

Administrative Office:
111 Peter St., Suite 804.
Toronto, ON
M6V 2H1
Ph: (416) 597-1266
Fx: (416) 597-8365



Political Office:
Fort William First Nation
Suite 101, 90 Anemki Drive
R.R. #4, Thunder Bay, ON.
P7C 4Z2
Ph: (807) 626-9339
Fx: (807) 626-9404

Website: www.chiefs-of-ontario.org

* Association of Iroquois & Allied Indians * Grand Council Treaty #3 * Independent First Nations * Nishnawbe-Aski Nation * Union of Ontario Indians

Chiefs of Ontario Bulletin

DATE: January 8, 2010
TO: Leadership, Grand Chiefs, Tribal Councils
FROM: Angus Toulouse, Ontario Regional Chief
RE: **HST UPDATE BULLETIN**

On December 15, 2009, federal Bill C-62 *An Act to Amend the Excise Tax Act* (also known as the *Provincial Choice Tax Framework Act*) received royal assent and will come into force on July 1, 2010. Similarly, provincial Bill 218 *Ontario Tax Plan for More Jobs and Growth Act* also received royal assent on December 15, 2009.

Both the federal and provincial government were required to pass legislation in order to make changes to the current tax system and administrative structures in order for the harmonized sales tax to be implemented, along with other new tax measures. The passage of these Bills means that the HST can now be implemented as planned effective July 1, 2010.

Despite the concerted advocacy efforts of First Nations leadership, including the presentations made by Regional Chief Angus Toulouse to the provincial Standing Committee on Finance and Economic Affairs, the federal Parliamentary Finance Committee, and the Senate Committee on National Finance, wherein he presented workable changes that could be made to continue the First Nations point of sale exemption under the new tax regime - neither Bill addresses the First Nation position.

In December 2009, the First Nation leadership in Ontario passed a resolution 09/31 (attached) rejecting the imposition of the HST on their citizens. The resolution also commits the leadership to act collectively to achieve provincial and federal recognition of the aboriginal and/or treaty right to tax immunity, and to explore all options to oppose the imposition of the HST, including legal options.

The Political Confederacy met on December 17, 2009 and discussed options for moving forward on this issue. General direction was provided to pursue a legal opinion leading to a specific legal action on behalf of the First Nations in Ontario. Furthermore, the Chiefs in Assembly approved a rolling draft Action Strategy outlining action that can be taken to clearly demonstrate First Nations rejection of the imposition of the HST on First Nation citizens. Attached to this bulletin please find a copy of the draft Action Strategy that has been approved for implementation by First Nation leadership.

On December 14, 2009, the Ontario Regional Chief again wrote to federal Finance Minister James Flaherty seeking a meeting to discuss possible options for addressing the concerns and priorities of the First Nations in Ontario. According to the conditions set out in the Comprehensive Integrated Tax Coordination Agreement (CITCA), the federal government has the final say on those items that will be exempt. To date, the federal government has refused to agree to a continuation of the point of sale exemption as currently administered by the government of Ontario. The government of Ontario has indicated to the federal government that they support the position of the First Nations in this matter however, the federal government has refused to consider the request, and further the federal Finance Minister has to date refused to meet with First Nations leaders.

Despite the passage of legislation provincially and federally, the First Nations leadership in Ontario will not accept this violation of Aboriginal and Treaty rights. We will continue to pursue a possible solution with both Ontario and Canada, and we will also continue to pursue other options for arriving at a just and acceptable resolution. We are encouraging each First Nation and First Nation citizen to become actively engaged in standing up for our Aboriginal and Treaty rights. As leaders we cannot do this alone. We need the active engagement and support of our citizens in order to convey a united and strong voice to the federal and provincial governments in making clear to them that we will not accept the imposition of taxation.

The Chiefs of Ontario office will continue to send out information bulletins to all First Nations on the HST issue as things develop or as new information becomes available.