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Wednesday, December 3, 2014

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Chair

Mr. Chris Warkentin

Standing Committee on Aboriginal Affairs and Northern Development

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• (1530)

[English]

The Chair (Mr. Chris Warkentin (Peace River, CPC)): Colleagues, I'll call this meeting to order.

This is the 28th meeting of the Standing Committee on Aboriginal Affairs and Northern Development.

We just have one piece of committee business to deal with first.

I'll turn to Ms. Crowder.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Thank you, Mr. Chair.

Mr. Chair, I move:

That, pursuant to Standing Order 108(2), the Committee study the expenditures of the department as they relate to its operations in the fiscal year 2014-15.

The Chair: Thank you, Ms. Crowder.

(Motion agreed to)

The Chair: Colleagues, I just have to now suspend for a minute so that we can undertake the televised portion of the committee meeting.

The meeting is suspended.

• (1530)

(Pause)

• (1530)

The Chair: I'll call the meeting back to order.

As I said, this is the 28th meeting of the Standing Committee on Aboriginal Affairs and Northern Development.

As per the vote of the committee, we have asked the minister to join us for supplementary estimates.

Minister, thank you so much for taking time out of your busy schedule to be with us. We always appreciate that you make time for our committee. We'll turn it over to you for your opening statement and then we will have some questions for you.

We know that we'll have to adjourn a little earlier today, colleagues, because of the votes. The bells will start ringing some time early.

But I understand, Minister, that we have you for approximately one hour, and then we'll have your officials after. Thank you so much. We'll turn it over to you.

Hon. Bernard Valcourt (Minister of Aboriginal Affairs and Northern Development): I'm accompanied by my deputy minister,

Colleen Swords, and Paul Thoppil, who's the chief financial officer. All the good stuff is because of me, and when it goes bad it's because of them.

Some hon. members: Oh, oh!

[Translation]

Hon. Bernard Valcourt: Mr. Chair, ladies and gentlemen of the committee, I am pleased to be here today to speak to you about Aboriginal Affairs and Northern Development Canada's supplementary estimates (B) for fiscal year 2014-15.

As members of the committee know, my department accesses the funds required to continue delivering on the government's commitment to improve the quality of life for aboriginal people and northerners. Since 2006, our government has been working with our aboriginal partners to remove barriers that are preventing aboriginal people and northerners from developing stronger, healthier and more self-sufficient communities. And while we've made significant progress, we also know there is more work to be done.

The energy sector is but one industry with development opportunities that we could leverage to assist growth for aboriginal communities. In his report, Mr. Eyford, Special Federal Representative on West Coast Energy Infrastructure, highlighted the success that the strategic partnerships initiative has had to help prepare aboriginal communities for economic opportunities.

In response to the recommendations of the Eyford report, our government has expanded the strategic partnerships initiative in order to help aboriginal communities maximize their economic participation in west coast energy developments.

Through Budget 2014, Aboriginal Affairs and Northern Development Canada received new funding of \$61 million over 5 years for the strategic partnerships initiative.

• (1535)

[English]

As a result the supplementary estimates (B) reflect that \$10.5 million will be used to support aboriginal engagement in energy projects as well as economic and business development for the year 2014-15.

Mr. Chair and members, the health and safety of first nation communities being a priority of our government, we have allocated in these supplementary estimates \$40.6 million for operation return home for Manitoba interlake flood remediation and settlement. These funds will be used to continue repairing, rebuilding and re-establishing the communities of St. Martin, Dauphin River, Little Saskatchewan, and Pinaymootang First Nation, all of which were affected by severe flooding in 2011.

Together with first nations and the Province of Manitoba, the Government of Canada is working towards a recovery that will see all flood evacuees returned to safe, secure homes or permanent long-term accommodation in strong resilient communities.

In the pursuit of reconciliation, another means of improving the quality of life in aboriginal communities is through the negotiation and conclusion of comprehensive land claims and self-government agreements. I mean, such agreements are key to achieving reconciliation and renewing relationships with aboriginal people in Canada while also unlocking opportunities for economic development benefiting all Canadians. That's why \$2.1 million is being allocated through the supplementary estimates to support the implementation of the Sioux Valley Dakota Nation Governance Agreement and the Sioux Valley Dakota Nation Financial Arrangements Agreement.

These agreements will modernize Canada's relationship with the Sioux Valley Dakota Nation and provide the community with the tools and the authority to build a more self-sufficient and prosperous future. It will also harmonize the Sioux Valley Dakota Nation laws on their reserve lands with existing federal and provincial laws within the Canadian constitutional framework.

I want to underline that the Sioux Valley Dakota Nation is the first self-governing first nation in the Prairies.

We also continue to promote reconciliation between aboriginal and non-aboriginal Canadians through continued implementation of the Indian Residential Schools Settlement Agreement.

[*Translation*]

To that end, \$11.9 million has been allocated for continued implementation of the Indian Residential Schools Settlement Agreement to ensure that Canada continues to meet its obligations under the agreement. This funding was re-profiled from 2013-14, primarily for continuing the resolution of claims under the agreement's independent assessment process.

As well, \$9.9 million has been allocated for the provision of Canada's remaining relevant documents held at Library and Archives Canada to the Truth and Reconciliation Commission to ensure that Canada meet its obligations under the Indian Residential Schools Settlement Agreement.

As you are no doubt aware, in January 2014, the operating period of the Truth and Reconciliation Commission was extended to June 30, 2015, to allow the commission sufficient time to complete its mandate, including writing its final report and receiving those documents held at Library and Archives Canada.

In speaking to these supplementary estimates, I would also like to address one of many ways we are working to unlock the north's

potential, that is, through cutting-edge science and technology research.

Supplementary estimates (B) earmark \$38.2 million for the construction of the Canadian High Arctic Research Station, or CHARS, and the implementation of the associated science and technology program. The Canadian High Arctic Research Station is part of the government's integrated northern strategy and will strengthen Canada's leadership in Arctic science, research and innovation.

In order to establish the governance for CHARS, on October 23, we introduced the Canadian High Arctic Research Station Act. This proposed legislation will merge CHARS with the Canadian Polar Commission to create one larger, stronger centre for scientific research in Canada's North—strengthening Canada's position as a world leader in cutting-edge research in the Arctic.

● (1540)

[*English*]

Other key initiatives in the supplementary estimates include, under our northern agenda, \$4.9 million “to meet Canada's implementation obligations for Comprehensive Land Claims Agreements in Yukon...and Quebec”, and \$3.4 million “to meet the Government of Canada's obligations under the Northwest Territories Lands and Resources Devolution Agreement”, which you all know came into effect on April 1.

These funds will allow the department to complete work associated with the implementation of the devolution agreement, including the settlement of accounts pertaining to devolved responsibilities, deferrals, undertakings, amendments to environmental measures agreements, and developing a final report that includes lessons learned.

Mr. Chairman, our government believes that all Canadians, regardless of where they live—north or south, east or west, on or off reserve—should be able to fully participate in our strong Canadian economy.

I will be happy to answer any questions that members of the committee may have pertaining to Aboriginal Affairs and Northern Development Canada's supplementary estimates (B), 2014-15.

Thank you.

The Chair: Thank you, Minister.

We'll turn to Ms. Crowder for the first seven minutes of questions.

Ms. Jean Crowder: Thanks, Mr. Chair.

I want to begin by thanking the minister for coming, but I also want to acknowledge the new deputy minister, Ms. Swords. Of course, she has been before the committee in the past in another capacity.

Welcome to your new portfolio.

Mr. Minister, I want to start with what in my view seems to be missing from the supplementary estimates (B). My understanding is that under the specific claims legislation, the mandate for review was to have commenced. I don't see any funds allocated for the beginning of that review.

The second thing I don't see in the supplementary estimates (B) is anything related to my understanding, according to a letter by Mr. Justice Slade, that the administrative services were going to be centralized. I would have thought that in the supplementary (B)s there would have been some indication of cost savings as a result of centralizing those administrative services. I understand that they're already under way.

Hon. Bernard Valcourt: Well, as you know, first of all, the core funding we have is sufficient to comply with our obligation under the act to start this review. The work has been started to commence this review, which is mandated by the act, and will be pursued effectively in the next few months.

Ms. Jean Crowder: There isn't money allocated at this point in time.

Hon. Bernard Valcourt: Well, we have the resources within the department to pursue this, and there was no need to allocate funds in the supplementary estimates (B) to do the review.

Ms. Jean Crowder: Okay. In your speech you mentioned both the importance of negotiation of comprehensive claims in self-government and the fact that there's \$4.9 million to meet Canada's implementation obligations for comprehensive land claims agreements.

Is any of that \$4.9 million going to be used to implement the Teslin Tlingit administration of justice agreement?

Hon. Bernard Valcourt: The \$4.5 million to meet Canada's obligations for comprehensive land claims are for the Yukon, under the umbrella final agreement, \$4.6 million, and for Quebec, \$260,000. These funds for Yukon will be used on the umbrella final agreement and the Yukon environmental and socio-economic assessment plan, \$3.5 million, and there will be \$600,000 for the Yukon Land Use Planning Council. The money that is left, the \$260,000 left, is for the Cree-Naskapi Commission, which you know reports annually to Canada.

• (1545)

Ms. Jean Crowder: There is nothing specifically for the implementation of the Teslin Tlingit justice agreement. I understand that there have been lengthy negotiations, and that they really have been stalled for a couple of years.

Hon. Bernard Valcourt: There are no funds in these estimates for that specific one.

Ms. Jean Crowder: Bill S-6 is before the House, and you talked about comprehensive land claims. It isn't specifically mentioned in this, but I understand there was a meeting recently, and in your speech, you talked about the importance of self-government and that relationship. But I understand that in a recent meeting with the Yukon first nations you indicated to them that they were not real governments. I wonder how that jives with what you've said in your speech around the importance of self-government moving forward.

Hon. Bernard Valcourt: Obviously, what was reported to you is incorrect. That is not what I stated. Objection was taken by the Council of Yukon First Nations alleging that one of the amendments was in violation of the umbrella agreement, and that pertains to the premise of the section that allows the minister to devolve or to delegate powers to the Government of Yukon.

The point I made is that, under the umbrella agreement, government is defined as being the Government of Canada or the Government of Yukon, so my point was that this delegation is contemplated under the umbrella agreement and it does not define government as being first nations. Their argument is that, under the umbrella agreement, they should be considered governments, and unfortunately, that was not the deal concluded. The umbrella agreement is clear that government is defined either as Government of Canada or Government of Yukon. I said that, for the purposes of the umbrella agreement, they were not considered and defined as government. That does not mean they are not governments. They are governments, but not under the umbrella agreement, very simply.

Ms. Jean Crowder: I would think that's a much longer discussion, Mr. Minister, given I would argue that if we're going to negotiate self-government agreements, surely we are talking about a government-to-government relationship.

Just briefly, on the west coast energy development project, can you indicate how first nations have been involved with regard to the set-up of this office, the major projects management office, west?

Hon. Bernard Valcourt: As you know, the office was set up following a recommendation made by Mr. Eyford in his report. Consultations have taken place with stakeholders in B.C. in order to create not only the MPMO, the office, but also to create a tripartite forum where Canada, B.C., and first nations are represented, in order to engage and enter into the necessary dialogue to pursue natural resources development in B.C.

The Chair: Thank you.

We'll turn to Mr. Strahl now for the next questions.

Mr. Mark Strahl (Chilliwack—Fraser Canyon, CPC): Thank you very much, Mr. Chair.

My comments will focus on what is in supplementary estimates (B), not on what is not.

I did want to quickly take a moment to welcome Mr. Barlow to the committee. I'm glad to see that the opposition finally saw fit to allow him to join us as a permanent member. I'm looking forward to working with him as well.

Minister, I wanted to continue on the line of the west coast energy strategy you spoke about, which is in part advanced through the strategic partnerships initiative. It's said here that it's scheduled to receive \$10.5 million. Could you explain a little more about what that \$10.5 million will be spent on?

• (1550)

Hon. Bernard Valcourt: For the new funding made available to the strategic partnerships initiative, we are working with Natural Resources Canada, Environment Canada, Fisheries and Oceans, and Western Economic Diversification to coordinate support for activities that will advance aboriginal economic participation in west coast energy projects.

Federal investments through the initiative will address the key priorities that were identified by Mr. Eyford in his report, namely, the need for early and ongoing engagement between communities, government, and industry; support for employment and business development; and environmental protection to mitigate concerns regarding the effects of development, as well as fish habitat restoration to encourage sustainable development where development crosses watercourses.

Through economic action plan 2014, the last budget, my department received, as I've said, this \$61 million. As an example of what we're doing, an initial-year investment of \$300,000 will enable the MPMO's west office to work with first nations to deliver up to eight targeted workshops that will promote an understanding of the oil and gas sector, facilitate information sharing, and build community awareness.

An additional \$680,000 has been approved to support the New Relationship Trust, to work with LNG proponents and the Province of B.C. to ensure that first nations have access to skills training that will lead to employment opportunities for aboriginal Canadians. Funding through this initiative, the SPI, also allows us to support aboriginal business and entrepreneurship that is directly related to energy development.

For example, we're providing a little over \$113,000 to the Prince George aboriginal business development association to train aboriginal entrepreneurs to establish and develop businesses in order for first nations to actively participate in procurement opportunities related to west coast energy. There are many other activities that I could list, but I guess you get the gist of what we're doing there.

Mr. Mark Strahl: Right, and I guess that's the goal there. It's right in the title, "partnerships".

What are the next steps, then, for the department to enhance aboriginal economic participation in those projects? We know that the projects are taking place in the traditional territories of first nations, and they're often employed in great numbers in these projects when they go through. Maybe you could talk about how the department is trying to get them involved economically in those projects.

Hon. Bernard Valcourt: We're committed to working in partnership with first nations to strengthen their engagement in energy projects, with training for jobs and business opportunities, and with a role for them in assessing and managing environmental safety projects. We believe that increasing the participation of first nations in projects is one way of increasing employment and encouraging economic development in first nation communities. That is why we are contributing this \$10.5 million to the initiative.

The major project management office, west, based in Vancouver, is helping to facilitate early engagement and ongoing dialogue with key partners to support first nations' long-term economic development through energy projects. We will work together with aboriginal entrepreneurs, small businesses, and communities to take advantage of the economic opportunities where there is the greatest potential for jobs and business development. We will also support aboriginal training and skills development leading to jobs.

We are focused on practical steps to strengthen engagement with first nations on energy projects. As our discussions with first nation leaders move forward we will be making strategic investments to specific initiatives that address community needs.

• (1555)

Mr. Mark Strahl: On the strategic partnerships initiative I understand it's not just limited to energy programs or to the west coast. Could you give us some examples of progress that's being made in other areas of the country, perhaps in some other sectors?

Hon. Bernard Valcourt: I'm glad you raised the point because this is not just about the west coast. While much of the recent focus has been on building relationships with aboriginal groups to support energy development on the west coast, Canada is committed to advancing aboriginal participation in the broader Canadian resource economy. Whether it is mining development in Ontario or the territories, or energy development in eastern Canada or B.C., aboriginal Canadians face many of the same barriers that limit their full participation wherever we are in the country. These impediments include limited human and financial capacity, and lack of access to expertise and planning.

While the federal government has a number of economic, business, and skills development programs outside of the strategic partnerships initiative, but this one program enables. That is what I call the genius of the program. It is bringing together several departments that work in a coordinated fashion to support specific projects that lead to training, business involvement, and entrepreneurship development. This specific project is a whole-of-government approach to pursue this.

I had the privilege years ago of being in charge of the native economic development program under Bill McKnight. This was introduced by a very good minister here, your father by the way, Mr. Strahl, who introduced this in 2010.

SPI has supported up to 400 aboriginal communities and organizations in pursuing economic opportunities, developed over a hundred new partnerships, and leveraged nearly \$100 million in additional funding from other sources. This program is working and will be helpful to first nations all across Canada.

The Chair: Thank you, Minister.

Ms. Bennett, we'll turn to you now for the next questions.

Hon. Carolyn Bennett (St. Paul's, Lib.): Thank you very much.

Thank you very much, Minister, for coming to committee. I think we're very disturbed that some of your colleagues have chosen not to come to committee for estimates. We're very grateful that you're here today, because that's really important to how this is supposed to work in terms of Parliament and government.

One of the things you didn't mention in your speech is the allocation of \$44.8 million to "support the construction and maintenance of community infrastructure". As you know, infrastructure is something that's hugely important from coast to coast to coast, but as I think you're aware, people are very concerned about what has looked like a shell game in terms of what is voted for and what it actually is spent on.

As you know, during the tribunal on the first nations caring society, the document "Cost Drivers and Pressures" was presented, and in this document, it showed that \$505 million in infrastructure dollars had been reallocated to social and education programs, and then you end up with a shortfall in the social and education programs.

But what was said in your own internal documents is that this would be "putting pressure on an already strained infrastructure program". So I guess I'm asking, Minister, how do you explain the repeated announcements of new temporary funding for things like first nations water and waste water action plans, while you are simultaneously pulling A-base funding out of infrastructure to plug other holes?

Although you're here today defending the estimates, I think there's a concern that coming here ends up misleading Canadians about what the money actually gets spent on. Here, we're supposed to be approving money for the purposes you've laid out in the supplementary estimates, and I guess I would also like to know this. How does this committee have any confidence that the money will actually be spent on what is voted on?

• (1600)

Hon. Bernard Valcourt: I guess what you are asking is whether the department should or should not reallocate in order to address needs, priorities, and pressures. When we look at the reallocation, in these estimates what we are asking for is for specific projects that will be executed. I've referred to biggest ask for infrastructure, which is in regard to the evacuees, to the rebuilding of these communities in Manitoba. These are big capital expenditures. Also, you have the research station in Cambridge Bay. These are the larger ones that are covered by this.

On the question you raise, the need for reallocations to other programs, which is what you've addressed, is forecasted prior to the beginning of the fiscal year. The department—

Hon. Carolyn Bennett: As you know, your own studies show the devastation in water and waste water and the billions that are required. It's hard to see the money pulled out, like half a billion pulled out, and then you ask for \$44 million.... It's a pattern of robbing Peter to pay Paul for the last six years. We already know that education is underfunded, but taking money from infrastructure to pay for education when infrastructure is also underfunded seems hard to defend.

Hon. Bernard Valcourt: Well, what you have to understand, and what could console you, is that these infrastructure projects are ranked according to a transparent and open framework of establishing priority projects. The projects at the top are the most urgent or important in terms of health and safety. If you reallocate, that does not displace those ones at the top; it pushes into future years those at the bottom. The advantage of this is to be able to take advantage of

that ability to reallocate in order to address those pressures, because I'm sure—

Hon. Carolyn Bennett: I think when you go out and speak to the first nations they feel that they were just about to get approved, and then some rule changes, and they ask them to do something else.

I would like to go on to the allocation of \$6.3 million. You spoke many times in your remarks today about consultation, cooperation, and collaboration, but it looks like in the supplementary estimates (B) that you're asking for \$6.3 million in contributions for the purpose of consultation policy development, taking it up to \$8 million. On page 34 of the 2013-14 performance report your department lacked almost half of the \$8 million of planned spending for consultation engagement last year.

You've only filled half of the planned 48 full-time employee equivalents—26 for consultation engagement last year—and we're hearing from coast to coast to coast that aboriginal communities are not being properly consulted on issues that have significant and direct impacts on their lives. I want to know how you can justify lapsing half of the consultation budget and using only half of the full-time equivalent staff allocations, while you're asking for this other money.

• (1605)

Hon. Bernard Valcourt: I think that the reduction in authorities that you have pointed to is primarily related to a new approach the government is taking to fund aboriginal representative organizations. This new approach ensures that projects being funded are better aligned with our shared priorities of education, economic development, community infrastructure, and other initiatives that promote greater self-sufficiency.

While the estimates show a reduction in planned authorities the expenditures in this program area vary depending on the nature of the projects proposed by aboriginal representative organizations and fit with departmental priorities.

Hon. Carolyn Bennett: Is it just cheaper, because the people we're hearing from don't feel that these are consultations? They go out and do an information session, say that they love it, and then whatever they've said at the meeting doesn't show up in any documents later on. That must be cheaper than consulting.

Hon. Bernard Valcourt: There are sufficient resources to properly consult to—

Hon. Carolyn Bennett: You have half the staff.

The Chair: Ms. Bennett.

Hon. Bernard Valcourt: —discharge our duty. With the DPR that you refer to showing FTEs as being 22 less than planned, this variance I'm informed is due to an overstatement by the department and the DPR for this subprogram. The correct number should be 26, and therefore, there's no variance between planned and actual. There's been no reduction in human resources in this programming and the consultation.

You seem to echo what I often hear whenever we do a consultation and I'll give you the example of the one we carried out in the Yukon: the five-year review under YESA. Some 72 of 76 recommendations were agreed to jointly by all parties and four were not. We hear that they were properly consulted for those that they agree with, but if they don't agree with the others they were not consulted.

Consultation doesn't mean that people have to agree. What we have to do is within the spirit of the duty to consult, which is laid out by the Supreme Court as whenever there is an activity that is contemplated that may affect, then you accommodate. So that's what we do.

The Chair: Ms. Bennett.

Hon. Carolyn Bennett: The consultation wasn't on the—

The Chair: Minister, I'm sorry I'm going to have to cut in.

We're going to turn it to Mr. Genest-Jourdain. We've run out of time, Ms. Bennett, I do apologize.

Mr. Genest-Jourdain.

[Translation]

Mr. Jonathan Genest-Jourdain (Manicouagan, NDP): Minister, do you think the \$28-million—

[English]

The Chair: I'm going to apologize, it's Mr. Clarke's turn.

Mr. Clarke, we'll turn to you.

Mr. Genest-Jourdain, we'll get back to you shortly.

Mr. Rob Clarke (Desnethé—Missinippi—Churchill River, CPC): I'm glad our Chair remembered the format.

Thank you, Mr. Chair.

Thank you, Minister, for attending.

Minister, I'm seeing that \$38.2 million has been set aside for the Arctic research station. Can you tell me how this money is going to be spent for research and development, and how it is going to be formatted?

Hon. Bernard Valcourt: Let me first say that this project has been a long time coming. In 2007, you will remember that in the Speech from the Throne, we committed to building a world-class Arctic research station that would be on the cutting edge of Arctic issues. Since then, we've been consulting with a wide variety of stakeholders and developing the science and technology programs. I was privileged this summer to be with the Prime Minister, in Cambridge Bay, for the official groundbreaking ceremony.

CHARS will have three principle purposes. First, it will advance the knowledge of the Canadian Arctic. Second will be the exercise of stewardship and sovereignty over Canada's northern territories, while strengthening our international leadership on Arctic issues and providing a focal leadership presence in the Canadian Arctic. Of the \$38 million—that is, \$32.2 million that is set aside in these estimates—\$29 million in capital funds will support the construction and purchase of land for the station and \$8.2 million will be for the operation and implementation of the science and technology program. This includes \$1.7 million to the polar continental shelf

program at Natural Resources Canada for the coordination of terrestrial field logistics, and a further \$1 million for the delivery of the science and technology program grants and contributions.

• (1610)

Mr. Rob Clarke: Could I maybe get some follow-up on that?

Is there any participation from any other countries in this program?

Hon. Bernard Valcourt: CHARS will be a world-class, year-round research facility, advancing cutting-edge Arctic science and technology. Once CHARS is operational, the research capacity-building and outreach activities will help northerners gain skills and experience in order to better participate in the labour force, whether it is in mining, energy, management of wildlife and natural resources, or health and life sciences.

With regard to the research that will be taking place, there will be this crosscutting with researchers from other countries, but also other institutions in Canada. Industry will also be invited to participate, and they will participate, in the development of new technologies that are geared to the reality of the north. If you talk about infrastructure, and we know that infrastructure is important for economic development in the north because of the harsh temperature and delicate environment, you need to develop technologies to ensure you preserve this for Canadians.

So, yes, other researchers from other countries will team up with Canadian researchers in the Arctic, along with the private sector, to make sure that we can pursue the objectives of the station.

Mr. Rob Clarke: Minister, you mentioned the \$8.2 million from the supplementary estimates that will go towards the implementation of the CHARS science and technology program.

Could you elaborate on that, please?

Hon. Bernard Valcourt: The \$8.2 million is for the implementation of the plan. The mandate, as I said earlier, is not only ambitious, but what is being aimed at here is establishing a new, innovative leader in Arctic science and technology.

Now, let me give you an example in terms of resource development. The plan, for example, has many facets, but let me address resource development. Companies operating in the north accept the obligation to monitor project impacts and they accept this as being a fair condition of development. However, both the Mining Association of Canada and the Canadian Association of Petroleum Producers have identified better baseline data for regulatory approvals and management as critical for resource development in the north.

CHARS will work with industry and the many federal, territorial, and aboriginal organizations involved in monitoring wildlife, the environment, health, and socio-economic conditions of northern residents to improve the overall efficiency and effectiveness of monitoring in the north, while respecting individual mandates and responsibilities. Whether you talk about infrastructure development for strong and healthy communities, or the sovereignty issue, CHARS will work in all of those fields to attain the objectives of the plan.

• (1615)

The Chair: Thank you, Minister.

We'll turn now to Mr. Genest-Jourdain. Thank you for waiting.

[*Translation*]

Mr. Jonathan Genest-Jourdain: Minister, do you think the \$28-million transfer in supplementary estimates (B) for the assessment, management and remediation of federal contaminated sites will enable the department to achieve its remediation target of 40 contaminated sites by March 2015?

And when does your department anticipate that all contaminated sites within federal jurisdiction will be remediated?

Hon. Bernard Valcourt: A total of \$23 million of the \$28 million will be earmarked for high-priority contaminated sites in the north. I am referring to the two abandoned mines, Giant and Faro. The remaining \$5 million will be allocated to contaminated sites on reserves south of 60, in British Columbia, Manitoba, Alberta and Ontario. That is how the \$28 million will be spent.

For 2014-15, the government will spend an estimated total of \$184 million in the north alone and \$31.9 million, so nearly \$32 million, south of 60.

You asked me whether the department was on track to meet our objectives of remediating 40 contaminated sites by 2015, and the answer is yes. We do, in fact, anticipate completing these projects by 2015 because we are currently implementing our remediation strategy at each of the 40 targeted sites.

Mr. Jonathan Genest-Jourdain: Minister, the supplementary estimates earmark \$10.5 million for the aboriginal economic development strategic partnerships initiative, aimed at increasing aboriginal participation in economic opportunities and, in particular, large resource development projects.

Minister, do you plan to allocate resources locally to engage Innu and seek the approval of the members of the Uashat and Maliotenam communities, as far as the Arnaud mine initiative is concerned? The project involves an open-pit mine, one of the largest in the country, if not North America. Do you plan to seek the approval of the members of the Uashat and Maliotenam communities?

• (1620)

Hon. Bernard Valcourt: Under the aboriginal economic development strategic partnerships initiative, stakeholders and first nations submit projects. If the group in question would like to take advantage of the strategy, it can do so, just like anyone else. So far, I have not heard anything about that group making such a submission.

Mr. Jonathan Genest-Jourdain: Would you be able to check on that and get back to me with a written answer? I would very much appreciate it, minister.

Hon. Bernard Valcourt: Absolutely. We can check on that.

Mr. Jonathan Genest-Jourdain: I will be passing the information on to the Uashat mak Mani-Utenam band council.

Hon. Bernard Valcourt: Absolutely.

Mr. Jonathan Genest-Jourdain: Now I would like to discuss the Indian Residential Schools Settlement Agreement.

Some \$11.9 million has been allocated to the continued implementation of the agreement. How will the funding requested in the supplementary estimates be used in relation to the personal credits provided for under the settlement agreement? How many applications were received before the October 31 deadline?

Hon. Bernard Valcourt: Are you referring to the personal credits for education?

Mr. Jonathan Genest-Jourdain: Yes.

Hon. Bernard Valcourt: As of September 30, 2014, a total of 7,252 personal credit applications had been received. They are currently being processed.

As I indicated in the House earlier, we are currently working with the Assembly of First Nations and Inuit representatives to request an extension of the deadline for personal credit applications.

Mr. Jonathan Genest-Jourdain: Thank you.

[*English*]

The Chair: Thank you, Minister.

We'll turn to Mr. Dreeshen now for the last questions for the minister.

Hon. Bernard Valcourt: First, Mr. Chair, if you will allow me,

[*Translation*]

I would like to make a small correction to the information I gave Mr. Genest-Jourdain, if I may.

I told you the figure for the month of September. By the October 31 deadline, a total of 24,624 personal credit applications had been received.

Mr. Jonathan Genest-Jourdain: Thank you.

[*English*]

The Chair: We'll move now to Mr. Dreeshen.

Mr. Earl Dreeshen (Red Deer, CPC): Thanks, Mr. Chair.

It's great to have you here, Mr. Minister.

I'd like to speak to the 10b vote, as stated here, "Funding to support the implementation of the Sioux Valley Dakota Nation Governance Agreement and Financial Arrangements Agreement". You spoke in your presentation of a modernization of Canada's relationship with the Sioux Valley Dakota Nation and providing the community with the tools and authority to build a more self-sufficient and prosperous future.

I understand that they became the first self-governing first nation in the Prairies when this governance agreement came into effect just on July 1 of this year. I'm wondering if you could comment on how the funding identified in these supplements that I mentioned will be allocated, as well as just some basic thoughts on the importance of this agreement.

Hon. Bernard Valcourt: As I indicated when we made the announcement, this is historic. In the Prairies, not only is it the first one, but it provides the Sioux Valley Dakota Nation with the tools and authority to build a more self-sufficient and prosperous future, bringing the community out of most of the provisions of the Indian Act.

The short experience we have in this country in regard to self-government agreements is positive. They give first nations greater control over their affairs, including in areas such as economic development, land management, and health. They also contribute to conditions that lead to healthier, more self-sufficient, and prosperous first nation communities, which are empowered and accountable to deliver programs and services to residents on reserve and to address their identified priorities.

The results are demonstrable all across the country. Where you have self-government agreements, there are much better results for education, employment, and skills development. It is positive.

In this case, the financial arrangements agreement between the nation and Canada sets out broadly how the money that the federal government transfers to the nation shall be allocated in accordance with the agreement. The nation must ensure that programs and services in relation to areas such as health, economic development, and minor capital are operating. However, the allocation of its funds among those programs is determined by them. That's what's right with this. As the chief said when we made the announcement—he put it simply—“we’ll be able to do the things that other people and governments take for granted.” Now they can do it themselves.

The financial arrangements agreement also includes an increase to governance funding to support the new responsibilities that they have assumed. Annual transfers for governance go toward carrying out government functions, such as conducting elections, the establishment and operation of boards or other entities, or the development of government policies. It's a tiny government but it is a government. That's what they do.

• (1625)

Mr. Earl Dreeshen: What you're saying is that a lot of the funding we're speaking of here is going into that governance model, allowing them to set up the different regulations they would require in order to function properly.

You talk about results and being results-based. You talked about education, employment, skills development, and certainly increased results as far as health care is concerned.

I'm wondering if you could perhaps spend whatever time I may have left speaking to the committee about the benefits you see, and the things you've talked about in discussions with the leadership of the Sioux Valley Dakota Nation. What do they stand to gain from the increased autonomy that's going to come because of this funding we have put into it?

Hon. Bernard Valcourt: As I've mentioned, the Sioux Valley Dakota Nation Governance Act enshrined into law the self-government agreement that was negotiated with them. This law has granted the Sioux Valley Dakota government greater autonomy and freedom from the restraints of the Indian Act. Thanks to this legislation, laws enacted by the Sioux Valley Dakota first nation now operate concurrently with laws that are made by the federal government and the provincial government. This has given the first nation the ability to better meet the needs of its membership and plan for the community's bright and prosperous future.

For a smaller community, such as Sioux Valley Dakota first nation, finding and securing the right partnership is essential. Both the Sioux Valley Dakota Nation and our government recognize that the self-government agreement is a tool that will enable this first nation to take advantage of business opportunities as they arise. Whether it is a greater autonomy from the Indian Act, the ability to create its own laws or conditions that will foster fruitful partnerships, all of these aim at one thing, and that is increasing economic opportunities, economic development, for the Sioux Valley Dakota first nation.

The Chair: Thank you, Minister.

Minister, I know you're out of time. We want to thank you for being here.

We will suspend, colleagues, for about three minutes, and then we'll return with the officials.

Meeting suspended.

• (1625)

(Pause)

• (1630)

The Chair: Colleagues, we'll call the meeting back to order.

Colleagues, we already congratulated Ms. Swords on behalf of committee. I was beaten to those congratulations on your new role as deputy minister.

We want to thank you for coming back. We know that you've been here in other capacities and now you're here in this capacity. We know that you know what's in store so we appreciate that you've returned and that you've remained with us for the remainder of the meeting.

I'll now turn to the next round of questions. We're going to start with Ms. Hughes for the questions to our officials.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusksasing, NDP): Thank you very much.

Thank you for being here.

At this point I'm going to start my questioning with the flooding in Manitoba.

In 2011 we saw that there were 18 first nation communities that were evacuated. We see that there are about 1,300 people who have returned home, but there's still a disproportionate number that have not returned, which is 1,974. A lot of these people, to my understanding, are still living in hotel rooms. Maybe you could clarify that for me.

The federal government is currently negotiating settlement packages with affected first nations. We're aware of that. That would include flood mitigation measures, replacement lands from the province, and compensation for damages.

How much is it going to cost to rebuild the Manitoba communities? Has the department put a figure to that yet?

• (1635)

Ms. Colleen Swords (Deputy Minister, Department of Indian Affairs and Northern Development): Thank you very much.

I can answer the question on hotels first. The total number of evacuees as of November 25 that were evacuated as a result of the 2011 flood is 1,940. There are only 14 of those that are in hotels. Other people are in apartments or staying privately. There's a limited number that are still in hotels.

For the total amount of money estimated so far, we're looking at about \$253 million over three years.

Mrs. Carol Hughes: Is that to rebuild or is that how much?

Ms. Colleen Swords: That's for rebuilding is my understanding. My colleague can correct me if I'm wrong.

Some of the houses have to be rebuilt, some of the schools have to be rebuilt, and in some cases there's new land that's being purchased. Where they used to live is being flooded every year and it doesn't make sense to keep building on land that gets flooded every year.

It's a fairly major proposition, but in the long run it will, we hope, prove to be more cost-effective.

Mrs. Carol Hughes: What analysis have you done on the costs? I'm trying to get some sense as to.... Is there something that you could table with us here, or at a later date—I don't know that you would have it right here—with respect to the analysis that's been done for the cost?

Ms. Colleen Swords: We've been working very closely with the Province of Manitoba on this, as well as with the four first nations that are still affected. I want to make sure that's clear. This is not our analysis alone. There has been a considerable amount of work done.

I'll turn to my colleague, Scott Stevenson, who's the assistant deputy minister responsible for regional operations, who lives and breathes this pretty well every day. He can answer the specific question.

Mr. Scott Stevenson (Senior Assistant Deputy Minister, Regional Operations Sector, Department of Indian Affairs and Northern Development): Mr. Chair, for the question on the amount, the number we've provided is an estimation of Canada's planned cost share. Manitoba also has made an announcement about funds available or that it's providing for the rebuilding of these communities. The more detailed breakdown that we could provide in writing would be able to identify the estimated project costs for the communities that are affected.

I'd also note, though, that the amounts for settlement of outstanding litigation would be numbers that would require some discretion in terms of what is made public on those numbers.

Mrs. Carol Hughes: You figure that could be done within three years with respect to rebuilding?

Mr. Scott Stevenson: The undertaking the two governments have made is to rebuild the communities within three years. That is an undertaking that was announced I believe last January.

The moneys that are sought in these supplementary estimates are to advance a part of those plans that are laid out over three years. They're subject to the pace of the negotiations with the communities and they reflect the pace at which we can develop the plans and implement them with those communities. They're to re-establish those communities, so the leadership of the communities and the community members have to be engaged in the development of the plans.

Mrs. Carol Hughes: I want to continue on with respect to this, because in 2013 the federal government announced changes to its on-reserve emergency management policies, which included single-window funding for emergency costs and stable funding for response and recovery activities.

The reason I bring this up is that certainly it's not just the Manitoba flood. If you look at Kapuskasing, which is in my riding, and some of the other communities.... I'm going to go with Kapuskasing at this point, because there are a lot of evacuees from Kashechewan, I believe, who are currently in Kapuskasing. I know that there has been an enormous amount of work done on that, but it's an ongoing process.

I'm just wondering if you could tell me at this point how much you've actually spent on that particular evacuation; when those people can expect to be returned home; what the plan is to deal with the ongoing flooding issues, both in Kashechewan and in Attawapiskat; and how the department is handling or will handle it. Because a bigger problem is that there is such an overflow that it's creating a lot of stress on a lot of the services in Kapuskasing.

For example, our office has had to deal a lot with birth certificates and different things like that. There seems to be.... There's the income tax, but there's even the food bank. They did a food drive and it's already depleted.

It's quite problematic for the communities themselves, so I'm wondering if you can help me out with this.

• (1640)

Ms. Colleen Swords: Well, you're absolutely right that it's not only Manitoba that has emergencies on first nation reserves. There are problems with flooding. There are problems with fires in various parts of the country. I know that in 2013 or 2014 we had about 62 emergencies that we were managing across the country, of one magnitude or another. Usually what happens is that we get a lot of support from the province and the first nations themselves in managing the evacuations.

I don't have the answer for you on Kashechewan specifically, but I'm sure we can get that for you pretty quickly.

What we've done is that we were successful in getting some additional funding last year. It was announced in budget 2014. We have about \$40 million over five years for mitigation. Mitigation relates largely to things like diking.

I've been in Kashechewan. We had to build up the sides of the river because of flooding there. That was done, but it needs constant repair, so there are additional costs there. I know that we've spent money in Eel River Bar on some flood remediation and on diking that goes on.

We also spend money every year on evacuations. How much is required for evacuation depends on the year. We've been allocating about \$19.1 million to help us negotiate agreements with the provinces to work on prevention and be ready for a fast response.

We're doing what we can. It varies from year to year how much is required for emergencies. In a year when there's an extremely expensive number of emergencies, we have the facility of going back to the Treasury Board and asking for additional emergency funds just to manage evacuations. But on the mitigation itself, it's \$40 million that was announced in the last year.

The Chair: Thank you for that answer.

We'll turn to Mr. Barlow now for his inaugural question at this committee.

Welcome to our committee, Mr. Barlow.

Mr. John Barlow (Macleod, CPC): Thank you very much, Chair.

It's a pleasure to be here, and I appreciate being on this committee. I have five first nation communities in my riding, so this is a very important committee for me, and it's an honour to be included.

Ms. Swords, I'm playing a little bit of catch-up here. I don't know a lot of the issues that were discussed today. You did have in here \$3.4 million to meet the devolution agreement in the Northwest Territories.

From speaking with some of my colleagues while preparing for this, I understand this has been a historic agreement. Can you tell me a little bit more about the devolution? What are some of the issues it has addressed in the Northwest Territories? What is some of the new supplementary funding going to be earmarked for?

Ms. Colleen Swords: Devolution took effect on April 1, 2014. It is significant. Yukon devolution was a few years before, and now we have Northwest Territories devolution. Of course, the next step will be, when can we have devolution for Nunavut?

It's taken place. It's pretty significant. It's very important in terms of the political and economic development for people in the territory. It's certainly proven to be the case in the Yukon that when a government is close to its people and can make decisions, it leads to a lot more successful results, particularly with respect to evolution.

What we transferred in terms of devolution on April 1 was largely management and authority over lands and resources. There are a lot of provincial-like responsibilities relating to water and land licensing that used to be managed down here in our department, and that's now done up in the Northwest Territories.

As a result of that, there will be certain authorities that the Government of the Northwest Territories will have with respect to collecting resource revenues, and it will have greater authority over the decisions on how to make use of that. That allows it to get the best net fiscal benefit out of resource development and look to

investments for the future. It's additional resources, and it will have an impact on the transfer payment that's made by the federal government, so NWT will have an additional amount to what it's getting in the transfer payments.

Some people like to say that it is about nation building and about continuing our nation building.

There is a lot of work that was done together with aboriginal groups in the territories. There are a number of aboriginal parties there that have agreed with the government on how to manage resource revenue sharing. It was agreed that 25% of resource revenue sharing will be given to aboriginal groups, and that was in the context of devolution.

They're hoping, and we all hope, that the ultimate impact of devolution will be something in the order of about \$20 million in spinoff benefits and that there will be an opportunity for even more development in the future.

We've retained responsibility in the federal government for certain environmental remediation. Federal contaminated sites that were identified before devolution will remain the responsibility of the federal government, and there will still be some. Ones that become known and apparent after devolution will be the responsibility of the Government of the Northwest Territories.

Those are a few of the impacts. In some respects it sounds as though we've transferred licensing over water and land, but in fact it was significant and was certainly celebrated in the Northwest Territories.

•(1645)

Mr. John Barlow: That takes me to my next question. I know that something of this substance and magnitude probably can't be enacted and completed in a short period of time. You said it came into effect on April 1. What's happened between April 1 and now? What is yet to be done for this to be completed, and how do the funds you're asking for today help bring that to reality?

Ms. Colleen Swords: Well, you're absolutely right, it did take a lot of work. There are still a few pieces that are being conducted in order to finalize, and hence the amount that appears in the supplementary estimates.

Basically, what we're still working on is that we have to finalize some of the books. There are a few legal records and things that have to be managed in the transfer. We're working on advertising still in northern media to make sure that people know they don't go to the federal government anymore but to the Northwest Territories government. We're also working on an implementation report that will identify some lessons learned for the next time we do devolution.

Since devolution came into effect, three additional Northwest Territories aboriginal groups have signed off to become party to the devolution agreement. That's significant and important for the long-term success of devolution. That's Salt River First Nation, the Fort Liard and the Acho Dene Koe, and the Deninu K'ue First Nation. Now we have eight aboriginal groups who are party to the devolution agreement, and as I said, three joined on after devolution.

We're finalizing our commitment to funding the devolution agreement. Finance Canada is working on its continuing funding and transfers to the Northwest Territories. The amount of \$3.4 million is in these supplementaries. As I said, it's really about finishing up some of the main work that was done in the previous year.

About \$1.5 million in that \$3.4 million is for federal operations that are required. About \$1.8 million of it is actual transfers to the Northwest Territories. There are a few settling of accounts that need to be done, deferrals, and so on. When you have an operation of this magnitude, there remain a few things to tie the bow on.

We also have a little bit of money going to our friends in Public Works and Government Services Canada. A cumulative impact monitoring program is being transferred to the Government of the Northwest Territories in the course of this, and that's had an impact on the money that we will be transferring to Public Works.

In a nutshell, that's what it is. It really has been a success story. It did take an awful lot of work on the part of many people in the Northwest Territories government and many people in the federal government and a lot of political will in order to accomplish it in very tight timeframes.

The Chair: Thank you.

I'll turn to Ms. Bennett now for the next round of questions.

Hon. Carolyn Bennett: Thank you, Chair.

Thanks very much, and welcome.

I'm concerned here, because the minister seemed to indicate that there had been a mistake in the departmental performance report around consultation with respect to the FTEs. On page 34 of the performance report, the money is interesting, but it says that planned FTEs were 48.1 and actual FTEs were 26.1—down 22.

The minister seemed to say that actually the planned was 26. That's quite an error. As a new deputy minister, that must concern you.

• (1650)

Ms. Colleen Swords: The difficulty we have now is that we used to report to Parliament in the DPR at the program level. We didn't divide up the planned FTEs and the actual FTEs in the past at what's now the subprogram level. We're still working out exactly which...

At times, you can have an FTE that's doing a bit of different subprograms. If you look up at the program level, it's correct and accurate. When you get down into the subprogram levels, we had to do a certain amount of adjustments in trying to figure out exactly how it will work at that level.

I think we'll get better and better at this as we are refining, but we did not have to do that in the past. So it's not an error at the program level, if you look on page 29.

Hon. Carolyn Bennett: But in the money...? On page 34—

Ms. Colleen Swords: No, I'm just talking about the FTEs.

Hon. Carolyn Bennett: Yes. Well, in the performance report, looking at "Sub-Program 1.2.4: Consultation and Engagement" on page 34, it looks like it's gone down from 48 planned FTEs to 26 actual. But that's a \$3.5-million difference.

Ms. Colleen Swords: I appreciate your concern. I'll certainly be looking into it to understand exactly what this is referring to.

My understanding is that in the past, this item of consultation and accommodation related to funding that we were giving to aboriginal representative organizations for their core funding. In fact, we give \$20 million a year to aboriginal representative organizations for their core funding. There are 46 of them across the country.

Clearly that funding is not all coming out of this line item anymore. I think this line item is being used to identify more work that we're doing on what we call ATRIS, which is a treaty registry and information system. We have a small group that operates as a consultation and accommodation unit to give advice and help train other government departments.

What gets misleading is that it sounds as though that's the entire amount of money we spend on consultation and accommodation, and that isn't correct. The department and many departments that have regulatory responsibilities are spending a lot of time on consultation and accommodation. This particular item gets more at what is going out to organizations for that.

What it misses, though, is the strategic partnerships initiative. With regard to the Ring of Fire in Northern Ontario, we've given a significant amount of money to the first nations in the Matawa group so they could build up their capacity to consult. That appears under the strategic partnerships initiative fund instead of under consultation and accommodation.

The title of the program doesn't capture everything that consultation and accommodation constitutes.

Hon. Carolyn Bennett: Obviously it's a sensitive topic. Even when the minister referred to the Yukon bill, he said that people liked most of it, but didn't like those four. I think people want greater transparency and accountability around who did it, what they heard, and what happened to what they heard. Certainly we heard from the Yukon chiefs yesterday that they weren't consulted on those other four parts that got added in after the consultation. Are you able to tell us anything about that?

Ms. Colleen Swords: What I can tell you—and this doesn't appear in that heading—is that we actually did provide, it looks like, \$149,000 to different aboriginal organizations in Yukon for consultations on the legislation.

There were consultations. I believe the issue—

Hon. Carolyn Bennett: I think it's not the way the bill is written now, because the consultation was on the bill in its previous form. Since then there have been these four bits that everybody hates and feels they weren't consulted on at all.

• (1655)

Ms. Colleen Swords: My understanding is that there were consultations on various iterations of the bill, but the first nation communities in Yukon would have liked to have more consultation. We did fund consultations with them, and the amount for those doesn't actually appear in that consultation and accommodation item.

Hon. Carolyn Bennett: On the issue of how it's reported, we feel very strongly that not only members of Parliament but also Canadians need to be able to understand where the money goes and how the reannouncement of the reannouncement, or the shell stuff around the infrastructure money losing A-base funding.

How do you as a new deputy feel that you can help people know where the money's going?

As you know, we are pretty disappointed that even the departmental documents on the 2012-13 performance report on Nutrition North said that the cost of the food basket went down 8%, when it actually went up 2.4%. What do you do when you find that you've tabled misinformation in Parliament?

Ms. Colleen Swords: I don't think we've tabled misinformation in Parliament. We do our best to report regularly through the report on plans and priorities, the estimates, every supplementary estimate, and the DPRs.

We do have to reallocate funding throughout the year. We have over \$8 billion in the department that is funded under various programs, and in different years different programs require additional money depending on demographics and the need in a particular year.

Infrastructure itself is a program that we have a five-year investment plan for, but that can change. You can have a particular community that has a fire in a school and something has to change. You can have a situation in which you plan to fund something and then for whatever reason the community decides they want to change the overall scope or additional funding is required and something slips and you can't spend it that year.

Rather than having it lapse, we then move it and identify it for other years.

Hon. Carolyn Bennett: And it looked like—

The Chair: Ms. Bennett...

Hon. Carolyn Bennett: —money that was supposed to go to infrastructure went to social programs and education.

The Chair: Ms. Bennett, your time is up. I apologize that you weren't aware of that. I did want to give Ms. Swords the opportunity to finish that initial question.

Mr. Strahl, we'll refer to you now for the next question.

Mr. Mark Strahl: Thank you, Mr. Chair.

I know we will have a chance to debate Bill S-6, if and when it's referred to this committee, but more than \$98,000 was provided to Yukon first nations for consultation, specifically on the four items of

concern they have raised. They requested \$149,000 but were only reimbursed for about \$99,000 because of the production of receipts. We'll have that discussion, perhaps, when that is referred.

I want to ask about the line requesting additional funding for Mi'kmaq education in Nova Scotia. That is an education system for first nations that is held in very high regard, having a higher graduation rate than, I believe, the Nova Scotian rate, so they're obviously doing something right there.

Can you talk a little about that system and explain what the additional resources are going to be used for.

Ms. Colleen Swords: Thank you very much.

Yes, the Mi'kmaq Education Act and the Mi'kmaq agreement are very successful and are our model for first nations education for the country. It's what we call a sectoral self-government agreement. It's a self-governing agreement for the Mi'kmaq that relates to education and has contributed significantly to closing an education gap between the Mi'kmaq communities and the children there and the provincial school system. At the same time it's provided culturally relevant programming, including Mi'kmaq language and culture. It came into effect in 1997. There were nine of 13 first nations then and now the agreement covers 12 of the 13 first nations in Nova Scotia. I think that in itself shows you a bit of the success; the fact that more first nations have chosen to join.

The annual report put out by the Mi'kmaq education authority reports a high school graduation rate of 87.7% in 2012-13, which is really significant and a clear indication of success. Their attendance rate is 86.3%, which is also very good, and they end up with about 100 post-secondary graduates every year. All the indicators are of a very successful program.

There have been two new schools in the past three years through capital funding provided under the agreement. They have a really good relationship with the province. That's another lesson we've learned through this, that a close relationship with the provincial education system is often very useful to achieve good success.

The funding in the supplementary estimates relates to the fact that the 12th first nation joined and that was the Glooscap First Nation, so this allows the funding they have to be moved out of the First Nations Education Authority, which we had before, into a self-government agreement.

It's not really new funding; it's a transfer from one to another.

• (1700)

Mr. Mark Strahl: Thank you.

Another item that caught my eye was funding for out-of-court settlements.

I know you can't disclose what those were for probably, given the confidentiality agreements that often accompany them, but maybe you could explain how many we are talking about. Is this one; is this 10?

Ms. Colleen Swords: It is one single out-of-court settlement, but it relates to eight individuals. It relates to abuse in a school in one of the provinces. I don't want to give any of the details because I think it's fairly sensitive. The schools are not part of the residential school settlement itself, but they were run, in part, by Canada and there was a decision that there should be a settlement.

Mr. Mark Strahl: That's all I have, Mr. Chair.

The Chair: Thank you. We'll turn to Mr. Genest-Jourdain for the next questions.

[*Translation*]

Mr. Jonathan Genest-Jourdain: Good afternoon.

Supplementary estimates (B) allocates \$1 million for out-of-court settlements. Is it possible to get some identifying information on these out-of-court settlements? What specific settlements is the funding being requested for? What was the nature of the litigation pertaining to these out-of-court settlement agreements?

Ms. Colleen Swords: I already answered that question.

Mr. Jonathan Genest-Jourdain: Indeed you did.

[*English*]

I wasn't paying attention. I'm really sorry.

The Chair: The question has already been answered.

[*Translation*]

Ms. Colleen Swords: That's the same question I just answered.

[*English*]

The Chair: Does anybody have any additional questions?

Mr. Genest-Jourdain, did you have some follow-up questions?

An hon. member: What's that?

The Chair: I'm sensing that members have completed or exhausted their questions.

Ms. Hughes, do you want to take the remainder of the time?

Mrs. Carol Hughes: Sorry, I'm just trying to get some sense of this.

He was asking some questions, and then—

The Chair: He asked the same question, which had just been answered.

Mrs. Carol Hughes: Oh, okay.

The Chair: So if you have any follow-up or additional questions, we'll turn to you, Ms. Hughes.

Mrs. Carol Hughes: Okay, perfect.

I want to go to the infrastructure piece. Again, when we're looking at—I had seen it in the document here—community infrastructure, the supplementary estimates request an allocation of \$44.8 million to support the construction and maintenance of community infrastructure, such as water treatment facilities, school boards, roads, and other capital projects

I'm wondering and you could maybe correct me if I'm wrong with respect to the amount of dollars being invested, but could you tell me how much was actually cut from the previous budgets compared to

what is being allocated now, given the cutbacks that every department has had? How is this impacting on infrastructure dollars being transferred over for education or social purposes into the first nations?

I'm trying to get some sense as to whether we will be able to meet our infrastructure needs, given that the cuts seem to be happening. Is the department or the government actually taking some of that money from infrastructure and putting it into education for the shortfalls?

Ms. Colleen Swords: There have been no government cuts to infrastructure. In fact, over the course of the last five or six years, there's been additional funding—I don't have all the figures here, but we can get them for you—provided for water and waste water under the first nations water and waste water program, which is additional to what we call our A-base.

There's been additional funding for schools provided in 2012. We got an additional \$175 million for three years, and the Prime Minister just announced the \$500 million that we have for schools over the next, I think it's five years...or is it six?

• (1705)

Mr. Scott Stevenson: Seven.

Ms. Colleen Swords: Forgive me, it's seven years.

We also had additional money in the context of the economic action plan. I think it was budget 2008-09 that was dedicated to infrastructure. Some of it was used for schools. Some of it was used for water. Some of it was used for housing and housing preparation. There haven't been any cuts.

What we're reflecting and talking about are reallocations that are done in-year, when you find that a particular planning for funding of a project you have can't be spent. That can happen when you have a large project that requires contract awarding, the contract comes in, the bids come in at too high an amount, so you have to redo it, and then it ends up in a different fiscal year.

Infrastructure often requires multi-year allocations and multi-year funding. It's very hard, with the amount of infrastructure funding that we have, to get on the nail every single year the exact amount. We don't lapse that funding. We use it for other programming that relates to the needs of first nations.

Mrs. Carol Hughes: You are actually taking funding from the infrastructure pot and reallocating it to education and maybe some of the social programs.

Ms. Colleen Swords: When there is a need in a particular year, we do reallocate as needed, to make sure that all of our requirements are met. With some of the programming that we have, we're kind of price takers; it depends on the number of students you have in a particular year. Whereas with infrastructure, there's a little more flex. We can say that we're going to spend the money this year or in the next year.

The Chair: Mr. Genest-Jourdain, you had a follow-up question.

[*Translation*]

Mr. Jonathan Genest-Jourdain: I have a short question.

Supplementary estimates (B) seeks \$38.2 million in funding for the construction of the Canadian High Arctic Research Station. Does the construction of the research station afford northerners any opportunities? What about Inuit? Will it have an impact on them? Were the potential benefits on Inuit populations in the north taken into account?

Ms. Colleen Swords: We hope it will have a significant impact on the community of Cambridge Bay.

[English]

There will be a strong science and technology international world-class facility there. There will be researchers and people coming from all around the world. There will inevitably be opportunities for the community to provide services to them. Students who are there will be able to take part in some of the tours, internships, and so forth in that community. There is a strong effort to make sure that Inuit students from that area are exposed to the kind of science and technology that will take place.

The building isn't done yet. The ground was broken in August of this year and the building won't be completed until 2017. There won't be specific opportunities for students until then.

There has been about, I'm just reading here, 15 work packages. Parts of the program have been tendered. It's about \$30 million so far and 60% of those contracts were undertaken by Inuit-owned or the NTI-registered firms. There is a strong effort to make sure that as much of the procurement as possible goes to Inuit organizations.

[Translation]

Mr. Jonathan Genest-Jourdain: Thank you.

[English]

The Chair: Thank you, Ms. Bennett.

You just had one follow-up question. I'll allow a short question, then an opportunity for the answer, and then we'll opt to adjourn.

Hon. Carolyn Bennett: Definitely. I need to know, in terms of the Arctic, what is the status of the polar shelf project in Resolute and Tuktoyaktuk, and do we have a reason why there's a new one there rather than adding on to the two that already existed? I would love that in a written answer.

I'm following up on Carol's question. In this document that was released during the Cindy Blackstock hearings where it says the resulting gap from internal reallocation—

The Chair: Ms. Bennett, I'm sure there will be opportunities to question with regards to other reports. Is there something with regards to—

• (1710)

Hon. Carolyn Bennett: No, no. This is about the infrastructure funding—

The Chair: Okay, so it's about the estimates.

Hon. Carolyn Bennett: —meaning it's still in the estimates. The question I—

The Chair: Let's bring it back to the estimates if you can.

Hon. Carolyn Bennett: Yes. It is the community infrastructure, the \$44.8 million to support from the supplementary estimates (B), but it sits on top of the reality that \$505 million was removed from

the A-base funding. It says, “This ongoing reallocation is putting pressure on an already strained infrastructure...and has still not been enough to adequately meet the needs of social and education programs.” They've been taking from infrastructure, moving to social and education, and adding huge pressure to infrastructure needs. Taking \$505 million out of A-base funding and then putting \$44 million back in, in supps, doesn't seem to make any sense.

Ms. Colleen Swords: Let me speak to the supps themselves. That \$44.8 million relates to funding for operation return home for what we hope to accomplish as soon as we can with respect to getting people, the evacuees, back into their communities.

A small amount of that also relates to refunding money that we advanced for the High Arctic research station and now we're getting reimbursed through supps. There are a lot of times when money is allocated and then moved back and forth in order to accomplish all the objectives.

Hon. Carolyn Bennett: In this document it says it's been going on for six years. Continually money is being taken from infrastructure and moved to other programs.

Ms. Colleen Swords: We also every year, when we have funds available, allocate additional funding into infrastructure projects that are—

The Chair: Ms. Bennett, I think I promised you a short question and a fulsome answer. I think that is done. Was there one additional question over here, Mr. Clarke?

Mr. Rob Clarke: Yes, thank you, Mr. Chair.

I'd like to ask the witnesses here, with the old food mail program that was designed under the Liberals, is it correct at that time—

Hon. Carolyn Bennett: It's not in the estimates.

Mr. Rob Clarke: Let me finish, Mr. Chair.

Anyway, what I'm kind of curious—

The Chair: I'm going to give only the same latitude as I gave to Ms. Bennett. If it's not in the estimates, we're not going to hear an answer.

Mr. Rob Clarke: Comparing Nutrition North with the food mail program—

Hon. Carolyn Bennett: It's not in the estimates—

The Chair: Ms. Bennett, I will rule.

If you bring it—

Some hon. members: Oh, oh!

The Chair: Colleagues, we're almost at the end of this meeting. Let's bring it back to order.

Mr. Clarke, is there something from the estimates that you would like to ask a question about?

Mr. Rob Clarke: Yes. I'll start with these programs: Nutrition North and the food mail program. Now, what program would be better? One where you actually get food or where you get a carburetor?

Some hon. members: Oh, oh!

The Chair: Mr. Clarke, I think what we have evidence of is that it's time to adjourn this meeting.

We want to thank you, Ms. Swords, for being here.

We want to thank all of you for joining us and spending this afternoon with us.

Ms. Colleen Swords: Thank you very much.

The Chair: The meeting is adjourned.

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