

**CANADIAN HUMAN RIGHTS TRIBUNAL**

**B E T W E E N :**

**FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA and  
ASSEMBLY OF FIRST NATIONS**

Complainants

- and -

**CANADIAN HUMAN RIGHTS COMMISSION**

Commission

**ATTORNEY GENERAL OF CANADA**  
(representing the Minister of Indigenous Services Canada)

Respondent

- and -

**CHIEFS OF ONTARIO and  
AMNESTY INTERNATIONAL CANADA and NISHNAWBE ASKI NATION**

Interested Parties

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**AFFIDAVIT OF RICHARD GOODYEAR**

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I, RICHARD GOODYEAR, of the City of Ottawa, in the Province of Ontario, AFFIRM that:

1. I am employed by Indigenous Services Canada (“ISC”) as the Chief Financial Officer. I have been in my current role since October 9, 2025. Prior to joining ISC, I was the Assistant Deputy Minister and Chief Financial Officer at the Department of Fisheries and Oceans. I am also a 32-year veteran of the Canadian Armed Forces, having served in senior command and financial roles both in Canada and abroad. I hold a Bachelor of Commerce and a Master of Public

Administration from the Royal Military College, as well as an MBA from the Université du Québec à Montréal. I am a Chartered Professional Accountant and hold the distinction of Fellow as appointed by Chartered Professional Accountants of Ontario in recognition of my contributions to the profession.

2. As Chief Financial Officer at ISC I am responsible for overseeing the exercise of financial stewardship of the Department's significant operations and resources, the effective management of information and capital assets, accommodations, security and procurement.
3. In my capacity as Chief Financial Officer, I have personal knowledge of the facts and matters deposed to in this affidavit. Where my information came from someone else, I identify the source of my information and I believe the information to be true.
4. In this affidavit, I will outline the structure of the Government of Canada's Financial Cycle, including the Parliamentary Appropriations Process, as well as information on transfer payments program management.

***Overall Structure of the Government of Canada's Financial Cycle***

5. The financial cycle of the Government of Canada is the annual process through which Parliament reviews, authorizes, and oversees the raising and spending of public funds.
6. This process enables Parliament to examine fiscal priorities, review tax and revenue plans, assess proposed expenditures, and ensure transparency and accountability in the use of public money.
7. The financial framework is governed by constitutional and procedural rules that establish Parliament's control over public spending. The government of Canada must obtain Parliament's approval before any funds may be drawn from the Consolidated Revenue Fund.
8. The Consolidated Revenue Fund is established under the *Constitution Act, 1867*. It is the central account into which all federal revenues are deposited and from which all authorized federal expenditures are made.

9. Parliament exercises this authority through two primary mechanisms within the House of Commons: the Business of Ways and Means (raising revenues) and the Business of Supply (authorizing spending).
10. The Business of Ways and Means is the process by which the government presents its Budget and introduces motions enabling taxation or revenue legislation.
11. The Business of Supply is the process by which the government seeks parliamentary approval to spend public funds, including the tabling of Estimates, Interim and Full Supply, debates on supply days, and passage of appropriation bills.

### ***Parliamentary Appropriations Process***

12. The authority of Parliament to control public money is set out in the *Constitution Act, 1867* based on the principles that all duties and revenues received "shall form one Consolidated Revenue Fund" (section 102) and that the balance in the Consolidated Revenue Fund "shall be appropriated by the Parliament of Canada (section 106)".
13. The parliamentary appropriations process, situated within the Business of Supply and the broader annual financial cycle, ensures that no public funds are raised or spent without the explicit authorization of Parliament. Certain statutory expenditures, such as payments ordered by certain courts or tribunals under the *Crown Liability and Proceedings Act*, are authorized outside the annual supply cycle but remain lawful charges against the Consolidated Revenue Fund pursuant to statutory authority.
14. The parliamentary appropriations process provides structured, transparent oversight of federal spending from initial planning through parliamentary approval and final reporting.

### ***Preparation and Tabling of the Main Estimates***

15. The Treasury Board is a statutory committee of Cabinet established under the FAA. It is responsible for the overall management of the federal government's financial, human resources, and administrative systems. The Treasury Board exercises authority over expenditure management, approves departmental spending proposals consistent with funding

decisions made by the Minister of Finance and the Prime Minister, and sets government-wide policies.

16. Treasury Board Secretariat (“TBS”) is the central agency that supports the Treasury Board. TBS reviews departmental submissions to ensure alignment with fiscal limits, Cabinet decisions, and Treasury Board policies.
17. Once a year, TBS compiles the collective departmental resource requirements funding approved into a document called Main Estimates, which present the government’s planned spending for the upcoming fiscal year and provides guidance to departments on expenditure management and reporting.
18. The annual budget plan and economic updates provide projections for the government’s revenues, expenses and budgetary balance, including the impact of taxation and spending decisions and announcements. The scope of the Main Estimates is narrower. It’s main purpose is to support Parliament’s consideration of appropriation bills.
19. The Main Estimates distinguish between voted expenditures, which require annual parliamentary approval, and statutory expenditures, authorized through existing legislation.
20. The President of the Treasury Board tables the Main Estimates in the House of Commons on or before March 1 of each year.

### ***Tabling of Departmental Plans***

21. Following the tabling of the Main Estimates, departments publish Departmental Plans outlining objectives, expected results, and anticipated resource utilization. These plans are provided to Parliament and made publicly available to support parliamentary committees in their review of departmental funding requests.

### ***Referral of Estimates to Standing Committees***

22. After tabling, the Main Estimates are automatically referred to the appropriate standing committees of the House of Commons. Standing committees are permanent parliamentary committees established under the Standing Orders, composed of Members of Parliament, and

mandated to examine specific subject areas. For example, the Standing Committee on Finance reviews the Department of Finance's Estimates.

23. Committees review proposed Votes (formal spending authorities approved by Parliament that give departments the legal right to spend money), call ministers and officials to provide evidence, and may recommend approval, reduction, or rejection of items.

### ***Interim Supply***

24. Before the beginning of the fiscal year, Parliament must grant the government temporary spending authority known as Interim Supply.
25. Interim Supply provides a certain percentage of Main Estimates voted authorities, ensuring continuity of operations until Full Supply is granted.
26. Interim Supply is enacted through an interim appropriation bill, which must pass both Houses of Parliament and given Royal Assent, becomes an Interim Appropriation Act. This Act is a legislation that authorizes the government to withdraw funds from the Consolidated Revenue Fund until Full Supply is approved.

### ***Supply Days and Parliamentary Review***

27. Throughout the year, a set number of allotted supply days allow opposition parties to move motions related to government spending or public policy.
28. During these days, the House continues its review of Estimates and prepares for the voting of appropriation bills.

### ***Full Supply and the Main Estimates Appropriation Act***

29. Once committee review is complete, the House of Commons votes on the appropriation bill corresponding to the Main Estimates, known as the Full Supply bill.
30. Upon adoption by the House, the bill proceeds to the Senate for consideration.
31. After passage by both Chambers, the bill receives Royal Assent, granting departments full legal authority to spend the amounts approved in the Main Estimates.

32. Full Supply is typically granted by June 23 of each fiscal year, ensuring departments have full authority for the fiscal year.

### ***Supplementary Estimates (A), (B), and (C)***

33. Supplementary Estimates are tabled during the fiscal year to seek additional or adjusted spending authorities not included in the Main Estimates.

34. Supplementary Estimates may address new programs, emerging pressures, transfers between Votes, reprofiling of funds, or technical adjustments.

35. Supplementary Estimates are typically tabled in up to three sets—(A), (B), and (C).

36. Each set of Supplementary Estimates is accompanied by an associated appropriation bill.

37. These bills must be passed by the House of Commons, reviewed by the Senate, and receive Royal Assent to provide legal authority for additional spending.

38. Following the granting of appropriation authority, TBS issues departmental allotments that set the administrative and legal parameters for the use of approved funds.

39. Under section 31 of the FAA , appropriations are divided into narrower categories known as allotments. Allotments are used to exercise control on expenditures and to limit the amount spent on particular categories of expenditures.

40. Departments must manage expenditures in accordance with the *FAA* and Treasury Board directives, which are binding policies and instructions issued by the Treasury Board to regulate financial management, contracting, grants and contributions, and other administrative practices. Examples include the Directive on Transfer Payments and the Directive on Travel, Hospitality, Conference and Event Expenditures. These directives, together with conditions attached to specific Votes, ensures that appropriated funds are used lawfully and consistently across government

### ***End-of-Year Financial Reporting***

41. After the fiscal year ends, the Receiver General publishes the *Public Accounts of Canada*, the government's official audited financial statements. These accounts provide a comprehensive

record of revenues, expenditures, assets, liabilities, and the overall financial position of the Government of Canada.

- 42. The Public Accounts are reviewed by the Office of the Auditor General, which provides an independent opinion on their accuracy, and are examined by the Standing Committee on Public Accounts of the House of Commons.
- 43. Departments table Departmental Results Reports, comparing planned and actual results. These reports are provided to Parliament and made publicly available to support committee review and parliamentary oversight of government performance.

### ***Transfer Payments Program Management***

- 44. The Government of Canada utilizes transfer payment programs to deliver on government priorities with the objective of achieving results for Canadians. The management of transfer payments is directed by the Treasury Board Policy on Transfer Payments and its supporting tools, including the Directive on Transfer Payments.
- 45. Transfer payments are categorized as grants, contributions and other transfer payments.
- 46. A contribution is subject to performance conditions specified in a funding agreement. A contribution is to be accounted for and is subject to audit. The recipient must deliver on the delivery requirements established by the funding department as specified in the funding agreement and must report on results.
- 47. A grant requires pre-established eligibility and other entitlement criteria. A recipient must demonstrate it meets these to receive funding. A grant is not subject to being accounted for by a recipient nor normally subject to audit by the department. However, the recipient may be required to report on results achieved. Transfer payment program management includes design and delivery, terms and conditions, funding agreements, monitoring and auditing. Risk-based approaches must be adopted in all of these phases.
- 48. The design of a program and its terms and conditions must be approved by the Treasury Board via a Treasury Board submission. Associated funding is usually sought at the same time.

49. Transfer payments must be paid to recipients in a timely, prudent and efficient manner that supports the achievement of objectives and recognizes the risks involved. When advance payments are issued, they must not exceed the recipient's estimated cash flow requirements and must respect the federal government's share of eligible expenditures for that fiscal year.
50. The department has the responsibility to ensure, through timely assessment of recipient reports and other monitoring activities deemed necessary, that the recipient of a contribution has complied with the obligations and performance objectives in the funding agreement.
51. Appendix K of the Directive on Transfer Payments provides additional guidance for contribution funding to Indigenous recipients, including but not limited to advance payments, financial reporting on annual basis, and management of unexpended funding both during and at the end of the funding agreement. The reformed First Nations Child and Family Services FNCFS would leverage contribution funding and Appendix K of the Directive on Transfer Payments to deliver on its program.

### ***Overview of ISC Funding Agreements***

52. ISC maintains a suite of departmental funding agreement models to support transfer payment management. Agreement models are developed and maintained to ensure alignment with Treasury Board and departmental policies and directives, and provide national consistency.
53. The national funding agreement models are designed specifically for use with different types of recipients as follows:
  - a. First Nations and Tribal Councils
  - b. Provinces and Territories
  - c. Other Recipients (including First Nations Child and Family Services agencies)
54. The national funding agreement models include language to meet the requirements outlined in the Directive on Transfer Payments, which outlines the operational requirements for the design and delivery of transfer payment programs.
55. The Department must ensure the following steps are completed before entering into a funding agreement with a recipient:



- a. The Department must secure a source of funds and program authority;
- b. The recipient must meet the eligible recipients criteria established in the programs terms and conditions; and
- c. The recipient and the Department must agree on the clauses and annexes of the funding agreement which inform on the operational requirements for the design and delivery of the program, including but not limited to delivery and reporting requirements, default and cash flow payments.

56. I make this affidavit in support of Canada's plan on long-term reform of the FNCFS Program outside Ontario, and for no other or improper purpose.

**AFFIRMED** by Richard Goodyear stated as )  
 being located in the City of Ottawa, Ontario )  
 before me at the City of Ottawa, Ontario )  
 on this 22<sup>nd</sup> day of December, 2025, in accordance )  
 with O. Reg 431/20, Administering Oath or )  
 Declaration Remotely )

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 Shireen Sultan Adatia, Commissioner  
 for Taking Affidavits  
 LSO No.: P14203

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**RICHARD GOODYEAR**

**SHIREEN SULTAN ADATIA**  
 Licensed Paralegal  
 LSO No. 14203P