### Service Devolution & Fiscal Federalism: A Short History of Canada Actively Avoiding Responsibility

**1947**
- **Expansion of government social programs to First Nations**
  - Head of the Welfare Section of Indian Affairs states, “It is the policy of the Branch to assist Indians to be self-supporting rather than issue direct relief. As a result, the scale of relief supplied to able-bodied Indians must err on the parsimonious rather than on the generous side.”

**1947**
- **Treasury Board of Canada formalizes social assistance on reserves**
  - A national survey shows that “the Indian Affairs Branch scale of food assistance is inadequate in over 150 communities throughout Canada.”

**1963**
- **By 1966**
  - Special commissions are already suggesting exit strategies to the remediation efforts proposed earlier in the decade.
  - The Hawthorn Report advocates for new social programs and services to be provided by provinces until each First Nation individual is integrated into Canadian society.  

**1963**
- **Rejection of the White Paper**
  - The 1969 policy brief advocates for an end to all federal service delivery to reserves. Its rejection by First Nations leads to an increase in spending programs, but leads to little improvement. No rights to economic benefits from treaties and traditional lands are recognized; the focus is on social assistance rather than economic development.

**1969-1970**
- **Indian Affairs is granted authority by the Treasury Board to “devolve, over time, to the greatest extent possible... its programs and services to Indian people.”**

**1986**
- **“The Buffalo Jump”**
  - Government document reveals plans to transfer most federal responsibilities towards First Nations to the provinces and communities; it recommends a bigger role for the private sector in on-reserve service delivery and user-pay programs; also devises plan to expedite reserve obsolescence or transform them into municipalities.

**1995**
- **“Bloodbath Budget”**
  - 2% funding cap on First Nations spending
  - **Inherent Right Policy**
    - The Government of Canada recognizes that Indigenous peoples have an inherent right to self-government (protected under section 35 of the Constitution Act, 1982), but that “financing self-government is a shared responsibility among federal, provincial and territorial governments, and Aboriginal governments and institutions.”

**1995**
- **“A New Fiscal Relationship”**
  - The Government of Canada with the Assembly of First Nations, initiates consultations to develop a new self-government and Indian Act fiscal policy framework

**2015**
- **“Canada’s Fiscal Approach for Self-Government Arrangements”**
  - The Government of Canada establishes a new policy framework for federal transfer payments to self-governing Indigenous Nations, revising the “Own-Source Revenue” offset methodology, and detailing the protection of program transfers for health, education, and social development.

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Learn more by reading the Yellowhead Brief, “Splitting INAC: Coercive Fiscal Federalism in the Disguise of ‘Reconciliation’” by Veldon Coburn, featured on www.yellowheadinstitute.org