

**Funding mechanisms are not neutral financial tools**, but systems of practices built around documents, procedures, and interactions informed by an underlying worldview. They are designed to distribute resources, set priorities, and enforce accountability by enlisting accounting techniques, external agents, and if/then contingent arrangements. Viewed this way, they shape not only Indigenous Peoples–government relations but also the everyday realities of Indigenous children and families.

Government works less through sovereign command than by creating conditions under which actors act predictably. Funding practices achieve this by structuring incentives, imposing reporting requirements, and embedding assumptions about legitimate activity.

**Funding and accountability practices operationalize governmental objectives and mentalities.** Per capita funding formulas in areas such as education, for example, assume children's needs can be reduced to standardized numbers, privileging quantification over lived need. Similarly, cost-per-child formulas reduce diverse needs to ratios that privilege some families and disadvantage others, while census-based allocations may appear equitable but undercount certain communities.

**Funding mechanisms presented as impartial thus reproduce inequities by privileging what accounting systems see and obscuring what falls outside them.**

The creation of a capital stream is a practice that recognizes that infrastructure is necessary to provide child and family services. The practice of ISC assessing and ranking proposals potentially fosters competition among First Nations groups and agencies for scarce funds. The serious and documented risks include:

**Discretion** –ISC retains authority to assess, rank, and fund projects, which in practice allows it to determine the feasibility of proposals and to defer or stage approvals. As Baker and Schneider (2015, pp. 124–125) note, such arrangements reward groups that comply with bureaucratic templates and discipline those that advance their own visions of what facilities are needed, curtailing autonomy.

#### **What could make it better?**

ISC could be required to disclose all inputs, assumptions, and calculations used in determining which proposals to fund, along with the reasons for approving, deferring, or denying each project. Disclosures would be made in real time to affected First Nations and published publicly within fixed timelines. This recommendation recognizes that delays and opacity in ISC's decision-making directly undermine the provision of child and family services, where timely action and clear information are essential.

**Contingent Funding** – Allocations are contingent on federal appropriations. The inclusion of this clause permits political considerations to override the needs of First Nations children and families. It transforms what should be firm, reciprocal contractual commitments into agreements always subject to political discretion, positioning First

Nations as subjects of governmental convenience rather than partners in binding obligations.

**What could make it better?** capital funding, as well as all other funding envelopes ... would be guaranteed through multi-year, statutory-style commitments insulated from political cycles.

**Inequity and competition** – Proposal-driven allocations pit communities against one another for scarce funds, advantaging larger or better-resourced First Nations communities while disadvantaging smaller or remote First Nations.

**What could make it better?**

To ensure capital funding reflects Indigenous-defined needs rather than bureaucratic templates, ... a Joint Selection and Sequencing Body [could be created] with determinative authority over project prioritization and sequencing. This body would include representatives from diverse First Nations (small, remote, and urban communities) and be empowered to direct—not merely recommend—capital allocations, thereby limiting unilateral bureaucratic discretion.

**A per capita formula ...obscures the requirement for detailed, community-based assessments of prevention needs.** In the absence of such assessments, the per capita approach risks locking inequities into place by treating all communities as interchangeable, rather than recognizing and resourcing their distinct prevention priorities.

The 2020 IFSD Report explicitly moves away from a per capita funding mechanism and instead recommends a block funding needs-based mechanism (IFSD, 2020, p. XIX). IFSD, 2020, p. XXI).

The report then reiterates that “the most important element is the needs-based architecture built from the bottom-up” (p. 140). In my opinion, it is extremely important to recognize that the 2020 IFSD Report *is not* recommending a per capita prevention funding mechanism but rather is *trying to estimate* how much a needs-based prevention funding block might cost.

**Within a needs-based funding model,** it is important that the authority to evaluate these needs not rest solely with ISC but rather that assessment is carried out through joint mechanisms with First Nations to ensure that community-defined priorities drive the allocation process. Build needs-based funding mechanisms – Formulas could be grounded in empirically verifiable cost drivers—remoteness, caseload intensity, socioeconomic pressures, and cultural programming—and applied in an enabling manner that supports Indigenous-defined solutions, rather than as rationing devices.