



## **Special Chiefs Assembly on Federal Legislation**

May 1 - 2, 2018 | Hilton Lac Leamy, Gatineau, Quebec

## **Assemblée extraordinaire des Chefs sur les lois fédérales**

Les 1<sup>er</sup> et 2 mai 2018 | Hilton Lac-Leamy, Gatineau (Québec)

# **First Nations Financial Transparency Act**



# Outline

- Before the First Nations Financial Transparency Act (FNFTA)
- What the FNFTA changed
- Reaction to the FNFTA
- Engagement on FNFTA
- Process for repeal
- Moving forward



# Before the FNFTA

- Under Contribution Agreements:
  - First Nations governments required.
    - to provide audited consolidated Financial Statements to citizens
    - to provide Schedules of Remuneration and Expenses to citizens
    - to provide other financial documents to funding department
  - First Nations citizens empowered to ask for financial documents from departments.
  - Government of Canada empowered to enforce requirements.



# What the FNFTA changed

- In 2013, the FNFTA added:
  - Requirement to provide details from own-source revenues
  - Requirement to publish information on a website
  - Right for First Nations citizens to seek court order for information



# Reaction to the FNFTA

- First Nations objected to the FNFTA.
  - It put accountability to departments above accountability to citizens
  - It made First Nations report on revenues that do not come from departments
- Onion Lake Cree Nation battling the FNFTA in court.
- In 2016, Minister Bennett announced she would not enforce FNFTA provisions to punish non-compliant First Nations.



# Engagement on FNFTA

- In 2017, engagement processes – by INAC Regional Offices & AFOA separately on “transparency & accountability” and by AFN-ISC jointly on the New Fiscal Relationship – reached same recommendations.
  - Primary accountability of First Nations governments is to their citizens
  - Repeal the FNFTA & co-develop a better approach



# Possible process for repeal

- Potential approach to repealing the FNFTA.
  - Legislation will be tabled to repeal the FNFTA
  - As a precursor to repeal, action to establish a First Nations audit function will be co-developed at the same time
- In the interim, ISC will continue not to enforce compliance with the FNFTA.
  - No First Nation will be punished in any way for failing to comply



# Background on FNAG

- Resolutions #50/2010 & #121/2016 call for the creation of a First Nation Auditor General (FNAG).
- AFN & ISC commissioned a study of the possible functions & process for an FNAG.
  - It can be found at this link: <http://www.afn.ca/wp-content/uploads/2018/03/Establishing-a-First-Nations-Auditor-General.pdf>





Please send any questions or comments  
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Merci  
Thank you  
Wela'lin