wastewater services to the AFNWA and the start of interim operations of the Water Authority. This first-ever agreement of its kind presents a new approach and funding model to support First Nations living on reserve in the Atlantic provinces to take full control of water and wastewater service delivery as early as fiscal year 2022-23. Budget 2022 proposes \$173.2 million over ten years, beginning in 2022-23, to implement this service delivery transfer agreement and to support the AFNWA to deliver high-quality water and wastewater services to participating First Nations. This agreement is contingent on First Nations partners agreeing to and signing the Transfer of Services Agreement for the long-term provision of services by the AFNWA.

Office of the Auditor General Report

In February 2021, the Office of the Auditor General tabled a report on access to safe drinking water in First Nations communities. The report examined the progress against the Government of Canada's commitment to eliminate all LT DWAs on public water systems on reserves,

whether necessary funding was provided to operate and maintain drinking water infrastructure, and the progress towards developing a regulatory regime for drinking water in First Nations communities. The report found that ISC did not provide the support necessary to ensure that First Nations communities have ongoing access to safe drinking water. It also found that ISC was not on track to meet its commitment to remove all LT DWAs on public water systems on reserves by March 31, 2021.

As such, the Office of the Auditor General report put forward five recommendations for ISC to work with First Nations communities to strengthen efforts to eliminate all LT DWAs and prevent new ones from occurring. These recommendations are as follows:

- *ISC should work with First Nations communities to strengthen efforts to eliminate all LT DWAs and prevent new ones from occurring.*
- *ISC should work with First Nations communities to implement long-term solutions to ensure that water systems in First Nations communities provide ongoing access to safe drinking water.*
- *ISC should work with First Nations to proactively identify and address underlying deficiencies in water systems to prevent recurring advisories.*
- *ISC, in consultation with First Nations, should make it a priority to identify the amount of funding needed by First Nations to operate and maintain drinking water infrastructure, and amend the existing policy and funding formula to provide First Nations with sufficient funding to operate and maintain drinking water infrastructure.*
- *ISC, in consultation with First Nations, should develop and implement a regulatory regime for safe drinking water in First Nations communities.*

In response to the Office of the Auditor General report and its recommendations, ISC developed a detailed management response and action plan to describe how it is addressing the recommendations. The action plan also reflects the work that ISC is doing to support First Nations partners in ensuring communities have ongoing access to safe drinking water. ISC continues to provide sustainable investments to address long-term advisories, prevent short-term advisories, expand delivery systems, build capacity of and retain local operators, support regular monitoring and testing, and support First Nations-led engagement processes to support advancement of water legislative reform. Furthermore, ISC works collaboratively to support First Nations to independently develop and deliver services with a view of advancing the seamless transfer of Departmental responsibilities for infrastructure to First Nations organizations in support of self-determination.

Standing Committee on Public Accounts Report

In April 2021, the Standing Committee on Public Accounts (the Committee) reviewed the Office of the Auditor General's audit and recommendations, as well as ISC's detailed management response and action plan. Further to the review, the Committee presented its own report entitled *Access to Safe Drinking Water in First Nations Communities* with four recommended

actions and associated deadlines for reporting purposes. The recommendations align with those put forward by the Office of the Auditor General. The reporting requirements of the Committee are the following:

- As part of Recommendation 1: On an annual basis, starting from March 31, 2022, to March 31, 2026, ISC should provide the Committee with a complete plan on its long-term strategy to ensure that drinking water systems are sustainable, including objectives, results and deadlines.
- As part of Recommendation 2: By September 30, 2022, ISC should provide the Committee with a report on the measures taken to detect and proactively correct the underlying deficiencies of water systems.
- As part of Recommendation 3: By April 30, 2022, ISC should provide the Committee with a report outlining the progress made to its funding policy and formula, including salaries, for operating and maintaining drinking water infrastructure in First Nations communities. A final report should also be provided by April 30, 2023.
- As part of Recommendation 4: By April 30, 2022, and by April 30 annually thereafter until the adoption of a regulatory regime for safe drinking water in First Nations communities, ISC should provide the Committee with a report on the ongoing negotiations with First Nations communities to develop and implement a regulatory regime for safe drinking water in First Nations communities.

Below are the details on how the Government of Canada is addressing each of the four recommendations of the Committee's report. Reports in response to the four recommendations are included herein. The Government agrees to provide all future reports according to the timelines requested by the Committee.

Recommendation 1 - on resolving long-term drinking water advisories and implementing long-term solutions: *That, by March 31, 2022, Indigenous Services Canada provide the House of Commons Standing Committee on Public Accounts with a complete plan on its long-term strategy to ensure that drinking water systems are sustainable, including objectives, results and deadlines. Both the plan and the findings on progress must be done in collaboration with First Nations communities. Results will include: a) the amounts invested to resolve long-term drinking water advisories; (b) the current number of long-term advisories; and (c) the current number of short-term advisories. Reports should also be provided by March 31, 2023, 2024 and 2025. In addition, a final report should be provided by 31 March 2026 that outlines the long-term solutions that were implemented in all communities impacted by long-term drinking water advisories since 2015.*

The Government accepts the first recommendation and provides the Committee with the following report.

Progress on addressing long-term drinking water advisories on public systems on reserve

The Government of Canada and First Nations are working in partnership to improve access to

clean drinking water and lift all LT DWAs on public systems on reserves as soon as possible.

Since Budget 2016, the Government of Canada has committed over \$5.2 billion until 2025-26 to build and repair water and wastewater infrastructure and support effective management, operations and maintenance of water and wastewater systems on reserve. Budget 2022 proposes to provide an additional \$398 million over two years, starting in 2022-23, to support community infrastructure on reserve, of which at least \$247 million will be directed toward water and wastewater infrastructure. This will support the completion of water and wastewater projects to ensure the lifting of LT DWAs and ST DWAs from public systems on reserve. It will also support infrastructure projects to increase sustainable access to clean drinking water on reserve. New funding will support feasibility and design studies, and the construction, repair, or upgrade of water systems affected by a long-term or short-term drinking water advisory, including long-term solutions.

As of December 31, 2021, more than \$2.29 billion of targeted capital funding has been invested to support water and wastewater projects in 587 First Nations communities serving approximately 466,000 people. Of that, approximately \$649.7 million has been spent on 140 projects to address long-term drinking water advisories in First Nations communities. This includes targeted funding spent on infrastructure repairs, upgrades and new construction projects. It does not include operations and maintenance (O&M) funding or funding spent on operator support and capacity building to address LT DWAs.

In November 2015, there were 105 LT DWAs in effect on public systems on reserves across the country. Since then, and as of April 7, 2022, First Nations, with support from ISC, have lifted 131 LT DWAs and deactivated five LT DWAs. An additional 65 advisories have become long-term in that time. This means that over 6,946 homes and 522 community buildings, previously under an advisory, now have access to reliable, clean drinking water. The work continues and initiatives are underway in 29 communities to resolve the remaining 34 LT DWAs. Where interim solutions have been put in place to provide clean water to communities, long-term solutions are being implemented in each community to address their long-term water needs.

Resolving short-term advisories before they become long-term is an important part of the overall work to eliminate LT DWAs. Since November 2015, and as of April 7, 2022, 213 ST DWAs have been lifted, preventing them from becoming long term. There are 13 ST DWAs in effect and work is underway to address these before they become long-term.

ISC is working in full partnership with First Nations communities, including with First Nations technical advisors and leaders, to support sustainable First Nations-led approaches to ensure that on-reserve water systems are safe. The solutions to address the lack of access to safe drinking water are unique to each First Nations community, and departmental officials work closely with each community to find the most appropriate solution. Water systems are sized based on the population they serve, and the most appropriate technology for producing clean potable water based on the source water to be treated is designed by qualified engineers contracted by the First Nation. Ultimately, the decision to put in place a particular solution is

made by First Nation's leadership, as they are the owners and operators of their water and wastewater infrastructure.

The COVID-19 pandemic has extended completion timelines of infrastructure projects across the country, including projects aimed at addressing LT DWAs. ISC continues to work with First Nations communities to address drinking water issues, including by assessing the impact of the COVID-19 pandemic on timelines and supporting the advancement of water and wastewater projects in a way that respects public health measures. As part of the 2020 Fall Economic Statement, the Government of Canada committed an additional \$309.8 million to support and accelerate on-going work to lift all LT DWAs on public systems on reserves by helping to respond to project delays, including those due to COVID-19.

Through regular communications and meetings between ISC's headquarters and regional offices, the Department is closely tracking the progress towards lifting the remaining LT DWAs on public systems on reserves. The Department also regularly publishes the latest information on LT DWAs that have been lifted and that remain in effect on public systems on reserves through the Government of Canada's "*Ending long-term drinking water advisories*" webpage.

Working with First Nations, ISC will ensure monitoring programs continue to provide a final check on the overall safety of drinking water at tap in public water systems, semi-public water systems, cisterns and individual wells in First Nations communities.

Working with First Nations, ISC will continue to support long-term measures to ensure that First Nations communities have ongoing access to safe drinking water and to support the implementation of projects that address the long-term water needs of all communities affected by LT DWAs since 2015.

Long-term water and wastewater strategy

ISC will also continue to support First Nations-led engagement processes for the co-development of a long-term strategy to ensure that drinking water systems are sustainable. The Assembly of First Nations (AFN) is leading the engagements with First Nations on the strategy. In March 2021, the AFN conducted its third round of regional engagements with continued engagements planned in early 2022.

The AFN is exploring ways to integrate the long-term strategy with broader work on closing critical gaps in infrastructure by 2030 and legislative reform. It is expected that this would lead to pathways for First Nations control, design and delivery of water management and how organizations can be better supported with adequate long-term resources within broader infrastructure needs.

Recommendation 2 - on detecting and proactively correcting problems: That, by September 30, 2022, Indigenous Services Canada provide the House of Commons Standing Committee on Public Accounts with a report on the measures taken to detect and proactively correct the underlying deficiencies of water systems.

The Government accepts the second recommendation and provides the Committee with the following report.

ISC is working with First Nations to conduct performance inspections of water systems annually and asset condition assessments every three years. Annual Performance Inspections (APIs) help to ensure that water and wastewater systems are operating effectively and that health and safety guidelines are met. The inspections include an assessment of each system, identification of current deficiencies, and recommendations for improved operation and maintenance of the assets. Annual inspections and resulting risk assessments are tools that First Nations may use to inform immediate and long-term planning for water and wastewater in their communities. The Department works proactively with communities to address identified deficiencies, thereby preventing drinking water advisories.

With the combined investments provided through Budget 2019 (\$605.6 million over four years and \$184.9 million per year ongoing) and the 2020 Fall Economic Statement (\$616.3 million over six years and \$114.1 million per year ongoing thereafter), ISC has further increased support for the operation and maintenance of water systems, enabling First Nations to better sustain their infrastructure. Proper operation and maintenance is key to minimizing deficiencies, recognizing issues when they occur, and addressing them before an advisory becomes necessary.

The Department provides financial support for the day-to-day costs to operate and maintain water and wastewater systems, including the training and certification of water and wastewater operators. ISC does not provide training directly. Instead, the Department provides funding to First Nations to enable water and wastewater operators to undertake training, and to organizations that provide operator training and support.

Annually, ISC invests approximately \$20 million on First Nations water and wastewater operator training and support through a number of national and regional initiatives including by supporting:

- The Circuit Rider Training Program, which provides First Nations operators with training on how to operate, service and maintain the water and wastewater systems in their community.
- Organizations such as the (Alberta) First Nations Technical Services Advisory Group Inc. and the Ontario First Nations Technical Services Corporation which provide services including training, inspection, and project management and planning.
- The Ontario First Nations Technical Services Corporation to assist with recruitment through its Technical Youth Career Outreach Program which highlights Indigenous

workers in STEM (Science, Technology, Engineering and Mathematics) careers including water and wastewater operations.

- Twelve water and wastewater hubs supporting 86 First Nations, in Ontario, involving a centralized service delivery “hub” model which provides technical support, oversight and mentoring to water operators from participating First Nations.
- The Bimose-Water First project in Ontario, which targets training for Indigenous women and youth participants, by providing training, professional certification, employability skills and work experience to support the pursuit of employment in a water operations related field on-reserve, using a holistic approach.
- Res’Eau’s two national projects including a youth hackathon for Indigenous youth focused on water and an immersive learning platform for water operators for training and troubleshooting.
- Water Movement to enhance the development of an online learning library for Indigenous water operators across the country by Indigenous water operators. The Water Movement website offers free online training videos on topics such as troubleshooting techniques, best maintenance practices, and how-to videos to support equipment reliability and integrity.
- A 2022 national call for proposals that aims to enhance capacity building related to water and wastewater operators on reserve. Projects will address the retention, recruitment, and availability of water and wastewater operators working on reserve. Applicants are invited to submit proposals that will address community-based, regional, or national issues related to building water and wastewater operator capacity in First Nations communities. Proposals delivered or offered by Indigenous communities, Indigenous organizations, or in partnership with Indigenous peoples will be prioritized. Projects that are selected will receive up to \$500,000 in funding to support new or expanded capacity building initiatives.

ISC also helps to ensure that drinking water quality verification monitoring programs are in place in First Nations communities through a combination of funding for communities and direct service delivery. This includes monitoring drinking water at tap for the presence of bacteria and chemicals, providing advice and guidance about drinking water safety, at the request of the First Nations communities, and reviewing infrastructure project proposals from a public health perspective. All First Nations communities have access to trained personnel (Community-Based Drinking Water Quality Monitor or an Environmental Public Health Officer) to sample and test drinking water quality at the tap in all water systems, regardless of who funds the infrastructure. As a result of enhanced capacity, water systems on reserve are sampled more frequently, therefore First Nations’ and ISC’s ability to detect potential problems sooner has improved. In 2019-20, public water systems on reserves were sampled at 83 percent of the recommended frequency for bacteriological parameters, compared to a low rate of 33 percent in 2004-05.

The Department has also developed a template and a set of guidelines to support First Nations communities in developing source water protection plans. This documentation constitutes the first step of a multiple-barrier approach to ensuring risks to clean drinking water are minimized, and also includes information and guidance on drinking water treatment, maintenance of the water distribution system, testing and monitoring drinking water quality, and emergency planning. First Nations communities can use these materials to aid in the development and elaboration of their source water protection plans.

Recommendation 3) on O&M funding: That, by April 30, 2022, Indigenous Services Canada provide the House of Commons Standing Committee on Public Accounts with a report outlining the progress made to its funding policy and formula, including salaries, for operating and maintaining drinking water infrastructure in First Nations communities. A final report should also be provided by April 30, 2023.

The Government accepts the third recommendation and provides the Committee with the following report.

ISC will continue to work with First Nations partners to ensure that sufficient water and wastewater O&M funding is provided and to amend associated policies.

The Government of Canada has committed to new investments in O&M funding, which will directly benefit communities. As part of Budget 2019, the Government of Canada invested \$605.6 million over four years, starting in 2020-21, including an additional \$184.9 million each year thereafter, to support the operations and maintenance of First Nations' community water and wastewater assets. In addition, as part of the 2020 Fall Economic Statement, the Government of Canada committed an additional \$616.3 million over six years starting in 2020-21, and \$114.1 million each year thereafter, to increase support for operations and maintenance of water and wastewater infrastructure on reserves. With these recent investments combined, by 2025-26 the Government of Canada will have increased the annual funding it provides to support the operations and maintenance of water and wastewater systems on a permanent basis by almost four hundred percent.

Historically, ISC funded the operations and maintenance of water and wastewater infrastructure based on a funding formula. As a subsidy, 80 percent of the formula amount was provided to First Nations. The new funding will enable an increase to 100 percent of formula funding, and will support First Nations to better sustain the approximately 1,200 water and wastewater systems across the country. ISC has amended the existing policy on O&M funding to reflect this change. ISC has also updated the O&M calculation methodology to better account for O&M costs. The fundamental formula methodology (unit cost x quantity x city centre index x remoteness index) has been updated using data from recent industry costing studies and available regional cost data. Additionally, the indices (city centre and remoteness) have been modernized. The updated formula provides for new asset-based funding levels to address longstanding concerns raised by First Nations communities, including funding to reflect technological advances, industry best practices, applicable water and wastewater standards, and operator training, certification and retention.

Generally, O&M funding should cover the cost components required to operate and maintain water or wastewater systems and associated equipment, including operator salary(ies), benefits and training; supplies and materials, including process chemicals and fuel; parts, tools and equipment required for everyday operations and maintenance activities; electricity and other utilities; contracted repair and maintenance services; and the full cost of Municipal-type Service Agreements for water and wastewater services.

The increase in O&M funding announced has already started flowing directly to First Nations with \$140 million in O&M top-ups having been provided by the end of 2020-21. In 2021-22, First Nations received a total of \$316.9 million for O&M, up from \$109 million in 2018-19.

As owners and operators of their water and wastewater systems, First Nations are responsible for determining salary levels of their water system operators. The increase in O&M funding aims to provide operator remuneration that is similar to what an equivalently certified operator of a similarly classified facility off-reserve would be paid. This will enable First Nations to better retain qualified water operators in their communities, including through improved salaries, according to First Nations priorities.

ISC will continue to support operator training and retention and will work with partners to expand capacity building and operator support for First Nations. The Department will continue to provide hands-on support to operators through the Circuit Rider Training Program.

New investments in O&M from Budget 2019 and the 2020 Fall Economic Statement are being used to stabilize funding for the Circuit Rider Training Program and other regional initiatives, including initiatives that target youth and women, which will strengthen the support provided to First Nations.

ISC will continue to work with First Nations to advance reform of the policy on O&M funding as part of broader work towards an asset management approach. The Department will continue to support the development of a more holistic asset management approach that allows for better forecasting and the ability to account for future infrastructure investment requirements.

Recommendation 4) on developing and implementing a regulatory regime: That, by April 30, 2022 at the latest and by April 30 on an annually recurring basis thereafter until the adoption of a regulatory regime for safe drinking water in First Nations communities, Indigenous Services Canada provide the House of Commons Standing Committee on Public Accounts with a report on the ongoing negotiations with First Nations communities to develop and implement this regulatory regime.

The Government accepts the fourth recommendation and provides the Committee with the following report.

The *Safe Drinking Water for First Nations Act* came into effect in 2013. The Act enables Canada,

in collaboration with First Nations, to develop federal regulations to ensure access to safe, clean and reliable drinking water and the effective treatment of wastewater on reserve.

First Nations have repeatedly called for repeal and replacement of the Act, citing: lack of adequate, predictable and sustainable funding; non-recognition of Aboriginal rights; potential infringements on Aboriginal and treaty rights; lack of proper protection of source water; and insufficient engagement. As a result, work on the development of regulations was paused in 2015 and there are currently no federal regulations under the *Safe Drinking Water for First Nations Act*.

Since 2018, ISC has been supporting the Assembly of First Nations in its lead role in the engagement process for the review of the *Safe Drinking Water for First Nations Act*, accepted by both the Government of Canada and First Nations.

The recent court-approved *Safe Drinking Water for First Nations Class Action Settlement Agreement* commits Canada to making all reasonable efforts to introduce legislation to repeal the *Safe Drinking Water for First Nations Act* by March 31, 2022, and to develop and introduce replacement legislation, in consultation with First Nations, by December 31, 2022. The Department is working towards the repeal of the *Safe Drinking Water for First Nations Act* in accordance with this commitment. Through Budget 2022, the government affirmed its commitment to introduce legislation that would repeal the *Safe Drinking Water for First Nations Act* and work with First Nations to develop its replacement.

The Department will also continue to work collaboratively and in full partnership with the Assembly of First Nations, First Nations communities and First Nations organizations, and other federal departments to co-develop a legislative framework to inform proposed legislation to replace the *Safe Drinking Water for First Nations Act*. Provided that new legislation is passed, Canada can then re-start the work to develop federal regulations, ensuring access to safe, clean and reliable drinking water and the effective treatment of wastewater on reserve.

Conclusion

Once again, the Government of Canada welcomes the Third Report of the Standing Committee on Public Accounts and corresponding recommendations on the important issue of safe drinking water in First Nations communities. Through this response, the Government seeks to outline the efforts that have been made to-date by the Department for each of the recommended actions highlighted in the Committee's report as well as efforts Canada continues to make towards improving water infrastructure and building a sustainable foundation that ensures that First Nations communities have access to safe drinking water now and into the future. In the coming years, the Government looks forward to providing the Committee with the required reports within the agreed upon timelines.