OUR LAND IS OUR FUTURE

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UNION OF B.C. INDIAN CHIEFS
CHIEFS COUNCIL
JUNE 1ST- JUNE 2ND, 2011
VANCOUVER, B.C.

Resolution no. 2011-21

RE: UBCIC Rejection of HST

WHEREAS the Province of BC replaced its 7% Provincial Sales Tax (PST) and 5% Goods and Services Tax with the 12% Harmonized Sales Tax (HST) on July 1, 2010, and in June/July 2011, will be holding a referendum for British Columbian residents to determine whether (a) the HST should be extinguished and the GST and PST reinstated, or (b) the HST should be kept;

WHEREAS as Indigenous Peoples exercising our sovereignty, First Nations in B.C. have the right to tax and B.C. infringed this right to tax implicit to sovereign governments by excluding First Nations from the unilateral decision to impose the Harmonized Sales Tax (HST);

WHEREAS the United Nations *Declaration on the Rights of Indigenous Peoples* sets out:

> **Article 19**: States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them;
> **Article 27:** States shall establish and implement, in conjunction with indigenous peoples concerned, a fair, independent, impartial, open and transparent process, giving due recognition to indigenous peoples' laws, traditions, customs and land tenure systems, to recognize and adjudicate the rights of indigenous peoples pertaining to their lands, territories and resources, including those which were traditionally owned or otherwise occupied or used. Indigenous peoples shall have the right to participate in this process;

WHEREAS the UBCIC Chiefs Council has undertaken significant work in response to the implementation of the HST since September 2009, including regular communication with the government, preliminary reports, a presentation to the Senate, hosting a panel discussion, and a submission to the Independent Panel on the HST Initiative. UBCIC's work has been based on the following three points:

a) First Nations in BC were not consulted about the shift to, and imposition of, the new tax regime, which the BC government has acknowledged;

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, Tights, and Treaty Rights, including the right to tax. The province's unilateral imposition of the HST on First Nations is beyond provincial jurisdiction;
c) First Nations in BC experience a disproportionately high level of poverty that is rooted in government policies, legislation, and colonialism, and the HST stands to maintain and further increase our level of poverty;

WHEREAS the UBCIC HST Committee (mandated by Resolutions 2009-41, 2009-51, 2010-21, and 2010-43), tabled a budget and workplan with the BC Ministry of Finance in October, 2010, seeking resources in order to commission expert economic and legal analysis of the impacts of HST on First Nations in BC. In April, 2011, the Ministry of Finance informed UBCIC that funding would not be provided, and that such analysis was not needed;

WHEREAS the Independent Panel analysis on HST found that the HST is not currently revenue neutral, and subsequent analysis of the BC Government's proposed reduction of the HST tax rate from the current 12 % to 10% by 2014 in tandem with temporary increase in corporate taxes, indicates that the HST will still not be revenue neutral, and that there will be a budget shortfall of approximately $1.3B;

WHEREAS ballots for the HST referendum will be mailed out beginning June 13, and returned by July 22, 2011, and the question on the ballot is:

> "Are you in favour of extinguishing the HST (Harmonized Sales Tax) and reinstating the PST (Provincial Sales Tax) in conjunction with the GST (Goods and Services Tax)?"

And voting "Yes" means that the HST will be eliminated and the GST and PST reinstated; and voting "No" means that the HST will be kept.

THEREFORE BE IT RESOLVED the UBCIC Chiefs Council rejects the unilaterally-imposed Harmonized Sales Tax (HST) given the lack of consultation with First Nations and lack of expert economic or legal study on the impacts of HST on First Nations in BC;

THEREFORE BE IT FURTHER RESOLVED the UBCIC Chiefs Council strongly urges all First Nations to vote "yes" on the upcoming provincial HST referendum, where a vote of "yes" means that the HST will be extinguished;

THEREFORE BE IT FINALLY RESOLVED the UBCIC Chiefs Council directs the UBCIC HST Committee and the UBCIC Executive to communicate and explain our opposition to the HST to the Province of BC and to BC First Nation communities in advance of the referendum.

Moved: **Chief Donna Gallinger, Nicomen Indian Band**
Seconded: **Chief Janet Webster, Lytton First Nation**
Disposition: **Carried**
Date: **June 2nd, 2011**