



Canada-Aboriginal Peoples Roundtable

Accountability Policy Paper



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Ottawa, Ontario



1. The Métis Nation

Prior to Canada's crystallization as a nation state, the Métis Nation emerged as a distinct Aboriginal people in west central North America. The Métis Nation has its own language (Michif), culture, way of life, national identity and traditional territory which spans the three Prairie provinces and goes into part of Ontario, British Columbia, the Northwest Territories and the northern United States.

Today, Métis citizens are represented by the Métis Nation of Ontario, Manitoba Métis Federation, Métis Nation – Saskatchewan, Métis Nation of Alberta and Métis Provincial Council of British Columbia (MNC Governing Members). Since 1983, these Governing Members have come together to form the Métis National Council (MNC). Based on this mandate, the MNC represents the Métis Nation in Canada at the national level.

2. Understanding Accountability in the Métis Context

The starting point for any discussion with respect to understanding accountability in the Métis context must begin with an appreciation of the Métis Nation's governance structures. Throughout our relationship with Canada, from our assertions of Métis nationalism and rights through the formation of provisional governments in both Manitoba and Saskatchewan, to our negotiations and resulting Treaty with Canada as a part of the *Manitoba Act, 1870*, we have always sought to be a self-governing and self-determining people within the Canadian federation. Even though our nation has gone through dark periods of oppression, persecution and neglect by the Canadian state, this goal has never been abandoned.

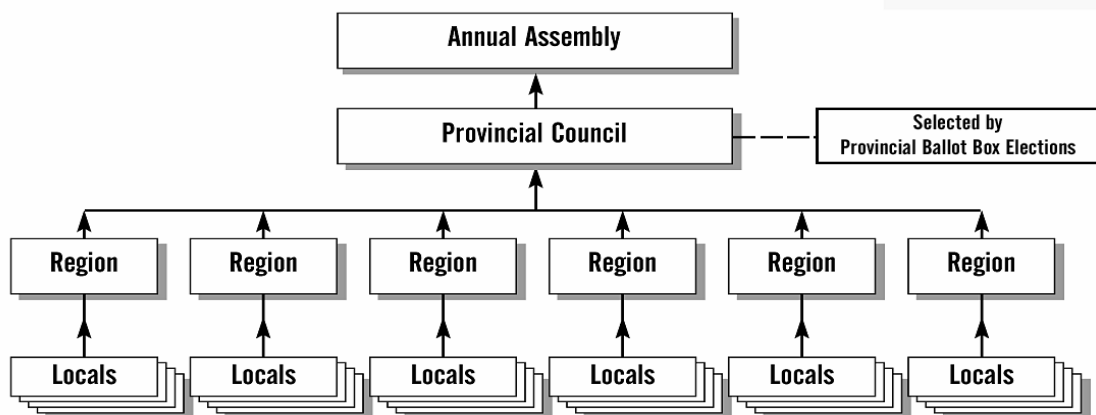
Today, the Métis Nation continues to move forward on implementing its inherent right of self-government within the Canadian federation. Its present day governance structures and institutions are the contemporary expression of this aspiration.¹ For over a century, these infrastructures have continued to evolve in order to realize democratic and effective governance structures and institutions to represent and serve the citizens of the Métis Nation.

For example, each MNC Governing Member maintains a membership list or, in some cases, a Registry of Métis citizens within their respective provincial boundary. Each has a well-established governance structure which allows community (through Locals and Community Councils), cross-cutting (i.e. women, youth, elders, etc.) and provincial/national interests to be effectively represented and balanced within the Métis Nation. Moreover, these provincial governance structures are democratically selected, through province-wide ballot box elections, held at regular intervals. In between elections, accountability to members is maintained by holding annual assemblies at which leadership report back to constituents.

¹ For an overview of the political histories and contemporary infrastructures of the Métis Nation see *Snapshot of the Nation: An Overview of the Métis Nation's Governance Structures and Institutions*. Available at www.metisnation.ca.



Model Governing Member Governance Structure



By understanding Métis governance, it becomes clear to see how *accountability* to the Métis people *rests* in these governance structures and institutions. This premise is *key* in order to understanding the Métis Nation’s perspective vis-à-vis accountability. These Métis governments are *not* mere ‘service delivery organizations’ or ‘advocacy groups’. They are the Métis people’s chosen *vehicles for the implementation of Métis self-government*.

Further, it is extremely important to realize that in addition to politically representing the interests Métis people, these evolving governments are also accountable to the Métis Nation to protect, support and serve its communities and citizens. In order to do this, Métis governments need to have the capacity and ability to undertake a multitude of functions in order to meet the needs of their people. Some of these roles and responsibilities include: exercise of Métis law making jurisdiction, protection of Métis culture and language, delivery of programs and services to meet the social and economic needs of Métis citizens, control over Métis citizenship, etc.

It is a fallacy to view these governance structures as solely ‘political organizations’. They are evolving Aboriginal governments which require access to the instruments and resources that will enable them to adequately serve their people. Métis governments agree that politics should not interfere with program and service delivery; however, accountability to the Métis people must *ultimately* rest with these Métis governance structures and institutions.² This is *accountability* in the Métis context.

² A functional example of this is the Aboriginal Human Resource Development Strategy (AHRDS). Each MNC Governing Member has entered into an Aboriginal Human Resource Development Agreement (AHRDA) with HRSD for the delivery of labour market programming. In order to provide services to Métis clients, non-political, transparent and effective delivery infrastructures are established as a part of each MNC Governing Member’s overall governance structure with ultimate accountability and guidance for each AHRDA resting with each MNC Governing Member.



3. “A Lack of Accountability to Anyone”: The Current Federal Framework

[I]n order to truly transform the relationship, Canada must move past its pervasive programmatic stance in dealing with the Métis. For us to avoid the failures of the past, the same federal bureaucracy that is responsible for the current state of affairs cannot be left to implement new strategies while thrusting accountability for their decisions and control on us.³

In reviewing the existing federal approach to deploying resources dedicated to assist and support Aboriginal people it is readily apparent that the “system”, as it currently exists, can only be described as *unaccountable*. There is a lack of accountability to the Government of Canada and Aboriginal peoples for a majority of these resources.⁴

Lack of Accountability to Canada: The lack of overall accountability for results by the Government of Canada has been a constant theme in all of the *Canada-Aboriginal Peoples Roundtable* follow up sessions. For example, within its background paper for the economic opportunities session, Industry Canada acknowledged that in spite of \$647 million spent annually, “there is no systematic approach to track either performance measures or the achievements of various programs. As a result, it is difficult to assess the overall impact of federal investment in Aboriginal economic development”. This department is not alone in reaching this conclusion. The same statement can be made in the areas of health, education and housing. Even Treasury Board acknowledges that “strong results are not evident despite an overall real growth in [Aboriginal] spending.”

Lack of Accountability to the Métis: The current federal approach is also unaccountable to the Métis people. A detailed overview of the challenges and failings of this approach in the Métis context is attached as APPENDIX A. This approach is grounded in the federal bureaucracy continuing to act unilaterally through developing Ottawa-driven delivery models for programs and services (*e.g.*, the Urban Aboriginal Strategy model and other pan-Aboriginal approaches) rather than adopting a solid accountability framework which builds on existing relationships and fulfills policy commitments to the devolution of programs and services to Métis jurisdictions (*e.g.*, building on existing Métis service delivery structures and institutions). The result is that the Métis Nation has little to no control or ownership over these ‘Off-Reserve Aboriginal Programs’. Further, these limited investments are so scattered and diffused it is impossible to measure results. At the end of the day, the socio-economic problems remain and the Métis Nation cannot be held accountable for the failure of initiatives they essentially have no control over.

³ Opening comments of Vice-President Audrey Poitras, on behalf of the Métis National Council, at the *Canada-Aboriginal Peoples Roundtable* on April 19th, 2004.

⁴ A notable exception is the AHRDS which allows for Métis jurisdictions to develop, manage, deliver and measure results in the area of labour market programming.



4. “A New Beginning”: The Prime Minister’s Commitments

There is no question we must strengthen our relationship with the Métis community in Canada. It is time to recognize the contributions the Métis nation has made and continues to make to this country.⁵

The Prime Minister has adopted a partnership approach towards closing the social and economic gaps between Aboriginal and non-Aboriginal peoples. The 2003 *Speech from the Throne* established ambitious goals to “see real economic opportunities for Aboriginal individuals and communities” and to “see Aboriginal Canadians participating fully in national life... with greater economic self-reliance, and a better quality of life”. Further, the Prime Minister has identified an *inclusive* Aboriginal agenda which will deal “head on”⁶ with jurisdictional issues which often hold back moving forward on the Métis agenda. Most importantly, the 2003 *Speech from the Throne* committed to “engage other levels of government and Métis leadership on the place of the Métis in its policies.”

5. “Getting On With It”: Implementing Métis Self-Government

While Canada professes to recognize the inherent right of self-government of Aboriginal peoples,⁷ for the Métis, this has equated to nothing more than hollow words. For example, over the last decade, other Aboriginal peoples have made substantive progress in negotiating and implementing self-government, while Métis have no process to even begin the negotiations. This shameful reality persists even after the Supreme Court of Canada’s decision in *R. v. Powley* which affirmed Métis are a “full-fledged rights bearing people”. Negotiations are desperately needed in order to uphold the honour of the Crown and begin the process of reconciliation with the Métis people.

Moreover, it is the MNC’s steadfast belief, that the Métis Nation, its communities, and its citizens need access to the instruments and resources that enable them to be responsible for themselves and, having gained such access, can then be held accountable to *get on with it*. This can only be achieved through negotiating and implementing Métis self-government within Canada.⁸ Real accountability will never be achieved through Aboriginal service delivery organizations or advocacy groups. True accountability will only be achieved when Métis governments are able to effectively negotiate and implement self-government. Now is the time, to *get on with it*.

⁵ Opening Comments of Prime Minister Martin at the *Canada-Aboriginal Peoples Roundtable*, April 19th, 2004.

⁶ Prime Minister Paul Martin’s Reply to 2003 *Speech from the Throne*.

⁷ *Federal Approach to the Implementation of the Aboriginal Inherent Right Policy*, 1995

⁸ As outlined in the MNC’s policy paper for the sectoral session on negotiations, a Métis Nation Framework Agreement is proposed as a starting point to engage bilateral negotiations between Canada and the Métis Nation on a list of subject matters.



6. “Value For Money”: Recognizing Métis Contributions to the Tax System

In examining accountability issues, it is also important to remember that Métis are contributors to Canada and provinces by way of corporate and personal income taxes as well as through consumption taxes (GST/PST). According to the 2001 Census, some 195,170 Métis people earned incomes in 2001 with approximately 65,000 working full-time. Although a more precise calculation would require special runs on the Census data base, Métis earned incomes will attract some \$550 million in federal tax in 2001⁹.

In contrast, direct federal investments in the Métis Nation’s governance structures and institutions averages about one tenth of that amount \$55.5 million with the vast majority of that training resources for which Métis also contribute too through EI premiums. In other words, the Métis Nation receives about 10 cents of direct Métis specific services for every dollar Métis people contribute through the tax system. Métis do not seek handouts from either level of government. As Canadian taxpayers, however, Métis call upon other levels of government to make key strategic investments in the Métis people and their governance structures and institutions.

7. “Achieving Results”: A Canada-Métis Nation Accountability Framework

We must be given real recognition, authority and responsibility to do what is needed. True, we cannot do it alone, but Métis governments must have real ownership and decision-making authority over new initiatives while ensuring transparency, accountability and value.¹⁰

The MNC believes that the way forward is through initiating bilateral discussions between Canada and the Métis Nation in order to arrive at a mutually agreeable accountability framework that would be applied across the federal system. The MNC agrees with the proposition, set out in the Treasury Board background paper, that a governance framework is one of the central elements needed in order to strengthening accountability.

A *governance framework* sets out the underlying principles that will govern the relationship between all parties. It should also establish in clear terms, the roles and responsibilities of each member, and set clear performance expectations balanced with the capacity to deliver. In the context of programs and services, this means that all those involved must perform the necessary due diligence to ensure that a credible governance and management capacity exists to deliver the programs.

⁹ This estimate is based on income data derived from the 2001 Census and on tax rates then prevailing.

¹⁰ Opening comments of Vice-President Audrey Poitras, on behalf of the Métis National Council, at the *Canada-Aboriginal Peoples Roundtable* on April 19th, 2004.



These accountability discussions would be engaged as a part of the negotiations flowing from MNC's proposed Métis Nation Framework Agreement.¹¹ For example, the proposed Métis Nation Framework Agreement includes the following, in its preliminary list of negotiation subject matters:

- The provision of on-going, predictable financing for the MNC and its Governing Members;
- Ensuring consultation with the MNC and its Governing Members on the implementation of existing and new federal policies and programs which affect the Métis Nation,
- Ensuring consultation with the MNC and its Governing Members on the transfer of responsibility for the delivery of programs from Canada to the provinces which effect the Métis Nation;
- Supporting Métis governance capacity;
- Development of Métis-specific policy with federal Ministries, Departments and Agencies; and
- Devolution of programs and services to the Métis Nation.

Through these accountability-related discussions, a Canada-Métis Nation Accountability Framework (CMAF) would be developed which would address the following issues:

1. Recognition of Métis Jurisdiction and Responsibility
2. Setting Joint 10 Year Quality of Life Outcomes
3. Adopting a System-Wide Métis Policy Framework
4. Expanding Existing Best Practices in Accountability
5. Capacity Support for Métis Governance Structures and Institutions
6. Engaging a New Fiscal Relationship
7. Supporting a Métis Nation Registry to Measure Results
8. Establishing Dispute Resolution Mechanisms
9. Enhancing the Engagement of Other Governments

7.1 Recognition of Métis Jurisdiction and Responsibility

Métis have made it clear that any discussion with respect to addressing accountability issues must be undertaken directly with their representative and accountable Métis governments and/or their designated institutions rather than on a “pan-Aboriginal” or “off-reserve basis”. That is not to deny support for other Aboriginal people off-reserve, but rather to make it clear that Métis governments believe and have continually demonstrated they have the jurisdiction and responsibility to address the social and economic development needs of their own people.

¹¹ A detailed discussion on the proposed Métis Nation Framework Agreement is set out in the MNC's policy paper for the sectional session on Negotiations.



The Métis take this position not because they wish to build their own institutions for the sake of building them, but rather because they believe it is the most efficient and accountable way to make meaningful changes in the life chances of the Métis people. The MNC believes that these programs and services are more effective when delivered through Métis governance structures at a community level rather than by top-down government departments.

7.2 Collaboratively Setting 10 Year Quality of Life Outcomes

The MNC believes in the need to adopt a 10 year planning horizon and the joint adoption of clear and measurable Métis-specific quality of life outcomes to guide this work. As discussed above, this must be accompanied with a clear Canada-Métis Nation Accountability Framework and buttressed with a political commitment to restructure federal program and service architectures to achieve those outcomes. These outcomes must be monitored, measured and reported upon so as to enhance transparency. As the MNC has outlined in its presentations in other sectoral sessions, it also requires new strategic investments in number of key social and economic areas to fill developmental program and service gaps that exist for Métis people.

7.3 Measuring Results: A Métis Nation Registry and the Snapshot of the Nation

The Métis Nation supports the discipline of performance measurement and a heightened focus on results. Métis governance structures and institutions have a long history of successful and results-oriented program delivery. Moreover, the MNC agrees that once a collaborative Canada-Métis Nation Accountability Framework is agreed to, being able to jointly measure progress and results, will be key to evaluation.

However, in the Métis context, there is a glaring omission - there is no comprehensive Métis identification system from which data results could be gathered. Currently, there is a complete lack of reliable Métis-specific data that would allow results to be measured. While the Census and the Aboriginal Peoples Survey provides some qualitative information on the Métis that can be used for statistical purposes, it is inherently unreliable due to the information being based solely on a Métis self-identification question (rather than proof of an ancestral connection and community acceptance) and the under coverage of many Métis communities. Moreover, Census data does not allow for on-going specific and timely data to be gathered (*e.g.*, the Census only occurs every five years). Without a proper registration system, it will be very difficult to track with certainty the Métis population and hence results of current measures aimed at improving Métis quality of life measures. As a part of any measuring results discussion, federal support of a Métis Nation controlled Registry will be essential.¹²

¹² A proposal for federal support for a Métis Nation Registry is outlined in the MNC's policy paper on Negotiations.



Further, with respect to reporting on results, in 2001/02, the MNC, published the *Snapshot of the Nation: An Overview of the Governance Structures and Institutions of the Métis Nation*. The publication outlined program and services provided by the MNC and its Governing Members along with detailed financial information. The MNC would suggest that this one-off publication could form the basis for an annual “results” report to Parliament and Métis constituents under any new Canada-Métis Nation Accountability Framework.

7.4 Adopting a System-Wide Métis Policy Framework

Métis continue to find themselves in a federal system which is geared largely towards the “On-Reserve” reality. Moreover, in the limited “Off-Reserve” world, Métis often find themselves confronted with a complete lack of understanding of the Métis reality. There are no existing federal system-wide policies on how to engage and partner with the Métis Nation. Moreover, the existing Office of the Federal Interlocutor (OFI), with its limited mandate and budget, has been ineffective in its liaison role for the Métis within the federal system. Even a third party evaluation of the OFI confirmed that within existing Métis bilateral and tripartite processes, the expectations of all parties are not being met.¹³

An example which highlights the ineffectiveness of the current system can be found in a review of the achievements (or lack thereof) of 1995 *Federal Approach to the Implementation of the Aboriginal Inherent Right Policy* vis-à-vis Métis. The only substantive federal commitment in this policy to the Métis was the willingness to explore “devolution of programs and services to Métis organizations”. Unfortunately, the policy was permissive in nature and over the last decade most line departments have completely ignored it, if they know it exists at all. The result has been that when new off-reserve Aboriginal programs are announced, instead of using the existing Métis tripartite processes created through the policy as a vehicle for devolution, each line departments creates a new delivery process or model. Rather than horizontally managing resources, these ‘new’ delivery structures duplicate existing structures and administration (e.g. Health Canada’s request for proposal processes, the Urban Aboriginal Strategy, etc.).

No one within the federal system is held to account for this duplication and its waste. In order to move forward the MNC believes there is a need for to develop a collaborative system-wide federal policy for: (1) Métis engagement, (2) Métis consultation and inclusion in federal policy development and (3) the devolution of programs and services to Métis jurisdictions.

¹³ Evaluation of the Federal Interlocutor Division by Goss Gilroy, June 2001.



7.5 Expanding Existing Best Practices in Accountability

As outlined extensively in the MNC's other policy papers for the sectoral sessions,¹⁴ there is a need to build on the one federal initiative that is working and producing results for the Métis; namely, the Aboriginal Human Resource Development Strategy (AHRDS). This program has allowed the Métis to develop, design and deliver accountable labour market programming to Métis citizens. This best practice should be expanded into other areas such as health, education, justice/corrections, housing, etc. It should be noted that this is one of the only federal programs where measurable results have been captured and direct benefits from investments have been accounted for.

7.6 Capacity Support for Métis Governance Structures and Institutions

The MNC agrees the Treasury Board proposition set out in the definition of a governance framework that “all those involved must perform the necessary due diligence to ensure that a credible governance and management capacity exists to deliver the programs.” Unlike other Aboriginal peoples, the Métis have limited access to governance capacity resources. Instead, a pittance of “core funding” is provided to Métis governments to undertake their representative roles. In order for real governance capacity to be achieved, a new financial transfer payment system must be developed, which allows for Métis governments to fulfill their mandates while making annual reports to Métis constituents and Parliament on the initiatives they undertook and the results achieved.

7.7 A New Fiscal Relationship

Current financial arrangements between Métis Nation and Canada are not satisfying either party. The MNC believes it is time to implement a new strengthened financial relationship to overcome the problems and inadequacies of the current system as a part of a Canada-Métis Nation Accountability Framework. Consistent with the new emphasis by the Treasury Board relating to *Results for Canadians*, Métis are seeking to strengthen their citizen focus through responsible spending while paying attention to results. This includes: undertaking longer-term planning processes; establishing strategic outcomes for addressing Métis social and economic conditions; adopting detailed management and implementation plans and budgets for achieving those outcomes; and, monitoring and evaluating progress. This approach would have the following features:

Establishment of Single Window Transfer Payments:

The MNC is proposing a “single window” transfer payment policy between Métis government and Canada. Under this approach, Canada would designate one federal authority to be responsible for dealing with Métis governments on transfer payment and expenditure

¹⁴ See proposed expansions of AHRDS model in the MNC's policy papers for Housing, Life Long Learning and Economic Opportunities and Health sessions.



matters. Each year, Métis governments would submit their program activities and expenditure estimates to the federal authority. Each Métis government would submit one activity and one financial report for all their activities at the end of every quarter to the federal authority thus cutting down on its reporting requirements while providing a more comprehensive “cross-cutting” report of its ability to meet its strategic objectives.

Establishment of Strategic Outcomes:

Métis governments would define their strategic outcomes in each of their proposed program and service areas outlining the long-term and enduring benefit that would be achieved for Métis people. This will include a clear and simple set of outcome statements of benefits to be achieved. They will be long term in nature, be measurable in an acceptable form and articulate the directional focus that is to be improved (e.g. improved health or labour market outcomes). These strategic outcomes would be consistent with the broader 10 year outcomes identified within the Canada-Métis Nation Accountability Framework.

Establishment of Program Activity Architectures:

In line with Treasury Board’s changes to departmental reporting requirements, Métis governments are proposing to develop a clear and transparent Program and Activity Architecture (PAA) which will better link program and service activities to actual results achieved. This will ensure that there will be true linkages between financial and non-financial information, entail the adoption of stronger management accountability discipline and lead to better achievement of measurable results. Each year, Métis governments would submit their strategic outcomes and program activity architecture’s outlining their list of programs and activities. Flowing from this submission, each year Métis governments would report to their constituents through Annual Assemblies, as well as, to Canada through a report tabled with Parliament. This information, together with anticipated expenditure estimates would be submitted annually to the responsible federal authority, who would in turn, be responsible for responding to the submission on behalf of the federal government as a whole.

Engaging in Three Year Planning Processes:

Métis governments would produce a three-year rolling PAA’s and expenditure plans which would ensure better coordination of all federal activities and ensure that Métis governments have the opportunity to put forward their own priorities for funding as well as continuing to work on joint projects identified by the federal government as priorities. The approach would enable Canada and Métis governments to evaluate year over year results as the parties work to improve the quality of life outcomes within the 10 year planning cycle. Again, this would be a part of the Canada-Métis Nation Accountability Framework.

Métis Integration in the Federal Estimate and Budget Processes:

Métis governments would present their PAA’s and spending estimates to the federal government at the same time as federal departments submit their spending estimates to Treasury Board. In essence, Métis governments would provide the federal government with



sufficient information to ensure that its expenditures are tracked by the same multi-year operational planning approach currently in place in the federal service. This will ensure that Métis funding requirements would be considered as a part of the federal estimate and budget cycles.

7.8 Establishing a Dispute Resolution Mechanism

Within the Canada-Métis Nation Accountability Framework, the MNC would seek to include a dispute resolution mechanism in order to resolve disputes that arise and curb federal unilateralism.

7.9 Enhancing the Engagement of Other Governments

The Métis Nation has historically sought to strengthen the working relationship with Canada and provincial governments within the context of a Métis Nation specific process. Therefore, the MNC is prepared to proceed, on a collaborative basis, with provincial governments being engaged in some parts of the Canada-Métis Nation Accountability Framework discussions. The MNC proposes the expansion of its existing multilateral process on Métis harvesting and access to lands¹⁵ to include accountability related issues which engage the provincial governments.

The Métis Nation recognizes that there are different views on jurisdiction among governments and that provincial governments have taken different approaches towards Métis depending upon a number of historical factors. The MNC believes that the establishment of a Canada-Métis Nation Accountability Framework and the engagement of provinces will strengthen inter-jurisdictional collaboration and overcome the current lack of intergovernmental coordination on Métis issues. It will not only enable all parties to establish some common ground on identifying strategic quality of life outcomes for Métis, it will serve to ensure that collaborative implementation approaches are adopted thus enhancing the prospect of achieving real and tangible progress. It would provide a forum to exchange information and best practice approaches as well as enhance horizontal cooperation in common program and service areas. The Canada-Métis Nation Accountability Framework would outline how this relationship is to be structured and outline the nature of the process going forward.

¹⁵ This process includes the MNC and its Governing Members, Canada and the provinces from Ontario west.



APPENDIX A

The following provides an analysis of some of the main challenges with the current Canada-Métis Nation relationship as it relates to accountability:

1. Inadequate Monitoring and Control

It is difficult for the federal government to keep track of the resources it provides to Métis government or to work effectively on a coordinated basis with Métis institutions. Each department handles its own project funding; one department is not necessarily aware of what another department is doing, and individual departments find it difficult to ascertain, despite the accounting and reporting requirements they impose on Métis institutions, whether the funds they made available were used on their project. The lack of proper coordination between federal departments and the absence of a coherent reporting, budgeting and accounting procedures means that no one at the federal level, not even the Federal Interlocutor for Métis, is aware of the wide range of policy initiatives affecting Métis whether undertaken by Canada or Métis governments.

This not only makes it impossible for anyone to be fully responsible or financially accountable to Parliament for Métis affairs, it impacts negatively upon policy coordination and the formation of an effective partnership. Budgeting processes and procedures should seek to ensure that both Parliament, which distributes funding, and the Métis people, for the benefit of whom funds are being used, are kept fully aware of the activities of Métis Nation and the purposes for which funds are being spent.

2. Inadequacies of Core Funding

Métis governments receive modest "core funding" budgets that have declined in real terms over the last ten years despite inflation and the increased costs associated with travel and modern office technology. As a result, Métis governments struggle to secure resources to pay the salaries of full-time Executive Officers and a financial Administrator/Comptroller as well as full compliment of administrative staff. Moreover, ever-increasing pressure mount as these governance structures continue to take on new functions and roles while there core monies are never adequately adjusted.

3. Short-Term and Non-Continuing Nature of "Project Funding"

Unlike "core funding", "project funding" is defined for a specific timeframe and terminates upon completion of the project. It is impossible to develop the continuing policy development and research capability necessary to effectively participate in critical public policy reform areas, much less commence the planning for the implementation of self-government for Métis people. The system encourages the expensive practice of contracting out to consultants, to



whom no long-term commitments need be made, rather than the gradual development of in-house expertise which is the hallmark of an effective policy unit. In short, policy makers should now realize that the quick fix approach is not working and a new longer term approach is required.

4. Definition of Priorities

Contrary to the expressed policy approach of the federal government, reliance on project funds has meant that priorities are defined by departmental bureaucrats allocating the funds, rather than by Métis people themselves. Métis governments end up working on projects which federal officials determine are priorities; the only way Métis governments can undertake work on matters which they consider important is if they succeed in convincing a federal department to fund a defined-often pilot project. Métis governments have no objection in joint planning and priority setting exercises. However, the existing system often leads to uncoordinated, unilateral measures leading to haphazard and inconclusive results.

5. Erratic Funding

Funding for Métis governments is not consistent from year to year and often bears no relation to the tasks at hand. In the majority of cases, the funding is inadequate for the work that must be undertaken, and at other times, departments provide funding which Métis governments are not capable of spending within the timeframe provided. Funding levels can vary greatly from year to year. Moreover, procedures used in project funding often create situations where Métis governments must deficit finance their operations pending receipt of interim or final payments—a source of ongoing "cash-flow" problems for these governments.

6. Cash Flow Problems

The current method of financing also creates "cash-flow" problems for governments. The heavy reliance on project funds means that Métis governments face holdbacks pending interim or final reports. Many departments are unable or unwilling to provide advance funding, and consequently, most projects have to be deficit financed, placing additional pressures on the thinly financed infrastructures. While operating expenses remain more or less the same from month to month, the timing of payments from various federal departments varies a great deal, leading to occasions when Métis governments are short of resources to handle commitments while awaiting interim or final payments for project funding. Métis governments are forced to meet any shortfall through line-of-credit financing at high interest rates.

7. Multiple Reporting Schedules and Requirement

The system places a burden on Métis governments to produce activity reports and financial



reports on a variety of schedules throughout the year. The MNC believes that it is important for the Canada, Parliament and their Métis constituents to have a proper and thorough accounting of the resources provided to Métis governments. However, at present, Métis governments are required to negotiate each contract, produce individual activity reports and individual accounting submissions for each funded project. In addition, each project has a different reporting schedule and has different accounting requirements.

This process places a significant time and paper burden on the core funded part of the organization. Every month, one project or another requires the production of an activity report; the time that staff or consultants spend on different projects must be allocated between different budgets; separate bank accounts must be maintained for different projects and records (as defined and required by each funding department), have to be meticulously kept for each project. This system is unnecessarily complicated, confusing, convoluted and time-consuming. Métis governments want to rationalize the system and reduce the reporting burden.

8. Cost Ineffectiveness

The current system does not encourage and actually impedes utilization of available resources in the most cost-effective manner possible. The system favours the use of consultants rather than the development of in-house expertise. In-house expertise is not only less expensive but more effective in terms of policy development. The current system also prevents effective policy coordination. It impedes the amalgamation of similar tasks, such as consultations or research costs, as between projects, since each department is unwilling to indirectly subsidize the work of another.

9. Underdevelopment of Human Resources

The existing system's reliance on consultants has meant that Métis governments have not been able to develop its human resource potential and equip Métis individuals with the necessary skills to govern themselves. If self-government is to be a reality, Métis people must be given the opportunity and the training necessary to assume public policy and public service functions. Métis governments and affiliated service delivery providers are the principal vehicles available for Métis to develop this capability. However, current funding arrangements prevent Métis governments from competing successfully for the Métis people who currently qualify as professionals and specialists in a variety of public policy fields. Not only are Métis governments unable to provide security of employment beyond a fiscal year, it is often the case that they are not even able to provide the security of a pay cheque at month end throughout the year because of the erratic nature of the funding system.



10. Balkanized Consultation Process

Increasingly, policy initiatives demand extensive public consultations before implementation in order to secure legitimacy and to respond to the needs of the client population. Projects will therefore often require Métis governments to engage in consultations with Métis communities. Because each consultation process is separately funded, separate consultations can be held every year, and by and large with the same people, but on different subjects. With better coordination, it would be possible to organize consultations more effectively, saving on staff and traveling costs, by having the same round of consultations deal with a number of separate but related issues.

11. Data Gathering and Research

The current system does not encourage and actually impedes utilization of available resources in the most cost-effective manner possible. For example the cost of obtaining data from Statistics Canada through special runs or of conducting other social survey research could be reduced through better coordination between projects. However, funding arrangements would have to be adjusted to allow this to take place, otherwise one department will simply feel that it is indirectly subsidizing what another federal department wants to do.