



First Nations Reserves

ISSUE

- Elimination of First Nations Reserves as an eligible expense and to provide its replacement.

3.8 FIRST NATIONS RESERVES

3.8.1 First Nations reserve lands are the responsibility of Indian and Northern Affairs Canada (INAC). In those instances where a province provides disaster response and/or recovery assistance to individuals, small businesses and bands resident on reserves, the following arrangements for financial assistance will apply:

- a) When a disaster affects only First Nations reserve lands, the affected province will be fully reimbursed by INAC for all response costs incurred in the preservation of life and property. INAC is fully responsible for all recovery expenses not otherwise insured or devolved under contract or agreement. The DFAA are not applicable.
- b) When the impact of a disaster spans both off-reserve lands and First Nations reserve lands, only the off-reserve provincial expenditures or those related to provincial public works on-reserve may be considered for the purposes of determining if the DFAA threshold has been met. Once the eligible off-reserve expenditures exceed the threshold, the province will be fully reimbursed (at 100 per cent of the federal share) for any on-reserve response and recovery expenses incurred that are eligible under the DFAA Guidelines. Eligible off-reserve costs will be subject to the DFAA cost-sharing formula. Provinces may treat all incremental administrative expenditures incurred in responding to emergencies on reserves as on-reserve expenses and thus as fully reimbursable. Table 2 outlines these situations.
- c) Costs to repair damage to provincial public works such as roads and bridges on reserve property would be cost-shared according to the DFAA funding formula. Repairs to federally owned public works located on First Nations Reserves are the normal responsibility of INAC or the Government of Canada agency charged with their custody and maintenance.

Table 2 – Summary of DFAA Eligibility in Relation to First Nations Reserves

Scenario	Reimbursement of On-Reserve Costs	Reimbursement of Off-Reserve Costs
Off-reserve costs over provincial DFAA threshold.	DFAA fully compensates a province for all eligible expenses (including incremental administrative costs) on the reserve.	Off-reserve costs are subject to normal DFAA cost-sharing formula.
Off-reserve costs under provincial DFAA threshold.	INAC fully compensates the province for all eligible expenses (including incremental and administrative costs) relating to the reserve. DFAA do not apply.	Province is responsible for off-reserve costs since DFAA do not apply.
Damage limited to reserve (whether above or below DFAA threshold).	INAC fully compensates the province for all expenses related to the reserve (including incremental administrative costs).	Not applicable.

SECTION 3.8 IS REPLACED BY THE FOLLOWING:

3.8.1 All provincial and territorial emergency response and recovery costs incurred on First Nations reserve lands will be assumed by Indigenous Services Canada for all natural disasters that occur on or after April 1, 2014.