

The Accord Review and Renewal Council Financial Advice Framework: Highlights

Context

The *Alberta-Metis Settlements General Council Transition Assessment and Planning (TAP) Project Stage 2 Goals and Guidelines Agreement* was signed on July 27, 2005. It established the Accord Review and Renewal Council (ARRC) and set out its mandate to address the issues identified in the Stage 1 TAP Report and to develop a funding framework for the Metis Settlements for the post 2007 era.

ARRC is chaired by Alden Armstrong, President of the Metis Settlements General Council. Each Metis Settlement appointed a representative to ARRC and two of the original signatories of the *Alberta-Metis Settlements Accord* (Walter Anderson and Harry Supernault) completed the ARRC membership.

ARRC engaged experts in economics and governance to help develop a new framework. It also initiated a community outreach program to educate Settlement members and other stakeholders about its mandate and to solicit feedback on the emerging framework.

The ARRC Financial Advice Package for 2007 – 2022 was submitted to the Honourable Pearl Calahasen, Minister of Aboriginal Affairs and Northern Development on March 1, 2006. The ARRC Chairman was informed on May 18, 2006 that the Standing Policy Committee on Health and Community Living would entertain ARRC's submission on May 29, 2006.

ARRC presented its framework document to SPC and is currently attending to follow-up matters.

Principles

Less government – local and central governments that cost less and are more effective by focusing governance functions on policy development and providing separate mechanisms to better develop opportunities.

More economic development – a framework of funding, training, and access to effective business support mechanisms and capital that enables Settlement members to fully participate in growing regional economies.

Less economic disparity – a stable mechanism for pooling and sharing revenues that will ensure that no Settlement whose Council and members do all that can be expected, will be left behind in community services.

More sustainable housing – a call for a joint review of housing to examine land as a security mechanism and sustainable public housing frameworks that will enable Settlement members to pay for their own houses or to obtain public housing in a fair and sustainable manner.

Strategy

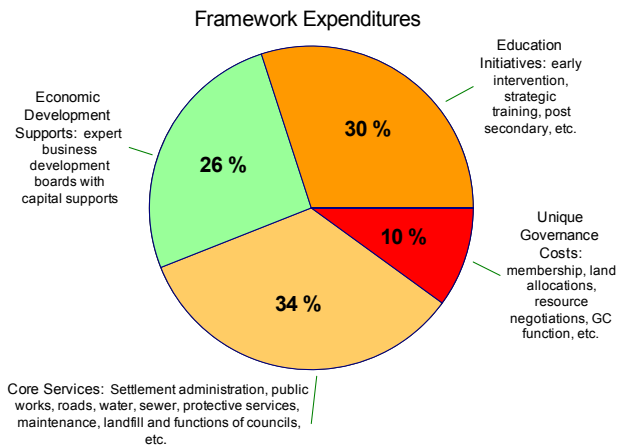
ARRC built its framework on the overriding assumption that Alberta and the Metis Settlements had, and continue to have, a deal to work together on land security, local autonomy and self-reliance. As such, ARRC's strategy is intended to address existing needs and future growth.

In assessing current needs, ARRC noted that previous studies identified serious gaps between Accord funding and the needs of Settlement members. ARRC also noted that Accord funding was never adjusted to meet these needs as required under the *Metis Settlements Implementation Act* and further noted that had Accord funding been adjusted simply for inflation, the Settlements would have received at least another \$90 million during the implementation period.

The ARRC strategy recognizes that the work of "catching up" is not complete, and this deficit affects future planning. However, in keeping with its mandate, ARRC looked ahead to the future and developed a template for growth based on streamlined governance, capacity building, sustainability, and enhanced accountability to members.

Over the 10 to 15 years, ARRC envisions a shift in funding towards independent authorities—such as the Metis Settlements Sooniyaw Corporation for economic development and the Settlement Investment Corporation, which is the Settlements' lending institution—to promote effective business development. To truly build sustainable communities, the ARRC plan calls for investments in people through education and training programs. Indeed, building capacities is a critical focus and fifty-six percent¹ of the framework's expenditures are allocated to education and economic development.

¹ Note: this does not include expenditures for housing, for which a special task force is being established.



Metis governance systems and core services will be realigned over time to comparable benchmarks based on the principles of

- using Settlement and other rural/Aboriginal best practices as a starting point;
- identifying appropriate program and services delivery targets to determine outputs and adjust costs;
- enabling core services to be paid out of industrial taxes, government programs, local levies, user fees, etc.; and
- ensuring Settlements maintain access to all Alberta municipal programs and services.

Consideration will be given to developing a Settlement Futures Foundation to carry on the work of the Accord on the capacity development side—enabling all Settlement members to fully participate in the Alberta economy—based on contributions from Future Fund income, Alberta, Canada and industry to create a targeted and monitored development platform.

Accountability is critical. Settlement agencies will be monitored based on joint targets and measurements including key socio-economic indicators used by Alberta to gauge community well-being and viability.

A Joint task force on housing will be struck to determine on a going forward basis

- how housing can be run on a self-sustaining basis; and
- the framework of Independent Housing Authorities (possibly combined for efficiency) that will reduce overhead costs and minimize political interference.

Summary

Accountability to members and their partners; sustainability through business development and training; and effective governance through streamlined decision-making processes define ARRC’s business case for continued partnership with Alberta. ARRC acknowledges that tremendous progress made since the signing of the Accord, but also acknowledges that more work needs to be done to finish the work of building sustainable, self-governing, Metis communities.

The Stage 1 TAP Report said it is time to invest in Settlement members. The ARRC Framework sets out the following blueprint for that investment.

Option #1: Comprehensive Package

Adjustment for needs.	(\$TBD)
Education and Training	\$6.0M/yr x 10 yrs.
Business Services	\$1.16M/yr x 10 yrs.
Access to Capital	\$30M (one time)
Settlement Governance	\$6.5 M / yr. (declining)
Central Governance	\$2.0 M / yr.
Housing task force	(\$TBD)

Option #2: Core Governance Option

- Approximately \$13.9 million per year for next 10 years to offset core governance needs.
- Education and economic development agreements to be negotiated.

Option #3: Three-Year Funding Option

- Continuation of current funding arrangements (approximately \$14 million per year) for 3 years to provide time to complete planning and integrate arrangements into departmental business plans.

Once agreement in principle to the ARRC framework is established, specific implementation issues can be worked out through *conferences and negotiations*.