



## **first facts #4:**

# **5 important questions about Treaty annuities**

### **1. What is a Treaty annuity?**

The Robinson Treaties (1850) in Ontario and the Numbered Treaties covering the Prairies and Territories (1871-1921) provided an annual payment to every man, woman and child belonging to bands signing those Treaties with the Crown. The yearly payment of \$5 (or \$4 in most of Ontario) continues to be paid today to Status First Nations people who are members of Treaty bands.

### **2. What was the historical intent of Treaty annuities?**

The annuity payment was intended to:

- **Reduce the upfront costs** of acquiring access to traditional First Nations land for settlement by deferring payments into the future as annuities;
- **Provide livelihood support** for Treaty families as they adjusted to the presence of settlers on traditional lands;
- **Increase over time** as the means for Settlers to share the prosperity generated on traditional lands with the First People.

### **3. When was the last time Treaty annuities were increased?**

The last time the Parliament of Canada voted to increase Treaty annuities was in 1878, and the annuities have been frozen at \$4 or \$5 since then.

### **4. Why haven't Treaty annuities increased in value since 1878?**

- Canada's federal government adopted a policy of strict monetary nominalism for Treaty annuities, meaning \$5 is \$5 forever. This transferred to Treaty families the entire cost of inflation and the loss of buying power.
- From 1927 until 1951, the *Indian Act* effectively criminalized the organizing and funding of First Nations political and advocacy groups seeking to challenge federal government policy, such as increasing annuities.
- Canada's official position continues to be that the annual payment of \$4 or \$5 is sufficient to meet the annuity obligation set out in the Treaty texts.

### **5. What are the obstacles that prevent Canada's federal government from increasing Treaty annuities to reflect the historical intent? Is it the *Indian Act*?**

The *Indian Act* says nothing about the valuation and distribution of annuities, and therefore it is not an obstacle. The freezing of Treaty annuities at the 1878 value is entirely a matter of federal government policy, and the authority to change that policy rests with the federal government of the day.