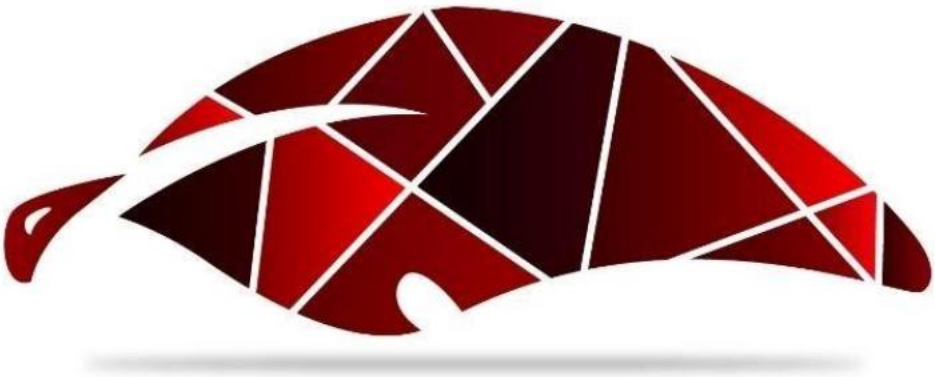

OFIFC

Ontario Federation of
Indigenous Friendship Centres

Federal Pre-Budget Submission 2026

House of Commons Standing Committee on Finance 2026 Pre-Budget Submission

Recommendations:

1. Implement sustained funding for urban Indigenous-led, mental health and addictions services that improve Indigenous health outcomes, reduce health system strain, and strengthen community safety.
2. Establish an Urban Indigenous Food Security and Food Sovereignty Initiative through Friendship Centres to support community-led food programs, food infrastructure, and culturally grounded food initiatives in urban Indigenous communities
3. Invest in Indigenous-led Emergency Management to ensure that evacuated Indigenous communities have access to culturally appropriate program and services
4. Expansion and stabilization of Indigenous-led early learning and childcare programming administered through Ontario Friendship Centres for urban Indigenous children and families
5. Address and fulfill the historic housing gap Indigenous people face by leveraging Friendship Centre housing programs that deliver cost-effective and culturally appropriate solutions
6. Update and Expand the National Housing Strategy by incorporating a National Housing Skills Agenda to reduce chronic homelessness
7. Continue to invest in successful cost-sharing initiatives with the province that support public safety and the implementation of the Indigenous Justice Strategy
8. Annualized, Flexible Federal Funding Source for Indigenous Youth Initiatives in Friendship Centres
9. Build on existing provincial investments by supporting Indigenous-led prevention, early intervention, and family stability programming to address gender-based violence in urban Indigenous communities
10. Invest further in the Indigenous Language Revitalization Program (ILRP).

Introduction

The Ontario Federation of Indigenous Friendship Centres (OFIFC) welcomes the Government of Canada's continued commitment to strengthening urban Indigenous communities, including recent investments in Friendship Centres. These efforts reflect progress toward reconciliation and recognize the essential role Friendship Centres play in delivering culturally grounded services to First Nations, Inuit, and Métis people living in urban and rural areas, regardless of status.

As implementation of the United Nations Declaration on the Rights of Indigenous Peoples Act, the Truth and Reconciliation Commission Calls to Action, and the Federal Pathway to Address Missing and Murdered Indigenous Women, Girls and 2SLGBTQQIA+ People progresses, it is critical to address persistent gaps experienced by urban Indigenous people, who are underserved by distinctions-based approaches.

In Ontario, 88% of Indigenous people live off reserve in urban areas. Supporting Friendship Centres closes service gaps, strengthen Indigenous-led solutions, and advances reconciliation. Budget 2026 presents an opportunity to leverage this expertise and deliver meaningful progress on reconciliation priorities.

1. Implement sustained funding for urban Indigenous-led, mental health and addictions services that improve Indigenous health outcomes, reduce health system strain, and strengthen community safety

Mental health and substance use challenges in urban Indigenous communities are increasing pressure on health systems, emergency services, and community safety. Driven by intergenerational trauma and systemic barriers, unmet needs often escalate into crisis, leading to greater reliance on healthcare systems, shelters, and criminal justice systems, raising public costs and reducing system efficiency.

While the OFIFC is pleased with the recent federal funding announcement of $155 million over five years, growing demand continues to outpace available resources and workforce capacity. Sustained investment in Indigenous-led, wraparound mental health and addictions services is cost-effective. Friendship Centres provide integrated, community-based services that respond to trauma, housing instability, food insecurity, and social isolation, while reducing reliance on high-cost emergency systems. Investments into Friendship Centres enables a shift from crisis response to prevention, strengthening community resilience, and reducing long-term fiscal pressures across health and justice systems.

> *Cost Estimate:* $2.1 million annually, over 5-years.
> *Policy Recommendation:* Renew development of the Indigenous Health Legislation.

2. Establish an Urban Indigenous Food Security and Food Sovereignty Initiative through Friendship Centres to support community-led food programs, food infrastructure, and culturally grounded food initiatives in urban Indigenous communities

Urban Indigenous communities continue to experience disproportionately high rates of food insecurity, driven by rising living costs, poverty, housing instability, and barriers to accessing culturally appropriate food. Federal food security programs often focus on northern and remote communities, leaving urban Indigenous organizations to meet increasing demand with limited and short-term resources. Friendship Centres are Indigenous-governed, community-based organizations that are well-positioned to deliver community-led food sovereignty initiatives. Friendship Centre food security initiatives not only address hunger but also support community well-being, cultural connection, and economic participation.

Cost Estimate: $1 million annually.

3. Invest in Indigenous-led Emergency Management to ensure that evacuated Indigenous communities have access to culturally appropriate program and services

Last year Ontario experienced a record year for wildland fires, with the province dedicating $227 million on First Nations Emergency Evacuations on behalf of Indigenous Services Canada.[1] Ontario Friendship Centres were on the front lines, supporting Indigenous community evacuations and ensuring evacuees had access to Indigenous led and culturally appropriate programs and services. Strengthening Indigenous-led emergency management would help ensure that evacuated Indigenous communities continue to receive coordinated culturally appropriate supports during times of crisis.

Cost Estimate: $4 million annually, over three years.

4. Expansion and stabilization of Indigenous-led early learning and childcare programming administered through Ontario Friendship Centres for urban Indigenous children and families

Early learning and childcare represent vital pieces to ensure that children develop into well-rounded adults. The coalescence of skills built through early learning and childcare favors the reduction of poverty and inequality by providing children with opportunities to succeed and be members of a skilled and educated workforce in the future. Early learning and childcare represents a cornerstone of gender equity, as it enables women's labor force participation and reduces the gender wage gap. Expanding access to Indigenous-led early learning and childcare would increase workforce participation, strengthen economic resilience, and support positive outcomes for children and youth. In urban Indigenous communities in Ontario alone, at least 13,000 additional childcare spaces are needed to meet demand. Enhancing and expanding access to childcare through Friendship Centres would help close this gap and improve access for urban Indigenous families.

Cost Estimate: $1.3 million annually.

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[1] Ontario. (2026). 2026 Ontario Budget: A Plan to Protect Ontario. Retrieved from: https://budget.ontario.ca/2026/contents.html

Policy Recommendation: Include targeted supports and strategies to build and strengthen the early learning and childcare workforce.

5. Address and fulfill the historic housing gap Indigenous people face by leveraging Friendship Centre housing programs that deliver cost-effective and culturally appropriate solutions

It remains imperative that the federal government fulfills its 2023 commitment to invest $2.8 billion in an Urban, Rural and Northern Indigenous Housing Strategy.[2] This long overdue investment will close the persistent housing gap faced by Indigenous people coast-to-coast-to-coast. A *For Indigenous, By Indigenous* (FIBI) approach ensures public funding reaches the Friendship Centres best positioned to deliver cost-effective results that address urgent needs today while building long-term housing and prosperity for the future.

Friendship Centre housing programs demonstrate how a FIBI model approach delivers better outcomes at significantly lower cost, while also improving affordability and economic participation. The OFIFC found that these programs, like Reaching Home can provide the suite of services that urban Indigenous people require as mainstream public services at as little as 18% of the comparable mainstream services.[3] The FIBI approach integrates housing with culturally appropriate services, employment supports and education pathways so that individuals and their families secure housing and maintain their homes over the long-term.

Policy Recommendation: Fulfill 2023 commitment of $2.8 billion.

6. Update and Expand the National Housing Strategy by incorporating a National Housing Skills Agenda to reduce chronic homelessness

The National Housing Strategy will sunset in 2028, making it critical that the updated strategy expands access to housing and delivers measurable progress in reducing chronic homelessness. Establishing new timelines and a National Housing Skills Agenda would strengthen accountability and ensure Indigenous-led organizations, like Friendship Centres, are central partners in implementation.

While the federal government has committed to reducing chronic homelessness by 50%, the Parliamentary Budget Officer estimates that this goal requires an additional

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[2] Prime Minister of Canada. (2021). *'Minister of Housing and Diversity and Inclusion Mandate Letter'*. Retrieved from: https://www.pm.gc.ca/en/mandate-letters/2021/12/16/minister-housing-and-diversity-and-inclusion-mandate-letter; Canada Mortgage and Housing Corporation. (2023). '*Urban, Rural and Northern Indigenous Housing Strategy*'. Retrieved from: https://www.cmhc-schl.gc.ca/professionals/project-funding-and-mortgage-financing/funding-programs/indigenous/urban-rural-northern-indigenous-housing-strategy; and Canadian Housing and Renewal Association. (2025). *'Indigenous Leaders Demand Immediate Action on Urban, Rural and Northern Housing Funds'*. Retrieved from: https://chra-achru.ca/news/indigenous-leaders-demand-immediate-action-on-urban-rural-and-northern-housing-funds/

[3] OFIFC. (2025). Urban Indigenous Homeward Bound. Retrieved from: https://ofifcentres.sharepoint.com/:i:/s/Programs/EQZ5C6GFAF1NiddS8se-P3MBLMaGWv_r_bWOmVDbnaTU2w?e=mcVRpo

$3.5 billion.[4] These investments should support the creation of a National Housing Skills Agenda to strengthen the capacity and delivery of appropriate and safe housing.

Indigenous-led workforce programs demonstrate the value of a National Housing Skills Agenda by linking housing outcomes with employment and productivity gains. The Ontario Aboriginal Housing Services Property Maintenance Program trained 35 participants over four years, with 18 securing full-time roles, while saving up to $200,000 annually in repair costs.[5] This approach helps fill critical labour gaps, extends housing units lifespans, and strengthens Indigenous workforce capacity. A National Housing Skills Agenda would build on results by scaling Indigenous-led workforce solutions and providing cost-effective addition to the next National Housing Strategy.

> *Policy Recommendation:* Incorporate a National Housing Skills Agenda in the next National Housing Strategy

7. Continue to invest in successful cost-sharing initiatives with the province that support public safety and the implementation of the Indigenous Justice Strategy

Friendship Centres' existing infrastructure makes them a cost-efficient and effective driver of public safety in urban Indigenous communities. Increased investment in community-based, pre-and post-charge diversion initiatives, such as the Indigenous Community Justice Program, would strengthen culturally grounded alternatives to the formal justice system and support improved outcomes for Indigenous people and families. In addition, expanding access to Shared Priority 84 releases and investing in Friendship Centers that provide community-led, culturally based reintegration supports would help ensure individuals returning to the community are connected to culturally-appropriate, wrap-around services. Together, these investments would enhance public safety, support successful reintegration, and advance the implementation of the Indigenous Justice Strategy (Priority Action 8,9,13,15).

> *Cost Estimates:* Total of $1.2 million.

8. Annualized, Flexible Federal Funding Source for Indigenous Youth Initiatives in Friendship Centres

Indigenous youth (18-29) within the Friendship Centre Movement have been without access to dedicated youth programming since the federal government cancelled the Cultural Connections for Aboriginal Youth program a decade ago. However, Indigenous youth continue to be disproportionally impacted by higher rates of mental health crises, child welfare intervention, violence, and trauma than non-Indigenous youth. Without

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[4] Parliamentary Budget Office. (2025). Achieving target to halve chronic homelessness would require an additional $3.5 billion per year, says PBO. Retrieved from: https://www.pbo-dpb.ca/en/news-releases--communiques-de-presse/achieving-target-to-halve-chronic-homelessness-would-require-an-additional-35-billion-per-year-says-pbo-selon-le-dpb-pour-atteindre-lobjectif-de-reduire-de-moitie-le-nombre-de-personnes-en-situation-ditinerance-chronique-il-faudrait-35-milliards-de-dollars-de-plus-par-annee

[5] Ontario Aboriginal Housing Services. (2025). OUR Framework. Retrieved from: https://www.ontarioaboriginalhousing.ca/wp-content/uploads/2025/09/OAHS_OUR-Framework.pdf

dedicated programing, Indigenous youth face barriers to access culture, education, employment opportunities and safe community spaces.

Cost Estimate: $8.8 million annually.

9. Build on existing provincial investments by supporting Indigenous-led prevention, early intervention, and family stability programming to address gender-based violence in urban Indigenous communities

Friendship Centres deliver prevention and early intervention programming that strengthens families, reduces violence, and decreases long-term involvement with justice and child welfare systems. Sustained federal funding is required to build on these efforts and address ongoing jurisdictional gaps in urban Indigenous families.

Targeted investments in Kizhaay Anishinaabe Niin (I am a Kind Man) programming would support the engagement of Indigenous men and boys in violence prevention and promote healthier relationships. In addition, expanding Children Who Witness Violence programming would enhance early intervention supports for Indigenous children, youth, and families experiencing or at risk of violence. Together, these investments would advance the Calls for Justice from the National Inquiry into MMIWG2S+ and support community-led approaches to safety, prevention, and family stability in urban Indigenous communities.

Cost Estimates: Invest a total of $9.7 million.

10. Invest further in the Indigenous Language Revitalization Program (ILRP)

The Indigenous Languages Act (2019) was enacted by the Government of Canada to support the reclamation, revitalization, maintenance and strengthening of First Nations, Inuit, and Métis languages. The legislation aligns with UNDRIP and affirms that Indigenous languages are fundamental to identity, culture, spirituality, and self-determination, and recognizes them as part of Canada's heritage. The Act represents a federal commitment to reversing language loss and advancing reconciliation, though its effectiveness depends on sustained funding, implementation, and partnership with Indigenous communities. Currently, ILRP is funded at 7 Friendship Centres with full-time staff positions through Heritage Canada. The OFIFC is advocating for further investments to expand ILRP to 5 additional sites.

Cost Estimate: $505,000 annually.