

HUU-AY-AHT FIRST NATIONS



Report of Executive Council on People's Assembly on Ottawa Trust Fund

**For consideration at the session of the
Huu-ay-aht First Nations People's Assembly
on Saturday, June 22, 2013**

Prepared By: Executive Director

Date: June 5, 2013

BACKGROUND:

At the December 8, 2012 People’s Assembly the following motion was passed by consensus:

MOTION #2012-225

WHEREAS the previous HUU-ay-aht government wound up the Ottawa Trust Fund on April 1, 2011 before the current HUU-ay-aht government took office, and

WHEREAS some citizens have asked that the benefits from the Ottawa Trust Fund be reinstated,

BE IT RESOLVED to recommend that Executive Council investigate and prepare a report by April 30, 2013 on the implications and options for reinstating, retroactive to April 1, 2011, benefit payments for funeral expenses, newborns and attaining 50 years of age, at the same or a reduced level, and further that this report be provided to citizens for their review and consideration.

INFORMATION / UPDATE:

The Ottawa Trust disbursements were assumed at the following rates:

- Birth: \$5,000 (plus a single payment of \$5,000 to all band members)
- Death: \$5,000
- Age 50: \$5,000
- Elders: \$150 per month at age 60 (plus a single payment of \$10,000 plus \$500 per year beyond age 60)

The current enrolment for Citizens is 689. Population demographics, birth rates and death rates were taken from “A Statistical Profile on the Health of First Nations in Canada: Statistics for Atlantic and Western Canada 2001/2001” published by Health Canada, First Nations and Inuit Health Branch.

An estimated population curve from current to 2050 is attached (Appendix “A”). The estimated annual cost of the Ottawa Trust disbursement is attached (Appendix “B”).

As can be seen from the Table #1 below, the annual cost could vary from \$236,000 this year to as high as \$1,490,000 by 2050.

Table #1 – Summary Cost of Ottawa Trust Disbursement

	2013	2015	2020	2025	2030	2035	2040	2045	2050
Birth	\$74,296	\$76,812	\$82,844	\$89,391	\$97,175	\$106,660	\$118,185	\$132,043	\$148,526
Age 50	\$14,703	\$18,116	\$26,998	\$36,376	\$46,334	\$57,027	\$68,654	\$81,446	\$95,660
Death	\$18,259	\$19,322	\$22,497	\$26,423	\$31,141	\$36,715	\$43,231	\$50,797	\$59,543
Monthly Elders	\$129,263	\$152,632	\$226,297	\$322,260	\$441,477	\$585,353	\$755,807	\$955,326	\$1,187,017
Total	\$236,520	\$266,882	\$358,637	\$474,450	\$616,127	\$785,755	\$985,877	\$1,219,612	\$1,490,747

Assuming an interest rate of 6.5%, equivalent to the planned return on the Invested Wealth Fund, these disbursements have a present value of \$7,640,000.