

## Workshop Summary: Income Assistance (IA) Program Reform

### Overview

IFSD Advisors Ltd. (IFSD) is contracted by the Assembly of First Nations (AFN) to develop a First Nations-specific funding model for the Income Assistance (IA) Program based on First Nations recommendations.

On December 2-3, 2025, IFSD convened IA collaborators in Ottawa to explore the existing IA Program across First Nations in Canada. 24 IA administrators attended the workshop, representing 18 of 19 collaborators for the IA project.

The workshop focused on differentiated points of departure between First Nations, existing IA delivery practices, alternative goals and visions for the IA Program, and exploring accountability and approaches to monitor outcomes.

### Context and starting points

In many First Nations communities, the IA Program is a safety net for the most vulnerable, including the elderly, people with disabilities, single parents, and those with substance misuse challenges. The cycle of dependence on IA is difficult to break, making IA a long-term arrangement for some individuals and families.

In principle, the IA Program is supposed to be a last-resort solution to support a person experiencing unemployment and/or poverty by meeting basic needs. The program, however, is falling short of addressing these challenges. IA rates to recipients are disconnected from the cost of living. There is no consideration of the structural challenges driving recipient dependence on IA, including trauma, intergenerational trauma, and poverty, etc.

The delivery of IA looks different across First Nations. Their different starting points, e.g., geography, population, etc., regional policies, and funding structures (e.g., 10-year grants, self-governing agreement, etc.), impact their service delivery. IA administrators operate services on a limited budget, often expressing limited capacity to design and deliver needed services.

### Gaps and considerations in operations

Participants discussed key challenges and considerations across four areas: strategy, people, processes, and systems (see Table 1).

Table 1

Concept	Description <sup>1</sup>
Strategy	The mission, priorities, goals, and culture for service delivery. This is the purpose of the service/organization that guides other components.
Systems	The arrangements or building blocks for functioning service delivery. For instance, IT infrastructure, data gathering and analysis, financial practices and policies, etc. The <i>systems</i> reflect the <i>strategy</i> .
Processes	The actions taken to deliver the mission ( <i>strategy</i> ). These may include program activities, organizational structure, etc. The <i>processes</i> align to <i>systems</i> .

<sup>1</sup> IFSD, *Funding First Nations child and family services (FNCFS): A blueprint for program reform* (IFSD, 2025): 58 and 61, [https://ifsd.ca/wp-content/uploads/2025/08/8833\\_IFSD\\_FNCFS-Phase-3-Report\\_AUG2025\\_EN\\_F.pdf](https://ifsd.ca/wp-content/uploads/2025/08/8833_IFSD_FNCFS-Phase-3-Report_AUG2025_EN_F.pdf).

People	Staffing, recruitment, retention, and training of qualified staff to implement strategy, use systems, and apply processes. The <i>people</i> execute <i>processes</i> ultimately, delivering the mission ( <i>strategy</i> ).
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*Strategy*

- **Rates and program relevance:** IA programs aim to address poverty and serve the most vulnerable in the community. Rates and eligibility do not reflect the reality of living in First Nations communities.
- **Indigenizing and integrating supports:** Indigenizing IA supports (e.g., delivering services in their Indigenous language) and adopting an anti-oppressive approach could help ensure services are culturally relevant and integrated with other community programs.
- **Funding formulas:** Existing funding formulas and agreements are restrictive and limit the flexibility IA administrators have to respond and innovate in delivering services.

*Systems*

- **Data collection and analysis:** IA administrators have limited capacity for data collection and analysis. They currently collect demographic information (e.g., family composition, residence, etc.) and socio-economic information (e.g., education, skills, financial need, etc.)
- **Technology and software:** IA administrators use different case management software. Software is not included in funding agreements, and it must be covered by operational budgets. This creates limited capacity for data analysis.
- **Minimizing political interference:** Clear operational boundaries and transparent funding agreements are required to reduce micromanagement of program delivery and increase flexibility to IA administrators.

*Processes*

- **Integrated case management:** Services and departments in First Nations often operate in siloes. Common intake processes, with permission-based information sharing, could support secure and integrated service delivery across departments. Leadership support is essential for implementing integrated service delivery.
- **Reducing barriers and outreach:** There is a dependence on IA in many First Nations communities. Early education and outreach to community members, including youth, could help people better understand their options, opportunities for alternative paths, and reduce stigma.
- **Program sunseting:** Key employment supports (e.g., pre-employment supports (PES), First Nations and Inuit Youth Employment Strategy (FNIYES)) are ending (see Figure 1) with minimal notice or options for alternative case management supports. This impacts IA recipients supports in skill development and employment attainment.

*People*

- **Staff alignment and wellness:** Staffing to case load remains a challenge in many First Nations, especially those that are small and remote. Staffing should reflect actual service needs, not just Indigenous Services Canada (ISC) standards. High caseloads and lateral violence impact staff well-being.
- **Capacity building and training:** Capacity building through onboarding and training in the First Nations context is needed for IA staff. This could be supportive in building internal capacity to use systems such as finance and technology.

- **Specialized roles and case management:** Specialized staff (e.g., cultural support workers, Elders, case managers) could help address complex client needs and to provide wraparound services.

Figure 1

**Pre-employment supports**

During the two-day workshop, participants discussed two pre-employment support programs: (1) First Nations and Inuit Youth Employment Strategy (FNIYES) and (2) Pre-Employment Services (PES). FNIYES, offered by ISC, supports youth ages 15-30, providing work experience, career information, and skill development opportunities. This strategy includes two-application based programs: (1) the First Nations and Inuit Youth Summer Work Experience Program, which helps youth prepare for full-time employment during the summer, and (2) the First Nations and Inuit Skills Link Program, which assists youth in gaining skills and knowledge for employment. ISC reports an annual total budget of \$26 million for FNIYES, supporting nearly 150,000 opportunities since 1997, but notes that funding is limited and not all applications are approved.<sup>2</sup>

In ISC’s IA Program guidelines, it outlines that PES is aimed to help IA recipients transition to employment, with eligible activities defined in the IA administrator’s work plan or approved proposal.<sup>3</sup> Budget 2024 committed \$927.3 million over five years and \$169 million ongoing to support IA clients, case management, and PES.<sup>4</sup>

While workshop participants discussed the potential ending of these supports, ISC’s website indicates that FNIYES and PES continue, though regional variation may exist depending on existing funding agreements and local government policy.

IA administrators in First Nations have different starting points, but confront similar challenges in strategy, people, processes, and systems. IA rates often fall short of meeting recipients’ needs, staff-to-caseload ratios are high, effective employment supports like PES and FNIYES may be ending, and capacity for data collection and analysis is limited. At the same time, administrators share common goals for change, including Indigenizing IA services, providing wraparound and wholistic supports with integrated case management, and developing data systems that connect intake, case management, and finance.

**Conditions for success on IA Program reform**

Throughout the 2-day workshop, participants discussed their visions for IA Program reform, ranging from funding, staff development, and accountability frameworks (see Table 2 for an overview).

<sup>2</sup> Indigenous Services Canada, “First Nations and Inuit Youth Employment Strategy,” Government of Canada, last modified on May 15, 2025, <https://www.sac-isc.gc.ca/eng/1100100033607/1533125081187>.

<sup>3</sup> Indigenous Services Canada, “Income Assistance National Program Guidelines 2025 to 2026,” Government of Canada, last modified on April 24, 2025, <https://www.sac-isc.gc.ca/eng/1640176530565/1640176589896>.

<sup>4</sup> Indigenous Services Canada, “On-reserve Income Assistance program” Government of Canada, last modified on April 24, 2025, <https://www.sac-isc.gc.ca/eng/1100100035256/1533307528663>.

Table 2

Vision	Description
Flexible, needs-based funding	Funding arrangements should reflect community realities, support innovation, include funding for capital needs (e.g., staff housing, office space), and empower First Nations to design and deliver IA according to local needs. Funding arrangements need to be clear and transparent.
Integrated systems and processes	Integration of services across a First Nation could provide wholistic service delivery and improve staffing caseloads. To implement this, First Nations leadership is essential, as well as investing in technology, data systems, and designing a wraparound service model.
Collaborative accountability	Accountability frameworks to monitor IA outcomes should be designed with First Nations, emphasizing strengths-based, culturally relevant measures and internal peer evaluation to support compliance requirements. Existing files need to be digitalized for ease of use and compliance, which requires data systems.
Data collection	Move beyond collecting basic demographic information and build the capacity to start collecting data on recipient self-assessment, reason for exit, additional supports, employment training, culture and language, etc.
Regional entities	Regional entities could serve as technical supporting organizations to First Nations and build networks for collaboration across provinces.
IA rates	IA rates need to reflect the actual reality of living in First Nations communities. Rates should include basic necessities such as transportation, internet, cell phone, etc. Supplemental funding should be included to cover costs of transportation, cultural activities, etc.
IA policies	IA policies need to be revised to meet current operating realities. This should include a program with revised rates that consider some revenue generation, employment supports, integrated service delivery, and an updated program name to reflect First Nations needs and goals.

IA reform should prioritize flexible, needs-based funding that reflects community realities, including capital needs and locally-led design and delivery. Integrated systems, collaborative accountability frameworks, and expanded data collection are needed to provide more wholistic service delivery and adhere to compliance regulations. For IA administrators looking to adopt an integrated system, United Way’s *Huddle Here for youth* serves as a useful example. It describes itself as a “one-stop shop” for health and social services for youth across six locations in Manitoba. This model demonstrates the value of clustering services to reduce barriers to access and provide tailored support.<sup>5</sup>

<sup>5</sup> United Way Winnipeg, “Huddle Here for youth,” accessed December 12, 2025, <https://unitedwaywinnipeg.ca/our-impact/huddle-youth-hubs/>.

Regional entities could provide technical support and create a network of collaboration across regions. The First Nations of Quebec and Labrador Health and Social Services Commission (FNQLHSSC) is an existing regional support body in Quebec (see Figure 2). It serves as an example of this type of model for other regions.

Further, IA rates and policies must be updated to reflect the true cost of living and support wholistic, Indigenized services. These changes would help administrators better meet recipient goals and needs, as well as reduce long-term dependence on IA.

Figure 2

**Example: First Nations of Quebec and Labrador Health and Social Services Commission (FNQLHSSC)**

The First Nations of Quebec and Labrador Health and Social Services Commission (FNQLHSSC) is an example of a regional organization that provides technical support to First Nations health and social service providers in Quebec. It was created in 1994 by the Chiefs of Assembly of First Nations Quebec-Labrador. It has a variety of goals, including Quebec First Nations exercising their “inherent right to control health and social services program delivery[...],” provide technical support for research and the development of service models, support community development, etc.<sup>6</sup>

FNQLHSSC is governed by and for First Nations. It consists of a board of directors, a senior management and governance team, administrative and financial services, and a variety of teams such as health, social development, research, etc.<sup>7</sup> On IA specifically, FNQLHSSC “advise[s] First Nations communities and organizations on the actions to be taken in terms of income security, and to develop and implement various strategies to fight poverty and social exclusion.” This includes providing training to IA administrators, developing innovative solutions, and designing training and professional development plans.<sup>8</sup>

**Next steps**

IFSD will:

- 1) Prepare and share a contact list of IA project collaborators.
- 2) Explore persons-based or strengths-based intake forms.
- 3) Host a virtual meeting in January or February to present its economic opportunity framework.
- 4) Set up a shared OneDrive folder for collaborators for shared resources.
- 5) Schedule community visits.

<sup>6</sup> First Nations of Quebec and Labrador Health and Social Services Commission, “An organization for the health and wellness of First Nations. The origin of the FNQLHSSC,” accessed December 12, 2025, <https://cssspnql.com/en/introduction-and-background/>.

<sup>7</sup> First Nations of Quebec and Labrador Health and Social Services Commission, “The FNQLHSSC: A mode of governance by and for First Nations,” accessed December 12, 2025, <https://cssspnql.com/en/structure/>.

<sup>8</sup> First Nations of Quebec and Labrador Health and Social Services Commission, “Supporting income security and social inclusion,” accessed December 12, 2025, <https://cssspnql.com/en/services-en/securite-du-revenu-et-insertion-sociale/>; First Nations of Quebec and Labrador Health and Social Services Commission, “Income Security Advisors,” accessed December 12, 2025, <https://cssspnql.com/en/services-en/income-security-advisors/>.