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Chair

Mr. Andy Fillmore

Standing Committee on Indigenous and Northern Affairs

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• (1530)

[English]

The Chair (Mr. Andy Fillmore (Halifax, Lib.)): Welcome, everyone. This is the House of Commons Standing Committee on Indigenous and Northern Affairs. We're meeting today on unceded Algonquin territory, for which we are very grateful.

Welcome to all of those who are here to observe as guests today.

We are meeting pursuant to Standing Order 81(5), supplementary estimates (B), 2016-2017, votes 1b, 5b, and 10b under Indian Affairs and Northern Development, referred to the committee on Thursday, November 3, 2016.

We will be hearing today from the Honourable Carolyn Bennett, Minister of Indigenous and Northern Affairs, who has with her officials from the department, from INAC. We have Paula Isaak, assistant deputy minister, education and social development programs; Diane Lafleur, associate deputy minister; and Paul Thoppil, chief financial officer. Welcome all.

I am happy to turn the floor over to you for 10 minutes. At which time, we'll move into questions. We do have this panel for the full two hours, and we will go as long as we feel is needed today in that time frame.

With that, Minister Bennett, I am happy to give the floor to you.

Hon. Carolyn Bennett (Minister of Indigenous and Northern Affairs): I'm just checking, Mr. Chair, was the change in the date the reason this room isn't televised?

The Chair: We had four committees all wanting to televise today and all with ministers. I think our record of televising every committee put us at the bottom of the list for televising today.

Hon. Carolyn Bennett: Obviously, this is something that needs to be taken to the Liaison Committee, because there is nothing more important than Canadians understanding what's going on. I would really welcome some intervention at the parliamentary level, because this is about reconciliation. It's about people understanding what's happening, and it's a real education for all Canadians.

The Chair: Minister, if I understand you, the idea that we should be able to televise—

Hon. Carolyn Bennett: Or at least webcast.

The Chair: Or at least webcast...yes.

Hon. Carolyn Bennett: I know that the audio will be broadcast, but I do think that members have worked hard, and this is really important.

• (1535)

The Chair: Thank you for that. It's something we've talked about amongst ourselves and that we're hoping to bring some action to. Thank you for that.

Hon. Carolyn Bennett: You have to put up with the fact... I chaired the subcommittee on persons with disabilities for five years. People with disabilities really cared about that committee, and it never got televised. I think there is a lot of work we need to do to make Parliament more open, if we can. Thank you.

It's a pleasure to be back here acknowledging that we're gathered on unceded Algonquin territory, and as you've said, Mr. Chair, to be joined here by the associate deputy minister—Diane, you were here once before—the chief financial officer, Paul Thoppil, and the ADM, education and social development and partnerships, Paula Isaak.

I wanted to begin by welcoming the new critic, Romeo Saganash, in his role as

[Translation]

NDP spokesperson for intergovernmental indigenous affairs.

[English]

I also want to thank the committee for the pre-work you're doing on S-3, and I think I'm back next week doing that, but also for your ongoing work on suicide.

I just wanted to say that we're going to try to organize a screening of *Survivors Rowe*. The link with child abuse, anger, shame, drugs, alcohol, and violent suicide is very linear. I hope that we can make sure that your report is as robust as it can be on those difficult things.

[Translation]

I am here today to discuss the supplementary estimates (B) for Indigenous and Northern Affairs Canada.

[English]

As I said, the last time I appeared, I hope you understand that we understand that the current estimates process is archaic and unclear, and that we're looking forward to the needed reforms coming from the President of the Treasury Board for this broken system.

We have provided a deck of slides to the committee that outlines the initiatives found in the supplementary estimates. We hope that this makes a little bit clearer the request being made of Parliament. We want to begin by reiterating that the government is committed to lifting the 2% cap.

[Translation]

As I have said before, the 2% cap has been lifted.

[English]

The budget took into account the need for growth and cost drivers well in excess of 2%. As you know, the budget 2016 investments mean that within four years, total funding for indigenous programs will be 22% above the level of funding that would have been provided under the previous cap of 2%.

Our government is also committed to jointly designing a new fiscal relationship that will move to a needs-based approach and give first nation communities sufficient, predictable, and sustained funding to ensure their overall well-being.

• (1540)

[Translation]

Last summer, I signed a memorandum of understanding with the Assembly of First Nations to move forward with that process.

[English]

Last week, I was able to meet with the new fiscal relations committee at the AFN, for the second time, to keep going on what that new relationship would look like, and I promised Madam McLeod that it will include transparency and accountability, as they are very keen to deal with that in the new fiscal relationship.

We've also engaged the Métis nation in our process to establish permanent funding for the Métis National Council and its governing members.

As you can see, supplementary estimates (B) reflect a net increase of \$644.3 million in appropriations from my department. That brings the total appropriations for INAC for 2016-17 to \$9.4 billion.

The majority of the spending in supplementary estimates (B) represents the budget 2016 items. In the case of the items appearing in these estimates, INAC was able to internally cash-manage to ensure that we are already delivering on commitments in many important areas.

[Translation]

First Nations children deserve the best start in life. This begins with properly funded education.

[English]

This year, our government has already put funding in place for 130 school-related infrastructure projects, and budget 2016 is also providing \$275 million over five years to support language and culture initiatives for youth.

The \$245.8 million of funding sought by these supplementary estimates will fund additional investments in first nations elementary and secondary education. The money will both address immediate needs and pressures and aid long-term transformation. We anticipate

that nearly 110,000 students will directly benefit from these investments. But there's no question and I want to stress that we know this is just a start.

As we mentioned, we're working to renew the relationship with first nations and are actively engaging with them to reform first nations primary and secondary education.

We'll talk a bit more about the money that was dedicated to initiate those reforms later on.

[Translation]

I would now like to turn to a priority issue, which is the prevention of family violence.

We have launched a truly national, independent inquiry in to the ongoing tragedy of missing and murdered indigenous women and girls.

[English]

As we've said, we are also not waiting for the results of the commission. We have taken immediate action this year on the root causes, with investments in women's shelters, housing, education, and child welfare.

The supplementary estimates (B) are requesting \$4.8 million in funding to better support, through the family violence program, the existing network of 41 shelters for victims of family violence. This represents the first year of budget 2016 funding, which is \$33.6 million over five years and \$8.3 million ongoing. We are also investing \$10.4 million over the next three years to support the renovation of existing shelters and the construction of five new shelters in first nations communities.

As you know, the other urgent area of need is child welfare.

We recognize that first nations require funds to expand prevention programming and provide additional front-line capacity. The goal is fewer children in care and fewer children who enter the system.

I look forward to discussing the issues with you further during your questions, as well as the areas in which the dollars seem not to have rolled out and will roll forward into next year, in both education reform and in the claims process.

[Translation]

I would now like to turn the committee's attention to another significant step in Canada's journey of reconciliation with indigenous peoples.

[English]

In May this year, the government reached an agreement to settle the Newfoundland day scholars class action lawsuit. This settlement includes direct compensation to survivors, as well as healing and commemoration activities. To support this, these estimates request \$53 million in funding for that particular settlement.

Another significant part of my department's mandate concerns the north, and specifically for our purposes here, funding for northern and Inuit housing investments in Nunavik, Nunatsiavut, and the Inuvialuit settlement regions.

I have been in way too many homes, as you have as well, both on reserve and in Inuit and northern communities, where the conditions are truly upsetting and totally unacceptable. These estimates include \$25.5 million to address immediate long-standing needs in these three Inuit regions. Over the two years, budget 2016 is providing \$177.7 million in northern housing investments. Reducing overcrowding and repairing homes will directly contribute to improved health and life outcomes in northern communities.

The supplementary estimates (B) contains many other important investments as well, including \$58 million in funding to continue fulfilling Canada's obligation under the Indian Residential Schools Settlement Agreement, and \$72 million in funding for the specific claims settlements and Specific Claims Tribunal awards.

Ultimately, this funding will contribute to a more prosperous Canada, and will contribute to closing social and economic gaps for first nations, Inuit, Métis, and northerners.

• (1545)

[Translation]

I very much look forward to taking your questions today.

[English]

Meegwetch.

[Translation]

Thank you, Mr. Chair.

[English]

The Chair: Thank you very much, Minister Bennett.

We're going to go right into questions.

This is a seven-minute round of questions, and the first question comes from Mike Bossio.

Mr. Mike Bossio (Hastings—Lennox and Addington, Lib.): Thank you, Chair.

Thank you so much, Minister, for being here again. You have made yourself accessible a number of times, and we really appreciate your coming in to answer our questions.

My first question is that these estimates contain \$71 million for child and family services this year. What is that funding for?

Hon. Carolyn Bennett: There had been pilot projects in a number of provinces on enhanced prevention dollars, how we could get money to agencies that would then prevent those children from coming into care. Those were successful, but it was uneven and therefore discriminatory, because some provinces were getting the money and others were not.

In that money, we have been able to now fund British Columbia, the Yukon, Ontario, New Brunswick, and Newfoundland. We have also added some money to fund all of the agencies, separate from the \$71 million, to get agencies to develop a plan to have less kids in care, as well as to make sure that the cultural competences are there.

That is such a huge goal, in being able to allow children to stay in touch with their culture and language, and to secure the personal cultural identity that we know is very much responsible for better health, education, and economic outcomes.

That's the bulk of the money. Then, there is, as you know, other money for Jordan's principle that's come as well.

Mr. Mike Bossio: That leads into my next question.

You're clearly very focused on reforming the child welfare system. Can you explain why?

Hon. Carolyn Bennett: As I think Grand Chief Ed John said just last week, the system has to change. It's broken. We have more kids in care than at the height of the residential schools. As we learned from the B.C. child advocate, children are being abused in the situation. Children become abusers and then they get moved from family to family. This is a broken system.

We want to develop a system where communities get money such that they can actually identify the families at risk and are able to put in interventions before the child comes into the system. We want the agencies to do a better job, but we also are hearing, time and time again, that the kinds of planning models that Cindy Blackstock has developed in Touchstones of Hope really work in terms of getting all communities together to make decisions—i.e., what are we going to do about this problem of too many children being apprehended and being sent out of the community, where they do badly?

So many people have said to us...including Ed John, who said it would be a mistake to read his report simply as a demand to get more money and control of child welfare for first nations. This has to be a real and significant change. Unfortunately, we're also hearing stories of certain provinces that are clawing back the money that's been given. We actually need to reform a system that is accountable for the results.

When you listen to the kids in care, it just breaks your heart. These are kids who've been separated from their siblings, just like with residential schools. These are kids who have been put in very religious homes, where they're told that their indigenous ways are not right. Some kids have obviously been put at huge risk when coming out as gay or lesbian, or having suicidal ideation, where the response is that you can't kill yourself because you'll go to hell.

This is awful. That's why we're trying, and why I point to Cynthia Wesley-Esquimaux, who is out and talking to communities, talking to provinces and territories. We have a system right now where we pay, as the federal government, for the provinces and territories to deliver the system, and kids aren't doing well. I want to be accountable for the results.

• (1550)

Mr. Mike Bossio: This is moving more towards a system of long-term, stable funding that's community-driven, in essence.

Hon. Carolyn Bennett: Yes. It will be a blend of experts, front-line workers, the kinds of people who really know what's happening on the ground, but we're developing a summit for when the provincial ministers will meet, and we want them to hear from the kids first. You cannot reform the system without listening to the young people who have been involved in the system or who have aged out of the system.

Mr. Mike Bossio: What do you think the appropriate funding levels should be for child and family services?

Hon. Carolyn Bennett: That's exactly what we have to find out. That's why we're going into each of the communities and asking what their needs are. Needs-based funding means you have to ask questions. What are the needs? What would it take to wrap services around a family or around a community, to look after these children who are perceived at risk, without engaging the system? Then what money do the agencies need to have well-trained people who are attitudinally correct about the goal to have fewer kids in care?

We also are very worried in that poverty should not be interpreted as neglect. We have to deal with poverty as an issue that is quite separate from neglect. If there's no food in the fridge, you get some food in the fridge, and you wrap those services around that family. Don't call it neglect and then go and apprehend the child.

Mr. Mike Bossio: Thank you, Minister.

The Chair: The next question is from Cathy McLeod, please.

Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC): Thank you, Chair. Could you interrupt me when I have one minute left, please?

The Chair: Sure.

Mrs. Cathy McLeod: Thanks.

Thank you, Minister. Of course I always appreciate your coming to committee. You've been very generous with your time in the year that I've been on this committee. I do want to thank you for that.

I'll start with the education piece, because I think the education piece is very important. Just quickly, you identified helping 110,000 students directly. From the last numbers I looked at, there were about 120,000 students, of which 60% or 63% were in band-run schools. Is that accurate?

Some of my questions will be technical, so I know you might need to refer to your officials.

Hon. Carolyn Bennett: Paula, do you want to just say what the percentage is?

Ms. Paula Isaak (Assistant Deputy Minister, Education and Social Development Programs and Partnerships Sector, Department of Indian Affairs and Northern Development): That's

roughly accurate. Children go on and off. They transfer quite a bit over the course of a year, so those numbers change quite a bit from year to year, but it's approximately that amount.

Mrs. Cathy McLeod: Thank you.

In British Columbia, of course, we're pretty proud of the organization that we have created around education. However, I know that not all communities have gone down that path, which is why, certainly in the past, it was felt that there needed to be a lot more done. I just want to take this quote from the reports on the estimates from the parliamentary budget officer. I understand he also has another report coming out in a couple of days. I wish that report had been here before we were having these questions because I'm sure he's going to bring some additional things to our attention.

The Education program's goals include supporting Indigenous students to achieve...outcomes comparable to those of other Canadians and funding culturally-appropriate education.... Given these authorities, [we] may wish to seek clarification on metrics to meaningfully assess the Government's effectiveness in implementing the program.

Certainly your most recent departmental performance report priorities do not contain anything in terms of a comprehensive, provincially comparable suite of performance metrics. You know, I'm one who believes like FNEC and like the provinces that money is important. However, without having some structure, we're heading down a bad path. If you could, just give a short answer to that question because I have a whole host of others. Where are you at in terms of developing these metrics?

Hon. Carolyn Bennett: As we learned through the education act debacle, these indicators need to be jointly sorted out, and as we're developing each of the education systems, those systems are going to start out with what indicators they want. We know literacy-numeracy rates between grade 3 and grade 4 are really important. Obviously, attendance is important and leaving high school is important, but the amount of land-based programming, I think, is really important to success, and so are the language and culture programs. We want to see different metrics that are really what the kids know they need to be successful.

• (1555)

Mrs. Cathy McLeod: Do you ultimately see that there will be or will not be a legislative framework for education?

Hon. Carolyn Bennett: It will depend on what the.... There may be certain agreements that we make that the system would like embedded in legislation. We have yet to make a decision on that.

Mrs. Cathy McLeod: Every province has deemed that legislation is important, but you're stating that you don't think things like standards, even statutory versus contribution agreements.... It would drive me crazy to be going with contribution agreements all the time, but you're saying that you don't necessarily believe a legislative answer is where you're going.

Hon. Carolyn Bennett: Where we're going is to build systems where there would be a final agreement with terms and conditions for funding. We hope to provide long-term, stable, predictable funding so that the systems actually get the money to hire the teachers, to do the professional development, to do the kinds of things that FNEC is doing in British Columbia. But again, whether that's a legislative framework or the terms of an agreement is yet to be determined.

Mrs. Cathy McLeod: Again, I'm going to go granular because I think sometimes granular is what matters. Let's say we have a high school student in British Columbia who is going to the Lil'wat school for her education. How much per-child student funding goes to that Lil'wat student if she is in the band-run school versus what would go to the province? Has that per-student funding increased over time, or this year? If you can't provide this today because it is granular....

Hon. Carolyn Bennett: Because we've really increased the investments in language and culture, in special ed student success, and in all of those things, yes, the money has gone up. We're starting to see kids wanting to come back to the first nations operated schools because of language and culture, and those sorts of things. But in terms of what the province sets as their per-student funding, the band has to pay the province for whatever they charge.

Mrs. Cathy McLeod: That Lil'wat high school is seeing more dollars for language and education this year coming into their school. Would it be accurate to say that if they have 100 students, they have additional dollars that are supporting language? Are there any standards required for that support?

The Chair: You have one minute, Cathy.

Mrs. Cathy McLeod: I think I'm going to get another round.

I have to give notice of a motion. I have some concerns that over the last little while.... We've had National Chief Bellegarde, the Native Women's Association of Canada, the Quebec women's association, and the Indigenous Bar Association. Every single person who has come to our committee so far has had serious concerns about the consultation...and through some technical amendments.

I would like to give notice of a motion:

That, in light of recent testimony the Committee has heard during its study of the subject matter of Bill S-3, An Act to Amend the Indian Act (elimination of known sex-based inequities in registration), the Committee: 1) suspend its study in recognition of the Bill's technical flaws and inadequate First Nations consultations; 2) resume its study once the Government of Canada has consulted with involved parties and ensured there are no technical flaws; 3) recommend that the Government of Canada request an extension on passing legislation from the Superior Court of Quebec, as recommended by Assembly of First Nations National Chief Perry Bellegarde; and that the Committee report this recommendation to the House.

The Chair: Okay. Thank you for that.

We'll carry on with the questions.

Mrs. Cathy McLeod: Thank you.

The Chair: The next question is from Romeo Saganash.

[*Translation*]

Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP): Thank you, Mr. Chair.

I thank the minister for being here and also for her kind words about me.

[*English*]

I thank the minister for her kind words about my appointment, although I didn't ask for the job. Everybody knows my position on that. We are in this mess because of others, and the burden shouldn't be on indigenous people to fix the problem.

In any case, it's called team work. That is why I'm here today.

I want to start with a point that you mentioned at the outset of your presentation. You said that the 2% cap is now lifted. Can you tell me when that happened?

• (1600)

Hon. Carolyn Bennett: The projections were that budget 2016, with the investments that were there, would take us to 22% over what would have been there with the 2% cap.

Mr. Romeo Saganash: The last figures I saw in that regard showed that the 2% was still in place, even after budget 2016, based on the calculation of base funding programs. I recall that the last time you were here, Charlie Angus adamantly contested your arguments on that. Are there any new developments that allow you to say that today?

Hon. Carolyn Bennett: Diane, who used to be in Finance, is probably the best coach we have on this. Diane, do you want to have a go at it first, on how all this works?

Ms. Diane Laflour (Associate Deputy Minister, Department of Indian Affairs and Northern Development): Sure.

Yes, I recall that the last time we were here there was the issue about the 2%. It was really a timing issue, related to when that question on the order paper came in. The budget had been tabled, but we hadn't gone through the process of Treasury Board approvals and actually putting the money into the estimates. That question was addressed at a point in time when, while the budget had been tabled, we hadn't gone through this kind of process—through supplementary estimates (A) or supplementary estimates (B)—where the funding actually flowed to the department and the 2% cap got lifted through the supplementary estimates process.

Now, when we find ourselves with supplementary estimates (B), we are into our second round of significant funding increase flowing into the department. As the minister mentioned, we are now up to \$9.4 billion in spending this year, which is significantly higher, and over the next several years it will be 22% higher than it would have been otherwise, under the 2% cap.

It was a timing issue, really.

Mr. Romeo Saganash: Right.

The supplementary budget adds \$71 million “to support urgent investments in the First Nations Child and Family Services Program”, but we know from experts and groups, such as Senator Sinclair, Cindy Blackstock, and the AFN, that this is not sufficient to close the immediate shortfall that we have in child welfare, identified as racial discrimination by the Canadian Human Rights Tribunal. That is why I think the House voted unanimously to push for an additional \$155 million by voting for a motion on November 1.

My first question is pretty simple. When will the \$155 million flow? Will it be reflected in supplementary estimates (C)?

Hon. Carolyn Bennett: That's a really important question. We explained the \$71 million, and now we've explained the \$25,000 and \$75,000 that are going to each of the agencies across the country that isn't in this. There's also the money around Jordan's Principle, which is significant.

We are going to flow the money as urgently as we can. We're still sorting out the cost of best practices, and we are probably going to be able to do more. We just don't want the money to be flowed to perverse incentives. We are hearing, unfortunately, that there are incentives in the system where agencies get more money for apprehending children. There are many chiefs and grand chiefs across the country who are also very worried about the clawbacks from the provinces.

We have to make sure the money gets to the kids, and then we will flow the money. That's the work we're doing right now in terms of establishing needs-based funding, but not reinforcing perverse incentives, and making sure more money can actually get to communities.

Mr. Romeo Saganash: The \$71 million, which was announced, I believe, over the summer, without any consultations by the way—

Hon. Carolyn Bennett: The \$71 million was in the enhanced prevention dollars that were in the budget that everybody had asked for, and was literally what we knew we had to do pretty well coming out of the platform.

With that discrimination of some provinces getting it and some provinces not getting it, it was very clear across the country that everybody needed enhanced prevention dollars, and that was the \$71 million.

• (1605)

Mr. Romeo Saganash: Did you provide the explanation, the underlying analysis of that money, as required by the tribunal?

Hon. Carolyn Bennett: Yes.

Mr. Romeo Saganash: To finish on that point, how do you respond to the tribunal's second compliance ruling, which among other things expressed concern that the department's rationale for its current funding is similar to the old discriminatory funding formula of the previous government?

Hon. Carolyn Bennett: We're concerned that there has been miscommunication among the tribunal in what we're trying to do. That's the reason we had asked to be able to better explain those kinds of things in a facilitated conversation with the Human Rights Commission in order for us to come together and figure out how we're not only going to fund properly but fund best practices, and get on with the reform.

Maybe Paula or Diane know what we actually put in the answer to that.

The Chair: Very briefly, if you can.

Ms. Paula Isaak: Some of the discriminatory practice of the earlier funding was the lack of prevention across the country, so that was fixed.

The other piece was that we didn't want to unilaterally change the formula on which the funding was based without doing consultation. We're using some of the existing formulas and ensuring we're doing deep engagement.

The Chair: Thank you.

Mr. McLeod.

Mr. Michael McLeod (Northwest Territories, Lib.): Thank you, Mr. Chair, and thank you to the minister and her staff for meeting with us again today.

I want to thank you for the attention you have been paying to the Northwest Territories. We have had a lot of good discussions, and I'm anticipating we're going to make some good headway on a number of fronts.

One of our biggest challenges in the Northwest Territories is the high cost of living. Getting food and fuel into the communities is something that's becoming increasingly challenging as the effects of climate change are starting to really become issues within our communities.

The solution, of course, is to build roads to our communities, or adequate airports with runways that are long enough to support planes coming in with full loads. Right now we have support coming into a lot of our communities that are only accessible by airplanes coming in with half loads, half the number of passengers, so it's increasing our costs.

I know there has been a lot of work done by the minister and her department. There has been a commitment of \$27.9 million to expand the program. It's all good news, and there's lots of consultation that's been going on in the north. Is there discussion going on with other departments to talk about roads, proper runway lengths, and things of that nature?

Also, could the minister speak a bit about what she's hearing? I've heard from many people that we need to include traditional foods and the ability to hunt, and to cover some of the costs. It's becoming more difficult, because of the price of fuel to go out on the land for the things that we need.

Hon. Carolyn Bennett: Thanks, Michael, and certainly you were there at the very first engagement we did on nutrition north in Inuvik. All those issues were serious, in terms of the planes not being able to come up full, the lack of roads; this was huge. But I think in most places, with a few notable exceptions, the access to country foods has been really resounding. We've heard how hunters and harvesters feel when they can't actually feed their families and their communities in their traditional ways, and there's the high cost of fuel, ammunition, getting their snow machines fixed, and their boat motors. I think that we are very much interested in the engagement and what we've heard of really a total review of the program such that these are the kinds of things that we need.

But we also are hearing people say, why aren't we using dirigibles, the kinds of things that are taking big supplies into mining camps? Why aren't we trying other ways of doing this? Also, the high cost of air fare is a huge issue and, yes, I think we see all these issues facing the north and remote communities in terms of a whole-of-government approach and that all ministries should be engaged in what would be a strategy in terms of quality of life and the things you are addressing.

● (1610)

Mr. Michael McLeod: Thank you.

I think the minister is aware that we have six large aboriginal governments in the Northwest Territories, and all are striving to become self-governing. I really appreciate that we have 10 sets of negotiations and discussions going on, and for the first time in many years, all moving forward. I'm quite happy with that.

We are also concerned that we need to ensure that our voices from the north are heard, and there's really no national organization that represents some of our aboriginal people in the Northwest Territories and that has to change. I think in the spirit of our new nation-to-nation relationship, we have to figure out who represents who, and it's probably going to be a really challenging task, but as we move forward with the UN declaration, with the Daniels case, we need to make sure that everybody is heard.

In the Northwest Territories, we have a number of records that we're probably not very proud of. The Northwest Territories has the highest homicide rate in all of Canada on a per capita basis. We're second only to Nunavut on the suicide crisis numbers, and all these things have to be addressed. We need to make sure our people are heard. A lot of them don't feel that they are represented. They don't belong to some of the national organizations, so we have to do some work on that front.

I'm really happy to see that there's some investment in unemployment and family violence prevention programs. I'm really keen on seeing investment in our friendship centres, family centres, and some of the aboriginal programs that exist, such as the sports circle and head start. I think those will go a long way, but we also need to ensure that our communities are able to have safe facilities.

A lot of our communities still don't have RCMP and we don't have these types of facilities, so I want to ask if these programs will be available to us in the Northwest Territories and Nunavut and other areas that are off reserve.

Hon. Carolyn Bennett: I think that you and the northern caucus have done an amazing job, even with the Minister of Infrastructure, and budget 2016 really reflects the fact that you did have a voice and that what was always referred to in the past as on and off reserve was really changed in this budget because of the voices of the north.

There's no question that when we have land claim agreements and self-governing nations that aren't represented by the AFN, we have to find a different way, because we're trying to incent more and more nations to get out from under the Indian Act. We need to make sure that they feel they really have a voice and a place in a nation-to-nation approach.

I really look forward to making that case as we go forward.

The Chair: Thank you.

We're going to move into five-minute questions now. The first one is from Arnold Viersen, please.

Mr. Arnold Viersen (Peace River—Westlock, CPC): Thank you, Mr. Chair.

Thank you, Minister, for being here today with your officials. I really appreciate it.

On several occasions now, we've raised the issue of financial transparency in the House. It was interesting listening to you speak just today about how we give funding to first nations and the provinces are clawing it back, so you seem to be in favour of transparency on the provincial level. When we give finances to the provinces, you want to ensure that those finances are actually being used for what you intended them to be used for.

However, in a number of cases, we don't seem to have the same scrutiny for first nation finances. I have a number of cases in front of me. I was hoping that I could get you on the record as saying that you are aware or not aware of them.

The first one is the Shuswap First Nation, where the chief's family embezzled \$4.2 million over three and a half years. They went to Cuba and Las Vegas. Are you aware of that one?

● (1615)

Hon. Carolyn Bennett: That is in my QP book.

Mr. Arnold Viersen: There is the Kashechewan First Nation, where a man tasked with running a children's breakfast program diverted \$694,000.

Hon. Carolyn Bennett: Yes, we know.

Again, if indeed these are criminal acts, they need criminal consequences. This isn't accountability. This is an allegation of criminal activity. Not only do we take this seriously, but my understanding is that the citizens in those communities really do too.

Mr. Arnold Viersen: There's the Semiahmoo band, where they asked for the information for 18 years. That's another case. Are you familiar with that one? They asked for it for 18 years. The information came out due to the reporting requirements, and now it's no longer available. That information is not around.

Hon. Carolyn Bennett: Still, bands have a responsibility to report to their citizens and to our office.

Mr. Arnold Viersen: It was because of the transparency act that this information came out. Now they're no longer reporting. Are you aware of that?

Hon. Carolyn Bennett: There are some first nations who aren't reporting now because of the transparency act. Some communities that were reporting all the time then decided not to report because they were furious that this had been imposed upon them from the top down.

If people have allegations, they need to actually—

Mr. Arnold Viersen: How about the Samson Cree first nation, where 300 band members have asked the government to do a forensic audit? Are you aware of that one?

Hon. Carolyn Bennett: I am aware of all of those allegations—

Mr. Arnold Viersen: Thank you.

Hon. Carolyn Bennett: —but I'm telling you that the large majority of first nations have their statements up on their websites, or in password-protected websites, or in a telephone book at their band office.

Mr. Arnold Viersen: I'm not concerned about the large majority, Ma'am. It's the cases that are the issue, right?

Alexander First Nation, a nation near where I live, has \$2.1 million of unexplained payments. Are you aware of that?

Hon. Carolyn Bennett: I am aware of that. It is also in my QP book. I just have no understanding.... This isn't really, I don't think, about the estimates.

I also note that I think this kind of questioning.... When there are remedies for this, you call the police.

Mr. Arnold Viersen: Who is responsible to ensure that government funds are spent appropriately—

The Chair: We have a point of order.

Go ahead, Gary.

Mr. Gary Anandasangaree (Scarborough—Rouge Park, Lib.): I think there needs to be some relevance to the issue at hand today. The minister is here to speak about the estimates, and I think we're really going off track. I don't think it's an appropriate line of questioning, so I'd like to ask the member, through you, to limit the conversation to what's at—

The Chair: Arnold, can you bring it back? Are you going to come to the punchline and bring it back?

Mr. Arnold Viersen: Yes, for sure.

Entirely, we're increasing spending and you admittedly have said that when we bring spending through the provinces or whatever, we want to ensure that it is indeed going to where it's going. My question is, every other level of government did this basic democracy.... If I want to know what my town councillor makes or where the town is spending money, I have it in 30 seconds on Google. If I want to know what my MLA's pay is, or his expenses, I have it in 30 seconds on Google. If I want to know what my expenses are, I have it on Google in 30 seconds.

Who is responsible for ensuring the funding that you're giving to bands or through provinces is actually getting spent where you're putting it?

The Chair: Minister, we're out of time on that question. Perhaps the answer could come in under the next question.

To maintain fairness amongst the members, I have to move on.

Hon. Carolyn Bennett: I do want to say that in democratic, elected governments, that is the way that.... We are still disappointed that the Kelowna Accord, which included first nations, got torn up, and now we're rebuilding a new way of going about that such that.... But we have no responsibility—

The Chair: Minister, we have to move on I'm afraid.

Hon. Carolyn Bennett: I do have two hours, Mr. Chair.

Voices: Oh, oh!

The Chair: I know.

Hon. Carolyn Bennett: I could have taken two 10-minute speeches.

The Chair: There will be a whole other round, so I have a feeling there will be lots of opportunity.

The next five-minute question is from Gary Anandasangaree please.

• (1620)

Mr. Gary Anandasangaree: Thank you, Madam Minister. I really appreciate your continued engagement with the committee.

I thank you all for joining us.

I would like to pick up on where we left off with Arnold's questioning.

With respect to the first nations communities, when we go around the country and speak to people, I don't hear the issue of transparency as the number one issue. Drinking water, education, housing, violence—we could name probably 100 other issues before this comes up.

Could you give us a sense as to the direction of our government with respect to this issue in relation to the other issues that I identified and some things that you're working on, please?

Hon. Carolyn Bennett: Thanks, Gary.

I think that we and the first nations really are committed to transparency and accountability. That's the way we want to go, and they want to go that way too.

It is also—just to answer the member—about accountability for results. That's what we want from provinces. It's a question of whether the money got the results that you need, not where every cent of it went but whether it got results. Our job, nation-to-nation, is to sort that out. If there are some bad apples, then we should deal with that. That's why it's exciting now to be working on describing the new fiscal arrangement between first nations and the federal government. There will also be an opportunity to design a transparency and accountability relationship, such that the indicators and the transparency are there.

As you know, we have no responsibility for own-source revenues that come into the first nations. The first nations have a responsibility to their members around that. This is about bottom-up.... It's about citizens actually owning and having the right to the information from their leadership. Otherwise, they should get rid of their leadership. It is the same for us, right?

Mr. Gary Anandasangaree: Thank you.

You mentioned several times that the funding model is based on needs-based funding. Do you believe that the funding envelope that's available now is adequate? If not, what is the gap and where do we need to end up?

Hon. Carolyn Bennett: I think I've said many times in many speeches that this is a first step and that we know this is only a beginning. I think that as we look to do better, we hope there will be certain areas that won't need money in the future, like income assistance and some of the other issues. When we have better health outcomes and better education outcomes, we will end up with better economic outcomes.

Needs-based funding means that we have to go and ask, and ascertain the need. That's what we're doing.

Mr. Gary Anandasangaree: There has been some recent controversy over an apparent lapse in funds, as indicated in the public accounts table this fall.

Could you explain the figures in the public accounts and the discrepancy?

Hon. Carolyn Bennett: Sure. The first one I mentioned was the money that lapsed on education and that was only.... Maybe I'll start with the \$900 million that is set aside to resolve claims. You have to set aside and book a certain amount of money if these claims are agreed upon so that the money is there. If the agreement is not reached, then that same amount of money gets rolled forward into the next year until the claim is settled, and the money would be there for the payout.

The same thing was there in the education piece. We had put some money into the budget to incent and begin to bring people together to develop education systems. The lapse in the education dollars is just because we're very close to getting those education systems, and I hope that we can bring some more money and people together, but that money moves forward into the next year so that, again, there's that money to try to create these education systems.

• (1625)

The Chair: Thank you, Minister.

We'll have to leave it there.

The next question is coming from Shannon Stubbs, please.

Mrs. Shannon Stubbs (Lakeland, CPC): Thank you, Mr. Chair.

Thank you, Minister and other witnesses, for being here.

As a part-Ojibwa woman who represents many first nations, Métis, and Dene people and communities in my northeastern Alberta riding, it's a privilege for me to be able to participate in this committee whenever I can.

I wrote my thesis many years ago on residential schools, harm and responsibility in the system, the generational impacts on identity wellness, and the socio-economic impacts we see today, so it really is a privilege for me to be able to participate in these conversations whenever I can.

I have some questions on nutrition north. I think we all recognize that there are ongoing challenges, obstacles, and improvements that need to be made. I think all of us here just want to ensure in good faith that the best possible approaches are taken to deal with this particular challenge in the north. I understand your department is in ongoing consultations with communities in the north this year on the program. I just invite you, if you would, to tell us a little bit about

those consultations, what's going on, and key learnings that you've undertaken so far.

I'll also just ask you about this issue of traditional hunts and ensuring that local and fresh food is available. Some communities have suggested there should be a subsidy to traditional hunting, and that might also include subsidies for equipment and fuel, so I just wonder if you could give us any insight on what actions the department could take to ensure that traditional foods and meats might be available to residents at an affordable cost.

Hon. Carolyn Bennett: Just to back up a tiny bit, nutrition north actually, unfortunately, only went into the communities that already qualified for the food mail program, but there were many other communities, 37, that were sufficiently isolated that should be included. Our first step was to include those 37 other communities that certainly qualify as remote with expensive food. That was the first thing we did.

Then we said that the system doesn't seem to be working, and, as you know, the big campaign in Nunavut, feeding our families.... People seemed to sense that, although certain food prices came down, somehow at the end of the week when they pushed their shopping cart out, the bill seemed to be higher, and that they used to be able to feed their families, but now they can't. Whether those are things like laundry detergent or diapers, things that you absolutely need, we want to make sure that people can afford healthy food, so that's the negotiation that's going on.

To be perfectly honest, people want to have the tough conversation in these consultations that are going on. Is this a food security program or is it a fairness for remote people program? I know I'm not allowed to say this, but is it for the lawyers in the north to get cheaper pineapples? I'm not sure that was the intent of the program, so we have to have that tough conversation about, "If we pay out this much money, would you be putting it into food security or would you be spreading it more thinly?"

There are a few places where they're worried about herd population and fishing, and where they're not so sure about supplementing the harvesters, but almost everywhere I've been, people want us to explore the kinds of harvesters programs that were there in NTI and other places and what the best design would be to really get harvesters back able to feed their families, their communities, and the elders.

Mrs. Shannon Stubbs: Okay, thank you.

Would you say there's a potential for a proposed pilot program, or is that still—

• (1630)

Hon. Carolyn Bennett: I should have mentioned that. Thanks.

We are already funding a couple of pilot projects with people who have some good ideas. We're going to fund those programs and see if they work. If they work, then that could be put out for other communities.

The Chair: The next questioner is Don Rusnak, but you're—

Mr. Don Rusnak (Thunder Bay—Rainy River, Lib.): Yes, I'd welcome the member from Nunavut here. I think he is an important voice for the north, and I'd like to offer my question to him.

The Chair: Very good.

Don's time is yours, for five minutes.

Hon. Hunter Tootoo (Nunavut, Ind.): Thank you, Don. Thank you, Mr. Chair.

Thank you, Minister, for coming.

I want to start off by saying I fully appreciate the direction that this government and you are taking to move forward on the needs for indigenous people, including Inuit. Also, I'd offer a special thanks for helping save the Maminsarvik program here in Ottawa this year.

In your opening comments, you talked about a needs-based approach. I know in the north, not only in Nunavut but in the NWT and the Yukon as well, we're in the dire situation that we're in because of years of per capita funding. You mentioned in your comments, education and family violence protection, child and family services, housing, all those things. There's funding that's been announced for first nations, which is long overdue.

How do you plan on meeting that commitment for Inuit? We're not on reserve—the way I look at it, Nunavut is one big reserve—but everything flows through the Government of Nunavut. They provide those services to the population.

Maybe I can get an idea of how you plan on seeing that flow through to Inuit through the Government of Nunavut.

Thank you, Mr. Chair.

Hon. Carolyn Bennett: Obviously it's going to be important.

As you know, in other territories and in Labrador, we've been able to fund Inuit housing directly. In your territory, it's done through the territorial government.

We obviously hope, with your help and support as we move to devolution, that the Inuit and the governments will be part of those funding agreements and deciding what the priorities are, how we end up allowing Nunavut to be the master of its own priorities, and how the budget roles out in those ways. We would love your advice on that.

I think that it is such a special place, where the Inuit are the people. We want to make sure.... As you know, in the devolution agreement, more and more Inuit are part of the government, part of the workforce, part of the public service. We want to build that capacity, such that the Inuit are actually in charge of those decisions.

Hon. Hunter Tootoo: Thank you, Madam Minister.

Another big issue up north, and you touched on it with nutrition north.... We all know that program was like a scrambled egg before it even came out of the chicken.

You touched, too, on the old program meeting basic needs. You asked how come it's more expensive now. It's because basic needs, things that were covered and subsidized in the past, came off the list. They're no longer subsidized, so they've gone up substantially. They

narrowed down the items that were subsidized so greatly that everything else just went up. That's the problem there.

I know the last government said that they boosted the funding to nutrition north. They boosted the budgeted amount. As far as I'm aware, that program probably cost the government about \$140 million a year, which is well over the budgeted amount.

Would you be able to provide some historical data as to how much was actually spent on the program, not just budgeted?

• (1635)

Hon. Carolyn Bennett: We can certainly let you know what we're doing now that money gets out the door, but I think you're quite right. I remember being in Iqaluit in 2011 during the election, and everybody was saying this design wouldn't work. It's now time for northerners to design a program that will work for northerners and for us to fund the pilots to be able to find out what would work and what would be the fairest thing in the design and the focus of the program.

The Chair: Thank you, Minister.

We're going to the three-minute question now, which is from Romeo Saganash, please.

Mr. Romeo Saganash: Very quickly, I want to pick up on the discussion on nutrition north because I think we seem to be missing one aspect here. It's not just a question of adding dollars to allow these communities that don't have access to the program. I'm one of the NDP MPs who wrote to the Auditor General and asked him to examine the problem with the program. One of the problems he outlined was that the program wasn't benefiting the people who were supposed to benefit. It wasn't reaching the consumers.

The other conclusion was that the department responsible for the program, which is your department, did not have mechanisms in place to verify where the money was going, in spite of the fact that we were spending over \$60 million a year on the program. Do you have that in place now?

Hon. Carolyn Bennett: I think Paul wants to say how you do that now, but it needs a total renovation because it goes to the stores instead of to people. The original food mail went to people. This goes to the retailers, and that has been much more difficult to sort out.

Mr. Romeo Saganash: Is the mechanism in place now? That's what was lacking. I wouldn't like to see more money being poured into the program if we don't have that mechanism in place.

Mr. Paul Thoppil (Chief Financial Officer, Chief Financial Officer Sector, Department of Indian Affairs and Northern Development): Thank you for the question. A compliance regime has been put in place in our agreements between the department and the retailers that deals with the data verification and compliance issues you are citing.

Mr. Romeo Saganash: Just a final point on that, is it the intention of the government as we speak to undertake a major overhaul in reforming the program?

I know you've had several consultations in the north. I've asked for a consultation in that riding. You accepted my invitation over a year ago; I'm still waiting for you.

Hon. Carolyn Bennett: I'm going to get there, Romeo. I promise.

Mr. Romeo Saganash: I think that's one of the issues that the people in my riding would like to address with you.

Hon. Carolyn Bennett: I believe there's going to be an overhaul. That's certainly what we've heard. The consultations went on throughout the summer, and we didn't hear too many people in love with the program the way it is right now. I would love your help on what will work to make the food affordable, but also I think, again, the programs around country foods are going to be hugely important as well.

The Chair: Thank you, Minister.

We've been through one complete round of questioning, and I'd like to ask committee members if they have an appetite for another round or where we are.

Mrs. Cathy McLeod: Absolutely.

The Chair: Absolutely? Another round. Okay, it sounds as if we'll do another round.

We'll go back to the Minister, and we'll go back to the seven-minute rounds. The first question is from Michael McLeod, please.

Mr. Michael McLeod: Thank you, Mr. Chairman.

I want to, for the record, state that I'm glad the transparency act is gone. I've seen it as a tool to suppress aboriginal people. It was not doing us any good; it was tripping us up.

Most of the communities were not able to meet the obligations that were required under it. Any aboriginal governments that had companies were forced to disclose. It made them lose the competitive edge. Most of these aboriginal communities, band councils, are in small places where everybody knows everybody else. If one company discloses its financial state, it loses its competitive edge. That, at the same time as slashing the budgets in our band councils, almost brought everything to a standstill. Some band councils were cut almost 40%. It was down to who stays, the chief or the band manager? They couldn't operate like that. We couldn't continue like that. It brought us to a level of despair that we're trying to deal with now.

I think we need a lot more investment. I made that clear on a number of fronts, but even issues like housing pretty much came to a standstill in the last 10 years. We are facing a housing crisis in the north, and we've heard through our suicide study in the community visits that housing is probably a main contributor to.... If we solved the housing issue in our communities, we would probably solve up to 50% of the social issues.

I'm happy to see that, in the north, you're providing funding directly to some of the aboriginal governments. We have to move past discussions or negotiations and trying to resolve disputes, and get the aboriginal governments to move into a mode of governing.

While we now have money for the Inuvialuit in the Northwest Territories to start doing housing—they're opening a housing program—are we going to start looking at other aboriginal

governments? I'm talking specifically in the Northwest Territories because that's who I represent. Are we going to start looking at allowing them to start delivering programs for their own people?

• (1640)

Hon. Carolyn Bennett: It's how I define my job. It's that I want to move from delivering programs, funding programs, and playing “red light, green light” to building indigenous-led institutions. That's where we have to go.

Nation to nation means the nation gets to decide on their priorities, and how they spend their money. We know that some have a better capacity than others. That's why we rolled out the housing money for south of 60° in three tranches, because the communities who were the best at filling out applications may not be the communities with the greatest need. We rolled it out in three tranches so we could help the communities with more need to be able to avail themselves of the budget 2016 dollars. We're learning how we build best.

One of the other things that drives me crazy is the communities that are in third-party management. From Chuck Strahl's time, we knew that third-party management doesn't work. It's too costly, it doesn't build capacity, and if people are in third-party management, they don't qualify for the CMHC housing. We have to change this way of doing it.

We're very excited that communities like Conne River are helping communities like Natuashish and that CESO executives are in helping the communities without as much capacity to be better at filling out reports and forms. How do we build capacity such that everybody can take advantage of the money that is available as we try to close these gaps?

Mr. Michael McLeod: I also think we need to look at the direction that was provided to CMHC to discontinue the social housing agreement funding. It's on a declining funding basis. By 2038, we're going to have no social housing operation dollars, so we're going to be in a real crisis.

Hon. Carolyn Bennett: Do you think there should be an indigenous CMHC led by the indigenous community?

• (1645)

Mr. Michael McLeod: I think there should be more investment in indigenous housing and there are different levels of need in all our communities. From home ownership to affordable housing to homeless shelters to social housing, all these have to be addressed. There is no one funding pot that has a broad enough mandate, so I think we have to be creative.

The other areas are self-government and land claim negotiations. I want to encourage you to take a good look at the mandate. We have lots of discussion going on in the Northwest Territories. However, our mandate with the government was drafted in the 1970s, so some things are not relevant anymore and the situations and conditions have changed. If we don't want to follow a cookie-cutter approach, we need to change the mandate. I'm wondering if you could just tell us if there is anything being done there.

Hon. Carolyn Bennett: I'm excited by all of these exploratory tables where we have, what...?

Mr. Paul Thoppil: It's 32 now.

Hon. Carolyn Bennett: It's 32 mandated and others in the wings. We are going out and asking communities about what they need to be able to get an agreement, even on just the fishery or just education. It doesn't have to be a full, final agreement on a treaty level, but I think we're doing interesting things that are going to get us moving to more and more self-governing nations and the ability to really talk about nation-to-nation.

The Chair: Thank you.

The next question is from Cathy McLeod, please.

Mrs. Cathy McLeod: Thank you.

I'm going to go to the Indian residential school agreement and then I hope to get back to education, so I hope to get a few things in.

If you look at the supplementary estimates (B), regarding the funding support for the independent assessment process and compensation to former students who suffered sexual, serious physical, or serious psychological abuse, some of the money was to go towards supporting professional counselling and emotional support.

I was really concerned with a story—and I think it's just absolutely appalling—about one of the counsellors who was paid to support residential school survivors who overbilled the government by about \$360,000 by charging 28.5 hours for a 24-hour period. It's so appalling. It's unspeakable.

I know, and I think all of us here, experience some pretty good scrutiny when we put our expenses in, in terms of financial services and what they pay and what they don't pay.

What steps are being taken to ensure this doesn't happen again and that the services are going to the people who are so desperately in need. Again, I think we can all agree, I can't see an invoice going through and actually being paid with that kind of extraordinarily obvious misappropriation.

Hon. Carolyn Bennett: I couldn't agree with you more and I know that Minister Philpott is really engaged on this, as with the situation that was raised about Kashechewan. We need to be transparent about these issues and have many sets of eyes observing, so that we can find these things.

In my city of Toronto, they've now just realized that they are paying out for more prescription opioids than it is possible to take without being dead. You cannot take that many in a day and still be breathing. When you look at those kinds of things that unfortunately are still happening, the music has to stop and we have to look. It is

when these things come out that we actually realize how people have been gaming these systems, and this unfortunate industry—

Mrs. Cathy McLeod: Yes....

Hon. Carolyn Bennett: —has been preying on indigenous people for a very long time.

Mrs. Cathy McLeod: I agree with you, in terms of creating structures and empowering, as I think you said, indigenous-led institutes, but I also have to say my two bits' worth. You can bet the community would have known how much time the mental health service counsellor was there. You can bet the community would have known if it was supposed to have a hot lunch program, and it would have said, "Oh, we're supposed to have a hot lunch program, and we don't have one."

So if indigenous-led institutes are not empowered, community members should be empowered to know what's coming into the community and what it's for. As I said, I could go back to those business statements. There's one line and it's not giving away any competitive advantage.

But I have to go to education. I have to make my comments on that. Ultimately it's the people in the communities who should hold their leadership to account, and if they don't have access to basic information, they can't do it properly. I just find it very, very upsetting, and certainly, the phone calls that I get are very upsetting.

To go back to the language—

• (1650)

Hon. Carolyn Bennett: But, Cathy, I do want to say that most first nation citizens across this country have total access—

Mrs. Cathy McLeod: I agree.

Hon. Carolyn Bennett: —to every single line in the audited statements. It's very rare—

Mrs. Cathy McLeod: Those 10% of people matter, though.

Hon. Carolyn Bennett: I don't think it's even that high.

Mrs. Cathy McLeod: They matter.

Hon. Carolyn Bennett: It's not that high.

Paul knows everything.

Mrs. Cathy McLeod: It is a lot of people, and I think for those people who are impacted, it does matter. I agree that for the vast majority, everything is good. But it's just like the situation with this mental health counsellor, we need to give the skills and tools to identify the issues.

I'll go back to my language example, earlier. You said communities are getting additional dollars for language—the money is flowing—but there hasn't been any sort of work around the indicators for language.

Let's say a community, for some reason, can't hire someone or there are currently no elders who can support the language training that's needed or the teachers who are available, and the money isn't used for language. Is that money available for other purposes within the school system or are the dollars targeted for language?

Hon. Carolyn Bennett: Maybe Paula will help us with this. Language and culture tend to be put together, and one thing we know really works is for kids to be on the land and to get back in touch with their culture and their skills. That's where a lot of them learn the language, so we are very keen for kids to be in programming in July and August, if they can be, so that they are learning language and culture in supervised programs, and maybe they can be off for hunting season in the spring and the fall.

We have to do an indigenous pedagogy that includes a different school year but that also embeds language and culture in every subject and every year.

Mrs. Cathy McLeod: Certainly in northern Ontario, that was the message in panel after panel, no question.

If a community gets an extra \$50,000 for language and culture and we're not making sure that the community knows it has the money, because there's no transparency necessarily, then you're responsible for making sure that this support, this additional money, is spent on language and culture.

So, what's happening?

Ms. Paula Isaak: I'll just add that the communities can decide how to use that language and culture money, in a broad way, and it can touch on many different things. It isn't necessarily just to hire a teacher. It can be for a language and culture program that can be very broad. It's part of their funding, so they can use it in a very flexible manner to meet their specific needs.

Hon. Carolyn Bennett: Part of what we're doing, Cathy, for communities that don't have the capacity is to have a smart board or to have an elder or a language teacher come in virtually into the virtual classrooms. This is also something we're very interested in and one reason we're really pushing on the connectivity piece so that if that capacity is not in the community, it can be available at a distance.

The Chair: Thank you.

The next seven-minute question is for Romeo Saganash.

Go ahead, please.

Mr. Romeo Saganash: Thank you, Mr. Chair.

I want to continue on first nations education. The estimates request an allocation of \$244 million in grants and contributions for additional investment in first nations elementary and secondary education. This is interesting, as in budget 2016, investments for K to 12 education were \$800 million, less than what was promised during the campaign. If you look at the numbers from previous years, previous government numbers, the Liberals would be delivering less over the next three years than the Conservatives' plan to invest in Bill C-33, and you remember that debate we had in the House.

Why is this K to 12 education money only being voted on and allocated well after the school year has started? They'll have to spend the money from now until April. Is that correct?

• (1655)

Hon. Carolyn Bennett: Paul's better at the rollout stuff. We had a fair bit of advice at the beginning about being able to invest in special education, language, and culture, until we can get these school systems changed and build the capacity for teachers and all of those things.

I think Paul knows how we're doing it over the year.

Mr. Paul Thoppil: With all due respect, notwithstanding the timing of this inclusion in the supplementary estimates, the department has been cash managing, and we've been sending the money out, as with the beginning of the fiscal year, for that very same notion of ensuring that there was no impact on this new September school season. First nation communities have had the money to prepare for the fall and benefit from this item.

Mr. Romeo Saganash: Okay. Thank you for that clarification.

Hon. Carolyn Bennett: Romeo, I would just say that the \$41.6 million you see, which looks like it had to be reprofiled, was the money that we'd hoped to put into building systems, which the communities weren't quite signing up for yet. We have to incent a few more to do that. That \$41.6 million will be there for whatever groups of communities want to come together to develop a system.

Mr. Romeo Saganash: How do you explain the supplementaries showing an investment of \$245 million in first nations education, when budget 2016, despite its shortcomings, promised \$287 million?

Mr. Paul Thoppil: That's what you just talked about.

Hon. Carolyn Bennett: That's the one.

Mr. Romeo Saganash: Is that the \$42 million?

Hon. Carolyn Bennett: That's the magic number.

Mr. Romeo Saganash: Okay, that's where it went.

With respect to family violence prevention and shelters, the supplementary estimates request an allocation of \$4.7 million for this program. Budget 2016 proposed \$33.6 million over five years, but it will only build five new shelters, with nothing offered in the far north for the Inuit. Do you believe that this is enough to meet the needs in this regard for the women at risk? We heard from NWAC at this committee not too long ago, who said this was far from enough.

Hon. Carolyn Bennett: We have to do more. This is what we're able to do. I'd love to know. We've had way more proposals for these five new ones. It's been astounding, the number of proposals we've had, based on what we thought was good, with five more shelters in the places that didn't have them.

How many proposals have you had, Paula?

Ms. Paula Isaak: We had 37.

Hon. Carolyn Bennett: We're able to do five. I don't think we've evaluated all of the proposals. When you are only able to fund five of 37 proposals, you know there's a lot more work to do.

Mr. Romeo Saganash: I'd like to understand, how you propose to achieve and meet those needs for women at risk. The report on plans and priorities informed us not too long ago that your department does not even track the number of women and children who access INAC for shelters. How do you do that if you don't even know or track the needs that are in place as we speak?

Hon. Carolyn Bennett: Paula has some numbers, but I think we know, in working with provinces, territories, and municipalities, that everybody wants to work together on this. For some of them, whether it's safe houses or other ways of going about finding safety in remote and rural communities, we're going to have to be a bit more creative and innovative because, as you know, in small communities everybody knows where the shelter is, and that's not safe. We're listening to communities to figure out what we can do to quietly fund safe houses and other things while we're determining the real need for the shelters. The number of beds has not always been the best indicator, or the occupancy.

• (1700)

Ms. Paula Isaak: We track the numbers. In 2014-15, as an example, we had about 2,800 women and about 2,800 children who accessed shelters. The challenge with developing a target is that you don't want to develop a target, in that we're not trying to achieve a number of people seeking shelter, if you know what I mean. We're trying to be careful about creating an appropriate target for women and children seeking shelters, but we do track the number who access it.

Mr. Romeo Saganash: Just to go back to your previous answer on first nations child and family services, we have the ruling, two compliance orders, and a motion in the House of Commons expressing the will of Parliament. The tribunal said that you need to fix this problem at the earliest possible opportunity, which came, in my mind, in the March budget, because the ruling came down in January. You responded with the words, we will do it "as urgently as we can". What's holding it up right now?

Hon. Carolyn Bennett: The tribunal did not put a number—

The Chair: We're out of time on that question. Maybe you can get it in when responding to another question.

Hon. Carolyn Bennett: Okay.

The Chair: Thank you. I appreciate it.

The next question is Mike Bossio's.

Mr. Mike Bossio: I'd be happy to give you the opportunity, if you want to answer that right now.

Hon. Carolyn Bennett: I think both the tribunal and Grand Chief Ed John, and everybody, knows that it's about reforming the system. The tribunal didn't put a number or a price tag on what—

Mr. Romeo Saganash: The experts did.

Hon. Carolyn Bennett: There was one proposal that put a number on it. Others feel that we have to make sure we're not reinforcing perverse incentives and that we have to get at the real reforms to keep families together. If the money could go to keep families together, that's our ultimate goal.

Mr. Mike Bossio: Thank you, Minister.

I want to say something about the transparency act, because I think it also needs to be said that it was a further exercise in paternalism. I understand the level of accountability that our colleagues on the other side were trying to achieve through the act, but I think we forget sometimes that it took us 600-plus years to get to the level of governance that we have achieved as a society, yet we spent a couple of hundred years tearing down the governance that indigenous peoples had when we arrived and then spent 200 years destroying their leadership in order to try to bring that about.

If we truly want indigenous communities to become accountable, it is only going to happen once we have community-driven self-determination supported by long-term stable funding that eventually, hopefully, is derived by indigenous communities themselves. Only when we can break the state of paternalism, and not until we can achieve a local reality in which indigenous people are setting their priorities, will the residents of those communities hold their own leadership accountable.

I really think this is at the crux of what we're trying to achieve as a government, that we need to download that accountability. That way, you're not going to have indigenous communities, every time something happens, point to Ottawa and say, "Fix it." They need to point to their own leadership, and I think that's what most want to do. They just need to have the opportunity.

I guess I would like the minister to come back to talk about what you're trying to achieve through the estimates, or how you're trying to bring this about. You touched on this earlier in your discussions and I'd like to give you the opportunity to expand upon that, because I know that's what your long-term direction is.

• (1705)

Hon. Carolyn Bennett: Thank you for that.

On the MOU that we signed with the AFN in July, the AFN has now struck the committee about what this relationship looks like. It's also examining the whole issue of accountability and transparency. Do they want a first nations auditor general? Do they want...? There are many different accountability frameworks that will be considered. It is also about the issue around own-source revenue, which actually isn't something that we have anything to do with. It is a matter of how they work together as a committee to come up with a plan that will work.

Mr. Mike Bossio: Thank you so much, Minister.

I'd like to pass the rest of my time over to Rémi Massé.

The Chair: There are three minutes remaining.

[*Translation*]

Mr. Rémi Massé (Avignon—La Mitis—Matane—Matapédia, Lib.): Thank you, Mr. Chair.

Welcome, Minister. I too would like to thank you for taking part in the committee's work and activities. Your presence is greatly appreciated.

I also thank all of your employees who, I know, work hard in order to prepare you to answer our questions.

I would like to go back to the topic of primary and secondary education. Two Micmac communities in my riding have put in place a Micmac language immersion program. This is to me an extraordinary initiative. This immersion program will allow the community to reappropriate its language and also to get back in touch with its culture.

In the supplementary estimates there is a request for \$244 million in grants and contributions for additional investments in education.

I would like to know what programs and activities will be funded through this supplementary estimate.

Hon. Carolyn Bennett: Thank you for the question.

One again, I congratulate the Micmac communities for their good work on their language and their immersion program. That is absolutely fantastic.

As for the additional funds, they will be used for language and culture programs. There is also education, special training...

Ms. Diane Lafleur: Specialized training.

Hon. Carolyn Bennett: We are talking about specialized training.

Ms. Diane Lafleur: That is correct.

Hon. Carolyn Bennett: This is training aimed at young people with difficulties...

The Chair: You have one minute left, Madam Minister.

Hon. Carolyn Bennett: ...and special needs. There are also programs to ensure the children's success. There is also...

[*English*]

my favourite French word

[*Translation*]

...everything involving literacy.

Mr. Rémi Massé: Bravo. That is very good.

[*English*]

Hon. Carolyn Bennett: I don't know how many syllables it has, but it's a mouthful.

[*Translation*]

Ms. Lafleur, did you have something else to add?

Ms. Diane Lafleur: If this is what you want and what interests you, Mr. Massé, we can indicate the amount of funding for each school level.

Mr. Rémi Massé: You could send us the information later.

Ms. Diane Lafleur: We can send it to you afterwards. It will be my pleasure.

Mr. Rémi Massé: Thank you.

Mr. Chair, may I ask one last question?

The Chair: I am sorry, but your time has elapsed.

[*English*]

We're going to five-minute questions now.

The next question is Arnold Viersen's, please.

Mr. Arnold Viersen: Thank you, Mr. Chair.

I'm going to go back to the transparency act here. It seems interesting that you haven't repealed the transparency act. It seems like a basic democratic rule, the rule of law, but by not enforcing it, you're indicating that there are some laws to be followed and some laws that aren't to be followed.

I understand that you have other priorities, and that's laudable, but it's also interesting that the very first piece of legislation that we deal with has three—Perry Bellegarde, the Native Women's Association's interim president, Francyne Joe, and the Quebec Native Women association—who all come out against it. I push back against the idea that it's paternalistic to demand transparency on fiscal issues. Could you comment on my assertion that the very first democratic principle is the principle of the rule of law?

• (1710)

Hon. Carolyn Bennett: That's a great question. As you know, we committed to a full review of all the laws and programs in terms of making sure that they honour the rights of indigenous people in Canada. The review of the laws is taking place, but it has to be done in partnership with first nations, Inuit, and Métis. It's not only the laws in my department.

I made a decision not to punish first nations' communities because by doing that, you punish the people. Enforcing it meant that there would be fewer program dollars for education, housing, all of those things, so we elected to put in a review. Obviously, it's a priority. We also want to make sure that we're working with first nations to develop a transparency and an accountability plan to replace it.

Mr. Arnold Viersen: It seems that the very first piece of legislation you bring out is Bill S-3, and they're already claiming that you're not doing that for that. Why are you not enforcing the law on the transparency issue while you're consulting, but they're saying on Bill S-3 that you didn't even consult? How can we have the some confidence that you're doing that?

Hon. Carolyn Bennett: I look forward to a long conversation about that next week, but as you know, Descheneaux is a little different because it's court ordered—

Mr. Arnold Viersen: Oh, I know.

Hon. Carolyn Bennett: —and we have to have an amendment to the Indian Act by February 3.

Mr. Arnold Viersen: Yes.

Hon. Carolyn Bennett: Again, we consulted with the people affected but we are going to do better. We are going to begin consultation on all the other discrimination in the Indian Act on February 4. We will begin the consultation because this one—

Mr. Arnold Viersen: But that's no consolation for Charmaine Stick, who is on a hunger strike right now to get the information from her band.

Hon. Carolyn Bennett: Yes.

Mr. Arnold Viersen: That's what I'm getting at. Your department is \$9 billion...and we need to ensure accountability in order that the people who are affected by these programs can have a look and say, "This money came to our area. Did it actually get spent on the things that it needed to get spent on?"

You said results-based, and I totally agree with you on that, but if we have no idea what money came and where the money went, we can never even judge whether that money had results.

This \$4.2 million had amazing results. They went for a trip down to Las Vegas. That's results; it's not the results we're looking for.

Hon. Carolyn Bennett: We do recipient audits all the time and first nations have to deliver their audit statements, their performance to us. As we've said many times, any member of any community who can't get it from their band is able to get it from us.

My understanding—

Mr. Arnold Viersen: This goes back to my initial question.

Hon. Carolyn Bennett: Bands have the right to share it with their members, but not allow their members to remove it and share it with other people like the Canadian Taxpayers Federation.

Mr. Arnold Viersen: So this is my quick answer on this—

Hon. Carolyn Bennett: I believe, in that situation, there is some disagreement.

Mr. Arnold Viersen: The big question I have here is, are you responsible to ensure that government funds are spent appropriately at the band level? Is that your responsibility?

Hon. Carolyn Bennett: That's what Paul does, and Paul works with me, so yes.

The Chair: We're out of time.

Hon. Carolyn Bennett: He's really strict about it, too.

The Chair: The next question is from Rémi Massé.

[Translation]

Mr. Rémi Massé: Thank you, Mr. Chair.

I would like to thank my colleague Mr. Rusnak who is allowing me to continue with my questions on education.

Madam Minister, you spoke about this earlier, but could you remind us of the steps your department has taken to identify the gaps between the educational needs of first nations and the investments in it? How are we going to fill those gaps?

It's a big question.

•(1715)

Hon. Carolyn Bennett: These gaps are a very important issue, but there's also the fact that only a third of students obtain their high school diploma. At this time, literacy and the ability to read at levels 3 and 4 are very important goals.

[English]

Being able to make that transition from learning to read to reading to learn is important. If kids can't make that transition, they fake it until they drop out in grade 8 or 9. It's really important, and in some ways that's what the Martin initiative is all about, actually making sure that kids are able to read and then are able to learn.

What's been interesting is that in places like Iqaluit or other places with the immersion program, it seems that if you have a language nest, like in New Zealand, kids attain language skills fairly early in preschool. They're actually able to learn and read faster. In Iqaluit, the grade 1 and 2 teacher would say she had to completely change her program because the kids were arriving from kindergarten ready to learn and able to read, in some situations.

Those are the kinds of results that we really want and the measurable indicators. I was in a school the other day where they were making comparisons to the provincial standard, and how close they were to the provincial standard at reading levels in grade 3. Those are the kinds of things that really matter, as these principals and educators are evaluating their programs.

[Translation]

Mr. Rémi Massé: Thank you, Madam Minister.

Concerning youth employment, once again, I will refer to my riding because I know it well. In my riding the unemployment rate is 17%, but it is three or four times higher in Micmac communities. This is a serious issue. Even though the Micmac communities are relatively close to one another, it is very difficult for young people to find jobs.

If I remember correctly, the supplementary estimates are allocating \$38 million to the Youth Employment Strategy. I would like to hear your thoughts on the program and the activities your department will put in place under this strategy with that \$38 million.

Hon. Carolyn Bennett: The supplementary estimates will allow 3,196 more aboriginal youths to participate in the program.

[English]

Almost 4,000 more youth participate because of this budget.

[Translation]

Mr. Rémi Massé: Thank you.

[English]

The Chair: You have 20 seconds, Rémi.

[Translation]

Mr. Rémi Massé: Fine.

Minister, I thank you once again for your availability.

Hon. Carolyn Bennett: Thank you.

[English]

The Chair: Mrs. Stubbs.

Mrs. Shannon Stubbs: Thank you, Mr. Chair.

I want to make a comment on the discussions that have been happening around the First Nations Financial Transparency Act. When I visit with communities, I see gaps in housing, road and water infrastructure, and education. They very much want to have access to the spending and salaries in their communities, to which all other Canadians are entitled and can access easily.

I want to read a quote from a resident of Onion Lake. I know that you're very familiar with what is going on in Onion Lake and the advocacy from Charmaine Stick. I represent half of Onion Lake, which crosses the border between Saskatchewan and Alberta.

A local resident was quoted in our local paper saying:

We feel it's important that our people need to know as far as accountability and transparency, in that area. When there was an announcement made this year stating the fact that the nation won the first part of the lawsuit against the government (against the First Nations Financial Transparency Act), we still feel it's important that the people, the grassroots people, need to be aware of the financial transparency as far as us with the nation.

I find it totally distressing that we acknowledge gaps in capacity, that we recognize the vulnerability and the socio-economic challenges, and lack of access to education as individuals among first nations communities, which are disproportionate to other populations across Canada. Then our answer to them, about getting very basic information about spending and meeting priorities in their communities, is that they should call the cops, call the minister's office, or launch a lawsuit.

I think that's crazy.

• (1720)

It is very upsetting, as a person who represents first nations people in communities across the riding who face all of the gaps and all of the challenges that we all acknowledge are there.

Moving on to the issue of jobs, I know that members are probably familiar now with the case of the Vegreville immigration case processing centre. It will be closed with no cost study and no consultation, no economic impact assessment. It's being removed from the small town of Vegreville.

I just want to put on your radar, Minister, that there are a number of first nations people who work in that office, and they will not be able to commute in order to maintain their jobs in Edmonton. That's just so you're aware of that.

On the issue of jobs in the federal public service, I understand that the CBC reported on November 21 that the government has plans to hire 278 people in this department in this fiscal year. Is that accurate?

Ms. Diane Lafleur: Yes.

Mrs. Shannon Stubbs: I want to know if you know how many will be indigenous Canadians. The CBC said that 117 new workers have been hired so far, and just 21 are self-identified as indigenous people. Is that accurate?

Hon. Carolyn Bennett: I think Diane will take that.

There's no question that we have to do better. The language requirements are a problem.

I think Diane is going to explain the strategy.

Ms. Diane Lafleur: Thanks for the question because it's a very important one, and it's one that we're very committed to.

We, as a department, have an objective of having a 50% indigenous workforce. We're right now at 29%, if I'm not mistaken, so we clearly have work to do. We have put a number of programs and initiatives in place to boost our numbers, not just in terms of recruiting but also of retaining. It's one thing to get, whether it's students or other indigenous workers into the department, but we have to make sure we're making it an attractive place for them to work over the long run.

We have been working both with our indigenous workforce but also with our collective bargaining agents, etc., to put in place a kind of wraparound support to make ourselves a more attractive place to come and to stay.

Mrs. Shannon Stubbs: I think the promise of 50% of the department's workforce being indigenous goes back even to 1996.

I appreciate that they are long-standing challenges in hiring. I will just let you know a comment from a first nations woman with two degrees. She said she's repeatedly applied for a role in the department. She said, "For me, it is extremely frustrating, not just as an individual who is more than qualified and looking for a career, but on a larger scale, I find it frustrating for all indigenous people and for Canada as a whole." Here we have a new government that talks about a nation-to-nation relationship and engagement and all that good stuff, and she says, "It seems like the whole 50% policy is just lip service."

I wonder if you could maybe give us some more details on what steps will be taken to increase indigenous people—

The Chair: We're out of time.

Ms. Diane Lafleur: Can I submit that maybe we can get back to you on some of the initiatives we have in place?

Mrs. Shannon Stubbs: Perfect, thanks.

The Chair: Thank you, Diane. We're out of time.

I think we've heard our last question today.

I have to communicate with the committee members for a moment. We have the question of the votes in support of the subsidy. They're actually moot, because the deadline for reporting to the House is tonight and the soonest I can report the results is tomorrow. If we wanted to affirm our position one way or the other, I'm happy to do that. That would still get reported, although without impact in the House.

My question to members is on whether you would like to have a vote, or should we just gloss that one away?

• (1725)

Mr. Mike Bossio: Don't worry about it.

The Chair: I think what I'm seeing is that we don't need to have the vote.

With that, I would like to thank Minister Bennett, Mr. Thoppil, Ms. Lafleur, and Ms. Isaak for your time and comments today. It was very much appreciated.

I'm looking for a motion to adjourn, please.

Mr. Don Rusnak: I so move.

The Chair: The meeting is adjourned.

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