

Bill C-20 Moves to Senate

The *First Nations Fiscal and Statistical Management Act* (Bill C-20) is one step closer to becoming law as the legislation is now before the Senate. On December 10, 2004, with the support of all parties in the House of Commons, Bill C-20 moved quickly through Second and Third Reading stages in that Chamber. The vote on the motion (that Bill C-20 be read a third time and passed) was unanimous. Bill C-20 was referred to the Senate later that day.

For the past 10 years, First Nations have been leading an initiative to establish four First Nation institutions. They include: a finance authority, a tax commission, a financial management board and a statistical institute. The Bill is designed to assist First Nations in improving the investment climate on-reserve and promoting economic growth, while safeguarding Aboriginal rights and title.

Indian Taxation Advisory Board (ITAB) Chairman, Chief Strater Crowfoot, said "Bill C-20 is about choices. Right now, First Nations have the *Indian Act*. We have to wait our turn for infrastructure dollars. Bill C-20 gives First Nations the ability to do things for themselves. To me, and to many other First Nations, the status quo is simply not good enough. We cannot wait."

What's Next?

Bill C-20, which was read a first time in the Senate before the Christmas break, is now up for Second Reading debate in the Senate. All First Nations have an option to have their community added to the Bill C-20 schedule and access the full range of services provided by the institutions.

Any First Nation wishing to do so must make a request by sending a Band Council Resolution to the Minister of Indian Affairs. The BCR would request the name of their First Nation be added to the schedule attached to Bill C-20.

What they said in the House of Commons

- The Hon. Sue Barnes (LIB) called Bill C-20 "vitaly important" and a "balanced approach to long term financial health for First Nations" from which "all Canadians stand to benefit."
- Jim Prentice (CPC) said he went through the legislation in a detailed way and found it to be "well thought out, well crafted, and meticulously drafted." He added: "When we talk about Aboriginal Canadians standing up and taking responsibility for their own affairs, this legislation shows that it is exactly what is happening."
- André Bellevance (BQ) called Bill C-20 a step along the road toward greater economic autonomy for First Nations and noted that is why the Bloc Québécois are in favour of the legislation.
- Nathan Cullen (NDP) called Bill C-20 "innovative", "progressive" and "a very important piece of legislation."

Creating Investment and Economic Growth

Historically, First Nations have not been able to generate wealth or sustain prosperity in their communities as easily as other local governments in Canada. This disparity is significant: massive unemployment, poverty, housing shortages and an unequal sharing of wealth and opportunities for economic growth.

Non-aboriginal communities are much more successful in attracting a high level of investment relative to what they pay for infrastructure. Because other governments have access to financing options presently unavailable to First Nations, they can finance development in their communities for less money over longer periods of time.



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This means other governments can improve their infrastructure cheaply and easily, which then leads to increased investment from the private sector, thereby allowing the community to generate wealth and increase employment.



First Nations infrastructure on-reserve.

For First Nations, the picture is very different. Due to the lack of financing options, First Nations pay as much as three times more than non-aboriginal communities for infrastructure improvements, and the terms of the loans are short with high levels of interest incurred.

Many on-reserve capital infrastructure projects fail as a result of these factors, and this has debilitating impacts on the level of investment that can be attracted on-reserve.

Bill C-20 will change this situation. Bill C-20 will provide First Nations with the option to finance their infrastructure improvements on the same terms as the rest of Canada – loans can be provided at lower rates and for longer terms. This will dramatically improve the success rate of infrastructure projects, and will provide a better return on the money First Nations invest in their communities.

Bill C-20 will also provide increased support for First Nations through a variety of financial management and statistical services, which will assist First Nations in improving their overall capacity and allowing them to plan for the future.

Bill C-20: Parliamentary History

House of Commons

November 2, 2004	<ul style="list-style-type: none"> • Introduction and First Reading
November 19, 2004	<ul style="list-style-type: none"> • Second Reading and Referral to a Committee
December 7-9, 2004	<ul style="list-style-type: none"> • Committee
December 10, 2004	<ul style="list-style-type: none"> • Report
December 10, 2004	<ul style="list-style-type: none"> • Third Reading

Senate

December 14, 2004	<ul style="list-style-type: none"> • First Reading
On Notice for February 2005	<ul style="list-style-type: none"> • Second Reading
	<ul style="list-style-type: none"> • Third Reading
	<ul style="list-style-type: none"> • Royal Assent

Institutions Created Under Bill C-20

First Nations Tax Commission (FNTC) - once established through legislation - will build upon the current work of the Indian Taxation Advisory Board, including its mandate for the development and regulation of the First Nations property tax system.

First Nations Finance Authority (FNFA) - will provide First Nations with access to public debt financing at competitive rates for longer periods.

First Nations Financial Management Board (FMB) - will support First Nations in areas respecting financial management, provide services to other institutions, and offer services to First Nations relating to capacity development, standards, best practices, and oversight.

First Nations Statistical Institute (FNSI) - will be an objective center of statistical expertise for First Nations communities, providing a number of services that will produce higher quality information and establish greater usage of First Nations statistics, thereby facilitating community planning and economic growth.

Contact Information

First Nations Fiscal Institutions
 Web: www.fnfi.ca
 Toll Free: 1-866-295-FNFI (3634)