



2021 – 2022 (Inaugural Year)

ANNUAL REPORT

Office of the Commissioner
of Indigenous Languages

June 2022



TABLE OF CONTENTS

Message from the Commissioner	2
State of Indigenous Languages in Canada	3
Basis of Annual Report	6
Mission, Vision and Mandate	7
Achievements this Year (Inaugural year August 2021 to March 2022)	9
Governance, Governing Board and Organizational Structure	19
Accountabilities	26
Audited Financial Statements	31



2022-2032 | INTERNATIONAL DECADE OF
Indigenous Languages



MESSAGE FROM THE COMMISSIONER

The Directors and I are honoured and humbled to be the first appointees to the Office of the Commissioner of Indigenous Languages. We are privileged to present the inaugural Annual Report of the Office of the Commissioner of Indigenous Languages for the year ending March 31st, 2022.

We have come together as the first OCIL Governing Board under less-than-ideal circumstances. As well as causing tragedy in Canada and globally, COVID has been a very real barrier for us in other ways. It has affected our ability to consult as we would have liked and even being able to meet face to face as a Governing Board.

And with every challenge comes opportunity. The situation has sharpened the focus on making sure we get it right in terms of designing the organization. It has also pointed to a trend globally – an increasing reliance on technology.

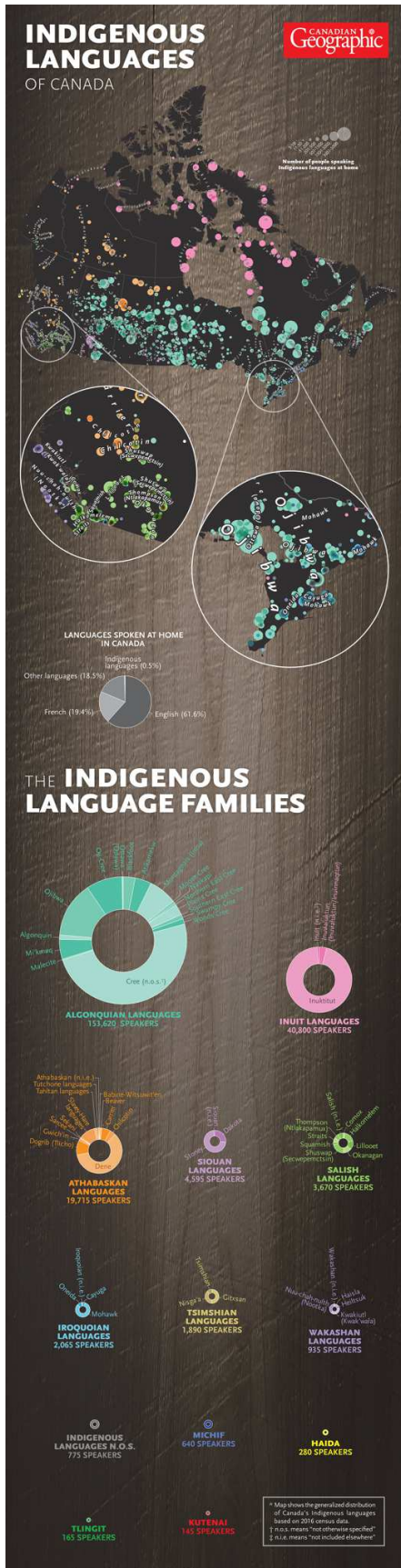
With this reality, we chose from the outset to dedicate the inaugural year of our operations as well as the next fiscal year, to establishing a solid operational foundation to build the organization from. The foundation blends a virtual operating environment with a traditional 'bricks and mortar' operating model.

In the past year, we have developed much of the preliminary infrastructure that will be needed for the Commission to implement its legislated mandate. There is still much work to do.

<https://www.youtube.com/watch?v=NOJa342dV1k&t=199s>

STATE OF INDIGENOUS LANGUAGES IN CANADA





The United Nations Educational, Scientific and Cultural Organization (UNESCO) has determined that no Indigenous language in Canada is safe and three of four Indigenous languages are in various states of endangerment.

Of those that are endangered, nearly half are critically endangered, and one quarter are severely endangered.

DEGREE OF ENDANGEREMENT	INTERGENERATIONAL LANGUAGE TRANSMISSION
Safe	language is spoken by all generations; intergenerational transmission is uninterrupted
Vulnerable	most children speak the language, but it may be restricted to certain domains (e.g., home)
Definitely Endangered	children no longer learn the language as mother tongue in the home
Severely Endangered	language is spoken by grandparents and older generations; while the parent generation may understand it, they do not speak it to children or among themselves
Critically Endangered	the youngest speakers are grandparents and older, and they speak the language partially and infrequently
Extinct	there are no speakers left

Indigenous Languages in Canada

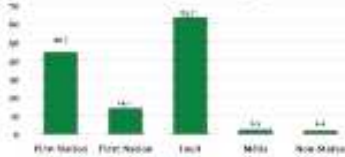
Diversity of Indigenous Languages in Canada

Many Indigenous languages are spoken in Canada; about 60 to 72 language families according to Statistics Canada and approximately 90 languages according to UNESCO.

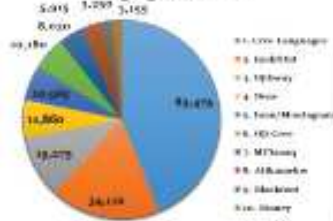
The Algonquian language family, which includes Cree, Ojibway, Innu and Ojibwe-Cree, is the most commonly spoken language family, followed by Inuktitut and Athapaskan language families. (NORRIS 2017)

There is a rich diversity of Indigenous languages in both rural and urban settings. (NORRIS 2017)

Percentage who reported an Ability to Conduct a Conversation in an Indigenous Language, NIS 2011



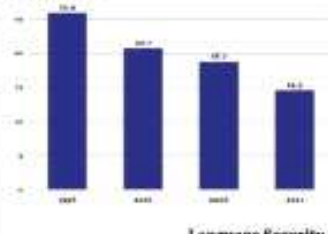
Most Commonly Spoken Indigenous Languages, NIS 2011



The Indigenous identity groups with greater likelihood of residing in an urban setting have lower ability to conduct a conversation in an Indigenous language than those more likely to reside in a rural or remote Indigenous community.

State of Indigenous Languages in Canada

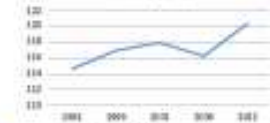
Aboriginal mother tongue dropped from almost 30% in 1996 to 14.5% in 2011, close to 50% drop in 15 years. (Census)



The average age of the Indigenous population with an Indigenous language mother tongue increased by over 7.5 years from 1961 to 2011.

Trends in second language acquisition point to the growing influx of the largely younger populations of second-language speakers among the population of Indigenous people who are able to speak an Indigenous language. (NORRIS 2017)

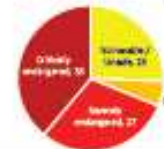
Second Language Acquisition Index, Census



3 out of 4 Indigenous languages are endangered.

Language Security

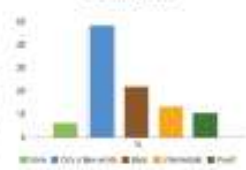
In Canada, there are no Indigenous languages considered to be safe. Indigenous languages currently spoken in Canada fall within four degrees of endangerment. (UNESCO: NORRIS 2013)



First Nations

70% of First Nations youth on reserve who reported having "mother" First Nations language skills also reported high levels of life balance (physical, mental, emotional, and spiritual well-being), compared to 45% of those who said they had "poor" First Nations language skills. 81.5% of First Nations youth on reserve reported having some knowledge of a First Nations language. (PINKNEY 2012)

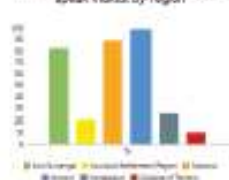
Speaking proficiency among First Nations youth



Inuit

Approximately 65.2% of Inuit are able to converse in Inuktitut. The percent of Inuit who in 2011 self-reported being able to converse in Inuktitut varied widely by region, ranging from 34% in the Inuvialuit Settlement Region to 95% in Inuvialuit. (NIS 2011)

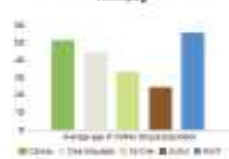
Percentage of Inuit with the capacity to speak Inuktitut by region



Métis

Métis is critically endangered. The average age of the mother tongue population was over 20 years old in 2011, and was the highest average age of all language speakers in Winnipeg. (NORRIS 2017; Census 2011) The Indigenous language spoken by the largest number of Métis were the Cree language, followed by Ojibwe, Michif and Ojibwe. (NIS 2011)

Average Age of Speakers: Five Most Frequently Spoken Languages in Winnipeg



BASIS OF ANNUAL REPORT

The Office of the Commissioner of Indigenous Languages (OCIL) is legislatively obligated to provide an annual report with a prescribed form and substance.

Specifically, the *Indigenous Languages Act* requires that:

Contents

43 (1) The Office of the Commissioner of Indigenous Languages must, within four months after the end of each fiscal year, submit to the Minister an annual report on

- (a) the use and vitality of Indigenous languages in Canada;*
- (b) the needs of Indigenous groups, communities and peoples and entities that are specialized in Indigenous languages — and the progress made — in relation to the reclamation, revitalization, maintenance and strengthening of Indigenous languages;*
- (c) the adequacy of funding provided by the Government of Canada for the purposes of initiatives related to Indigenous languages; and*
- (d) the implementation of this Act.*

(2) The annual report must also set out information respecting the Office of the Commissioner of Indigenous Languages' principal activities for the fiscal year and must include

- (a) a list of the research and studies undertaken under subsection 24(1);*
- (a.1) the Office's financial statements;*
- (b) the annual auditor's report;*
- (c) a statement on the extent to which the Office has met its objectives for the fiscal year; and*
- (d) any other information specified by the regulations.*

MISSION

The Commission promotes and champions all Indigenous languages in Canada and supports Indigenous Peoples in the reclamation, revitalization, strengthening and maintenance of their languages so that no language is left behind.

VISION

All Indigenous languages in Canada are safe, vibrant and thriving.

MANDATE

The Office of the Commissioner of Indigenous Languages is an entity created through the *Indigenous Languages Act* and is intended to support the efforts of Indigenous peoples to reclaim, revitalize, maintain and strengthen Indigenous languages.

The Office of the Commissioner of Indigenous Languages was established through the *Indigenous Languages Act, 2019*.

12 (1) There is established an office, to be known as the Office of the Commissioner of Indigenous Languages, consisting of the Commissioner and up to three directors.

The Office of the Commissioner of Indigenous Languages is independent of government.

12 (2) The Office is neither an agent of Her Majesty in right of Canada nor is it an entity governed by the Financial Administration Act and its Commissioner, directors and employees are not part of the federal public administration.

The Office of the Commissioner of Indigenous Languages has a legislated mandate, powers, duties and functions that support the implementation of the Indigenous Languages Act.

*23 (1) The mandate of the Office is to
(a) help promote Indigenous languages;*

- (b) support the efforts of Indigenous peoples to reclaim, revitalize, maintain and strengthen Indigenous languages;*
- (c) facilitate the resolution of disputes and review complaints to the extent provided by this Act;*
- (d) promote public awareness and understanding in respect of
 - (i) the diversity and richness of Indigenous languages,*
 - (ii) the inseparable link between Indigenous languages and the cultures of Indigenous peoples,*
 - (iii) the rights of Indigenous peoples related to Indigenous languages,*
 - (iv) the significance of those rights for Indigenous peoples, as well as for the general public,*
 - (v) the negative impact of colonization and discriminatory government policies on Indigenous languages and the exercise of those rights, and*
 - (vi) the importance of working toward and contributing to reconciliation with Indigenous peoples; and**
- (e) support innovative projects and the use of new technologies in Indigenous language education and revitalization, in cooperation with Indigenous governments and other Indigenous governing bodies, Indigenous organizations, the Government of Canada and provincial and territorial governments.*

(2) In fulfilling its mandate, the Office must, where appropriate, consult and coordinate with any Indigenous, provincial or territorial entity that is responsible for the promotion, revitalization or protection of Indigenous languages.

ACHIEVEMENTS THIS YEAR

(August 2021 to March 2022)

Context

The Office of the Commissioner of Indigenous Languages became *operational* in principle, on July 12, 2021 when the terms of the appointments of the members of the Governing Board – the Commissioner and three Directors appointed by the Governor-in-Council, took effect.

However, to say that the Commission became operational on that date is misleading. When the Governing Board took effect, there was no Commission. No entity, no office location, no administrative infrastructure, no staff, no policies, and no money.

Following intensive effort, the Commission was able to secure its first funding installment in August of 2021. At the same time, the Governing Board enlisted the assistance of two individuals, on a determinate basis, to assist in the significant work of creating a Commission from scratch.

Progress Against 2021-22 Business Plan Objectives

As the inaugural and partial year, the 2021-2022 objectives were almost exclusively related to starting to establish the Commission as an entity – the required administrative, physical, human resourcing and governance infrastructure as well as policy, research, communications and professional development supports.

There were a few exceptions. For example, expectations are high and while the Commission is being stood up, it was and continues to be important to undertake outreach and raise awareness.

Overall, progress at the end of the planning period (as at March 31st, 2022) was on-track. In some instances, adjustments were required due to circumstances such as COVID, while in others, additional activities and measures were added. For example, COVID has limited the ability to consult with communities and Indigenous language practitioners in-person. However, this was made up for by an increase in consultations with federal Ministers, Commissioners, and senior public servants. There was also a concerted effort to promote through public forums such as media interviews and international virtual events such as the Royal Canadian Geographical Society launch of the United Nations International Decade of Indigenous Languages.

OBJECTIVE	PERFORMANCE MEASURE	PROGRESS AS AT 31 MARCH 2022
Establish administrative infrastructure	<ul style="list-style-type: none"> ○ Identity documents created ○ Bank account established and authorized signatories registered ○ Payroll administrator contracted ○ IT security and management services secured (including dedicated email, servers, secure Cloud, etc.) ○ Initial drafts of key administrative documents developed (administrative codes and procedures, financial codes and procedures, audit codes and procedures, operating policies, etc.) ○ Develop criteria for information management processes and systems <p>NEW (added)</p> <ul style="list-style-type: none"> ○ Vision, Mission and Principles ○ Key Messages ○ FAQs ○ Website and logo (development) ○ Strategic Communications Plan 	<p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>In progress</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete (to Request for Proposal stage)</p> <p>Complete</p>
Establish physical infrastructure	<ul style="list-style-type: none"> ○ IT and telecommunications equipment secured (computers, printers, mobile phones and other devices, etc.). ○ Head office location established (may be temporary while space requirements are determined and leases negotiated) ○ Satellite offices established (Commissioner and Directors) <p>NEW (added)</p> <ul style="list-style-type: none"> ○ Conceptual office requirements defined 	<p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p>

OBJECTIVE	PERFORMANCE MEASURE	PROGRESS AS AT 31 MARCH 2022
Establish human resourcing infrastructure	<ul style="list-style-type: none"> ○ Key positions filled on an interim basis (ex: Chief Operating Officer, administrative support, communications officer, etc.) ○ Key professional services contracted (ex: legal, financial and accounting, etc.) ○ Organizational plan developed for both the Office overall and each Director (and initial drafts of human resource policies, job descriptions, etc. developed) ○ Options related to payroll administration and a benefits plan established <p>NEW (added)</p> <ul style="list-style-type: none"> ○ Organizational structure defined (draft) 	<p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p>
Governance Infrastructure	<ul style="list-style-type: none"> ○ Principles and initial drafts of key governance documents established (ex: codes of conduct, roles and responsibilities, communications plan, etc.) ○ Develop initial policies and procedures on handling of complaints and dispute resolution <p>NEW (added)</p> <ul style="list-style-type: none"> ○ Regular Governing Board meetings, procedures, etc. 	<p>Complete</p> <p>In progress</p> <p>Complete</p>
Research	<ul style="list-style-type: none"> ○ Criteria developed for research contracts and some initiated (ex: baseline assessments, costs associated with language preservation, maintenance and strengthening, etc.) ○ Distinctions based research needs established ○ Internal capacity 	<p>On-going</p> <p>Adjusted* and on-going</p> <p>On-going</p>
Consultations	<ul style="list-style-type: none"> ○ To the extent possible within pandemic restrictions, travel across the country to meet with various Indigenous language practitioners, experts, organizations and others – distinctions based as well as general (outreach and awareness) 	<p>On-going**</p>

NOTES

*Distinctions based research needs have been adjusted to reflect the true nature of what is required. Research needs for Indigenous languages must take

into account many factors including, demographic profiles, location, supports available, etc. Although a consideration, the “distinctions based” construct is limiting and therefore, the approach to research needs to be broader.

**Meetings with Federal Ministers, Federal Commissioners, Senior federal public servants; media interviews; promotional events; etc.

OBJECTIVE	PERFORMANCE MEASURE	PROGRESS AS AT 31 MARCH 2022
Professional Development	<ul style="list-style-type: none"> o Media training delivered o Board and/or Directors' training delivered o Other training as needed 	<p>Complete Behind schedule (to be delivered by the GoC)</p>
2022 and Beyond Business Plan and Budget	<ul style="list-style-type: none"> o Develop 2022-2023 business plan and budget o Establish, with the Minister of Canadian Heritage or his/her assignees, the appropriate funding mechanism that is multi-year in nature and provides the flexibility required by the Office of the Commissioner of Indigenous Languages 	<p>Complete On-going</p>

Use and Vitality of Indigenous Languages in Canada

The Commission has initiated the work of assessing the vitality of Indigenous languages pragmatically. The first step, initiated in 2021-22 was the development of a framework based on principles that will be used to engage with communities and experts, collect data, establish assessment criteria and implement appropriate research protocols.

Further to the framework is the importance of establishing definitions that can be used in all aspects of the assessments. Terms such as *vitality*, *fluency* and *proficiency* must be explicitly defined and well understood in order to have consistency and as the basis for year-over-year measurement.

Research was initiated to collect and consolidate existing data from sources such as Statistics Canada, summarize it and identify gaps in information. Please see section titled *Research and Studies Undertaken*.

Needs of Indigenous Groups, Communities and Peoples and Entities that are Specialized in Indigenous Languages and the Progress Made

A variety of needs assessments are required from different sources in relation to the reclamation, revitalization, maintenance and strengthening of Indigenous languages. This work will commence in future years, once the Commission has established the required administrative infrastructure and human resource capacity.

It is difficult to anticipate the extent to which COVID will continue to hinder the ability of the Commission to undertake this type of work. The foundation of the work requires in person interaction and this has not been possible so far.

Adequacy of Funding Provided by the Government of Canada for the Purposes of Initiatives Related to Indigenous Languages

The *Indigenous Languages Act* describes commitments to funding as:

"...the Government of Canada is committed to providing adequate, sustainable, and long-term funding for the reclamation, revitalization, maintenance and strengthening of Indigenous languages..."

The term *adequacy*, then must be viewed in this context – adequate, sustained, and long term. This area of study, research and reporting is inextricably linked to *vitality* of Indigenous languages. To assess what is adequate, the objectives of the funding must be clearly defined and understood. Likewise, the term *adequacy* must be defined and understood for the purposes of the work.

In 2021-22, the Commission began the work of establishing a framework to examine the issue of what constitutes adequacy of funding. In addition, the Commission attempted to collect research and previous studies.

It became apparent that the needed data was not readily available for a number of reasons. Preliminary studies that had been undertaken during the co-development of the legislation was also incomplete due to a lack of data. It is also not clear whether efforts to date and funds that have been expended have achieved the desired outcomes associated with those efforts and funding – increasing the number of fluent speakers.

Extrapolating from existing Indigenous languages program such as Canadian Heritage's Indigenous Languages Component (ILC) of the Indigenous Languages and Culture Program (formerly known as the Aboriginal Languages Initiative) was also problematic. One of the greatest concerns in terms of using the program to extrapolate the needs is that the program has been based on a project based, annual approach which has been a disincentive for many as noted in the consultations that were conducted during the co-development of the *Indigenous Languages Act*.

Although demand on the ILC program can be measured by the number and total value of the proposals, it does not accurately reflect the need for many reasons, not the least of which that it is not designed to provide year-over-year certainty or long-term planning. It is also narrow in scope and many needed supports are ineligible for funding under the program – ranging from broadcasting to capital costs of dedicated spaces for language instruction or organizations.

Ultimately, methodology issues have been exposed. Ideally, it would be possible to identify a domestic model, adjust as necessary (i.e., expand the scope if needed) and extrapolate. There are no domestic models.

Another option is to do the same with a model from another country. That approach is inherent with problems and not viable. The key factor is comparability and models from abroad have material differences in terms of number of languages in scope (60 plus in Canada), jurisdictions and authorities and their impact on how supports are designed and provided (role of varying level of governments and legal frameworks), situational context (types of supports in place), etc.

The design of a dedicated methodology has been initiated that will consider factors such as comparability to supports for official languages, amongst other elements.

It should be noted that a number of Indigenous organizations have been undertaking efforts to develop costing models. These are largely based on very specific activities and scope. The results of these efforts may be informative, depending on the approach used and the outcomes that were contemplated.

Implementation of the Indigenous Languages Act

Responsibility for the implementation of the *Indigenous Languages Act* rests with two parties, namely the Commission, and the Government of Canada as represented for the purposes of the Act by the Department of Canadian Heritage.

Section 43(1)(d) of the Indigenous Languages Act obligates the Commission to report annually on the implementation of the Act. The provision in the legislation is not specific to those areas that are the sole responsibility of the Commission and includes areas that fall under the purview of Canada. The provision refers to the overall implementation of the Act.

Reporting on either of these elements in an inaugural year is difficult. The Commission's work has largely been focussed on and will continue to be focussed in the next fiscal year on establishing the Commission as a functioning entity in order to fully implement the legislation in fiscal year 2023-24. This creates limitations on what the Commission can report on beyond that.

Canada's implementation of those areas for which it has oversight are not included in this report because the Commission is working with Canadian Heritage on establishing a process for sharing of information from Canadian Heritage to the Commission. The process will define requirements including scope, format, content and timelines. This will ensure that the 2022-23 annual report is comprehensive and satisfies the legislative requirements.

In terms of implementation of the Act where the Commission is directly responsible – the Act contains two incongruencies that require addressing, likely through amendments.

The first is with the ability for the Commissioner to delegate his or her authority while away. There is a conflict between sections 15 and 29 of the Act.

Commissioner absent or unable to act

15 If the Commissioner is absent or unable to act or if the office of Commissioner is vacant, the Minister may designate a director to act as Commissioner, but that director may act as Commissioner for a period of more than 90 days only with the approval of the Governor in Council given on the recommendation of the Minister made after the Minister has consulted with a variety of Indigenous governments and other Indigenous governing bodies and a variety of Indigenous organizations.

Delegation

29 The Commissioner may delegate any of the Commissioner's powers, duties and functions under this Act to any director or employee of the Office, subject to any conditions that the Commissioner may impose.

Section 29 should prevail as it makes sense when the Commissioner is on vacation or similar reasons. The application of section 15 was likely envisioned as if the Commissioner was incapacitated and the Minister had to step in. It requires clarity.

The second incongruity is the timing of the Annual Report and more specifically, the timing of the financial statements that are part of the Annual Report.

Presentation to Minister

*33 (4) The Office must submit to the Minister its **audited financial statements** with respect to the fiscal year **within 90 days after the end of that fiscal year.***

Annual Report

*43 (1) The Office must, **within four months after the end of each fiscal year,** submit to the Minister an annual report on*

- (a) the use and vitality of Indigenous languages in Canada;*
- (b) the needs of Indigenous groups, communities and peoples and entities that are specialized in Indigenous languages — and the progress made — in relation to the reclamation, revitalization, maintenance and strengthening of Indigenous languages;*
- (c) the adequacy of funding provided by the Government of Canada for the purposes of initiatives related to Indigenous languages; and*
- (d) the implementation of this Act.*

The annual report must also set out information respecting the Office's principal activities for the fiscal year and must include

- (a) a list of the research and studies undertaken under subsection 24(1);*
- (a.1) the Office's financial statements;***
- (b) the annual auditor's report;*

- (c) a statement on the extent to which the Office has met its objectives for the fiscal year; and*
- (d) any other information specified by the regulations.*

The conflict in these two sections is significant in terms of time – 3 months versus 4 months.

Research and Studies Undertaken

Extensive research has been conducted over several years regarding linguistic classification, and vitality and endangerment of Indigenous languages across Canada. To assist the Commission in understanding the current state of Indigenous languages across the country, the Commission has contracted a synopsis of the various studies completed on the situation and trends in the health and vitality of Indigenous languages. Recognizing that there will be gaps in the research to date, additional research areas will be identified to establish a comprehensive baseline of the present state, use, and vitality of Indigenous languages.

What is known so far is that Indigenous languages range substantially in their vitality and states, but no Indigenous language spoken in Canada today can be considered “safe” i.e., where transmission is uninterrupted and the language is used at all ages from children up and in all domains (e.g. home, school, work).

Current language situations reflect the outcomes of long-term declines in main home use and intergenerational transmission as a mother tongue. About three quarters of Indigenous languages/dialects spoken in Canada today are endangered in varying degrees (definitely, severely, critically or very critically). A quarter are “vulnerable”, meaning children still speak their parental language as a first language, though not in all domains.

According to the 2016 Census, 1,673,785 people in Canada reported an Indigenous Identity (comprising First Nation, Métis, Inuit, Registered Indians and /or “Band Members”):

- 208,720 (12.5%) indicated an Indigenous language as a mother tongue;
- 260,550 (15.6%) indicated the ability to conduct a conversation in an Indigenous language; more than those reporting an Indigenous mother tongue. This pattern implies that some speakers learned their traditional language as a second language, suggesting signs of language revitalization.

For the first time, there were more people in 2016, 223,380 (13.3%), who spoke an Indigenous language at least regularly at home, than people reporting a mother tongue. Among home language speakers, 135,430 (8.1%) spoke an

Indigenous language “most often” (a main language) at home; while another 87,950 (5.3%) spoke an Indigenous language “regularly” (a secondary language) at home.

Key findings from the existing research based on Census data include:

- Trends in acquisition and home use
 - Home use and mother tongue transmission: linguistic indicators point to a long-term decline in continuity, contributing to aging of the mother tongue population. An outcome of the long-term decline in transmission, and aging, is that growth in the Indigenous language mother tongue population declined.
 - Second language acquisition and growth in speaker population: the number of Indigenous people able to speak an Indigenous language increased over the past 20 years, reflecting the impact of second-language acquisition, and the growing efforts especially among youth in learning their Indigenous languages.
 - Growth in home users of a main or secondary home language: Indigenous languages are increasingly being spoken at least regularly (as a main or secondary language) in the home; though more as a secondary than as a main language. Increasing home use of an Indigenous language suggests growing efforts to speak Indigenous languages at home.

- Patterns in acquisition and home use: age and residency
 - Age characteristics of speakers and home users: second-language speakers are younger compared to mother tongue and total speaker populations. Signs of second-language acquisition are most pronounced among younger generations.
 - Speaker characteristics of home language users by age: among those who speak their Indigenous language as a main language in the home, at least 90% were first-language speakers, across every age group. Home users who spoke their Indigenous language as a secondary language at home, the majority, 59%, of younger generations (aged 0-24 years), were second-language speakers, while the other 41% were first-language speakers. For older secondary home users aged 65+ years, only 16% were second-language speakers; with the vast majority, 84%, being first-language speakers.
 - Residential characteristics of speakers and home users: Indigenous languages are spoken in a wide range of locations, from remote areas to large cities. Language situations, acquisition, and home use correlate with their areas of residence, faring better in

communities located in rural areas and on reserves, than in larger urban areas/ cities.

- Language-specific acquisition and home use by vitality
 - Relatively healthy languages (e.g. Cree and Inuktitut) are more likely to be acquired as a mother tongue and to be spoken at home as a main than a secondary language.
 - Critically endangered languages (e.g. Nisga'a and Michif) are more likely to be acquired as a second-language and spoken as a secondary home language.
 - Second language learning represents an increasingly important aspect for the survival of many Indigenous languages in Canada today, especially the “very critically endangered”. The difference in average ages between a language’s total speaker and mother tongue populations is an indicator of the influx of young second language speakers.
 - There are signs of second-language acquisition among young speakers of some critically endangered languages.

Research has also been conducted on establishing research protocols, dispute resolution models and models on how formal complaints are received and managed.

Another area of research that has been critical has been to establish definitions for critical terms. Terms such as “adequacy”, “vitality”, “fluency”, “long-term” and others are linked and cannot be ambiguous. It is important that they are clear in the context of how they are applied to Indigenous languages and the mandate of the Commission.

For example, examining *adequacy of funding* must be premised on the basic concept of defining what the funding is intended to achieve – in this case the *vitality of languages*. Defining adequate in terms of ‘enough’ or ‘sufficient’ has a very different connotation depending on the definition of what level of funds are ‘enough’ or ‘sufficient’ are meant to achieve, which is vitality broadly, or fluency individually or proficiency as a standard.

These terms need to be clearly defined in order to, among other things, design measures that can track progress year-over-year in areas such as adequacy of funding and use & vitality of Indigenous languages, as per the Commission’s mandate.

GOVERNANCE, GOVERNING BOARD AND ORGANIZATIONAL PROFILE

The Office of the Commissioner of Indigenous Languages (OCIL) Governing Board consists of the Commissioner and up to three Directors, who are appointed by the Governor-in-Council on the recommendation of the Minister of Canadian Heritage (the *Indigenous Languages Act* states that the recommendations on these appointments would be made after the Minister has consulted with a variety of Indigenous governments and other Indigenous governing bodies and a variety of Indigenous organizations).

Generally, the Commissioner is mandated to support the self-determined efforts of Indigenous peoples to reclaim, revitalize, maintain and strengthen their languages. The Commissioner is the primary spokesperson for the Commission.

The Commissioner may delegate any of the Commissioner's powers, duties and functions provided for through the *Indigenous Languages Act* to any Director or employee of the OCIL, subject to any conditions that the Commissioner may impose.

The Directors support the Commissioner and understand and speak to the unique circumstances of the Indigenous groups (First Nations, Inuit or Métis) and their associated languages – the interests of which they represent.

The Commissioner and Directors hold office on a full-time basis and appointed for terms not exceeding five years with the possibility of being reappointed.

Governance

In addition to serving as the primary spokesperson and providing direct oversight to the Directors, the Commissioner is also the OCIL Chief Executive Officer (CEO) and has the control and management of the Commission and all matters connected to it. This includes hiring of any employees that are necessary to carrying out the activities of the OCIL and determining the duties of those persons and the conditions of employment, including remuneration and benefits.

The Directors also have a dual role. In addition to supporting the Commissioner directly and together with the Commissioner comprising the Governing Board of the OCIL and providing strategic direction to the organization, the Directors also hold portfolios as assigned by the Commissioner on operational matters and are responsible for the management or direct execution of the duties and activities

associated with those portfolios. In this way, Directors directly contribute to the operationalization of the OCIL.

The Governing Board



**Ronald E. Ignace,
Commissioner**

“We celebrate this day where we breathe new life into all of our Indigenous languages for the future. Our languages will no longer stand in the shadow of other languages here in our land. Let us always honour our Indigenous languages.”

“Le7 pyin te sitq̓t te swumécwilcstem re qweqwelténs re xwexwéyt te qelmúcw wel me7 yews. Ta7 me7 scú7tsems re snecwentém re qweqweltén-kt re stšéléwt.s ne swet.s k smenmenúlecws ne7élye ne tmicw-kt. Tikwemtús me7 sucwentwécwmentem re qweqweltén-kt.”

Stsméłqen, Ronald E. Ignace, is a member of the Secwepemc Nation in Interior British Columbia. He was the elected chief of the Skeetchestn Indian Band for more than 30 years since the early 1980s. He also served as Chairman of the Shuswap Nation Tribal Council and president of its cultural society, where he initiated a broad program of research and reclamation on Secwepemc language and culture, including an innovative university partnership with Simon Fraser University (SFU).

He holds a B.A. and M.A. in Sociology from the University of British Columbia, and completed his PhD in Anthropology at SFU in 2008, with a dissertation on Secwepemc oral history. He has (co-)written numerous articles and book chapters on Secwepemc history, ethnobotany, language and culture, including the epic *Secwepemc People, Land and Laws: Yerí7 re stsq̓eyš-kucw*, a journey through 10,000 years of Secwepemc history.

From 2003-2005, he chaired the Ministerial Task Force on Aboriginal Languages and Cultures, and from 2016-2021, co-chaired the Assembly of First Nations' Chiefs Committee on Languages, where he played an instrumental role in the development of Bill C-91, the *Indigenous Languages Act*.

Raised by his great-grandparents Sulyen and Edward Eneas, and despite being taken to Kamloops Indian Residential School for several years in his childhood, Ron is a fluent speaker of Secwepemctsin and has more than sixty years of practical experience in Secwepemc traditional skills on the land. With his wife Marianne Ignace, he was awarded the Governor General's Award for Innovation in 2019, for their decades of collaborative research involving Indigenous people and communities.



**"I am looking forward to keeping our First People's languages alive."
"Nickīstēn kita
pimācīhtāhk īyiniw
pīkiskwēwina"**

Joan Greyeyes, Director

Joan Greyeyes is a member of the Muskeg Lake Cree Nation within Treaty 6 territory in Saskatchewan. Joan earned a Bachelor of Education Degree, a Post-Graduate Diploma in Educational Administration and a Masters Degree in Education from the University of Saskatchewan. Her experience as a senior executive with significant knowledge working with corporate, government and Indigenous relations at the post-secondary level, have contributed to her commitment to Indigenous education. She brings a wealth of knowledge as the former president of the Saskatchewan Indian Institute of Technologies and Special Advisor to the President on Aboriginal Initiatives at the University of Saskatchewan. She negotiated with the Province of Saskatchewan to establish the first provincial Act in Canada (the *Saskatchewan Indian Institute of Technology Act*) to recognize a First Nations institution as a post-secondary institution.

In collaboration with SaskTel, Joan established a call centre to provide Indigenous language coverage to the province of Saskatchewan. Joan's recent work with the University of Saskatchewan centered on the preservation and revitalization of Indigenous languages. She has initiated programs and presented at an international level on various aspects of Indigenous language revitalization. Her expertise in negotiating for First Nations with institutions and provincial and federal governments has assisted her in supporting the efforts of Indigenous Peoples to reclaim, revitalize, maintain and strengthen their Indigenous languages.



"It is my honour to be the representative to preserve, revitalize and strengthen our Michif Language. I am also honoured to serve with my fellow Indigenous Partners."

"Si te moon oneur shi piikis hkwetamaakeyaan chi ke nawehihtamihk ,pimatishit amihk pi shoohkihitaak not r Laang Michif. Meena si te aen oneur chi pamihihw eyaan avek mii naasaayii l ndigene. "

Georgina Liberty, Director

Georgina Liberty has devoted her life to preserving, protecting and cherishing her Metis identity and spirit. In her teens, she worked as a researcher for the Manitoba Metis Federation, tracing the Metis land script. She has been an active member of the Manitoba Metis Federation since 1969, and is currently the Director of Metis Nation 2020 – Metis 150 for the Metis National Council, which marked Manitoba's 150th anniversary and the historic role of Louis Riel in bringing Manitoba into Confederation.

This position allowed her to commit to her passion of educating others about the history of the Metis people and their important role in the building of Manitoba and its relationship with Canada.

Georgina's diverse work experience includes employing and engaging Metis, First Nations and Inuit peoples in opportunities to build on their strengths and to progress in business, leadership and governance opportunities.

Georgina has many years of experience in governance and policy, and acquired political acumen working for the Metis government within the Manitoba Metis Federation for over 20 years, as well with other Indigenous organizations.

Georgina believes her strength in bringing others together has garnered the wonderful grassroots relationships she has today.

She believes that the desire to preserve, protect and strengthen identities as Indigenous Peoples is a thread that weaves all Indigenous Peoples together in a fight to have their rights recognized, protected and respected.

Her lived experience as a Metis woman in Western Canada and the leadership role her father exemplified in the community have provided her an amazing life experience and enriched work history. Her strength comes from her proud Metis family and her four beautiful grandchildren.

Organizational Profile

The OCIL is expected to operate objectively and autonomously and be a credible voice in the area of the reclamation, revitalization, strengthening and maintain of Indigenous languages in Canada. Consequently, the independence of the Commission is paramount and includes independence from governments, political advocates and others.

The *Indigenous Languages Act* sets this out clearly and establishes the Commission as neither an agent of Her Majesty in right of Canada nor an entity governed by the *Financial Administration Act*. Further, the Commissioner and Directors as well as any employees of the OCIL are not part of the federal public administration.

The OCIL has the capacity, rights, powers and privileges of a natural person, including the capacity to: enter into contracts; acquire, hold and dispose of property or an interest or right in property, or lease property; and sue and be sued.

The permanent OCIL head office will be located on the unceded territory of the Algonquin Anishinaabeg in “Odawa”, the place where people come to trade (referred to as Ottawa, Ontario). The Commissioner and Directors work from offices in their normal place of residence.

The permanent office will be a “hybrid” layout – comprised of offices and meeting spaces that support both on-site work as well as virtual and a ‘hoteling’ approach.

Staff and Organizational Structure

At full capacity, the OCIL will employ approximately 30 full-time persons plus the Commissioner and up to three Directors. In addition, the OCIL will have contracts in place for specific services that support the organization’s mandate and operations.

Employees will support, through an organizational structure, the business lines of the organization. The business lines support the legislated mandate and include core operations, research and dispute resolution services & complaints.

The *Core Operations* business line includes general operations and administration, finance, human resources, contracting and procurement, communications and promotion, and policy.

Research includes activities and functions that support Indigenous peoples reclaiming, revitalizing, strengthening and maintaining their languages and includes innovative projects and the use of new technologies. It also includes the work required to report annually on the vitality of languages and adequacy of funding.

The *Dispute Resolution & Complaints* business line is intended to support requests from Indigenous communities, Indigenous governments or other Indigenous governing bodies, Indigenous organizations or the Government of Canada in the provision of services such as mediation or other culturally appropriate services, to facilitate the resolution of a dispute related to a number of subjects. These subjects include: the fulfilment by any party of an obligation related to Indigenous languages under an agreement entered into by the Government of Canada; funding provided by the Government of Canada for the purposes of an initiative related to Indigenous languages; the fulfilment of any of the Government of Canada's obligations under the *Indigenous Languages Act*; or the implementation of any of the Government of Canada's policies and programs related to Indigenous languages.

Additionally, this business line supports the Commissioner's ability to conduct a review of a complaint, filed by an Indigenous government or other Indigenous governing body, an Indigenous organization or an Indigenous person, respecting any of the subjects cited above in dispute resolution.

ACCOUNTABILITIES

The *Indigenous Languages Act* includes accountability provisions specific to the Office of the Commissioner of Indigenous Languages (OCIL) beyond those cited earlier in context to annual reporting.

Business plan and budget

33 (1) *The Office must establish a business plan and budget for each fiscal year and submit them to the Minister.*

Scope and contents of business plan

(2) *The Office's business plan must encompass all of the Office's activities and include a statement of*

- (a) the Office's mandate;*
- (b) the Office's objectives for the fiscal year and the measures it intends to employ to achieve those objectives; and*
- (c) the Office's expected performance for the fiscal year.*

(3) *The Office's budget must include a statement of the Office's projected revenues and expenses for the fiscal year.*

Activities consistent with business plan

(4) *The Office must carry on its activities in a fiscal year in a manner that is consistent with its business plan for that year.*

Books and systems

34 (1) *The Office must keep books of account and records in relation to them and must also maintain financial and management control and information systems.*

(2) *The books, records and systems referred to in subsection (1) must be kept and maintained in a manner that will provide reasonable assurance that*

- (a) the Office's assets are safeguarded and controlled;*
- (b) its transactions are carried out in accordance with this Act;*
- (c) its financial, human and physical resources are managed economically and efficiently; and*
- (d) its activities are carried out effectively.*

Internal audit

(3) The Office may cause internal audits to be conducted to assess the Office's transactions and activities for the purpose of verifying compliance with subsections (1) and (2).

Financial statements

(4) The Office must prepare financial statements annually, in accordance with generally accepted accounting principles.

Form of Financial statements

(5) The Office's financial statements must be prepared in a form that clearly sets out information according to its principal activities.

Annual auditor's report

35 (1) The Office must cause an annual auditor's report to be prepared on its financial statements and any quantitative information required to be audited under subsection (3).

Contents

- (2) The report must, among other things,*
- (a) include separate statements as to whether in the opinion of the Office's auditor
 - (i) the financial statements are presented fairly, in accordance with generally accepted accounting principles, applied on a basis consistent with that of the preceding year,*
 - (ii) the quantitative information is accurate in all material respects and, if applicable, was prepared on a basis consistent with that of the preceding year, and*
 - (iii) the Office's transactions that have come to the auditor's notice in the course of the auditor's examination for the report were carried out in accordance with this Act; and**
 - (b) call attention to any other matter falling within the scope of the auditor's examination for the report that, in the auditor's opinion, should be brought to the attention of the Office or the Minister.*

Audit of quantitative information

(3) The Minister may require that any quantitative information required to be included in the report under paragraph (2)(a) be audited.

Presentation to Minister

(4) The Office must submit to the Minister its audited financial statements with respect to the fiscal year within 90 days after the end of that fiscal year.

Special examination

36 (1) At any time required by the Minister, the Office must cause a special examination to be carried out in respect of its transactions and activities to determine if the books, records, systems and practices referred to in section 34 were, in the period under examination, maintained in a manner that met the requirements of that section.

Examiner

(2) The special examination is to be carried out by the Office's auditor. However, if, in the Minister's opinion, a person other than the Office's auditor should carry out the special examination, the Minister may, after consultation with the Commissioner, direct that the examination be carried out by another auditor who is qualified for the purpose.

Plan

(3) Before commencing the special examination, an examiner must survey the Office's systems and practices to be examined and submit a plan for the examination, including a statement of the criteria to be applied in the examination, to the Commissioner.

Reliance on internal audit

(4) The examiner must, to the extent feasible, rely on any internal audit conducted under subsection 34(3).

Examiner's report

37 (1) The examiner must, on completion of the special examination, submit a report on the examiner's findings, and a summary of that report, to the Minister and the Commissioner.

Contents

(2) The examiner's report is to include

(a) a statement as to whether, in the examiner's opinion, having regard to the criteria referred to in subsection 34(2), there is a reasonable assurance that there are no significant deficiencies in the systems and practices examined; and
(b) a statement on the extent to which the examiner relied on internal audits.

Posting of summary

(3) The Office must, as soon as feasible after the Commissioner has received the report, post the summary of the report on its website.

Consultation with Auditor General

38 The Office's auditor or the examiner may at any time consult the Auditor General of Canada on any matter relating to an audit or special examination.

Right to information

39 (1) At the request of the Office's auditor or the examiner, the present or former Commissioner, directors or employees of the Office must provide any information and explanations, and give access to any of the Office's records, documents, books, accounts and vouchers that are under their control, that the auditor or examiner considers necessary to prepare a report required under this Act.

Obligation to inform

(2) If the Office's present or former Commissioner, directors or employees do not have information or explanations requested by an auditor or examiner under subsection (1), the Office's current Commissioner or directors must obtain the information or explanation and provide it to the auditor or examiner.

Restriction

40 Nothing in sections 34 to 39 is to be construed as authorizing the Office's auditor or the examiner to express any opinion on the merits of matters of policy, including the merits of the Office's mandate or any policy decision of the Office.

Qualified privilege

41 An oral or written statement or a report made under this Act by the Office's auditor or an examiner has qualified privilege.

Disclosure of material developments

42 The Commissioner must, as soon as feasible, notify the Minister of any financial or other developments that, in the Commissioner's opinion, are likely to have a material effect on the Office's ability to carry out its mandate or exercise its powers or perform its duties or functions, on its performance or on its requirements for funding.

Rules — Office's meetings and activities

46 The Office may make rules with respect to
(a) the calling of meetings of the Office, the number of persons that constitute a quorum at each meeting and the manner in which decisions are to be made; and
(b) the conduct of the activities of the Office.

Rules — dispute resolution and complaints

47 Subject to any regulations made under paragraph 45(a), the Office may make rules, including rules of procedure, that apply in respect of dispute resolution services or the review of complaints.

Rules — confidentiality

48 The Office must make rules to ensure the confidentiality of the information the Office receives in confidence in the exercise of its powers and the performance of its duties and functions.

FINANCIAL STATEMENTS
For the Year ended March 31, 2022

FINANCIAL STATEMENTS
For
OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES
For the period from the date operations commenced,
JULY 12, 2021 TO MARCH 31, 2022

INDEPENDENT AUDITOR'S REPORT

To the directors of

OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES

Opinion

We have audited the financial statements of Office of the Commissioner of Indigenous Languages (the Office), which comprise the statement of financial position as at March 31, 2022, and the statements of operations and changes in net assets and cash flows for the period from the date operations commenced July 12, 2021 to March 31, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Office as at March 31, 2022 and the results of its operations and its cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Office in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Office's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Office or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Office's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Office to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
July 26, 2022.

OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2022

ASSETS

CURRENT ASSETS

Cash	\$ 448,933
Marketable securities (note 4)	3,755,544
Accounts receivable	782
Government remittances receivable	5,218
Prepaid expenses	<u>124,425</u>
	4,334,902

TANGIBLE CAPITAL ASSETS (note 5)

116,932

\$ 4,451,834

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 563,417
Deferred revenue (note 6)	<u>3,765,941</u>
	4,329,358

DEFERRED CAPITAL CONTRIBUTIONS (note 7)

116,932

4,446,290

NET ASSETS

Unrestricted	<u>5,544</u>
--------------	--------------

\$ 4,451,834

Approved by the Board:

..... Director

..... Director

(See accompanying notes)

OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE PERIOD FROM THE DATE OPERATIONS COMMENCED,
JULY 12, 2021 TO MARCH 31, 2022

Revenue

Contributions	\$ 972,773
Amortization of deferred capital contributions	44,354
Investment income	<u>5,544</u>
	<u>1,022,671</u>

Expenses

Salaries and benefits	589,601
Consultants	211,107
Professional fees	100,173
Office expenses	69,765
Amortization	44,354
Interest and bank charges	<u>2,127</u>
	<u>1,017,127</u>

Excess revenue over expenses 5,544

Net assets, beginning of period -

Net assets, end of period \$ 5,544

(See accompanying notes)

OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM THE DATE OPERATIONS COMMENCED,
JULY 12, 2021 TO MARCH 31, 2022

CASH PROVIDED BY (USED IN)	
OPERATING ACTIVITIES	
Excess revenue over expenses	\$ 5,544
Items not affecting cash:	
Income reinvested	(5,544)
Amortization	<u>44,354</u>
	44,354
Changes in non-cash working capital components:	
Accounts receivable	(782)
Prepaid expenses	(124,425)
Accounts payable and accrued liabilities	563,417
Government remittances receivable	(5,218)
Deferred revenue	<u>3,765,941</u>
	<u>4,243,287</u>
INVESTING ACTIVITIES	
Purchase of investments	(4,050,000)
Purchase of tangible capital assets	(161,286)
Proceeds from sale of investments	<u>300,000</u>
	<u>(3,911,286)</u>
FINANCING ACTIVITIES	
Deferred capital contributions	<u>116,932</u>
INCREASE IN CASH	448,933
CASH, BEGINNING OF PERIOD	<u>-</u>
CASH, END OF PERIOD	<u>\$ 448,933</u>

(See accompanying notes)

OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OPERATIONS COMMENCED,
JULY 12, 2021 TO MARCH 31, 2022

1. NATURE OF OPERATIONS

The Indigenous Language Act ("the Act") established the Office of the Commissioner of Indigenous Languages (the Office) which received Royal Assent on June 21, 2019. The Office became operational upon the Office's appointment which occurred on July 12, 2021. The Office is composed of a full-time Commissioner and three full-time Directors who represent the interests of First Nation, Inuit and Métis. As a not-for-profit organization according to the Income Tax Act, the Organization is exempt from income tax.

Acknowledging that Indigenous peoples are best placed to take the leading role in reclaiming, revitalizing, maintaining and strengthening their languages, the Office plays a role in supporting self-determined language initiatives.

Under the Act, the Office will, among other things:

- help promote Indigenous languages;
- support the efforts of Indigenous peoples to reclaim, revitalize, maintain and strengthen their languages;
- facilitate the resolution of disputes and review complaints to the extent provided by this Act;
- promote public awareness of the richness and diversity of Indigenous languages; and
- support innovative projects and the use of new technologies in Indigenous language education and revitalization, in cooperation with Indigenous governments and other Indigenous governing bodies, Indigenous organizations, the Government of Canada and provincial and territorial governments.

The Office will report annually on the use and vitality of Indigenous languages in Canada, the adequacy of funding provided for Indigenous language initiatives and the needs (and progress made) of Indigenous groups, communities and peoples and entities that are specialized in Indigenous languages with regard to the revitalization of Indigenous languages.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The accounting policies of the Office are in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Office uses the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year the related expenses are incurred. Restricted contributions with respect to the acquisition of tangible capital assets that are amortized are deferred and amortized to revenue on the same basis as the related tangible capital asset that is amortized to expense. Unrestricted contributions are recognized when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when earned.

Tangible capital assets

Tangible capital assets are recorded at cost. Amortization is based on the estimated useful lives of the tangible capital assets under the following method and rate:

Computer and office equipment	- 55% declining balance
-------------------------------	-------------------------

Amortization is recorded at one-half of the above rate in the year of acquisition.

OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
FOR THE PERIOD FROM THE DATE OPERATIONS COMMENCED,
JULY 12, 2021 TO MARCH 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas of significant estimates include the collectible amount of accounts receivable, accounts payable and accrued liabilities, the useful lives of tangible capital assets and related deferred capital contributions.

Financial instruments

The Office initially measures its financial assets and liabilities at fair value. Cash and marketable securities are subsequently measured at fair value. All other financial instruments are measured at amortized cost at the year end date.

3. FINANCIAL INSTRUMENTS

The Office is exposed to and manages various risks through its financial instruments. The following analysis provides a measure of the Office's risk exposure and concentrations at March 31, 2022.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Office's main credit risks relate to the sum of the carrying value of its cash, marketable securities and accounts receivable. The Office's cash consists of deposits with a Canadian chartered bank and marketable securities are held with a national investment brokerage and as a result, management believes the risk of loss of these items to be remote.

Liquidity risk

Liquidity risk is the risk that the Office cannot meet a demand for cash or fund its obligations as they become due. The Office meets its liquidity requirements by establishing budgets and cash estimates to ensure it has funds necessary to fulfil obligations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of interest rate risk, currency risk and other price risk.

i) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate due to changes in market interest rates. The Office is not exposed to any interest rate risk.

OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
FOR THE PERIOD FROM THE DATE OPERATIONS COMMENCED,
JULY 12, 2021 TO MARCH 31, 2022

3. **FINANCIAL INSTRUMENTS - Cont'd.**

Market risk - Cont'd.

ii) *Currency risk*

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Office's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

iii) *Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Since the Office does not have investments in publicly traded securities, it is not exposed to significant other price risk.

4. **MARKETABLE SECURITIES**

Royal Bank of Canada

Premium investment account bearing interest at rates
 varying from 0.26% to 0.29%

\$ 3,755,544

5. **TANGIBLE CAPITAL ASSETS**

	<u>Cost</u>	<u>Accumulated amortization</u>
Computer equipment	\$ 161,286	\$ <u>44,354</u>
Accumulated amortization	<u>44,354</u>	
	<u>\$ 116,932</u>	

6. **DEFERRED CONTRIBUTIONS**

Deferred contribution activities consist of the following:

Add:	
Funds received - net	\$ 4,900,000
Less:	
Operating expenses (excluding amortization)	(972,773)
Tangible capital assets acquired (note 7)	<u>(161,286)</u>
Balance, end of period	<u>\$ 3,765,941</u>

OFFICE OF THE COMMISSIONER OF INDIGENOUS LANGUAGES
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
FOR THE PERIOD FROM THE DATE OPERATIONS COMMENCED,
JULY 12, 2021 TO MARCH 31, 2022

7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contribution activities consist of the following:

Add:	
Capital asset additions (note 6)	\$ 161,286
Less:	
Amortization of deferred contributions related to capital assets	<u>(44,354)</u>
Balance, end of period	<u>\$ 116,932</u>

8. ECONOMIC DEPENDENCE

The Government of Canada funds the Office's activities. They represent approximately 91% of the Office's revenues.