



FIRST NATIONS STATISTICAL INSTITUTE INSTITUT DE LA STATISTIQUE DES PREMIÈRES NATIONS

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Anne Scotton
Chief Audit and Evaluation Executive
Aboriginal Affairs and Northern Development Canada
AUDIT AND EVALUATION SECTOR
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Dear Ms. Scotton,

On behalf of my colleagues at the First Nations Statistical Institute (FNSI) I am writing to present our views on the Draft Final Report titled *Evaluation of the Implementation of the First Nations Fiscal and Statistical Management Act (FSMA)*. While more detailed comments were made on earlier drafts of the report, we felt it important to provide an overall response to the evaluation's main findings and conclusions.

As the report states, the evaluation was conducted to support the legislative review of the *Act*. It must, therefore, provide a fair and accurate picture of the *Act's* implementation.

Let me start by saying that we agree with the evaluation's main conclusions.

- The FSMA addresses a continued need by providing a choice to First Nations wishing to improve capacity and access to financing tools to advance economic development, and responds to longstanding issues related to the timeliness and completeness of Aboriginal statistics.
- The provisions and operations of the FSMA, including the mandates of its four institutions, continue to be relevant to Indian and Northern Affairs Canada's (INAC, now Aboriginal Affairs and Northern Development Canada) strategic outcomes for the Government.
- The design of FSMA is appropriate and is largely being delivered as intended.
- The four institutions have formalized their relationships and are working together to support First Nations who choose to access the *Act*.

We also accept the evaluation's finding that FNSI has experienced a protracted start-up phase. As the evaluation notes:

- It was created without the benefit of an existing organization on which to build.
- Delays in the Governor in Council appointment process – while common in Crown corporations – were particularly significant for FNSI. It took 32 months to establish the FNSI Board. Without a Board, key operational decisions and directions could not be made.
- While some interim funding was provided by INAC, Ministerial and Treasury Board approval of the Corporate Plan was required before FNSI could access its full appropriation.

However, we believe that the evaluation understates the progress that has been made in making FNSI operational.

- During 2010-11, FNSI consolidated its organizational capacity by developing and implementing a wide range of, financial and informational management, technology and human resources policies and procedures. Office space was secured and recruitment began for key staff. A performance measurement strategy and associated evaluation plan were developed.
- FNSI established a data stewardship policy that forms the basis for future partnerships with First Nations on data collection, use and reporting.
- FNSI completed a comprehensive assessment of client needs that included federal departments and agencies, provincial and territorial bureaus of statistics, First Nations and Aboriginal communities, governments and organizations, to understand the role that statistics play in their work, data needs and gaps, and expectations regarding how FNSI can assist. This Environmental Scan was a key input to the development of FNSI's program agenda.
- FNSI delivered statistical products in the form of an updated data inventory and nine community assessments of the impacts of resource development. A Memorandum of Understanding with Statistics Canada was in the final stages of approval to formalize working relationships and areas of collaboration. Discussions were also underway with INAC and the Assembly of First Nations on the development of similar MOUs.
- The 2011-12 to 2015-16 Corporate Plan was approved by the FNSI Board and was being finalized in consultation with INAC, Treasury Board Secretariat and the Office of the Auditor General.



We disagree with the assertion that delays in implementation may have impacted the relevancy of the FNSI mandate under the FSMA as other organizations are beginning to address these needs.

- There is little direct evidence presented in the evaluation to support this assertion.
- To date, discussions that the First Nations Financial Management Board and the First Nations Finance Authority have had with credit agencies have not required data or analysis from FNSI. FNSI is prepared to support its sister organizations as and when required.
- While FNSI has a broad mandate, it is not intended to be the sole provider of statistical information on First Nations. Other organizations have their own resources, priorities and work plans. FNSI works with them to identify gaps and areas of collaboration and to avoid duplication. For example, FNSI has an agreement in place with INAC to launch, host and maintain the Community Well-Being Index on the FNSI website.

We appreciate the difficulty of evaluating what might best be described as a moving target. The evaluation was undertaken over January to March 2011 at a time when FNSI was making the transition to becoming fully operational. And as the report recognizes, the evaluators were limited by the lack of a clear definition of what was required for an institution to be considered operational, and by the small number of documents and interviews that served as the basis for the FNSI case study.

We believe that FNSI is now well-positioned to work with its partners to deliver the statistical products and services to support its clients and stakeholders.

I would be pleased to discuss these comments with you should you wish. I am also taking the liberty of forwarding a copy of this document to Brenda Kustra, Director General, Governance Branch, Aboriginal Affairs and Northern Development Canada as input to the report on the legislative review.

Sincerely,



Keith Conn
Chief Operating Officer



Cc:

**Brenda Kustra, Director General, Governance Branch, Aboriginal Affairs and Northern
Development Canada**

Deanna Hamilton, President, First Nations Finance Authority

Harold Calla, Chair, First Nations Financial Management Board

Ken Scopick, Chief Operating Officer, First Nations Tax Commission

