





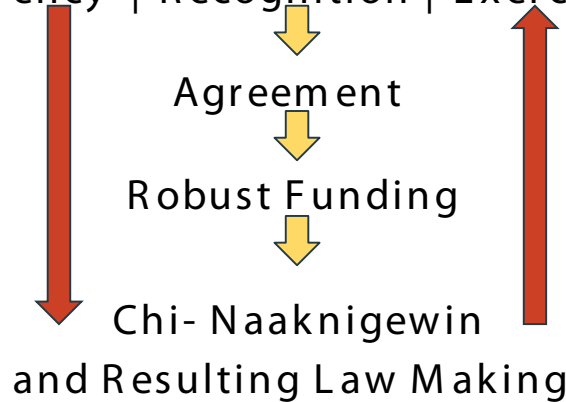
## **An Introduction to the Anishinabek Nation Fiscal Agreement**

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# 1. Why the Anishinabek Nation Governance Agreement (ANGA)?

- The ANGA is a tool for getting out from under the *Indian Act*.
- **Option A: Stay:** Federal Parliament  Federal Law (like *Indian Act*, *First Nations Lands Management Act*, etc)  Meeting of Federal Priorities and amendments or repeal based on those priorities.
- **Option B: Get Out:** Inherency | Recognition | Exercise



- **Key “take away”** : a vote for the ANGA is a vote of the inherent right of each Anishinabek First Nation.

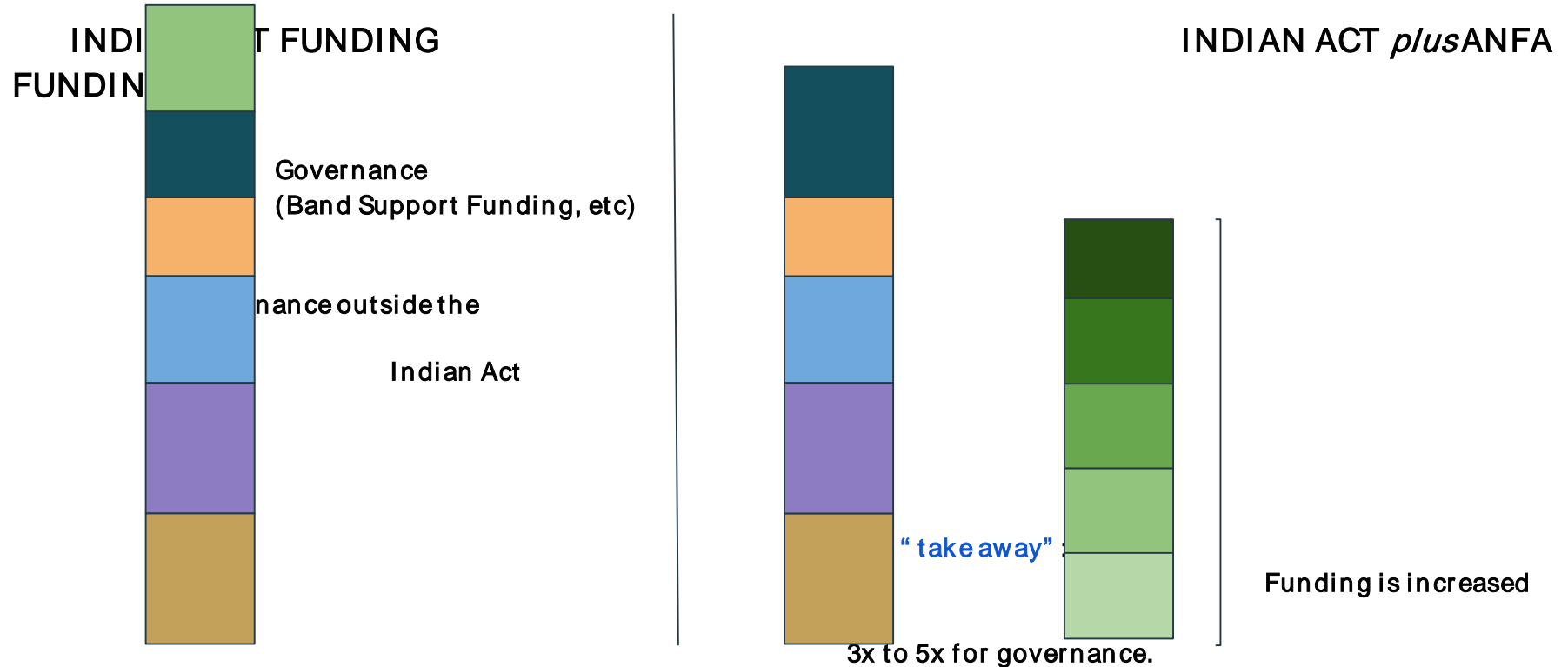
## 2. Parties to the Anishinabek Nation Fiscal Agreement (ANFA)

- The Parties: the Anishinabek Nation (AN), representing the 40 First Nations, and Canada.
- This is because a “single window” approach, resulting in a single cheque, simplifies things for Canada on the one hand, and delivers the benefits of combined size to the First Nations on the other.
- Beyond that single cheque, the Anishinabek Nation will enter into internal allocation agreements with First Nations that are signatory to the Governance Agreement, resulting in the flow of funds to each such First Nation.
- This is also the structure that was used for the purposes of the Anishinabek Nation Education Agreement.
- The governance amount for each First Nation however, including the sizable increments, can be traced individually. First Nation amounts cannot be held back by the AN.
- **Key “take away”**: First Nation governance amounts will flow through the AN but cannot be held back by the AN.

### 3. How do the ANGA and ANFA fit together?

- As mentioned earlier, the ANGA is a “ self government recognition” agreement. Such an agreement is typically ongoing. That is, it is not an agreement limited to a certain end date.
- In addition, such an agreement will typically have a side agreement dealing with finances. That, in this case, is the ANFA. It is a fiscal agreement with a end date, and a renewal process.
- The end date and renewal process ensures that the First Nations can advocate for any necessary changes - during renewal - if a financial matter arises that Canada needs to address.
- **Key “ take away”** : The ANGA and ANFA are companion agreements that recognize the self governing capacity of Anishinabek First Nations and provide funding for it.

## 4. How much more funding is available through the ANFA?



## 5. What are the kinds of funding provided for in the ANFA?

- The ANFA provides for:
  - **Governance Funding:** Both current funding (mostly band support funding) and the incremental funding resulting from the ANGA. This is ongoing funding.
  - **One- Time Implementation or Transitional Funding:** Additional funds for transitioning out of the *Indian Act* for governance activities. This is one- off funding.
  - **A Placeholder for Future Social Transfers:** The ANGA enables recognition of self government for governance activities right away, and leaves open the door for the recognition of self government for other jurisdictions (like health, child well being, lands and resources, and so on) whenever the Anishinabek First Nations want to proceed. For this reason, the ANFA has a built- in placeholder for future funding to accommodate those jurisdictions.
- **Key “take away”** : The ANFA provides increased funding for governance immediately and sets the stage for increased funding for other jurisdictions.

## 6. What are Canada's Responsibilities in the ANFA?

- Make the Transfer Payment annually
- Adjust the Transfer Payment to account for inflation (using FDDIPI)
- Get out of governance program delivery
- Get out of any governance program direct expenditures
- Maintain a fiscal relationship with the Anishinabek First Nations
- Participate in the Anishinabek- Canada Intergovernmental Forum, to address matters that may arise for Anishinabek First Nations
- **Key “take away”** : Canada cuts the cheque and leaves the room for the Anishinabek First Nations to exercise their own governance jurisdiction



## 7. What are First Nations' Responsibilities in the ANFA?

- Provide governance programs to their citizens
- Receive and expend Transfer Payments, retaining full flexibility in expenditure, and retaining unused balances
- Maintain a system of program and financial accountability that is consistent with standards of program and financial accountability generally accepted for governments and public institutions in Canada
- Make annual budgets and expenditures publicly available - no different compared to any other government
- **Key “take away”** : First Nations are treated as governments, not wards of Canada. There is no “third party management” for example, and no requirement to spend in specific ways.

## 8. What are the Anishinabek Nation's Responsibilities in the ANFA?

- Provide governance programs to Anishinabek citizens directly as well as indirectly, **as the First Nations deem required**
- Distribute the Transfer Payment, and pass on full flexibility in their expenditure to the First Nations
- Maintain a system of program and financial accountability that is consistent with standards of program and financial accountability generally accepted for governments and public institutions in Canada
- Make annual budgets and expenditures publicly available - no different compared to any other government
- Carry out any programs and services it is tasked with by the First Nations.
- **Key “take away”** : The ANG will not carry a carrot or a stick, it will simply help the First Nations govern better. What are some options for its activities? See the next slide.

## 8. Anishinabek Nation's Responsibilities [continued]

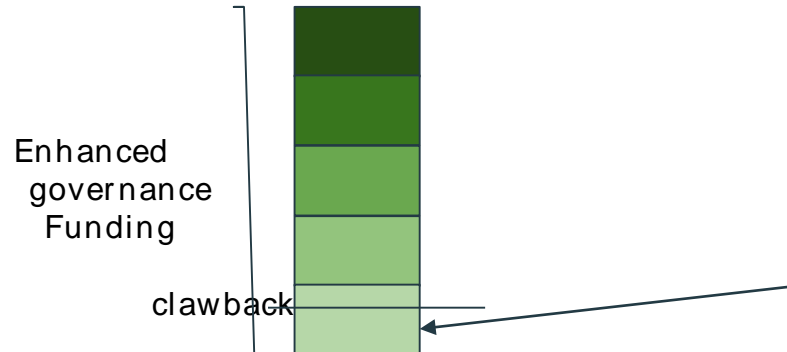
- What might the First Nations require? What is best done collectively?
  - Grand Council: The coming together of leaders to make decisions for the Nation.
  - Long Term Strategic Planning: In putting a plan together to address socio- economic gaps, it may be best to take a broad, nation- based view.
  - Statistics: A Anishinabek Statistical Agency could be created to assist with measuring program impacts & collating data for the purposes of the long term strategic plan.
  - Internal Dispute Resolution: A Anishinabek Tribunal could mean First Nations save on the cost of dispute resolution. Could also be the first step towards a justice system.
  - Additional Options: Elections? Procurements? Citizen Shareholding Scheme? Elder, Women & Youth Councils?
- ...Whatever the First Nations decide, they have paramountcy. In addition, a First Nation can opt out of any given collective service without penalty.

## 9. Funding currently received for other programs and services?

- The ability of Anishinabek Nation citizens to participate in or benefit from **any federal indigenous programs that are not covered by the agreement** is preserved
- The ability of Anishinabek Nation citizens to participate in or benefit from **any general federal programs** is also preserved
- So, funding not covered by the agreement will continue to flow as it currently does
- **Key “take away”** : The ANFA results in a substantial increase in governance funding. All other program funding remains as is, until whenever the Anishinabek First Nations are ready to acquire self government recognition for the areas those programs cover

## 10. What about Own Source Revenues?

- Minister Bennett has indicated to the Grand Chief that OSR is to remain in moratorium until Canada completes a new fiscal policy, and likely beyond - the moratorium may last two years or twenty years. **So, OSR is gone for now but may come back.**
- Canada wants OSR “placeholder” language in the ANFA in case OSR comes back sooner rather than later. This is one of the last issues being negotiated.
- If OSR comes back, it is a challenge to better plan and better shelter revenues.
- If OSR comes back, it is worth noting that many First Nations actually already expend their OSR anyway, and for those that don't have any OSR to expend there is no impact.
- If OSR comes back, keeping in mind the earlier depicted increase in governance funding, the impact, **if any**, should be similar to this with proper planning:



**Key “take away”** : OSR, if it is ever implemented, is a clawback, but there is still a net financial benefit since (1) **the increase in funding is large** and since (2) **OSR impact can be controlled.**

# 11. What does the Agreement Make Possible?

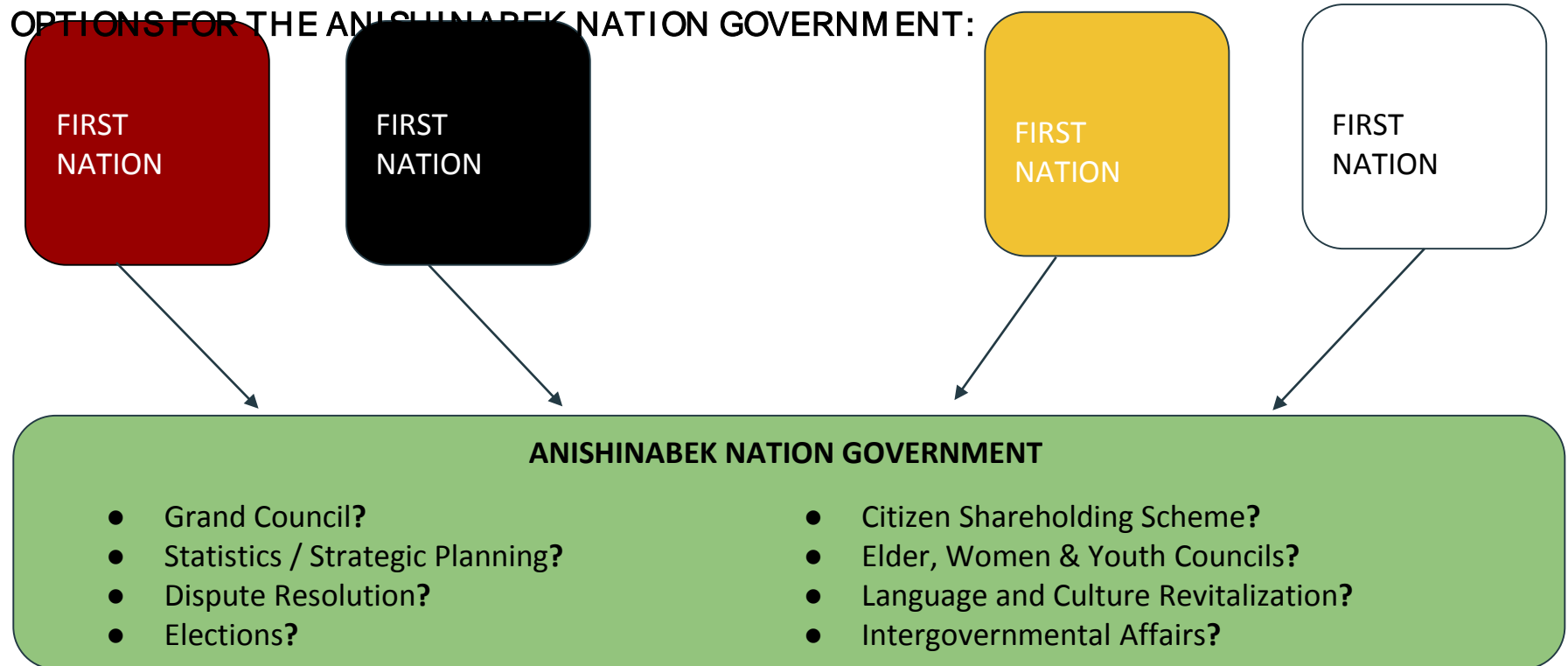
## OPTIONS FOR FIRST NATIONS WITH INCREASED FUNDING:

- Legislative Affairs
- Executive Affairs
- Dispute Resolution
- Input by Citizens
- Policy Analysis
- Legal Services
- Citizenship Register
- Elections Processes
- Financial Management
- Revitalization of Language and Culture
- Intergovernmental Affairs
- Translation Services
- Statistics and Strategic Planning
- Information Management Systems
- Asset Management

# 11. What does the Agreement Make Possible?

## [continued]

OPTIONS FOR THE ANISHINABEK NATION GOVERNMENT:



# 11. What does the Agreement Make Possible?

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