KELOWNA, British Columbia -- Canada on Friday pledged $4.3 billion in a landmark deal with Indian and northern Inuit communities to help lift them from the poverty and disease that has plagued their neglected reserves for more than a century.

The agreement commits federal funding over the next decade for widespread improvements in housing, health care, education and economic development for the nearly 1 million aboriginal peoples of the North American nation, namely Indian tribes known as First Nations and Inuits, the aboriginal Canadians of the northeastern and Arctic territories.

Prime Minister Paul Martin and the premiers of Canada's 13 provinces and territories announced the agreement after a two-day summit with five native organizations.

"Aboriginal Canadians have no desire for more rhetoric; they have needs and those needs demand attention. It's as simple as that. We all know that there are serious problems in too many aboriginal communities and it's heartbreaking to hear the stories of lost promise," Martin said after the conclusion of the two-day summit in Kelowna, a western frontier town whose name means grizzly bear in the local Indian tongue.

Canada's native reserves are dramatically short of housing and safe drinking water, their high school graduation rate is just over half the national average, and life expectancy for Indians is five to seven years lower than for non-aboriginals.

The infant mortality rate is 20 percent higher among First Nations, suicide rates are threefold and teen pregnancies are nine times higher than the national average.

Phil Fontaine, national chief of the Assembly of First nations, praised the agreement and said he would demand that federal officials follow through.

"We will close the gap in the quality of life between our people and other Canadians. That will be our legacy for the coming generations," he said. "We have conquered our own cynicism. We've seen how far we can go in just two days; imagine how far we can go in 10 years."
Earlier in the week, the Canadian government proposed another $1.7 billion in payments for aboriginal victims of sexual and psychological abuse during forced Christian schooling.

Some 100,000 children were required to attend residential schools over the past century in a futile and painful attempt to rid them of their native cultures and languages and integrate them into Canadian society. The legacy of sexual abuse and isolation among these children has long been cited by Indian leaders as the root cause of epidemic rates of alcoholism and drug addiction on reserves.

Among other pledges in Friday's final agreement:

- Close the educational gap so that by 2016, the high school graduation rate for aboriginal students is the same as other Canadians.
- Change housing policy to improve access to emergency shelters and improve the ability of natives to own homes off their reserves.
- Spend $341,000 to provide better safe drinking water on reserves.

Some worry, however, that any progress made at the conference could vanish as early as Monday, when opposition parties in Parliament are expected to topple Martin's minority government in a no-confidence vote, forced after he refused to call early national elections.

Fontaine insisted, however, that the results of the summit could not be ignored by a future government.

"The commitments that are made are significant and it's going to be very, very difficult for any government to retreat from those commitments here," Fontaine said.

Provincial spending of federal funds earmarked for aboriginal health care remained unresolved on Friday, with the health care blueprint described in the final communique as "a work in progress." Under Canada's national health care system, there is always a battle over how federal tax dollars will be allocated among the provinces.

Only the premier of British Columbia was willing to sign a deal with the federal government and three provincial native groups saying where the money would go.
"Today we have looked at some of our failings as a country and we have embraced the idea that we can improve, we can be better for all Canadians," said British Columbia Premier Gordon Campbell.

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On the Net:

Assembly of First Nations: [http://www.afn.ca](http://www.afn.ca)

Indian and Northern Affairs Canada: [http://www.ainc-inac.gc.ca](http://www.ainc-inac.gc.ca)