

Collaborative Self-Government Fiscal Policy

Our Gathering 2020

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Presenters:

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Evolution of self-government fiscal policy

**Pre-2015
Fiscal Mandates**

Secret Mandates

- No involvement of Indigenous governments
- Costly and time consuming negotiations
- Lack of transparency
- Often resulted in funding inadequacies/disparities

**2015
Fiscal Approach**

Harmonization

- Transparent funding methodology
- Consistent funding levels
- Developed internally by Canada
- Limited engagement with Indigenous governments
- Seen as driven by Canada's interests

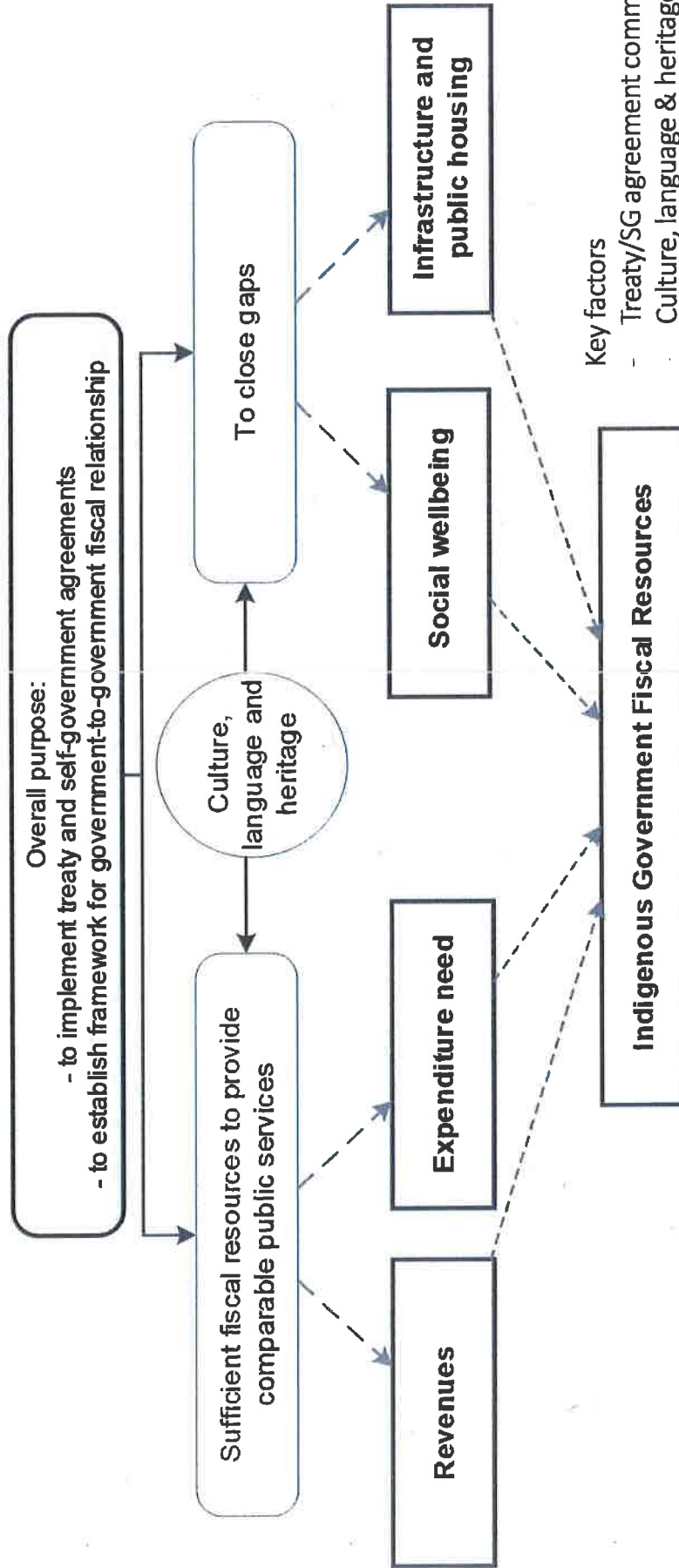
**2016 – Ongoing
Collaborative
Process**

Co-development

- Co-developed with Indigenous governments
- Mandate to discuss big issues
- Consistent, equitable approach
- Received broad-based Indigenous government support
- Focus on expenditure need



New Fiscal Policy Model - Simplified



Key factors

- Treaty/SG agreement commitments
- Culture, language & heritage
- Community circumstances
- Benchmarking & other evidence



Addressing Expenditure Needs

- “Expenditure Need”
 - measure of estimated costs to perform functions or activities based on comparative measures or standards
 - can be estimated using different methods – activity-based costing; benchmarking analysis of other governments
- Expenditure need areas:
 - Governance & Administration – ✓ Completed
 - Treaty Implementation – interim lands and resources approach
 - Infrastructure – life-cycle approach
 - Programs and services
 - Culture, Language & Heritage – principles developed





Collaboration paved the way for key accomplishments

- July 2017 – Moratorium on OSR offsets until new policy co-developed
- December 2017 – Co-developed draft of Collaborative Policy Framework
- Budget 2018 – Pilot funding for closing socio-economic gaps, infrastructure, data collection and governance
- December 2018 – Confirmed support for detailed methods (policy annexes)
- Budget 2019 – Confirmed funding to implement fiscal renewals based on new policy
- Summer 2019 – 24 fiscal renewals completed; policy released by Minister



Key Benefits for Self-Governing Indigenous Governments

- ✓ Ongoing **government-to-government** forum with Canada at senior level (whole-of-government)
- ✓ **Opportunity to co-develop** federal fiscal policy / resolve key issues
- ✓ Clear fiscal road map / **transparent policy** setting out key methods
- ✓ **Sufficient fiscal resources** to take on self-government responsibilities
 - Scoping at BC treaty/SG tables – **governance** = ~\$2.0 to \$3.4 M / year
 - OSR offset deferred until expenditure need work completed
- ✓ **Platform for ongoing evolution** of self-government fiscal policy

