

**BILL C-54: FIRST NATIONS OIL AND GAS  
AND MONEYS MANAGEMENT ACT**

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## LEGISLATIVE HISTORY OF BILL C-54

### HOUSE OF COMMONS

| Bill Stage | Date |
|------------|------|
|------------|------|

First Reading: 1 June 2005  
Second Reading: 6 October 2005  
Committee Report:  
Report Stage:  
Third Reading:

### SENATE

| Bill Stage | Date |
|------------|------|
|------------|------|

First Reading:  
Second Reading:  
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Royal Assent:

Statutes of Canada

N.B. Any substantive changes in this Legislative Summary which have been made since the preceding issue are indicated in **bold print**.

Legislative history by Peter Niemczak

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BILL C-54: FIRST NATIONS OIL AND GAS  
AND MONEYS MANAGEMENT ACT\*

Bill C-54, An Act to provide First Nations with the option of managing and regulating oil and gas exploration and exploitation and of receiving moneys otherwise held for them by Canada (the First Nations Oil and Gas and Moneys Management Act), was introduced in the House of Commons on 1 June 2005. The bill allows for the transfer of the management and control of oil and gas on First Nation lands to the First Nations named in the bill. It also allows for the payment of moneys held in trust by the Crown to First Nations.

## BACKGROUND

### A. Context

There is a substantial gap between the living standards of Aboriginal and non-Aboriginal people in Canada, and the need to narrow this gap has been articulated on many occasions, including the 5 October 2004 Speech from the Throne. Many First Nations view their economic development as a way to achieve this goal. However, economic development can be difficult for a First Nation that does not have control over its land and resources. In her November 2003 Report, the Auditor General of Canada noted that one barrier to economic development related to federal management and institutional development approaches.<sup>(1)</sup> That report also noted that:

[S]everal First Nations consider the Department [of Indian Affairs and Northern Development]'s approach too slow, too short term, and on some occasions, poorly administered.<sup>(2)</sup>

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\* Notice: For clarity of exposition, the legislative proposals set out in the bill described in this Legislative Summary are stated as if they had already been adopted or were in force. It is important to note, however, that bills may be amended during their consideration by the House of Commons and Senate, and have no force or effect unless and until they are passed by both Houses of Parliament, receive Royal Assent, and come into force.

(1) *Report of the Auditor General of Canada to the House of Commons*, November 2003, Ch. 9, "Economic Development of First Nations Communities: Institutional Arrangements," para. 9.30.

(2) *Ibid.*, para. 9.45.

Many First Nations and First Nation organizations have worked steadily towards increasing their control over their lands and resources. Bill C-49, An Act providing for the ratification and bringing into effect of the Framework Agreement on First Nation Land Management (the *First Nations Land Management Act*),<sup>(3)</sup> which received Royal Assent on 17 June 1999, is one example of legislation that provides participating First Nations with greater autonomy in the management of their lands. That Act allows a First Nation to opt out of the land management provisions of the *Indian Act* and manage lands based on its own land codes.<sup>(4)</sup> The *First Nations Land Management Act* does not, however, affect the management of oil and gas on First Nation lands.<sup>(5)</sup>

## B. Oil and Gas

### 1. The Existing Oil and Gas Regime

#### a. The *Indian Oil and Gas Act*

Through its regulations, the *Indian Oil and Gas Act* sets out the framework for the administration of oil and gas interests on First Nation lands. The Act establishes that the Governor in Council may make regulations in relation to the following:

- (a) respecting the granting of leases, permits and licences for the exploitation of oil and gas in Indian lands, and the terms and conditions thereof;
- (b) respecting the disposition of any interest in Indian lands necessarily incidental to the exploitation of oil and gas in those lands, and the terms and conditions thereof;
- (c) providing for the seizure and forfeiture of any oil or gas taken in contravention of any regulation made under this section or any lease, licence or permit granted under such regulation;
- (d) prescribing the royalties on oil and gas obtained from Indian lands;
- (e) prescribing the fine not exceeding five thousand dollars that may be imposed on summary conviction for contravention of any

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(3) S.C. 1999, c. 24.

(4) For more information on Bill C-49, see Jill Wherrett, *Bill C-49: An Act Providing for the Ratification and the Bringing Into Effect of the Framework Agreement on First Nation Land Management*, LS 324E, Parliamentary Information and Research Service, Library of Parliament, Ottawa, 22 October 1998.

(5) Section 39(1)(a) of that Act specifies that the *Indian Oil and Gas Act* continues to apply to any reserve land that was subject to that Act when a First Nation's land code came into force.

regulation made under this section or failure to comply with any lease, permit or licence granted pursuant to any regulation under this section; and

- (f) generally for carrying out the purposes of this Act and for the exploitation of oil and gas in Indian lands.<sup>(6)</sup>

In administering the Act, the Minister must consult persons representative of the First Nations affected on a continuing basis.<sup>(7)</sup>

b. Indian Oil and Gas Canada

Indian Oil and Gas Canada (IOGC) was established by Order in Council in November 1987 to manage and administer oil and gas resources on First Nation lands. IOGC has a dual mandate: to “fulfill the Crown’s fiduciary and statutory obligations related to the management of oil and gas resources on First Nation lands, and to further First Nation initiatives to manage and control their oil and gas resources.”<sup>(8)</sup>

In 1996, the IOGC Co-Management Board was established to focus on IOGC issues, policies, plans, priorities and resources.<sup>(9)</sup> The Co-Management Board has nine members, six of whom are selected by the Indian Resource Council (IRC).

c. The Indian Resource Council

The IRC was founded in 1987 by chiefs representing oil- and gas-producing First Nations. It has the following mandates:

- to support the member First Nations in their efforts to attain full management and control of their oil and natural gas resources;
- to complement initiatives being taken by First Nations to gain economic self-reliance and to ensure the preservation of the federal responsibility established under treaties with First Nations;
- to enhance economic resource development initiatives for First Nations;

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(6) *Indian Oil and Gas Act*, R.S. 1985, c. I-7, s. 3.

(7) *Ibid.*, s. 6.

(8) Indian and Northern Affairs Canada, “Indian Oil and Gas Canada,” [http://www.ainc-inac.gc.ca/ps/lts/iogc\\_e.html](http://www.ainc-inac.gc.ca/ps/lts/iogc_e.html).

(9) Indian and Northern Affairs Canada, “IOGC Co-Management Board,” [http://www.pgic-iogc.gc.ca/about/comanagementboard\\_e.asp](http://www.pgic-iogc.gc.ca/about/comanagementboard_e.asp).

- to encourage greater development and utilization of First Nations human resources in oil, natural gas and related activities; and
- to strengthen and enhance the role of the IOGC Co-Management Board.<sup>(10)</sup>

## 2. Devolution of Control Over Oil and Gas

### a. Legislative Amendments

In 1986, at an all-chiefs' workshop, a task force was established to review the *Indian Oil and Gas Act* and regulations.<sup>(11)</sup> In 1987, that task force recommended changes to the regulations. From 1987 to 1990, consultations were held with the oil and gas industry and with First Nations that had oil and gas on their lands. In 1990, the task force tabled amendments to the regulations at an all-chiefs' conference; subject to further revisions proposed by the Federation of Saskatchewan Indian Nations, the conference approved the amendments. At that same conference, the Indian Energy Corporation was created from the IRC. The Department of Indian Affairs and Northern Development (DIAND) then redrafted the legislation and consulted with the Indian Energy Corporation and the First Nations that had oil and gas on their lands. This led to the replacement in 1995 of the *Indian Oil and Gas Regulations, c. 963*, by the current regulations.<sup>(12)</sup>

Some of the revisions included in the *Indian Oil and Gas Regulations, 1995* gave band councils more control over the granting of licences and permits. For example, a call for tenders is now made jointly by the band council and the Executive Director of Indian Oil and Gas Canada,<sup>(13)</sup> and they jointly accept the highest tender or reject all tenders.<sup>(14)</sup> Under the previous regulations, once a band council had given its approval to the Manager of Indian Minerals to dispose of oil and gas rights and had outlined the terms and conditions of that disposal, it was only the Manager that would call for tenders and determine whether to accept the highest tender or reject all tenders.<sup>(15)</sup>

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(10) Indian Resource Council, "About IRC: History and Mandates of IRC," <http://www.indianresourcecouncil.ca/about.htm>.

(11) House of Commons Standing Committee on Energy, Mines and Resources, *Evidence*, 16 March 1993 (William Douglas, Executive Director of Indian Oil and Gas Canada).

(12) *Indian Oil and Gas Regulations, 1995*, SOR/94-753.

(13) *Ibid.*, s. 10(2).

(14) *Ibid.*, s. 10(4).

(15) *Indian Oil and Gas Regulations, c. 963*, s. 7(2) and s. 7(4).

Another example of the increased involvement of band councils in the process is that licences and permits must now be granted on such terms and conditions as the band council and the Executive Director jointly consider advisable,<sup>(16)</sup> whereas in the previous regulations, permits or leases were granted under such terms and conditions as solely the Manager considered advisable.<sup>(17)</sup>

b. The House of Commons Standing Committee on Energy,  
Mines and Resources Study

In February and March 1993, the House of Commons Standing Committee on Energy, Mines and Resources reviewed the regulations that would replace the *Indian Oil and Gas Regulations*, c. 963. It also examined the possibility of transferring oil and gas jurisdiction to First Nation communities. One of the Committee's conclusions was that, while the revisions would "serve to involve First Nations in the decision-making process to a greater degree, [they did] not address the broader and much more complex issue of the recognition of jurisdiction nor ... deal with the transfer of effective management and control of the natural resources to the bands."<sup>(18)</sup>

During its study, the Committee heard from a number of witnesses, including representatives of First Nations, DIAND, and the oil and gas industry. Several First Nation witnesses believed that they had lost considerable oil and gas royalty revenues because the Crown had not lived up to its fiduciary duties. It was alleged that losses were incurred "due to improper negotiation of oil and gas leases and faulty administration and monitoring of those leases."<sup>(19)</sup>

The Committee examined the following five options with respect to the degree to which management and control should be transferred in future:

- maintaining the *status quo*;
- transfer of management over royalties but not resource management;

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(16) *Indian Oil and Gas Regulations*, 1995, SOR/94-753, s. 10(1).

(17) *Indian Oil and Gas Regulations*, c. 963, s. 7(1).

(18) Standing Committee on Energy, Mines and Resources, Third Report, *First Nations' Oil and Gas Management: Options and Implications*, Ottawa, June 1993, p. 1.

(19) *Ibid.*, p. 3. The claim that royalties were underpaid led in some instances to court actions brought by First Nations. For example, in *Chief Victor Buffalo et al. v. Her Majesty the Queen et al.*, the Samson Cree First Nation claims that the Crown breached its trust, fiduciary or equitable obligations with respect to that First Nation's natural resources and royalty payments. The plaintiffs seek damages in the amount of \$1.385 billion (amended Statement of Claim of the Samson Indian Band and Nation filed on 26 April 2000, Court File No. T-2022-89, [http://www.samsoncree.org/documents/pleadings/plaintiffs/claim\\_04/claim\\_4\\_01.htm](http://www.samsoncree.org/documents/pleadings/plaintiffs/claim_04/claim_4_01.htm)).



- transfer of resource management with commensurate decrease in federal fiduciary responsibility;
- transfer of resource management with fiduciary responsibility remaining, but with a means of disciplining management; and
- unconditional transfer of resource management with full federal fiduciary responsibility remaining.<sup>(20)</sup>

The Committee also examined three ways in which the transfer could be managed:

- co-management with First Nations;
- direct transfer of management to a single First Nations entity; and
- separate transfers to each First Nation that has oil and gas on its lands.<sup>(21)</sup>

c. The First Nations Oil and Gas Management Initiative

In February 1995, the First Nations Oil and Gas Management Initiative was launched. This pilot project provided for the gradual transfer of management and control over oil and gas on the lands of five First Nations: the Blood Tribe (Alberta), Siksika First Nation (Alberta), White Bear First Nation (Saskatchewan), Horse Lake First Nation (Alberta) and Dene Tha' First Nation (Alberta). Only the Blood Tribe, Siksika First Nation and White Bear First Nation continue to be participants in this initiative. The pilot project was directed by a steering committee made up of representatives from DIAND, IOGC, participating First Nations and the IRC.

The project had three phases: co-management, enhanced co-management, and management and control. During the first phase, duties and decision-making were shared between IOGC and the First Nation. During the second phase, while IOGC maintained authority, First Nations received training so that they would be able to perform all of IOGC's functions. The pilot project is currently in its final phase, which requires the passing of legislation (Bill C-54) that will allow for the transfer of authority to First Nations that meet the requirements contained in the legislation.

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(20) *Ibid.*, p. 11.

(21) *Ibid.*

### C. The Existing Indian Moneys Regime

Sections 61 to 69 of the *Indian Act*<sup>(22)</sup> govern the management of Indian moneys. Indian moneys are either capital moneys, which are derived from the sale of a First Nation's surrendered lands or capital assets; or revenue moneys, which include all moneys other than capital moneys (section 62). Indian moneys are held by the Crown and "expended only for the benefit of the Indians or bands for whose use and benefit in common the moneys are received or held" (section 61(1)). It is within the Governor in Council's discretion to determine whether any purpose for which moneys are used or are to be used is for the use and benefit of the band (section 61(1)). The Minister has a number of powers in relation to the management of Indian moneys, including:

- with the consent of the council of the band, authorizing the expenditure of capital moneys in certain circumstances (section 64(1));
- making a payment from capital moneys to compensate an Indian for land compulsorily taken for band purposes (section 65(a)); and
- authorizing the expenditure of revenue moneys for certain purposes (section 66(3)).

A First Nation may be granted the authority to control, manage and expend its revenue moneys (but not its capital moneys) by order of the Governor in Council (section 69(1)). The First Nations that have that authority are listed in the Schedule to the *Indian Band Revenue Moneys Order*.<sup>(23)</sup>

### DESCRIPTION AND ANALYSIS

Bill C-54 contains a preamble and 64 clauses. It also contains two schedules.

#### A. Preamble

The preamble acknowledges the historic treaties that were entered into by the three participating First Nations, and notes that these First Nations seek control of oil and gas on their reserve lands as well as related revenues. It also acknowledges that other First Nations could benefit from the legislation, should they choose to participate.

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(22) R.S. 1985, c. I-5.

(23) SOR/90-297.

## B. Interpretation and Application (Clauses 2 to 5)

Clause 2 sets out a number of definitions that apply to this bill, including “managed area,” which is defined in clause 25 as consisting of “the lands set apart, as of the transfer date, as the reserve or reserves of the first nation, and includes any lands subsequently added to those lands, unless the first nation and the Minister agree otherwise at the time they are added.”

Clause 3 notes that the bill does not affect the Crown’s title to lands in the managed area (clause 3(a)) and that lands in the managed area are still lands under subsection 91(24) of the *Constitution Act, 1867* (clause 3(c)). Clause 3 also contains a non-derogation clause which specifies that nothing in the bill shall be construed as abrogating or derogating from the protection provided for existing Aboriginal or treaty rights by section 35 of the *Constitution Act, 1982*.

Clause 4 states that the bill does not apply to reserve lands in Yukon or to frontier lands within the meaning of the *Canada Petroleum Resources Act*.

Clause 5 states that the bill does not apply to the moneys collected, received or held under the *Indian Act* for the use and benefit of an individual.

## C. Requests for Transfer (Clauses 6 to 9)

Clauses 6 to 9 set out the process by which a First Nation can request a transfer of oil and gas management and/or the payment of moneys held by the Crown. In both cases, a First Nation must submit a written council resolution requesting the transfer (clause 6) or payment (clause 7). Once the resolution relating to the transfer of oil and gas management has been received, the Minister must provide the First Nation with copies of documents related to contracts issued and moneys payable under those contracts, documents relating to contaminated sites on the First Nation’s reserve (clause 8(1)), and a timetable for delivering those documents (clause 8(2)). Once the resolution relating to the payment of moneys has been received, the Minister must inform the First Nation of the amount of moneys held as well as the amount of any outstanding loans (clause 9).

## D. Requirements for Transfer (Clauses 10 to 16)

Before a First Nation can vote on the transfer of oil and gas management request, the First Nation must prepare an oil and gas code that, among other things, prescribes the

procedure for making and amending oil and gas laws (clause 10(1)(a)). A First Nation also has to prepare a financial code, part of which specifies whether the oil and gas moneys are to be deposited in an account with a financial institution or paid into a trust (clause 10(2)(a)). Before voting on the payment of moneys request, a First Nation must prepare a financial code similar to that which is required for the transfer of oil and gas management (clause 11). Once the required codes have been prepared, the Minister and the First Nation may conclude a transfer or payment agreement (clauses 15 and 16).

Clauses 12 to 14 relate to trusts, specifying that laws of general application in relation to trusts and trustees apply (clause 12(1)), prohibiting a member of the council of a First Nation from being a trustee *ex officio* of the trust (clause (13(1)), and requiring every trustee other than a trust company to show proof of some form of security (clause 14).

#### E. Approval Procedure (Clauses 17 to 21)

Clauses 17 and 18 establish, respectively, that, in accordance with the regulations, a First Nation may conduct a vote on the ratification of the codes, and on the approval of the transfer of oil and gas management and regulation or the approval of the payment of moneys. Clause 19 provides that one vote may be held where both a transfer of oil and gas control and the payment of moneys is requested.

Clauses 20 and 21 define who is eligible to vote and what voter participation is required in order that a vote be affirmative.

#### F. Transfers to First Nations (Clauses 22 to 33)

##### 1. Oil and Gas (Clauses 22 to 29)

Clause 22(1) provides that the Governor in Council may add the name of a First Nation to Schedule 1 once it has (a) obtained an affirmative vote and (b) made laws with respect to the following subjects:

- the issuing and terms and conditions of contracts;
- environmental assessment of projects in the managed area;
- the protection of the environment from the effects of oil and gas exploration and exploitation;  
and
- the conservation of oil and gas in the managed area.

Clause 23(1) provides that on the date of the transfer, all rights and obligations of the Crown under existing contracts are assigned to the First Nation. The rights or interests under assigned contracts cannot be impaired by oil and gas laws that come into force on a transfer date (clause 24(1)).

Clause 26 relates to the registration of lands and contracts. The legal description of a First Nation's managed area is to be entered into either the *Indian Act* Reserve Land Register or the *First Nations Land Management Act* First Nations Land Register (clause 26(1)). In addition, all contracts that are registered in the *Indian Act* Surrendered and Designated Lands Register must be entered in the register established by the regulations (clause 26(2)).

Clauses 27 to 28 relate to the liability of the Crown. The Crown is not liable for:

- a First Nation's transfer request or any actions taken by the First Nation pursuant to that request (clause 27(1)(a));
- any loss or damage resulting from the assignment of contracts to a First Nation (clause 27(1)(b));
- an unintentional omission to provide information as required by clause 8(1) (clause 27(1)(c));
- the exercise of powers by a First Nation in relation to oil and gas exploration or exploitation (clause 27(2)); and
- any damage occasioned by oil and gas exploration or exploitation (clause 27(3)).

Neither the Crown nor a First Nation is sheltered from liability for any act or omission occurring before the transfer date (clause 28).

## 2. Moneys (Clauses 29 to 33)

Clause 29(1) provides that the Minister may add the name of a First Nation to Schedule 2 once it has obtained an affirmative vote. Once the name has been added, moneys held for the use and benefit of the First Nation are to be paid out of the Consolidated Revenue Fund (clause 30(1)). The amount of any outstanding loans can be withheld from that payment (clause 30(2)). All money subsequently collected or received by the Crown will be paid to the First Nation out of the Consolidated Revenue Fund (clause 31).

Clauses 32 and 33 relate to the liability of the Crown. The Crown is not liable for the decision of a First Nation to request a payment or for any actions taken by the First Nation pursuant to that request (clause 32(1)), nor is it liable for the payment or management of moneys

once they have been paid out of the Consolidated Revenue Fund (clause 32(2)). As with the Crown's liability for past acts or omissions related to oil and gas prior to the transfer date, neither the Crown nor a First Nation is sheltered from liability for acts or omissions occurring before the payment from the Consolidated Revenue Fund is made (clause 33).

#### G. Powers Relating to Oil and Gas

A Schedule 1 First Nation has the powers, rights and privileges of an owner in relation to oil and gas in its managed area (clause 34(1)). These powers can be exercised by the council of the First Nation or by any person or body to which that power is delegated by the First Nation's oil and gas laws (clause 34(2)). Contracts cannot be issued until a First Nation's oil and gas laws are in effect (clause 34(4)).

Clause 35 sets out some of the areas in which a First Nation can make laws. A First Nation does not appear to be restricted to the listed areas. A First Nation cannot, however, make laws in relation to matters coming within exclusive provincial jurisdiction (clause 35(1)), nor can it make laws with respect to the following subjects:

- criminal law and procedure (clause 36(a));
- labour relations, working conditions, and occupational health and safety (clause 36(b));
- fish and fish habitat, migratory birds or species at risk (clause 36(c)); and
- international and interprovincial trade (clause 36(d)).

Clauses 37 to 39 require that oil and gas laws must include laws that:

- require that an environmental assessment be conducted before a project is undertaken (clause 37(1));
- provide environmental protection at least equal to that provided by provincial law (clause 38); and
- in the case of conservation of oil and gas laws, those laws must not conflict with or be inconsistent with provincial oil and gas exploration and exploitation laws (clause 39).

Oil and gas laws may also incorporate provincial laws by reference (clause 42) and specify the responsibilities of the First Nation and the province in administering and enforcing oil and gas laws (clause 43(a)). Oil and gas laws cannot take effect before the transfer date, except to the extent necessary to make the transfer effective on that date (clause 35(2)).

Clause 40 establishes maximum penalties that may be imposed under oil and gas laws, and clause 41 provides that search and seizure procedures created for the purpose of ensuring compliance with oil and gas laws cannot be inconsistent with the provincial law nor confer powers greater than those of public officers in the *Criminal Code*.

Clause 44(1) requires that a First Nation maintain the original copies of the oil and gas code and oil and gas laws at its principal office, and that all persons be given access to the code and laws.

Clause 45 requires that a First Nation comply with Canada's international legal obligations in exercising its powers or in making laws.

#### H. General

A First Nation named in Schedule 1 or Schedule 2 has the legal capacity necessary to exercise its powers and perform its duties and functions under the bill (clause 46). Just as it is required to keep original copies of its oil and gas code and oil and gas laws, a First Nation is also required to maintain originals of its financial code at its principal office, and provide access to them to any member of the First Nation (clause 47(1)).

Clauses 48 and 49 require books and accounts to be kept for a First Nation's oil and gas moneys as well as for the moneys paid to it out of the Consolidated Revenue Fund. Annual financial statements must be prepared for both oil and gas moneys and moneys paid out of the Consolidated Revenue Fund, and these financial statements must be audited (clause 50(1)).

Clause 51 establishes that the Crown may expropriate rights and interests in relation to oil or gas in a managed area and compensate a First Nation for the expropriation.

With respect to the prosecution of the contravention of a First Nation's oil and gas laws, a First Nation can prosecute offences (clause 52(1)) and either retain its own prosecutors or enter into agreements with either the province or the federal government to use their prosecutors or agents (clause 52(2)). Clause 53 requires that all fines imposed and property forfeited in relation to a conviction for an offence are to be paid or transferred to the First Nation.

## I. Application of Other Laws

### 1. Oil and Gas

Clause 54(1) lists all the sections of the *Indian Act* that will no longer apply in relation to the issuing of contracts as of a First Nation's transfer date. Clause 54(2) provides that, after a First Nation's transfer date, sections 61 to 69 of the *Indian Act* will no longer apply in respect of oil and gas moneys.

As of a First Nation's transfer date, neither the *First Nations Land Management Act* nor the *Indian Oil and Gas Act* will apply in relation to oil and gas exploration in that First Nation's managed area (clause 55).

Clauses 56, 57 and 59 address conflict of laws. If, with regard to a project, there is a conflict between a First Nation's oil and gas laws and a federal law providing for the environmental assessments of projects, the federal law prevails (clause 56). The federal law also prevails in the case of a conflict between a First Nation's oil and gas laws and a federal law relating to the protection of the environment (clause 57). If there is a conflict between a First Nation's oil and gas laws and its other laws, the oil and gas laws prevail (clause 59).

The application of federal laws relating to labour relations, working conditions or occupational health and safety is not affected by the bill (clause 58).

### 2. Moneys

Clause 60 states that sections 61 to 69 of the *Indian Act* do not apply in respect of moneys paid out of the Consolidated Revenue Fund.

## J. Regulations

Clause 62 establishes that the Governor in Council may make regulations with respect to the following subjects:

- the conduct of ratification and approval votes (clause 62(a));
- certain aspects of the registration of contracts (clause 62(b));
- setting minimal requirements of oil and gas laws relating to environmental protection (clause 62(c));
- setting minimal requirements of oil and gas laws relating to oil and gas conservation (clause 62(d)); and



- establishing bodies or designating existing bodies to administer oil and gas laws that incorporate provincial laws (clause 62(e)).

The Governor in Council may also, on the recommendation of the Minister and the Minister of the Environment, make regulations relating to the content of oil and gas laws made in relation to environmental assessments (clause 63(1)). The Governor in Council may also, on the recommendation of those same two ministers, make regulations authorizing a First Nation to exempt certain classes of projects from environmental assessment (clause 63(2)).

#### K. Coming Into Force

Clause 64 provides that the bill will come into force on a day to be fixed by order of the Governor in Council.

#### COMMENTARY

Bill C-54 has received virtually no media attention. On the part of First Nations, there has been neither vocal support for the proposed legislation (other than by the three participating First Nations), nor vocal opposition. A policy analyst from the Assembly of First Nations who appeared before the Standing Senate Committee on Aboriginal Peoples during its study on Aboriginal economic development made the comment that Bill C-54 is an example of the type of initiative that should be undertaken to further economic development.<sup>(24)</sup>

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(24) Standing Senate Committee on Aboriginal Peoples, *Evidence*, 15 June 2005 (Dean Polchies, Policy Analyst, Economic Partnership Secretariat, Assembly of First Nations).