### PROGRESS REPORTS TO THE HOUSE OF COMMONS STANDING COMMITTEE ON PUBLIC ACCOUNTS ON ACCESS TO SAFE DRINKING WATER IN FIRST NATIONS COMMUNITIES

Minister of Indigenous Services

March 31, 2023

# HOUSE OF COMMONS STANDING COMMITTEE ON PUBLIC ACCOUNTS RECOMMENDATIONS

The House of Commons Standing Committee on Public Accounts' report entitled *Access to Safe Drinking Water in First Nation Communities* (June 2021) made the following recommendations:

Recommendation 1 – on resolving long-term drinking water advisories and implementing long-term solutions

 That, by 31 March 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 31 March 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.

Recommendation 2 – on detecting and proactively correcting problems

• That, by 30 September 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.

\*Note – this report was submitted in June 2022, and no further reports are required on this topic.

Recommendation 3 – on operations and maintenance funding

• That, by 30 April 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 30 April 2023.

Recommendation 4 – on developing and implementing a regulatory regime

• That, by 30 April 2022 at the latest and by 30 April 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.

# INTRODUCTION

The Government of Canada welcomed 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 Minister of Indigenous Services tabled the Government Response in the House of Commons in June 2022. The Response included the first four reports requested by the Committee.

Presented herein are the three progress reports requested by the Committee:

- Report 1 Progress on resolving long-term drinking water advisories and implementing long-term solutions, due March 31, 2023;
- Report 2 Final report on operations and maintenance funding, due April 30, 2023; and,
- Report 3 Progress on developing and implementing a regulatory regime, due April 30, 2023.

Through these reports, the Government will demonstrate the efforts that have been made to date toward 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.

# 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 manage and operate their water and wastewater systems, and are responsible for the planning, design, procurement, construction, and operation and maintenance of the 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 the 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 \$5.6 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 committed \$247 million over two years, starting in 2022-23, to support water and wastewater infrastructure and 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, 2022, more than \$3.03 billion of targeted funding (excludes departmental operational funding and operations and maintenance (O&M) funding for First Nations) has been invested to support water and wastewater projects in 589 First Nations communities serving approximately 470,000 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 1,058 water and wastewater projects, consisting of 123 new water and wastewater treatment plants and lagoons, 705 projects to renovate or upgrade existing infrastructure, 131 feasibility studies and design projects, and 99 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.

The Government of Canada is committed to supporting First Nations in the daily operation and maintenance of their water and wastewater systems. Annually, ISC spends approximately \$15.7 million to provide hands-on support for First Nations water and wastewater operator training through the Circuit Rider Training Program, as well as an additional \$8.1 million for technical service delivery Hubs in the Ontario Region. As long-term capacity building supports, both the Circuit Rider Training Program and Regional Hubs in Ontario provide on-site training and mentoring services to First Nations operators directly in their communities. ISC also continues to work closely with First Nations partners and other partner organizations to expand capacity building measures and identify additional support measures for operator training and retention in First Nations communities.

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. The terms of the settlement agreement include 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;
- A 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;
- 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
- The planned modernization of Canada's First Nations drinking water legislation.

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, 2022, \$89.4 million (excluding operating expenses) has been invested toward 196 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, has finalized the creation of an opt-in First Nations-led utility to serve participating First Nations communities in the Atlantic region. In November 2022, the Minister of ISC and the Water Authority signed a Service Delivery Transfer Agreement which initiates the transfer of responsibility for the operation, maintenance, and capital upgrades of all water and wastewater assets in participating First Nations to the Indigenous-led AFNWA. The transfer agreement enables First Nations to now officially join the AFNWA after receiving approval from their community members. This first-ever agreement of its kind presents a new approach and funding model to support participating First Nations living on reserve in the Atlantic provinces to take full control of water and wastewater service delivery. Through Indigenous Services Canada, the federal government has committed approximately \$257 million in funding for this work, including \$173 million over 10 years from Budget 2022 that will provide sustainable funding for operations and capital programs.

#### <u>Report 1 – Progress on resolving long-term drinking water advisories and</u> <u>implementing long-term solutions, due March 31, 2023</u>

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 \$5.6 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. Most recently, Budget 2022 committed 247 million over two years, starting in 2022-23, to support 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, 2022, more than \$3.03 billion of targeted capital funding has been invested to support water and wastewater projects in 589 First Nations communities serving approximately 470,000 people. Of that, approximately \$761.2 million has been spent on 150 projects to address long-term drinking water advisories in First Nations communities. This includes funding spent on infrastructure repairs, upgrades and new construction projects. It does not include 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. An additional 70 short-term advisories have become long-term since 2015. Short-term advisories can arise for a number of reasons such as water line breaks, equipment failure, and maintenance issues. While most of these situations are resolved quickly by the community operators, some advisories require more time to address due to the complex nature of the issues or the scope of the work required to fix the problem.

As of March 3, 2023, First Nations, with support from ISC, have lifted 138 LT DWAs, including seven in the past year, and deactivated five LT DWAs. This means that over 7,235 homes and 513 community buildings, previously under an advisory, now have access to reliable, clean drinking water. **The work continues and initiatives are underway in 28 communities to resolve the remaining 32 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, the majority of which are under construction.

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 March 3, 2023, 244 ST DWAs have been lifted, preventing them from becoming long term,

including 29 in the last year. There are 12 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 managers and operators of their water and wastewater infrastructure.

Despite focused efforts, some challenges to the provision of clean drinking water remain. The COVID-19 pandemic has extended project completion timelines and affected the supply chain. Market conditions, which include high inflation and increased prices also delay project completion. Additionally, the availability of human resources, seasonal construction periods, shortened winter road seasons and geographical challenges are barriers to the timely completion of First Nation led projects.

Mitigation measures are in place to reduce these challenges, including expediting seasonal work, supporting First Nations in staggering project tenders and funding third party programs to support operator training and retention. For example, ISC's Circuit Rider Training Program (CRTP) provides hands-on training support for operators directly in First Nation communities.

First Nations are responsible for issuing and rescinding drinking water advisories, generally based on the advice of an Environmental Public Health Officer. Drinking water advisories are not always the result of a technical problem. Some communities already have clean drinking water, according to advice from an Environmental Public Health Officer, but are hesitant to lift advisories due to local considerations, such as awaiting the completion of long-term solutions.

In other instances, advisories remain in effect as a result of operational issues. Water operators are key to ensuring communities have access to clean drinking water and reliable infrastructure. As such, in conjunction with the significant investments made by the Government of Canada to enhance water and wastewater infrastructure on reserve, the Department continues to invest additional funding to support First Nations in creating and sustaining a qualified workforce of water and wastewater operators. ISC works closely with First Nations partners and partner organizations to enhance capacity building measures for operators on reserve.

The Department supports water and wastewater operators through a number of national and regional initiatives that support First Nations communities with building and

retaining the capacity to operate, service, and maintain their water and wastewater systems. These initiatives also support operator training and retention.

Indigenous Services Canada 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. This includes Technical Services Advisory Group in Alberta (TSAG), the Ontario First Nations Technical Services Corporation (OFNTSC), the Atlantic First Nations Water Authority (AFNWA), and technical service delivery Hubs in Ontario, among others.

ISC's CRTP provides First Nations water and wastewater operators with hands-on training on how to operate, service, and maintain water and wastewater systems on reserve. This long-term capacity building program delivers on-site training and mentoring services to First Nation operators across Canada via third-party experts. Qualified experts may also assist First Nation operators in obtaining and maintaining their certification, and may provide advice to Chiefs and Councils on how to develop and maintain their own clean and safe water systems. In some communities, they may also provide 24/7 emergency support to operators. The program supports capacity in First Nations communities through: developing and maintaining capacity to manage systems; increasing reliability of systems; ensuring efficient operations; ensuring standards for health and safety are met; and, maximizing the use of existing infrastructure. There are 68 Circuit Rider Trainers employed through the program, supporting more than 700 systems operators in 505 participating First Nation communities.

In March 2022, ISC launched a Capacity Building Call for Proposals to identify innovative support measures for water and wastewater operators. The call offered applicants up to \$500,000 in funding, over two years, for new or expanded initiatives addressing capacity building, operator supports, diversity and culture, and/or innovative solutions. The call received substantial interest with over 100 proposal submissions, from every region across the country. Proposals were received from First Nations communities, Tribal Councils, Indigenous organizations, technical services providers, universities/colleges, non-profit organizations, and other organizations. The capacity building initiatives recommended for funding by a committee, are now underway and include initiatives such as: training workshops for operators and managers; community outreach and awareness raising; internship programs; source water protection planning; youth education and outreach; and, development of a variety of training materials.

Moreover, ISC has supported and continues to support First Nations-informed initiatives in order to raise awareness, enhance community engagement, improve recruitment, and support water and wastewater operators working on reserve:

• ISC has supported and provides support for operator training and support:

- Circuit Rider Training Professional Association (CRTPA): to convene Trainers, Service Providers, and operators in an annual conference, and foster networking and shared learning experiences
- Water Movement's Video Learning Library: free online training videos, featuring Indigenous water operators, operational troubleshooting techniques, best maintenance practices, and how-to videos to support equipment reliability and integrity, and traditional knowledge
- Res'Eau Centre for Mobilization: the Operators' Walkthrough Laboratory (OWL), a mobile learning platform that offers real-world training on potable water treatment, system design, and operations; as well as a "hackathon" to engage youth in innovative and collaborative problem-solving on water issues on reserve
- ISC has supported and provides supports to build capacity and diversity of water operators:
  - Ontario First Nations Technical Services Corporation's Technical Youth Career Outreach Program (TYCOP): to spotlight Indigenous role models, offer mentorship, and promote STEM careers for Indigenous youth
  - Native Women's Association of Canada's Water Carriers project: which amplifies the voices of Indigenous women and 2SLGBTQQIA+ peoples' as water protectors or water carriers, and offers to share traditional knowledge teachings on water following a series of traditional Sharing Circles online
  - Clan Mothers Turtle Lodge: a one-year pilot project to provide water operator training and certification for trauma survivors, including holistic wraparound supports.

The Department is closely tracking 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 the 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.

# <u>Report 2 – Final report on operations and maintenance funding, due April 30,</u> 2023

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. With these new investments, ISC's funding support has been increased to 100 percent of formula funding, which 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 started flowing directly to First Nations with \$140 million in O&M top-ups 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. O&M funding at this level will continue into the future, with adjustments for annual inflation and any new assets constructed.

As managers 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.

New investments in O&M from Budget 2019 and the 2020 Fall Economic Statement are being used to stabilize funding for the CRTP and other regional initiatives, including initiatives that target youth and women, which will strengthen the support provided to First Nations. Multi-year agreements for CRTP services are already in place in Alberta, British Columbia and Quebec regions, as well as with one CRTP service provider in Saskatchewan. With the exception of Atlantic region which has no plans to put multi-year CRTP agreements in place due to the work underway to establish the Atlantic First Nations Water Authority (AFNWA), plans are in place to move to 5-year agreements when these come up for renewal.

New approaches are needed in terms of funding the operations and maintenance of infrastructure on reserve. Recent investments in operations and maintenance provide an opportunity to make substantive progress towards Asset Management Reform – providing a predictable funding stream that allows for strategic decision-making built upon detailed asset information. The Department is working with First Nations to co-develop a new approach to operations and maintenance for all infrastructure on reserve, including water and wastewater.

Engagement on operation and maintenance policy reforms resulted in recommendations for a holistic approach to asset management including to implement a more comprehensive inspection program and to support asset management planning activities for First Nations.

Through Budget 2021, ISC expanded the Asset Management Program and implemented the comprehensive inspection program and the extended asset condition assessments as the national standard for inspections going forward. These inspections were piloted in 2021-2022 and have been broadly implemented beginning in April 2022. ISC's Asset Management Program is proposal based, and each First Nation is progressing at the speed that is right for them.

Enhancements to the Asset Management Program and comprehensive inspections support First Nations in better understanding their assets' current deficiencies, ongoing requirements, and future lifecycle needs. In addition, the information provided through the comprehensive inspections can also provide First Nations with information needed for the development of their asset management plans. It should be noted that it will take time for the benefit of these new measures to be fully realized, as the inspections are done on a three-year cycle.

# <u>Report 3 – Progress on developing and implementing a regulatory regime, due</u> <u>April 30, 2023</u>

Ensuring lasting drinking water and wastewater infrastructure in First Nations communities requires a modern and effective legal regime.

The Safe Drinking Water for First Nations Act came into force in 2013, enabling the Government of Canada to develop federal regulations to support access to safe, clean and reliable drinking water, and the effective treatment of wastewater on reserve. First Nations repeatedly called for the repeal and replacement of the 2013 Safe Drinking Water for First Nations 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.

On December 22, 2021, the Federal Court and the Court of Queen's Bench of Manitoba jointly approved the Safe Drinking Water for First Nations Class Action Settlement Agreement, which commits Canada to making all reasonable efforts to introduce legislation repealing the 2013 *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.

Through Budget 2022, the Government reaffirmed its commitment to repeal the 2013 *Safe Drinking Water for First Nations Act* and work with First Nations to develop replacement legislation.

On April 28, 2022, the proposed repeal of the 2013 Safe Drinking Water for First Nations Act was introduced in the Parliament of Canada as a related measure in Budget Implementation Act 2022, No. 1. The Bill received royal assent on June 23, 2022, formally repealing the 2013 Safe Drinking Water for First Nations Act and setting the stage for the development of replacement legislation.

# Engagement

Since 2018, the Government of Canada has been engaging First Nations on legislative reforms to First Nations safe drinking water.

In summer 2022, the Government of Canada enhanced its engagement with First Nation rights holders, First Nation organizations, including the Assembly of First Nations, and Modern Treaty and Self-Governing Nations, to advance the development of proposed replacement legislation. This included working with the Assembly of First Nations to establish a Joint Working Group on Safe Drinking Water and Wastewater for First Nations Legislation to advance a framework for new proposed legislation. In winter 2023, an expanded Dialogue Table was created with the Assembly of First Nations to accelerate collaborative work on proposed replacement legislation.

First Nations continue to highlight the following key priorities: recognition of rights; sustainable funding for drinking water and wastewater services; proper protection of

source water; and the need for ongoing engagement on water issues that affect First Nations.

#### Status and Next Steps

In February 2023, the Government of Canada shared a consultation draft of a legislative proposal for First Nations drinking water and wastewater and related infrastructure with all First Nations rights holders and First Nations organizations for review and feedback. Sharing this consultation draft represents an important milestone in engaging directly with First Nations rights holders and ensuring that federal laws are consistent with the United Nations Declaration on the Rights of Indigenous Peoples.

Should the legislative proposal receive royal assent, the Government of Canada will continue to work with First Nations rights holders and First Nation organizations, including the Assembly of First Nations, to implement the legislative proposal. This forward-looking work would include: support for First Nations law-making; consultation with First Nations on the creation of federal regulations and funding allocation decisions; bilateral and trilateral discussion tables to support entering into of government-to-government water agreements, and support for the creation of a First Nations-led water commission. Combined these measures would ensure the development and implementation of a regulatory regime for safe drinking water in First Nations communities that respects First Nation self-determination.