

OUR LAND IS OUR FUTURE

UNION OF BRITISH COLUMBIA INDIAN CHIEFS

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June 30, 2010

Honourable Colin Hansen
Minister of Finance and Deputy Premier, BC
PO Box 9048, SNT PROV GOV
Victoria, BC, V8W 9E2

RE: Follow-up to HST Meeting in UBCIC Boardroom on June 24, 2010

Dear Minister Hansen,

Thank you for meeting with representatives from the UBCIC HST Committee, UBCIC Executive, and First Nations Summit Executive on June 24, 2010 to discuss the impacts of the HST on First Nations in BC. We are pleased you are in agreement that our meeting on June 24 represents the beginning of an ongoing dialogue, and that you offered to host the next meeting in Victoria as soon as possible.

As you know, the Union of BC Indian Chiefs (UBCIC) was provided a mandate for our work on the Harmonized Sales Tax (HST) through resolutions 2009-41 and 2010-21, and additionally, created a UBCIC HST Committee by resolution 2009-51. Resolutions supporting the campaign against the imposition of the HST and calling for respect of First Nations' rights regarding taxation have been passed by the First Nations Summit (#0610.09) and the BC Assembly of First Nations (passed 06/24/10).

We continue to state that:

- a) First Nations in BC were not consulted about the shift in the new tax regime that will be imposed;
- b) First Nations are sovereign nations who enjoy international recognition through the United Nations Declaration on the Rights of Indigenous Peoples, and Constitutional and judicial recognition of our title, rights, and treaty rights, including the right to tax, and that the province's unilateral imposition of the HST on First Nations is beyond your jurisdiction;
- c) First Nations in BC experience a disproportionately high level of poverty that is rooted in government policies, legislation, and colonialism, and that the HST stands to maintain and further increase our level of poverty.

In our meeting on June 24, you communicated that the BC government did not consult with First Nations about the shift in tax regime because it is the BC government's intention to maintain the existing taxation relationship with First Nations. As stated, we must remind you that the existing taxation relationship was unilaterally imposed on First Nations, and we are not in favor of continuing and supporting its inherent inequities.

As discussed, the New Relationship that the Province of BC entered into with First Nations in 2005 provides an opportunity for reconciliation between First Nations and the province. At our meeting, we called upon you to uphold the commitments that your government made in the New Relationship, and act accordingly in respecting our jurisdiction over taxation of our people.

A central point we discussed at the meeting, was that the HST will maintain and increase the poverty of our peoples. You explained that the HST credit will benefit a significant portion of British Columbians who qualify dependent on their income being below a specific measurement, and that this would likely apply to a significant portion of First Nations in British Columbia. We strongly emphasized that we do not want to continue the status quo of poverty experienced by our peoples- the HST credit will not move our peoples out of poverty. The New Relationship commits to closing the economic gap between First Nations and other British Columbian citizens, and not just to maintaining the status quo.

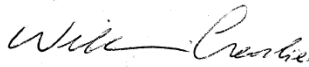
We anticipate moving forward together in discussions on taxation in the spirit of reconciliation, similar to Ontario and as expressed in the Memoranda of Understanding between the Chiefs of Ontario and the provincial government. Part of reconciliation must include all areas under jurisdiction, including taxation.

We are encouraged by your agreement to continue our dialogue. As promised in the meeting, we will develop a proposal for further in-depth dialogue about the implementation of HST as soon as possible, including a budget and expected outcomes. We appreciate your commitment to hosting our next meeting in Victoria, and also your desire to hold the meeting in a timely fashion. We look forward to your response and will be in contact with your office this week to arrange an immediate meeting date.

On behalf of the UNION OF BC INDIAN CHIEFS,



Grand Chief Stewart Phillip
President



Chief William Charlie
Vice-President



Chief Robert Chamberlin
Secretary-Treasurer

CC: First Nations Summit Task Group
BC Assembly of First Nations Regional Chief
Assembly of First Nations National Chief
UBCIC HST Committee
UBCIC Chiefs Council
Hon. James Flaherty, Minister of Finance (Federal)
Hon. Gordon Campbell, Premier BC
Hon. Stephen Harper, Prime Minister, Canada