



Legislative Review Committee  
March 2026

# COMMITTEE REPORT

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## I. INTRODUCTION

The Economic Trust of the Southern Interior (ETSI-BC) is an independent, not-for-profit economic development corporation created by the Province of British Columbia to help grow and diversify the regional economy. ETSI-BC was established in 2006 under the *Southern Interior Development Initiative Trust Act*. Section 26(1) of the *Act* requires the Trust's Board of Directors every five years to appoint a committee of qualified individuals to review the *Act*. The committee is required to publish its findings in a way that ensures public awareness.

In accordance with section 26(1), ETSI-BC's Board of Directors appointed a Legislative Review Committee to conduct the 2026 review of the *Act*. The Committee was comprised of three individuals:

- Roly Russell, PhD, — Researcher with the Sandhill Institute, former Member of the Legislative Assembly (MLA), and former Electoral Area Director and Chair of the Kootenay Boundary Regional District.
- Steve Thomson — Former MLA, Minister of Agriculture and Lands, Minister of Forests, Lands and Natural Resources, and member of 2021 ETSI-BC Legislative Review Committee.
- Rosalie Yazzie, KC, JD, MBA, — Indigenous lawyer (Syilx and Secwépemc), Senior Legal Counsel to Syilx Okanagan Nation, former Vice Chair of the First Nations Justice Council and the Truth and Reconciliation Advisory Committee, and member of the 2021 ETSI-BC Legislative Review Committee.

Laurel Douglas, Chief Executive Officer of ETSI-BC, provided support to the Committee in its

discussions. Allan Neilson, Principal of Neilson Strategies Inc., assisted the Committee with facilitation and report preparation.

### I.1. Scope of Review

In late 2025, in anticipation of the launch of the 2026 legislative review process, staff at the Ministry of Jobs and Economic Growth advised ETSI-BC to commission a “refresh” of the legislative review recommendations provided by the agency in 2021. The Ministry's advice recognized that the timing of the 2026 review would coincide with the Ministry's own efforts to modernize ETSI-BC's legislation and the enabling statutes of the Northern Development Initiative Trust and Island Coastal Economic Trust. The Ministry's efforts are being undertaken in support of British Columbia's commitment to the *Declaration on the Rights of Indigenous Peoples Act*. Item 4.39 of the *Declaration Act Action Plan* directs the Province to work with the three Trusts and First Nations to ensure First Nations inclusion in Trust governance.

The *Terms of Reference* developed by ETSI-BC to guide the 2026 Legislative Review Committee reflected the Ministry's advice and the current context. ETSI-BC asked the Committee to assess the ongoing validity of the recommendations put forward in 2021 review of the *Act*. ETSI-BC also asked the Committee to provide comment on legislative recommendations made by ETSI-BC's consultants in 2025 on the matter of First Nations inclusion in governance. These changes were based on extensive consultation with First Nations in BC's Southern Interior. Finally, ETSI-BC asked the Committee to review and provide feedback on the 2026 *Draft Intentions Paper: Modernizing the Governance of the Regional Trusts*. This *Intentions Paper* has been prepared by staff at the Ministry of

Jobs and Economic Growth to address First Nations inclusion in decision-making. The *Intentions Paper* has been written, as well, to propose changes aimed at modernizing governance and ensuring sustainability of funding.

## I.2. Committee Report

This *Committee Report* presents the Committee's findings, comments and recommendations from the 2026 Legislative Review. The text begins by presenting the Committee's reaffirmation of the recommendations put forward by the 2021 Legislative Review Committee, along with subsequent recommendations put forward by ETSI-BC in 2023. The *Report* then provides the Committee's comments on the recommendations made in 2025 to ensure First Nations inclusion in Trust governance, pursuant to DRIPA Action Plan (Item 4.39). The *Report* ends with the Committee's comments on the Ministry's *Intentions Paper*.

In its discussions on the materials under review, the Committee benefitted from a written analysis of the issues presented by Committee member Rosalie Yazzi, KC. Ms. Yazzi's analysis considered the earlier recommendations by ETSI-BC, and the significant changes proposed in the Ministry's *Draft Intentions Paper*, against three guiding principles:

- the need for durable and self-determined First Nations representation in the Trust
- the need to strengthen the regional governance capacity of the Trust
- the need to protect the Trust's independence and decision-making autonomy

These principles informed the Legislative Review Committee's discussions and recommendations.

## II. EARLIER RECOMMENDATIONS

In 2021 ETSI-BC established a Legislative Review Committee to review the *Southern Interior Development Initiative Trust Act*, as required under section 26(1) of the *Act*. As part of its work, the 2021 Committee reviewed several background documents and interviewed four individuals with key perspectives on the *Act* and its functionality. The Committee made three recommendations for legislative change, all of which are presented in Figure II.1. The 2026 Legislative Review Committee

reaffirms the validity of these recommendations. ETSI-BC submitted additional recommendations in 2023, including some that were put forward by the Joint Trusts. The 2023 recommendations for change are presented in Figure II.2. The 2026 Committee supports these recommendations as well.

## III. DRIPA ACTION PLAN (ITEM 4.39)

In June 2025, ETSI-BC submitted a set of recommended legislative changes to allow for meaningful and enduring inclusion of First Nations in ETSI-BC governance. The recommendations were based on engagement with First Nations leaders that was undertaken by external consultants,

Figure II.1  
2021 Recommendations

The 2021 Legislative Review Committee made three recommendations for legislative change:

- > **First Nations Community Representation** — Recommended amendment to ensure sustainable First Nations Community inclusion at a “regional dialogue, advisory, and decision-making level”. Further recommended that government consult with regional First Nations Communities and ETSI-BC to determine the way for inclusion.

*The Province's Draft Intentions Paper offers responses on the matter of First Nations Community Representation.*

- > **Purpose of the Regional Account** — Recommended amendment to define Regional Account Investment Areas in section 20(1) to define overall objective and allow flexibility to respond to regional economies and context.

*The Draft Intentions Paper offers a response to this recommendation.*

- > **Board Appointment of Chief Financial Officer** — Recommended amendment to remove appointment of CFO as a Board responsibility.

*Recommendation remains outstanding.*

initially between July and November 2024, then again from November 2024 to February 2025. Following the review of draft changes by First Nations in April 2025, ETSI-BC's Regional Advisory Committees (RACs) and the Board endorsed the consultants' recommendations. The recommendations were submitted to the Minister of Jobs, Economic Development and Innovation in June 2025, for consideration by the Ministry in its writing of the 2026 *Draft Intentions Paper: Modernizing the Governance of the Regional Trusts*.

The 2026 Legislative Review Committee has reviewed ETSI-BC's 2025 submission. Most of the Committee's comments on the recommendations are presented later in this *Report* under the review of the *Draft Intentions Paper*. Two recommendations, however, are not reflected in the *Paper*. These recommendations concern the definition of eligible First Nations appointees, and the method of appointment of First Nations representatives to ETSI-BC's RACs.

On the matter of definition, ETSI-BC endorsed in 2025 a recommended amendment to the *Act* that would expand the definition of persons eligible for RAC membership to include:

“elected officials of First Nations whose ‘band’ communities are, in whole or in part, within the region”

It was further recommended, for clarity, to add the following definition:

“‘Elected official of a First Nation’ means a ‘band’ Chief or ‘band’ Council member elected by their community”

On the matter of appointment, ETSI-BC endorsed in 2025 an appointment process similar to that which is in place for local government representatives. This process would see the four First Nations with bands in the Thompson-Okanagan region — the Secwépemc, Nlaka'pamux, Stó:lo and Syilx Nations — appointing a total of 12 elected band Chiefs or Councillors to the Thompson-Okanagan RAC. The two First Nations with bands located in the Columbia-Kootenay region — the Ktunaxa and Secwépemc — would appoint a total of five elected

## Figure II.2 2023 Recommendations

ETSI-BC submitted recommendations for legislative change to the Province in 2023. Two were made by ETSI-BC on its own; two were made through the Joint Trusts.

### ETSI-BC Recommendations:

- > **Board Appointment of Chief Financial Officer** — ETSI-BC re-submitted recommendation from 2021 to remove the appointment of CFO as a Board responsibility. Specific wording was provided to amend sections 10(3) and 11.

*Recommendation remains outstanding.*

- > **Name of Act** — ETSI-BC sought change to the name of the *Act*, and the official name of the Trust, to reflect the DBA name — Economic Trust of the Southern Interior — registered in 2021.

*The Draft Intentions Paper offers a response to this recommendation.*

### Joint Trusts Recommendations:

- > **One-Time Development Allocation** — Recommended amendment to remove reference to “one-time development allocation”, which ignores subsequent allocations made.
- > **Remuneration of Directors** — Request to remove the requirement that directors not accept remuneration other than reimbursement of travel and out-of-pocket expenses.

*Recommendations remain outstanding.*

Chiefs or Councillors to the Columbia-Kootenay RAC.

The 2026 Legislative Review Committee recognizes the importance of First Nations meaningful and enduring participation in Trust governance,

including at the level of the RACs. The Committee agrees that structured First Nations inclusion in the RACs is appropriate, and that the requirement for such inclusion should be embedded in the *Act*.

The Committee also recognizes, however, the importance of self-determination in the selection of First Nations representatives for, and in the appointment of First Nations representatives to, the RACs. The legislation should empower First Nations on these matters.<sup>1</sup>

#### IV. 2026 DRAFT INTENTIONS PAPER

The Ministry of Jobs and Economic Growth has produced the *2026 Draft Intentions Paper: Modernizing the Governance of the Regional Trusts*. The *Intentions Paper* has been prepared in support of the Province's commitment to the *Declaration on the Rights of Indigenous Peoples Act*. Item 4.39 of the *Declaration Act Action Plan* directs the Province to work with the three Trusts and First Nations on the Trusts' governing legislation to ensure First Nations inclusion in Trust governance. The *Paper* has also been written, however, to identify changes that, in the Ministry's view, are necessary to modernize the legislation "to better align with today's economic and legislative context".

Figure IV.1, beginning on the following page, provides the Committee's comments on the specific changes proposed by the Ministry in the *Draft Intentions Paper*. The Committee's comments speak to the importance of:

- embedding inclusion in a way that strengthens, rather than weakens, the nature of the Trusts as independent statutory bodies, focused on and empowered to make decisions in support of regional economic development
- enduring, meaningful and self-determined First Nations representation
- structural models for Board and RAC composition that do not mandate parity in

numbers but rather ensure meaningful, material presence for First Nations

- structural governance models that reflect and embed in the legislation changes to the underlying governance architecture, in place of simply adding First Nations representatives onto existing structures
- First Nations themselves having the authority, embedded in the *Act*, to determine the process for selecting and appointing First Nations representatives to the RACs
- protecting the independence of the Trusts from efforts to centralize and consolidate control under the Province
- engaging with First Nations and local governments on the *Draft Intentions Paper*, and in developing the resulting Request for Legislation, in ways that accurately reflect the level of shared decision-making offered, and the level of authority held by the Province, in determining changes to the *Act*
- additional opportunities for affected parties to provide input on the *Draft Intentions Paper*, given the presence of several proposed changes unrelated to DRIPA Action Item 4.39

The Committee wishes to emphasize its concern with the scope of the *Draft Intentions Paper*. The *Paper* was commissioned to address the Province's obligations under DRIPA Action Item 4.39 with respect to inclusion of First Nations in the governance of the Trusts. The Ministry has gone far beyond this focus to include proposed changes that, if accepted, would significantly alter the nature of the Trusts as independent statutory bodies with regional decision-making autonomy. The Committee feels strongly that any changes to the legislation should be guided by the need to:

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<sup>1</sup> The Committee points to the approach to self-determined representation in place under the British Columbia Tripartite Framework Agreement on First Nation Health Governance. This approach empowers and relies on the First Nations Interior Region Caucus to appoint representatives to decision-making tables, and to determine the process of appointment.

- achieve durable and self-determined First Nations representation in the Trusts
- strengthen the regional governance capacity of the Trusts
- protect the independence and decision-making autonomy of the Trusts

**Figure IV.1**  
**Legislative Review Committee Comments on**  
**Proposed Changes in Draft Intentions Paper**

Changes Proposed – 2026 <i>Draft Intentions Paper</i> Legislative Review Committee Comments	
<b>1. Add First Nations representatives to RACs to match current or adjusted number of local government representatives.</b>	<p>The Committee does not support a model of First Nations inclusion that requires parity in the number of representatives with that of local governments. The Committee supports an approach through which each RAC, guided by First Nations, identifies the number of First Nations representatives which provides for meaningful and durable inclusion, that is pragmatic given governance realities across regions, and that gives First Nations the ability to influence outcomes. Parity, while useful in some instances, does not recognize the structural diversity of First Nations governance across regions.</p> <p>The Committee believes that the requirements for First Nations representation on the RACs should be embedded in the <i>Act</i>. The composition of the RACs, however, should be determined by the RACs themselves in collaboration with First Nations. The method for appointing First Nations representatives should be left to First Nations to determine.</p>
<b>2. Add requirement for First Nations representation on Trust Board of Directors.</b>	<p>The Committee supports a requirement, embedded in the <i>Act</i>, for First Nations representation on the Board of Directors. The Committee does not support parity in representation between First Nations and local governments, nor does it support any large increase in the size of the Board. The Committee supports changes that would provide a level of First Nations representation sufficient to influence deliberation at the Board, maintain the current levels of local government regional representation, and reduce slightly the number of Provincial appointees. To that end, the Committee recommends a Board of 16 members, comprised of:</p> <ul style="list-style-type: none"> <li>– four local government representatives from each of the RACs (total of eight)</li> <li>– two First Nations representatives from each of the RACs (total of four)</li> <li>– four Provincial appointees</li> </ul>
<b>3. Allow for co-chairs of the RACs, inclusive of First Nations and local government.</b>	<p>The Committee supports the proposal to allow for co-chairs, provided that the change is permissive in the legislation, not prescriptive.</p>
<b>4. Remove MLAs from RAC membership.</b>	<p>The Committee does not support the removal of MLAs from RAC membership. The Committee notes that the RACs are the only shared table for local government leaders, First Nations leaders</p>

Changes Proposed – 2026 *Draft Intentions Paper*  
Legislative Review Committee Comments

and provincially-elected representatives to discuss regional economic development priorities. The Committee notes further that the presence of MLAs from different political parties helps to strengthen the RAC framework and the legitimacy of RACs recommendations.

**5. Add mechanism for government to communicate expectations and priorities.**

The Committee does not support any change that would result in the Province issuing mandate letters to the Trusts. The Committee believes that the role of the Trusts is enhanced by, if not dependent on, their autonomy in determining regional economic development priorities. The Committee does not object to the Province sending annual letters to outline areas where alignment is encouraged. Such letters should not, however, impose obligations on the Trusts.

**6. Add provision to allow Directors to be re-appointed.**

The Committee supports the addition of a provision that would allow Directors to be re-appointed, provided that such a provision is permissive rather than prescriptive.

**7. Add provision to enable Trusts to co-create three-year strategic plans in collaboration with local governments, First Nations and the Province.**

The Committee feels strongly that the Trust should maintain a high degree of regional autonomy, including in the development of three-year strategic plans. The Committee supports collaboration in the development of plans, provided that such collaboration is neither mandatory nor prescribed.

**8. Clarify in the *Act* the primary purpose of the Trusts as the provision of economic development funding to local and First Nations governments, non-profits and other eligible organizations.**

The Committee supports a purpose statement that includes a focus on the provision of economic development, provided that the addition does not preclude the provision of training and other forms of support that the Trusts provide to communities.

**9. Amend the provision that requires the Trust to conduct independent reviews of the enabling legislation every five years.**

The Committee prefers an amendment that would retain the need for five year reviews, but allow the Minister the ability to waive the requirement based on circumstances.

**10. Replace gendered language in the *Act* with gender-neutral pronouns.**

The Committee supports the inclusion of gender-neutral pronouns in the *Act*.

**11. Amend regulations to update and add regional district and community names.**

The Committee supports efforts to update and add regional district and municipality names. The Committee also believes that it is important to recognize and name First Nations communities in each of the RAC regions.

Changes Proposed – 2026 *Draft Intentions Paper*  
Legislative Review Committee Comments

12. Amend provisions that require the Trusts to preserve capital in real terms and in perpetuity where appropriate; and establish standards for administrative costs.

The Committee does not support the proposed change. The Committee recognizes that all parties support the need for enduring Trusts. The strong record of ETSI-BC in achieving long-term sustainability supports continued regional autonomy in managing capital and administrative costs.

13. Add provision to allow the Trusts, or compel the Trusts, to pool investments under the management of the British Columbia Investment Management Corporation (BCI).

The Committee supports a provision to allow the Trusts to pool investments under BCI, provided that such provision is permissive and not prescriptive.

14. Add First Nations as beneficiaries in winding-up clause.

The Committee supports the proposed change.

15. Amend the name of the legislation to reflect ETSI-BC's current name.

The Committee supports the proposed change.