# "A Foundation For Our Future Generations"







## MOVING FORWARD: THE MAA-NULTH FINAL AGREEMENT



On December 9th, 2006, Maa-nulth First Nation members young and old gathered in Victoria to watch our leaders initial a landmark agreement with the governments of Canada and British Columbia.

As we all know, getting to the initialling stage was a difficult journey, requiring the dedicated efforts of our leaders and negotiators over many years. It is now up to us as members to decide whether to accept the Maa-nulth Final Agreement.\*

Nothing is final without membership approval. If Maa-nulth First Nations members accept the Final Agreement, it will then:

- become a binding treaty,
- end the longstanding Indian Act and federal government rules that have dictated our lives for over 100 years,
- · restore our right to govern ourselves, and
- modify Aboriginal rights into treaty rights that will continue to be protected by section 35(1) of the Constitution of Canada

This short document highlights the Final Agreement's key provisions. For reasons having to do with varying populations and locations of our individual communities, the land and financial components of the Final Agreement vary from nation to nation. As a result, in addition to this publication, members of each Maa-nulth First Nation will receive more information specific to their own Nation during the ratification process.

This document and the other information that will follow will assist Maa-nulth First Nation members to learn about the Final Agreement and will allow each of us to make informed decisions regarding acceptance of the Final Agreement.

A vote on the Final Agreement will be held later this year. It is the goal of the Maa-nulth negotiating team and leadership to ensure that all questions raised by Maa-nulth members with respect to the Final Agreement are answered before votes are cast.

<sup>\*</sup>The Maa-nulth Final Agreement, once approved by all Parties will become the "Maa-nulth Treaty", for the sake of consistency, this document generally uses the term "Final Agreement".

As part of that commitment, public information sessions will be held in our communities and other suitable locations over the coming weeks and months in order that Maa-nulth leaders and negotiators can be present to explain to us the agreement's provisions and to answer our questions.

"I always had the hope that I'd still be here when [we achieved a treaty], it means so much for me as an elder but even more for the future generations."

- Barbara Touchie, Ucluelet Elder, at the initialling of the Maa-nulth Final Agreement

For those readers who want to delve deeper into the terms of the Final Agreement, copies are available at Maa-nulth First Nation offices or can be accessed on the internet at the following sites:

- Maa-nulth website: www.maanulth.ca, and
- BC Government website: www.gov.bc.ca/arr/firstnation/maa\_nulth/default.html

In addition to the agreement itself, the web-based information also includes shorter written pieces on key areas of the treaty such as lands, fisheries, finances, natural resources, governance and taxation. The BC website also includes a short video of the Initialling Ceremony, which took place on December 9, 2006.

The Final Agreement is, by necessity, very detailed and legal in nature, but it is there for any of us should we wish to deepen our understanding. It also is a living, breathing document and must stand the test of time. If it is ratified, the agreement will be reviewed by Maa-nulth, federal and provincial government leaders every 15 years to make sure we reach the goals as set out in the Treaty.

Here, then, is an overview of the major components of the Final Agreement, including:

- Constitutional Protection and Legal Certainty
- Lands
- Natural Resources
- Culture and Heritage
- Governance
- Financial Benefits and Economic Opportunities



## CONSTITUTIONAL PROTECTION AND LEGAL CERTAINTY



The Constitution is the highest law in Canada. Section 35 of the Constitution protects our Aboriginal and treaty rights but does not define what those rights are. This means there remains 'uncertainty' about the extent and content of our rights, and where those rights can be exercised. Up until now, we and other Aboriginal people have usually relied on court decisions to define Aboriginal rights and settle these complex issues. The Maa-nulth First Nations chose to negotiate these issues in the Final Agreement.

In this agreement, we negotiated new arrangements to provide certainty for our Nations about governance, ownership and use of lands and resources. In other words, we defined all of the section 35 rights that Maa-nulth First Nations can exercise after the treaty comes to life. The Final Agreement will be the complete and final settlement of Maa-nulth claims to Aboriginal rights and title. If



accepted, the Aboriginal rights of Maa-nulth First Nations will be modified into treaty rights, and will always be protected by section 35 of the Constitution of Canada.

An Aboriginal right to commercial fish is an exception because that issue is still before the courts. For that reason, a separate side agreement has been negotiated to make sure that Maa-nulth First Nations can benefit if the Supreme Court of Canada eventually rules that Nuuchah-nulth First Nations do have an Aboriginal right to commercial fish.

The Maa-nulth Final Agreement is an agreement between the Maa-nulth First Nations, Canada and British Columbia and it is not our intention to affect the rights of other Aboriginal people. Nothing in the agreement will affect the rights of any other Aboriginal people. The agreement also states that in the future, if a court rules that this agreement negatively affects the Aboriginal rights of other First Nations, then Maa-nulth, Canada and BC will make their best efforts to make changes to the Final Agreement to fix the problem.



For generations, our First Nations have been held back in our efforts to improve social and economic conditions for our communities because we lack control over adequate areas of land and natural resources.

Should a majority of Maa-nulth First Nation members vote in favour of the Treaty, that situation will be reversed.

The agreement will see the Indian Reserve lands of each Maa-nulth First Nation turned into treaty settlement lands that will be fee-simple lands and expanded many times over. Each First Nation will have direct control over their "treaty settlement lands", and will be able to use their lands in whatever way their Nations and their governments determine.

This is important because it changes the legal basis of our land ownership. Currently, the ultimate authority over what happens on Reserve lands is held by Indian Affairs.

Maa-nulth First Nations will have the option to register treaty settlement lands in the Provincial Land Title Office. This would permit our First Nation governments or individuals to borrow money and use the land as security, which in turn will help us generate wealth and attract investors.

In addition to the lands that will become treaty settlement lands, the Final Agreement explicitly recognizes that Maa-nulth will continue to play a role and have interests in lands and land-use decisions on lands outside of the designated treaty settlement lands that fall within the traditional territories of Maa-nulth First Nations.

The treaty lands and resources available under the Final Agreement are almost 12 times greater in size than the total amount of existing Indian Reserves. Equally important, we will not face the onerous bureaucratic hurdles to social and economic development that we did under the Indian Act system, a system that required federal government approvals in order for us to proceed with any developments on Reserve lands. Under the



Indian Act system, much-needed improvements in Maa-nulth communities often failed to come about. This burdensome approval process will be rendered a thing of the past if the majority of members vote in favour of the treaty.

"The Maa-nulth Treaty will allow us to operate on a level that we could not otherwise attain under the Indian Act and we will soon be the one of the largest land owners in the lucrative Pacific Rim region of Vancouver Island"

- Vi Mundy, Chief Councillor, Ucluelet First Nation

The treaty settlement land package breaks down as follows:

First Nation	Former Indian Reserves	Additional Lands	Total Treaty Settlement Lands
Huu-ay-aht	1,077 hectares	7,181 hectares	8,258 hectares
Ka:'yu:'k't'h'/Che:k'tles7et'h'	379 hectares	5,920 hectares	6,299 hectares
Toquaht	196 hectares	1,293 hectares	1,489 hectares
Uchucklesaht	233 hectares	2,834 hectares	3,067 hectares
Ucluelet	199 hectares	5,147 hectares	5,346 hectares
TOTAL	2,084 hectares	22,375 hectares	24,459 hectares

After the Effective Date of the Treaty, Maa-nulth First Nations will always have the opportunity to expand our treaty land base. Under the agreement, "pre-approved" parcels of lands are identified for each First Nation. Those lands, if purchased within a 15-year period, can automatically be rolled into the treaty settlement lands of that First Nation. In addition, Maanulth First Nations may seek the consent of Canada and BC to have other lands they purchase also added to their treaty settlement lands.

The approximate areas of pre-approved lands for each First Nation are as follows:

First Nation	Approximate area of pre-approved lands for potential purchase	
Huu-ay-aht First Nations	2278 hectares	
Ka:'yu:'k't'h'/Che:k'tles7et'h'	252 hectares	
Toquaht Nation	721 hectares	
Uchucklesaht	448 hectares	
Ucluelet	216 hectares	
TOTAL	3,933 hectares	

Under the Final Agreement, individual Maa-nulth First Nations achieve broad control over treaty settlement lands and the resources on them. Under the current system, Indian Reserve Lands are owned by "Her Majesty the Queen in Right of Canada for the use and benefit of" each of the Maa-nulth Indian Bands. The authority for those lands lies with the Minister of Indian Affairs under the Indian Act.

The "fee simple" ownership that will be held by Maa-nulth First Nations post-treaty, will be much more extensive than ordinary land owners and municipalities, and in many situations more than federal and provincial governments. In addition to the fee-simple ownership held by other land owners, Maa-nulth will have additional rights to, and powers over, treaty settlement lands that include ownership of subsurface resources, jurisdiction and control over lands and resources (law-making authorities), and constitutional protection against expropriation.

# NATURAL RESOURCES

"For several generations, we have been denied access to natural resources on our traditional lands. In many cases, we also sat on the sidelines while outside interests benefited. This agreement goes a long way to turning that situation around."

- Chief Councillor Robert Dennis, Huu-ay-aht First Nation

Under the Final Agreement, our rights to natural resources on treaty settlement lands, including activities such as harvest, protection and enhancement, are recognized and affirmed. Similar rights also extend in federal and provincial parks as well as offshore into Domestic Fishing Areas that are also outlined in the Final Agreement.

These rights include the gathering of resources for both traditional and commercial purposes. For example, Maa-nulth First Nations may limit where logging activities can occur in order that we may continue our important work of restoring lands and waterways damaged by previous resource-extraction activities. This will ultimately improve prospects for healthier, more abundant salmon fisheries.

Maa-nulth First Nations will also be able to appoint members to participate in a number of planning and management activities along with representatives from other levels of government, for example in the areas of wildlife management, forest harvesting and fisheries planning.





#### **Fisheries**

Our communities will continue to restore river systems previously damaged by land-use activities such as logging and to replenish fish stocks through targeted hatchery operations, so that resident salmon runs can re-build.

Fisheries have been central to the health and well-being of our communities for countless generations. However, fisheries resources are not limitless, a fact that has become clearer in recent decades. The treaty recognizes our constitutionally protected rights to harvest fish for food, social and ceremonial (FSC) purposes, and will provide Maa-nulth First Nations a much higher level of certainty around rights of commercial access to the fishery for our Nations than was previously the case.



Domestic Fisheries: Food, Social and Ceremonial Salmon (Sockeye, Chinook, Chum, Coho, and Pinks)

The Final Agreement provides Maa-nulth First Nations allocations to catch ocean and terminal salmon for domestic purposes on the following runs: Somass, Henderson, Fraser, Jensen Lake and Power Lake. Our fishing must take place within an area known as the Maa-nulth Domestic Fishing Area.

There are formulas to determine how many fish from each run can be harvested. Generally, the formulas are based both on the number of salmon expected to return and the overall number of Maa-nulth members.

The following salmon species will be available for domestic purposes:

- Ocean Chinook: an abundance based formula of 1,875 pieces plus 1.78 of the
   Ocean Chinook Canadian Total Allowable Catch,
- Ocean Coho: 7,000 pieces,
- Pink: 7,250 pieces (over two years),
- Somass sockeye: an abundance based formula of up to 22,886 pieces based on a percentage of the Somass Canadian Total Allowable Catch,
- Henderson sockeye: an abundance based formula capped at 17,055 pieces based on a percentage of the Henderson Total Allowable Catch,
- Fraser River sockeye: an abundance-based formula of 0.13366 per cent of Fraser River Sockeye Canadian Total Allowable Catch,
- Terminal chinook, chum, and coho, and
- Jensen Lake and Power Lake: sockeye opportunities based on assessments of runs.

#### Fisheries other than salmon

The Final Agreement also identifies allocations for fisheries other than salmon that will be available for us to harvest.

Under the treaty, Maa-nulth First Nations will be allocated:



- Herring: 90 short tons each year,
- Halibut: 26,000 pounds plus 0.39 per cent of the Canadian Total Allowable Catch.
- Rockfish: 11,250 pounds, plus 2.46 per cent of the West Coast of Vancouver Island ZN Commercial Total Allowable Catch of yelloweye, quillback, copper, china and tiger rockfish (roughly 22,700 pounds per year combined),
- · Groundfish: 13,000 pounds,
- Sablefish: an abundance based formula of .082 per cent of the Sablefish Canadian Total Allowable Catch (roughly 7,000 pounds per year), and
- The allowable catch from specified inter-tidal bivalve beaches, subject to existing interests on those beaches.

#### Commercial Fisheries

"We have the funds now to purchase commercial fishing licences should they become available. On the other hand, if things get tough and the federal Fisheries Minister is forced to cut back on the number of licences, we will be compensated."

- Tom (Mexsis) Happynook, Huu-ay-aht Chief Treaty Negotiator

Commercial fishing licenses will be issued to Maa-nulth First Nations through the Maa-nulth Harvest Agreement, an agreement that is separate from the Final Agreement and not constitutionally protected.

If the federal fisheries minister terminates or reduces the number of Maa-nulth commercial fishing licences provided for in the Harvest Agreement, then compensation will be provided to our Nations.



The maximum number of licences that can be compensated under the Harvest Agreement are:

- Salmon: eight Area D Gillnet and Area G Troll licences in the at-sea salmon fishery,
- Terminal Salmon: one Area D Gillnet licence in the terminal Henderson
   Lake sockeye fishery, comparable to 20 percent of the terminal commercial
   Total Allowable Catch of Henderson Lake sockeye and 25 percent of
   the terminal commercial Total Allowable Catch of Jensen Lake sockeye,
- Halibut: one licence comparable to .35 per cent of the Canadian commercial
   Total Allowable Catch,
- Rockfish: one licence.
- Crab: one Area E licence
- Roe Herring: four gillnet licences, and
- Sablefish: 0.34 per cent of the sablefish commercial Total Allowable Catch.

All Maa-nulth First Nation commercial fishing licences will be fished under the same conditions, rules and laws as for others in the general commercial fishery.

The Harvest Agreement also makes \$4.15 million available to Maa-nulth First Nations exclusively to purchase additional commercial fishing licenses. In addition, the Final Agreement provides other significant amounts of unrestricted funds that can be used by each First Nation for their own purposes. This means that Maa-nulth First Nations can choose which economic development opportunities to invest in, such as purchasing additional commercial fishing licenses.

#### Forest Resources

"Control over natural resources on Maa-nulth lands is integral to any sound economic plans. We need to know with assurance that we control our lands and the resources on them."

- Toquaht Ha-wilth Deets'keesip (Bert Mack)



With the exception of fisheries, forest resources are among the most important natural resources to our members. Under the Final Agreement, Maa-nulth First Nations will own all forest and range resources on treaty settlement lands. This ensures that we control the management and harvesting of trees and non-timber forest resources both for traditional purposes as well as for housing and economic enterprises. It also provides us with a powerful tool should we decide to enter into forestry-related businesses on our own or in partnership with outside interests. Such opportunities may be further enhanced through Maa-nulth First Nations obtaining community forest licences on Crown lands, which would be in addition to our treaty settlement lands. Finally, control of forest resources ensures that Maa-nulth First Nations are better able to protect vitally important salmon rivers and streams.

In addition to Maa-nulth First Nations' control of forest resources on treaty settlement lands, the Final Agreement clearly identifies the importance that Maa-nulth First Nations attach to cedar and cypress trees. Agreements negotiated outside the treaty provide each Maa-nulth First Nation with the opportunity to harvest monumental cedar and cypress trees (those trees 250 years or older) for cultural purposes on provincial Crown land within our traditional territories. This includes the Power River Watershed and T'iitsk'in Paawats (Thunderbird's Nest), both of which will become provincial protected areas under the treaty.

#### Federal and Provincial Parks

Where national parks and national marine conservation areas are wholly or partly within our traditional territories, Maa-nulth First Nations retain rights within the Park boundaries to conduct activities such as: harvesting plants for food, social and ceremonial purposes; gathering plants or timber resources for medicinal, ceremonial or artistic purposes; trapping of fur-bearing animals, and the hunting of birds and mammals for food, social and ceremonial purposes.

In the event that provincial parks or protected areas lie partly or entirely within Maa-nulth treaty settlement lands, our rights to harvest plants or the bark from trees continue. In both federal and provincial parks, these rights are limited only by measures necessary for conservation and public health and safety.

Also in the case of both federal and provincial parks and protected areas, Maa-nulth First Nations can enter into agreements with Canada or BC regarding management and planning of the parks.

"It took years to get here. We take our responsibility to comanage Provincial Parks seriously. This Treaty and our Provincial Parks side agreement give us that certainty."

- Peter Hanson, Ka:'yu:'k't'h'/Che:k'tles7et'h' Treaty Manager

#### Subsurface Resources

Maa-nulth First Nations will own the subsurface resources beneath treaty settlement lands. As owner of the subsurface resources, Maa-nulth First Nations have the authority to set fees, royalties and other charges for exploration, development or extraction and production of those resources. First Nations can choose for example to directly exploit resources such as gravel deposits or, should they wish, to call for bids from companies interested in doing so.

#### Water

Water, always a vitally important resource, is also recognized for its importance to Maa-nulth First Nations. Under the Final Agreement, the provincial government will establish water reservations for each Maa-nulth First Nation.

Water reservations will be as follows:

- 75,000 cubic decameters per year to the Huu-ay-aht First Nations,
- 50,000 cubic decameters per year to the Ka:'yu:'k't'h'/ Che:k'tles7et'h' First Nations.
- 15,000 cubic decameters per year to the Toquaht Nation,
- 50,000 cubic decameters per year to the Uchucklesaht Tribe, and
- 57,000 cubic decameters per year to the Ucluelet First Nation.

These numbers take on greater significance when the City of Port Alberni is used as a basis of comparison. Port Alberni, with a population of roughly 20,000 people, uses approximately 5,600 decameters of water per year.

Maa-nulth First Nation water allocations may be put to a host of uses including for domestic, agricultural and industrial purposes.

The Final Agreement also assigns further water resources to Maa-nulth First Nations in order that we may assess their suitability for hydropower generation. For such purposes, the following rivers and streams are identified for Maa-nulth First Nations:

- Huu-ay-aht First Nations: Sarita River,
- Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations: vvvvv River,
- Toquaht Nation: Draw Creek,
- Uchucklesaht Tribe: Handy and Uchuck Creeks, and
- Ucluelet First Nation: Nahmint River.

Our Nations will then have between two and five years to determine whether hydropower projects are feasible and whether or not they wish to pursue them.

If the federal or provincial governments decide at some future date to approve water exports from British Columbia, the agreement provides that Maanulth First Nations will be able to avail themselves of this opportunity too.



#### Wildlife and Migratory Birds

As with forest resources, Canada and British Columbia recognize our rights to harvest wildlife and migratory birds for food, social and ceremonial purposes. This right applies to Maa-nulth First Nations'



traditional territories and is only limited – much as with fisheries resources – by measures necessary to conserve or protect specific species and to ensure public health and safety.

In addition, the Final Agreement recognizes that we will be able to trade and barter in wildlife, wildlife parts, migratory birds and migratory bird parts with Aboriginal people of Canada who reside in British Columbia. Trade and barter outside of the province is not accepted under the agreement, nor is the sale of wildlife or migratory birds harvested on Maa-nulth lands.

## CULTURE AND HERITAGE





Lillian Mack (Wee-tsats-kuum) and Chief Bert Mack (Ha-wilth Deets'keesip)

"I have now done what my father directed me to do when I became Hereditary Chief 65 years ago - he gave me orders to work towards getting a treaty for our people"

- Chief Bert Mack (Ha-wilth Deets'keesip), Toquaht Nation

The unique culture and heritage of Maa-nulth First Nations informed every aspect of negotiations between Maa-nulth and the federal and provincial governments. The Final Agreement explicitly acknowledges that our First Nations will be able to appoint Ha'wiih to our governments and that our governments will play a lead role in all matters concerning the preservation of our culture, our language and the education of our young people. There is also explicit recognition in the agreement that under a final treaty our rights and interests and our historic cultural practices extend beyond treaty settlement lands to our broader traditional territories.

A longstanding issue of concern for Maa-nulth First Nations, a concern shared by many First Nations in British Columbia, has been to secure agreements to have important cultural objects taken from us returned. The Final Agreement recognizes this and ensures that we will see many of our artifacts currently housed in museums like the Canadian Museum of Civilization and the Royal British Columbia Museum returned to us. Both the provincial and federal governments have also agreed that our First Nations will play a key role in managing Maanulth heritage sites both on and off Maa-nulth First Nation treaty settlement lands.



#### First Nation Constitutions

The Final Agreement requires that Maa-nulth First Nation governments be established and defined in Maa-nulth First Nations constitutions.

Although the Maa-nulth First Nations negotiated the Final Agreement collectively, when the treaty comes into force and effect, each Maa-nulth First Nation will operate under its own government and its own First Nation constitution. Maa-nulth First Nation constitutions will set out:

- the structure and powers of each Maa-nulth First Nation government, and
- the accountability of the Maa-nulth First Nation Governments to its citizens.

While our constitutions will require us to elect a majority of our government representatives, the Final Agreement provides that we may also appoint Ha'wiih to be members of our governments. This ensures that the wise counsel of our hereditary chiefs is there to provide continuity with past customs and practices.

The constitution of each Maa-nulth First Nation will require the approval of the members of the First Nation prior to the vote on the Final Agreement. Communication materials will be prepared and distributed to all Maa-nulth citizens explaining constitutions more fully, so that we will be able to make an informed decision when voting on our First Nations constitutions.

## Maa-nulth First Nations Government Law-making Authority

Under the Final Agreement, Maa-nulth First Nations will have governing authority and law-making powers on treaty settlement lands. As such, Maa-nulth First Nation governments will assume responsibility for all social, economic, cultural, and political aspects of our communities.



Pursuant to the treaty and the Constitutions of each Maa-nulth First Nation, our governments will have law-making powers and responsibility in relation to a broad range of issues related to:

- lands and land management,
- resources,
- social development,
- protection and enhancement of culture, heritage and language,
- public administration,
- revenue and wealth generation, and
- financial accountability.

#### Relationships with Neighbouring Local Governments

Our ability to provide services and meet the needs of our citizens will be enhanced with our ability to interact constructively with surrounding municipalities and regional districts. The Final Agreement provides mechanisms to develop formal relationships.

In addition, Maa-nulth First Nations will also be able to appoint members to participate in a number of planning and management activities along with representatives from other levels of government. These planning processes include but are not limited to those governing parks, wildlife management, forest harvesting and fisheries.

While Maa-nulth treaty settlement lands will not form part of any municipality, and local municipal by-laws will not apply on Maa-nulth treaty settlement lands, Maa-nulth governments will be free to work out agreements between themselves and local governments to harmonize land-use planning and land-use decisions. We may also, if we choose, work out service provision agreements with local governments.



Each Maa-nulth First Nation will also have the ability to appoint a minimum of one member each to be a director on the applicable Regional District Board (for Ka:'yu:'k't'h'/Che: k'tles7et'h' the Comox Strathcona Regional District; and for Huu-ay-aht, Toquaht, Uchucklesaht, and Ucluelet, the Alberni-Clayoquot Regional District). This will provide our First Nations with a further voice within our traditional territories.

#### Financial Accountability

Our governments will also be required to have financial management laws in place prior to any treaty implementation. As part of any financial accountability law, Maa-nulth governments must agree to be subject to independent audits. This will be a safeguard to ensure that as our governments move forward with expanded responsibilities, they do so in a manner that is open, fair and in the best interests of all Maa-nulth members.

"This is your future. You need to take ownership of it and you need to be part of it."

- (Late) Wahmeesh George Watts, Former Maa-nulth Chief Negotiator

#### **Taxation**

Each Maa-nulth First Nation government has direct taxation powers and will be able to levy taxes on its members living on treaty settlement lands. Upon entering into agreements with the governments of Canada and British Columbia, Maa-nulth governments will also be able to levy taxes on non-members living on treaty settlement lands. Decisions to tax will be made by each Maa-nulth government depending on local needs with elected Maa-nulth governments answerable to their member citizens for the decisions they make.



Because the Indian Act will no longer apply following ratification of the Final Agreement, rules governing taxation for Maa-nulth First Nation members will change. All members will, over time, be required to start paying sales taxes and income taxes. However, these changes will happen gradually, giving us time to develop our economies and adjust to new realities.

The payment of sales taxes, for example, will be phased in over eight years. The phasing in of income taxes will be even more gradual, taking place over a 12-year period following implementation of the treaty.

While taxes are popular with no one, it is important to remember that they pay for public services like health care and education that we all benefit from. In other words, we get important services back for what we will pay in.

"I would rather see Nuu-chah-nulth people gainfully employed and paying taxes to support our own governments in enhancing services like health care and education, than to see our people continuing to live in poverty and dependent on the welfare system"

- (Late) Wahmeesh George Watts, former Maa-nulth Chief Negotiator

Maa-nulth First Nation governments are exempt from income taxes as are other governments in Canada. In addition, businesses which earn all their profits on treaty settlement lands and which are wholly owned by a Maa-nulth government are also exempt from income taxes.



## FINANCIAL BENEFITS AND ECONOMIC OPPORTUNITIES



Financial benefits will flow from a number of sources and each Maa-nulth First Nation will have access to funding for social and cultural programs and to finance business ventures and other initiatives that will improve the lives of our members and their communities.

#### **Financial Benefits**

The financial benefits that will flow from the treaty are as follows:

## 1) Capital Transfers

The single largest source of funds will come in the form of capital transfers to Maanulth First Nations from the provincial and federal governments. This is money that our governments will receive with no preconditions which will be paid out in 10 installments, the first installment on the Effective Date, the remaining installments spaced one year apart over the subsequent nine years.

After repaying monies borrowed from the BC Treaty Commission to fund treaty negotiating efforts by Maa-nulth dating back to the early 1990s, the net capital transfers to Maa-nulth nations will be approximately:

- \$19.4 million to the Huu-ay-aht First Nations,
- \$16.1 million to the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations,
- \$3.6 million to the Toquaht Nation,
- \$4.9 million to the Uchucklesaht Tribe, and
- \$18.6 million to the Ucluelet First Nation,
- for a total of \$62.6 million.

## 2) Resource Revenue Sharing Payments

For the next 25 years Maa-nulth First Nations will receive a portion of the revenues that the provincial government collects annually for resources removed from our traditional territories. Like capital transfers these funds will come with no strings attached.

"We've had the Indian Act for about 150 years. I think that's long enough to see what it could do and couldn't do. I think it's hurt my people more than it's helped the people. We've lost opportunity. It's slowed us down. We can access more opportunity through the Final Agreement than a piece of legislation like the Indian Act."

- (Late) Wahmeesh George Watts, Former Maa-nulth Chief Negotiator

In each of the following 25 years, we project annual resource revenue sharing payments of:

- \$350,000 to the Huu-ay-aht First Nations,
- \$300,000 to the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations,
- \$70,000 to the Toquaht Nation,
- \$100,000 to the Uchucklesaht Tribe, and
- \$380,000 to the Ucluelet First Nation,
- for a total of \$1.2 million annually.

## 3) Time Limited (Lump-Sum) Funding

Maa-nulth First Nations governments will receive lump-sum payments which are earmarked to fund specified programs and services. Maa-nulth First Nations governments receive these lump-sum payments on the understanding that they will invest the funds received and use the annual investment income to cover, in perpetuity, the costs of the agreed programs and services including:

- fisheries management initiatives,
- fisheries monitoring, stock assessments and enforcement efforts,
- Maa-nulth participation at Joint Fisheries Committee meetings,
- land management activities,
- treaty management activities,

- capacity development including language and cultural programs,
- economic development,
- construction and operation of a healing centre (for all five Maa-nulth First Nations),
- management issues in federal parks that overlap Maa-nulth territories.

These time-limited funds will be paid in stages with:

- \$6.1 million paid out on the effective date of treaty,
- \$30 million paid out over three years, and
- \$10 million paid out over eight years.

The allocation of the lump-sum payments is:

- \$12.8 million to the Huu-ay-aht First Nations,
- \$10.8 million to the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations,
- \$4.3 million to the Toquaht First Nation,
- \$5.5 million to the Uchucklesaht Tribe, and
- \$12.7 million to the Ucluelet First Nation.
- for a total of \$46.1 million.

## 4) Ongoing Program Funding

The treaty ensures continuation of existing program funding plus negotiated increases. This funding, like the time-limited funding noted earlier, has strings attached to it. In this case, it provides us with the funds to support and enhance existing programs including health, social services, education, administration, capital projects and infrastructure. These annual funds amount to:



Connie Mundy, Max Patrick (McCarthy),
 Kyle Kervin

- \$2.2 million to the Huu-ay-aht First Nations,
- \$2.8 million to the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations,
- \$730,000 to the Toquaht Nation,
- \$1.0 million to the Uchucklesaht Tribe, and
- \$2.8 million to the Ucluelet First Nation,
- for a total of **\$9.5 million** annually.

#### 5) Other Funding

In addition to the above, but outside of the Final Agreement itself, the federal and provincial governments have also agreed to provide funding for specific purposes. The bulk of these funds - \$11.1 million – will be spent in three main areas:

- \$5 million for capital projects including subdivision work, sewage treatment and electrification projects,
- \$4.15 million for the purchase of commercial fishing licences, and
- \$1.6 million to help Maa-nulth First Nations prepare for implementation of the Treaty,
- for a total of \$11.1 million.

"This treaty is for you (the youth). Everything that we have fought for over the years has been for you. Soon the fight will be yours. But you will be better equipped to succeed in ways we couldn't imagine."

- Vi Mundy, Chief Councillor, Ucluelet First Nation.

## **Economic Development Opportunities**

The financial package takes on added importance when considered together with the economic development potential of the treaty settlement lands. The treaty settlement lands are a tremendous asset that Maa-nulth First Nations will control. Resources or economic opportunities associated with those lands include but are not limited to:

- water, for consumption and potential hydro-electric generation,
- forests with timber, wild mushrooms and other renewable resources,
- fisheries that provide both an important source of sustenance to Maa-nulth members and a source of commercial enterprises, and
- valuable waterfront and wilderness lands that offer unparalleled tourism potential.

But in order for these and other uses of Maa-nulth treaty settlement lands to be fully realized, investments will be necessary. The funds provided under the Final Agreement will be a major source for that much-needed investment capital. Moreover, they will allow us to build partnerships with businesses and financial institutions, which will further increase available funds through such things as joint ventures and business loans.



The treaty is not going to answer all our concerns and our issues. But it is a toolbox that we can go to as leverage for other opportunities."

- Charlie Cootes, Chief Councillor, Uchucklesaht Tribe

First Nations may, for example, conduct forestry operations. Because treaty settlement lands are equivalent to private lands, First Nations choosing to harvest trees will pay no stumpage or timber cutting fees to the province. This cost advantage may ultimately prove a great incentive to future Maa-nulth business leaders and their partners interested in forestry enterprises.

There will also be opportunities under the agreement for us to develop hydropower on select rivers and streams. Such developments would not only provide important new revenues for our communities, but also create new infrastructure that could lead to further business opportunities in the years ahead.



Individual Maa-nulth First Nation governments may also choose to invest in businesses on treaty settlement lands. In an important concession under the agreement, Maa-nulth governments will be exempt from paying income taxes. This exemption will also extend to any subsidiary owned by a Maa-nulth government. For example, should a Maa-nulth government decide to directly own and operate a tourist resort business on treaty settlement lands, that business would be exempt from income taxes.

## Access to Investment Capital

The treaty will provide Maa-nulth Nations with the means to access investment capital for economic development purposes in ways that are impossible under the constraints of the Indian Act. Under the Indian Act regime First Nations have little or no funds to invest and do not have title to Indian Reserve lands or the ability to conduct business on Reserve lands without excessive delays imposed by the federal government. This makes it extremely difficult for First Nations to attract investment from potential business partners or obtain loans for economic development purposes from major lenders.

The treaty will provide Maa-nulth First Nations with a financial package which includes unrestricted funds which, based on their own priorities, each First Nation may use for any

purpose including investment in economic development opportunities. The treaty will also provide unrestricted title to treaty settlement lands and the ability to regulate those lands. As a result, Maa-nulth First Nations will be on a level playing field with the rest of Canada when it comes to conducting business and accessing investment capital.

During the final months of treaty talks, the Maa-nulth negotiating team projected what the available pool of economic development investment capital from the treaty financial package, grants and loans could look like after the effective date of a treaty. A very conservative model was constructed assuming Maa-nulth would utilize 80 per cent of the unrestricted funding in the financial package for investment in economic development resulting in an investment of \$80 million. It was also assumed that:

- For every \$100 of investment of its own funds Maa-nulth would access \$5 in grants available to First Nations (\$5 million in grants),
- For every \$100 investment of its own funds Maa-nulth would access \$100 in business loans (\$80 million in loans).

The above model indicates that Maa-nulth First Nations could conservatively access investment capital for economic development purposes of \$165 million. This is a very substantial amount of capital which does not take into account investments that might also come from other sources such as future business partners.

Clearly, the treaty will provide many opportunities for investments, partnerships and business ventures that will strengthen and diversify the economy on our lands.

"Fundamentally, in a single stroke, it transforms the relationship between these communities and non-aboriginal societies and governments. It creates an opportunity to construct an entirely different future and it terminates a relationship that has been markedly detrimental to these (Maa-nulth) communities. I think the reason for optimism is significant here."

- Gary Yabsley, Maa-nulth Lead Negotiator

# $\longrightarrow$ THE INDIAN ACT, INDIAN STATUS, AND HEALTH AND DENTAL $\longleftarrow$

Many Maa-nulth members have questions about our status under the Indian Act in a posttreaty environment, as well as the future of existing services such as health and dental. These matters will be the subject of future materials that will be distributed to all members, but since the questions are on the minds of so many, it is worth mentioning in this overview document.

#### Indian Act and Indian Status

The Indian Act will apply only to Maa-nulth-aht for the purpose of determining who is an "Indian". Although the Act will no longer apply to Maa-nulth governments, corporations, or Maa-nulth-aht, Maa-nulth-aht and Maa-nulth governments still qualify for programs and services that are available to status Indians throughout Canada (for example, economic development funding, language programs, etc). For that purpose, it is necessary to still be able to be identified in order to qualify for those programs.

Other exceptions include situations such as estates that are currently being administered by the Department of Indian Affairs and some issues related to minors.

#### Health and Dental



The provision of health care and dental services will remain much as before. Members will still be entitled to the same access and levels of benefits as they currently receive.

The Nuu-chah-nulth Tribal Council will continue to deliver health services to the members of Maa-nulth First Nations. For those services delivered directly by a health professional, such as doctors and dentists, Maa-nulth members will continue to obtain the service directly and the health provider will bill the federal government.

The treaty protects existing health benefits and provides Maa-nulth First Nations with the ability to enhance benefits from new revenue sources depending on community priorities.

#### **Next Steps**

This short document should help to highlight some of the key aspects of the Maa-nulth Final Agreement, as it generally relates to all five Maa-nulth First Nations. Each First Nation will be providing more specific information to its members.

Maa-nulth leaders know that the decision before Maa-nulth members is a momentous one and that it will take time to fully digest what the treaty will mean for all of us over the coming years. For that reason, a healthy amount of time will pass before Maa-nulth members vote on the historic



-Anthony Oscar and Jeneice Mack

agreement reached between the Maa-nulth, and the governments of Canada and British Columbia.

An informed decision is the best decision. So carefully consider the information in this document. Attend upcoming meetings in your community. Ask questions and get answers. And then make sure to vote!

"This deal means my baby has a future. I hope [the agreement] will bring us more community development so that my children will be able to live in Kyuquot their entire life."

- Jennifer Hanson, Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations

"The initialling of the Final Agreement today represents a lot of hard work and cooperation between all parties and an end to the negotiations. It also signifies the beginning of a process that will see us fully inform our membership. Nothing is final without membership approval"

- Charlie Cootes, Chief Councillor, Uchucklesaht Tribe

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