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# **Standing Committee on Aboriginal Affairs and Northern Development**

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**Tuesday, November 28, 2006**

**Chair**

**Mr. Colin Mayes**

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# Standing Committee on Aboriginal Affairs and Northern Development

Tuesday, November 28, 2006

● (0905)

[English]

**The Chair (Mr. Colin Mayes (Okanagan—Shuswap, CPC)):** I will open the Standing Committee on Aboriginal Affairs and Northern Development of Tuesday, November 28, 2006.

Committee members, you have the orders of the day before you. The first item of business will be pursuant to Standing Order 108(2), a study on expenditure plans and the effectiveness of their implementation by the Department of Aboriginal Affairs and Northern Development.

The Honourable Jim Prentice, Minister of Indian Affairs and Northern Development, is with us until 10 o'clock, and we have further witnesses from the Department of Indian Affairs and Northern Development. We have Michael Wernick, deputy minister; Suzanne Tining, associate deputy minister; and Jim Quinn, acting assistant deputy minister, corporate services.

Thank you, witnesses, for appearing.

We'll have a presentation by the minister, and then we'll be asking questions. As I said earlier, the minister will have to leave at 10 o'clock, so please address those questions to the minister right away so that he can answer them and then be on his way.

Mr. Minister, thank you very much for attending this meeting.

**Hon. Jim Prentice (Minister of Indian Affairs and Northern Development):** Thank you, Mr. Chairman. I'm pleased to be here. I'd like to thank you and your colleagues for permitting me to appear again before the committee.

Earlier this month I had the opportunity to meet with you to discuss the main estimates of the Department of Indian and Northern Affairs. Today we'll be discussing the supplementary estimates.

You will recall that the total spending in the main estimates for the department was \$6.3 billion, which was roughly \$366 million or 6.2% higher than last year's figure. This spending reflects the government's focused approach to improving the socio-economic conditions of first nations and aboriginal peoples and taking specific action to try to close the gaps between aboriginal peoples and other Canadians on issues such as education, housing, health care, and other key elements of productive and fulfilling lives. In effect, Mr. Chairman, the main estimates represent a first step for Canada's new government.

Our second step is the 2006 federal budget. Earlier this year, the Minister of Finance announced that he would allocate an additional \$3.7 billion to help improve the lives of aboriginal peoples and

northerners. This new funding included \$450 million over two years, with \$300 million ongoing to help aboriginal peoples access supplies of clean drinking water; enhance on-reserve housing; and create valuable social programs for aboriginal students, women, children, and families. In this first year, that included \$150 million, and it included \$300 million in the subsequent year.

The budget also included up to \$300 million to help northerners build and repair housing; up to \$300 million for housing for aboriginal people off reserve; and up to \$500 million over 10 years relating to the Mackenzie Valley socio-economic fund, the purpose of those moneys being to offset the potential socio-economic impacts. It also included \$2.2 billion to resolve the legacy of the Indian residential schools, which you may wish to speak to today.

[Translation]

Since you must continue to work with our aboriginal, provincial and territorial partners on identifying the best ways to allot these substantial resources, the government will submit this budget funding for parliamentary approval not only through this set of supplementary estimates, but also the through main estimates and supplementary estimates that will come forward for the 2007-2008 fiscal year, and for fiscal years beyond that.

[English]

As I stated, Mr. Chairman, the 2006-07 main estimates and the 2006 budget are the first two major steps in the funding process. The supplementary estimates for the fiscal year represent the next important step.

I'm pleased to report that the supplementary estimates provide \$196 million that Canada's new government will invest this fiscal year to improve the lives of aboriginal peoples and northerners.

[Translation]

These funds will enable us to make substantial progress in several areas in which I have direct responsibility. Then my officials and I will be happy to take questions on any of the specific line items listed in the supplementary estimates, but I would like to touch on several of the more noteworthy items.

[English]

Dealing first with emergency requirements, I'd like to draw your attention to the single largest item, more than \$67 million in the supplementary estimates, which was to help first nations communities address urgent and critical needs brought on by fires, floods, and evacuations.

This specific investment will also assist residents of remote and isolated communities who suffered undue hardship as a result of rising fuel costs.

As I recall, there were some 54 first nations affected by these kinds of circumstances, close to 96,000 people affected in one way or another.

The second line item relates to the issue of water, Mr. Chairman. In the spring budget we designated \$60 million over two years to implement an action plan that ensures residents of first nations communities can enjoy greater access to safe drinking water.

You will note a line item in the supplementary estimates of more than \$22 million. This funding, which tops up the year's basic budget of the department in this area, has enabled us to put in motion our comprehensive and sustained action plan on drinking water in first nations communities. I would be pleased to speak to the progress we're making there.

The plan we have put forward establishes a protocol that sets standards for the design, the construction, the operation, and the maintenance, as well as the monitoring of drinking water systems. It mandates training for all operators of facilities and a regime to ensure qualified operators oversee all water systems.

It enabled us to form a panel of experts to consult with the government on an appropriate long-term regulatory framework to govern drinking water in first nations communities, and it commits the government to making regular reports on our progress on these and other related matters.

• (0910)

[Translation]

While more work remains to be done to improve access to safe drinking water in First Nation communities, we are making real progress right now. In fact, throughout the summer and fall, I travelled to First Nations communities throughout the country to celebrate the opening of eight new or revamped water-treatment facilities. I expect to participate in more of these important community events in the months to come.

[English]

In addition to major investments relating to emergencies and water supplies, we have invested \$6 million to operate and maintain dozens of shelters and related programs for victims of family violence in first nations communities. We have set aside \$3.8 million to construct or renovate new schools in first nations communities in Nova Scotia, Alberta, and Newfoundland and Labrador.

We have made a number of targeted investments that will enable several northern and first nations communities to respond directly to specific health and infrastructure concerns.

And with respect to matrimonial real property, we've devoted some \$8.4 million to fund the extensive consultations that will help us develop an effective and sustainable solution to the challenges relating to on-reserve matrimonial real property.

When the process is finished, I will use the results of those consultations as the basis of legislation I intend to present to the House early in 2007.

[Translation]

Let there be no doubt, Mr. Chairman: Canada's new government is acting forcefully and enthusiastically to fulfil the commitment it has made to the aboriginal peoples and northerners, and addresses the immediate concerns of aboriginal and northern communities. We have set clear goals; we are working with partners; and we are making pragmatic investments—investments such as those laid out in the main estimates, in our first budget, and the supplementary estimates.

[English]

Even in the short term, since I was last before the committee, the new government has made steady and significant progress.

For instance, we received and are now reviewing the report prepared by Mr. Alan Pope, who I had appointed as a special federal representative to examine options relating to the Kashechewan community to find a sustainable solution for that community.

We are also making progress in the field of employment. Last week I signed an agreement to work together to develop a partnership with two Nova Scotia organizations for aboriginal employment.

We've introduced legislation that would enable interested first nations in British Columbia to design and deliver the high-quality education that their communities so richly deserve. I'm pleased to report to you on the progress we are making on that front with other provinces as well.

Later today I will receive the report of the Auditor General of Canada on the B.C. treaty process. I intend to closely look at this report and will seriously consider all of the recommendations.

Furthermore, my department's performance report for the last fiscal year was tabled last week. This is a crucial accountability document that measures our progress openly and honestly and presents the results of our work to Canadians in a clear and transparent manner.

Mr. Chairman, I can assure the committee the progress that has been made clearly evident over the past several weeks will continue in the months to come.

This Friday, I will be in Kujuuak, in northern Quebec. I know Mr. Lévesque is coming. There may be other people at the table who will be there as well.

We will be signing the Nunavik Inuit land claims agreement. This is the last of the Inuit land claims agreements of Canada. I wouldn't say it represents closure, but it represents the completion of the claims process with the Inuit people of Canada.

[Translation]

I also expect to go to British Columbia several times in the coming months to participate in announcements related to the settlement of land claims in the province.

My department will continue to work in collaboration with aboriginal partners to increase the supply of affordable housing for aboriginal peoples on reserves, in urban areas and in the north.

● (0915)

[English]

As I mentioned, I will introduce legislation to resolve legal challenges relating to on-reserve matrimonial real property. The government will make specific structural reforms within the machinery of government, reforms that will enable us to take full advantage of investments in education and aboriginal economic development.

In fact, Mr. Chairman, I'm pleased to report to the committee that Aboriginal Business Canada and SchoolNet, two extraordinarily successful initiatives, will be transferred from Industry Canada to my department, effective December 1. I am convinced that consolidating aboriginal education and economic development functions, having them all in one department under the supervision of one minister and one deputy minister, will enable us to put in place a more unified, coherent, and effective approach to aboriginal education and economic development. I can tell members of the committee that in my travels across the country, I don't think I met a single chief who was satisfied with the separation of Aboriginal Business Canada and SchoolNet from the Department of Indian and Northern Affairs. This reconsolidation has been an important step.

In closing, Mr. Chairman, I would like to thank you and your colleagues for inviting me to appear before the committee today. I place great value on our ongoing dialogue and appreciate your engagement on the important issues we've raised today.

I would also like to thank you for your report on aboriginal post-secondary education. Your active participation on this and on many other issues will be essential as we continue to make clear and steady progress on helping aboriginal peoples and communities overcome the challenges they face.

I thank you as well in advance for your work and cooperation in dealing with the British Columbia school legislation that is now before the House.

Thank you, Mr. Chairman. I'd be delighted to respond to questions and comments from committee members.

**The Chair:** Thank you, Mr. Minister.

I'll turn to Madam Neville, please.

**Hon. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Russell has two specific questions, and then I'll take it.

**The Chair:** Mr. Russell, please.

**Mr. Todd Russell (Labrador, Lib.):** Good morning, Minister Prentice. We're glad to have you here again.

I have a couple of specific questions.

In Labrador, in the Innu community of Sheshatshiu, there's been ongoing trouble regarding the school in the community. It's dilapidated. It is not appropriate for the Innu children in that particular community, and kids have been taken out of the school.

There seems to be ongoing toing and froing between the provincial government and the federal government. There was a commitment some time ago, as I understand it, to build a new school, and it's desperately needed. The children need it. The community needs it.

Can you give me a quick update on where the federal government is in regard to the school in Sheshatshiu?

**Hon. Jim Prentice:** Certainly. I can tell you that within a month or so of becoming minister, I met with Mr. Rideout, who is the Minister Responsible for Aboriginal Affairs in Newfoundland, and his officials. We had about a four- or five-hour session, and we focused on all of the unfinished business and the frustrations they had experienced in Labrador and Newfoundland with respect to this department. That happened back in February and March. Since then, we have made considerable progress.

With respect to Sheshatshiu, there were two significant issues before us. One was the dedication of reserve land in the community and that has been ongoing for a long time. There has been toing and froing, to use your words. I resolved we would get that tidied up and get the reserve land transferred. My understanding is that process is largely completed. Essentially it has been taken care of.

The second issue, as you pointed out, was the concern regarding the school. The budget allocations that the supplementary estimates speak to include the school in Sheshatshiu. You'll see an amount in the supplementary estimates, as I recall, of about \$3.8 million. That is the amount in the supplementary estimates for this year. The total amount being spent on these school projects is \$47 million. The \$3.8 million is the only sum that could be spent in the time available, given Canadian construction seasons. The money has been budgeted, allocated, and, with respect to the Sheshatshiu school, we're moving full steam ahead.

● (0920)

**Mr. Todd Russell:** Is that going to be 100% funded by the feds now?

**Hon. Jim Prentice:** I think the province is participating, although as I recall we are building the school—the capital cost. There is participation on the part of the province in the programming and the educational programs themselves.

**Mr. Todd Russell:** Is the plan for 2007?

**Hon. Jim Prentice:** The construction?

**Mr. Todd Russell:** Yes.

**Hon. Jim Prentice:** I believe some of the construction has started, and it will proceed apace in the next two years.

**Mr. Michael Wernick (Deputy Minister, Department of Indian Affairs and Northern Development):** If I could add, my understanding is that the cost sharing would be fourteen from us, the federal government, and four from the province. They're doing the advance work now to hit the next construction season.

**Mr. Todd Russell:** Thank you.

Ms. Neville.

**Hon. Anita Neville:** Thank you.

Thank you, Minister, for appearing and making yourself as available as you do. I certainly appreciate it.

I'd like to focus in on the dollars for water, and I'm having some difficulty understanding what the amounts are and where they're coming from. In response to a request for information from Mr. Lemay, we have an indication that there is a decrease in spending in water from dollars allocated in a previous budget in 2003. There have been announcements made without any additional funding attached to them. I wonder if you could provide some overall clarity to the whole funding of water for us.

**Hon. Jim Prentice:** Absolutely. I'll focus on your question relating to the dollars. I think you're aware of the action we've announced with respect to water and the steps that are going on with various initiatives. I can tell you that we are making progress.

When I became the minister, the number of high-risk communities was 193. We've reduced the number of high-risk communities to 131 over the course of the last seven months. By no means is the job complete, but we have made pretty substantial progress. You'll appreciate that in some of these cases, particularly where new infrastructure is required, you cannot identify a source water location, design a plant, construct a plant, and open a plant within six or seven months. Sometimes it's a multi-year process. We are satisfied that we are making progress.

The total amount from now until 2006-07 is \$306.2 million that will be spent on drinking water. Some of that is derived from the supplementary estimates and some of it is dollars that have been in the A-base funding of the department.

To clarify one thing—and I think you referred to Monsieur Lemay—the amount that is being spent on water is not decreasing by any means. That is completely not the case. If you go far enough out into the future and look at budgetary expenses over 10 years into periods that we're not budgeting for, it remains to be seen how much will be allocated, but the amount that is being spent by the Government of Canada this year, next year, and the year after that is increasing.

**Hon. Anita Neville:** Could we get an actual progress report from your department on where the moneys have come from over the last year, where the moneys are coming from now, and how they're being spent? I'm really finding not much clarity in it.

I also want to know.... We are hearing of moneys being diverted from other capital projects to fund water initiatives. How widespread is that? Perhaps you could elaborate on that.

• (0925)

**Hon. Jim Prentice:** That is not happening. The money that is budgeted and allocated for water is being spent on water, and we've increased the amount that is being spent on water.

There were rumours at one point, for example, that the school projects—

**Hon. Anita Neville:** That's correct.

**Hon. Jim Prentice:** —that Mr. Russell and I spoke of had been cancelled or deferred so that the dollars could be applied to the water

initiative. That has not happened. I made sure that did not happen. And I've dealt with the people who made statements that it was going to happen. So that is not what has taken place.

We've preserved the integrity of the envelope for issues like schools. In fact, we're spending more money on schools than previously, and we've increased the amount on water.

In terms of your request that we table a progress report, if you will, I'm pleased to do that. We're working on something that would bring this information to the committee, and I'm happy to table it here.

**Hon. Anita Neville:** Thank you.

Do I have more time?

**The Chair:** No, you don't.

Mr. Lemay.

[Translation]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Good morning, Mr. Chairman. Thank you for being here. I have several questions to ask you. I will ask all my questions at once so we do not lose track of where we are in the to and fro of questions and answers.

First, I should point something out. For someone sitting at this table looking at this for the first time, the way the line items are broken down is unusually complex. I do not know if you can suggest to your colleague at Treasury Board or the Department of Finance that there be a much better breakdown of this with far fewer figures repeated from one page to the next.

I ended up finding questions to ask because I went further than the first couple of pages, and you will see why.

I would like to talk quickly about water. Minister, it seems—and you can tell anyone this—that there have been agreements between municipalities in Quebec. Obviously, I am referring to Quebec as a nation.

I am pulling your leg. It is a joke.

Agreements must be entered into between various municipalities and neighbouring aboriginal communities to provide water and treat sewage. I hope that happens. I think that would be a good step in the right direction.

Now let's turn to the appropriations that need to be adopted. That is why we are here today, and I have three questions I would like to ask.

First, on the consultation and policy development fund for issues surrounding matrimonial real property, there is \$6.38 million paid solely—and I am saying solely—in contributions. I would like to have more details on these contributions. Who are these sums being paid to? And what is the purpose of these contributions?

There is something else a little lower on the same page.

Colleagues, if you are on page 1, you need to go to the pages which refer to voted appropriations. That is really today's issue.

**Hon. Jim Prentice:** Mr. Lemay, you have a good sense of humour, but what page are you on?

**Mr. Marc Lemay:** I am on page 144 of the French version of the supplementary estimates (A) 2006-2007. I don't know if it is the same page in the English version. You will give us a bit more time, Mr. Chair, so that the minister and I are on the same page, as it were.

At the top of the page, it says "Indian Affairs and Northern Development". I don't have the English version. If I had it, I could find it quickly for you.

[English]

**Hon. Jim Prentice:** Mr. Chairman, we might make sure we all have the same document here.

**Mr. Marc Lemay:** Can you stop my time?

Do you have the English version of this document?

[Translation]

I will find it quickly.

It refers to funding for consultation. It is on page 193 in the English version.

When I said, Mr. Chair, that it's become really complicated, I meant that there are just so many documents. We really have to do our homework. You can restart the clock, Mr. Chair.

Coming back to my question, there is \$6.38 million for

[English]

"the legal issue of on-reserve matrimonial...."

[Translation]

I want details on these amounts. To whom are these contributions being paid, and why?

Also, a little further down, it says Funding for the Mackenzie Valley Environmental Impact Review Board's participation in the Joint Review Panel hearings for the Mackenzie Gas Project. There is an amount of \$3.046 million for this.

Here is my question: Is the Department of Indian Affairs and Northern Development involved in this project, and if it is, how so? Will there be a bill referring to this project?

My last question—if you have time to answer it—concerns page 194, in the English version, and page 145, in the French version. It refers to voted appropriations. It says:

[English]

"Explanation of Funds Available...."

[Translation]

It also refers to loans to groups.

[English]

"Voted Appropriation", "Loans to native claimant groups", etc.

[Translation]

It says loans to Native claimant groups to continue negotiations. \$8.5 million has been allocated to this. This \$8.5 million is in the form of loans. Will they be paid back? Have any loans already been made? Are there any repayment agreements?

Those are my three questions. It's page 145 in the French version.

I like this type of exercise, minister, because it gives us the opportunity to meet. I would like us to be able to meet more often so that I can ask you the real questions that need to be asked. These are important issues.

I'll let you speak, minister. Thank you.

● (0930)

**Hon. Jim Prentice:** I imagine it gives you an opportunity to use your experience as an attorney.

[English]

**Mr. Marc Lemay:** Yes. I'm a very good lawyer, you know. In my other life, in the "nation".

**Some hon. members:** Oh, oh!

[Translation]

**Hon. Jim Prentice:** Okay. Have you finished?

I can answer your questions. First, you referred to

[English]

matrimonial real property. You've asked the question, the \$8.4 million. These are the funds that are being expended on the consultation process that has been engaged by my ministerial representative, Wendy Grant-John, who, as you recall, is a very well-respected Canadian. She has headed up a consultation process to travel across the country and meet with first nations representatives from the Assembly of First Nations, the Native Women's Association of Canada, and others, because there are regional groups that don't necessarily fall under the umbrella of the Native Women's Association or the AFN.

On the way the dollars have been allocated, \$2.7 million has been allocated to the Native Women's Association of Canada and their affiliates across Canada; \$2.7 million has been allocated to the Assembly of First Nations and their regional affiliates; and \$900,000 has been allocated to others. That's a total of \$6.3 million that has been allocated at this point.

So the consultation process is moving forward. This week I indicated to Wendy Grant-John that I'd like to see something back from her by the end of January, as opposed to the end of December, so she's carrying on with that process. These funds were necessary to ensure that the Government of Canada fulfilled its consultation obligations, legal and otherwise, to first nations.

If you require any further breakdown, Mr. Lemay, I'll be happy to provide that.

● (0935)

[Translation]

**Mr. Marc Lemay:** No, that's fine.

[English]

**Hon. Jim Prentice:** You asked a question about the funding for the Mackenzie Valley Environmental Impact Review Board's participation in the joint review panel hearings for the Mackenzie gas project. The Government of Canada provides assistance in the context of the Northwest Territories on the Mackenzie Valley hearings that are going on. We provide funding to first nations and aboriginal intervenor groups, and we provide capacity-building dollars so that first nations are able to participate in the joint review panel hearings and in the other environmental processes that are going on.

At this time you will see in the supplementary estimates \$3.046 million, which reflects the increased level of activity on the Mackenzie Valley project. I think you're also aware that on the Mackenzie Valley project, the government's first budget allocated \$500 million to the socio-economic fund. That fund has been legally created and the board of directors has been put in place. The dollars will not flow to the fund until the pipeline project is approved. The moneys are intended to ameliorate the socio-economic impacts of a pipeline, so the precondition is that there has to be a pipeline. So that is all moving forward.

You asked questions about the loans. You will see in the supplementary estimates—and I don't disagree that it is complicated—reference to loans to first nations in the context of the B.C. treaty process. The Auditor General may have comments about that very subject today. There are extensive loans. You'll see that the expenditures of the department over the last year on the B.C. treaty process have been about \$47 million, but there are other specific claims ongoing. The Government of Canada has a loan facility to first nations, and those loans are always repaid out of the settlements.

**The Chair:** Thank you.

Madam Crowder, please.

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Thank you, Mr. Chair, and thank you, Minister, for coming again before us. I want to echo the appreciation of having this time to answer questions.

I have a couple of things. I am going to ask my questions all up front as well.

The last time you were before us I made this comment. Although I understand that the Auditor General is going to be tabling a report on the B.C. treaty process and on specific claims, I want to reiterate my concern that there was no money allocated in the estimates for future budgets, and it is very difficult for those organizations to continue to operate with any degree of certainty. I would hope that there will be some early signal to those organizations because their funding runs out at the end of March. That is more of a comment.

The friendship centres do not operate under your ministry, but I wonder if you could talk about your commitment and your willingness to work with the Minister of Heritage, and whether or not there is some signal that further consolidation is going to happen with INAC, given that, for example, residential schools have now come under INAC's mandate. That is one question.

The second question is around the aboriginal healing fund. Of course, as you are aware, their funding also expires at the end of

March. Under the residential schools, this has been an important part of the program, and there are some clear recommendations and analysis on what it will mean if future funds aren't bookmarked for that.

My next question is around economic development. In the main estimates there was a substantial reduction in access to capital and economic development, from a spending of \$733.4 million in 2005-06 to a planned spending in 2008-09 of \$286.7 million. My understanding, when you came before us in the past, was that other departments were taking some responsibility. I heard you say today that there was some effort to reconsolidate that under INAC. I didn't see it in the supplementary estimates, so I'm wondering where that money is, who's holding it, and what outcomes are anticipated for that.

My final question is on page 193 of the supplementaries, under the line, "Funding to support the administration of representative status Indian organizations", I wonder if you could just tell us what that money is going to be used for.

That's it.

● (0940)

**Hon. Jim Prentice:** I'm happy to answer those questions. It's a lengthy list, but I'll be terse.

**Ms. Jean Crowder:** Some of them are short answers.

**Hon. Jim Prentice:** Yes, some of them are short answers.

One of the first structural changes we made was that the residential school department was consolidated with INAC. Under my ministry, it's still a separate operation, staff have not been integrated one into the other, but it is part of the INAC ministry. There's \$125 million in the residential school agreement, which is currently before the courts. That flows through to the Aboriginal Healing Foundation. That is the total sum of money they will receive over the life of the agreement. The arrangements under which it was negotiated is that it's a fixed sum and that's the amount they will have to complete their work. That's what's taking place with respect to that.

It's a very fair question with respect to friendship centres. The whole issue of friendship centres to some extent overlaps with the urban aboriginal strategy. The urban aboriginal strategy sunsets March 31 of this year. The friendship centres are not subject to the same sunset. I have had discussions, extensive discussions as a matter of fact, with Minister Oda about the subject of friendship centres because they're the primary delivery mechanism on the ground in urban communities, and the urban aboriginal strategy is an issue that's currently before cabinet, because it, of course, sunsets, so we will have to deal with it.



I have to tell you that I can't make any commitments. It is before the cabinet as a whole. I have to say I've been impressed with the work under the urban aboriginal strategy for the dollars that have been spent. As I've travelled across the country, I find, first, very fervent people who are working under the urban aboriginal strategy. I find they're doing good work. I find they're very committed, and I've also been very struck by the extent to which they are able to leverage off reasonably modest expenditures to access other sources of funding, both public and especially private, to do good work.

I've been, and I've said this publicly, quite impressed with what I've seen. One group I'm familiar with is the urban aboriginal consortium in the city of Calgary, who had received, as I recall, \$2.8 million under the urban aboriginal strategy but had leveraged off that another \$7.5 million of other funds. So they'd actually accessed over \$10 million, and they are doing extremely good work.

Most of the major urban centres in Canada where aboriginal people live have similar committees at work, and they're doing good work. So that's very much in front of us.

With respect to economic development, this consolidation happens effective December 1, so you won't see any of those numbers reflected in the supplementary estimates. That is happening even as we speak.

If I could take you back to the B.C. treaty process, and we should maybe talk a bit about this today because it is important, the Auditor General is releasing a report, and I believe the Auditor General of B.C. is also releasing a report today, as I understand. There's a lock-up elsewhere on the Hill right now dealing with this very subject. We will see what the Auditor General has to say, and I'll comment publicly, but I want to assure you that this government has been very committed to the B.C. treaty process, and I've been quite involved personally.

On the Lheidli T'enneh treaty, I was at the initialling, but I can also tell you that I was personally involved in the negotiations to complete the Lheidli T'enneh agreement in the eleventh hour. I can also tell you I have been involved personally in the Maa-Nulth negotiations that are nearing completion, and there is a third agreement that is nearing completion as well.

● (0945)

So in the course of our seven months, eight months, in government, there are three of the B.C. treaties that we have essentially gotten to the finish line. Others are behind, but these agreements are complicated. They involve difficult public policy decisions, and at the end of the day they require a direct intervention on the part of the minister to make sure things move forward.

**Ms. Jean Crowder:** Answer my question.

**Hon. Jim Prentice:** In terms of dollars allocated in future budgets, the real issue is what the Auditor General says about the whole process and how we move forward.

I stand to be corrected on this, but to my knowledge there has not been an absence of funding at the tables. That has not been the problem at the negotiating tables. If you're aware of different circumstances, I'm happy to look into it, but the real issue has been the complexity of the public policy questions that underlie the treaties and the difficulty in governments, plural—B.C. and

Canada—coming to grips with the difficult questions surrounding own-source revenue, the allocation of salmon stocks, all the self-government questions, and so on.

I would submit to you, having been very involved in the completion of the Lheidli T'enneh treaty, that these are very solid agreements.

To the extent that the Lheidli T'enneh treaty and Maa-Nulth define the way forward in British Columbia, there is lots of work to be done, and it'll go on long after I'm no longer here. But they provide a very sound basis for all of us to move forward in British Columbia to reconcile the interests of aboriginal and non-aboriginal people. And the funding allocated on the B.C. treaty goes on until March of 2009.

**The Chair:** Thank you.

May I turn to the government, please. Mr. Bruinooge.

**Mr. Rod Bruinooge (Winnipeg South, CPC):** Thank you, Mr. Chair.

Minister, if I could go back to some of the questions Jean was asking in relation to the residential school settlement, perhaps you could update us on where the advance payment claimants are, in terms of numbers, and some of the reflections in the estimates.

**Hon. Jim Prentice:** Okay. I'm happy to do that.

I'm going by memory here, but I've got some updated numbers as of this morning. The total number of applications received for the advance payments is 12,685. The number of applications that have been verified and processed is 9,308, or 74% of the claims submitted.

And then there are about 2,000 in various stages of review. And approximately 1,200 or 10% have been advised they don't meet the requirements for the residential school advance payments.

I can tell you these numbers are consistent with what was expected. The total cost of the advance payments is \$74.5 million to this point. That's slightly higher than what we had expected, but not far off, so it's well within what was anticipated.

The difficulty throughout in dealing with the advance payments, but also the residential school agreement as a whole, has been the uncertainty surrounding how many people qualify, because the record keeping was not perfect at that point. So there is some ambiguity about precisely how many students there were and how many years they were in school, and the whole process of verification is a difficult one.

● (0950)

**Mr. Rod Bruinooge:** How long do you see this process going on?

**Hon. Jim Prentice:** I should report to the committee that the agreement itself was signed off in February/March of this year. The process then called for the submission of the agreement to all the courts across Canada.

I've received regular reports on the progress made at court in each jurisdiction. I understand it's going reasonably well. We are anticipating receiving a decision from one of the courts that will speak on behalf of all the courts, providing their opinion on whether they feel the settlement is appropriate, and that will provide the basis upon which to proceed.

I expect to receive the results of that court decision. There is no fixed timeline, but I expect we will receive it before January 1.

So in short, it's moving forward as anticipated, pretty much on budget, and pretty much on schedule.

**Mr. Rod Bruinooge:** That's great.

I want to move into an area you've talked about often as one of the pillars of your objectives for the department, and that's in terms of family and women and children.

I know you've taken a real interest in women's shelters, and I think the department has made an investment. Perhaps you could talk about your overall strategy for helping families in first nations communities move forward and helping them get out of situations they find themselves in, whether it is an economic plight or a matrimonial breakdown. Could you tell us about your overall strategy?

**Hon. Jim Prentice:** I appreciate that. I'd like as well to acknowledge the hard work of Mr. Bruinooge, who's my parliamentary secretary. Nobody on the Hill works harder. As the parliamentary secretary, he does a very good job in helping me.

We've discussed this matter before. I think the circumstances of aboriginal women in Canadian society, in particular aboriginal women on reserve, cry out for attention and require attention. I've said previously that in my time in opposition, the people whom I met with often and who moved me the most were aboriginal women, and the issues they face have been extremely important.

I certainly hope everybody at the table will be supportive of the matrimonial property initiative. We are proceeding in a respectful, consultative way. I know the issue is not without its complexity; I understand that, but at the end of the day it's incumbent on this House to move forward and to deal with the issue. In 2006 it's not acceptable that aboriginal women on reserve would not have the same protections as other women.

As you've seen in the funding numbers in my discussion with Monsieur Lemay, we've also moved to increase the funding to the Native Women's Association. Through the matrimonial property consultation, we've certainly put them in a position to speak on behalf of themselves and the umbrella groups beneath them, but we've also allocated significant resources on behalf of disenfranchised women to make sure their voices are heard.

There's also the issue of section 67 of the Human Rights Act; in the days ahead, it will be before this committee. I think that's a very important step forward as well. Section 67 is included in the Canadian Human Rights Act, and it's essentially a block to first nations citizens, including women, on their ability to file human rights grievances. This should not be present in Canada in 2006.

On women's shelters, there is a network of 35 women's shelters on reserves across Canada. The annual budget for these shelters is \$18.5 million, as I recall, of which \$11.5 million actually goes to the shelters and \$7 million is for community programming. We have taken steps—I have taken steps—to have that funding increased. I can tell you that has been noticed. As I've travelled the country, I have met first nations women who have come forward and said thank you; they had been trying to get that funding increased for 15

years, and our government is the first one that has moved forward on it.

Those are some of the initiatives we're moving forward on. Again, I understand that all of this happens within a context of a need for housing. We have to ensure there's safe drinking water and we have to ensure the school system is functioning properly, but I do think advancing the interests of aboriginal women is central to all of this, and we're trying to do that.

● (0955)

**The Chair:** Mr. Minister, it's just a few minutes before ten. Would you like to get away at this point? I've given you an opportunity here.

**Hon. Jim Prentice:** I'm happy to take a couple of other questions. I do have a meeting at 10:15.

**The Chair:** Mr. Merasty, go ahead, please, for five minutes.

**Mr. Gary Merasty (Desnethé—Missinippi—Churchill River, Lib.):** I'll be very quick. I have some yes or no questions here.

Since you raised the residential school issue, is the Ile à la Crosse boarding school included, as promised by the Prime Minister before? I'd like a yes or no answer on that. I'll go through a couple here.

**Hon. Jim Prentice:** The Ile à la Crosse school is not included. It does not qualify under the agreement that has been reviewed by the courts because it was not a federal residential school for on-reserve children. There was, at one time, at Ile à la Crosse, a federal school, but we have determined that there are no longer any victims living who were students of that residential school. The school that replaced it was a provincial school.

**Mr. Gary Merasty:** Thanks.

I think one of the greatest assaults on women and children is happening right now under the provisions of C-31, an act to amend the Indian Act through citizenship amendments that disenfranchise women and children in particular from their status and from their communities. Is there any work going on in this area? This affects thousands, and we're seeing a huge net decline in that population. Basically, I'd like a yes or no answer at this point.

This is another quick question, because you don't have a lot of time. When a school burns down, is there an automatic rebuilding because the government self-insures? And is the money you've identified in the "extraordinary demands" in your supplementary, or the carry-forward, or the education capital to allow for the immediate rebuilding of a school that has burned down?

Also, very quickly again, a commitment has been made to have the entire country have certified water operators. Are you going to be able to meet that target?

The last one is this. With the residential school funding identified, it's listed as a program, but is it more of a legal obligation of the government? It seems to be mixed in with the annual contribution, as program funding. Some people are confused. Is this a legal obligation? Or are the settlements simply part of a program? I'll leave it at that.

**Hon. Jim Prentice:** Okay. Those are fair questions.

Your very first question related to Bill C-31.

**Mr. Gary Merasty:** Yes, it was Bill C-31.

**Hon. Jim Prentice:** There are two landmark court cases that are expected on Bill C-31. We do have work going on to scope out the parameters of what may or may not happen. But really until these court decisions come down, the whole question of who is a status Indian in this country will be somewhat at large. We are dealing with it, preparing for it, but it is ultimately going to have to be answered by the courts. I appreciate that it creates a certain amount of uncertainty amongst communities. This weekend I met with both the first nations leaders in Nova Scotia and some of the leaders from New Brunswick, and they described to me the circumstances they wrestle with. For instance, they have children in the community who do not actually qualify as status Indian children, and yet they're part of the community. They're within families in the community, so the first nations themselves have taken on the cost of providing services to those children, even though they are not, strictly speaking, under federal Crown financial responsibility but rather provincial. So we both know there are difficult issues there.

When a school burns down—I can tell you—the department moves immediately to deal with the issue and the circumstance, not because we're self-insured but just because we have to get a school on the ground.

• (1000)

**Mr. Gary Merasty:** Are they subject to the Treasury Board rule then, if it costs over \$15 million, or because they need it, they have to do it?

**Hon. Jim Prentice:** We have to work through the Treasury Board process to spend the money, but there are no insurance proceeds that flow in that are immediately dispensed. We still have to go through the process. You'll appreciate that for many of the schools the biggest challenge we're talking about is that with the remoteness of the location, they are extraordinarily expensive to build. They cost two to three times what a school would cost in a metropolitan centre. So that's one of the issues.

In terms of certified operators for water systems, we're doing the best we can, and we've allocated additional dollars to try to get certified water operators in place again. You'll be aware that one of the challenges is that sometimes when we get a person in the community who's licensed and certified, they then have lots of job opportunities as well, and it's sometimes hard for the communities to hang onto those folks. So it's an ongoing challenge.

In terms of residential school funding, I guess we could have quite a debate on whether it's a program requirement or a legal requirement. Certainly once the residential school agreement has the imprimatur of the courts, it will be cut and dried that there are legal obligations payable under the agreements, and the courts will be able to enforce those.

I hope that answers your questions.

**Mr. Gary Merasty:** Thank you.

**The Chair:** Thank you, Minister, for your attendance. I'll let you leave now.

**Hon. Jim Prentice:** Thank you very much.

In closing, I'd like to thank the committee. I think your questions are all very fair ones. There are a number of items we've taken away, and we'll provide you with additional detail. I appreciate that the estimates process is complicated, and if I can be of assistance individually, explaining how much the Government of Canada is spending on any of the programs that concern you, I'm happy to have those discussions.

**The Chair:** Thank you.

Committee members, the witnesses from the department will stay for further questions. We'll suspend for a couple of minutes to let the minister leave.

• \_\_\_\_\_ (Pause) \_\_\_\_\_

•

• (1005)

**The Chair:** Okay, committee members, we are now on our second round. The Liberals have had their question, so we'll turn to the government—Mr. Albrecht, please.

**Mr. Harold Albrecht (Kitchener—Conestoga, CPC):** Thank you, Mr. Chair, and thank you, colleagues, for appearing today.

I was especially pleased with the action-oriented item that the minister outlined in terms of where the department is headed and to see some action going on a number of different fronts. I'm pleased to see the kind of action that has already been taken in the few short months.

The one that interests me and that I'd like a little more information on is the water situation. If I understood correctly, Budget 2006 had \$60 million and the supplementary estimates have an additional \$22 million. The number of high-risk water facilities on reserves have been reduced from 193 to 131. Certainly that's excellent movement in the right direction. I think all of us on this committee have had personal interaction with people from different reserves where water is an issue. So I'm wondering if we could forecast what kind of timeline might we be able to look at until we're down to very close to zero in terms of the number of water facilities that are at risk.

Minister Prentice indicated that he was present for eight new water treatment facilities. Obviously, there's a long way to go if we have 131 more. Could you give us a bit of a timeline as to what you expect there?

**Mr. Michael Wernick:** Thank you, Mr. Albrecht.

I think I can give you a more precise sort of calendar estimate when we come back and give you a progress report on all the steps. I think it will be a matter of a few years. I don't want to pin myself down, if you don't mind, because I don't really feel well informed enough about it.

**Mr. Harold Albrecht:** Where I'm coming from is, to try to tie this to the estimates, with the additional \$22 million, roughly how many water treatment facilities or communities will be improved?

**Mr. Michael Wernick:** We have about 750 water systems across a range of communities. One of the base activities of the department is that we support community infrastructure. In the main estimates, you'll see that about a billion dollars of what the department spends goes into that combination of housing, water, waste water, electrification, and those sorts of things. They're basically transfers to the first nations governments.

Of those 755 water systems, we have a variety. We have very well-run, modern, state-of-the-art water systems and we have some very poor ones.

There is a base activity of the department where, in cooperation with the communities, we try to "chunk" our way through the building and renovation of those plants. We have a capital plan that sets priorities.

The minister's action plan has really forced us to focus on the health and safety risks and to identify high-risk communities where the quality of the water is actually a health issue. As you know from what happened in Vancouver, you can have water advisories for all kinds of reasons. There's runoff. There's what they call "turbidity", which is only stuff in the water, and so on. We try to focus on the health issues and make it science based to focus on those. They go to the front of the line for renovation.

As the minister said, if you're starting from scratch, it may take two or three years to get a new plant tendered, built, and installed. In other cases, it's a little bit of renovation, and in yet other cases, it's making sure that it's operating properly.

I think we'll see from the expert panel's report that there's more to it than spending money on systems, as we've seen in other communities. The systems will only be as good as the people who are trained to operate them, with monitoring and reporting to the community so that people know what's going on. There's the training and the oversight. The capital is only one piece of the puzzle, and we're looking forward to the expert panel's report.

The other issue that will put be in play for the committee and the government is on standards. What kinds of standards should be set? Should they be imposed by us as funding conditions? Should they be developed by first nations as a part of their own self-government and bylaws? Should they simply import the provincial standards such that if you're a first nation in B.C., you would have to meet B.C. water standards? This is a debate that pops up all the time.

One of the things we want to move on early in the new year, under the minister's direction, is tackling the water issue and clarifying it so that whatever investments are made over the next few years, we'll know they will always be moving forward.

I'm not trying to avoid your question. I'll give you a time estimate when we come back with the progress report.

•(1010)

**Mr. Harold Albrecht:** Do I have a minute left?

**The Chair:** Yes, but only a minute.

**Mr. Harold Albrecht:** The question would be this. Community A has been on a boil water advisory for six years and community B had one six months ago. Will the one that's been on an advisory the longest go to the front of the line? How does it work?

That's one of my concerns.

**Mr. Michael Wernick:** Boil water advisories aren't always an indication that there's a serious health problem. Sometimes there's a spring runoff problem or there's a turnover in the lake. It could be a temporary phenomenon, especially in the spring.

**Mr. Harold Albrecht:** I'm referring to the long-term ones.

**Mr. Michael Wernick:** On the longer-term ones, the combination of problems in the underlying system and the presence of health alerts makes it a high-risk community. Those are the ones we're focusing on for the first tier. It causes some issues because there are lots of problems to attack in the second tier of communities, but we're trying to prioritize the available dollars we have.

**The Chair:** Thank you.

We'll move to the Bloc. Mr. Lévesque.

[Translation]

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Good morning. I am pleased to see you here today.

I was a tad angry about a particular point in the last presentation. So, I'll take this opportunity to ask you a question on the matter right away. I will, however, need some clarifications, and I will also have other questions to ask.

It says there is a \$500 million fund over 10 years to counteract the potential socio-economic effects of the gas project. Instead of taking money from budget envelopes already allocated to first nations groups, couldn't we have, or couldn't we still, get the companies which are going to develop the land to commit to finding solutions to the problems they may cause and deal with any hazards? That is my first question.

My second point concerns an item which no longer seems to be included in the budget: the Inuit Relations Secretariat. I don't know what's happened to it, but it's nowhere to be found.

I can see that you are allocating \$13.3 million more to food programs. This program is only available to a couple of villages. A request has already been made to broaden the program because, in the villages where it is available, it has been profitable and beneficial for those persons who have taken advantage of it. If we prevent other communities from benefiting from it, it will be akin to discriminating against them. It has been estimated that it would cost \$130 million to extend this program to every Inuit community in both Nunavik and Nunavut. I am wondering what progress has been made on that front.

**Mr. Michael Wernick:** If I may, I will answer your questions in reverse order.

According to the information I have, more than 140 communities are eligible for the program and approximately 90 of these communities receive support. We are in the midst of reviewing the merits of this program and addressing some of the issues raised during community consultations. We hope to be able to renew the program by March 31. The votes which appear in the supplementary estimates serve to enhance funding so that we can fulfil our obligations and deliver the program for the remainder of the fiscal year.

The Inuit Relations Secretariat is led by Mr. Piseolak Pfeiffer. The secretariat works very well. Annual operating costs amount to \$3 million and are assumed by the department. The secretariat works in close collaboration with a variety of Inuit organizations. It is a part of our structure and our executive committee.

You raised a policy question. Regulatory review is under way. The Joint Review Panel is going over all of the environmental and socio-economic aspects of the proposal. Private companies that wish to move ahead with the project are being questioned on all related aspects. The project can be strengthened by taking into consideration the impact on communities.

All communities and aboriginal organizations take part in the regulatory process, thanks to our funding. In the previous budget, the government set up a fund to assess the potential socio-economic impact. As the minister said, we will not be able to access these funds if the Mackenzie gas project is not realized; however, we have created the necessary structure to act quickly once a regulatory decision has been made.

• (1015)

**Mr. Yvon Lévesque:** Instead of creating a fund to support this structure, why don't private businesses that—

[English]

**The Chair:** We're out of time. We'll move on to the government.

Mr. Blaney, please.

[Translation]

**Mr. Steven Blaney (Lévis—Bellechasse, CPC):** Good morning. Welcome to our committee. You are regulars here and are familiar with our relaxed atmosphere.

**Mr. Michael Wernick:** Such is not always the case in parliamentary committees.

**Mr. Steven Blaney:** It is often productive. We can enjoy ourselves and be productive both at the same time.

I wish to focus on first nations' economic development. The minister said that he hoped to see the Rescol and Aboriginal Business Canada programs transferred to the Department of Indian Affairs.

Firstly, can you remind us of the respective goals of these two programs, and in particular that of Rescol? To what extent will bringing these programs back to the department benefit the first nations? What budgetary envelopes have been allocated to these two programs, envelopes that will be transferred to the Department of Indian Affairs?

If you have some time left, I would like you to talk to us about negotiations. I would especially like to hear your comments on the economic aspect of the negotiations.

**Mr. Michael Wernick:** Perhaps one of my colleagues can provide you with details on community economic development.

As for the minister's announcement on the restructuring which is to come into effect on December 1, this is a structural decision that will have no direct financial impact.

• (1020)

[English]

**The Chair:** Please begin again.

[Translation]

**Mr. Michael Wernick:** The current program falls under the purview of the minister and of myself. It will remain intact. Nobody will be transferred and offices will not be relocated. This is a matter of accountability.

This program manages investments worth anywhere between \$30 to \$35 million per year. This is not an enormous amount, but the program is very useful because it provides a direct link with the aboriginal business community. Therefore, the program funds fairly significant projects.

The difference—which perhaps explains the internal division—is that this program is “pan-aboriginal”. The program does not draw any distinction between the Indians, the Inuit or the Metis. This program is for all aboriginal business people. In the past, the department tried to attract mostly the first nations living on reserves. But as you can see, the department is becoming increasingly “pan-aboriginal”.

Effective immediately, one single manager will have access to all of our tools. It is true, as the lady was saying, that there have been internal budget cutbacks. We do not have many resources for economic development. I hope people have more resources in upcoming budgets. We are beginning by consolidating what we do have. We are going to develop interesting ideas to put to the government and hope that we will obtain more funding in the future.

**Mr. Steven Blaney:** More specifically though, can you talk to me about the Rescol program and what it is about?

**Mr. Michael Wernick:** The Rescol educational website is a program that was first set up approximately 10 years ago. I do not recall the exact date. The program is aimed at making various facets of Canadian society more accessible through the Internet.

**Mr. Steven Blaney:** Therefore, for the entire community of—

**Mr. Michael Wernick:** There had been programs to finance Internet access for schools, community centres, and the volunteer sector, etc. There is still much to be done in the reserves and isolated communities. Perhaps satellite technology will accelerate things.

Therefore, this program is for access to the Internet. It pays for connection fees, computers, and an Internet account.

To my mind, it is logical that this program be a part of the education sector. It is quite clear that we have to continue connecting aboriginal communities to the Internet.

**Mr. Steven Blaney:** Are Aboriginal Business Canada and Rescol the only two programs to benefit from department funding? Does the Department of Indian Affairs and Northern Development contribute to economic development through other budget envelopes?

**Mr. Michael Wernick:** Actually, these programs represent an increase. We have basic programs. If memory serves me correctly, there is about \$100 million.

The problem that I foresee is one of scale. We have very useful programs relative to planning, developing business files, small projects, etc. These programs create winning conditions in several communities. The department is lacking resources, like many other departments. Significant projects involving tens or hundreds of millions of dollars really need to be funded. The ideas are not lacking, but how can they be put into practice? Currently, we are working on small and medium-sized projects.

**Mr. Steven Blaney:** Thank you.

[English]

**The Chair:** Mr. Wernick, I'll turn to Ms. Crowder for her last question.

**Ms. Jean Crowder:** Thank you for coming today. There are a couple of things I want to clarify that the minister had talked about.

My understanding is that the B.C. Treaty Commission process now has funding until 2009? Okay, because on page 48 of the main estimates there's no future-year funding, and that was my concern.

I have a general comment on consistency of information. I find it quite challenging that year over year information isn't presented in the same way. This is just a general comment. This is a bigger problem throughout the government. It's very difficult. We're often comparing apples to oranges, so it makes it very difficult to assess where real spending is happening and where cuts are happening.

I want to come back to the issue of consolidation. You talked about consolidation around economic development, and I'd specifically ask a question with respect to the aboriginal friendship centre program, which is currently under Heritage. I wasn't clear from the minister—and you may not be able to answer this—whether or not he fully supports the business case that the friendship centres have put forward to increase their funding because they serve over one million urban aboriginals.

My question is more specifically whether there is a philosophical approach to consolidating programs across ministries that impact on aboriginal peoples into INAC. The minister talked specifically about the urban aboriginal strategy, and I'm not clear whether there's an anticipated renewal, but he was speaking very positively about that.

So the question is, is there an effort towards consolidation? How does the aboriginal friendship centre program fit into that? Is there department support for the aboriginal friendship centre program?

• (1025)

**Mr. Michael Wernick:** The first comment I'd have to make is that these kinds of decisions about the so-called machinery of government are the Prime Minister's to take, in terms of what goes under which portfolio and which department.

**Ms. Jean Crowder:** So you're not aware of any effort towards consolidation?

**Mr. Michael Wernick:** There has been a trend towards that, and I think the committee's views on which way to go would probably be very helpful to the government. The flavour of the 1990s was to try to move aboriginal programming out into other departments precisely to avoid them being ghettoized in one department, so that there were then health programs, training programs, housing in other departments. It's the reason Aboriginal Business Canada was at Industry Canada. The idea was to sensitize other departments so that they didn't just dump aboriginals or first nations issues on INAC.

Since then, there have been a lot of things drifting back into our department.

**Ms. Jean Crowder:** You know I only have limited time, so I apologize for interjecting.

I'm not advocating for or against consolidation. If it's happening, I think it's an appropriate place to have meaningful consultation with the first nations, Métis, and Inuit groups across this country, if that is going to be the trend. My concern would be that these decisions are being made without appropriate consultation.

**Mr. Michael Wernick:** What has happened, case by case, is we have picked up the Métis issues when the Office of the Federal Interlocutor was moved by the previous government into our portfolio. We've created an Inuit Relations Secretariat, and so on. The people most affected were consulted on every one of those steps, one by one. And on the economic development transfer issue, this is an issue we discussed extensively with the Assembly of First Nations and others, and as the minister said, the feedback he keeps getting is that generally first nations leaders—I won't talk about Inuit and Métis—are attracted to the idea of bringing the tools under one portfolio. But I wouldn't say there's a consistent pattern. There is a lot of aboriginal programming that's outside of INAC, and frankly, I don't think it would be a good idea for us to try to be good at being the health department or to do CMHC's job in housing and so on.

**Ms. Jean Crowder:** So in that context, do you know what's happening with the ARDA agreements then? They're up for renewal.

**Mr. Michael Wernick:** There's a very big piece of training that's under HRSDC, and the ASEP and ARDA programs as well.

I think the challenge for us as officials and for ministers will be to make sure that the pieces of economic development, what we do, what HRSDC does, fit together.

**Ms. Jean Crowder:** One of the easy ways to handle this is that there is a horizontal question throughout departments—

**Mr. Michael Wernick:** That's right.

**Ms. Jean Crowder:** When I was on the women's committee, I argued strongly for a gender-based analysis across departments.

It would seem that it would also be responsible to have first nations, Métis, and Inuit analyses as programs are announced, because it's not only on reserve, it's off reserve as well. I'm concerned to hear that you don't seem to be aware of what's happening with the ARDA agreements, because they're up for renewal, it's my understanding.

**Mr. Michael Wernick:** I'm aware that they're up for renewal, and the minister of HRSDC and the deputy are working on the renewal. A lot of what my officials do is they just work day in and day out with the other departments, and we take the responsibility for trying to bring some coherence and leadership very seriously.

There used to be a secretariat at the Privy Council Office, under the previous government, that tried to do the coordination. That was done away with, so I think we have to fill a little bit of the void in terms of talking to other departments. We work with Fisheries, we work with Health, we work with HRSDC.

The Treasury Board Secretariat has an inventory of all government spending on aboriginals, which is on their Internet site and is available to you, that shows all \$9 billion across 22 departments and agencies. We're responsible for \$6 billion of that \$9 billion, but the other big pieces are health, housing, and so on.

**The Chair:** Madam Crowder, if you have a desire to know what is going to happen with the friendship centres, as far as funding is concerned, you can make that request to the appropriate ministry, and if there is any recommendation that you feel this committee should forward for increased funding, the chair would take that into consideration and present it to the committee.

Thank you very much to the witnesses from the department for being here today. We really appreciate the time and information. Carry on doing the good work.

• (1030)

**Mr. Michael Wernick:** If there are any follow-up questions, or anything where there's a little bit of extra paper or for people to come back and explain things, we'd be happy to talk to the committee clerk.

**The Chair:** Thank you very much.

Committee, we have a half hour in which to deal with three items. There is the trip to the UN in New York. Madam Crowder has a couple of motions, and there is also Pikangikum, a response to that. I want to follow up on that.

How would you like to deal with those? Would you like to deal with them in public or in camera?

**Ms. Jean Crowder:** In public.

**The Chair:** That's fine.

Committee members, the clerk will hand out budget figures for a trip to New York. We understand that today there will be a vote at the third level committee on this issue. I haven't had clear information of when the actual vote would take place.

Madam Neville.

**Hon. Anita Neville:** It appears that the vote is going to go ahead today, on the Namibian amendment to the resolution. It's the second item on the agenda. It's the African bloc's effort to block the resolution. Right now, the estimated vote count is a close one, and we'll have some idea a little later in the day whether this will move onto the third committee for further discussion. It's happening, maybe, as we speak.

**The Chair:** So it's up in the air right now.

As I said earlier, there's a budget here; it's around \$32,000. It's not a cheap place to go.

What is the pleasure of the committee now? Should we put this on hold until we have information from what happens today?

**Hon. Anita Neville:** The clerk is groaning.

**The Chair:** We don't have a meeting until next Tuesday.

Mr. Lemay.

[Translation]

**Mr. Marc Lemay:** Mr. Chair, we must adopt this budget proposal. Two possibilities have been laid before us.

Firstly, the third committee could vote as has been requested by the African bloc. Consequently, we would not have to spend that amount to travel there. That is obvious.

However, if the African bloc decides to vote in favour of appearing before the United Nations as it considers adopting the declaration, we will need those funds to travel to New York and make representations.

We may not have to use the funds. However, it is obvious that if we do not adopt this budget today, we will have to write off the whole thing, because we will not be meeting before January, and perhaps even later. That is why I recommend that we adopt the budget, even though we may not have to use it, and could return it at the beginning of January.

[English]

**The Chair:** Mr. Lemay, do you so move then?

• (1035)

**Mr. Marc Lemay:** Yes.

**Ms. Jean Crowder:** I support Monsieur Lemay's motion. This has to go to the Liaison Committee, so if we delay until Tuesday there won't be any hope.

**The Chair:** Right, and then it has to be approved by the House.

(Motion agreed to [See *Minutes of Proceedings*])

**The Chair:** We'll ask the clerk to report to the Liaison Committee on that budget. I will present it.

On the second item, Madam Crowder, you forwarded two motions on possible witnesses. Do you want to speak to that, please?

**Ms. Jean Crowder:** I do.

I forwarded two motions. One was to have the correctional service investigator come before the committee, because there was a substantial amount of information in his report that specifically referred to first nations, Métis, and Inuit.

Both of these are reports that I've suggested we bring witnesses forward.... Part of my fear is that these reports are tabled in the House and nothing ever happens. I think it is important for the committee to hear from these witnesses, and we could do it all in one meeting. I'm not sure how full our schedule is. There may be an opportunity before we break, at the meeting on December 14. Both of these are really important reports.

The other one is the Cree-Naskapi Commission, which does a biannual report. But again, it goes into a void that we never hear from and don't know what the follow-up has been.

In the correctional investigator's report he talks about problems that have been identified for 20 years. If it came to the committee, it might get more attention.

**The Chair:** Mr. Bruinooge.

**Mr. Rod Bruinooge:** Do we know what date might be available prior to Christmas?

**The Chair:** I'm just looking now. On Thursday we do not have a meeting. On Tuesday we'll be going through the clause-by-clause on Bill C-292. There really isn't a lot there.

**Ms. Jean Crowder:** What about December 14?

**The Chair:** I'm not too sure. I know the House likely won't be sitting on the fifteenth, but I think we'll be here on the fourteenth.

Mr. Lemay.

[Translation]

**Mr. Marc Lemay:** There is a rumour going around that perhaps the government party could confirm for us. Once we have passed the estimates in a vote this evening, at 10:00 p.m., the government may decide that the House of Commons will adjourn. Actually, it may do so any time after the supplementary estimates are passed. In addition, we are hearing more and more that the House may adjourn on December 8. I have a problem with that.

That is a rumour, and I would like—

**Some hon. members:** Oh, oh!

**Mr. Marc Lemay:** If this is not the case, so much the better. If it is true, we have a serious problem with that.

That is what I wanted to tell the government members. We got the information from our whips. We must be vigilant, because on December 12, we have a very important meeting scheduled to draft our report.

I would like to know whether I am the only one who has heard this rumour. I hope I am.

[English]

**The Chair:** Can the parliamentary secretary enlighten us on any of these rumours, or is he not able to disclose that?

**Mr. Rod Bruinooge:** I can confirm that we will be having meetings up through the seventh anyway—just kidding. I can't confirm or deny that.

• (1040)

**The Chair:** Madam Crowder.

**Ms. Jean Crowder:** I would be happy if we even looked at the week of January 29, when we come back, before we get into other business. There is some uncertainty here about exactly when we will end, and I think it would be unfair, in all seriousness, to ask witnesses to come on the fourteenth when I don't think anybody expects we will actually be here. But in that first week in January, as we're gearing back up, it might be a good way to get our heads back into thinking about the problems facing first nations, Métis, and Inuit.

**The Chair:** We have this motion before us. I am willing to deal with this motion now and let the clerk coordinate those meetings, if it's the pleasure of this committee.

All those in favour?

(Motion agreed to [See *Minutes of Proceedings*])

**Hon. Anita Neville:** Are we voting on both at the same time?

**The Chair:** Sure, you can put up your hand again if you want.

Thank you very much.

On Pikangikum, all I want is some sort of direction from this committee as to how we're going to respond to the letter that was received from the minister. Some felt it was a direction from the minister to this committee, and of course we take our direction first from the House. But I think the intent of the letter was to look for help and some counsel on this community.

A number of us have talked to Mr. Valley, who is the member of Parliament for this constituency. He is willing to come to this committee to discuss the issues if the committee so desires. So I'll just ask for some direction for the chair on this letter.

Mr. Lemay.

[Translation]

**Mr. Marc Lemay:** I have two points.

First, it would be a good idea to hear from this individual as soon as we get back in January, that is during the first week back. We already have two motions to study, which have just been passed. We could have the representatives of the Cree-Naskapi Commission appear before the committee on Monday the 29th or Tuesday January 30; immediately afterwards, that same week, we would hear from the Correctional Investigator, and that would be before we begin our study on housing the following week.

Mr. Chairman, I come back to the issue about whether we will be adjourning next week. I want to avoid being caught off guard. I am quite sure that we will be here on December 7, there is no problem there. According to our agenda, the 7th has been set aside for a briefing session by the department on housing. I would invert December 7 and December 12, which has been set aside for drafting our report on post-secondary education.

I would ask our analyst whether this could be done, because I do not want to be taken by surprise. I do not know whether these rumours are accurate. In any case, we never know what may happen on Parliament Hill. The government may decide that the House will adjourn.

Could we at least consider inverting the dates, if this were to be true? As far as the testimony goes, I would plan to hear that at the end of January, particularly as regards the community in question, as a result of the minister's letter.

[English]

**The Chair:** Thank you, Mr. Lemay.

Madam Hurley.



[Translation]

**Ms. Mary Hurley (Analyst, Law and Government Division, Library of Parliament):** The schedule planned for tabling the report with the committee, Mr. Lemay, so that you could study it before December 12, means that you must have the draft report by December 7 at the latest. The draft report will be given to the production team on Friday December 1, so that you can get it on the 7th, and thus have time to study it before the 12th. Because of the schedule, that is what we had planned to do, and that is how we have proceeded.

[English]

**The Chair:** Mr. Bruinooge, please.

• (1045)

**Mr. Rod Bruinooge:** I want to speak on Bill C-34, which has already been introduced into the House. Based on some of my discussions, I think it's going to see favourable passage. So there's going to be clause-by-clause on this, and perhaps even some witnesses that we will need to address. I image that might occur early in January. So we need to be mindful of that, in light of the fact that it is government legislation and will trump any other activity we're doing in January.

**The Chair:** That's the plight of the committee, but I personally think that is a priority, because I think each one of us has had a visitation by some of the delegates from British Columbia talking about that bill and wanting to move it forward as quickly as possible. That would be the decision of the committee, of course, but I would think it would be a priority.

**Ms. Nancy Karetak-Lindell (Nunavut, Lib.):** Legislation is always paramount anyway.

**The Chair:** Right.

Ms. Neville.

**Hon. Anita Neville:** Just to comment, I haven't had a chance to speak with Mr. Bruinooge about it, but I would certainly have no difficulty in advancing the education act, and in the process, trying to juggle the schedule and the unknown on the rumour that Mr. Lemay has—which I haven't heard, but it could well be so.

**The Chair:** Mr. Bruinooge.

**Mr. Rod Bruinooge:** Would Madam Neville be suggesting that we could perhaps, with the consultation of the other parties, move right to third reading and bring it to the committee without a vote, or with unanimous consent in the House?

**Hon. Anita Neville:** I'd like to think about that, if I might.

We have Bill C-292 on Tuesday, December 5. I don't know what colleagues are or are not planning, but to my mind, it seems we may not need two hours for that at all. So that may be an opportunity to bring that bill forward. I haven't consulted with anybody.

**The Chair:** Right.

I don't know. There isn't much as far as material in the bill is concerned, but then it kind of refers to a substantial amount of material.

Mr. Lemay.

[Translation]

**Mr. Marc Lemay:** We are talking about Bill C-34, an Act to provide for jurisdiction over education on First Nation lands in British Columbia? Is that correct?

I have read it and I have read the agreement. The Bloc's position is clear. We will be supporting this agreement, and as quickly as possible, please. In my opinion, it would be good to do this right away in January.

One thing is certain, Mr. Chairman. Perhaps we could delay beginning our study on housing by two weeks — even though I do not want to delay that — but it is important to study Ms. Crowder's two motions, which are now the committee's motions. Bill C-34 is a priority in my opinion. We could do that as quickly as possible.

And since the witnesses are coming from British Columbia... I have read the agreement and the bill. I will not have many questions to ask. This is a very complex matter. However, we should not get into too many details such as where the school will be built and who will look after the secretarial services for the school boards.

We could move quickly, since we are expecting these funds, the ones provided for in the government's budget of whichever month, and given the fact that they should be allocated as soon as possible.

I know that is the priority of the communities in British Columbia.

[English]

**The Chair:** I'm just going to summarize here, Mr. Bruinooge. The consensus of the committee is that we want to prioritize Bill C-34. Is that correct?

Then we will instruct the clerk that it will be our priority. When it arrives, we'll give it our priority. Second to that will be the witnesses we have approved in the motion by Madam Crowder.

Getting back to the dates prior to the break for Christmas—

• (1050)

**Mr. Rod Bruinooge:** Mr. Chair, if you don't mind, can I comment for a second?

Madam Crowder, what are your thoughts on perhaps the expedited process that Madam Neville talked about?

**Ms. Jean Crowder:** On Bill C-34, I don't have a problem with it. The only concern is that I just don't know procedurally if we can get it to the committee by the seventh.

**The Chair:** No, we're not saying by the seventh. We're saying, when we get back—

**Mr. Rod Bruinooge:** The House leaders could accomplish that task, if we all went to them and asked.

**Ms. Jean Crowder:** I'm just not sure, because I think for first and second reading...there has to be time in between that and third reading, doesn't there? I don't think we can do first, second, and third all at the same time, can we?

**The Chair:** No, but when is it going to be tabled? Do you know that?

**Mr. Rod Bruinooge:** It has already been tabled.

**The Chair:** I knew that.

**Mr. Rod Bruinooge:** If we as parliamentarians went to our House leaders and requested unanimous consent, we could perhaps achieve the timeline that Madam Neville suggested.

**The Chair:** Let's go back into our priorities a little bit. We look at Bill C-34 as a priority, but Mr. Lemay discussed the draft report on post-secondary education; that's unfinished business of this committee. I would recommend that the committee deal with it and get it finished. The question Mr. Lemay brought forward was whether it is possible to deal with the draft report on post-secondary education on December 7. The parliamentary researcher, Madam Hurley, has said she could have it on the morning of...the Thursday, was it?

**Ms. Mary Hurley:** My understanding is that the production team was going to ensure that the committee had it in its hands by the end of our meeting on Thursday, December 7, with a view to allowing committee members time to study the report in order to discuss it on December 12. At the moment, that is the planning we've done. I suppose we'd have to find out whether we could get it into the committee members' hands early on December 7.

**The Chair:** Madam Neville.

**Hon. Anita Neville:** Depending on Ms. Hurley's schedule, if we can do that, it would be very positive, and we could deal with it on December 7. What I want to say is that I'm more than willing to deal with Bill C-34, but I do not want it to pre-empt Bill C-292. As long as we have the opportunity to deal with that—

**The Chair:** That's part of our unfinished business.

Then, getting back to Bill C-292, Madam Neville said she thought it might only take an hour of the meeting. The question is, what is the consensus of the committee? Do you want the two hours?

I'll get back to what I started with. The third item I wanted the committee to deal with was Pikangikum and the response to the letter. Are we going to listen to what Mr. Roger Valley has to say about the situation there? What is the pleasure of the committee? Do you want to try to invite Mr. Valley for the Tuesday, December 5, meeting?

Madam Crowder.

**Ms. Jean Crowder:** If the committee could agree to deal with Bill C-292 in an hour, I think we should ask Mr. Valley on December 5, simply because the situation in Pikangikum is in crisis. I would be reluctant to have it dealt with at the end of January.

**The Chair:** What is the pleasure of the committee?

Madam Neville.

**Hon. Anita Neville:** I don't have a problem with this, Mr. Chair. I've spoken to Roger Valley several times on Pikangikum. Pikangikum is very difficult. There are others that are equally difficult, if not worse. My question to you is, although we can get information from Mr. Valley, what can we do?

**The Chair:** Madam Neville, that's all I'm looking for. If this committee wants to write a letter back to the minister to say we've talked to Mr. Valley and our recommendation is that we don't go, for some reason, or that we do go, or whatever the decision will be, we need to base that decision on something. I think information from Mr. Valley will give us valid information to be able to respond to the letter.

Is that the consensus of the committee, then?

**Hon. Anita Neville:** How about Bill C-34?

**The Chair:** This is on December 5. Let's deal with December 5 first. If there's consensus, we'll invite Mr. Valley to the meeting on December 5.

**Some hon. members:** Agreed.

**Mr. Marc Lemay:** Yes. The agenda is 9 to 10, Bill C-292, and 10 to 11, Monsieur Valley.

● (1055)

**The Chair:** Okay, that's good.

Then we will work with what happens in the House as far as December 7 is concerned. Okay?

Is there anything else for the good of the aboriginal affairs committee?

The meeting is adjourned.







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