



NATIONAL CHIEF PERRY BELLEGARDE BULLETIN

September 2019

Update on New Fiscal Relationship

*The Assembly of First Nations issues regular updates on work underway at the national office.
More information is available at www.afn.ca.*

SUMMARY:

- The Joint Advisory Committee on Fiscal Relations (JACFR) presented their interim report, *Honouring Our Ancestors by Trailblazing a Path to the Future*, to the National Chief and Minister of Indigenous Services Canada in June 2019.
- Consistent with the Assembly of First Nations (AFN) resolution 24/2019, the JACFR, the AFN and ISC will engage extensively with First Nations on the report over the coming months and report back on their findings to Chiefs-in-Assembly at the AFN Annual General Assembly in July 2020.

On June 10, 2019, the Joint Advisory Committee on Fiscal Relations (JACFR) presented their interim report, *Honouring Our Ancestors by Trailblazing a Path to the Future*, to Minister O'Regan of Indigenous Services Canada (ISC) and myself. A copy of that report is available on the Assembly of First Nations website at www.afn.ca/policy-sectors/fiscal-relations/

Both Minister O'Regan and I were impressed with the thorough and bold vision put forward by the Committee and we agreed that First Nations and the Government of Canada should give the report thorough consideration. Resolution 24/2019, *Engage Extensively with First Nations on the Report of the Joint Advisory Committee on Fiscal Relations*, passed at the recent Annual General Assembly (AGA) in Fredericton, calls on the JACFR, the AFN and ISC to engage extensively with First Nations about the report and bring back their findings to Chiefs-in-Assembly at the AFN Annual General Assembly in July 2020.

The report and the resolution both speak to the need to develop a structure that respects the diverse histories, circumstances and aspirations of First Nations from coast to coast to coast in ways that support and do not interfere with their path to self-determination. This will be a guiding principle of the engagements to roll out over the next year and whatever process follows. The vision is to develop a fiscal relationship that serves each First Nations path to a Nation to Nation and government to government relationship.

At the core of the vision of the JACFR report is the idea of a statutory transfer of funding to First Nations. A statutory transfer has been a key recommendation of studies such as the Penner Report in 1983, the report of the Royal Commission on Aboriginal Peoples in 1996, various Auditor General Reports and resolutions of Chiefs-in-Assembly. As First Nations move toward

affirmation, implementation and enforcement of inherent and Treaty rights, title and jurisdiction, our governments must have the fiscal capacity to assert that jurisdiction. A statutory transfer, perhaps similar in structure to those provided to provinces and territories, is essential to ensuring that fiscal capacity exists.

Specifically, a statutory transfer must be based in Treaty. It must fully meet needs, address our full membership regardless of residence or status, rise with cost drivers such as inflation, and must reflect a fair share of the wealth that comes from our lands and resources as measured in Canada's Gross Domestic Product. The vision and structure put forward in the JACFR report achieves all of this and more.

The report also speaks to the necessary infrastructure to sustain statutory transfers that meet the objective of truly closing the socio-economic gap, by measuring funding against progress toward comparable outcomes. This includes capacity building for First Nations governments and developing institutions that both First Nations and Canada can trust to provide objective information to everyone about that progress as well as the investments needed to fulfill the federal government's promise of "sufficient, predictable and sustainable funding".

There is much more in the report and I encourage you to read it and discuss it with your experts and your citizens. I encourage you as well to work with the JACFR in setting up an engagement process that works for you. Some regional meetings have already taken place and the JACFR will be reaching out over the next few months about building an engagement process that works for you and provides them the feedback they need to report back in a meaningful way at the next AGA.

I want to thank the members of the JACFR for their good work and their commitment in moving forward with this process: Chief Richard Sydney, Chief David Jimmie, Chief Lee Crowchild, Vice-Chief Heather Bear, Richard Nerysoo, Chief Laurie Carr, Chief Connie Lazore, John G. Paul, Don Drummond, Kevin Page, Bonnie Healy, Terry Goodtrack, and Harold Calla.

For more information about this report and the work on a new fiscal relationship, please contact Dan Wilson, Special Advisor at dwilson@afn.ca.