



Affaires autochtones et
Développement du Nord Canada

Aboriginal Affairs and
Northern Development Canada

Sous-ministre

Deputy Minister

Ottawa, Canada
K1A 0H4

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**To: Chiefs and Councils
Leaders of Aboriginal Representative Organizations
Executive Directors of Tribal Councils**

We are taking concrete steps to create the conditions for healthier, more self-sufficient Aboriginal communities. To sustain our progress, we are ensuring that government funding is directed primarily at the delivery of essential services and programs for Aboriginal Peoples.

To that end, we are introducing a new approach to funding for Aboriginal Representative Organizations (AROs) and Tribal Councils.

Under the new funding formula, all National and Regional AROs in receipt of core funding in 2012-2013 will have their funding reduced. Effective April 1, 2014, core funding for national Aboriginal Representative Organizations will be reduced by 10%. Regional AROs will receive a 10% reduction or have a ceiling up to \$500K applied to their core funding.

There will also be gradual reductions in the resources available for proposal-based project funding. Project funding will be more closely aligned with shared priorities: education, economic development, community infrastructure, and other initiatives that promote greater self-sufficiency in Aboriginal communities.

For the first time in over 30 years we are changing the Tribal Council funding program. Since many advisory services are now provided by other organizations, the Government of Canada will no longer be providing funding to Tribal Councils for advisory services and funding for Band Advisory Services will be eliminated in 2014-2015.

Instead, funding provided to Tribal Councils will be focused on the more effective, efficient delivery of essential programs and services to Aboriginal Peoples and communities. Tribal Councils will continue to receive base funding, with incentives to support increased delivery of Aboriginal Affairs and Northern Development programs and services to communities.

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Overall, our new approach to funding will create greater funding equity among Aboriginal organizations across Canada, and it will streamline reporting requirements for funding recipients. It is also consistent with government-wide efforts to ensure that public funds are being used primarily for the delivery of essential services and programs, and that our operations are streamlined and efficient.

We recognize that these measures will require some organizations to adapt their operations. That is why implementation will occur over the next two years, allowing your organization to make any necessary operational changes, as well as to seek out other potential sources of funding should you require it.

In the coming days your organization will be contacted by AANDC officials to discuss the changes to the funding model.

Yours sincerely,



Michael Wernick