Report 1

Reports of the Auditor General of Canada
to the Parliament of Canada

Registration Under the Indian Act

Independent Auditor's Report | 2025

Office of the Auditor General of Canada

Bureau du vérificateur général du Canada

Performance audit reports

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- conclude against the established audit objectives
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At a Glance

Overall message

Registration under the Indian Act allows First Nations people to access vital services like on-reserve housing, financial aid for post-secondary education, and health benefits not covered through other programs or insurance plans.

In more than 80% of applications for registered status processed by Indigenous Services Canada headquarters, the department took longer than its 6-month service standard to issue a decision. This included priority applications based on such characteristics as advanced age and health issues. Nearly 12,000 applications were backlogged, and close to 1,500 of these were more than 2 years old, including just under 200 priority applications.

We found that the department was unable to demonstrate that most officials making final decisions on applications had the required training and certification at the time those decisions were made. Furthermore, Indigenous Services Canada had committed to monthly monitoring of regional offices to ensure quality and consistency, but only about half of the monthly monitoring was performed from 2020 to 2023. Training and monitoring are important to support the accuracy and completeness of the registration process, which affect current and future applicants.

Indigenous Services Canada is mandated to gradually transfer responsibilities to First Nations communities. The department is providing training and funding to community-based registration administrators and trusted source organizations to support the delivery of the registration program. However, the funding formula for administrators has not been updated for more than 30 years and does not reflect their current responsibilities or costs. Also, there is no predictable and stable funding for trusted sources, because they must submit a budget proposal request each year for the department's approval. These issues make it difficult to establish and sustain these vital partnerships.

Key facts and findings

- There have been a series of amendments to the Indian Act aimed at rectifying inequities, with the most recent amendments in 2019. As a result of these amendments, Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada have received an increased number of registration applications.
- Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada made decisions on about 140,000 registration applications from 1 April 2019 to 31 March 2024. Just over 58,000 of these were related to the 2017 and 2019 amendments to the Indian Act (Bill S-3).
- It took on average just under 16 months to make a decision on registration applications processed at Indigenous Services Canada's headquarters, exceeding its 6-month service standard.
- Indigenous Services Canada took on average just under 3 years to make decisions on 37 protests, which is in addition to the time it took to make the decision to grant or deny Indian status.
- Indigenous Services Canada partnered with 22 trusted source organizations, and 647 community-based registration administrators across 582 First Nations communities, to help First Nations people with registration.
- Almost 30% of First Nations with a community-based registration administrator received only the annual minimum funding from Indigenous Services Canada.

See **Recommendations and Responses** at the end of this report.

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Introduction

Background

Registration under the Indian Act

1.1 The Indian Act, enacted in 1876, governs the registration of First Nations people. Registration under the act applies only to First Nations people; it does not apply to Inuit or Métis people. According to Indigenous Services Canada, in February 2025, there were 1,120,210 registered First Nations people in Canada.

1.2 Individuals of First Nations descent can gain **Indian**[1] status through the registration process. Status determines eligibility for various federal, provincial or territorial, and First Nations benefits and services, including

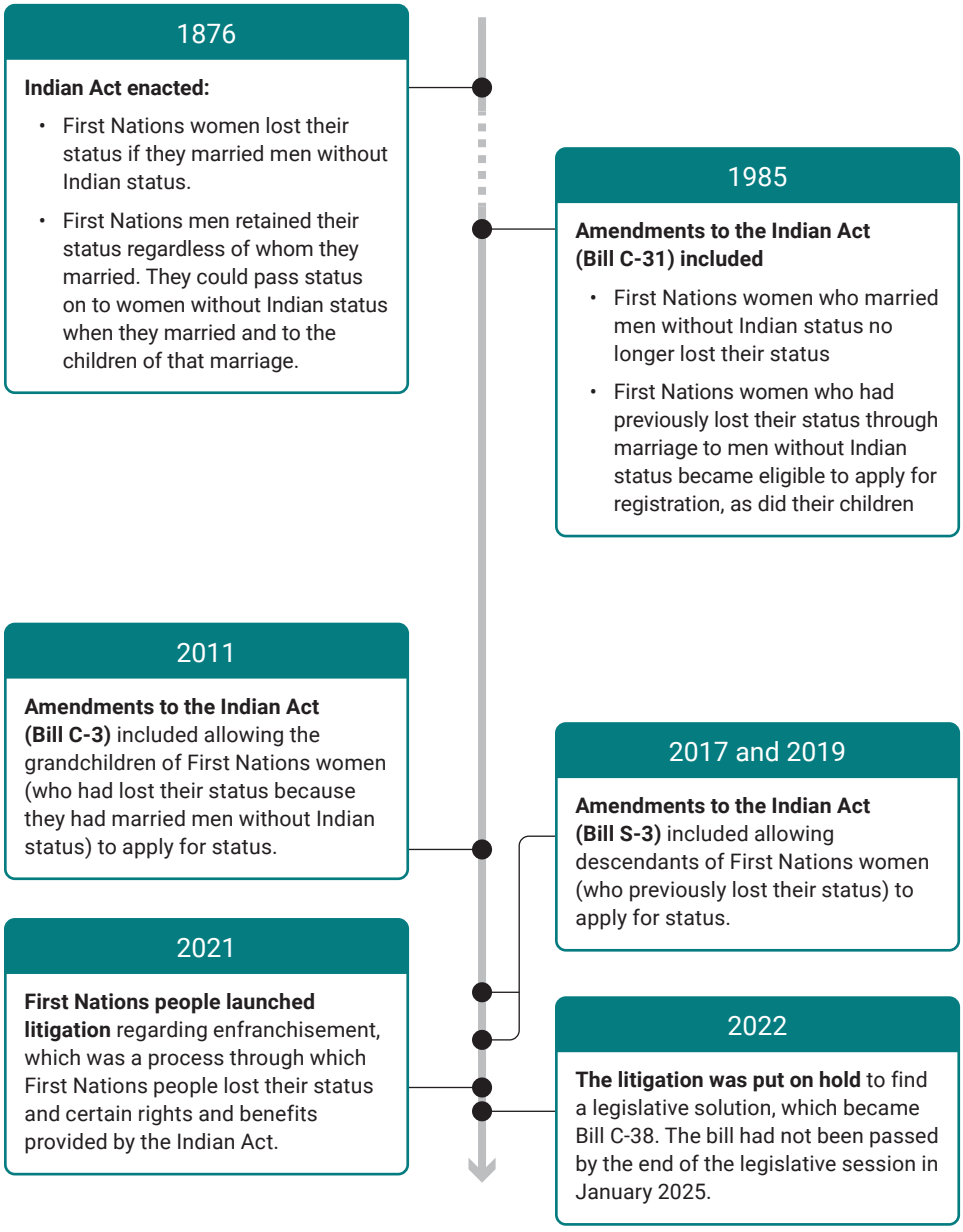
- access to on-reserve housing as a registered member of a First Nations community
- financial assistance to First Nations students pursuing post-secondary education
- coverage for a range of health benefits that are not covered through other programs or insurance plans

Gaining Indian status may also enable membership in a First Nations community and is linked to Aboriginal and treaty rights.

1.3 The historical context of the act reveals a legacy of colonialism and systemic sex-based inequities. For example, First Nations women lost their status and the ability to pass on status to their children and grandchildren when they married men without Indian status. Legal challenges have led to registration eligibility evolving over the decades, marked by a series of amendments to the act that came into force in 1985, 2011, 2017, and 2019 aimed at rectifying some of the inequities. However, inequities persist to this day and continue to be challenged before the courts (see Exhibit 1.1).

1 **Indian**—Under the Indian Act, the legal meaning of the term "Indian" refers to a person who obtains Indian status or is entitled to Indian status. Many First Nations people in Canada prefer not to describe themselves as "Indians" and view this term as rooted in colonialism and racism.

Exhibit 1.1—Timeline of developments under the Indian Act impacting registration



Read the Exhibit 1.1 text description

Roles and responsibilities

1.4 **Indigenous Services Canada.** Indigenous Services Canada is required to maintain an Indian Register in which to record the name of every person who is registered under the Indian Act. The Registrar, an official of the department, may at any time add or delete the name of any person who is entitled or not entitled to registration. However, to address the volume of applications received under the act, the Registrar

has formally authorized administrative decision making to departmental officials who review applications for registration and grant or deny Indian status.

1.5 **Crown-Indigenous Relations and Northern Affairs Canada.** Through memoranda of understanding, Crown-Indigenous Relations and Northern Affairs Canada delivers a wide range of Indigenous Services Canada programming in the Northwest Territories and the Yukon, including registration services on behalf of Indigenous Services Canada, which does not have offices offering registration services in those territories. Officials with Crown-Indigenous Relations and Northern Affairs Canada in these territories have the same level of access to the registration system and the same authority to make decisions on applications for registration as the officials in Indigenous Services Canada's regional offices.

1.6 **First Nations partners.** Indigenous Services Canada provides funding to First Nations communities and to tribal councils to hire community-based registration administrators. Community-based registration administrators help people navigate the registration process and submit applications, and they support the departments in updating the registration system by providing information on births, deaths, marriages, name changes, and other life events. Some community-based registration administrators have access to Indigenous Services Canada's Indian registration system, but they do not have the authority to make decisions on registration applications.

1.7 Indigenous Services Canada also provides funding to trusted source organizations that are already established Indigenous service providers, such as friendship centres, located in urban centres. Trusted sources help people navigate the registration process and assist them with completing registration applications. They also share and promote outreach materials on registration. Arrangements with trusted sources support the department's broader efforts to transfer service delivery to Indigenous people. Trusted sources do not have access to the department's Indian registration system, and they do not have the authority to make decisions on registration applications.

Senate report on registration

1.8 In June 2022, the Standing Senate Committee on Aboriginal Peoples issued the report Make it Stop! Ending the Remaining Discrimination in Indian Registration. The Senate report identified a series of recommendations for Indigenous Services Canada to address inequities in registration. It also recommended that the Office of the Auditor General of Canada conduct a performance audit of the registration of First Nations people by Indigenous Services Canada.

Focus of the audit

1.9 This audit focused on whether Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada effectively and efficiently managed the registration process under the Indian Act.

1.10 This audit is important because the registration process plays a central role in the recognition of First Nations people under Canadian law and is tied to various legal, cultural, and social rights and benefits. First Nations people should have access to a fair, transparent, and accessible registration process.

1.11 More details about the audit objective, scope, approach, and criteria are in **About the Audit** at the end of this report.

Findings and Recommendations

Indigenous Services Canada did not follow some policies and procedures for processing applications, and applicants waited a long time for a decision

Why this finding matters

1.12 It is important that Indigenous Services Canada makes proper and timely decisions to grant or deny applicants Indian status so that the registration program supports applicants' rights.

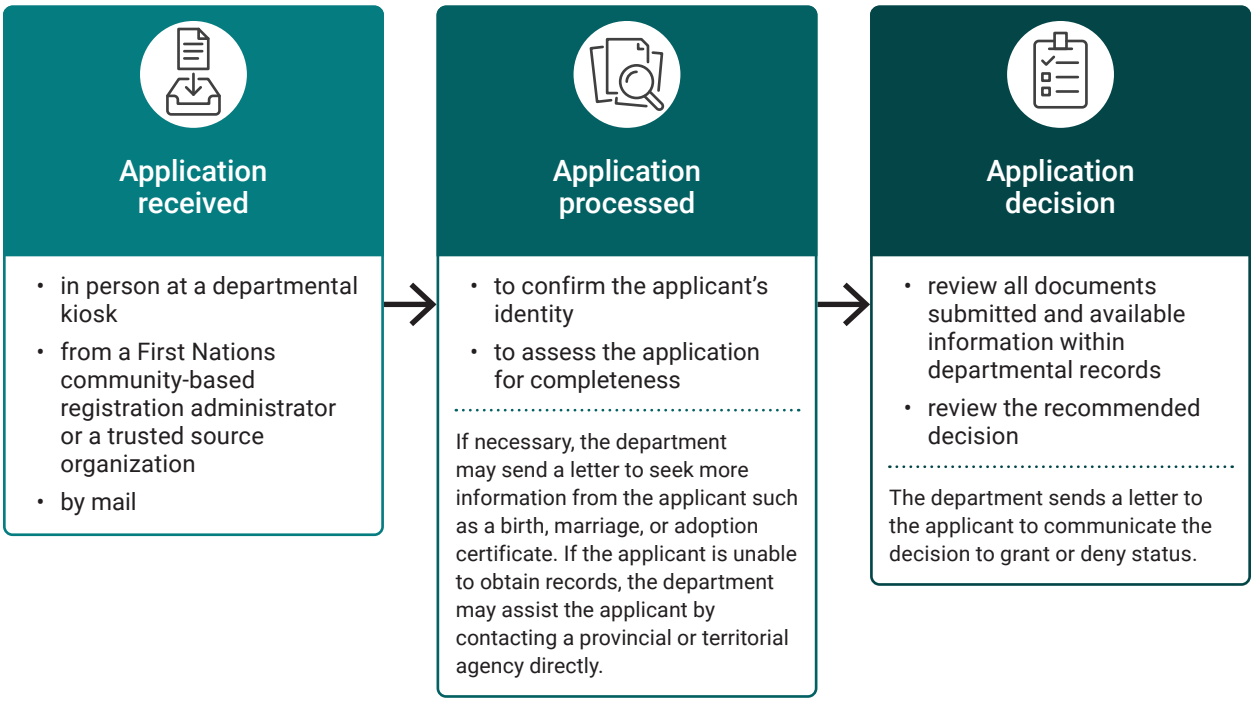
Context

1.13 Indigenous Services Canada has a service standard to make a decision on applications for registration within 6 months. Applications that are processed by the department's headquarters, located in the National Capital Region, range from complex applications like adoptions and those that require genealogical research to less complex, more straightforward applications. Administratively, headquarters also includes the Winnipeg and City of Québec processing units that are dedicated to processing applications related to the 2017 and 2019 legislative amendments to the Indian Act (Bill S-3).

1.14 Indigenous Services Canada's regional offices and Crown-Indigenous Relations and Northern Affairs Canada's regional offices in the Northwest Territories and the Yukon process only the non-complex applications, such as registering a child born to 2 registered parents. According to Indigenous Services Canada's policies and procedures, regional offices cannot process, for example,

applications for adopted individuals. Regardless of where an application is submitted, it will follow the same main steps of the review process (Exhibit 1.2).

Exhibit 1.2—Main steps in the review of an application for registration



Source: Adapted from Indigenous Services Canada

Read the Exhibit 1.2 text description

1.15 From 1 April 2019 to 31 March 2024, Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada made more than 140,000 registration decisions. Indigenous Services Canada headquarters made more than 83,000 (about 60%) of these decisions, of which about 58,000 were related to the 2017 and 2019 amendments to the Indian Act (Bill S-3). Indigenous Services Canada's regional offices and Crown-Indigenous Relations and Northern Affairs Canada's regional offices in the Northwest Territories and the Yukon made almost 57,000 (just over 40%) of the 140,000 decisions.

Some policies and procedures for processing registration applications were not followed

Findings

1.16 **Indigenous Services Canada headquarters sample.** We used representative sampling to examine applications that Indigenous Services Canada's headquarters made a decision on from 1 April 2019 to 31 March 2024. This included applications that were related to the 2017 and 2019 amendments to the Indian Act (Bill S-3). We examined whether officials followed departmental policies and procedures to review applications for registration before making a decision.

1.17 Administrative functions, such as determining an applicant's entitlement to be registered, can be exercised by other departmental officials on behalf of the Registrar. The department's internal policies require officials to take theoretical and practical training, complete a number of applications without making errors, and pass a certification examination. During the practical training, an official in training can make recommendations on applications, which are reviewed and finalized by an experienced official.

1.18 We examined whether the department tracked which officials successfully completed their mandatory training and when they did so. We found that the tracking system was incomplete and could not be used to verify that all officials had completed their required training.

1.19 After completing training and consistently completing a set number of applications without errors, officials write the certification examination. Once they pass the examination, the Registrar issues a letter to the officials confirming that they can make final decisions on registration applications. In 57% of the applications in our sample, the department could not provide us with the letters for the officials who made the final decisions at the time they made those decisions. In our view, the absence of this documentation raises concerns about whether officials performing decision-making functions have been properly trained.

1.20 When an official in training makes a recommendation, the experienced official prepares a report as part of a quality assurance process to assess the recommendation against the final decision. We found that of the 51 applications we examined, a quality assurance review was required for 12 applications. We found that the experienced officials completed quality assurance reviews for all 12 applications; however, a quality assurance report was completed in only 6 of these 12 cases. These reports are important because they identify additional support and training for officials in training if warranted.

1.21 For the applications we examined, we found that officials maintained the required applicant records in the registration database system, they certified applicants' documents such as birth certificates and proof of identity documents for authenticity, and they issued letters to applicants to request missing information where needed.

1.22 **Regional offices sample.** We also used representative sampling to examine 51 non-complex applications processed by Indigenous Services Canada's regional offices and by Crown-Indigenous Relations and Northern Affairs Canada's regional offices in the Northwest Territories and the Yukon from 1 April 2019 to 31 March 2024. We examined whether officials followed departmental policies and procedures to review applications for registration before making a decision.

1.23 For the 51 applications that had a decision made by officials in the regional offices, we confirmed that the applications processed were non-complex and found that officials certified applicants' documents, such as birth certificates and proof of identity documents, for authenticity. However, in 11% of applications, we found clerical errors such as not linking documents accurately to a file, which reduce the accuracy and completeness of the registration database.

1.24 We also found that Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada could not provide evidence that any of the officials who made a final decision on the non-complex applications in our sample had successfully completed training and the certification examinations at the time they made those decisions.

1.25 Indigenous Services Canada's Monitoring and Compliance Framework requires monthly monitoring and compliance reviews of applications processed by every regional office. The department's Monitoring and Compliance Unit must prepare monthly reports and provide the results to the regions so that any identified errors can be corrected. These reports examine activities related to processing registration applications by regional officials. We examined the extent to which monitoring occurred and whether the reports were prepared and provided to the regional officials. We found that each region had been monitored on average 25 out of the required 48 times between 2020 and 2023. When monitoring was performed, however, monthly reports were prepared 87% of the time.

1.26 We also found significant delays in providing the completed reports to the regional offices and bringing identified errors to their attention. For example, all reports for the 2020 year were provided to the regions more than 2 years later, and the reports for the 2023 year were provided more than a year later on average. The department told us that given the impact of the COVID-19 pandemic and the small size of the

monitoring and compliance team, it was behind schedule. Monitoring and reporting are important because they identify additional support and training for officials if warranted.

Recommendation

1.27 Indigenous Services Canada should fully implement the policies and procedures that it has established for processing registration applications, including training and certification of officials making registration decisions, quality assurance processes, and monitoring and compliance reviews.

The department's response. Agreed.

See **Recommendations and Responses** at the end of this report for detailed responses.

The service standard was not met and backlogs remain

Findings

1.28 We found that Indigenous Services Canada has a 6-month service standard for processing registration applications. This standard is not published on the department's website for the registration program. We also found that the department had not reported publicly on whether it met its 6-month service standard. However, the department's website states that the processing times for complete registration applications range from 6 months to 2 years depending on the complexity of the file.

1.29 **Indigenous Services Canada's headquarters.** We examined processing times for registration applications. We calculated the timeliness of the application review and approval process on all applications where a decision was made by Indigenous Services Canada headquarters from 1 April 2019 to 31 March 2024; during this time there were just over 83,000 decisions. Overall, the average processing time was nearly 16 months, with 81% exceeding the 6-month service standard. We also found the following:

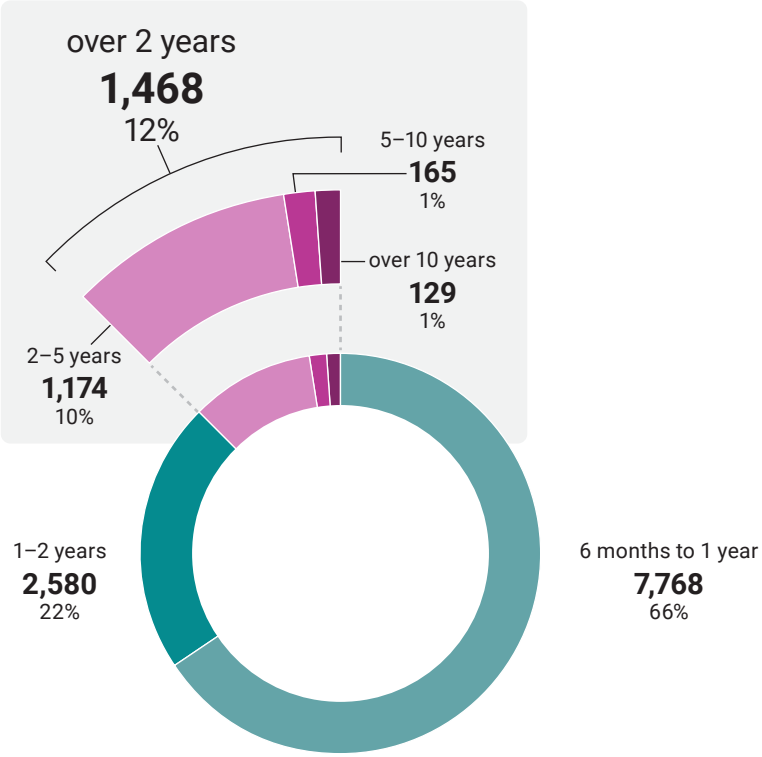
- For just over 58,000 applications related to the 2017 and 2019 legislative amendments to the Indian Act (Bill S-3), the average processing time was nearly 15 months, with 81% exceeding the 6-month service standard.
- For just over 4,000 applications for adopted individuals, the average processing time was just over 18 months, with 57% exceeding the 6-month service standard.

These processing times exclude the period when the department was waiting for information it requested from applicants and provincial or territorial agencies.

1.30 **Priority applications.** The department prioritized just under 8,600 applications on the basis of the applicants' needs and characteristics—for example, health (medical emergencies) and age (65 years and older including elders who lost their Indian status or were denied registration but have since become eligible). Prioritizing applications is meant to provide applicants most in need with quicker access to resources, including financial aid, housing, health care, and cultural support programs. We calculated the time the department took to make a decision on all the prioritized applications in our audit period and found that the average processing time was just over 10 months, with 54% exceeding the 6-month service standard. This average time excludes periods when the department was waiting for information it requested from applicants and provincial or territorial agencies.

1.31 **Backlog.** Applications in the backlog are those for which a decision had not been made within 6 months, excluding the time that the department was waiting on applicants and provincial or territorial authorities to provide information. We found that as of 31 March 2024, there were just under 12,000 applications in the backlog. In addition, nearly 1,500 (12%) of these applications had been waiting for a decision for longer than 2 years (Exhibit 1.3).

Exhibit 1.3—Indigenous Services Canada had not made a decision for more than 2 years on nearly 1,500 applications in the backlog



Note: Under 6 months is within the service standard. Percentages have been rounded.

Source: Based on data from Indigenous Services Canada

Read the Exhibit 1.3 text description

1.32 **Protests.** The Indian Act permits applicants, their affiliated band, or other band members to protest the Registrar's decision. To be deemed valid and eventually be assessed, a protest must be submitted by an eligible protestor to the Registrar in written form within 3 years of the registration decision and include the grounds of the protest.

1.33 We found that Indigenous Services Canada had no service standard for how long it would take to review a decision under protest. From 1 April 2019 to 31 March 2024 (our audit period), the Registrar received 1,020 protests. Even though some of these protests were withdrawn or deemed invalid, only 14 decisions were made on protests received in our audit period. An additional 23 decisions were made during our audit period on protests received before 1 April 2019.

1.34 Of the 37 decisions, we found that it took

- on average over 3 years to declare 24 of these protests unfounded and therefore warranted no changes to the department's initial decision
- on average nearly 2 and a half years to determine that 13 protests were founded and therefore warranted a change to the department's initial decision

These results exclude the time the department was waiting on applicants and provincial or territorial authorities to provide information. These processing times are in addition to the time it took to make the decision on the registration application.

1.35 We also found that more than 650 protests were still being processed at the end of our audit period. We are concerned that individuals are waiting many years to know whether they are entitled to Indian status and eligible for benefits.

1.36 **Regional offices.** Because the applications that are processed by officials in Indigenous Services Canada's regional offices and by Crown-Indigenous Relations and Northern Affairs Canada's regional offices in the Northwest Territories and the Yukon are the non-complex applications, the decisions could be made as quickly as within a day. We could not calculate the average length of time it took these regions to make a decision on the entire population of applications they processed in our audit period because of the limitations of Indigenous Services Canada's registration database. However, we were able to calculate processing times for our regional sample of 51 non-complex applications. Even though the regional offices made decisions on the same day for 22% of the applications, we found that on average the regional offices took 44 days to make a decision on the applications in our sample.

Recommendation

1.37 Indigenous Services Canada should clearly and publicly identify its service standard for processing registration applications, including on its website for the registration program, and report publicly and annually on the extent to which the department has met the service standard.

The department's response. Agreed.

See **Recommendations and Responses** at the end of this report for detailed responses.

Recommendation

1.38 With respect to processing registration applications, Indigenous Services Canada should

- analyze procedures to identify efficiencies to reduce average processing times
- establish and implement timelines and targets to reduce the backlog

The department's response. Agreed.

See **Recommendations and Responses** at the end of this report for detailed responses.

Recommendation

1.39 With respect to making decisions on protests, Indigenous Services Canada should

- establish a service standard and report publicly and annually on the extent to which the department has met the service standard for protests
- analyze procedures to identify efficiencies to reduce the average processing time

The department's response. Agreed.

See **Recommendations and Responses** at the end of this report for detailed responses.

Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada conducted broad communications on registration

Why this finding matters

1.40 The registration process can be complex and often confusing for people wishing to apply for registration, update their information, or have their First Nations ancestry recognized. Therefore, it is crucial that those who wish to navigate the registration process effectively understand clearly how it works and that everyone is made aware of the changes to the Indian Act that may make them eligible for registration.

Many communications products on registration were developed but their effectiveness was not assessed

Findings

1.41 We found that since 2018, Indigenous Services Canada has had a communications approach to inform the public about changes to the registration provisions in the Indian Act that came into force in 2017 and 2019 as part of Bill S-3. The department's approach has evolved over time, resulting in a communications strategy in 2020 that was updated in 2022 and in June 2024. Among the objectives of the strategy were

- to provide clear information, in plain language, about the registration process and who is entitled to Indian status under the new provisions of Bill S-3
- to encourage women and their descendants who lost Indian status because of prior legislation to enquire into whether they are entitled to registration under the Indian Act

We found that the 2024 strategy identified primary target audiences that included elders who are not always Internet savvy, women and children who are newly entitled to registration under Bill S-3, and urban First Nations people over 18 years of age.

1.42 We found that Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada held consultation sessions with First Nations communities and organizations across the country on the legislative amendments to the Indian Act concerning registration eligibility (Bill S-3), including how best to communicate the changes to registration provisions. For example, through a collaborative consultation process in 2018 and 2019, participants suggested that the government provide alternative forms of communication that are easier to understand, such as videos, images, or infographics. This collaborative process aligns with recommendations in the United Nations Declaration on the Rights of Indigenous Peoples Act Action Plan 2023–2028, which includes requiring Indigenous Services Canada to co-develop a collaborative consultation process on broader reforms relating to registration.

1.43 We also found that from 2021 to 2024, Indigenous Services Canada conducted community information sessions on Bill S-3 with First Nations organizations, First Nations communities from 6 provinces and 1 territory, community-based registration administrators, and most provincial and territorial governments.

1.44 In addition, between 2017 and 2023, the departments released numerous communications products through various media, which included

- posters to First Nations communities and awareness videos on how Bill S-3 changed the Indian Act and eligibility to be registered
- an infographic on Bill S-3 posted on Indigenous Services Canada's website and distributed through social media campaigns and to First Nations communities
- fact sheets on changes to the registration provisions over time

1.45 We examined whether Indigenous Services Canada sought feedback from First Nations communities, First Nations organizations, and target audiences on whether the department's Bill S-3 communications approach and products were effective. We found that the department did not seek feedback and had not assessed the effectiveness of the results of its communications approach and products on its target audiences.

1.46 We also found that none of the communications products on Bill S-3 were translated into Indigenous languages. The 2022 Senate report, Make it Stop! Ending the Remaining Discrimination in Indian Registration, recommended that Indigenous Services Canada develop clear, plain language information about new and existing eligibility for registration and make this available in Indigenous languages. Additionally, the Government of Canada accepted recommendation 93 from the action plan for the United Nations Declaration on the Rights of Indigenous Peoples Act to advance access to federal services in Indigenous languages, including translating key departmental documentation. Departmental officials told us that translations of Bill S-3 communications products in Indigenous languages would have been provided on request but that they had not received any such requests.

Reduce inequality within and among countries

Source: United Nations

1.47 **Sustainable Development Goal.** In the 2023–2027 Departmental Sustainable Development Strategy, Indigenous Services Canada identified United Nations' Sustainable Development Goal 10—Reduced Inequalities—as applicable to all of its programs. The Global Indicator Framework target 10.3 is to "ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and actions in this regard." In addition, in the United Nations Declaration on the Rights of Indigenous Peoples Act Action Plan 2023–2028, the Government of Canada committed to support the adoption of Bill C-38, which seeks to address discrimination in the registration and membership provisions of the Indian Act.

1.48 We found that the department has yet to report any contributions by the registration program to this target because no legislative changes have yet been passed. Bill C-38 was not passed before the legislative session ended in January 2025. One inequity that the bill aimed to address was **enfranchisement**.[2] When men were enfranchised, their wives and children were automatically enfranchised. This led to entire families and their descendants losing Indian status and any associated benefits under the Indian Act.

Recommendation

1.49 Indigenous Services Canada should assess the effectiveness of its communications products on registration to determine whether the department is meeting the diverse needs of First Nations and should address any gaps identified.

The department's response. Agreed.

See **Recommendations and Responses** at the end of this report for detailed responses.

Revisions needed to Indigenous Services Canada's funding for its partners who help deliver the registration program

Why this finding matters

1.50 Sufficient funding and training for the department's First Nations partners who help deliver the registration program are critical to making the program more accessible to First Nations communities and to ensuring that the data collected through the registration program is accurate.

Context

1.51 Under the Department of Indigenous Services Act, Indigenous Services Canada is mandated to implement the gradual transfer of departmental responsibilities to First Nations. Partnering with community-based registration administrators and trusted source organizations to help deliver the registration program to First Nations people is consistent with the department's mandate.

1.52 Community-based registration administrators are people selected by their First Nations communities or tribal councils to assist people with registrations in a culturally informed manner. Community-based registration administrators are also a source of

2 **Enfranchisement**—An assimilation policy under the Indian Act before 1985 where First Nations people lost their Indian status and membership in their home communities in exchange for some rights and benefits, such as getting a post-secondary degree or obtaining Canadian citizenship.

updates to the Indian registration system by providing the departments (Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada) with information on births, deaths, marriages, name changes, and other life events that can affect the registration eligibility of applicants' relatives and descendants. By November 2024, there were 647 community-based registration administrators supporting applicants across 582 of 619 First Nations communities.

1.53 Trusted sources are organizations that can help people complete applications for registration. They serve as additional points of service in urban centres to expand access beyond Indigenous Services Canada's regional offices. The department's arrangements with trusted sources for registration began in 2022, and by February 2025, there were 22 trusted source organizations offering registration services in urban centres, with at least 1 in every province.

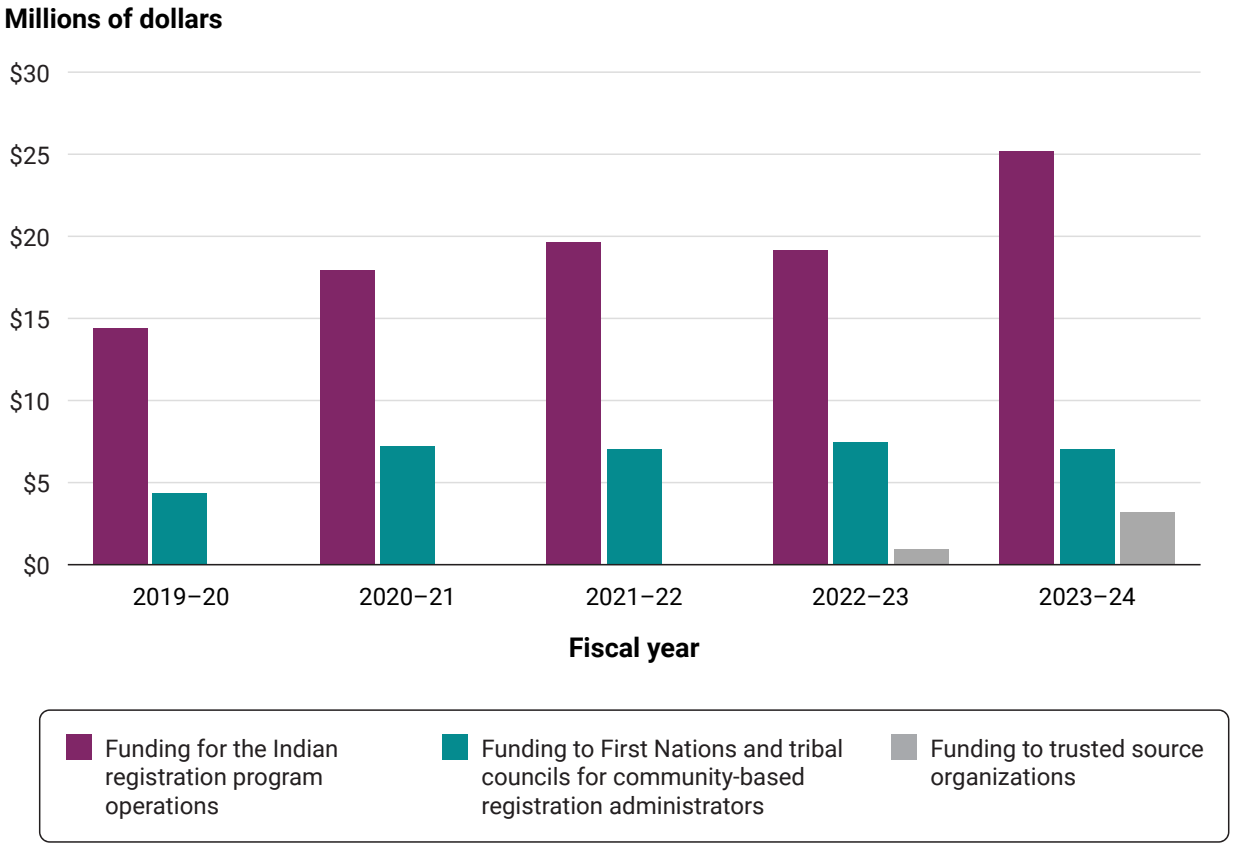
The funding formula for community-based registration administrators has been unchanged since 1994, and there was no predictable and stable funding for trusted source partners

Findings

1.54 **Community-based registration administrators.** Indigenous Services Canada uses a national funding model to calculate the amount of compensation that the department will pay to First Nations communities and tribal councils each year for the work performed by their community-based registration administrators. This model includes a formula based on a population component of $7.07 per First Nation member plus $15.00 per transaction (for example, a registration application) that a community-based registration administrator completes. We found that this formula has not changed since 1994. In the 2016–17 fiscal year, the department updated the funding model to include minimum annual funding of $5,000 for smaller First Nations to help them staff and maintain a community-based registration administrator position. However, the department has acknowledged that funding for community-based registration administrators is not commensurate with their current responsibilities. Departmental officials told us that they heard concerns from community-based registration administrators about the level of compensation. As a result, the department recognizes that many First Nations are unable to retain experienced community-based registration administrators.

1.55 We found that departmental funding for the Indian registration program operations had increased since the 2019–20 fiscal year, while the funding for community-based registration administrators had remained largely unchanged (Exhibit 1.4).

Exhibit 1.4—Overall funding for the Indian registration program operations increased since 2019–20 while funding for community-based registration administrators remained largely unchanged



Source: Based on data from Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada

Read the Exhibit 1.4 text description

1.56 With the current funding model, almost 30% of First Nations with a community-based registration administrator receive the minimum funding of $5,000. The department noted that this is the equivalent of supporting a community-based registration administrator 1 day a week at $12.80/hour—which was below the minimum wage in all provinces and territories.

1.57 The department is planning to expand the roles and responsibilities of community-based registration administrators in the future to include additional functions such as administering estates. In 2023, the department developed options to increase the funding to First Nations for community-based registration administrators but no action was taken as of March 2025.

1.58 **Trusted sources.** Indigenous Services Canada's partnerships with trusted source organizations require the organizations to sign a memorandum of understanding with the department to deliver

services related to registration. This agreement outlines the roles and responsibilities of the trusted source, such as helping individuals navigate the registration process, providing them with assistance in completing and submitting their registration application forms, and doing outreach with respect to amendments to the Indian Act.

1.59 Under this arrangement, the funding model for trusted sources requires the organizations to submit a budget proposal request each year for approval by the department for the funding they need to cover costs such as staff salary, computer equipment, and promotion, awareness, and communications products. Indigenous Services Canada recognized that this funding model did not provide predictable and stable funding to help sustain these partnerships and it did not enable the trusted sources to be able to take on additional administrative responsibilities regarding registration.

Recommendation

1.60 Indigenous Services Canada should engage with First Nations communities and tribal councils to review and update the funding model that it uses to compensate the work of community-based registration administrators so that their funding is commensurate with their responsibilities in helping to deliver the registration program.

The department's response. Agreed.

See **Recommendations and Responses** at the end of this report for detailed responses.

Recommendation

1.61 Indigenous Services Canada should engage with trusted source organizations to identify a funding model that would meet their needs for predictable and stable funding and enable the trusted source organizations to further support the registration program.

The department's response. Agreed.

See **Recommendations and Responses** at the end of this report for detailed responses.

Required training was offered to community-based registration administrators and trusted source partners

Findings

1.62 We found that Indigenous Services Canada offered community-based registration administrators and trusted source partners the training they need to help the department deliver the registration program. This included

- a 3-day registration training course for community-based registration administrators on how to receive registration applications and to provide Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada with information on life events and amendments to help keep the registration database up to date. Training also covered how to evaluate whether an application was appropriately completed.
- training for trusted source partners in offering support to applicants in completing the registration application and in evaluating the completeness of the applications

1.63 Community-based registration administrators and trusted source organizations may also receive Certified Integrity Document Officer training aimed at developing awareness of possible fraudulent activities and tools to examine originals of documents received through applications for registration. Participants learn how to certify a copy of an original document.

1.64 We also found that the department collected information on the names of the partners who took training, which courses they completed, and when.

Conclusion

1.65 We concluded that Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada did not effectively and efficiently manage the registration process under the Indian Act. The departments did not follow some policies and procedures for the review and approval of applications, and there were long delays for applicants to know whether they would be granted Indian status.

About the Audit

This independent assurance report was prepared by the Office of the Auditor General of Canada on the Indian registration program. Our responsibility was to provide objective information, advice, and assurance to assist Parliament in its scrutiny of the government's management of resources and programs and to conclude on whether the Indian registration program complied in all significant respects with the applicable criteria.

All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook—Assurance.

The Office of the Auditor General of Canada applies the Canadian Standard on Quality Management 1—Quality Management for Firms That Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements. This standard requires our office to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting the audit work, we complied with the independence and other ethical requirements of the relevant rules of professional conduct applicable to the practice of public accounting in Canada, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

In accordance with our regular audit process, we obtained the following from entity management:

- confirmation of management's responsibility for the subject under audit
- acknowledgement of the suitability of the criteria used in the audit
- confirmation that all known information that has been requested, or that could affect the findings or audit conclusion, has been provided
- confirmation that the audit report is factually accurate

Audit objective

The objective of this audit was to determine whether Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada effectively and efficiently managed the registration process under the Indian Act.

Scope and approach

We examined whether the departments followed established policies and procedures to process applications for registration. We used representative sampling to examine 51 applications processed by Indigenous Services Canada's headquarters. We also used representative sampling to examine another 51 non-complex applications processed by Indigenous Services Canada's regional offices and by Crown-Indigenous Relations and Northern Affairs Canada's regional offices in the Northwest Territories and the Yukon. Where representative sampling was used, sample sizes were

sufficient to conclude on the sampled population with a confidence level of 90% and a margin of error of +10%. We also examined the processing times on the entire population of approximately 83,000 applications where Indigenous Services Canada's headquarters made a decision within our testing period. In addition, we identified the extent of any backlogs that existed; that is, the applications for which Indigenous Services Canada had not made a decision within 6 months. Finally, we examined the timeliness of the department's process when a registration decision was protested.

We did not examine whether the departments' decisions on registrations were correct or the processing times for the physical production of the Secure Certificate of Indian Status cards.

We also examined the communication and outreach efforts by Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada to make the public aware of the registration application process and of changes to the registration provisions in the Indian Act. We also examined whether the departments assessed the effectiveness of these efforts. We further examined whether the funding provided by Indigenous Services Canada to community-based registration administrators and to trusted source organizations provided them with the capacity to deliver registration services and whether these partners were offered training to help deliver registration services.

To conduct this audit, the audit team interviewed Indigenous Services Canada officials at national headquarters and in regional offices. We also interviewed officials from Crown-Indigenous Relations and Northern Affairs Canada in the Northwest Territories and the Yukon who are responsible for delivering registration services on behalf of Indigenous Services Canada in those territories. The audit team analyzed documents from both departments, extracted data from relevant databases within Indigenous Services Canada, and sampled applications from the Indian registration system. The team also met with community-based registration administrators, trusted source organizations, and individual First Nations communities and tribal councils.

Indigenous Services Canada identified United Nations' Sustainable Development Goal 10—Reduced Inequalities—as applicable to the registration program. We examined the activities of the program that contribute to Goal 10, including what information and data had been reported against the goal.

Criteria

We used the following criteria to conclude against our audit objective:

Criteria	Sources
Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada apply established procedures for assessing applications for registration. Indigenous Services Canada establishes and meets service standards for registration and protests, reduces registration inventories and backlogs, and monitors and reports progress on reducing inventories and backlogs.	• Make it Stop! Ending the Remaining Discrimination in Indian Registration, Standing Senate Committee on Aboriginal Peoples, 2022 • Government Response to the Seventh Report of the Standing Senate Committee on Indigenous Peoples, Make it Stop! Ending the Remaining Discrimination in Indian Registration, Minister of Indigenous Services, 2023 • Operational Policy Manual: National Indian Registration and Band Membership Program Policy, Indigenous Services Canada, 2023 • 2022–23 Departmental Results Report, Indigenous Services Canada • Policy on Results, Treasury Board, 2016 • Policy on Service and Digital, Treasury Board, 2020 • Indian Act • Transforming Our World: The 2030 Agenda for Sustainable Development, United Nations, 2015
Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada implement communication and outreach processes, tools, mechanisms, and materials to inform the public of registration provisions of the Indian Act. Indigenous Services Canada provides funding and training to community-based registration administrators and to trusted source organizations to help the department inform the public on the registration process and potential eligibility, and it monitors these organizations to ensure that they are successfully implementing registration support services.	• Make it Stop! Ending the Remaining Discrimination in Indian Registration, Standing Senate Committee on Aboriginal Peoples, 2022 • Government Response to the Seventh Report of the Standing Senate Committee on Indigenous Peoples, Make it Stop! Ending the Remaining Discrimination in Indian Registration, Minister of Indigenous Services, 2023 • Operational Policy Manual: National Indian Registration and Band Membership Program Policy, Indigenous Services Canada, 2023 • Contributions to Indian Bands for Registration Administration, Indigenous Services Canada, 2017 • Indian Act • Policy on Service and Digital, Treasury Board, 2020 • Policy on Communications and Federal Identity, Treasury Board, 2016 • Directive on the Management of Communications, Treasury Board, 2021

Period covered by the audit

The audit covered the period from 1 April 2019 to 30 September 2024. This is the period to which the audit conclusion applies. The period covered by the sampling of applications was from 1 April 2019 to 31 March 2024. However, to gain a more complete understanding of the subject matter of the audit, we also examined certain matters that preceded the start date of this period.

Date of the report

We obtained sufficient and appropriate audit evidence on which to base our conclusion on 30 May 2025, in Ottawa, Canada.

Audit team

This audit was completed by a multidisciplinary team from across the Office of the Auditor General of Canada led by Glenn Wheeler, Principal. The principal has overall responsibility for audit quality, including conducting the audit in accordance with professional standards, applicable legal and regulatory requirements, and the office's policies and system of quality management.

Recommendations and Responses

Responses appear as they were received by the Office of the Auditor General of Canada.

In the following table, the paragraph number preceding the recommendation indicates the location of the recommendation in the report.

Recommendation	Response
1.27 Indigenous Services Canada should fully implement the policies and procedures that it has established for processing registration applications, including training and certification of officials making registration decisions, quality assurance processes, and monitoring and compliance reviews.	**The department's response.** Agreed. Indigenous Services Canada is committed to fully implementing its policies and procedures for the processing of registration applications. Building on pre-existing policies and procedures, updated training and certification measures were put in place in 2024 tailored to both regional and headquarters staff. As of March 31, 2025, all officers rendering decisions on behalf of the Indian Registrar have been certified under the new standardized training with requirements for re-certification every three years. The Department will continue to monitor this to ensure new staff receive the proper training and certification. The Department will report annually as part of its public report on registration. As well, the Department will ensure that quality assurance processes for new hires and monitoring and compliance reviews of registration decisions are conducted in a timely fashion.
1.37 Indigenous Services Canada should clearly and publicly identify its service standard for processing registration applications, including on its website for the registration program, and report publicly and annually on the extent to which the department has met the service standard.	**The department's response.** Agreed. Indigenous Services Canada will clearly and publicly identify its service standards on its website by end of 2025. Indigenous Services Canada will use its annual report on registration and status card issuance and other Departmental reporting to explain the extent to which the Department has met its service standards.
1.38 With respect to processing registration applications, Indigenous Services Canada should • analyze procedures to identify efficiencies to reduce average processing times • establish and implement timelines and targets to reduce the backlog	**The department's response.** Agreed. Indigenous Services Canada routinely reviews and updates policies and procedures to gain efficiencies in the processing of applications. The Department will undertake further analysis to identify efficiencies that will help reduce average processing times. The inventory of applications is non-static – there is no deadline to apply and external factors can result in high volumes—including legislative changes that broaden entitlement. The Department will share information so that applicants are better informed of average wait times.

Recommendation	Response
1.39 With respect to making decisions on protests, Indigenous Services Canada should • establish a service standard and report publicly and annually on the extent to which the department has met the service standard for protests • analyze procedures to identify efficiencies to reduce the average processing time	**The department's response.** Agreed. Indigenous Services Canada is committed to improving the timeliness of protest decisions and will undertake all measures to reduce average processing times. The Department will establish service standards for the processing of protest applications, make them public on its website by the end of Q2 in fiscal year 2025-26 and will use its annual report on registration and status card issuance as well as departmental reporting to explain the extent to which the Department has met its service standards.
1.49 Indigenous Services Canada should assess the effectiveness of its communications products on registration to determine whether the department is meeting the diverse needs of First Nations and should address any gaps identified.	**The department's response.** Agreed. The Department will implement an evaluation plan to assess the effectiveness of the tools and tactics being used, to determine how best to communicate with First Nations and adjust where needed.
1.60 Indigenous Services Canada should engage with First Nations communities and tribal councils to review and update the funding model that it uses to compensate the work of community-based registration administrators so that their funding is commensurate with their responsibilities in helping to deliver the registration program.	**The department's response.** Agreed. The Department agrees that the funding model to compensate Community-Based Registration Administrators should be reviewed. The Department has developed a discussion paper to inform a review of the compensation model in relation to current day responsibilities. However, the Department does not currently have a source of funding to deliver on any increase in compensation.
1.61 Indigenous Services Canada should engage with trusted source organizations to identify a funding model that would meet their needs for predictable and stable funding and enable the trusted source organizations to further support the registration program.	**The department's response.** Agreed. Trusted Source partnerships are a new service offering designed to be consistent with the mandate of Indigenous Services Canada to improve service delivery and to advance transfer of services to Indigenous organizations. Given early evidence of the effectiveness of the Trusted Source partnership model in improving access to registration services, the Department agrees that a sustainable and predictable funding is desirable to affirm this service offering as part of the overall service model. A business case to be developed in 2025 will inform this work, and the Department will continue to engage in discussions with partners, noting that a dedicated source of funding is required.

Appendix—Text Descriptions of Exhibits

Exhibit 1.1—Timeline of developments under the Indian Act impacting registration—Text description

This timeline shows developments under the Indian Act that affected registration from 1876 to 2022.

In 1876, the Indian Act was enacted. It affected registration in 2 ways:

- First Nations women lost their status if they married men without Indian status.
- First Nations men retained their status regardless of whom they married. They could pass status on to women without Indian status when they married and to the children of that marriage.

In 1985, amendments to the Indian Act (Bill C-31) included 2 changes:

- First Nations women who married men without Indian status no longer lost their status.
- First Nations women who had previously lost their status through marriage to men without Indian status became eligible to apply for registration, as did their children.

In 2011, amendments to the Indian Act (Bill C-3) included allowing the grandchildren of First Nations women (who had lost their status because they had married men without Indian status) to apply for status.

In 2017 and 2019, amendments to the Indian Act (Bill S-3) included allowing descendants of First Nations women (who previously lost their status) to apply for status.

In 2021, First Nations people launched litigation regarding enfranchisement, which was a process through which First Nations people lost their status and certain rights and benefits provided by the Indian Act.

In 2022, the litigation was put on hold to find a legislative solution, which became Bill C-38. The bill had not been passed by the end of the legislative session in January 2025.

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Exhibit 1.2—Main steps in the review of an application for registration—Text description

This flow chart shows the main steps in the review of an application for registration from receipt of an application to the decision on it.

An application can be received in the following ways:

- in person at a departmental kiosk
- from a First Nations community-based registration administrator or a trusted source organization
- by mail

The application is then processed to confirm the applicant's identity and to assess the application for completeness.

If necessary, the department may send a letter to seek more information from the applicant such as a birth, marriage, or adoption certificate. If the applicant is unable to obtain records, the department may assist them by contacting a provincial or territorial agency directly.

To arrive at an application decision, there are 2 steps:

- review all documents submitted and available information within departmental records
- review the recommended decision

The department then sends a letter to the applicant to communicate the decision to grant or deny status.

Source: Adapted from Indigenous Services Canada

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Exhibit 1.3—Indigenous Services Canada had not made a decision for more than 2 years on nearly 1,500 applications in the backlog—Text description

This donut chart shows that 11,816 applications had been in the backlog for more than 6 months and that 1,468 applications (or 12%) had been waiting for a decision for more than 2 years. Following are the details of the application backlog:

- 7,768 applications (or 66%) had been waiting for a decision for 6 months to 1 year
- 2,580 applications (or 22%) had been waiting for a decision for 1 to 2 years
- 1,174 applications (or 10%) had been waiting for a decision for 2 to 5 years
- 165 applications (or 1%) had been waiting for a decision for 5 to 10 years
- 129 applications (or 1%) had been waiting for a decision for more than 10 years

Note: Under 6 months is within the service standard. Percentages have been rounded.

Source: Based on data from Indigenous Services Canada

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Exhibit 1.4—Overall funding for the Indian registration program operations increased since 2019–20 while funding for community-based registration administrators remained largely unchanged—Text description

This bar graph breaks down the funding for the Indian registration program between 2019-20 and 2023-24 into 3 categories:

- funding for the Indian registration program operations
- funding to First Nations and tribal councils for community-based registration administrators
- funding to trusted source organizations, which started in the 2022–23 fiscal year

Overall, operating expenses for the Indian registration program increased from 2019–20 to 2023–24, and funding to First Nations and tribal councils for community-based registration administrators increased in 2020–21 and then remained largely unchanged for 4 years.

In 2019–20, the operating expenses for the Indian registration program were just over $14.4 million and the funding to First Nations and tribal councils for community-based registration administrators was just over $4.3 million, the lowest in the 5-year period.

In 2020–21, the operating expenses for the Indian registration program were nearly $18.0 million and the funding to First Nations and tribal councils for community-based registration administrators was just over $7.2 million.

In 2021–22, the operating expenses for the Indian registration program were just over $19.6 million and the funding to First Nations and tribal councils for community-based registration administrators was just over $7.0 million.

In 2022–23, the operating expenses for the Indian registration program were just over $19.1 million, the funding to First Nations and tribal councils for community-based registration administrators was just over $7.4 million, and the funding to trusted source organizations to help people submit registration applications was just over $965 thousand. This was the first year that funding was allocated to trusted source organizations.

In 2023–24, the operating expenses for the Indian registration program were just over $25.1 million, the funding to First Nations and tribal councils for community-based registration administrators was just over $7.0 million, and the funding to trusted source organizations to help people submit registration applications was just over $3.0 million.

Source: Based on data from Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada

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