

Engagement Overview: Working together, building a new approach for mutual transparency and accountability between First Nations and the Government of Canada

Table of Contents:

- Preamble
- Purpose and overview of the engagement
- Frequently asked questions
- How to participate and next steps
- Annex A: definitions

Preamble

The Government of Canada is working to renew the nation-to-nation relationship with Indigenous peoples based on recognition of rights, respect, co-operation and partnership.

A number of engagement initiatives with First Nations, Inuit, Métis communities and other Canadians are already planned or underway to achieve this goal. Engaging on the way forward with First Nations on mutual financial transparency and accountability is one of these initiatives.

Accountability and transparency are key tenets of any government – whether federal, provincial, municipal or First Nations. Good governance is vital in ensuring the delivery of the historic investments to Indigenous and Northern communities through Budget 2016. However, this will only truly be achieved by working in full partnership with First Nations leadership, communities and organizations to create a new approach and establish mutual transparency and accountability.

To develop a new nation-to-nation approach, the Government of Canada is seeking the views and ideas of First Nations on how to best create and support mutual transparency and accountability.

Purpose and overview of the engagement

On December 18, 2015, the Minister of Indigenous and Northern Affairs issued a statement (http://news.gc.ca/web/article-en.do?nid=1024739&_ga=1.36701856.1066794629.1422563602) in which she committed to work with First Nations leadership and organizations on the way forward on mutual transparency and accountability.

As a starting point for this engagement, the Government of Canada is inviting First Nations leadership and First Nations community members to participate in engagement sessions and / or complete this online survey (<http://aadnc-aandc.simplesurvey.com/s/TransparenceTransparency?idlang=EN>) to share their perspectives and ideas on mutual transparency and accountability.

Engagement sessions with First Nations are scheduled from coast-to-coast-to-coast this winter. The dialogue and outcomes will be guided by recognition of rights, respect, co-operation and partnership with First Nations.

Frequently asked questions

What is the *First Nations Financial Transparency Act*?

The *First Nations Financial Transparency Act* (FNFTA) came into force March 27, 2013 and requires First Nations to provide audited consolidated financial statements and an audited schedule of remuneration and expenses for Chief and Councillors to their membership, and to publish these documents on a website. The act also provides additional authorities with respect to the application of administrative measures and court remedies for failure to comply with these requirements.

The FNFTA is still in place and First Nations governments continue their long-standing practice of reporting on their financial program performance both to their members and to the department.

Prior to the passing of the *First Nations Financial Transparency Act, 2013*, how did First Nations disclose financial information to INAC and their membership?

First Nations have had a long-standing requirement to provide financial and non-financial information including plans, reports and financial documents to the department and to their memberships. Provisions within funding agreements allow the department to share financial information (specifically the audited consolidated financial statements and other required statements and schedules) with First Nations members when requested.

Have First Nations communities and organizations been calling for measures to demonstrate financial transparency and accountability?

In December 2010, at a Special Chiefs Assembly, the Assembly of First Nations passed Resolution 50 *First Nation Governments Demonstrating Accountability*. The Resolution reaffirmed First Nations' commitment to accountability and transparency and reiterated their primary responsibility to their own First Nations citizens. Furthermore, it sought collaboration with the Government of Canada "in the genuine interest of accountability" and "joint efforts towards the development of specific First Nations governance institutional capacity such as **a First Nations ombudsperson and / or Auditor-General** function as mandated and advanced by the Assembly of First Nations and Chiefs-in-Assembly in 2006." (Assembly of First Nations 2010a).¹

The Government of Canada is committed to engaging in a respectful dialogue with First Nations on Resolution 50 and other ideas that are consistent with a nation-to-nation relationship.

¹ Aboriginal Auditor General, Discussion paper prepared for AANDC Audit Committee June 2011 (https://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ-AEV/STAGING/texte-text/au_aagdp_1367866819175_eng.pdf)

How is the *First Nations Financial Transparency Act, 2013*, currently being enforced?

On December 18, 2015, the Minister of Indigenous and Northern Affairs announced the suspension of Federal Government initiated court actions against First Nations that have not complied with the FNFTA, directed the cessation of other discretionary compliance measures related to the FNFTA, reinstated funding withheld from First Nations under the compliance measures, and committed to a dialogue with First Nations on transparency and accountability more broadly, in order to move forward in a way that respects the nation-to-nation relationship.

How to participate and next steps

The Government of Canada is seeking to engage with First Nations leaders and membership to identify a way forward that is based on recognition of rights, respect, co-operation and partnership. Engagement sessions will be held across the country with First Nations leadership and organizations.

Please take some time now to respond to the online survey (<http://aadnc-aandc.simplesurvey.com/s/TransparenceTransparency?idlang=EN>) and share your thoughts on transparency and accountability. The survey should take about 10 to 15 minutes to complete but may take longer if you want to provide more feedback.

If you are not able to respond to the survey online or would prefer to complete a paper copy, or if you would like to share a general comment, you can contact us in one of the following ways:

- by email to AADNC.commentairestransparence-transparencycomments.AANDC@canada.ca
- by mail to:
Mutual Transparency and Accountability Engagement
Indigenous and Northern Affairs Canada
10 rue Wellington, North Tower
Gatineau, Quebec, K1A 0H4
- by phone: 1-844-882-3764

All contributions received through this engagement will be carefully considered. Your input will be used to inform options for consideration and decision, in collaboration with First Nations leadership and members. Results of this engagement will be shared publicly (no identifying information will be shared publicly).

Please visit INAC's engagement web page (www.aandc.gc.ca/transparency) regularly for updates, further details on planned engagement activities and to find other key documents on the *First Nations Financial Transparency Act* and its implementation to date.

Annex A: definitions

Accountability: Accountability is a duty to demonstrate, review and take responsibility for performance results.

Consolidated financial statements: The financial statements of a First Nation — prepared according to generally accepted accounting principles — in which the assets, liabilities, equity, income, expenses and cash flows of the First Nation and related entities are presented as those of a single economic entity or government, reporting on its financial information.

First Nations Auditor General: An auditor general helps to hold a government accountable for the use of public funds. A First Nations Auditor General would primarily support accountability between First Nations and their citizens.

Ombudsperson / Ombudsman: usually appointed by the government to assist with the fair and expeditious resolution of complaints in an impartial, confidential and independent manner. Services are free of charge and the Ombudsperson / Ombudsman is not a representative of the person raising the complaint or the organization being complained about.

Publish: Publishing documents, or causing those documents to be published on an Internet site.

Remuneration: Any salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary benefits — other than the reimbursement of expenses — and non-monetary benefits.

Transparency: Making sure that relevant information is reported reliably and clearly, and is on time and accessible.

Value-for-money: A fair return on an investment.

A Survey on Mutual Transparency, Accountability and a Way Forward

Your feedback

Welcome and thank you for taking the time to participate in this important engagement process on mutual financial transparency and accountability.

In the spirit of a nation-to-nation relationship, the Government of Canada wants to hear your views and ideas on how to best create and support mutual transparency and accountability. Specifically, we would like to hear your opinions on the transparency and accountability relationship First Nations governments have with their membership and with the Federal Government. We would also like to explore ways in which the Federal Government can improve its transparency and accountability to First Nations and to all Canadians. Your contributions will provide the foundation for future work with First Nations partners on the way forward on this important issue and all options will be considered.

The survey should take about 10 to 15 minutes to complete but may take longer if you want to provide more feedback. Completing this survey will not impact the current relationship or services you access through the Federal Government or your First Nation community. If you are completing this survey online, you can stop at any time, return later and complete the survey. All sections and questions are optional.

Please visit the engagement web page (www.aandc.gc.ca/transparency) regularly for updates, other ways to participate in this engagement, upcoming planned activities and the final results of this survey.

Collection and Use of Information

The information you provide while participating in this online engagement is collected for the purpose of the engagement process on First Nations transparency and accountability. You are solely responsible for the content of your comments.

This survey is intended to be anonymous. Please do not provide your name or any identifying or confidential information. If any personal information is inadvertently provided, it will not be collected or used.

This section is about transparency

Transparency is making sure that relevant information is reported reliably and clearly, and is on time and accessible.

1. To what extent do you agree or disagree that financial transparency should include the following principles?

- a) First Nations members should have access to information on federal funding decisions affecting them, such as funding levels and level of service expectations.**

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

- b) First Nations members should have access to their First Nation's financial information, including First Nation-owned businesses.**

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

- c) The Canadian public should have access to First Nations' financial information, including First Nation-owned businesses.**

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

- d) The Canadian public should have access to information on federal funding in First Nations communities, excluding First Nation-owned businesses.**

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

2. Please share any other thoughts and ideas on the principles of financial transparency.

3. Please share your thoughts on how the federal government can be more transparent in its relationship with First Nations, specifically as it relates to financial matters (funding agreements, determination of funding levels, etc.).

This section is about accountability

Accountability is a duty to demonstrate, review and take responsibility for performance results.

4. Which of the following are First Nations governments more accountable to:

- a) The federal government
- b) Their own First Nations community members
- c) Equally to the federal government and their own First Nations community members

5. Please share your thoughts and ideas on the accountability of First Nations governments.

6. Please share your thoughts on how the federal government can meet its accountability requirements on spending in a way that respects the nation-to-nation relationship:

- a. To First Nations

- b. To all Canadians

This section is about accountability and transparency in action

- 7. First Nations should be able to follow their own standards on how they share financial information with their membership.**

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

Please share any other thoughts and ideas on this issue.

- 8. When reporting to the federal government, the same financial reporting standards should apply to all First Nations regardless of size and complexity of operations (for example, large First Nation with multiple revenue streams and a complex governance structure, compared to a small First Nation with minimal revenues, limited economic development, and a simple governance structure).**

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

Please share any other thoughts and ideas on this issue.

- 9. Do you think the federal government could make financial reporting for First Nations more streamlined and efficient?**

Yes

No

If yes, what steps do you think the federal government could take?

10. To what extent do you agree or disagree that the creation of an independent body (for example, First Nations ombudsperson or Auditor General) is an option that should be explored to do the following:

a) audit all First Nations governments

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

b) report publicly on questions of value-for-money

Value-for-money: A fair return on an investment.

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

c) make recommendations to support transparency and accountability

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

d) make sure the federal government is accountable to First Nations communities on financial matters

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

Please share any other thoughts and ideas on this issue.

11. To what extent do you agree or disagree that an independent body (e.g. First Nations ombudsperson or Auditor General) is needed to have:

a) consistency in financial reporting to First Nations membership

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

b) an appeal mechanism for First Nations members when they are having difficulty accessing financial information from their First Nation

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

c) the federal government be accountable to First Nations communities on financial matters

Strongly agree, Agree, Disagree, Strongly Disagree, Don't know/Prefer not to answer

Please share any other thoughts and ideas on this issue.

Anything else?

12. Please share any other thoughts and advice you may have on the best way to achieve mutual transparency and accountability.

Section 2: About you

13. Have you accessed First Nation financial information in the last two years?

- Yes
- No

a. If you answered yes above, please indicate how you accessed First Nation financial information:

- Through the First Nation (in person, by mail, email or First Nation website); or
- Through the Indigenous and Northern Affairs website

Please share additional feedback on the usefulness of the information.

14. Which of the following describes you best?

- First Nation member living on-reserve
- First Nation member living off-reserve
- Other
- I prefer not to say

15. How old are you?

- Under 18
- 18 to 34
- 35 to 44
- 45 to 54
- 55 to 64
- 65 or older
- I prefer not to say

16. Are you?

- Male
- Female
- _____(Please tell me how you identify)
- I prefer not to say

17. In what province or territory do you live?

- Alberta
- British Columbia
- Manitoba
- New Brunswick
- Newfoundland and Labrador
- Northwest Territories
- Nova Scotia
- Nunavut
- Ontario
- Prince Edward Island
- Quebec
- Saskatchewan
- Yukon

Thank you for your participation. Your feedback will help to shape the way forward on transparency and accountability that serves the needs of First Nations communities from coast-to-coast-to-coast and that is based on recognition of rights, respect, co-operation and partnership.

Please visit the engagement web page (www.aandc.gc.ca/transparency) regularly for updates, other ways to participate in this engagement, upcoming planned activities and the final results of this survey.