

# Aboriginal Relations

**Annual Report**  
2012-2013



# Aboriginal Relations

## Annual Report 2012-2013

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# Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 18 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

On May 8, 2012, the government announced new ministry structures. The 2012-13 ministry annual reports and financial statements have been prepared based on the new ministry structure. The Ministry of Aboriginal Relations assumed the Aboriginal relations responsibilities of the former Ministry of International, Intergovernmental and Aboriginal Relations.

**This annual report of the Ministry of Aboriginal Relations contains the minister's accountability statement, the audited financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

# Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2013, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at June 5, 2013 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[ORIGINAL SIGNED BY]

**Robin Campbell**

Minister of Aboriginal Relations

# Message from the Minister of Aboriginal Relations



2012-2013 was a year of new directions for our ministry and positive outcomes for all Albertans.

The work we are doing in Aboriginal Relations is a part of our government's Building Alberta Plan:

- Invests in families and communities to meet our growing Province's needs;
- Ensures we live within our means, by challenging every dollar the government spends and making sure every program continues to deliver real results for people; and
- Builds new markets for all our resources so we get the fairest price and we protect the jobs and prosperity Albertans depend on.

Aboriginal Relations is putting the Building Alberta Plan into action through a number of different initiatives which are outlined in the annual report.

By establishing Aboriginal Relations as a stand-alone ministry, Premier Redford made a commitment to not only strengthening the government's relationship with Aboriginal communities, but also to challenging the status quo when it comes to the participation of Aboriginal people in the social and economic life of the province. Our actions over the past year have demonstrated that commitment fully.

One of my main priorities has been relationship building, and since taking over the portfolio, I have travelled to all eight Metis Settlements and almost half of the 48 First Nations in the province. These meetings have been invaluable opportunities to talk with community members, learn about what is working for them, and discuss their plans for the future.

Increasing dialogue was also the goal of the *Alberta-First Nations Opportunities Forum*, which we hosted on December 10 and 11, 2012 in Edmonton. The forum brought together Premier Redford, Cabinet ministers, and First Nations leaders from across the province for a conversation on key issues, including economic opportunities and education. It was also a chance for us to explore new areas for partnership and cooperation. Following the forum, I received a lot of positive feedback from Chiefs, who thought our discussions were positive and important, and I look forward to continuing to work with them. Chiefs commented that this was the first opportunity to have this kind of dialogue in decades.

One of Aboriginal Relations' business plan goals is coordinating and strengthening Alberta's approach to Aboriginal consultation. Our review of the province's Consultation Policy has included significant input from First Nations, industry, and municipalities and collaboration with other ministries. We have worked hard to ensure the proposed consultation process is clear and effective. Underlying all of this is our commitment to protecting Treaty rights and enhancing relationships between First Nations, industry and government, which in turn will deliver stronger economic outcomes for all Albertans.

The Alberta government knows that a good education is the most important path to success for First Nations youth and adults. In support of this, we continued to work with First Nations, Alberta Education, and the federal government to implement the *Memorandum of Understanding*

for *First Nations Education*, which seeks to address gaps in funding, services and legislation, and to increase collaboration and coordination in the education system.

Premier Redford has made it a priority for our ministry to support initiatives that increase economic opportunities and enhance the social well-being of Aboriginal women in Alberta. In 2012-2013, we invested in projects through organizations like Women Building Futures and the Aboriginal Women's Professional Association to support Aboriginal women in making career decisions, developing leadership skills, and exploring entrepreneurship. We also funded community organizations for programs aimed at addressing the issue of violence against Aboriginal women and girls.

In addition, we continued to make significant investments in Aboriginal communities.

On March 12, 2013, together with the Metis Settlements General Council, Premier Redford and I signed an agreement for the *Metis Settlements Long-Term Governance and Funding Arrangements*. Developed collaboratively with the Metis Settlements, the 10-year, \$85 million funding agreement provides a framework and financial resources for the Settlements to become self-sustaining communities. It will ensure that they have the same social and economic opportunities and essential services on par with other Alberta communities.

Now in its seventh year, the First Nations Development Fund remains an important source of support for First Nations' economic, social and community development projects, and to date it has paid out over \$610 million for more than 1,300 projects in First Nations communities throughout Alberta.

We will continue to work with Aboriginal communities, municipal and federal governments, and industry to enhance the participation of Aboriginal people in the province's economy. This includes an increased focus on Aboriginal people living in urban areas.

Aboriginal people are vital to our province's future, and we will continue to build on the progress that we've made to ensure they are able to contribute to and take advantage of the social and economic opportunities in the province. This is a part of our Building Alberta Plan for the benefit of all Albertans.

[ORIGINAL SIGNED BY]

**Robin Campbell**  
Minister of Aboriginal Relations



# Management's Responsibility for Reporting

The executives within the ministry have the primary responsibility and accountability for the ministry. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the ministry rests with the Minister of Aboriginal Relations. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – information agrees with underlying data and the sources used to prepare it.
- Understandability and Comparability – current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – performance measures and targets match those included in Budget 2012.

As Deputy Minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board, the Minister of Finance and the Minister of Aboriginal Relations information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executives within the ministry.

[ORIGINAL SIGNED BY]

**Bill Werry**

Deputy Minister

Aboriginal Relations

June 5, 2013



## RESULTS ANALYSIS



## Ministry Overview

On May 8, 2012, the government announced cabinet restructuring. The new Ministry of Aboriginal Relations was established to act as a focal point for the province's relationships with First Nations, Métis and Inuit communities and organizations in Alberta.

### Organizational Structure

The Ministry of Aboriginal Relations organizational structure is outlined in Figure 1. The ministry includes two operational divisions and three supporting divisions. The ministry also supports the Metis Settlements Appeal Tribunal, the Office of the Metis Settlements Ombudsman and the First Nations Protocol Agreement on Government to Government Relations.

### Ministry Divisions

The responsibilities of the ministry divisions are as follows:

#### ***First Nations and Métis Relations***

Supports Alberta's government-to-government relationships with First Nations and coordinates the province's relationship with the Metis Settlements General Council and the Métis Nation of Alberta Association, including administration of Alberta's unique Metis Settlements legislation. This division also facilitates economic partnerships, administers the First Nations Development Fund, and supports other initiatives to strengthen Aboriginal participation in Alberta's social and economic opportunities.

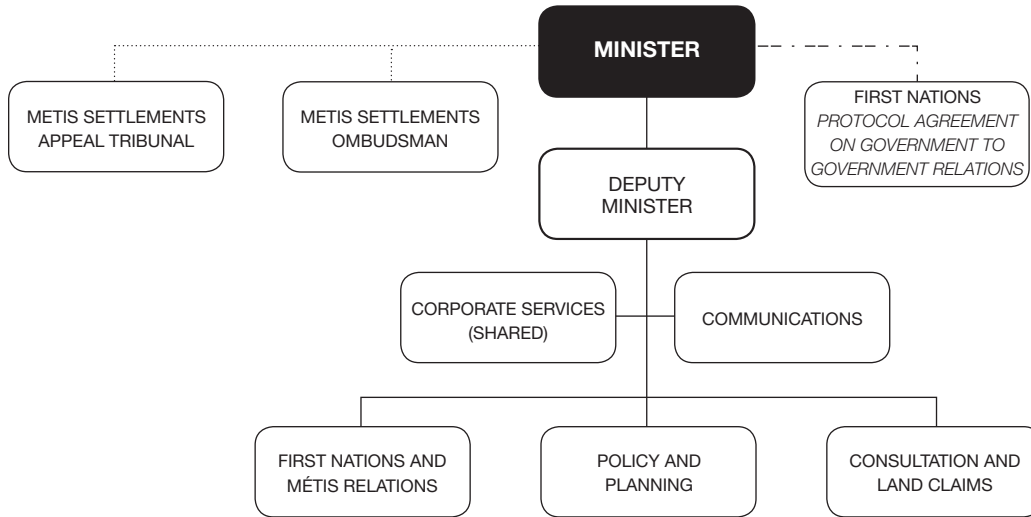
#### ***Consultation and Land Claims***

Coordinates initiatives related to First Nations consultation on land and resource development, including Alberta's First Nations consultation policy. This division also administers the First Nations Consultation Capacity Investment Program and manages the province's involvement in Aboriginal land claims.

#### ***Policy and Planning***

Provides ministry-wide support for the development of recommendations regarding major Aboriginal policy issues. This division also supports corporate planning and reporting, and leads the ministry's participation in federal / provincial / territorial relations on Aboriginal matters.

**FIGURE 1 » MINISTRY OF ABORIGINAL RELATIONS 2012-13 ORGANIZATIONAL STRUCTURE**



..... Relationship  
 - - - Independent components

**Corporate Services**

Corporate services are shared with the Ministry of International and Intergovernmental Relations. This division provides essential corporate services and infrastructure in the areas of Finance and Administration, Human Resources Services, Information Management and Information Technology, and Freedom of Information and Protection of Privacy.

**Communications**

Provides professional communication services, advice, planning, implementation and support to communicate ministry and government direction, policy and programs to Albertans, the media, other governments and stakeholders.

***Ministerial Relationships***

The ministry also supported the Metis Settlements Appeal Tribunal, the Office of the Metis Settlements Ombudsman and the First Nations Protocol Agreement on Government to Government Relations.

***Metis Settlements Appeal Tribunal***

The Metis Settlements Appeal Tribunal (MSAT) is a quasi-judicial body established by the *Metis Settlement Act* that promotes self-governance, certainty and respect within the Metis Settlements through adjudication, mediation and education. The chair of MSAT has a reporting relationship to the Minister of Aboriginal Relations. Administrative support and staffing are provided by the ministry.

**NOTE:** Alberta does not accent the word “Metis” when associated with Settlements legislation.

***Office of the Metis Settlements Ombudsman***

The Office of The Metis Settlement Ombudsman (MSO) was an impartial structure with delegated ministerial authority through government regulation. The office of the MSO investigated the financial and administrative condition of the Metis Settlements and reported its findings to the Minister. Assessments of the Office of the MSO resulted in a decision to close the office as of April 4, 2013. This decision was supported by the Metis Settlements General Council. The ministry will assume responsibility for managing any issues that may be brought forward by Metis Settlement members.

***Protocol Agreement on Government to Government Relations***

The *Protocol Agreement on Government to Government Relations* was signed by the Government of Alberta and the Grand Chiefs and Vice Chiefs of Treaties 6, 7 and 8 in 2008. The agreement recognizes the importance of effective relationships between the Government of Alberta and First Nations and provides regular opportunities for engagement between elected officials.

## Review Engagement Report (Auditor General's Report)



To the Members of the Legislative Assembly

I have reviewed the performance measure identified as reviewed by the Office of the Auditor General in the Ministry of Aboriginal Relations' Annual Report 2012-2013. The reviewed performance measure is the responsibility of the Ministry and is prepared based on the following criteria:

- Reliability – The information used in applying performance measure methodology agrees with underlying source data for the current and prior years' results.
- Understandability – The performance measure methodology and results are presented clearly.
- Comparability – The methodology for performance measure preparation is applied consistently for the current and prior years' results.
- Completeness – The goal, performance measure and related target match those included in the ministry's budget 2012.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the ministry.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measure. Further, my review was not designed to assess the relevance and sufficiency of the reviewed performance measure in demonstrating ministry progress towards the related goal.

Based on my review, nothing has come to my attention that causes me to believe that the performance measure identified as reviewed by Office of the Auditor General in the ministry's annual report 2012-2013 is not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability and completeness as described above.

[ORIGINAL SIGNED BY MERWAN N. SAHER, FCA]

Auditor General

May 10, 2013

Edmonton, Alberta

Performance measure reviewed by the Office of the Auditor General is noted with an asterisk (\*) on the Performance Measures Summary Table.



## Performance Measures Summary Table

**Note:** The Goals and Performance Measures described below are identified as Goals 3 and 4, respectively, in the 2012-15 Business Plan for the Ministry of International, Intergovernmental and Aboriginal Relations.

GOALS/ PERFORMANCE MEASURE(S)		PRIOR YEAR'S RESULTS				TARGET	CURRENT ACTUAL
		2008-09	2009-10	2010-11	2011-12		
<b>1. Aboriginal communities and people fully participate in Alberta's economy and society</b>							
1.a	Number of Aboriginal strategic economic development initiatives, partnerships and capacity building projects	24	32	34	34	34	49
<b>2. Alberta's coordinated approach to Aboriginal consultation and land claims enhances resource development certainty</b>							
2.a	Number of First Nations with a single point of contact for consultation *	40	44	46	46	46	48

\* Indicates Performance Measures that have been reviewed by the Office of the Auditor General.

The performance measure indicated with an asterisk was selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal,
- Measures for which new data is available, and
- Measures that have well established methodology.

## Methodology, Data Sources and Results

### Economic Projects

#### ***1.a Number of Aboriginal strategic economic development initiatives, partnerships and capacity building projects***

This measure includes the number of projects funded through the Strategic Economic Initiatives program and the Economic Capacity Building program. Both programs support Aboriginal organizations, communities and people to more fully participate in Alberta's economy.

This measure is calculated based on the number of approved projects for both programs. Applicants for both programs may include First Nations, Tribal / Regional Councils, First Nations companies and organizations, Métis organizations and non-government organizations that directly promote economic capacity-building in Aboriginal communities. Non-Aboriginal applicants may also be considered where there is demonstrated Aboriginal support.

In 2012-13, the Strategic Economic Initiatives and Economic Capacity Building programs funded 21 and 28 projects, respectively, for a total of 49 projects. The results for this measure significantly exceeded the target for the second consecutive year. This was due to factors such as increased uptake of the program by Aboriginal communities. In addition, the ministry continued to establish positive partnerships through direct liaison with a variety of funding

partners. A collaborative working model has resulted in increased funding provided by more entities. Both programs continued to leverage opportunities with other partners, resulting in the funding of more projects than anticipated out of the existing budget.

### **Contacts for Consultation**

#### ***2.a Number of First Nations with a single point of contact for consultation***

This measure is the number of First Nations with a single point of contact for consultation regarding the management and development of Crown land and the potential impact to Treaty rights. The ministry requires that First Nations identify a contact person as a condition of the First Nations Consultation Capacity Investment Program (FNCCIP). First Nations not accessing the program may also voluntarily identify a single point of contact.

Names of contacts for consultation purposes endorsed by First Nations are provided in writing and then posted on the ministry's website. This information is available to project proponents (such as industry stakeholders proposing projects) to initiate consultations with First Nations whose rights and traditional uses may be adversely impacted by a proposed project.

The number of First Nations with a single point of contact may vary from year to year, depending on factors such as First Nation elections and other internal First Nation issues. In 2012-13, the ministry continued its efforts to strengthen relationships with First Nations and to maintain and promote the profile of the FNCCIP. The number of First Nations with a single point of contact increased from 46 to 48 for the 2012-13 fiscal year. For the first time, the ministry decided to include Onion Lake First Nation in the listings. Onion Lake First Nation is a Saskatchewan-based First Nation whose traditional use area extends into Alberta. In 2012-13, Cold Lake First Nation was the only First Nation to choose not to provide the ministry with a single point of contact.

The current result of 48 First Nations with a single point of contact for consultation is the highest result on record. This is the last year for this performance measure in the ministry business plan. A new measure has been established in the 2013-16 business plan to track progress toward achieving Goal 2.

## Discussion and Analysis of Results

The Ministry of Aboriginal Relations contributes to the Government of Alberta's Strategic Priorities as outlined in the 2012-15 Government Strategic Plan. In 2012-13, ministry initiatives supported the following government-wide priorities:

- **Investing in Families and Communities:** Initiatives to enhance economic opportunities and the social well-being of Aboriginal women and Aboriginal people living in urban centres. The First Nations Development Fund supports economic, social and community development projects in First Nations across Alberta.
- **Securing Alberta's Economic Future:** The Metis Settlements Long-Term Arrangement provides stability and certainty for governance and economic development on Alberta's Metis Settlements. Other initiatives to strengthen social and economic opportunities included economic partnerships and workforce participation strategies.
- **Advancing World-leading Resource Stewardship:** Strengthened relationships with Aboriginal communities and people ensure that Aboriginal people are actively consulted as part of resource development. Development of an updated Alberta *Policy on Consultation with First Nations on Land and Natural Resource Management* will provide enhanced certainty for resource development while respecting First Nations Treaty rights.

### Goal: Aboriginal communities and people fully participate in Alberta's economy and society

The ministry provides leadership on Aboriginal policy and oversees agreements between the Government of Alberta and Aboriginal governments and organizations. By building relationships and providing advice, guidance and specialized knowledge to other ministries, governments, industry and other partners/stakeholders, the ministry strengthens governance, economic and social opportunities for Aboriginal people in Alberta. The ministry also administers Alberta's Metis Settlements legislation and associated governance entities, and the First Nations Development Fund.

#### Building and Maintaining Relationships

The ministry leads Alberta's relations with First Nations and Métis governments and organizations. It coordinates provincial participation in government-to-government initiatives and oversees the implementation of agreements between the province and Aboriginal organizations.

Aboriginal Relations continued to engage and build relationships with First Nations and Métis communities across Alberta. In 2012-13, the Minister of Aboriginal Relations visited 21 First Nations and all eight Metis Settlements. The ministry makes ongoing efforts to connect Aboriginal communities with appropriate provincial ministries and programs to enhance access to opportunities for collaboration and assistance.

Other key relationship-building results for 2012-13 are summarized below.

### **Opportunities Forum**

On December 10 and 11, 2012, the Government of Alberta hosted the *Alberta-First Nations Opportunities Forum*. Respecting the government-to-government relationship between First Nations and the Government of Alberta, the forum focused on dialogue in the areas of economic participation and education. This event provided an opportunity for First Nations leaders, the Premier, provincial ministers and senior officials to identify how to create better opportunities for First Nations people to contribute to, and benefit from, Alberta's economy.

### **Protocol Agreement on Government to Government Relations**

In 2008, the Government of Alberta and the Grand Chiefs and Vice Chiefs of Treaties 6, 7 and 8 signed the historic *Protocol Agreement on Government to Government Relations*. This agreement provides a framework for continued collaboration between the parties. The *Protocol Agreement* is an umbrella agreement; sub-agreements between the Grand Chiefs and appropriate Ministers may establish specific processes involving other sectors or ministries.

The *Protocol Agreement on Government to Government Relations* was set to expire on March 31, 2013. In 2012-13, the ministry engaged in discussions with Treaties 6, 7 and 8 to extend the agreement and develop a process for its renewal.

### **Metis Settlements Long-Term Arrangements**

On March 12, 2013, Alberta's Premier, the Minister of Aboriginal Relations and the President of the Metis Settlements General Council (MSGC) signed the agreement for the *Metis Settlements Long-Term Governance and Funding Arrangements*. This agreement outlines long-term governance and funding arrangements for Alberta's Metis Settlements and was the result of a two-year negotiation process.

The *Metis Settlements Long-Term Governance and Funding Arrangements* agreement is a 10 year commitment that includes \$85 million in funding. Its objectives include:

- strengthening the settlements' local government and accountability;
- increasing education, employment and economic opportunities; and
- improving infrastructure and essential services.

### **Alberta's Metis Settlements Legislation**

Alberta is the only province in Canada with a land base designated specifically for Metis people and provincial legislation establishing a governance structure.

In 1938, the Government of Alberta set aside land for Alberta's Metis people under the *Metis Population Betterment Act*. Following the *Alberta/Metis Settlements Accord*, signed in 1989, the Alberta government passed legislation in 1990 and transferred 512,121 hectares (1.25 million acres) of Settlement land to the Metis.

The *Metis Settlements* legislation established a unique governance framework. This included the Metis Settlements General Council to represent the collective interest of the eight Metis Settlements. Each Metis Settlement is governed by an elected five-person council. The Settlements have statutory authority similar to local governments.

As part of the *Metis Settlements Long-Term Governance and Funding Arrangements* agreement, draft Legislative Amendments were developed for introduction during the 2013 Spring Legislative session. The proposed amendments include measures to improve governance and enhance accountability of the Metis Settlements governance structures.

The ministry also continued to support discussions between Alberta Energy and the MSGC regarding amendments to the *Metis Settlements Co-Management Agreement*. This agreement covers the development of minerals within the Settlements. Further amendments are anticipated in 2013 to enhance opportunities for the Metis Settlements to participate in mineral exploration and development.

### **Framework Agreement with the Métis Nation of Alberta Association (MNAA)**

The *Framework Agreement* between Alberta and MNAA provides a means for the parties to work together to strengthen Métis economic and social development and well-being, while helping to preserve Métis identity and cultural heritage.

In 2012-13, the ministry worked with the MNAA to establish a process to conduct the second of three formal reviews under the *Framework Agreement*. The second review will be completed by March 31, 2014. It will focus on the adequacy of provincial funding provided to the MNAA and the development of evaluation criteria to assess progress toward to the goals of the *Framework Agreement*.

Aboriginal Relations also provided funding to the MNAA to support an agreement between Canada, Alberta and the MNAA. This agreement provides the three parties with a forum to address issues of common interest, including education, employment, family and social issues, and economic development.

#### **Métis Relations**

The Government of Alberta has had a long and positive relationship with Métis communities in the province. These communities have played an important role in Alberta's history, society and economy.

Aboriginal Relations works together with Métis communities and organizations on many initiatives supporting the shared goal of building strong, vibrant, self-governing communities.

Alberta has provided funding to the MNAA through a *Framework Agreement* since 1987. The MNAA *Framework Agreement* helps ensure that Métis people actively participate in the development of Alberta government policies, programs, initiatives, resources and services.

### **Aboriginal Affairs Working Group (AAWG)**

The AAWG includes provincial and territorial Ministers of Aboriginal Affairs and leaders of the five National Aboriginal Organizations (NAOs). It was established by Premiers and NAO leaders in 2009 as a way to work together to improve social and economic outcomes for First Nation, Métis and Inuit people across Canada.

The AAWG has identified three key priorities: closing the education gap, closing the income gap, and ending violence against Aboriginal women and girls.

The AAWG expanded a website to promote Aboriginal economic development success stories (<http://www.aawgecdev.ca/main.html>). The group is also collaborating with the Council of Ministers of Education on Aboriginal education initiatives.

Aboriginal Relations represents Alberta in the AAWG, ensuring that national initiatives reflect the priorities of the Government of Alberta.

### **National Aboriginal Organizations**

The five National Aboriginal Organizations participating in the AAWG are:

- The Assembly of First Nations
- The Métis National Council
- Inuit Tapiriit Kanatami
- The Congress of Aboriginal Peoples
- The Native Women's Association of Canada

### **Urban Aboriginal Initiatives**

In 2012-13, the ministry continued to work with urban Aboriginal communities and federal, municipal and Aboriginal governments to improve socio-economic outcomes for Aboriginal people living in Alberta's urban centres.

Aboriginal Relations provided \$757,000 in funding to the Alberta Native Friendship Centres Association and the 20 Alberta Friendship Centres to support Friendship Centre operations and local community programming. The ministry also provided an additional \$121,000 to support employment, domestic violence prevention, and youth projects at three Friendship Centres.

The ministry continued to partner with the Government of Canada to implement the federal Urban Aboriginal Strategy (UAS) in Alberta. In 2012-13, the ministry provided operational and capacity building funding support to the UAS coordinating entities in Calgary, Edmonton and Lethbridge.

### **Urban Aboriginal Strategy**

The UAS is a national, community-based initiative to improve the social and economic opportunities of Aboriginal people living in Canada's urban centres. The UAS is a partnership between the Government of Canada and the Aboriginal community, local organizations, municipal and provincial governments, and the private sector.

UAS funding supports projects that respond to local priorities and advance the UAS national priority areas: improving life skills; promoting job training, skills and entrepreneurship; and supporting Aboriginal women, children and families.

Other urban initiatives in 2012-13 included working with the City of Edmonton on the development of a *Memorandum of Coordination and Collaboration*. The memorandum would provide a forum for the discussion and development of key initiatives. While discussions were ongoing at the end of the 2012-13 fiscal year, the Government of Alberta and the City of Edmonton anticipate signing the memorandum in 2013-14.

### **Aboriginal Women's Initiative**

Alberta's Premier identified a priority to support initiatives that increase economic opportunities and enhance the social well-being of Aboriginal women in Alberta. In 2012-13, Aboriginal Relations allocated more than \$545,000 in funding for 14 projects in support of this priority.

The ministry provided \$265,000 to support eight projects aimed at improving the social well-being of Aboriginal women. Examples include:

- Aboriginal Women's Professional Association – Aboriginal Women's Leadership Development: providing leadership training by and for Aboriginal women.
- Three Eagles Society – Awareness to End Violence Against First Nation Girls and Women: supporting First Nations to conduct activities and develop resources for raising awareness on ending violence against First Nation girls and women.
- Poundmaker's Lodge – Meadowview Women's Healing Centre: providing a safe house and supportive environment for Aboriginal women attempting to leave high-risk lifestyles.

The ministry also allocated \$282,400 in funding for six projects to support Aboriginal women in the areas of economic development and entrepreneurship. Examples include:

- Alberta Women Entrepreneurs - Next Step to Success Capacity Building: assistance to train facilitators and provide business planning workshops for Aboriginal women in the province.
- Women Building Futures – Aboriginal Engagement Strategy: enabling engagement in career decision-making and skills enhancement workshops for women in Aboriginal communities throughout Alberta.
- Amiskwaciy Academy - Leadership and Entrepreneur Project: assistance to deliver a program of leadership activities for female students, building their capacity to become entrepreneurs.

The ministry anticipates continuing its support for Aboriginal women's initiatives in the coming year.

### **First Nations Development Fund (FNDF)**

The ministry has administered the FNDF grant program since 2008. The FNDF is part of the Government of Alberta's First Nations Gaming Policy. Both the Policy and the FNDF were developed and endorsed through a collaborative process with First Nations. The FNDF grant program provides an excellent source of support for First Nations' economic, social and community development projects.



In 2012-13, the FNDF Grant Program distributed approximately \$119 million to First Nations to support 290 community-based and community-designed projects. These included strategic planning, improving on-reserve infrastructure, housing, engaging youth and supporting Elders, and support for First Nation-owned businesses to improve employment and economic opportunities.

Examples of projects supported by the FNDF grant program in 2012-13 included:

- \$261,630 for Blood Tribe road construction to promote economic development and safer community roadways.
- \$620,780 for the development of a multi-purpose building in Frog Lake, which will provide a centralized location for social and economic programs in the community.
- \$253,303 towards operation of an agriculture program in Whitefish (Goodfish) First Nation, to support maintenance of livestock and maintain the Nation's ability to participate in the agriculture industry.
- \$214,925 to support construction of a Powwow Arbour in Piikani Nation, which hosts a variety of recreational and social gatherings for the community and other First Nations.
- \$187,550 for the expansion of Sturgeon Lake Cree Nation's current daycare, to meet the growing needs for childcare on-reserve.

### **How the First Nations Development Fund Works**

The FNDF Grant Program receives 40 per cent of the net revenue from government-owned slot machines in First Nation casinos in Alberta.

Of this 40 per cent, 75 per cent is available to the five host First Nations who have casinos (Alexis Nakota Sioux, Cold Lake, Enoch Cree, Stoney Nakoda and Tsuu T'ina). The remaining 25 per cent is shared among the other First Nations in Alberta.

Of the 25 per cent going to First Nations that do not have casinos, half is divided equally among the other eligible First Nations; the other half is divided according to First Nation population figures.

More information on the FNDF grant program is provided in the *FNDF Grant Program Annual Results* report, which is available on the ministry's website.

### **Economic and Social Initiatives**

The ministry works with Aboriginal organizations and communities, other ministries, other governments and other partners to enhance the participation of Aboriginal communities and people in Alberta's economy and society.

Aboriginal Relations participates in a variety of cross-ministry and intergovernmental initiatives to ensure the inclusion of Aboriginal people and perspectives in the development of economic and social policy. In 2012-13, the ministry contributed to the development of the Canadian Energy



Strategy, Supernet 2015, the Alberta Children and Youth Initiative, and the Child and Youth Data Lab. The ministry also continued to participate with Alberta Human Services in the Child and Family Services Engagement Process, which includes the federal government and the Treaty 6, 7 and 8 organizations.

Other key results from social and economic initiatives in 2012-13 are summarized below.

### **Memorandum of Understanding (MOU) on First Nations Education**

In February 2010, the Government of Canada, the Government of Alberta and the Assembly of Treaty Chiefs in Alberta signed an historic *Memorandum of Understanding for First Nations Education in Alberta*. The tripartite (provincial – First Nations – federal) MOU provides a common vision for strengthening learning and improving educational outcomes for First Nation learners in Alberta. The MOU provides a framework for collaboration to support a range of education-related initiatives, including parental and community engagement, Treaty and cultural awareness, and ongoing work on tuition and education service agreements.

Progress on implementation of the MOU continued in 2012-13. In 2011, eight sub-tables were established to examine issues identified in the MOU. The sub-tables included representation from all parties and provided opportunities for First Nation communities to share their perspectives. In April 2012, all eight sub-tables submitted reports with findings and recommendations to an all-party working group. The recommendations from the sub-tables are informing the joint development of a long-term strategic plan to restructure First Nations education in Alberta.

Also in support of the MOU, representatives from provincial, First Nation, and federal governments continued implementing a communication strategy to increase awareness among First Nation parents and communities. This strategy involved presenting information updates to a variety of stakeholders, including First Nation leadership, educators and community members. A third edition of an MOU newsletter was developed to enhance First Nations community awareness.

### **Aboriginal Workforce Participation**

Development of an Aboriginal Workforce Strategy was a key recommendation of the 2010 Member of the Legislative Assembly (MLA) committee report, *Connecting the Dots: Aboriginal Workforce and Economic Development in Alberta*. As part of its response to *Connecting the Dots*, the Government of Alberta identified a strategic priority to develop a strategy to address the workforce and skills training needs of Aboriginal people in Alberta.

#### **Workforce Participation**

The recommendations put forward in *Connecting the Dots* are expected to lead to improved labour market connections and greater economic opportunities for Aboriginal people in Alberta.

The Government of Alberta Response to *Connecting the Dots* outlined government's next steps for improving the economic and social well-being of Aboriginal people in Alberta. The focus is on increasing collaboration with Aboriginal governments and other stakeholders to ensure Aboriginal people receive the education, training, and access to opportunities needed to fully participate in the workforce.

In 2012-13, Aboriginal Relations participated in a steering committee of provincial officials and Aboriginal community representatives who are developing the Aboriginal Workforce Strategy. The strategy is intended to specifically address the workforce and skills training needs and goals of urban, rural, remote and young Aboriginal people in Alberta by supporting local, community-based decision making and collaborative planning. The ministry also supported the Grande Prairie Friendship Centre and the Red Deer Native Friendship Centre Society to enhance their capacity to address issues around workforce participation.

The ministry is leading other initiatives as part of Alberta's response to *Connecting the Dots*. These include providing better support for Aboriginal people transitioning to urban centres. Progress in 2012-13 included working with the City of Edmonton toward finalization of the *Memorandum of Coordination and Collaboration*, an intergovernmental agreement that will include urban transitions as one of its priorities. The ministry also supported the Bent Arrow Traditional Healing Society to develop on-line resources to assist Aboriginal people moving to Edmonton.

The Aboriginal Relations Youth Internship project was launched in 2011-12 and continued in 2012-13. The project, co-led by Aboriginal Relations and Human Services, enables recent graduates to gain valuable experience in the provincial government. Of the nine interns who began the project, three have been hired on a full-time basis. Six Aboriginal interns continued their placements with four different provincial ministries in 2012-13.

## Economic Partnerships

Aboriginal Relations continued to work collaboratively with Aboriginal communities and provincial and federal government departments to encourage industry partnerships, strengthen economic capacity and provide support for entrepreneurship.

In partnership with Alberta Human Services, Aboriginal Relations continued to work collaboratively to promote economic opportunities for Aboriginal people and communities. Through the Strategic Economic Initiatives (SEI) and Economic Capacity Building (ECB) grant programs, the ministry supported 49 projects with funding of \$2.71 million.

The SEI program supports Aboriginal economic partnership projects that address partnership development, job creation, business creation and expansion. There were 21 SEI projects in 2012-13, including feasibility studies, business plans and analyses, and development of business partnerships and joint ventures. Some highlights of SEI projects in 2012-13 included:

- **Alberta Chamber of Resources (ACR).** This resource-based, cross-sectional association provides leadership for the development of natural resources in Alberta. A \$40,000 funding contribution from the SEI program provided ACR with assistance to develop an industry-driven employment strategy to create labour market connections resulting in tangible employment opportunities for Aboriginal people.
- **Canadian Badlands Ltd.** This registered, not-for-profit Alberta corporation provides destination-based tourism to south-eastern Alberta. A \$40,000 funding contribution from the SEI program provided Canadian Badlands Ltd. with assistance to develop a training and employment program for cultural interpreters in Alberta Parks. The program was developed

by the Treaty 7 Tourism Development and Engagement Group and will include training and mentoring of interns through employment with Alberta Parks. Programming will be delivered at Writing-on-Stone, Dinosaur and Cypress Hills Provincial Parks.

- **Green Hectares Corporation.** This group provides on-line and in-person delivery of educational, training and business services to entrepreneurs, farmers and producers, families and community members living in rural communities. A \$58,700 funding contribution from the SEI program provided Green Hectares Corporation with assistance for a First Nations Rural Tech training program. This program will provide mobile computer labs and business-applied technology training for individuals, organizations and businesses in First Nations communities. Training will be directed by the needs of communities and will improve business and technology skills, with the goal of improving access to economic opportunities.

The ECB program supports sustainable human resource and organizational capacity development to help achieve economic development objectives. The 28 ECB projects in 2012-13 included initiatives to develop or improve organizational structures and operating systems. Some highlights of ECB projects in 2012-13 included:

- **Women Building Futures.** This not-for-profit, charitable organization works to help women achieve economic independence through training, employment and mentorship. Program graduates make excellent tradespeople, and through them, Women Building Futures gives companies new competencies and workplace resources. A \$74,000 funding contribution from the ECB program enabled the Women Building Futures Society to offer career decision-making and skills enhancement workshops for women in Aboriginal communities throughout Alberta.
- **Kee Tas Kee Now Tribal Council.** The Kee Tas Kee Now Tribal Council (KTC) is made up of the Loon River Cree, Whitefish Lake and Woodland Cree First Nations. A \$25,000 funding contribution from the ECB program supported a three-day youth camp hosting high school students from KTC member Nations who attend schools in the KTC area as well as students from the Northlands School Division No. 61. The camp focussed on capacity building and how it relates to career planning, self-assessment, understanding the economy and labour trends, entrepreneurship skills and business development.
- **The Business Link.** This not-for-profit organization is supported by the Government of Canada and the Government of Alberta. Its Aboriginal Business Development Services division assists Aboriginal entrepreneurs who need information and resources to improve their access to capital and/or to establish or develop their businesses. A \$32,000 funding contribution from the ECB program assisted The Business Link to develop a Contract Readiness and Procurement training module for Aboriginal entrepreneurs in Alberta.

During the 2012-13 fiscal year, the ministry focused on developing stronger relationships with industry to support the development of economic capacity and opportunities. Examples of this strengthened relationship include the co-funding of initiatives such as the Northeast Alberta Apprenticeship Initiative to support the development of a skilled workforce.

The ministry also hosted capacity building and economic development workshops in Fort McMurray, Lac La Biche and Lethbridge. These workshops encouraged coordination and facilitated introductions among Aboriginal community members, local industry partners and government representatives. Discussions included ongoing priority areas such as building long-term capacity and addressing the needs of Aboriginal youth and women.

Aboriginal Relations recognized Aboriginal women entrepreneurs through the annual Alberta Chamber of Commerce Aboriginal Women Entrepreneur Award. The ministry also recognized partnerships between Aboriginal organizations and industry with the Alberta Chamber of Resources Rewarding Partnerships Award.

The ministry also continued to meet at a Funders Dialogue Table. Established in 2011-12, the table includes various provincial and federal government departments, who collaborate on Aboriginal economic development projects and identify potential funding partners.

### **National Aboriginal Day**

In 1996, the Government of Canada declared June 21 of every year to be National Aboriginal Day, celebrating the contributions of Aboriginal people to Canadian society. National Aboriginal Day is celebrated across the country and the province at numerous events held on or around June 21.

The ministry hosted the Government of Alberta's National Aboriginal Day celebration at Edmonton City Centre Mall on June 19, 2012. This annual cultural showcase is one of the ways the Alberta government recognizes the important role and contribution of Aboriginal people in the province. The ministry also provided financial support, through its grant program, to non-profit organizations across the province to hold National Aboriginal Day celebrations.

### **Goal: Alberta's coordinated approach to Aboriginal consultation and land claims enhances resource development certainty**

The ministry leads the interdepartmental development and implementation of the *Government of Alberta's First Nations Consultation Policy on Land Management and Resource Development* and advises other ministries that are developing policies, initiatives, legislation and regulations that affect Aboriginal communities and their rights. The ministry supports First Nations' capacity to participate in consultation on land management and resource development and develops tools to make consultation more effective for all parties. The ministry also coordinates Alberta's participation in settling Treaty land entitlement claims.

### **Land Management and Resource Development**

Aboriginal Relations supports cross-ministry and intergovernmental coordination of First Nations consultation and works to strengthen relationships with Aboriginal communities and people related to land management and resource development.

In 2012-13, the ministry continued to support the implementation of regional land-use planning under Alberta's *Land-Use Framework*. Aboriginal Relations staff provided extensive support to the Land Use Secretariat regarding development of both the Lower Athabasca and South Saskatchewan Regional Plans.

The ministry also continued to support the creation of a single regulator for oil, gas, oil sands and coal industries in the province, as set out in the *Responsible Energy Development Act*, which was passed in the Legislature in December 2012. During the spring of 2013, Aboriginal Relations supported engagement with First Nations on creation of the new Alberta Energy Regulator.

First Nations water management concerns are being addressed through water sub-tables in Treaties 6, 7, and 8. These tables are multi-jurisdictional, with participation from Aboriginal Affairs and Northern Development Canada, Alberta Environment and Sustainable Resource Development and Aboriginal Relations. In 2012-13, the ministry actively supported discussions with Treaty 7, where the most progress has been made due to pressing water management concerns. The ministry also supported ongoing water management discussions with Treaty 6 and Treaty 8.

The ministry continued to work closely with other provincial and territorial governments, as well as with Canada, to more effectively coordinate consultation on a national level. The ministry participated in the Federal / Provincial / Territorial Working Group on Aboriginal Consultation and Accommodation, with Aboriginal Relations staff delivering presentations at two working group meetings. The ministry also worked with the Government of Canada to improve consistency between the consultation approaches of Alberta and the federal government.

### **Alberta's First Nations Consultation Policy**

In 2012-13, Alberta continued to review its *First Nations Consultation Policy on Land Management and Resource Development* (Consultation Policy), which outlines the province's approach to respecting Treaty rights while meeting its legal duty to consult regarding potential adverse impacts on First Nations' constitutional rights. Led by Aboriginal Relations, this comprehensive review process included the gathering and analysis of feedback on the Consultation Policy and the overall consultation process from First Nations, industry and municipal governments.

The ministry hosted several meetings with these groups and their representative organizations and associations during 2012-13. Discussions included:

- several community visits between the Minister of Aboriginal Relations and First Nations Chiefs,
- a forum between the Minister and Alberta First Nations Chiefs; and
- a forum between the Minister and First Nations Chiefs and leadership from industry and municipal governments.

The input received was considered in the development of an updated draft First Nations consultation policy and guidelines.

On April 2, 2013, the Government of Alberta released a draft First Nations Consultation Policy (*The Government of Alberta's Policy on Consultation with First Nations on Land and Natural Resource Management, 2013*) and Corporate Guidelines (*The Government of Alberta's Corporate Guidelines for First Nations Consultation Activities, 2013*) to First Nations, industry, municipal associations, and other stakeholders for review and comment.

### **Alberta's First Nations Consultation Policy**

Alberta was one of the first provinces to develop and implement a consultation policy. The *Government of Alberta's First Nations Consultation Policy on Land Management and Resource Development* was introduced in 2005. Associated guidelines on how to implement the policy were released in 2006 and updated with First Nations and industry input in 2007.

Alberta's policy review seeks to respect Treaty rights, increase certainty and transparency in the consultation process, and mitigate legal risk for all parties. Alberta has sought and received input from First Nations, treaty organizations, industry associations and municipal governments during the review.

This formal opportunity for input on the draft policy and corporate guidelines is consistent with government commitments to open conversation and engagement with Albertans in a two-way dialogue to welcome input in a respectful manner. Feedback on the draft Consultation Policy and Corporate Guidelines is expected to help ensure that First Nations consultation in Alberta continues to be done in a manner that is respectful of Treaty rights while creating a more confident and predictable investment climate.

The new Consultation Policy and Corporate Guidelines will also support the province's Integrated Resource Management System and align with the new Alberta Energy Regulator. A revised First Nations Consultation Policy and Guidelines are expected later in 2013.

### **GeoData Mapping Initiative**

Identifying the geographic areas where First Nations exercise Treaty rights is an ongoing challenge in the consultation process. Knowing which First Nations to notify and consult on resource development projects is a crucial step in effective and meaningful consultation.

Aboriginal Relations and Environment and Sustainable Resource Development continued to co-lead a process to work with First Nations to develop a series of maps that illustrate where First Nations may have an interest in being consulted on land management and resource development. These maps will provide an important tool to guide decision makers on which First Nations to contact regarding consultation for particular resource development or land management projects.

In 2012-13, the GeoData Mapping initiative commenced its final phase of collecting mapping information directly from First Nations. Collection of GeoData is integral to working with First Nations to develop maps to better inform the First Nations consultation process. The number of maps completed from the final phase of this initiative will form the basis for one of the ministry's business plan performance measures, starting in 2013-14.



## Supporting First Nations Consultation Capacity

The province's First Nations Consultation Capacity Investment Program (FNCCIP) is intended to support First Nations to effectively participate in the consultation process with industry and Alberta. FNCCIP funding helps First Nations to work with Alberta and resource developers who are undertaking projects that may adversely impact constitutionally protected Treaty rights. The program assists First Nations to develop effective consultation structures, build First Nations' consultation staff capacity, and implement Alberta's First Nations Consultation Policy.

One of the FNCCIP's key outcomes is to create a single point of contact in each First Nation to help ensure timely consultation with project proponents. Names of contacts for consultation purposes endorsed by the First Nation are provided in writing by First Nations and then posted on the ministry's website. This process enables project proponents (such as industry stakeholders proposing projects) to initiate consultations with First Nations whose rights and traditional uses may be adversely impacted by a proposed project. The 2012-13 result of 48 First Nations with a single point of contact for consultation is the highest result on record.

In 2012-13, Aboriginal Relations identified the need for a coordinated consultation capacity initiative within the Government of Alberta, beyond the provision of FNCCIP funding. The ministry collected and reviewed information on capacity building needs and will develop recommendations for capacity building programs to address the current consultation capacity requirements of First Nations and Government of Alberta staff. The engagement of all parties in the development of a coordinated capacity building initiative will ensure that any programs developed will address current capacity challenges and benefit all parties.

## Treaty Land Entitlement (TLE)

Aboriginal Relations works with other ministries, the Government of Canada, and First Nations on land-related negotiations, including TLE claims.

In 2012-13, the ministry continued working on implementation of the Canada-Alberta Agreement respecting the Bigstone Cree TLE claim, signed in July 2010. Negotiations also continued on a number of other TLE claims.

### Treaty Land Entitlement Claims

TLE claims are grievances brought by First Nations people against the Crown and arise when a First Nation did not receive all of the land to which it was entitled under the terms of a Treaty.

The resolution of land claims is primarily a federal responsibility. The Government of Canada reserved land and mineral rights for First Nations as a result of treaties signed in the 1800s. Alberta has a constitutional obligation

under the Natural Resources Transfer Agreement (*Constitution Act*, 1930) to transfer back to Canada unoccupied Crown lands necessary to allow Canada to settle claims with First Nations.

Alberta is a leader in Canada in settling land claims. Since 1986, Alberta has been successful in settling 13 TLE claims. The settlement of TLE claims provides enhanced certainty for the parties involved and for industry with respect to resource development.

## Ministry Expense by Function

**TABLE 1 » MINISTRY EXPENSE BY FUNCTION**

For the year ended March 31, 2013

(IN THOUSANDS)

	2012-13	2012-13	2011-12
	BUDGET	ACTUAL	ACTUAL RESTATED
Regional Planning and Development	\$ 153,246	\$ 152,809	\$ 144,032
Ministry Expenses	\$ 153,246	\$ 152,809	\$ 144,032

The consolidated budgets and financial statements of the Government of Alberta classify government expenses by function. An expense function is defined as a classification that identifies the principal purpose for which an expense is incurred, rather than the activity involved. For budget purposes, expenses are allocated to ten functions: Health; Education; Human Support Services and Housing; Agriculture, Resource Management and Economic Development; Regional Planning and Development; Protection of Persons and Property; Transportation, Communications and Utilities; Environment; Recreation and Culture; and General Government.

All Aboriginal Relations' expenses fall under Regional Planning and Development, which includes services to Aboriginal communities, Aboriginal consultation and land claims.

The table above is a comparison of the ministry's 2012-13 actual expenses to the 2012-13 budget and 2011-12 actual expenses.

The actual expenses for 2012-13 were \$152.8 million, which resulted in a surplus of \$0.4 million. The surplus is a result of the Minister and Deputy Minister being appointed on May 8, 2012 as part of Government restructuring (\$200 thousand) as well as surpluses related to operations of the Metis Settlements Ombudsman's Office (\$64 thousand), the operations of the Metis Settlements Appeal Tribunal (\$52 thousand) and the operations of the Policy and Planning Division (\$265 thousand), offset by overspending of the First Nations Development Fund (FNDF) (\$209 thousand).

The ministry expenses for 2012-13 were \$8.8 million higher than the prior year expenses. The variance is mostly due to increased FNDF expenses (\$6.2 million), First Nations and Métis Relations (FNMR) Division expenses (\$2.1 million) and Consultation and Land Claims (CLC) Division expenses (\$0.1 million). The grant funding that can be approved through FNDF is based on revenues generated by casinos at host First Nations. The \$2.1 million spending increase for the FNMR Division was related primarily to First Nations Relations (\$1.2 million) and Aboriginal Economic Partnerships (\$0.7 million). The increase in CLC Division expenses reflects increased grants to support First Nations consultation capacity.



## FINANCIAL INFORMATION



# Ministry of Aboriginal Relations

## FINANCIAL STATEMENTS

For the year ended March 31, 2013

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# Independent Auditor's Report

To the Members of the Legislative Assembly

## Report on the Financial Statements

I have audited the accompanying financial statements of the Ministry of Aboriginal Relations, which comprise the statement of financial position as at March 31, 2013, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ministry of Aboriginal Relations as at March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[ORIGINAL SIGNED BY MERWAN N. SAHER, FCA]

Auditor General

June 5, 2013

Edmonton, Alberta

# Financial Statements

## STATEMENT OF OPERATIONS

Year ended March 31, 2013

(IN THOUSANDS)

	2013		2012
	BUDGET	ACTUAL	ACTUAL RESTATE (NOTE 3)
<b>Revenues (SCHEDULE 1)</b>			
Other Revenue	-	\$ 80	\$ 150
	-	80	150
<b>Expenses - Directly Incurred (NOTE 2b AND SCHEDULE 8)</b>			
<b>Programs (SCHEDULES 2 AND 4)</b>			
Ministry Support Services	\$ 3,960	\$ 3,723	\$ 3,454
First Nations and Métis Relations	14,972	15,922	13,785
First Nations Development Fund	120,000	120,209	114,022
Métis Settlements Ombudsman	700	636	626
Métis Settlements Appeal Tribunal	1,197	1,145	1,102
Consultation and Land Claims	11,150	10,172	10,054
Policy and Planning	1,267	1,002	989
	153,246	152,809	144,032
<b>Net Operating Results</b>	<b>\$(153,246)</b>	<b>\$(152,729)</b>	<b>\$(143,882)</b>

The accompanying notes and schedules are part of these financial statements.

## STATEMENT OF FINANCIAL POSITION

As at March 31, 2013

(IN THOUSANDS)

	2013	2012 RESTATED (NOTE 3)
<b>ASSETS</b>		
Tangible Capital Assets (NOTE 4)	244	262
	<u>\$ 244</u>	<u>\$ 262</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	<u>\$ 57,924</u>	<u>\$ 55,751</u>
<b>NET LIABILITIES</b>		
Net Liabilities at Beginning of Year	(55,489)	(39,412)
Net Operating Results	(152,729)	(143,882)
Net Financing Provided from General Revenues	150,538	127,805
Net Liabilities at End of Year	<u>(57,680)</u>	<u>(55,489)</u>
	<u>\$ 244</u>	<u>\$ 262</u>

Contractual obligations and contingent liabilities (NOTES 6 AND 7)  
The accompanying notes and schedules are part of these financial statements.

## STATEMENT OF CASH FLOWS

Year ended March 31, 2013

(IN THOUSANDS)

	2013	2012 RESTATED (NOTE 3)
<b>Operating Transactions</b>		
Net Operating Results	\$ (152,729)	\$ (143,882)
Non-cash items included in Net Operating Results		
Amortization	55	61
	(152,674)	(143,821)
Decrease in Accounts Receivable	-	9,243
Increase (Decrease) in Accounts Payable and Accrued Liabilities	2,173	6,773
Cash Applied to Operating Transactions	(150,501)	(127,805)
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets	(37)	-
<b>Financing Transactions</b>		
Net Financing Provided from General Revenues	150,538	127,805
Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents at Beginning of Year	-	-
Cash and Cash Equivalents at End of Year	\$ -	\$ -

The accompanying notes and schedules are part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Aboriginal Relations operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

Aboriginal Relations' mission is to lead the development of government-wide policies, strategies and partnerships with Aboriginal organizations, governments and industry to support strong and vibrant Aboriginal families and communities fully participating in Alberta's economic future, and relationships contributing to world-leading resource stewardship. The ministry's core business is Aboriginal relationships, policies and initiatives.

The Ministry fulfills this role by focusing on the following two goals:

- Aboriginal communities and people fully participate in Alberta's economy and society.
- Alberta's coordinated approach to Aboriginal consultation and land claims enhances resource development certainty.

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

#### (a) Reporting Entity

The reporting entity is the Ministry of Aboriginal Relations, for which the Minister of Aboriginal Relations is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations, for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of Ministry are deposited into the Fund and all cash disbursements made by Ministry are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

#### (b) Basis of Financial Reporting

##### *Revenues*

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.



**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES** (continued)

***Expenses***

DIRECTLY INCURRED

Directly incurred expenses are those costs for which the Ministry has primary responsibility and accountability, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and all eligibility criteria have been met.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments, which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

INCURRED BY OTHERS

Services contributed by other entities in support of the Ministry's operations are not recognized, and are disclosed in Schedule 7 and allocated to programs in Schedule 8.

***Assets***

Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for all other tangible capital assets is \$5,000.

Amortization is only charged if the tangible capital asset is use.

***Liabilities***

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in the sacrifice of economic benefits in the future.

***Net Liabilities***

Net liabilities represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Canadian Public Sector Accounting Standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES** (continued)

transactions and events. The ministry operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

**Measurement Uncertainty**

(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

Accounts payable and accrued liabilities include estimates for legal liabilities in the amount of \$12,802 (2012 - \$12,802) that are subject to measurement uncertainty, residing in the Accounts Payable and Accrued Liabilities line of the Statement of Financial Position. The estimates are based on legal assessments and standard support costs provided by Alberta Justice and Solicitor General.

The ministry's liability could change substantially in the future, if factors considered by management in establishing the estimates were to change significantly.

**NOTE 3 GOVERNMENT REORGANIZATION, PRIOR PERIOD RESTATEMENT**

(in thousands)

**Government Reorganization**

On May 8, 2012, the government announced cabinet restructuring. As a result, the Ministry of Intergovernmental, International, and Aboriginal Relations was restructured. The ministry's responsibilities for Aboriginal relations became part of the newly established "Ministry of Aboriginal Relations". The ministry's responsibilities for the Francophone Secretariat were transferred to the Ministry of Culture.

**Prior Period Restatement**

Comparatives for 2012 have been restated as if the Ministry had always been assigned with its current responsibilities.

Net assets (liabilities) on March 31, 2011 are made up as follows:

Net assets (liabilities) as previously reported by the Ministry of Intergovernmental, International and Aboriginal Relations at March 31, 2011	\$ (39,239)
Transfer of Francophone Secretariat to The Ministry of Culture	(1,051)
Transfer of International and Intergovernmental programs to the Ministry of International and Intergovernmental Relations	878
Net assets (liabilities) at April 1, 2011	<u>\$ (39,412)</u>

**NOTE 3 GOVERNMENT REORGANIZATION, PRIOR PERIOD RESTATEMENT** (continued)  
(in thousands)

Net Operating Results at March 31, 2012 are made up as follows:

Net Operating Results, as previously reported by the Ministry of Intergovernmental, International and Aboriginal Relations at March 31, 2012	\$ (167,036)
Transfer of Francophone Secretariat to The Ministry of Culture	540
Transfer of Net Operating Results for Ministry of International and Intergovernmental Relations	22,614
Restated Net Operating Results at March 31, 2012	<u>\$ (143,882)</u>

**NOTE 4 TANGIBLE CAPITAL ASSETS**  
(in thousands)

			2013	2012
	EQUIPMENT <sup>(a)</sup>	COMPUTER HARDWARE AND SOFTWARE	TOTAL	TOTAL RESTATE (NOTE 3)
Estimated Useful Life	5 - 15 years	2 - 10 years		
Historical Cost				
Beginning of year	\$ 117	\$ 427	\$ 544	\$ 550
Additions	-	37	37	-
Disposals, including write-down	-	-	-	(6)
	<u>\$ 117</u>	<u>\$ 464</u>	<u>\$ 581</u>	<u>\$ 544</u>
Accumulated Amortization				
Beginning of year	\$ 74	\$ 208	\$ 282	\$ 226
Amortization expense	14	41	55	62
Effect of disposals	-	-	-	(6)
	<u>\$ 88</u>	<u>\$ 249</u>	<u>\$ 337</u>	<u>\$ 282</u>
Net book value at March 31, 2013	<u>\$ 29</u>	<u>\$ 215</u>	<u>\$ 244</u>	
Net book value at March 31, 2012	<u>\$ 43</u>	<u>\$ 219</u>		<u>\$ 262</u>

<sup>(a)</sup> Equipment includes office equipment and furniture.

**NOTE 5 OVER EXPENDITURE OF AUTHORIZED SPENDING**

(in thousands)

The ministry's total of capital investment exceeded the authorized voted capital investment by \$12 for the year ended March 31, 2013. The total of First Nation Development Fund also exceeded authorized voted funds by \$205 due to increased intake in lottery funds for the year ended March 31, 2013. As required by the *Financial Administration Act*, this amount must be charged against the voted appropriation for the year ending March 31, 2014. See Schedule 3 to the financial statements.

**NOTE 6 CONTRACTUAL OBLIGATIONS**

(in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2013	2012 RESTATED (NOTE 3)
Service Contracts	\$ 1,209	\$ 384
Grants	3,792	4,466
	<u>\$ 5,001</u>	<u>\$ 4,850</u>

Estimated payment requirements for each of the next five years and thereafter are as follows:

	SERVICE CONTRACTS	GRANTS	TOTAL
2013-14	\$ 942	\$ 3,792	\$ 4,734
2014-thereafter	267	-	267
	<u>\$ 1,209</u>	<u>\$ 3,792</u>	<u>\$ 5,001</u>

**NOTE 7 CONTINGENT LIABILITIES**

(in thousands)

The ministry is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate.

The ministry has been named in 1 (2012 – 1) claim of which the outcome is not determinable. This claim has a specified amount totaling \$199 (2012 - \$199) and is covered by the *Alberta Risk Management Fund*. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

**NOTE 7 CONTINGENT LIABILITIES** (continued)  
(in thousands)

The ministry has been named in 29 (2012 – 29) claims in matters such as Aboriginal rights, Indian title and treaty rights. In most cases, these claims have been filed jointly and severally against the Ministry of Aboriginal Relations and the Government of Canada and some cases involve third parties. Of these claims, 16 (2012 – 14) have specified amounts totaling \$154,885,149 (2012 - \$141,884,950) plus a provision for interest and other costs that are not determinable. The remaining 13 (2012 – 15) claims have no specified amounts. In addition, there are 5 claims (2012 – 4 claims) for treaty land entitlement for which the ministry may have an obligation under the *Natural Resources Transfer Agreement*.

**NOTE 8 BENEFIT PLANS**  
(in thousands)

The ministry participates in the multi-employer pension plans: Management Employees Pension Plan and Public Service Pension Plan. The ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$1,652 for the year ended March 31, 2013 (2012 restated - \$865). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2012, the Management Employees Pension Plan reported a deficiency of \$303,423 (2011 – deficiency \$517,726), the Public Service Pension Plan reported a deficiency of \$1,645,141 (2011 – deficiency \$1,790,383), and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of \$51,870 (2011 – deficiency \$53,489).

The ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2013, the Bargaining Unit Plan reported an actuarial surplus of \$51,717 (2012 – surplus \$9,136) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$18,327 (2012 – surplus \$10,454). The expense for these two plans is limited to the employer's annual contributions for the year.

**NOTE 9 COMPARATIVE FIGURES**

Certain 2012 figures have been reclassified to conform to the 2013 presentation.

**NOTE 10 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

# SCHEDULES TO THE FINANCIAL STATEMENTS

## SCHEDULE 1

### Revenues

Year ended March 31, 2013

(IN THOUSANDS)

	2013		2012
	BUDGET	ACTUAL	ACTUAL RESTATE (NOTE 3)
Other Revenue			
Refund of Expenditure	\$ -	\$ 79	\$ 149
Other	\$ -	1	1
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 80</b>	<b>\$ 150</b>

## SCHEDULE 2

### Expenses - Directly Incurred Detailed by Object

Year ended March 31, 2013

(IN THOUSANDS)

	2013		2012
	BUDGET	ACTUAL	ACTUAL RESTATE (NOTE 3)
Salaries, Wages and Employee Benefits	\$ 13,107	\$ 11,564	\$ 10,698
Salaries, Wages and Employee Benefits from Support Service Arrangements with Related Parties <sup>(a)</sup>	1,703	1,734	1,592
Supplies and Services	3,266	2,135	1,864
Supplies and Services from Support Service Arrangements with Related Parties <sup>(a)</sup>	525	628	720
Grants	134,455	136,632	129,020
Financial Transactions and Other	127	61	77
Amortization of Tangible Capital Assets	63	55	61
	<u>\$ 153,246</u>	<u>\$ 152,809</u>	<u>\$144,032</u>

<sup>(a)</sup> The Ministry of Aboriginal Relations receives Information Management Technology, Freedom of Information and Protection of Privacy, Finance, Administration, and Human Resource Services from the Ministry of International and Intergovernmental Relations.

There were no severance and termination payments for eligible executive management positions included in salaries, wages and employee benefits and supplies and services.

## SCHEDULE 3

### Lapse/Encumbrance

Year ended March 31, 2013

(IN THOUSANDS)

	VOTED ESTIMATE <sup>(1)</sup>	ADJUSTMENTS <sup>(2)</sup>	SUPPLEMENTARY ESTIMATE <sup>(3)</sup>	ADJUSTED VOTED ESTIMATE	ACTUAL <sup>(4)</sup>	UNEXPENDED (OVER EXPENDED)
<b>Program - Operating</b>						
<b>1. Ministry Support Services</b>						
1.0.1 Minister's Office	\$ 540	\$ -	\$ -	\$ 540	\$ 461	\$ 79
1.0.2 Deputy Minister's Office	643	-	-	643	521	122
1.0.3 Communications	280	-	-	280	223	57
1.0.4 Corporate Services	2,409	-	-	2,409	2,365	44
	<u>\$ 3,872</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,872</u>	<u>\$ 3,570</u>	<u>\$ 302</u>
<b>2. First Nations and Métis Relations</b>						
	<u>\$ 14,972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,972</u>	<u>\$ 15,946</u>	<u>\$ (974)</u>
<b>3. First Nations Development Fund</b>						
	<u>\$ 120,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 120,205</u>	<u>\$ (205)</u>
<b>4. Metis Settlements Ombudsman</b>						
	<u>\$ 700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700</u>	<u>\$ 641</u>	<u>\$ 59</u>
<b>5. Metis Settlements Appeal Tribunal</b>						
	<u>\$ 1,197</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,197</u>	<u>\$ 1,143</u>	<u>\$ 54</u>
<b>6. Consultation and Land Claims</b>						
	<u>\$ 11,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,150</u>	<u>\$ 10,180</u>	<u>\$ 970</u>
<b>7. Policy and Planning</b>						
	<u>\$ 1,267</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,267</u>	<u>\$ 1,003</u>	<u>\$ 264</u>
TOTAL	<u>\$ 153,158</u>	<u>-</u>	<u>-</u>	<u>\$ 153,158</u>	<u>\$ 152,688</u>	<u>\$ 470</u>
<b>Lapse/(Encumbrance)</b>						<u>\$ 470</u>
<b>Program - Capital Investments</b>						
<b>1. Ministry Support Services</b>						
1.0.4 Corporate Services	\$ 25	\$ -	\$ -	\$ 25	\$ 37	\$ (12)
TOTAL	<u>\$ 25</u>	<u>-</u>	<u>-</u>	<u>\$ 25</u>	<u>\$ 37</u>	<u>\$ (12)</u>
<b>Lapse/(Encumbrance)</b>						<u>\$ (12)</u>

<sup>(1)</sup> 2012-13 Government Estimates Restated for Reorganization pages of the 2012-13 Supplementary Supply Estimates.

<sup>(2)</sup> Adjustments include encumbrances, capital carry forward amounts and credit or recovery increases approved by Treasury Board and credit and recovery shortfalls. An encumbrance is incurred when, on a vote by vote basis, the total of actual disbursements in the prior year exceed the total adjusted estimate. All calculated encumbrances from the prior year are reflected as an adjustment to reduce the corresponding Voted Estimate in the current year.

<sup>(3)</sup> Per the Supplementary Supply Estimates approved on March 5, 2013.

<sup>(4)</sup> Actuals exclude non-voted amounts such as amortization and valuation adjustments.



## SCHEDULE 4

### Comparison of Actual and Budget

Year ended March 31, 2013

(IN THOUSANDS)

	ESTIMATE <sup>(1)</sup>	ACTUAL VOTED	ACTUAL NOT VOTED <sup>(2)</sup>	ACTUAL TOTAL	DIFFERENCE
<b>EXPENSES</b>					
<b>Expense by Program</b>					
<b>1. Ministry Support Services</b>					
1.0.1 Minister's Office	\$ 540	\$ 461	\$ 40	\$ 501	\$ 39
1.0.2 Deputy Minister's Office	643	521	69	590	53
1.0.3 Communications	280	223	(5)	218	62
1.0.4 Corporate Services	2,497	2,365	49	2,414	83
	<b>\$ 3,960</b>	<b>\$ 3,570</b>	<b>\$ 153</b>	<b>\$ 3,723</b>	<b>\$ 237</b>
<b>2. First Nations and Métis Relations</b>	<b>\$ 14,972</b>	<b>\$ 15,946</b>	<b>\$ (24)</b>	<b>\$ 15,922</b>	<b>\$ (950)</b>
<b>3. First Nations Development Fund</b>	<b>\$120,000</b>	<b>\$ 120,205</b>	<b>\$ 4</b>	<b>\$ 120,209</b>	<b>\$ (209)</b>
<b>4. Metis Settlements Ombudsman</b>	<b>\$ 700</b>	<b>\$ 641</b>	<b>\$ (5)</b>	<b>\$ 636</b>	<b>\$ 64</b>
<b>5. Metis Settlements Appeal Tribunal</b>	<b>\$ 1,197</b>	<b>\$ 1,143</b>	<b>\$ 2</b>	<b>\$ 1,145</b>	<b>\$ 52</b>
<b>6. Consultation and Land Claims</b>	<b>\$ 11,150</b>	<b>\$ 10,180</b>	<b>\$ (8)</b>	<b>\$ 10,172</b>	<b>\$ 978</b>
<b>7. Policy and Planning</b>	<b>\$ 1,267</b>	<b>\$ 1,003</b>	<b>\$ (1)</b>	<b>\$ 1,002</b>	<b>\$ 265</b>
	<b>\$153,246</b>	<b>\$ 152,688</b>	<b>\$ 121</b>	<b>\$ 152,809</b>	<b>\$ 437</b>
<b>Expense by Fiscal Plan Category</b>					
Operating Expense	\$153,183	\$ 152,688	\$ 66	\$ 152,754	\$ 429
Amortization of Tangible Capital Assets	63	-	55	55	8
	<b>\$153,246</b>	<b>\$ 152,688</b>	<b>\$ 121</b>	<b>\$ 152,809</b>	<b>\$ 437</b>
<b>Capital Investment by Program</b>					
1.0.4 Corporate Services	\$ 25	\$ 37	-	\$ 37	\$ (12)
	<b>\$ 25</b>	<b>\$ 37</b>	<b>-</b>	<b>\$ 37</b>	<b>\$ (12)</b>

<sup>(1)</sup> As per page 2 to page 5 of the 2012-13 Supplementary Supply Estimates.

<sup>(2)</sup> These amounts are not included in any supply vote either because no cash disbursement is required or because the Legislative Assembly has already provided funding authority pursuant to a statute other than an appropriation act.

## SCHEDULE 5

### Lottery Fund Estimates

Year Ended March 31, 2013

(IN THOUSANDS)

	2012-13	2012-13	
	LOTTERY FUND ESTIMATES	ACTUAL	UNEXPENDED (OVER EXPENDED)
First Nations Development Fund	\$ 120,000	\$ 120,209	\$ (209)
First Nations and Métis Relations	200	200	-
	<u>\$ 120,200</u>	<u>\$ 120,405</u>	<u>\$ (205)</u>

The revenue of the Lottery Fund is transferred to the Department of Treasury Board and Finance on behalf of the General Revenue Fund. Having been transferred to the General Revenue Fund, these monies then become part of the ministry's supply vote. This table shows details of the initiatives within the ministry that are funded by the Lottery Fund and compares it to the actual results.

## SCHEDULE 6

### Salary and Benefit Disclosure

Year ended March 31, 2013

	2013			2012	
	BASE SALARY <sup>(1)</sup>	OTHER CASH BENEFITS <sup>(2)</sup>	OTHER NON-CASH BENEFITS <sup>(3)</sup>	TOTAL	TOTAL RESTATED <sup>(4)</sup>
Deputy Minister <sup>(5)</sup>	\$253,831	\$ -	\$ 78,686	\$ 332,517	\$ 259,470
Executives					
Assistant Deputy Minister - First Nations and Métis Relations <sup>(6)</sup>	150,684	-	43,835	194,519	260,211
Assistant Deputy Minister - Consultation and Land Claims	240,190	3,695	9,726	253,611	241,634
Assistant Deputy Minister - Corporate Services <sup>(7)</sup>	189,005	-	53,911	242,916	227,060
Executive Director - Policy and Planning	157,537	23,905	42,964	224,406	209,671

Total salary and benefits relating to a position are disclosed.

Schedule prepared in accordance with Treasury Board Directive 12/98 as amended.

<sup>(1)</sup> Base salary includes pensionable base pay.

<sup>(2)</sup> Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2013.

<sup>(3)</sup> Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, health spending account, group life insurance, short and long term disability plans, professional memberships and tuition fees.

<sup>(4)</sup> The ministry was established as a result of restructuring one government ministry into two announced on May 8, 2012. Comparatives for 2012 have been restated as if the Departments have always been assigned with their current responsibilities.

<sup>(5)</sup> Automobile provided, no dollar amount included in other non-cash benefits.

<sup>(6)</sup> The position was vacant between July 28, 2012 and October 8, 2012 and was occupied by two individuals when occupied. Full salary and benefits are disclosed in this Schedule.

<sup>(7)</sup> The incumbent's services are shared with the Ministry of International and Intergovernmental Relations which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this Schedule.

## SCHEDULE 7

### Related Party Transactions

Year Ended March 31, 2013

(IN THOUSANDS)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management in the ministry.

These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2013	2012 RESTATED
Expenses – Directly Incurred		
Supplies and services provided by other ministries	\$ 86	\$ 61
Payable to other ministries	\$ -	\$ 3

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 8.

	2013	2012 RESTATED
Expenses – Incurred by Others:		
Accommodation	\$ 1,528	\$ 1,470
Legal services	1,507	987
Air transportation	164	104
Business services & other	647	671
	\$ 3,846	\$ 3,232

## SCHEDULE 8

### Allocated Costs

Year Ended March 31, 2013

(IN THOUSANDS)

PROGRAM	2013						2012
	EXPENSES-INCURRED BY OTHERS						TOTAL EXPENSES RESTATED (NOTE 3)
	EXPENSES <sup>(1)</sup>	ACCOM- MODATION COSTS <sup>(2)</sup>	LEGAL SERVICES <sup>(3)</sup>	AIR TRANS- PORTATION <sup>(4)</sup>	BUSINESS SERVICES & OTHER <sup>(5)</sup>	TOTAL EXPENSES	
Ministry Support Services	\$ 3,723	\$ 159	\$ 315	\$ -	\$ 67	\$ 4,264	\$ 4,101
First Nations and Métis Relations	15,922	591	333	82	250	\$ 17,178	14,852
First Nations Development Fund	120,209	144	-	-	61	\$120,414	114,184
Metis Settlements Ombudsman	636	58	-	-	24	\$ 718	697
Metis Settlements Appeal Tribunal	1,145	101	-	-	43	\$ 1,289	1,227
Consultation and Land Claims	10,172	360	859	82	153	\$ 11,626	11,089
Policy and Planning	1,002	115	-	-	49	\$ 1,166	1,114
	<u>\$ 152,809</u>	<u>\$ 1,528</u>	<u>\$ 1,507</u>	<u>\$ 164</u>	<u>\$ 647</u>	<u>\$156,655</u>	<u>\$147,264</u>

<sup>(1)</sup> Expenses - Directly Incurred as per Statement of Operations.

<sup>(2)</sup> Costs shown for Accommodation on Schedule 7, allocated by full time equivalent.

<sup>(3)</sup> Costs shown for Legal services on Schedule 7, allocated by estimated costs incurred by each program.

<sup>(4)</sup> Air transportation costs based on 50/50 split.

<sup>(5)</sup> Other costs include Service Alberta and Treasury Board and Finance expenses not billed.





# Aboriginal Relations

## Annual Report

2012-2013

### Aboriginal Relations

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